Types of MARKETING Cases

1. Declining Sales
2. Market Entry Strategy
   i. Entering a new category or geography your company is not currently serving
3. New Product Launch (Your Company)
   i. Within a current category your company is currently serving:
      1. Innovation in your current category
      2. Innovation & brand extension
4. Competitors New Products (low cost products / innovative)
   i. Private label cost cutter
   ii. Innovative new product
5. ADPLAN
6. Brand you admire/ in need of a turnaround

1) Declining Sales
   a. Example Questions:
      i. How do you turnaround a brand
         1. How do you turn around hamburger helper?
      ii. Sales are declining but overall market segment is expanding? Why?
         1. The share of the deodorant market is falling for PG, what do you do?
      iii. Increased marketing spend does not improve sales
         1. We increased our marketing spend last year by 1M but sales declined, what would you do?
   b. Approach
      i. Analyze the market
         1. Category - Is the category shrinking or declining
            a. Why, maybe Consumer trends (e.g., health consciousness, convenience) or macroeconomic trends (e.g., recession, govt regulation)?
         2. Our Product Is the product losing share?
            a. If so where is the share going? (e.g., new player, competitor, private label)
      ii. Pick a strategy, examples include:
         1. Harvest business – continue to sell to the segment but not with a lot of support
         2. Exit business – abandon product
         3. Invest in business – put money into it to grow

Use framework to investigate (5Cs or 4Ps)
→ What is our competitor doing about the 4Ps, what are we doing about the 4Ps (e.g., did competitor reduce price, increase promotion etc)
→ 4 Ps
Northwestern | Kellogg

- **Product** –
  - Did competitors change their product
  - Is the product meeting consumer needs (e.g., do ppl want organic now)?
  - Can we innovate (e.g., new benefit, new package)

- **Price** –
  - Did competitors cut price?
  - Can we extract costs out of our product and distribution?
  - Can my brand command a premium?
  - Can I further differentiate

- **Place (Distribution)**
  - Our Distro – Has our distribution shrunk?
  - Competitors – are they selling in new channels?

- **Promotion**
  - Competitive marketing – are they doing more promotions?
  - My marketing – can I get an end cap or bonus products to drive sales?
  - Am I hitting on the right benefits?
  - Trade marketing – am I doing enough to drive demand amongst our customers (e.g., retailers like walmart)

iii. If Invest in the business look at consumer trends
1. Find new uses
2. Alter product (e.g., what pepsi did with no aspertain in Pepsi)
3. Increase usage frequency (e.g., what unilever did with the spray can deodorant it increased repurchase)
4. New distribution channels (should we sell online, move to new country etc)
5. Grow brand equity (e.g., new ad support, new products)

2) **Market Entry Strategy**
   a. Example questions
      i. Should we enter the market?
         1. What is the potential growth in the category? What are the consumer preferences
      ii. Is it a good strategic fit?
         1. Do we have a right to win in the market? Is it a good fit for our brand equity etc.?
   b. Approach
      i. Use 5Cs to analyze the market (Don’t need to use all of them, but some)
         1. Market
            a. Market size and any other options
            b. Trends
            c. Macro econ issues (e.g., recession)
         2. Competitor
            a. Who are the players? Size?
            b. Competitive or fragmented
c. How easy is it to enter?

3. Consumer
   a. Do consumers want it
   b. Market research to assess need

4. Customer
   a. Will the customer take it on the shelf?
   b. How can the new product be positioned to benefit the retailer?

5. Company
   a. Core competencies
   b. Can we make it profitability (e.g., capital investment)
   c. Existing relationship

ii. Probe deeper STP (Segmentation targeting positioning)
   1. Segment mkt
      a. Why do consumers want product?
      b. What is the unmet need/benefit?
   2. Determine target
      a. What consumers are seeking this benefit/unmet need
      b. Which group will most likely buy product?
   3. Positioning
      a. Should it be premium or cost saver?
      b. Determine reason to believe for positioning?
      c. Can you make the product well?

iii. Provide recommendation for product using 4Ps
   1. Product – ensure its what consumer want (packaging, texture, size)
   2. Price
      a. Price to penetrate – do you price at a discount to penetrate market initially
      b. Ensure good margins
         i. What do we price it at
         ii. At a premium or with competitors
   3. Placement
      a. Where should it be sold? Where do consumers buy it?
      b. Retailers (e.g., grocer, club, discount)
   4. Promotion
      a. Generate trial and awareness (e.g., mass media, TV, print, radio
      b. Sampling
      c. Instore promotions
      d. Integrated marketing
      e. Digital

3) **Competitors New Product Entry**
   a. Example questions
      i. New product enters the market, how do you defend your current product? Do you need to innovate / drop price?
         1. A Private label brand enters, what do you do to combat a steal in mkt share?
   b. Approach
i. Assess Risk
   1. What will the dynamics be in the category
      a. Will it grow the category or steal share?
   2. Who is the competitor?
      a. How BIG are they?
      b. How much do you COMPETE with them to target consumers (prices, channels)?
   3. What claims are they making?
      a. How IMPORTANT is the claim to your CORE customer?
      b. How likely is it your customer will SWITCH?
      c. Do you have different benefits?
   4. How loudly are they making claims
      a. Advertising
      b. Label/ packaging

ii. If big threat, consider changes to the 4 Ps
   1. Example strategy= defend premium position & value proposition to maintain volume
      a. Product- alter product to meet or match needs, create a line extension
      b. Promotion
         i. reward loyalty with promotions
         ii. Differentiate via advertising
         iii. Drive bulk purchases
      c. Price/ Cost
         i. Price incentives so consumers stock up
         ii. Has claim impacted ability to charge a premium
   iii. Terms to consider= trade promotions to other channels
   iv. Billboard effect = take up more of the aisle
   v. Category growth → is it something that will cut into share or drive category growth
   vi. Exclusive type of dove brand
   vii. Coupon – if they buy a knock off they get a coupon for dove

4) Price War
   a. Example Questions
      i. Competitor has a new product that substitutes yours at a lower price
      ii. Competitor is offering a lower priced competing product, how do you defend it?
   b. Approach
      i. Assess Risk (Use 3Cs to investigate the cause)
         1. Competitor
            a. Who is the competitor
            b. Do they compete directly against my brand
            c. Is the price temporary or permanent
         2. Consumer / value
            a. Does it matter to the consumer
            b. What are the benefits the consumer is seeking and do they see value in my brand
            c. Are the consumer PRICE SENSITIVE?
d. What is the PRICE ELASTICITY of your product? (e.g., does it fluctuate like commodities?)

3. Impact on brand
   a. Are we losing share (if so, who are similar consumers to target
   b. Do we want to reduce price or add a benefit?

ii. If Substitutes & permanent price drop
   1. Potential objective = protect and reinforce **my premium position and value proposition** to maintain volume
      a. Look at the “sales declining” description above e.g.,
         i. Price - Look at cost structure – are costs low enough to reduce price
         ii. Promotion - reinforce premium brand, try to drive stickups
         iii. Product – innovative extension etc.

5) **Marketing a new product**
   a. Example
      i. How should we market a new product
   b. Approach
      i. Use 4 Ps
         1. Product
            a. Key benefits
            b. Differentiated attributes
            c. Packaging
            d. Service and warranties
            e. Branding
         2. Price
            a. Premium or cost saver
            b. Skim vs. penetrate
            c. Competitors price
         3. Placement
            a. Distribution channels (e.g., Stores
            b. Space on shelf, n store displays
            c. Inventory levels
            d. Transportation
            e. Cost vs. coverage tradeoff (is it too expensive to be too many areas?
         4. Promotion
            a. Advertising medium
            b. Drive trial and/or Drive awareness

Sample Question & Answer

**Q:** Your brand experienced substantial share erosion for the past several years to a competitor that claims to be “better”. Under what circumstances should you reformulate your product?

**A:** **Use the 5 C’s framework:**
   o Market – macro trends and market size
Is it a long term trend, will it change
- How big is the market
- Competitors – is it something they are doing, can we take them down
- Can we face up against them
- Consumers – what do our customers want, what benefits are they seeking
- Can we give them the benefit they are seeking
- Customers (e.g., WalMart, CVS)
  - Is our relationship or interaction with them impacting our ability to get this done?
- Company
  - Is it an issue internally for us
  - Either a product issue where we don’t have the benefits some are seeking

4Ps and when to use it:

<table>
<thead>
<tr>
<th>4) 4 P’s / Marketing Mix</th>
<th>Use the 4Ps or ‘Marketing Mix’ in marketing execution / implantation cases, such as new product launches.</th>
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<tbody>
<tr>
<td>Product</td>
<td>What product attributes will you offer (e.g., flavor, size, package, structure and graphics) Make sure it is what the consumer wants</td>
</tr>
<tr>
<td>Price</td>
<td>What price should we set for the product relative to the competition? Do you price at a premium, average or below average to be competitive?</td>
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<tr>
<td>Placement</td>
<td>Where does the product need to be so consumers can buy it? Is it grocery stores, drug stores, big box stores (Wal-Mart, target, Costco, etc), convenience stores, and/or the internet (amazon etc.)?</td>
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<tr>
<td>Promotion</td>
<td>How do you inform your target consumers about the new product? Do you use TV, Print, consumer promotions (e.g., sampling, in-store banners), and digital, social, or mobile media?</td>
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<td>New Product Lunch questions, e.g.,; Determine if Kraft should enter the protein shake market. Nike is considering moving into the market for underwater sport equipment (e.g., flippers, deep sea wetsuits). As the brand manager asked to assess the opportunity, what do you do? Hershey is looking to launch a new bacon flavored chocolate bar. What is your advice on the new product launch?</td>
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Ad Prep: Common Ad prep Questions:
### Analyzing Advertising

**ADPLAN Overview:**
One common marketing case question involves critiquing an advertisement. Use the ADPLAN framework to review an advertising campaign with a critical eye.

Review Kellogg SuperBowl Ad Review Summary for examples and details on the ADPLAN framework.  
[http://www.kellogg.northwestern.edu/news-events/superbowl/about/adplan-framework.aspx](http://www.kellogg.northwestern.edu/news-events/superbowl/about/adplan-framework.aspx)

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<thead>
<tr>
<th>Component</th>
<th>Example</th>
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| **Attention**  | **Attention** - Brands can benefit from consumers paying attention to ad information. Attention, or lack thereof, can often aid or hinder recall not only of the advertisement but also of the brand and its position. Given the often cluttered and fierce environment that advertisements compete in, attention requires the aid of a captive audience, repeated exposures, a clever execution, or a combination of these or other factors.  
*Apple’s “1984” Super Bowl advertisement has often been lauded for catching consumer attention as a result of its unique execution and high production values.* |
| **Distinction**| **Distinction** - Even if an advertisement is attention-grabbing, it is important that a brand’s advertisement is distinct from its competitors. If an ad does not separate itself from the competition, the message might be lost in the mass of advertising or even lead to confusion over the brand.  
*TAG body spray entered the market using a very similar style to AXE. This approach risked reminding consumers of the leading brand, rather than solely advertising TAG.*  
A truly distinct ad makes it nearly impossible for consumers to mistake the brand being advertised. Another first-rate example of |
## Positioning
Advertising executions can be evaluated with respect to whether they clearly convey the frame of reference (the category the brand desires to compete in or the ultimate goal the brand addresses) and the point of difference (how the brand is superior to competitors on some attribute). Strong positioning communicates to the consumer how to think of the brand and why it should be used over others in the category.

*Budweiser’s* campaign revolving around frogs uttering the brand name, "Bud-weis-er." This created an ad execution that could not be easily mistaken or emulated by competitors.

7 UP’s classic "uncola" campaign illustrates the importance of positioning. By associating *7UP* with meals, snacks and friends, the ad elevated the brand’s position into the soda category from a brand that was typically thought of as a mixer. The campaign continued this approach by differentiating *7UP* from its competitors by focusing on the brand being fresh tasting and thirst quenching.

## Linkage
Advertising that draws attention, is distinct from competitors and has solid positioning can sputter if consumers cannot link the advertisement to the brand or the benefits it offers. It is possible that consumers might remember part of an advertisement but forget another part. If the forgotten piece of information is the brand itself, or the positioning of the brand, this could reduce the potential effectiveness of the advertisement. Some creative efforts to attract attention or create distinctiveness might come at the cost of linkage.

Advertisers might attempt to garner attention by telling an entertaining story and revealing the brand only at the end of the advertising. *Ameriquest* employed this strategy during the 2006 Super Bowl by showing situations that could be misinterpreted and ending by telling consumers not to judge too quickly. This execution risked poor linkage of the brand to the advertisement, with one ad critic even awarding the brand the unenviable award of, "The ad I liked the most, but whose brand I forgot the fastest." Hence, regardless of whether an advertisement grabs attention or is distinct, it is important to consider whether there is good linkage present.

## Amplification
Consumers often "amplify," or think about the message content, after receiving it. That is, consumers have their own thoughts or idiosyncratic responses to advertisements. As a result, consumers’ own cognitive responses play a critical role in determining whether the ad has a favorable or unfavorable effect on consumers' opinions and likeability of the brand.

*Grape-Nuts,* trying to find a new way to advertise their brand in the 1980s, piloted several television ads in a series of test markets. They found that some of these ads led consumers to produce negative thoughts to the message.

## Net Equity
Brands develop a history and equity over time. As it often takes years, even decades, to build equity, it is important to consider how a particular ad or advertising campaign relates to and builds upon the net equity of a brand. Brand equity can be leveraged to strengthen position in an ad, and *BMW* is often associated with being the ultimate driving machine, and *Budweiser* is often associated with being the king of beers. This equity has important effects on consumers' reactions and behavior (e.g., their reactions to blind taste tests).

*Tic Tac* initially positioned their mints as...
advertising can be used to reinforce the total or net equity of the brand. Walking away from equity might have adverse effects for a brand. Powerful breath fresheners. However, in the 1990s, the brand began to portray itself as low calorie mint. Because people likely do not associate low calories with a powerful breath mint, this might have aided **Altoids** which positioned itself squarely on power and was able to steal share from **Tic Tac**. Hence, it is important to consider whether an execution maintains, builds or damages the equity of the brand.

**Approach to answering the ‘Analyzing Advertising questions’:**

- **Context of the Advertisement** - Describe the situation and platform you viewed the advertisement (e.g., Print, TV, social media). Outline the station or sponsor or location (e.g., commercial for the Stanley cup finals, billboard outside the Loop)

- **‘Plotline’ for the Advertisement** - Describe the advertisement itself so the interviewer has a frame of reference (e.g., the ad starts with…. Then it ends with the brand flashing across the screen).

- **Time to Dig in!** – Start analyzing and decomposing the advertisement based on the ADPLAN framework.

“Rise Above the Noise: How to Stand Out at the Marketing Interview” (Lewis C Lin)