

**Assignment Name:** Frozen Pizza: New Brand Marketing Plan

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## Competitive Brands

### Delissio

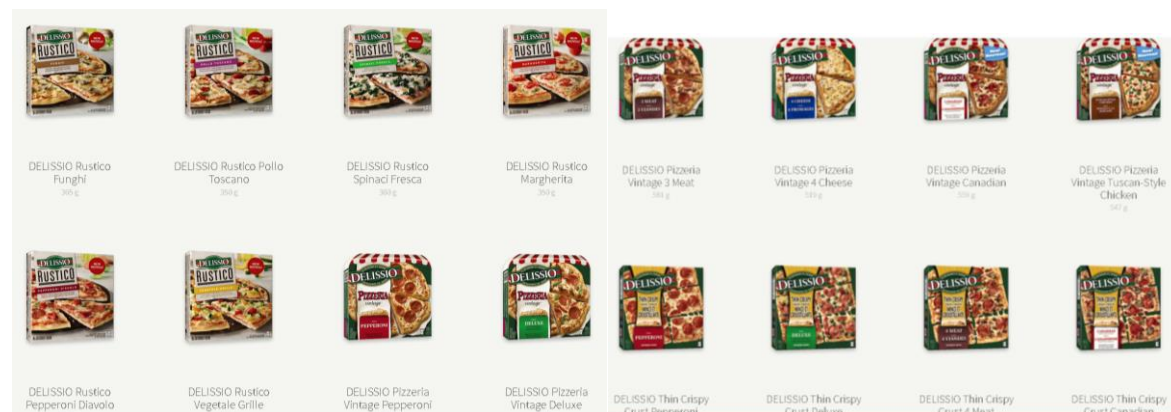
**Position.** The frozen pizza market has many different segments. Nonetheless, what the brand Delissio attempts, is to remain and even increase through their many alternatives a good share of all the available segments that the frozen pizza market offers. Today's brand market share reaches the highest of the industry with a 42%.

It is important to remark that the company's biggest segment is formed by the millennials formed from the 18 years old to 24 years old, which is an important factor to consider when deciding whether or not to buy a product. On the other hand, the lowest market to the industry is the elder population that are considering more healthy options, which the most important factor will be represented by looking for more quality instead of a lower price. That said, both will represent a different market strategy, provided that the brand wishes to gain both segments. (Rogers Media Inc, 2015)

**Product.** The company Nestle, has two product lines under their Frozen Pizza market called "Delissio", which are:

- Thin and crispy crust
- Substantial and filling crust

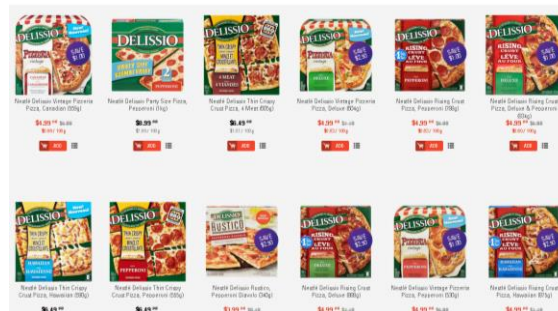
Inside these two main lines, they are offering around 41 different products, going through many alternatives, where customer preferences as vegetarians are offered with veggies pizzas, or customer with healthy tendencies with thin and low sodium options, low income customers with a simpler basic pizza called "Rustico". Some examples are:



See Nestle.com for more information about the products.

**Pricing.** The company bases its price analysis mixing several strategies. However, the two methodologies identified were price line since they are covering a huge portfolio of products setting a leader of options, from each individual product, they consider its features, client perception, value added, among others, which will go from a low around CAN\$ 3 to a medium price range CAN\$9.

Also, the company applies a price segment strategy. Having said that, depending on the place where the product is offered they will charge a higher or lower price, even when it will be the same product.

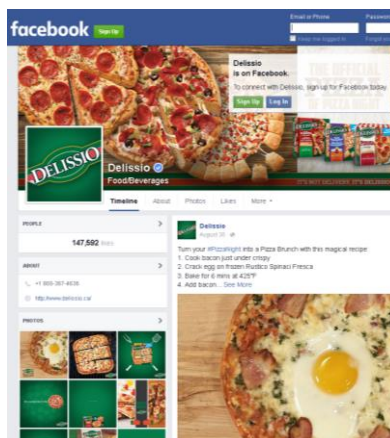


**Promotion.** It has been identified that the company utilizes many ways to promote its frozen pizza, and all of them are performance complying with the IMC. Most common are:

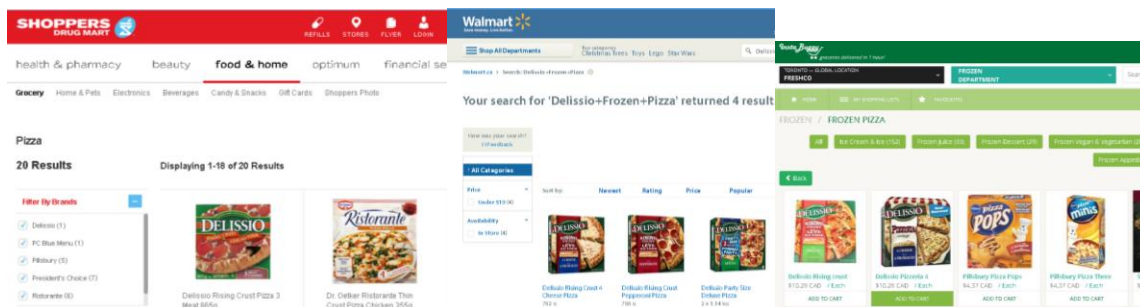
**Advertising.** Through radio, newspaper, internet, magazines, using a persuasive campaign to convince their customers to change to their brand, or why they should choose Delissio as their favorite product, for example:

- “Our traditional *Delissio* Rising Crust and Thin Crispy Crust lines will see minor changes in the sauce, crust and toppings aimed at improving overall balance and flavor while working towards reducing sodium.” (Nestle, 2014)
- According to the company annual report 64% of their global business are fully complying with their Supplier code controls. (Nestle S.A., 2014)

**Direct Marketing.** Using online sales, 0800 direct customer attention numbers.



**Place.** The product will be available through several channels, mainly at big retailers, such as Shoppers, Walmart, Freshco, and even online, through Facebook, twitter, among others.



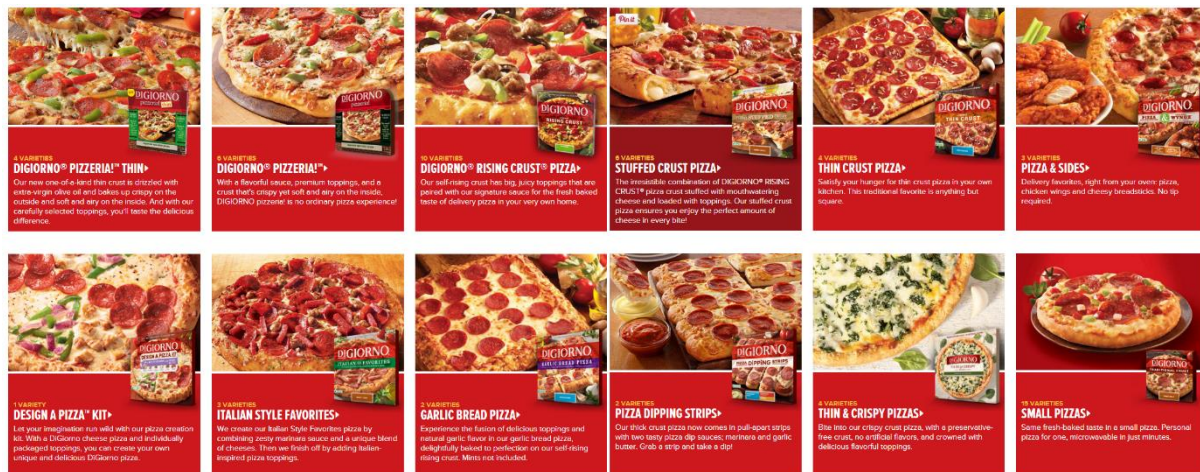
## DiGiorno

### Position. “Best Frozen Pizza: It’s Not Delivery. It’s DiGiorno Pizza” – DiGiorno tagline

DiGiorno brands itself as a product of quality pizza baked in the comforts of home. It is currently the largest frozen pizza brand in the United States by offering many products that cater to different consumer tastes and preferences.

In 2014, DiGiorno launched the first-ever customizable frozen pizza in the U.S. to boost sales in a declining frozen food market. It allows consumers to choose pizza toppings arranged the way they want. (Peterson, 2014)

**Product.** DiGiorno has 12 product lines listed on its website. Appendix A shows the current 10 product lines (excluding *Pizza & Slides* and *Small Pizzas*) and the flavours of each product line. Pepperoni seems to be the most popular topping, given that it is used the most across the different product lines. Supreme Speciale comes second, used in six products, while Four Cheese and Italian Style Meat Trio are found in four different products.





**Pricing.** At Target stores, DiGiorno pizza goes for USD 3.50-6.09. At the current conversion rate of USD 1 = CAD 1.35, the price becomes CAD 4.75-8.26. Walmart's price is higher than Target by USD 0.20. It should be noted, however that smaller and local grocery stores that carry DiGiorno are most likely more expensive. However, smaller grocery stores have weekly sales. During these sales, the price of DiGiorno will be considerably lower if it is part of the weekly ad.

**Promotion.** Most of the company's promotion is done online. DiGiorno has a product website, a Facebook page, a Twitter page, a Tumblr account, and a YouTube channel. Among these, its Twitter account is regarded by many as one of the most effective and a fine example of social media marketing (lotus823, 2013).



DiGiorno has the most engagement with social media users by tweeting real-time to the most popular and trending hashtags. On December 2013, #SoundOfMusicLive was a trending hashtag with 18 million people watching the show. DiGiorno sent out witty tweets with the hashtag which resulted in 2,000 followers for the duration of the event. (Havanssek, 2015)

The Super Bowl attracts one of the largest television viewers every year and any company would want to advertise in it. While DiGiorno didn't have a 30-second commercial for Super Bowl XLVIII (2014), the company won people on social media when they poked fun at the losing team and "suggest[ed] that bored football fans whip up one of its frozen pizzas" (Heine, 2015).

As part of its "Design a Pizza Kit" marketing campaign, DiGiorno once again turned to social media by partnering with eight bloggers to make a pizza of their own and post their creations online (Peterson, 2014). The one pictured on the left is blogger Christy Denney's creation.

**Place.** DiGiorno is owned by Nestle and is sold majorly across the United States (Nestle, 2015). Delissio, originally a product line from Kraft, was acquired by Nestle and is DiGiorno's Canadian counterpart. It is found in local grocery stores and big retailers like Target and Walmart.

## Dr. Oetker

**Position.** According to an issued report by UBM Marketing and Communications Services, "the Global Frozen Pizza market to grow at a CAGR of 2.54 percent in terms of revenue and 2.06 percent in terms of volume over the period 2014-2019. Many vendors have introduced new brands to cater to the different taste of the regional consumers. In the process of glocalization, vendors have introduced new toppings that are popular in that particular region. Some vendors have also introduced vegan frozen pizza to cater to the vegetarian consumer, especially in the APAC region." (UBM Marketing and Communications Services, 2015)

"Many international vendors have introduced their frozen pizza brands in the APAC and the MEA regions." (UBM Marketing and Communications Services, 2015) "Increased health consciousness

among consumers has made them shift from food products such as frozen pizza to low-fat food products.” (UBM Marketing and Communications Services, 2015)

“More than three quarters of Canadians (74%) ate frozen pizza in the last six months of 2014, with 81% eating either restaurant or take-out pizza.” (Powell, Fighting for a bigger slice of the (pizza) pie, 2015)

“Both volume and dollar sales of pizza have ‘declined notably’ over the past five years... attributing the drops to a combination of aggressive pricing strategies, increased consumer health concerns and ‘disinterest’ from an aging population, particularly when it comes to store-bought pizza.” (Powell, Fighting for a bigger slice of the (pizza) pie, 2015)

“Frozen pizza consumption falls with age, with only 56% of Canadians 65 and older saying they eat frozen pizza – well below the national average of 74%...This particular demographic set to grow 19% by 2019.” (Powell, Fighting for a bigger slice of the (pizza) pie, 2015)

Dr. Oetker is one of the globally leading manufacturer of frozen pizza. It targets all segments of this market and offers a variety of products to consumers with good taste and high quality at reasonable prices. As the company puts it, “For generation after generation, the Dr. Oetker brand has signalled to the consumer that Dr. Oetker products have outstanding taste, are the highest quality and guarantee success”. (Dr. Oetker, n.d.)

**Product.** Dr. Oetker’s product lines in Canada include six sub-brands with a total of 41 types of tastes. These are:

- Ristorante Thin Crust (with 12 types of tastes)
- Ristorante Ultra Thin Crust (with 5 types of tastes)
- Casa Di Mama (with 5 types of tastes)
- Panebello (with 5 types of tastes)
- Giuseppe Thin Crust (with 8 types of tastes)
- Giuseppe Rising Crust (with 6 types of tastes)



Ristorante Thin Crust



Ristorante Ultra Thin Crust



Casa di Mama



Panebello



Giuseppe Thin Crust



Giuseppe Rising Crust

- (Dr. Oetker, n.d.)

As one of the market leaders in the frozen pizza market, Dr. Oetker is characterized by the large diversity of tastes plus the outstanding quality. One of the most representative products is the successful Ristorante pizzas which boast the widest menu of varieties in any frozen pizza brand. While the Giuseppe Pizzeria is the latest addition following the acquisition of the McCain (a local Canadian brand of frozen pizza) line of frozen pizzas in 2014.

**Pricing.** Dr. Oetker is a sign for good quality. Although there is a huge portfolio of products with different features and tastes, the price segment does not differ much. Almost all of the above-mentioned six sub-brands with regular sizes and weights are priced ranging from relatively low end of around \$3-4 to a medium level of \$6-7. Such quotes of price are based on big retailers. If the products are offered in restaurants, the prices will be charged considerably higher.

**Promotion.** “Many different means of communication are used to keep consumers informed about Dr. Oetker products and offerings, and to put across the brand’s messages.” (Dr. Oetker, n.d.)

“Dr. Oetker maintains a constant presence on television, in magazines and in the trade by using commercials, advertisements and promotions. Continuous press and public relations activities ensure that consumers find Dr. Oetker stories in the media time and again. More and more customers are also taking advantage of the broad range of information on the Dr. Oetker website, the online community or contact the experts of the company direct, by telephone, fax or email.” (Dr. Oetker, n.d.)

“Dr. Oetker also uses its time-honoured building at the Bielefeld headquarters to house the modern Dr. Oetker Welt – for the food industry a new form of brand presentation. Visitors learn interesting facts about the family business, the brand, the products and the company’s fields of operation.” (Dr. Oetker, n.d.)

**Place.** There are usually three types of distribution channels for the products of Dr. Oetker. The first is through big retailers such as Food Basics, Metro, Walmart, Freshco, Loblaws, No frills, etc. The second is through wholesalers and small retailers to the consumers. Finally online delivery of cooked products is more popular among young consumers who usually have no time to bake pizzas.

## McCain

**Position.** McCain sold its North American frozen pizza brand to a German company Dr. Oetker last year. McCain Rising Crust, Thin Crust and Multigrain Thin Crust pizzas will be available under the Giuseppe brand and McCain Ultra-Thin Crust pizza will be rebranded as Dr. Oetker Ristorante Ultra-Thin (Askew, 2015). The both rebrands will be the same recipes and most topping choices will remain the same. Two McCain brands varieties (McCain Thin Crust California Chicken and McCain Rising Crust two pack pepperoni) will be discontinued by Dr. Oetker (Askew, 2015). This rebranding means Dr. Oetker now offers a pizza for virtually every occasion and every taste. Also customers who previously purchase McCain Rising Crust, Thin Crust and Ultra-Thin Crust Pizzas can still have the products they enjoyed on the shelves (Askew, 2015).

McCain frozen foods position itself distinctly from its counterparts in offering fresh ingredients. According to McCain Food head of brand Mark Hodge “McCain Foods prides itself on providing consumers with good food, simply prepared from good wholesome ingredients, that makes people feel good. Freezing is a simple, natural method of preserving food”. (Grocer, 2013)



**Product.** McCain Foods quits its in-house pizza production in the UK. The company said a decline in demand for its branded McCain Pizza Fingers Cheese and Tomato Pizzas was no longer financially viable for the company. The company was experiencing a poor sales volume. (Askew, 2012).

**Pricing.** According McCain manufacturing director Alan Bridges explains “despite the company endeavours to grow the pizza business over the recent years, the company continue to experience declining volumes and demand in an increasingly competitive market place” (Askew, 2012).

In terms of value sales, McCain Brands were down a hefty 23.6%. The market’s largest brand, Dr. Oetker’s Chicago Town, saw sales decline 4.5%. McCain decides to quit its in-house pizza production as other branded manufacturers are investing heavily on Innovation and marketing as their sales are dropping. (Askew, 2012)

**Promotion.** “McCain Foods is championing the need to reframe the frozen food category by making it more relevant to shoppers by focusing on meal occasions and underpinning this with nutritional information and good value, tasty food, which is convenient for busy family lifestyle” (Grocer, 2013).

The head of brand McCain Foods Mark Hodge explains “parents need to be reassured that just because the food they are serving is convenient they aren’t sacrificing on quality. For McCain, we deliver this reassurance by being transparent about the quality ingredients that are used in our products and the simplicity of the preparation process” (Grocer, 2013).

McCain Ready Baked Jackets, new product innovation, will meet demand for convenience and taste, alongside natural ingredients, is also key to driving growth within the frozen category (Grocer, 2013).

McCain Food is investing in significant marketing support to celebrate the great food to be found in the nation’s freezers and remind shoppers of the wide variety of delicious meals that can be prepared using frozen foods. (Grocer, 2013)

**Place.** McCain’s Hodge includes “A significant opportunity exist to drive incremental consumption completely reframing the category from one which is currently very functional to one which is centred on meal occasions. Bringing this is to life in-store with clear segmentation and signposting for shoppers is critical to unlock this growth. (Grocer, 2013)”

“McCain Foods is working with retailers to provide shopper inspiration that links in to meal occasions where frozen food provides a solution, such as convenient home cooking, quick family meals, roast dinners, BBQs and other sharing occasions such as parties or family nights in” (Grocer, 2013).

He further explains “shoppers also respond well to tailored promotions lined to seasonal events or occasions. These includes barbecues and big TV or sporting events such as the X-Factor final, Wimbledon final and Champions League football matches, and is a strategy that is executed to great effect in other categories but not fully exploited in frozen food. Merchandising these promotions on aisle ends to ensure maximum visibility is vital to drive sales”. (Grocer, 2013)

“Merchandising frozen item alongside complementary ambient items away from the frozen section, in other areas of the store, has also worked well in trials with c-stores and is a tactic that would work equally on a larger scale”. (Grocer, 2013)

### President's Choice

**Position.** The Canadian pizza market is large and diverse. The President Choice pizzas is poised to be the leading branding the country. With all factors held constant, this brand hopes to grab at least 40% of the existing market share to become Canada's top brand. (Andersone & Gaile-Sarkane, 2008)

The President's Choice Pizza is expected to be especially popular among consumers that belong to the Millennial Generation that is, the consumers aged between 6 years and 35 years. This means that a large section of the young and active working force will be able to buy try the pizza.

To cater for people living a healthy lifestyle in terms of diet, the pizza will be served in various varieties. The President's Choice Pizza is expected to be especially popular among consumers that belong to the Millennial Generation that is, the consumers aged between 6 years and 35 years. This implies that a large section of the young and active working force will be able to buy try the pizza. (Andersone & Gaile-Sarkane, 2008)

**Product.** Choice Inc., will offer two major variants of the President's Choice pizza as follow:

- Cracker thin least crust
- Cracker thin veggie crust

Each of these options has nearly 20 different alternatives all aimed at increasing the customer autonomy when it comes to offering a comprehensive list of options. The bottom line for all these is the emphasis on health across the board. However, the emphasis is stricter in some servings more than it is on others. (Schwans, n.d.)

**Pricing.** To effectively sell the President's Choice Pizza, cost based pricing will be used where the variables costs, fixed costs and % markup will be taken into consideration. Additionally, the minimum % markup will be used initially. This is in line with market penetration strategy of pricing products. The rationale for adopting cost based pricing is twofold; first, there is the need to ensure that the product is produced without a production deficit despite being a new entry (Spann, Fischer, & Tellis, 2015).

Secondly, Choices hopes to make the product affordable to all Canadians. The price will be set to \$3.5 for the basic recipe and \$4 for other varieties (shipping not included). This is also the chief reason that the company opts for market penetration strategy.

**Promotion.** The objective is informed by the realization that customers' buying behavior is entails several steps before a purchase can actually take place (Andersone & Gaile-Sarkane, 2008). As such, the promotional mix chosen should be able to win the customer's trust on each step.

Choices hopes to use an intensive promotional mix to inform customers of the nutritional benefits of President's Choice Pizza, its freshness, its quality and overall phenomenal service from preparation to delivery. The product will be promoted under 3 strategies. The first will be personal selling to people's homes; the second is advertising on broadcast media and the third is offers promotions and attractive schemes. Additionally, the home delivery will not attract any charges.

Advertising the brand on visual media will be utilized as much as possible where the health benefits as well as the scrumptiousness of the pizza. Offers and promotions will be instrumental from time to time as they will assist in keeping the brand vibrant. For instance, 'buy one get one free' will be occasionally announced based on some factors.

**Place.** Three major distribution strategies are: (a) home and office delivery (b) restaurants and retailers (c) pick-up. The first will involve the use of delivering men in delivering the product to a customer's home or work place while the second will involve alliances with restaurants to allow the product be distributed through their outlets. Social networks and Choices website will be used to supplement each of these methods. Facebook, Pinterest, twitter and Google plus will be used.

## Target Market

### Profile



- (Boomers and beyond, n.d.), (Center, n.d.), (naturalsociety.com, n.d.), (babble.com, n.d.), (yellowroserecipes.com, n.d.)

As a result of the market research that have been made through several competitors that were selected, the team has come to a consensus, that there is not a single market that the frozen pizza commerce is aiming to satisfy. On the contrary, the different competitors are just offering multiples

products with the attempt to cover all the possible consumer desires. For example, the leader in terms of market share, which is Delissio, is offering 42 different types of frozen pizza that goes in every direction as thin to regular, normal size to familiar size, fully meat to vegetarian, and so for.

Although they are covering all of the markets with their different products, it was possible to identify a good opportunity in the elder population, that on the contrary is threatening to abandon the frozen pizza consume, when in fact, they do represent a good market opportunity due to their disposal income since they are boomers.

Being more specific, this particular market is complaining about the following facts:

- The low quality of the offered products due to the lack of freshness on their toppings.
- The size of the offered product is most of the times too much for them to be eaten.
- The negative impact over the health of having a frozen pizza on their daily diet.

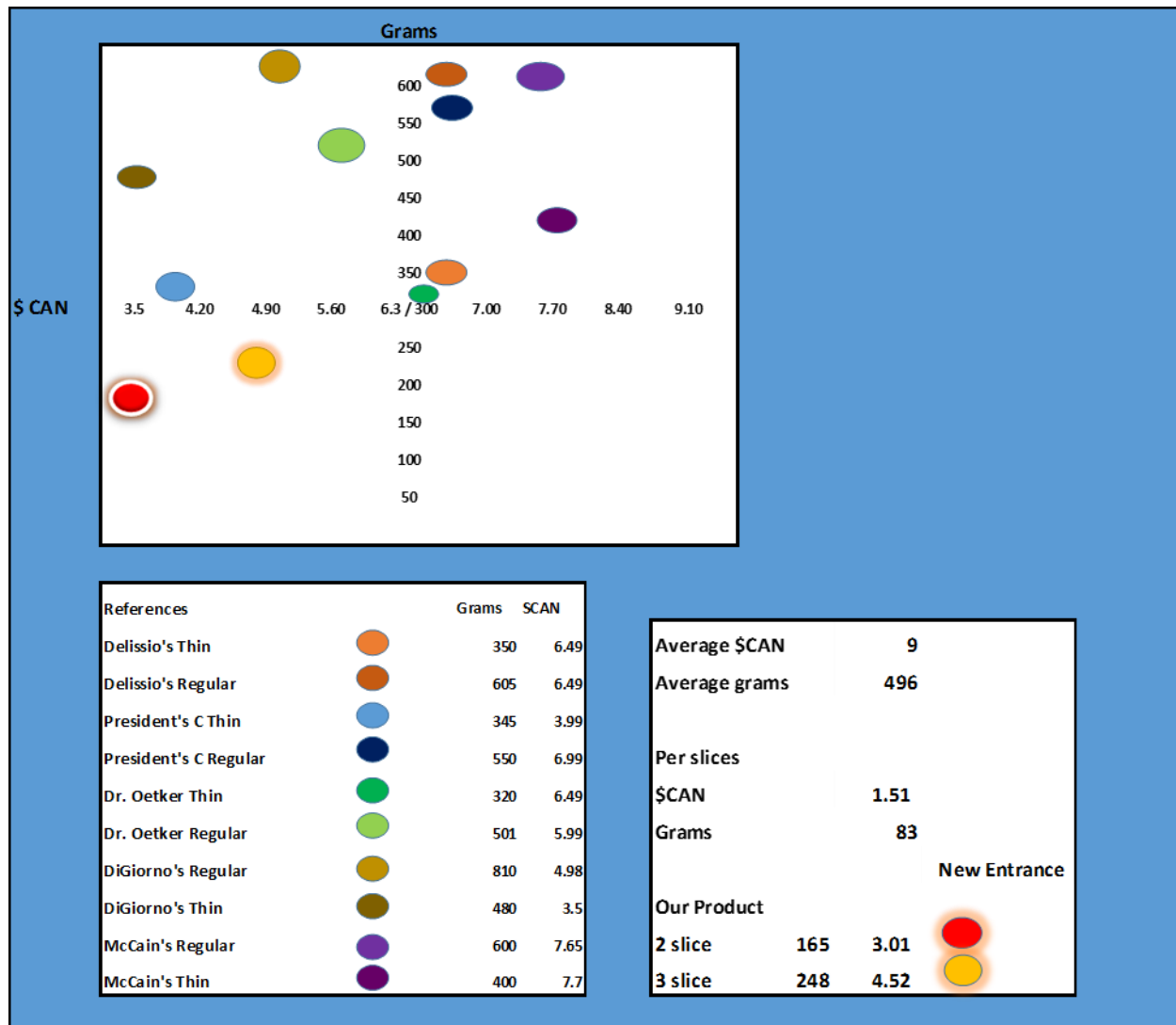
Given the previous facts, the team has decided to offer the elder sector with a new product that has:

- Organic products with lower calories, and excel in their quality,
- Small sizes, offering two different presentations
  - Two and three slices frozen pizza.

### Target Market Positioning Map

For the target positioning map on age and income, see Appendix B.

Weight and price.

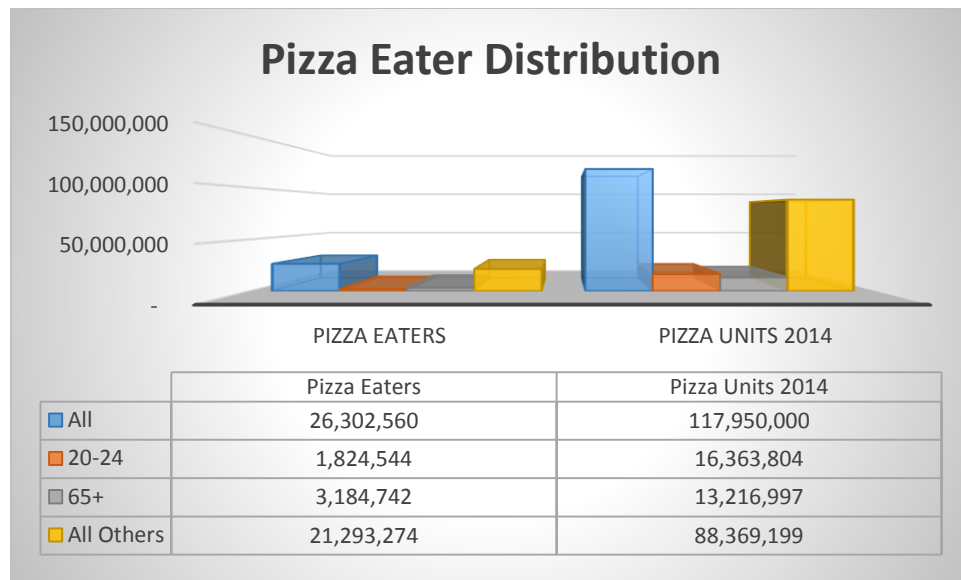


Assumptions:

- Grams. (Average competitors pizza's grams / divided by 6 slices) \* times our product slices quantity.
- Price. ((Average competitors pizza's price \* inefficiency penalty / divided by 6 slices) \* times our product slices quantity) \* times product premium
  - (Loblaws Inc., 2015), (Walmart, 2015), (Nestle, 2015), (Loblaw Companies Limited, 2015)



## Age and pizza consumption trends.



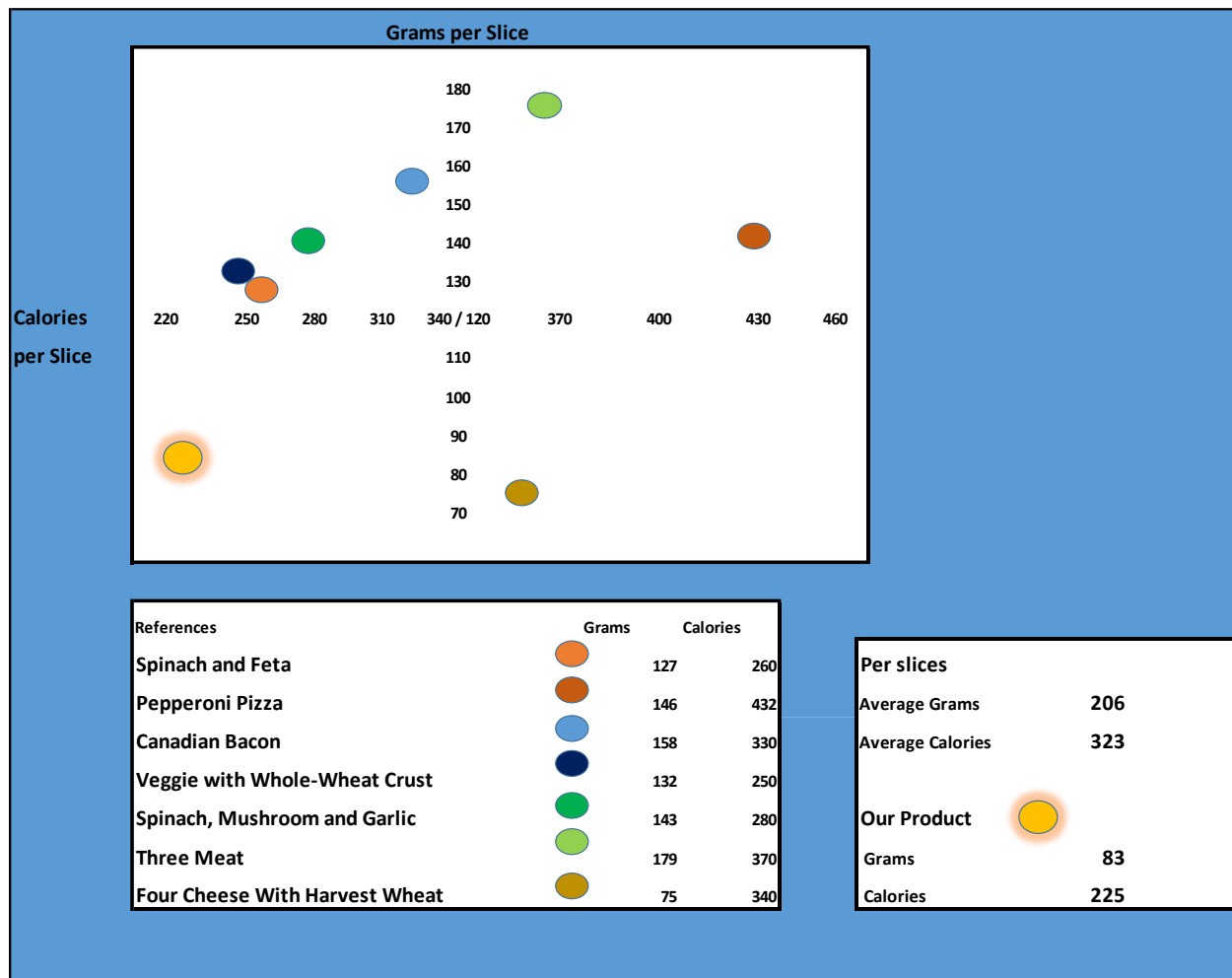
## Assumptions:

- Pizza Eaters = Total Canada Population \* Market Stat (Powell Article)
- According with the marketing study (Powell Article), the group 20-24 consumes double quantities than the rest of the population, from which the quantities were estimated.

	Total Population	Pizza Eaters %	Pizza Eaters #	Pizza Quantity	Aprox. Quantity
	2014			Total	Per Year
All	35,544,000	74%	26,302,560	117,950,000	
65+	5,687,040	56%	3,184,742	13,216,997	4
20-24	2,465,600	7%	1,824,544	16,363,804	9
All Others	27,391,360	74%	21,293,274	88,369,199	4

- ( Statista Inc., 2015), (Canada, 2015), (Powell, Environics Analytics, 2015)

## Product calories and grams.



## Assumptions:

- Our pizza gram per slice comes from the lighter pizza average calculate in chart A.
- Calories stats on our pizza comes from the consideration that our team is targeting at list a 10% less than the lower competitor pizza, which is the veggie.
- There is not price versus quality positioning map, that was approved by the professor.

- (Walmart, 2015) (Loblaws Inc., 2015) (About, Inc., 2015)

## Differentiation Strategy

### Brand Name

The product will be called *Buona Vita*. *Buona* is Italian for “good” and *vita* has different translations including: life, living, waist, age, and being.

No matter which the word is translated to, the brand name aims to project an image as a better, healthier choice of frozen pizza that consumers will enjoy eating without the slightest bit of remorse or as a “guilty pleasure” sometimes associated with eating pizza.

Many people would associate pizza with Italy—in fact, the modern pizza was invented in Naples, Italy. The name *Buona Vita* was created with this popular connection in mind.

### Product Features & Benefits

**Packaging.** *Buona Vita* will be packaged in a box that can fit two 8-inch pizzas.

As a brand name formed with Italian words, two colours of the Italian flag will be used on the packaging: green and white. Green is also the colour of nature that symbolizes growth and freshness. White, on the other hand, represents light and goodness, commonly used to denote low calories or light food. (GraphicSprings, n.d.)

Instead of red from the Italian flag, orange will be used to catch the eye and to stimulate the appetite. Although not as vibrant as red, orange still has a high visibility to highlight important product features. Orange is also associated with healthy food because of its citrus colour. (GraphicSprings, n.d.)

**Size.** *Buona Vita* will come in two individually wrapped pies per box, where a single serving—good for one person—is equivalent to one pie. Depending on the toppings, each pie will be approximately five to six ounces, equivalent to about two slices of pizza.

A single-serving pizza is targeted to consumers that prefer smaller portions without the need to bake a standard 12-inch pizza (standard-medium) that cannot be consumed in a single meal. It also widens flavour selection; because two people do not have to share a pie, they can opt to choose two different flavours of *Buona Vita*.

**Nutrition and Calories.** Epstein says that “a quick rule of thumb for healthy eating [to seniors] is fewer calories and more nutrients.” The author goes on to list what constitutes an ideal meal:

- 300 to 500 calories
- Less than 30% fat
- Less than 10% saturated fat
- 30 to 45 grams of carbohydrates

On a daily basis, seniors should have 1200 mg of calcium, 6-7 oz of grain, at least 5 servings of fruit and vegetables, and ½ g of protein per pound of body weight. (Epstein, n.d.)

For *Buona Vita*, 200 to 300 calories is the target range which leaves more room in a meal of the 300 to 500 calorie-requirement. The actual amount of calories depend on the ingredients used.

**Ingredients.** To achieve less than 30% fat recommended for seniors, low fat or non-fat milk will be used for cheese. A flavour with a generous amount of cheese will be added to the product line for the daily calcium requirement. Vegetables rich in calcium such as kale, collard greens, broccoli, kelp, spinach, and soybeans (Dr. Edward Group, 2013) will also be considered as toppings.

*Buona Vita* will be using organic ingredients, not only to support better farming practices but also for the additional health benefits. While the USDA says that non-organic foods are as healthy as organic foods, research shows that milk and tomatoes—two main ingredients of pizza—are better in organic form than otherwise (Organic Food, n.d.).

Furthermore, by using organic ingredients, *Buona Vita* can have an organic certification which none of our competitors have.

### Positioning Statement

To individuals who have experienced the good life, *Buona Vita* is a frozen pizza that uses the freshest, most natural ingredients served to you in perfect, healthy portions.

### Positioning Map



## Pricing

“Customer value-based pricing uses buyer’s perceptions of value, not the seller’s cost, as the key to pricing.” (Analyzing the Market Environment, 2011) In value-based pricing, “pricing begins with analyzing consumer needs and value perceptions, and price is set to match consumers’ perceived value.” (Analyzing the Market Environment, 2011) According to this definition, our pricing strategy is clearly a value-based pricing because our target market is senior consumers whose conception of value is attached on organic food and small quantity of consumption for a meal. The following four-step process demonstrates our pricing strategy. For the pricing positioning map, see Appendix C.

### Customer Value

During the previous sections, we have addressed senior customers value good pizza with following features:

1. High quality. This includes the organic materials, freshness on the toppings, crispness of the crust, and guarantee success of baking. All of these are important quality elements which provide enjoyable eating experience for a slice of pizza.
2. Low quantity. A standard 12-inch pizza (usually six slices) is just too much for senior customers to consume in a single meal. Instead, our Buona Vita pizza is only 8 inches (equivalent to two slices) with lower intake of calories is more suitable.

### Target Pricing

Based on the packaging and size features of our Buona Vita pizza, we propose to offer a package of box which can fit two 8-inch pizzas, each equivalent to about two slices. The targeted prices are \$6-8 for a package, namely \$3-4 for each pizza. This is in contrast to the pricing of standard 12-inch pizza at a low range of \$3-5 to a middle range of \$6-8 by most leading producers. Such a pricing strategy will be easily attracting value-centric customers as long as our Buona Vita pizza is value-added to customers. We believe customers are happy to pay a small premium for more benefits they get.

### Costs Incurred

High-quality products are usually accompanied with increase of costs. Detailed breakdown of incurred costs by different costing activities will be analyzed carefully to guarantee our product prices stand firm on top of costs.

### Product Design

Customers’ evaluation of products is fundamental for our success. To this end, our Buona Vita pizza will be carefully designed to meet customers’ perception in terms of nutrition, flavor, size, packaging and other specifications. This has been clearly identified in the introduction of features and benefits for Buona Vita pizza.

Because weight (or size) and price are strongly connected in terms of frozen pizza, the price/weight positioning map has been created in the previous section of target marketing. It is clearly shown that our pricing strategy differentiates ourselves to be high-quality value-added products mainly targeted to the senior citizens among the whole market.



To examine the effectiveness of our pricing strategy, before we officially launch our products to market, we will carry on experiments to encourage our customers to evaluate what they perceive of our products and whether the price they pay exceeds the value they get.

## Promotion

### Tagline

The key message our company is trying to communicate to our target group is “experience a good life and healthy living with a great taste of Buona Vita” This promotional message was developed to fit our product’s features and benefits. The tagline line for our promotional strategy is “A Good Life. A Healthy Living”. The tagline captures how our product offering will benefit and meet the needs of our target market.

### Promotional Objectives

Our promotional objectives are:

- To create awareness for our new product using the best medium.
- To inform our target market of our product offerings and benefits.
- To persuade our target market to switch to our new product.

### Promotional Mix

Our promotional activity will be focused on our product information and benefits. To achieve our promotional objective; advertising is will be used to convey our main message to our target group. Advertising was chosen to provide customers insight to our target market who want to eat frozen pizza but health-conscious. Advertising can has a wide reach and high frequency at a low cost per exposure. (Marketing Ethics, 2013). Consumer tend to respond well to tailored advertising messages conveyed through good medium. This will enhance brand retention and recall of our brand in the mind of our target market. Advertising will help deliver attention towards our new product. Based on report from envision analytics, our target group tend to perceive advertised products as legitimate and use information from this ads to decide their purchase.

The advertising message will be family-focused tailored our target market showing a baby boomer couple watching TV and suddenly feels the need to eat and no one around to help them with cooking; the husband remembers Buona Vita Organic Pizza bought from a convenience store, brings it out from the fridge showing the colourful package of the product and makes it for less than 2minutes gives his wife with a coffee. They are both smiling after the meal with the tagline “A Good life. A Healthy living”.

### Promotional Tools

**Online (Internet).** Advertising on online medium will be used to promote our brand “Buona Vita”. Based on the Envision analytics, most of our target group access online newspaper and magazine website. They spend an average of \$1000 monthly on internet activity from watching online TV programs. They are heavy users of the internet, thus using this media will help create awareness to our brand and maximize reach. The largest percent of our advertising budget will be spent on this medium to promote our brands and emphasizing the nutritional benefits and quality of our product. In order to

maximize reach the largest percent of our advertising budget will be spent on online advertisements, we believe increased online advertising will achieve our advertising objectives.

**Radio.** Radio is also chosen as a very important promotional tool for our advertising campaign. Our target group which are the baby boomers use this medium to get all news related information. This is important to our campaign as they use this medium in their cars while commuting to a grocery store or to work.

**Newspaper and Magazine.** Newspaper and magazine are used to reach a large number of our target market and provide a reminder for our product based on what they have seen on online TV advertisement. This medium will be used to set a reminder and recall of our brand in the mind of our target audience. Also, flyers would be offered through this medium for our trade fair events as part of our public relations activity. Picture quality used in magazines will attract consumers and show our product's information and benefit more details.

## Distribution

Buona Vita will employ 3 chief strategies in distributing its products and growing its brands in the food sector: restaurants and retailers, offices and home delivery and pick up stations. Delivering men will be used to distribute the products into people's homesteads, offices and other easy to access work areas. For mega product orders, the customer will be allowed to pick it up at any of the designated pickup stations within the distribution zone. This is especially convenient for customers who will be buying the products to consume elsewhere such as in parties and weddings.

A sizable percentage of all Canadians eat in restaurants and smaller bistros on a regular basis. The implication is that fast food restaurants are popular and important for selling a variety foodstuff and snacks such as pizza, sandwiches and more. Customers visit such bistro expecting to find their favorite foodstuff there. To take advantage of this market, Buona Vita will seek partnerships and franchise with 3 major outlets. It will seek to franchise with Harvey's, Pita Pit and to partner with Whole foods- Canada. With the first two franchise partners, the brand image will be boosted while with the retailer and grocery chain Walmart, numerous existing and potential customers will be reached.

Harvey's is a Canadian fast food restaurant that specializes in hot dogs, hamburgers, French fries and onion rings. It has a location in every province in the country, which makes it an excellent choice for a franchise or partner (Hobin, Lebenbaum, Rosella, & Hammond, 2014). Cara Operations, the owner of Harvey's have the country's second largest restaurant chain. As such, a franchise with Buona Vita is likely to be more advantageous than not. Harvey's distributions across Canada can help Buona Vita to rapidly expand and become a common place as a food brand.

Pita Pit is a quick service eatery that specializes primarily in serving its customers with sandwiches. It was founded in Kingston in 1995, Ontario but gradually expanded to cover all the provinces of Canada (Heese & Kemahlioglu-Ziya, 2014). By 1999, it was franchising in the United States and continued to grow to 11 more nations elsewhere. The restaurant has extensive coverage in the 13 countries with at 500 operating stores and operates a model that is similar to Subway. The popularity of Pita Pit and the insistence on healthy servings only makes it a viable potential partner. Buona Vita hopes to be seen in a healthy light by all Canadian consumers.

Unlike the previous two, we would recommend a selective distribution strategy to market our frozen pizza product. Selective distribution strategy is one in which only a few retail outlets are chosen to distribute the products. It is particularly effective to target a large geographic spread. We recommend a selective distribution strategy because our products offering-organic food, are uniquely tailored to specific demand that exists in our chosen target market. (Marketing Ethics, 2013)

Chosen middlemen in this strategy are usually strong and have the ability to maintain the credibility of the product and brand more effectively while at the same time establishing a stable market and competitive advantage. The Canadian retailer that will suit our distribution is Wholesale foods. Wholesale food is a specialty retailer in organic products and is well organized by our target market. (Marketing Ethics, 2013)

From the analysis presented above, Buona Vita will be exposed to the deepest zones with customers across the world by simply partnering or franchising with any of the three industry giants. In compensations, Wholesale foods, Harvey's and Pita Pit will benefit from a trusted brand that will steer other sales in their businesses.

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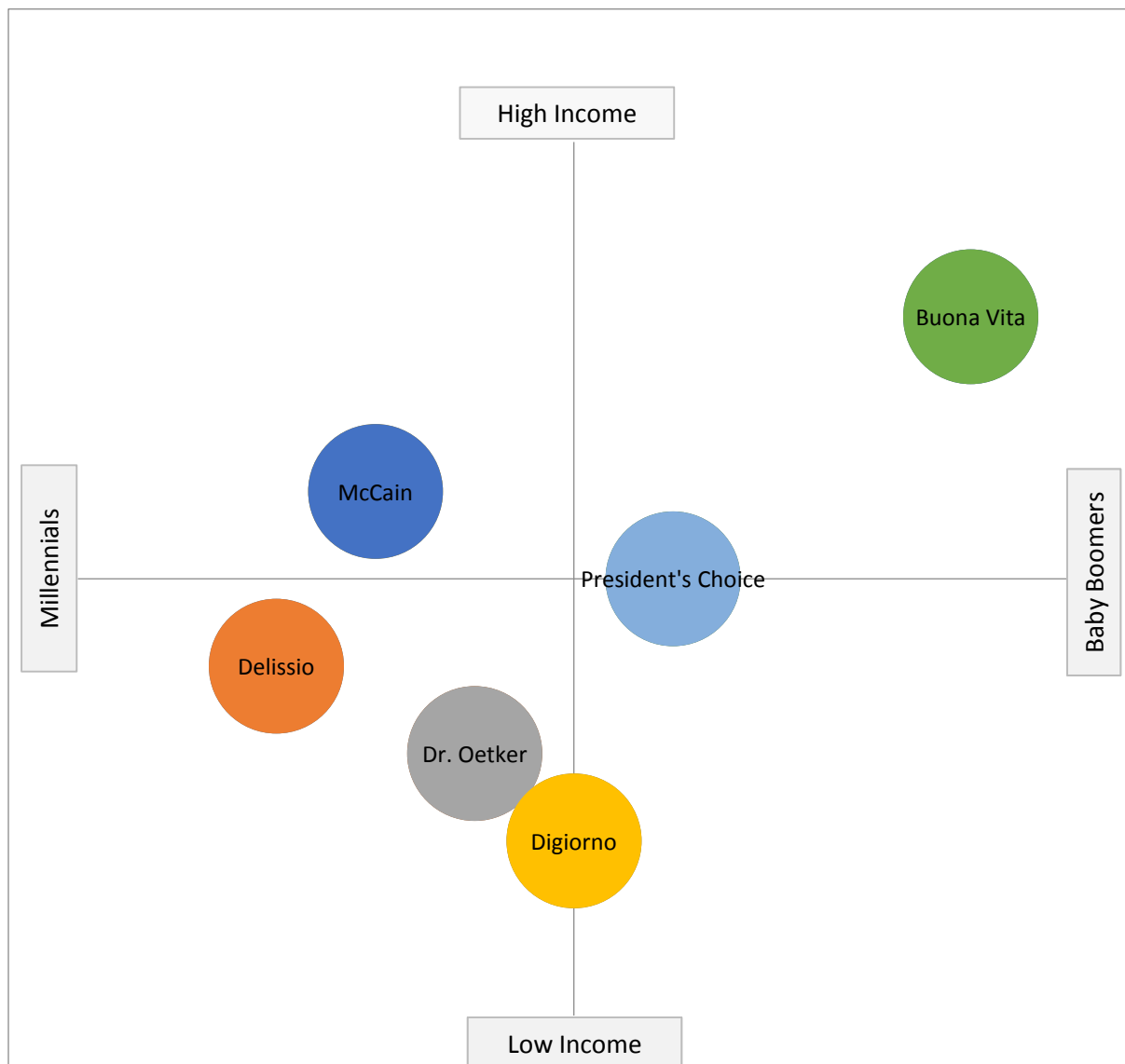
Appendix A – Table 1

	pizzeria!™ THIN	pizzeria!™	ORIGINAL RISING CRUST	DESIGN A PIZZA	ITALIAN STYLE FAVORITES	GARLIC BREAD PIZZA	CHEESE STUFFED CRUST	CLASSIC THIN CRUST	PIZZA DIPPING STRIPS	THIN & CRISPY PIZZAS
1/2 CHEESE & 1/2 PEPPERONI			✓							
BACON CHEESEBURGER							✓			
BIANCA/WHITE		✓								
CHICKEN PARMESAN					✓					
CHICKEN, GREEN PEPPERS & RED ONIONS WITH PEPPERONI				✓						
FIVE CHEESE							✓			
FOUR CHEESE		✓	✓					✓	✓	
FOUR MEAT								✓		
GARDEN VEGETABLE										✓
HAWAIIAN STYLE			✓							
ITALIAN SAUSAGE			✓							
ITALIAN STYLE MEAT TRIO		✓	✓		✓		✓			
MARGHERITA	✓									
MEATBALL MARINARA					✓					
PEPPERONI AND PEPPERS										✓
PRIMO PEPPERONI	✓	✓	✓			✓	✓	✓	✓	
SAUSAGE & PEPPERONI			✓							
SAUSAGE, PEPPER, AND ONIONS							✓			
SPICY CHICKEN SUPREME			✓							
SPINACH & MUSHROOM	✓									
SPINACH AND GARLIC										✓
SPINACH, MUSHROOM & GARLIC			✓							
SUPREME SPECIALE	✓	✓	✓			✓	✓	✓		
TOMATO MOZZARELLA WITH PESTO										✓
TUSCAN STYLE CHICKEN		✓								

DiGiorno Products and Flavours

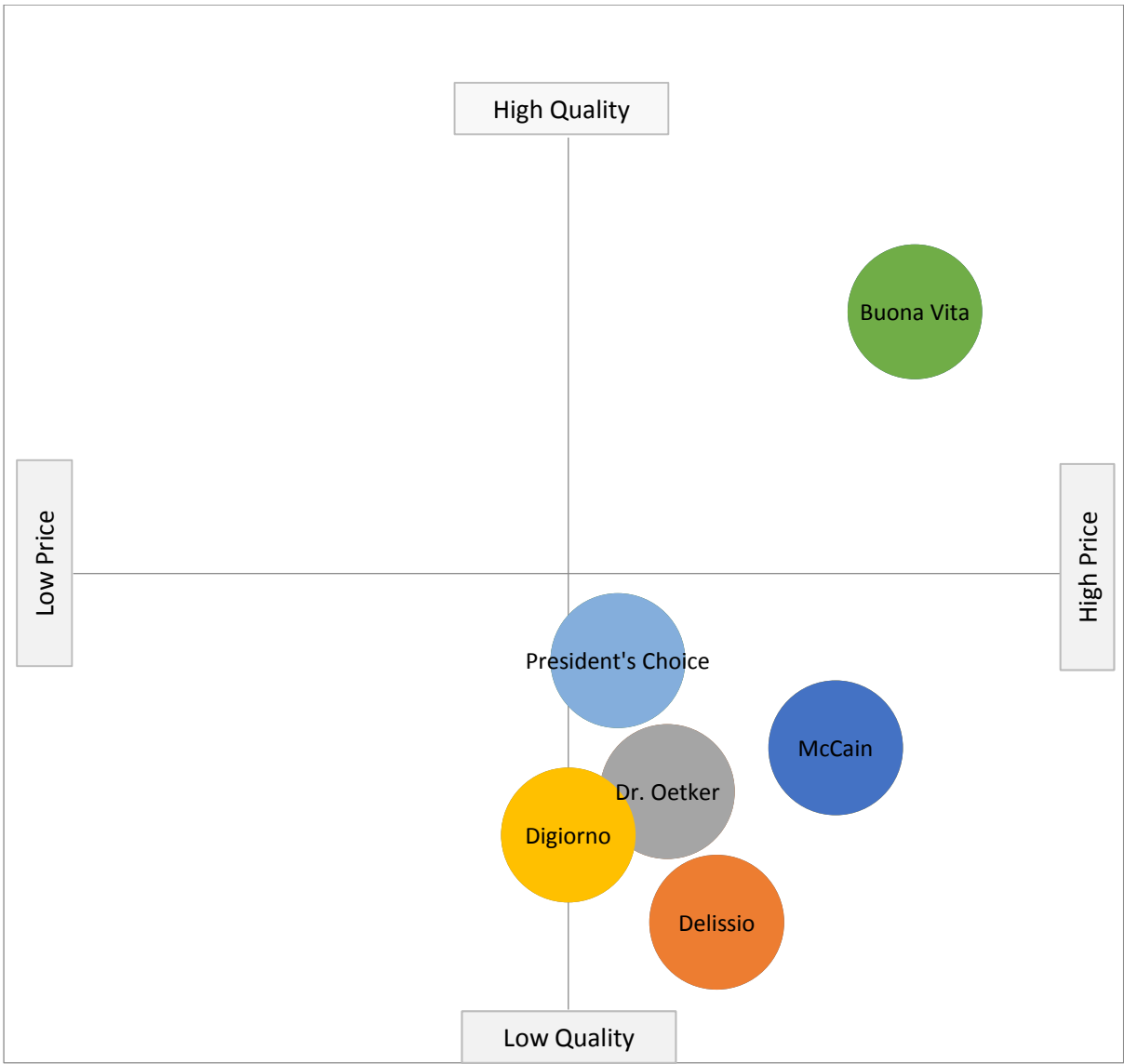
- (Nestle, 2015)

## Appendix B – Chart 1



Target Market Positioning Map

Appendix C – Chart 2



Pricing Positioning Map