GOOD FOOD
NUTRITION DELIVERED

Marketing Plan – Good Food Nutrition Boxes

Executive Summary

This marketing plan will form the introduction of a new nutritional food delivery service called *Good Food*. After analysing the product and its potential consumers this plan outlines strategies to implement and achieve the set aims such as, 'to generate a 10% profit after the first month after being launched.' Marketed as an easy and natural alternative, *Good Food* will bring a healthy aspect to food nutrition and conditions affected by food consumption. *Good Food* is a new company and brand established with the launch of these nutrition boxes. Research and analysis into the current market will enable the product to move forward into the consumer's eyes and minds, enabling it to progress and result in becoming a successful product.

Aims

The aim of this product is to give a convenient way for customers who have conditions caused by food consumption, such as high cholesterol, low calcium, low fibre etc, to access to specific types of food that can help with the condition. Not only healthy foods but natural foods without chemicals and artificial ingredients.

Objectives (SMART)

- To provide nutritional and customer-personalised food boxes in order to persuade people to choose a healthier diet, which coincides with any conditions they may have, whilst generating company profits by 10% during a 4-month campaign.

- To gain awareness of Good Food nutritional boxes as a new product by creating a print and web based campaign running over 4 months in order to generate profit by 10%.

- To encourage people to choose to eat healthier and more natural foods by gaining awareness of *Good Food* nutrition boxes by the end of the first month and holding a number of events with feedback to measure interest.

Product definition

Good Food is a nutritional food delivery service available on a monthly subscription with weekly, fortnightly or monthly package delivery to the customers address. Not only offering a choice of healthy, natural and nutritious food but options personalised for customers who suffer from conditions such as high cholesterol, low calcium, lactose intolerant etc. *Good Food* also offers food with high fibre and vitamins that are natural and not a chemical (pill) supplement. Each customer can create their own personalised account on the website and can 'favourite' certain foods and highlight what needs they have. The packages can contain snack portions as well as main meals depending on what the customer chooses.

Not only is the food offered natural with no artificial ingredients but also the company prides itself on being eco friendly with recycled materials used, such as boxes and leaflets. *Good Food* also uses locally sourced food and supports health trusts by donating a portion of the profits to local charities.

Nutritional boxes will include:

- Chosen Food
- Freebies (such as tasters of new food on offer)
- Information about what's new
- Nutritional information about the food they have chosen

Current situation analysis

- Nutritional and healthy eating issues have soared over the last 5 years.
- 'Change for Life' campaign launched in 2009.
- The campaign targeted obesity within the whole family
- Just over a quarter of adults (26% of both men and women aged 16 or over) were classified as obese in 2010. (NHS – National statistics Report)
- The main competition is Graze and Nutrichef.com

<u>Primary research</u> (questionnaire):

The following questions were asked to a varied audience to gain a perspective on people's opinions on healthy eating and nutrition intake. The findings are as follows:

1. How old are you? [18 and under], [19-25], [26-30], [31-36], [37-44] or [45+] 19-25 year olds was the largest age group that responded to the questionnaire.
2. What is your gender? 80% of respondents are female and 20% male
3. What would be the main reason you would worry about your weight? Special occasion, holiday or summer coming up
4. If you felt like you wanted to lose weight would you join a gym or exercise at home? 60% said join a gym whilst 20% said exercise at home
5. How important is healthy eating to you on a scale of 1-10 (10 being very important)? The average answer was 6 on the scale

6. Do you (or anyone you know) suffer from any of the following: High cholesterol, low calcium, low fibre, lactose intolerant, and gluten intolerant, low vitamin intake. Only 20% of respondents said they knew people who suffered from any of the above. All of the 20% said they knew someone with high cholesterol.
7. Have you ever bought tablet supplements for vitamins? 70% said yes whilst 30% said no
8. Would you consider a healthier option (food instead of pills) with all natural ingredients? 100% said yes
9. How much would you expect to pay for 5 portions of all natural, healthy food options to be delivered to your home? [£2-5], [£6-8], [£8-10], [£10+] 90% chose the £6-£8 bracket whilst only 10% chose other brackets.
10. Have you ever heard of nutritional companies that deliver food options? Only two people responded saying that they had heard of Graze whilst the rest of the respondents said no.

The findings from the primary research questionnaire enable the target audience to be identified and show what pricing would be suitable. Also, it shows what the current market size and awareness are like.

<u>Secondary research:</u>

Competition

- The main competition is Graze.com shown in the primary research
  - Launched first ever TV advert December 2011
  - £2M investment from the backers of LOVEFiLM.com, Octopus Ventures and DFJ Esprit
  - Only six months after launch, the company is now delivering over 80,000 boxes per month and has over 15,000 subscribers.
- NHS - supplying people with non-food supplements for conditions
- Private nutritionists
- Supermarkets – free from aisle – small section of the supermarket with not a lot of option

From both primary and secondary research it is clear that Graze.com is a main competitor of *Good Food.* However, not many people are aware of this type of nutrition delivery leaving a gap in the market for a new and upcoming business such as *Good Food.* www.techfluff.tv/2009/08/26/high-growth-uk-startup-graze-com-helps-you-eat-healthy-at-work/

Macro analysis – PESTLE

Politial

- The suggestion of 5-a-day fruit and vegetables and a healthy lifestyle will help to gain customers and brand awareness.
- Ongoing debate as to what constitues as 'healthy'

Economic

- Global recession - People cutting down on their spending
- Delivery costs - fuel, packaging
- Sourcing the natural food

Social

- The name *Good Food* was chosen to target customers looking for 'good' and easiy accesable food.
- The aim of the product is to enable people to eat healthy foods and enjoy it.
- Portion of profits going toward charities

Technological

- The rise in online portals, ordering products off the internet isn't 'feared' as much anymore
- With succes of the company, an 'order' app could be proposed

Legal

- Changes to the guidelines of what is 'healthy'
- 5-a-day suggestion changes
- Distribution costs increase due to new laws

Environmental

- Distribution of packages for home delivery
- Naturaly sourced foods
- Locally produced (within the UK)
- Bad weather conditions threatening farming

Micro Analysis

Customers

- The product meets the needs of people looking for healthy and condition specific foods.

Suppliers

- Loyal relationships with local producers and farmers within the UK
- Partnership proposed with Sainsbury's (known for British sourced foods)
- Packaging supplied from eco-friendly companies
- Produced from all recyclable materials.

Employees

- Passionate staff employed to read online orders and pack boxes ready for delivery.
- Drivers for transporting packages to postal depots and rural delivery areas.

SWOT Analysis

Strengths (Internal)

- Natural British food sourced locally
- Supports charities and local trusts
- Monthly subscription
- Can deliver all over UK
- Condition specific foods
- A wide range of food options
- Both snacks and main meals

Weaknesses (Internal)

- Costs of sourcing natural foods
- One site location – distribution can be far for some places
- Brand new company and brand with no existing loyal customers
- No financial investments from other organisations

Opportunities (External)

- Online world – app creation
- Expanding awareness in a market gap
- On successful growth proposal of expanding to Ireland and Europe
- Gaining loyal customers and large market share

Threats (External)

- Competition – e.g. Graze.com
- Political factors – health guidelines
- Rise in costs of production and distribution
- Weather unsuitable for farming
- New and upcoming companies with financial backing

Marketing Strategies

Using the data and research and applying this to both the Ansoff matrix and the AIDA model a marketing strategy has been formed.

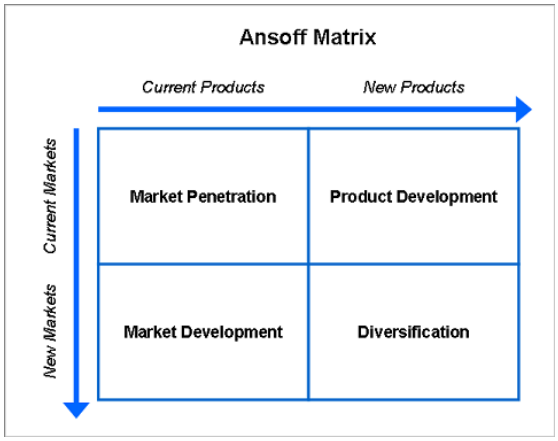


Figure 1

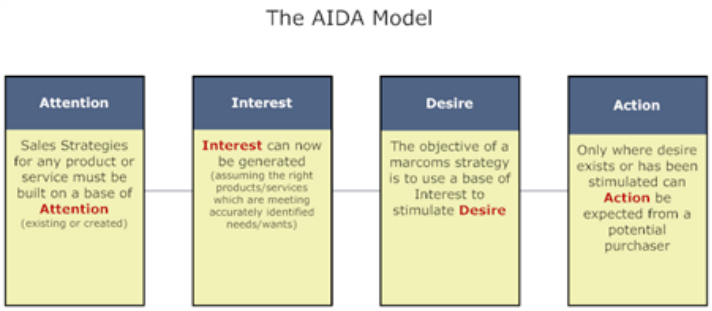


Figure 2

Product

- New product and brand establishing itself within the nutritional food market.
- This market already exists so *Good Food* needs to compete with other companies already in the market to gain market share and develop into a well know brand.

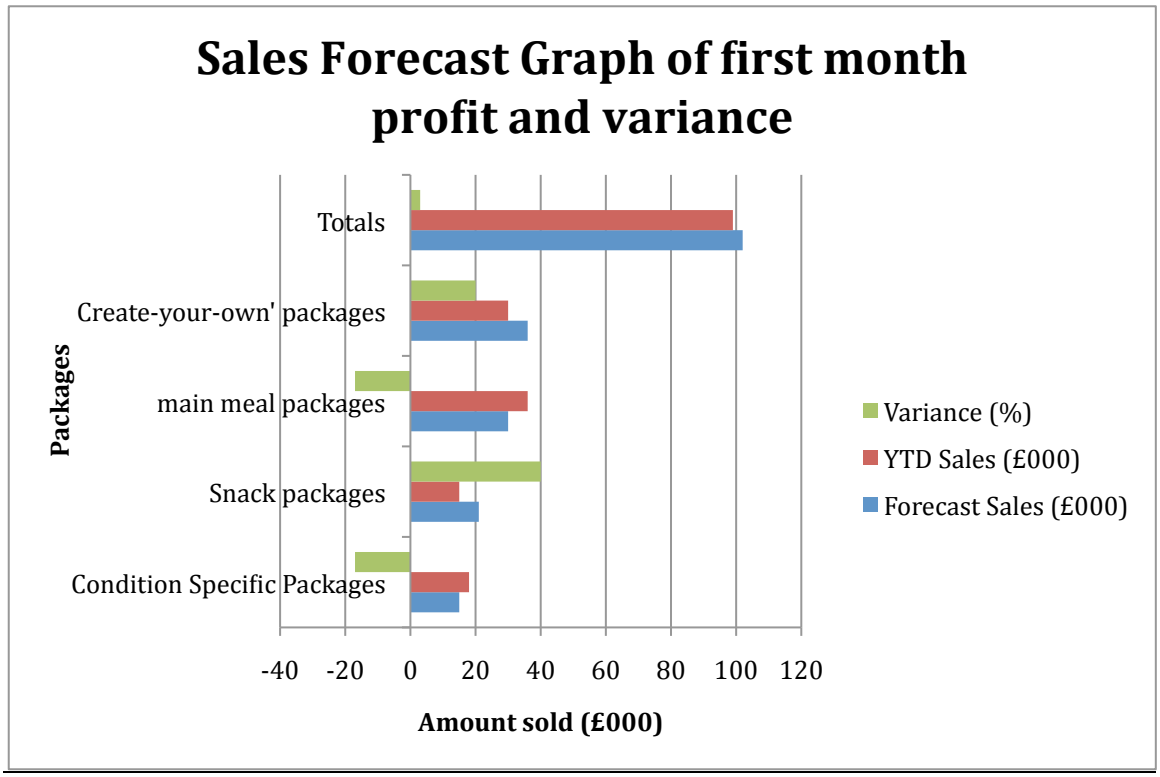
Pricing

- £6 and £8 for 5 portions. (Dependant on portion size) (Primary research)
- Set prices for a set number of portions or a 'create-your-own' where the bill will be added up.
- A box of 4 small snacks from Graze.com currently costs £2.99 (April 2013)
- A box of 4 small snacks from Good Food (even with condition specific options) will cost £3.
- Offers will also be proposed dependant on the success of the launch
- Natural foods have high costs to source
- However, bulk ordering equals the costs and allows *Good Food* to be priced affordably.

Fixed Costs	Variable Costs
Vans (delivery of packages)	Fuel and mileage costs
Packaging (bulk orders)	Number of packages sent out in a specific timeframe (e.g. 1 month)
Employment salaries	Overtime
Food produced on site (Company farm)	Food prices inflation
Promotional content	Additional campaigns

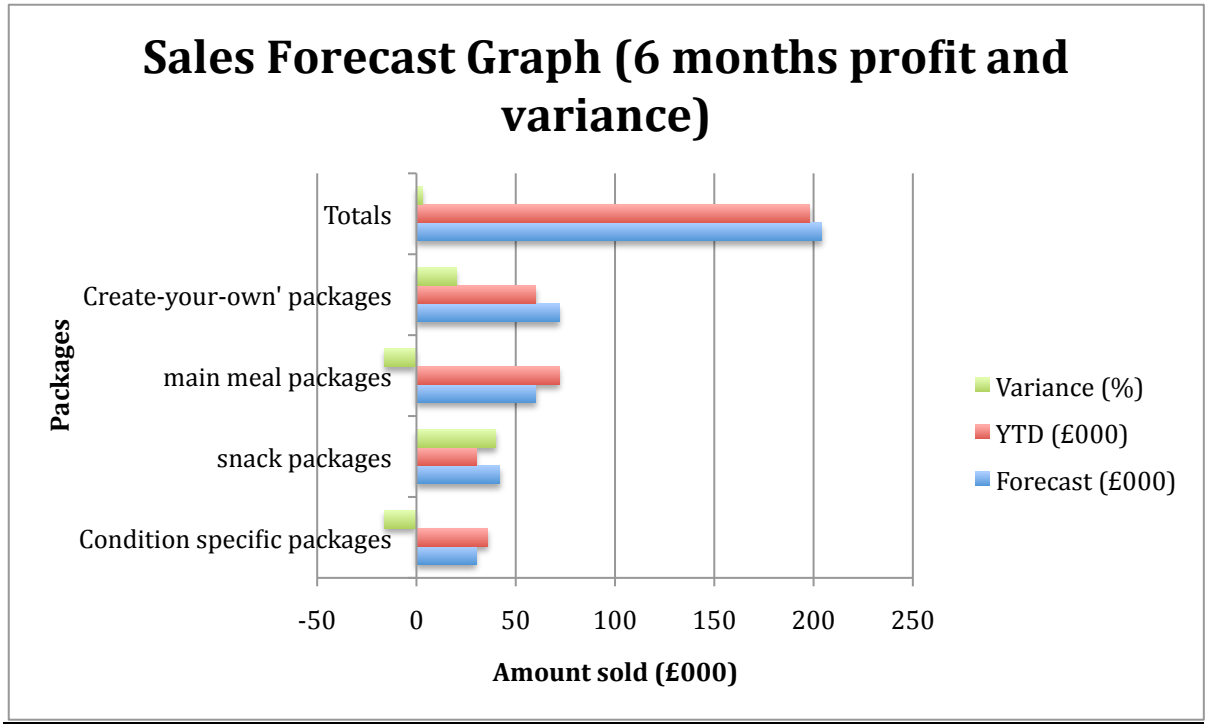
Using predictions of costs and sales in the first month of the product being launched a sales forecast table can be produced.
Sales Variance = ((actual sales – sales forecast)/sale forecast) x 100

Sales by product/service (1 month)	YTD sales (£000)	Forecast (£000)	Variance (%)
Condition specific packages	15	18	-17%
Nutritious snack packages	21	15	+40%
Nutritious main meal packages	30	36	-17%
'Create-your-own' packages	36	30	+20%
Totals	102	99	+3%



As well as carrying out a sale forecast graph for the first month's intake but also a forecast for the company's position at 6 months.

Sales by product/service (6 months)	YTD sales (£000)	Forecast (£000)	Variance (%)
Condition specific packages	30	36	-16
Nutritious snack packages	42	30	+40%
Nutritious main meal packages	60	72	-16
'Create-your-own' packages	72	60	+20
Totals	204	198	+3

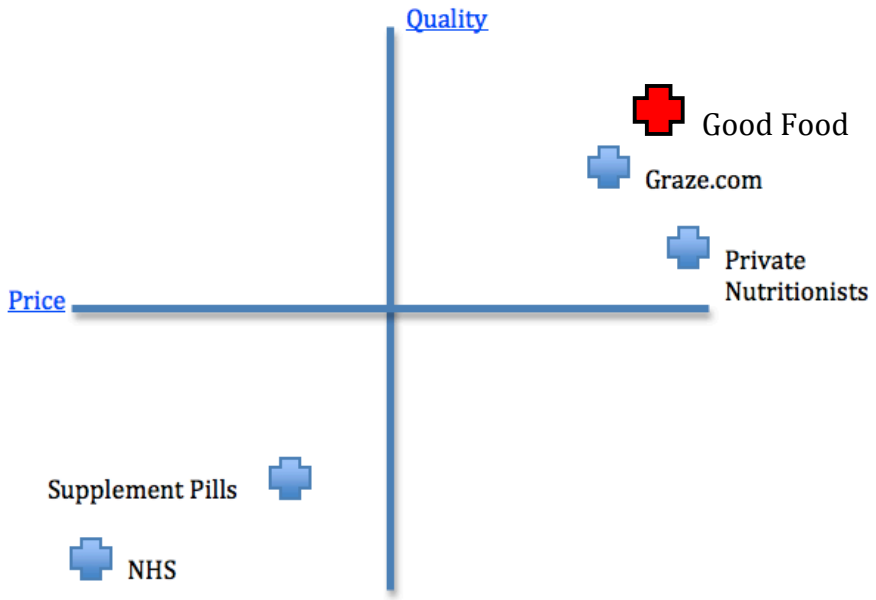


Place

- New company sourcing food to a UK farm where the company is based.
- Producing foods on site
- Distributing packages from site to postal depots and in some cases direct to home (rural addresses)

Positioning

- Position brand as a natural alternative to pills (condition specific, e.g. high cholesterol, low calcium, low fibre etc.)
- As a healthy and trusted brand with a promise to provide a natural and nutritional food.



People

- Founders working with new enthusiastic employees
- People passionate about natural foods
- Eco-friendly producers and distributors
- Innovate promoters using eco-friendly materials (print based promotion)

Targeting

- Research shows the average age of people interested are 18-25 year olds.
- The main target gender is female from the primary research findings.
- 18+ (reasoning: direct debit subscription to be set up)

Demographic

- People who suffer from conditions cause by food consumption
- People with High Cholesterol, lactose intolerant, gluten intolerant, low calcium, low fibre etc.
- People interested in eating healthy and natural foods
- BC1 to C2 class range
- Both genders

Geographic

- Adverts around gyms, universities, bus stops, TV, leaflets etc.
- Promotion discussed in more detail in the following 'promotional strategy' section.

Benefits

- Not chemical replacements for healthy intake (Pills)
- Delivered to the customers door
- Healthy and condition specific
- Choose from set package portions or 'create-your-own' options
- No waiting for health supplements from the NHS or chemists
- Cheaper than the private sector of health care
- Supports charities and local health trusts

Loyalty

- No current loyalty due to *Good Food* being a new product
- *Good Food* aims to gain a high number of loyal subscribers by following its objectives.

Message

- Healthy and natural, condition specific, foods sourced from within the UK to enable customers to have a nutritious lifestyle.

Branding

- Eco-friendly – 'green'
- Professional
- Modern
- Efficient
- 'Natural'

Trade Name and strapline

- Good Food – Nutrition Delivered

Personality

- Healthy
- Natural
- Eco-friendly
- Trustworthy
- Caring
- Supportive
- Convenient
- Friendly

Packaging

- Recycled materials
- Boxes sent out that can be re-used or recycled
- Smart
- Creative design

Schedule

This Gantt chart outlines the timeframes in which certain activities will be carried out in order to judge the effectiveness of them. The activities will reflect the planning and progression of the company in order to gain awareness.

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9
Relationships built with suppliers	x								
Employ staff	x	x	x						
Company farm prepared for stocking	x								
Stock packaging		x							
Stock food ready for sales		x	x						
Promotional ads launched		x	x	x					
Launch event held				x					
Launch date with opening weekend sales analysis					x	x			
More promotional material distributed						x	x		
First successful orders						x			
Current situation analysis								x	x

Promotion Strategy

- To create brand awareness about the launch of *Good Food*
- Promote the products available at *Good Food*
- To gain at least 5% of the market share with potential for growth

Promotional message

Good Food is a trusted and professional nutrition delivery service with all natural and locally sourced foods is the main message that should be conveyed. Promotion should convey a message of eco-friendly and a key word being 'natural'.

Advertisings and Selection of media

- Social media – growth of the digital world
- Online advertisements – interactive
- Posters – Bus stops, train stations, shopping malls etc (print)
- Radio Announcement – capture different audiences (broadcast)
- TV ad – Gain a lot of awareness (broadcast)
- Target audience specific - The type of ads distributed through theses portals

Internet and social media

- YouTube channel created
- Twitter account – Hashtag created
- Viral campaign across Facebook page
- Official Good Food website

Sales promotion

- 10% of your next order when you recommend a friend
- Incentives for new customers
- Competitions can be offered on the website to win free packages

Public Relations

- Pop up students in shopping malls – stalls with sample food and leaflets
- Promotional stalls is Sainsbury's with food tasters (Proposed partnership)
- Sponsorship of environment protection causes

Promotion schedule (Weekly) – Gantt chart

	wk 1	wk 2	wk 3	wk 4	wk 5	wk 6	wk 7	wk 8	wk 9
Promotional meeting to identify roles	x								
Posters designed	x	x							
Web Page designed and launched		x							
Posters and leaflets distributed			x						
Social Media launched and managed		x	x	x	x	x	x	x	x
TV ad filmed and broadcasted				x	x				
PR Stunt						x			x

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