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Executive Summary

The chocolate industry in Australia is one of the largest profitable markets nationally and is growing steadily day by day. In 2019 the market was standing at 1.39 billion dollars, and that number is expected to grow by 7% by 2026. Australia has started to increase its focus on the chocolate industry, consumers have shown major growth in the consumption of chocolate in the last few years, and the demand is still rising, especially for niche product categories like organic chocolate products. Moreover, the industry has seen an increase in the focus of different chocolate manufacturers as they are offering new and innovative products consistently. To analyze the chocolate industry in detail, Donald B chocolate, a famous product maker in Australia, is chosen. This paper will identify the objectives, issues and market logic of Donald B. It will further talk about the segmentation, targeting and positioning strategies. It will also talk about the marketing mix i.e., 7 Ps of marketing. It will then evaluate the overall position of Donald B and elaborates its value proposition statement. This report will also suggest appropriate marketing mix strategies for Donald B

Company Introduction

MSH, a famous Pet food maker, is one of the five widely acclaimed pet food maker companies. It aims to provide the pets of their customers with the best and most premium pet food experience. The main purpose of this organization is to become an effective brand in the Pet food market which delivers healthy and quality per food. MSH pet foods have proven periodically that they are able to provide premium quality per food to the consumers beloved friends i.e., house pets. The company competes with other big and established names in the pet food industry such as Hill's Pet Nutrition, P&G Pet Care, Nutro Products Inc. and Nestle Purina Pet Care, and the competition grows higher with every passing day. As the market is highly competitive as well as the competitors are introducing new products such as Busy Bone by Nestle, and it is extremely hard to remain competitive in such dynamic environment. Still, the company has managed to keep on top of its game by having a quick response time to the changing needs of the house pets. They do this by evaluating the needs of the house pets and creating products that will prove to be beneficial to them.

The pet food in the market generally seems to be dry and wet with not much variety and taste. MSH by evaluating the market and incessant research reached a conclusion that house pets also need variance in their food and they enjoy different tastes. The company believes in this and sells it with personality and significance, which has enabled the brand to take a strong position in the market and create its own identity (De Pelsmaeker et al., 2015). Apart from those, MSH offers pet food at a very economical rate. Pet food that tastes amazing and is also exceptionally well-priced blows the consumers as well as their house pets away. This value provision attracts them to the stores and contributes to boosting the sales of the product. The company provides taste, class, refinement, and sophistication, all of that in an environment friendly packaging,

making the pet food what it should be. In the beginning, the value proposition of MSH was different with the provision of simple classic pet food, but that changed when international brands threatened to take over the local markets with better and different pet foods such as dry and wet; cat specific and dog specific and fancy feasts and so the brand upped its game and became what it is today.

MSH is introducing the new product “Cat-a-wow” made up of different organic ingredients. Though the competitors have introduced Friskies which are made up of ocean fish and tuna however, MSH is aiming at introducing meat, chicken and fish flavored pet food fried in different sausages. The MSH is

Objectives and Marketing logic

It is important for any organization to identify its overarching objectives and goals in order to define and devise the successful marketing goal. The core objectives of the MSH Cat-a-wow are as follow;

- Deliver flavored pet food and provide new flavors to the consumer’s house pet.
- Global expansion of the brand to increase the customer base

Marketing Goals

Marketing goals are specific goals and objectives elaborated in the marketing plan and they are used to measure the success of marketing strategy. The primary purpose of the marketing goals is to build and increase product awareness, generate greater leads and to grow (Berbel et al., 1991). These marketing goals are indispensable for a successful marketing strategy. The marketing goals of the Donald B are as follow;

- Building brand awareness in the global market

- Increase brand engagement
- Increased market penetration

These marketing goals are always measurable as well as practical because the marketing strategy is for long-term and it cannot be changed, rather revised periodically.

Market Segmentation and Targeting



Market segmentation is the marketing strategy through which the broad target market is divided into subsets of consumers. In other words, the brands divide the target market into various components such as consumers and countries who have common requirements and needs, demands and priorities in order to design a successful market strategy and its implementation (Beane & Ennis, 1987). MSH pet food segmentation will be divided in three components i.e., Psychographic, behavioral and demographic segmentation.

- **Psychographic Segmentation:** in psychographic segmentation the market is divided into various groups based on lifestyle and social class (Lin, 2002). As the Cat-a-wow is for cat lovers and Dog-a-wow for dog lovers, MSH segments the market into two categories and focuses on delivering the premium and healthy pet food to cat and dog lovers thus targeting a specific social class.
- **Behavioral segmentation:** in behavioral segmentation the brands divide the consumers based on their behavioral patterns. The behavioral segmentation of the MSH pet food will focus on the relationship between the pet and its owner. Dog people put emphasis on the health and nutrition while cat people look for quality and freshness.
- **Demographics segmentations:** The market segmentation on the basis of age, gender, income and area is known as the demographic segmentation (Lin, 2002). MSH aims at targeting the consumers of age group from 25 and above including all the genders. The foremost emphasis will be on age group 45-65 as they account for the majority of pet stores revenue. As MSH aims at targeting the pet lovers, the prices will be economically yet competitive.

The targeting in marketing can be defined as the particular group of the consumers at which the product of service is aimed by the brand (Moschis et al., 1997). The target market of the MSH cat-a-wow and Dog-a-wow will depend on its market segmentation strategy that the Cat lovers and Dog lovers of the society who are 25 and above will be targeted.

Positioning Strategy

The market positioning strategy can be referred to the brands capability to influence the perception of the target consumer regarding a product. The aim of the market position strategy is

to establish and develop a brand image so that the consumer perceives it in a certain specific way (Iyer et al., 2019). The market positioning strategy of the MSH Cat-a-Wow and Dog-a-Wow will emphasize on promising a unique taste in distinguished form. As MSH creates finest pet foods enriched with organic ingredients to captivate the pet owners thus providing them a moment of satisfaction and security. The MSH targets specific pet lovers class i.e., dog lovers and cat lovers thus the quality of the Cat-a-Wow and Dog-a-Wow will match the price.

7 Ps of the Marketing Mix:

The marketing mix is the amalgamation of the factors which are controlled by the brand in order to influence its consumers to buy the products (Borden, 1964). A marketing mix includes various factors which are fundamental parts of the marketing plan. The 7Ps of the marketing mix encompasses Product, Place, Price, Promotion, Physical evidence, People and Processes. MSH Cat-a-Mewow and Dog-a-Wowo marketing mix strategy will be as follow;



Product

MSH Cat-a-Mewow and Dog-a-Wowo will be made up of different and organic ingredients including fish, meat and chicken. The Cat-a-Mewow and Dog-a-Wowo will be crunchy and stick-shaped which is easy to consume by the pets. The Cat-a-Mewow and Dog-a-Wowo will be wrapped in a recyclable bag made of plants with the MSH logo and picture of a Cat and Dog respectively. The bag will be blue for Cat-a-Mewow and yellow for Dog-a-Wowo because cat loves blue color while dog is attracted to yellow.

Place

The placement of the product plays crucial role in the success of marketing plan. Through this placement the brand is able to reach to its target consumer more effectively and subtly. Brand generally emphasize on the product placement in order to increase the brand awareness and, captivate and engage new consumers. As the target consumers are frequent visitors of the big super markets and store, MSH Cat-a-Mewow and Dog-a-Wowo will be placed in all the major super markets around the globe in order to captivate the target consumers i.e., pet lovers and create a flavored cat and dog food awareness. The Cat-a-Mewow and Dog-a-Wowo will be placed at pet shows thus captivating a larger pet lovers market. It will also be placed at designated pet clinics.

Price

Setting up the right price for the product plays crucial role in creating a brand perception thus the prices of the products should always reflect the consumers perceived value regarding the product. The price of the Cat-a-Mewow and Dog-a-Wowo will vary and depend on the size of the bag. As MSH aims at delivering best quality at economical rates, the prices will be relatively lower than that of competitors. However, the prices will be competitive and not underpriced

which the consumer confuses with low quality. The prices will match the quality as well as the quantity of the MSH bag.

Promotion

Promotion refers to the marketing campaigns run by the brand in order to communicate with the consumers and promote the product through various channels to create awareness among the target market. Brands generally run advertising campaigns on TV channels and billboards. However, the dimensions have changed, nowadays brands use social media channels for their marketing campaigns. The promotional techniques are critical in creating awareness about the brand, wrong placement of the message at wrong time or communicated to a wrong individual will create troubles. Thus the promotional strategy of the MSH's Cat-a-Mewow and Dog-a-Wowo will be focus on the social media channels where the target market is easily tapped and captivated. The brochures will be placed on the tables of the clinics to create awareness regarding advantages of flavored pet food. Not only this but the ads will also be displayed on main billboards thus subliminally captivating the pet lovers attention.

Physical Evidence

The physical evidence in the marketing refers to every aspect the consumer observes while interacting with the product. It mainly includes the physical environment where the product is placed or where the services are provided. It also includes the interior designs and most importantly the packaging of the product. The physical evidence is of profound significance as if the consumer struggles to find the product, they may opt another option. The physical evidence demonstrates how the brand want to be perceived and seen by its consumers. MSH's Cat-a-Mewow and Dog-a-Wowo will be placed at big super markets which have sophisticated interior designs and an easy access to every product. The pet clinics also have unique interiors

designs thus it will positively impact on the consumers as well the packaging will attract the pets as well.

Process

This term refers to the process involved in the delivering of the product to the consumers. It includes same quality delivered every time and the product is readily available so that it saves the consumer's time. MSH will ensure that the quality of the Cat-a-Mewow and Dog-a-Wowo will be same whenever delivered. As the target market is pet lovers class, they are conscious about their pets and about the quality of the product and usually they prefer the quality products rather than quantity.

People

People include the staff and brands salesperson and customer services. The provision of exceptional customer services creates a positive impact on the consumers thus they become loyal and advocate of the product. MSH will hire professional pet vets in order to deliver excellent customer services thus creating a positive image of the brand that the consumer's house pets are valued.

Implementation of the Marketing Strategy

Market implementation is the process of moving from planning to reality. To be more precise, implementation implies bringing the plan to life (Cespedes & Piercy, 1996). Donald B's global expansion will be done through promotional campaigns run through entertainment TV series and social media channels such as Instagram and on the websites of exclusive clothing brands. For successful creating of awareness the chocolates will be placed on International airports so that the consumers can enjoy the chocolate during their hectic journey. The social

media team will be hired to increase the consumer engagements. The online web store will be created so that the consumers can directly order or send gifts to their loved ones.

To decide when it will be done, the stake holders will be taken on board and the marketing plan will be communicated to them. They will be asked to evaluate the strategy and choose the appropriate timing. The most suitable time will be Christmas eve as the value proposition states that spreading joy and bringing the people closeness to the people.

The teams will be hired and different distribution channels will be selected in order to distribute the chocolates around the world. The social media team will be hired to create brand awareness and run advertising campaigns. The managers will be appointed to look after the implementation of the marketing strategy. The costs will include the social media advertising campaigns and the creation and maintenance of the web store. The costs will also include the contractual costs with multiple distribution channels.

The overall marketing strategy implementation will be controlled by the managers such as marketing and general manager. They will look after the implementation and periodically evaluate the performance of marketing strategy and identify if there is a need of improvement.

Value Proposition

A value proposition refers to the statement which summarizes why a consumer will choose the specific product. It clearly demonstrates what makes you different from the competitors (Payne et al., 2017). Following is the value proposition statement of the Donald B

“Chocolate that tastes amazing and is also exceptionally well-priced blows the consumers away”

The value proposition of the Donald B emphasizes taste of the chocolate with prices which captivates the consumers. It clearly manifests and communicate the message and purpose of Donald B chocolate.

Overall Evaluation of Donald B

While critically evaluating the overall situation of Donald B, it provides us insights into where does the brand currently stand and how it can improve. While examining the overall strengths of Donald B it can be deduced that Donald B is already enjoying the consumer's loyalty and large consumer base in Australia. Likewise, the effective and efficient production also provides an edge to the brand. Most importantly the geographical locations provide a benefit to the brand and it will assist the brand in global expansion. The marketing techniques also proves to be beneficial. Contrary to this, the brand is currently providing its chocolates in one market only, and this has created accessibility issues that the brand is unable to easily acquire the exclusive ingredients. In addition to this, sometime the demand is higher which Donald B is unable to cater due to less production capacity. Likewise, it appeals only specific target market which is brand conscious as well as the require higher quality products. Though Donald B is facing multiple issues, there are few opportunities which, if exploited, will prove to be beneficial

for the brand. As the chocolate lovers are all around the world, Donald B has an opportunity to introduce its chocolates in international markets. There are ample opportunities to expand its operation to different states where the target market seeks different and new products. Donald B can also create its production units in Asian countries where there are low tax rates, higher consumer market and easy access to exclusive ingredients. It can also introduce its products in the countries where the tourism is relatively high such as Maldives Island, Dubai and The United States. Limiting to Australia threatens the position of Donald B as the competitors having greater global market share are penetrating the Australian market.

Suggested Marketing Mix Strategy

Product:

Donald B's chocolates will be made up of unique ingredients including almonds nougat. The shape of the chocolate will be bar style with four indents so that it will be easy to break them apart. This luxurious taste of the chocolate will provide an "aw" moment. The chocolate will be wrapped in a thin recyclable wrapper made of plants with the DONALD B's logo which will be colored in dark brown. The Donald B is a chocolate brand thus the product line will be Truffles and Bar chocolates.

Price:

The price of the chocolate bar will vary and depend on the size of the bar. As Donald B will deliver luxurious and exclusive chocolates, the brand will opt for value-based pricing in which the prices of the product are based on the benefits perceived by the consumer rather than cost incurred. The prices will be competitive and it will match the quality as well as the quantity of the chocolate bar.

Distribution:

The distribution strategy of Donald B will be selective distribution as the target market is specific and to cater them, Donald B will have to sell the products in limited and exclusive retails, hotels and bakeries. It will opt the indirect distribution channels in which the intermediaries such as hotels, supermarkets and bakeries. It will also opt the multiple distribution channel in order to effectively and efficiently deliver its products in different regions.

Promotion:

The promotional techniques are critical in creating awareness about the brand, wrong placement of the message at wrong time or communicated to a wrong individual will create troubles. The pull strategy will be the most suitable option for Donald B as it aims at creating awareness and captivate the consumers. The promotional strategy of the Donald B will focus on the modern advertising channels such as social media, where the target market is easily tapped and captivated. The brochures will be placed on the tables of the five star hotels to create brand awareness. The most effective promotional strategy will be entertainment promotional strategy through which the Donald B chocolate will be promoted through widely acclaimed TV series and Movies.

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