

## **Sampling Promotion of Nestle Purina's Friskies Cat Food in Finland**

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<p>The main objective of this thesis project is to accomplish a successful sampling promotion for a very narrow target group using the product Friskies Crunchy &amp; Soft by Nestle Purina. The project's goal is to approach the target group as much as possible, in this case cat owners.</p> <p>This thesis will provide the reader with theory of the tools used in this project for a better understanding and capability to manage a successful sales promotion. The theory will be accompanied with reflections of the project's production.</p>	
<b>Keywords</b> Sales promotions, sampling, project, management, event, expo, fairs, pet	

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# 1 Introduction

## 1.1 Background

This project is conducted by sales promotion company Gasolin Oy where the writer of the thesis is named as a project manager. The customer is Nestle Purina, located in Norway.

The project started as the regional brand manager of Nestle Purina, Anette Torp, contacted Gasolin requesting an offer of possible sampling promotion in Finland on the amount of 10 000 samples. The sampling product is Friskies Crunchy & Soft, dry meal for cats.

Gasolin offered cooperation with cat cafeterias in Tampere and Helsinki where the sample bags can be given as well as sampling promotion on the streets of Tampere and Helsinki. Afterwards, agreement was made that the samples will be given only during the exhibition PetExpo in Helsinki.

Gasolin is a sales promotion company that uses optimal resources for efficient encounters and specializes in planning services such as creative planning, production planning. Gasolin also provides the customers with resourcing in manner of recruiting services, education and coaching, outsourcing and insourcing. The main service of the company is production in range of promotional activities, event and exhibitions. As a disclosure of a production Gasolin offers documentation and reporting, both qualitative as quantitative.

Nestle Purina is the second-largest pet food company globally and it offers wide range of pet food, treats and litters. Under Nestle Purina there are brands such as Friskies, Gourmet, Latz etc.

## **1.2 Thesis objectives**

There are two main objectives of this thesis. One is to provide guidebook of managing project regarding sales promotions, and the second objective is the main objective of this thesis as well as of the project; accomplishing successful sampling promotion for a very narrow target group. The project's goal is to approach the target group as much as possible, in this case cat owners.

## **1.3 Thesis Problem**

The main project problem is what could be the best way to have successful sampling promotion. Whereas the thesis problem is how to manage a project, that includes sampling promotion as an event.

## **1.4 Thesis Structure**

For one to be able to organize successful sampling promotion, this thesis will include theoretical framework about project management as well as theory about the promotional tools used in this project. Each theory that is presented is somehow involved with the project and it is necessary to understand its role and how it can be implemented.

In order to understand the target group, we must investigate their behaviour and their needs. This will give us information of how to approach the target group and perhaps where. Once the target market is determined, it will be easier to manage the project that most likely will be shaped into an event or so called sampling promotion.

Once the theoretical framework has provided explanation of project management and the tools that are used, there will be reflections of the project production.

## **2 Marketing strategy**

This section serves as a theoretical framework for management and tools used in this project. The goal of the theoretical framework is to give general explanation about managing a promotional project as this one as well as what are the tools used to resolve the project problem along with implementing it. Later one, the theory will be connected with the project process.

The word “tools” in this thesis indicates to the strategy used to accomplish the goal of the project.

### **2.1 Target market**

The target group of the product Friskies Crunchy & Soft is assembled by easy-going, pragmatic, and responsible people whose cats are a joyful part of their home. They strive to find ways to keep life simple and organized to allow more time for family happiness. When it comes to food they want to ensure is healthy and nutritious but taste, enjoyment and happiness are also important to them. Women 39-59 years old and might still have kids home. She is constantly busy but she’s pretty relaxed about it.

The target group is defined by the customer, Nestle Purina, however, the project manager should determine where and how to find the target group.

#### **2.1.1 Definition of Target Group**

Targeting is when conducting analysis of the brand and its attractiveness, one will be able to specify a target to focus on according to the attractiveness and strength for the brand. Any strategies or tactics conducted by the brand will be intended for the targeted groups according to their needs. Therefore, there might be differences in the communication and promotional mix due to different groups. (De Pelsmacker, Geuens, Van den Bergh 2007, 120)

### 2.1.2 Segmentation of Target Market

Market segmentation is the process that brand uses to define a certain target group according to common interest and common behaviour to particular marketing effort. There are different criteria that can be used to determine a target market or group. See Table 1. (De Pelsmacker, Geuens, Van den Bergh 2007, 120)

Table 1. Consumer market segmentation variables

	Objective	Inferred (psychological)
<b>General</b>	Geographic Demographic (income, gender, education, profession, life cycle)	Social Class Personality Lifestyle
<b>Specific (behavioural)</b>	Occasion Loyalty status User status Usage rate	Benefit Buyer readiness

Company should take in consideration four elements when determine a segment: size and growth of segments, attractiveness of a segment, goal and budget of a company, and certainty of market segments. First and most important condition for a company to evaluate a segment is to assess the income, growth and further income of the selected segments. It is recommendable for smaller companies to target smaller segments that are not so often considered by the bigger companies. The completion and alternatives can make a certain segment more or less attractive. Not all segments can be appropriate for the “wide picture” that a company might have set. (De Pelsmacker, Geuens, Van den Bergh 2007, 133)

Nestle Purina’s Friskies target group is clearly segmented with objective behaviour as cat owner’s tend to be loyal to a brand. As one can notice in the beginning of this section, the target group is chosen on psychological bases. Nestle Purina is quite a big company and brand and has plenty of competitors, but in the business of pet products, the segmentation is more likely the same, only psychological and need variables can be presented.

## 2.2 Project Management

Planning and organisation are the key elements that determine the success of an event. For one to manage a project, the purpose or the mission of the project as in this case event, must be stated. As promotion is one way of event, this chapter will explain managing a project of an event.

The risk of having many parties in a project is that the interest might vary and in that case it is really easy to lose focus (Van der Wagen 2007, 182). Statement is set in the beginning to make sure that the planning and implementing are fulfilling the mission's goal. (Van der Wagen 2007, 183) In promotions, one can lose very easily focus due to many factors and possibilities to achieve something. For example, distributing Friskies sampling bags on the streets would not reach many of the target group, which was the project's goal.

The purpose of the project can be later on specified by details by stating aims and measurable objectives. An event could have an aim as launching a new product, providing a unique experience, increasing product sales etc. (Van der Wagen 2007, 183) Sampling promotion of Friskies serves several aims such increasing product sales and awareness.

Project or event managing can be challenging as the aims can be very different from one another. One event might have social impact aims while another might be profit oriented. Aims are important base for the planning process. A project manager has to stay very focus on those aims, others problems might be issued with the commission part or other parties involved in the project. (Van der Wagen 2007, 184) Loosing focus might lead to total fail of the project and the customer would not want any cooperation in the future.

There are several planning tools that are recommended to be used such as Gantt charts, PERT charts, maps, run sheets, checklists etc. (Van der Wagen 2007, 186)



A Gantt chart is mostly taken in use in the beginning of a project or event. The Gantt chart focuses on every step of a task needed to complete the project. Each task on a Gantt chart is represented as a single horizontal bar on an X-Y chart. The goal of this chart is that every task can be visible and clear with a timeline. (Van der Wagen 2007, 186) Gantt chart is great tool for a project that has many tasks, both immediate as well as that can be done in many stages. Gantt chart is unnecessary in small projects as the Friskies sampling promotion. The chart would have been appropriate, if the original plans for this project would happen.

A check list is a great tool to make sure that every single detail is memorized to be done. (Van der Wagen 2007, 189) Check list was used in managing the Friskies project, as there were several details that needed to be done such ordering visuals and booking the location. The check list was made in form of a time table so one can see when at the latest the task must be done.

Effective communication is very important in project managing. Everyone that participated in the project must be aware of the goals and aims of the project as well as the production. Constant consultations must be organized including all the parties involved in the project. Actions must be accepted from everyone for less confusion, and this can be easily made by quick contacting in shape of phone call, face-to-face meeting etc. (Van der Wagen 2007, 196) As in most of the projects, there is a manager and a commission. The manager's responsibility is to notify the commissioner/customer of any taken steps or changes. To have a successful project or event, it is very important to aim to satisfy to customer and put their desire in first place.

It is very typical in event project that planning takes a lot of time put the implementation itself happens in a short time and quickly and it often comes as a surprise once it is over. Things can go bad in immediate turn unless there was good planning that prevents any problems or risks. (Van der Wagen 2007, 196) A good manager can assess beforehand all the possible turnouts and risks and develop a back-up plan and have it ready to be implemented if needed.

## **2.3 Sales Promotions**

History can say that the first thought of the human was to promote ourselves. Nowadays we have more tools than ever to promote ourselves and our skills and knowledge. People are more often putting their selves out in the open to succeed or perhaps to develop their selves (Preston 2012, 28). Just as we put ourselves out there, so are doing the companies. Everything is about promoting, it is in our genes, it is in the core of a company.

### **2.3.1 Definition of Sales Promotions**

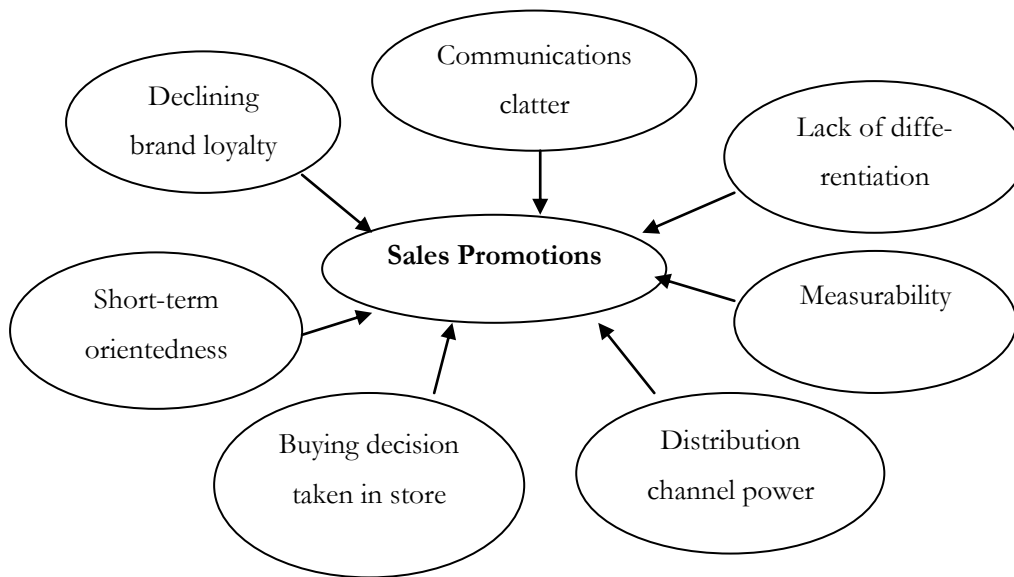
A promotional activity is quite different than advertising. Event promotion has a direct link to the marketing plan and marketing objectives, with a very tight connection with the customer in order to achieve the marketing objectives. Once a market research is made and the target group is decided, it is much easier to decide on the style of promotion. Basic forms of promotional activity are direct marketing, sales promotion and personal selling. (Van der Wagen 2007,200)

Sales promotion is a technique that is mostly used in the short run, for short and quick results, unlike other tools in the communication mix. Sales promotions are “action communications” to increase sales, both from existing customers purchasing more products and by attracting new customers. Promotions tend to be short on time, yet reactions of this marketing tool can be visible immediately. Because of this, sales promotions are easily to be measured about their effect, than and advertising or other marketing communication tool. (De Pelsmacker, Geuens, Van den Bergh 2007, 354) Not all sales promotions can show immediate effect, and not all are created with a same goal. Immediate effect can be mostly seen in a product promotion.

Promotions must be significant to actual have a response or effect. Even though the main goal of promotions is to increase immediate sales, they can also be used more strategically as a creating a certain picture of the brand or building better relationship with the customers. On the either site, too frequent promotions might make the brand

“cheap” because they are promoting themselves constantly, reaching for attention. (De Pelsmacker, Geuens, Van den Bergh 2007, 354) For this reason some companies might avoid promotions totally because there is no long-run, and in the end it might become even more expensive than any other marketing communication tool.

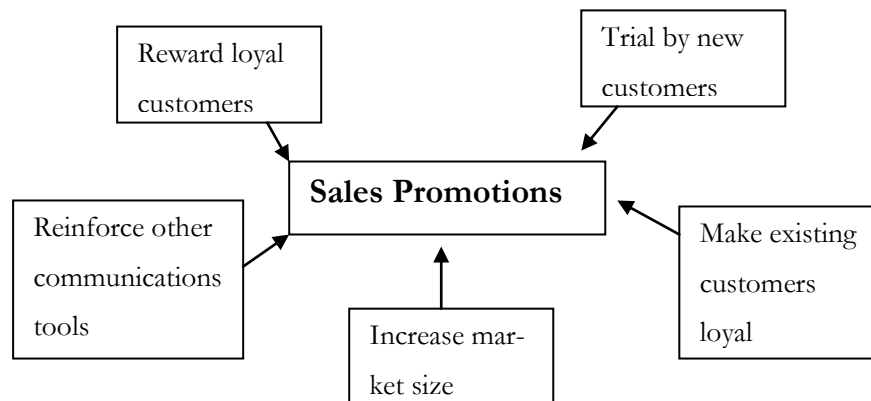
Figure 1. Factors for using sales promotions



### 2.3.2 Forms of Promotions

**Consumer Promotions** can have several objectives and target groups. Mainly it is aimed to attract potential customers. Offering trial is a sort of promotion campaign for new customers in desire that the customer will switch brands to the promoted one, or perhaps try it for the first time and staying as continuous customer, which is very rare to happen through this kind of promotion. Trial promotions are mostly used when launching a new product or brand that belongs in a certain category. (De Pelsmacker, Geuens, Van den Bergh 2007, 357) This kind of promotion is not proper for this kind of project, as the product is sample. Nestle Purina could create such a promotion, but according to the target group, such a promotion would not much matter as the pet is the one using the product and the pet cannot be affected by promotional strategy if they don't like the product.

Figure 2. Objectives and target groups of consumer promotions



There are three categories of consumer promotions; monetary incentive, product promotions and a prize competition. The **monetary incentives** mainly happen as lowering the price of the product which improves the price quality ratio. (De Pelsmacker, Geuens, Van den Bergh 2007, 359)

The most direct and visible monetary incentive is a discount right on the spot clearly visible for the customer. This is the most immediate and simplest price promotion for all parties involved around the product. This is easy way to organize sales promotions because it does not require much of an effort to any party and the consumer can see the difference and the uniqueness of the promotion immediately. (De Pelsmacker, Geuens, Van den Bergh 2007, 360)

**Product plus or extra volume promotions** offers more than one product for a price of one. As a matter of fact, extra volume promotions is just a different form of a price promotions since the price of the product is cheaper than normally. Promotions as this are meant to increase “basket-filling” meaning that more products will be bought because the price is so cheap and one cannot miss this kind of opportunity. If the product is new, it is more likely that the customer would not purchase when there is extra volume promotions. (De Pelsmacker, Geuens, Van den Bergh 2007, 363)

**Contests** as promotions are very like to be in shape of creating a slogan or an advertising headline, recognizing a voice or a piece of music or estimating how many people will send back a coupon. Lotteries based purely on chance. Whereas in other contest forms customer is engaging with the company and the product and can affect on the winning possibility. (De Pelsmacker, Geuens, Van den Bergh 2007, 364)

In **Product Promotions** the customer gets free product either as motivation to purchase a product or as a reward of purchasing it. Sampling is a promotion technique that offers small samples, mostly free of charge. The sample can be distributed by mail to a specific group or perhaps events that are arranged for the wanted target group. Samples can be distributed through media as well, for example as gift in magazine. Sampling can also happen as a part of demonstrations. This can be considered as a combination of personal selling and consumer promotions. A salesperson would demonstrate the product and attract customers whereas a sample can be a “deal breaker”. Sampling is a great tool for a product that not necessarily advertising could increase sales and recruit new customers. A possible disadvantage in distributing samples is that it might get expensive having created small samples in large quantities and the production itself might be quite challenging till the end. (De Pelsmacker, Geuens, Van den Bergh 2007, 365) Creating a sample could be a large process, starting with creating small sized product and finishing by packaging. The brand itself cannot organize the whole process, which means sampling can be expensive, yet very effective as the customer might want more. In the case of Friskies sampling, if the cats like the one meal sample, their owner will purchase the product and stay loyal until a new trial happens and the cat prefers the new food. Therefore, one cannot guarantee of the total success and achievement of the goal of the sampling, but if it happens, it is possible to be long-termed.

Different **promotion** tools can be used to motivate the **trade**. This kind of promotion is made between manufacturer and retailer. There are different incentives that the manufacturer offers to the retailer as a motivation or perhaps even award to make higher sell. (De Pelsmacker, Geuens, Van den Bergh 2007, 369) This kind of promotion is not relevant for increasing marketing communication with the customers, there-

fore it will not be with details explained in this thesis, as it is not connected with the project.

## **2.4 Fairs and Exhibitions**

An exhibition is a place where people or companies of same interest can meet and trade products or services. Exhibitions could be made for additional knowledge for a certain department or for selling a product for specified market. The goal for arranging exhibitions can be very different. It can be product oriented; launching or demonstration of product, generate sales. Exhibition can be significant also company wise as it can build relationships and raise company awareness. (De Pelsmacker, Geuens, Van den Bergh 2007, 440) A sampling promotion during fairs/exhibition can be a success as there are people with common interest and the samples are meant for that public. This kind of event guarantees high reach of target group as the event is meant for that target market, taking as example PetExpo where there is Friskies cat food sampling.

### **2.4.1 Fairs Helsinki Messukeskus**

Messukeskus, Expo and Convention Centre Helsinki offers the opportunity for face-to-face encounters during trade fairs and other events. Exhibitions, meetings, congresses and other events held at the Centre attract 10,000 exhibitors and 1.1 million visitors annually. (Messukeskus, 2015)

There is a wide range of participation forms in the Exhibition Centre such as personal fair stand, joint and theme-based stands, promo stands, partnerships etc. Messukeskus offers its customers a productive, social and exciting encounter media and an environment that can be adapted to whatever needs the event may have. Fairs are an essential part of a company's marketing efforts and offer unique opportunities. As with using other media, success at fairs is based on know-how.

## 2.4.2 PetExpo

PetExpo is an international pet event, which usually is arranged annually at Messukeskus. The fair's programme includes different kind of pet shows along with brands that offer their services or products concerning pets.

According to statistics made by Messukeskus, there was 47 331 visitors at 2013 PetExpo. 67 per cent of the visitors were women and around the age of 40 and 55 per cent of the visitors came to PetExpo looking for cat food, for purchasing or perhaps a free sample, which indicates that the target group of Nestle Purina's Friskies can be successfully reached in this event. (Mediakortti, 2014)

## **Project Process**

### **2.5 Project Management**

The project was managed by the writer of this thesis and supervised by Gasolin's sales manager Terhi Toivonen. The customer as well as commissioner for this thesis, Anette Torp, was frequently contacted in each step of the project, by email or phone. The responsibility of Gasolin was to idealise and put in motion sampling promotion in a creative way where cat owners can be reached. Cooperation was made with advertising company, Better Business Office Oy (BBO). BBO is responsible for all the advertisement and communication of Nestle Purina in Finland. Their part was to create the visual elements for the sampling promotion as well as design the sample bags.

### **2.6 Project Production**

The production of the project started with deciding the budget. The budget included working hours of Gasolin's personnel, the idea, van rent, branded visual elements, promoter's working hours and storage of the samples. Once the budget was agreed, ideas were presented according to the budget that can be used. By that limitation, PetExpo was the best option for the sampling promotion, due to presence of the target group and costs. This kind of promotion belongs to the category product promotions. A promotion where free sample is given in an event where the target group can be found.

The first step was to create a run sheet in a form of time table, where all the steps are written down and when it has/will be done. Gantt chart would not fit in this kind of project, because there is not much to be done. The sampling bags were BBO's responsibility to assemble, which took longer than expected, so the date on the time table was not followed, however, it did not cause any problem for the promotion. Meanwhile, the location for the sampling promotion at PetExpo (Messukeskus) was booked. The promotion location took place outside, at the north entrance from where most of the people came in and out. This location was more affordable than inside, yet however it was strategically better, because people had to pass by from there. The sampling pro-



motion took place at 11<sup>th</sup> and 12<sup>th</sup> of April, during Messukeskus' opening hours. Three promoters were booked for the first day, whereas for the second day there was only two, in order to reduce extra costs. The promoters were chosen on base of capability to approach people and knowledge of animals and cat foods. The next step was to order all the visual elements such a beach flag, baskets, jackets, stickers and van, all branded as Nestle Purina Friskies. Each element had to be ordered from different companies and in some cases the logo had to be adjusted. For example, the jackets were black whereas the logo of Friskies is also black. With permission of Nestle Purina, the logo was changed by BBO to fit with the jackets.

Two days before the sampling promotions, training was held for the promoters about the product, the idea of the sampling and what is their work description.

Picture 1. Timetable of Friskies sampling

FRISKIES NESTLE PURINA / Sampling						
WEEK	DATE	TIME	LOCATION	TASK	STAFF	COMMENTS
12			Gasolin	Assembling the sample bags		The sample bags as well as the print attachments should arrive to Gasolin's storage latest by week 11
14	Sat 11.04.2015	08.30-18	Helsinki Fair and Exhibition centre	PetExpo sampling	Three promoters	North Entrance; There will be visual elements such as branded clothes, baskets etc
14	Sun 12.04.2015	08.30-17	Helsinki Fair and Exhibition centre	PetExpo sampling	Two promoters	North Entrance; There will be visual elements such as branded clothes, baskets etc
15	Fri 17.04.2015	11-20	Keskustori Tampere	Sampling	One local promoter and one from Helsinki	The sampling will happen on the streets and nearby the cat cafeteria
15	Sat 18.04.2015	11-20	Ideapark Lempäälä	Sampling	One local promoter and one from Helsinki	The sampling takes places in a shopping mall which is one of the largest in Scandinavia. Our aim is to be near by to pet shop as well
16	Fri 24.04.2015	11-20	Helsinki Rautatientori	Sampling	Two promoters	Sampling on the streets; Helsinki's centre
16	Sat 25.04.2015	11-20	Narinkkatori	Sampling	Two promoters	Sampling on the streets; Helsinki's centre
17				Final Report		

## 2.7 PetExpo

The sampling promotion took place on 11<sup>th</sup> of April, starting from 08.30 till 18.00 and 12<sup>th</sup> of April from 08.30 till 17.00. All the visual elements were set and the sampling

began on time on both days. People were approached by handing the sample and saying “Friskies Crunchy & Soft for cats” or asking if the person has a cat or knows someone who has a cat. Since many did not have cats the promoters would ask if perhaps a neighbour or co-worker has.

There were frequently people, and every each person was reached due to our good location and the amount of promoters. During the first day, samples were given one per cat and in total we gave away 4 500 samples, whereas the second day we gave two per cat because most of the people would ask for and in total 5 500 samples were given.

Picture 2. Sampling promotion of Friskies



### 3 Project Analysis

The project in general went well and smoothly. Unfortunately, due to external reasons, the original idea of the project was not able to fulfil.

Originally, the samples were supposed to be given to cat cafeterias where the guests could take sample bags with them. However, one of the cat cafeterias had annual contract with another company and the other cat cafeteria was still concept in progress. Needless to say, these are basic risks that one can stumble upon when managing a project. Therefore the project continued by creating a new concept.

Since the project was quite simple, it was very easy to manage even though they were three parties involved; the customer, promotion company and advertising company. Such a project did not require much of an expert, because it was very clear what can and should be done and the timeline was sufficient.

The sampling promotion can be stated as successful, giving that all the samples were distributed and 60 per cent of those who took a sample bag were part of the target group. In general, 80 per cent of those who received a sample bag had a cat and the rest took as a gift for a neighbour, grandmother or co-worker or in some cases, dog owner's took sample bag as a snack for their dog. Most of the PetExpo's visitors were dog owners and got disappointed when noticed that it is a cat food. Perhaps in the future, both Friskies can be sampled, for dogs and cats, as the dog owner's amount in Finland is very high.

To most of the cat owners, Friskies Crunchy & Soft was unfamiliar, which proved that the sampling promotion raised the awareness of the brand and its product. Many of the cat owners would say that their cat is very picky and does not eat just anything and said they would give it a try, which also fulfilled one of the promotion's goals. If their cat would like the product, it is very likely that the cat owner would purchase the product and stay loyal.

The promotion itself went quite well, considering the awareness that was raised. Promoters were chosen wisely and they followed the instructions; offer a sample bag and

make it clear what the product is and for what purpose it is. Therefore, it can be stated that each sample bag went in use.

The project was finished by giving a final report of the promotion, which included statements of the promoters of the promotion days as well as data figures that were carefully gathered during the promotion. This number should help the customer, Nestle Purina, to see the success of the promotion and how to proceed with promotions for this kind of target group in Finland.

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