

MarketShare Plan

Team 2

MGMT323

For our AllRound strategy, we wanted to go with a wide range of ideas that keeps us in the eyes of many consumers. We decided to market against other products in the all around relief segment, and let the more specialized companies remain in their specific market segment. As an all around cold relief medicine, we help customers in multiple ways while other brands are focused specifically on other symptoms, such as cough, congestion or sore throat. The important aspect is not to compare these specific products, but to the other large cold relief products in the market. Besthelp is generally our most direct competitor and the product that we are most often compared to and seen alongside in the market. This is why our group decided that this is the brand that we would most compare to in our promotion and advertising budgets and decisions.

When looking at the status of our product through Period 0 we sat below Besthelp in market share. As the industry leader in cold relief, Besthelp was at 27% market share in the cold market, while Allround sat in second at 21.4%. Our initial goal was to begin by increasing unit sales, and in turn begin to increase our market share in the cold industry. We noticed that Besthelp spends \$16.2 million in their advertising budget, and dedicated a chunk of our budget to advertising and promotion to make our awareness start to reach the level of Besthelp. For the first period, we simply dedicate our resources to marketing, promotion, and hiring salesforce. We did not make any drastic changes to the setup of our organization. We did this to continue to further extend our customer base, get our name further into the segment, and gain market share. Our main goals for the initial period were simply growing market share and increasing overall market sales.

For the further rounds, we decided that we would begin focusing further on increasing revenue, furthering our product(s), and growing our stock price in the market. As said, we initially wanted to ensure that we had established our footing and did not do anything major or drastic in the first period, or potentially even two periods. Further on we would begin focusing on revenue. When we finally decide to focus efforts on revenue and have a strong customer base, we will be able to slightly increase price from 5.49 and continue to expand on promotion and sales so that we keep our existing base at the slightly increased price, and are also able to grow further into the market. This will allow us to continue to gain on Besthelp in market share as well. As far as our advertising plans specifically, we took 15% of advertising away from comparison, putting it at 10%, and evenly distributed it among the rest. We feel that this allows us to shift more eyes away from Besthelp and continue to grow our share. We will continue to dedicate more to advertising and promotion throughout, while potentially adding more to comparison if we feel that we are ready to face Besthelp one on one.

In terms of product, we plan to keep the product a relatively premium cold relief product, which can tackle many various symptoms a customer can experience. For example, Besthelp only reduces the symptoms of runny noses and congestion while Allround does that as well as relieving pain and suppressing coughs. Aligning with being a more premium product, Allround will also be more expensive than the competition, but not too expensive for a cold medicine where most people cannot buy it. This is in high contrast to Besthelp, which is more typical of the market, holding comparable prices to other cold solutions besides Allround. In hopes of riding the growth of the Mass Merchandisers market, Allstar has dispatched more sales reps to that sector, as well as sending more sales reps to grocery stores, the largest retail channel where

cold medicines as well as Allround are bought. This shows to be quite similar to the competition, as in most cases no matter what the medicine caters toward, the biggest retail channel is grocery stores, except for allergy medicine which does have a very strong market in grocery stores.

Finally, we have our promotions. For some of the data sets collected, it seems that Allround is pretty well known among the drugs for cold relief, along with having the highest customer satisfaction. Perplexingly, Allround is only bought about half as many times compared to competitors. This can be due to several reasons, but this is most likely the price, given that it is nearly a dollar more expensive than its counterparts. With this information in mind, we have moved to providing promotions and discount coupons for Allround in order to encourage non-regular customers to try it out.



Other paper:

Period 1: Focus on getting the brand recognition up and more sales, even if there is not much increase in profit

Period 2, no major changes, decided against brand reformulation

Period 3, Heavily focused on increasing sales,

Period 4, introduced new product put a lot in advertising