## **Seton Hall University** eRepository @ Seton Hall

Seton Hall University Dissertations and Theses (ETDs)

Seton Hall University Dissertations and Theses

2004

# A New Product's Strategic Market Launch: Determining What The Public Wants

Victoria L. Swift Seton Hall University

Follow this and additional works at: https://scholarship.shu.edu/dissertations



Part of the <u>Public Relations and Advertising Commons</u>

#### Recommended Citation

Swift, Victoria L., "A New Product's Strategic Market Launch: Determining What The Public Wants" (2004). Seton Hall University Dissertations and Theses (ETDs). 1080.

https://scholarship.shu.edu/dissertations/1080

## A New Product's Strategic Market Launch: Determining What The Public Wants

By Victoria L. Swift

Thesis Advisor

Dr. Donald N. Lombardi, Ph. D

Submitted in partial fulfillment of the degree of
Master of Arts
Corporate and Public Communications
Seton Hall University
2004

## Acknowledgements

The author would like to thank the entire community of Seton Hall
University for supporting the thesis, and a special thanks to her advisor, Dr. Donald N.
Lombardi. The author will never forget the unconditional love and encouragement of her family, Arthur, Barbara, Arthur, Jr., and Peter Swift, who provided the strength needed to complete this journey. A last thank you to everyone who participated in the Survey, the input is greatly appreciated.

# TABLE OF CONTENTS

Abstract	i
Chapter 1: The Beginning	
Introduction	2
Business Development	3
Chapter 2: Marketing: From Methods, to Mayhem, to Money	•
The Effective Marketing Strategy	8
Endeavors of the Past	14
The Drive to Shop	15
Psychology	17
Media Influence	18
The Sneaker Stories of Endorsements	20
Commercials and Billboards	22
Conversation Starters	23
Shopping in the Store vs. Shopping Online	24
Skin Care Line by Celebrities	24
Going to the Mali	26
The Ultimate Figure	27
Moving into the Future	28
Chapter 3: Products and the Public: Past, present, and Future	e
Celebrities Supporting Products	31
Television, the Greatest Influence	31
Capitalizing on the Holidays	33
Name Brands	34
Chause 4. The New Law	
Chapter 4: The Numbers	<b>F</b> 1
Reading Research	51
The Survey	52
The Interview	56
Chapter 5: The Magic Formula	
Research Methodology	56
Supposed Outcome	65
Unexpected Answers	65
Conclusion	67
References	i,ii
	,

## **Abstract**

The purpose of the thesis is to identify the primary components of a strategic marketing plan of a new product and what the launch entails. Throughout the thesis, the author will describe success stories of past products to highlight the causes of that success. The author will also explain which advertisements the public enjoys the most, while examining the reasons consumers buy certain products. In launching a strategic marketing plan, it is important to consider the advertisements and media, the creation of the products, and the constant changes in human behavior. The author will underline the central facets of Marketing and what defines the future.

Chapter 1

The Beginning

#### Introduction

The purpose of the thesis is to learn how to launch a strategic marketing plan for a new product. The author will explore basic strategies of a marketing plan and its end results. The successful products of today had a preliminary plan before the first step was taken. The author performed extensive research on certain companies and their successful products. Some success can be attributed to luck, but most of the cases display years of hard work and attention. The products described by the author can be used as models for young entrepreneurs and marketing professionals. Celebrity advertising and endorsements have played a huge role in the marketing and selling of certain products.

The author polled fifty people while conducting research and the results helped discover what a strategic marketing plan entails. The sample surveyed was created because of interest in the public and common shopping patterns. Human behavior and curiosity play huge roles in the marketing and selling of a product. The author discovered what a strategic marketing plan entails by researching the success of past pioneers.

Marketing can be viewed as a psychological process meant to be discovered. This thesis is a description of the findings.

The author carefully observed networks such as QVC and ShopatHome, while researching companies like Krispy Kreme and Auntie Anne's in great detail, and McDonalds and Nike. Some of the products that will be mentioned throughout the thesis are the George Foreman Grill, the Thighmaster, and other products that are so popular; their names are synonymous with success. The television networks, companies, and products will all be explored to complete the layout of a strategic plan. Aside from observing the products and companies, the author also explored the behavior of

consumers and what defines their shopping patterns. Surveys and interviews were conducted to know which advertisements do the trick. After reading the thesis, the reader will know what a strategic marketing plan entails and what causes the actual success.

#### **Business Development**

Developing a product is very important to a business. It is most important of the other developing stages which are market development, product positioning development, and supply development. Product development will have the most effect on the vision for the particular business which is usually increasing profits. Product development can lead to gaining an advantage in the target market, increasing the share in the market, and creating a solid reputation of excellence in that target market. Product development by definition is, "an umbrella term for embracing improvements and radical alterations to the market (Biemens and Bruce, 43). Gaining a competitive advantage is leading in importance for business objectives. The main objective is to build long-term advantages over competitors through leveraging market and supply-side factors." Product development is not everything in acquiring a competitive advantage. Supply development and product positioning play huge roles in being competitive; the product needs to be in the right place at the right time (Biemens and Bruce, 53). A product may be the best the business and the market have ever seen, but timing is important, the season must be right to welcome a new product.

Thesis Question: What are the prominent components of a successful launch of a retail product?

**Subsidiary Questions:** 

Is it common to purchase a product soon after viewing an effective TV Commercial?

Is shopping on-line is a secure and effective method of purchasing products?

Are networks like QVC/Shop At Home interesting and good sources of product information and delivery?

Is shopping on-line an integral part of how people buy products?

Are advertisements in magazines a good way to catch a shopper's attention and generally their buying decisions?

Are billboards effective in delivering the product's message?

Are radio ads are an everyday source of "buying" information?

Are buying decisions usually made when I'm walking around a mall?

Do friends/family have influence over buying decisions?

Do shoppers feel confident about trying a new product or products from a new company if the details about the product make sense to them?

#### **Definition of Terms**

Strategy: Art of handling troops, ships, etc., to the best advantage.

Market: A place or assembly for buying and selling; demand for goods; place or center for trade.

**Demographics:** Data resulting from the study of human population with emphasis on statistical analysis.

QVC: The network that supports quality, value, and convenience in presentation of their products.

5

ShopAtHome: 24-hour multimedia retailer dedicated to providing a convenient way to shop for variety and value. Consumers tune in to Shop At Home or log on to shopathomety.com to discover home furnishings, fine cookware, health and beauty products, jewelry, electronics, fitness equipment, collectible coins and more! Especially popular with loyal customers is Today's Best Value, one daily feature with exceptionally low pricing.

Customer: One who enters a shop to buy.

Consumer: One who makes his way with, uses up or eats up.

Endorsement: The art of writing on the back of, ratify, confirm

In Chapter 1, the author will highlight important points of the strategic marketing plan to be covered in more detail in the later chapters. The model highlighted below supports the main premise the basis of the thesis:

Marketing Techniques + Viable Products.

= The Successful Launch

The author will expand on this statement in the chapters to follow. The author will also describe past stories of success and more importantly the people who made the success possible. To get the successful launch, there needs to be more than successful marketing and receptive consumers. Without a decent selling product, the marketing plan would be worthless. The successful marketing launch needs ingredients, the marketing techniques and the *viable product*. After creating the successful plan, it is the consumers' chance to decide which product will suit them. The final sales are in the hands of the public. To ensure the sales, the author explains how to know exactly what a consumer wants by surveying the average person. A product is only as successful as its last sale, and nothing should be taken for granted.

# **Chapter Two**

Marketing: From Methods, To Mayhem, To Money

8

Necessary Questions for the Commencement of the Marketing Plan:

-What do you people want?

-What does the public want in a product?

-Who and what are the trendsetters?

The Effective Marketing Strategy

What exactly is an effective marketing strategy? The question, "What does the consumer want?" From *Direct Marketing Success Stories*, by definition, an effective strategy has an objective and a detailed plan. The objective: "Create a one-on-one relationship with all customers". The detailed plan: "Apply direct marketing principles as the most efficient way to accomplish the objective". A successful strategy can make a company grow and make its products grow (Stone, 56). Yamaha pianos are part of a situational analysis in *Direct Marketing Success Stories*. The situational analysis follows the SWOT analysis which is the beginning of a strategic marketing plan. The SWOT analysis is described as follows:

Strengths

Weaknesses

**Opportunities** 

Threats

The author will explain how the featured products have followed a similar strategic plan described in this particular book. With every marketing plan and product, there will inevitably be strengths and weaknesses. The opportunities will be there and they will be coupled with threats. Throughout the thesis, the author will explain what

marketing operations have worked for famous products of the past and what needs to happen to ensure a solid future.

For companies to know what the public wants to buy, people need to be surveyed and questioned. This is the way to get into the minds of the consumers and achieve results. The surveys are confidential and give the person being surveyed freedom to give the most honest answer. Surveying a group of people can be done in many different ways. Paper surveys can be administered through mail and the responses can be calculated. Online surveys can be conducted and reach thousands of people in a few minutes. Phone surveys can capture the voice of the person and add human element to the process. The survey is vital in knowing what the general public will buy (Stone, 70).

State of the Art Marketing Research continues with a list of the most common subjects to base a survey. Some common questions on surveys are about "media, consumer lifestyles, sport participation and sports based media, shopping behavior and preferences on future technology possibilities." Shopping behavior and the attitudes of shoppers are the two main subjects in the survey. The author asked simple questions that related to some part of regular every day life. The people surveyed did not need to be avid shoppers, but anyone who has purchased a product sometime in their life. The author was trying to find out why they purchased the product. The author wanted to pinpoint how the desire to purchase the product started and how the interest was sustained (Blankenship, Breen, and Dutka, 400).

The book continues to explain how the survey results can be used. When discussing consumers, there are three "motives" that they possess. The motives are: exploration, affiliation, and achievement. Exploration can be an easy stage for luring the

consumer. The consumer may be anxious to try something new even if it is a brand new product from an unknown company. Some people may not want to explore and hesitate to deviate from their comfort zone. The author researched how to launch a new product how to create the initial hook.

Affiliation is the time when a person grows attached to a product. People may love that Whopper at Burger King and not want to switch to a Big Mac from McDonalds despite the fancy marketing from McDonalds. The only downside to affiliation would be if Burger King suddenly had some negative publicity and a consumer may not want to have any of the food at that particular restaurant anymore. A consumer may have formed a relationship with Burger King, but after some negativity, the whole relationship could end (Blankenship, Breen and Dutka, 398).

The last motive is achievement and definitely the most important one. Once achievement is established with the consumer, the loyalty is there and the consumer is less likely to stray. A lady may grow used to a skin care line on QVC and could have made it a part of her life. She has made a commitment in her mind that this product the perfect one for her now and always. The only downside is that commitment turning to complete ambivalence if she suddenly outgrows the skin care line.

In State of the Art Marketing Research, the people being surveyed are divided into groups or market segments. There are eight market segments listed in the book with descriptions included. Everyone can identify with at least one of the groups, if not a few of them. The first segment is called the fast laners. By definition, they are the youngest people being surveyed and their decisions are impulsive and based on entertainment and media. They are the representative of the exploration stage, because they are always

ready to sample new things. Their favorite television program can be found on MTV, HBO and most of the other cable stations. Their yearly income is below average but that does not stop their constant spending. The fast laners will most likely be the target consumers when launching a new product (Blaneknship, Breen and Dutka, 400).

The fast laners will most likely be the target consumers when launching a new product. They are eager to try new things and be adventurous. They follow the media so closely that they are the first to know when a new product is introduced. They channel surf while watching television so they absorb the most of what is considered "cool". Their main ambition is to have fun and live for the moment, so all their money is spent on new trends and gimmicks.

The next segment is similar to the fast laners but this group is more ambitious.

They are the Generation Xers and more ethnically diverse than any other market segment.

They are called the *diverse strivers*. The diverse strivers study the media in great detail in hopes of impressing their friends. They pride themselves on their ownership of personal computers and televisions. They are concerned with achievement starting with their work ethic and continuous goals for the future.

The diverse strivers are more ambitious than the fast laners in that they are concerned with getting ahead and making a name for the future. They are interested in the newest products presented by the media, especially a new product launch. The George Foreman Grill was probably happily accepted by the diverse strivers because it was popular and made their busy lives easier. As they are driven to succeed, they are also interested in following trends. Cooking on a George Foreman Grill will conserve time, improve their figures and cause them to be the 'hip' person in their circle of friends.

The following market segment is called the savvy sophisticates. They are described as "middle-aged baby boomers that show the highest level of income and education than any other segment". They watch television the least out of the other market segments. They depend on newspapers, magazines, and programs with cultural content for their information. They are completely goal oriented and their main driving motive as a consumer is achievement.

The sports fanatics are the next group of consumers. Their interests and motivation are centered on their love for sports. Their affinity for action and adventure make their motive for buying exploration and achievement. They are extremely comfortable with technology and have no problem shopping online. They are concerned with the goals and the end result and are proud of being labeled rational and successful.

Family focused people highlight the next market segment. People that are family focused are mostly concerned with affiliation because they have young children or just a big family living in one house. They are mostly interested in television for family programs and hesitate to become familiar with many forms of technology. Although the people are mainly focused on their families, 75 % of the people work outside the home.

The next market segment are bystanders, the people who do not feel completely involved in the world happening around them and have become complacent as a result. These people typically have young children and spend a good amount of time in their homes. They tend to be pessimistic and hesitant to experience new forms of technology. Their pessimism and ambivalence are due to their current life stage. They hardly ever read for fun, they are just interested in serious media topics. They are interested in the negative end of the achievement motive.

Moral Americans represent our next market segment. Their main concerns involve safety and security, with their favorite television programs being Rescue 911 and Unsolved Mysteries and little interest in other television programs. They are very interested in the local news on television and in newspapers and magazines. The Moral Americans stay away from advanced technology because of their fear of change and anything they are motivated by the downside of exploration because they are strong supporters of brand loyalty.

The last market segment is called the Settled Set and they describe consumers that possess old fashioned values. They believe in the value of the traditional family. They prefer wholesome television programs like Dr. Quinn Medicine Woman and enjoy country music while listening to the radio. They are similar to Moral Americans they have negative feeling toward the exploration motive and are just interested in technology they already own.

#### **Investigating Different Launch Strategies**

"By relating the data to several successful measures of new products, companies will learn where and how to improve their launch strategies." Timing is everything when a new product is penetrating the scene. Music artists wait and calculate the best possible time to release their record. It can be detrimental to introduce a new service or product prematurely. "The announcement of a new product not only refers to the external announcement in the marketplace, but also includes the internal announcement within the organization" (Biemens and Bruce, 89). Production and shipping need to work simultaneously when a new product is being launched. Problem with either one can lead to a collapse of the product altogether. The company that created the product suffers

when a product is not timed right and the sales are usually low.

While a company is marketing a new product, good product announcements are essential. In the book, *New Product Development*, the author separates new product announcements into two categories: internal and external. Of the internal and external categories, they themselves are defined as either informal or formal. The formal definition of the external announcements highlights the subject of the thesis. The quote from the book explains what formal, external announcements are, "Formal, external market introduction, directed at various target audiences, by using various communication channels and media." The author consistently explores the needs of the target audiences and what communication channels they prefer (Biemens and Bruce).

Every product had a first day, a first advertisement, and a first success story. With those firsts, have been many downfalls as well. The thesis will continue to delve into the exploration of why certain people buy certain products and what advertisements supplied the ideas.

#### Endeavors of the past

Advertisements reach any distance, because their strength is immeasurable. Radio and television supply the space for the advertisements, as well as highways hold countless billboards. It is easy to get caught up in watching the billboards on a long drive or to become engrossed in a television commercial. Commercials have become more like entertainment in the recent years. Super Bowl Sunday has become an advertisement for advertisements. The next day the discussion in the social circle is more about the commercials than the actual football game.

Television has replaced radio as a source of information. Television has helped in

advertising and creating sales. As Dr. Phil says, "The best way to predict future behavior is past behavior." In launching a marketing plan, it is important to understand what has worked in the past because it will most likely work in the future. Consumers want products that will appeal to them, and although needs may change over the years, consumers are still people with basic needs for survival and human desires. Consumers rely on television, and companies should know that success happens via advertising on television.

#### The Drive to Shop

George Foreman changed grilling forever by making it healthy and easy to do. Suzanne Somers displayed how to tone your thighs with one contraption called the Thighmaster. Suzanne Somers had the dream body and her advertising the product caused people to want it in their homes. The two celebrities created drive in consumers by displaying products that were beneficial to their lives, while still being affordable. Consumers like watching George Foreman and Suzanne Somers because they feel connected to them, similar to a feeling of friendship. This type of connection is the way to create sales.

People buy certain products because of their needs and interests. The author is trying to prove why *certain* people buy *certain* products. Shoppers want the best in what they buy, and want it to be better than their friends, family, and neighbors. Having the car at the best price and the cosmetic line to benefit you is all part of the game. Nobody wants to shop at a place for which their friends and family have disdain. Friends and family play a huge role in purchasing decisions.

Another way to create the drive to shop is putting a product on an infomercial.

Watching infomercials is a past time for most of the country that takes barely any thought. On a hectic day, watching infomercials can be a source of relaxation and solitude. There is a wide array of products advertised on infomercials every year. Music, house wares and cosmetics are a few examples of featured products.

Ron Popeil advertises a small oven that could cook anything you would like in just twenty minutes. It showed beef, chicken, seafood and potatoes all being cooked simultaneously. They made the oven sound so wonderful, that they could not imagine anyone living without it. The informational program can be entertaining and fun, but most importantly, successful in selling products. Some people hesitate to buy products from television because they like to see the products in front of them before making a purchase.

From talking to family, friends, and co workers, it is evident that consumers go back and forth on what is the best kind of shopping. After watching a few infomercials, and shopping networks such as QVC and ShopAtHome, the author explored what people generally think about buying products from television in the actual survey. The results of the survey will be explained in greater detail in Chapter 4.

Buying products from television is one way, but buying products on the Internet is a totally different experience. It may eliminate some hassle, but in the long run people still want to go to the shops and purchase products in person.

Shopping via the television and internet may be considered the wave of the future.

Twenty years ago, this subject would not have made the survey nor had a sub heading in a Master's thesis. As times change, consumers and their shopping patterns change with the times. Companies who produce certain products and services are only as good as their

last success. As patterns and interests change, it is important to stay ahead of the curve in marketing and advertising. The author will continue to highlight what a strategic marketing plan entails and how to make sure it is timely. The suitability of the product to the changing times is what will determine success or failure. Products that advertise online and on television are appealing currently to a broad range of demographics. In a few years QVC and ShopAtHome may become obsolete, and the companies will find the new ways to promote their products. Online shopping does not seem to be diminishing anytime soon, keeping it as the strong advertising and marketing tool that it is.

#### Psychology

Culture plays a big role in buying decisions. Residents of Bel Air, California will see neighbors driving BMWs and want to follow the trend. High school students are constantly on the quest for the perfect jeans to wear to school or the nicest shoes in the class. Listening to classmates and co-workers about products they liked and disliked can be the main part of the buying decision. People would like to feel accepted by peers and colleagues no matter where they live and work. What people buy can declare a sense of status or even a right of passage to an inner circle.

A product's success can determine one's popularity. The George Foreman Grill changed the lives of many Americans when it was introduced. The Grill was designed for busy people who would like to cook some food quickly, while still being healthy. The Grill was the healthy alternative to fast food, and it is only a few steps away in your kitchen. The heavyweight champion's idea of creating a grill that could make dinner in a few easy minutes, while cutting calories at the same time was a hit. His fame helped market the product, but only for a short time. The Grill was the first choice of college

students, homemakers, executives, and bachelors to name a few. Once the Grill became popular, it became a hot conversation piece and everyone wanted to have one. Word of mouth made George Foreman proud of his Grill and caused people to eat healthier simultaneously. George Foreman introduced his product and became a part of a culture, making him famous in another aspect of life.

#### Media Influence

Celebrity endorsements are a way to make products known and make them look more attractive. People want to run and jump like Michael Jordan. People think if they buy these products endorsed by certain celebrities, they will be just like them. Kids want to grow up and play like their favorite professional players and ask for Nike air sneakers for Christmas in hopes of playing for the NBA one day. McDonalds has become similar to a symbol of American culture, ensuring people that they will be eating familiar food, despite their international locations. Krispy Kreme can be described as "Main Street USA"; the purest form of happiness is having a Krispy Kreme donut. When these pictures are established in the mind of people, they are usually hooked, leading to the prosperity of the company.

The media can create ideas and make them stay. A new product needs to be friendly with the media in order to be advertised properly. When the media glorifies anything or anyone, the chance of continued success is usually guaranteed. The goals of a new product are to appeal to the consumer and be seen enough to get recognized. The new product needs to be noticed and the media can most likely provide the product with some attention. The media can do the job of introducing the product and making it in known, but the product needs to be worthwhile to have staying power. The original

equation of marketing techniques + viable products=the successful product launch is what will generate sales, while increasing future sales. The media can do the work in the beginning, but the product needs to be useful to last, and hold the public's attention.

The media uses different tools to illustrate certain messages. Television is an extremely influential facet of the media. Television is the most influential part of the media because most of the population watches a good amount of television a day.

Whether it is a particular television show to be seen or just flipping through the channels, people absorb the messages the media is presenting. Movies, commercials, television shows, and the news are just a few ways that people can be influenced. From watching television and seeing the same images continuously, the message tends form permanent ideas. The influence created by the media cannot be copied by anything else.

Radio is another influential part of the media. The radio is usually heard in the car on the way to work, at the office, or at home. While sitting in the car, drivers and passengers are mostly listening to the radio and are focused on the songs or words. The messages presented by the radio are most likely heard by the person listening in the car. As for home or the office, consumers may not be as focused on the radio; it might be just background noise. Radio may be influential at any place, because even background noise can heard loud and clear.

When creating a marketing plan, it is important to acknowledge how important the media actually is. When television and radio are in favor of a product, which is the strong ally of the company. Consumers may have busy lives and the radio and television may be the essential sources of information. With having the media on the side of the new product or new company, people will be interested to try the new product and give it

a wholehearted chance.

#### The Sneaker Stories of Endorsements

Nike is a company that has used many celebrities to endorse it. The campaign, Nike Air launched a huge amount of sales. The campaign brought the sneaker to a new level, showing that you could jump as high as you want with the extra air pocket in the sneaker. Michael Jordan signed an endorsement deal in 1984, which became the "most successful in history". He picked up a nickname, Michael "Air" Jordan which fit him perfectly. Basketball players need to run fast, but more importantly, they need to jump to reach the basket. Michael Jordan never had a problem running or reaching the basket, so the public believed that Nike was the brand to buy. Quoting from Swoosh, The Unauthorized story of Nike and the Men Who Played There, it explains that Nike Air did not materialize overnight. "Nike needed a big score, something that would make the brand look shiny and new. A new running shoe or another Lycra tight just wasn't going to do it" (Strasser and Becklund). They kicked around a few ideas for the campaign such as "visible Air" and "Air Weenies". The New Products people at Nike wanted people to comprehend the air pockets actually inside the sneaker. Frank Rudy, the air inventor, insisted on air being the focal part of the campaign. The idea of Air was the gimmick behind the shoe and the people at Nike believed it should be stressed. They cut the inner sole of the sneaker and saw an air bag inside. They wanted the sneakers buying public, especially athletes to envision it as well (Strasser and Becklund).

Getting Michael Jordan to sign with Nike was not an easy task. Adidas and Converse has also proposed offers to Michael causing him to ponder the different

sneakers. Converse has previously signed contracts with Larry Bird, Magic Johnson, and Dr. J., and Michael would be one of many. Adidas made a strong pitch for Jordan causing him to lean their way until the very end. Jordan met a number of times with the people from Nike and his main demand was a car. Nike assured Jordan that a car would be the simplest wish to grant and his endorsement money would cover more than just one car. Nike campaigned steadily for Jordan as they met him in different cities, spent time with his family, and simply got acquainted with him. As Nike campaigned, they did have some doubts along the way. Nike felt uneasy at times because they would be just endorsing Michael Jordan with no backup if he got sick, injured or passed away. But even with the doubts, Nike still pursued Jordan. After considering Adidas and Nike, Jordan chose Nike after the huge final pitch. In 1984, Jordan signed his name and made history as the most famous endorsement contract of all time.

Bo Jackson has been know for endorsing the cross training aspect of Nike. Nike

Air broke out in the eighties with a whole new line, creating cross training
sneakers. Bo Jackson was known for playing three sports and playing them well.

The sneaker was meant for people who thought they too could play three sports
like Bo Jackson. The marketing plan in mind was to promote being an active
athlete and strive for the goals of the common athletes of today by wearing the
exceptional sneakers.

Bo Jackson and Michael Jordan are two sports figures supporting Nike's company, while receiving something in return. Marketing can work successfully in different ways; a strategic plan is not one dimensional (Strasser and Becklund).

#### Commercials and Billboards

Noticing a billboard or two is a common occurrence while driving. The billboards that catch attention are important, but the ones that hold your attention better. Billboards catch the attention of drivers by introducing a product or being a reminder of a product. When drivers are sitting in traffic, they may look to billboards to pass the time and be entertained. The company advertising the product is achieving their goal by catching the attention of people driving by the billboard.

Biliboards and commercials could work hand in hand. By seeing the biliboard, attention of the consumer will be grabbed and the commercial will solidify the memory. The commercial tells more of a story. If the story is funny, it will keep the viewer interested. If it is heartwarming, there will be some definite interest forming. It is all about grabbing the attention of the consumer and keeping it until they purchase the product.

Watching commercials can be an annoyance, especially when a good television or radio show is being interrupted. Commercials are the advertisements that are most likely noticed, because of the time they appear. Unless the viewers leave the room when the break occurs, people will see the advertisement and the message will be sent. Television commercials present a picture with their message, making the impression last longer. Radio commercials tend to use more music and sound effects to prove the point. Radio has become less important in the advertising world, but stays the reigning champion.

#### Conversation Starters

People want to think they are always involved in the conversation. Any place that a person goes regularly, whether it is work, school, the gym or the bar, people want to give something to conversations. A new product on the market is always an interesting conversation piece. Television is always a hot conversation piece in the office because people would like a break from the monotony of the work day. People who like to cook in the office will be interested to discuss the newest kitchen gadgets and cookbooks. Talk with friends can be a huge influence in the purchase of a product. Friends, along with family influence your buying decisions without you even knowing it. Being surrounded by opinions on shopping can "sink in" after while.

Everyone wants to be the first to know when a new product is introduced. If the product catches on, it will be even more of a conversation piece. Through speaking with the sample surveyed, the author came to the conclusion that conversation can be a huge influence. Conversations with family, friends and co-workers can sway people to buy a product on a whim. A person living with family members may see what products they are using and want to own the products as well. Two sisters might learn of fashion ideas from each other and keep some products in business.

It is important to never underestimate the influential power of conversation. A potential consumer can hear something about a product and may disagree at first, but still hears the statement. After hearing the same statement or opinion about a product, the potential consumer will stay a potential consumer or may become disinterested.

Depending if the opinion is positive or negative the product's fate partially rests with the power of word of mouth.

#### Shopping in the Store vs. Online

The author has touched on online shopping, in conjunction with television shopping previously, but not yet in the form of a debate. Is online shopping surpassing the traditional shopping in stores? Shopping online may be known as the wave of the future, but could be viewed as a novelty. It can be seen as an easier way of completing a task that could have swallowed an entire day. There are certain products people will shop for online and others that people cannot. During the survey, the author polled the group of people and raised the idea of shopping online. Sometimes it can be a hassle and the internet can be annoying, but other times it can be the answer for busy people with no time. Although shopping in the store only can seem old-fashioned to some people, others may view it as refreshing. Going to the stores can be a rewarding experience, whereas clicking a few keys on the computer may not be. Some shoppers like to see their purchases be put in bags and handed to them rather than supplying a credit card to a web site and not seeing the product for weeks.

While launching a strategic marketing plan, it is important to know how the public will buy their products. If the majority of the public are against shopping online, more It is imperative and upgrades the stores. To make some use of the internet, the company's web site can display the products and hope the consumers will go to the stores. For the people who depend on shopping online, the stores can be secondary. While considering where the consumers buys the products, the marketing plan needs to appeal to every aspect of every arena.

#### Skin care lines by older celebrities...fact of fiction?

Plastic surgery and skin care lines promise to bestow youth on anyone who buys

it. A product can sell if it appeals to people in a way that they believe nothing else can.

Older people are always searching for the fountain of youth and would like a product that can supply it. There are countless infomercials on television that show older celebrities who have had plastic surgery advertise skin products. These products supposedly will make the average person's skin look younger and fresher. The part they are not telling is that the women advertising the skin products have received plastic surgery. They look younger because of the surgery and they are trying to deceive possible consumer and dupe them into buying the fake fountain of youth products. This is the wrong way to advertise.

In trying to sell products to consumers, it is important to present everything in an honest way. Deception will not last, it may work in the short term, but to have a successful product is need to be the real thing. The viable product needs to be long lasting, as the advertisement should describe. Without honesty, the product and company will never prosper. The purpose of advertising is to make the consumer interested enough in a product to cause a sale.

The first part of creating interest is to make the consumer notice the ad, whether it is a billboard, commercial, or a display at the mall. Once the interest is created, there is a chance the consumer will buy the product, which is where honesty plays a role. A consumer can only be fooled for so long, so the product should be the viable product the advertisement claims. Consumers can become disinterested quickly and can also be fickle.

An infomercial may promise good, restored skin for women older than fifty years for simply using the product advertised. The main message is that if the product cannot

make the women look younger and the only way is plastic surgery, then that will be evident rapidly. The product's advertisements do not need to illustrate what the product does verbatim, but as close as possible. Finally, the product launch will not be successful unless the marketing is good and the product is practical.

#### Going to the Mall

Malls are where the main percentage of shopping is done for most people. Malls have become a social event, a hangout and even a common place of employment. A new product launch is always exciting for shoppers because it causes them to take notice of the product and the company. Shoppers can easily make decisions about purchasing product while simply walking around the mall.

It is common to make buying decisions while walking around a mall. People can be going to the mall to purchase one item, but may leave with dozens of packages. Stores can present products differently from the advertisements. Advertisements may only do half the work of selling of the product. Malls may persuade or dissuade consumers on making a purchase. If the product is not shown properly, a consumer may change his or her mind. If an additional product s shown in a better light, the consumer may switch their opinion and go for the nicer looking display in the window.

On a given day, a female shopper may head to the mall to buy a dress shirt for her husband and may end up admiring the ties on display. From noticing the impressive presentation of ties, she changed her mind on a shirt for a present, but a tie. The mall influenced her buying decision and the shirt was an idea that became simply forgotten.

#### The Ultimate Figure

As we progress further into the new millennium, there is a new addition to the American Dream. People want to be successful by having a great job, home, and family, and they want to do it while they are slim and toned. The woman who has conquered the world in the corporate arena as well as at home also wants to be that perfect size 6. With all the advertisements for weight loss plans and exercise equipment, there is much pressure on Americans to be fit. Products can capitalize on this pressure by offering some advantage in health and fitness in the product. George Foreman created a grill that is easy to use, but most importantly, cooks healthier food, causing millions of people to want it in their homes.

As the author continues to refer to these featured products throughout the thesis, the George Forman Grill is the one related to health and beauty. Auntie Anne's offers pretzels that are considered healthy because of their low fat content. In their advertisements, Auntie Anne's displays the healthier aspects of the menu, so people can feel they are having a healthy snack, as will be seen later in the thesis. Marketing needs to apply to the public and their needs. People today are very concerned with their weight and are constantly looking for new ways to stay trim. If a product can appeal to the need to look and be thin, it will be in high demand by the consumers. Companies need to create their marketing plan according to what the public wants, and the public definitely wants to be thin.

#### Moving into the Future

It is the 21st century and environmental consciousness is unquestionably present. When marketing a product, it is crucial to show the product as something that will benefit their future lives. People want better lives, they especially want to be healthier, stronger, and smarter and want products that will achieve such things. With a concern for the environment at a high, consumers would like to buy products that are better for it. While helping themselves they would like to help the world simultaneously. During the 1970s. an environmentally conscious product became desired, but no one took notice of environmental issues until around the mid 1980s. Companies saw the concern for the environment grows, and started to follow the trend. McDonalds made the serving carton recyclable, while BP promised lead-free petrol that caused 'no pollution to the environment". Many advertisements materialized that assured customers certain products were "environmentally sound", but most were misleading. The Consumer Protection Agency stepped in and prevented certain companies from using false advertisement in promotion of their products. In 1990, "Friends of the Earth launched their 'Green Con' awards to further prevent deceptive environmental claims being used to attempt to sell products in the UK".

By the 1990s, companies became truly interested in the environment and there were few cases of false advertising. "Environmental changes potentially affect all phases of business operations, while having particular impact on new product development". Making a product that is beneficial to the environment is more attractive to today's customer. In 1991, German car manufacturers were told to have a recyclable car model created within two years. Making car to be better for environment was a challenge for

most car manufacturers in 1992.

Some characteristics of "environmentally responsible products" are 'energy efficient, non-polluting, easily repairable, manufactured by local materials, and never tested on animals' to name a few. Hearing of animal testing can be upsetting to some people. Most products make it clear on the label that no animals were tested while creating it.

Being concerned with the environment is extremely important, whether you are in marketing or any profession. It is beneficial to be concerned with it and use products that help the environment. Companies should take this into consideration in the manufacturing stages (www.enn.com, The Environmental News Network).

# **Chapter 3**

Marketing: From Methods to Mayhem to Money

#### Celebrities supporting products:

- 1. George Foreman and Grill.
- 2. Suzanne Somers and Thighmaster
- 3. Michael Jordan and Bo Jackson for Nike
- 4. Catherine Zeta-Jones for T-Mobile Wireless

#### Television, the Greatest Influence

Products being advertised on television shows can be extremely powerful.

Example: Nick and Jessica, on the TV show, *Newlyweds*, advertising "Chicken of the Sea" tuna. They spoke about it on one episode, causing a great stir in the media. The brand of tuna received more attention when Jessica Simpson and Nick Lachey, the famous newlyweds had it for lunch and argued over what kind of food it actually was.

Jessica raised the idea that Chicken of the Sea tuna may not really be tuna because it is called chicken. This hilarious conversation of the pop stars brought some attention to the *Chicken of the Sea* tuna brand, causing the tuna to be extremely grateful for the probable future rise in sales (MTV.com).

People watch television shows because they admire the characters and the message provided by the stories. A few years prior, one of the favorite television shows for teens and young adults was *Beverly Hills*, 90210. The characters were admired and watched every week as a continuing story. Every facet of the characters' lives, from their clothes to their interpersonal relationships was scrutinized by millions of viewers weekly. The show began when the characters were in high school. The young viewers wanted to dress and act just like the characters on the show, causing a 90210 phenomenon. It is unbelievable how fictional characters can be glorified on a fictional show. It is not real,

but to viewers it was the real thing, and that describes the power of television.

The author is trying to prove that television does have a huge impact on the marketing and buying of products. Viewers tune in to certain shows and form a relationship with the characters. Watching these characters use certain products or services will make them popular. 90210 was reaching the target audiences of preteens, teenagers and young adults and could market any product on the show. Television shows have a huge impact on sales, and it is important for advertisers to fully recognize the fact. Television shows tend to mirror everyday real life for the particular year or even decade. People watching the shows may admire the character and want to buy a product to be similar to the fictional character. On an episode of the show Friends, the girls discussed their shopping experiences at Pottery Barn, a store that sells ceramics and home furnishings. Pottery Barn owed much thanks to Friends after the episode aired. The store was introduced to the world in a very funny way.

Friends and Will & Grace, the television shows leading the ratings in its last year is a different type of "product". The jokes are created to please the public, the shoppers of television and should be successful. The actors are paid to make the audience laugh and it is quite a paycheck. Each actor is compensated adequately based on the reaction of the viewers, or the consumers looking to purchase the product.

Infomercials are placed in a different category than regular television shows and sitcoms, but are relative to the subject because they entertain while they advertise. Ron Popeil demonstrates the art of cooking a rotisserie chicken on infomercials. Dick Clark has been on countless infomercials advertising "American Bandstand" music. People watch infomercials not just to take notice of famous people,

but because we admire these people in some way, and believe their products must have some value. People like watching celebrities entertain us in some way, which makes them want to buy from them. The circle begins when the celebrities were first seen in movies, television, or sports and continues with seeing them years later on elongated commercials. Watching these infomercials for entertainment value, whether it is music or comedy causes people to tune in and start enjoying themselves only to find they are making a few more purchases than usual. When considering good marketing techniques, television is the pathway to success.

# Capitalizing on the Holidays

There are so many holidays to be celebrated, which depend on particular religion, or personal preference. It is not hard to notice the Christmas season usually starts as early as September. It can be noticed when shopping at a store, on television, or online, which covers everything. When products are presented early and can be found everywhere, there is definitely going to be more sales. QVC and Shop at Home capitalize on Christmas by extending the airtime for products made specifically for Christmas. QVC created a program called "Christmas in July", and introduced Christmas products for the whole month of July, planting the seed of desire in shoppers' minds. The products included decorations for the home and tree, toys for the kids, and a multitude of gadgets that are definitely not necessary (QVC.com).

Companies that present their products early view the holidays as a win-win situation because the buying time is extended and will most likely guarantee more sales. The marketing plan is to make product easier to find and purchase. The consumer gets

their product early and the company rejoices in their success. Christmas shopping needs to be done at the correct time and place. If Christmas tree skirts are forced on people too early, the appeal should be lost. Advertising during the holidays needs to be done in the most tactful way, to bring in new customers while keeping the old ones. Customers do not need to become jaded from the holidays. Christmas needs to be done the proper way, and not jeopardize the company's future by capitalizing on something that is sacred.

#### Name Brands

Starburst, Heinz Ketchup, and M&Ms: What could they possibly have in common? They are all extremely versatile products. They may seem like a small portion of what is purchased in candy today, but when viewed closer, they are so much bigger. Starburst was simply a fruit chew and now it has expanded to jellybeans, hard candies, and lollipops. The lollipops are the most recent invention, combining a delicious fruit an even more delicious lollipop. It seems like a stroke of genius but it is just a great idea followed by another one.

A successful product can start a whole line of new successful products. Once a product becomes a phenomenon, other products can be created from that success. M&Ms have progressed in the development of their product, by changing the flavors and keeping the public interested. When Starburst started with the original fruit chew, it was an instant success and the consumers established trust in the name. Now when a consumer sees the starburst name, they will remember the delicious fruit chew and know they are in for a real treat. Heinz has also expanded into different products, making consumers recognize the famous name, prompting them to try the new product. Heinz has broken the mold like

the other products by being known as more than just ketchup, but different foods and newer products.

Companies use history to their advantage when promoting product because a name can stir up old memories. The memories may be related to family, work, school, or childhood. Remembering the brand names from the past urges consumers to buy, despite the product's appeal. Consumers will try a product that has a popular name, assuming it will be as good as the previous product. There is a good chance the new product will at least be worthwhile, it does not need to be exactly the same, but people are most likely happy with continuations. When people are shopping, they do not want to guess what product is the best, and would not just like to rely on chance. The odds of a product presented by a familiar name being worthwhile are extremely good.

#### McDonalds

You can find a McDonalds restaurant on almost every street corner in most countries around the world. Is the food at McDonalds really that good? Without knowing the answer, it can be surmised that it is more than food that brings people to McDonalds all over the world. It is marketing that draws consumers. McDonalds is advertised as the story of America, and a more fun definition of living in the United States. Consumers of McDonalds experience the feeling of home when traveling to a foreign country and seeing those famous golden arches. Their slogan 'I'm lovin' it' can be recited and sung by everyone after hearing the commercial a few times daily. The symbol is shown below and is already becoming the trademark slogan from the McDonalds Website:



Aside from creating jingles and symbols, McDonalds constantly pays close attention to its varied menu. The McRib Sandwich was originally introduced in certain parts of the county to test the waters. McDonalds tries to appeal to the majority of the population by having the right menu. The McRib sandwich did not bring in the money that McDonalds wanted, so it was not permanent. The menu at McDonalds changes frequently, as a regular test of what sells. This is what makes McDonalds' food a viable product, its attention to detail. The McRib sandwich is just one of the new endeavors of McDonalds. McDonalds is a traditional commodity that needs to uphold the tradition and reputation, by constant reinvention.

Successful marketing is mostly about creating memories. If a consumer has a distinct memory of a product, they will most likely be loyal to it. Tradition is hard to undermine, especially when it has lasted for several generations. Tradition and good marketing work hand in hand, making success a constant in the story of McDonalds' (www.McDonalds.com).

# Krispy Kreme

Some luck may be the case with some businesses, but for others there needed to be definite strategy. After mentioning the possible techniques for launching a strategic marketing plan, the author will describe some successful companies and their approaches. Krispy Kreme donuts are not just donuts, they are an experience. People will travel great distances to find a Kripsy Kreme donut shop. The shop does not just supply donuts and

coffee, but also an event for all patrons. Krispy Kreme did not simply become what it is overnight; there are many secrets to their sweet success. The book about Krispy Kreme was called just that, "Sweet Success" and illustrated what a successful franchise the 'small donut shop' actually is.

From the book, there is a quote, "The real key to Krispy Crème's success...was the fundamental decision we made to really understand the relationship we had with the customer and become more of what the customer wanted us to be." The customer has to be first and know they are first. When a customers step into any Krispy Kreme, they know they are getting what they have been promised. A hot donut baked to perfection as promised by the advertisements and they will most likely be pleased. The book continues to explain just how they got into the customers' minds and became the giant it is today. They were listed as one of "21 Brands to Watch in the 21st Century" (Kazanjian and Joyner).

Krispy Kreme receives many letters from satisfied customers all over the country. The letters are very complimentary, but not just about the donuts. People write these letters and highlight the wonderful memories they have of Krispy Kreme. The memories could be from when they were kids or with their own kids. People have fond memories of Krispy Kreme and may remember for awhile the stores were only located in selected cities. Creating fond memories of a product are an excellent way to keep consumers attention (Kazanjian and Joyner, 49).

"One of the nice things they have going for them is that they are tapping into existing pleasant memories" (Kazanjian and Joyner, 55). Customers feel like they are going into a simpler time when they visit Krispy Kreme. The brand represents

"Americana" and going to the shop creates that feel. People rejoice in Krispy Kreme donuts because they have remained the same. The donuts are something you can depend on despite the day you are having. The coffee has changed only because universal coffee tastes have changed. "The brand is so real. People accept it because it is real. It's genuine. We know who we are." Krispy Kreme has always remained loyal to its principles, and that is what keeps customers coming to the shops.

Having an enduring theme is not the only reason Krispy Kreme has such a long list of customers. Krispy Kreme's company remains fresh and innovative year after year. There will never be a Krispy Kreme store on every corner like McDonalds, making the experience even more special. Krispy Kreme stays true to its beliefs year after year. The products that line the shelves and fall into shopping carts multiply every year. Desired products need to set themselves apart from the other millions. Products cannot merely serve the purpose of the customers; they need to reach their soul. If a customer has fond childhood memories of Krispy Kreme, he or she will most likely enjoy the donuts as an adult. The brand stays loyal to its customers by giving them something on which they can depend. The customers know that they can always visit the stores, smell and see the donuts being made and be satisfied with a hot, delicious product. After years of people relying on being pleased with the little things, Krispy Kreme continues to succeed.

It was very important to Krispy Kreme to not get too big as sales increased. Some brands have fallen just as fast as they rose. To sustain popularity and surpass competitors, Krispy Kreme needs to keep the brand strong. With increased popularity, the brand may be diluted by commercialism and media. "If Krispy Kreme donuts reach such a dime-adozen availability, fewer people may crave them unless the company can give those

customers a compelling reason to keep buying the treats" (Kazanjian and Joyner, 61). Krispy Kreme's prime competition, Dunkin' Donuts can be found on almost every street in most major cities. Aside from major cities, most suburban life in the United States has become comfortable with the idea of Dunkin' Donuts just around the next corner. College students on most campuses depend on that caffeine boost from the coffee and a bagel sandwich to start the day.

Dunkin' Donuts has expanded its product beyond donuts and coffee to bagels, muffins, scones, and various egg sandwich combinations. Krispy Kreme did not emulate Dunkin' Donuts' menu expansion. Krispy Kreme wanted to stay true to the original theme of hot, delicious donuts served fresh with coffee to keep the message clear. Krispy Kreme could have added bagels and muffins, but the brand would have been weakened. Although it may have been a success, the theme customers expect would deteriorate and Krispy Kreme would be just another donut shop that varied its menu. As sales and popularity increase, the company producing the product or service needs to pay closer attention to details. Customers can be very loyal, but they can be fickle as well. A customer might question which donut shop would be the best. If Krispy Kreme and Dunkin' Donuts are the exactly the same, but Dunkin' Donuts is easier to find, a customer would go for convenience. Marketing a product requires a clear message from the company to the consumer.

Being a part of Kripsy Kreme is similar to being a part of a heritage. While being part of a heritage, it is beneficial for all involved to stay connected to the past. Krispy Kreme created a simple donut years ago and brought joy to people. The connection to the past is important, but a vision for the future is just as important.

The visit to a Krispy Kreme donut shop is an experience like no other. Aside from entering the shop and purchasing a donut, you experience the most before you spend any money. "The clerk will likely greet you by handing you a hot original glazed donut right off the cooling tray, to savor as you decide what you want to order" (Kazanjian and Joyner,83). Most places offer free samples in a bite size form on a toothpick, if at all. As your senses erupt from the smell and taste of the delicious treats, there is no turning back. Krispy Kreme demonstrates impressive marketing each time they attract a customer. The company's store is their advertisement and its reputation is sustained by the loyal customers.

The store is indeed Krispy Kreme's greatest advertisement because of the way it is designed. The window faces the street, letting people walk by witness the entire setup. Parents can hold their children up to see a donut created from the dough stage until the very end when the glaze and sprinkles are applied. It is common to question the goods sold at a bakery. You could wonder, 'How long have those rolls been lying in that tray,' or 'Were those cookie really baked today as it says on the sign?' With Krispy Kreme, there is no mystery, they present fresh donuts and coffee to the public and your senses can validate their claim (Kazanjian and Joyner).

Getting the word out is very important in marketing a product. It is important to alert the television, radio stations, and newspapers about what the company has to offer. Krispy wants the public to know that they serve hot, fresh donuts. The Public Relations workers of Krispy Kreme have spent time relaying the message to the press that Krispy will offer the nest fresh service imaginable. All people have to do to experience such goodness is to come to the nearest Krispy Kreme store. The Krispy Kreme Company

presents itself in a very wholesome way that is different from other companies.

Consumers are drawn to a product that is distinctly different from others. Krispy Kreme has its uniqueness on its side, keeping it more successful year after year.

#### Auntie Anne's Pretzels

Auntie Anne's Pretzel Company has been brightening the lives of people for many years. An Auntie Anne's pretzel store is a gem for anyone who can locate one. The store provides customers with pretzels, dips, drinks in many shapes, sizes, rolls, and glazes.

Their hook is a 30 minute freshness guarantee to ensure the customer's satisfaction with the product.

In 1987, Anne Beiler began creating pretzel at a concession stand in Maryland.

Anne and her husband soon after purchased farmland in Downington, Pennsylvania and opened a bigger concession stand of their own. Anne's hand rolled pretzels were the hit and the demand kept growing. The timeline below was taken from the Auntie Anne's web site illustrates the process of a new product launch from the beginning stages to huge success. From the website the timeline reads:

## 610 AD

Northern Italian monk makes the first pretzel by rolling leftover scraps of dough into the shape of his students' arms folded in prayer. He baked the dough to a golden brown and called the treats pretiolas, which means little rewards

# February 1988

Anne Beiler buys market stand in a Downingtown, Pennsylvania Farmer's Market, selling the Original pretzel and lemonade

## November 1989

Auntie Anne's opens its first regional mall location - Park City Center, Lancaster, PA

# December 1990

Auntie Anne's supports 50 stores in 9 states

#### June 1992

Auntie Anne's opens its 100th store - Granite Run Mall, Media, PA

#### October 1992

Auntie Anne's opens its first airport location - Pittsburgh International, Pittsburgh, PA

# May 1995

Auntie Anne's introduces Dutch Ice®, a refreshing iced beverage

# June 1995

Auntie Anne's opens its first train station location - Penn Station, New York, NY

# July 1995

Auntie Anne's goes international with its first store opening in Jakarta, Indonesia

## December 1995

Auntie Anne's opens its first location in Manila, Philippines

# June 1996

Auntie Anne's opens its first store in Kuala Lumpur, Malaysia

# August 1996

Auntie Anne's opens its first store in Singapore

# **April 1998**

Auntie Anne's opens its first store in Bangkok, Thailand

## December 1998

Created as the giving arm for the Company, the Angela Foundation's focus is to provide financial support to organizations that care for children and families at their time of need.

October 1999 Auntie Anne's introduces Auntie Anne's At-Home™ Pretzel Kit

#### 1999

Auntie Anne's supports 631 stores in 42 states and 5 countries

#### December 1999

Auntie Anne's pledges to be corporate sponsor for Children's Miracle Network

# December 1999

Auntie Anne's launches test concept, Cookie Farm®

# March 2000

Auntie Anne's opens its first store in Japan

# September 2000

Auntie Anne's opens its first store in Venezuela

# November 2000

Auntie Anne's opens its first store in Hong Kong

# **July 2001**

Auntie Anne's opens its first store in South Korea

# September 2001

Auntie Anne's opens its first store in the United Arab Emirates

# October 2001

Auntie Anne's opens its first store in Saudi Arabia

## October 2001

Auntie Anne's launches test concept, Auntie Anne's Cre-ámo® Classic Cones

## October 2001

Auntie Anne's Hand-Rolled Soft Pretzels® and Creámo Classic Cones combination unit opens

# November 2001

Auntie Anne's opens 700th location at Broadway Mall, Hicksville, NY

# May 2002

Auntie Anne's opens its first store in Canada

# May 2002

Auntie Anne's opens its first store in the United Kingdom

# September 2002

Auntie Anne's signs an agreement to open stores in Taiwan

# October 2002

Anne Beiler pens her first storybook autobiography -Auntie Anne, My Story

# November 2002

Company launches online store - <u>Auntie Anne's</u> <u>@yourdoor</u>

# January 2003

Auntie Anne's, Inc. unveils new corporate logo

February 2003 Auntie Anne's, Inc. turns 15!

# March 2003

Auntie Anne's hand-rolled, soft pretzels are named the "Preferred Pretzel of the Philadelphia Eagles."

# June 2003

Dutch Treats, a frozen beverage line, makes its debut in Auntie Anne's pretzel stores.

June 2003

Auntie Anne's celebrates its 100<sup>th</sup> International Store Opening in Thailand.

(Taken from the website: www.auntieannes.com)

Auntie Anne's is a definite success that started from being hand rolled at a concession stand in a small town. All products have a beginning point and what happens thereafter depends mostly on marketing and a little bit of luck. Some products have not seen an end and may survive the test of time. Auntie Anne's timeline depicts the gradual progress of a product. The public fell in love with the tasty pretzels and from there came the unforgettable brand name, Auntie Anne's. (www.auntieannes.com/company info) A famous band name with a great reputation is the exact way to ensure future success. Consumers like the Auntie Anne's experience, not only for them but for their families. The wonderful experience and interesting history what makes Auntie Anne's more than just pretzels and that is successful marketing.

Chapter 4

The Numbers

# Reading Research

By conducting the research, the author was trying to find out why people buy products. To explore the thoughts of the buying public, a questionnaire needed to be completed by all different types of people of all different ages, sex, and profession. The idea of the survey was to ask questions and receive certain answers. The answers explained their buying behavior. The interview was conducted to pinpoint the feelings of an individual consumer while speaking one on one. Everyone shops for different reasons, but what makes them buy these certain products at a set time and place. People may say they found a certain product more attractive than the next one, but they chose it at a particular store for a reason. The fact that it looked better than the next one, says something for advertisement and presentation. This survey was conducted to have an idea where to target a consumer and what message the company should convey.

Shopping is a common activity for most people. Everyone needs products to survive and wants to buy them at the most convenient time and place. The survey was meant to question the average person on an average day. On an everyday basis, most people watch television, read a periodical of their choice, and speak with friends, family or co-workers. From doing these activities, influence is created. A person may have an opinion at the beginning of the day and that opinion may be altered before the end of the day. The human mind changing is a natural occurrence when being involved in different activities. A funny commercial about lawnmowers at Sears may catch the attention of a homeowner on his day off. From laughing at the witty two minute advertisement, this homeowner may run out to Sears to enquire about the product, despite the fact that he has a working lawnmower. While being at the Sears store, the person may become interested

in the other products displayed.

The situation described at Sears is exactly what the companies want to happen. The advertisement is created to bring the consumer out of their home and into the store looking or the product. To launch a strategic marketing plan, there needs to be some knowledge about what the consumers wants. The survey and interview have been constructed to reach deep into the minds of shoppers. It is important to know what makes them buy. The author poses the question, "If a company would like to present a new product, how should they do it?" The company should also ask when the best time is. When the first two questions are answered, the company should then ask where? They should know if it is best to present cosmetics online, on a shopping network, or just in the store. The survey and interview were designed to create an answer to the thesis question.

# Survey

Survey: Results will be conducted on the scale of 50 people polled.

#### **Survey Ouestions** Based on the scale below, please make bold the answer that most closely represents your opinion. SA Strongly Agree A Agree N Neutral D Disagree SD Strongly Disagree 1. On occasion, I will purchase a product soon after viewing an effective TV Commercial. SA A N D SD 2. I believe that shopping on-line is a secure and effective method of purchasing products. SA Α N D SD

3. I think networks like QVC/Shop At Home are interesting and good sources of

product information and delivery.

SA	A	N	D	SD
4. Shopping on-line has become an integral part of how I buy products.				
SA	A	N	D	SD
5. Advertisements in magazines generally catch my attention and influence my buying decisions.				
SA	A	N	D	SD
6. I usually take notice of billboards while driving.				
SA	A	N	D	SD
7. Radio ads are an everyday source of "buying" information for me.				
SA	A	N	D	SD
8. My buying decisions are usually made when I'm walking around a mall.				
SA	A	N	D	SD
9. Truthfully, my friends/family have less influence on my buying decisions than they might think				
SA	A	N	D	SD
10. I feel relatively confident in trying a new product or products from a new company if the details about the product make sense to me.				
SA	A	N	<b>D</b> .	SD
(The sample of people were presented with this questionnaire that was just shown, and				
were asked to answer each question as truthfully as possible.)				

# Design of the Survey

The survey was designed to explore the minds of consumers and learn what and who makes them shop. Humans are creatures of habit, and while those habits are

forming, a strong marketing plan should be constructed. Paying attention to human behavior and patterns is essential to the thesis. The author is trying to highlight the important points of a strategic marketing plan, but can execute the process by knowing what consumers want. The survey was assembled to be similar to a presentation. The survey participant was presented with different situations in which buying decision may occur. The main idea of the survey was to discover where and when purchasing happens and who urges the consumers to do it.

Aside from determining the behavior of the consumers, it is important to know which advertisements grab their attention. Certain products can hold a consumers attention for twenty years and longer. Consumers have been positively responding to Coca-Cola advertisements for years. Located below are picture advertisements taken from the Coca-Cola website. The pictures are based on television commercials that have been entertaining America for years. Through all the entertainment, Coca-Cola has become one of the most successful products of all time. The survey describes that certain advertisements hold public attention and some do not. The next page is an example of what has held public attention for years.

(Pictures are located on the following page)

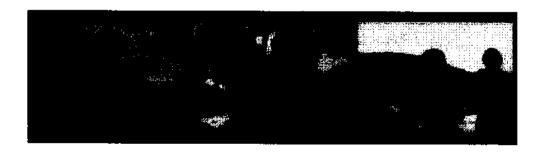
# Coca-Cola Advertisement from 1979:



# Coca-cola advertisement from 1993:



# Coca-Cola Advertisement from 1999:



(Taken from the website: http://www2.coca-cola.com/)

The Sample

The survey was distributed to adults ranging in age from 18-70 years old. The sample included people of all different professions including students, Communication executives, attorneys, medical professionals, homemakers, and clergy members. There were as many females as males surveyed and everything was kept completely confidential.

Intent

The author's main intent is to explore the minds of consumers and what makes them open the wallet for a product or service. The research was conducted prior to the distribution of the survey. Once the survey was distributed and completed, the author could then know what the answer was.

The Interview

The author conducted a private interview with an avid shopper to learn her views on buying and advertising products. She is a 24-year-old student and was interested in contributing to the thesis. The author wanted a one-on-one conversation to explore her ideas, likes and dislikes. From the mind of one particular consumer, the author could gather the information need to prove the details of a strategic marketing plan. The formula described viable products + marketing techniques= the successful launch of a product. The interviewee helped to find out what successful marketing means to her.

The interview was comprised of basic questions. The author asked the interviewee

to be as honest as possible. The interview reads as follows:

## **Question 1:**

What is your favorite store and why?

#### Answer:

My favorite store is The Gap because I love the stylish clothes and cute accessories. I know I will be considered trendy after shopping there. I just bought two sweaters from The Gap yesterday, one for me and one for my boyfriend. I really like how we can shop there together.

#### **Ouestion 2:**

# What do you like about the marketing at The Gap?

I think the television commercials are so cool and fun, I love watching them, whether it is summer or winter. I watch the commercials and think about how nice I would look in the clothes, or how my sister would look with the scarf they are advertising.

#### Question 3:

What was the last product you purchased that was not from The Gap?

#### Answer:

I bought a digital camera because I was the only one in my group of friends that didn't have one. I felt like a total outcast at parties and in their conversations. I was always the one getting my pictures developed the traditional way when everyone else had their pictures instantly. I couldn't take being the outsider; their influence was just too strong!

## **Question 4:**

Do your friends and family influence you most of the time?

#### Answer:

My friends probably more than my family, although I do admire my sister's taste.

I listen to the buzz on what is the latest style and who is selling the best product for my budget.

### **Question 5:**

What motivates you to shop?

#### Answer:

I love to shop, so it doesn't take much, (laughing) but I can be motivated by a certain advertisement that hits home. A funny TV commercial or an outrageous billboard on the highway will catch my eye and make me interested in *looking* at the product, but won't necessarily make me buy it. If the product doesn't seem worth it, I don't care how funny that commercial was, I will never be buying it.

## Question 6:

How much do you spend on an average day of shopping?

#### Answer:

It depends on if my boyfriend is buying, no I am just kidding. Well I am a student with a part time job, so I have to watch my spending. Spending \$200 on one shopping trip would be considered a lot for me, but if I find some amazing things at the mall, I am not going to hold back. I may have one intention going to the mall, but I may become mesmerized by the store displays, that I end up buying a lot more than I bargained for.

# Question 7:

# How often do you shop and why?

#### Answer:

I shop whenever I have a need for something or something moves me to the store or the internet. I need that driving force to make me feel that there is nothing else I should be doing than buying this product.

### Question 8:

# Which form of advertisements do you notice the most?

Answer: I read a lot of magazines, so I notice the ads in there. They motivate me to shop because the magazines are usually selling products I would like to buy. I also notice TV commercials and billboards. I hardly ever listen to the radio commercials because I constantly change the radio station just to hear music.

#### Question 9:

# Do you like shopping online?

#### Answer:

I feel that shopping online can be easier at times, but I still like the old-fashioned way of going to the store holding the product in the my hand rather than seeing it on the screen.

## Question 10:

Do you ever watch any of the shopping networks like QVC or ShopatHome?

#### Answer:

My answer to that is similar to the shopping online question. QVC presents beautiful products, and I may buy a thing or two from there, but I like to be in the stores to see firsthand what I am spending money on.

# (End of interview)

The interview was an exploration into one mind. It was a chance to learn the behavior of one young person. Speaking with her gave the author some backing on the basis of the thesis.

# Research Methodology

# Percentages and the Beliefs of People

56% of the people surveyed take notice of billboards while driving and pay attention to their meaning. Whether it is from sitting in traffic, paying the tolls, or even flying down the highway, drivers are noticing the billboard advertisements and the message is getting sent.

78% of the people surveyed say that radio advertisements are not an everyday source of buying information. Radio listeners are trying to hear their favorite music and talk radio programs on their way to work or at home, and the commercials are *not* catching their attention.

60% of the sample agree that their buying decisions are primarily made while walking around the mall. The individual stores market their products differently from the other stores and opinions can vary depending on where you are. Walking around the mall can be a whole new experience because your decision can alter once you enter the place. The decision is whether or not to purchase a product. The product may seem appealing on the advertisement, but the display in the store may be disappointing.

On a shopping trip, a shopper may have a purpose to go to the mall simply to buy one dress but then will end up with a car load of other items. This is a result of how

alluring the mall can actually be. Husbands fear going to the mall with their wives because they know how much extra money can be spent when the shopping list suddenly grows.

55% will purchase a product soon after viewing an effective television commercial. There is nothing like a television commercial that draws you in and lets go long after the commercial is over. These commercials are the ones you discuss with your friends days later and cannot stop talking about it. Without even knowing how the product will be, people will buy it based on their amazing commercial on the impression it made.

66% of the sample swears that shopping online is a secure and effective method of purchasing products. For the busy people and even the lazy people, shopping online is the answer for about 2/3 of the people sampled. It is convenient for most schedules. Products now *need* to be online. People are so used to at least viewing a product online that if it is not there, it will never be noticed.

The sample were neutral or split on the other questions asked. The group was definitely split on the opinion of QVC and ShopAtHome being an interesting source of information and delivery. Some people did not like seeing a product on television and then having it delivered to the house. Others like the convenience of the shopping networks because it suits their busy lifestyles.

The group was also split on magazine advertisements and their influence on buying decisions. Magazines are there to entertain and inform. People may see them simply for those reasons. Depending on the magazine, the people surveyed may look at the advertisements.

92% of the sample feel relatively confident in trying products from a new company if the details make sense to them. This is the greatest percentage of any response on the survey. This high number represents the basis of the thesis. Marketing Techniques + Viable Product =The Successful Launch. In other words, a good solid product + good marketing = successful sales. People need to see that the product is worthwhile and it needs to be presented in the right way.

#### Revelation or Validation

The survey validated the author's position and basis of the thesis. The survey produced results that reinforced the fact that viable products + marketing techniques = the successful launch. The viable product needs to have public appeal. The product needs to serve many purposes and function in any environment. The marketing techniques need to be completely solid with no room for failure. The marketing techniques have to create a drive in the person to buy this product. The consumer must respond to the product's advertisements presented immediately. The first thing on the consumers' minds should be to head for the store or web site. The author wanted the readers to know what actually made the consumers buy a product, whether it be the advertisements, opinions of friends/family or the buzz at work.

The author learned that it is a true statement that the consumer is influenced by friends or family, work conversations, going to the mall and certain advertisements, especially commercials. While being influenced by certain things, most of the consumers wanted to keep an open mind. They said they would 'try a new product from a new company if the details made sense to them'. This statement proves that the successful

launch would not be possible without the marketing techniques and the viable product.

The interview confirmed the beliefs of the author by providing an honest account of a normal shopper. By listening to her thoughts and writing them on a notepad, the author was getting a direct answer to the thesis question. What does a strategic marketing plan entail? Speaking with a 24-year-old student one-on-one gave multiple answers to the specific question. She knew what makes her shop, what makes her shop in certain places, and what the correct time is. Everyone needs to buy products, which is why advertising and marketing of a good product is crucial. While everyone needs to go shopping, they do not need to buy your product. There will always be competition and without a carefully planned strategy, there will be no sale.

Chapter 5

The Magic Formula

# Supposed Outcome

The author stated in the opening chapter that the formula for a strategic marketing plan is viable product + marketing techniques=strategic marketing plan. Throughout the thesis, the author has described the stories of featured successful products and networks, described past marketing techniques and surveyed people to explore their opinions.

Through the descriptions and explorations, the author has highlighted the components of a strategic marketing plan. McDonalds has been so successful, it has become an international chain and a household name. The company is more than just food, but a way of life. Americans can go to Paris, France and feel at home with seeing the famous 'Golden Arches'. Nike linked itself with Michael Jordan for the most famous endorsement deal in history. When Nike and Michael Jordan merged, Nike knew that people would purchase the sneakers that are supported by a fast, amazing basketball player. By surveying and interviewing a sample of the consumers, the thesis becomes more personal and definitely more subjective.

Aside from reading and interpreting facts and figures, the author has added a human element to the research. The human element adds interest and spice to the factual story. The basis for the thesis was the equation of solid marketing together with viable products equals a successful product launch. The thesis' conclusion supports the equation fully. The outcome shows that people are interested in the advertising and marketing the company displays because it is a way of deciding. Consumers are only looking for the best product and the best deal and marketing is the pathway to it.

## Unexpected Answers

It is evident that shoppers today do not listen to the radio for advertisements or

news on shopping. They will watch television faithfully and buy a product from these advertisements, but not with the radio. Times have definitely changed, which means that it is important for marketing plans to stay ahead of the curve. As radio becomes less significant, Television will most likely stay the supreme connection to the media. Consumers have grown up with television being the focal point of their lives, whether it is for entertainment or education, everyone watches. Companies need to pay close attention to how their product is shown on television, because the viewing population covers all demographics.

Another twist to this marketing story is that consumers do feel comfortable buying products from a new company if they think it appears to be a good product. "92% of the sample said that they would purchase a product from a new company if the details made sense to them". 92% of the sample covers most of the consumers' voice, meaning that shoppers are always willing to try something new. While history and name brands are successful, consumers appear to like the old trends and would be open to new trends penetrating the scene.

The companies that have the best chance at selling the most products are the name brands who present the new products because people are like their comfort zone.

Consumers are used to names like Heinz, M&M's, and Krispy Kreme and would be definitely more willing to try products with their names on it. The majority of the sample today is willing to try a completely new company and product, so the name brands of the past might have some competition with the new companies of the future. The lesson in business is to never get too comfortable with your particular product because the public can be fickle. No one can predict what the future holds and solid marketing and planning

are the safest way to ensure success.

## Conclusion

# The Effective Marketing Strategy

An effective strategy has an objective and a detailed plan. The objective: "Create a one-on-one relationship with all customers". The detailed plan: "Apply direct marketing principles as the most efficient way to accomplish the objective". A successful strategy can make a company grow and make its products grow. Before the product is introduced, a plan needs to be devised. Without a strategy, the product will never survive.

#### Celebrities and the Media

Michael Jordan, Bo Jackson, Jessica Simpson, George Foreman, and many other celebrities have used their fame to promote products and services. Celebrities accrue a good following from their fans and ultimately create influence. Consumers admire different qualities in certain celebrities and tend to listen when they advertise products. Having a celebrity discuss your product on television or somewhere in the media is a great way to introduce it. A constant mention of the product is a way to ensure the success and prosperity of the product.

#### Commercial Advertisements

Billboards and commercials could work hand in hand. By seeing the billboard, the consumers learn quickly of the product. When a consumer sees a commercial, more of a relationship is created. After the relationship is formed, attention of the consumer will be

grabbed and the commercial should solidify the memory. Making the advertisements be in concert with each other increases the chances of becoming known by future customers. Advertising the product is half the battle in launching a product. The commercials, billboards and other forms of advertising need to be solid and practical.

# Alternative Shopping

Watching infomercials is a past time for most of the country that takes barely any thought. On a hectic day, watching infomercials can be a source of relaxation and solitude. There is a wide array of products advertised on infomercials every year. Music, house wares and cosmetics are a few examples of featured products. Shopping via the television and internet may be considered the wave of the future. Twenty years ago, this subject would not have made the survey nor had a sub heading in a Master's thesis. As times change, consumers and their shopping patterns change with the times.

#### **Television Influence**

People watch television shows because they admire the characters and the message provided by the stories. Television is a huge influence in potential consumers that it is imperative to display the product on television somehow. The product definitely needs to be shown in a way that makes it look acceptable to purchase. On an episode of the show *Friends*, the girls discussed their shopping experiences at *Pottery Barn*, a store that sells ceramics and home furnishings. *Pottery Barn* owed much thanks to Friends after the episode aired. The store was introduced to the world in a very funny way. Television can be an aid in upgrading the sales of particular products and services.

#### **Name Brand Products**

Products need to be viable in order to succeed. Good marketing can only last for so long, and to make a product a real success, it needs to be viable. A successful product can start a whole line of new products, which most likely become an even bigger success. Names like Heinz, McDonalds, and Nike have amazing reputations that continue as their products increase and expand in other arenas. Consumers recognize these names and feel safe in the decision because of the past success.

#### The Numbers and Research

The survey was created to find out what consumers are thinking and what determines their shopping behavior. To truly reach the consumers, a series of questions were posed to stimulate thoughts and clues about behavior. The largest clue retrieved from the questionnaire was the number of 92%. 92% of the sample feels relatively confident in trying products from a new company if the details make sense to them. This is the greatest percentage of any response on the survey, which shows that marketing is essential in the product's strategic plan. The public will be willing to try something new if a product is presented in an appealing manner.

#### The Outcome

Consumers are looking for the best products, while getting the best deal.

Marketing leads each consumer to the product in a friendly way. As the author has stated throughout the thesis, a good marketing strategy includes good techniques, with the help of the viable products. A company can market their product endlessly in hopes of huge

sales, but will never succeed if the product is worthless. A strategic marketing plan needs to be initiated from the introduction of the product in order to catch the attention of the public and keep it for the future.

## REFERENCES

#### Books

Blankenship, A.B., Breen, George Edward, and Dutka, Alan. State of the Art Marketing Research. A Contemporary Publishing Group, Chicago, Illinois, 1998.

Biemens, Wim G. and Bruce, Margaret,. New Product Development, Meeting the Challenge of the Design-Marketing Interface. Hohn, Wiley & Sons, New York, 1995.

Kazanjian, Kirk, and Joyner, Amy. Making Dough, the 12 Secret Ingredients of Krispy

Kreme's Sweet Success. John Wiley & Sons, Inc. 2004

Stone, Bob. Direct Marketing Success Stories: and the Strategies that Built Business,

NTC Business Books, a Division of NTC Publishing Group, Lincolnwood, Illinois, USA,

1996.

Strasser, J.B. and Becklund, Laurie. Swoosh, the Unauthorized Story of Nike and the Men Who Played There, 1991, 1993, Harper Business, a Division of Harper Collins Publishers.

#### **Internet Sources**

Auntie Anne's Website: www.auntieannes.com/company info, 2003

Coca-Cola's Website: http://www2.coca-cola.com/, 2003

The Environmental News Network's website: www.enn.com, 2003

McDonalds' website: http://www.mcdonalds.com/home.html, 2004

MTV's Website: www.MTV.com

QVC's Website: www.QVC.com