

Executive Summary

The Marketing Strategy of Häagen Dazs is moving towards the direction of penetrating into the younger generation creating a new look for the café so as to transit into the corporate image, strengthening Häagen Dazs niche into the target market and lastly continuously maintaining prices at a competitive level.

Häagen Dazs, located at Holland, is one of the favorite haunts of the expatriate community and Singapore's young and trendy even though it has the feel of a village. This area has developed into a fascinating microcosm of Singapore life, together with its HDB statistical highlights of 10,000 residential units, which will eventually increase to 15,000. As such, a comprehensive marketing plan has been developed to tap the full potential of the catchment.

Holland Village has offered value meals, concession rates and promotion. In its effect to introduce a corporate image, a web page have been posted in the internet which provides a list of flavors of all the ice cream, feedback, on line purchase whereby a minimum purchase of ice cream entitle the customer to free delivery service.

Häagen Dazs has taken a new direction in creating new product such as the mini-bar and cone ice cream; vitamins enhanced ice cream, Mondae, ice cream sandwiches to reach out to the young executive markets. Malay community can also enjoy the super-premium ice cream in Häagen Dazs as the store is "Halal" certified by MUIS.

Management has come out with various evaluation methods such as the monthly income statements, feedback forms to monitor and fine-tune their service and also their budgets to prevent from swaying away from the desired objective.

Introduction

Today, the name Häagen Dazs gives peoples the concept of super premium ice cream valued at premium prices. This concept conceptualizes from Häagen Dazs' philosophy of providing ice cream of non-compromising quality and promising consumers the extraordinary pleasure of pure ice-cream enjoyment.

The idea of premium ice cream originates from Reuben Mattus, the founder of Häagen Dazs. He was a Polish immigrant and worked in his family's ice-cream business as a youngster and later came up with the idea of producing a premium line of ice cream, Häagen Dazs, in 1959. Pillsbury bought the Häagen Dazs empire from Reuben Mattus in 1983 while Mattus founded Mattus ice-cream company in 1992. He died in 1994 at the age of 81.

Since then, Häagen Dazs continued to grow and entered Asia via Singapore in 1983. Several outlets were set up in Singapore and they totaled to 12. Holland Village Häagen Dazs was among the earliest outlet to be set up in Singapore and the reason for its set-up was because of its good location. Häagen Dazs has gained recognition from Singaporeans over the years for its super premium quality ice cream and this is evident through the increase in the number of outlets locally.

1.1 The Micro Environment

1.1.1 Häagen Dazs Holland Village Cafe

There are a total of 12 Häagen Dazs outlets available in Singapore. Six Being dip stores mainly for take-aways and the other six are cafes catering to dine-ins and takeaways. Häagen Dazs Holland Village being one of the six cafes outlets opened in the 1991. Situated in the heart of Holland Village, next to blue submarine pub & cafe, located near Holland Village Shopping center and Buona Vista MRT, in the western side of Singapore:

Address: 21, Lorong Mambong Singapore 277680

Telephone: 462-5347

The Store measuring up to about 750 sq. ft of which 30% to the Kitchen area and the remaining to take -outs and dine-in. The rental measures up to \$20,000/mth. The ice cream Palour is designed along the lines on the concept of take-away fast food outlets.enhance accessibility for customers to purchase take-aways. The store non-conditioned and conditioned area cater to the different preference of sitting area by customers. Both providing a cozy and spacious dine-in area. It has 2 supervisors, 3 Kitchen helpers, 2 staffs at the ice-cream booth and 4 waiters at the dining area, to run the daily operations of the outlet. These staffs are strictly trained and well motivated to combine their knowledge and learning experiences to ensure quality service is provided to customers, as well as to achieve Customers satisfaction.

Operating Hours of the outlets are: Sun -Thur from 12noon- 11pm catering for afternoon tea- breaks and after work relax coffee breaks. Fri, sat & Public Hol from 12noon- 12 am catering to the busy crowd on weekends.

Ideally situated near a busy neighboring shopping mall and an area filled with restaurants, pubs and Jive. Holland Village Häagen Dazs is able to capture a high Volume of human traffic to the outlet.

1.1.2 Suppliers

All Häagen Dazs ice cream are manufactured with perfection in the exclusive, Häagen Dazs factory in new Jersey. The factory only uses the most accurate, state-of-the art equipment to produce pdts of consistently high quality to meet customer demands. The strictest quality controls in manufacturing the product is instilled such a storing at 0 degrees Ferent Height (-18 degrees Celsius) and hygienic Conditions. The advantage of having a centralized factory is that a fixed recipe is followed. This ensures that taste does not vary unless it is intentional to modify or change the recipe or flavor. Häagen Dazs gets supplies of ingredients from around the globe. Such as cocoa from Dutch, matcha tealeaves from Japan, slow-roasted Brazilian coffee and quality milk by healthy cattle kept at constant pH level 6. Manufactured ice- cream are distributed to the outlets by Pinedale trading Pte Ltd.

1.1.3 Marketing Intermediaries

Häagen Dazs does not depend on other companies for marketing ideas. The company itself has a marketing department, which is led by the Marketing manager. The marketing department holds the belief of maintaining its popularity through customers who act as marketing intermediaries using word of mouth instead of spending massive amounts of money on advertisements. The Häagen Dazs people emphasize on quality of its ice cream rather than the quantity of advertisements to increase sales.

Other than the Häagen Dazs cafes, intermediaries like NTUC (National Trade Union Corporation), Cold Storage, 7-Eleven stores and TOPS sell Häagen Dazs's ice cream in pints or tubs to final buyers.

1.1.4 Consumer Market

Through the years, Häagen Dazs has succeeded in its attempt to become a well-established name famous for its super-premium ice cream in assorted flavors. Being located at one of its outlets in Holland Village, which is recognized by others as a food paradise, its customers consists of the following:

- 1) Students from Polytechnics, junior colleges like National Junior College and Hwa Chong Junior College, SIM and NUS are likely the potential customers as it is accessible to them through direct buses or MRT.
- 2) This does not exclude those customers patronizing the shopping center beside Holland Village and people working in the various restaurants besides Häagen Dazs itself.
- 3) Working professionals mainly in the CBD area come down for dinner, coffee or desserts after work to unwind themselves from the stress faced at work and it is also a place for their gatherings and relaxation
- 4) Located outside Holland Village are residents living in the HDB flats along Lorong Mambong. These residents patronize Häagen Dazs as it is within walking distance from the area they are living in. These residential areas in Singapore are what Häagen Dazs sees as the potential of the market. Being Situated at Holland Village, this outlet sees the need to capture the market, alongside with its competitors such as other food restaurants.

1.1.5 Competitors

The presence of 7-Eleven and Cold Storage offering a variety of ice-cream in tubs and cafes such as NYDC(New York Dessert Café), Death By The Chocolate, Starbucks, Coffee Bean & Tea Leaves and Coffee Club Express present stiff competition to Häagen Dazs. Similar to Häagen Dazs, these cafes have well-established names and are conveniently located at Holland Village. Other pubs such as Wales, Wala and Chaplins do not lose out to Häagen Dazs too as they are popular night hangouts. In order to maintain its competitiveness, Häagen Dazs has to capitalise on its marketing strategy while bearing in

mind its own size and industry position in order to provide even greater customer value and satisfaction than its competitors to target customers.

1.1.6 The Public

The media can have an impact on the organisation's ability to achieve its objectives. In Singapore, media plays an important role especially in this Information Technology age where there is a propaganda of information through magazines, newspapers, radio and TV advertisements and cinema advertisements. By giving critics, The media public can boost or damage Häagen Dazs' image which in turn affects the consumer's demand for Häagen Dazs. The Food Critics is a way in which the media can affect a particular product.

The government public is another factor to be considered. In Singapore where strict rules and regulations exist, it is not easy to obtain a license for a franchise. For food products like Häagen Dazs, the government conducts tests on the quality and level of hygiene and makes sure that every product passes the stringent test.



1.2 The Macroenvironment

1.2.1 Demographic Environment

As at July 1998, the population of Singapore stands at 3.13 million. Of the total population, 1.563 millions are males with the remaining 1.577 millions females. The population growth was about 1.91%, a consistent figure compared to the estimates of July 1997.

Häagen Dazs Holland Village is located in Clementi. Statistical highlights from HDB as at 1998 shows that the neighborhoods had a population of 15,000 (See Appendix on HDB Statistical highlights). Presently there are 15,000 residential units and the figure will increase to 30,000 eventually.

1.2.2 Economic Environment/ Performance 1999

The Singapore economy experienced the full impact of regional crisis in 1998. Economic growth last year slowed sharply to 1.5 per cent, markedly down from the revised growth of 8.0% registered in 1997. Growth decelerated steadily throughout the year, with the Singapore economy slipping into recession in the second half of the year. On a year-on-year basis, GDP growth has turned negative for the last two quarters of 1998.

The sharp contraction in regional demand was the key cause of our economic weakness. The crisis-afflicted economies of Indonesia, Thailand, Malaysia, Korea and Hong Kong all suffered recessions in 1998, with significant output declines throughout the year.

Through our close economic linkages, problems in these six Asian economies impacted Singapore, particularly for the more regional-oriented services sectors. For example,

overall trade shrank by 7.5 per cent in 1998, visitor arrivals declined by 13 per cent, while activities in the Asian Dollar Market contracted by 10 per cent.

Retrenchments reached an all-time high of 28,300 as rising competitive pressures, coupled with the fall-off in business demand, led to consolidations in business operations. Job insecurities and lower wage growth caused a 0.1 per cent decline in private consumption spending. As demand declined, prices fell and the Consumer Price Index contracted by 0.3 per cent for 1998.

Due to the regional recession, Häagen Dazs had decided to adopt a constant pricing strategy in 1999. The management team believes strongly that despite the slowing down of the economy, Singaporeans are generally considered to be an affluent group and with a strong and stable government, Singapore is believe to be able to weather this regional recession.

1.2.3 Natural Environment

Singapore is situated in the tropical region with the hot and humid climate. With temperature ranging on average from 27 to 32 degrees Celsius, the premium ice cream seems rather appealing. With its dining in and take-away options, consumers are able to enjoy their ice-cream whenever they want, be it under the hot sun or a romantic ambience under the moonlight.

1.2.4 Technological Environment

The Internet, hailed as a new benchmark of doing business can reach out to millions of people with just a click of the mouse. In Singapore, more than 2 million of people have Internet access and 0.5 million of people have tried buying or have the intention of buying from an online retailer. Already, Kentucky Fried Chicken and Pizza Hut in Singapore have more than 500 orders coming from online ordering per day.

The Year 2000 issue is another technological factor that might result in system failures, miscalculations, and the inability to engage in similar normal business activities. In addition equipment using embedded chips, such as manufacturing and telephone equipment, could also be at risk. Also, there can be no guarantee, that the systems of other entities which Häagen Dazs relies upon will be converted on a timely basis or that any failure to convert by another entity would not have an adverse effect on the Company's systems and operations.

Contingency Plans

Due to the general uncertainty inherent in the Year 2000 problem, including uncertainty regarding the Year 2000 readiness of suppliers, distributors and other manufacturers, the Company is developing contingency plans. This process includes, among others, developing backup procedures in case of systems failures, identifying alternative production plans and developing alternative plans to engage in business activities with customers, distributors and suppliers that are not experiencing Year 2000 problems.

1.2.5 Political Environment

Singapore is a republic with a parliamentary system of government and is reputable for its credible, stable and transparent government. The Asian financial crisis that swept through the region had altered the external environment significantly which highlighted the importance of Government's role in economic and financial management. The Government have continued to play an active role to support and facilitate the private sector through provision of sound, consistent economic policies and a regulatory environment that is conducive to the conduct of business. As Singapore is transiting towards a knowledge economy, the government has encouraged older Singaporeans in the workforce to retrain and learn new skills and the development of entrepreneurship. To enhance the quality of life in Singapore, Singaporeans are also encouraged to lead healthy lives through strong policy support by the government.

1.2.6 Social Cultural Environment

Singapore is a vibrant, multicultural, sophisticated city-state where tradition and modernity, east and west, meet in comfortable companionship. The convergence of rich and diverse cultural influences has endowed Singapore with both a traditional and contemporary mix of food. Singapore is a gourmet paradise with an incredible range of cuisine and it is of no surprise that one of Singapore's greatest passions is food!

Holland Village is one of the favorite hunts of the expatriate community and Singapore's young and trendy even though it still has the feel of a village about it. This area has developed into a fascinating microcosm of Singaporean life. This is reflected in its curious mix of old coffee shops and ritzy wine bars; its colorful blend of foreign shops and local mixed trade as well as its many ethnic restaurants and fast-food outlets.



1.3 **S . W . O . T** Analysis

After conducting our market Survey, we have analysis the findings, identifying a number of opportunities and rectifying the threats facing Häagen Dazs as well as its strengths complementing and weakness to tap the opportunities.

1.3.1 Strengths

Analysing from the organisation's perspective itself. The competitive edge of the company can be improved by considering these areas:

Brand fame

"Häagen" is from the Danish capital "Copenhagen" and a euphoric suffix "Dazs" is a European Name that came into the Singapore Market in 1983. It has been around in Singapore for more than 16 years. It has expanded from one little outlet to having 12 outlets all around Singapore. It's unique and distinctive brand has been brought tominds of the customers of Häagen Dazs product attributes as " the words finest quality premium ice-cream made of the highest quality ingredients". From the start, there was not much formal or intense advertising but more of gaining people's attention by word of mouth. Most Singaporeans would have heard of Häagen Dazs as seen in the surveyed carried out.

Finest ingredients

Häagen Dazs emphasizes greatly on the quality of the product. Only the finest ingredients are used in Häagen Dazs super-premium ice creams, frozen yogurts and Serberts. the ingredients are source from around the world. such as Pure Dutch Cocoa, matcha tea leaves from Japan and Brazilian Slow-roasted coffee. to top it up, all ingredients are natural with no preservatives, artificial flavor, stabilizers, additives/ colorings, Häagen Dazs is dense, offering more ice cream, and indulgence, in every scoop.

High standards of storage quality of product

Häagen Dazs employs stringent measure to storing of products so as to maintain the freshness and quality of the products. Häagen Dazs products are best stored unopened at 0 degree ferentheight (- 18 degree Celsius). For longer storage, -15 degree ferentheight (-26 degrees Celsius) is recommended. thawing and refreezing can create crystals in fine Ice cream, which diminishes quality. this is prevented from happening by the stringent measures on storing emphasize by Häagen Dazs on it's Product.

Emphasis on "Healthy lifestyle"

Häagen Dazs has created a wider range of ice cream from full-flavors ice cream to fat free frozen Yogurt. this new Healthy ice cream product allows health conscious consumers to slip into a world of indulgence in every scoop of Fat-free frozen Yogurt with equivalence to that of a scoop of full-flavored Ice-cream. Häagen Dazs fat-free frozen yogurt not only have the benefit of zero fat contents in it, it contains calcium. an essential nutrient that builds and maintain strong bones and teeth , helps regulate heartbeat and muscle contractions and helps in proper blood clotting.

High Standards of Hygiene on product or service

Häagen Dazs cafe maintains a clean and hygienic environment for consumers. Proper storage space for raw materials have been allocated and service staffs are trained to practice the standards of hygiene set by the company . the service staff wears a cap, mouth cover and gloves , while serving take-aways.

Economies of Scale

Häagen Dazs is operating on a fairly large scale. The large quantity of raw materials and supplies of ingredients from supplies enables them with the bargaining power to ensure timely delivery of materials and to ensure a steady supply of ingredients with constant high quality. And the bulks of ice cream manufacture daily enable the use of machines, which

increase efficiency and reduce labour costs .Thus enable them to practice economies of scale.

Strategic Location

Holland Village is a one-Stop location and a highly accessible area through the Public transport system. Holland village shopping center located there provides residents around the area to do their groceries shopping at Cold storage and run their errands at POSB located there or at any convenience stores. It attracts the young working executives from the CBD are or town and students from the various tertiary institutes like Singapore Poly, National university and others to dine at Holland Village with the array of food places available. Ranging from the Low-end, market hawker, to the high-end Italian restaurants. In addition, it draws crowds of army personnel's from the near-by camps like Mowbray Camp, School of Military Intelligence etc, to hang-out in the various cafes and pubs available. The large crowd flocking in from all area help to broaden the customer base of Häagen Dazs Holland Village.

The " New appeal " factor

Häagen Dazs has revamped the design of the cafe to keep up with time and competitiveness. it employs the "Al Fresco" style for open air lovers and adopt a more "coldzie" environment for air-con lovers. In conjunction with the objective of maintaining a pleasant and cozy ambience for the customers, the new look of the cafe will set a new feeling and appeal to customers longing to see a new style ad awaiting for a new feel.

Word of Mouth through Customers

Häagen Dazs has always maintain a high quality in the ice cream. Advertising was not the key tool to spread the high standards and taste of the product. it was more of the customers indulging and ever-lasting experience with the denseness from every single scoop of the ice cream.

1.3.2 Weakness

Storing

Most home freezers cannot handle the low temperature that Häagen Dazs products are best stored at. It should be stored unopened at 0 degrees F (-18 degrees C) and for longer storage, -15 degrees F (-26 degrees C) is recommended, which is colder than most home freezers can manage. Thawing and refreezing can create crystals in fine ice cream, which diminishes quality.

Environmentally Friendly

The packaging that Häagen Dazs is using now is not exactly environmentally friendly. The plastic caps that they use in pints are not recyclable. Consumers who are very concern for environmental issues might just decide to skip the product because it is not recyclable. Natural products in environmentally friendly packaging are perceived to be better for the body is quite popular with consumers.

A change in packaging to recyclable materials might improve the image of Häagen Dazs as not just having natural ingredients but also natural packaging that is good for the environment.

Lack of Advertisement

All these while, Häagen Dazs has been depending on the grapevine (word of mouth) tactics to promote its products. Although the method has proved to be very successful with Häagen Dazs, it is not advisable to be solely dependable on it.

The lack of advertising may mean that Häagen Dazs is losing to its competitors in terms of awareness. There might be people who might not even know of the premium ice cream much less try it.

Super Premium Price

The main factors for consumers are value for money, quality and taste. Even though consumers are attaining greater social status and increased purchasing power, people are still very protective of their money after the economic slowdown. The price at which a single scoop of Häagen Dazs ice cream is at \$2.95 which is much more than other ice

cream belonging to the same super premium category. Consumers might hold back the idea of even trying the ice cream because of the super premium price

Limited Flavors for the Low Fat Products

The ability to successfully introduce innovative flavors on a periodic basis that are accepted by the marketplace is a significant competitive factor but many innovative flavors are mostly targeted at the North American continent. In Singapore, there are lesser flavors compared to in America and Japan. Variety can be assured by increasing the range of flavors available to local consumers.

Perishable

Check the package for the "best before" date. Although better if eaten within two months of purchase, Häagen Dazs is still excellent up to 12 months after production. During transportation from factory to store, Häagen-Dazs maintains its ice cream at a target temperature of -15 F.

1.3.3 Opportunities

Increase range of low fat products

Singaporeans have become increasingly aware of the food they consume as every calorie counts. They tend to opt for food which are low in fat, cholesterol, sugar or salt. This health trend prompts Häagen Dazs to widen its range of low fat products especially for ice cream. This is an opportunity to penetrate the potential market.

Awareness through heavy advertising

Häagen Dazs does not engage in heavy advertising as it believes in word of mouth through customers. Nevertheless, in this century where the media is so rampant, Häagen Dazs should try to promote consumer awareness through means of advertising such as television, Internet, magazines or bus advertisements while keeping track of the budget set aside for advertisements.

Increase in demand for economical set meals

The idea of economical set meals is another way of promoting Häagen Dazs products. It is a way of product mix such that the less popular product can be promoted alongside with its well-known product. This is also ideal for promoting any new product. By having such meals, It allows Häagen Dazs to stand in good stead with its competitors' promotional offers.

1.3.4 Threats

Threats are factors that will harm the company's competitive situation. Threats that could harm Häagen Dazs are :-

More dessert places in HV

There are many dessert places situated at Holland Village. All these competitors may serve as a threat to Häagen Dazs because of their relatively cheaper price in their ice cream and dessert. Some of these competitors are Seven 11, Cold Storage, Supermarket, Death By Chocolate, NYDC, Coffee Bean, StarBucks, A & W etc.

Steep Pricing/ lower pricing of competitors

As the price of our premium ice-cream are relatively steeper compared to the other brands, consumers may tend to choose ice cream of a lower price if they are not looking in terms of the quality of ice cream.

Government health campaign

With the Singapore government emphasizing on campaigns on "Healthy Living" campaign and more Singaporean becoming more weight conscious, this has resulted in consumers cutting down on their consumption of ice-cream products which lead to a reduction on their company's earning.

2 Objectives

2.1 Häagen Dazs Philosophy

We select only the highest quality, all natural ingredients to create Häagen Dazs. Häagen Dazs contains no preservatives, artificial flavours, stabilizers, additives or colorings. This commitment to quality is why Häagen Dazs ice cream is the finest in the world



2.2 Häagen Dazs Holland Village Store Objectives

2.2.1 Service With A Smile

One way of leaving a good impression on customers who patronize Häagen Dazs is to adopt a positive attitude towards serving them. The moment customers step into the store, Häagen Dazs staff will definitely greet them with a smile. It is a good start as customers will feel obliged to smile back and feel good about themselves being appreciated even though they are only going in for a meal.

2.2.2 A Pleasant and Cozy Ambience

Since customers are going to spend time whether dining in the café, or just having takeaways, it remains important that they feel at ease inside. The air-conditioned café let customers feel comfortable while savoring the ice cream. Besides paying for the meals, they are also paying for the quality service of the staff and this encourages them to make repeated visits to the outlet in future.

2.2.3 To Provide an Efficient Delivery of Service to Customers

Be it just a takeaway or dine-in, Häagen Dazs promises an efficient delivery of service to customers. The readiness and attentiveness of the staff to tend to the requests of customers enhances the image of Häagen Dazs in providing quality service. Thus Häagen Dazs gains recognition among customers and builds personal relationships with customers so that they will patronize the store again.

2.2.4 To Achieve the Highest Turnover Among All Outlets

With a present turnover rate of 3% for this outlet, Häagen Dazs aims to achieve a turnover rate of 7 %, surpassing the other outlets in Singapore. To attain this objective, the outlet needs to put effort in its promotions to attract customers in Holland Village where a large number of people exists. They are usually students, working adults and residents living nearby. The promotions it engages in should be different and unique from the other outlets that will draw crowds easily. The Management is presently coming up with promotional packages to pursue this particular objective.

2.2.5 Marketing Objectives

1. Expanding the market share by penetrating into the younger market.
2. Create a new look to the café.
3. Strengthen Häagen Dazs niche in the targeted market.
4. To increase per customer sales per visit.
5. To increase the consumer market for the low fat yogurt products with the emphasis of healthy lifestyle and living.
6. To convince consumers that money is well spent and worth its while for there is quality in the product.
7. To set aside more money for promotions to increase the awareness of the people on the products.
8. Continuously maintain prices at a competitive level.



3 Selection & Measuring Of Target Markets

A market research was conducted around Holland Village. A sample size of about 200 people was taken, with 50 interviewed through Telephone Interview. The purpose of this survey was to find out the preference of customers to various products compared to Häagen Dazs. Besides knowing the preference of customers, the management teams can also derived customer's consumption pattern, perception and attitudes towards the Häagen Dazs. By conducting a survey, data are collected and analyzed, graphs are plotted so as to give a clearer picture as to the direction and strategy Häagen Dazs is going to adopt for the coming Millenium.

The Market Research process consists of the following 5 steps:

1. Defining the problem and research objectives.
2. Designing the research plan.
3. Collection of data.
4. Analyze and interpret results.
5. Report research findings.

3.1 Defining the problem & research objectives.

The management team of Häagen Dazs is aware of the fact that the world is dynamic and factors are forever changing, making decisions are difficult and often plagued with risks. Statistics help them to reduce the risks in decision making. In order to maintain in the competitive edge, they realize that they have to be always in front of others. The main purpose of this research is to deduce the current position of Häagen Dazs so as to assist in

the developing and delivering of its marketing mix by executing appropriate plans and communications activities. The research objectives are specially detailed as follows:

1. Establishing and responding to customer's preferences and consumption pattern.
2. Aware of current market competition.
3. Determine market potential for our promotion.
4. Consumers feedback.
5. Establishing the size of current and potential marketing.
6. Determining the effectiveness of current marketing strategy.
7. Demographics of consumers who purchase the product.



3.2 Designing Of Research Plan

3.2.1 Research Specific Information

1. The demographics characteristic of ice-cream consumers.
2. Consumer consumption behavior (Frequency of visits, usage pattern)
3. Consumer attitude and reaction to the new promotions.
4. Pricing Strategy that Häagen Dazs can adopt.

3.2.2 Gathering Secondary Information

Secondary Information consists of data that is used for a purpose which was not initially planned for, the data was collected for other purposes. Advantages of using Secondary data is that it is time efficient, cheaper, larger sample size and also bringing together of data from a variety of sources. However, addition research has to be done to ensure that the secondary information is relevant, accurate, up to date and unbiased.

Sources of information used are:

1. Annual reports from HDB and Singapore Statistics Board.

Annual reports from HDB on residential properties in Holland Village and its development provide the data on the population residing in the area. With this information, it provides a basis for estimation on the size of the potential market. Information from the statistics board provides the rest of the data required for the research.

2. Internet

Information from web sites on food in Singapore assist us in giving us an idea of the pricing and marketing strategies other food establishments are implementing.

3.2.3 Gathering Primary Information

Primary data can be collected by using quantitative research method. This method enables us to tabulate the result of our findings in numeric terms thus allowing us analyze the information.

(a) Telephone Interview

Telephone Interview is one of our methods of collecting Primary Data. Telephone numbers are picked randomly from the telephone book. The regions that are chosen for this survey are the neighborhood blocks situated near Holland Village. A sample size of about 50 people was taken for this research.

(b) Location Survey

Besides Telephone Interview, an extensive survey was also conducted over a period of 1 month along the premises of Holland Village. Although this method is slow, data collected are however fairly accurate and complete. Also, we can clarify to any ambiguity of the answers to be sought. A random sample size of about 150 people was taken



*R*esults *O*f *S*urvey

A sample of 200 people was used. The Survey was done over a period of a month from 15th Aug to 15th Sep. The survey was chosen to be done at the location of Holland Village Shopping Center and Buona Vista MRT, as well as phone interviews. The findings and the results of the survey are presented as follows:

3.3.1 Age Group

From the table (Appendix 1), the main age group that constitutes the largest proportion of the sample is the 19-24 age group standing at 40%. The next largest age Group would be the group ranging from 13-18 at 20% of the sample. For the 25-30 and 42-47 age group each constitutes 10% to the sample size. And the remaining groups (under 12, 31-36, 37-42 & above 47) contributes 5% each to the remaining of the sample size.

(Refer to Appendix 1)

3.3.2 Gender

The female population holds 53% of the sample where the male population stands at 48%. Thus the female population is stronger over the male population.

3.3.3 Occupation Statistics

Deriving from the results, the majority of the people interviewed are students and working executives, since Holland Village has a number of neighboring tertiary Institutes and it also provides accessibility to working executives. As some of them find it accessible to travel along the route of Buona Vista MRT after work.

3.3.4 Income Statistics

Most of the surveyed fall under the Low or no-income group (Below \$1000 i.e. \$1000 & below). It constitutes to 53% of the sample income earnings since most of them are students presently. The working class people mainly falls under the \$1001-\$2000 contributing to 28% of the sample size. And only a minority falls under the above \$4000 group.

3.3.5 Consumers Choice of ice-cream brand

Findings has shown that when the word ice- cream is mentioned, the first most commonly thought of Brand is Swensens (35%) Which has a very close competitor Häagen Dazs (33%). Where other brands like walls, Magnolia and Kings that have been around in the market for a relatively longer period has become Secondary thoughts. Minority has chosen new brands like Andersons and New Zealand Natural Ice-Cream. Base on the findings , it can be seen that consumers have diverted their preference from ordinary ice cream like Walls, to premium ice cream like Häagen Dazs.

3.3.6 Ratings of the various Brands of ice-cream

Surveyed have been ask to rate the various Ice-cream brand on the scale of 1-5 (1 being Not applicable to 5 being excellent)for taste, Value of Money and Convience. Through the findings, out of the various Ice-cream brands (Häagen Dazs, Walls, magnolia, new Zealand natural, Swensens, Kings and Andersons) Häagen Dazs has stood out as the one with a solid 50% rating excellent for taste. While the rest has only achieve 23% for ratings for excellent taste.

As for the value of money, Magnolia has earned the highest ratings. Fighting closely for the position is walls which is the next highest rated brand.

Lastly, Walls is rated highest for convenience. And running up the list for 2nd position is Kings and for 3rd is Magnolia.

3.3.7 Factors to consider upon purchase of Ice Cream

45% of the sample size consider taste as the first priority when purchasing an ice cream. The next crucial factor besides taste would be Quality holding 25% of the sample size. This reflects that the consumers concerns has switch from money terms to quality & taste in products.

3.3.8 Preference of Fat-free Ice cream compared to ordinary Ice Cream

A full 83% of the sample size indicate preference for fat-free ice cream with high calcium and protein. This shows that consumers take much emphasis in healthy living

3.3.9 Amount consumers are willing to spend on the products

For a single scoop of premium ice cream, 78% of the people interviewed would only pay \$2-\$3 for a single scoop. Where only 5% of the people will pay \$4-\$5. Therefore, indicating that price is still a determining factor be it premium or non-premium ice cream.

For a promotional set, 53% of the consumers are willing to pay \$8.90 for the set. The remaining 47% finds it mainly too expensive. They are only willing to pay \$5 and below for the whole set.

3.3.10 Favorite hang-out place

From the survey, the people interviewed choose Coffee Bean most commonly. Where there is quite a small proportion of people who prefer others besides those mentioned in the list. Only 7.5% of the people chose Häagen Dazs as their favorite hang out place.

3.3.11 Preferred type of Ice Cream

Majority of the surveyed prefer the full-flavored ice cream, 50% of the people in the sample size enjoys the full flavored ice cream, where another 25% goes to people preferring low-fat ice cream. The rest of the type holds a small population of the sample.

3.3.12 Frequency of visits

The survey reviews that 38% of the people have never been to Holland Village Häagen Dazs. And out of the remaining 62% , most frequently visited by the consumers are once every couple of months rather than those who visits Holland village Häagen Dazs once a week or more.

3.3.13 Customers expectations and general view of Häagen Dazs

The survey results show that 33% of the people feels that Häagen Dazs ice cream has greatly exceeded their expectations. 28% of the people feel that it has slightly exceeded their expectations. And 25% of them stands at just met their expectations. The remaining 14% did not meet their expectations. On the whole, Häagen Dazs ice cream has shown to achieve in satisfying their expectations.

And some 63% of the people being interviewed will definitely recommend Häagen Dazs to others as majority of them feel that Häagen Dazs has greatly exceeded their expectations where only a small 5% of people would not recommend to others. Generally, Häagen Dazs has achieve good standards and quality viewed by most people.

3.3.14 Ratings of the service and ambience of HDHV café

Findings stated that besides the 38% of people that find this section is not applicable due to the fact that they have not been to the café itself could not rate it. Out of the remaining 62% of people who have visited the café in Holland Village, 40% of them rated it's service and ambience good where there is only 2.5% that felt that service was poor. Häagen Dazs has achieved a certain standard liked by consumers and also allowing more room for improvement.

3.3.15 Market potential for promotions

In the survey, the response of the consumers to the implementations of online delivery service was measured. The majority of 78% would agree upon this idea due to the convenience and accessibility to it.

3.3.16 Awareness of product content

55% of the people interviewed does not know of the contents. This may be due to negligence or lack of emphasis on the product contents.

3.3.17 Source of awareness of Häagen Dazs

43% of the people learnt about Häagen Dazs through the word of mouth of friends. 33% of the rest found out from magazines and advertisements. The remaining found out by chance and other means.

3.3.18 Feedback for improvement

According to the results, a large bulk of people commended on lowering the prices, as the prices of ice cream are rather steep, hence making it less affordable. A small number of people recommended on expansion of another few outlets, installing internet services and having more promotions.

3.3.19 Market research analysis

The conclusion of the survey is:

- (a) Most of the interviewees fall under the age group of 13 to 30 years old. With the age range of 19 to 24 years old being the majority.
- (b) Female being a bigger proportion as compared to the male population.
- (c) Students from neighboring secondary schools around the Holland Village/Buona Vista area and tertiary students make up a significant number of the people interviewed.
- (d) Häagen Dazs faces a tough competition against Swensens.
- (e) Taste is an important factor to consider when consumers purchase ice cream.
- (f) 83% of the interviewees prefer fat-free ice cream with high calcium and protein.
- (g) 78% of the interviewees are willing to pay only \$2 to \$3 for a single scoop of ice cream.
- (h) The interviewees visit HVHD once every couple of months. A fair number of people have never been to Häagen Dazs.
- (i) 55% of interviewees are not aware of the contents and 43% of them came to know about Häagen Dazs through friends and family members.
- (j) Majority felt that prices of Häagen Dazs ice cream are too steep.

In conclusion, the potential customers are between the ages of 19 to 24 years old. Many of them are students and young working adults. Pricing strategies should be adjusted to suit

the pockets of consumers wanting to purchase Häagen Dazs ice cream. More informative advertising on products should be undertaken to create greater awareness to draw more customers.

3.3.20 Size of potential market

Analyzing from the results of the survey findings, Häagen Dazs caters mainly to students and young working adults. Häagen Dazs should look into ways to promote their products to these groups of consumers, drawing more of their attention especially to students who have limited spending power.



3.4 Market Segmentation

Market Segmentation is the dividing of market into distinct groups of buyers with different needs, characteristics or behavior who might require separate products or marketing mixes.

3.4.1 Geographic segmentation

It is the dividing a market into different geographic units such as nations, states, regions, countries, cities or neighborhood.

With regards to Holland Village Häagen Dazs, it is divided into different neighborhoods and different learning institutes. Easy accessibility to the neighborhood, tertiary institutes and city area gives rise to the potential markets Häagen Dazs can target based on these different geographic areas. People coming from these areas, whether from school or from work, form the segments of the consumer market. Customers coming from different areas have different characteristic or buying behavior. For example, people living in the nearby neighborhoods such as HDB flats or bungalows form one segment of the market. People studying in the tertiary institutes such as Singapore Polytechnic, SIM, NUS form another segment. Another segment includes people coming from the city area and they may be students or working professionals.

3.4.2 Demographic Segmentation.

It is the dividing the market into groups based on demographic variables such as age, sex, family size, family life cycle, income, occupation, education, religion, race and nationality. Under demographic segmentation, the consumer market can be segmented according to age and lifecycle stage, gender and income of consumers. Customers come from all walks of

life and different ages as well. Customers can be divided into the young and trendy young adults and the more mature customers such as working professionals.

Customers of Häagen Dazs Holland Village consist of both male and female. Women have been known to have stronger preferences for ice cream than men..

Income segmentation divides the market into different income groups. Customers are classified into the affluent and lower-income earners. Due to its pricey ice cream, Häagen Dazs Holland Village can target its sales on the affluent customers like the working professionals or people from the expatriates community and attract lower-income customers by offering economical promotions occasionally.

3.4.3 Psychographic segmentation

Classifying Häagen Dazs into various age groups under demographic segmentation can also divide them further into different social classes. For instance, there are the young and trendy, usually young adults or students and the expatriates community or working professionals. Both of them share different values or beliefs. The young and trendy eat ice cream as a way of showing their care-free lifestyle while the expatriates or working professionals may think eating ice cream as an occasion pastime or a reliving experience of their younger days.

With Singaporean becoming more affluent, they now go for quality and have high expectations of life. They tend to spend more on luxurious than people ten years ago. They become choosier over the food they eat, emphasizing on a healthy lifestyle. They would prefer fat-free or low cholesterol stuff. Through this, Häagen Dazs Holland Village can complement this trend in coming up with new types of ice cream to capture the market.

3.4.4 Behavioral Segmentation

Coming up with various promotions for different occasions helps to segment the consumer market for Häagen Dazs. Different occasions can be referred to the different festivals celebrated in Singapore. For example, Singapore, we have the Mooncake Festival, which is usually celebrated in the month of September. In order to increase consumption of Häagen Dazs products, Häagen Dazs sold ice cream mooncakes to cater to this occasion. Each ice cream mooncake is sold at a price of \$13/-. (Brown outer crust with ice cream fillings). Other festivals such as Christmas, Mother's Day, Father's Day, Valentine's Day are some of the occasions, which are, incorporated into the marketing strategy to boost consumption of Häagen Dazs products especially ice cream.

3.4.5 Market Targeting

Market Targeting is the process of evaluating each market segment's attractiveness and selecting one or more segments to enter. Häagen Dazs who only sell premium ice cream now considers ice cream for the Healthy Lifestyle segment (ice cream with high protein and calcium), the diet segment (ice cream with low fat content). Their targeting market is the young executive with the spending power.

3.4.6 Market Position

In order for Häagen Dazs to occupy a clear distinctive, and desirable place relative to competing brand in the minds of target consumers, Häagen Dazs should invest on advertisement on the TV, internet, papers, plasma TV and public transport (e.g. buses, MRT and cabs). By doing so, it will help to position themselves better in front of the competitors.

3.4.7 Sales Forecast

The company has come up with a budgeted profit and loss statement based on its past financial statement and its expectation of the future.

Häagen Dazs (Holland Village)

Budgeted Profit and Loss for 30 September 2000

	S\$'000	S\$'000
Sales Turnover		900
Less: Cost of Sales (apportioned)		(50)
Gross Profit		850
Less: Operating Expenses:		
Administrative Expenses		
Rent	240	
Water and Electricity	5	
Telephone Expenses	3	
Maintenance and Repair Expenses	20	
Wages	150	
General Expenses	10	
Insurance	12	(440)

Selling and Distribution

Transportation and Delivery	20	
Freight Cost	15	
Advertisement	50	
Stationary	5	
Printing Expenses	10	(100)

Financial Expenses

Depreciation of Equipment	12	
Audit Fees	6	
Interests	9	(27)

Net Profit Before Tax **273**



4 Strategic Marketing Mix

Marketing Mix is a set of manageable tactical marketing tools which comprise of product, price, place and promotion that the business blends to produce the response it wants in the target market.

Häagen Dazs has planned the strategic marketing mix mainly to attract young professionals and meet the desired needs and expectations of the current consumers.

4.1 Product

Anything that can be offered to the market for acquisition, utilization or need is a product. It includes physical objects, services, ideas, organisations and persons.

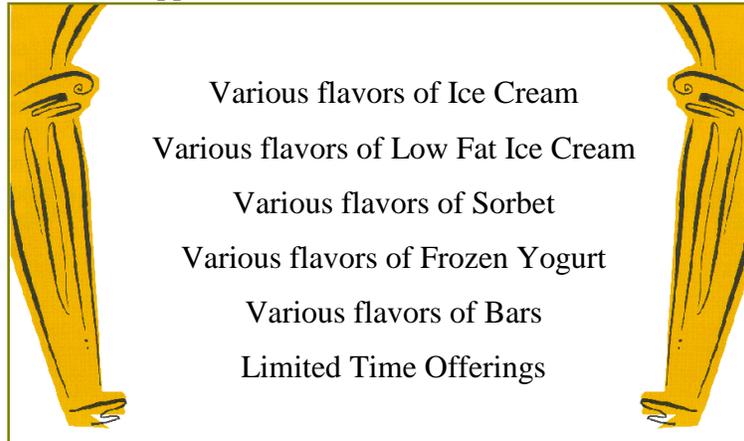
4.1.1 Product Life Cycle

Häagen Dazs has entered the Singapore market for about 16 years and can therefore be categorized as between the late growing stage and the early maturity stage of the product life cycle. This implies that there is still room for Häagen Dazs to raise profits as well as attract new consumers, but at the same time, Häagen Dazs have to try to revitalise old consumers' patronage to maintain loyalty to Häagen Dazs by introducing innovative flavors on a periodic basis. At this point of time, Häagen Dazs have to establish its brand name in the market to gain a dominant market place. This can be attained through heavy advertising and sales promotion. The management plans to attract younger consumers by introducing more variety of products.

4.1.2 Product Mix

Häagen Dazs have a wide variety of products offered at Holland Village outlet. All the products are guaranteed to be fresh, as they are stored in carefully monitored temperature sensitive freezers. The products are certified to be "Halal" and "Kosher" (Kosher flavors are certified by the Kashruth Division of the Union of Orthodox Jewish Congregations of America.) which implies that the ice cream will be able to cater to the many nationality living around Holland Village.

Below is a general list of product available in Haagen Dazs Holland Village. For a full list of flavors, please refer to Appendix.



4.1.3 Ideas for Improvement

1. Mondae

Ice cream lovers everywhere know what a Sundae is. But what is a "Mondae"? What we need on Mondays, the beginning of the work and school week, is a treat that is a great picker-upper. Something light and refreshing to start the working week with. Therefore, every Monday, we let customers to create their own Mondae from our range of light and refreshing sorbet range and fresh fruit purees as toppings. At \$8.90 for unlimited servings, Mondays will never be the same again.



2. Old Fashion Ice Cream

Old fashion ice cream using bread or 2 pieces of biscuit with ice cream in the middle. Creating a kind of nostalgia feeling among the old and young. No longer we have to hunt for the occasional appearance of the old ice cream man who rides on his motorcycle to sell ice cream, but now we can enjoy old fashion ice cream at its best with quality ice cream.

3. Free toppings

First topping will be free of charge. If customers request for additional toppings, they have to pay fifty cents more. Additional toppings include chocolate fudge, strawberry puree, chocolate rice, candy and chocolate rice, coconut flakes and peanuts.

4. Family Package

Ice creams are packed in tubs and packaged in a special box to maintain temperature or it can contain a mix of ice cream of bars and tubs for the busy parents to buy it home



5. Ice cream Floats

Ice cream can only be used in drinks called ice cream float. Examples are Mocha ice cream on top of a refreshing aromatic cold coffee or a soft drink ice cream float.



6. Mini Ice Creams (Kid's Size)

Mini ice creams that are of bite size are available in Japan but have not yet been introduced to Singapore. Flavors are the same as the bar ice cream but they are now miniaturize to a small rectangular piece. Kid's size ice cream is easier and more fun to eat for the younger children compared to the traditional single scoop. The cone is half the size of the



regular cone and the ice cream is lesser too. This ensures that the child does not have difficulty at eating the ice cream before it melts. Introduced at only \$1.99 each compared to the regular \$3.20 for the full size. We can ensure affordability to everyone too.



7. Vitamins and Minerals Enhanced Ice Cream

Natural vitamins and minerals can be added to the ice cream like Calcium for strong bones and Vitamin C for protection against the common cold. It is useful for people who do not take enough vitamins and minerals from their daily meals as well as children who are choosy of the food they eat. A nutritionist will be consulted as to which group of people is not suitable for the product.



4.2 Price

Price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service.

Pricing of goods and services is one of the most challenging decisions faced by the management. Many factors influence pricing decision. Among these factors are customer behavior, actions of competitors and the costs of the products etc. For management in Häagen Dazs, they categorized all these factors into two main factors: Internal and External factors. Internal factors are then sub-divided into Fixed Cost and Variable Cost.

The Fixed Cost include:

- (a) Rental expenses
- (b) Salaries paid to employees
- (c) Insurance
- (d) Maintenance and Repair
- (e) Depreciation of Equipment
- (f) Expenses for Security Systems
- (g) Advertising
- (h) Transportation and Delivery
- (i) Fixtures and Fittings

The Variable Cost include:

- (a) Ingredients
- (b) Electricity, telephone and water bills
- (c) Packaging

(d) Staff Meal Allowances

Besides internal factors, the management also has to take external factors into consideration. Examples of external factors include the performance of the economy. Whether it is doing well or experiencing a recession. The demands of customers are also of paramount importance when dealing with the pricing of products.

Another external factor that affects the pricing decisions is the competitors' activities. Predicting competitors' reactions to its pricing strategy is a difficult but important task for management. The management have to determine a price that is not too high in case customers turn to other cheaper alternatives offered by the competitors nearby and a price that is not too low that would cover their fixed and variable cost and at the same time allowing them to make a profit.

4.2.1 Discounts

We decided to come up with a family dining in discount to reward consumers who bring along their family members to dine at the outlet. The more family members they bring, the more discount they will receive. (i.e. 4 to 6 family members : 10%, 7 to 9 family members :15%)

Ideas such as giving discounts for bulk purchase will also be implemented. By purchasing 3 Pints, the customer will receive a \$15 Häagen Dazs vouchers. This is to encourage the consumer to purchase more each time they visit the outlet.

4.2.2 Value Card

This Value Card is entitled to every customer of Häagen Dazs. We have decided to give 1 Buzz Value Stamp to every customer for every \$5 purchase on selected items. Completion of the Value Card will entitle the customer to 1 free Pint of ice cream.

4.2.3 Concession Rate

As Holland Village is surrounded by Singapore Polytechnic, Ngee Ann Polytechnic and other learning institutions, we have decided to come up with this concession rate for student. A 20% concessionary discount will be given to students if they produce their student card.



4.3 *P*romotion

Promotion is the element in marketing that serve to inform, persuade and remind consumers about Häagen Dazs and its products during different stages of the product life cycle. For these promotional efforts, we have allocated \$60,000 for the purposes of advertising and phase to phase promotions.

4.3.1 Advertising

Currently Häagen Dazs has only allocated a small amount for advertising purposes. It only has small advertisements in magazines and newspaper. As mentioned earlier in the S.W.O.T analysis, Häagen Dazs depend more on the message bought across to one another by the customers (Word-of Mouth) for publicity rather than advertising. However, with a new advertising plan, we believe that potential (especially younger consumers such as students and young working adults) and current customers will be able to gain more knowledge about our products and promotional offers.

(A)Farecards and Phonecards

MRT cards and phonecards being a common necessity for commuters who travels by train and non-handphone holders. We have decided to produce Häagen Dazs collectible farecards and Phonecards. And these cards will be given free to customers with a min purchase of \$5. This form of advertising draws attention to MRT and Phone cards collectors and also a easy way to advertise to the huge number of potential customers who are MRT and Phonecard users.

(B) Web-page

Häagen Dazs currently holds a international web-Page but not a local one. We have decided to create a web page for Häagen Dazs Holland Village to inform the Internet users about its existence. Not only have we created a web page, a online delivery service has also been created. Internet users are allowed to view and gather the information on the different products available at Häagen Dazs and order through the web page. This draws consumers usage as it is convenient and shows that Häagen Dazs also keeps up with the technological advancements. Specially designing a web page will also form a good information center that allows a 2-way feedback between Häagen Dazs and its potential and current consumers.

(C) Bus-stops Advertisements

Häagen Dazs may not want to develop major advertising plans such as Bus Ads, as they are expensive and too loud. Häagen Dazs has always kept a low profile on advertising, therefore we suggest instead of Buses Advertisements, we will have Bus-Stops advertisement. The poster-like advertisement displayed at bus stops. It draws attention of the daily commuters at the bus stops. This helps to increase people's awareness about Häagen Dazs and it's products.

4.3.2 Phase by Phase Promotions

We have planned for a phase by phase, each phase being 2 months, at Häagen Dazs Holland Village. The different promotional strategies will be used to attract more consumers. Phase 1 of our promotional strategy will be from October as our marketing plan starts in October 1999.

(A) Phase 1: (Oct 1999-Nov1999)

Theme: Children's Day Celebrations & Birthday Promotions

Children's Day falls in the month of Oct. To collaborate with this occasion, Kids are entitled to a "kids single cone" or "mini-bar ice-cream" only at \$1.99. This promotion is only open to kids 12 and below. In addition, a fixed Quantity of 100 balloons will be distributed to kids around HDHV for this entire month.



For the month of November, there will be the " Birthday Promotions. For those who are born in the month of Nov, they will be entitled to a 50% for cakes purchased and 20% for Dine-ins with a minimum purchase of \$20. To be able to receive these privileges, customers just have to produce their identification card to the staff.

(B) Phase 2: (Dec1999-Jan 2000)

Theme: The Millennium

In the month of December, we have the " Last Christmas of the Millenium" promotion. It offers an ice cream buffet for 2 at only \$19.99 nett complimenting the theme last Christmas of 1999.



To welcome the new-year, Häagen Dazs will launch a new desert item which is the " Ice-Cream Sandwich. Ice cream of your choice will be wrapped between crispy slices of bread at \$2 nett.

(C) Phase 3: (Feb 2000- Mar2000)

Theme: Valentine's day Special & Customers reward Scheme

For Valentine's day, HDHV will set the mood for couples by offering 2 scoops of ice-cream in a lover's cone at \$3.20nett for take-aways and for Dine-ins, they will be entitled to 20% off for a minimum purchase of \$20 on their Bill.

In the month of March, Our card-holders will be entitled to have a \$5 voucher for every \$30 Purchase of Häagen Dazs Product.



(D) Phase 4: (Apr 2000- May 2000)

Theme: Membership Scheme

For the two months, customers are able to join Häagen Dazs membership at half the usual price

i.e \$100 worth of purchase within two months. And enjoy the full benefits like those who pay the usual price.

(E) Phase 5: (Jun 2000- Jul2000)

Theme: School Holidays Promotions

Specially designed catch line for the school summer holidays would be “ we know what you ate last summer.” In conjunction to this catch-line, we will have a list of our flavours. The students just have to produce their student card and read the list of flavours out within 30secs and they will receive a free scoop of ice cream of their choice. However, this is only entitled to the first 100 customers daily.



(F) Phase 6: (Aug2000- Sep 2000)

Theme: National Day celebration & Moon cake festival

For the month of Aug, customers who are citizens and permanent residents of Singapore will be entitled to 10% discount off every \$10 worth of Purchase. All they have to do is just produce their identity card.

In the month of Sept, we will produce ice cream mooncakes in a variety of flavours. Customers who Buy 3 mooncakes will get the fourth one free. (A maximum of 5 free mooncake is allowed per customer in a day). In addition to that, lanterns with our logo will be given with every purchase. (While stocks last)



Budget Expenditure

Type	Cost
Advertising	
• Printing of Farecard(1000pcs) & Phonecard(1000pcs)	\$4,000
• Designing of Web Page	\$1000
• Advertising for Bus-Stops Ads for a month	\$30,000
• Miscellaneous Advertising (Phamlets, radio, MRT station etc.)	\$10,000
 Phase by Phase	
• Phase 1	\$2,500
• Phase 2	\$3,000
• Phase 3	\$4,500
• Phase 4	\$1,000
• Phase 5	\$2,500
• Phase 6	\$1,500
 Total:	 <u>\$60,000</u>



4.4 **D**istribution

4.4.1 Delivery Service

In these days of intense price competition, the solution is to develop product support services such as delivery service to enhance customer service and satisfaction so as to safeguard against competitors. This type of product differentiation is especially vital to Häagen Dazs as it loses its competitive edge due to its premium price for its ice cream. In order to remain competitive, Häagen Dazs can differentiate their service delivery by having timely and fast delivery. Free delivery service upon minimum purchase of products and consistency in quality of ice cream upon delivery can add as bonus points for the quality of service.

Technology also encourages Internet on line service such that customers can order what they want with only a click of the mouse. People who wish to order Häagen Dazs ice cream can do so alongside with their personal particulars and free delivery to them upon minimum purchase.

Drive-through service provided to car owners can create convenience to them as they need not get out of their cars but Häagen Dazs products delivered to them while waiting in the car before driving off.

4.4.2 Catering

Another product support service which Häagen Dazs can adopt besides delivery service is catering. It can cater to firms, households during occasions like functions or balls. It can come up with menus of ranging variety to suit the different occasions. Emphasis must be put on the reliability and quality of catering. Timely catering service, presentation of catering to suit occasion and quality of products will attract new and long-term customers.

5 / Implementation And Evaluation

5.1 Implementation Strategy

A well-devised marketing strategy without a proper implementation plan will not be effective. Therefore, it is important that the marketing strategies are implemented correctly and effectively.

5.1.1 Integration of Marketing Mix Components

Promotions at Häagen Dazs Holland Village will be implemented over the next 12 months. Whether the promotion will be successful can be monitored through the changes in the sales revenue after the implementation of the marketing mix.

Prices for all the products will be kept at a competitive level. The management at Häagen Dazs Holland Village will work out any new issue for the set meals in the following 12 months. The introduction of the new set meals will be accompanied by intense and attractive advertising.

Promotions will be done through advertising channels that had large target markets such as on the bus, MRT, MRT cards and the Internet. Attractive signboards will be set up at prominent places at Holland Village, especially at the entrance to induce the customers to visit and purchase the products from Häagen Dazs when they just arrive at Holland Village.

5.1.2 Time Frame for the Implementation

The marketing plan designed is to be implemented in the time frame of 12 months, starting from Sept 1999 to August 2000. The required analysis of the plan is described in details with the reference to those 12 months

5.1.3 Resource Requirements

The promotional budget is set at \$60,000 for the next 12 months. This will be divided by the marketing team to the required channels, such as the advertising for new set meals on signboards or MRT.

The management team of Häagen Dazs Holland Village will cooperate closely with the marketing team to conduct the marketing research and gather the required information. The implementation of the marketing communication strategy can only be done smoothly if the management and the marketing team cooperate closely.

5.1.4 Task and Activities Organisation

All of the implemented plans for the 12 months will be drawn in detail and will be distributed to all management and staff from all levels. This is important as the staff can get an overall idea of why certain plans are implemented. Feedback from staffs to the management is encouraged so that staff's welfare can be improved. Furthermore, well-connected communication is necessary for the implementation of plans to function smoothly.



5.2 **C**ontrol **A**nd **E**valuation

5.2.1 Monthly Financial Statements

It is a norm for Häagen Dazs at Holland Village to prepare a financial income statement at the end of the month. Management will then assess the accounting reports to see whether if the outlet is doing well. With the reports, the manager can gain a better understanding of the situation of the company as to how the marketing plans implemented is doing compared to their competitors, which eventually helps them to make a sound decision that would benefit the outlet as a whole. The report also helps manager to plan their budget so that they would not exceed the budget that is allocated for them during that month.

5.2.2 Progress Evaluation

It is essential for the management to know the responses, customers' satisfaction and value on the marketing strategy of the implemented plans so as to evaluate the progress of the plan. The marketing team has to monitor the marketing strategy closely so as to allow for any amendments or cancellation of any ineffective plans that is suffering from losses or to top up any inventories to avoid any disruption of well-devised plan.

5.2.3 Feedback Channel

Häagen Dazs monitor and fine-tune their service and their ice cream quality through the feedback forms that is allocated at the cashier counter. With the feedback from the customer, the management is able to look into areas that they might have neglected. Also, these feedback help to serve as a channel allowing the management to find out how well

Häagen-Dazs

their marketing plan is doing. To encourage customers in giving feedback, the forms prepared will function as lucky draws as well.

