

Doritos

Marketing 340-002

Annaleise Cooke, Madison Zablan, Sophia
Hough, Abbie Hunt & Bre Ryerson



Marketing Strategy

SWOT Analysis

Brand-specific:

Strengths:

1. Well-established brand
2. Strategic marketing advertisements
3. Wide variety of flavors

Weaknesses:

1. Expansive portfolio
2. Perception of being unhealthy
3. Plastic packaging

For the CPG food category:

Opportunities:

1. Increased consumer spending in Gen Z
2. Variety of packaging sizes
3. Efficient mass production

Threats:

1. Inflation has led to a price increase
2. Private labels are cheaper
3. Consumers are more aware of environmental impact

Current Positioning statement

“For busy families with children
who want to satisfy their kids’ needs quickly,
our product is a convenient, bold in flavor, savory chip,
that provides an on-the-go snack option
Unlike Takis and Mission Foods,
Our product has a wide variety of flavors that match every taste palate.

Persona: Primary Target

The Smith Family

The Smith family consists of Jim (38), Amy (35), Mark (12), Annie (6), and Martha (5). Jim works at a tech start-up, and Amy works as a part-time receptionist. Mark is in seventh grade, and the girls have started elementary school. Jim and Amy enjoy hosting frequent events centered around the kids, such as birthday parties. The kids ask for chips to be served at each gathering. They live in a middle-class, suburban household and go grocery shopping once a week. Their household income is \$125,000.

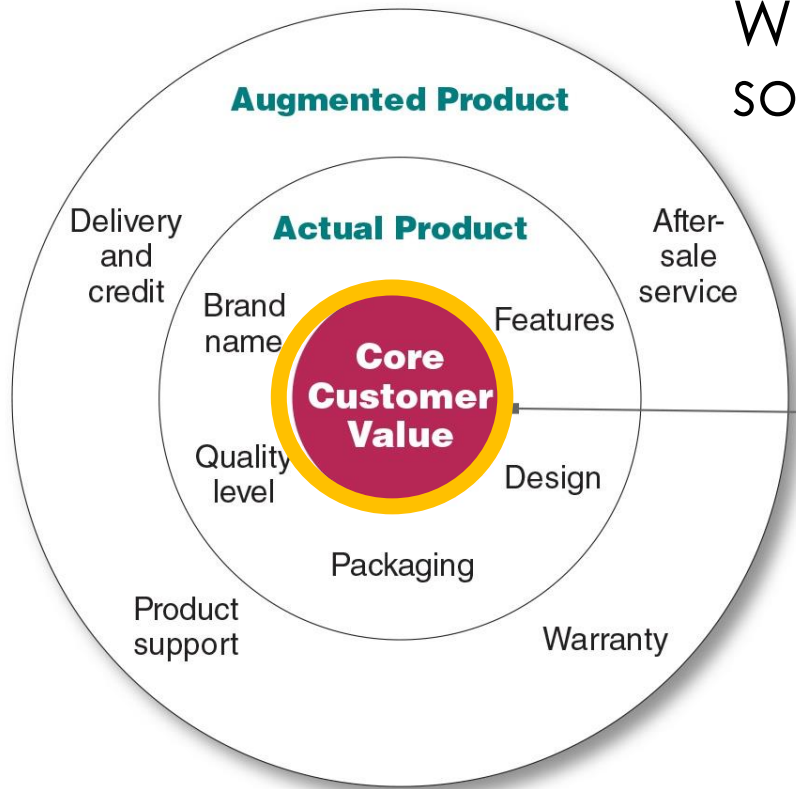


Recommended Growth Strategy: Product Development

Introducing: Doritos Boxed Mac & Cheese!



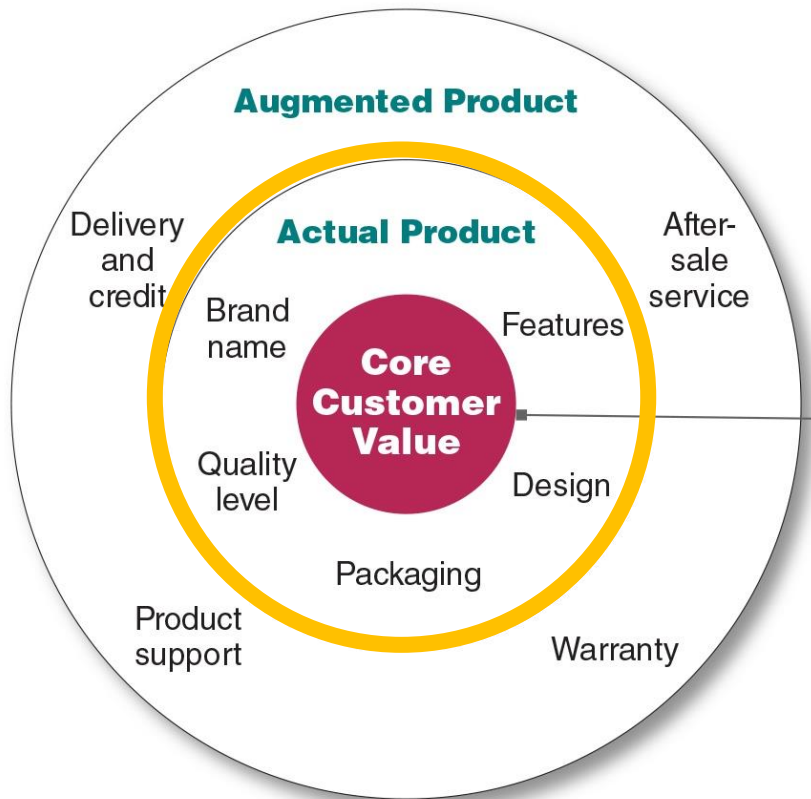
What value is being purchased?



What is the problem being solved for your target consumer?

Creates a fast and convenient meal with familiar flavors that kids will enjoy.

Elements of the “Actual Product”



Product Features:

Family-friendly meal with easy to prepare instructions. Adding crunchy toppings simulates snacking on Doritos.

Product Design Elements:

Elbow shaped noodles, creamy cheese sauce, and Doritos toppings.

Quality Level:

Maintain quality by using the seasoning from Doritos' chip flavors.

Packaging

Doritos logo so customers are not left wondering what the product is.

Designed slim boxed packaging, easy for parents to recognize the product.



Uses cardboard and paper packaging.

Shows Nacho Cheese flavor. Consumers imagine what the product taste is like.



Highlights that it is made with real cheese and turmeric for the color.

This new product follows a Brand Extension Brand Development Strategy

Variety of Chips



Boxed Mac-and-Cheese



Product category

Existing

New

Brand name

Existing

New

Line extension

Brand extension

Multibrands

New brands

Pricing for Doritos Boxed Mac & Cheese!

Relevant competitive products for the proposed new product



Price: \$1.24
Size: 7.25 oz.
Price / oz: 17.1 ¢



Price: \$0.58
Size: 7.25 oz.
Price / oz: 8 ¢



Price: \$1.34
Size: 5.9 oz.
Price / oz: 22.7 ¢



Price: \$1.48
Size: 6 oz.
Price / oz: 24.7 ¢



Price: \$2.97
Size: 12 oz.
Price / oz: 20.7 ¢

Strategic Issues

How do consumers judge value in this category?



How does our product compare?

Doritos nacho
cheese flavoring!

Convenient and
easy stove
top cooking!



Pricing Strategy

PRICING STRATEGY



SUPERIOR VALUE



WELL-ESTABLISHED BRAND



ICONIC DORITOS TASTE



DISTINCTIVE FLAVOR

Doritos Boxed Mac & Cheese Recommended Price



Price: \$1.29

Size: 5.9 oz

Price / oz: 21.9¢

Lower price than our
competitor Cheetos.

Place: Retail
Partnership at
Launch

Retail Partner at Launch: Walmart

Type of retailer:
Superstore.

How will this retailer add value?

Customer service level:
Self-Service.

For our primary target: One-stop shop for household goods.



For Doritos:
Nationwide, reaching the most amount of consumers (families).

Walmart's Marketing Strategy



Retail strategy

Retail segmentation
and targeting

Store differentiation
and positioning



Create value for targeted retail customers

Target consumer:

Consumers who value low priced
products and convenience living in
the suburbs.

Differentiation:

Distributed across all US states
in populated areas.

Positioning:

Reliable with location and
predictable product
availability/prices.

Walmart's Marketing Mix



Product:

Self-service for general household goods.

Prices:

Low Prices.

Promotion:

Digital Campaign management focusing on e-commerce convenience.

Place:

Located around the US mostly in suburban areas and small towns.

Retail marketing mix

Product and service assortment

Retail prices

Promotion

Distribution (location)



Create value for targeted retail customers

Ways Walmart & Doritos will partner at Launch

First Moment of Truth:

Highlighting Walmart Exclusive and low price.

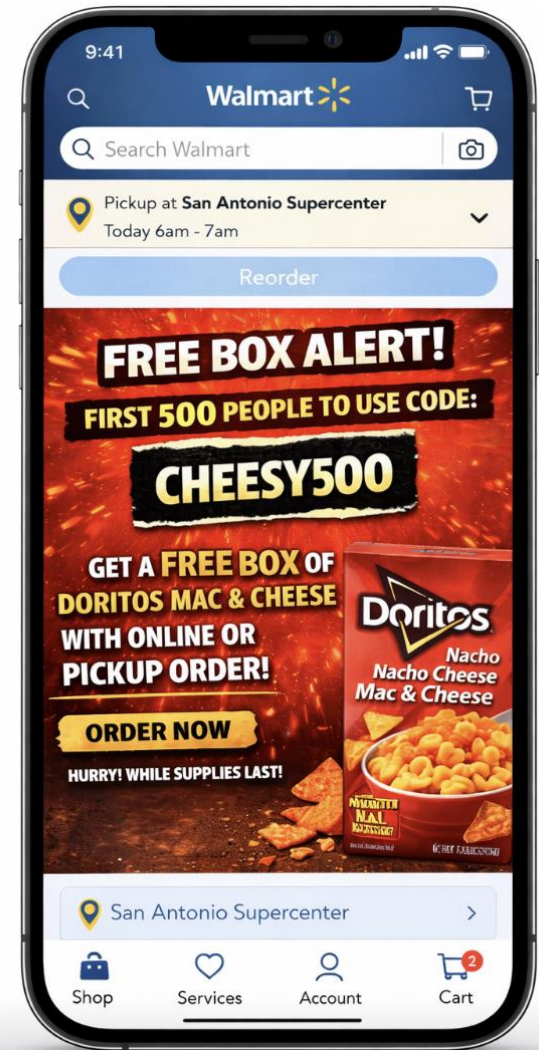


Ways Walmart & Doritos will partner at Launch

Omni-channel shopping experience:

Using the Walmart app for BOGO on online or pickup orders.

Reaching parents who value convenience.



Appendix

Idea Screen: High-level ideas for New Product Development

1. Line of boxed mac & cheese
2. Mini chips in a mini snack bag
3. New chip shapes in classic flavors
4. Innovative mild flavor options
5. Puffs with savory, classic seasoning
6. Surprise collectible toy figurines in bags
7. Cheesy Cheeto-flavored chips
8. Certified gluten-free chips
9. Savory protein-packed chips
10. Chips with no seed oils

Top two ideas' Product Concepts



Doritos Flavored Mac & Cheese:

An easy-to make-meal incorporated with classic Doritos Nacho Cheese flavoring. Added crunchy Doritos toppings that turns a flavored snack into a filling meal!



Mini Chips in a Mini Snack Bag:

An on-the-go snack for busy individuals and families. Provides easy, open packaging for convenience. Offers fewer crumbs with great flavor!