

I PRO 336 Project Plan

Fall 2008

Building Consumer Awareness and Preference for Safe Foods:

Creating and Testing a Marketing Strategy for Pasteurized Eggs

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1.0 ABSTRACT

The IPRO 336 team is working with National Pasteurized Eggs, Inc. to create and test a new marketing strategy for the Davidson's brand pasteurized eggs. Pasteurized eggs are a reasonably new product in the egg industry and, as of yet, have not gained a large percentage of retail market sales. Pasteurized eggs are comparable in many aspects to their competitors but offer the added advantage of being virtually bacteria and salmonella free. Due to this fact, Davidson's eggs have grown exponentially in the food service market, especially for hospitals and other locations catering to at-risk groups. The company is now seeking to expand in the retail market and is looking to revise their current marketing strategy to meet this goal, with the help of the IPRO team. After an initial review, the IPRO group split up into sub-groups that will focus on different aspects of the marketing plan, including Consumer Education/Psychology, Competitor Analysis, Display, Packaging/Labeling, Promotions, and Website Improvements. Through both secondary and primary research (in the form of consumer surveys), these groups will gain an understanding of the egg market, the average egg buyer, and how the marketing strategy can be most efficiently revised. Once the research has been completed, the sub-groups will be able to create a design or marketing technique in their area of improvement, test their ideas, and revise as necessary. The IPRO group is seeking a final product that will boost retail sales of Davidson's pasteurized egg and increase consumer awareness of the large benefits of such a product.

2.0 BACKGROUND

The IPRO 336 Team is dedicated to aid in bringing consumer awareness to an important but largely ignored fact about food safety regarding eggs. Under the guidance of Prof. Jim Braband and Prof. Suzanne Mueller, the team will investigate the egg-purchasing decision dynamics and determine the characteristics of the ideal customer for the Davidson's Pasteurized Egg product.

Food safety has long been a great concern among US consumers; the Salmonella Outbreak in June this year pushed the topic into the spotlight even more. The CDC has statistics showing 40,000 salmonella illnesses reported every year though maybe 30 times this number go unreported or are misdiagnosed. Evidence supports that unawareness and ignorance on the topic are prevalent among consumers.

Pasteurized shell eggs are a natural food safety solution to the risks posed by eggs that may contain salmonella. It is a safe and patented option and has sold very well to food service companies. Consumer sales, however, are almost non-existent despite a presence in major grocery chains such as Jewel or Dominick's in areas throughout the country.

National Pasteurized Eggs Inc. produces Davidson's Safest Choice® Pasteurized Shell Eggs and distributes them across the nation. With a look, cook, and taste just like its competitors, a pasteurized egg is free from Salmonella bacteria and viruses like Avian influenza. It will keep the kitchen safe from cross-contamination and allow consumers to prepare and enjoy eggs over easy or sunny-side up and raw in sauces or salads. The company enjoys a good market share in the food service industry, especially for at-risk groups such as hospitals or nursing homes; however, among consumers, awareness is low. According to a January 2008 Consumer study, over 57% of consumers surveyed eat raw or dangerously undercooked eggs.

Our team wishes to uncover what it will take to deliver enhanced awareness, understanding, and then support for a product that is today's "undiscovered" safe choice for US consumers. By analyzing the results from the in-depth study of consumer psychology, we will implement an overall strategy to achieve the goal. This strategy will include covering areas such as packaging and labeling of the product, its display in stores, proper promotion techniques, as well as reconstructing the company's website. Our team wants to ensure that we target the right audiences, select the correct channels, and spread the right message in the best way possible. We will also be looking into possible supports available from third parties such as the FDA and CDC. Putting all the findings and efforts together, we will propose a marketing plan to the company's management and work further on a process of execution.

3.0 OBJECTIVES

- To do a detailed analysis of how the Davidson's brand compares to its competitors in the egg industry and to propose more effective means to sell the product
- To increase consumer awareness of the egg pasteurization process and the availability of pasteurized eggs
- To investigate and employ effective marketing techniques which include, but are not limited to, incentives, coupons, and testimonials/endorsements
- To create an effective package and label representative of Davidson's Safest Choice Eggs based on marketing research determining colors, images, and words most likely to attract a consumer to the product
- To make the consumer section of safeeggs.com more user friendly
- To increase retail sales of Davidson's pasteurized eggs through the employment of the above objectives

4.0 METHODOLOGY/EXPECTED RESULTS

4.1 This IPRO seeks to increase the retail sales of Davidson's pasteurized eggs by researching then improving the current marketing strategy of the company and increasing consumer awareness of the pasteurization process and product.

4.2 In order to accomplish the problems set forth in part A, the IPRO group began analyzing the current marketing tactics employed by Davidson's Safest Choice Eggs and identified areas in need of improvement. Six sub-groups were then formed consisting of one to two members working on an area requiring growth and improvement. The following are the six sub-groups: Competitor Analysis; Consumer Education/Psychology; Display; Packaging/Labeling; Promotion; and Website Improvement. The team met with the President and Retail Marketing Coordinator of Davidson's Safest Choice Eggs in order to better understand the company's goals and what has already been accomplished in the way of a new marketing strategy. Each sub-group then identified all of the tasks that needed to be accomplished in order to reach their goals as well as the main objective of the IPRO.

Each sub-group will be doing research that will aid in their own design/analysis phase. However, we recognized that many of the sub-groups would need the same information regarding the consumer and his/her buying. During the research phase, the sub-groups will be working closely together conducting secondary research on marketing strategies as well as primary research in the form of surveys and questionnaires. We began investigating the proper techniques for survey and questionnaire writing and will use these forms of primary research in enhancing our understanding of the consumer's knowledge of the pasteurization process and the variety of eggs on the market. The research will also aid in comprehending the consumer's buying intentions when purchasing eggs and finding out what images, words, or colors may attract a buyer not initially in the market for pasteurized eggs. Research will also be done on current marketing strategies of competitor egg brands.

4.3 After creating and distributing the surveys, we will collect the data and step into the next section: Design/Analysis. We will begin to analyze the results from the surveys as a group then again split up and use the information to accomplish the goals of the sub-groups. The Competitor Analysis sub-group will be responsible for comparing Davidson's eggs to competitor egg brands and using the research to brainstorm possible instruments for growth and improvement. The Consumer Education/Psychology sub-group will determine methods to educate the average shopper on the pasteurization process and Davidson's brand. The display sub-group will find the best ways to market the eggs in-store while the Packaging/Labeling group will use the research to make an initial prototype design for a package and label. The promotion sub-group will draw up initial plans for a marketing strategy based on the research done

on consumer buying habits. The website sub-group will utilize all of the research to pinpoint areas of the website needing improvement to become more user-friendly.

Design and Analysis are grouped together because the two will go back and forth until we feel we have reached the full potential of our packaging unit. After a design is made it will be tested on our target buyers and then we will analyze and redesign, etc.

The possible marketing strategies and tactics would be further expanded, and at this stage, the viability of each option would be considered. After narrowing down the options, concrete execution plans would be put together and sampling/testing may be carried out. An evaluation of each of the techniques would be performed for a quality analysis.

4.4 After the possible marketing strategies and tactics of each sub-group are identified, the viability of each option would be considered and discussed with the whole IPRO. After narrowing down the options, concrete execution plans would be put together by each sub-group and testing carried out on our target buyers. An evaluation of each of the techniques tested would be performed for quality analysis. All results of research and testing will be documented by the sub-groups and uploaded to igroups.com website. Each sub-group has a designated file folder so that any team member may easily find the results of a sub-group's research or testing.

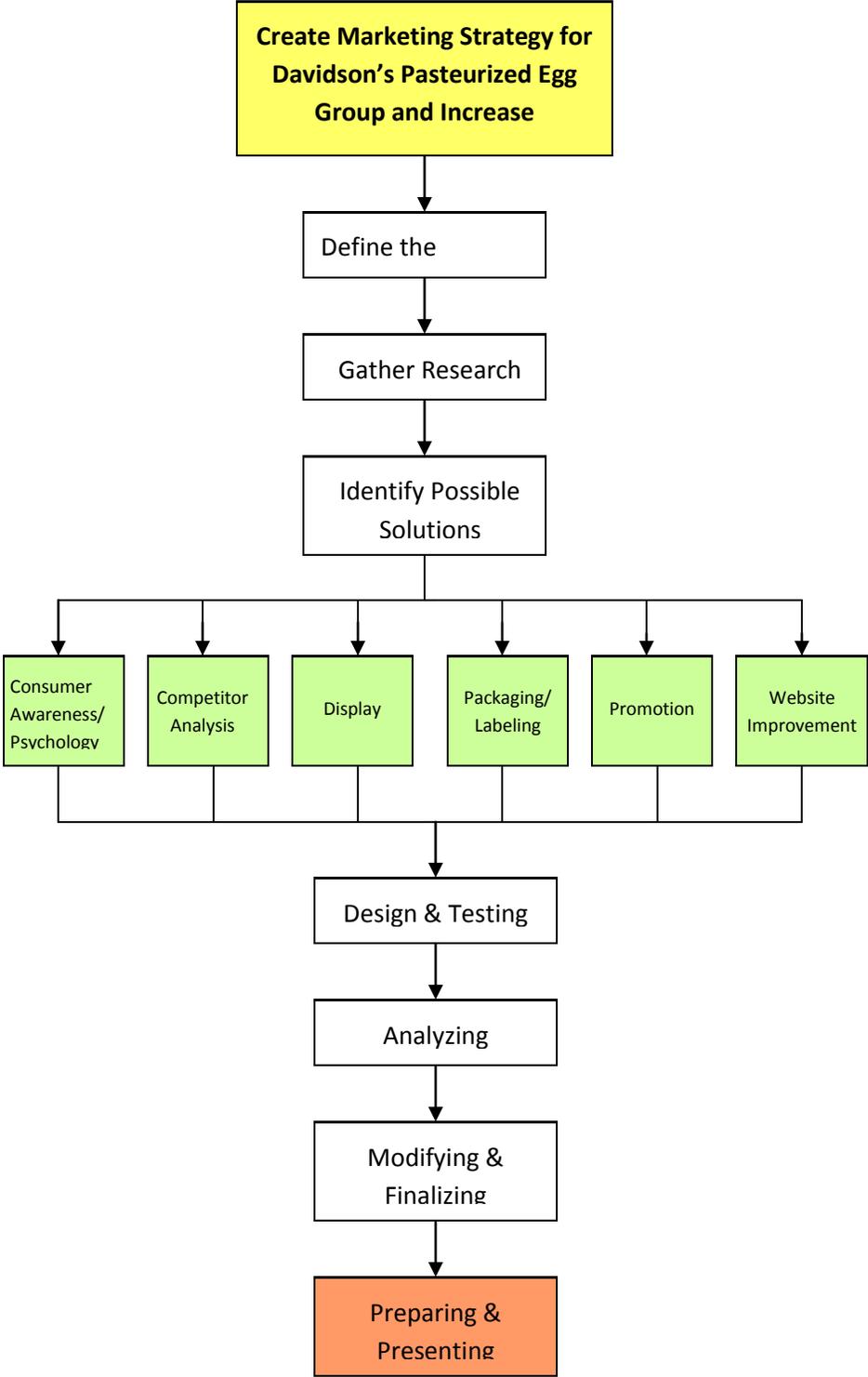
4.5 Once we reach the analysis phase, the entire group will be informed of the strategies, techniques, and prototype designs of each sub-group as well as the results of initial testing. They will be evaluated by the IPRO group as a whole and will take into account the comments of both the President and Retail Marketing Coordinator of Davidson's Safest Choice Eggs. The group will evaluate the product and analyze the result together.

4.6 Design and analysis can be grouped together because the two will go back and forth until we feel we have reached the full potential of our new marketing strategy. Each group will repeat testing and designing so that the final product of each sub-group effectively accomplishes the original objectives set forth.

4.7 Each sub-group will be held responsible for completing a section of the final report and other deliverables for IPRO day. A rough draft of the report will be discussed in class prior to submittal and all posters and other deliverables will be reviewed and approved by the IPRO team. Sub-groups will also display their final design or marketing strategy in some form during IPRO day.

A WBS (Work Breakdown Structure) is included on the next page and a Task Schedule has been attached as a separate nugget in an excel file titled "IPRO 336 Task Schedule Revision 1.

Work Breakdown Structure



5.0 PROJECT BUDGET

ITEM	UNIT PRICE	QTY	PRICE	PURPOSE
Travel Expense (Gas)	\$0.585	100	\$58.50	Gas reimbursement for travel to stores
Focus Group Materials	\$150.00	5	\$750.00	Incentives for attending focus groups (food/raffle reward)
Black and White Paper Copies	\$0.10	400	\$40.00	For surveys, questionnaires, and fliers
Color Copies	\$1.69	100	\$169.00	For prototype label designs, color fliers
Gift Cards	\$30.00	5	\$150.00	Incentive for filling out surveys
Total:			\$1,167.50	

6.0 TEAM STRUCTURE AND ASSIGNMENTS

6.1

Name	Major, Year	Skills and Strengths	Team
Mark Chauhan	Mechanical Engineering, 4 th	Diligent, teamwork, goal-oriented, computer graphical presentation	Consumer Education
Carissa Christensen	Architecture, 5 th	Graphical presentation skills, creativity, taken IPRO before, hard-working, goal-oriented, positive attitude	Packaging and Labeling
Constantin Kari	Architecture, 5 th	Graphic design, business relations, creative thinking	Display
Elizabeth Kuebrich	Biology, 3 rd	Taken IPRO before, creativity, perfectionist	Website
Minjeong Kwon	International Culture, Business	Creativity, hard-working	Promotion
Babajide Oke	Chemical Engineering, 4 th	Diligent, encourage and motivate people, leadership	Promotion
Amir Rahnavard	Biomedical Engineering, 4 th	Outgoing, well spoken, confident, hardworking, assertive, leadership, public speaking	Consumer Education
Monmayuri Ray	Mechanical Engineering, Applied Mathematics, 4 th	Multi-tasking, hard-working, well spoken, goal-oriented	Competitive Environment
Meredith Stella	Civil Engineering, 4 th	Leadership, taken IPRO before, hard-working	Packaging and Labeling
Yang Zhao	Marketing Communication, Graduate	Analytical, detail-oriented, flexible	Website

6.2 Team Structure

Team Leader

- Meredith Stella

Sub-Teams

1. Website Suggestion Team
 - Elizabeth Kuebrich
 - Yang Zhao
2. Packaging and Labeling Team
 - Meredith Stella
 - Carissa Christensen
3. Consumer Education/Psychology Team
 - Amir Rahnavard
 - Mark Chauhan
4. Promotion Team
 - Babajide Oke
 - Minjeong Kwon
5. Display Team
 - Constantin Kari
6. Competitive Analysis Team
 - Monmayuri Ray

Sub-Team Responsibilities

1. Website Suggestion Team: come up with ideas and designs to make the product website more consumer-friendly, easily navigable, and relevant.
2. Packaging and Labeling Team: design and suggest affordable packaging that is attractive, informational, and environmentally friendly.
3. Consumer Education: create a plan to inform average consumers of technical buzzwords and increase awareness of our product.
4. Promotion Team: identify viable marketing strategies and tactics to increase sales.

5. Display Team: work with company's detailer to create an effective shelf display for our product.
6. Competitive Analysis Team: research what other competitors are doing in terms of the above mentioned categories.

Due to the small size of each sub-team (one to two members each), no sub-team leaders have been designated. The IPRO team leader will be responsible for tracking the progress of each sub-team. The individual responsibilities of each member are identical to the responsibilities of his or her sub-team. Sub-teams with two members will divide each task as they see fit.

6.3 Designation of Roles

- **Minute Taker** – Elizabeth Kuebrich
- **Agenda Maker** – Meredith Stella
- **Time Keeper** – Meredith Stella & Carissa Christensen
- **Weekly Timesheet Collector/Summarizer** – none. Individual members will regularly update their online timesheets. Members will hold each other responsible for filling out the timesheets and for completing the necessary work each week.
- **Master Schedule Maker** – Monmayuri Ray
- **iGroups** – Meredith Stella