Branding and Packaging



Creating a Cereal for Elementary Students

A large cereal manufacturer has asked us to create a new cold breakfast cereal. You and a partner will develop a new flavor, brand, package, and price. Your target market for this new product is students in elementary school. We will visit an elementary

classroom and interview their students to research their hobbies, likes, and dislikes to be sure that the new cereal meets their needs. However, keep in mind that their parents are the ones purchasing the cereal. After our visit you will create a report and a cereal box. Try to incorporate a theme that can be seen in the cereal shape, character, prizes, and games. For example, your students liked farms. You will have a wagon wheel shape, a cow for your character, and the game will be a find the animals maze. We will send the boxes back to the students to have them vote on the best designs. As you work on the project, be sure to read the rubric which gives specific details about points possible for each section.

Survey

Your first task is to create a survey of about 15 questions. You will need to ask demographic questions such as: the names of your students, their teacher's name, their ages, hobbies, favorite radio station, music, and television show.

Next ask questions that will help you design the cereal and container. You need a cereal shape, flavor, and color. Will it have extra ingredients such as marshmallows? What should be the main color of the package and the font colors? Ask the students to help you create a slogan, company name, and cereal name. Find out what types of prizes and games should be included. Most cereals have some type of character, symbol, or famous person as their representative. What will you have? Your cereal can be based on a cartoon or show but the cereal must not currently be in existence, for example, Sponge Bob. (10 points)



Report

After working with the students, create a report describing your experience and what you learned about each of the topics above (survey results). The second half of the report will discuss what you have decided to create based on what the target market told you. Be sure to tell me where and how you will promote this product, where you will sell it, and how it will be priced. Discuss how your decisions will help you sell this product. Since this is a new product what special promotions may be needed? (30 points)

Pricing

Visit the grocery or go on-line to research the prices on two cereals similar to yours. Find the prices for each size of the product and include this in your report.

Next, determine the dollar amount for selling your product. Refer to the Breakfast Cereal Cost List and fill out the Production worksheet. (15 points)

Packaging

Each student will bring in a box of cereal and fill out an analysis sheet to determine what is on a real cereal box. (25 points)

Use Publisher or Photo Shop to create your cereal container. Print the pages and glue onto an existing box. Do not cut and paste individual pieces. Each side should be one printed page. Many students create in PicCollage, save as a photo, open photo in Pages. Use document set-up in Pages to determine your margin sizes. Print in black and white and test your layout before printing in color.

Refer to your analysis sheet to make sure that you have included everything. For example, the name of the company appears on most every side of the box, a UPC symbol (bar code) is on the bottom, nutrition information is on the side, games are on the back, cereal pictures and description are on the front. (60 points)

PRODUCT

You must produce a product that will appeal to the wants and needs of your target market. Use the *Breakfast Cereal Cost List* to help you design this new product. It has the *BASIC COST* for cereal and the *BASIC COST* for the box. To make your cereal unique so that the consumer will purchase your cereal instead of one of your competitors you will select "add-on's" to add to your cereal, your box and the package design. This requires thought and research.



RESEARCH

Research is to provide information about what the consumer wants and needs. Often this is done with surveys or by looking at the competition. For our research ask several fellow students what they like in their cereal and what their parents like. This will help you decide which add-ons to put in your cereal.

Do Assignment: RESEARCHING TARGET MARKET WORKSHEET

PRICE

Price is determining a dollar amount you can sell the product for.

Do Assignment: PRODUCTION/DEVELOPMENT COST WORKSHEET

Write the basic costs of your cereal and box 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.

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 (Albertson's, Dick'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.

Name	Period
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RESEARCHING TARGET MARKET WORKSHEET

You are an interviewer. You will get information to help develop your cereal so the target market will buy it.

ASK THREE STUDENTS THESE QUESTIONS:

Student	Question	Seldom	50% of the time	Most of the time
	Do your parents buy cereals with sugar coating or marshmallows?			
	Does price of cereal determine which cereal your parents buy?			
	Do your parents buy cereal with extra nutrition or fruit?			
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	Do your parents buy cereal with extra nutrition or fruit?			

ASK 3 STUDENTS: Which 3 items would you choose to have in your cereal?

Student	Sugar Coating	Color	Unique Shapes	Marshm allows	Fruit	Nuts	Reduced Calories	Extra Nutrition

BREAKFAST CEREAL COST LIST

BASIC COSTS

COST	OF CEREAL	\$.70	Basic Cost 15 oz. of cereal w	ith basic nut	ritional value
COST	OF BOX	\$.32	Four-color with w	ax paper inn	er wrapper
ADD-ON					
	Sugar Coating			\$.27
	Coloring (raspbe	erry red	l, lemon yellow, etc		.16
	Unique or unusual	28	, , , , , , , , , , , , , , , , , , , ,		.14
	Marshmallows	<u></u>			.23
	Fruit (raisins, bl	ueberri	es, etc.)	Each	.26
	Nuts			Each	.24
	Reduced fat and c	alories			.27
	Enhanced nutrition	nal value	:		.32
BOX					
	Box larger than 15	oz or o	ddly shaped		.16
	Foil inner wrapper				.13
отн	ĒR .				
	Premium (a nea	t-o priz	e)		.42
	Celebrity endorse	ment or	on package		.50
	Fictional characte	r on pac	kage		.25

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PRODUCTION/DEVELOPMENT COST WORKSHEET

Cost of Market Research	\$.20	(Product development)
Cost of Advertising	\$.35	(Promotion)
Cost of Distribution	\$.15	(Place)
COST OF CEREAL	<u>\$</u>	Basic Cost
Cereal Add-On's	<u>\$</u>	
COST OF BOX	<u>\$</u>	Four color with wax paper inner wrapper
Box Add-On's	<u>\$</u>	
Premium	<u>\$</u>	
Celebrity or Fictional Character	<u>\$</u>	
TOTAL PRODUCTION COST	<u>\$</u>	(Total of all costs listed above)
Profit to Manufacturer	<u>\$</u>	(Total Production Cost * 13%) (multiply)
COST TO RETAILERS	¢	(Add Total Production Cost and Profit to Manufacturer - Wholesale Price)
	<u>\$</u>	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Profit to Retailers	<u>\$</u>	(Cost to Retailers * 8%)
COST TO CONSUMERS	<u>\$</u>	(Add Cost to Retailers and Profit to Retailers - Retail Price)

Worksheet 2-1: Breakfast Cereal Label Analysis

Instructions: Compare the "Zen-Tastic" and "Marshmallow Magician" cereals and answer the questions that follow.

INGREDIENTS:

Organic brown rice flour, organic evaporated cane juice, organic rolled oats, organic wheat bran, organic sweetened dried cranberries (organic cranberries, organic evaporated cane juice), organic whole wheat meal, organic soy flour, organic whole oat flour, organic oat bran, inulin, organic soy oil, organic soy fiber, organic molasses, organic barley malt extract, organic yellow corn flour, organic whole millet, organic oat syrup solids, sea salt, organic quinoa, organic ginger, organic buckwheat flour, organic barley flour, organic rice bran extract, organic cinnamon, tocopherols (natural vitamin E), organic cloves, and organic nutmeg

Produced in a facility that contains peanuts, tree nuts, and soy

Nutrition Facts	
Serving Size ³ / ₄ cup (55g)	
Servings Per Container about 6	
Amount Per Serving	Cereal
Calories	190
Calories from Fat	25
	% Dail
Total Fat 2.5g*	4%
Saturated Fat 0g	0%
Trans Fat 0g	
Cholesterol Omg	0%
Sodium 95mg	4%
Total Carbohydrate 41g	14%
Dietary Fiber 9g	36%
Sugars 13g	
Protein 5g	
Vitamin A	0%
Vitamin C	0%
Calcium	2%
Iron	10%

* Amount in cereal. One half cup skim milk contributes additional 40 calories, 65 mg sodium, 6 g total carbohy g sugars), and 4 g protein.

**Percent Daily Values are based on a 2,000-calorie die Daily Values may be higher or lower depending on you needs.

	Calorie s	2,000	2,500
Total Fat	Less	65g	80g
Sat Fat	Less than	20g	25g
Cholesterol	Less than	300mg	300mg
Sodium	Less	2,400mg	2,400mg

	than		
Total Carbohydrate		300g	375g
Dietary Fiber		25g	30g

Servings Per Container abou	ut 12	
		with
	Cerea	cup skim
Amount Per Serving	Cerea	milk
Calories	110	150
Calories from Fat	10	10
Calories from 1 de	A STATE OF THE PARTY OF THE PAR	Daily
	The second secon	alue**
Total Fat 1g*	1%	1%
Saturated Fat 0g	0%	0%
Trans Fat 0g		
Polyunsaturated Fat 0g		
Monounsaturated Fat 0g		
Cholesterol 0mg	0%	1%
Sodium 190mg	8%	10%
Total Carbohydrate 22g	7%	9%
Dietary Fiber 1g	5%	5%
Sugars 11g		
Other Carbohydrate 9g		
Protein 2g		arvin beenhold
Vitamin A	10%	15%
Vitamin C	10%	10%
Calcium	10%	25%
Iron	25%	25%
Vitamin D	10%	25%
Thiamin	25%	30%
Riboflavin	25%	35%
Niacin	25%	25%
Vitamin B ₆	25%_	35%
Folic Acid	50%	50%
Vitamin B ₁₂	25%	35%
Phosphorus	4%	15%
Magnesium	2%	6%
Zinc	25%	30%

INGREDIENTS: WHOLE-GRAIN OATS, MARSHMALLOWS (SUGAR, MODIFIED CORN STARCH, CORN SYRUP, DEXTROSE, GELATIN, CALCIUM CARBONATE, YELLOW 5&6, BLUE 1, RED 40, ARTIFICIAL FLAVOR), SUGAR, OAT FLOUR, CORN SYRUP, CORN STARCH, SALT, CALCIUM CARBONATE, TRISODIUM PHOSPHATE, COLOR ADDED, ZINC AND IRON (MINERAL NUTRIENTS), VITAMIN C (SODIUM ASCORBATE), A B VITAMIN (NIACINAMIDE), ARTIFICIAL FLAVOR, VITAMIN B₆ (PYRIDOXINE HYDROCHLORIDE), VITAMIN B2 (RIBOFLAVIN), VITAMIN B₁ (THIAMIN MONONITRATE), VITAMIN A (PALMITATE), A B VITAMIN (FOLIC ACID), VITAMIN B₁₂, VITAMIN D, VITAMIN E (MIXED TOCOPHEROLS) ADDED TO PRESERVE **FRESHNESS**

mg cholesterol, 250 mg sodium, 250 mg potassium, 28 g total carbohydrate (16 g sugars), and 6 g protein.

**Percent Daily Values are based on a 2,000-calorie diet. Your Daily Values may be higher or lower depending on your calorie needs.

Questions

- What are the nutritional claims of each cereal? The "Zen-Tastic" claims that it has high fiber, low fat, low sodium, whole grain, vegatarians and also has no trans fat. The nutritional claims on "Marshmallow Magician" says that it has 12 vitamins & minerals, good source of calcium, 110 calories per serving and its a good source of whole grain.
- 2. Which cereal has a higher level of fiber? What is the source of fiber in this cereal? the "Zantastic-Tastic" has the higher level of fiber. The cereal contains organic soy fibers which makes the cereal have such a high level of fiber. and the box also says that it has 30g fiber.
- 3. Which cereal has a higher Percent Daily Value of vitamins A and C? "Marshmallow Magician" has the higher Does this surprise you? Why, or why not? When can the addition of this cereal to a morning meal help add to the overall nutrition for a person during the course of a day?
- 4. What is the source of vitamin B₆ in the Marshmallow Magician cereal? Is it a naturally occurring ingredient? How can you tell?
- 5. What is "inner harmony" (from the Zen-Tastic package)? How does this cereal contribute to inner harmony?
- 6. What type of milk is listed on the Nutrition Facts panel of the Marshmallow Magician cereal? Does this seem like a reasonable choice for this cereal?

Analysis Sheet

Project Outline		
Create Survey Roughly 15 Questions	0-5 Points	
Create Cereal Idea with Survey Results Use results to come up with you idea or ideas Finalize a type of cereal	0-10 Points	
Create a Report of your results and finding from discussing with kids • Where/how you promote • Where to sell • How it will be priced • Any promotions	0-30 Points	-
Determining the Ingredients and Pricing • Utilize the Breakfast Cereal Cost Sheet • Fill Out your Production Worksheet	0-15 Points	
Cereal Analysis of Real Box	0-25 Points	

 Determine nutrionation facts Take Ideas for now to create yours 		
 Utilize PicCollage, Publisher, PhotoPea, PhotoShop, or other resources to create a Package Make Sure Brand and Cereal Name are on all side Nutritional Facts BarCode Game on the Back Cereal Description on Front Tage Line for cereal Possible Promotional Items(Box Tops, etc.) Single Sheet Rough Drafts in B and W Final Draft 1 Sheet Per Side in Color 	0-60 Points	