

Student: Filipa Baldeva N: 1913376

Lecturer: Tushara Balendran

Marketing Management Assessment 1

Analyse and critically appraise marketing management in Cadbury Dairy Milk

“The management process responsible for identifying, anticipating and satisfying customer requirements profitably.” (CIM,2015, p.3)

Marketing Is a management process including investment, monitoring and evaluation. All market activities it's necessary to focus the costumers on this product or service.

When a company starts creating a product or service, it deals with how much it will cost, what channels will be used to deliver the product or service to the customer and the possible options for introducing the customer to the product or service. According to Ferrell and Lucas, 1987: Marketing is the process of planning and executing the conception, pricing, planning and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives. (Piercy, N.F., Hooley, G. and Nicoulaud, B., 2012, p.6)

Communications Planning consider 3 components:

1. The Target Market
2. The Product
3. The Environment

The Dairy Milk chocolate, which was introduced in the year 1905, used a higher proportion of milk within the recipe compared to rival products. By 1914, the Dairy Milk chocolate was the company's best-selling product. Initially intended for children between 5 and 10 years, over time the brand was established among the adult population as well.

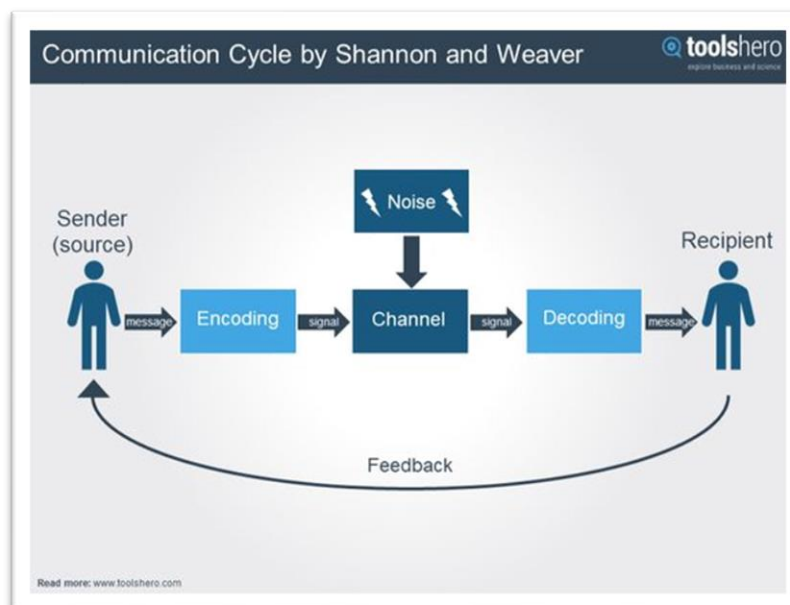
The Cadbury used only natural colours in their UK Cadbury products. Detailed information on the content of the product and its ingredients can be found on the packaging as well as on the website. Nowadays, they are made with an extremely wide range of chocolates under Dairy Milk with taste of peanut caramel, toffee wholenut, caramel, jelly, Oreo, choca-late, triple chocolate, daim, tiffin, fruit and nuts, biscuit and fudge, 30% less sugar. The appearance and packaging are attractive for the little and greedy chocolate lovers as buttons, freddo faces, giant buttons, mini bars.

“Cadbury to curb methane emissions from burping dairy cows. Cadbury is to encourage its cows to burp less to reduce the carbon footprint of its milk chocolate. The company is working with its 65 dairy farmers in Wiltshire to reduce the emissions of their animals.” (Adam D., 2009) The partnership between “Cocoa Life and Fairtrade have already started working on a climate change programme to help farmers in Ghana respond to the threats of unpredictable weather.”(Cadbury,2020) All this is done to hear the voices of farmers and their problems, due to climate change are threatening farmers and in particular this affects the company's production.

Communication model

“Schramm definition of communication: The process of establishing a commonness or oneness of thought between a sender and a receiver”. (Brassington, F., Pettitt S., 2006: p.632)

Relationship between buyer and seller and communication between them. When sender communicate directly with recipient, it's all about how the message is encoded, whether it is understood as the sender wants, and whether it will attract attention and desire for communication. The verbal channel of communication allows to assess the response to initial message, giving the opportunity to try again in different approach, if at first it was wrong. The recipient is also involved in this process and his reaction depends on the attitude, so it is important that the message is understood and clear. Each recipient has their own personality and a different attitude to react to verbal contact. The next step is the feedback which is very important to understand if the recipient has understood the message and what his reaction is. Finally, the last step is the noise including all the sounds from the environment in which the recipient is which can lead to a negative response and embarrassment of the recipient at the moment.



Integrated Marketing communications

“Schultz (2004) describes IMC as “a strategic business process” that involves message integration, strategic integration and organisational integration. Message integration offers verbal and visual consistency of image, personality, tone, themes and messages across all marketing communications. While one-voice is nothing particularly unique to IMC, strategic integration is the key construct that separates IMC from marketing communication”, (Kerr, G., 2017)

Integrated Marketing Communications ensures that all forms of communications and messages are linked together. When coordinated, marketing activities maximize their joint effects.

Tools of Integrated Marketing Communications:



Advertising - Through advertising, the product or service reaches the consumer. Important information related to attractive presentation is shown to the user to attract his attention and become a potential customer. New Cadburys 'Eyebrow Dance' Advert promote the Dairy Milk on Channel 4 on Friday 3rd January 2009. The advert features two kids performing a rapid 'eyebrow dance' whilst sitting in a photography studio. The song featured in the advert is "Don't Stop the Rock" by Freestyle. (Youtube.com, 2020)

Personal selling - Personal selling involves a face-to-face interaction with the buyer, presenting the benefits and qualities of the product to be purchased by the buyer. With this tool the contact is direct between the seller and the buyer and here it is extremely important for the seller to present and highlight the qualities of the product or service depending on the needs of the buyer and to build a long-term relationship with the consumer. Cadbury don't use Personal Selling as they don't need to. In 2018 Cadbury opened its 'Glass and a Half' pop up shop in London's Soho, where customers could trade in their own knick-knacks in exchange for bars of Dairy Milk.

Direct Marketing – This form of promotion where organisations communicate directly to customers through a variety of media. With the advancement and improvement of technology, the relationship between a company and a customer is very diverse through email, SMS for upcoming promotional discounts, catalogs, brochures, letters, Twitter, Facebook, data base marketing.

Public Relations - PR is used to create image in the market and present the product of the company in the positive light. Promotion can be done through press releases, public event, sponsorships, information to the public, news. "The Taste campaign" for Cadbury Dairy milk bar.

Sales Promotion - The sales promotion is the short term, initiatives such as discounts, payback offers, one for two, rebates, discount coupons, etc. are some of the sales promotion schemes. In this way, the company increases short-term profits both from customers who use the brand or service and from new ones. "Cadbury has announced its biggest ever on-pack promotion as the brand prepares for the second season of its partnership with the Premier League." (Wood, J., 2018)

Sponsorship is a type of public relations very popular with large business companies. By sponsoring an event, a television show, an individual is made in order to be aware of the

brand. Depending on the goals, ideas and target of the event or individual, the brand is promoted in certain target groups. Sponsorships can also be social in nature, but they are basically commercial in nature. "Confectionery brand Cadbury Australia has become an official partner of the Australian Olympic and Paralympic teams for Tokyo 2020." (McCullagh K., 2020)

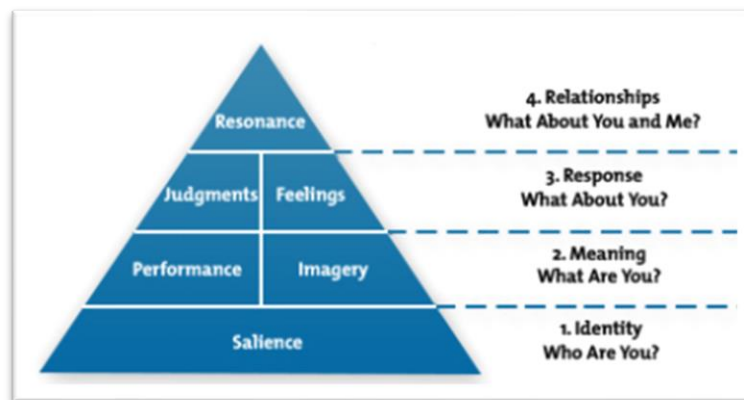
Segmentation, targeting, positioning in Cadbury's marketing strategy. Cadbury product segmentation is based on a mix of demographic, behavioural and psychographic factors based on income, activities, interest, opinion and lifestyle. Cadbury is preferred by people of all ages. The company offers different prices for packaging, production, design, flavours. For example, chocolate products from Cadbury Temptations and Bourneville are at higher prices for people of higher class or for special occasions. An advantage in Cadbury's marketing strategy is distribution and equity. Cadbury offers its products in low-end to high-end stores due to its wide distribution channel, which is an advantage over competing chocolate brands. Continuously innovative design of campaigns related to current topics and enrichment of tastes and products creates a competitive advantage for Cadbury not only in the market (Index Rankings: UK, 2019) but also in the hearts of the people. Usage segmentation is targeted to: Brand-loyal users, Heavy users, Switchers/variety seekers and emergent consumers.

Digital marketing

"The internet, the web and digital media have transformed marketing. To succeed in the future, organisations will need marketers, strategy and agencies with up-to-date knowledge of how to apply digital media such as the web, email, mobile and interactive TV." (Chaffey, D. and Ellis-Chadwick, F., 2012, p. 6) In digital marketing exist six tools of e-communications: Search, Online PR, Online partnership, Social media marketing, Opt-in e-mail and interactive ads. The advantages of the internet connection through all possible channels is extremely fast and accessible nowadays. Websites are becoming more attractive and with all kinds of contact options, social networks / Facebook, Twitter, Instagram, Snapchat, etc./ are used constantly and this allows for continuous collection of data and information about the interests and preferences of users, which leads to daily searches and changes in motion for better performance of a product or service. The connection with the users is direct and easy. The Cadbury campaign known as "Charity Shop" or "Dancing Clothes" to the tune of "We Don't Have to Take Our Clothes Off" by Jermaine Stewart in 2011 was focused to the new generation who downloaded the track and returned the song to the UK Top 40. They are the next consumer of Cadbury Dairy Milk. Another innovation in Cadbury is to remove words from Dairy Milk bar and now everyone can write own words in Cadbury personalised chocolate service on Dairy Milk Bars and Milk Tray Boxes. (Cadbury, 2020)

KELLER Brand Equity

"A brand is a name, symbol, logo, design or image, or any combination of these, which is designed to identify the product or service." (Kotler, P., Keller, K.L., Brady, M., Goodman, M. and Hansen, T., 2019, p.425) and "Brand equity is the added value given to products and services. Brand equity and value is reflected in how consumers think, feel and act with respect to the brand, as well as the prices, market share and profitability that the brand commands for the company." (Kotler, P., Keller, K.L., Brady, M., Goodman, M. and Hansen, T., 2019, p.446)



In order to build a strong brand, it is very important how customers' feelings and thoughts about the product or service are influenced. That's why Keller presents its Customer-Based Brand Equity model (CBBE).

Brand Saliency looks at creating awareness for the brand. When the brand is on the market and you are sure that it is recognizable and familiar to customers and the customer knows about you and you know about the needs of customers and what are their expectations of the brand, then there is an advantage over the competition. Cadbury have got a strong brand association which include “purple” and “British”.

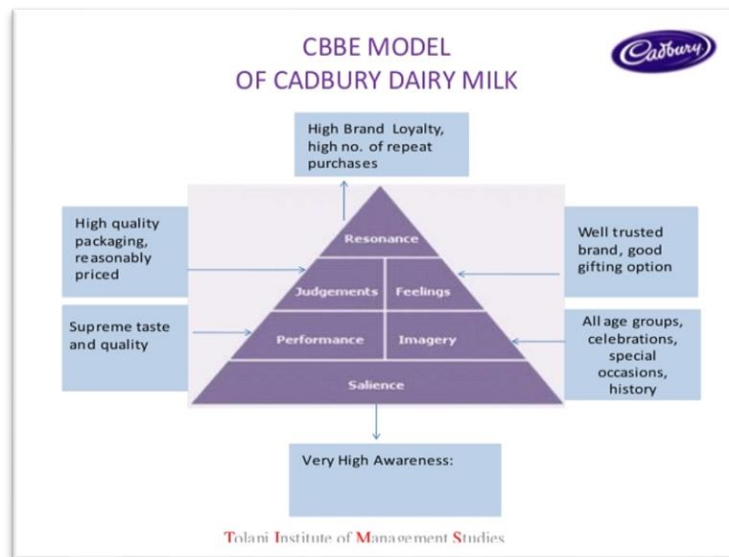
In the second stage of the model are placed the performance and the imagery of the brand. The performance includes the main ingredients of the product or service, product life, style and design, price. The imagery is influenced by intangible aspects of the brand, it is a consequence of the use of the product or service, word of mouth or advertising.

The third stage focuses on consumer reactions to a brand, divided into Judgments and Feelings. Ratings are consumer opinions about brand reliability, quality and excellence. Feelings are emotional reactions of customers to the brand such as fun, security, social approval and respect. As an example of Emotional Branding a Cadbury advert focused to promote their popular chocolate Dairy Milk in India, positioning it around the festival of lights Diwali (YouTube, 2018) and giving away 1500 free baskets of Cadbury Chocolate to celebrate Diwali.

The final stage in the pyramid is commonly called Brand resonance and include loyalty, attachment, community and engagement. Cadbury have attracted many loyal customers over the years. “The British chocolate manufacturer Cadbury offers a wide range of products, from chocolate bars, cakes, desserts and biscuits. The most popular product the company offers is Dairy Milk, which was first introduced in 1905. In 2018, an estimated 21 million people in Great Britain consumed one of these bars.” (Statista Research Department, 2019)

When creating a brand, it is necessary to carefully follow the processes and planning when offering product or service. The diversity of the market and the constant growth of the diverse range of goods or services offered leads to high requirements and relevance in the approaches to customers on a daily basis. The CBBE model shows the importance of the customer's perception of the brand. “Cadbury Dairy Milk retains top position in chocolate

confectionery, but sees sales fall; Lindt still continues to lead in chocolate assortments; Cadbury Dairy Milk takes the top position in seasonal chocolate; Brands dominate NPD, with Nestlé taking the lead; Vegan claims rise in 2018; Advertisers maintain support in 2018, spending almost £95 million; Cadbury Dairy Milk leads on trust”. (Price, A., 2019)

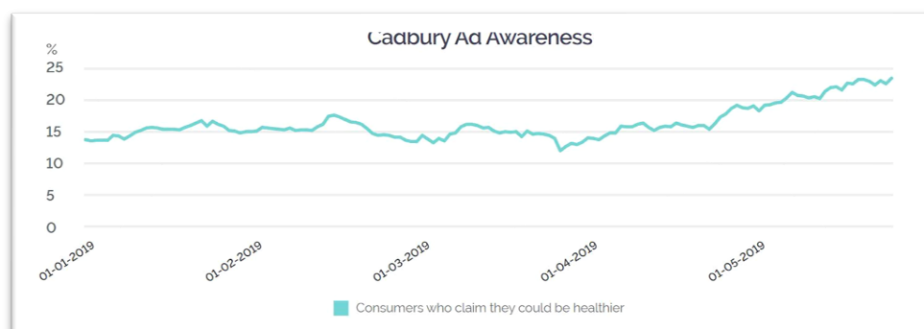


Despite the good picture of Cadbury Dairy Milk on the market, the reduction in sales can speak of the expansion and variety of products offered by competing chocolate manufacturers and spectacular ads, we should not miss the fact of the problems of cocoa producers and use of substitute ingredients. The change in people's attitudes towards a healthy lifestyle reduces the consumption of chocolate and its displacement with vegan desserts. The need for the brand to be constantly in the spotlight of the consumer increases the cost of advertising and the return is questionable.

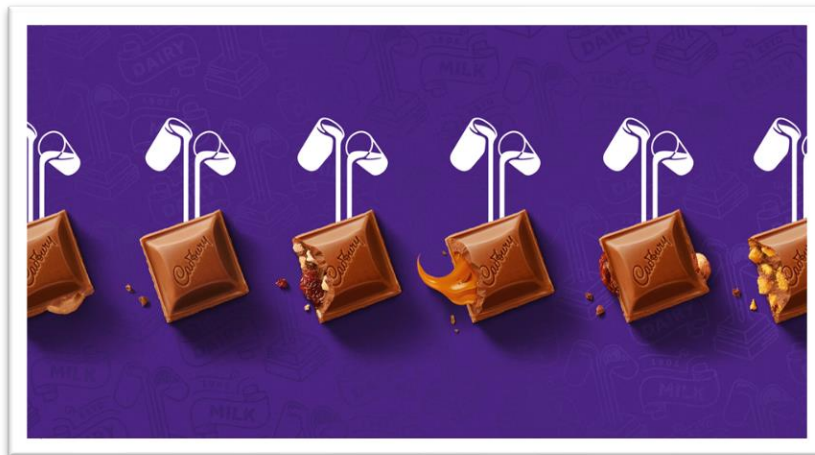
Customer journey map

The main stages of the customer journey are: Awareness; Consideration; Decision; Retention; Advocacy.

Awareness – Awareness is the first stage of the customer journey where a customer is aware that they have a need, or a problem and seeks information to solve a problem and needs. An example of this is with people who want to change their lives by starting to try to live a healthy life, one of the first indicators is the reduction of sugar. “Cadbury has been under the microscope as the UK’s biggest chocolate brand ever since the government introduced its ‘sugar tax’ in 2018.” (Barnett M., 2019)



Consideration - The search for more information has not ended after the initial research and market opportunities. This is the stage where they are comparing your product or service to other in the market. "The iconic Glass and a Half logo has also been redesigned so that it links directly with the chocolate chunk, further emphasizing the quality of the ingredients and the classic creamy taste of Cadbury Dairy Milk that the nation loves." (Bulletproof, Armin, 2020)



Decision - The third stage is when the customer has made a decision and is ready to make a purchase. At this stage, customer feedback is extremely important.

Retention – It is most important for any company to keep its customers for as long as possible. At this stage, the customer becomes loyal to the company by using the product or service for a long period. Evidence of Cadbury's extremely long presence on the market and their success with long-term clients is Cadbury World. The opportunity to discover the story and learn how it developed from a small to a global company. Cadbury World is oriented to children future loyal customers of Cadbury. (Cadbury World, 2020)



Advocacy – This is the stage of the customer's journey when the customer becomes a brand loyal. The customer spreads positive feedback about the company by word of mouth. "Love Cadburys amazing product range...Love Cadburys amazing product range there are so many different types." (review, Anne, 2020)

Customer touchpoint

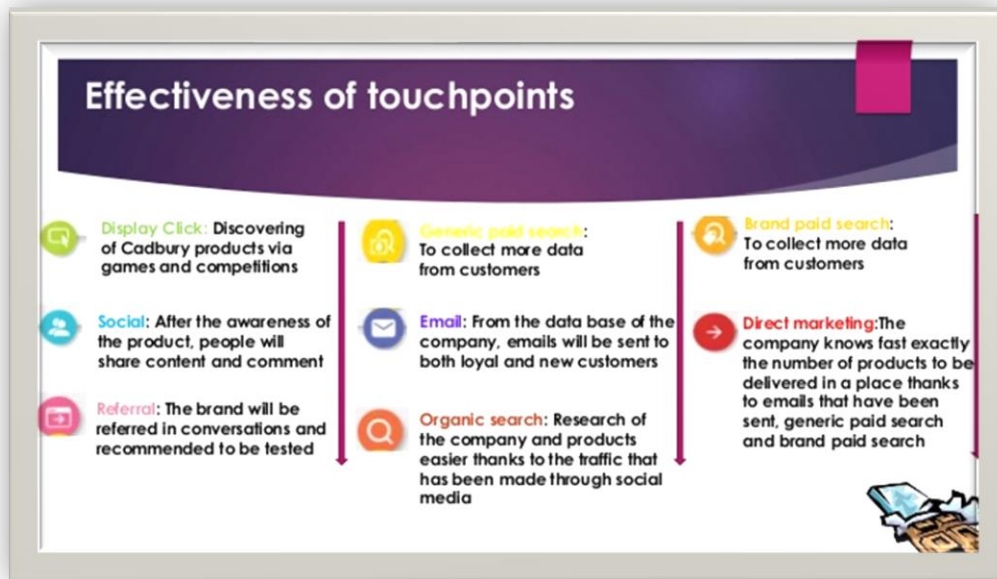


“Customer experience can be conceptualized in three overall stages: prepurchase, purchase, and post purchase. Much current work in the area of customer experience examines the entire, holistic customer journey. However, these three stages make the process slightly more manageable.” (Lemon, N., K.; Verhoef, C., P., 2016, p.76)

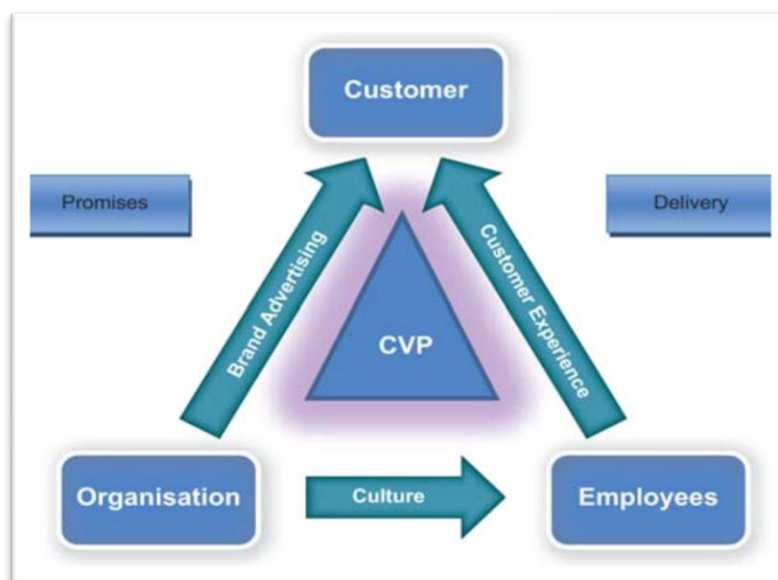
Before purchase - The first stage before purchase encompasses all aspects of the customer’s interaction with the brand, when the customer needs this product or service and an impulse to buy it and use. This includes getting to know the product or service through social media, online advert, digital/promotional video/, events, tv shows, friends, family.

During purchase - At this stage, the time when the purchase is made is considered depending on environment and events. Factors that can affect this stage are direct feedback, showcase the product line, product reviews, website, point of sale.

After purchase - After the customer has made the purchase or used the service. At this stage it is clear what the answer is, whether he will continue to use the product, whether he will return it, whether he will look for variety, whether he will recommend it by word of mouth. The company at this stage relies on thank you letters, product feedback, emails, subscription renewals.



The Total Engagement Model



In order to keep a product or service on the market, it is necessary to establish a connection between employees and customers. This connection is in the engagement model which contains four elements of brand advertising, culture, customer experience and customer value propositions.

1. Brand is not just your logo or name; value proposition, mission and statement should be as a key part of the brand. This includes creating promotions and ads. In this regard, Cadbury is extremely relevant and modern in its media approaches to touch people and be the center of attention.

2. Internal Culture element refers to "the way we do things around here", and refers to the internal aspects of the organisation such as its goals, values and internal behaviour. This needs to be created to create an environment in which staff can constantly offer your offers and value to customers and lead to long time believes and value of the brand. "The Cadbury

corporate culture can be summarized as the identification of the company's distinctive labour management policies with the Cadbury family's Quaker beliefs". (Rowlinson, M., Hassard, J. 1993)

3. Customer experience is a combination of physical and emotional connection of what is actually delivered to the customer. For Cadbury, they developed a Customer Response Wall and then did things suggested by their fans.

4. Customer value proposition in simple terms is the reason customers should buy from you over your competitors.

Develop a unique value proposition based on a strong customer insight was the campaign "Thanks a Million "created a several years ago by Cadbury Dairy Milk to celebrate 1 million "likes" on Facebook.

Conclusion:

Cadbury Dairy Milk is known for "Purple" and "British". When considering a company like Cadbury established both in time and product quality, with attractive and up-to-date advertisements, a reputation for innovation and creativity, committed to social life, we can say that it has built a strong brand name and image, branding and loyal customers.

The company has built products with different tastes, shapes and packaging to be fun for chocolate lovers of all ages.

A brand equity is evolutionary, rather than static. The market is very dynamic and keeping the leading positions requires constant development of new ideas and channels in order to attract new clients and retain the loyal ones.

Advertising is necessary for the product or service to be constantly in the customer's field of vision, which is associated with large investments.

Changing people to a healthier lifestyle requires flexibility and greater variety of assortments and ingredients.

Cadbury is relying on its market presence as a family brand.

Throughout this market research for Cadbury Dairy Milk, we can see how much the company's attention is focused on children between the ages of 5-10, celebrations, family. The ads are calm, warm and cosy.

As a recommendation, I can look at the teen group of 12-18-year olds and add adventurous, provocation, expressions and activities, intrinsic to their lifestyle to the channels (for instance Tik Tok) and the look of the ads.

The brand has entered many new markets. Its easy integration is due to the specific cultural elements of the countries that are included in the advertising of the products and the channels used to reach the client.

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