

Title: What type of yoghurt are you? The impact of marketing on the choice and management of resources.

Context: GCSE Home Economics Revised Specification

Learning outcomes:

Students will be able to:

- Understand how large companies research consumer buying behaviour to develop and expand product ranges;
- Discover how consumer trends influence product development; and
- Discuss the impact of marketing on the choice and management of resources.

Resources:

- Images of supermarket product displays – primarily yoghurts but also crisps, biscuits and cereal aisles.
- Empty (washed!) yoghurt pots – ideally demonstrating the vast range of yoghurt categories available.

Activity 1. Background discussion

The title may seem a little silly, but when you think about it, there's probably a yoghurt to suit every personality type. This hasn't come about by accident. The yoghurt market is characterised by a variety of different products meeting different consumer needs and significant lifestyle trends such as increasing convenience and healthy eating concerns. It therefore provides a perfect example of how companies research consumer buying behaviour in order to develop and sell more products.

The yoghurt industry is booming with sales worth a massive £2.1 billion pounds a year. In an article published on FoodBev.com in November 2009¹, Chris McDonough, Marketing and R&D director of Müller UK points out that most UK households (91% - TNS) now purchase yoghurt. Reflecting on how the industry has grown and diversified, Chris says:

"When yoghurt first became widely available in the UK, it was just standard yoghurt which was by and large consumed solely as a dessert. Today, we have more types of yoghurt to choose from to meet different consumer needs and changes in lifestyles.

We've got functional yoghurt, everyday yoghurt, indulgent yoghurt as well as yoghurts specifically aimed at children and even breakfast yoghurts".

- Using a flipchart or the whiteboard, list all the **categories** of yoghurts students can think of.

¹ <http://www.foodbev.com/article/challenges-and-opportunities>
Consumer Council GCSE Home Economics support materials

Some examples:

Low-fat	Cholesterol-lowering
Probiotic	Lactose free
Sugar free	Thick and creamy
Custard-style	Layered
Drinking yoghurt	Organic
Frozen	Added fibre

- Do students think there's too much product choice sometimes? Can this be overwhelming? Or is it a good thing?
- What other food and drink products have such a wide variety of categories? (e.g. low-fat, full-fat, functional, luxury, value, organic)

Some examples:

Soft drinks, crisps and snacks, biscuits, cereals.

Activity 2. So, what type of yoghurt are you?

- Ask students to write on a post-it note what type of yoghurt they think they are, either based on yoghurts they like to eat, or the type that best describes their personality.

These can be brand-specific e.g. Spelga hazelnut or more generic e.g. thick and fruity!

- Was there anyone in class that couldn't think of a yoghurt that suited their tastes/personality?
- Can students identify a gap in the market that the yoghurt industry hasn't already covered? See *Extension Activities*

Tellingly, Chris McDonough from Müller UK says in the article:

"...further expansion of usage occasions is undoubtedly one of the keys to unlocking the full potential of the category. Breakfast and snacking in particular are prime target occasions."

- What do students think is meant by 'usage occasions'?

Activity 3. Consumer trends

Most large companies will invest a significant amount of time and money into the study of consumer buying behaviour. Gaining an in-depth understanding of the usage occasion and different consumer preferences and lifestyles is an essential part of product development and promotion.

- As part of the *What Influences Shopping* content of the specification, students were asked to discuss the factors that influence shopping – can they remember what these are? i.e.

- | | |
|------------------|------------------|
| 1. cultural | 5. economic |
| 2. environmental | 6. ethical |
| 3. personal | 7. physiological |
| 4. psychological | 8. social |

Marketing and R&D executives look at the same factors to assess consumer purchasing habits. For example, looking at **economics**, during a recession they might see shoppers move away from the more expensive ‘luxury’ product ranges, preferring instead to buy from the mid-range price bracket.

Physiological factors would, for example, see an increasing demand for products that make health claims such as probiotic or cholesterol-lowering yoghurts.

One of the current consumer trends identified by Chris McDonough relates to the provenance of food:

“People want to know where their food is sourced, they want to know how many miles it has travelled and they’re more concerned about animal welfare and husbandry than ever before. They’re increasingly looking to suppliers and manufacturers to provide this information.”

- Which of the eight influencing factors relate to the consumer trend identified above?
- Given that companies study consumer trends, can students see how consumers are able to influence product development and delivery?
- Can students give examples where consumer pressure has influenced product development? (Tip: *The Ethical Consumer Beginners' Guide* <http://www.ethicalconsumer.org/FreeBuyersGuides.aspx> and the *Ethiscore* website <http://www.ethiscore.org/reports.aspx?free=true> will help with this question).

Activity 4. Buy Buy Buy

Simply producing a 'new' product isn't enough – the company then has to market it so that the target audience know about it and are moved to buy it.

Television advertisements are commonly used to promote products but we're also bombarded in other ways, particularly with the emergence of new technologies.

Some examples:

Viral marketing e.g. advergames, video clips	In-store product displays/demonstrations
Social networking e.g. Twitter, Facebook	Radio campaigns
Billboard campaigns	Mailshots
Editorials e.g. magazine promotional article	Promotional events

- **Can students suggest possible negative impacts that marketing might have on the choice and management of resources?**

Possible examples for discussion:

- Throwaway culture
- Materialism
- Over-consumption
- Debt problems (keeping up with the Jones')
- Big brands succeeding at the expense of smaller, independent companies
- Consumer apathy or disengagement – caused by marketing overload.

Background reading:

Shopping generation, National Consumer Council (download from www.consumerfocus.org.uk)

Watching, Wanting, Well-being, National Consumer Council (download from www.consumerfocus.org.uk)

EXTENSION ACTIVITIES

Activity One

Allocate 15 minutes.

- **In groups of four or five, challenge students to come up with an idea for a new yoghurt designed to meet a gap in the market.**

As we've already established, there's a yoghurt to suit practically everyone so this isn't an easy task. Encourage students to let their imaginations go wild – their product might be really whacky! e.g.

Perhaps what the world needs is an egg and bacon flavour yoghurt?!

Or why not produce a yoghurt specifically for expectant mothers? (Tip: There are doubtless other life stages that might prompt a new yoghurt!).

Activity Two

Allocate one hour for this part of the task or set it as a homework activity.

- **Now ask students to pin-point who the product is aimed at. Which market are they targeting?**
- **Based on this, what would their advertising campaign look like? Can they prepare a 5-10 minute advertising pitch? Students should imagine themselves working for an advertising firm employed by a large yoghurt company to come up with a campaign for their new product.**

Tools that might help with the pitch:

- A rough* drawing of the product image
- A rough* storyboard of a TV ad campaign
- Mood board – pictures cut from magazines that say something about their target audience and/or the product
- Key words – choose six words that describe the product and what it's about, for example:

FRESH	EXCITING	NATURAL
HEALTHY	LIGHT	EXOTIC

* The exercise is looking for originality of ideas rather than polished art and design skills!

Exercise Three

Each group presents their 5-10 minute pitch to the rest of the class.

Invite the class to give feedback. Topics might include:

- Would this new yoghurt sell?
- How could the campaign be improved to increase brand awareness?
- What methods, besides TV advertisements, would you use?
- How could the campaign be changed to attract an additional target audience?