



Meeting Standards – Processing & Marketing Standards

Day Two – Marketing Planning

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Technical assistance on local farm advisory services
EuropeAid/135398/DH/SER/CY

NIRAS

Project funded by the EU Aid Programme for the Turkish
Cypriot community implemented by NIRAS IC Consortium



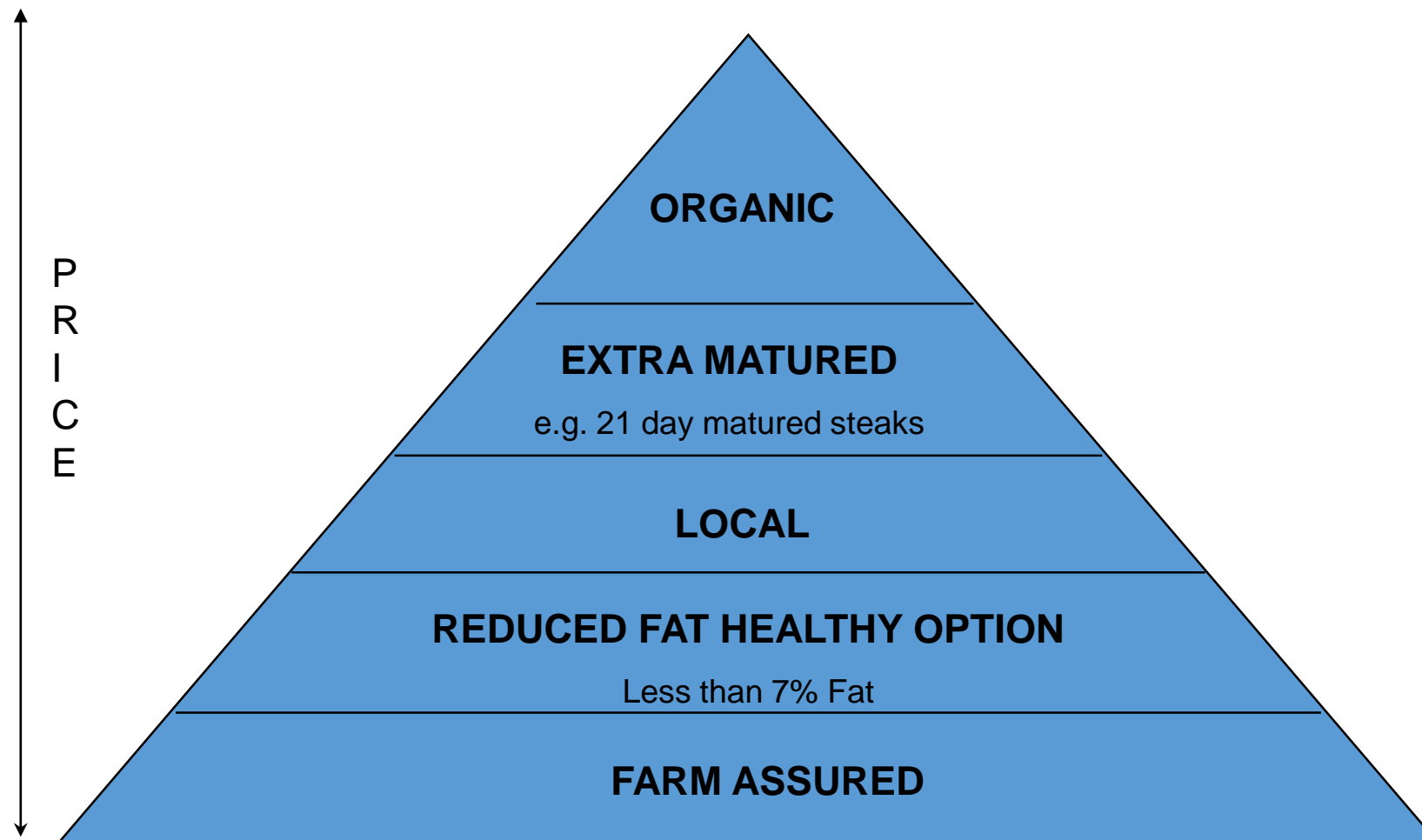
Strategy



- How are we going to do it?
- Focus on what needs to be done to achieve the objectives
- Key areas - 4 P's
 - **Product**
 - **Price**
 - **Promotion**
 - **Place**

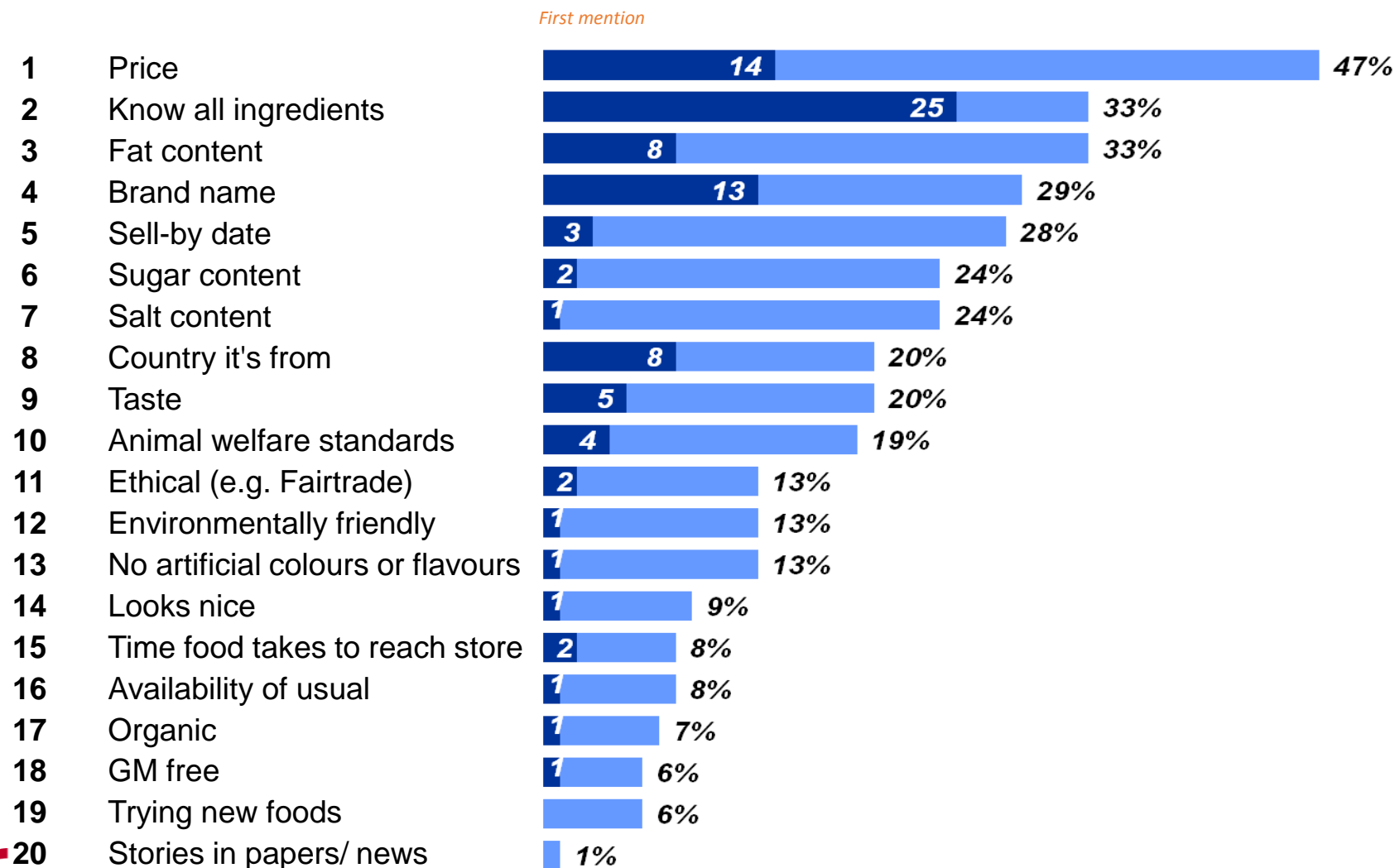


Product Range Pricing Example- Beef





Drivers of product choice

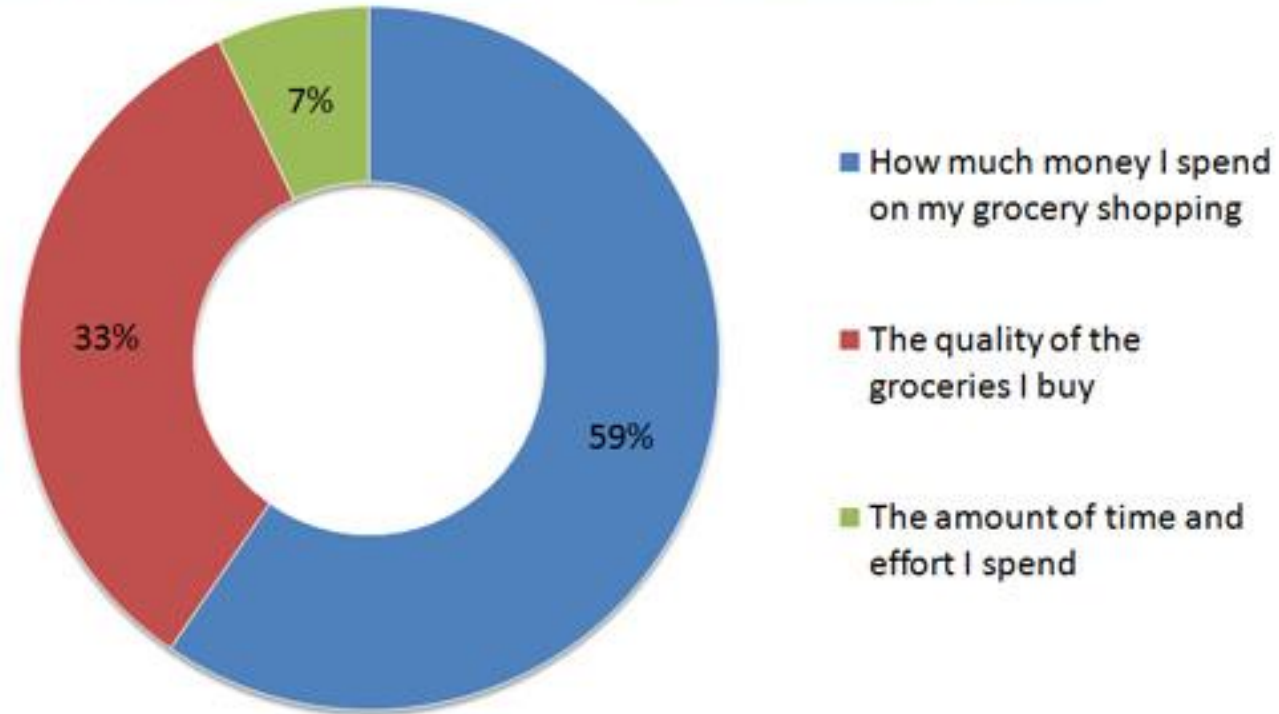




Drivers of product choice

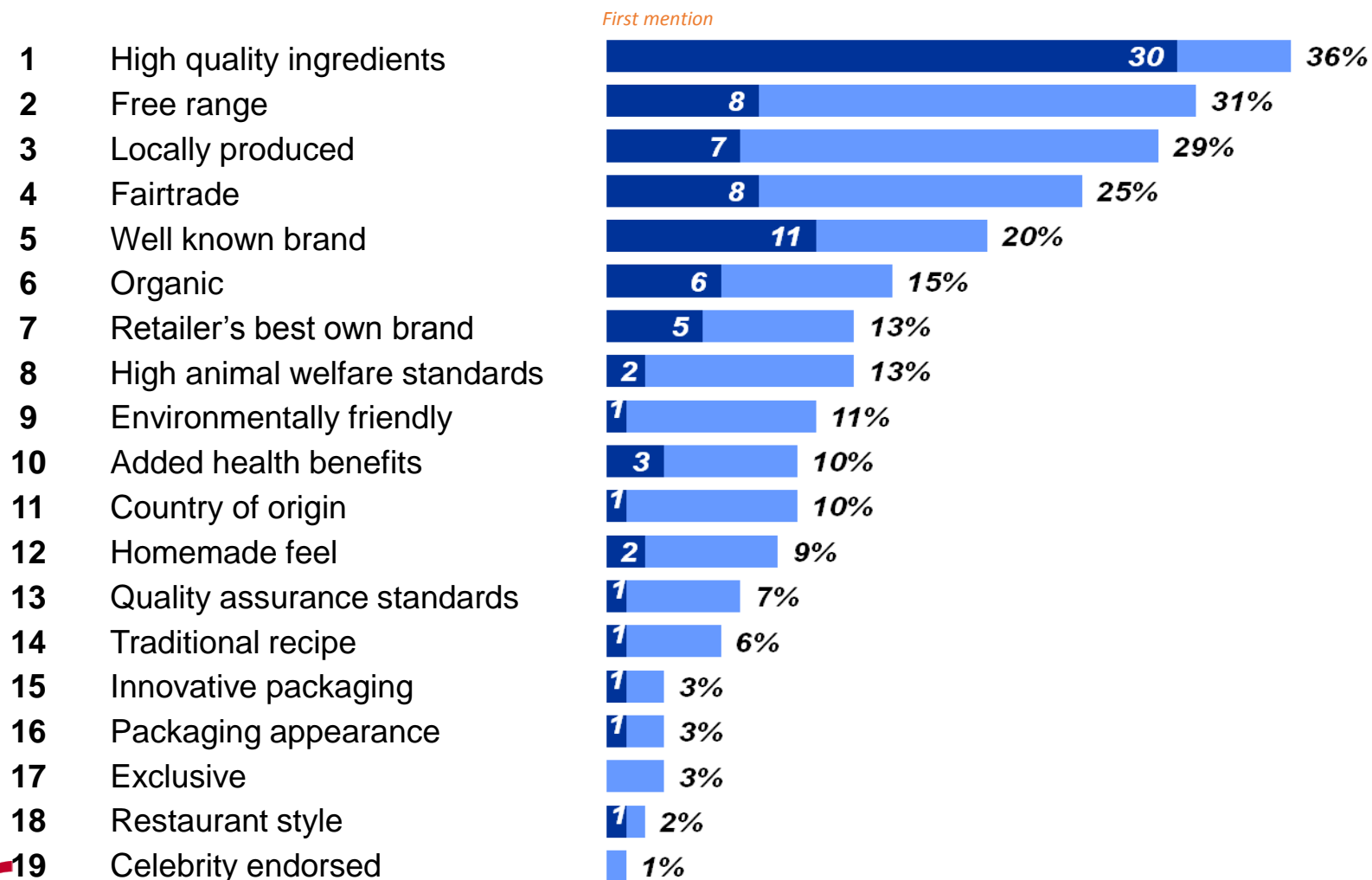


Shoppers' current priority? How much they spend





What are shoppers prepared to pay a bit extra for?





Understanding the market



- **Pricing & Promotions**
 - Price inflation has now levelled off
 - Consumer confidence showing signs of return
- **Promotional Offers**
 - Increase in interest – but convenience comeback?
- **Discounts**
 - Interest in small scale discounters has levelled off
- **Value with Values**
 - Retention of core principles



Consumer Issues



- Saving money?
- Switching products – but trading is not always ‘down’
- Healthy eating, functional foods
- Convenience when possible
- Cooking from scratch, and saving leftovers
- Online grocery shopping
- Eating ‘out in’ or ‘retail take-away’
- Value for money expectation

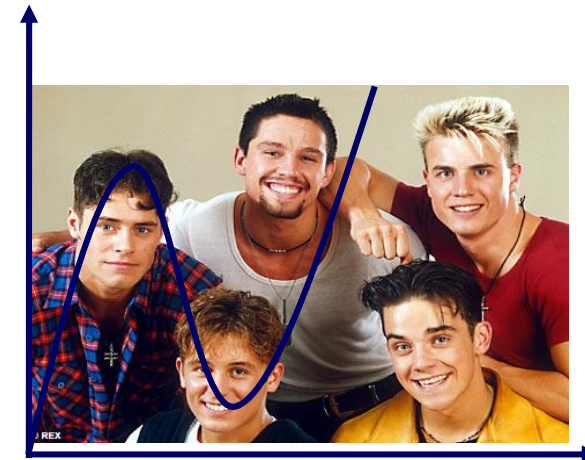
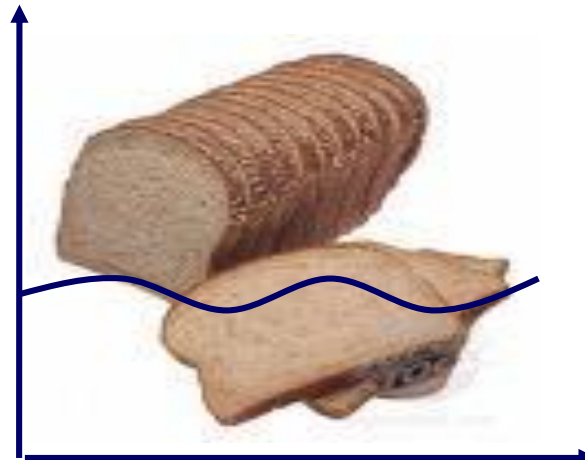
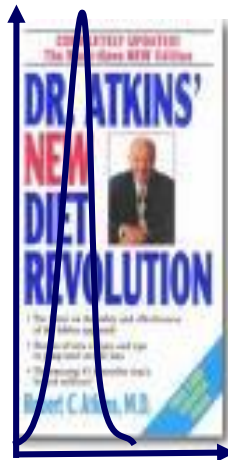


Using Market Research



Differing products will have differing responses from the market

Sales





Your Unique Selling Point



- What is it?
- Does it match market demands?
- Does it match customer requirements?
- How well protected is it?



Market Opportunity



- If market opportunity is looked at as a set of goalposts then the product development process will:
 - hope to bring them closer together.
 - target precisely and thereby reduce risk.

This process is totally adaptable for large and small businesses alike.



How do you do it?



- Concept - Ideally in a visual form
 - Research - Market research
 - Refine - Analysis of findings



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Promotion



- Includes all the activities the business undertakes to communicate and promote its products to the target market
 - Advertising, personal selling, sales promotions, direct marketing and public relations
 - Promotion is NOT the same as marketing!!



Promotion



- What are you trying to achieve?
 - Inform potential customer and consumers of your product?
 - Increase sales by a certain percentage
 - Improve market share?
 - Create or improve your brand recognition and acceptance?
 - Create a competitive advantage?
 - Improve your promotional efficiency?
 - Improve product loyalty?
 - Encourage repeat purchase?
 - Improve frequency of purchase?



Public Relations



- Public relations is the marketing communications function which carries out programmes designed to earn public understanding and acceptance - it is an integral part of the export marketing effort.
- Carefully planned campaign to receive favourable editorial mention - cheaper than using advertisements.
- Material often prepared on new products, new plants, accomplishments, personnel in the local market, role of company as local employer, contribution company makes to local/national economy.



Promotional Opportunities

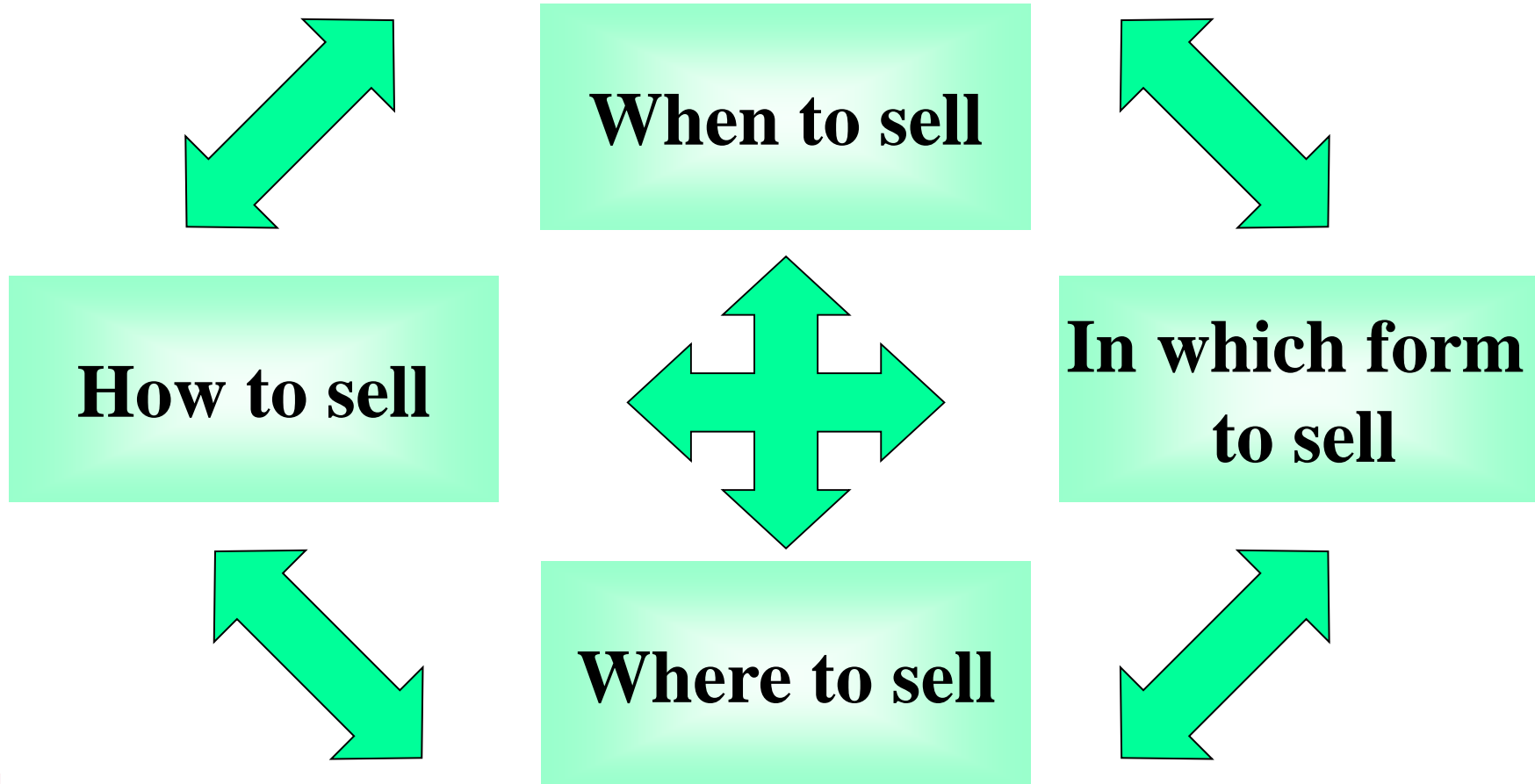


- Food awards
- Exhibition & event marketing
- Local products into regional outlets
- Locality marketing - linking with tourism

..... many other opportunities



The Place Decision





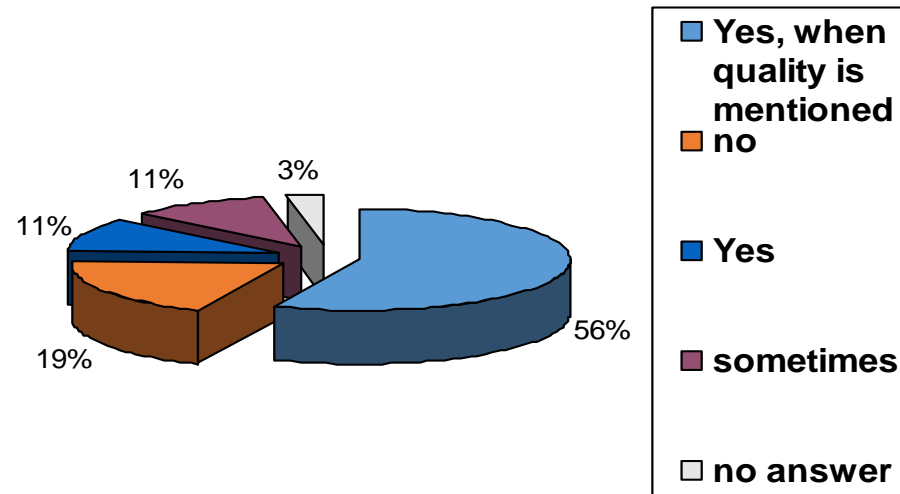
Factors to Consider When Setting Price



- Costs of producing and distributing the product
- What price the market will tolerate and accept
- Competitors pricing
- Level of of profit
- Margins potential customers are looking for
- Price elasticity of demand
 - Sensitivity of demand to changes in price
 - More elastic for branded products
 - Require loyalty



Can higher prices be achieved by higher quality?



- In one survey, only 19% of customers would not accept higher prices when higher quality is offered.
- 56% of customers are willing to pay more when higher quality is obvious or proven



Questions and Discussions