

# The Cereal Box Project

A major manufacturer of nutritious and delicious breakfast cereals has just hired you. Your first assignment is to work with a team that has been given the responsibility of developing a brand new cold breakfast cereal. You will come up with the product idea, packaging, brand name, cereal name, mascot, and price. Most products are aimed at specific consumers called target markets.

## **TARGET MARKET for your cereal:**

The target market is made up of young teenagers (both sexes) from 12-16. They are starting to become independent and want to be "grown up." They look to other teenagers as their role models, love popular music, iPods, iPads, sports, smart phones, cell phones, and video games. However, their parents still make the ultimate decision about which breakfast cereal to buy. The parents want an inexpensive and nutritious cereal that will provide a good breakfast, but also one that their young teenagers will eat.

# As a team (generally 3 members):

As a team you will need to make several basic decisions before you start designing your product.

### **Product Design:**

Determine the contents of your cereal. What are the main ingredients and how is it made and what does it look like (flakes, puffed shapes, puffed grains, colors, etc.)? *Price your Product:* 

- **Producer** How much will it cost for the people or company who *make* the cereal to create it?
- **Retailers** How much will it cost the stores that sell the cereal to buy it *from the producer*?
- **Consumers** How much will people who buy and eat the cereal pay for it at the store?

#### **Promotion of your Product:**

Produce an attractive package and an advertisement for your cereal. Sell your product to the consumers (for the purpose of this assignment your classmates will be the consumers you are trying to sell your cereal to).

#### **PRODUCT**

You must produce a product that will appeal to the wants and needs of your target market. Use the Breakfast Cereal Cost List on page 3 to help you design this new product. It has the BASIC COST for cereal and the BASIC COST for the box.

#### **PRICE**

Price is determining the dollar amount you should sell the product for.

# Do Assignment: PRODUCTION/DEVELOPMENT COST WORKSHEET

The basic costs of your cereal and box are already entered onto your cost worksheet. Carefully consider your research and your own preferences and then list any add-ons that will be added to your cereal, the box and the design.

Add-ons are used to make your cereal unique to persuade the consumer to purchase your cereal instead of one of your competitors. You want your product to stand out from all of the others. You will select "add-ons" to add to your cereal, your box and the package design. This requires thought and research.

Determine Total Production Cost (by adding all costs of the cereal)

Determine Cost to Retailers (by adding Total Production Cost and Profit)

Determine Cost to Consumer (by adding Cost to Retailers and Profit)

**PROFIT** is very important to a Production Company or a Retail Store (Smith's, Bowman's, etc.). To stay in business, a company must make enough money to cover costs of production plus items such as: employees, building leases, utilities, stockholder's dividends, etc.



# **BREAKFAST CEREAL COST LIST**

BASIC COSTS		
COST OF CEREAL	\$1.23	Basic Cost 15 oz. of cereal with basic nutritional value
COST OF BOX	\$ .53	Four-color with wax paper inner wrapper
ADD-ON COSTS		
CEREAL ADD ONS		
Sugar Coating	\$.32	
Coloring (raspberry red, lemon yellow, etc.)	.21	
Unique or unusual shapes (loops, clovers, hearts, etc.)	.19	
Marshmallows	.28	
Fruit (raisins, blueberries, etc.)	.26	Each different type
Nuts	.24	Each different type
Reduced fat and calories	.27	
Enhanced nutritional value	.32	
BOX ADD ONS (optional)		
Box larger than 15 oz or oddly shaped	.21	
Foil inner wrapper	.18	
OTHER (you must use EITHER a celebrity endorsement OR character)		
*Celebrity endorsement or on package	.65	
*Fictional character on package	.40	
Premium (toy or prize)	.52	

#### **PROMOTION**

Promotion is letting people know about products and services in a positive way so they will want to buy. Promotion tells us what is available.

Promotion has 3 main goals:

- **PERSUADE** us to buy one product instead of another
- REMIND us of a product that we already know about
- **INFORM** us of new ways to use a product or about guarantees or special ingredients

**PACKAGING** is part of promotion. It can persuade, remind and inform us.

Packaging sells the product in addition to protecting it. Your package and its design will help set your product apart from all other cereals on the store shelf. The package design must attract the consumer's eye and motivate him/her to purchase your cereal.

#### **DESIGNING A PACKAGE**

Look at several cereal boxes to get ideas on good design. Some elements of design that will be helpful in designing your package are listed below.

#### **FOCAL POINT**

What do you want the consumer to see and remember? To see first? Main item (Name of Cereal) should be larger, bolder, placed on the package carefully and/or more colorful than other items.

Generally, the name of the cereal and the mascot are the most prominent items on the front of the box.

#### **COLOR**

Color attracts attention and interest. It provides background for your message and helps deliver the message. It makes people happy, sad and even makes people hungry. The first color we see is yellow. Research has proven that red, orange, brown and green are colors that stimulate the appetite or encourage people to eat! Blue and purple do not. However you would never put bread in a green color - it might look moldy. Select your colors carefully.

#### **SPACE**

Filling too much of the space on a package makes it hard to see the most important message. Also size and style of the message make it more appealing and more readable. Use only one or two fonts, but use many sizes and bold and italics to add emphasis.

#### **DESIGN A PACKAGE ASSIGNMENT**

Bring an empty cereal box from home that can be covered and used as your Cereal Package. Decide on a main color to cover your box. Your secondary color will be the "other" main color for your box (usually the background on the printed front and back).

Decide who will design the front of the Box and who will design the back of the Box. Remember to *work together* so that your box front and back look like they should go together. Use any software you are familiar with to design your box.

#### **FRONT OF BOX MUST INCLUDE:**

**Company Name**: We generally associate Company names with quality. The name should be easy to remember and represent the type of products that are the company- such as Quaker, General Mills, Kelloggs, etc.

**Product or Cereal Name**: This should be easy to remember, represent the kind of cereal you are producing and appeal to your target market.

**Mascot**: Usually a fictional character. Sometimes we will see a celebrity as a mascot either temporarily, or the cereal will be named after them.

Promotional Gimmick (Optional): Premium (toy or prize) and/or a Coupon

#### TIPS for the Front of box

**Set Focal Point** - Notice where most cereals names are placed, and the size of the name. Make sure the name of your cereal will be the first thing that consumers will see by placing it in the best location on the package, and making it large, bold and unique.

Finish Package Design - Add mascot, company name or logo, clip art, etc.

#### **BACK OF BOX MUST INCLUDE:**

**Company Name** 

**Cereal Name** 

One Promotional Gimmick for Target Market such as:

- ✓ Puzzle or maze
- ✓ Word Search or game
- ✓ Health Tips

- ✓ Recipes
- ✓ Cartoon with fictional character or celebrity

#### TIPS for the Back of box

Include the name of the company and cereal – Even though it's on the front of the box, you will want to include it on the back as well. Try to use the same Logo for both. It may be necessary to e-mail the box front file to the person doing the box back so that the company and cereal logos can be copied and pasted onto the cereal back.

**Promotional Gimmick** – This could include Puzzle, maze, word search, game, health tips, recipes, cartoon with fictional character or celebrity, riddles, jokes, or anything else that will entertain and promote your cereal. You can also use a black and white ClipArt as a coloring page. Pay attention to the back of the boxes of cereal at home and at the store.

#### **Internet Resources**

Use the sites listed below to create games for your box, or create your own!

http://www.fun-with-words.com/index.html

www.puzzlemaker.com

http://tools.atozteacherstuff.com/word-search-maker/wordsearch.php

http://hereandabove.com/maze/ (Mazes)

http://worksheets.theteacherscorner.net/make-your-own/crossword/

http://www.abcya.com/make a word search.htm

**Print** – Print both the front and back of your box to a color printer and glue or tape it to the cereal box you brought from home and wrapped in colored paper.

## **SELLING YOUR PRODUCT TO CONSUMERS (Commercial)**

You were employed by a major manufacturer of Nutritious and Delicious Breakfast Cereals to produce a television advertisement promoting their new cold cereal. The target market is made up of kids ages 12-16. They are starting to become independent and want to have things of their own. They look to other teenagers and young adults as their role models. They love popular music, iPods, iPads, sports, smart phones, cell phones, and video games. Their parents still make the ultimate decision about which breakfast cereal to buy. The parents want an inexpensive nutritious cereal that will provide a good breakfast, but also one that their teenagers will eat.

You know from your Marketing classes that there are certain steps that work best for selling products. You learned about a technique called AIDA that is proven to work well. AIDA stands for Attention, Interest, Desire, Action.

**ATTENTION** – The first thing you must do is get the attention of the consumer, something to make them stop what they are doing and watch the commercial.

**INTEREST** – The next challenge is to get them interested in the cereal. Now that you've got their attention, you need to keep it.

**DESIRE** – The next challenge is to create a desire to try the cereal, something to get them to actually look for it when they are at the store.

**ACTION** – This is the hard part...it's got to stick in their head so they'll remember what it was - the one they wanted to buy. Somehow, you've got to get them to actually DO it, to BUY it, to LOOK for it.

You're boss has asked you to create a commercial that meets the following criteria:

- 9 or more slides in a presentation
  OR at least a 1 minute video presentation
- 2. Same colors as box
- 3. Company Logo (including name)
- 4. Cereal Logo (name)
- 5. Slogan for your cereal
- 6. Promotional gimmicks (toys, coupons, contests, etc.)
- 7. Celebrity or fictional character
  - You could also include testimonials or a picture of the box (optional).