



TABASCO 7-SPICE CHILI STARTER

FINAL PROJECT

PRESENTED BY:

Danielle Hagemester

Christine Gundayao

Parham Kermani

Tabasco 7-Spice Chili Starter

EXECUTIVE SUMMARY

McIlhenny Co. has been dedicated to providing quality products with bold flavor to consumers for over 140 years. The company has found monumental success with their iconic Tabasco Sauce. Company leadership, however, is keenly aware of the dangers of entrenched success: past profits do not ensure future stability. Harold Gray Osborn, the Senior Vice President of the McIlhenny Company once stated, "This company is always looking for new ways to improve our business and operations." In order to adapt to shifting demographics, the time has come for McIlhenny Co. to innovate. This marketing campaign will launch an all-online approach with distribution directly to the consumer. Having encountered obstacles that limit distribution of Tabasco's 7-Spice Chili Starter, this marketing plan has been developed to bypass this problem, to promote and bring awareness to our target markets, and increase sales, making it on par with McIlhenny's flagship product, Tabasco Sauce.

A large demand for easy meals to prepare in thirty minutes or less with quality, wholesome ingredients has arisen with today's time sensitive consumer. Rather than preparing a chili starter from scratch, this handcrafted, savory starter sauce provides a simple way to prepare a convenient and satisfying meal. The purpose of this marketing campaign is to highlight the versatility and convenience of creating meals with Tabasco Chili Starter. Upon successful execution Tabasco Chili Starter will be to chili, what Tabasco is to the hot sauce market.

HISTORY

The McIlhenny Company is most well known for Tabasco Sauce which is the brand namesake for their pepper sauce invented in 1868. After Edmund McIlhenny secured a patent in 1870, Tabasco Sauce began its journey to set the culinary world on fire. Over 140 years later, Tabasco Sauce is still made on Avery Island and is made much the same way. Sold in over 180 countries, Tabasco sauce is put on restaurant tables all around the globe, and is the most famous, most preferred pepper sauce in the world.

McIlhenny has developed a wide range of other products, including the Tabasco Brand 7-Spice Chili Starter, Tabasco Mayo, Tabasco Soy Sauce, Tabasco Worcestershire Sauce, and the list continues. Many of these other products have gained in popularity, due in part to the Tabasco name brand. There is a strong following of loyal customers to be had with the re-introduction of Tabasco 7-Spice Chili Starter. Continuing their legacy of tradition while embracing technology through our marketing campaign, Tabasco Chili Starter will become a staple in households all around the world to provide quick, easy, versatile meals with the famous flavor of Tabasco Sauce.

S.W.O.T.

STRENGTHS

- Tabasco Chili Starter is part of the better known McIlhenny Tabasco brand which gives them the advantage of established brand awareness and perception of quality.
- Tabasco Chili Starter consists of all natural ingredients and contains no preservatives which gives them the advantage of appealing to an ingredient conscious market.
- Tabasco Chili Starter is sold in a 16 oz. glass jar which gives them the advantage of appealing to those looking for BPA free, reusable, and recyclable or packaging.
- Tabasco Chili Starter consists of vegetable based ingredients which gives them the advantage of appealing to many dietary restrictions such as vegetarian, vegan, gluten free, and kosher.
- Tabasco Chili Starter provides the basic chili recipe ingredients in one product which gives them the advantage of being the base and cutting down preparation time for both simple and complicated chili recipes as well as other meals like tacos.

WEAKNESSES

- Tabasco Chili Starter lacks the well-known Tabasco spice, this makes both the original and spicy flavor taste fairly mild.
- Tabasco Chili Starter does not have a very concentrated flavor, this makes it taste watered down when other ingredients are added.
- Tabasco Chili Starter uses Tabasco Sauce as one of its main ingredients, this makes it susceptible to the weaknesses of Tabasco Sauce such as the costly and lengthy process of producing the sauce.
- Tabasco Chili Starter packaging is not representative of the quality of the brand or product, this makes it hard for the consumer to appreciate the value of the product especially when they have not tried it.
- Tabasco Chili Starter lacks supplemental online information, this makes it difficult for those consumers researching the product before purchase to find the information they need to commit to buy.
- Tabasco Chili Starter lacks widespread distribution, this makes it difficult for those consumers looking for the product to purchase it and those not looking for the product to come across it.
- Tabasco Chili Starter is part of a lesser known product category, this means awareness of the product as well as similar products is low and consumers are not demanding of this product or competitive products.
- Tabasco Chili Starter price is costly compared to buying individual ingredients and making chili starter from scratch.

OPPORTUNITIES




- The market for spicier and more flavorful food is expanding, this gives Tabasco the opportunity to place their Chili Starter product in this demanded category.
- The number of consumers using social media is expanding, this gives Tabasco the opportunity to create awareness of the Chili Starter product using new media outlets.
- The number of consumers already aware of the Tabasco brand is consistent, this gives Tabasco the opportunity to introduce Tabasco Chili Starter to an already loyal market base.
- The number of ways to distribute product directly to the consumer is increasing, this gives Tabasco the opportunity to be the first in the chili starter product category to distribute using the new methods.

- The market for consumers looking for convenient but wholesome ways to cook at home is growing, this gives Tabasco the opportunity to place their Chili Starter as the solution these consumers are looking for.

THREATS

- Tabasco Chili Starter competitors have much stronger shelf-appeal and branding, this makes it difficult for Tabasco to compete in a category where many consumers are comparing products they have no experience with.
- Tabasco Chili Starter competitors, such as Bush's, have already gained awareness with TV and radio commercials, this makes it difficult for Tabasco to compete with these companies already known for chili.
- Tabasco Chili Starter competitors are more widely available in-store nationwide, this makes it likely for consumers to purchase a competitor's product even after they've seen advertising and are intent to purchase Tabasco Chili Starter.
- Tabasco Chili Starter competitors selling pre-made chili offer more convenience, this makes it likely for consumers to choose the competition's heat-and-eat product that does not require the addition of meat or beans when looking for convenience.
- Tabasco Chili Starter is reliant upon Tabasco Sauce and Avery Island salt as a primary ingredient, this makes it susceptible to severe weather and a single manufacturing site which has been compromised due to hurricanes and flooding in the past.

TARGET MARKET ANALYSIS

	Millennials	Young Professionals	Busy Families
AGE	18-30	31-40	Typically 25-45
LIFESTYLE	Typically on a budget College students	Newlyweds Vegetarian/vegan Higher income	Kids Medium income Feed more family members
EDUCATION	High School +	College graduates	Some college / graduates +
INCOME	\$20,000+	\$35,000+	\$50,000-\$70,000+
SHOPPING	Online, Target, Amazon	Amazon, Whole Foods, Trader Joe's	Shop for best deal: Online, Costco, Winco, Wal-Mart, Amazon.
SPECIAL CHARACTERISTICS	Millennials are most likely to order products online looking for convenience and value.	Health conscious young professionals, vegans, and vegetarians don't mind spending more to get gluten free, with products that are natural.	Families, are always looking for budget friendly deals that both the parents and the kids enjoy. They also like to buy in bulk.
INTERNET USE	Social media & online shopping	Social media & online shopping	Social media & online shopping
			

Three different target markets, millennials, young professionals, and families will be the focus of this campaign. What makes these specific target markets unique is they also overlap. Both college students and families are looking for fast unique recipes that are budget friendly, wholesome, and feed many mouths. Young professionals do not mind spending more for convenience and ease of use. The young professional group and the family group also look for healthier options they can make easily. Individuals in each of these demographics will value tradition for its homemade wholesome qualities, and embrace technology for its ease and convenience.

PRODUCT

Tabasco Chili Starter is made from the finest vine-ripened tomatoes, green chilies, diced onions, genuine Tabasco pepper sauce, and a blend of seven herbs and spices known only to the company. The product is preservative free and provides the basic chili recipe ingredients in one product. Rather than preparing a chili starter from scratch, consumers can reduce preparation time with Tabasco Chili Starter to create unique and satisfying meals.

PRICE

TABASCO:

\$3.75 – Tabasco and Amazon. Ranges from approx. \$3.50 to \$5.00 at various retailers.

DIRECT COMPETITION:

\$3.50 - Bush's Best Chili Magic Traditional Mild Chili Starter- 16 oz.

\$2.00 - McCormick Chili Skillet Sauce, 6 oz.

\$14.95 - Williams-Sonoma Red Chili Starter 32 oz.

\$9.95 - Stonewall Kitchen All-Natural Chili Starter 18.5 oz.

INDIRECT COMPETITION:

\$1.95- Nalley Chili w/ Beans Original 14 oz.

\$1.00 – Mrs. Dash Salt Free Chili Mix- 1.25 oz. Packets

\$3.00 – Bush's Chili – No Beans 16 oz.

PLACE

Tabasco Chili Starter availability in grocery stores varies regionally, and an interested consumer may seek out grocer locations via the Tabasco website. The product is placed with (FILL IN) on grocery shelves. Tabasco Chili Starter is also available for purchase as individual jars on the Tabasco website and major online retailers including Amazon, Jet, and Cajun Grocer. Other online retailers, such as Wal-Mart and Shop.com, offer the product in multi-packs.

PROMOTION

- Instagram & Facebook hashtag campaign
- Dash Button campaign on social media
- Pinterest hashtag campaign
- Video ad
- Radio ad

INTEGRATED MARKETING COMMUNICATION

The underlying message of our integrated marketing theme is that by using Tabasco Chili Starter you can cook unique flavorful dishes at home, without sacrificing convenience.

Throughout the entire campaign we will demonstrate to the consumer the versatility and convenience of Tabasco Chili Starter. We have created advertising messages which seamlessly integrate our theme, and appeal to not one, but all of our demographics simultaneously.

TAGLINE: “The secret ingredient in YOUR famous chili”

HASHTAG: #HowDoYouChili

CONSUMER ORIENTED SALES PROMOTION

Our tagline “The secret ingredient in YOUR famous chili” speaks directly to the demographic we’ve identified as embracing tradition, wholesome, from scratch, and quality food. This message is aimed at those who want to be part of the process of cooking, but don’t have time to devote to cooking from scratch every night. This includes Millennials who have busy schedules but know they should eat better, busy families whose providers value home-cooking, and young professionals who want a culinary experience that is also convenient. The words, “The secret ingredient in...,” emphasize that this is a helping hand in your recipe, and that although it’s a shortcut ingredient, it’s such a valuable ingredient that it deserves to be kept a secret.

The words “YOUR famous chili” reinforce the message that even though this is a convenience product, you’re still cooking at home making a dish that’s unique to you.

HASHTAG CAMPAIGNS

Further examination of our hashtag #HowDoYouChili reveals the same underlying message but makes no mention of a “secret ingredient”. With the hashtag campaign we are focusing on highlighting the versatility of the product and how it can be used in a variety of unique dishes. We are also further emphasizing the message that this is about how YOU (the consumer) use the product. By asking consumers to share their own unique dishes created using Tabasco Chili Starter on social media with this hashtag we are using word-of-mouth to generate buzz, awareness, and personal recommendations to use the product. This goes hand in hand with our Pinterest, Instagram, and Facebook campaign where we use the same hashtag to share Tabasco’s own unique and convenient recipes created with the 7-Spice Chili Starter aimed at each of our target markets. We chose to create these campaigns using examples of the recipes so that it felt more like a solution to a problem than an advertisement. We will also sponsor recipe blog posts to be created by select influential Pinterest users that mimic our recipe campaign featuring the versatility and convenience of the product. This will serve to further the campaign reach to not only Tabasco followers but the Influencers’ followers as well. The more unique recipes to be found, the broader the reach each of the Pinterest, Instagram, and Facebook hashtag campaigns compel the consumer to participate in the #HowDoYouChili campaign themselves. By acquiring the product and sharing a photo of their own dish along with the hashtag we are able to spread awareness of the product to their friends and family, and their friends and family, and so on.

PINTEREST CAMPAIGN RECIPES

Millennials	Young Professionals	Busy Families
<p>Classic Chili Recipe</p> <ul style="list-style-type: none"> • 16oz Jar Tabasco Chili Starter • 1 lb Ground beef • 1 can red kidney beans, drained • 1/2 small onion, diced • 3/4 cup beer, water, or tomato juice <p>In a medium saucepan begin sautéing the onion, when onions turn clear add ground beef and brown until cooked through. Stir in chili starter, liquid, and beans, cover and simmer for 10 minutes. Serve with your choice of toppings.</p>	<p>Southwest Salad Chili</p> <ul style="list-style-type: none"> • 16oz Jar Tabasco Chili Starter • 16oz can black beans, drained • 16oz can garbanzo beans, drained • 16oz can red kidney beans, drained • 10oz can diced tomatoes & chilies • 4oz can diced jalapenos <p>In a medium stock pot combine all ingredients, cover and simmer 10 minutes. Serve over lettuce with your choice of toppings.</p>	<p>Veggie Chili</p> <ul style="list-style-type: none"> • 16oz Jar Tabasco Chili Starter • 12oz frozen soup vegetables • 12oz frozen black eyed peas • 5.5oz can tomato juice <p>In a medium stock pot combine all ingredients, cover and simmer 25 minutes stirring occasionally. Serve with your choice of toppings.</p>

VIDEO AD

The special recipes featured in the Pinterest campaign are also highlighted in the video advertisement. Three recipes using the same central ingredient (Tabasco Chili Starter) combined with others to further highlight the versatility of the product. The tempo of the video is upbeat and snappy and steps of the recipes shown are minimal to emphasize speed and ease of use. Specific prop styling is used with each recipe to appeal to individual demographics, but the visual of the food itself appeals to all markets. Each piece of the integrated marketing theme is represented in the video including the tagline, hashtag, and overall message of versatility and convenience.

RADIO AD

SCRIPT

“I told mom I was missing her famous chili, so she told me she'd send me her secret recipe.

When the package from her arrived it was a jar of Tabasco Chili Starter!

I called her to find out what was going on, this had to be a joke.

She swore me to secrecy and told me she's been using Tabasco Chili Starter for years, ever since she realized that you don't have to compromise taste for convenience.

Now I can make my own famous chili in just 10 minutes and I don't need a pantry full of ingredients. #HowDoYouChili” (30 Sec)

SCHEDULE

We have embraced technology as our method of advertising and distribution. This allows campaigns distributed through each of the marketing channels to have both clickable calls-to-action and trackable analytics. We have also incorporated the easy and convenient Amazon dash button that is Wi-Fi connected and reorders the product with the press of the button, by advertising it on digital ads through Facebook and Instagram.

INITIAL LAUNCH (3 MONTHS)

- Video Ad will run on online exclusively. Media outlets include Google Adwords, YouTube, Hulu, and Facebook Ads. Clickable call to action at end of commercial will direct customers to the Tabasco Chili Starter Amazon page.
- Radio ad will run on music streaming services both online and via smartphone apps that display clickable images while the audio ad is playing. Media outlets include Pandora, Spotify and food-related podcasts.
- Integration with the Amazon Dash Button will be announced and rolled out with it's own customized social media campaign. Launch will occur 1 month after other campaigns launch.

These types of media outlets integrate seamlessly with the online ordering process and eliminate excess steps between the advertisement message and the consumer placing an order. Consumers using these types of media are likely to have experience with online ordering and having a direct link to the products in the advertisement makes it even easier for the consumer to become familiar with the product.

CONTINUOUS LAUNCH

- #HowDoYouChili social media and Pinterest campaigns will run continuously with new content being generated by both the consumer and Tabasco's social media team. The same recurring versatility and convenience recipe theme will run throughout.

DISTRIBUTION

The integrated marketing campaign will target online-only distribution channels with a primary focus on direct-to-consumer fulfillment. The primary distribution channels used for the campaign "call-to-action" will include Tabasco.com, Amazon.com, and a customized Amazon Dash Button. This type of on-demand and direct-to-consumer ordering seamlessly integrates ease and convenience with the busy lifestyles of our targeted consumers. These online distribution channels will have their orders fulfilled directly through Tabasco's facilities, this will also allow Tabasco to scale for increased demand of the product in a time-sensitive way. We have deliberately excluded traditional distribution channels as consumers who are likely to purchase through traditional distribution channels (i.e.grocery stores) more likely to make chili from scratch, without the need for a chili starter.

The Amazon Dash button is an innovative ecommerce device that makes it easy for all three of our primary target markets to easily reorder Tabasco Chili Starter when they are running low. With a simple "click" of the physical customized button an order is placed through Amazon. The Dash Button can be placed in line of sight where the consumer is most likely to see and use it, keeping the product

front-of-mind without the consumer visiting the website or grocery store. A special campaign highlighting Dash Button availability will be seamlessly integrated alongside the other campaign media. The call to action and

FINAL SUMMARY OF CAMPAIGN

Our integrated marketing theme emphasizes the multitude of flavorful, unique dishes possible with the Tabasco Chili Starter, and highlights the efficiency, convenience, and ease of use - a top priority among our target markets. With the option of ordering the product direct online, each of our target markets (millennials, young professionals, and busy families) can enjoy fast, affordable, satisfying meals, regardless of their proximity and access to vendors.

Bypassing distribution problems, this campaign aims to promote and bring awareness to our target markets, and increase sales. Photos of cuisine using Tabasco Chili Starter will be shared on Pinterest with the hashtag #HowDoYouChili, with a hyperlink to purchase on Tabasco.com, and the promise of more creative and tasty recipes. The tagline, "The secret ingredient in YOUR famous chili" seeks to emphasize the versatility of the product in that it can be used for so many dishes. A shoppable hyperlink will be embedded in most online ads to present customers with an immediate purchase option. Thanks to the interactive, viral nature of internet entertainment and social media, consumers on such platforms have a near-limitless capacity to increase product awareness, influence public perception of the brand, promote improvements, and provide precious and instant feedback about the quality of their experience.

By embracing and expanding the use and integration of technology, we can refine our method of advertising in a manner that both reduces cost *and* improves revenue prospects. Short radio and television ads will be used in concert with social media presence, clickable sidebar/pop-up graphics, and video streaming services to maximize product awareness, and incite demand among key demographics.