

Marketing Plan Project

Nutella Hazelnut Spread

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Executive Summary

The main objective behind this marketing plan is to introduce new product namely **Nutella Hazelnut Spread** in Canada. The business idea is to offer healthy buttery, chocolaty spread which is gluten-free, dairy-free, vegan, and as long as it's made by a Jew or Muslim, kosher or halal respectively, which supplies a good amount of key vitamins and minerals that are needed for good health. This marketing plan contains introduction of company and product in question. This product has an indirect competitors, where we assume to give a boost in chocolate and food market. Here in this plan we analyse the situation of our market in terms of growth, demand and future scope which basically will define the sale of our upcoming product. We have defined the marketing mix in this plan in order to define the quality, pricing and planning of promoting our good and the place from where to start its distribution. Also made the SWOT Analysis considering four pillars of our product i.e, its Strength, Weakness, Threats and Opportunities on the way. We have also shown and defined advertising mediums and slogan, propaganda which will show the mediums and type of efforts which is planned to make this product stand out and be recognizable in the market. We have developed the website and proper search engine optimization(SEO) which is defined in this marketing plan along with properly elaborated Marketing Strategy consisting of different strategies like growth strategy, distribution strategy, promotion and price strategy. After giving details of all this, the feature of the products like in which form of good it will be introduced in the market and what are its characteristics are defined and at last the launching scheme i.e, the launching material which will be used along with the budget and contingency plan is briefly described. To conclude above appendices is given of the company launching it in the market along with sharing data of people cooking practitioner with Nutella various advertisings.

1. Background

1.1 Parent Company:

The Ferrero Group is the world's second-largest chocolatier and the maker of **Nutella**, Ferrero Rocher, and Tic Tacs. Ferrero is also a part-time novelist. Ferrero made \$9.63 billion in 2019, bringing his current net worth to \$32 billion. This Italian company Ferrero was first introduced in 1964, .Ferro Group is the second biggest chocolate producer.

1.2 Product:

Nutella hazelnut spread is made from the combination of roasted hazelnuts, skim milk and a hint of cocoa paired with crunchy and salty pretzel sticks for a delicious salty-sweet snack that combines the tastes and textures . In addition, Nutella has no artificial colors or preservatives. Nutella is made of premium quality ingredients like selected hazelnuts and delicious cocoa. Hazelnuts have always been Nutella's signature ingredient.

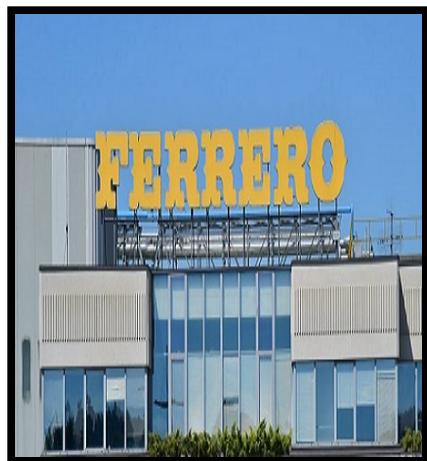


Fig1:Ferrero Company



Fig2:Hazelnut Spread

2. Marketing Mix

2.1 Product: Nutella chocolate & hazelnut based sandwich spread is going to be available globally. In terms of marketing mix product placement, the Nutella will stand out unique due to its differentiating appeal to the taste buds. The product that is primarily used for breakfast, snacks or sandwiches and sometimes as desserts, is a symbol of quality and trust too because our claims is to have no artificial colors and preservatives.

2.2 Pricing: Nutella applies premium pricing policy with an ideology that higher the price more the worth or value of the product. Due to hazelnut spread unique taste, it is going to be successful in convincing customers about our ideology. Going by the prices of our competitors, the price range is on a higher side. A typical 13 oz jar comes at an average price of around \$4 while a 26oz jar comes at an average price of \$6.5.

Nutella is a delicious creamy chocolaty hazelnut spread that can be eaten with variety of foods.

Nutella is delicious for an on-go meal or an easy after-school snack.

It is delicious peanut spread with creamy Nutella swirls.

Fig3:Nutella Chart

2.3 Promotion: Nutella will spend a hefty amount each year (close to 0.5 million dollars) to create and keep up brand awareness as well as a loyal customer base. Main idea is to always play on the point of their difference against their competitors i.e. its unique taste and promotional strategies are accordingly designed. We will adopt aggressive campaigning and promotional methods to reach out to as many consumers as possible and convince them about its quality, taste, and design. The common channels of promotion will include radio, television, and newspapers. This completes the Nutella marketing mix. Marketing efforts will be focused on the target market. Coupons will stimulate sales of Nutella and promote early trial of our new products. Nutella advertisements will feature images of family, filled with a bunch of excited children joyfully eating their Nutella-filled breakfast. These images will give consumers the idea that Nutella is a family-friendly product, and consumption of Nutella will bring joy to the entire family.



2.4 Place: Distribution Strategy will follow intensive distribution. Nutella will do Canadian road trip with its branded food truck visiting four cities. Will surprise commuters in Toronto and Montreal with an impromptu Nutella breakfast which will be prepared by Faita. Nutella spread will be found in supermarkets and will focus on goal to place it in many locations to make them readily available for customers to provide maximum brand exposure and consumer convenience. will began focusing on branding purely on becoming a breakfast staple – something put on toast, waffles and bagels, helping consumers understand the product's best use. Also will periodically check the channel member's performance against standards such as sales quota and company promotion and training programs. Distribution Strategy for the manufacturer. Thus, we will be able to fill orders faster and more conveniently helping market to quickly grasp the concept.

3.SWOT Analysis

3.1 STRENGTHS:

This product will bring an alternative to peanut butter, jam or cheese spread. Unlike being just a chocolate spread Nutella has the richness of hazelnuts which is an antioxidant and a rich source of both proteins and fibers in addition to cocoa and milk. The spread is also marketed as an add-on for cakes.

3.2 WEAKNESS:

The products is relatively more expensive and catering to niche markets. Though people may be willing to pay for pralines they may not be willing to pay the same for a sandwich spread. The raw materials used in Nutella include cocoa, hazelnuts, Peanuts and milk all of which are fluctuating.

3.3 THREATS:

There are many competitors already present in the market with good reputation like Peanut Butter, Amul spread, Hershaeys Spread. Also in today's scenario many family has become conscious towards health as many will find it to be a heavy diet as it has high sugar content.

3.4 OPPORTUNITIES:

As readiness and attraction to adapt to western styles of breakfast results in eating to become global senses as many people are turning to adapt western culture for example, are trying to imitate the western world and this major factor will give boom in its consumption.

4. Advertising

4.1 Slogan:

“
Spread the happy as Money can't buy happiness but it can buy Nutella and that is basically the same thing.



4.2 Propoganda:



5. SEO of Nutella

Search Engine Optimization: On-Site Search Engine Optimisation (SEO) of Nutella is assisting a landing page to be positioned at the top in Google SERP through the optimization of relevant keywords which are included in Title tag and in Meta-Description tag to enhance a website's ranking.

1. KEYWORDS:

- nutella
- breakfast
- nutellalover
- nutellarecipes

2. Our site uses a "robots.txt" file:
<https://www.nutella.com/en/in/robots.txt>

3. All links from our webpage are SEO friendly.

4. Our Website loading time is around 5.21 seconds.

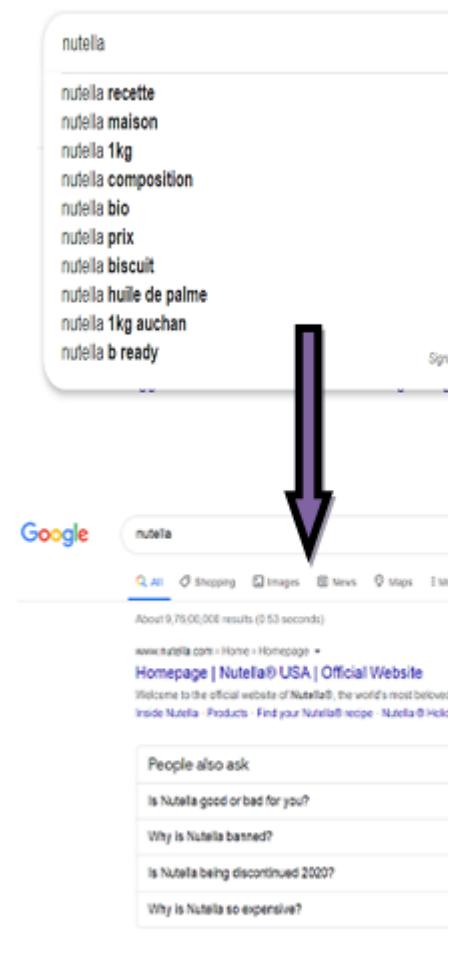


Fig5: Snapshots

6. Marketing Strategy

6.1 Product analysis: Nutella's spread is mainly used for breakfast, snacks and sandwiches, but it may also be used in some desserts. It's healthy because it contains hazelnuts. Nutella classified it as a dessert topping, Ferrero has been pushing to have the spread reclassified as a breakfast topping, similar to jam.

6.2 Mass marketing: Branding by targeting at niche market as something that could be eaten with everything. Main focus is on social media engagement, and actively using visual-heavy platforms such as Facebook, Tumblr and Pinterest to generate publicity for the brand. By declaring World Nutella day will give fans a day to celebrate about the delicious spread and further spread word about Nutella.

6.3 Growth strategy: Nutella is technically a sugar spread rather than a hazelnut spread, a straightforward testament to children's interest in anything sweet, smooth and chocolate-flavoured giving attraction to children, also convinces customers by giving an alternate to products like peanut butter helping people to change their taste buds.

6.4 Distribution strategy: It will become a very well-known product and our company will aim at increasing its presence in all the locations to make them readily available for their customers leading to maximized brand exposure and customer convenience. And will try to make it available at almost every grocery stores.

6.5 Promotion and Price strategy: We will try our best to make its advertisements and adds available on every social media platforms like youtube, tvs, radios, etc in order to convince the audience and the budget will be set around 3crore to accomplish this task. We will set price of product fixed in order to create promising factor among customers for our spread.

7. NUTELLA SPREAD

7.1 Product classification- CONSUMER

GOOD: This product namely Nutella Hazelnut Spread is intended to be sold into commercial locations to normal publics as opposed to corporate customers. The product marketing efforts such as advertising to stimulate sales.

7.2 Product category- CONVENIENT

GOOD: This product is made with an intention to be purchased frequently by the customers as it is introduced with an intention to be used as a breakfast staple food. The objective is to get the benefit from a very large market as being a product in the category of food.

7.3 Product characteristics: The duration of use of Hazelnut spread is around **10 months**. The overall development cost of this product is around **\$2 million**. Lifetime is around **12 months** as from the month of manufacturing. The duration of use of this hazelnut spread when it comes to its opened jar, it easily lasts for at least a few months.

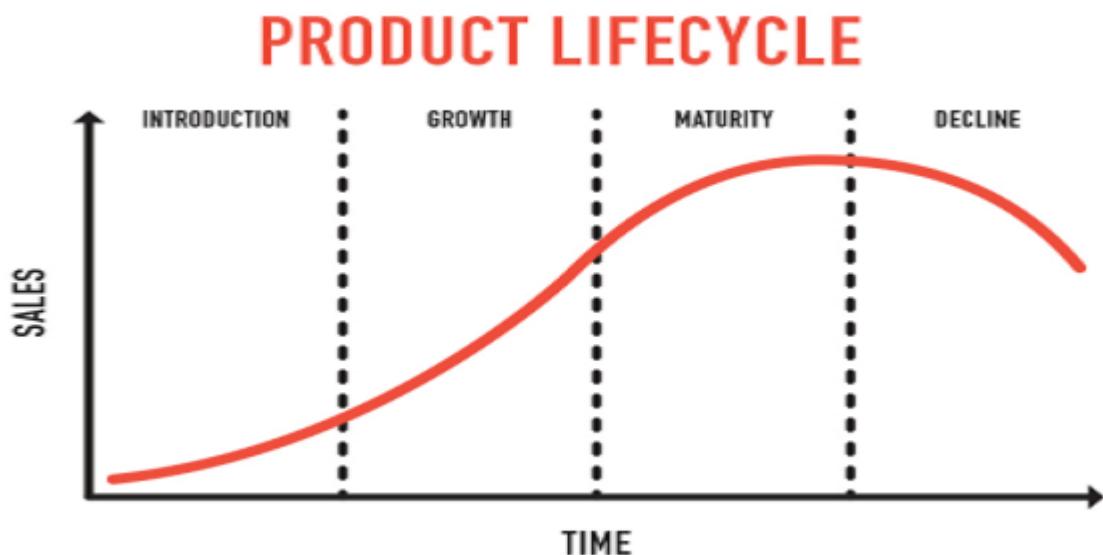


Fig6: Graph of Nutella Lifecycle

8.Launch

8.1 Launch Material: The words and language that accompany our launch communicate the overall tone, sincerity and value as a business. While colors and branding can be less conscious and more subversive, words will directly resonate with our audience and leave a lasting impression. Also as effective our launch would be more it will be important for customers and gaining momentum with our product in the market. We are going to launch our product during a window of time with the most opportunity. This means that our product will be launched when there is the most need for its features i.e, during winters when many people resist to cook breakfast. So, the launch date will be on 5th February 2021. Our promotional campaign will start on January 1st, so this much time would be enough to aware the people and would create eagerness which will boost the sale and success rate of our new product **Nutella Hazelnut Spread**.



Fig7: Types of packaging in which Nutella Spread comes

8.2 Launch Budget: The budget would be used in advertising through various platforms like radio, tv, print and media along with investing in transportation, grocery stores and in offices which will deduce the variable and fixed cost accordingly. Budget is based on investing **3 million pound**. Sales will be based on population in the targeted segment. As advertising will start before launch, so this budget will spend accordingly. This launch budget will identifies the available capital, estimates spending, and helps in predicting revenue. Overall will help to predict cash flow, identify functional areas that need improvement, and running operations smoothly.

8.3 Contingency plan:

This plan is designed to take account of a possible future event or circumstance.

PHASE 1: This phase consist of import of spread from USA to Canada. This will save capital investment which will help in managing order where orders estimation would be easily made. In the case of campaign failure with a full warehouse the company will adopt a damage control policy where the products will be sold at a lower price (\$1) and distributed at lower standard off license stores, in order to minimize losses.

PHASE 2: After success of phase one, the next will be to start the production of Nutella Hazelnut Spread with various selection off flavours locally in country. The implementation of this phase means that the product proved successful in phase one which all that the brand will successfully establish. In case of failure in this second phase we will plan to implement many other alternative strategies. The first and foremost will be to focus the original product made of hazelnut coco flavors that has already proved successful and returning to make a more detailed market research on what flavours would work best for the market. Another strategy to be studied and put into action is the concentration on markets which are near to this place.



Fig8: From grocery store to breakfast table

9.Appendices

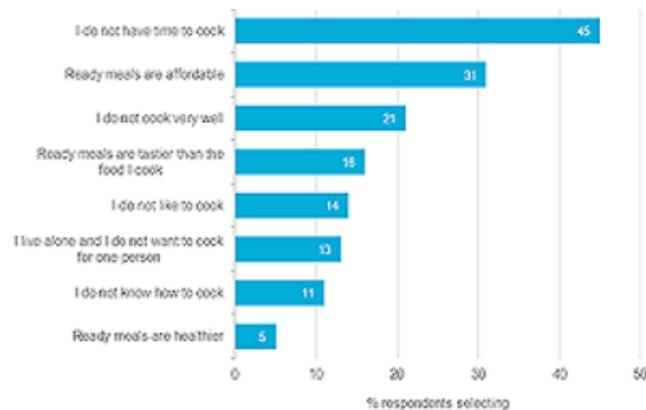


Fig9: Graph representing trend of cooking

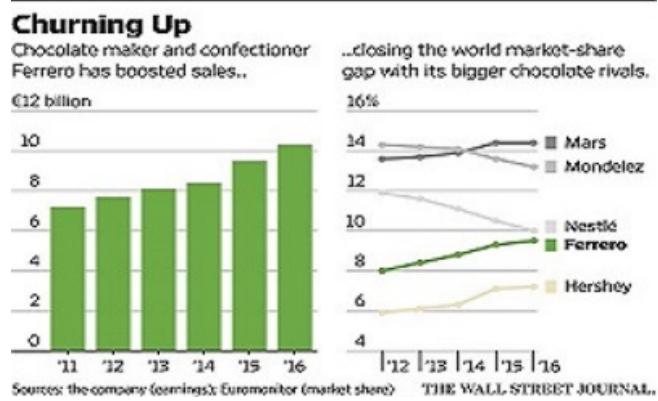


Fig10: Graph of boost in sale of Ferro

	2007	2008	2009	2010	2011	2012
Singapore Confectionery						
Ferrero Group	9.2	9.6	10.5	10.9	11.3	11.6
Mars Inc	8.2	10.9	10.8	10.7	10.9	11.0
Nestlé SA	10.1	9.6	9.3	9.3	9.4	9.4
Kraft Foods Inc	0.8	0.8	0.7	9.2	9.3	9.4
Perfetti Van Melle Group	9.0	8.6	8.5	8.3	8.1	8.0
Ricola AG	5.4	5.5	5.3	5.2	5.2	5.1
Lofthouse of Fleetwood Ltd	4.6	4.7	4.7	4.6	4.7	4.6
Hershey Co, The	2.3	2.3	2.7	2.8	2.8	2.8
Storck KG, August	2.2	2.3	2.3	2.4	2.4	2.4
Morinaga & Co Ltd	1.8	1.9	1.8	1.8	1.7	1.7
Petra Foods Ltd	1.4	1.5	1.4	1.4	1.4	1.4
Chocoladefabriken Lindt & Sprüngli AG	1.1	1.2	1.3	1.4	1.4	1.4
Konimex Pharmaceutical Laboratories PT	1.4	1.5	1.5	1.4	1.3	1.3
Sanotact GmbH	0.9	1.0	1.0	1.1	1.1	1.1
Network Foods International Ltd	-	-	1.1	1.1	1.1	1.1
Yupi Indo Jelly Gurn PT	0.6	0.9	0.9	0.9	0.9	0.5
Leaf International BV	0.9	0.9	0.9	0.9	0.9	0.5
Procter & Gamble Co, The	1.0	1.0	1.0	0.9	0.9	0.6
Nin Jiom Medicine Mfy (Hong Kong) Ltd	0.8	0.9	0.8	0.8	0.8	0.6
Pfizer Inc	-	-	1.0	0.8	0.7	0.7
Lotte Group	-	0.5	0.6	0.6	0.6	0.6

Fig11: Chart of Nutella and its Competitors Gross Profit



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