

# INTEGRATED MARKETING COM-MUNICATIONS STRATEGY FOR A VEGETARIAN SNACK

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#### **ABSTRACT**

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The primary objective for this thesis was to set up an effective integrated marketing communications strategy in relation to the launch of a Company X's vegetarian snack into the Vietnamese market. The thesis objective was to create a detailed integrated marketing communications plan to increase brand awareness of the product, thereby accelerating the sales.

In order to reach the objective, collection of both secondary and primary data was performed. Secondary data was collected mostly through books, e-books, online academic writings, articles and independent market reports. Primary data was gathered by conducting a customer survey. The customer survey was conducted in both paper and online forms with a number of 205 relevant respondents.

This thesis is divided into six chapters. Firstly, the thesis starts with chapters one and two, in which the preliminary information on the discussed theme, purpose, objective, and subject definition of the thesis are introduced. Next, related theoretical framework is presented in chapter three. In this chapter, the integrated marketing communications planning process is discussed in detail. Following that, chapter four presents customer survey in detail with graphs and explanations. Chapter five focuses on the integrated marketing communications strategy for a vegetarian snack of Company X based on the theoretical framework mentioned in chapter three and the customer survey results presented in chapter four. A communications strategy was developed for the company and its vegetarian product, based on the theoretical framework. Internal and external situation analysis, SWOT, market analysis as well as marketing mix were on focus. Conclusions and recommendations are presented in chapter six.

Based on the collected and analysed information, a communications strategy was presented for the company to launch its product.

Keywords: integrated marketing communications strategy, customer survey, promotion, Vietnamese market

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#### 1 INTRODUCTION

### 1.1 Company X introduction

The commissioner company, Skylark Communications Limited, is a marketing agency which specializes in organizing public relations events, marketing strategies, and brand enhancement campaigns for clients in various industries, including food & beverage, cosmetics, pharmaceuticals, consumer electrics, etc. The company's headquarter is located at C10/7A Chanh Hung Street, Binh Chanh District, Ho Chi Minh City, Vietnam.

The company is currently providing marketing services for a brand new product of Company X Food Industry Company Limited ("Company X"), a Philippine-based leading snack maker in Asia Pacific. Its parent company, Company X Holdings Company Limited was established in 1946 in Philippines as a family-owned corn starch repacking business. Company X manufactures and distributes snack foods and confectionery products. Its product lines include snacks, potato chips, milk-based soft candies, hard candies, marshmallows, ready-to-fry prawn chips, peanut-based products, wafers, biscuits, seafood products, popcorn, corn curls, chocolate snacks, and peanut crackers. With over 100 varieties of snack foods and confectionery products, its iconic brand is now one of the leading national brands in the industry and is widely distributed throughout Asia Pacific, including Philippines, China, Vietnam, Myanmar, Thailand, Indonesia, Cambodia and India.

Company X sets its footprint in Vietnam since 1997 with the inauguration of its manufacturing facility in Ho Chi Minh City. The company offers its products through distributors ranging from small family businesses to large enterprises; and dealers and retailers. After approximately 20 years of operation in Vietnam, Company X has four manufacturing plants throughout the nation, including Hanoi, Danang and Ho Chi Minh City. Y has steadily become a favorite snack choice of Vietnamese people.

#### 1.2 Product introduction

Company X's snack has been recognized for its quality, good value, packaging design, and product variety. The company has put a lot of resources in acquiring new snack food technology and developing new flavors. The Company X's product range includes savoury snacks, natural potato chips, juices and juice beverages, cocoa powder drink, cocoa covered pies, cereal bars, milk-based soft candies, hard candies, marshmallows, ready-to-fry prawn chips, peanut-based products, wafers and biscuits.

The product in discussion, Company X's vegetarian snack, is the only authentic vegetarian snack that is available in the market. Company X wishes to further widen the campaign, thus engaging the consumers by reaching the key places where they usually shop, hangout and spend most of their time. The objective of our marketing project included increasing brand awareness, strengthening the key message of the campaign

"Unbelievable but true there is a vegetable that tastes like pork", introducing Company X's vegetarian snack as a unique snack in Vietnam, and accelerating product sales.

#### 2 RESEARCH PLAN

#### 2.1 Background information of thesis topic

The authors of this thesis completed a five-month internship with Skylark Communications Limited (the "Company" or "Skylark"), which is a marketing agency specializing in organizing public relations events, marketing strategies, brand enhancement campaigns for clients in various industries, including food & beverage, cosmetics, pharmaceuticals, consumer electrics, etc. The Company's headquarter is located at C10/7A Chanh Hung Street, Binh Chanh District, Ho Chi Minh City, Vietnam. The company was providing marketing services for a brand new product of Company X, a Philippine-based leading snack maker in Asia Pacific. Company X has numerous product brands in food and beverage industry, in which its snack brand is an iconic and leading brand in Asia Pacific. The authors were commissioned to conduct an integrated marketing communications strategy to build brand awareness of a new product under this brand in the Vietnamese market.

### 2.2 Objectives and purposes of the thesis

The vegetarian snack was the only authentic vegetarian snack that was available in the market at that time. Company X wished to further widen the campaign, thus engaging the consumers by reaching the key places where they usually shop, hangout and spend most of their time. The objective of the thesis included increasing brand awareness, strengthening the key message of the campaign "Unbelievable but true, there is a vegetable that tastes like roasted pork belly!", introducing the vegetarian snack as an unique snack in Vietnam, and accelerating product sales.

Based on the thesis objective, the authors focused on providing the solution for the following question: What is the strategy for the vegetarian snack to enhance its brand recognition among its consumers?

# 2.3 Working method and data

Regarding the research method, quantitative and qualitative research were discussed to select the appropriate one for X's communication plan. While qualitative research mainly focuses on detailed findings of human behavior and reasons behind these acts, quantitative research provides insightful statistical data for generalization purpose (Atlasti). The data collection and analysis applied for this communication plan was to determine appropriate and effective marketing channels for product broadcasting. As a result, quantitative research method was selected to present and describe Vietnamese consumer habits.

In order to present a holistic view of company X and its vegetarian snack product in terms of external and internal factors, secondary data was collected from food and beverage, and snack market reports in Vietnam which have been conducted by trusted market research firms. On the other hand, primary data was collected by a consumer survey for the purpose of communication channel selection.

#### 3 CONCEPTS AND THEORETICAL FRAMEWORK

# 3.1 Marketing and marketing mix

Kotler (2002, 4) defined that individuals or companies can pursue their goals through a value exchange process called marketing. According to the website of CIM (The Chartered Institute of Marketing), CIM also stated that marketing is a process that meets customer requirements profitably. Whilst the American Marketing Association (2013) indicated that marketing is a process that creates value not only for customers or companies, but for clients, partners and society as well.

In order to achieve marketing objectives, a set of marketing tools called marketing mix is decided, stated by Kotler (2002, 9). Among many possible variables of marketing mix, McCarthy and Perreault (2002, 48) simplified the marketing mix into 4 Ps (product, price, promotion and place).



FIGURE 1. The four P components of the marketing mix. Adapted from Kotler (2002, 10)

# 3.2 Integrated marketing communications concept

It is indicated that in the twenty-first century, marketing environment – marketing communications environment in specific – has changed dramatically, which challenges marketers to shift from mass marketing into segmented marketing. In order to adapt to the new marketing environment and take advantage of new promotional tools, marketers developed integrated marketing communications (IMC). (Kotler, Wong, Saunders & Armstrong 2005, 721 – 727.)

IMC is a concept evolved from the 4 Ps model – Promotion, which McCarthy and Perreault (2002, 397) defined as an effective coordination of all communication

efforts to send a single consistent message to customers. Having customers to adopt a "clear, consistent, and compelling" message is especially important in marketing effort. It is because conflicting messages customers get from different touch points may make them confused about the image of the brand or the company. A good IMC can solve the problem as well as reinforce and unify all the messages of the company, positioning and images, and identity thanks to the intentional effort in releasing a single consistent message in all promotional approaches. (Kotler et al. 2005, 725 – 727.)

# 3.3 Integrated marketing communications planning process

Many different IMC planning processes have been introduced. The thesis plan is to follow the marketing communications planning framework (MCPF) offered by Chris Fill.

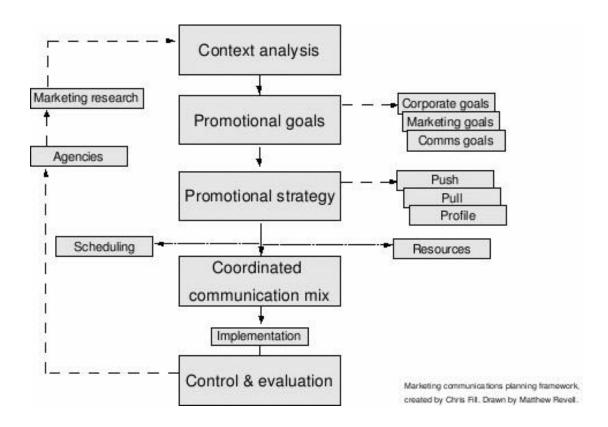


FIGURE 2. The marketing communication planning framework (MCPF). Adapted from Fill (2013)

As shown in figure 2, the marketing communications planning framework (MCPF) consists of six stages: context analysis, marketing communications objectives, marketing communications strategies, marketing communications mix, scheduling, budgeting and implementation, monitoring and controlling.

# 3.3.1 Context analysis

The context analysis combines a wide range of external environment and internal factors which enables companies to identify their position in the operating market based on known facts. These aspects can be reflected on various analyses, including analyses of company, competitors, consumers, market, product, opportunities and threats (Vrontis & Thrassou 2005, 135). For the marketing communications plan for company X's snack product, PESTEL and SWOT analyses were conducted to explore company X and its product's characteristics, and market position, operating environment, upcoming opportunities as well as constraints.

# **PESTEL** analysis

According to Team FME (2013), a PESTEL analysis is a framework used for presenting the macro-environmental factors which play as drivers and/or barriers to a company operation. PESTEL is an acronym, which stands for: P – Political, E – Economic, S – Social, T – Technological, E – Environmental and L – Legal.

#### Political factors

These are the factors which can have significant impact on every business field in a country and development potential of a company. A company that operates in one jurisdiction have to comply with these political aspects, including political stability; tax policy (i.e. import - export tax, VAT, income tax, etc.); relevant laws such as enterprise law, investment law and competition law; and government policy (i.e.

industry incentive programs, consumer protection policy, trade restriction/incentives, etc.). (Pestle Analysis 2015.)

#### • Economic factors

Companies usually consider economic factors in short-term, long-term and possible government interference to the economy for the purpose of making profitable business decisions. These factors generally consist of economic cycles, key factors which impact the economy (i.e. interest rates, exchange rates, inflation rate, etc.), economic policies enacted by competent authorities and future prospects of the economy. (Shapiro 2013.)

#### Social factors

Also known as socio-cultural factors, these are featured cultural values and social characteristics that reflect a population's behaviors. According to Shapiro (2013), these factors include – average life expectancy, health condition, nurture scheme, population growth, income distribution, lifestyles, common views toward aesthetics, social status, life standard, health consciousness, career attitudes and so on. By studying these factors, marketers can have better understanding of their customers and main drivers which influence their buying decisions.

#### Technological factors

These factors apparently describe technological landscape changes and how this impacts the way of marketing. Technological factors can be divided into two areas: manufacture and infrastructure. Technological innovation can improve productivity and product quality internally whilst these advances can also enable marketers to enhance communication approach to their targeted customer segments. Furthermore, the rapid growth of technology has led to extensive network distribution systems, thus helping companies to penetrate and expand their markets. (Team FME 2013, 17).

#### Environmental factors

In recent years, environmental issues have become increasingly critical for business activities. One organizational action may be claimed to cause harms to the surrounding environment and face severe financial and legal penalties. These factors relate to country's infrastructure, cyclical weather, material disposal, pollution policy, energy availability and cost, social implication, potential contamination and so on. Due to growing environmental awareness among consumers, producers are encouraged to manufacture products from eco-friendly and sustainable material sources, if possible. (Team FME 2013, 20.)

# Legal factors

Legal factors combine current and impeding legislation that directly affects a company's employment, health and safety, equal opportunities, advertising standards, consumer rights and laws, product labelling and product safety (Team FME 2013, 18). Regulatory bodies have set up numerous laws, decrees, dispatch and other legal documents to facilitate and stimulate economic activities as well as prohibit illegal trading and discourage certain restricted businesses. Examples of legal factors include accounting regulations, safety compliance, antitrust law, trade restriction, etc. (PESTLE analysis 2016).

#### **SWOT** analysis

SWOT analysis is a commonly used business tool to determine a company's, product/service's, industry's capabilities and external factors that are closely related to them. SWOT is an acronym combining from four first letters of four factors, namely strengths, weaknesses, opportunities and threats (Johnson et al. 2009, 81-83).

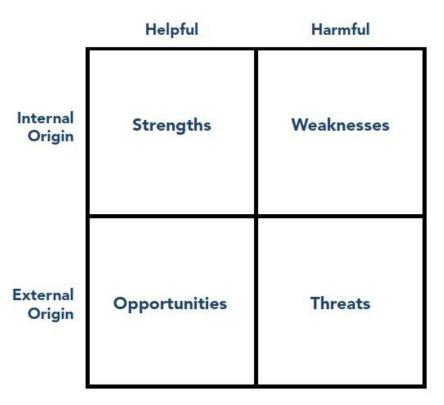


FIGURE 3. SWOT analysis demonstration. Adapted from SWOT Analysis (Team FME, 6)

# 3.3.2 Promotional objectives

The promotional objectives of an integrated marketing communications plan vary from building awareness, creating interest, providing information, stimulating demand to strengthening brand visibility (Belch & Belch 2003, 39). According to Swan (2014), a framework to create marketing communications plan consists of four key areas: organizational context, barriers and opportunities, creative ideas and integrated engagement strategy (Fill 2009). Promotional objectives, covered by barriers and opportunities section, must be specific, measurable, achievable, realistic and time-specific. There are three elements that are mainly discussed when setting promotional objectives, namely corporate objective, marketing communications objective and marketing objective (Fill 1999, 622). Accordingly, corporate objectives reflect on how a company wishes to achieve desired position, value and mission development in the market. Marketing communications objectives focus on the leverage of brand awareness degree, perception, knowledge, attitude towards the brand and product preference.

Lastly, marketing objectives, which are corporate objective—oriented, mainly target at sales performance.

# 3.3.3 Promotional strategy

There are three main approaches to marketing communications strategy, namely push strategy, pull strategy and profile strategy. Accordingly, a push strategy is applied with the objective to 'push' the product to the end-consumer via stimulating distribution network. This costs little to no advertising expense. On the other hand, a pull strategy involves direct interacting with customers and consumers for the purpose of gaining their attention and interest, thereby making them intentionally request for targeted products or services. In this case, a combination of promotional activities including social media, direct advertising, television broadcasting or promotional events will be implemented, resulting in higher marketing spending than in pull strategy. Apart from aforementioned strategies, a profile strategy is used to satisfy corporate promotional goals which are mentioned above. Promotional tools such as public relations, sponsored events, charity campaigns or corporate advertising are widely used to promote corporate image in public. (Bax & Woodhouse 2013, 84.)

#### 3.3.4 Coordinated communications mix

As defined above, this is a critical stage in the process since it directly affects the outcomes of a marketing campaign. In a fierce competition, a creative and integrated combination of marketing tools can help a product or service to stand apart from its peers. Being adaptive to technology advances is a key element that contributes to an effective message delivered. Marketing communications mix refers to promotional mix, whose elements are composed of advertising, sales promotion, direct marketing, public relations and personal selling. (Fill & Jamieson 2011, 1/9.)

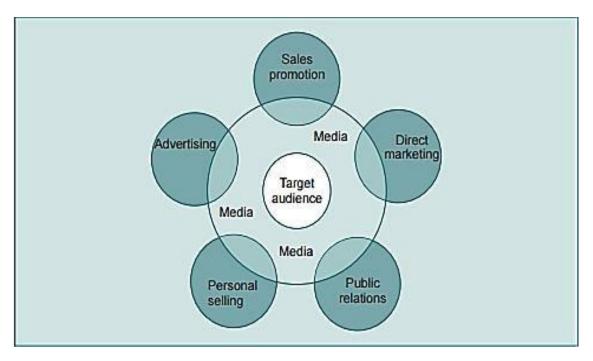


FIGURE 4. The tools and position of the marketing communications mix. Adapted from Fill and Jamieson (2011, 1/9)

# **Advertising**

"Advertising is defined as 'a paid message inserted in a medium", quoted by Blythe (2005, 220). Specifically, Kotler (2002, 281) stated that advertising could be any paid communication form, offered by an identified sponsor.

There are several well-known media in which advertising can take place such as newspaper, magazine, billboard or broadcast medium (Blythe 2005, 220). Thanks to the variety of channels, advertising is especially effective in reaching a large number of customers, which makes it has the lowest cost per customer among all tools of the promotional mix (Fill & Jamieson 2011, 1/14). However, as it is a one way communication, advertising hardly creates the urgency to pay attention and respond (Philip et al. 2005, 742).

# **Sales promotion**

Fill and Jamieson (2011, 1/14) defined sales promotion as a tool in which offerings from marketers to customers are value added in order to increase sales and gather marketing information. Sales promotion can appear under the form of coupons, point-of-purchase materials, samples, signs, catalogs, novelties, circulars etc. (McCarthy & Perreault 2002, 50.)

As discussed, advertising delivers a message to convinced customers to buy the product. In contrast, sales promotion motivates and offers the reason to buy the product immediately, which is the main difference between advertising and sales promotion, as pointed by Kotler (2005, 785). Consequently, advertising tends to build a long-term image or push quick sales for the product whereas sales promotion is used to achieve short-run sales (Kotler 2002, 278).

#### **Direct marketing**

McCarthy and Perreault (2002, 309) defined direct marketing as "direct communication between a seller and an individual customer using a promotion method other than face-to-face personal selling". In addition, Kotler (2005, 829) added that the customers in direct marketing are carefully targeted and the objectives of direct marketing are to attain immediate response and develop long-term customer relationship. Based on Fill (2011, 1/16), those substitute methods are email communication, a telephone conversation or a direct mail letter.

#### **Public relations**

According to Kotler (2002, 292–293), public relations is about planning and maintaining image of a company or its individual products in the mind of its publics. Blythe (2005, 237–238) pointed out some publics of a company: customers, employees, shareholders, trade bodies, suppliers, government officials, and society in

general. He also stated that public relations is perceived as "news" rather than "advertising", hence gaining high credibility.

#### Personal selling

Fill and Jamieson (2011, 1/14) defined personal selling as a face-to-face communication, in which company representative inform, persuade or remind the customer to take action or give response. Thanks to the face-to-face interaction, salespersons can flexibly adjust the approach in order to fix best with reaction and characteristics of each customer. Moreover, effective personal selling may lead to long-term relationship with customers, which makes it become the most powerful tool during buyers' preferences, convictions and actions stages in the buying process. However, it is also thought as the most expensive promotional tool considering the cost per contact. (Kotler 2005, 742.)

# Factors in designing promotion mix strategies

Based on the different characteristics as well as the pros and cons of each element in the promotional mix, Kotler (2005, 745) argued that there are three factors that should be taken into consideration when designing promotional mix strategies, including: the type of product/market, buyer-readiness stage and the product life-cycle stage.

# Type of product/market

Figure five clearly shows that the importance of each promotional tool varies between consumer and business markets. In consumer-goods companies, the emphasis is on advertising, followed by sales promotion, personal selling and then public relations since emotion plays a vital role in a market that has a large number of buyers with a practice of routine purchase. (Kotler 2005, 745 - 746.) On the other hand, in markets with fewer buyers and larger sellers like industrial-good markets, personal selling is

the most suitable method, followed by sales promotion, advertising and public relations.

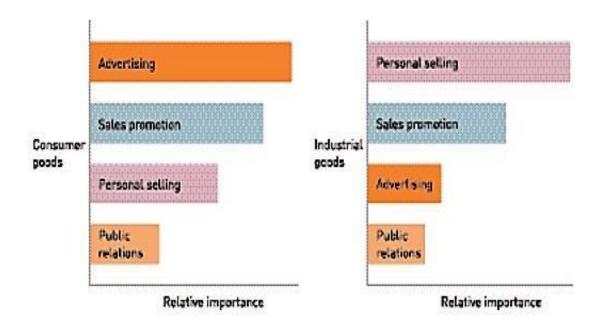


FIGURE 5. Relative importance of promotional tools in consumer versus industrial markets. Adapted from Kotler (2005, 745)

# **Buyer-readiness stage**

Target audiences could be in different stages of readiness to buy a product: awareness, knowledge, liking, preference, conviction and purchase (Kotler 2005, 730).

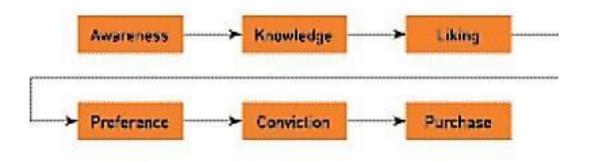


FIGURE 6. Buyer readiness stages. Adapted from Kotler (2005, 730)

According to Kotler (2005, 730), each promotional tool has different impact at different buyer readiness stages. In early stages like "awareness" and "knowledge", advertising and public relations are more essential and cost-effective, while personal selling is more suitable for later stages like liking, preference and conviction. Lastly, sales calls and sales promotion are good for dealing with purchase stage (Kotler 2005, 746).

# **Product life-cycle stage**

In addition to buyer-readiness stage, product life-cycle also affects the choice of promotional tools (Kotler 2005, 746). According to Burnett (2008, 160–161), there are five product life-cycle stages: product development, introduction, growth, maturity and decline.

- Product development: the period of generating product ideas, operationalizing, and testing before commercializing (Burnett 2008, 160).
- Introduction: the period of introducing new product to the market, during which the initial distribution and promotion is obtained (Burnett 2008, 160).
- Growth: "the period during which product is accepted by consumers and the trade". During this period, the product expands its initial distribution, increases its promotion, receives repeat orders from initial buyers, and obtains new customers from word-of-mouth (Burnett 2008, 160).
- Maturity: the period during which competition becomes serious. Towards the
  end of this period, competitors' products cut deeply into the market position
  of the company (Burnett 2008, 161).
- Decline: the product becomes out-of-date, which is resulted in sales decline and deletion (Burnett 2008, 160).

Kotler (2005, 746) stated that awareness is especially required in introduction and growth stage, which can be stimulated by advertising and public relations, and sales promotion. He added that sales promotion positively encourages product trial, and it is also a crucial tool in introduction stage but less important in growth stage. However, sales promotion gains its importance again during maturity and decline stages, while advertising and public relations no longer play an important role during those stages (Kotler 2005, 746).

# 3.3.5 Scheduling and resources

# **Scheduling**

An IMC usually consists of many promotional tools, which should be arranged in a reasonable timeline in order to cooperate well with each order and place the best impact on target audiences. The plan normally depends on circumstances such as seasons, specific events, public activities, etc., as well as costs and expenditures. (Fill 2005, 351).

#### Resources

As discussed, marketing objectives, which are corporate objective—oriented, mainly target at sales performance (Fill 1999, 622). According to Kotler et al. (2005, 72), a budget plan clearly shows the forecast revenues as well as expenditures, based on which higher managers will review and either approve or modify it. He added, "Budgeting can be very difficult and budgeting methods range from simple 'rules of thumb' to complex computer models."

# 3.3.6 Implementation, control and evaluation

Ultimately, when a profound integrated communications plan has been determined, it comes to implementation phase. It is essential to launch the plan via selected

marketing channels in tune with schedule and strategy (Belch & Belch 2003). In order to fulfil the communication objectives, it calls on continuous evaluation, control and feedback. Various evaluative research methods can be used to measure the efficiency of the applied strategy, including target audience survey or behavior result evaluation – number of people bought a product, talked to others about it or visited the stores (Kotler et al. 2005, 739).

#### 4 CUSTOMER SURVEY ANALYSIS

#### 4.1 Basic information and structure of the survey

In order to create an effective integrated marketing communications strategy based on the customer insight, a survey was conducted among Company X vegetarian snack target audience: office workers. The preparation of the questionnaire in both paper and online forms in Vietnamese language; as well as the final permission from the company to support the performance of the survey were completed at the beginning of November. The online form was sent and respondents were asked to fill in the survey in Ho Chi Minh City. Altogether, there were 205 suitable responses collected. The survey and results were then translated into English to be presented in this thesis.

The questionnaire included 8 questions (appendix 1); customers were only allowed to choose the most suitable alternative in all the questions. The first and second question were about basic background information of the respondents, including gender and age. The following questions were related to their snack buying habit – how often they eat snack, the location of purchase; and factor they consider affect their snack buying decision. Question seven and question eight were to find out the awareness level of the Company X and Company X vegetarian snack. All the information provided by the respondents has been kept anonymous.

#### 4.2 Survey analysis

#### **Background information**

The background information of the respondents is presented based on their gender and age. As can be seen in figure 7, the proportion for female respondents was 60% while the figure for male respondents was slightly lower with the percentage of 40%. Office

workers through the survey were also divided into three different age groups with the highest percentage 54% from the age between 25 and 35; following by the age below 25 with the rate of 40%, and 6% were from the respondents over 35 years old (figure 8).

In conclusion, a majority of snack buyers from the survey was young office workers under 35 years old, especially female customers. This result is applicable to Company X and the vegetarian snack main target groups in Vietnamese market. Female, especially young office workers normally have more interest in buying snack.

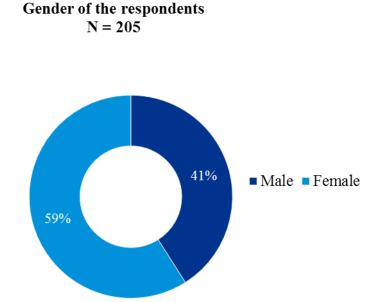


FIGURE 7. Gender of the respondents

# Age of the respondents N = 205

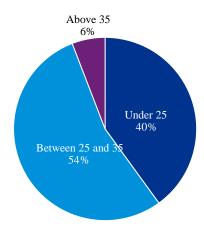


FIGURE 8. Age of the respondents

# Snack using habit

Figure 9 clearly shows that most of survey respondents (82%) eat snack quite regularly.

Out of the five places that vegetarian snack will be available, figure 10 indicates that most of the respondents chose to buy snack at office cafeteria, supermarket and convenient store. The proportion for the mentioned channels are 38.5%, 22.9% and 20.5% respectively. On the other hand, grocery store and market, whose figures are quite insignificant (14.6% and 3.4% respectively), were considered unattractive channels for the respondents.

In terms of influence factor in buying snack, it is not surprising that the leading influencer is "colleague" (figure11). Traditionally, Vietnamese office employees were used to buying and eating snack together during break time, which made them decide based on the majority choice. The factor accounted for over 40%, which overshadowed the other answers. "Friend" got the second highest answer, and the proportion was only half of "colleague" factor. Nearly 20% of respondents stated that they would follow the trend if they had to choose which snack to buy, while "family"

factor is much less important with only 10%. Lastly, 3.4% claimed that there were other factors that influence them.

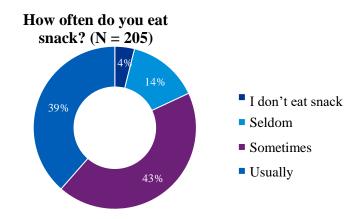
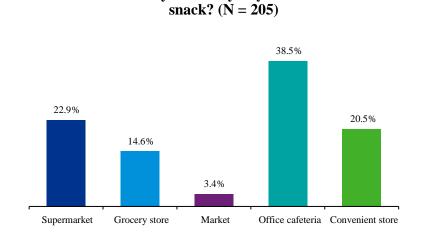


FIGURE 9. How often do you eat snack?



Where do you usually buy

FIGURE 10. Where do you usually buy snack?

# Who will influence your buying decision? (N = 205)

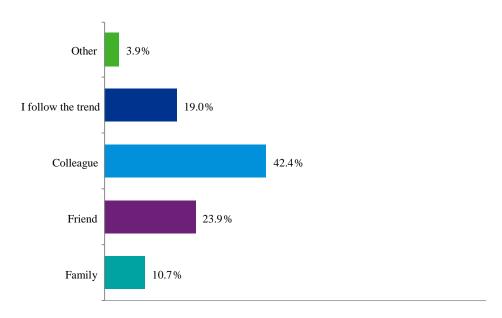


FIGURE 11. Who will influence your buying decision?

#### **Brand awareness**

Figure 12 communicates a positive situation that out of 205 respondents, there were only 6 persons who were not aware of Company X and they actually answered "I don't eat snack" in previous question "How often do you eat snack?" It means that Company X is a very strong brand with high awareness. The vegetarian snack can easily approach customers and gain trust as a Company X's new product. On the other hand, there are only about 10% out of 205 respondents were aware of the existence of Company X vegetarian snack. To conclude, Company X vegetarian snack has a strong background from its producer; however, it is clear that the vegetarian snack awareness is respectively low, which should be raised as soon as possible.

Are you aware of Company X? (N = 205)

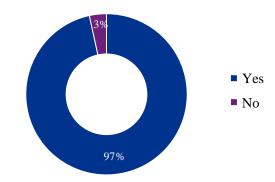


FIGURE 12. Are you aware of Company X?

Are you aware of Company X Vegetarian snack? (N = 205)

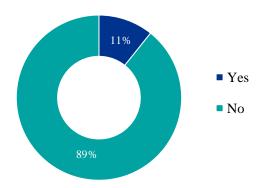


FIGURE 13. Are you aware of Company X Vegetarian snack?

# 5 INTEGRATED MARKETING COMMUNICATIONS STRATEGY FOR COMPANY X VEGETARIAN SNACK

This part of the thesis demonstrates an integrated communications plan in detail that reflects the aforementioned integrated marketing communications process. The survey results were utilized to contribute to the plan.

# 5.1 Internal situational analysis

This section comprises of two major parts, including mission and company resources. The analysis was mainly based on the authors' research of the company and their experiences during the project.

#### **5.1.1 Mission**

Company X is determined to become a global leading food manufacturer by providing a diverse range of high quality food products at best value, establishing and nurturing sustainable relationship with all stakeholders, such as consumers, distributors and suppliers. In addition, Company X aims to maintain and develop elite human resources by proactive training in skills and knowledge.

# **5.1.2** Company resources

Financially, Company X registered the strongest value growth within savoury snack during 2016 with its annual sales revenue being around USD 50 million. Continuous investment in cutting-edge production lines and manufacturing facilities has composed of its valuable resources. To ensure the safety and hygiene of its products, Company X factories are being managed using the standards of ISO and HACCP (Hazards Analysis and Critical Control Point). The majority of factories are ISO certified, or are undergoing the process of certification. Quality assurance of the products is guided by the model of a process-based quality management system.

Together with advanced manufacturing facilities throughout Vietnam and other parts in South East Asia, Company X has attained its leading position with the market share of 11.2% (Euromonitor International 2016, 8). This vastly resulted from the rising popularity of its Y brands, along with the continuous expansion of its distribution network. The company has well established its distribution network while successfully built its strong brand names, which was apparently reflected on the results of question 6, where over 95% of the respondents are well aware of Y brand. This means that consumers remember its brand well and they can easily find the snack product in most grocery retailer outlets, including traditional and modern grocery retail channels.

These competitive available assets of Company X in Vietnam undeniably set it apart from other competitors in the market, thereby facilitating the integrated marketing communications plan for its new vegetarian-flavour snack product.

# 5.2 External situational analysis

As a part of the skeleton in the theoretical framework, external situational analysis was discussed with the two following analyses: PESTEL analysis and SWOT analysis.

#### **5.2.1 PESTEL analysis**

#### Political factors and legal factors

Having experienced a colorful political history (Sterling 2006), Vietnam is among a few countries that are governed by a communist system. The Constitution in general establishes the rights of the people under the leadership of the Communist Party. The power of the people is exercised through the National Assembly at a central level and through People's Committees at a local level. The National Assembly is the supreme representative and legislative body and determines domestic and foreign policies,

socio -economic tasks, national defence and security issues (Grant Thornton 2016, 5). The highest executive body in Vietnam is the Government, formerly known as the Council of Ministers. It is in charge of the general management of the economy and the state.

The court and prosecution system in Vietnam has a structure similar to the administrative system. At a central level, the Supreme People's Court is the highest judicial body in Vietnam. At a local level, courts exist at provincial and district levels.

Despite having named itself as a one-party communist state (BBC News 2016), Vietnam is highly adaptive and welcoming to trade relations. The country is expected to draw significant additional foreign investment with the upcoming conclusion of the Trans Pacific Partnership (TPP). This giant agreement involves at least 12 countries including United States, Mexico, Chile, Peru, Canada, New Zealand, Australia, Malaysia, Singapore, Vietnam, Brunei and Japan. It is expected to waive tariffs on goods and services while harmonising most of barrier regulations. Apart from this noteworthy trade agreement, Vietnam is also a huge beneficiary of the ASEAN Free Trade Area (AFTA), which will reduce and eliminate tariffs on agricultural items and products. This can help relieve the cost of raw material for snack manufacturing process of Company X.

Company X is incorporated under the Law of Enterprise 2014, the Investment Law 2014, the Corporate Income Tax Law 2016 as well as other relevant laws and equivalent legal documents. These laws have had witnessed massive amendments by the government in the purpose of stimulating foreign businesses in Vietnam. For instance, the effect of the amended Investment Law taken place in July 2016 will free foreign companies from adhering to the lengthy investment certificate procedures when purchasing equity portion in Vietnamese firms. In addition, Vietnamese government had adjusted the standard corporate income tax from 25% to 22% in 2014 and to 20% in 2016 for all domestic and foreign entities as an attempt to bolster the business environment. (Price Water Cooperhouse 2016, 7). Company X, as a result, benefits from this tax alleviation.

#### **Economic factors**

Since 2008, Vietnam has maintained economic growth in the band of 5-7%, even then global markets were bottoming out during the global financial crisis in 2009. For 2015, Vietnam achieved GDP growth of around 6.6%, better than the global average of 3.3% and higher than several of its neighbors, such as Indonesia (4.9%) and Thailand (2.7%).

Forecasts from the World Bank and Asian Development Bank anticipate growth to hover around 6.5% over the next two years, with optimistic estimates hinting at the possibility of growth hitting 7% in 2016.

# Nominal GDP and Inflation rates

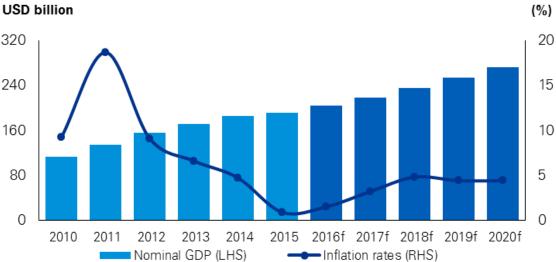


FIGURE 14. Vietnam GDP growth rate throughout the period 2010 – 2020 (Economist Intelligence Unit 2016)

Together with GDP growth rate, Vietnam has witnessed strong improvement in its economic indicators, especially Foreign Direct Investment year on year (General Statistic Office of Vietnam 2016). In the first half of 2016, Vietnam FDI attracted by more than USD 11.2 billion, which was a significant surge of 105% compared the same period last year (Vietnam News 2016). Looking back, the country has made a breakthrough in attracting foreign investment flow from just USD 0.32 billion in 1988 (General Statistic Office 2016).

# **Foreign Direct Investment**

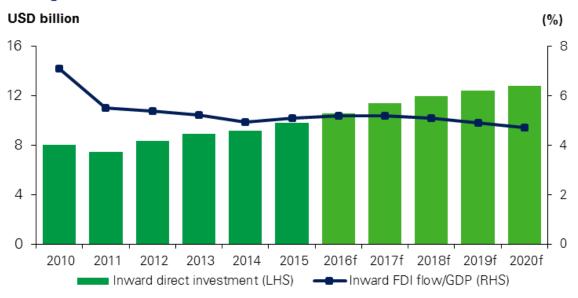


FIGURE 15. Vietnam Foreign Direct Investment throughout the period 2010 – 2020 (Economist Intelligence Unit 2016)

# **Social factors**

Since 2010, the private consumption per capita has increased 10% y-o-y on average. This trend is expected to continue in the period 2016-2020 but at a lower rate (averaged at 5%), reaching USD 1,730 by 2020 (General Statistic Office of Vietnam). This is driven by the young and consumption-oriented population.

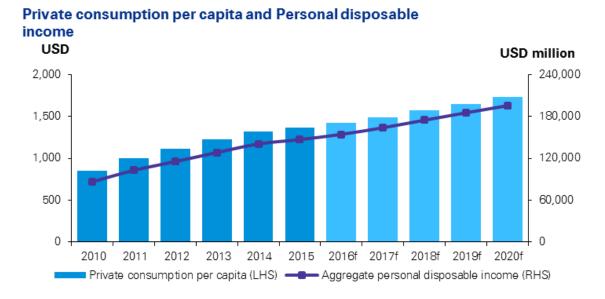


FIGURE 16. Private consumption per capita and personal disposable income (Economist Intelligence Unit 2016)

The section of the Vietnamese population aged 15 to 54 years old is estimated to be 61.7% of the total population (Central Intelligence Agency 2016). This group is the main driver for consumption, which increases the value of consumption-driven industries, including savoury snack industry.

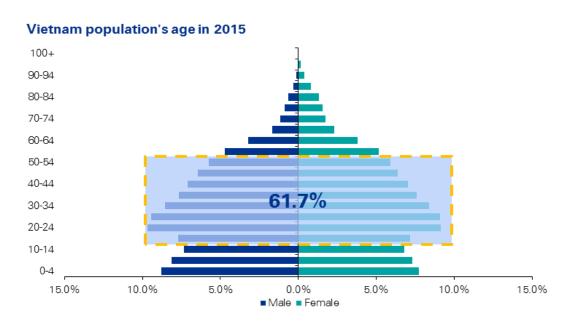


FIGURE 17. Vietnam population in 2015 (Business Monitor International 2015)

Children and young adults are expected to remain the key target consumers for savoury snacks. In addition, rising consumer awareness of the importance of health and wellness and the rising influence of Western culture on Vietnamese society are to continue influencing consumer demand for savoury snacks. Contrary to the positive developments being seen in more modern types of savoury snacks, traditional snacks such as banh kep ngo (a type of savoury coriander biscuit), banh men (yeast cookies) and kerupok (crackers) are likely to face declining popularity. The reduction in import taxes may also have a negative effect on sales in the category during the forecast period thanks to the rising number of international brands present in the category, which is to result in more intense competition emerging among local players.

Many Vietnamese people think that healthier types of packaged food such as reduced salt, reduced carbohydrate and reduced fat snacks do not taste good and, as a result, they usually prefer to reduce or cease consumption of snacks rather than consume healthier variants. Thus, the category's leading players are likely to attempt to launch products with flavours that suit the needs and tastes of Vietnamese consumers rather than launching reduced salt, reduced carbohydrate or reduced fat snacks during the forecast period.

#### **Technological factors**

Vietnamese food and beverage sector enjoyed robust annual growth rate, which was the highest in Asia, most notably in Southeast Asia in spite of the economic turmoil happening globally. This growth, as a result, encourage multinational corporations in F&B sector to invest billions of USD into Vietnamese market to build advanced manufacturing facilities and production lines.

The food and beverage sector is developed in line with the growth of food packaging and equipment industry. Therefore, the food packaging and equipment industry is one of the essential drivers of food and beverage sector. In particular, flexible packaging industry technology is the main concern for food and beverage sector, especially savoury snack industry.

The flexible plastic packaging market in Vietnam is still in its early stages with strong growth potential, but it is highly competitive with the participation of more than 50 domestic and foreign-invested manufacturers. 70% of manufacturers are located in the southern part of the country. Companies have relied almost exclusively on imported technology and machinery. According to the Vietnam Plastic Association, the industry imports around 75-80% of its raw materials (equivalent to 3.92 million tons or USD 5.96 billion). Vietnam imports PE, PP, PS, PET and PVC resins, which together account for 66% of the value of the total plastic materials imports. Saudi Arabia, South Korea, Thailand and Taiwan are the main exporters of plastic materials to Vietnam. However, local production can only satisfy 70-80% of local demand. Complex and specialized packaging products have to be imported to satisfy the remaining 20-30%.

The middle and lower-end segment (simple, low cost products) are more competitive than the higher-end segment (more complex and specialized products). Most of the domestic participants are in the middle to lower-end segment, and are characterized by companies with limited financial capability and simple and/or outdated technology. Foreign-invested manufacturers focus more on the higher-end and the export segments where financial capacity, modern machinery and technology are important differentiators.

Export volume has been small but is increasing. A small number of leading domestic and foreign-invested companies are pushing their export sales to grow because profit margins on exports are usually higher. As a result of the growing demand in the domestic market and the export competitiveness of Vietnam from a production cost perspective, an increasing number of foreign-invested manufacturers are adding to or relocating their manufacturing facilities to Vietnam.

#### **Environment factors**

Although Vietnam has enjoyed substantial benefits from the growth of food and beverage industry, especially the savoury snack sector, the country has been facing a number of environmental challenges due to flexible plastic packaging and snack making activities. These include increasing air pollution, water contamination, and scarcity of natural resources. As numerous industrial companies pumped sewage water and other industrial liquid waste into fresh water in rivers, canals and lakes, serious pollution issues have been arisen toward nearby inhabitants. Vietnam was among the top ten countries which produced highest level of air pollution in 2012 Environmental Performance Index (Asia foundation 2013). A survey of VNU Journal of Economics and Business revealed that environment awareness grew in accordance with the level of educational background. Accordingly, people who were more well-educated tend to pay more attention to environmental issues and thereby putting their concerns into practice, which is expected to reflect on their product buying decisions.

Another current issue to take into account is the recycled plastic materials. According to the Plastic Recycling Fund of Ho Chi Minh City, the city produces 250,000 tons of plastic waste every year. By 2020, it is estimated that the amount of plastic waste created by the city will reach 400,000 tons per year. Despite the enormous potential for plastic recycling, this field remains underexploited in Vietnam since it is difficult to collect and classify waste. As a result, 57% of plastic recycled in Ho Chi Minh City originates from defective plastic products collected from various factories rather than consumer waste. In order to make it easier for plastic recyclers to utilise the rich resource of consumer plastic waste, the government will need to play a key role in terms of educating people to classify their garbage as well as change their attitude toward the recycling of household waste.

Furthermore, due to the rising environmental concerns among Vietnamese consumers, developments in biodegradable and compostable plastic materials will offer 'green', recyclable packaging and labelling products, thereby strengthening plastic packaging companies' respective positions. Retailers will play a major role in driving these changes in the industry as they can encourage buying decisions via eye-catching and appealing display in traditional groceries and modern shopping channels.

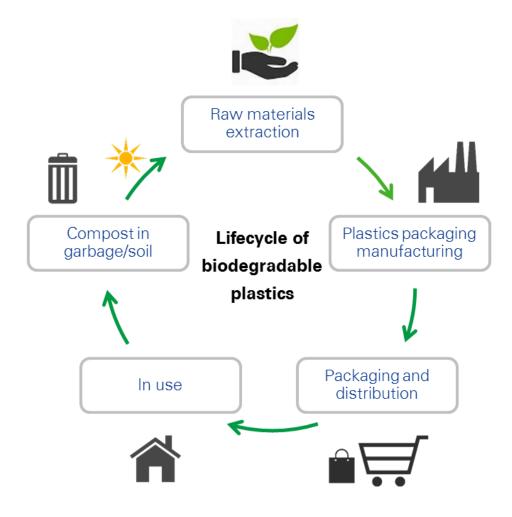


FIGURE 18. Lifecycle of biodegradable plastics (United Nations Environment Programme - UNEP)

# 5.2.2 SWOT analysis

SWOT is a popular business tool to determine a company, product or service capabilities and external factors that are closely related to them. According to Kotler (2009, 48), the ultimate objective of SWOT analysis is to identify the company or product growth opportunities based on the strengths and to minimize and eliminate its drawbacks as well as threats. The SWOT analysis shown in figure 19 was conducted for the vegetarian snack made by Company X.

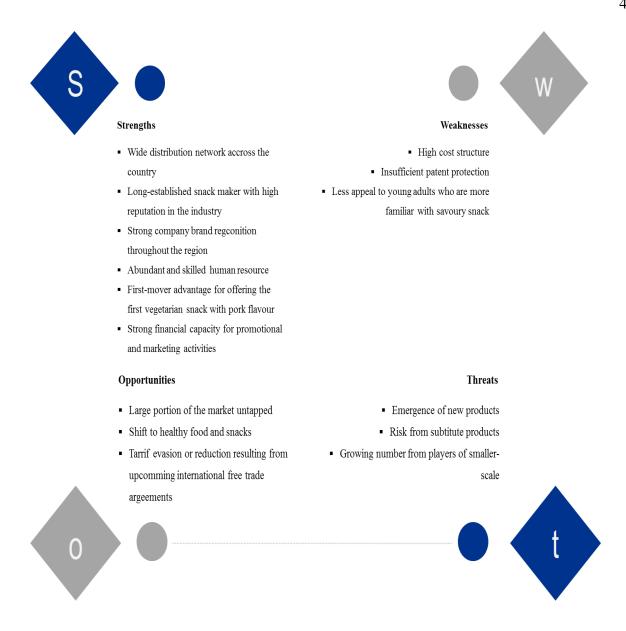


FIGURE 19. SWOT Analysis

## 5.2.3 Market analysis

#### **Market characteristics**

According to Euromonitor International, savoury snacks industry records current value growth of 12% and retail volume growth of 6% in 2016, rising to VND 10,828 billion and 66,700 tonnes respectively. Inflation, rising income levels and the efforts of manufacturers and distributors to develop and launch new products and engage in

promotional activities have been the main reasons for this acceleration in growth in the category during the year.

In the country, the majority of other savoury snacks include pork and beef scratchings and snack noodles, while other snack types such as fish snacks are not very popular. While the competitive environment in pork and beef scratchings is highly fragmented due to the huge number of local manufacturers present, sales of snack noodles are also fragmented, with numerous imported brands present, especially brands from Thailand.

Due to the development of other indulgence products such as confectionery and ice cream, sweet and savoury snacks faces very tough competition. Consumers now have numerous choices apart from sweet and savoury snacks; thus, in order to compete, new products are developed and launched on a regular basis. On the other hand, the rising consumer concern about health and wellness continues to influence sales in the category.

#### Market outlook

The average unit price of savoury snacks is to decline gradually over the forecast period due to the tougher competition expected, both within the category and from other packaged food categories which are sometimes consumed as substitutes to savoury snacks. In order to remain competitive, therefore, the category's leading players are expected to engage in attempts to control their unit prices more efficiently during the forecast period.

In savoury snacks, traditional grocery retailer channels, especially independent small grocers, are to remain the most important ones over the forecast period. Nonetheless, modern grocery retailer channels, especially convenience stores, supermarkets and hypermarkets, are expected to play a more important role during the forecast period than they did during the review period, mainly due to the rapid expansion of the channel and the increasingly prominent general shift away from traditional grocery retailers towards modern grocery retailer channels.

Leading players in savoury snacks are expected to continue investing more in improving the quality and packaging of their products over the forecast period, as well as focusing on developing their distribution networks. In particular, both products and packaging are likely to be developed over the forecast period, specifically in line with the emerging health and wellness trend. Clearer product origins, more natural ingredients and "free from" claims are expected to appear more often on the packaging of savoury snacks.

# Vietnam Savoury Snack Market

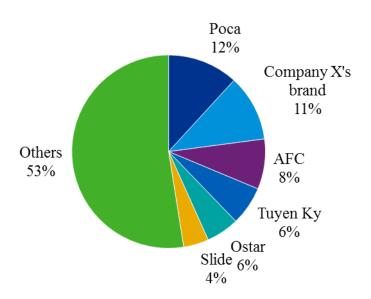


FIGURE 20. Vietnam Savoury Snack Market (The Euromonitor International)

# **5.3 Promotional objectives**

It is important to set up promotional objectives in order to build up the integrated marketing communications strategy.

One of the leading objectives is to increase the vegetarian snack awareness, especially among defined target audience, through a well-planned integrated marketing communications strategy. The message sent through all promotional tools is required to be consistent and clear.

Organizing an outstanding product launching event, which expresses well the product message is the second objective. Company X requires not a traditional press release but a distinctive, different product launching event, which can inspire participants to make them talk about us.

The last objective is to push sales through sales promotion. The first two objectives are achievable, while the last objective is somewhat dependent on the effectiveness of the strategy for the two first ones.

## **5.4 Promotional strategy**

In this early stage of product introduction, the main promotional strategy chosen is pull strategy, which involves direct interacting with customers and consumers for the purpose of gaining their attention and interest, thereby making them intentionally request for targeted products or services. In this case, a combination of promotional activities including social media, advertising, public relations, and promotional events should be used in an integrated way

#### 5.5 Coordinated communications mix

After clearly defined promotional objectives and promotional strategy, suitable marketing communications strategy should be selected. As mentioned earlier in the theoretical framework, there are three factors that should be taken into consideration when designing promotional mix strategy: type of product/market, product life-cycle and buyer-readiness stage.

First of all, the vegetarian snack belongs to consumer-goods products, whose emphasis is on advertising, followed by sales promotion, personal selling and then public relations since emotions play a vital role in a market that has a large number of buyers with a practice of routine purchase.

Secondly, this snack is obviously in introduction stage of its life-cycle, as it is a brand new product and has gained little attention. In order to stimulate awareness, advertising and public relations should be chosen in this stage as those tools that can reach a large number of customers with low cost per person. Moreover, sales promotion is positively encouraging product trial, which is also a crucial tool in introduction stage.

Last but not least, as customers of the product are in early stage named "awareness", advertising and public relations are more essential and cost-effective than other promotional tools.

Considering all the mentioned factors, it was decided that advertising, public relations and sales promotion will be the three main tools used in this integrated marketing communications strategy for the vegetarian snack of Company X. All the tools will support an effort of sending a single clear, consistent, and compelling message to customers defined by Company X: unbelievable but true, there is a vegetarian snack tasting like roasted pork belly!

## 5.5.1 Advertising

Advertising tool is one of the most powerful tools in reaching a large number of customers thanks to its generous amount of channels. Among them, there are three most suitable channels that could be used in this campaign: TV advertising, outdoor advertising and online advertising.

# TV advertising

TV advertising should be adopted as TV is the most attractive medium in Vietnam compared to other advertising channels, which can reach a wide range of customers with different backgrounds. The so-called "golden timing for advertisement", taking place in between evening news and reality shows, is one of the most effective options, as those programs obviously attract a good deal of the product target audience (young office employees).

However, choosing the golden timing means accepting a hypercompetitive situation, since all the advertisements are invested highly in quality. Thus, in order to stand out in the crowd, the campaign message should be sent through an extremely exciting and memorable story, which positively matches target audience's taste. It could be an adventurous journey all around Vietnam of the main character to find the best snack. Overcoming many different challenges on the way, he is finally awarded what he deserves: the first ever vegetarian snack in Vietnam that tastes like roasted pork belly!

In addition to plot factor, a star in advertisement also plays an important role, as it has been found out that Vietnamese youth is quite attracted and influenced by celebrities. As a consequence, the story should be starred by the brand ambassador, Huy Khanh, a famous actor. Thanks to his talent in acting, it is believed that the desired adventurous and exciting atmosphere, as well as the key message are sent successfully.

# Outdoor advertising and advertising at supermarkets and convenient stores

Outdoor advertising, including outdoor billboards, and advertising at supermarkets and convenient stores, were some of the selected channels to raise awareness of the target audience.

#### **Outdoor billboards**

It is easy to define the means of transport of Vietnamese people based on their age. Most of students travel by bus or bike, while most of older people, who are the product target audience, travel by scooters. Therefore, outdoor billboard is considered an effective channel, as the target audience are exposed to the medium.

Chosen billboard should be placed at high-traffic streets, where many office buildings are located. Creative style and concrete message should be expressed on the outdoor billboard to catch the attention of the target audience immediately.

#### Online advertising

Another promising touch point is online channels. Office workers, the target audience are active users of social media as well as online newspapers. Hence, pop-up advertisement on online channels like Facebook, YouTube, and online newspapers may raise the product awareness.

#### 5.5.2 Public relations

In this early stage of product life-cycle, public relations is very important to raise awareness and build good brand impression. There should be a press event to officially introduce the product, followed by many PR articles about the vegetarian snack.

The press event should be organized in a special way in order to express the key message in an exciting way, which inspires journalists to write more about the event and products. With the inspiration of TV advertisement story, it could be organized as an unique adventure for guests to experience different challenges to obtain the most precious award: the first vegetarian snack that tastes like roasted pork belly! Each

challenge should create active and exciting atmosphere, in which guests can discover the product gradually and get to understand and like it.

In addition to journalists, the press event also invites Facebook influencers and young office workers to join. After impressed with the experience the press event brings, participants will help the brand to viral the story, which increases the brand awareness. The brand ambassador will host the event to lead all the guests through the journey and share his experience with the product.

In addition to news from journalists after the event, there are also PR articles created by Company X to offer more information about the Vegetarian snack and its following sales promotion scheme. However, PR articles will be restricted to high-traffic online newspapers only as printed newspapers are costly for advertising and less effective regarding the product target audience.

## **5.5.3 Sales promotion**

Based on the survey results, customers tend to buy snack at office cafeteria, supermarkets and convenient stores. Therefore, sales promotion campaign will take place at those channels to maximize the possibility of enhancing brand awareness. Due to the typical characteristics of each channel, the activities are customized differently; however, consistently expressing the only message of the campaign.

#### Office cafeteria

It is clear that office cafeteria is the most convenient place for office workers to buy snacks, which makes it to become a good place to introduce the product.

There will be a creative photo booth for guests to take photos with different adventurous background to remind them about the brand story. Even though office workers are usually denied promotion activities at office, young office workers are more open to photo booth, especially an interesting and unique one. With the habit of updating Facebook status, this activity will ensure the availability of the brand on social media. Thanks to the attraction of the photo booth, promotion girls will have chance to constantly introduce the vegetarian snack to office workers there through product trial, and introduce the promotional scheme. During lunch time, which is considered to be peak hour, there will also a mascot come to dance at the photo booth to attract more attention and take photos with guests on request. Clips and photos from the activity may be spread widely, which positively enhances product awareness.



PICTURE 1. Photo booth (Printaphy website)

## **Supermarket**

Supermarket is a channel where we can reach more general audience in the same age range. On weekend, when the supermarket is most hectic, the promotion booth will run with different activities. The photo booth used in office channel will be replaced by game booth as it is more suitable for the lively atmosphere at supermarket. It should be an active game play with step pad to move the main character on screen. There will be challenges for players to overcome on the way to take as much as possible

vegetarian snack. In addition, promotion girls continue their work to encourage product trial and introduce sales promotion scheme.



PICTURE 2. Game with step pad

# **Convenient store**

Most of convenient stores are limited in space so it is difficult to organize photo or game booth. Moreover, guests of convenient stores do not expect to join any time consuming activities. It is more suitable to run in smaller scale with promotion girls for product trial and sales promotion only.

# 5.6 Scheduling and resources

The schedule of implementing suggested integrated marketing communications campaign will take place during Christmas and New Year period as it is the time when Vietnamese people enjoy going out to celebrate the festive period, which encourages sales promotion at supermarket and convenient store channels. Office channel is not affected by the holidays, since Vietnamese office workers have only 2 days off on Christmas Day and New Year Day.

TV and outdoor advertisements should start the whole campaign as a teaser for coming activities. Then, public relations should follow after a while, when TV and outdoor advertisements reach certain amount of target audience people. After that, PR events and articles and sales promotion activities at office cafeteria continue public relations to ensure the availability of brand on different touch points. The exact timetable could be drawn after completion of the marketing plan.

The budget for marketing communications campaign will not be defined in this thesis as it is confidential information of Company X.

#### 5.7 Control and evaluation

Campaign controlling and evaluation must be planned carefully as it offers very usable information for the following campaigns. In the case, the marketing communication objectives are to increase the number of customers cost effectively, to increase target market's awareness of the product, to increase demand and to develop brand among the target market. The final evaluation decisions can be done after the exact plan is completed. To help this, it is advocated to track objectives during the campaign so the current situation is constantly known.

#### 6 CONCLUSIONS AND RECOMMENDATIONS

Turning back to the research question, the main objective for this thesis was to answer the question: "What is the strategy for the vegetarian snack to enhance its brand recognition among its consumers?". After a detailed analysis about internal and external environment, as well as the customer insight survey, the integrated marketing communications strategy has been built based on the marketing communications planning framework (MCPF).

The promotional objectives were clarified to be three main objectives: increasing Company X vegetarian snack brand awareness through a consistent message, planning and organizing a distinctive product launching event, which inspires participants to talk about the brand; and last but not least, push sales through sales promotion. The first two objectives are achievable, while the last objective is somewhat dependent on the effectiveness of the strategy for the two first ones.

In this stage, the promotional strategy focuses only on pull strategy in order to involve direct interacting with customers for the purpose of gaining their attention and interest, thereby making them intentionally come for targeted products or services.

After clearly defined promotional objectives and promotional strategy, suitable marketing communications strategy was selected. Considering the three: type of product/market, product life-cycle and buyer-readiness stage, it was decided that advertising, public relations and sales promotion will be the three main tools used in this integrated marketing communications strategy for the vegetarian snack of Company X. All the tools will support an effort of sending a single clear, consistent, and compelling message to customers defined by Company X: unbelievable but true, there is a vegetarian snack tasting like roasted pork belly!

In terms of advertising, TV advertising, outdoor advertising and online advertising were chosen. TV advertisement is the most attractive medium in Vietnam compared to other advertising channels, which can reach a wide range of customers with

different backgrounds, especially when the advertisement takes place at the so-called "golden timing for advertisement". In order to make the advertisement stand out in the crowd, the campaign message should be sent through an extremely exciting and memorable story, which positively matches target audience's taste.

Outdoor advertising, including outdoor billboards, and advertising at supermarkets and convenient stores, are some of the selected channels to raise awareness of the target audience. Chosen billboards should be placed at high-traffic streets, where many office buildings are located. Creative style and concrete message should be expressed on the outdoor billboards to catch the attention of the target audience immediately.

Another promising touch point is online channels with pop-up advertisement on online channels like Facebook, YouTube, and online newspapers.

There should be a press event to officially introduce the product, followed by many PR articles about the vegetarian snack. The press event should be organized in a special way in order to express the key message in an exciting way, which inspires journalists to write more about the event and products. With the inspiration of TV advertisement story, it could be organized as a unique adventure for guests to experience different challenges to obtain the most precious award: the first vegetarian snack that tastes like roasted pork belly! Each challenge should create active and exciting atmosphere, in which guests can discover the product gradually and get to understand and like it. After impressed with the experience the press event brings, participants will help the brand to viral the story, which increases the brand awareness. In addition to news from journalists after the event, there are also PR articles created by Company X to offer more information about the Vegetarian snack and its following sales promotion scheme.

Based on the survey results, customers tend to buy snack at office cafeteria, supermarkets and convenient stores. Therefore, sales promotion campaign will take place at those channels to maximize the possibility of enhancing brand awareness.

Due to the typical characteristics of each channel, the activities are customized differently; however, consistently expressing the only message of the campaign. There will be a creative photo booth for guests to take photos with different adventurous backgrounds to remind them about the brand story. In addition, promotion girls will constantly introduce the vegetarian snack to office workers there through product trial, and introduce the promotional scheme. During lunch time, which is considered to be peak hour, there will also a mascot come to dance at the photo booth to attract more attention and take photos with guests on request.

On weekend, when the supermarket is most hectic, the promotion booth will run with different activities. There should be an active game play with step pad to move the main character on screen. There will be challenges for players to overcome on the way to take as much as possible of vegetarian snack. In addition, promotion girls continue their work to encourage product trial and introduce sales promotion scheme.

Most of convenient stores are limited in space so it is more suitable to run in smaller scale with promotion girls for product trial and sales promotion only.

In conclusion, the major problem the company needs to tackle is the lack of the vegetarian snack awareness; however, it is a strength when Company X is highly recognized. To compete with many strong competitors, and to raise brand awareness, the company needs to put more effort on a unique integrated marketing communications strategy and ensure that the message sent is consistent and clear.

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#### **APPENDICES**

# **Appendix 1. Customer survey**

# **Background information**

- 1. Your gender?
- 2. Your age?

# Snack buying habit

- 3. How often do you eat snack? –I don't eat snack / Seldom/ Sometimes/ Usually
- 4. Where do you usually buy snack? Supermarket / Market / Office cafeteria / Convenient store / Others
- Who will influence your buying decision? Family / Friend / Colleague / Celebrity / Other

#### **Brand awareness**

- 6. Are you aware of X Company's snack? Yes/ No
- 7. Are you aware of X Company's Vegetarian snack? Yes/No

# Appendix 2. Customer survey answer analysis

One-dimensional tabulations

1 (3)

# Question 1: Your gender

Answer	Number of responses	Percentage of responses
Male	85	41%
Female	120	59%
Total	205	100%

# Question 2: Your age

Answer	Number of responses	Percentage of responses
Below 25	82	40%
Between 25 and 35	111	54%
Above 35	12	6%
Total	205	100%

2 (3)

Question 3: How often do you eat snack?

Answer	Number of responses	Percentage of responses
I don't eat snack	8	4%
Seldom	29	14%
Sometimes	89	43%
Usually	79	39%
Total	205	100%

Question 4: Where do you usually buy snack?

Answer	Number of responses	Percentage of responses
Supermarket	47	23%
Grocery store	30	15%
Market	7	3%
Office cafeteria	79	39%
Convenient store	42	20%
Total	205	100%

3 (3)

Question 5: Who will influence your buying decision?

Answer	Number of responses	Percentage of responses
Family	22	11%
Friends	49	24%
Colleagues	87	42%
I follow the trend	39	19%
Others	8	4%
Total	205	100%

Question 6: Are you aware of Company X's snack?

Answer	Number of responses	Percentage of responses
Yes	198	97%
No	7	3.4%
Total	205	100%

Question 7: Are you aware of Company X's vegetarian snack?

Answer	Number of responses	Percentage of responses
Yes	22	11%
No	183	89%
Total	205	100%