

Exotic Smokes Cigarette Company Consumer Research Proposal

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## **Exotic Smokes Cigarette Company Consumer Research Proposal**

Exotic Smokes Cigarette Company (ESCC) has employed TRIAAD Research Group to analyze and target 18-25-year-old customers implementing a \$25 million dollar advertising campaign.

TRIAAD will evaluate consumer perceptions and various ways to counter the negative perceptions of flavored cigarettes creating a socially responsible image for ESCC for entering the national and global marketplace.

### **Project Definition**

TRIAAD is implementing a strategic marketing strategy analyzing the following criteria.

- Focus on Consumer Behavior and Consumer Environments
- Reach Respective Demographics and Narrows the Target Market
- Evaluate, Gain Perspective, and Identify Possible Risks
- Scope
- Demographics
- Sample Data, Customer Lists, Surveys, and Interviews
- Evaluate Professional and technical Costs
- Analyze Projected Consumer Attitudes, Intentions, and Decision-Making Process

TRIAAD has many marketing vehicles to choose from and developed a strategy to implement a print and promotional marketing campaign to reach the maximum target markets.

Collaborating with production companies using ESCC products directors such as Jeong-beong Lee (Korean), Takashi Miike (Japanese), and John Woo (Chinese) are the prime Asian targets.

Other vehicles are as follows.

- Magazine Ads
- Billboards

- Bus Stop and Subway Posters
- Billboards
- Free Samples at Bars, Clubs, and Outdoor Concerts
- Unique Colorful Packaging
- Celebrity Endorsements

### **Program Objectives**

The main objective is to implement a sustainable and effective marketing strategy that creates a product and promotes, positions, and establishes a sufficient price for profit. To emerge as a leader and innovator in the flavored tobacco market and position ESCC brand in the ever-growing hookah market the following areas serve as most favorable objectives.

- Comparative Health Hazards of Cigarettes versus Hookah's
- Position by Attribute
- Variety of Flavors
- Competitive Pricing
- Emotional Relationships
- Repositioning of ESCC as Socially Responsible
- Enticing and Informative Website

### **Project Scope**

- Establishing a positive image for ESCC concerning health risks of smoking cigarettes versus smoking via hookah is imperative.

- Geographical considerations will focus on Asia, Europe, Africa, and strategically placed in the United States locations.
- Targeting 18-25-year-old consumers as well as current hookah smokers, and converting traditional smokers to the hookah apparatus.
- Data collection via surveys (online and direct mail), questionnaires, face-to-face interviews, free samples, and special incentives via website promotions.
- Selective hookah bars, pubs, and college campuses where the target market gather will have samples distributed.
- Advertising efforts and celebrity endorsements

### Schedule

	Months 1-3	Months 4-6	Months 7-9	Months 10-11	Months 12-13	Months 14-17	Months 18-19	Month 20
Research								
Promotional Designs								
Marketing-Mix Analysis								
Survey Placements								
Survey Analysis								
Interviews								

Distribution Analysis								
Product Introduction								
Review and Reevaluate								

### **Sampling Procedure**

Creating a specific questionnaire implemented through direct-mail, in-store promotions, face-to-face interviews, and online survey techniques on the website provides necessary data in measuring customer behavior and environment. This technique allows ESCC to gain knowledge of their target market, narrow that market based on consumer behavior, environment, and geographical location, measure current trends, competition, and create differentiation tactics. Analyzing African American, Hispanic, and Asian culture will allow TRIAAD to provide ESCC with necessary information to reach each target market. Factors that influence the analyses are the environmental, cultural, and cross-cultural differences for each subculture.

### **Methodology**

ESCC will identify consumer behavior concepts, consumer attitudes, intentions, and reasons for consumer-decision making. The results of the analysis will provide reasoning for ESCC's decision to implement consumer behavior techniques within the following criteria.

- Affective and Cognitive Behavior
- Questionnaire measuring behavior and environment to narrow the target market

- Evaluate Perceived Risk, Terminal Value, and the 4P's (positioning, place, product, and price)
- Analyze and Influence Consumer Behavior
- Analyze Environmental and Geographical Affects
- Generate Consumer Confidence
- Generate Awareness
- Emotional Influence
- Competitive Differentiation through a wide flavor base and pricing strategy.

### **ESCC Deliverables**

Entering the international market opens a whole new directive of deliverables and ESCC must be as precise in their expectations of TRIAAD'S analysis and marketing strategy to enter the marketplace confidently. The following deliverables are a must to construct a concise strategy.

- Analysis of Consumer behavior
- Analysis of target market via questionnaires via direct mail, online surveys, and face-to-face interviews
- Analysis of local and international laws and regulations per target area
- Objective consensus of the 4 P's. price, product, place, and positioning
- Advertising schemes such as commercials, billboards, posters and other art directions
- Cost analysis
- Barriers of entry per marketplace
- Social Responsibility Clause

- Branding Messages
- Canvassing Report of Promotional Locations
- List of Final Flavors
- Warning labels and other information concerning hazards and advantages of smoking ESCC products, for both the product and the website
- Campaign Presentations

### **Ethical Issues Concerning Consumer Protection**

The increasing influence of anti-smoking campaigns has created the need for aggressive marketing tactics. TRIAAD suggests that ESCC conforms to all ethical codes of conduct established by the American Marketing Association (AMA). ESCC must communicate a clear and concise marketing position that displays integrity, honesty, fairness, dignity, and a direct concern, and disapproval of underage smokers. ESCC is a company focused on responsibility, respect, and dedication to avoiding false and misleading advertising promoting social responsibility.

TRIAAD urges the exploration of all business and marketing laws and ensure lawful, ethical, and proper entry into the global marketplace. One major concern in global marketing is economic colonialism. Economic colonialism (neocolonialism) is defined as "A policy whereby a major power uses economic and political means to perpetuate or extend its influence over underdeveloped nations or areas; the use of the weaker country's resources to strengthen and enrich the stronger country," (The Free Online Dictionary, 2009). Tobacco is a global industry native to America and can be grown on any warm and moist continent. ESCC could easily manipulate a poor region within the target countries and distribute locally forcing competitors

out of business while taking advantage of lower wage costs. Other considerations in protecting consumers are listed below as cited by Peter & Olson (2008).

- Not manipulating the availability of a product for purpose of exploitation
- Never exploiting vulnerable targets with deceptive products or services
- Products are safe and fit and contain pertinent warning labels
- No coercion in the marketing channel
- Not exerting undue influence over the resellers' choice to handle the product
- No price fixing or gauging
- Disclosing full price on purchase
- Maintain integrity and not misrepresenting or omitting research data
- Fair trade
- Not creating unfair advantage for personal or organizational welfare

ESCC shall maintain an image of social responsibility. Taking this step will ensure the attractiveness of investors and build market shares while protecting ESCC and their employees from potential litigation.

### **Professional Fees**

Considerable fees will accrue over the length of the ESCC campaign.

- Costs of market analysis = \$20,000.
- Database list costs = \$15,000.
- Advertising (printing of pre-paid postcard mailers, packaging, billboards, posters, magazine inserts) = \$580,000.
- Promotional Allowances = \$500,000.
- Free Samples = \$15,000.



- Endorsements = \$500,000.
- Lawyers, (Constitutional and International Trade) =  
Project at \$350 an hour, \$30,000.
- Website Design = \$5,000.
- Database Engineer = \$5,000.
- Interviewer Costs = \$15,000.
- Room Rentals = \$20,000.
- Traveling Expenses = \$15,000 for both national and international flights
- Per Diem = \$17,500.
- Volunteers = \$5,000.
- Product Registration = \$3,250.00

Projected cost \$1,842,825.00

### **Conclusion**

Exotic Smokes Cigarette Company is in a unique position to corner the market with their new flavored tobacco products. ESCC's wide selection of flavors, competitive pricing, and expert analysis of the marketplace both nationally and internationally. Setting in motion a profit yielding marketing mix that establishes a new corporate culture of social responsibility, sustainable lifestyle, and consumer value. Through the implementation of the given measurements ESCC will enjoy a prosperous ROI as they become the forerunner in the emerging market of flavored tobacco.



## References

- Peter, J. P., & Olson, J. C. (2008). *Consumer Behavior and Marketing Strategy* (8th ed.). New York, NY: McGraw-Hill/Irwin, a business unit of The McGraw-Hill Companies, Inc..
- The Free Online Dictionary. (2009). Neocolonialism. Retrieved from <http://www.thefreedictionary.com/Economic+colonialism>