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I. Business Mission

Mission Statement: GO! Bars is committed to creating high quality and greattasting snacks that can be a part of anyone's healthy lifestyle. GO! Bars exists to make delicious snacks that are good for both body and soul. Our snacks nourish and sustain our bodies and our world in every way and are fuel for a more active lifestyle.

Core Competencies

- Proprietary recipes that are delicious and nutritious
- Strong social media presence
- Platinum LEED certified production facilities
- Very involved ownership
- Highly skilled and motivated workforce

|| Situation Analysis (SWOT)

A SWOT Analysis is often the first step of a situation analysis. It is a technique for organizing a company's thinking about its internal strengths and weaknesses, as well as the external threats and opportunities in the marketplace.

Strengths

- Strong and relevant experience possessed by company founders
- Good brand awareness and perception among core target markets
- Solid relationships with key sustainably focused suppliers
- Reputation as a small, authentic brand attractive to smaller, niche customer groups that are important influencers

Weaknesses

- Lack of reputation and experience in the market makes them appear riskier to potential retailers
- Lack of significant marketing funding to build broad-based brand awareness and perception
- Narrow product portfolio does not provide customers many options

Industry Analysis

One of the most challenging aspects of a situation analysis is maintaining focus on the multiple roles companies take on, which may also change over time. Even within their respective roles, companies change their products, prices, marketing tactics,



and positioning the result of which is that competitive analysis must be constantly reassessed.

Social/Cultural	Demographic	Economic
 Interest in health and fitness Interest in corporate social responsibility (CSR) 	 Growth in Millennial generation 	 Growing out of recession National and global economic and political uncertainty

Technical/Natural	Competition	Political/Legal
Climate change affecting raw good sourcing	 Competition entering market, Small and medium-sized health companies at similar price 	 Universal Mills may use similar branding Tougher package labeling standards

Competitor Analysis (SWOT)

Universal Mills, one of the world's largest food production companies, will be manufacturing their own granola bar that will be a direct competitor to GO! Bars. Universal Mills plans to brand their new bars as GO ON! Bars, using a similar font style and color as GO! Bars. As a mass-branded company, Universal Mills plans to market to mothers who are driving the overall national trend of favoring healthier, more natural food products for their family. Universal Mills already sells a number of products to this target segment, which means Universal Mills knows them well and their customers know Universal Mills well. Although GO ON! Bars will include mostly natural ingredients, it will be high in sugar and will neither be organic nor fair trade.

Strengths

- Good market position with significant target market driven by established brands
- Large financial resources to create and market products
- Long-established relationships with suppliers and retailers



Weaknesses

- Reputation as a large, mass brand turns off smaller, niche customer groups that are important influencers
- Broad-based product portfolio makes them appear less expert in any one category
- Less experienced work force

Opportunities

- Increased popularity of organic snack foods
- Increased concern about health and fitness causing increased interest in healthier food products

Threats

- Increase in food labeling standards
- Fluctuations in the price of ingredients
- Growing competition from smaller, expert brands
- Climate change and world demand impacting supply of raw goods

III Objectives

GO! Bars develops and sells granola bars and snacks that (1) feature the highest quality ingredients that customers can purchase, (2) contribute to a healthy lifestyle as a snack or part of a balanced meal, (3) are sustainable in every way possible, and (4) taste great! They produce products that are made with natural, organic, and fair trade ingredients.

IV Marketing S t r a t e g y

Target Market Strategy

Target Segment: Whereas other segments value protein above all else or sustainability above all else, the Mother Hen is a multi-attribute purchaser who is seeking a product that hits the balance that she needs for her family. The Mother Hen cares about balancing nutrition, convenience, price, and family preferences when buying food products.



The Mother Hen is always on the go, but balances her fast-paced lifestyle with regular purchasing routines. Grocery store trips are almost always planned and she always has a list. So when she finds a new product that fits all of her criteria, she remains loyal to it. Advocating for products that are nutritious and environmentally friendly is a source of pride for the Mother Hen. She is typically active on social networks. Additionally, the Mother Hen places great value in the reputation of a brand and views it to be a reflection of her overall self-image as a responsible parent and citizen.

*See Appendix for additional customer segments and customer profiles.

Positioning Statement

For mothers who are careful about food for her entire family, GO! Bars offer the most nutritious, delicious, responsibly sourced, and organic alternative in a market crowded with products that are packed with empty calories, fillers, chemical additives, and preservatives. GO! Bars is a family-owned company that cares about customers, the environment, and the communities from which they source their ingredients.





Positioning Map



Universal Mills

GO! Bars recently learned that Universal Mills, one of the world's largest food production companies, will be manufacturing their own granola bar that will be a direct competitor to GO! Bars. Universal Mills plans to brand their new bars as GO ON! Bars, using a similar font style and color as GO! Bars. As a mass-branded company, Universal Mills plans to market to mothers joining the overall U.S. trend of buying healthier, more natural food products for the whole family to eat. Universal Mills already sells a number of products to this target segment, which means Universal Mills knows them well and their customers know Universal Mills well. Although GO ON! Bars will include mostly natural ingredients, it will be high in sugar and will not be organic or fair trade.

HiPro Bar

HiPro Bar granola bars have a large following among endurance athletes and fitness enthusiasts, who consider it to be "performance fuel." HiPro Bars are filled with various nutritional supplements and have the highest protein count of any competitor in the market.

HiPro Bars are very expensive and can only be found at gyms, fitness retailers, or places where nutritional supplements are sold.



NutsNFlakes

NutsNFlakes is a mass-produced player in the granola snack foods market. In addition to a popular breakfast cereal, NutsNFlakes also produces a cereal bar. This is a mid-price product that can be found in almost every major grocery store.

From a nutritional standpoint, NutsNFlakes has some notoriety within the industry for a relatively high fat content due to the amount of peanuts in the product.

Tribar

Tribar is a boutique brand that touts a balance of protein, fat, and carb content. Made from exotic, premium ingredients, Tribar offers a relatively expensive product. Tribar's demand for some of these exotic ingredients means that many agrarian people in Asia can no longer afford certain one-time stable crops. This has resulted in some unfavorable press coverage.

Tribar is only sold in the specialty aisles of grocery stores and at specialty sports stores.



Marketing Mix

Product

GO! Bars product mix contains several product lines. Fruit & Grain Bars were the original product line of the company and still serve as the most extensive line with nine different flavor profiles. Big & Bold Bars are the most recent product line introduction. These snack bars were created to build excitement around the brand and capture 'foodies' by combining unusual flavor combinations. And finally, Granola Clusters are a nutritious and delicious snack to eat on the go. The formulation is similar to granola cereals but with bigger clusters for easy snacking.

Priorities:

- Vary product combinations and offerings
- Keep current customers satisfied
- Offer the highest quality product



Fruit & Granola Grain Bars Clusters

Big & **Bold Bars**



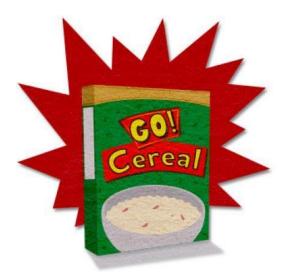
New Product: GO! Cereals

We believe that there is an opportunity for GO! Bars to enter the breakfast cereal market with a healthy, environmentally conscious breakfast cereal that comes in kid-friendly packaging The cereal would be positioned as lighter granola clusters with a satisfying crunch that tastes so good the whole family will actually eat it!

To minimize the risks and costs associated with product/service development, GO! Bars is approaching the development of new a new product via the objective of creating value for the Mother Hen target segment. Based on the understanding of that target segment, we recommend that the new product have the following attributes:

- Attribute 1: No artificial ingredients or colors
- Attribute 2: Packaging in snack packs (bundles of 12 bars)
- Attribute 3: Available in grocery stores

This new product will be part of the Granola Clusters product line / new GO! Cereals product line.



Place/Distribution

While we are focused on gaining accounts with medium to large grocery and specialty food retailers, we still sell products to a number of small, independent grocery and specialty food stores. Because these stores usually have much less staff to optimally handle and display the products, and due to the number of contacts needed to be made for relatively small purchases, GO! Bars contracts with a vendor to help manage these smaller accounts. This vendor helps reach and manage retailers that we may not be able to serve otherwise.



*See the appendix for a list of current supply chain partnerships.

Priorities:

- Work with retailers as channel partners
- Ensure retailers purchase product throughout the entire year
- Set up coupons and promotional offers through channel partners
- Work with retailers to ensure that that products are displayed appropriately in the store



Marketing Channel Strategy

Geographically, the company will direct its marketing and sales efforts within the areas of the United States that tend to adopt new food trends faster, relative to other areas of the country. Additionally, GO! Bars will initially target grocery stores and food chains that have a majority of their retail presence in urban areas, since people living in those areas also tend to adopt new food trends faster than non-rural areas.

Though large mass merchandisers (e.g., Walmart) and club stores (e.g., Costco) are possible retail clients, the current size of GO! Bars suggests that the medium-to-large grocer and specialty food store retail market is more viable at this time.

Within this marketplace, GO! Bars will focus on companies that have between 100 and 500 stores in their primary operational base. These are the medium-tolarge grocery and specialty food retailers that sell a wide variety of items, and carry some categories with great depth, and, thus, more open to carrying a number of different options from different vendors.



Promotion

As a growing company in a competitive market space, it is important for GO! Bars to convey, clearly and succinctly, its reason for being. Based on consultations with a marketing agency the company developed a creative campaign using the following parts of the marketing message:

Problem: Making the right food choices for the family **Solution:** Breakfast cereal that balances nutrition, convenience, and price **Proof:** Nutritional content printed on cereal box, coupons for second purchase **Uniqueness:** GO! Cereals provides balance across nutrition, environment, and price; in addition the brand is not restricted to specialty stores

In addition, a combination of the following communication tools will be selected to reach the Mother Hen target segment.





Company Website, Reach (2), Cost (40%)

A cohesive, fun, and user-friendly website where customers can register to earn loyalty points and obtain information about the nutritional content and ingredients of the products. Registration is important for customer relationship management. Company websites can be used to introduce new products, promote existing products, obtain consumer feedback, post news releases, etc. A virtual storefront on the company website (e-commerce) can be used to sell products directly to customers (requires users to register for a demo user account).

Press Release/Public Relations, Reach (3), Cost (30%)

Press releases on the work the company does as a member of the Partnership for a Healthier America to address childhood obesity. Public relations is an important element of the promotional mix. Press releases can place positive information in the news media to attract attention.

Social Media, Reach (5), Cost (20%)

Social media sites, including Instagram, Facebook, and Twitter, allow the company to speak continuously to customers as well as engage customers in fun conversations and activities. Social media allows the company to engage directly with customers and increase the company's ability to reach a broader set of potential customers through the network of current customers and fans. Video content posted on the company's YouTube channel where customers and fans can access unique content posted on the company's YouTube channel where customers and fans can access unique content posted on the company's YouTube channel where customers and fans can access unique animation. Video content posted on the company's YouTube channel where customers and fans can access unique content and, potentially, story segments featuring the anime style animation. Video has a rich ability to tell stories and YouTube is the highest trafficked video-based site with a diverse base of users.

Digital Advertising, Reach (3), Cost (30%)

Digital advertising through Google AdWords campaigns drives potential customers to the company website and, potentially, allows customers to request the products at their local retailers to drive pull demand. The Internet has changed the advertising industry. Popular Internet sites sell advertising space to marketers; search engine advertising is a popular approach.

Print Advertising, Reach (4), Cost (50%)

Magazine advertising in fitness and health lifestyle magazines and, potentially, one other lifestyle type magazine, such as Entertainment Weekly or Real Simple. Magazine advertising offers a number of advantages to reach consumers.

Priorities:

- Explore a variety of promotion tools
- Develop a clear and concise tagline
- Focus on customer relationship management



Price

GO! Bars will set a premium price based on product differentiation (profit-oriented). The price not only has to equal the value of the product, but it also has to match the perceived value for the customer. Our competitive advantage is based on the value of our product; value that transcends the physical artifact of the snack foods and includes things how good it feels to buy environmentally friendly snack food and the pride that comes with picking the nutritious option.

Based on current business priorities, GO! Bars will demonstrate a targeted return on investment. Hitting this goal will enable the company to achieve its business priority of securing additional capital investment.

Priorities:

- GO! Bars sets prices according to what will maximize profit. While GO! Bars uses its costs and target profit as inputs to setting prices, their retail clients often use a fairly standard markup approach to pricing the food in their stores.
- As a relatively new company trying to grow, GO! Bars is very concerned about covering its costs and having money left over for investment into the business. You will make pricing decisions later on in the marketing plan.

Contribution Per Unit and Contribution Margin

\$0.30 contribution per unit for a contribution margin of 48.4%

Breakeven Point

To breakeven in the first year, GO! Bars must sell 495,868 units

V Implementation, Evaluation, and Control

Marketing Research

An important first step in marketing research is to identify the role research will play in the decision-making process. Since GO! Bars is conducting research to develop a strategy to win back share for the Fruit & Grain Bars product line, we need to consider trends occurring inside and outside the company, in addition to how customers are responding to their latest communication efforts. A mixture of primary and secondary data is ideal as it allows the company to stay within budget rather than trying to conduct all the marketing research on our own. In addition, due to GO! Bars small company size, social media can be a very effective tool for consumer gathering insight.

Research Proposals

Fruit & Grain bars are battling competition from a new market entrant that is resonating strongly with children. GO! Bars will research how the competition is reaching children so effectively. This will inform a new marketing approach for Fruit & Grain Bars.

Research Approach: Highly qualitative, which will help uncover market behaviors but requires a great deal of effort due to methodology (e.g., in-depth interviews, focus groups, and observation studies)

*See Appendix for research areas that support the proposal above.



Appendix

Customer Profile: Mother Hen

Need recognition - Like the Crunchy Granola, the Mother Hen is a regular, predictable shopper. Her standard weekly list of grocery items consists of products that fulfill functional goals. Such goals include buying products that are healthy for her family, easy to serve, budget-friendly, and family-pleasing. She will definitely splurge on some products and is always concerned with encouraging her family to eat healthier foods. New needs arise typically based on her kids' schedules and activities (e.g., beginning of school or beginning of summer break, child starting a new gymnastics program, etc).

Information search - She is constantly reading magazines (including the ads), occasionally checks certain food and family-related websites, and talks frequently with other mothers about a wide variety of family-related issues (including good food products).

Evaluation of alternatives - As described previously, she is balancing nutrition, convenience, price, and family preferences in her search for information. Depending on the day, those priorities might shift (e.g., budget becomes more important towards the end of the month or after large household expenses are paid).

Purchase - She shops her go-to grocery store every week and also stops by her favorite coffee shop almost daily (where she will sometimes pick up an extra snack for her and the kids as they head to the next activity). Her grocery store trips and purchases are quite planned and she is especially happy when she can find something on sale or has a coupon for some product.

Post-purchase - If she really likes a product, she will be sure to tell all of her other Mother Hen peers, including detailed information about the product. She is habitual and almost ritual about the weekly shopping list, so if a product makes it on the list, it is likely to be regularly purchased long into the future.





Customer Profile: Sports Guru

Need recognition - The Sports Guru is always on the lookout for new health products and exercise regimes. They are especially interested in new products when changing up their exercise regime or other health-regulated activities (e.g., starting a juice cleanse).

Information search - Sports Gurus often comb the aisles of their favorite health food stores and ask other fanatic friends about new products they are using (i.e., they use both internal and external sources to gather information).

Evaluation of alternatives - Different Sports Gurus evaluate alternatives based on varying factors, such as protein content, balanced nutrients, and special ingredients that might improve sports performance.

Purchase - The Sports Guru is a more irregular shopper of food products, stocking up when they feel like it or it fits their schedule. They are adventurous explorers and, in turn, not very loyal to a particular store and want to try out new shopping alternatives. When they do shop, they often buy a very small amount (one bar) at first, but prefer to buy in bulk (often mail order or membership clubs) when they find something they like.

Post-purchase - They will buy something they like in bulk, as mentioned previously, but they are not very loyal to any products and are constantly experimenting, frequently dropping one and moving on to another. They will discuss favored products with other Sports Gurus when it comes up in conversation, but they are not particularly evangelical about the products they use.



Customer Profile: Crunchy Granola

Need recognition - The Crunchy Granola is fairly consistent in their shopping approach, so need recognition is part of their general weekly shopping process. They shop for snacks as a part of their routine and consider new options each time. Typically, the Crunchy Granola makes regular visits to specialty food stores.

Information search - They mostly trust themselves since they read labels for almost every purchase and are constantly reading health-related magazines, blogs, and websites. At the time of purchase, most of their information is internal and informed over time by trusted external sources.

Evaluation of alternatives - The Crunchy Granola balances decisions based on high nutritional content and lack of preservatives and other artificial ingredients. They put a priority on products that are sustainably grown, sourced, manufactured, and delivered.

Purchase - Purchases, as described previously, happen on a regular basis (typically weekly) at the stores they trust and to which they are quite loyal based on the long-standing reputation of carrying nutritious, natural, organic, and sustainably sourced products.

Post-purchase - The Crunchy Granola is loyal to the products they like and will often pass along their favorite choices to friends, either by telling others about the product or giving away some of their purchases for others to try.





Supply Chain Partnerships

Wholesome Foods

Seven years ago GO! Bars gained distribution with a national grocery chain that specializes in natural and organic foods. The current line of GO! Bars is available in Wholesome Foods stores across the country and includes five flavors of their introductory granola bar product line.

Farmola Farms

A relatively new partner to GO! Bars. Farmola Farms is competitive on price with the other two oats and grains suppliers and have been widely praised for their GMO-free practices. Your Production Manager reports that they can sometimes be a bit unreliable in predicting their yields and that Farmola would not be big enough to act as a sole supplier to GO! Bars. This would require GO! Bars to invest in finding additional suppliers.

John Schnieders and Sons

This is a family-owned farm that is located in North Texas, near the GO! Bars production facility. They have never supplied GO! Bars before, but in recent conversations they have expressed an interested in partnering with the brand. They also advertise an organic, GMO-free product. They are the most expensive option here.

Pearson Farms

Childhood friends with Chris Grainger, farmer Don Pearson was one of GO! Bars' original suppliers of oats and grains. They've enjoyed almost exponential growth in recent years. As a result, Pearson Farms has had to incorporate some genetically modified crops into their farms in order to scale up. Due to the existing relationship with GO! Bars, Pearson Farms is the lowest-cost supplier of oats and grains for GO! Bars.





Marketing Research Areas: Fruit & Grain Bars

Determine if there is pricing sensitivity among intended target markets and potential markets, Time (2 weeks), Cost (30%)

Pricing represents a lot more than just a cost to a consumer. Data to analyze price sensitivity can come from marketing data as well as survey data. With new competitors entering the market, it's essential for GO! Bars to monitor whether the price point of their products is trending in the marketplace or causing consumers to question their product.

Analyze customer responses to current communication efforts, Time (3 weeks), Cost (40%)

Since GO! Bars is already engaging in social media and online promotions, we can begin analyzing this quantitative data (like click through rates or engagement metrics) to see if there is any correlation to the recent drop in interest for the Fruit & Grain Bars. Qualitatively, we're monitoring social media efforts to get a feel for their brand perception and their competitors' offerings.

Analyze reports on the snack industry and health trends from trade associations, Time (5 weeks), Cost (20%)

With the tight budget for research, using reports from relevant trade associations is a good source of secondary data that will save GO! Bars the time and effort of conducting the research on their own.

Solicit sales force and distribution partners for their input, Time (2 weeks), Cost (10%)

GO! Bars sales force and distribution partners are on the front line and have insight into the mindset of the customer (based on customer interaction) and insight to the competition (based on their exposure to this in their day-to-day working environment)

