The product is a digital camera.

The company ‘EIRAM’ is a large consumer electronic corporation which has traditionally been very strong in the consumer electronics industry. I have been appointed to lead the internal Advertising Team for the new range of Digital Cameras.

I have completed the first year, 2009. It is now the **2010 period**. I have six years left to exceed my Sales Target while maximizing the cumulative Net Marketing Contribution.

My company ‘EIRAM’ is in competition with Duncan Inc.

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| Industry sources have said that Duncan Inc has hired the Radio Can  |
| Advertising Agency. If you did not know this already, then you should  |
| consider purchasing the 'Competing Products Advertising Expenditure' Report.  |
|   |
| It has also been confirmed that Duncan Inc is selling their Product at a Price of  |
| $295 which is $4 cheaper than you are. Target Market :Marketing Budget:

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| The following Key Results have been calculated for your \_Genie for 2010:  |

|  |  |  |
| --- | --- | --- |
| **Period**  |          | **2010**  |
| **Sales**  |  |  |
| Sales Target (Units)  |  | 470,000  |
| Actual Sales (Units)  |  | 427,838  |
| Wholesale Sales Revenue  |  | $83,150,395  |
| Less: Cost of Goods Sold  |  | $50,912,771  |
| **Gross Margin**  |  | **$32,237,624**  |
| **Product Marketing**  |  |  |
| Evaluation Research  |  | $0  |
| Advertising Agency Fee  |  | $0  |
| Product Media Advertising  |  | $5,000,000  |
| Customer Relationship  |  | $220,000  |
| Marketing Communication  |  | $400,000  |
|    |  | $5,620,000  |
| **CONTRIBUTION**  |  |  |
| **AFTER PRODUCT EXPENSES**  |  | **$26,617,624**  |

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| --- |
| Unfortunately your Sales were 9.9% less than your Sales Target.  |
|   |
| **Period**  |          | **2010**  |          | **2009**  |
| State  |  | Normal  |  | New  |
|    |  |  |  |  |
| **Sales**  |  |  |  |  |
| Sales Target (Units)  |  | 470,000  |  | 410,000  |
| Actual Sales (Units)  |  | 427,838  |  | 378,810  |
| Wholesale Revenue  |  | $83,150,395  |  | $73,621,651  |
| Less: Cost of Goods Sold  |  | $50,912,771  |  | $45,078,346  |
| **Gross Margin**  |  | **$32,237,624**  |  | **$28,543,305**  |
|    |  |  |  |  |
| Gross Margin (%)  |  | 39%  |  | 39%  |
|    |  |  |  |  |
| **Product Marketing**  |  |  |  |  |
| Evaluation Research  |  | $0  |  | $25,000  |
| Advertising Agency Fee  |  | $0  |  | $0  |
| Product Media Advertising  |  | $5,000,000  |  | $5,000,000  |
| Customer Relationship  |  | $220,000  |  | $220,000  |
| Marketing Communication  |  | $400,000  |  | $400,000  |
|    |  | $5,620,000  |  | $5,645,000  |
| **CONTRIBUTION**  |  |  |  |  |
| **AFTER PRODUCT EXPENSES**  |  | **$26,617,624**  |  | **$22,898,305**  |

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| **Genie - Decisions Made Last Period 2010**  |

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| ***ADVERTISING AGENCY DECISIONS***  |
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| --- | --- | --- | --- | --- |
| **Agency**  |          | **Media Plan**  |          | **Media Advertising Budget**  |
| Internal  |  | Standard Plan  |  | $5,000,000  |

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| ***ADVERTISING MESSAGE DECISIONS***  |
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| **Selected Advertising Messages:**  |

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| --- |
| Family  |
| Simplicity  |
| Focus  |
| Simple and Reliable  |

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| ***ADVERTISING MEDIA DECISIONS***  |
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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Advtg Budget**  |          | **TV**  |          | **Newspapers**  |          | **Magazines**  |          | **Radio**  |          | **Interactive**  |
| $5,000,000  |  | 30%  |  | 18%  |  | 23%  |  | 24%  |  | 5%  |

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| **Media Subcategory Allocation**  |
| **TV**  |          | Network 24%  |          | National Spot 20%  |          | Local Spot 32%  |          | Cable 24%  |
| **Newspapers**  |  | General 40%  |  | Business 10%  |  | Tabloid 10%  |  | Sunday 40%  |
| **Magazines**  |  | Women's Lifestyle 24%  |  | Men's Lifestyle 20%  |  | Family 28%  |  | News 12%  |          | Entertainment 16%  |
| **Radio**  |  | Contemporary Hit Radio 30%  |  | Urban 7%  |  | Country 12%  |  | Rock 11%  |  | Adult Contemporary 15%  |          | NewsTalk 25%  |
| **Interactive**  |  | Direct Mail 60%  |  | Internet 40%  |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  |  |  |  |

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| **Media Subcategory Allocation**  |
| **TV**  |          | **Network**  |          | Early Morning 12%  |          | Daytime 3%  |          | Early Fringe 10%  |          | Prime Access 21%  |          | Prime Time 44%  |          | Late Fringe 10%  |
| **Newspapers**  |  | **General**  |  | NE 30%  |  | SE 17%  |  | SW 25%  |  | NW 17%  |  | Central 11%  |  |  |
| **Magazines**  |  | **Women's Lifestyle**  |  | Youth 12-17 11%  |  | Adults 18-34 37%  |  | Adults 35-55 32%  |  | Adults 55+ 20%  |  |  |  |  |
| **Magazines**  |  | **Men's Lifestyle**  |  | Youth 12-17 8%  |  | Adults 18-34 25%  |  | Adults 35-55 42%  |  | Adults 55+ 25%  |  |  |  |  |
| **Radio**  |  | **Country**  |  | NE 15%  |  | SE 18%  |  | SW 18%  |  | NW 9%  |  | Central 40%  |  |  |
| **Radio**  |  | **Adult Contemporary**  |  | Morning Drive 35%  |  | Daytime 20%  |  | Afternoon Drive 20%  |  | Nighttime 25%  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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| ***MARKETING COMMUNICATIONS DECISIONS***  |
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| **Selected Marketing Communications Options:**  |

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| Trade Shows  |
| Website Only  |

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| ***CUSTOMER RELATIONSHIP DECISIONS***  |
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| **Selected Customer Relationship Options:**  |

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| None  |
| 90 Days  |
| Manual  |
| Nothing  |

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