

# **New Product for Dogs: Doglax**

**Marketing 301**

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## **Executive Summary**

Today, more and more pet owners are becoming aware and concerned about their pets' health and well-being. Based on this phenomenon, we are proposing a new product that is yet to be in the market, which we believe not only meets the current market demand but also solves the concern that pet owners are facing. Specifically, we want to introduce a massage bed for dogs. We have identified our target consumers as the Baby Boomers and Generation Y. In this paper, we will explain the 4Ps of our product and guide you through the design concepts and the process we have went through in coming up with this product.

Dogs nowadays are treated as family members and have become an important part of every household. Dog owners are willing to spend their money on an affordable range to maximize their dogs' utility; they provide luxurious goods and services to their dogs, such as organic food products, grooming and spa treatments, etc. Dogs experience accumulative health issues due to their everyday exercise. Surprisingly, the majority of dog owners are not aware of this problem. We have decided to create a product that will create awareness to accumulative health issues and meet the needs to solve this problem.

Our plan is to focus on the Northwestern states and launch our product at that area. We will have online websites and phone orders available for the other parts of the country. The resource availability will enable our product to gain prominence among our target audience and fulfill the needs for those who are willing to spend more money on their dogs.

### **Product Description**

Enjoy lying on a massage chair and feel the stress fade away? Why not share the same mellow experience with your dogs! *Doglax*, portable massage bed is scientifically proven that it will efficiently stimulate blood circulation, reduce muscular pain from everyday exercise, promote flexibility, and remove toxins from the dogs' body. This massage bed consists of two parts: a detachable cover and a soft fluffy pad. The detachable cover is made out of a water resistant material and has handles on both edges. It makes it easier for dog owners to carry and use outdoors. The inner structure of the pad is divided into three layers. The bottom layer has chains that activate with the inner-installed long-lasting battery; it scrolls back and forth when the power is turned on. The middle layer has small massage balls that are placed evenly on the chains, which rotate as the chains scroll and generate vibration as waves. The top layer has

airbags that buffer and adjust the magnitude of vibration, which provides an efficient massage effect to the dog. In order to make the massage bed light-weight and portable, it is created with light materials: the inner pad is made out of memory foam and the chains are aluminum, a light type of metal. In addition, the massage bed is foldable. All of these features makes *Doglax* very easy to carry and possible for either indoor or outdoor use. The foldable aspect of this massage bed creates less space than a normal dog bed does at home.

The massage bed is powered by a battery installed inside of the pad to prevent dogs from playing or biting any wires that are used to charge the bed from a power outlet. No buttons will be installed on the massage pad itself because it is easy for dogs to miss-press the button. Instead, dog owners will control the massage pad with a remote controller. The product comes in 3 sizes: large, medium, and small. The large size is 50" x 37" outside dimensions and it is for dogs up to 60-120lbs. The medium size is 40" x 26½" outside dimensions, which is for dogs up to 40-60 lbs, and the small is 5½" x 25½" outside dimensions, for dogs up to 40 lbs. Customers can also customize the massage pad's size so that it will best suit their dogs. Our recommendation is to have your dog use the product two hours after eating at the least or after they have cooled down from an intense exercise.

Doglax's target audience are the Baby Boomers, but we also include the Generation Y since they share common characteristics with the Baby Boomers.

Baby Boomers are the wealthiest group of people in the United States. According to a US news blog, baby boomers have a high rate of getting married in their early age, have children, divorce, and remain single later on. Moreover, the majority of baby boomers do not accumulate their wealth for their retirement. Many industrial analysts believe that baby boomers like to spend money on their pets (especially on dogs), buy pet-related accessories, health care, etc.

Some researchers indicate that the baby boomer demography spends nearly twice as much on their dogs than those in their 20's or 30's. Dog owners as a whole are estimated to spend \$55.5 billion this year, among \$13.2 billion on supplies.

Additionally, Baby Boomers are in their 50's, 60's, and 70's, and are starting to hit retirement age. The oldest Boomers are going to turn 68 this year (2014). Due to their age, these people are away from the workplace and their kids are away from home. As parents, Baby Boomers have constantly hovered over their kids at home. However, since their kids have left their houses, they seeking for something that they can pour their love and attention to. Accordingly, they wind up doing it over their dogs and 'spoiling' them as they did to their kids.

Dogs like to be massaged, and *Doglax* is a perfect product for them to stretch their muscles and relax. Baby Boomers are more than happy to see their dogs live a happy and heathy life. We believe this product will become a huge hit among the Baby Boomers, as they have lots of money, and are willing to spend their money on dogs. Advertising our product at a sentimental level will also be very effective.

Generation Y are the newest generation of dog owners. Generation Y are getting married late and the majority decide to not have children. Similar to the situation that Baby Boomers have, Generation Y have a higher possibility of getting dogs as pets and treating them nicely as their 'partner' or 'child'. In addition, Generation Y value heavily on social connections and sharing their thoughts and interests within their social group. They enjoy developing social connections with their dogs, which is a perfect business opportunity to lap in to. Finally, under the huge pressure of fast and heavy workload of the business, Generation Y are constantly searching for ways to release their stress and anxiety from the everyday work. Having a dog as a pet is an efficient way to make them forget about the "real world" temporarily. As they are

willing to spend money on their dogs and obtain happiness from them, we believe this product will be popular among Generation Y as well.

### **Why this product will be a success?**

People treat their pets as members of their family. Some look to their pets as children, spending money on luxurious goods such as clothes and accessories. Out of the \$56 billion spent on pets, the biggest part went for food in 2013 (Natalia). Pet owners want their pets to live the healthiest life possible, which motivate them to purchase high-quality products that are more age-specific and breed-specific. Accordingly, many companies advertise their food as natural and in an appealing way. As people are becoming more aware of their pet's health, demand for such products will increase and expand its share in the pet industry.

*Doglax* is an innovative product that promotes health, relaxation, and happiness to dogs. It is portable and lightweight, which makes it convenient for dog owners to carry to several locations. Customers can choose from small, medium, large or customize the bed according to the size of their dog. *Doglax* is also available online, with special discounts for those who write reviews after their purchase.

People who share their life with a dog know the joy and pleasure of touching, petting, scratching and especially massaging their pet. It increases circulation, promotes flexibility, and releases stress. Dogs are emotional creatures, and are always seeking for love and attention. *Doglax* will provide a wonderful experience for dogs anytime and everyday. People who have less time to spend with their dogs can take advantage of this product and let their dogs enjoy the different waves and strengths as they lie down on the bed alone. *Doglax* can also be effective for aging dogs; releasing their stiff muscles and making them feel special.

**Where are we selling the product? What promotion tools are we focusing on? And how much does it cost to buy the product?**

We understand that the methods of communication with customers to inform them about the product is very important and can determine the future success of the product. As *Doglax* is going to be at the introduction stage, we anticipate promotion expense to be higher than most stages in the product life cycle, hence we have decided to locate more overall budget into doing various ways of promotion-- promotion mix. Knowing that this product is still new to the market, we want to launch the product mostly in North West states such as Oregon, Washington, and California. Specifically, based on our secondary research, we have obtained information on where pet owners usually go to to buy. pet products, and have found that Costco and Petco are the two most frequent shopping locations. We have then decided to focus mostly on these two major retailers for the introduction stage of *Doglax*, and will potentially expand to other retailers once the product has gained market share.

As a product that incorporates the functionalities with the look as well as the convenience, we realize the significance of personal selling that provides the most detailed information to potentially interested buyers on the product itself, how the product works, and what benefits the product provides to the dogs. Prior to the product's launching, we will recruit experienced salespeople who understand dogs' behaviors and know what to focus on while giving a pitch to customers to ensure we capture potential interested buyers' attention. We decided to place two well-trained representatives at each Costco and Petco location to interact with customers and walk them through the process of using *Doglax*. We believe the time frame of six months is ideal for having personal selling. We hope that by this time we have successfully built our relationship with customers, and potential customers have acknowledged our product

and are confident enough to switch to finding out more about the product using other advertising strategies such as traditional advertising and online advertising.

For traditional advertising, we have set our objectives and strategy in presenting *Doglax* to the target market. Those objectives are demonstration of an understanding of dog owners' needs, associating the right functions in the product to maximize satisfaction level and benefits for our target customers, and gaining attentions and trusts from the customers. These objectives are transformed to a message delivered to target customers through entertaining methods of advertisements. The first three months is when we focus heavily on communicating with customers through television commercial using entertaining images and music, together with technical expertise to present the benefits of using *Doglax*; newspapers ads as well as pet magazines' ads (please see attachment). We will try to take advantage of the first three months building the brand recognition and we acknowledge that using a promotion mix is very effective in getting the market share for this type of product. Therefore, besides personal selling and traditional advertising, we know that our target generation is very comfortable with using technology to surf the internet, so we definitely want to promote our products online by building a company's website specifically for *Doglax*, where people can find out more information in their own time and pace without feeling pressured to buy the product. Additionally, we also want to utilize the benefits of using social media to grasp the attention of pet owners to quickly educate them with our new product, specifically through Facebook and Twitter.

As our research has shown, there is no similar product right now in the market for dogs. There are, however, dogs' beds designed for older dogs with joints and muscles problems. The only similarities between these products and ours are the materials, both are made with thick cushion with supportive memory foam to provide maximum comfort for the dogs. None of the

competitors' products have massage function designed for any types of dogs, so we know that we are the first to enter the market with this special feature. We want to maximize our market share as long as possible, so we price our product based on the different sizes. The small size ones will be sold at \$149.99, the medium size is for \$169.99, and the large size is for \$189.99. The standard battery designed specifically for this product will last at least 500 hours and that equals to approximately one and a half year depends on how often customers let the dogs use it. The product comes with a complimentary battery, and is priced at \$19.99 for each additional one. For the first three months, we offer a promotion where we offer to give two complimentary batteries instead of one to make it more desirable and affordable for buyers. After the three months are over, potential buyers can choose bundle pricing where each additional battery bought together with the massage bed will receive \$10 off. Last but not least, we offer \$20 off of the product's original's price for the first 100 customers to encourage them to act quickly.

The overall characteristics of *Doglax* will make the product successful and satisfy the needs of those who are willing to spend more money on their pets. No matter how well people care for their dogs, disease and injuries do still occur. However, preventive care remains a driving factor for pet owners as they seek for products that maintain good health for their dogs. Massaging and stretching are effective ways to prevent muscle-related problems and injuries. It also benefits the dog physically, emotionally, and mentally. Pet massage will continue to gain its significance, and so will *Doglax*. This product will fulfill the needs of both the owner and the dog, creating health and happiness for all.

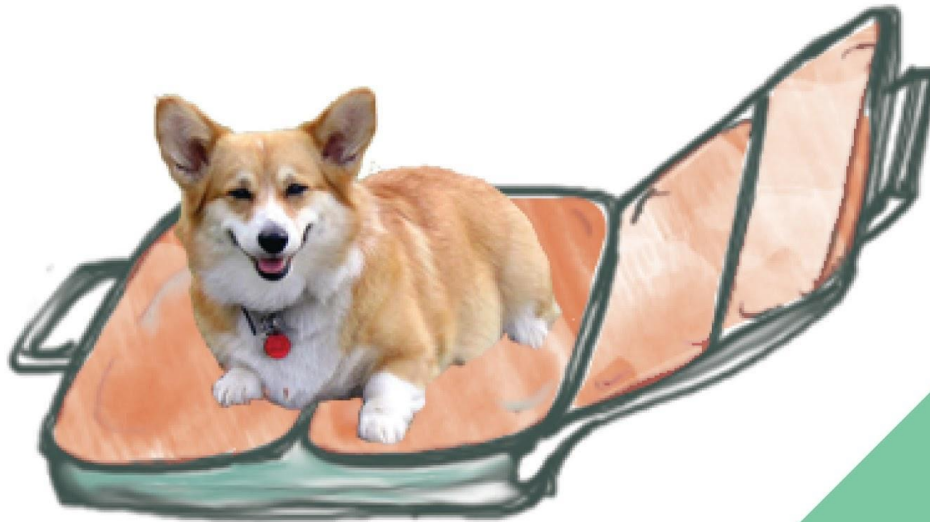


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