

AG BM 302**Food Products Marketing****Spring 2016****Prof. Scott Colby**

Guidelines – Marketing Plan

Timeline

- **Today 3/15**
- **Thursday 3/17** **Midterm**
- **Wednesday 3/23** **Product Idea Due**
- **Thursday 4/14** **Drafts Due**
- **Thursday 4/21** **1st Group of Presenters**
- **Tuesday 4/26** **2nd Group of Presenters**
- **Thursday 4/28** **3rd Group of Presenters**
- Peer Reviews Due**
- **Friday 4/29** **Marketing Plans Due 5:00 PM**

General information

You will develop a marketing plan for a food (or agricultural) product or service. The goal of this project is to offer you an opportunity to apply tools and concepts learned in class, in a simulated exercise where you will think about market opportunities and face some of the challenges that marketers of food/agricultural products and services face in today's complex and highly competitive environment.

I *highly* recommend that your product/service concept be related to one (or more) of the key recent trends discussed in class such as: food access, food security, local/region sourcing, the relationship between food and health, organic, sustainable, differentiation via third-party voluntary certification, enriched, fortified and functional foods, prevention of adult and childhood obesity. Your business idea can be focused anywhere in the food marketing channels, from farm-level to retail-level activities (you could even create a food retail/ service concept). Your business concept must be “yours”; you cannot market an extension of an existing product line by a large food or agricultural company. You can be inspired by actual product/services already in the marketplace but you must contextualize the product as if it was your own. In sum, you should be working with a product/service concept which can be developed and marketed at a small/medium scale.

Creativity and good teamwork will be crucial to succeed in this activity. Be creative in developing a new, original, business idea (a marketable one, of course) and ensure that you can justify your decisions. Developing a good marketing strategy is complex and writing a good plan will require some work ... roll up your sleeves and **good luck!!!**

Teams and Rules

- Your team has been randomly determined and assigned to you.
- Participation in a group is MANDATORY
- Each group should have a name and a team-leader. (Don't name your team your group number.) It is your responsibility to provide me with the name of your group and that of the team. The team leader will be responsible for communicating with me during the development of the plan, although my door is open to anyone who wishes to discuss ideas, voice concerns about the group, or get help. Consider myself a consultant.
- I strongly advise each group to be organized in such a way that someone is responsible for each area (i.e. a market analysis specialist, one member in charge of pricing strategy etc...). Being the team leader does not grant exclusion from other group responsibilities. Of course, group members may be responsible for more than one group and committees could be formed. For example, each area could have a committee of two people (2 people on price, 2 people on distribution, etc.).
- Not all the group members are required to speak at the presentation, although all group members must be present. Business casual attire is required for the presentation.

Grade

This project will account for 36 % of the course grade. A maximum of 200 points are assigned to the final plan, 60 points are from the presentation, and 100 points will come from peer evaluations.

Marketing plan: The score of the marketing plan will be obtained according to the following breakdown:

- 1) Product Concept (25 pts)
- 2) Analysis of the Marketing Environment (20 pts)
- 3) Market Segmentation and Target Market (25 pts)
- 4) Marketing Mix (100 pts)
 - a. Product Strategy (25 pts)
 - b. Pricing Strategy (25 pts)
 - c. Promotion Strategy (25 pts)
 - d. Distribution Strategy (25 pts)
- 5) Strength of Evidence (10 pts)
- 6) Clarity of Writing (10 pts)
- 7) Strategic Considerations and Planning (5 pts)
- 8) References, Coherence, and Organization (5 pts)

Guidance and Notes

There is no specific slot for “consumer behavior” and “business relationships” despite being two of the most important factors in a marketing plan. Consideration and explication of these two factors

will be necessary throughout the plan. Choose whether to have a special section or two for these factors, or include them in other sections. For instance, you may find it necessary to discuss consumer behaviors relevant to your product when discussing your target market(s), your product concept, and aspects of your marketing mix. You may find it necessary to describe business relationships when discussing the marketing environment and distribution strategy.

1. The most significant component of your product concept is the product itself. But remember, brand image and other factors augment the physical characteristics of the product.

The product concept includes any ideas that you hope to *communicate* to your consumers and the primary principles your company will follow *internally*. For example, if you are going to market candied shrimp, you may want to communicate a brand image full of playfulness and absurdity. Internally, you may put a great deal of emphasis on keeping input prices low. Both these postures are part of your product concept. Often internal and external versions of the product concept will be in harmony.

Slogans, mottos, and logos are examples of ways that product concepts are communicated, and I encourage you to develop these aspects. However, your product concept should be articulated in prose.

Part of the product concept includes the needs that your product will satisfy. The best marketing plans tend to commit to a focused target market and cater all aspects to the needs of the target.

2. While we mostly discussed national figures, regional or local figures may be more relevant to your product. The social environment may be significant to your product. For instance, many products have a great deal of social import. Beer is drunk in certain social settings, and is taboo in others. Family dinners typically have a special family significance that breakfasts do not. It may be useful to consider the cultural and social significance of your product to your target market as a way to inform and motivate your marketing plan.

There is a misconception that “technology” refers to “high tech.” The wheel is technology. When you discuss the technological environment, you do not need to talk only about high tech items. This is an opportunity to discuss production processes and standards.

3. You do not need to segment by all the categories we discuss in class. You must describe your target market(s) in detail and explain why you chose those targets (and potentially, not other candidate segments). If you segment by psychographic profiles, describe the segments in detail. This may require a combination of survey work and playing armchair psychologist.
4. **Details!** For the marketing mix, give very specific examples of activities. For instance if your plan includes advertising, design an ad. You *are* the creative team. If a specific pricing promotion is being considered, consider aspects that will determine its success or failure. E.g., perhaps stockpiling will prohibit increased long-term demand. Even discussions about why you

will *not* employ a specific activity can be valuable. Class case studies, while not necessarily directly applicable to your marketing plan, demonstrate the amount of depth and the level of intricacy that are involved in designing an effective marketing mix.

In each of the last four assignments you will be required to develop a marketing mix component for your product. Ideally you will generate creative and insightful ideas that will contribute to the excellence of your group's plan. For this reason, I advise all members to be active contributors to the marketing mix portion of your plan.

5. Despite not being central to a marketing plan, business and financial planning define the bounds and constraints of a marketing effort. Without this component of the marketing plan, there would be nothing to stop you from including a \$1 trillion advertising blitz to launch your product. In reality, every marketing effort must be evaluated using cost-benefit analysis.

This is the part of your plan where you should create a projected balance sheet, do break even analysis, SWOT analysis, and so on.

6. Clarity: Good professional English will likely improve your grade. The use of poor grammar distracts readers from the content and will inevitably result in a lower grade through both a direct channel and by making your ideas seem less convincing. References: the sources you gathered information from, should be verifiable. The quality and accuracy of your references / sources will largely determine the believability of your plan. Coherence: all the part of the plan should fit together and "tell" one unique narrative. Organization: the components of the plan should follow a logical sequence. For example, you cannot discuss the market analysis after your marketing mix, since the marketing mix is an outcome of your market analysis' findings. I *highly* recommend that you use sections and subsections. Users of a marketing plan should easily be able to find bits of information without having to dig. Sections and subsections provide an easily navigable map to your document. Wikipedia pages provide good examples.
7. Marketing is a quantitative field. When you make a statement such as, "We are going to focus on women because women are more likely to purchase cake," you are making a claim that can be proven true or false. Appropriate evidence could include someone else's research, or even better, a survey conducted by your group on the consumer population of interest. Of course, this will not always be feasible and you may have to make a conjecture. Conjectures are supported by weaker evidence such as antidote or suggestive evidence that does not fit perfectly. Ultimately, I expect your marketing plans to be evidence based, and you will be evaluated by the presence and strength of that evidence.

Presentations: The score of the presentation will be determined by the following three components:

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| a. Completeness: | 30 points |
| b. Exposition/Interaction with the audience: | 20 points |
| c. Media quality: | 10 points |

A note on b: During your presentation avoid reading extensively from notes. You should be able to interact with the audience and to answer questions. Also, do not look at me the whole time as if I am the only one in the audience. When giving this advice in the past, presenters have stared at me excessively anyways. Maybe it would be best just not to look at me at all.

By this point you have a lot of experience listening to PowerPoint presentations in an academic setting. Beware: you are not giving an academic lecture. Try to get the audience excited. While you will definitely want to communicate a lot of information, you also should avoid getting bogged down in details. Spend time to perk up the audience's interest. Get us to lean in.

In this spirit, you may (or may not) want to exclude some details of your plan, but do not want to risk being asked about those details in the Q and A. An excellent way to deal with this issue is to add slides to the end of your presentation so that if those topics come up, you are prepared. This technique is effective for not only dealing with that situation, but also signals to the audience that there is even more to your plan than displayed by your presentation.

A note on point c: A good use of visual tools may help your presentation. Graphs and tables may help convey crucial points of the plan. I discourage you from using sound effects and/ or animation extensively – they can be very distracting.

PowerPoint has become the norm in the business world, but charts on poster board, chalk board illustrations, demonstrations, etc., can all contribute excellently to a captivating presentation.

Peer evaluation: in order to deter free riding behavior (i.e. trying to achieve a benefit at no cost and/or at the expenses of others) and to reward those that dedicate more time and effort to the group project you will be asked to evaluate yourself and your teammates – you will assign a score from 0 to 10 to each member of your team (you included) on the following 5 metrics:

Punctuality Was the work done in a timely fashion?

Preciseness How would you rate the quality (thoroughness and care) of his/her work

Commitment Was the member committed to the success of the group activities? (I.e. did he/she always deliver what was agreed upon? Did he/she always come to the meetings?)

Team spirit Was his/her approach that of working together to reach the common goal? Did he/she care about other member's progresses and the team's performance?

Experience Rate the overall experience of working with each member (for your self-evaluation, assess how you believe your teammates experience was).

The sum of the average scores for the five metrics will be multiplied times two, resulting in the aggregate peer evaluation score

Requirements

Product Concept –

This preliminary draft illustrating your product concept should be limited in length (maximum 3 pages) double spaced, including graphs and tables, if any.

The draft **MUST** contain the following elements:

1. Your business idea;
2. Some preliminary considerations about the target market and marketing environment;
3. A preliminary list of planned activities. These could include:
 - a. Planned market analysis and market segmentation strategy;
 - b. Preliminary considerations on marketing mix (product, price, distribution, promotion);
 - c. Exposition of the problems encountered so far and the strategies you plan to use to overcome them.

Draft –

This draft should resemble as close as possible the final version of the marketing plan. There are not specific guidelines for this draft. The more developed the draft is, the more accurate feedback you will receive from me, which will allow for more improvements before the final submission. As for the content to be included in the draft, it could (potentially) be the same of the final plan.

Final Plan –

The plan must be at least 10 pages in length (double spaced), excluding graphs, tables and charts, which should be labeled appropriately and in a sequential way. The Plan **MUST** contain the following elements:

1. An introduction summarizing the plan and describing your business idea;
2. A thorough analysis of the marketing environment: (competitive, politico-legal, economic, technological, socio-cultural);
3. A thorough description of your target market, including the methodology used and results of any market research you conducted to isolate it;
4. An *extensive* analysis of your marketing mix: product/service strategy; pricing strategy; promotion strategy; and distribution/location strategy;
5. Strategic planning, income statements and conclusive remarks.
6. A list of sources and references for the information used and cited in the plan.

A note on point 1: the description of your business idea and the discussion of the product/service strategy are *not* the same. The first refers to the *concept* of what you are marketing, the second requires you to go into the details regarding raw materials, ingredients, branding, packaging etc...

A note on citation and reference list: All the sources used to acquire the information reported in your marketing plan should be appropriately cited in the plan and accurately reported at the end, in the reference list. Use the “Author – Date” Chicago-style (NOT the “notes and bibliography” style), guidelines are available at http://www.chicagomanualofstyle.org/tools_citationguide.html.

Presentations

1. One PowerPoint presentation per group is required; the file with the presentation **MUST** be emailed to me the same day of the presentation by 1:00 pm;
2. Whoever skips the presentation (unless communicated sufficiently ahead of time to me) will automatically be penalized, receiving half of the group’s grade for the presentation;

3. The actual length of the presentation may vary (conditionally on the number of teams that will present each day). If 6 groups are presenting, the presentation must not exceed 10 minutes;
4. After the presentation each group will be given 3 minutes (circa) for Q & A;
5. The presentation **MUST** contain:
 - a) An intro describing your business idea;
 - b) Analysis of the market environment;
 - c) Market segmentation and target market;
 - d) The marketing mix: product/service strategy; pricing strategy; promotion strategy; and distribution/location strategy;
 - e) Some strategic planning.
6. I once read that the most common fear that people have is public speaking. Number two was death. I realize that public speaking can be scary. The best thing you can do is funnel your nerves into preparation. Even professors that have been teaching for decades get nervous before giving routine lectures. This is normal. When you are in front of a group, you experience adrenaline and a flight or fight response. Because social and other pressures makes flight infeasible, you will fight (I've never seen anyone run away). Amazingly, with adequate preparation, the adrenaline you experience pumps unusually high levels of blood to your brain and you will be unusually lucid: your presentation will go *even better* than it did in practice. This only works if you have practiced. So my advice to you is ***practice, practice, practice!***