

Integrated Marketing Communication Strategy: Launching a Beverage Product in South Asian Markets

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Abstract

This paper provides an integrated marketing communication strategy for launching a beverage product in Pakistan. Context analyses conducted as part of this study include internal and external analysis, business analysis, stakeholder analysis, and customer analysis. In context of marketing communication strategy, this research includes SMART marketing communication objectives, a detailed discussion on considerations in developing marketing communication strategy, a comprehensive strategy to achieve marketing communication objectives, and discussion on the mechanism of controlling and evaluation of marketing communications plan. It is important to highlight that although in this work, a focus has been placed on the consumer market of Pakistan, due to socio-cultural and demographic similarities between the countries in South Asia, this strategy will prove equally effective in India, Bangladesh, Afghanistan, Sri Lanka, Maldives, Nepal and Bhutan.

Keywords: Marketing Communication Strategy, Situation Analysis, Marketing Communication Plan, SMART Objectives.

1. Introduction

Fanta is a carbonated soft drink product by Coca-Cola. Having started in 1941 in Germany, Fanta has become one of the most successful brands of Coca-Cola company and offers over 90 flavours. Fanta Orange is the only advertised flavour of Fanta in Pakistan. In terms of revenue generation, soft drinks market is the 3rd largest revenue earner for Pakistan government in terms of taxes which itself shows the of the customer demand for such products. Due to the effects of climate change, countries in South Asia including Pakistan had relatively prolonged summers in past few years and thus the soft drinks market has grown at an average annual rate of 6.3 percent between 2002 and 2007. Nestle Pakistan remained the leading company in 2007 while PepsiCo is the second-largest player and Coca-Cola is in third place. Analysis of market position of PepsiCo and Coca-Cola reveals that PepsiCo holds a greater market share with regards to carbonated drinks market. Two main reasons of PepsiCo's success in Pakistan are its large range of sugar-free carbonated drink products and a very strong marketing policy.

This report provides the integrated marketing communication (Phillip, 2015) plan for the launch of Fanta Orange Diet in Pakistani consumer market and discusses the marketing communication strategy for Fanta Orange Diet that could enable this newly launched Coca-Cola product compete against its competitors.

This paper is organized as follows. Section 1 provides a detailed situation analysis of Coca Cola in context of Fanta Orange Diet. Section 3 provides SMART marketing communication objectives (Rialto, n.d.) while Section 4 discusses the considerations in developing marketing communication strategy. Section 5 provides a strategy to achieve marketing communication objectives whereas Section 6 discusses the mechanism of controlling and evaluation of the marketing communications plan.

2. Situation Analysis

This section comprises of internal and external analysis (Nadine, 2009), business analysis, stakeholder analysis, and customer analysis (James, 2010) in context of newly introduce Coca Cola Fanta Orange Diet in Pakistan.

2.1. Internal Analysis

2.1.1. Strengths

- Coca-Cola is known for its innovation. Fanta is one of its brands which has over 90 different flavors while Fanta Orange Diet is one of them. Name of Coca-Cola is a guarantee of a unique innovative taste of Fanta Orange Diet.
- Coca-Cola has a wide product line and outstanding reputation in Pakistan and abroad so it will help Fanta Orange Diet in acceptability.
- Producer of Fanta Orange Diet i.e. Coca-Cola is a financially strong company and can afford an aggressive marketing campaign.
- Coca-Cola is earning record revenues and is experiencing increase in its market share. It could then prove an ideal time for launch of Fanta Orange Diet.
- Coca-Cola has great brands and can afford a strong distribution. Fanta Orange Diet can benefit from the distribution channels already set across Pakistan.
- Pakistani people prefer quality and brand name. Maker of Fanta Orange Diet i.e. Coca-Coal is world-renowned for its quality standards.

2.1.2. Weaknesses

- Not all Coca-Cola products bear the company name and it thus new Fanta Orange Diet may not benefit from Coca-Cola name.
- Coca-Cola has Coke as a strong brand while Fanta has never remained that famous even in the international market thus demand is highly elastic.
- Coca-Cola has a very weak advertisement and media policy in Pakistan. Rival PepsiCo has in contrast

has an aggressive media strategy in place.

- Very little sponsorship of social activates unlike its major competitors.
- Production facilities of Coca-Cola which would produce Fanta Orange Diet are smaller as compared to its rival PepsiCo which owns the largest soft drink production facility in South Asia.

2.2. External Analysis

2.2.1. Opportunities

- Climate change has caused prolonged summer seasons in Pakistan and thus it makes it a very attractive market for soft drinks productions.
- Pakistani government is offering tax reductions to investors and thus Coca-Cola which is the parent company of Fanta Orange Diet can grab onto this opportunity.
- People in South Asia in general and Pakistan in particular have a liking towards carbonated drinks and thus there is potentially a high customer demand in this regard.
- With media increasing their awareness, Pakistani people are becoming more conscious about their health and thus sugar free diet drinks are in trend.

2.2.2. Threats

- Beverages industry is very mature in Pakistan.
- Shortage of power and natural gas resources may increase production price.
- Inflation may increase the price of raw material.
- Coca-Cola in general and Fanta Orange Diet in particular has to face the products of strong rivals like Nestle and PepsiCo and thus competition is tough.

2.3. Business Analysis of Coca-Cola

As described earlier that soft drinks' market has grown at an average annual rate of 6.3 percent between 2002 and 2007 while Nestle Pakistan was the leading company in 2007 with Coca-Cola in third place. PepsiCo lies at the second position and is one of the effective threats to the new products like Fanta Orange Diet planned by Coca-Cola. PepsiCo has the highest production capacity in South Asia i.e. 60,000 cases per day. In terms of carbonated drinks market in Pakistan, PepsiCo has the highest market share i.e. 62% while rest of the 38% is collectively shared by other competitors including Coca-Cola. PepsiCo is known for its aggressive advertising and has contracts with leading showbiz and sports personalities in Pakistan. Thus a Coca-Cola brand like Fanta Orange Diet may face a tough competition against PepsiCo in advertising.

After introduction of democracy in 2008, Pakistan is politically much stable country to invest in. Economically, Pakistan is improving and very recently, its foreign reserves have risen to record 18 billion dollars (Dilawar, 2011). This phenomenon may consequently increase the purchasing power of a common man. Law and order situation in Pakistan has improved and thus Pakistan is becoming a good country to invest. With technological advancements like media revolution in Pakistan, awareness of the people regarding health issues has increased tremendously. Percentage of people using diet or sugar-free drinks will increase as the health consciousness increases and thus demand for Fanta Orange Diet will increase.

2.4. Stakeholders Analysis

Performance of Coca-Cola in general and Fanta Orange Diet (after its launch) in particular launch will have a direct impact on stakeholders. Primary stakeholders are the Customers who are aware of the reputé of Coca-Cola and thus a successful Fanta Orange Diet brand will mean that the customer's trust in the company will increase while the opposite may result in customers quitting other Coca-Cola product as well.

Shareholders are another type of stakeholders who will want Coca-Cola to come up with a good strategy for the launch of Fanta Orange Diet. A strong and successful marketing and advertising strategy would

mean increase in sales and subsequently in unit share prices.

Employees may earn bonuses if the Fanta Orange Diet becomes a successful product. In terms of suppliers, being a global company, Coca-Cola has contacts with the best suppliers around the world who could also be utilized for the new Fanta Orange Diet product. A good sales strategy for the new product will mean success and thus a regular business with supplier and prompt payments to them.

Local community can be another stakeholder whose confidence could be earned by offering jobs. Government is another important stakeholder. Being a company of global stature Coca-Cola has a good contribution in Pakistani economy in terms of taxes and producing jobs and thus government expectations could be met. Same would be true if Coca-Cola launches Fanta Orange Diet in Pakistan.

2.5. Customer Analysis

Pakistan is a country of nearly 180 million people. Demographically there can be different categorizations of Pakistani in terms of age groups, religion, provinces, ethnicities and even earning but in terms of consumer market, Pakistani customers could be divided into rural and urban customers. Rural customers have entirely different living style as compared to urban customers. It is a hard fact that in this era of scientific revolution, more than half of the Pakistani population lives in rural areas without basic life amenities where a carbonated drink is not less than a luxury. In terms of its features, Fanta Orange Diet is targeted for health-conscious people which ultimately means that this drink is more focused at urban population of Pakistan which forms around 25% of the Pakistani population.

3. SMART Marketing Communication Objectives

This section analyses the highlights the SMART marketing communication objectives for Fanta Orange Diet and answers the imperative questions such as who, what, when, where, and how.

3.1. Who

Urban population forms around 25% of the 180 million population. This alone is more than combined population of Norway, Sweden and Denmark. A major chunk of Pakistani urban population is literate and has access to health information which means that they are more health conscious as compared to the people living in rural areas. Moreover, a rather low participation in physical activities (like exercises and games) makes the people more attracted towards health diet. Fanta Orange Diet offer a taste of much needed carbonated drink but without sugar which means “taste with health”. This slogan has sold for Pepsi Diet and Coke Diet and will seriously work for Fanta Orange Diet as well. The urban population is targeted without any gender, ethnic or age restrictions however it is anticipated that Fanta Orange Diet may not be as attractive to the children as it could be to elderly.

3.2. What

Fanta Orange is one of the most liked Coca-Cola products in Pakistan due to its unique taste and Fanta Orange Diet will retain that taste however with low calories for health-conscious people of Pakistan. Very few people in Pakistan know Fanta as a Coca-Cola product thus marketing of Fanta Orange Diet as a Coca-Cola product will potentially increase its sales. Some of the attractive bits in Fanta Orange Diet are its health ingredients, low calories, carbonated nature and it comes with same legacy Fanta logo available in cans and economy pet bottles.

3.3. When

Fanta Orange Diet is a drink suitable for all seasons however the best time to launch it is summer. Pakistan has a prolonged summer while people start consuming soft drinks from March. Marketing campaigns could be ruinously launched from beginning of March as the weather starts getting a little hotter. The campaign could be intensified in May as it is the formal start to an intense summer season. Campaign could continue till October even till December. Festivals and sporting events are good occasions to launch new advertisement.

3.4. Where

Fanta Orange Diet could be launched as a nationwide campaign but as the focus of this product is urban, the campaign could later be restricted to urban areas only. This approach will introduce Fanta Orange Diet nationwide. Internet can also be used to advertise the product. As most of the educated people have access to the Internet these days, advertising there would target such people directly.

3.5. How

Electronic media has grown tremendously in Pakistan in recent years. TV channels in Pakistan are basically of two natures i.e., urban and national. Urban TV channels and the cable TV can be for cheap advertisement options while the same applies on magazines and newspapers as well. Cable TV is another good option for advertisement option. A considerable number of Pakistani public has access to the Internet and advertising on Internet could help highly literate class of Pakistani population get aware of Fanta Orange Diet.

Table 1: SMART Objectives

1. Profitability Objectives
To achieve a 10% return on capital employed by August 2015.
2. Market Share Objectives
Increase Coca-Cola product's market share in Pakistan and bring it to 2 nd position among beverage companies in Pakistan in by 2015.
3. Promotional Objectives
Promote Fanta Orange Diet through all available means discussed in Table 2.
4. Objectives for Survival
Survive crises like recession and energy shortage.
5. Objectives for Growth
Shrink demand of Pepsi Diet by increasing demand of Fanta Orange Diet.
6. Objectives for Branding
To establish Fanta Orange Dies as a requisite element of Fanta Brand.

4. Considerations in Developing Marketing Communication Strategy

Integrated Marketing Communication is coordination of the company's outgoing message between different types of media and the consistency of the message throughout. Major considerations in developing marketing communication strategy for Fanta Orange Diet for Pakistani consumer market are as follows.

4.1. Geographic Segmentation

A very clear divide between Pakistani consumers exists in terms of rural and urban population. Fanta Orange Diet would focus the urban clientele and thus the marketing campaigns would mainly target this clientele and could comprise of Urban TV and print media, Internet marketing and urban even sponsorship.

4.2. Health Consciousness

Fanta Orange Diet would understandably be attractive to health-conscious people. An analysis of geography of Pakistan suggests that such people live in rural areas thus yet another reason to focus marketing campaigns on cities instead of villages and rural towns.

4.3. Target Audience

Marketing should be targeted towards youth of Pakistan more importantly girls that are usually more worried about their weight. Similarly, school and college students could also be attracted while hospital canteens could be other ideal locations to target patients with diabetes and weight related diseases. Poster advertisements at such locations with a unified message of "taste with health" could really help the marketing communication strategy work. TV and mass communication media could also be used to target

this audience.

4.4. Dominance of Males in Society

Pakistani males are mostly dominant and responsible for most of the household grocery purchases. Fanta Orange Diet is a grocery product and thus media communication policy should inspire men to trigger a purchase.

4.5. Literacy Level

Literacy rate in Pakistan is around 30% however as the target audience belongs to urban areas, the literacy rate is around 70%. Most of this population has access to TV and Internet while they also attend schools, colleges and universities and offices. Thus, message of “taste with health” could get conveyed straightaway to such audience.

4.6. Joint Family System

Pakistan has a joint family system mainly and thus bulk-shopping is always on. Inspiring elders of the family and getting message conveyed to them could make marketing quite effective. Thus, advertising campaigns should successfully convey the message to head of the family.

4.7. Social Values and Themes in Marketing

Marketing message should be in conformity with social values in Pakistan. Advertisements for instance should not follow the themes that go against family-values, religious bindings or create an ethnic split. Similarly, sports and particularly cricket is the only thing that joins Pakistanis together. Marketing themes for Fanta Orange Diet relating sports would give a nice blend of social integration, health and role of such drinks in potential success.

Table 2: Adopted Advertisement Mediums

Advertise In	Description
Television National	Geo TV, Duniya TV, ARY TV, Express TV,
Television Local	City TV
Radio Channels	FM100, FM101, FM102, FM104
Magazines	Akhbar-e-Jahan, Sunday Times, Nawa-e-Millat, Family Magazine, Fashion Magazine, Health Plus
World Wide Web	Banners on Facebook, Sports websites, Email Websites, Gaming Websites, Chat Messengers
Billboards and Posters	Billboards in public places and and tourist attractions. Posters in campuses, shops, cafeterias, restaurants and markets.
One-to-One Marketing	Direct contact with retailers and whole-sellers.
Public relations	Stalls and displays at events in schools, shopping malls and markets, sports events and trade fairs.
Fanta Orange Diet Website	A full-fledge dedicated website containing facts about Fanta Orange Diet, online versions of Advertisements and encourages customer interaction like Coke Zone website.

5. Achieving Marketing Communications Objectives

An analysis of Pakistani advertisement market suggests that most of the successful advertisement were based on three main themes i.e. sports, highly patriotic or having a touch comedy. Fanta Orange Diet being a drink with a concept of safe nutrition may adopt sports and comedy advertisement themes. Some of the actions that could help achieve the marketing communication objectives are as follows.

Choosing a proper time for launching a product is a key to success. Summer is the most suitable season for the launch of Fanta Orange Diet. Summer usually starts in end of April in Pakistan however beginning of March is a good time to start media campaign. As the target audience is urban population of Pakistan therefore the marketing message should be conveyed through TV, print and other broadcast media.

Negotiation for appropriate timeslots on TV and radio should undergo well-before the advertisements start in March. Similarly key slots on newspapers would guarantee spreading marketing message to intended audience. Schools and colleges are off in summer therefore it is a good idea to target such locations before summer vacations. Rest of this section gives justification, and actions required to achieve marketing communication objectives.

Personal marketing or one-to-one marketing is one of the successful marketing trends in Pakistan. A company representative can personally visit retailers and whole sellers to convince them to sell the product and display the posters at visible locations in their shops. As Fanta Orange Diet targets youth, displaying the posters in school and college canteens and cafeterias could really boost the sales. This strategy could save cost on advertisements as it can be a cheaper alternative of broadcast and print media. Shopkeepers in Pakistani society have a very strong influence on customers as they could tactfully convince customers in purchasing thus this strategy could really work in Pakistan. This part of the marketing would be executed in January i.e. two months before the launch.

Coca-Cola has one of the very interesting online rewards programs in place with the name of Coke Zone. Customers purchasing the product are given different kinds of rewards and gifts based on value of their total purchase. This strategy could be seriously pursued for Fanta Orange Diet as well. As “taste with health” is the slogan for marketing therefore a health-related activity could also be integrated with online rewards program. This would make this advertising attempt in conformance with the actual marketing message of the product. This online website could also be used to collect useful customer feedback. This campaign would be launched in February and advertised along the product itself.

Newspapers are one of the important parts of Pakistani society. There are various national and international newspapers published on daily, weekly and monthly basis. Print media campaign would be launched in end of February; however, mostly urban newspapers would be targeted as the national level papers would advertise in rural areas as well which are not the target area.

Electronic media will be flooded with advertisements two weeks before the launch of the product in March. Advertisements would be presented on the channels like Geo, ARY Digital, Express TV etc. only and not the national broadcast TV channels because Geo and ARY Digital etc. have an urban scope while advertisement on national broadcast TV would be costlier and target 70% of the rural population as well which is not desired (PEMRA, 2011).

One of the major slogans of Fanta Orange Diet is health. Health and sports are prerequisite for each other thus main theme of advertising would be sports. However, comedy is another important aspect of healthy life so advertisements would contain comedy as well. Pakistan advertisement revolves around sportsmen and particularly cricketers. Therefore, advertisement agreements with cricketers would be done. Key actors and actresses from Pakistani showbiz would also be hired for advertisements. Glamorous models that are always health conscious could also play an important role in advertisements.

Advertisement on the Internet is of key importance in terms of Fanta Orange Diet. This will focus students and professionals who use Internet on daily basis. Number of educated urban female Internet users are very considerable. Women are more conscious about their weight and thus such advertisement will target female audience right inside their bedrooms.

Figure 1 gives the expected cost breakdown for implementing integrated marketing communication plan for Fanta Orange Diet.

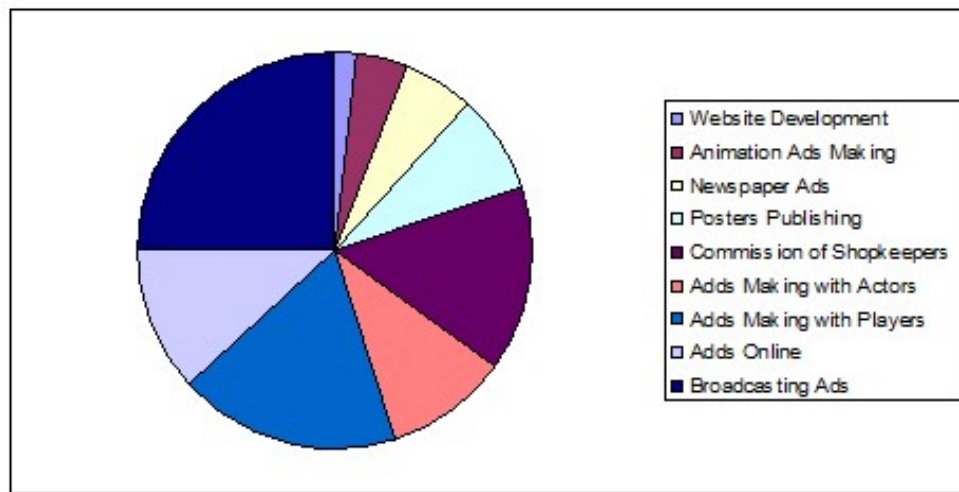


Figure 1: Costs Breakdown for Integrated Marketing Communication

6. Control and Evaluation of the Marketing Communications Plan

Control and evaluation are two of the core aspects of a successful strategy. Strategies are made for a limited time and their constant monitoring and evaluation at certain stage would result in errors rectified in-time. There are many checkpoints for monitoring and evaluation of the marketing communication plan for Fanta Orange Diet. Marketing plan gets kicked off with personal or one-to-one marketing two months before launch of the product. Retailers and whole sellers are the audience in this type of marketing. They are usually experienced people in frontlines of business thus if something regarding product or its marketing plan is wrong, their feedback or in some cases critique could be duly considered.

Part of the marketing communication strategy, a user interaction website (just like Coke Zone) will be launched about one month before the product launch. This website will help collect the customer feedback which can prove a very good source of evaluation of marketing and proposed product launch strategies.

Print and broadcast media will start market the product two weeks before the product launch. Evaluation of previous two phases of marketing will provide useful feedback for improvement of this bit of marketing communication plan. In broadcast media marketing, advertisement will be taken part by models, actors and players etc. who will act as brand ambassadors for Fanta Orange Diet. Constant review of marketing plan would ensure that decline in repute of a brand ambassador triggers his elimination from advertisement campaign.

7. Conclusion

In order to develop an Integrated Marketing Communication Strategy for Fanta Orange Diet (a variant of Coca Cola's Fanta brand) this work has conducted various context analyses such as internal and external analysis, business analysis, stakeholder analysis, and customer analysis. This work has also conducted an analysis of SMART marketing communication objectives, discussed considerations in developing marketing communication strategy, devised a comprehensive strategy to achieve marketing communication objectives, and documented an effective mechanism for controlling and evaluation the marketing communications plan.

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