*University of Phoenix Material*

Marketing Lemonade

# Scenario

## Your team is looking for a way to make some revenue as either a for-profit or not-for-profit organization. This organization can market locally, nationally, or internationally, and can be a privately-owned company or a franchised organization. The product that you have decided to sell is lemonade. To make the endeavor work, you will have to define the product that you will be selling (that is some marketable form of this drink) and decide on a target market.

## Your marketing team's mission is to prove the company’s goals will be met by providing research, strategy development, and reasoning why this form of this product is viable In this first half of the project, you will report on the following:

## Target market

## Product’s definition to the target market

## Viable pricing strategy

## Brand's position in the competitive environment

## *Complete the following*

### Select a company name and determine the real business world industry of operation.

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| **Company Name** | **Industry of Operation** |
| Granddad’s Pop All-Natural Lemonade | Food and Beverage Industry |

1. **Describe** in no more than 90 words the new and unique form of lemonade that will be launched by your company.

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| Granddad‘s Pop All-Natural Lemonade will be a new form of lemonade soda. Granddad’s Pop All-Natural Lemonade will offer a low-end soda that can be bought in cases and a high-end organic version only sold in glass bottles and is a Fair-Trade market product. Our soda lemonade will only use local farmers products within the United States. Granddad’s Pop All-Natural Lemonade will come in a variety of flavors including strawberry, cherry, and honey. Our company will also provide a low-calorie version of the soda by reducing the natural sugars in the product by increase in the water content. |

1. **Complete** the chart in a total of 90 words describing your organization.

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| **Who are they** | **Industry of Operation** | **Mission and Values** | **Differentiation from other organizations** |
| All-Healthy Group offers a variety of beverages in their most natural and nutritious forms | The company operates in the Beverage industry with a bias for the lemonade and natural juices sector | Unique customer experience through products in their most natural ways. The company is focused on quality, excellent customer experience and the most competitive prices for its products. | The unique products offered to consumers differentiate All-Healthy Group's products. The company focuses on the provision of the most nutritious and healthy forms of its products. |

1. **Identify** the following in no more than 90 words regarding your target market.

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| **Composition of target market** | The target market for Granddad’s Pop All-Natural Lemonade will be consumers of all ages anywhere in the world who enjoys lemonade. Our target market will also consist of lemonade drinkers who are health conscious and still want a delicious drink without sacrificing a great taste. |
| **Segmentation criteria used in identification** | The segmentation criteria used to identify the target market for Granddad’s Pop All-Natural Lemonade will include consumers who are health focused. The all-around market segments consist of consumers who enjoy lemonade. Health-focused market segment consists of consumers who tend to make all their food and beverage choices based upon being healthy and eating well. Less sugar market segment consists of consumers who are looking to cut calories from their diet.  |

1. **Determine** in no more than 90 words how you will define the lemonade to your target market (include information on packaging, labeling, etc.). How will this add value and differentiate the brand and product from the competition while encouraging the target market to buy?

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| **Target Market Definition** | **Differentiation** |
| The product will be presented to the target market as the most appropriate product to meet its natural-product needs. The packaging will emphasize the inclusion of only natural products as ingredients for the lemonade. Additionally, the labeling will include the use of the simplest designs and features to depict the product in its most natural form. | While other products have been depicted as classy with the use of numerous combination of ingredients, All-Healthy Lemonade only uses a handful of ingredients to present the best natural product in the market to meet the unique needs of the target market. |

1. **Complete** the chart in a total of no more than 90 words to compare your company with industry competitors.

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| **Top Business Industry Competitors** | **Your Company’s Positioning** |
| Sunkist | Granddad’s Pop All-Natural is viewed as being a healthier alternative that is similarly priced. Sunkist does provide a wider variety of flavors currently, but only the orange is available in a diet version. Expanding the product line closer to the growth stage of the PLC will help with the competition. |
| Sprite | Sprite recently released Sprite Lemonade to compete is the carbonated lemonade market. Sprite has a huge brand following but, according to several consumer reviews, the brand name seems to be the only reason the product is selling. Sprite boasts new Lemonade has “1% real juice”, which comes off as more ironic than health-conscious since it still has 220 calories and tastes like sprite with a bitter aftertaste, according to most consumers. A diet version will not be released for the Lemonade flavor. Granddad’s Pop All-Natural is a healthier soda with a more organic flavor at a comparable price. |
| Arizona | Arizona has partnerships with several well-known brands such as Arnold Palmer, Skinnygirl, and Golden Bear. This allows them to have several product lines and flavors at different price points that appeal to many different target markets. Focusing on their lemonades, they offer Arizona Lemonade and Golden Bear Lite Lemonade. Both products can be purchased in a larger can for a cheaper price than Granddad’s Pop All-Natural is able to offer at this time. The Golden Bear Lite Lemonade has fewer calories. However, it is made from concentrate to preserve shelf life and the packaging does not exemplify any health benefits. Neither of these products are carbonated. Granddad’s Pop All-Natural is seen as being in the same realm of health-consciousness while still being able to offer lemonade as a carbonated soda, but at a higher price than this competitor. |

1. **Define** the pricing strategy in no more than 90 words that you will use for the introduction of the product.

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| Pricing strategy is a way of finding a competitive price of a product or a service it also considers segments, ability to pay, market conditions, competitor actions, trade margins and input costs.  During the introduction stage Granddad’s Pop All-Natural will promote its product by offering discounted coupons and set the price at a low in order to maximize profits and get our lemonade off the shelf. The price will be set to a lower price to gain market share quickly and to get the consumers attention. After the launching period is over it is understood that prices will be raised, and we have reached our target audience and sales are steadily rising. |

1. **Discuss** in no more than 90 words the maturity life cycle stages of your product.

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| **Stage of Maturity Life Cycle** | **Discussion** |
| Introduction Stage | Granddad‘s Pop All-Natural Lemonade., it will need to be introduced to the public, locally and nationally. During this stage we need to focus on creating customer awareness through promotional and advertising, to increase demand and sales. |
| Growth Stage | During the growth stage, the product is widely known, and sales have increased, resulting in low production cost and high profits. At this point, competitors have entered the market with own versions of the product. It is important to continue promoting to reach new customers. |
| Maturity Stage | The product is extremely popular in the maturity stage but is facing a lot of competition. This is a good opportunity for the company to start looking for different innovations to adapt the product.  |
| Decline Stage | In the decline stage, the company will see significant decline in sales. At this stage, the company will have to evaluate the relevancy of the product and how to revive it in the market or discontinued selling it all together.  |

1. **Describe** in 90 words how you will use suppliers, agents, or distributors to create your distribution channel.

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| Marketing channels are used by companies to make their product available to the public. There are two types of marketing channels direct and indirect. A company can sell straight to the customer directly or the company can use an intermediary to sell indirectly. Granddad’s Pop All-Natural Lemonade best way to move their product from the manufacturer to the consumer would be an indirect approach. By using a wholesaler to buy our products from the manufacturing and sale them to retailer or consumer we can attract more retail outlet. The wholesaler can buy the product in bulk for a lower cost and sell it in reduced quantity amounts to grocery stores, convenient stores, restaurants, etc.  |