

## **VIDEO THREE**

### **F&N (Corporate Video)**

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#### **Video Content**

- The video describes F&N's history, vision, performance, product range and brands, and future.
- F&N was founded by John Fraser and David Neave as a printing company. The company diversified into and pioneered an aerated water business in Asia in 1883. It went into brewing in 1931, dairy products in 1959, glass bottle manufacturing in 1972, property development and management in 1990 and printing and publishing in 2000.
- The performance of the company in annual turnover, shareholders' funds, and assets employed are then described. The company has 14,500 employees and has operations in over 20 countries.
- The company's vision is to be a world-class multinational consumer product group with an Asian base.
- The company seeks to introduce innovative products and has a new brand logo with the slogan "Pure Enjoyment, Pure Goodness."
- Some of the brands of the company are F&N, Seasons, Ice Mountain, 100-Plus, Magnolia, Nutri-Soy, Farmhouse, Fruit Tree, Daisy, Alive, Hi-Lo, I Café and Nutri-Tea.
- The company has HAACP and ISO 9000 quality certification.
- The company seeks to achieve growth by developing and marketing products for all age groups. Customer satisfaction is the ultimate objective of product development, brand management and marketing.

#### **Video Use**

- This video can be used in conjunction with the opening story of Chapter 22 (pages 611–612). It can be screened before going into the lecture on Chapter 22 by stressing on the challenges of marketing decision making.
- This video also can be used in a small class discussion situation. The video can be screened and then the topics below can be explored and discussed.

### **Some Possible Video Issues**

- The first topic is product mix. This includes the product width (categories including soft drinks, juice, milk, soy milk, tea, bottled water, ice cream, yoghurt, etc), product length (brands of soft drinks, brands of milk, brands of tea, etc) and product depth (number of sizes, formats and flavors within a brand).
- The second topic is branding strategy. F&N generally uses multibranding as it uses different brands to market different products. However, it does use some multi-product branding as well (such as Magnolia for milk and ice cream and Nutri for soy milk and tea). The company also uses combination branding as in the uses of F&N with Magnolia (shown in the facing poster of the start of Chapter 22).
- The third topic is the challenge of marketing decisions as covered in Chapter 22. Some of these challenges covered in the video and Chapter 22 are (a) achieving satisfactory returns, (b) achieving growth, (c) achieving customer satisfaction, and (d) getting people at all levels and in all functions to work together in making and implementing marketing decisions.
- A minor topic can be diversification. F&N diversified from printing into soft drinks, dairy products, beer, glass bottle manufacturing, property and back to printing. The benefits (growth and spread of risks) and disadvantages (lack of experiences and capabilities in new areas, stretching of resources) of diversification can be discussed.
- The last topic can be overseas marketing strategies. F&N seeks to focus in Asia. The pros (cultural and physical proximity) and cons (low buying power and low cost competition) of this strategy can be discussed.

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