**BASIC MARKETING CONCEPTS**

**THE CEREAL PROJECT**

**Overview:**

Assume you are product manager for the cereal and snack food division of a large consumer products firm. You have been asked to develop the marketing mix for a new cereal or snack food. You must select at least four different characteristics of your target market (select a target market from below) and design your new product to meet their needs. Utilize the poster board and follow the template discussed in class to present your new cereal to your target market.

* **Target Market 1:** This target market is made up of girls ages three to eight from middle to upper-class families. These girls love to be girls (they hate boys). They like to dress up, play with their dolls, watch cartoons, and are into anything Disney. Their parents make the buying decisions about breakfast cereal based on what their kids want. At the same time, the parents want a cereal that is nutritious, yet fun for kids.
* **Target Market 2:** This target market is made up of boys ages three to eight from middle to upper-class families. These boys love to be boys (they hate girls). They like to play sports and video games, watch cartoons, and are in to toy cars, trucks, and action figures. Their parents make the buying decisions about breakfast cereal based on what their kids want. At the same time, the parents want a cereal that is nutritious, yet fun for kids.
* **Target Market 3:** This target market is made up of children (both sexes) ages eight to thirteen from middle to upper-class families. These kids are starting to make decisions on their own about what they want. They are starting to become independent and want to be “grown up.” They look to teenagers as their role models, love popular music, and are influenced by actors and musicians. Their parents still make the ultimate decision about breakfast cereal as well as other groceries. Their parents are concerned that the children are growing up too fast, and want nutritious food for them. They are concerned that their kids eat too much sugar.
* **Target Market 4:** This target market is made up of people that are diet conscious, mostly women but some men too, ages 17 to 42. They are usually in a high income bracket and are willing to spend money on things that are good for them and can help them stay (or get) fit and trim. They want a cereal that is low in calories but high in nutrition and is easy to eat since they are very active, on the run type people.
* **Target Market 5:** This target market is made up of serious athletes, primarily men but some women too, who want to be in top shape. They are 16 to 38 years of age and are middle to upper-class. They enjoy weightlifting and working out and are careful about what they eat. They want to build muscle and body mass and like things with a lot of vitamins and protein. They are willing to spend more for a product they think will benefit them physically.
* **Target Market 6:** This target market is made up of older people ages 55 and up. Many are retired so they may be living on a reduced or fixed income. Price is an important consideration in any purchase decision—they want to know they are getting their money’s worth. This market wants a nutritious cereal that is healthy, has vitamins and fiber (to keep them regular), and is easy to digest. Some of the members of this target market are active and exercise regularly; the others know they should.

**Target Market Characteristics:**

1. **3.**
2. **4.**

**Product Decisions: Consider the following…**

What ingredients will be used in the product and why? What design features should the container or packaging have and why? What would you name the product? How do these decisions related to your target market?

**Place Decisions: Consider the following…**

Where will your new cereal or snack food be sold and why? What type of store…grocery, discount store, on-line, etc…? Where within the store will it be sold? How do these decisions related to your target market?

**Price Decisions: Consider the following…**

Suggest retail prices and sizes for your new product. Explain your decisions, given the prices of competitive products. How do these decisions related to your target market?

**Promotion Decisions: Consider the following…**

In what media should your firm advertise the product and why? If on TV, during what show or times will you advertise? If in magazines, provide magazine names. What should be the main theme, or slogan, of such advertising? How do these decisions related to your target market?

**BASIC MARKETING CONCEPTS**

**THE CEREAL PROJECT RUBRIC**

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| **Grading Criteria** | **Point Value** |
| **We’re experts!****4 Points** | **We’ve got this!****3 Points** | **We’re still learning!****2 Points** | **We could use some help!****1 Point** |
| **Target Market** | The group identified which target market was chosen, explained the key characteristics of that target market, and directed their marketing mix decisions around that target market. | The group identified which target market was chosen and explained the key characteristics of that target market. | The group identified which target market was chosen, but did not explain the characteristics of that target market. | The group neglected to explain which target market was chosen and the characteristics of that target market. |
| **Product** | The group provided a detailed overview about their product and explained how their decisions related to the target market. | The group provided an overview of their product decisions, but did not explain how their decisions related to the target market. | The group provided a brief overview of their product decisions, but was lacking details about the product. | The group neglected to describe their product decisions. |
| **Price** | The group provided a detailed overview of their pricing decisions and explained how their decision related to the target market. | The group provided an overview of their pricing decisions, but did not explain how their decisions related to the target market. | The group provided a brief overview of their pricing techniques. | The group neglected to explain the pricing techniques used for their product. |
| **Place** | The group provided a detailed overview of their place decisions and explained how their decisions related to the target market. | The group provided an overview of their place decisions, but did not explain how their decisions related to the target market. | The group provided a brief overview of their place decisions related to their product. | The group neglected to describe the place decisions related to their product. |
| **Promotion** | The group provided a detailed overview of their promotional decisions and explained how their promotional theme related to the target market. | The group provided an overview of their promotional decisions, but did not relate their promotional theme to the target market. | The group provided a brief overview of their promotional decisions. | The group neglected to explain their promotional decisions. |
| **Prototype** | The group created a detailed prototype that fit the needs of the target market. | The group created a prototype, but neglected to identify how the packaging related to the target market.  | The group created a prototype, but was lacking attention to detail. | The group neglected to complete the major components of the prototype. |
| **Presentation** | The group presented their project in a professional and organized fashion with an introduction and conclusion. | The group presented their project in an organized fashion. | The group presented their project, but it was unorganized. | The group neglected to present their project. |

**Total: \_\_\_\_\_/28**