

SWEET TREATS

Student 2: High Merit

NZQA Intended for teacher use only

Sweet Treats has come up with an innovative way for parents and children to interact with one another. Caregivers and children will be able to enjoy the ease of using our product due to its simplicity. All children have to do is add the wet ingredients to the pre-measured dry ingredients, mix and bake ...

Our company's mission is to provide caregivers and their young children, aged between 3 and 13, with fun and easy baking activities that enable them to interact with one another.

BUSINESS OBJECTIVES

- To sell 300 jars by 30 October 2014
- To have launched our business by running our first stall by the beginning of August
- To make at least an 80% profit on each jar that we sell by October 2014

MARKETING AIMS

- To sell 100 jars per month in order to meet our goal of selling 300 jars by October 2014
- To gain 1% market share by 31 October 2014 – this will ensure that we are selling our desired number of jars
- To have our business featured in a local newspaper and in front of the public eye so that we have people support our stalls

MARKET RESEARCH

Our market research, carried out at [local primary] School, shows us that 81.3% of the children surveyed love to bake and of them, 76% loved to bake with their caregivers. Our market research for adults, carried out on Survey Monkey following a request on Facebook, found that most people would pay between \$10 and \$15 for a jar of pre-mixed baking. However, this survey was implying that they would only purchase a jar of pre-mixed baking. Since then we have decided to design our own Buzzy Bee shaped cookie cutters which we will attach to our jars. This will mean that we have bumped our price per jar up to \$25. Our product will sell because it will cost us less than \$10 per jar to make and if we sell them for \$25 per jar we will make over a 100% profit.

COMPETITOR ANALYSIS

Our main competition is other pre-mixed baking products available in New Zealand, such as Betty Crockers. This is a brand that sells baking and cake mixes that encourage people to bake without spending too much money or time on buying and mixing ingredients. *Extensive information about Betty Crockers history, range, promotion etc omitted from this exemplar.*

Other smaller competitors are the small companies that sell products such as pre-made baked goods at markets in the Wellington region, either as a business or a fundraiser. However, most of this baking is meant to be for eat on that particular day. We are hoping that the people at markets who prefer to do their own baking and wish to do so later, or those looking for a nice gift, will purchase our product instead. However, our only concern with this particular type of stall is that people may be more enticed to purchase baking at that very moment, instead of having to bake it themselves. Nonetheless, we are hoping that our innovation in our design, product and unique selling point will assist us to make sure we will still manage to sell our product.

UNIQUE SELLING POINT

Our competitive advantage that will enable us to compete successfully against other competitors like Betty Crockers is that Sweet Treats is the only pre-mixed baking company that has a cookie cutter shaped as Buzzy Bee. Our plan is to have a custom designed cooking cutter attached to each jar of pre-mixed baking. In order for us to use Buzzy Bee as our design we have a licence agreement with *Buzzy Bee and Friends* that we can use the kiwi icon if we post one video per week on to their website. *Buzzy Bee and Friends* loved the fact that our business aim was to bring caregivers and young children together. They were more than happy to help us with our business for this year and on that basis we entered into the licence agreement. With Buzzy Bee on our jar and as the shape of the cookie cutter, we hope it will attract young children and their families, and hopefully they will buy our product. We also have the advantage of being able to highly promote our business, Facebook page, website and stall through our 15 second videos. This will be fantastic exposure for our business.

POTENTIAL MARKET SHARE

Seeing as we have not sold any product we do not currently own any of the market. Realistically we are hoping to be able to sell our products to 1-2% of the households in Wellington that have children aged 3-13 in them. Statistics show there are around 28,800 households in the Wellington region with children living in them [source cited]. Our Survey Monkey results have concluded that on average each household will purchase one jar. This means we could potentially sell 28,800 jars. However, realistically, this is not going to be possible. We are aiming to sell our product to 1-2% of these households, so approximately 300 households. We will not be able to sell to the entire Wellington region due to the fact that we have competition such as Betty Crockers.

TARGET MARKET

Our target market is predominantly females aged 25-38 years old who are mothers of a child/children aged 3-13 years old, who enjoy spending time with their children baking. These females are situated in the greater Wellington region. As at 2009 [source cited], 53.2% of mothers worked full-time (30+ hours per week). They will buy our jars of pre-mixed baking because it allows interaction time with their children, the product is appealing, is environmentally sustainable, and is made from NZ materials and ingredients. The target consumers will like our product because it avoids having to shop for individual ingredients, doesn't create a huge mess and is safe for kids to do. As at 2009 [source cited], approximately 142,300 pre-school aged children were not enrolled in any form of day care or early childhood education. Our product will appeal to working mothers who want a reasonably quick activity to use with their children at night or on the weekends, or for those mothers who are at home with their children and want to bake with them as a fun and educational activity.

4

MARKETING STRATEGY

The majority of the marketing we will do is via social media because as of today people more commonly communicate (and promote businesses and products) through social media. We aim to do the following *[only one strategy is exemplified here; the Facebook page has been omitted]*

- 1 *Word of Mouth* – Initially, to get our business name out into society we will need to spread the word. Hopefully by doing this we will be able to gauge people's interest in our product and at the same time be able to get them to follow us on Facebook and Instagram. Once we have begun to spread the word via word of mouth, we are hoping that others will begin to spread the word too. This will then start to encourage others to 'like' our Facebook page and 'follow' us on Instagram, and from there we will be able to market our product and get them to purchase it from either our website or from a market near to them.

Website, emails (school competition) and Instagram explanations omitted from this exemplar.

Other sources of marketing that will be implemented in the near future:

YouTube Channel and emails to early childhood centres, and how each of these will contribute to sales, omitted.

5

BUDGET

Short-term (1-3 months)		Long-term (6-12 months)	
Printing – including posters for ECEs and primary schools	10	Printing – including posters for ECEs and primary schools	20
Gazebo for markets	50	Gazebo for markets	50
Signs for table at markets	10	Signs for table at markets	10
Logo design	15	Logo design	15
Labels	600	Labels	1200

6

Explanation/rationale for each budget item omitted from this exemplar

ACTION PLAN

For each of the following action points the student has provided detail of what/how, by whom, by when and how will be know the action has been successful?

Making the jars, (location) Carnival, Gazebo, Trade Fair, Website, Facebook page, About Space, ECE competition, (location) News, Tearaway Magazine, flyers to primary schools and ECE centres, Buzzy Bee interview

7

CONTINGENCY PLAN

Our Product

If our product (recipe) fails we will have to change it either to a different gingerbread recipe that fits the jar or to a different flavour for the cake. We will know if our recipe needs to be changed if ...

Price Decision

If we are not selling enough jars at the given price we will have to lower it. We will know that we need to lower our price if we are not selling our predicted number of jars. If we are not selling an ideal amount of jars then we will lower our price by \$5 in the hope that our sale rates (for the day) increase. We will hopefully be able to prevent this by ...

The student has provided a contingency for each of the specific marketing strategies. Only two examples are shown.

Gazebo

Potentially, Bunnings may be sold out of the particular gazebo we need. We are very specific about the model we need as we only have a limited amount of stall space. If Bunnings is sold out we will ...

8

Facebook Page

If we are not getting any attention on our Facebook page we will make sure that we give each of our market customers our business cards which have our web link on them; we will also distribute these to friends and family members. We will know that we need to promote our Facebook page more if we have few 'likes'. We will prevent this by telling all our friends and family to go on to Facebook and 'like' our page. This way it will pop up into their friends' newsfeeds on Facebook and hopefully they will like the page too.