

Marketing Plan

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Marketing Plan for Homestyle Foods

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Executive Summary

In this report we have created a marketing plan for Homestyle food in order to overcome challenges such as lack of foot traffic and lack of support from the local community by recommending potential solutions and by establishing SMART goals of increasing the frequency of new customers, by increasing sales of firms and by building customer's loyalty. In order to achieve SMART goals, we have developed a marketing strategy which involves traditional ways of marketing called public relations initiatives. One of the major reasons for pursuing public relation initiatives is that we are targeting the right audience and we are shaping public perceptions which would turn a positive image for business. We tried to achieve that goal by setting up a stall at the senior citizen club and advertising in the newspaper in such a way that it would generate buzz or excitement among people regarding setting up the stall. The Detail breakdown of estimated budget would be provided in the following report.

Situation Analysis

Homestyle food is the local store which means that each and every ingredient is northern Ontario made, grown and raised. They provide food products which are oven ready meals. Each and every meal is handmade, no preservatives, their meats are naturally raised with no hormones in it. Hence, Homestyle food by focusing more on quality of food, they try to create pleasant experience for the customers, Apart from that, to give a complete customer satisfaction, Homestyle also provides additional services such as free home deliveries, providing non-medical advices, help elderly customers and special customers by delivering extra needs while delivering food such as helping to unloading food items into house hence, they are providing a personalized touch to their customers even if they have to work harder. Not only this, but also Homestyle food organizes many food programs with other communities to assist those in need. They serve in the areas of Espanola, Sudbury, Manitoulin Island and Northshore.

Apart from providing healthy, tasty and gluten free food which do not contain any preservatives and serving meats raised naturally with no hormones, they also provide extra services such as giving non-medical advice, helping elderly customers and other special needs customers by providing extra services and organizing food programs with communities to help people. Hence, these are the points which separates Homestyle Food from its competitors. Personalized connection with people and healthy and tasty food are their unique selling proposition.

The potential challenges that firm is facing right now are:

Lack of foot traffic in the mall: Because of the COVID-19, people are scared to go to public places and buy things from the store which results in less traffic in the store.

Lack of Support from Espanola to promote local business: The main branch of Homestyle food is in Espanola and Espanola is not taking enough initiatives in order to promote the local businesses which includes Homestyle foods.

Top three competitors which can be potential threats to company in Espanola are as follow:

Large Grocery chains

Large grocery chains include Giant Tiger, Tanners by Independent, Fresh Cos.

Tanners by Independent

- ☐ Tanners by Independent is the company owned by the Lob laws company.
- ☐ Products and services provided by Tanners: It provides a wide range of services by creating different departments for each activity such as Food department, Health and beauty, Pet supplies, Home and kitchen, pharmacy department, dietitians and many more. It also provides a variety of different frozen or oven ready to eat meals.

- Marketing Activities that they are pursuing right now are making marketplace offers, discovering PC optimum points card, presentable website with minute details on it, taking proper measures and making a safe spot for the customers to shop

Online Fresh food deliveries

- **Voila** is an online fresh food delivery website which tends to serve various products such as breads and bakery goods, Beverages, Baby products, snacks and candy and many more next to your doorstep.
- Marketing strategies that Voila adopt in order to attract a huge number of people, they are offering coupons such as \$15 off on your first three deliveries. It has a user-friendly website where customers can navigate from one section to other sections smoothly and place their orders.

SWOT ANALYSIS

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> ● High Quality of food ● Personalized Services ● Free deliveries 	<p style="text-align: center;">Weakness</p> <ul style="list-style-type: none"> ● Absence of E-platform ● Expensive ● Lack of promotion ● In-effective marketing Strategies ● Lack of Customer loyalty Programs
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> ● Expand business to different part of Ontario ● Increase foot traffic by Digital marketing. 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> ● Dependent on Local Suppliers ● People have interest in similar businesses so in near future there are chances of huge competition

Marketing Objectives.

Specific	• Increasing the frequent of new customer
Measurable	• Increasing the number of customers visiting store by 20%
Achievable	• By distributing flyers, advertisement on radio and by setting up stall at old age homes.
Realistic	• By increasing the frequency of new customer visiting store.
Timely	• At the end of 4 Months

Specific	• Increasing the sales of the firm
Measurable	• Increasing the revenue of the firm by 25%
Achievable	• By distributing flyers, advertisement on radio and by setting up stall at old age homes.
Realistic	• By creating a new food menu with unique daily special every week
Timely	• At the end of 4 Months

Specific	• To encourage people to buy products from the local stores
Measurable	• Increasing the sales of the business
Achievable	• By providing non media advice to customer and by organizing food programs.
Realistic	• By active participation of local people and groups.
Timely	• At the end of 4 Months

Customer Driven Marketing Strategy

We are focusing on the old and matured couple having age more than 55 years old.

Our target market prefers to live in the sub-urban neighborhoods of smaller cities. Most people own single-detached houses but one-quarter are condo owners, and the least popular dwelling size among them is 1 bedroom or less.

The total population of Espanola is 4996 according to (2016) data.

One common trend is seen among population in Espanola which is, in last two census its populations is declined by at a rate of 1.37% per year from

The Largest population in Espanola consists of people having an age group more than 55 years which represents 64.2% of the population in Espanola.

Their average household income is \$67,738.

This segment represents 1.35% of Canada's population and 1.49% of households.

Majority of people work in the manufacturing industry followed by retail and professional services.

2105 people in Espanola are employed and 170 people are self-employed.

Most popular field of study is Engineering and the least popular field of study is visual Arts.

Most of our target audience prefers to spend their leisure time playing golf, they tend to shop at Lee Valley Tools.

They love to dine in at sea restaurants and use senior services bank plans as their financial plans.

Our target audience loves to eat yogurt with Probiotic Culture which shows us that our target audience are more into healthy eating and homemade food is one of the best options that Homestyle food can provide them in order to fulfill their requirements.

Apart from that, one of the strong reasons why we have chosen old and matured couple having age more than 55 year as our target market segment is that, most of the people are old and mature enough to understand the importance of healthy eating and home-made food, hence companies like Homestyle food which fits into every healthy aspect of senior people, could be a great fit for them.

It is believed that, people having age 65 or more are more likely to suffer from cardiovascular diseases which includes problem related to heart, blood vessels or both (National Institute of Ageing, 2018), hence in order to avoid such problems eating healthy is the key, it helps to maintain a healthy weight, stay energized and get the nutrients which adults need.

Companies like Homestyle, which aims to provide high quality of home-made food, with no preservatives and meats raised with no hormones, makes the life easy of such people.

Here are the details on Homestyle food's product and service which differentiate it from competitors. Apart from providing high quality of food, they also aim at creating personalized touch with each and every customer. Hence, they are applying the strategy of Personalized promotion, which is one of the unique features which makes the company different from their competitors. Company shares non-medical advice to their customers as well as while delivering food, homestyle food makes sure that their customers are completely satisfied by providing additional services for reaching the needs of elderly people. Homestyle Foods also believes in giving back to the community by hosting food programs with other communities to assist people who are in need. Hence these are some potential points of Homestyle foods which makes the company differentiate from their competitors.

Here is the positioning statement for Homestyle Food which would help Homestyle Food to position their product or services in the mind of target customers

To the Adults who are facing health problems and a healthy diet is one of their major issues, Homestyle food comes up with the fresh homemade oven to eat meals with no added preservatives which will lead you to a long and healthy life.

Pricing Strategy

The pricing strategy which we have applied for the homestyle food is based on its cost, as it is a small firm and it doesn't have many competitors in the market as well as the business is not dealing with having multiple so based on cost pricing strategy is perfect for the business.

Here in this table, we will see the average price and cost of the Homestyle Food

Particular	Price
Average selling Price	\$17.00
Average Variable Cost per unit	\$5.00
Average Fixed Cost per unit	\$8.6
Average Profit per unit	\$3.40

Hence by using this pricing strategy we are having 20% of profit margin on each product and we are also able to cover all the costs related to the firm.

Distribution Plan

Homestyle foods are currently operating our store in the Espanola which is very small town located in the northside of the Ontario and our food delivery currently limited to Espanola and Homestyle foods is operating business on local basis that's the main reason why we choose the self-distribution channel and decide to deliver food directly to customers. In order to meet the requirement of the target market audience we have decided that a self-distribution plan is the cheapest way for Homestyle Foods to get food at a reasonable price and it's also beneficial for Pete because Homestyle food delivers on its own. If Homestyle food partners with any food delivery dealer, they will charge some minimum amount fees which will affect the price of food in increasing manner. In the self-distribution channel, customers can directly contact the store to track delivery status of their food which is not provided by any other broker. In addition to this, wholesale distribution channels would charge us nearly 20% of markup, as Homestyle Food is a small owned enterprise, markup would be a huge expense for them which would result in increased price of product so that's not an appropriate way of approaching. Moreover, if we collaborate with some other dealer, they often do not offer the loading of food from the store so it's better to use a self-distribution plan. If we are approaching it in a self-distribution way, we have cost of fuel and cost of insurance and maintenance of that vehicle. As Homestyle Foods is operating in small towns, we have very few locations to deliver and those locations are near each other So we can deliver to customers on time by making 2-3 runs in a day. We closed at 5:30pm. Hence, the Self-distribution is the perfect way of approaching our customers.

Promotion Plan

The message that we need to deliver to our target market audience is "Homestyle food provides fresh homemade ready to eat meals without any preservatives which saves you time and benefits your health".

For the promotional plan, we have decided that we will be setting up a stall in one of the major senior citizen clubs of Espanola which is named as Espanola senior's club 445. We will be selling frozen ready to eat meals at the senior club for 2 days. By marketing our product at the Espanola senior's club, we will be targeting people at the age 55 and above.

Before setting up the stall, we would make people aware by giving ads on newspapers, radio and through flyers. While giving ads in newspapers, radios and flyers we would like to use the tagline of “Are you tired of eating unhealthy food and lazy enough to make homemade food? Homestyle foods are here with mouthwatering ready to eat meals served at Espanola seniors club from February 15 to February 17, just for two days giving 10% off on every purchase. Hurry up! grab your ready to eat meals”. Here, we would like to create an open and close cart strategy, which means that, we will promote all over Espanola that homestyle food will be selling its ready to eat meals at senior citizen club for a limited time only with 10% discount. By doing this, we are trying to generate excitement among people, so that people are excited about our product and would line up in order to purchase food, hence we are communicating with people how homestyle food is serving good quality of food and showing availability of homestyle food as always healthy choice. Setting up stalls is the form of public relation initiatives; we are trying to generate a positive perspective within one of the largest communities in Espanola, that is the age group of people 55 and more. To make sure that we have created a positive impact on people, we will be giving out business cards and homestyle food pens to every customer who would purchase our meal. This is because people will remember us and contact us again. If they like our products they can suggest it to other people as well.

In addition to this, instead of generating daily specials, homestyle foods need to set up daily specials pre-planned per week so that customers are aware about what specials are available on a particular day priorly so that they can plan their schedule accordingly.

The end results would increase the new customer base by 20%, sales by 25% and increase support from the local communities.

One of the major reasons for pursuing public relation initiatives is that we are targeting the right audience and we are shaping public perceptions which would turn a positive image for business.

To pursue this plan, we first need to take permission from the Seniors club 445 for setting up the stall, then we need to advertise in the local newspaper about the setting up the stall at seniors' club 445. Then, we need to create buzz among people by describing features of the product and letting them know that the stall would be open for 2 days giving a 10% discount. After 10 days of giving advertisements in newspapers, radio and flyers, we would set up a stall from Feb 15 to Feb 17.

In this plan, we would involve the owner of the Homestyle food and one of his employees. They would be a great fit in order to pursue this plan.

Budgeting

We have created a budget amount \$10,000 for the marketing plan of the Homestyle Business, the major expense which will occur during this marketing plan will be the cost related to the activities which we have planned in the promotion plan. The cost for the advertisement of the business will be around \$6000 which will include all the costs related to the printing of the

flyers, advertisement in the newspaper and promotion on the radio. We have decided to spend \$6000 on the advertisement of the business as by spending this amount, we would be able to connect with the target market and we can also create a new and strong customer base. The other cost which we are going to describe in the budget will be the cost of setting up stall at the old age home, the average cost of setting up stall at old age home would be \$500 per day as it is a special plan and we will plan this thing ones or twice in a year for just two days so the cost associated with it would be around \$1500 for two days include all the expenses related to the rent, supply and the transportation. And by doing this cost business would be able to create a good and strong bond with the customer, as well as business can promote your business and can take the business to next level and can let our target market know what kind of product we are selling, and we can also differentiate homestyle food from others. For building customer loyalty and doing mass promotion of the business, we have plan to print business card and business pen for the customer which the business we deliver free to its customer and the cost so printing 1000 card would be \$250 including taxes and the cost for making customize pen would \$550 for 400 pens. \$1000 will cost for activating the distribution plan as the business is providing free delivers so the cost includes on the fuel and maintenances of the vehicle, and why doing this cost the business will try to reach to his customer. And we would set \$700 for the miscellaneous and emergency expenses.

Estimated Cost budget table is as follow:

Particular	Amount
Promotion on radio, newspaper, and flyers	\$6000
Setting Up stall at old age home	\$1500
Creating Business Card and Pens	\$800
Free Delivers	\$1000
Miscellaneous and Emergency	\$700
Total	\$10,000

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