



Marketing Mix for Welsh Lamb Entering Switzerland Market

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1 Summary

The main purpose of this report is to design a marketing mix for Welsh mutton based on the selected entry strategy. There is an STP analysis before designing the marketing mix. Through STP analysis, we can conclude that what market position Welsh lamb wants to be, which provides a goal for the design of marketing mix.

- Analyse direct export distribution channels.
- Analyse distribution channels for Welsh lamb.
- Summarize which channels should be selected as the market segment.

In the marketing mix, policies on product, price, place, promotion, people, process and physical evidence should be described. Discuss which should be adopted among standardisation and adaptation.

Finally, Some suggestion was provided for implementing marketing mix.

2 STP analysis

2.1 Segmentation

In the analysis of the previous report, we demonstrated that HCC should enter the international market through direct exporting. Therefore, we can divide the market according to different distribution channels. In general, marketing channels available to meat producers are divided into direct sales and wholesale. For wholesale, meat distribution channels include commodity sales, auctions, restaurant, retail/grocery, and distributor. For direct sales, meat distribution channels include freezer trade, community supported agriculture (CSA), farm store/stand, farmers' market (LeRoux, 2012). As the Swiss lamb market has a high degree of similarity with the UK or Europe, it can be distributed according to the distributing channels.

2.2 Targeting

There are some factors that evaluate the distribution channel, such as sales volume, lifestyle preference, labour required, risk and the ability to sales whole carcass. Because the Swiss market is similar to the UK market, and HCC has export experience to other countries. Therefore, the factors that have the highest correlation with consumption can be selected when selecting the evaluation factors, that is, lifestyle and sales volume.

According to FAO data, lamb consumption in Switzerland is not high in Europe. Moreover, among the meat that the Swiss regularly consume, the proportion of lamb is lower than that of pork. Therefore, HCC should focus its limited marketing resources on those consumers who are willing to consume high-quality mutton. This means that choosing large supermarkets, butcher shops and restaurants as the main distribution channel or target market for Welsh lamb is justified.

2.3 Positioning

We have positioned Welsh lamb as the product of premium quality and reasonable price in Switzerland, which means Welsh lamb is for lamb lovers who want to consume high quality meat. The data show that in 2011 most of the meat eaten in Switzerland was Swiss: 80 per cent in total (Swissinfo.ch, 2011). However, due to Higher local production costs in Switzerland, the high-quality meat prices of the property soared, which means that more meat was imported from foreign countries. Welsh lamb will have a large market share as a reasonably priced premium mutton.

3 Marketing mix design

3.1 Product

HCC adopts a standardised product policy in Switzerland, which means that HCC's physical product, name, packaging and label are not changed. This is mainly because:

- The sales volume of lamb in Switzerland is low.

Compared to other countries, such as France and Italy, there is relatively small consumption of lamb in Switzerland. Standardisation can make HCC gain the benefits of economies of scale while also saving the cost of redesigning the product.

- Good for branding.

The Swiss market is the beginning of HCC's re-entering the international market after Brexit. The successful branding is beneficial for Welsh lamb to gain reputation in the international market and broaden other markets. In addition, the brand image of Welsh lamb differs significantly from that of local competitor Swiss Meat. Welsh lamb's brand colours are green and blue, and Swiss Meat's brand colours are red. This helps the Welsh lamb to create a sharp image for consumers.

- Cultural sensitivity is not obvious.

Switzerland is a region that may be in some ways strongly culturally connected to the neighbouring country that shares its language, the country itself being rooted in western European culture (Reiterer, 2009). Although the official language of Switzerland is German, the cultural root of Switzerland is not much different from that of Britain.

3.2 Price

HCC adopts an adapting pricing policy in Switzerland with competitor-oriented method. This means that HCC should apply a reasonable price based on the price of competing products.

With the goal of gaining as much market share as possible, lower pricing than competing products of the same type is one of HCC's methods to quickly seize the Swiss lamb market. Markets and costs are also taken into account in competitor-oriented pricing methods. Because unreasonable low prices will have a negative impact on the long-term brand image and positioning of Welsh lamb. Therefore, pricing policy for Welsh lamb should be linked to local consumption levels, competitive prices, and product positioning.

- Market factor: High level of consumption

According to United Nations data for 2016, Switzerland is the third richest landlocked country in the world after Liechtenstein and Luxembourg, which means Switzerland's per capita income and price levels are high around the world. In this situation, Swiss consumers' perceptions and reactions to premium lamb differ from those of British consumers. This is the reason why we need to raise the price appropriately according to the local consumers' perceived value of lamb with the same quality.

- Product factor: premium quality, premium price

The quality of Welsh lamb is of an advanced level and is certified by the ISO standard. This is why we have positioned Welsh lamb as a high quality, reasonable price lamb. In order to enable Welsh lamb to successfully enter the international market and sell it around the world, we need to establish and maintain premium brand image for it in the beginning. Therefore, the pricing of Welsh lamb in the Swiss market must be in line with its brand image.

3.3 Place

HCC adopts an adapted distribution policy. HCC distributes Welsh lamb through the help of agent, which means that they have more control over the choice of channels. In order to concentrate resources on the target group, the consumers' characteristics and the competitors' distribution policy should be taken into consideration when selecting channels.

- Consumer characteristics

Different countries have different consumer characteristics, such as the number of purchases, buying habits, consumer preferences, and geographical distribution of customers. In particular, target consumers of Welsh lamb have the preference and ability to consume high quality lamb. Therefore, our distribution channels should focus on large supermarkets, butcher shops and fine dining restaurants. Because meat sold in these places is relatively expensive and their customers are more sensitive to the perception of quality.

- Competitor distribution policy

HCC also considers its own strengths and competitors' distribution policies. Because it can avoid overlapping with the distribution channels of competitors, and also can find out the weak channels of competitors. Swiss are buying increasing amounts of meat in neighbouring countries according to Switzerland's professional meat union (Le News, 2016). For example, traditional distribution networks are the main source of profits, but the Internet has potential as a new type of distribution channel. HCC can take this opportunity to expand the market.

3.4 Promotion

HCC adopts an adapted promotion policy because language factors have a great influence on promotion. The official languages of Switzerland are German, French and Italian.

Therefore, it is necessary for HCC to solve the problem of understanding caused by language translation. However, the general method can still be referenced in the design of promotion activities.

For advertising, developing promotional advertisements for related products to convey information to consumers. For PR, we may from time to time organize relevant people from the catering and retail industries for technical exchanges and product promotion. Through continuous guidance and communication, we gradually established a good corporate brand in the industry, established a good personal relationship, and steadily expanded market share. For sales promotion, Work with distributors. We can carry out discounted experience activities for lamb dishes at their operating sites to help distributors promote lamb and enhance their vibrancy.

3.5 Service mix

- People

HCC should have adaptive employment standards. Due to the application of a direct export strategy, HCC is in need of additional export agencies and personnel. Therefore, HCC must pay attention to the sales person's screening, training, motivation and control. For example, we can choose people who have good intercultural communication skills.

- Process

HCC adopts an adaptive service process. Because different countries have different conditions and regulations for trading, which means a new service delivery system needs to be applied. This will ensure that our transactions with distributors are legal and efficient.

- Physical evidence

HCC should adopt adaptive physical evidence. Providing physical evidence that meet customer expectations plays a crucial role in the promotion of a good corporate image. In

order to create a brand image of a high-quality meat producer, HCC needs to enhance the aesthetic and texture of the physical environment. Of course, the use of blue and green in the decoration of transport vehicles can both deepen the brand image and create a feeling of safety and quality.

4 Conclusion

The main content of this report is a marketing mix designed for Welsh lamb to enter the Swiss market. The entire report is divided into two parts, namely STP analysis and marketing mix. In the section of STP analysis, we segmented, targeted and positioned the market according to the selected international market entry strategy. In the division of marketing mix, we design marketing policies from seven aspects. According to the actual situation, choose to use the standardization or adaptation policy. Finally, make suggestions for possible problems.

5 Recommendations

- All marketing activities should be consistent with the positioning of Welsh lamb in the Swiss market. Because a good brand reputation has a positive impact on HCC entering other new international markets.
- Consider the degree of adaptation. Save resources as much as possible while reducing changes. It is worth noting that adaptation does not mean changing all strategies.
- Pay attention to feedback from consumers. Direct exports give HCC more power to control its operations. Therefore, they should actively collect feedback from consumers and modify the marketing mix based on these feedbacks.

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