Njoku Chikadibia Jackson

THE MARKETING OF JACOB’S WINE IN THE UK: A CASE STUDY

Master’s Thesis 2012
Abstract

Njoku Chikadibia Jackson
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Instructor: Hytonen Riku, Senior Lecturer Saimaa University of Applied Sciences

This thesis aims to create specific and reliable international marketing practices for a Nigerian company involved in wine production with particular interest in marketing Jacob’s Wine in the UK. As recommended for the company the product will certainly find a market niche based on the existing trade relationship between both countries (which soars to a great height), as well as the wine demand in the UK.

This case study will comprehensively create prospective solutions for decision making should the marketing of the wine stumble on setbacks in the UK market. Based on the thesis key research question, the study will focus on the existing factors responsible for the wine’s successful marketing in the Nigerian market as well as the African wine market.

One of the focal points of the thesis is the market study carried out on the UK wine market in order to realize the main objective of the thesis. In this regard, the qualitative and quantitative methods of research based on marketing are practically resourceful because these methods of research literally identify an ideal market entry.

Keywords: Marketing Strategies, International Marketing, Market Research, Market Entry, Customer Orientation, Market Analysis, Market Environment.
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1. INTRODUCTION

The name of the company is Mon-Gra-Jack Nigeria Ltd, a multi production company and privately owned. The company was established in 1980 and manufactures domestic and industrial products, as well as providing customer services. The company’s products range from small, medium and large sizes of different designs with modern technology. Products manufactured by the company include; ceramics, plastics, cement, floor tiles, zinc, tissues, wallpapers, liquid soup, and transportation services. The company started production with 185 employees between 1981 and 1990.

From the company’s position the idea of the thesis is to technically structure strategic and constructive marketing tools for their new product (Wine), hence the thesis topic above.

Between 1990 and 2010 the company boasts a total workforce of 382 employees, almost half of its employees work in the production department of the company. The company’s products are household names in the cities it is located in Nigeria and has also gained a good reputation in the Nigerian nationwide market making successful sales and good turnovers because their products are basically focused on the everyday need of consumer products.

“…Globalization has aided our company in finding new market opportunities in the last few years…” (Idris Abubakar, CEO Mon-Gra-Jack Nigeria Ltd, 2011).

The company is soon to be enlisted in the Nigerian Stock Exchange (NSE), and is already accredited in the Nigerian domestic market based on becoming a public limited company (Plc.) in 2002. Presently, it has 38 manufacturing plants in Nigeria and a total of 31 branch offices in major cities in Nigeria including offices and depots with countless distributors, contractors, suppliers and customers all over the federation and a distribution network in 8 African countries. Recent data
shows that, it opened a manufacturing plant in the economic state of Nigeria called Lagos State as a subsidiary to serve the Western part of Nigeria.

However, it has competitors but highly maintains its position as one of the leading manufacturing companies in Nigeria. The company is active in its operations because it operates with modern equipment which sustains its business and position in the market. It also has good and competent employees managing its affairs especially in the production departments of the company and human resources department as well.

“…The Company has been fortunate enough to meeting with consumer goods by making price relatively affordable on its products…” (Stella Paul Nkeudo, Logistics, Mon-Gra-Jack Nigeria Ltd, 2012).

One of the most encouraging characteristics of the company is that it retains its blueprint and the system of manufacturing all its products; and it is into mass production. However, it focuses mainly on quality and mostly innovation on products and services.

1.1 BACKGROUND OF THE NEW PRODUCT

In the beginning of 2010 the management of the company decided to go into wine production based on the vast fertile land suitable for growing varieties of fruits which the company occupies and would be good for wine production. The wine is called Jacob’s Wine named after the son of the company’s CEO. Jacob’s Wine has been in the Nigerian market for two years, as well as advanced to the African market and plans to move to the European wine market, its target being the UK.
Recent statistics show that there is a good profit in sales based on the quality and reasonable pricing of the wine, however there is a high rate of competition in the wine market basically because Jacob’s Wine is still new in the market, therefore it competes with already existing wines, especially the famous wines in the market but finds a position. Since the introduction of the wine to the market the company has experienced few setbacks in sales both in the Nigerian and African markets even as mass production progresses.

In most cases as a new product the decline in sales could sometimes be as a result of the company neglecting decisive factors necessary for the right promotion of the product in the sense that, consumers with average income do not have enough knowledge of the product, therefore the inefficiency of advertisement might be the cause of weakness in the market; though the wine does make some advancement.

“…Challenges are inevitable, but the company’s wine will soar as a result of its quality…” (Kehinde Adegoke, production department, Mon-Gra-Jack Nigeria Ltd, 2011).

When the wine was first introduced to the public in early 2010 it excelled in sales and production was increasingly high, both in quantity as well as distribution. Based on this development the company has decided to expand its distribution network to Europe, with the UK as a target area in order to gain a position in the UK wine market. This gives rise to the marketing strategy of this product in consideration to entering the UK wine market in order to facilitate and support the marketing of the product.

Based on the approval of the company this product was selected because I worked with this company for few years before coming to Europe. Remarkably, the company has grown to the extent of manufacturing wine and seeking for strategic plans on how to introduce the wine to the European wine market with
the UK as the target area. I proposed carrying out a case study on this product in expectation that the company will be pleased with my study based on their permission.

The approach will include strategic entry modes which will support the entry of the product and possibly position the product to the advantage of the company with vital entries modes such as; product, price, place, promotion, coupled with effective strategies to act as backups. The brand has to be captivating in order to attract customers despite possible competition in the UK wine market. The product must be strategically branded for consumers to justify the taste of the product; this will eventually lead to effective promotion and subsequently advance sales.

“…Our Company maintains a high level of quality goods; this is one credit our customers present to us…” (Shabu Ajay, international purchasing, Mon-Gra-Jack Nigeria Ltd, 2012).

Mon-Gra-Jack Nigeria Ltd has an improved marketing and sales department. The management of the company decides important questions such as, what channels to utilize? What marketing strategy is needed to stimulate sales? To help answer these questions the management comprehensively analyses the existing external and internal situations in the company such as; job specific goals and objectives. Based on this it is possible for the company to develop likely strategies.

Although the Nigerian market in one way or another does not cover enough distribution network, but the situation is rapidly getting better. Companies in Nigeria are increasingly focused on sales as a full fledged factor of economic policies. Marketing principles are reflected in the daily operation of the company in question. In addition, there are specialized companies in Nigeria engaged in providing marketing services and have own individual values.
Most executives have finally realized the need for marketing approach at workplace, however very few can actually translate them to practice. A full marketing research and other activity costs are extremely expensive and even more so in the largely uneven economic situation as the one in Nigeria. Subsequently, not all major international companies are under the force of carrying out these activities on their own.

The thesis will consider the basic principles of marketing and sales activities of the company in the existing market, intending to tailor marketing policies and distribution policies. In the future, it is possible that the thesis will be more developed due to the increase in competition in order to improve the overall economic situation in the Nigerian marketplace. **Figure 1** shows the company’s corporate structure.
“…We at Mon-Gra-Jack Nigerian Ltd, create open-minded customer relationship in the interest of our customers…” (Maryam Idris, Human Resources, Mon-Gra-Jack Nigeria Ltd, 2011).

**Mission:** Bringing valuable products to consumers access

**Vision:** What we want to be, where we want to be

**Statement:** Our consumers and product life cycle remain our sustainability

– Mon-Gra-Jack Nigeria Ltd.
1.2 Research Objectives

The thesis is intended to create strategic marketing plans for the company in order to comprehend the sales of the company’s product in the UK as well as position the wine in the UK wine market. The study also aims at providing the company with practical and sustainable marketing tools to meeting with competition and challenges in the wine business which of course is one of the key subjects of the thesis.

The case study will also initiate significant implementations for the wine and expertise competence based on critical indicators such as; entry level, intermediaries and advanced specialists. In effect the study will possibly become an innovation material for marketing the company’s product. Logically, the rationale behind the thesis is that it is meant to develop appropriate marketing channels for the wine which is productively and successfully in existence.

The thesis will strategically analyse the fundamentals of marketing and recommend specific and obtainable wine marketing methodologies based on sales and distribution channels. The thesis is projected to establishing wine market accessibilities in the UK for the product to be able to find potential market, and define its customer behaviours.

The thesis will as well develop dominant market strategies for the wine and the potential tools needed in decision making on key issues such as, setbacks in marketing and possible efforts in management as well as substitute decisions which the marketers will be able to control for solution purposes.
1.3 Delimitations

 Practically, the thesis will be narrowed down in favour of the company based on the data they provided in the process, and certain areas such as part of the company's financial flow will be limited for security reasons. However, the main internal activities of the company will be included in the thesis.

 The product (wine) is quite a new product of the above mentioned company producing other products with successful market potential in Nigeria, and in some parts of Africa. The case study predominantly connects with marketing the company’s wine as well as aligning the research only on the UK wine market.

 Mainly, the target city will be London where consumers are more easily expected to give consumption reactions to the product hence allowing the company to identify the rate of consumption; this in turn will define the distribution network of the wine in the UK.

 Based on the demand in the UK wine market and Nigeria being a British colony with good trade relations, this product is most likely to find an easy entry if the producers acknowledge and implement the strategic market plan of the thesis.

 “…Delimitations describe the population from which generalizations can be carefully made and are under the control of the researcher…” (E-Learning Research Methods, 1994).

 The above account is precise because, the thesis basically examines the entire spectrum of strategic market entry of a new product with extensive areas as; cost, entrance, marketing, strategies and planning. Based on the limitation of time and the hypothetical stage of the thesis, it is designed to focus on marketing research as well as marketing strategy because these are mostly the key
subjects that are significant in the research question of the thesis. The case study will attempt to narrow the analysis of literature used in the thesis.

Furthermore, in order to effectively carry out and accomplish the case study and arrive at positive results, the use of academic literature specifically based on marketing, particularly on strategy, will be required to conduct the study. Additionally, consultations, questionnaires and interviews with professionals in the marketing industry and an account of the company’s present state of marketing will be required for analytical comparisons and possible redefinition.

1.4 Research Question

Originally, the thesis takes a comprehensive look at the present market situation of the wine, for example, the principal issue here is to become familiar with the level of profits which the wine has fetched for the company presently after its introduction to the market, the price technique and style of branding, advertising, promotion methods and of course the current consumer behaviour.

Having collected the hypothetical data and produced the analysis, another essential issue is to determine whether the company possesses the potential resources for entering the international market with assets such as, production capacity, labour, capital, management and marketing know-how, and any global connection that can assist in the distribution stage.

The positive results and the analysis of these issues will collectively prove the company’s readiness for facing the challenges of the international wine market. The thesis will practically identify if the product can feasibly find a market position in the UK, because as a new product there will certainly be a tussle in competition even if the product finds an entry.
Subsequently, for the company to escape the issue of competition a prospective strategy must be created especially in the area of cost, in other words Price-Friendly in sequence to pull off some competitive advantages based on being literally a new product in the market to at least win buyers, as well as find regular and latent customers. Thus, the thesis ‘Research Question’ is:

WHAT MARKET ENTRY STRATEGIES WILL JACOB’S WINE NEED IN THE UK?

To precisely give convenient answers to the above question, the thesis is prepared with sub-questions that also need suitable answers to be able to substantiate the concept of the thesis. The sub-questions are sensitive and relatively consistent. The case study focuses on decisive market issues that need much more attention, and will mainly focus on the qualitative and quantitative methods of marketing research which effectively provide methodical market classification to be able to find suitable strategic market entry practices for the new product of the company.

Sub-Questions Are As Follows:

- What is the current position of the company’s marketing in the wine business?
- Is the company ready to market in the UK?
- What is the UK wine market demand?

The main prerequisite of the company is how to strategically introduce the wine to the international market with the UK as its target, and to be able to find swift entries as well as make profits and establish locations in the UK.

The thesis will provide potential strategies for the marketing of the product, and other necessary tools considered to be required for a successful entry as the case study proceeds. Part of the data collected is based on the observations of
the company’s current state of affairs particularly in the area of marketing initiatives and progress, and will additionally study the bases of the UK wine market demands, market analysis and market access.

1.5 Theoretical Framework

The theoretical framework of the thesis will consist of the general concept and the definition of marketing practices such as, requirements, plan, strategy and implementations. This will cover the overall activities of the company in terms of resources particularly in the human resources department responsible for decision making and allocations.

In order to realize the basic intended purpose of the thesis, there are essential points to take into account such as, a thorough research on marketing strategies consecutively to establishing a suitable market for the product, as well as studying systematic and practical means of obtaining market, and to determine valuable markets with the most vital approaches that will rationally define the sustainability of the product in the UK wine market.

In addition to the above, major key theoretical basics attached to the case study will be applied to addressing the issues associated with the prospective of marketing strategies as the structure of the thesis suggests to enable the company’s product gain entry to the UK market.

1.6 Research Methods

The thesis methodological procedures will be based on the qualitative and quantitative methods of research which will both enable the thesis function as a strategic tool for marketing, at the same time introduce the company to a more competitive business environment and support the activities of the company’s
marketing personnel in checks and balances of market variations, as well as evaluate the current state of the SWOT analysis of the company.

The leading phase of the thesis will implement the qualitative method of study with consistent motives, and of course will mainly generate actions in qualitative structure. However, on the part of quantitative method certain issues are basic requisites that assist in facilitating and illustrating existing market behavioural tendencies.

The primary phase of the thesis has to do with the ample accumulation of compulsory data as well as approaching related materials gathered during research and surveys to produce the thesis.

“…Qualitative market research refers to a specific type of market research conducted in which the results are analysed using subjective measures, words and discussion as opposed to statistical analysis…” (WiseGeek, 2003).

The subsequent phase of the thesis aims at defining the structure of wine marketing in the UK, because a number of questionnaires were sent out as well as interviews carried out on wine consumers and dealers in the UK such as, hotels, restaurants, bars, alcohol stores, licensed wine distributors, exhibitions, wine specialists, leaders in the wine industry and wine marketers. All entities were basically selected based on their interests in wine consumption and sales. The data collected from all entities will support in defining as well as categorizing the mode of entry to the UK market for the product.

“…Quantitative business methods are processes and algorithms used to help corporate managers and executives make decisions and predict outcomes. They are purely numbers-driven…” (WiseGeek, 2003).
1.7 Thesis Structure

The thesis has primarily established vital means to be utilized in commencing the study in a more detailed and advanced approach focusing on the objectives and issues related to the company’s product and of course basically marketing the new product which the case study will have to demonstrate.

The case study aims at positioning sizeable marketing practices as well as describing the processes embarked upon during surveys and analysis. Constructively, the case study deems it exceptionally necessary that influential elements must be comprehensively combined based on the development of all practical data collected in pursuit of the study, and will be able to furnish the thesis with resourceful tools that could be cooperative in order to categorize the rationale behind the marketing of the product in question which of course is why the case study was approved.

Theoretically, the structure of the thesis will argue some critical hypotheses of strategic marketing based on the background literature and academic resources used in the development of the thesis, in turn bringing the thesis into a significant position.

2. LITERATURE REVIEW

The literature analysis of the thesis examines several subjects such as the issues of wine marketing in the UK, as well as strategic marketing devices which are the main features that represent the structure of the thesis. Literature evaluation will examine the previous and present market situation of the company, as well as provide possible valuable decisions for the marketing of the wine in the UK. Another issue to be taken into account is the practical discovery breach which the literature aspect of the thesis must have emphasized.
2.1 Marketing Research

Marketing research remains the basis for decision making in any organization and development of new market segments, expanding retail space, opening a branch or representative office in another location as well as expanding product line and seeking market niches; etc. These solutions are associated with the investment of capital as well as regular risks and losses.

“…Marketing research is the function that links the consumer, customer, and public to the marketer through information. This information is used to identify and define marketing opportunities and problems; to generate, refine, and evaluate marketing actions; to monitor marketing performance; and to improve understanding of the marketing process…” (Michelson & Associates, Inc, 2004).

Marketing research comes into view in order to minimize the chances of losing the investment, justify investment and give a more precise program for a return conducted. If necessary, the results of marketing research can be presented together with the calculations of financial practicality of a project or as part of expanding a business project.

The Challenges and Advantages of Marketing Research

Generally, directors of promising areas of business development are brilliant researchers and are at the stage of emerging value added projects. Marketing research aims at going beyond the simple review of markets to the confirmation or refutation of logical preliminary estimates, a more accurate numerical evaluation, the determination of the rate of market development, the definition and forecasting of market development sales potential, and the study of competitive position, the disclosure of new horizons and areas of development, an indication of the promises of new market segments, reserves and growth potential.
“…Marketing is about satisfying customer wants and needs and in the course of doing so facilitating the achievement of an organization’s objectives…” (Proctor, 2000, p.21).

The Methods of Market Research

In marketing research, in order to collect useful data to construct a thesis the qualitative and quantitative marketing research methods are reasonably preferable. Other methods and options for market research may be quite diverse depending on the transparency of the target market, brand awareness, budget of investment project and other factors.

Usually, each marketing project involves the combination of several methods that allow a more objective picture of the situation of market. The scope and method of conducting market research is coordinated by executives and co-initiators. Particularly important for the thesis are two components of any research namely; relevance and reliability.

“…Marketing research is about researching the whole of a company’s marketing process…” (Palmer, 2000).

Palmer’s account is factual because the value of marketing research depreciates very rapidly and this is primarily due to the fast changing external environment. The validity and relevance of a research is directly dependent on the use of information sources and well chosen research methods. As part of marketing projects implementation, there are three main areas to be positively taken into account.

“…You must raise the consumers’ awareness and perceived value of your product through brand development…” (Jens Welling, choosing the right sales channels, 2003).
Exploring New Markets:
The search for new markets covers the assessment of market size, market segmentation, identification of market niches, analysis of key market trends, analysis of market opportunities and threats, forecasting market development, description of sales of goods and services in the market, the study of potential customers, dealers, brokers and characteristics of leading players.

The Study of Competition:
This includes the analysis of competitors activities, assortment, pricing, sales, advertising policy, methods of working with clients, analysing strengths and weaknesses compared to competitors, the definition of products of competitors, substitute products.

The Study of Consumers:
This study involves the identification of consumer preferences, the description of consumption patterns and consumer choice, the preparation of a socio demographic portrait of the consumer to identify the needs of enterprise customers, additional goods and services or determining the most important to the consumer properties of goods or services.

Subsequent to the completion of marketing research one will receive a report on the results of the study, findings, advanced performers and completed questionnaires when the surveys were conducted will be offered. As required, a presentation to present and discuss the results of marketing research directly with the customer and give detailed comments will be done.
"...Marketing research is the function that links the consumer, customer, and public to the marketer through information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process..." (American Marketing Association (AMA) Official Definition of Marketing Research, 2004).

The above account is well defined because marketing research allows firms to increase their knowledge on the challenges facing them, as well as finding possible means of reducing uncertainties in creating marketing solutions. Very often the main objective of marketing research is the desire to give an adequate description of market processes and facts reflecting on the position of a company and opportunities in the market.

Naturally, marketing research focuses on market competitors, customers, products, environment and price of goods, and the movement of goods. The result of marketing research is the development used in the selection and implementation of marketing strategies and procedures.

2.2 Marketing Strategy

Marketing Strategies in Different Market Situations

The selection of managers of companies in marketing strategy is first determined by the interaction of certain factors primarily by the competitive position of the company logical to questions such as, is the company a market leader or just seeking to take a leadership position? Secondly regarding the company’s strategic goals, does the company seek to dominate on the market or expected to occupy a contented profitable niche? Thirdly, company’s market situation, is the company at an early stage of growth or in the phase of full maturity?
“...A strategy delineates a territory in which a company seeks to be unique...” (Michael Porter, 2011).

The Strategy of Market Development

The strategy of market development is mostly related with new users, this can be achieved by the means of expanding the geographical area of the distribution of goods, the strategy of geographic expansion or to attract new groups of users within a geographic area already mastered, and the strategy of creating new markets.

A good example is the Lidl supermarket in Finland which has achieved one of the most significant advances in the creation of new class of consumers of affordable products, and above all created a potential market leadership with affordable price. Lidl’s strategic marketing appears to be the best of strategy in reality to reducing the volume of its sales in gaining some competitive advantages.

“...Any communication or marketing professional needs cross cultural research and communication skills to be able to succeed in the future...” (Marye Tharp, 2012).

Most marketers often observe that, consumers are attracted to cheap prices of products, particularly edible products. Another major approach within marketing strategy is finding new ways to use products as an example of market expansion through new means of consumption and new ways of using new product life cycle.

In most cases the priority and innovation of new ways to use product belongs to the consumers and a range of mechanisms, but with time buyers of products have found a lot of other areas of relevance. Another strategy is to expand market in an attempt to convince consumers to increase the intensity of the use of its products and assure consumers that the effectiveness of their product
considerably will increase in doubling its services, as well as creating an approach to stimulating intensity for the use of the company’s product.

“…Marketing strategy is a series of integrated actions leading to a sustainable competitive advantage...” (John Sculley, US businessman, 2012).

Developing a New Product:
Promising but risky, prior to developing a new product or service a company needs to be sure there is real demand for its product or service, or the ability to create a demand to assess the competitiveness of companies with similar goods, compared costs and estimate earnings, assess risks and reserves.

The implementation of strategy is to overcome the conservatism of buyers and their distrust of product. However, if the product is primarily new and there is real need for it, then profits can be realistic. It is not only necessarily that the development of a new product requires the engagement of a high technology, but also it is advisable to look at the problems associated with the development of products and services as well.

“…While the term social marketing has become voguish, it is frequently used in actual practice to describe communication campaigns rather than integrated marketing programs based on a deep understanding of the target consumer populations…” (Banerji, Spatharou, Takenoshita, McKinsey & Company, UK, 2012).

Diversification:
This category of strategy is based on the common sense saying “…Do not put all your eggs in one basket…” and it is related to the expansion of companies with example to the trends in recent diversification of wine business in the world where wholesale companies create their own retail networks. The relationship attached with the risks of marketing strategies can be targeted to maximum effect
regardless of the risks to minimum effect. For example, the strategy of diversification to minimize risks, however the strategy of developing a new product promises high returns with high risks.

It should be noted that the expansion of market shares does not mean an automatic profit; it all depends on the company's market expansion strategy. The cost of expanding market may well exceed the income earned and the company must carefully analyse this effect.

“…Integration in television shows and films acts as one of several marketing tools to showcase the many dimensions of the brand as well as our iconic packaging…The uniqueness of brand integration is its global reach - that is truly international…” (Christopher Carroll, global manager brand experience, Heineken, 2012).

Carroll’s account is very important because diversification factors include the potential conflicts with antitrust laws, the increase in risks reduction and the attractiveness of expanding market shares. At the initial stage of transition to market relations in a company the sales promotion of a product starts to play an important role in the success of any business enterprise.

Increased competition forces companies to approach manufacturers with major compromise to customers and resellers to market their products through incentives. In addition, the objective factor of increasing the role of incentives is that, advertising effectiveness is reduced because of the rising cost of advertisement in the media. Therefore, increasing number of companies resort to promotions as a means that can effectively support the campaign and the purpose of their product, in order to describe the value and importance of marketing especially its strategy in marketing goods and services.
“...While marketers do their best to imbue brands with positive, motivating values and associations, marketers do not decide a brand’s ultimate meaning. Consumers do and sometimes they find relevance, purpose and significance that the brand's creators may not have seen or intended...” (Dorothy Fitch, global analyst Millward Brown, 2009).

The author makes a precise point based on the fact that the formation of marketing strategy plays a major role in complex marketing activities. Its choices depend on planning and other activities, marketing and ultimately the success of the enterprise market. It is easy enough to adjust strategic actions but the change could be a mistaken chosen strategy, because it is accompanied by financial and other losses. This places exceptional responsibility on the manager, and the strategist, and places special demands on its theoretical and methodological literacy, analytical abilities and practices.

The grand idea of the case study is the study of professional activities of marketing to develop marketing strategies for the company in question and to get an idea of the methods of selecting a competent and workable marketing plan. To achieve this goal the thesis must decide the following tasks:

- Analysis of current issues in the marketing environment as a basis for developing marketing strategy
- Planning for the development of marketing strategies
- Examination of current types of marketing strategies
- Selecting the marketing strategy from the possible alternatives
- Implementation of chosen strategies
- Assessing the condition of the marketing environment of the company

“...The best drivers of product recommendations are not loyal customers but non loyal customers’ people who have tried your product and may even still use it, but use a rival product most often...” (Justin Kirby, founder/CEO, DMC, 2012).
In relation to Kirby’s account, marketing strategy aims at developing production and bringing to the buyers of goods and services the most suitable needs. The strategy of an enterprise is developed based on research and forecasting commodity market conditions, the study of customers, learning products, competitors and other elements of market economy. Marketing strategy is defined by the position in the market whether it is a leader, competitor, advocate or takes a certain niche.

The leader of a market belongs to the largest market share of a particular product. In order to strengthen a dominant position the leader seeks to expand the overall market by attracting new customers, and finding new ways of consumption and production. To protect its market share a leader uses positional strategic edge and mobile defence pre-emptive strikes, and reflection to force reduction. Most market leaders tend to deprive competitors the possibility of transition.

“…In an international context, the development of mutually beneficial, trust-based relationships with foreign partners (i.e. agents, distributors) was viewed as a potential source of enduring competitive advantage, particularly in the contemporary globalized business environment, where classical marketing tools such as price and price quality are susceptible to imitation by rivals” (Zhang et al., 2003)…” (Balabanis George, 2004, p.367).

A leader may try to expand market segment and such strategy is justified if it leads to increased profitability and the associated risks are small. Under specific strategies the contender may carry a price conflict to reduce production costs in order to produce influential products to expand the range of products, as well as develop new products, improve distribution channels, increase the level of services or deploy an extensive advertising campaign, struggle to maintain market share to avoid obstacles as well as aim at maintaining and increasing sales allocation.
“…Marketing is not a function, it is the whole business seen from the customer’s point of view…” (Peter F. Drucker, US management consultant, 2012).

In line with Drucker’s account some marketers believe that the strategy of imitation product is not less effective than the strategy of innovative products. Big companies have huge costs of developing a new product; its distribution and market awareness. Naturally, the outcome of the thesis is not to consider the risks of becoming a market leader in the wine industry. However, nothing prevents the producing company from improving its new product and attaining such altitude.

Some approaches to developing marketing strategies involve two stages, market analysis and the actual production of marketing strategy. Market analysis begins with the collection of data and the quality of information largely determines the quality of decisions. In connection with this a marketing manager must determine what information is necessary, where it could be collected, to what extent, in what form, in what time frame as far as the information is valuable and what are the costs of obtaining information?

The suitable answers to these questions will receive relevant information by means of getting marketing information research divided into two parts, secondary desk research and primary which is the field research. Secondary research is usually based on the information already available and therefore bears the name of desk research.

“A satisfied customer is the best business strategy of all…” (Michael LeBoeuf, 2012).

I agree with the author because strategic marketing research is to study the content of the existing sources of information about the study, or a research problem in the marketing system. According to some companies there are
external and internal sources for research as domestic sources of information may be marketing statistics such as; the characteristics of turnover, sales volume, imports, exports, all claim data on the costs of marketing product, advertising, promotion, selling, and communication. Other considerable factors include, facilities, equipment, capacity of utilization, price lists of raw materials, characteristics of storage system maps, and consumers.

2.3 Research Gap

This case study will demonstrate whether a possible market for the company’s product is available in the UK and of course if considered necessary. The idea of the research is to create alternative initiatives to contest with already studied research in possession of the company. However, such approach carries along with it certain predicaments that might be risky to marketing as well as finding a dependable market in the end.

The research will be useful not only in marketing the wine, but also used in other products the company produces. The research gap will also provide new data for marketing management as a method for simultaneously measuring contributions to the company’s operations as well as give new information on the relationship between market forecast and market strategies in the near future and planning consumer behaviour.

The research gap of the thesis will function as a study that will commence the search for potential wine consumers in the UK and give definition to sets of values. Particular attention will be paid on the longevity of the product in question as the thesis keywords suggest.
3. LATENT MARKETS

The latent market at this point refers to certain percentage associated with the population of a country, region, city etc. It is composed of clients who are interested in purchasing products and services with mere desire but must have the means to purchase. Consumers should have access to services that can meet their needs and if all conditions are met there are reasons to talk about the so called real market, and how it should reduce the number of customers who for whatever reason did not show interest in a product or service in the market.

Logically, the justification of this part of the case study focuses directly on the scrutiny of contemporary statistics obtainable through prospective markets for the wine. For the thesis to summarize latent and suitable market, factors such as product transmission expenses will be observed. A potential market is a unique source of technical information. Most of the inventions disclosed in potential market provide opportunities to learn about current research and the innovation of existing products on the market.

The data contained in a patent document and technical information can be used to avoid unnecessary expenditures on the research of what is already known, identify and evaluate technology for licensing and technology transfer, find alternative technology, keeping up with the level of technological development, finding material solutions for technical problems and finding ideas for further innovation.

3.1 Empirical Data

A significant amount of data collected for the case study came from the company that produces the wine, as well as other various essential sources analysed to be able to produce the thesis in order to find solutions and possible market entrance.
During data collection top employees of the company were interviewed especially from the marketing department, wine production department as well as the HRM department of the company. Data collection came from respondents who were sent questionnaires as well as interviews and consultations with individuals in the wine industry, and wine market specialists as well as wine consumers all in the UK.

The data is essentially resourceful and contains vital information about the UK wine market, as a result the thesis is primarily programmed to suit the company’s requirements in marketing their wine in the UK as well as creating a sustainable market in the UK.

3.1.1 The Company’s Wine Production

The company’s wine production is carried out by the means of modern technology in possession of the company. The most essential phase in the processing of their wine starts with alcohol fermentation with a natural process in which sugar glucose and fructose are contained in grapes under the influence of microorganisms, then yeast is converted into alcohol and finally their wine is the product of the fermentation of grape juices.

Based on the company’s description, they maintained that the process of fermentation occurs naturally by the addition of yeast and processing time is between 10-15 days. The period of fermentation process of their wine depends on the capacity to be preserved for a long time.

The fermentation process takes place in oak barrels and hardened containers with special coatings or in barrels of stainless steel. According to the production manager the fermentation can be considered complete when sugar is processed. However, fermentation process is different for red, white, dry, pink. The grapes used for wine production can be of three types; white grape, black grape with white juice, white grape juice and red, and to prepare the wines they use only ripen in receiving the full strength juice and sugar grapes.
The company’s wine production follows cultural rules and methods of processing. Based on their explanations, collected grapes are not cleaned under running water. This is aimed at saving the yeast that lives inside the fruit berries.

The second operation is done at the request of the production experts on the crests and the separation of grapes from the brushes. However, the grapes are never separated because they are directly from the field and allow the heavy equipment to compress under and to be sure that the end result is separated from the berries of brushes. In the third operation the company in effect crushes the grapes and all berries flattened and let the juice flow.

During production they use the compressing equipment to crush the grapes and recommended to stock two or three enameled pots with a capacity of at least 20 liters each. They easily crush the grapes and most importantly they serve as a kind of fermenting vats. From the moment they start compressing the grapes in the wort which is a juice and pulp of berries the process of fermentation begins instantly. Yeast combined with sugar from grape juice begins active existence by recycling into alcohol giving off carbon dioxide. The water contains certain amount of dissolved sugar.

In most cases they do not add water and sugar in the wort; this is to make sure that young dry wine ferments sugar and water only after making a dry wine, and they add sugar to it in certain proportions to get the strong wine. These processes are done with the convenience of both advanced laboratory technology and production machinery for positive and satisfactory results to meeting with the international standard of wine production and to be certain that, the method is more suitable and meets with global requirements of winemaking. According to them, the lesser the sugar the drier wine is produced then it is stored in the production area where it is not difficult to withstand temperature.
Based on their account the maximum amount of sugar in 20 liters of finished wine does not exceed six kilograms to get a sweet wine that can hold for several years, and gradually gaining strength as well as acquiring a characteristic bouquet of vintage wine.

The company does not pour the wort to ferment in vessels of small volume. They believe that the best fermentation occurs in enamel pans and glass bottles than in the same volume, and it all depends on the capacity. They strike results by making wines in multiple one thousand liter jars. Their red wines are made from black grapes with red juice.

The company’s wine production is sustained for a long time for wines of concentrated colors intended for long observation and storage, as well as short term for young wines. White wine is produced by rapidly compressing white grapes only in the southern regions for the production of white wines using pulp of black grapes with white juice.

In the production of their rose wine it is never obtained by the mixture of white and red wines. There are two ways they produce rose wine; the first is by squeezed red grapes which produces faint pink color and the second is a short maceration during which fermentation begins. In the production of natural sweet or semi sweet wines they use almost overripe grapes on a vine struck by the noble rot which is a bit sweeter. During the fermentation process neutralized alcohol and yeast cease to perform their functions hence there is a certain amount of unprocessed sugar.

Based on the data gathered from the company, although alcohol is quantitatively the main product of fermentation other substances which are synthesized by yeast existing in grapes are most important for the quality and style of their wine. These substances include aromatic blend and organic acid. Moreover, the existence of hundreds of other wine components such as; vitamins, minerals, etc are simultaneously developed and the company closely monitors the temperature
at above 30-34 degrees Celsius, yeast bacteria dies and fermentation ceases. This process ends when all the sugar turns into alcohol.

The company’s wine production process is a delicate operation which varies considerably in the different types of wine they produce such as; red wine, dry white wine and pink wine. Their taste, color and quality depend on the original grape varieties, climate, production technology, and crop year.

In the wine production of the company they basically focus on the types of wine and their production knowledge. To them, using the technology for wine making are separated into natural sweet, alcoholic, frittata and flavored. The most common category is dry and moist sweet made from fully ripened grapes which are put under pressure instantly after collection. In the production of red and pink wines they use only red grapes, and for the production of white they use both red and white varieties as well as light fresh fruity white wine grape which spin as soon as possible after collection.

The aim is to produce juice and collect extracted flavors from grape skin. The grapes are gently crushed only to burst the skin and the resulting slurry is sent directly to the compressing machine. In the company’s wine production process they maximize the freshness of their wine because juice and grapes are allowed to cool in special equipment.

Based on the company’s wine production data as a directive in the production of the company’s wine, their sweet wines contain high alcohol. The grapes for their production are not just mature, but also affected by the noble mold. The grapes develop in special conditions of wet mornings and warm sunny days. Under the influence of the noble mold the water begins to evaporate from the berries and the grapes are placed in a biological process which significantly improves quality. The wines made from the grapes are very much valued and can be stored. After the completion of fermentation fining and stabilization of the wines start the process of aging.
The exposure of the wines flows for months and it all depends on the type of wine produced. The wines are kept in special containers, wooden casks or steel tanks. The company’s young wines are not intended for long term storage, they are aged for few weeks to 3 months and their white wines are aged between 6-9 months; but fortified wines are aged for a long period in barrels for future use.

Subsequently the company’s additional method of wine aging ranges between 1-5 years, but this according to them is an experimental forecast for future use as they progress in wine production to meeting with the general standard of wine lasting production, since they are relatively new in the field of wine production. Traditionally, it requires work with the best wines and their exposure is carried out in oak barrels because they form the wine faster and better than in larger containers. The main advantage of the barrels especially new ones is that they give the wine the aroma of vanilla perfectly combined with the aromas of the grapes.

**THE COMPANY’S WINE PRODUCTION**

- Humidity control
- Laboratory analysis
- Avoidance of bright color which is the main enemy of wine bringing it to a very rapid aging
- No vibrations
- The lack of strong odors
- Maintenance of cleanliness
- Storage of bottles in a horizontal position so that the wine cork is bathed
The Company’s Wine Composition...

Types:

Dry White Wine, Sweet Red Wine, Sweet Rose Wine, Semi Sweet, Rose, Fortified.

Content:

Alco... 12.5% - 13.5%

Sugar... 4-8g/L

Bottle... 75cl.

3.1.2 The Company’s Wine Business Analysis

The material is based on the data collected from the company’s marketing department and analyzed to produce a comprehensive and detailed description of the company’s present state in the wine business in Nigeria, and in some African countries meeting with the international standard of wine business based on their aim to enter the global wine market with the UK as a target.

Based on the official statistics gathered on current sales from the beginning of 2010 to the end of 2011, the market performance of the company’s present brands of wines in the market accounted for ₦15.9 million (Naira), the Nigerian currency i.e. about 42% share acquired from the general wine sales in Nigeria including other companies in wine production.

The Nigerian market is one of the most promising in Africa because a few years ago there was a tendency to reduce the consumption of whisky and brandy, and consumers switched to a less alcoholic drink in particular wine. As a result for the company there is a good reason for making more sales in the wine business as well as predicting the dynamic growth of its wines in the coming years. Based on my analysis of the company’s competence in the wine business the market
growth of the company's sales of wine in 2010 compared to the period of 2011 ended is fixed at 20% rise.

Further development of the company's wine market along with an increase in total consumption is evident in the changing pattern of demand. The company specifies the steady increase of sales in the share of its wines as well as in the appearance of the wines in packaging segment.

Given that the demand for the product is economical the wines are currently one of the most popular in the market. As a result of the first half of 2010 the share of domestic sales accounted for 46% of total sales in value terms, at the same time based on the low price of the wines accounted for less than one third of all sales in cash terms.

The company's wines became the product in demand of the country accounting for 35-37% of Nigerian wine market. The wines are fairly low priced in the market with good quality and thus in great demand. The company's share of wine production from other companies into wine production in Nigeria accounts for about 10% of the market. Therefore, the total share of sale is estimated at 35% of the Nigerian domestic wine market.

Presently, the wine accounts for 30% of the company's income in the market as shown in (Table 1). At the same time their share shows a supporting trend, although not much evidence based on company's security. A possible explanation is that the category of the company's fortified wine especially the lower price segments attracts consumers and the company enjoys more in demand from consumers. This is confirmed by the distribution of the company's sales by the types of wine in the low price segment where the fortified wine has 85-90% of the volume including the reason why the share of the fortified wine in value is lower in bulk 23.3 to 28.5%.
Table 1: Company’s Market Structure of Wine ‘Strength’ 2010

*(Mon-Gra-Jack Nigeria Ltd, 2012)*

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage By Volume, %</th>
<th>Share By Cost, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fortified</td>
<td>28.5</td>
<td>23.3</td>
</tr>
<tr>
<td>Table</td>
<td>71.5</td>
<td>76.7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Based on the company’s data composition of sales of wines by color it is rather a stable situation. The proportions of red wines are kept stable at 50% by volume and 55-56% by value as shown in (Table 2). In general a distinct advantage in this category is considered to be traditional for the Nigerian wine consumers, and even for the Western wine consumers. Although research shows that white wine is only slightly less popular and for the company the result of the first half of 2010 shows that they occupied 43.6% in real terms and their pink wine is really in big demand, and they will possibly have no setbacks in the West with consumers.

The company’s share rose in total sales at 5% both in volume and in value terms, and there is proof to suggest the development of this segment in the near future. The peculiarity of the Nigerian and African wine markets is a high demand for sweet wines in the category of table wines in 2011. The company’s wines serve more than two third of sales in value terms.

Furthermore, the position of my analysis shows that the preferences of Nigerian consumers will change in the direction of dry and semi wine segment and the share of semi sweet wine reduced slightly over the coming years. Moreover, this dynamic to some extent is observed in all price categories.
Table 2: Market Structure of Wines ‘Color’ 2011

(Mon-Gra-Jack Nigeria Ltd, 2012)

<table>
<thead>
<tr>
<th>Color</th>
<th>Percentage By Volume,%</th>
<th>Share By Cost,%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red</td>
<td>50.4</td>
<td>56.0</td>
</tr>
<tr>
<td>White</td>
<td>43.6</td>
<td>38.8</td>
</tr>
<tr>
<td>Pink</td>
<td>5.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

The company’s price is still the most important factor when selling wines for the vast majority of Nigerian and African consumers. This is confirmed by the composition of the company’s wine sales by price segment. Approximately 55% of the total sales volume falls on low priced category where the products of no more than $11.75 per standard bottle of 0.75 liters is accessible to the massive demand for the wines, and medium price segment which is currently perhaps the most attractive to the company, because it is one of the most intensive and growing sources of income for the company. The basis for this group comprises of the wine produced by the company as in good quality and rationale behind the price.

The company markets their existing wines at relatively low price making the wines much more in demand on the present markets which it presently distributes the wines. It can be argued that their time is yet to come for a much higher sale, although currently the combined share of segments in terms of value of more than 17% as shown in (Table 3).
Interestingly, the structure of the company’s marketing in the sales of wines by price segments slightly varies by regions in Nigeria and in the African countries where it sells its products. For example, given the level of 55% for the low price segments is practical in almost all regions of the country, but this situation is not typical of other consumer markets where on average the structure of demand on price segments varies considerably in the Western, Eastern and Southern parts of Nigeria where the company’s relatively well developed wine production is located, the share of low cost production is much higher almost 70%.

Currently, the Nigerian wine market has only four major players and given that consumers’ choice is most often guided by price range and the level of product knowledge is not high, the market concentration can not speak for the top four players who account for less than 40% of the market in value terms.

Moreover, the position in ranking presented by the company is rather relative to differences in the shares of other companies in many cases, and the estimated tenths of percent and rearrangements occur frequently. The company’s remaining one third of sales of table wines in bulk is distributed in dry and semi dry and respectively accounts for 11.3% as shown in (Table 3). In addition to the company’s wines these figures are fairly solid, but the sales of semi dry wines obviously slightly compact.

**Table 3: Market Structure of Wines ‘Sugar Content’ 2010-2011-2012**

 *(Mon-Gra-Jack Nigeria Ltd, 2012)*

<table>
<thead>
<tr>
<th>Sugar Content</th>
<th>Percentage By Volume, %</th>
<th>Share By Cost, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-Sweet</td>
<td>67.9</td>
<td>64.4</td>
</tr>
<tr>
<td>Dry</td>
<td>20.7</td>
<td>25.0</td>
</tr>
<tr>
<td>Semi-Dry</td>
<td>11.3</td>
<td>10.6</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>
The company offers quality demanding wines and is a leader in terms of national distribution. The activities of the company’s inter city wine distribution mainly focus on the most sizable markets of Nigerian regions where for two and half years they have been a strong leader. Originally, they have indirect distribution agents in Cameroon, South Africa, Togo and Benin which only distribute the products to shops, hotels, bars, clubs, cafés and restaurants and local markets.

Recently, they created a dependable continental distribution network and representative offices in African countries including Ghana, Gabon, Angola, Equatorial Guinea, Zambia, Gambia, Senegal and Kenya where they now advertise and directly sell their wines to consumers through the company’s sales representatives in these countries between the low and middle top three companies that are amongst the first in the entire market.

There are no trade barriers between African countries and this makes it much easier for both foreign and local companies in Africa to find markets and investment opportunities in African countries. One of the continents in the world where companies can easily merge, expand, find market and distributors or acquire companies is the African continent because this brings not only lots of employment opportunities but economic, social and political growths as well as human development. This basically makes it possible for the company in question to find partners in the distribution of their wine, besides Nigeria is one country in Africa where every other country in Africa wants to identify with in terms of business.

During the turn of the millennium trade became the most common practice in Africa based on boosting economic ties and relationships. The complete reactivation of bilateral relations and the exchange of goods and services existing between every African country as provided by the African Union (AU) charter increased, making it possible for the economic and trade partnership between countries in Africa to balance and grow.
All African countries exporting and importing goods within Africa such as products of light and chemical industry, agricultural produce, local produce and livestock, oil, minerals, since 2000 has significantly increased in trade making the commercial content of exports and imports experience profits, opportunities and at the same time growing rapidly.

Presently, based on this development all African countries are undergoing industrialization and urbanization transformations making the African market in good demand because of the great potential the continent possess. Products circulating within Africa meet the requirements of the development of Africa because the huge market provides enough space for African products. The swift and balanced development of trade in Africa has provided resources and products for the African stable import and export markets, at the same time cheap and good quality in the African continent which has helped to improve the lives of local people, helped to alleviate and respond to inflation in some African countries.

The company’s price strategic factor in this category no doubt is a priority to the company, but even at that they are trying not to limit price competition and working towards promoting their product. It is interesting that unlike other wines in the market the company’s brands often match up with grape varieties of production and strategically orientating customers on the type and color of wines and the content of sugar.

The company’s brands exist in different verities this strategic diversity allows the company to be a producer that makes logical advantages for their products on the shelves of wine sellers due to greater calculations, and in this case shop windows are represented by several bottles with the company’s wine names and the overall design.

The branding and packaging of this product is strategic in order to identify the wine and systematically distinguish it from other wines that might pose as competitors in the market. In the context of strategically branding this product,
the development and implementation of a set of measures are mandatory for promotion such as, the identification of the product in question as well as the selection of the product from a number of similar competing products and mostly creating long term preferences of consumers to the brand.

The process of creating a brand is also associated with good management and the formation of a special representation of consumers about the product of the manufacturer, and the sustainability of confidence in the quality of the product which basically includes; strengthening, repositioning, transformation and possibly changing of the brand.

As a new product strategic branding and packaging is necessary for the success of this wine in the UK. The strategic branding and packaging of this product will symbolize the embodiment of the information associated with this particular product which will characteristically include a well designed name, logo and other visual elements as fonts, colors and symbols all necessary to distinguish between legal and psychological approach to understanding the brand. From a legal point of view, it is considered only as a mark indicating the manufacturer of the product and subject to legal protection. In terms of consumer research it has to do with the brand as the information stored in the memory of consumers.

To strategically create effective branding and packaging for this product, the company recognizes with structuring the product before it enters the UK market. Strategic branding and packaging will feed into the point of sale, and based on this the company establishes operations in departments such as; marketing, sales, finance, research and development. These departments are referred to as the team of branding and packaging strategists.

In branding the wine, rapid response is a principal necessity in order to make a successful customer attraction. The company’s personnel responsible for this task need to quickly fix occurring setbacks which might possibly come up during marketing. The company’s team of branding and packaging strategists must be able to make their own decisions. It must be noted by the company that swift
distribution will be the key to winning a prompt delivery of the product and of course take into account that branding and packaging gets better with time.

The tight control of branding and packaging of this wine must prove that the product is produced quickly and properly with quality, moreover without delay delivered to the point of sale and must be kept under the supervision of the entire management structure. Sometimes it is believed that another issue connected with branding and packaging is the concept of trademark. The term branding and packaging signifies not just a trademark but makes a product widely known and possibly beautiful and eye-catching.

The vital steps that will lead to a good and effective branding and packaging for this product will be in the formation of branding and packaging idea such as, the analysis of the product in question and the product description as well as the product life cycle, moreover competitive advantage and market analysis.

In the middle price segment as already mentioned the company’s core competence in the wine business is symbolized in its quarterly, annually sales and figures. Not surprisingly the top three includes light elegant reds, crisp dry whites, delicate whites, fruity whites and pink.

Currently it is not complex to say categorically in what scenario it would be to develop the company’s wine market in the UK. Forecasts show that based on the successful impact the wine has made so far in both markets Nigerian and African the company is ready to enter and explore the UK wine market.

The company’s success and effectiveness in the wine business development will be feasibly realistic in the coming years as it progresses in the UK wine market with the high degree of probability of trends it’s going through based on the enough capital and human resources in the possession of the company.

It can be argued that based on the company’s local market share on the sale of its wines; it has developed, transformed and prepared as much as needed to face the challenges of the UK market which will be accompanied by an increase
in strategic packaging and branding for export and possible structural changes as well as improved technological production such as, international standardization in terms of type, color, alcohol level and sugar content.

Technically, the company strategically operates its wine distribution by the combination of the company’s own expertise in distribution and industrial production as an exceptional merger. This to the company facilitates customer relationship and market surveys as well as precisely formulates and implements distribution strategy to the company’s distribution personnel, at the same time offers customers individual potential as well as contrast to competition.

Throughout the analysis carried out on all the major procedures and activities connected with the company’s current wine distribution, they initiate strategies based on customers’ requirements. They represent their distribution strategies alongside a number of business cases which includes action tactics and activities to allow the successful realization of the wine distribution.

The distribution network of the company soars high in both the Nigerian market and in the African markets based on the nature of strategy used by the distribution planning group as a competitive advantage by efficiently controlling the flow of goods in a cost valuable, and environmentally well organized approach that meets with the requirements of the marketplace. They also focus on quality distribution services in order to sustain privileged market price range.

The competitive strategies of the company’s distribution focuses on control and taxation solutions which brings about another focus of interest such as, nominal expertise; this in turn builds a cordial relationship with customers and other experts in the field as well as develops market segment of distribution and maintains market leadership, and improves commercialization.
The company’s competitive strategies in wine distribution supports the company in penetrating markets with extraordinary tender and they work continuously in developing the skills of all employees, as well as creating a consistent business image between employees, customers and partners. This has assisted the company in creating motivation devices that connect distribution, productivity and profitability.

“…Consumers have psychologically priced a product with a certain amount that they are willing to pay price point…” (Jens Welling, choosing the right sales channels, 2003).

The prospective of marketing sustains a company in their mission as a strategic factor in increasing competition. In this regard marketing mission is often interpreted as, a rule similar to the marketing mix concept ensuring the availability of the right product, in the right quantity and the right condition at the right place, at the right time for the right customer, at the right cost which can be translated as ensuring the accessibility of the desired product in the required amount and specified quality, at the right place at the scheduled time for a particular consumer at the least cost.

3.1.3 The Company’s Readiness for the UK Wine Market

The company has demonstrated great competence in the wine business based on production standard, marketing sales motivation and enthusiasm making it prepared for expanding its product to the international market. The company’s level of competence can be derived from the level and method of wine production which of course meets with the international process of wine production, as well as the rate of sales already made by the company from wine production.

The company’s competence is also shown in a variety of activities resulting from personnel trainings and increased specialization in wine production activities, required in developing a niche market in the wine business. It is obvious that the
competence of its staff to a large extent determines the quality of products and services that offers the entire company good profit. The company’s analysis of wine business requirements in the planning level of labor and capital is rapidly translated into the logic of competencies needed for obtaining more results internationally as it gears up for the UK wine market entry.

The company operates its wine production based on competitive and leading technologies used in the wine business. The competence of the company’s wine business expertise is seen in a set of interrelated skills, capabilities and technology. The company provides an effective solution to certain problems and situations. Their standard of competence for facing the UK wine market challenges allows for a set of benefits in technological skills and knowledge which allows the company to solving typical marketing issues in the segment of implementing operational processes at the level of adopting foreign standard.

The company perceives a set of components of its business units as well as a combination of core competencies in ability, facility and know-how that enable the company to provide its customers with certain values for their money in wine purchase; this in turn becomes the strategic potential of the company.

“…Nigeria is an increasingly important market for British companies, and the UK is one of the largest investors in Nigeria, in sectors from oil and gas to financial services, to agriculture. Trade between the two countries increased by 67% from 2007/8 to 2008/9…” (Foreign and Commonwealth office, 2012).

One way the company has demonstrated its core competence to entering the UK wine market is through the identification of key customers and lovers of wine in the UK, and the nature of their needs and the role of the company to meeting those needs. This method the company believes will allow for customer orientation to its product. In the company’s wine business with the advent of the multiple customers in many African countries the approach is the division of human labor based on effective marketing.
The company is familiar with many enthusiastic British marketing experts doing business in Nigeria with offices all over Nigeria particularly in marketing, management, advertising and insurance ready to market its product in the UK. Based on my findings from the company’s personnel the cost of sales will exceed the cost of transportation (Logistics) of the product to the UK even at a relatively low price based on the formal consultations they’ve had with the British marketing agencies in Nigeria, because the price will be fixed at a considerably less cost to the already existing wines in the UK in order to cover export costs, production cost and taxes.

“…We are noted for our ability to produce a quality product. Our aim is to strengthen this position. In addition, we desire our product (wine) to dominate every variety of wine consumption, both domestically and internationally…” (Wine Production Dept. Mon-Gra-Jack Nigeria Ltd, 2012).

Presently, between Nigeria and the UK there is little or no trade barriers unlike when Nigeria was under military rule which made it difficult to trade based on sanctions imposed by the international community on Nigeria, now democracy has greatly paved way for easy trade access between Nigeria and other countries especially the UK and the US as its main business focus, making Nigeria the leading business nation in Africa with enough potential resources both natural, capital and labor.

3.1.4 The UK Wine Market Analysis

The vast sales of wines from Africa particularly from South Africa in the UK market over the past 12 months increased by 20%. Based on this indicator the countries surpassed the oldest wine importer in the UK and France pushing it at fifth place. This plainly shows the big picture and to what extent Jacob’s Wine will possibly find a potential market in the UK coming from Africa as well, as wines from Africa rise in sales in the UK wine market.
Another country to import wine to the UK is Italy, the share of the continent now accounts for 20.7% of the UK market. If demand growth in the UK on Italian wines retains their figures, the country can come out on top in the next 12 months as the biggest supplier of wine to the UK.

Figures published recently by the British Government shows that despite the crisis and the relatively weak market, importing wines from Africa increased by 28% between 2008/2009 and in monetary terms African wines have already bypassed Australian wines based on the same indicator over the same period grew by 32%. The best growth occurs in the segment of everyday African red and rose wines 87% and sales growth of African white wines 44%, sparkling wines including the famous rose by 79%.

“…The United Kingdom is the largest importer of wine by value in the world and the fifth largest wine market. In 2009, this market was estimated to be worth US$17.53 billion…” (Exporter guide wine in the United Kingdom market profile, October, 2010).

The positive trends in the African wine industry have identified famous winemaker South Africa even though 2009 was difficult for the global wine exports which fell overall by 20% for Italian wine exports, in that sense African wines were very successful with the growth of wine exports to other countries by 10% in volume terms and at 6% in monetary terms.

A close attention is paid on the UK market taking into account the total number of wine consumption by individual countries; the UK on this indicator is 6th place behind France, Italy, USA, Germany and Spain. The fact that in all these countries share in the total consumption is dominated by local wines. Import accounts for a much smaller part; it is logical since these countries are among the leading market powers that hold wine market prevailing in sales. The UK in this respect stands alone, in general the consumption of wine in the UK shares own products and accounts for small percentage and the lion’s share is imported wines.
“...All but the largest exporters supply the market through agents and distributors. There are now more than 80 such arrangements in place for New Zealand wine companies supplying the UK. Most of the major wine companies have their own manager based in the UK so as to build their understanding of the consumer and their relationship with the trade...” (Exporter guide wine in the United Kingdom market profile, October, 2010).

The UK has always been an attractive market for wines from Africa for many decades. The major importer is South Africa historically because of cross marriages of royal dynasties geographically by virtue of proximity and easy delivery. Based on this positive existing principle Jacob’s Wine will find a market in the UK. The UK wine market not only contributes to the development of African wine production, but business relationship as well.

The dependence of the UK market on the supply of wines from other countries contributes to the fact that, the UK wine market is developed by wine shops and many trading houses that specialize in the sale of drinks as old family businesses that have a long history. For this reason to some extent one can best see the current trends in the global wine industry which country is most in demand today, and what types of wine are mostly popular.

The UK wine market is a measurement for the global wine industry as a result large number of top wine critics live in the UK. That is the reason why Jacob’s Wine entering the UK will very cautiously look at what’s happening in the wine market in the UK through positive entry channels. More than 85% of wines bought in the UK are from supermarkets.
“…The UK wine market is facing a challenging and tumultuous time as it seeks to cope with a number of adverse factors which are impacting on prices and profitability, and the market’s training of people to buy on discount comes back to haunt it…” (The UK Wine Market, July 2011).

The UK public loves wine, and they like to know about the producers themselves. Wine trade in the UK involves hundreds of companies around the world. However, the traditional wine market has always attracted special attention to the old wine in the face of the UK authorities as well as new wines.

“…If you are exporting wine from, or importing wine into, the UK, there are European Union (EU) regulations you need to follow. EU rules apply in three key areas:

Quality and additives

Labeling

Documentation and record keeping

“…The Food Standards Agency (FSA) enforces EU wine laws in the UK through its Wine Standards Branch. HM Revenue & Customs (HMRC) regulates import duty, excise and VAT…” (Department for Environment Food and Rural Affairs, 2011).

Wines in the UK come from many countries the shares of the old and new worlds respectively 62% and 38% a list which is headed by Australia. In 2006 Australia took 23.9% of the UK wine market in value terms, its sales totaled more than 1billion pounds. In comparison the next is France with a market share of 18% of wines sold at 765.8million pounds. In recent years New Zealand wines have enjoyed great success. In 2007 sales of New Zealand wines have grown by 31%. Its market share 2.9% or 126million pounds and total wines from Africa grew by 28%.
The wine market in the UK is growing significantly especially during exhibitions where winemakers display their products and retail sales. From 2001 to 2005 in value terms increased by 25% prior to 2010 wine consumption added 4% per year which is 3.5 times faster than the global growth and retail sales of wine by 2010 increase to 8 billion euros and the UK was the largest wine market in Europe.

“…If you intend to sell wine you import, you may need a retail license. Local authority trading standards offices issue licenses for trading in wine and they also check that you are not breaking any trading standards legislation…” (Department for Environment Food and Rural Affairs, 2011).

In 2005 the total consumption of red wine accounted for 53%, whites 35%, pink 4% and sparkling 8%. Sparkling wines equally divided Australia, France and Spain and African wines. The sales of wines in 2001/2005 increased by 63% it is expected that by 2013 they will have to increase by 25% as the largest retailers and one of the biggest trends in the UK market since 2007. Today, the UK consumer preferences outline the following trends; wine should be clean, fruity and dry, grape varieties with alcohol content of 12-14.5% vol. with distinct aroma, elegance and refined finish.

**The UK Wine Market Standard Features**

**Required Documents:**

Packing List

Certificate of Origin

Insurance Certificate

Simplified Export Certificate
**Minimum/Maximum Alcoholic Strengths**

Acidity

Sweetening Additives

Residual Sugar Content

Fermentation Additives

Enrichment Additives

Clarifying Agents

Total Sulphur Dioxide

3.1.5 Summary

The stage of realizing a drafted strategy is determined by the potential development of the organization in existence or the prospects of strengthening the position and range. The organization’s implementation of strategic plan as its known is determined by the state of its external and internal environment. The external environment is characterized by the relationships between suppliers, customers and competitors i.e. ultimate opportunities and threats. The internal environment has to do with strengths and weaknesses of the organization.

The classification of these operational elements provides the analysis of organizational resources. Wine production is often associated with the storage and movement of goods i.e. supply chain. It is often forgotten that strategies are also planning the production and management of production operations and material flow in a company.
Wine production has control flow processes within the company and also forms exceptional marketing system which integrates certain sets of supply components in the overall structure of any existing brand. Competitive strategies in manufacturing wine provides quality, timely and complete production in accordance with sales, reducing production cycle and the optimization of production costs. The principle of manufacturing wine is the precise timing of manufacture and promotional operations in manufacturing and providing related entities.

“…Competitiveness is defined by the productivity with which a nation utilizes its human, capital and natural resources. To understand competitiveness, the starting point must be a nation's underlying sources of prosperity…” (Michael Porter, 2011).

In accordance with Porter’s account competitive strategies are approaches which allow for the detection of important differences between industries and ways of their development helping companies find unique position. Competitive strategies are also structured concepts of competitive advantage expressed in terms of costs and differentiation, and directly related to profitability with practical values quickly accepted by managers who seek concrete ways to address complex strategic issues of planning.

“…The international market goes beyond the export marketer and becomes more involved in the marketing environment in the countries in which it is doing business…” (Keegan, 2002).

Keegan gave a clear description because competitive strategies are system widely used in various enterprises and in different types of economy and market centrally managed and transitional. One should also note that the system aims at meeting with the needs of future managers at the expense of the corresponding volume, timing, quality etc, and prior to delivery.
“…Marketing research requires the application of the Systems Approach to the task of collecting, organizing, analysing and interpreting in marketing information…” (Jobanputra, Kuldeep H., 2009, p.26).

Based on the about account competitive strategies add up to the sustainability of companies in any sphere of activities. The data I collected for this case study scrutinizes the input purposes of wine production that can be achieved frequently based on competitive advantage mainly through a joint impact of enhanced customer services and lower costs of supply, as well as the contribution that customer services can make to structure a long term association with customers and develop a highlighted preservation.

4. THE COMPANY’S OPERATIONAL TOOLS

The growth of a company depends entirely on basic elements as capital, workforce, skills, management, control, productivity, security, type of manufactured goods, supply and demand, strategy, corporative and collective personnel responsibility, human resources, opportunity, quality of goods, effectiveness, competitions, advertisement, maintenance, planning, labour, capacity, customer services and relations, reliability, location, innovation, investment. These are the key components that make it possible to achieve the growth of any company.

A company’s management should understand that growth is impossible without capital. Moreover, business develops if there are quality services. In a company each committed staff interested in the growth of the company can simultaneously act as a contributor in approaching the strategies which the company needs in order to grow. In any business venture the financial director ought to distribute expenses and receipts on various categories. Therefore, financial planning helps to adjust the equality of incomes and charges of a company. Large companies as a rule own greater resources and in such company as the one producing
Jacob’s Wine the production and economic divisions usually function side by side. Large industrial and technological companies monopolize and reduce price or reduce manufacture. **Figure 3** shows the company’s SWOT Analysis (key success factors)

### STRENGTH

1. Near locations for resources needed for wine production and intercity distribution
2. Modern and well developed wine production infrastructure, communication and transportation
3. Successful and valuable extended term in wine business
4. Great interest for quality wine production for consumers’ demand
5. Wide range of wine distribution network in Nigeria and Africa
6. A favorable image in the Nigerian and African wine markets
7. Availability of wines for distributors
8. Flexible pricing
9. Attracting consumers on (packages discount)
10. Coordinated production with standard
11. Using the latest modern management system
12. The ability to determine the income of wine sales to target group
13. The capacity to segment customers interests
14. Conducts regular wine market research in Nigeria and Africa
15. Approach to customers by meeting needs
16. Continuous improvement of staff skills both in sales department and production department
17. Staff training, seminars and training programs to improving the quality of customer services.

### WEAKNESSES

1. Lack of information on the strategic directions of other African countries distribution agencies
2. Bulky shape of typical agreement and opinions of sensitive customers
3. Lack of labor structure on the principles of unity of command, many heads involved in the marketing and distribution channels both in Nigeria and Africa
4. Decision making system centralized, making it difficult to speed up the execution of production tasks in a timely manner
5. Lack of authority for management services which requires fast responsiveness
6. Powers of marketing department as the main structural unit in developing strategy and tactics are limited
7. A greater percentage of accounts for individual distributors/agents
8. Lack of e-marketing plan and standard unit Internet marketer.
For small and average companies similar exercise can have the most negative consequences, therefore it is necessary to receive a short term credit for covering cash break and increase in publicity expenses to survive in conditions of market pricing and competition.

The planning of resources involves the demand and understanding of internal developments of a company. Considerably, the financial status of a company sometimes influences its development. But, the factors of increasing deficiency of turnaround means that both defining occurrence and increase in labour appears in time break between constant payments and receipts from sales. Therefore, financial directors should not only plan expenses for the covering of cash break, but also consider the necessity of steady increase in charges of company on public relations and advertisement.
4.1 The Company’s Customer Relationship Management in Wine Business

Based on the data collected in pursuit for the case study, analysis proved that the company’s customer relationship acts as a connecting experience rather than hype, meaning it is all about advertising of the company's product. At the same time to the benefit of the company it is principally a means of breaking through in the future for company advantage and position in the market.

The use of available resources to communicate with customers create exceptional sales exit for the company’s products. Experience here could be explained as making effective improvements and changes, as well as learning from past errors in one way or the other which might have cost the company a retard in customer relationship management in the past.

Most companies focus mainly on the future while some solely maintain product publicity believably meant to stimulate company’s values and concepts towards management and customer protection. Consistently, people prefer to buy a certain product based on the image on the pack not necessarily the producer’s image, but because some images are beautiful and attractive to buyers and this I would say is a strategic plus to the producer. I have observed in many occasions where people buy products based on both image and inscription on the pack of a product especially dairy product like milk. In my opinion this becomes an experience for both producer and consumer.

Theoretically, specialized companies such as milk producers have sophisticated manufacturing equipment where all the basic operations for the production of milk is packaged and produced in line with owner’s image advertised on the pack. Based on this approach I think this is a strategic level for the sales department. This means addressing key issues such as the development of a long term partnerships with customers through confidence in their companies
and sales. Experience is created when buying products with producer’s image on the pack because such advance gains the confidence of customers.

“…The market development stage of a product life cycle covers the period from the introduction of a new product to the starting point of rapid growth in the sales of the product…” (Cherunilam, Francis, 2008, p.119).

Producers have more influence on business partners when it comes to the expansion of product range on reducing less loyalty. It incorporates the willingness to share information about company competitors and provides timely information about the end user. This experience optimizes organizational structure and adequate business objectives and market requirements including opportunities. Buying products with the producer’s image on the pack introduces the standard of customer services.

Subsequently, this initiative is one of the key business processes required to formalize work with the reclamation of clients. Quality work with recuperation increases the loyalty of current customers and increases the percentage of recommendations. Investing on producer’s image on the pack is a skilful knowledge and experience in the production of any industry in any variety, and the implementation of same bulk at the best price for the consumer; not just engaging in production, but also producing customized system and using the opportunities of design and decoration while advertising products.

This experience can as well be used both separately and jointly with other products in addressing customer relationship. Image dressing on a product is an excellent way of decorating any product and sure to be useful for the interpretation and representation of customer loyalty. Experience is certainly analysed based on prevailing practical customer relationship and the foundation of marketing which is focused on research and product marketing. In this regard industrial marketing is generally used as principles and techniques developed for
consumer markets. In this promotion technique the producer would have formulated the basic differences between industrial markets of consumer and analysed behaviour of industrial buyers and their motivations.

Producer image on a certain product is the ability to transform existing opportunities to capital and protect against threats depending on the strengths and weaknesses of the company. Perhaps, after SWOT analysis a company may abandon plans to develop a new product or contain with new areas of activity even if aware that it could not offer any know-how conducive for market success. If the producer has relevant knowledge and has distribution channels that facilitate the expansion of sales it can be regarded as a force that can be converted into capital.

5. MARKET APPROACH

A feasibility study was carried out in the UK by sending out simple and basic questionnaires in form of closed questions to be answered with either Yes or No with a simple phrase by wine consumers, wine vendors, hotels, bars and restaurants in order to know peoples reactions, supply chain, distribution network, wine marketing and sales behaviour in the city of London. I was able to analyse the data I collected from all actors, wine buyers and of course wine distributors.

“...Volume is not where we should be focusing because consumers seem to be suggesting they have got enough wine. We have to look at a different shaped marketplace and it presents challenges for the industry...” (UK wine market trends; Wine Intelligence, 2011).

One of the shops that responded was a mega shop in London called the London wine shop which can be compared to the size of Prizma here in Finland. In the UK all the shops that responded demonstrated encouraging responses that the
wines from Africa are in demand in the UK, already South African wines are long standing in the UK market and of good quantity and sales are remarkable.

5.1 Structure of Questionnaires and Interviews

Based on the remarks of wine shop managers in the UK, consumers buy the wines from Africa not only based on the quality standard but particularly based on the low price of the wines to allow people try something new and make possible way for easy and fast market, as well as the natural flavour of seasonal blends of assorted fruits due to the climatic conditions in Africa which is good for the growth and maturity of natural fruits, as well as wine production such as, sweet and pleasant taste, attractive look, quality level and prepared under decent condition with modernized technology, because most of the wines are produced by foreign wine companies operating in Africa with modern day technology.

As earlier said, the questionnaires were simply based on flexible and common questions made easy for respondents to give simple and straightforward answers to questions without complications, as well as to minimize their time and get their attention. Overall, the figures appear differently in each case based on individual opinion and feelings. Figures represent the number of people who indicated their answers plainly and instantly.

The reason for the closed questions was because I needed to maintain control of the conversation with my questions, because closed questions are quick and easy to answer in order to avoid long answers and possible arguments. I asked about the market performance of other wines from other countries in the UK market. The shops administration told me that their suppliers come from Spain, Chile, France, Portugal, Moldova, Hungary, Bulgaria, Italy, South Africa, New Zealand, Australia, Lebanon and Argentina. Seven shops said that their distributors and suppliers are mainly independent distributors based in the
mentioned countries and they have good customer relationship with their partners.

The questionnaires were accompanied by strategic questions on how to enter the UK wine market. UK wine shop owners and managers of wine shops all gave comparable accounts on how a new wine could possibly enter the UK wine market. Analyzing their different accounts in one position, the World Wide Web has truly become an indispensable attribute of life. The network was not just created for socializing; recreation and entertainment but with much more focus as the most active business process and market entry means.

The wine shop managers specified that the Internet is constantly expanding its reach and scope for companies giving them affordable and effective ways to look for partners and study their consumers in order to develop new markets according to the players in the UK wine industry. Based on their remarks the real possibility for this particular wine to find its way into the UK market is through the global internet network. This will enable wine consumers and even wine marketers to get acquainted with the product firsthand because people will be able to rate the products more easily when they find it on the net.

In addition, UK wine specialists maintain that the company producing Jacob’s Wine ought to place the advertisement of the wine in the UK magazines and newspapers and main business areas in the UK, as well as carefully select their UK business partners for a well built and reliable promotion strategy.

Based on the comprehensive account of wine consultants, wine distributors, marketers and wine shop owners questioned about the entry possibility of the wine, they all argued that internet marketing today promises a flexible entry allowing a wide range of approaches to the issues of promoting the client company and its products in virtual space, because geographical scope is not a barrier with the internet as this is one of the modern forms of advertising which
not only offers products and services independent market entry but also provides opportunity to engage in dialogue with potential customers in real time, and at a minimum cost.

In addition they all believe that the more visitors the company’s website will attract based on the advertisement of their wine the cheaper the cost per contact for target customer. This innovative approach provides advantages not only in the cost of contact, but in promotional campaigns which can be organized perfectly on any number of contacts and these campaigns are not necessarily expensive. Players in the wine industry made it clear that the internet however is not a means for immediate growth; it can only raise the information rating and the qualitative development of the product if the company in question has the department of internet marketing.

Interviewed actors commented that working with wine consultants in the field of marketing will help to evaluate the company’s existing competence in the wine industry and recommend areas of distribution where catching markets can be located in the UK. Wine marketing consultants will assist the company in determining the best geographical locations and zones in the UK.

Throughout my survey I discovered that new businesses are being developed every year in the UK marketplace, some leaving the battlefield, others take their place and others slow to penetrate the UK market finding a single niche market with favorable competitive environment and invest not only in a unique product or service, but also the creation of interest from potential customers with the sole assistance of tested and trusted UK marketing agents.

Wine dealers and entities connected with wine in one pace acknowledged that the decision to choose the method of penetration to the UK wine market depends on some key issues such as, the stage of development i.e. size, experience, foreign trade, financial resources, risk tolerance, potential market, foreign
economic policy of the target country, transaction costs business conditions, advantages of owning valuable assets, transportation and logistics costs. Based on their expertise advice they reminded that the stage of development for the company’s product in the UK have to pursue the process of internationalization of the company which consists of the following entry strategies such as, export via independent representatives i.e. agents and the creation of one or more subsidiaries of the organization of its own production abroad. Table 5 shows the questionnaire actions.

**FIGURES INDICATE NUMBER OF RESPONDENTS**

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will you like to see a new wine in a UK wine shop?</td>
<td><em>(YES, 70) (NO, 10) (MAYBE 53)</em></td>
</tr>
<tr>
<td>Do you think a new wine will find a market in the UK?</td>
<td><em>(YES, 50) (NOT SURE 24)</em></td>
</tr>
<tr>
<td>How will you react to the taste of a brand new wine in the UK?</td>
<td>*(DON’T KNOW YET, 52) <em>(NO DIFFERENCE WINE IS WINE 28)</em></td>
</tr>
<tr>
<td>How will you compare a new wine with other existing wines in the UK?</td>
<td><em>(DEPENDS ON THE TASTE, 74)</em></td>
</tr>
<tr>
<td>Will you like to have a sample taste of the new wine first, before buying the wine or you simply buy the wine?</td>
<td>*(TASTE FIRST, 20) <em>(JUST BUY 63)</em></td>
</tr>
<tr>
<td>Question</td>
<td>Response…</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>What will be your initial considerable cost of the new wine?</td>
<td><em>(CHEAPER, 84)</em></td>
</tr>
<tr>
<td>If the wine is produced outside the UK will you welcome it?</td>
<td><em>(YES, 81)</em></td>
</tr>
<tr>
<td>What will attract you to the wine, quality, taste, or branding?</td>
<td><em>(TAST, 63) (QUALITY, 71)</em></td>
</tr>
<tr>
<td>Will you patronize the new wine if it satisfies your desire?</td>
<td><em>(YES, 62)</em></td>
</tr>
<tr>
<td>Would you advise others to buy the wine, or you allow them to decide for themselves?</td>
<td><em>(ADVISE THEM TO BUY, 50) (ALLOW THEM TO DECIDE, 37)</em></td>
</tr>
<tr>
<td>If the producers of the new wine see you as a loyal customer, what will you advise them about the wine?</td>
<td><em>(PRICE REDUCTION 31) (NOT SURE, 40) (NOTHING, 53) (MORE SUPPLY 78)</em></td>
</tr>
</tbody>
</table>

The best case scenario is that the producers of Jacob’s Wine are equipped with contemporary technology in production, meaning that the marketing of the wine in the UK will be friendly and stable amongst partners involved in both production and distribution. Wine shop owners in the UK said that with all pleasure wine consumers in the UK will as well favour something new and will be in good demand by consumers in London and beyond. Four out of the wine shops in the
UK added that the consumption rate of wine is effectively high therefore will provide good profits.

Marketing is the establishment and the end point of selling approach which offers principal methodical structure where calculation indicates the categories of valuable formations of differentiation. As an initiative marketing is observed as the basis for a successful trade plan. As a set of practices marketing plays an essential role in recognizing consumer sensitivity and tendency as the basis for planning. Marketing as a function plays significant part in realizing decided commercial strategies. There is a swift in the universal industrial expansion in the marketplace, but they are not quite controlling like they were previously. The influence is based on the know-how of push and pulls possibly today which contains diverse effect.

**Questionnaire Position:**

Originally, when I first met with the supervisor of the thesis, Hytonen Riku (Senior Lecturer) I informed him about the rationale behind my carrying out a case study on the UK wine market based on implementing my Master’s Thesis at the Saimaa University of Applied Sciences, Lappeenranta, Finland. In support he encouraged me to go ahead with the survey sighting the significance it will have on the Thesis.

**Objective of interviews:**

Over the telephone interviews and via the Internet I took time to ask wine consumers in the UK what their reaction and interest would be on a new wine. I was able to obtain some feedback from people living in the UK who consume wines. The age groups I reached ranged from the elderly, the mature and the youths. To widely achieve my aim the consultations I did needed to get a clear picture and an in-depth perception of the UK wine trade particularly from consumer perspective and dealers as well. The thesis consists of both the
qualitative and quantitative method of research in comparison because both methods basically have a lot in common as relates to marketing.

While interviews were going on I politely advised participants that the answers they will give must be based on their own free will without sentiments and whatever answer they gave will be welcomed, because I depended on their answers to structure my thesis.

**Interview Configuration:**
Before I commenced with the interviews proper I first prepared and assembled files of inquiries which I raised to people. As the interview progressed I took observations of the potential and vital answers I got from respondents. However, in most cases when I was not clear with any answer from any respondent I was forced by circumstances to solicit with respondents to reiterate their answer. I tried as much as possible to limit and narrow time with people and of course respect their feelings.

**5.2 Questionnaire and Interview Outcome**

Wine has prospective position in the UK market with loyal customers and the level of consumption is of maximum height. Wine occupies 60% of the actual volume of alcohol in the UK market. Wine is in steady demand in the UK although beer is in more demand. Presently, wine market has great potential for increasing the number of shops selling wine in order to develop a competitive environment.

Generally, entering a new market is quite challenging and never easy and of course requires a lot of skills and readiness of the entire management of a company, predominantly the marketing department of a company. Indirect marketing is a very easy way to enter a foreign market. However, for a big company like Mon-Gra-Jack Nigeria Ltd it is good to also manage and reduce
risks by a second party who has the knowledge and contacts in the target market even though the company’s profit will be little at first based on the intermediaries involved.

If Mon-Gra-Jack Nigeria Ltd will implement sustain and contain with my plan as well as work jointly with skilled distributors in the marketing industry, they may have better chances of succeeding in the UK wine market.

“…When determining which strategies you want to use to give your company a unique, memorable, desirable, and believable personality, keep thinking about what you can do that other companies can’t or don’t want to do…” (Luther, William M., 2001, p.105).

In addition to a joint co-operation Mon-Gra-Jack Nigeria Ltd has to stay active and follow the wine market situation in the UK. Furthermore, information from both distributors and consumers need to be analysed and taken into consideration when planning new marketing proceedings or innovation and product design etc. Expanding their business to a new market area could also be possible in the future if the product is well received in the UK.

Most companies see the main purpose of marketing concepts likely to meeting with the needs of consumers rather than an increase in the production of goods and services. Today’s business plans are more focused on customers and competition and a realistic development plan involving all functional units of a company. Some marketing managers see themselves more as professional managers and not specialists.

The participation of senior management in developing marketing plan is constantly expanding. Planning becomes a continuous process aimed at the compliance of a company’s rapidly changing market situation. Names of marketing plans generally range from business plan, marketing plan and
sometimes operational plan and most marketing plans are designed for one year, or sometimes several years. Plans vary in scope and contain 10 to 50 pages. Some companies approach the development of plans very seriously while others treat them as a guide to action.

“…When entrepreneurs start up a business, their knowledge of the industry varies widely. Some have worked for firms for years and know the market and the competition very thoroughly…” (Ferreri Jack, 2000, p.122).

For most marketing managers the most common shortcomings of their marketing plans are unrealistic, inadequate analysis of competition and focus on short term results. Strategic business planning involves defining business objectives, the analysis of opportunities and external threats, analysing internal strengths and weaknesses, formulating strategies in particular, the possibility of establishing strategic alliances, the development of support programs, implementation of programs, the establishment and implementation of feedback control. The main responsibility for setting in motion a strategic planning process is the company's centre of operation.

Corporate strategy is designed to establish the boundaries and structure of the strategic plans of departments and business units. The company producing Jacob’s Wine must compare the performance of potential buyers of its product in order to identify the main competitors, take note of new developments in technology, new laws, regulations and standards that may affect the performance of equipment and marketing, and analyse its financial position and conditions of the distribution channels of its products.

In summary, the company must regularly monitor key macro factors such as, demography, economy, technology, socio culture, customers, competitors, channels of distribution providers that affect opportunities for profit. Soaring companies tend to meet or exceed the expectations of stakeholders and
coordinate work processes. The effective use of internal and external resources and organizational culture of a company focuses on accomplishment.

6. THE RIGHT MARKET

Marketing is an integrated system of production and the marketing of products designed to meeting specific needs of consumers and profits based on research, market forecasting, and study of internal and external environment of exporting companies, strategy and behaviour in the market through marketing programs. These programs position the actions of improved product range, the study of customers, competitors and competition for pricing, demand, sales promotion and advertising, the optimization of commodity, channels and technical services, organizations and expansion.

The marketing of a product is connected with market economy and the philosophy of production completely from research and project as well as the design work to marketing and services conditions, and requirements of market in a regular dynamic development under the influence of a wide range of economic, political, scientific, technical and social factors. Most producers and exporters consider marketing as a means to achieve the goals fixed for the period of each specific market and its segments with maximum economic efficiency.

“…A firm’s existing core competencies reflect the fundamental skills and knowledge behind its successful products…” (Proctor, 2000).

The author’s account is obvious because a right market becomes real when the manufacturer has the opportunity to systematically adjust with both scientific and technical production as well as marketing plans. In line with market fluctuations marketers strive to manoeuvre their own materials and intellectual resources to provide necessary flexibility in dealing with strategic and tactical tasks based on the outcomes of marketing research.
“…If companies want to have a relationship with their customers, if they expect loyalty, the passing on of information and repeat purchasing, then they have to operate by the same rules…” (Szmigin, Isabelle, 2003, p.16).

Based on the mentioned conditions marketing becomes the foundation for long term and operational planning of industrial and commercial activities of enterprises, export preparation of production programs, the organization of scientific, technical, technological investment and the supply of collective enterprise and marketing management as a critical element of enterprise management system.

Marketing activities ensure accurate reliable and timely information on the market structure and the dynamics of specific demand, preferences of customers as the key information about the external conditions of the functioning of a company. The creation of a product as a set of goods and range that satisfies the requirements of the market than competitors products and the expected impact on consumer demand of the market providing the best possible control of the capacity of implementation.

“…The emerging markets of Nigeria and Africa allow our company’s operations successful entry to new markets...” (Bashir Adamu, Marketing, Mon-Gra-Jack Nigeria Ltd, 2011).

The right possible market for Jacob’s Wine in Europe is the UK market based on the demand rate of wine in the UK. For the company to properly position this wine in the UK market both the internal and external assessment of analysis must be a focus point in production and must highly be considered in order to know where its deficiency rests in sales.
The internal analysis of a company includes its strengths and weaknesses. If the company carries out the following recommended measures the wine will possibly experience sales. The company needs to recognize with the below internal factors it has already achieved in order to confidently penetrate the UK market.

- A good and quality data of the general wine market already achieved in the Nigerian market and operating African markets
- Position in the Nigerian market
- The presence of innovative development, expertise, research and labour
- Advantages in the field of price
- Adequate financial resources
- Access to low priced resources
- A high level of technology
- Competence in personnel
- Good reputation of the company in wine production
- Competitive advantages over other wines in the market

**Market Positioning is a three-step process:**

I. **Identify market opportunities**

II. **Segment the market and select the right segment**

III. **Devise a competitive strategy**

“...The whole idea is to meet market requirements better than the competitors can...” (Chunawalla, S.A., 2010, p.43).

The above are internal issues which are most likely to be considered methodically to avoid failure in marketing. Weaknesses in the knowledge of wine marketing often cause setbacks in sales. The company must embark on research in updated technology and new discoveries in wine production. The insufficiency in financial resources could be a slowdown in marketing and the absence of
qualified personnel is usually a failure. The company’s external analysis could be a useful tool which the company could use as a strategy to defining the relationship where factors are developed for market distribution based on the below:

- The acceleration of growth in the wine market
- The output of the new wine in the market
- The increase of wine production of the company
- Expansion of client retailers/distributors
- Behaviour of competitors

Subsequently in considering the listed possibilities the company has to balance assessment and define strategic attention necessary to prevent threats in the wine market. Growth in the wine market and changes in taste of the consumer should be a considerable factor of analysis to the company.

6.1 Strategies

For Jacob’s Wine to succeed in the UK wine market based on the competition it will face amongst rivalries, the company has to be equipped with certain principles which will function as its marketing strategies to enable the product gain response from consumers with procedure such as differentiation, price positioning, distribution channels all have to be effected and implemented.

“…The most effective strategists provide a vision (strategic intent) to effectively elicit the help of others in creating a firm’s competitive advantage…” (Michael A., Hitt, R., Duane Ireland, Robert E., Hoskisson, 2010).

With the existing advantage the wine already has If the producers will maintain the above outlined strategies they will lead to more commercial success and the level of production will be developed with good strategies, the promotion of the
product will expand in the market based on the already revealed competitive advantages it currently has over other wines in the market as well as facilitate sales and channel of distribution.

“...A firm’s capacity for competitive innovation reflects its ability to acquire relevant core competencies and to apply them effectively in the development of core products. Capability is infinite…” (Proctor, 2000).

As a beginner in the production of wine the concept of marketing mix will encourage effective and dependable marketing and advance the integration of marketing on the wine’s commercial activity. Thus, well planned marketing will give realistic results of research and information to the selling of the wine, as well as simultaneously defining consumers.

A good strategic marketing will classify and categorize the commercial plan for the product because basic elements of market communication is usually a concern based on advertising, transmission, sales and stimulation of public relations. In this marketing strategy the producers of Jacob’s Wine must consider the occurrences and development of the mix to enable it tackle the challenges of the wine market attitudes.

“...A strategy is a plan that integrates an organization’s major goals, policies, decisions and sequences of action into a cohesive whole. It can apply at all levels in an organization and pertain to any of the functional areas of management…” (Proctor, 2000, p.20).

The concept of branding and having a beautiful label on a product attracts consumers well enough. In most cases consumers prefer to buy a product based on the beauty of the label in order to see whether the label has any effect on the product. Low consumption can be as a result of poor branding. The quality of a product justifies the company’s statement in the market and consumer
satisfaction is guaranteed at the same time the consumer certifies the brand as well as assists in the promotion.

“…Practically every company can dramatically improve its sales revenues by implementing the right effectiveness initiatives…” (Zoltners, Andris A., Sinha, Prabhakant Lorimer, Sally E., 2009).

In line with the authors’ remark for the wine to achieve greater success it is necessary that the producers strategically position it specifically in the Nigerian and African markets to win the domestic interest of consumers’ primarily before chasing after the overseas market. Domestic consumers approach and behaviours towards the wine will enable the company search for market internationally.

The development of both sales and marketing channel networks are convenient and will support in the positioning and updating of the product. Positioning will distinguish the wine from other competitors and will create an atmosphere and suitable display of sales. Should the producers of Jacob’s Wine focus on affordable marketing such as the UK market there will be speed and convenience in the marketing of the product. Positioning the product enhances cost price, profitability, turnover and returns of investment. In order to analyse the market sales of Jacob’s Wine consumers play vital analytical role in the geographical positioning.

The marketing strategy of Jacob’s Wine must be a detailed process including planning and implementing a variety of marketing activities for the wine in the UK marketplace. These activities should be aimed at achieving the goals that will put the company on the trading map. Based on the marketing of this wine in the UK the objectives of the company can be vastly individual. Among them are key factors to be carefully measured by the department of marketing such as,
- Increase in sales
- Identifying the needs of the target group
- Increasing the profits of the company
- Increasing the market segment

The marketing activities of the company must interrelate with each other in order to develop a comprehensive marketing strategy. Moreover reliable marketing strategy and advertising must be one subject and the area of sales and PR activities must be implemented and correspond. Even if the company improves each new day in increasing its sales it doesn't imply that there will be no extra marketing efforts to stimulate sales.

Increased competition in the activities of any company plays an important part in the sales promotion of products or services as well as competitors. For example it can dramatically change their strategy and their importance in the market and may grow significantly. It is therefore an important, timely, preventive action in a complex strong marketing. When developing a marketing strategy the analysis of the company identifies its strengths and weaknesses, market analysis and precise industry in particular. In the analysis of competitors marketing audit is carried out within the company to develop a new marketing plan and continue its execution of control.

6.2 Target Markets with Segmentation and Selection Criteria

The survival of Jacob’s Wine in the UK market will be based on competing with other existing wines. Based on the evaluation and positioning of this product market segmentation is required and should be applied. Demographic criteria will check the level of advances of the product in the market. This parameter can represent the basis for segmentation of the wine in the market.
Market segmentation is vital because it assesses the rate of consumers in the market based on geographical, essential benefits, strength of consumption, economic and technological criteria mostly common. The target and segmentation for marketing Jacob’s Wine will be based on marketing actions and market plan focused on consumers.

The company should take into account issues such as setting the targets and selecting the target group of customers. The use of strategic segmentation for the marketing of the wine will as well improve the competitive positioning of the company internationally, and will satisfy the needs of consumers better. The purpose of this segmentation is to direct sales and expand market.

“…Strategic intent concerns the direction in which way a business is headed in the long term. If identified simply and succinctly it can have a profound effect on the firm’s stakeholders, both internal and external…” (Proctor, 2000).

**Competition:**

Competition is the start point of marketing any product and based on this very product (wine), new in the market it will face huge competition from competitors. The competition this product will face will be the basic part of the marketing aspect, on the contrary this is necessary for the development and sale of the product and it will also make obvious the SWOT analysis of the product. Based on the marketing of this product the company needs to put these fundamentals into practical consideration.

- The idea and type of competition in the wine market
- Formation of competitive attitudes in the market
- Marketing models and description of competitive market
- Competitive advantage based on marketing decisions
- Marketing research and factors effecting competition in the wine market
- Competitive positioning of the company in the market
Marketing objectives and approaches are critical in the formation of the internal environment of the company determining its functional organizational structure, selection of the optimal system of material incentives for the employees of the company. Resulting marketing strategy can be seen not only in the general proportions of the company but in the domination of the regular employees of infrastructural and service units as well as maintenance.

“…Companies can make their customer segmentation more powerful by investing in ways to measure account potential, in addition to looking at historical sales…” (Zoltners, Andris A., Sinha, Prabhakant Lorimer, Sally E., 2009, p.54).

The main theories of international marketing are comprehensive customer orientation, market situation and international trade. The producers of Jacob’s Wine need to remember the scenery of exporting as well as analyze the resources required for export movements and how to start exporting. For the company to note the concepts of international marketing it needs to analyze the rationale of international marketing first, and survey the perception of price and its significance to the customer and examine advertising in the context of export as well as argue the basics of marketing plan. Graph 1 shows a price forecast for Jacob’s Wine.
Giving an illustration to the above Graph based on the current financial profits the company has made so far in the market with the represented figures making the wine gain shares and increase in sales since commencement. Therefore, with the speed in sales, the thesis takes a complimentary step to creating a futuristic growth in profit as a prediction for the company in addition to the already feasible figures contained in the product existing market share should they maintain the quality of the product and the price flexibility in the present markets.

However, companies do not capture the entire sector of a market. In choosing a target area there is always the need to naturalize market factors such as variations, input of accomplishment, competitive advantage as well as the strengths and weaknesses of business. Despite the created forecast the company must strive to focus on only promising markets to introduce its product. Nevertheless, the good market is not automatically the major market with the maximum increase, in this sense it has to be a market which of course is equivalent to the company.

The first figure displayed in the graph is the already made profit of the company from 2010-2011 ended after sales, the second figure is the currently made profit of the company in the first quota of 2012. The sign (₦) represents the Nigerian currency symbol. The quality of the product must justify its position in the market and for this company’s product to gain competitive advantage it all depends on the level of market strategy it applies.

“…Some managers use subjective probability scales to help them in their decision-making process. Some of these scales measure the level of combined disagreement among executives with regard to a specific project’s final decision…” (Moutinho, Luiz; Chien, Charles S., 2007, p.54).
The strength of the company will be shown on the competition which the wine will face in the market meaning that, should the product navigate through the UK market consequently production will be able to sustain a position in the UK market amongst rivalries and this provides demand and advantages in sales. Therefore, positioning should be based on advertising and should include method such as interest, desire, confidence and action. The main issue of the achievement of a high level competitiveness of this product will be on the system of branding should it remain standard during production.

6.3 Objectives Qualitative and Quantitative

The objectives of the producers of Jacob’s Wine in the UK wine market ought to be centred on the facts of the realization in marketing of its product. The company would have succeeded in the UK wine market and initiated further ways of development in a situation where the company categorizes basic factors necessary to finding reasons and avoiding price risks.

The qualitative and quantitative evaluations are the most known and often used in media planning and also acts as tools for analysing budgets spent on advertisement for target achievement. Qualitative and quantitative evaluations will allow the company to receive detailed information on motivation needs and preferences of respondents to the product.

The Qualitative and quantitative methods are both applied based on the development and positioning of products and services, creation and testing of concepts of advertising and decision making. The range of market will reveal basic characteristics of consumer behaviour on the product and will also estimate the influence of various factors on the consumer.
“...The fact that marketing focuses on customer needs and wants requires that companies identify these needs and wants and then develop marketing programs to satisfy them as a route to achieving company objectives…” (Jobber, Lancaster, 2003).

Jacob’s Wine is an additional source of income for the company and puts the company on the wine market as a wine producer. The wine together with other products of the company will measure the company’s periodic income and advances in the market if consumer needs are met and also check the analysis and results of performance in marketing, including the strength of the product based on competition.

6.4 Table 5. Shows A Strategic Plan For Jacob’s Wine Entry To The UK Wine Market.

<table>
<thead>
<tr>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year Of Entry (2012)</td>
<td>Factors</td>
<td>Structure</td>
<td>Function</td>
</tr>
<tr>
<td>INDIRECT MARKETING</td>
<td>THE UK MARKET RESEARCH/FEASIBILITY STUDY</td>
<td>TYPE OF BUSINESS</td>
<td>INTER-CULTURAL MANAGEMENT THE UK/NGERIA</td>
</tr>
<tr>
<td>The wine is recommended to be marketed in the UK by agents in the wine business based in the UK.</td>
<td>First and foremost, the company must be able to accomplish a comprehensive market study on the UK wine environment before considering entry.</td>
<td>The company must be definite what type of investment they want to pursue in the UK, either a long term or a short term investment.</td>
<td>The UK and Nigeria are both English speaking countries, but they have diverse cultural backgrounds which may have adverse effect on business, hence the complete study of culture must be a priority.</td>
</tr>
<tr>
<td>INTERNATIONAL WINE AGENTS/MARKETERS</td>
<td>RISKS ANALYSIS</td>
<td>ECONOMIC, ENVIRONMENTAL, POLITICAL</td>
<td>SIZE OF BUSINESS</td>
</tr>
<tr>
<td>-------------------------------------</td>
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<td>----------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>To successful market this product in the UK, the company must particularly seek for the services of experts and international marketers in the wine industry with comprehensive know-how in international marketing.</td>
<td>Every business is vulnerable to risks particularly international business. The entire structure of the UK business environment must be the prime priority of the company before entering, because any change in government might adversely affect business.</td>
<td>The company must consider whether they want to enter the UK market in a big or small scale.</td>
<td>Prior to entering the UK wine market, the company must legally recognize with the EU-UK trade policy and logistics regulations.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MARKETING STRATEGY</th>
<th>CAPITAL</th>
<th>GEOGRAPHICAL LOCATION</th>
<th>PRODUCT DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>The UK partners in question will be in a better position to provide the company with the most accurate UK marketing strategy.</td>
<td>The capital provided by the company to operate its business in the UK must be sufficient to enable work function effectively with confidence.</td>
<td>The issue of what part of the UK does the company want to introduce their wine must be a considerable factor.</td>
<td>Before entering the UK market with their product, the company must suitably describe their product effectively in such a way that consumers will be able to have enough awareness of the product.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>THE CURRENT UK MARKET SITUATION</th>
<th>INFRASTRUCTURE</th>
<th>NUMBER OF EMPLOYEES</th>
<th>PRICING CATEGORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>The overall picture of the UK market environment must be taken into account by the company before entering the UK to avoid investment disappointment.</td>
<td>The company ought to be sure that every possible network in the UK has to be utilized in marketing their product in the UK and must be standard in order to respond fast to customer needs, and on time delivery.</td>
<td>In order to avoid the issue of lack of personnel to handle and manage the activities of marketing the wine in the UK, the company ought to be definite in how many workforce it wants to employ and to what designated responsibility.</td>
<td>For the product to find a possible market and gain responds from wine consumers, the price of the wine must be relatively strategize to a low price category to be able to find a market.</td>
</tr>
<tr>
<td>ENTRY BUDGET ESTIMATE (£)</td>
<td>LABOR</td>
<td>POTENTIAL CUSTOMERS</td>
<td>COMMUNICATION</td>
</tr>
<tr>
<td>---------------------------</td>
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<tr>
<td>Based on what size the company chooses to establish its network in the UK, one most important issue to be thoroughly taken into account is how much should be invested in the project to avoid financial loss.</td>
<td>The issue of the distribution of labor must be rational both sides, from the side of UK partners and on the side of the company’s marketing department personnel.</td>
<td>The selection of customers is very important in order to identify with a mutual customer relationship management.</td>
<td>Effective open and steady communication must be created between the company and their UK counterparts in order to avoid distrust and track the situations of things and get updated so as to find solutions and make decisions when considered necessary.</td>
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<table>
<thead>
<tr>
<th>NEGOTIATORS/PARTNERS</th>
<th>MANAGEMENT STYLE</th>
<th>TARGET GROUP</th>
<th>DISTRIBUTION CHANNEL/RULES</th>
</tr>
</thead>
<tbody>
<tr>
<td>This is a very favorable means for the company to launch its product in the UK because the UK partners will basically act as the company’s representatives in the UK marketplace, and negotiate with wine shops, dealers and consumers.</td>
<td>To avoid controversy and management setbacks in this situation the UK management system should be the only system to adopt, because the company in question is handicap in knowledge about the UK management style, in this respect the UK personnel must have management control.</td>
<td>It is necessary to classify target group in order to have a plain customer data and create traditional segmentation.</td>
<td>The company must be completely dependant on one particular channel of distribution i.e. (Agents) from the company directly to their UK agents to avoid complexity and violations of rules associated with entry.</td>
</tr>
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<table>
<thead>
<tr>
<th>HRM STRATEGIES/COMPANY GOALS</th>
<th>TECHNOLOGY</th>
<th>TIMING/INTERNET ADVERTISEMENT</th>
<th>JOINT VENTURE WITH SUPERMARKETS/CHAIN OPERATORS/LICENSE PURCHASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>This stage comes when the company must have successfully entered the UK market and possibly finds a balance, and then both parties will share the human resources tasks.</td>
<td>The technology used by the company in wine production must meet with the international wine production standard before entering the UK wine market.</td>
<td>The internet provides companies with the cheapest, fastest and most convenient means of advertisement at the right time; this also should be one strategic focus entry means for the company’s product.</td>
<td>This is one strategic means the company can possibly use in breaking into the UK marketplace without much protocol, because this composition is a fast in introducing a company’s product to the market with authority.</td>
</tr>
</tbody>
</table>

6.5 Marketing Mix Strategy for Jacob’s Wine in the UK
Marketing requires the basic components of collective evaluations and values in which customer needs can be identified and met, as well as sustained in order to find available position to form a general idea about the properties of a product in the pre-stage of development. The objective of marketing is to determine the laws of goods which form an image in the minds of customers based on the information supplied by the manufacturer. In view of these results is the choice and channels of communications which confirms the content of market information.

In analyzing the qualitative assessments of market values, the basic requirement of buyers is retail the offer which to a great extent adjusts the composition of the marketing mix elements such as product, promotion, distribution. The key importance is the definition of monetary values and integrating indicators expressed in terms of the price that a buyer is willing to pay for a product. Establishing a market at the buyer's price makes it possible to maximize profits from the sale of the manufacturer of any goods in order to optimize the structure of the marketing mix and to the cost of resources and the desired rate of return for the manufacturer.

The interdependence of the various components and none preservative product supply makes it necessary to define it as an integrated system of interrelated elements that collectively make up a value for the customer. In this regard special importance is attached to the research question and of cause effective relationship between customer needs and opportunities for the manufacturer provided the study with the methods of harmonization and alignment.

The requirements for the functions and values of marketing should be associated not only with the analysis of data and content of its individual elements; but also with understanding the laws of formation and the product which offers values to customers and identifying ways to transfer verbal evaluations criteria in a system involving the elements of marketing mix and giving specified value relationship between manufacturer and buyer.
“…The term "marketing mix" became popularized after Neil H. Borden published his 1964 article, The Concept of the Marketing Mix. Borden began using the term in his teaching in the late 1940's after James Culliton had described the marketing manager as a "mixer of ingredients…” (The Marketing Mix the 4 P’s of Marketing, 2002-2010).

Generally, it has become common to say that marketing is now constantly evolving and changing with approaches increasingly used in commercial companies and nonprofit organizations globally. In this regard many elements of marketing theory have become largely accepted based on classical marketing tools, segmentation and positioning which stimulates and encourages the concept of product life cycle. The tool includes a well known marketing concept called the marketing mix often referred to as the 4Ps as functions which suitably introduce a company’s product to consumers and most of all certainly develop the market nature of any product.

6.6 Shows the UK Strategic Market Entry for Jacob’s Wine

![Diagram of the UK Strategic Market Entry for Jacob’s Wine]

**Figure 4: (THE UK STRATEGIC MARKET ENTRY FOR JACOB’S WINE)**
Somehow these tools have been isolated primarily because their use has a direct impact if the demand could persuade consumers in conducting market research analysis the strengths and weaknesses of a firm, segmentation and other marketing tools and of course help marketers in their quest to increase the demand for goods and services. However, this situation has an indirect influence for example the demand will not increase just because the company has marketing research and segmenting consumers. The results of a successful marketing research can be used to change one or more elements of the marketing mix which is basically the only way to influence consumer demand.

One key practical asset of marketing mix is that it assists the marketer to control every part of marketing and the desired impact on demand as well as choose the most promising combination of factors. In addition the category of the elements of marketing mix clearly shows the sequence of implementation of key marketing functions. The 4ps of marketing can raise the issue of marketing program if a marketer has at his disposal the goods that can be offered to the market. Moreover, this proposal provides the consumer with certain values of a product in the market.

Furthermore, in the event of at least two parties each interested in sharing with the other side they must have some means to communicate. The proposed product should be delivered to the consumer interested in it so the functions of the marketing mix include the possibility of organizing a system of goods.

A customer always evaluates products not only based on the set of its consumer properties but also on the costs that are associated with its acquisition and this could mean a certain quality marketing relationship. In most cases specialists more clearly define this relationship as a utility value. The consumer examines the worth of the proposed product to him suitable for him in price.

The success of the marketing mix is explained in particular based on the fact that it unites the four types of marketing strategies for names beginning with the letter (P) product price place and promotion. This is convenient for the perception of
possible profits which clearly identifies and classifies groups of marketing functions. While experienced users can connect to the network from home and buy the necessary products in any of the many electronic shops, internet and kiosks and this have certain advantages over online commerce.

“...New and small business owners often question the importance of the marketing mix, but it can determine whether a product succeeds or fails. Of the four aspects of the marketing mix, the product aspect determines what type of product the store is launching, based on buying habits, features and the store’s image. Promotion is about how a product is marketed and determines whether people know about the product. Place concerns how the product is manufactured and stored. Price is determined by the product’s uses and life cycle...” (Wisegeek, 2012).

Consumers want to see and feel a product by hand before buying. The concept of the 4P’s are made not only by the need to expand the marketing mix to take account of any specific features of its application, but also in connection with the development of new technologies in a particular case the e-commerce.

The practical concept of marketing mix is often subjected to undeserved criticism and it is because of this criticism for its attempts to supplement or change. The concept of marketing mix has been reproached for the fact that it only applies to events at the micro level affecting mainly a seller. But, this is not the case since the elements of the concept may refer to any kind of exchange affecting any of the subjects, as well as society as a whole. It is believed that the concept has very limited application for the management of the organization in which it is used.

In the analysis of the concept of marketing mix, for the fact that it focuses on the market does not account for the fact that the classical theory of market development of marketing mix always precede marketing research which involves a detailed study of the market, as well as segmentation. The concept of marketing mix is simple and powerful but at the same time limited in terms of
market thinking as the alphabet in terms of language development. Consequently, after considering the transformation of the marketing mix it can be concluded that the marketing mix are sets of significant factors in marketing activities which organizations utilize in convincing people who meet with the needs of target markets.

On this part of the thesis more emphasis will be paid on the potential factors that will enable the product enter the UK wine market, particular attention will be paid more on standard entry devices that will generally prepare the company’s product for its entry to the UK market.

“…In order to achieve a true market orientation, a company needs to make the customer the epicentre of its business perspective. At the same time, those within the organization must also become involved, and become supportive, with these marketing efforts…” (Fojt, Martin, 2005, p.3).

Based on the fact that the company is a big company producing the wine and financially buoyant the major entry modes the thesis recommends for the company are the (4ps) marketing strategies which are generally believed to be the standard and very best method of entering a new market

“…A marketing strategy outlines the tactical marketing, the ways to use the marketing mix when attracting and satisfying the target market and accomplish an organization's objectives…” (Kotler, 1997, pp.98-89, Kotler et al., 2001, pp.93-99).

Most consumers call the 4ps marketing mix strategic entry Offering because it is controlled by the four key elements of marketing. By applying these strategic marketing tools the producers of the wine have the chances of gaining various consumers within the target area in the UK especially in London. Based on the research carried out on the brands of wines mostly consumed in the UK I was
able to gather that dry white wines and semi sweet red wines are in good demand amongst UK consumers.

Based on this development I advised the company on the steady global market uncertainties and occasional disappointments in sales associated with the marketing of any products, at the same time I recommended to them on the need to move into the UK market with the brand they believe generates good income for the company with the right channel, target group and pricing flexibility.

The company confirmed that as a result of my findings they will not introduce all their brands of wines to the UK market at once. They have decided to enter the UK market with their dry white wine called (Sauvignon Blanc), for a start which is their middle level product according to them and mostly generates fast profits based on the high demand by wine consumers as well as the fairly low cost.

**PRODUCT**

A quality wine produced in Nigeria tasty and satisfying with natural preservatives. Bottled and packaged under environmental friendly conditions, transparent bottle with attractive image of nature’s beauty, ingredients and instructions on how to serve the wine attached on the label. In the marketing of a company’s product the description of the product is essential and the producers of Jacob’s Wine must have to identify with production decisions such like, brand name styling, quality, safety, packaging and guarantee.

Produced and bottled in Nigeria by Mon-Gra-Jack Nigeria Ltd, production and information area also indicated. The product is already in the Nigerian and African markets and the producers have plans to market the product in the UK. Already the producers of the wine have the product in the local markets but based on the fact that they want this product completely in a new market (Internationally), they need to define the product in terms of how it will attract and
identify potential customers and of course how customers will react to the product in their own unique way.

“…Product adaptation strategy is required to be used due to difference in the socio-economic environment different countries…” (Acharya, W.K., S., Jain Khushpat, Aii., Shaukat, 2010, p.50).

In the product definition the company must be logical on the benefits the product will tender to its customers, as well as how the customers’ taste of a new brand wine will be characterized should they buy the product.

**PRICE**

The price of the product has to be convincingly affordable for consumers in the UK at least for a start as a good possible means of entry. The selling price in Nigeria and other African countries is balanced with sales margin to cover the costs of delivery to cities in Nigeria and other African countries as a result of the production and marketing expenses.

Pricing the product in the UK will depend on the quantity purchased by consumers and of course based on consumer behavioural changes in price which must be checked to meeting with profit target. One good profit low cost price will provide the company with is that it will encourage customer loyalty and at the same time sustain the relationship between the company and potential customers, and in this case customer relationship management comes into practice.
“...Developing a market entry strategy involves a thorough analysis of potential competitors and possible customers. Some of the relevant factors that are important in deciding the viability of entry into a particular market include Trade barriers, localized knowledge, price localization, Competition, and export subsidies...” (Geetanjali, 2010, p.175).

The key issues the producers of Jacob’s Wine must take into account based on price are the basic deciding factors which will support the wine to balance profit in the interest of the company. Factors as price strategy, penetration price, and retail price, the volume of discounts as well as wholesale price and seasonal price are also good strategic avenues for profit making. Flexibility in price is also one significant issue to be considered by the producers of the wine in question. The issue of price is of high essence because this is where people most at times focus their attention before buying a product. The company has to be precise in what price the wine should enter the UK market with.

Strategic price is usually accompanied by valid fundamentals such as:

**EXTERNAL SALES**

- Target pricing competition
- Cost plus pricing
- Variable cost pricing
- Customer based pricing
- Time and material pricing

**INTERNAL WITHIN THE COMPANY AMONG DIVISIONS**

- Negotiated transfer price
- Cost based transfer price
- Market based transfer price
Effect of outsourcing on transfer price
Transfers between divisions in different countries

The marketing department of the company must set the price that will provide the maximum amount of profit for the product because the impact of price changes on sales volume. There is always a determining factor in price basically on the part of the company and on the part of the price taker. On the part of the price taker in a situation where there is a competitive market and the company has no influence on price, once competition enters the market the price of a product becomes squeezed between the cost of the product and the lowest price of a competitor. On the part of the price marker which of course is the company, it is responsible for controlling the price of a product.

In most cases companies that choose to compete by offering inventive products and services have a more complicated pricing choice because there is no accessible price for a new product or service. However, there are generally certain vital factors that can also influence price such as:

- Customer demand
- Competitors behaviour/price/actions
- Costs
- Regulatory environment, legal and political

There are certain risks associated with these factors which the thesis will furthermore recommend to the company to take into account such as, in some cases costs that are often unrelated for short run policy decisions; as fixed costs that can not be changed and are generally relevant in the long run because costs can be altered in the long run and profit margins in the long run. Price decisions are often set to earn a reasonable return on investment price and decrease when demand is weak as well as increase when demand is strong.
“...The marketing concept holds that the key to successful and profitable business rests with identifying the needs and wants of customers and providing products and services to satisfy them…” (Jobber, Lancaster, 2010).

Figure 5 Shows Price Development for Jacob’s Wine

(Figure 5: Profit Development for Jacob’s Wine)

Jacob’s Wine entry to the UK market must be strategically fixed at a low cost in order to facilitate the product in winning customers and gaining market stability, as well as competitive advantage. A possible strategic entry mode for the wine in
the UK market will be the nature of pricing because consumers are trapped with low cost and are increasingly willing to pay less even for quality products. In the UK profitable marketing and selling of goods and services involves the adaptation to commercial environment and selling practices. Low cost price is unavoidable in order to group chances with UK business partners as well as sustaining reliability in buyers.

In order to rise above competition in the market Jacob’s Wine as a new entry could easily gain credit if the product is inexpensive for consumers, meaning that the company has to instigate the idea of low price of product the quality regardless. This will provide the company with rational sales because the product is new in the UK and such an approach is an opportunity for people to talk about the product based on its price. This will draw customers to the product as sales increase.

Most managers have a common approach into believing that price is a significant subject for consumers. Study shows that customers are habitually ignorant of price paid and that price is one of the slightest key purchase criteria to them. I believe that how the company prices the wine will depend on the level of demand and supply of the wine.

Whilst marketing this product in the UK the company must take into considerable account certain sensitive questions likes, how much are they willing to charge for the product and on what basis? How are they going to price the product to sell at retail price? How much are they going to price it at wholesale? How much will they charge for volume discounts? Is their price acceptable to them based on the costs of production as well as compensating for the price of their competitors? These questions are the outstanding questions the company needs to put forward in their price decision.
INPUTS TO PRICING DECISIONS

- Company objectives (e.g. rate of return)
- Marketing objectives (penetration, skimming)
- Demand considerations (price sensitivity)
- Cost considerations (often used, cost-plus approach)
- Competitor considerations (responsive pricing)


Pricing to promote a certain product is a familiar function in a situation where such idea in promotional pricing comes into play such as **BOGOF or BTPO**. In exhibitions usually there is exchange of information and the exhibitors must include company personnel who must appear to be the primary transmitters of the product information and visitors act as a receiver of information, exhibition event at the same time plays the role of communication in this sense the central function of trade fairs and exhibitions is a communicative function.

PLACE

Strategically Jacob’s Wine should be placed in bars, trade fairs, hotels, shows, restaurants and in wine shops in the UK. These strategic places will really support customer orientation about the product. Place as a very important part of sale must be tactical as it has to do with drawing customers near to a product. The channel and coverage of the product is very essential for the company to consider thoroughly as to what location in order to provide dependable inventory and of course factors as transportation and logistics.

Strategic places are fundamental issues to consider and the company must be certain that the places they will market their product must be close to their warehouse and make transportation available to meeting with demand, in this case logistics becomes a critical factors to be highly considered by the producers.
of the wine. They also need to pay attention to the issue of place prior to the introduction of the wine to the UK market. Practically, the company should be able to have a well dependable place to have their product positioned with a well coordinated international inventory supply network.

“…It is unclear exactly when the idea of marketing or customer orientation began to emerge; in some ways the central importance of the customer has perhaps always been recognized in the long history of trading…” (Jobber, Lancaster, 2006).

The producers of the wine need to determine the very place they are going to market the wine in the UK with the expert advice of their UK partners as they are based in the UK and will be able to provide good proposal of place for the product to find its customers.

**PROMOTION**

In terms of promotion a very useful tool like catalogue is one way to reaching out to people about the product in question. The promotion activities of this product must be a strategically joint plan between the wine producers and their UK marketers. The producers of the wine must utilize the information provided by their marketers to manage the advertisement of their wine in the UK, meaning that all actions are suppose to be detailed in a communiqué that will appear as a framework.

The personnel of the company representing the company’s interest working alongside the UK marketing partners must be reliable because the promotion of a product requires the attention of specialists participation and must be creative, as well as be equipped with comprehensive know-how on international public relations skills and must be ready to take advertising to another level based on internationalizing the product.
Promotion agents must be able to have good communication skills as a basic priority used in convincing customers and drawing their attention towards a product. Advisably the promotion for the wine should of course be via the internet social medium such as, face-book, twitter and blog.

Promotion describes the different features of advertising, meaning that the information of the product in question is with the purpose of producing optimistic feedback from customers. This system of communication with customers based on marketing Jacob’s Wine is a vital factor of introducing a product to the market and unavoidably carries elements such as promotional strategy, public relations and most importantly marketing and managing communications.

“…In marketing communication, there is a transmission of a message from a sender to the receiver. The end result of the communication process is the understanding of a message. The message is transmitted through media or certain channels…” (Chunawalla S.A., 2010, p.9).

The recommended entry modes are in favour of the company even though it is a big company and has enough funds in entering the UK market and beyond. Therefore, the 4ps entry method as earlier stated will support the company based on being a combination of strategic marketing tools used in compelling customers as well as realizing company’s marketing goals. The basic priorities and analysis to be considered here are factorial issues as well as implemented strategies which will allow the company to assess the external and internal features of their marketing operations in the UK and utilize the charisma and value of the UK business structure.

“…At its simplest level, international marketing involves the firm in making one or more marketing mix decisions across national boundaries. At its most complex level, it involves the firm in establishing manufacturing facilities overseas and coordinating marketing strategies across the globe…” (Doole, Lowe, 2001).
The key objective in marketing the wine in the UK is to develop an optimization scheme in the wine industry as well as the development of market economy in the UK and around the world by moving towards the globalization of the company, and the focus of the company on core competence and the desire to increase the size of the wine supply chain and optimize the life cycle of the product as well as find new approaches to the marketing and the distribution of the product.

“…Today, a sales force must have a wide range of skills to compete successfully. Gone are the days when salespeople required simple presentational and closing skills to be successful....” (Jobber, Lancaster, 2003).

The producers of Jacob’s Wine need to recognize with the fact that marketing essentially engrosses selling and agents are also involved in marketing seeking out vendors with whom they can make profitable trades with. A seller's market requires that the seller has more power and the buyer is a more active participant in the market.

“…Marketing also has prime responsibility in an organization for attaining and retaining target consumers. Many marketers consider that 'growing' consumers is also a key task of marketing. When growing means increasing the number of customers or enhancing the advocacy of customers for one’s products and services, this is an admirable objective…” (Sharma, S.P., Joshi, Dilip B., 2008, p.32).

The concepts of marketing have finally brought all actors involved in marketing to a more complete definition of marketing. Marketing represents managing markets to the exchange of meeting with the needs and demands of man. Consequently, it is advisable to return to the principles and definition of marketing as a process by which individuals and groups are needed and desired by a consumer of goods, values and sharing with each other. Exchange processes do not happen
by themselves vendors should look for buyers and identify their needs and create high quality goods and services that promote, preserve and deliver them. **Figure 6** shows the UK wine consumption statistics.

...*People in Great Britain drinking over the recommended weekly guidelines continue to fall.*

(Figure 6: UK Wine Consumption Statistics) *(BBPA, HMRC, April 2011)*.

The major risks related with international business in the UK analysing from the company's context in terms of expanding the company's scope of operations in the UK forms a set of threats that still goes beyond international standards. Subsequently in the list of key problems of domestic businesses in Nigeria somehow continues to be a collapse in innovation and low level of infrastructural development, lack of visible articulated demand for new technologies, tax risks, and a clear need to reduce expenditure.
“…Company needs to consider the company objectives, marketing objectives as well as competitors’ pricing, demand under certain price and costs of the company related to the selling price…” (Jobber, Lancaster; 2003, pp.20).

6.7 International Agents and Distributors

As the UK remains the target area international agents and distributors will provide the company with the services of the delivery in wholesale, retail and will act as middlemen who will transact the company’s business independently in the UK as the area of distribution making them contractors to the company. Thus, ironically the UK agents and distributors become the owners of the product after agreement between both parties and then distribution commences.

At this point the relationship between the producer and the distributors starts after all the conditions for distribution is met. However in recent times relationship between producers and distributors has acquired a variety of transformation based on the desire of producers to form vertical channels of distribution. As the UK is basically the chosen area for the distribution of this product, the UK agents and distributors are the holders of privileges mapping out strategic positions in the UK for the distribution of the product. In the supply chain practices distributors occupy a spot closest to the end users.

In the UK the agents and distributors will locate the right places for the product as well as implement its marketing. Most agents and distributors are in valuable cooperation with producers under the franchise system also known as authorization. Naturally the producers of the wine will give the distributors the right to market their product in particular areas in the UK for an opener within a certain period. When choosing agents and distributors companies take into account a number of issues, the main ones are confidence which basically establishes relationship for the sale of company products, a good knowledge of the goods wholesaler supplier and reliable provisions of wholesale.
Based on the provision of the contract they acquire the right to sell the product and the UK agents and distributors will solely act on behalf of the company producing the wine. In this case under a contract the right to sell is formally supplies conformity where the UK distributors will be the intermediaries conducting operations on behalf of the wine producers at the expense of the producers. Agents and distributors act as representatives.

Favourably, distributorship will be a prime market entry strategy for the product in the UK market by the selection of dependable distributors or a number of distributors; in this case the B2B concept plays a vital and strategic role. The producers of Jacob’s Wine may consider the selection of regional and local distribution option. In this type of product suppliers can choose from a growing number of reputable distributors.

Dependable distributors will logically sell and deliver supplier products to end users and the retail market at the same time will offer an extensive variety of logistics support such as, customs permission, warehousing, inventory and administration. Based on the developed conditions of various distribution networks in the UK the strategic entry for the product should be the system of indirect marketing as the very successful and advantageous approach for customers particularly in London.

Distribution channel will give the company full ownership of their product on its way from their production department to their various consumer. The distribution channel system of the company can also be interpreted as a route which the movement of the company’s product from producers to consumers is structured and controlled by management.

A well programmed channel of distribution for Jacob’s Wine will perform several functions that will contribute to the successful resolution of the claims of marketing. These will include features such as, conducting research, establishing contacts with potential customers, manufacturing products in accordance with the
CHOOSING A DISTRIBUTOR

Choosing a distributor depends upon the market a company wishes to target. What are some distributor qualifications?

- Financial
- Good functional operations
- Skills & technical expertise
- Contacts

In other words, “What can they do & who do they know?”

The choice of sales channels is a difficult management decision affecting all other solutions in the field of marketing. Sales of products in most cases are carried out through mediators. Mediators through their contact experience and expertise allow broader access to products and bring them to the target market. The support of mediators can reduce the number of direct contacts between producers and consumers of products. A mediator might make the supply and sale of an organization, large retailers, stock structure, trading houses and shops.

“...Favourable factors are those effects which are likely to help the new goods or services achieve good sales. By carefully analysing the new goods and market situation, business management can identify factors that would be beneficial to sales...” (Sharma, N.K., 2010, p.147).

Channels of distribution can be of three types, direct, indirect and mixed. Direct channels are associated with the movement of goods and services without the involvement of intermediary organizations. They are often established between

requirements of customers, transportation and storage of the product, financing and acceptance of responsibility for distribution operations.
producers and consumers who retain control of their marketing program and have a limited target market.

The indirect channels are associated with the movement of goods and services from the first manufacturer to an unknown party intermediary and from there to the consumer. Such channels are usually attracted to companies and businesses in order to increase their markets and sales volumes and agree to give up many marketing functions and costs accordingly on a percentage of control over sale, and ready to loosen some contacts with consumers. While mixed channels combine the features of the first two channels of product circulation

**A Joint Venture**

Most UK companies are strategic business partners with Nigerian companies based on winning equity positions in the Nigerian and UK joint stock businesses thereby creating a joint venture. The producers of Jacob’s Wine creating a merger market in the UK business environment requires careful arrangement, and determined assurance because the issue of hierarchy and control is always a challenging situation in management and in some cases foreign partners possess minority stakes and mostly depend on the proposal of UK bulk owners. Past occurrences confirm that foreign marginal shareholders face complexity in protecting their interests in the UK.

“…International marketing is the application of marketing orientation and marketing capabilities to international business…” (Muhlbacher, Helmuth, and Dahringer, 2006).

The benefit of merging in the UK is that it facilitates some companies to expand in measuring the UK market and identifying what could be valuable in a culture where many still observe foreigners with scepticism. Nigeria and the UK associate habitually in terms of joint ventures in an exceptional approach. Nigerian companies’ mainly smaller companies regularly see joint ventures as a
possibility to securing a partnership with knowledge and practice in the UK market. In contrast the UK sees foreign partnership as a basis for operational resources and managers place low priority on local market development. The UK technology is licensed for Nigerian manufacture outside the framework of a joint venture.

There are key obstacles that ought to be conquered which include quality level achievable by Nigerian services in the deficiency of important retooling and indecisive logical property protection and complexity in getting standard and punctual expenditure. On the other hand UK companies are usually enthusiastic to license technologies to foreign companies in exchange for cash grouping.

“…Structure solutions for improving sales and marketing alignment can involve establishing joint sales and marketing leadership, creating cross-functional teams, and designing sales and marketing integrator roles…” (Zoltners, Andris A., Sinha, Prabhakant Lorimer, Sally E., 2009, p.436).

In the UK almost all international marketing promotion agencies are active alongside domestic agencies and value services are incomparable. The UK’s well built and structured economic growth have effected and influenced the recovery of the advertising business in the UK. Given the market situation and the interests of this company the main focus of the formation of its communication strategy rests on advertising.

“…The efficiency of an organization depends on a regular flow of messages. The flow of messages needs to be organized into a well-ordered network, to ensure that communication flows easily and that executives are kept informed of what is going on…” (Rai, Urmila, Rai, S.M., 2009, p.55).
The issue is to blend with the UK manufacturers of consumer goods mostly the producers of wine. However, during the economic crisis of 2008/2009 many companies reduced advertising budgets. Some companies however considered the reduction in cost of advertising as an ideal prospect to boosting company’s credit.

“…Promotion has the most direct effect to the sales of the product including the communication elements like advertising, personal selling and promotion…” (Jobber, Lancaster, 2003, pp.23).

The implementation of effective marketing strategy requires systematic monitoring of company resources. Most marketing environment have dynamics which act as monitoring approach for the creation of adequate capitals, and the interests of the company’s monitoring system as a combination of targets, tools and technologies, organizational and economic device in controlling marketing.

The company producing Jacob’s Wine needs to take into a comprehensive account the expenses of shipments even though it’s a big and rich company. Any export taxes and duties that may be imposed on their product when traded on the international level must be handled based on export jurisdictions. In addition to note, in what currency does the company expect to be paid, domestic or international currency? Exchange rate variations will as well determine the impact of revenue.

“…The UK wine market is facing a challenging and tumultuous time as it seeks to cope with a number of adverse factors which are impacting on prices and profitability, and the market’s training of people to buy on discount comes back to haunt it…” (The UK Wine Market, 2011).
Additional issues to be considered are domestic profits as well as the broad economic position of the country. Good enough the internet creates visibility for customers and commodities bought online from several foreign countries in domestic currency and delivered universally.

7. CONCLUSION AND RECOMMENDATIONS

Given the nature of the research question of the thesis and the connecting sub-questions outlined at the beginning of the thesis, conclusions are based on the collection and successful analysis of all the useful and valuable data needed to produce the thesis particularly from the company in question; respondents to the questionnaires, the UK wine market research, interviews and consultations as well as academic literature.

As the company’s position in the wine business has been identified and analyzed, as well as its competence to move to the UK market based on the current progress, including the UK wine demand itself also analyzed as showing market entry opportunities for the wine.

The case study highly recommends to the company that the most convenient kind of market research methods needed to support this very product to find its way to the UK market are both the qualitative marketing research method and the quantitative research method.

The reason why these methods are recommended for the company is because the qualitative marketing research method will essentially aid the company in market investigative principles based on the fact that such method produces microscopic amount of respondents during market feasibility study which could be uncomplicatedly analyzed to offer a rapid and straightforward statistical design of respondents opinions to a product with instant illustrations such as, focus groups, constructive interviews as well as practical marketing methods.
On the part of the quantitative marketing research method it will assist the company to suitably sketch a clear conclusion as well as experiment on precise propositions through tailored and understandable marketing practices in order to categorize respondents to market surveys.

The case study basically recommends that the strategic marketing mix the company requires to successfully enter the UK market will be the 4ps of market entry as initially demonstrated in the thesis with the drawn procedures on Product, Place, Price and Promotion with particular focus on the city of London. The basic reason for recommending this particular entry strategy for the company is because the components of the marketing mix carry obvious representation of easy market entry and will facilitate the company’s decision on how to bring the latest offer to the market. The 4ps will as well aid the company in determining their present selling tactics as well as improving their marketing formula.

Furthermore recommended for the company in the utilization of the 4ps as a strategic entry means is based on the logical fact that the marketing mix will assist the company in characterizing marketing basics for profitable arrangement with their new market tender (Wine). These marketing models are mostly exhibited in the planning of a new project as well as estimating any obtainable offer in the market and optimizing the force of an anticipated market.

Additionally, the 4ps are a reliable mode of entry which will act as potential procedures for the company in question as they prepared to enter the UK market with their new product, based on fact that the UK wine market is a competitive market in its own scenario with numerous wines presently in the UK. However; this concept does makes the UK a complimentary marketing area for Jacob’s Wine because wine is highly consumed in the UK and in demand. As a new product with the aim of entering the UK market the discovery of the right distribution channel is ideal and very essential in order to avoid risks and the factors attached to marketing such a product.
A recommended and ideal market entry would be through the support of retail chain stores dealing with wines in the UK as well as wine departmental stores, and local retail wine shops will all be potential modes of entry. The reason is because such retailers always explore for quality, value and well oriented dealers. Given the fact that customers are price responsive, retail chain stores will be in the right position to advise the company properly on the exact price to enter the UK market with. In the UK markets departmental stores are the obvious choice of shopping for customers.

In addition recommended strategic entry modes ought to be via exporting this product from Nigeria to the UK by the company in question through wholesaler and wine importers, discounters and internet sales. Particular entry mode would be through UK independent wine shops; this will reduce the risks of the company operating in the UK on its own.

One principle entry mode the thesis will recommend to the company is in the branding approach of the wine. The company’s branding executives should really focus on the branding perception of the product; the wine must be outstandingly eye-catching in brand. This is as a result of supporting the product to find enough position on the shelves of the UK wine shops in order to draw buyers’ attention and somehow outnumber rivals in the same wine business. One other vital recommendation is the idea of entry segmentation particularly in the area of market share, price range and of course product characteristics and a wide range study of the UK market.

A useful market entry for Jacob’s Wine should be first and foremost a practical study of the wine market in the UK. As a strategic recommendation the company must take time to undoubtedly recognize with their present model of production in the wine industry to be able to accomplish a research on the producers of related product in the UK by the means of market data collection and study, as well as having a wide range of the UK wine market information analysis in the wine sector.
The Internet and telephone interviews with dealers are recommended possible ways to enter the UK wine market as relates to the research question of the thesis in order to identify the challenges and diagnosis in the UK wine market. The recommended process of entry can begin with a basic or detailed analysis of the market through a number of meetings in the UK in order to ensure proper representation of the potential market in sufficient detail, in order to develop a business plan so as to execute a strategy in the market.

In short, the main purpose of the thesis is to practically produce a good strategic analysis of market entry for the company’s new product in the UK market and determine principal possibility and feasibility of competitive procurement procedures in accordance with the provisions of entry regulations. The study searches for sources of information on the UK wine market and also verify whether or not there is competition in the market as well as determine starting price.

7.1 Summary Evaluation

The UK had once occupied a prominent position in the global market in both consumer and industrial products. In the consumer sector early industrialization shows a high level of market rising incomes and rapid accumulation of wealth provides the country's transformation into a leading global market for many new products. A taste of the UK market basically bonds with their cultural needs imported from other countries.

The UK increase in growth trend is in demand for extra luxury and substantial numbers of UK natives are elites of prosperous administrative colonies and dictate for the general public when buying imported goods with general information about the UK, including its economic and geographical characteristics and analysis of the political system. Special attention is paid to national characteristics of business negotiations.
The macroeconomic development of the UK and the size of the UK dynamics of GDP are apparent in industrial production, foreign trade analysis and the characteristics of the investment climate in the country, etc. There is also a description of business processes in the country from the beginning of any business venture to closing the business. This also provides information on the country’s tax system, existing labor practices, property rights regulation peculiarities and other issues vital for running business in the UK, as well as a selection of subjects and the overall picture of the economic situation in the UK.

The aim of my study is to locate strategic entry supports for the company’s product in the UK wine market business, and for the management team in making the correct decisions on how to penetrate the UK market and maximize commercial opportunities in dealing with UK business partners.

The result of my study represents the analysis of the UK wine market and at the beginning of the study it provided an overview of the company’s wine business and readiness for the UK market, as well as an overview of economic indicators. Furthermore the research analyzed the UK market interests and identified key market players’ manufacturers and trading entirely devoted to foreign trade in the UK wine business. The study contains the analysis of the structure and vibrancy of import operations in the business sector in recent years.

The evaluation of my study shows that the UK market is one of the most advanced in the world in terms of different products, options, floating or fixed rates, refinancing options, terms of early repayment, purpose of investments, etc. A number of players in the UK wine market have increased significantly and competition respectively also decreased and based on the current speed at which Jacob’s Wine performs in the Nigerian and African markets chances are that the company’s product has the opportunity to blend into the UK wine market.

The study evaluation presents wine consumers’ perspectives in the UK as well as the results of monitoring of the purchase of wine in the bids on websites and marketplaces. The UK wine market has developed over a long time period and is
therefore a very traditional, transparent and predictable market which makes it less risky. At the same time the UK wine market accommodates foreign imported wines therefore knowing the exact objectives pursued by buyers, making it is not quite complicated to recommend wine to consumers’ in the UK.

Based on these characteristics the bulk of transactions in the UK wine market favor wine investors and marketing agents resident in the UK with transparent considerations and availability of the necessary infrastructure in the UK wine market which makes access quite easy when done correctly and successfully.

The UK wine business is a very profitable business and the market predictability allows foreign wine investors to accurately plan investment strategies and minimize risks, as well as steadily offers investment tools which provide income for a long time business despite competition because foreign consumption is high in the UK.

Based on the study conducted the UK wine market is operated mainly by corporate media as one of the fastest growing markets in the UK. Its volume in 2006 totaled 680 million pounds up 4% over 2005. At the same time wine advertising in the corporate media is growing 2 times faster than the market for outdoor advertising. After analyzing the existing trends I concluded that Jacob’s Wine joining the league of wine importers to the UK will do tremendously well in the UK wine business.

Based on my study the cause of such lively growth of the wine market in the UK is driven by factors such as the growth of spending on the part of corporate advertising media and producing increasing number of customers’ attracted to wine particularly in magazines which appears on the market more often than traditional publishing and already makes up one third of all the UK media market. My research also concludes that the growing popularity of communication channels of wine consumption remains an apex market in the UK.
The entry program provided will perform as a structural process of decision making for the company ahead on entering a new market as the UK with the stages and processes, and of course the 4p marketing modes will guide as a strategic and uncomplicated tool drafted in a plain configuration but extremely effective to attract customers to its product, as well as acquire some competitive advantages and gain customer allegiance in the UK.

The best and most effective salesperson for any business service remains the customer. The customer will perfectly solicit the product to partners, friends, acquaintances and relatives and sometimes the recommendations of a customer are more easily trusted. The only setback is that the process is difficult to control some times. In recent times social networks have become powerful marketing tools with the help of social networks it is now really possible to successfully compete for consumer loyalty.

7.2 Evaluation of Study

The study takes a look at the current Nigerian business development in such a way that it becomes necessary to the discovery and exploration of new market niches in Europe based on the growing rate of multinational companies investing in Nigeria. This huge development gives Nigerian companies the opportunity to export their products to the West and offers the analysis of prospects for the development of new markets as well as set constant stimulation of demand for existing and well researched markets, development of advertising and marketing programs as business development remains the main task of modern marketing.

The need for the assessment of the state and prospects of new markets may be associated with conditions such as to give in to an entirely new market and the entering of a new country or region market and new product lines for the company to develop market, as well as the expansion of the existing range of new positions customary for market and fundamentally for the new business of the company to get familiar to market behaviors and new products on the old and emerging markets.
Before defining a new market it is necessary to verify its uniqueness at first using a market feasibility study which will collect information on similar projects and substitute products, as well as determining experiences of working on similar markets in other countries. It is necessary to determine the forecast selected for the study of a new market if there is any sense to operate on it and invest funds into it. As a strategic method it is anticipated to use thinking. This method allows the study to theorize the forecasts of the market. Companies can tentatively assume the formation of how potential consumer segments may identify the needs of each segment to allocate channels to promote new products as the model of its marketing strategies by promoting a model on the market.

It is very important to verify the hypothesis of the study. The main method at this stage is a qualitative study involving interviews with experts and market professionals as well as focus groups with potential end users of new products.

This study has studied the market entry for the company’s product based on the company’s present status in wine product and capacity in the wine business, operating in the present markets in countries and regions as well as clarifying the target market the (UK) and entry chances. Particular attention was paid to organizations engaged in administrative functions associated with the market being studied and the participants in the broader market which includes the market under study prospective and sellers for the marketing of new products.

The study looks at both assessment and projections of the new market and product in detailed performance if necessary the volume of demand forecasting, including the method of investigation and at this stage a quantitative survey comes into use in order to study the volatile internal economic and financial environment of the new market and search for new solutions based on the right time to offer the new product to the new market and from which channel.

The improvement of the strategy and the concept of positioning are very important for the company to enter the new market and establish new business relationships. In the improved business model very close attention should be paid
to the achievement of operational efficiency, the acquisition of strategic assets and the share of the capture of new and promising market. Also, the expansion of business operations in the new corporate environment requires new and higher demands on product quality, corporate governance and the level of transparency. As the company aims at entering a new market these requirements become basic systemic factors.

7.3 The UK Strategic Market and Management Study Module for the Producers of Jacob’s Wine

Marketing management sustainability must be the principal focus of the company when they successfully gain entry to the UK market. The module below provides the company with marketing and management institutional programs to keeping up with its operations in the UK business environment as a guide to market information system for businesses which offer a diverse range of solutions to help companies organize and systemize their administrative affairs and provide operational management and marketing services to companies in order to effectively interact with customers and suppliers.

In a niche market it is very important to draw up analytical programs in order to support decision making at the strategic level of marketing management. The main reason is because operational management systems are provided for big and small enterprises selling their products in potential markets to recognize the need for product management in the operational areas. That is done with the services of management institutions located in the country where the company’s product is marketed and performs a well defined production management program while the analysis of the strategic level of the company’s management is done to help develop solutions to the manner of development.

The magnitude of such management program may be different from deep restructuring to partial update technology in some production areas but in any case the decision makers consider alternative development asking the question
what if? The answer to this question might determine the fate of the company in the long term production standing.

It really doesn’t matter how influential and well developed the company might be, as long as it operates in a totally new market it still needs the assistance of experts in the marketing management field to be able to position and possibly redefine its products to the customers. With the marketing management information provided by service institutions the concept will go a long way to addressing setbacks or progress issues because it is an established business process obligated to provide companies with professional recommendations and organizational solutions on how to balance and move their products forward in a new market.

Beyond the scope of marketing management and analytical module systems provided by management establishment, in principle it solves both financial and questionable problems such as accounting and production management as well as considers them as independent research projects because these features are integral part of the system. In addition, the possibility of analytical modules large system is fundamentally limited by their close ties to the business processes that are rooted in the control system.

This eliminates the possibility of companies using the analysis of strategic alternatives that contain fundamentally different business processes or in which business processes are generally not formalized. In other words, strategic analysis requires the consideration of the scale of objects and processes as well as special tools other than those that are applied at the operational management level.

A major problem holding back the application of analytical methods to solving problems of strategic marketing management is the lack of information of the markets in which a company operates, or intends to operate in a company. This gap is also connected with the systems that support the processes of customer relationship management. In this development companies can without difficulties
collect information not only about contacts with clients but also data about competitors, suppliers and events related to their activities. This knowledge can be the basis for a marketing analysis and strategic decision making.

My study concludes with the calculated evaluations and supports which determines the answers to the successful entry of a new market for the producers of Jacob’s Wine. These components act as appropriate plan for marketing activities as well as develop a new market in the correct manner.

This study also provides futuristic and strategic innovative methods of entry for the company in questions such as, opening a liaison office in target country or finding regional partners to research on several markets in the UK regions, as well as using templates as sort of framework to expand range on how to solve problems with local authorities and create own retail network at the same time initiate periods of establishing standards.

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<tr>
<th>Module A</th>
<th>Module B</th>
<th>Module C</th>
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<tr>
<td>Information correspondence center at the UK Embassy in Nigeria for small and medium size business.</td>
<td>The UK technology business network system.</td>
<td>Innovation and technology centers in the UK.</td>
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<tr>
<td>Management information services with UK partners.</td>
<td>Services for product innovation, technology and knowledge to enhance technological cooperation.</td>
<td>Services to assist the company to participate in the EU Framework Program.</td>
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</tbody>
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**Table 6: The UK strategic market and management study module for the producers of Jacob’s Wine**
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## FIGURES INDICATE NUMBER OF RESPONDENTS

<table>
<thead>
<tr>
<th>Question</th>
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<tr>
<td>Will you like to see a new wine in a UK wine shop?</td>
<td><em>(YES, 70) (NO, 10) (MAYBE 53)</em></td>
</tr>
<tr>
<td>Do you think a new wine will find a market in the UK?</td>
<td><em>(YES, 50) (NOT SURE 24)</em></td>
</tr>
<tr>
<td>How will you react to the taste of a brand new wine in the UK?</td>
<td>*(DON'T KNOW YET, 52) <em>(NO DIFFERENCE WINE IS WINE 28)</em></td>
</tr>
<tr>
<td>How will you compare a new wine with other existing wines in the UK?</td>
<td><em>(DEPENDS ON THE TASTE, 74)</em></td>
</tr>
<tr>
<td>Will you like to have a sample taste of the new wine first, before buying the wine or you simply buy the wine?</td>
<td>*(TASTE FIRST, 20) <em>(JUST BUY 63)</em></td>
</tr>
<tr>
<td>What will be your initial considerable cost of the new wine?</td>
<td><em>(CHEAPER, 84)</em></td>
</tr>
<tr>
<td>Question</td>
<td>Response…</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>If the wine is produced outside the UK will you welcome it?</td>
<td><em>(YES, 81)</em></td>
</tr>
<tr>
<td>What will attract you to the wine, quality, taste, or branding?</td>
<td><em>(TAST, 63) (QUALITY, 71)</em></td>
</tr>
<tr>
<td>Will you patronize the new wine if it satisfies your desire?</td>
<td><em>(YES, 62)</em></td>
</tr>
<tr>
<td>Would you advise others to buy the wine, or you allow them to decide for themselves?</td>
<td><em>(ADVISE THEM TO BUY, 50) (ALLOW THEM TO DECIDE, 37)</em></td>
</tr>
<tr>
<td>If the producers of the new wine see you as a loyal customer, what will you advise them about the wine?</td>
<td><em>(PRICE REDUCTION 31) (NOT SURE, 40) (NOTHING, 53) (MORE SUPPLY 78)</em></td>
</tr>
</tbody>
</table>

(Table 5: Questionnaire Statistics)
(Figure 1: Company’s Corporate Structure)
### STRENGTHS

1. Near locations for resources needed for wine production and intercity distribution
2. Modern and well developed wine production infrastructure, communication and transportation
3. Successful and valuable extended term in wine business
4. Great interest for quality wine production for consumers’ demand
5. Wide range of wine distribution network in Nigeria and Africa
6. A favorable image in the Nigerian and African wine markets
7. Availability of wines for distributors
8. Flexible pricing
9. Attracting consumers on (packages discount)
10. Coordinated production with standard
11. Using the latest modern management system
12. The ability to determine the income of wine sales to target group
13. The capacity to segment customers interests
14. Conducts regular wine market research in Nigeria and Africa
15. Approach to customers by meeting needs
16. Continuous improvement of staff skills both in sales department and production department
17. Staff training, seminars and training programs to improving the quality of customer services.

### WEAKNESSES

1. Lack of information on the strategic directions of other African countries distribution agencies
2. Bulky shape of typical agreement and opinions of sensitive customers
3. Lack of labor structure on the principles of unity of command, many heads involved in the marketing and distribution channels both in Nigeria and Africa
4. Decision making system centralized, making it difficult to speed up the execution of production tasks in a timely manner
5. Lack of authority for management services which requires fast responsiveness
6. Powers of marketing department as the main structural unit in developing strategy and tactics are limited
7. A greater percentage of accounts for individual distributors/agents
8. Lack of e-marketing plan and standard unit “Internet marketer”
OPPORTUNITIES:

1) Extended range of services nationwide (Nigeria) and countries with potential business forthcomings in Africa
2) Dependable access to the economic community of West African States “ECOWAS” trade markets
3) The prospect of entering new markets for wine business
4) A favorable combination of positive image and high level of categorization at low prices
5) Improving the skills of all marketing personnel
6) Encouraging regular customers’ flexible pricing policy, provision of additional services aimed at establishing and developing relationships with customers’ word of mouth advertising
7) Potential forecast to becoming the apex leader in the Nigerian and African wine business, estimation in the next 4-5 years
8) Collaboration with existing market players in the wine business in Nigeria and abroad
9) The use of advanced production technologies in wine production and concentration that reduces the cost and tons of products.

THREATS:

1) Non compliance status and level of service provided which can lead to a negative reaction from customers
2) Wine business market competitive companies and the intensification of existing competitors
3) Macro economic indicators of states that adversely affect the activities of wine business
4) Political factors customs and border formalities in Islamic African countries.

(Figure 3: THE COMPANY’S SWOT ANALYSIS KEY SUCCESS FACTORS)
Appendix 4

**Product:** Quality Wine produced in Nigeria. Attractively branded, tasty and satisfying with natural preservatives.

**Place:** Supermarkets, bars, exhibitions, hotels, shows, restaurants, wine shops, trade fairs, shows, clubs, road side leaflets, metros, UK wine show, London Olympics.

**Price:** (Strategic Pricing) Low-priced price, attractive price, sales discount price.

**Promotion:** Websites, ads, Facebook, Google, Twitter, blog, catalogue, magazines, newspapers, street posters, exporting agent, licensing, public testing, sampling, merger.

Figure 4: (THE UK STRATEGIC MARKET ENTRY FOR JACOB’S WINE)
Appendix 5

Figure 5: Price Development for Jacob’s Wine

- Detailed Features and Price
- Decide Needed Profit
- Target Cost = Price – Desired Profit
- Plan to Meeting with Target Cost

Change price and/or features if product cannot be designed to meet target cost
Appendix 6

26% Proportion of men drinking more than 21 units a week 2009 (Down from 31% in 2006)

21% Proportion of 16-24 year old men drinking more than 21 units a week 2009 (Down from 30% in 2006)

18% Proportion of women drinking more than 14 units a week 2009 (Down from 20% in 2006)

(Figure 6: UK Wine Consumption Statistics)

Appendix 7

Y-Axis

First Quota. Ended

₦11.2M (Share)

₦15.9M (Share)

X-Axis

₦20-25M (Forecast)

2010 2011 2012 2013

(Graph 1: Market Profit Forecast for Jacob’s Wine)
<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage By Volume,%</th>
<th>Share By Cost,%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fortified</td>
<td>28.5</td>
<td>23.3</td>
</tr>
<tr>
<td>Table</td>
<td>71.5</td>
<td>76.7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 1: Company’s Market Structure of Wine ‘Strength’ 2010

<table>
<thead>
<tr>
<th>Color</th>
<th>Percentage By Volume,%</th>
<th>Share By Cost,%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red</td>
<td>50.4</td>
<td>56.0</td>
</tr>
<tr>
<td>White</td>
<td>43.6</td>
<td>38.8</td>
</tr>
<tr>
<td>Pink</td>
<td>5.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 2: Market Structure of Wines ‘Color’ 2011

<table>
<thead>
<tr>
<th>Sugar Content</th>
<th>Percentage By Volume, %</th>
<th>Share By Cost, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-Sweet</td>
<td>67.9</td>
<td>64.4</td>
</tr>
<tr>
<td>Dry</td>
<td>20.7</td>
<td>25.0</td>
</tr>
<tr>
<td>Semi-Dry</td>
<td>11.3</td>
<td>10.6</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3: Market Structure of Wines ‘Sugar Content’ 2010-2011-2012
<table>
<thead>
<tr>
<th>Phase. 1</th>
<th>Phase. 2</th>
<th>Phase. 3</th>
<th>Phase. 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year Of Entry (2012)</strong></td>
<td><strong>Factors</strong></td>
<td><strong>Structure</strong></td>
<td><strong>Function</strong></td>
</tr>
<tr>
<td><strong>INDIRECT MARKETING</strong></td>
<td><strong>THE UK MARKET RESEARCH/FEASIBILITY STUDY</strong></td>
<td><strong>TYPE OF BUSINESS</strong></td>
<td><strong>INTER-CULTURAL MANAGEMENT THE UK/NGERIA</strong></td>
</tr>
<tr>
<td>The wine is recommended to be marketed in the UK by agents in the wine business based in the UK.</td>
<td>First and foremost, the company must be able to accomplish a comprehensive market study on the UK wine environment before considering entry.</td>
<td>The company must be definite what type of investment they want to pursue in the UK, either a long term or a short term investment.</td>
<td>The UK and Nigeria are both English speaking countries, but they have diverse cultural backgrounds which may have adverse effect on business, hence the complete study of culture must be a priority.</td>
</tr>
<tr>
<td><strong>INTERNATIONAL WINE AGENTS/MARKETERS</strong></td>
<td><strong>RISKS ANALYSIS</strong> <strong>ECONOMIC, ENVIRONMENTAL, POLITICAL</strong></td>
<td><strong>SIZE OF BUSINESS</strong></td>
<td><strong>LOGISTICS/REGULATIONS</strong></td>
</tr>
<tr>
<td>To successful market this product in the UK, the company must particularly seek for the services of experts and international marketers in the wine industry with comprehensive know-how in international marketing.</td>
<td>Every business is vulnerable to risks particularly international business. The entire structure of the UK business environment must be the prime priority of the company before entering, because any change in government might adversely affect business.</td>
<td>The company must consider whether they want to enter the UK market in a big or small scale.</td>
<td>Prior to entering the UK wine market, the company must legally recognize with the EU-UK trade policy and logistics regulations.</td>
</tr>
<tr>
<td><strong>MARKETING STRATEGY</strong></td>
<td><strong>CAPITAL</strong></td>
<td><strong>GEOGRAPHICAL LOCATION</strong></td>
<td><strong>PRODUCT DEFINITION</strong></td>
</tr>
<tr>
<td>------------------------</td>
<td>------------</td>
<td>--------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>The UK partners in question will be in a better position to provide the company with the most accurate UK marketing strategy.</td>
<td>The capital provided by the company to operate its business in the UK must be sufficient to enable work function effectively with confidence.</td>
<td>The issue of what part of the UK does the company want to introduce their wine must be a considerable factor.</td>
<td>Before entering the UK market with their product, the company must suitably describe their product effectively in such a way that consumers will be able to have enough awareness of the product.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>THE CURRENT UK MARKET SITUATION</strong></th>
<th><strong>INFRASTRUCTURE</strong></th>
<th><strong>NUMBER OF EMPLOYEES</strong></th>
<th><strong>PRICING CATEGORY</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The overall picture of the UK market environment must be taken into account by the company before entering the UK to avoid investment disappointment.</td>
<td>The company ought to be sure that every possible network in the UK has to be utilized in marketing their product in the UK and must be standard in order to respond fast to customer needs, and on time delivery.</td>
<td>In order to avoid the issue of lack of personnel to handle and manage the activities of marketing the wine in the UK, the company ought to be definite in how many workforce it wants to employ and to what designated responsibility.</td>
<td>For the product to find a possible market and gain responds from wine consumers, the price of the wine must be relatively strategize to a low price category to be able to find a market.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>ENTRY BUDGET ESTIMATE (£)</strong></th>
<th><strong>LABOR</strong></th>
<th><strong>POTENTIAL CUSTOMERS</strong></th>
<th><strong>COMMUNICATION</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on what size the company chooses to establish its network in the UK, one most important issue to be thoroughly taken into account is how much should be invested in the project to avoid financial loss.</td>
<td>The issue of the distribution of labor must be rational both sides, from the side of UK partners and on the side of the company’s marketing department personnel.</td>
<td>The selection of customers is very important in order to identify with a mutual customer relationship management.</td>
<td>Effective open and steady communication must be created between the company and their UK counterparts in order to avoid distrust and track the situations of things and get updated so as to find solutions and make decisions when considered necessary.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NEGOTIATORS/PARTNERS</strong></th>
<th><strong>MANAGEMENT STYLE</strong></th>
<th><strong>TARGET GROUP</strong></th>
<th><strong>DISTRIBUTION CHANNEL/RULES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>This is a very favorable means for the company to launch its product in the UK because the UK partners will basically act as the company’s representatives in the UK marketplace, and negotiate with wine shops, dealers and consumers.</td>
<td>To avoid controversy and management setbacks, in this situation the UK management system should be the only system to adopt, because the company in question is handicap in knowledge about the UK management style, in this respect the UK personnel must have management control.</td>
<td>It is necessary to classify target group in order to have a plain customer data and create traditional segmentation.</td>
<td>The company must be completely dependant on one particular channel of distribution i.e. (Agents) from the company directly to their UK agents to avoid complexity and violations of rules associated with entry.</td>
</tr>
</tbody>
</table>
A Strategic Plan For Jacob’s Wine Entry To The UK Wine Market

Appendix 10

<table>
<thead>
<tr>
<th>Module A</th>
<th>Module B</th>
<th>Module C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information correspondence center at the UK Embassy in Nigeria for small and medium size business.</td>
<td>The UK technology business network system.</td>
<td>Innovation and technology centers in the UK.</td>
</tr>
<tr>
<td>Management information services with UK partners.</td>
<td>Services for product innovation, technology and knowledge to enhance technological cooperation.</td>
<td>Services to assist the company to participate in the EU Framework Program.</td>
</tr>
</tbody>
</table>

Table 6: The UK strategic market and management study module for the producers of Jacob’s Wine
PEST ANALYSIS

Appendix 11

Political:
1) As a British colony, productively Nigeria has a good political relationship with the UK which makes trade lucrative and steady in all business sectors, predominantly on oil, gas, food and agro investments as well as imports and exports.

2) Before and after independence both countries have enjoyed various political liaisons making it much easier for trade flow. Fortunately, there are no trade barriers between both countries based on the political systems of government in both countries.

Economic:
1) The UK business environment provides investors from all over the world with the opportunities of huge and safe business ventures, cost valuable and customers’ interests on goods and services with affordable taxation.

2) Businesses in the UK experience fast and steady growth particularly in London, as tagged the business capital of Europe. Rational interest rates, no inflation and good exchange rates for business enterprises.

Social:
1) Culturally, the UK maintains good health awareness, as well as population growth rate, age distribution and pays special attention on security of people and properties and foreign investments.

2) The UK social characteristics influence the requirements of companies’ products, as well as companies operations making employment and labor a controlled situation in the UK.

3) The UK as a country with multiple nationals’ from all over the world; labor remains a cheap issue as both UK citizens and immigrants are always available for employment.

Technological:
1) The UK technological issues mainly focus on research and development actions in all parts of business endeavors and expertise.

2) Access is often determined based on resourceful manufacturing level and decisions. Additionally, in the UK industrial modifications involve expenditure, values and direct improvements.