

Introduction & Problem: With new competitors entering the over-the-counter medicine industry, new product introductions in the cold medicine segment have increased offerings beyond Allround's current product portfolio. Aggressive players are introducing more products and increasing promotional and advertising expenditures. Allround's existing product portfolio is lacking in diversity compared to the competition. Our most comparable rivals have at least two brands in the over-the-counter medicine market.

Objectives: We need to increase Allround's consumer retention and trial because we currently face lower-than-desired retention rates. We also recommend extending the product portfolio to capture new market areas. By leveraging different areas of marketing, we plan to maintain brand awareness and position.

Positioning: For retired individuals that need effective cold medication, Allround is a general cold medication that relieves sore throats, coughs, runny noses, and sneezes. As the only liquid multi-symptom cold medicine of its kind, Allround, unlike Dryup, has throat-soothing qualities and is a premium medication using only the best ingredients.

We plan to reposition the brand once we introduce new products (cough capsules) while maintaining our current brand positioning for the current cough syrup. Having one new product for the cold and cough category instead of maximizing our categories and moving into nasal/allergy medications will allow us to maintain market share in the most critical market – cough and cold. Further, we will need to slightly reposition our brand regarding capsules because it is new and will need extra help to take off in the competitive market.

Our brand will stand for providing the most effective and reliable relief for colds. Our demographics of retired individuals need a dependable multi-use medication that they can rely on to alleviate any symptoms of colds. With our plan to expand into pill medication, our brand will stand for providing the same effective and reliable cold care relief. However, with the pill in

mind, our demographic will adjust to best suit the mature family segment due to the ease of accessibility.

Promotion/Sales Promotion – Advertising:

Primary: This increases Allround's already positive brand awareness and demand for competitive products.

Benefits: This could help address Allround's "effectiveness" position, but it could open up the door to harmful ingredients and side effects.

Comparison: It shows the points of parity and gives consumers a frame of reference, but it could come off as needing more value to consumers.

Reminder: This could attract existing customers and help with retention or repurchase, but this might not work for people who don't know the Allround brand or are already loyal to a competing brand.

Sales promotion objectives: Stimulate immediate sales with customers and wholesalers, build rapport with our channels to reward loyalty for carrying the product, and increase repurchase and trial.

Sales promotion strategy/advertising tactics: This will consist of a mix of the above line tactic, focusing on coupons and advertising to cater to consumers. The above-the-line approach would also affect the retailers by offering incentives via volume discounts to encourage larger purchases—for example, trial-size versions and point-of-purchase displays.

Place/Distribution: Our customers of retired individuals and (potentially) mature families will generally always need convenient access; to chain drug stores and grocery stores. Further, we will work with Wholesalers to provide those chain drug and grocery stores. However, this can also cause isolation of markets, and we could lose potential customers in channels we don't focus on.

Important to Direct (wholesaler): What do my margins look like? Will I make money after selling to direct channels? Are there any promotions I can gain from buying your product to distribute?

Important to Indirect (consumer): Where can I get the medicine? Is it convenient? What benefits do I gain from this product? Is it accessible?

Trade Promotion: Utilizing co-op advertising and allowances, Allround will focus on higher percentages for chain drug stores & grocery stores as that is where our target segment tends to shop.

Product: How will the current and future product line help achieve objectives?

The current Allround product line will address our loyal, retired customers' unique needs.

The future product line will allow us to capture new market areas, such as the mature family segment, while continually delivering on effectiveness and quality.

Our options: Extensions → We plan to extend our product line in 3 years, launching a product specifically for the mature family demographic. Allstar brands are overdue for a brand extension. Considering the growing competition in the cold medicine segment, mature families need a trusted and safe brand that maintains Allstar's superior effectiveness. This will allow us to cater to specific demographics but could also cannibalize our current product offerings.

Formulations → We plan to analyze the Allround formulation in year one, make needed changes by year two, and, later, determine if additional formulation changes are required. This could allow us to differentiate from our competitors but also steer away from current loyal customers.

Price: We plan on positioning Allstar's Pharmaceutical branch and products as the premium price leader in the industry. To accomplish this, we will approach product pricing with a value-based pricing strategy by setting the price to the actual benefits our consumers perceive. Our focus on using high-quality ingredients and ensuring effective cold relief will allow us to charge customers those premium prices because of our superior product relative to the industry. Value-based pricing will allow us to maximize profits, leading to higher margins and staying ahead of inflation. However, being the premium price leader in the industry runs the risk of alienating price-sensitive customers and losing market share.