

Module 1.2 Enquiry 3: Cymru Cocktail

Learning outcomes	
1	Understand a range of market research activities.
2	Appreciate the need to work within a budget.

Key skills	
C3.3	One document about a complex subject.

Resources	Student sheets plus opportunities to carry out some market research.
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Time	1 hour plus homework.
Running the activity	Work in groups to identify other information required and plan marketing strategy. The detailed strategy planning may be done either individually or in groups.

Module 1.2 Enquiry 3: Cymru Cocktail

A spa town in Wales is looking for ways to build on its well known mineral water. It already sells the still and fizzy varieties but wants to develop the product. It has joined forces with a company called Designer Drinks in order to explore the opportunities.

The marketing department has reviewed the competition and found a possible strategy – flavoured fizzy water. It has carried out some preliminary market research on a local basis.

The Council has employed a market research company to investigate the proposal. Your task is to explore the market and make a presentation to show your findings.

Some primary research has already been carried out as people in the local area have been interviewed. Of these about 480 people are in occupational groupings A, B and C1 and about 400 are in C2 ,D and E. These are the results:



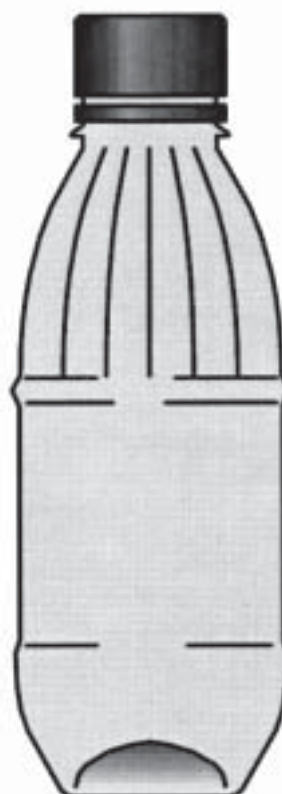
What will people pay?

Price range (pence)	ABC1	C2DE
50 – 59	98	228
60 – 69	134	113
70 – 79	157	48
80 – 89	75	11

As this result showed that the strongest demand would be in occupational groupings ABC1, some further research was undertaken in this group.

What flavour? Number of people

Blackcurrant	52
Orange	47
Tangerine	64
Cherry	50
Strawberry	84
Peach	130
Banana	38



In a pub, wine bar or restaurant?

Price range (pence)	Number of purchasers per week
70 - 79	34
80 - 89	41
90 - 99	56
100 - 109	81
110 - 119	100
120 - 129	83
130 - 139	42
140 - 149	33

The next step

What other information would you want to find out?

How would you go about it?

And finally

Having gathered all the information you need, you must create a strategy to sell the product. Use the information available to put together a marketing plan. The budget is £20,000 so plan to use it effectively.

Marketing activity	Budget cost
Short series of adverts on regional TV	£14 000
Publicity in pubs and wine bars	£2 000
Billboards for one month	£3 000
Newspaper adverts, half page	£1 000
Specialist life style magazines	£1 000
Launch event	£4 000
Sponsorship	£4 000
Sales staff to increase number of outlets	£5 000
Point of sale advertising material	£4 000



Pick one component of your strategy and make an action plan to show what needs to be done and how you would go about it. Make a list of everything that you would need to pay for in order to make your plan work.