**Product Launch / Baked Goods Project**

You are a marketing intern for AK Foods; an advertising agency in Orlando, Florida. AK Foods is looking to branch into the food industry by creating their own baked goods / dessert product line. They have three main target market groups with which they are looking to increase sales towards but are open to marketing a product to any group if proven to be profitable. They have asked you to create a dessert item that meets one of the described market’s needs**.** **You do not have to create the actual product but are encouraged to do so to add validity to the product you are creating.** In addition to the product you have created; you must design a product package &/or label to distribute your product with.

**On Monday** you will present your product idea and packaging prototype to the class in a mock boardroom sales pitch. When you present your product you must evaluate it based on the following factors:

* **Choose one of the three target markets and design a food product that meets their needs**
  + Explain how the product you created accomplishes this
  + The ingredients need to match their taste preferences
  + Your target market needs to have at least 3 market segmentation factors
* **Create a dessert-based product that meets an intended target**
  + Can physically make the product
  + Can show an illustration of product
  + Product examples can be baked goods, smoothies, frozen treats, fudge, etc…
* **Develop a marketing mix strategy to appeal to this intended target market**
  + **Product Explain the product.**  (Ingredients, packaging, label, nutrition, flavors, etc…)
  + **Place:**  Where would you sell this particular item?
    - * + High end bakery, online, grocery stores, gas stations, etc..
  + **Promotion:** What promotional methods will you use to appeal to your target market
    - * + You should have a trade character or slogan to represent your product
  + **Price** What price will you charge to make money & meet your demographics budget
    - * + Price out the products that you use to determine Cost of Goods Sold
        + How much does it cost to make your product?
        + Whether you physically make the product or not you must identify the cost to create it
* **Design a product package &/or label that matches the product & target market personality**
  + Packaging needs to incorporate at least 2 of the 6 packaging functions
    - **Promote & Sell the product**
    - **Define Product Identity**
    - **Provide Information**
    - **Meet Customer Needs**
    - **Ensure Safe Use**
    - **Protect the Product**
  + Label needs to accomplish one of the following three:
    - **Descriptive**
    - **Grade**
    - **Brand**

**Your job is to create a marketing plan that leads to a strong product launch**. You will need to identify & justify all 4 aspects of the Marketing Mix. The product you create needs to be packaged for either individual or group sale. You will pick the place to sell it at and the pricing and promotion methods you wish to use.

**The class will vote on the best idea and three students will act as judges for the products pitched.**

**Target Market Group #1:**

Young adults ages 16-24. This group has a sweet tooth and commonly connects with brands such as Haagen-Dazs, Starbucks and Rocky Mountain Chocolate Factory. They don’t mind spending $5.00 on a pastry or $4.00 every day on a latte. Although they could eat candy all day long; they typically limit themselves to one indulgent item per day for health conscious reasons. Customers in this target group are typically students, educated, working part-time or working full-time in their first career job. They like nice things and tend to dress in name brand clothes. Their disposable income levels are high because they have fewer fixed expenses. When marketing to this group channels such as the E! Network, MTV, and ABC are most appealing. They like pop culture, reality television, and celebrities. They are pretty easy to please as long as quality is high and image is strong. Generic products and old school methods of advertising are boring and unappealing to this group.

**Target Market #2**

Men and women ages 35-50. This group consists of Generation X’ers who like fruity flavors in products. They prefer pies, yogurt,&smoothies over brownies, cupcakes, and cookies. They eat flavors such as lemon and key lime and avoid products with the word chocolate in it (e.g: white chocolate and chocolate chip). Those that do eat chocolate prefer Dark chocolate and only eat it on occasion. Peanut Butter is a flavor that does draw interest but it is more of a staple good than a convenience item. This group is notoriously frugal and is price driven in the products they consume. They drive foreign cars such as Honda & Hyundai and prefer stable, consistent brands such as TCBY, Subway, and GNC. They enjoy grocery shopping and eating at home versus eating out a lot and going out at night. They have money to spend but are careful on what they spend it on. They like traditional forms of advertising (tv commercials, magazine ads) but are open to more modern methods (social media) as well. They volunteer more than any other age group and are considered to be an educated, family orientated, happy, and balanced group of people.

**Target Market #3**

Kids ages 6 -13. This group loves candy, sugar, and sweets. They are part of the New Silent Generation or Generation Z. They watch Nickelodeon and have a passion for Disney movies and iconic cartoons such as Looney Tunes. They are the most diverse group in the history of America and use the internet, social media, text messaging, cell phones, iPads and iPods to pass time. They are a confident bunch who has been raised by younger parents who are more in tune with social justice and the environment. As a result they too will be more likely interested in these affairs. As a marketer using technology and humor are most preferred methods of advertising. Television commercials are using children more in an effort to appeal to their age group. Most in this group have a role model that is famous and will attach to trends quickly and let go even quicker. Imagine themed birthday parties that vary greatly from year to year. To appeal to this group a marketer must weigh promotions & price options that appeal to both child and parent. Parent will appreciate low cost and healthier options; while child will be driven by the product and the packaging.

**Target Market #4:**

You develop define your own target market with at least 3 market segmentation facts. You will develop your marketing mix based on the factors you provide.