

Individual Assignment (15 marks)
Principles of Marketing BUS2304 / MKT 60104
August semester 2015

Read the case study below and answer the three questions following it. All the questions carry equal marks.

Case Study: Trap-Ease America

One April morning, Martha House, president of Trap-Ease America, entered her office in Costa Mesa, California. She paused for a moment to contemplate the Ralph Waldo Emerson quote that she had framed and hung near her desk: "If a man (can) ... make a better mousetrap than his neighbour, the world will make a beaten path to his door". Perhaps, she mused, Emerson knew something that she didn't. She had the better mousetrap -Trap-Ease - but the world didn't seem all that excited about it.

Martha had just returned from the National Hardware Show in Chicago. Standing in the trade show display booth for long hours and answering the same questions hundreds of times had been tiring. Yet, all the hard work had paid off. Each year, National Hardware Show officials held a contest to select the best new product introduced at that year's show. The Trap-Ease had won the contest this year, beating out over 300 new products. Such notoriety was not new for the Trap-Ease mousetrap, however. People magazine had run a feature article on the trap, and the trap had been the subject of numerous talk shows and articles in various popular press and trade publications. Despite all of this attention, however, the expected demand for the trap had not materialized. Martha had hoped that this might stimulate increased interest and sales.

A group of investors had formed Trap-Ease America in January after it had obtained worldwide rights to market the innovative mousetrap. In return for marketing rights, the group agreed to pay the inventor and patent holder, a retired rancher, a royalty fee for each trap sold. The group then hired Martha to serve as president and to develop and manage the Trap-Ease America organization. Trap-Ease America contracted with a plastics-manufacturing firm to produce the traps. The trap consisted of a square, plastic tube measuring about 6 inches long and 1-1/2 inches in diameter. The tube bent in the middle at a 30-degree angle, so that when the front part of the tube rested on a flat surface, the other end was elevated. The elevated end held a removable cap into which the user placed bait (cheese, dog food, or some other aromatic tidbit). The front end of the tube had a hinged door. When the trap was "open," this door rested on two narrow "stilts" attached to the two bottom corners of the door.



The simple trap worked very efficiently. A mouse, smelling the bait, entered the tube through the open end. As it walked up the angled bottom toward the bait, its weight made the elevated end of the trap drop downward. This action elevated the open end, allowing the hinged door to swing closed, trapping the mouse. Small teeth on the ends of the stilts would catch in a groove on the bottom of the trap, locking the door closed. The user could then dispose of the mouse while it was still alive, or the user could leave it alone for a few hours to suffocate in the trap.

Martha believed the trap had many advantages for the consumer to use when compared with traditional spring-loaded traps or poisons. Consumers could use it safely and easily with no risk of catching their fingers while loading it. It posed no injury or poisoning threat to children or pets. Furthermore, with Trap- Ease, consumers avoided unpleasant "mess" they often encountered with the spring-loaded traps. The Trap- Ease created no "clean-up" problem. Finally, the user could reuse the trap or simply throw it away.

Martha's limited market research suggested that women were the best target market for the Trap-Ease. Men, it seemed, were more willing to buy and use the traditional, spring-loaded trap. The targeted women, however, did not like the traditional trap. These women often stayed at home and took care of their children. Thus, they wanted a means of dealing with the mouse problem that avoided the unpleasantness and risks that the standard trap created in the home. To reach this target market, Martha decided to distribute Trap- Ease through national grocery, hardware, and discount chains. She sold the trap directly to these large retailers, avoiding any wholesalers or other middlemen.

The traps sold in packages of two, with a suggested retail price of \$5.99. Although this price made the Trap-Ease about five times more expensive than smaller, standard traps, consumers appeared to offer little initial price resistance.

So far, however, because the mousetrap had generated so much publicity, she had not felt that she needed to do much advertising. Still, she had placed advertising in Good Housekeeping (after all, the trap had earned the Good House- keeping Seal of Approval) and in other "home and shelter" magazines. Martha was the company's only salesperson, but she intended to hire more salespeople soon.

Martha had initially forecasted Trap-Ease's first-year sales at 5 million units. Through April, however, the company had only sold several hundred thousand units. Martha wondered if most new products got off to such a slow start, or if she was doing something wrong. She had detected some problems, although none seemed overly serious. For one, there had not been enough repeat buying. For another, she had noted that many of the retailers upon whom she called kept their sample mousetraps on their desks as conversation pieces - she wanted the traps to be used and demonstrated. Martha wondered if consumers were also buying the traps as novelties rather than as solutions to their mouse problems.

To keep the investors happy, the company needed to sell enough traps to cover those costs and make a reasonable profit. In these first few months, Martha had learned that marketing a new product was not an easy task. As Martha sat down at her desk, she realized she needed to rethink her marketing strategy. Perhaps she had missed something or made some mistake that was causing sales to be so slow, or consider the business market segments.

Answer the following three questions based on the case study by applying concepts and frameworks you have learnt in the semester:

- 1. The marketing concept is one of several marketing management orientations. Explain why the firm here has not really followed the marketing concept and therefore suffered slow sales.**
- 2. Describe the segmentation, target marketing and positioning strategy currently used by the company. In your answer, include a perceptual positioning map.**
- 3. What recommendations or suggestions do you have for the firm to improve its segmentation, target marketing and positioning strategy, and overall marketing efforts?**