# Strategy and Positioning Week 4

# Gabriela Ibanez-Piedra, Helen Berger, Shante Brown, Stacy McDonald

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Gary Crum

**Strategy and Positioning**

 **Introduction**

Many people may think that launching a new product is easy and maybe even a quick process, they may think the only thing involved is coming up with the new product, but that is simply not the case. There are many things to decide on when launching a new product. Take the new product from Coca-Cola, Slim-Away for example. Before introducing the product to the world decisions about the market audience, product features, packaging, pricing, and distribution need to be considered. What market audiences are going to be targeted and what features will make this product appeal to the market audience? How will the product be packaged and at what price sell the product? How will the distribution work? These are a few of the questions that need answering to create a successful marketing strategy before a company can launch any new product. This paper will walk you through all the marketing solutions for Slim-Away.

**Product Features and Market**

Slim-Away is a new product introduced by Coca-Cola Company targeting the average, 18-45 man or woman, trying to keep up with the struggles of keeping up with families and jobs while maintaining a healthy weight and lifestyle. Ingredients in Slim-Away products contain both energy and nutritional boosting ingredients. Slim-Away, combined with a dedication to becoming fit and healthy, could change the overweight American. Slim-Away’s life program (suggested menu’s and exercise habits included with the product) available on the Internet and in paper assists consumers in learning to live to eat, not eat to live while beginning healthy fitness habits. Live Chat rooms and discussion forums allow the consumer to conquer bad habits and keep up with busy lifestyles with the support of friends and acquaintances with the same lifestyle goals.

Most Americans have terrible eating habits, low energy levels, and erroneous reports from doctors. Something has to change this path, Coca-Cola plans to start with this new product line and lifestyle planning made available with Slim-Away and its program. Sedentary office positions, too much time on the computer, on game consoles, or in front of the TV have taken their tolls on the average consumer’s health. The introductory Slim-Away drink combined with massive advertising will lead this new Coca-Cola product line on to build a healthier America and in time, a healthier world.

**Product Packaging**

Product packaging might seem quite obvious, but that is not usually the case. Packaging is crucial since it is a vital component in the creation of a brand and communicating the identity of the brand to potential customers (Underwood, 2003). Even product images on the packages that are seen as obvious can be used to communicate information about the brand and also contribute changing consumer perceptions about an individual product (Underwood & Klein, 2002).

Slim-Away is being introduced to the market, so it is important to put that into consideration when designing the packaging. The first aspect of the packaging of Slim-Away is information put on the actual packaging. The package will indicate clearly the presence of nutritious, proteins and daily fiber. Also incorporated in the package will be the Slim-Away logo; More energy, Less Calories. Packaging for Slim-Away will be an aluminum can that will keep the environment in mind. The packaging will be 100% recyclable and be light in weight. The can designed for energy efficiency is made from reusable aluminum. Consumers do not want non-recyclable cans too heavy to hold comfortably. Having the cans for Slim-Away small will be able to fit into consumer’s hands easier. The packaging will stand out on the shelf from the other competitors by color, design, and size. When it comes to design, the can needs to look expensive but keep the cost low. When it comes to design, design is important because consumers experience an instant visual connection. Therefore, if they design stands out it will draw the consumer’s eye. Slim-Away will also use a textured ink and have it raised. This feature also keeps Slim-Away from slipping out of anyone’s hand. Slim-Away has added value because the consumers will gain advantages from being able to recycle the light weight of the can, and small in size to fit consumer’s hands comfortably. The logic behind this is that it answers fundamental questions that a potential buyer would ask: What is this product? Why should I buy it? Being precise in answering these questions will increase the probability of consumers choosing this product over rival products. Secondly, it is important to show the personality of the brand which in this case is Coca- Cola. Coca- Cola is a world- famous brand that is present in over two hundred countries. Of late, Coca- Cola is moving towards a unified approach when it comes to the design and advertisement of the various brands (Hepburn, 2015). As such this will be the template followed by Slim-Away packaging, featuring red and bright orange as theme colors. Red is the Coca- Cola brand color while bright orange represents health and vitality which is what Slim- Away will represent. The presence of the Coca- Cola branding will attract millions due to the consumer confidence and loyalty created over the years. The packaging will also highlight the benefits of Slim- Away. Which will increase the appeal to health-conscious consumers who are mainly looking for the health benefits of a product. It also highlights Coca- Cola Company’s commitment to low and no sugar and calories variants.

**The appropriate pricing strategy**

 According to Hartley & Rudelius (2015), the marketing manager has developed a complete marketing program to reach consumers, and the question of what the consumer feels exchanged for the product is what determines the price strategy. Pricing is also key to launching any new product, as a product that is similar to others, which means, Slim-Away must analyze a variety of products and services to determine the perfect price to begin with. The proper marketing mix is the key to launching Slim-Away successfully. First, Coca-Cola Co. must determine all products similar in nature and investigate pricing strategies used. Learning from the mistakes of others will allow for better decisions made to launch a product and program. Proper analyzing sales and trends of energy drinks, weight loss programs, and exercise fads and successful pricing strategies used for these products will also help determine pricing of the product. Cost is also a critical factor in pricing. A profitable price starts at wholesale so retailers can price the product fairly for retail sale (University of Phoenix, 2009). Finding the perfect markup price will take some trial and error, free samples offered at the beginning with introductory pamphlets, material, and building a website may prove costly as well as the introductory advertising plan. These costs will come back in future profits if the product launch is successful. Setting the initial price with a lower profit margin will gain the attention of consumers but must also bring profit for return investment until the product becomes popular among consumers. After the original launching of the product, pricing will change based on supply and consumer demand (University of Phoenix, 2009).

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| --- | --- | --- | --- |
|  | Current Company | Potential Company | Competitive Rivals |
| **Target market** | Strength and Weakness | Strength and Weakness | Strength and Weakness |
| **Price** |   |  |   |   | Price is more if consumer |
|  | Slim Away | Slim Fast | Monster | drinks both separately |
|  | 3 | 2 | 1.62 | 3.62 |

**Channels of Distribution**

In order to successfully reach prospective buyers both, directly and indirectly, utilizing certain channels of distribution is crucial for successful marketing. For Slim-Away to reach its fullest potential in the market, Coca-Cola will utilize a number of its already existing channels of distribution. The consumer based marketing channels of distribution have a large focus and dependence on intermediaries that make Coca-Cola’s products easily available to consumers. Intermediaries such as wholesalers and retailers are the best way to market Slim-Away and make it available to consumers in the same way other Coca-Cola’s products are. By utilizing wholesalers and retailers, the goal of intensive distribution for the new product Slim-Away can be achieved.

 Coca-Cola is successful in both direct and indirect selling. With putting a focus on both channels of the distribution, target markets will not be able to avoid Slim-Away. With indirect selling, intermediaries will promote and market Slim-Away while providing convenience to consumers. The idea of utilizing indirect selling will ensure Slim-Away is readily available for consumers when they stop at the convenience store or rest stop for their typical energy drink or soda and are intrigued by finding Slim-Away in the Coca-Cola and Monster cooler. “The choice of a marketing channel is significant because consumers today are used to convenience shopping and If your product cannot reach them when, where and how they want it, then they can always opt for the substitute.” (Littleson, 2007)

 Direct selling of Slim-Away would include Coca-Cola adding their new product to their already strategically placed vending machines. These vending machines already present in schools and convenience stores would promote and intensively distribute Slim-Away to its target market even more conveniently than utilizing intermediaries in indirect selling.

**Identify the needs including emotional and logical drivers.**

 Slim Away satisfies a consumer needs, and consumer wants. Slim Away understands what their target market values. The benefit of combining weight loss and energy into one packaging allows consumers to pay once for two needs. The psychological influences are going to be motivation to lose weight and having the energy to do it. The consumer’s perception of what the product is and its claims. There is a learning curve for getting customers to stick to a particular brand to see results and what the benefits truly are. When they see the value and beliefs customer’s attitude is positive and will incorporate into their lifestyle (Hartley & Rudelius, 2015).

 Slim away recognized this problem and perceiving a need. Extensive research by Hartley & Rudelius (2015) that and assessing value came up with the buying value. Consumers of Slim Away will look carefully at this stage when making comparisons to other closely related products. They will decide who they will buy from and when to buy. Factors that consumers will consider is their shopping experience, salesperson knowledge and assistance, time pressure, and financial circumstances. The true test comes with post purchase behavior. Once the consumer has tried Slim Away the question next is, did the product meet expectations? Slim Away will be conscious of customer consumption and consumer value perception to gain financial impact of repeat purchase.

 Logically consumers buy because they can, and they want it. If they are purchasing Slim Away, it is because they are feeding their emotional need to feel loved. If they lose weight, they will be accepted. They have pride, fear, guilt and greed that all factor into why this drink is a need in this target market (Torokcom, 2016)

**Conclusion**

 There are numerous factors that go into introducing a new product to the market. Even when a new product is being introduced by a popular company such as Coca-Cola, research and marketing plans must be developed to ensure a product is a success. Product features, pricing, and packaging must mirror target market needs and distribution strategies to introduce a successful, new product to the market. Market strategies and product positioning are as crucial to a company’s success as the product itself. With proper marketing strategies and planning, Coca-Cola can make Slim-Away as successful as their existing products.

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