Student Name:

Chapter 2 The Marketing Plan

Case Study – Marget Segmentation

The Research and Development department of a fragrance company has been given the task of developing a new product line for a more price-conscious consumer. Below is a description of its current product line and its respective target markets. **Your job is to develop a customer profile for the *new* target market and to recommend corresponding changes in the marketing mix.**

Current Product Line

The current product line targets men and women in the baby boom generation with household incomes that exceed $150,000 a year. The men's and women's lines include fragrances, hair and skin care products, soaps, and shower gels. Although packaged differently, the men's and women's price ranges are similar. Prices range from $45 to $100 for individual items and from $90 to $195 for gift sets. Psychographic characteristics of this target market include an active lifestyle, as well as a desire to be considered fashionable and chic. This fragrance is currently sold in upscale department stores located in large U.S. Cities and affluent suburbs.

Customer Profile for New Target Market

Demographics:

Age:

Income:

Gender:

Other:

Geographics:

<u>Psychographics:</u>

Activities:

Attitudes:

Personality & Values:

<u>Behavioral:</u>

Marketing Mix for New Product Line

Product Decisions:

1. What design features should the product's container have?

2. What special ingredients or capabilities should the product possess and why?

3. What would you name the product?

Place Decisions:

4. Where (type of retail store, Internet, catalog, etc.) should the new product line be sold and why?

Price Decisions:

5. Suggest a retail price range for the new product line.

6. Explain your choice, given the prices of competing products and your customer profile (income level, lifestyle, etc.).

Promotion Decisions:

7. In what media should your firm advertise the new product line and why?

8. What should be the main theme or slogan of such advertising?