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Sixth Edition

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Louis E. Boone  
David L. Kurtz

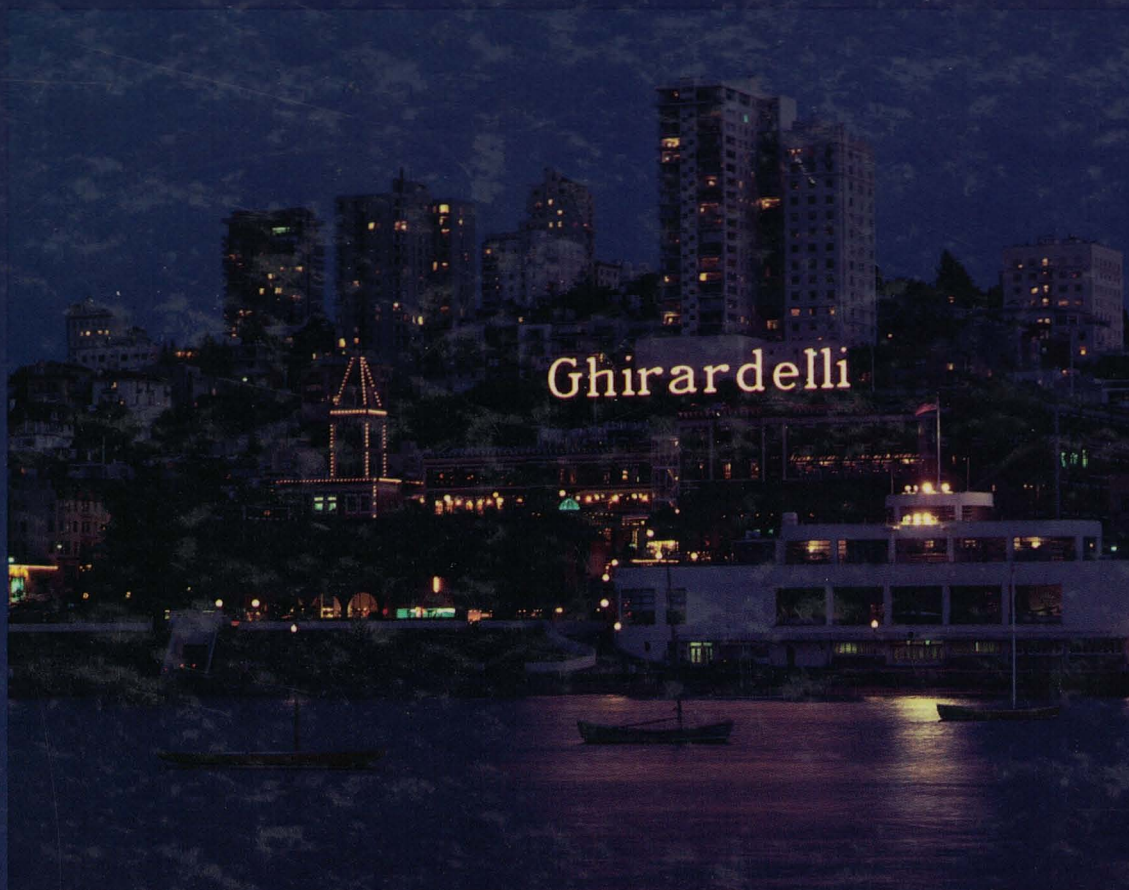
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# CONTEMPORARY BUSINESS

**Sixth Edition**

**Louis E. Boone**

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University of South Alabama*

**David L. Kurtz**

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# 13

## *Marketing Strategy*

### **Learning Goals**

1. To discuss how marketing's role in the exchange process creates utility.
2. To list the major functions of marketing.
3. To explain the marketing concept.
4. To outline how a marketing strategy is developed.
5. To describe the five environmental forces that influence marketing decision making.
6. To explain the concept of a market.
7. To discuss why the study of consumer behavior is important to marketing.
8. To describe the marketing research function.
9. To list and explain the bases used to segment markets.

Mary Anne Jackson was worried. The year was 1985 and she had just gone back to work as director of operations and planning at the Swift/Eckrich Division of Beatrice Co. after the birth of her daughter. Jackson was concerned about what to feed the child after she advanced beyond prepared baby food. By studying cookbooks and nutrition guides, Jackson came up with some meals that could be reheated by the babysitter for lunch or if she was on a business trip or otherwise delayed.

Her experience as a concerned mother had an interesting parallel in Jackson's work life. One of her job activities involved evaluating retort packaging, where food is put in a plastic bag and then cooked in a pressure cooker. The resulting airtight package allows the contents to remain fresh without refrigeration.

A leveraged buyout suddenly ended Jackson's career with Beatrice in 1986. Now unemployed, the former executive turned her attention to developing a line of meals for children the same age as her own. Jackson surveyed 2,000 women in a marketing research project designed to determine what mothers wanted their children to eat. She then hired a food development firm and a nutritionist to develop 24 meals that were then taste tested in focus groups by 100 children and in about 1,500 in-home use tests.

The top five kids' picks became "My Own Meals," a line of shelf-



stable microwavable meals targeted at the 2- to 8-year-old market. The five selections were: Chicken, Please™, My Meatballs & Shells™, My Favorite Pasta™, My Turkey Meatballs™, and My Kind of Chicken™. My Own Meal® products can be microwaved in 90 seconds or heated in boiling water in 4 minutes. They are retail priced at \$2.39 to \$2.99. A plant in South Carolina, SoPakCo, packs the meals under contract with My Own Meals, Inc. of Deerfield, Illinois.

Jackson spent only \$200,000 during the two-year development process and product launch. The meals are currently available through mail order and in selected Chicago-area supermarkets. Initial reports indicate Jackson has hit on a viable target market—the 57 percent of married women who work and

have children under 6 and the additional group of homemakers who lead active lives outside the home. Why was Jackson successful with a product category ignored by the major food companies? She explains it this way: "How many of those people who run those companies or divisions are men? They don't deal with the problem of what to feed their kids, and they don't care."<sup>1</sup>

Effective marketing research and market segmentation proved to be the key to Mary Anne Jackson's success. These are just two of the topics discussed in Chapter 13.

*Photo source:* Courtesy of My Own Meals/Rob Anderson Photography, Chicago.

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