

The continued growth of oreo



Oreo can be satisfying more than just the drive (hunger). Oreo satisfies the nurturing need example, a mother having difficulties in feeding her 4 to 6 years old child with some nutrition food, can consider Oreo to feed her child with a sip of milk. Oreo satisfies the imitation need example, kids watching the Oreo ad on TVs while the other kids are enjoying twisting, that cookies licking and dunking the cookie into a glass of milk. This forces the that cookie right away and imitate the same steps. Oreo also adults like to have fun once in a while individually or even with their kids.

Growth in the Saudi Arabian biscuit market is being driven mainly by two factors. Firstly, the marked increase in advertising spend by multinationals such as Nabisco, Master Foods and Danone. Secondly, the popularity of emerging products such as chocolate-coated biscuits and bread substitutes, which have recently been launched in the market. Research has shown that biscuits, particularly sweet biscuits, are generally sold at low prices, averaging between SR0.25 and SR2 (US \$0.06-US \$0.53), or a single-serve pack and enjoy excellent distribution in all outlets.

The biscuits sector is highly developed owing to the strength of the local industry in Saudi Arabia, represented by large manufacturers such as United Food Industries. Oreo sales showed a fluctuating result during the past 13 years. When Oreo initially was launched into the market, sales increased to a high extent for about 3 years but then sales decreased for a long period during 1997 to 2002. Oreo marketing became aware of their losses and immediately went back to action and changed their marketing mix and started to introduce several different new products. This effort resulted with high sales in 2008. Sales were amounted to \$4 billion and market share 41%.

2. 0 Background Oreo

3. 0 Marketing Mix

3. 1 Product

The basic design of an OREO cookie has not changed since its introduction: two round chocolate cookie wafer joined by sweet vanilla crème filling.

3. 2 Promotion

Key factors in the continued growth of OREO are the brand's award-winning advertising and best-in-class consumer promotions. The brand's approach to engaging consumers stays true to its essence: creating connections through the classic OREO and milk ritual that brings people together in moments of childlike delight. Whether it's twisting, licking, dunking, or a combination of all three, OREO offers everyday moments of connection that other snack brands cannot match.

Throughout the years, the brand has brought to life the powerful OREO and milk connection in a number of innovative advertising and promotional channels. One unique example is a panoramic elevator in a shopping mall that dramatizes the traditional OREO and milk connection: a picture of an OREO cookie on the elevator dunks into a glass of milk as the elevator descends. Because the OREO and milk moment is central to the brand's identity, the advertising tagline was switched from "America's Favorite Cookie" to "Milk's Favorite Cookie."

Another unique trait of OREO is the brand's unified worldwide marketing strategy. While the communications are translated and adapted for local cultures, the core communication of special moments of childlike delight enabled by the TWIST, LICK, AND DUNK ritual using an OREO and milk is consistent across the globe.

With significant investment in promotions and public relations, the OREO brand has forged strong, lasting connections with consumers. Two signature marketing programs over the last 10 years have been the OREO Global Moments contest and the Double Stuf Racing League.

In 2008 the brand hosted the OREO Global Moments contest, which asked OREO fans around the world to submit videos depicting a special OREO and Milk Moment. Consumers from eight different countries on four different continents entered videos depicting a wide range of OREO and Milk Moments. From original OREO-themed songs and animated skits to family lessons on OREO dunking techniques, fans showed their passion for the brand with every video submission. The winning video, which depicted a little girl giving her last OREO cookie and a glass of milk to a soldier, was featured on the YouTube homepage for a day.

OREO recently energized the popular act of twisting, licking, and dunking by launching the Double Stuff Racing League ("DSRL"). The DSRL is a different way to enjoy the classic OREO cookie and milk ritual. It's a fun activity that family and friends can enjoy together, racing to see who can finish an OREO DOUBLE STUF cookie and glass of milk the fastest. Racers twist their cookie open, lick off all the crème, dunk it in milk, eat the cookie, and drink the

glass of milk. The first to finish twisting, licking, and dunking wins.

Commercials in recent years have featured numerous celebrity athletes as DSRL athletes, which has driven significant media attention to this unique campaign and resulted in very positive consumer response. OREO DOUBLE STUF consumption has grown almost 10 percent since the launch of the DSRL in 2008. 4

In keeping with the changing media landscape, OREO has elevated its strategy by connecting millions of passionate fans to each other (and the brand) through social media. Social media networks such as Facebook, Twitter, and YouTube are ideal tools for a brand like OREO, whose strategy is rooted in connecting family and friends. The brand's foundation of connections in combination with the global reach of OREO lends credibility to the two-way conversations that social media platforms enable on a daily basis. Consumers who "like" OREO on Facebook also receive brand updates, such as exclusive behind-the-scenes content from OREO advertising shoots and new product news. By embracing the new opportunity to connect with consumers, OREO has emerged as a leader in social media and currently hosts one of the largest consumer packaged goods-branded Facebook pages.

5

Whether it's through social media or lick racing contests, OREO is reaching consumers through award-winning advertisements, unique promotions, and public relation campaigns that continue to build the OREO brand equity.

3. 3 Place

3. 4 Price

<https://assignbuster.com/the-continued-growth-of-oreo/>

4. 0 Suggestion Marketing Mix

Product:

Develop new sandwiches which contain less calories, less fat, less cocoa powder and less salt.

Customer has been complaining about the packaging for the past years. And in order to overcome this issue, the package should be given a new look to attract more customer.

The labeling should be clear and nutritional information should be specific and not hypothetical such as “ May contain milk protein”!!!

Price:

Maintain their current prices.

Maintain a fixed price for all specific products overall the Riyadh market.

Place:

Oreo should improve their market existence. Example: In Hail-Al-Wazarat, his cold stores “ Bagalas” don’t have Oreo products.

Promotion:

Their promotions haven’t shown much about their organizations, TV commercials were for a short time and ever since they haven’t shown any other particular promotions.

They should get in contact with Advertising Agencies for better improved commercials.

Their websites provide less information about the whole organization (Internal /External).

Aim for different promotional medias as Bill boards, Flyers, etc.....

5. 0 Conclusion