

J560 - SMP Assignment - Ashleigh Johnson

Client: Key Facts

Vitamix founder, William G. “Papa” Barnard. Company launch was inspired by creating a natural remedy for a family member’s chronic illness. The Barnard family saw first-hand the benefits of cutting sugar and caffeine out of our diets. Business emphasized the importance of family and eating whole foods. Barnard’s idea later grew into the Natural Foods Institute, which was a mail-order health food and vitamins business that later inspired the creation of their first blender.

According to [Vitamix](#) “In 1937, Papa Barnard published a book citing natural foods as a cure for many common diseases. In the ’40s and beyond, Ruth Barnard worked tirelessly to develop recipes rich in core vitamins. During the diet crazes of the ’80s and ’90s, Vitamix worked to educate the public about the difference between calories and nutrition. Today, the Vitamix Foundation pursues the elimination of diet-driven illness through the consumption of plant-based whole foods.”

Today, Vitamix is a 4th generation family company. Some of the client’s mottos include: Eat healthier with whole foods. Better living through health and wellness. “Through industry-leading design and engineering, whole-food nutrition is made easy, efficient, and delicious for people at home, in professional kitchens, and beyond.”

Key Client Insight(s): The company has been consistent with their dedication to family values and maintaining a healthy, natural diet.

Product:

The product is the Vitamix FoodCycler FC-50. According to [Vitamix](#), It was designed as, “A fresh approach to reducing food waste.” “The FoodCycler transforms food scraps into fertilizer and reduces your family’s food waste. From morning to night, Vitamix FoodCycler makes it easy to take care of yourself (and the planet).” The FoodCycler is made of plastic, metal, and contains a carbon filtration system. It is manufactured and distributed by Vitamix. Prices range from \$349.99 ([Amazon](#)) to \$399.95 (Other sellers). The FoodCycler is available for purchase through Vitamix.com, Amazon, Best Buy, Food52.com, Aventuron, Williams-Sonoma, Macy’s, Crate and Barrel, Wayfair.

Product Features/Benefits:

According to [Vitamix](#), this composter reduces food waste and turns it to fertilizer, a win for gardeners and the environment. Vitamix claims their product to be “A fresh approach to reducing food waste,” that is compact, odorless, and convenient. It has a removable waste bucket that is dishwasher safe, making for easy maintenance and clean up. Its easy to use with a 1-button start. The FoodCycler has a sleek, compact design, and holds up to 2 liters of waste. It can sit on the counter or under the sink and look good doing it. It’s quiet, allowing consumers to run it day or night. It’s odorless, a good alternative for regular composting or for those who don’t have a garbage disposal. It’s made of sturdy, heavy material, which makes consumers feel like they’re getting their money’s worth. According to [EHow](#), the FoodCycler successfully eliminates methane emissions that come from composting bins/piles, considering it a fight against global warming.

Key Feature/Benefit Insight(s): By turning food into fertilizer and eliminating methane emissions, consumers can feel that they are doing their part in Earth’s preservation.

Marketplace Trends:

Industry: Major Household Appliance Manufacturing

In this industry, according to [Business Insights](#), pricing is competitive. Manufacturers in this industry attempt to keep costs down by more efficient manufacturing and restructuring. Work to build

brand loyalty, especially in the replacement market. Most appliances in this industry have been around for centuries. The primary need for initial development was due to the decreasing number of domestic servants. More growth in this market in the 1950's-1970's was due to the increased number of households, increased income, and human desire for more free time. According to [Business Insights](#), strong industry growth continued to occur throughout the 1980's as housing starts surged and growing home renovation markets spurred replacement sales. Increase in the number of working women boosted market penetration by some products. Some manufacturers joined forces to increase investments and decrease production expenses. Many manufacturers switched to low-cost manufacturing plants in foreign countries, like China and Mexico, for less expensive materials and labor.

Market research from [IBIS World](#) documented how economic fallout from the pandemic led revenues in this industry to decline by 1.2 percent in 2020. IBIS World also predicted an increase of 7.8 percent in 2021. Top appliance makers of this industry are: Whirlpool (including Amana, JennAir, KitchenAid, Maytag), Electrolux, LG and Samsung.

Key Industry Trend Insight(s): Many manufacturers historically joined forces to eliminate expenses, lessening the number of competitors in this industry.

Consumer Trends:

David Faulkner, Mintel Food and Drink Director says, "Issues such as COVID-19 and climate change have made us recognize how connected the world is. Our horizons are now broader and there is a deeper reflection on the ethical and environmental impact of the food we eat, both at a local level and for the good of the planet and its citizens."

According to [Mintel](#), consumers feel empowered to make confident decisions that protect their health and the health of the planet. People will want to see trustworthiness and measurable progress on health, environmental and ethical commitments. Transparency will be needed if commitments to healthy, environmentally friendly or ethical policies result in higher retail prices. Consumers will be looking for clear and reliable guidance that a product will meet their ingredient preferences, moral values and/or health priorities. Sustainably minded consumers will be looking for products and brands that include details about how agriculture, transport, processing and other factors contribute to carbon footprint.

[Mintel global consumer trends of 2022](#) predicted that consumers are seeking flexible spaces for their flexible lifestyles, want to be in control, evaluate climate complexity to reduce carbon footprints, encourage ethics checks on large corporations, looking for enjoyment everywhere, demand for sustainability, and want to come together with like-minded communities.

Key Industry Consumer Insight(s): Consumers dedicated to sustainability are looking to companies that are transparent in providing details about the success of the product/brand in reducing carbon footprint.

Direct Competition and Brand Images:

[Lomi Kitchen Composter](#) (\$499)

"Lomi takes care of your food waste so you can spend time on things you actually enjoy"
Lomi's dimensions are 16 x 12 x 13 inches. The bucket holds up to 3 liters of waste. How to use: Fill. Transform. Reclaim. Lomi customers make an environmental impact - using twice a week can reduce carbon footprint by 50%. It also has a one-button start, claiming, "So easy your kids can help you." It has 3 different modes that take different amounts of time (4+ hours to 20+ hours). Their messaging focuses more on environmental tactics like, "Give your waste back to the earth." It claims to be a clean, green alternative to traditional composting or throwing away food scraps. Their branding is green, the product is white. The company website is modern, clean, interactive, and has customer testimonials.

[beyondGREEN Electric Tumbler Composter](#) (\$429.99)

beyondGREEN claims to promote “A new era of zero waste.” Their composter’s dimensions are 20 x 12 x 20 inches. Unlike our product and other direct competitors, their product is made in the USA. Its made from ARPRO, a durable, recyclable energy efficient material. It holds up to 5 pounds of waste per day, or 4 gallon weekly capacity and has 3 different power settings. Unlike others, there is an upper and lower chamber, where consumers have to switch remnants from upper to lower to finish the cycle. Composting takes a minimum of 5 days. Its energy star certified, costing less than \$3.00 per month. They have split payment options available through their site. They claim their product is ready to use and, “Comes assembled with everything you need to get started with, including power supply, baking soda, 3lb. box of sawdust pellets, Food Guide and Quick Guide to help you learn about the composting process.”

[Compostology GG-02 Automated Composter](#) (\$999.00)

Similar to our other competitors, Compostology claims to be committed to, “Zero waste solutions.” However, their product is much bigger, about the size of a trash can. It holds up to 8 pounds of waste per day. Composting begins when the lid is closed, there is no power button. A composting cycle takes 24 hours. This brand, unlike ours and others, does not provide as much information on their website.

Indirect Competition:

Indirect product competition would be roadside or traditional composting and homes with garbage disposals. According to [Business Insights](#), the top food preparation appliance brands that may contribute to our indirect competition are Oster, Hamilton Beach, Black & Decker, Cuisinart, KitchenAid, Proctor Silex, NutriBullet.

Key Competitor Insight(s): Vitamix is cheaper and more notorious than competitors. However, our messaging could be stronger if targeted more towards green, sustainability-minded consumers, rather than just to loyal Vitamix audiences.

Brand Image:

Vitamix has been popular in consumers' minds for many years, showing special interest in their blenders. According to [PrudentReviews](#), Vitamix is “More powerful, durable, and versatile than competitors.” Engineered to last, “No other brand can deliver the power and precision of Vitamix.” Only obvious downside - they are expensive. However, it offers great warranties and will pay for replacement and shipping. Replacement rate is less than 2%, meaning consumers are generally satisfied with their Vitamix products.

Users on [Honestly Modern](#) expressed both love and skepticism for the FoodCycler. Some users have made claims about its environmental impact. While no solution is perfect, users say an electric composter is definitely better than sending scraps to a landfill to emit methane emission, but it may not be the best trade off when the power to run the FoodCycler comes from fossil fuels. Users also say it may not be the best option for “apartment dwellers” or people with little outdoor space, unless they don’t plan on using the Foodilizer. Some have expressed concern for the amount of time the Foodilizer needs to rest before use in gardens and plants. Because of the high levels of heat needed for the FoodCycler to compost quickly, the resulting material has no microbial or bacterial qualities like traditional compost, which is why you have to wait 1-4 weeks before placing it in soil. Users have also complained that the Foodilizer tablets have to be purchased separately and hardly speed up this resting process.

Users have claimed to store scraps like tuna, chicken cuttings, and other scraps they might otherwise throw away for several days before running a cycle and have had no issues with unpleasant odors. Reviews push this product into recommendation for gardeners without an outdoor compost pile, apartment people with access to a garden, apartment people that don’t need the Foodilizer, cold weather composters, and people new to composting. Text reviews have shown more praise in the way the FoodCycler contributes to food waste and environmental issues, and less interest in the high price. One user said, in reference to the price, “All in, in the United States, the upfront cost is about \$400 with annual costs

about roughly \$40 – \$50 a year. This is a pretty steep price that is out of reach for many people. I recognize this is not intended to be a solution for everyone. But the FoodCycler has some great benefits, and I think it's a small piece of the solution to our massive global food waste dilemma." Another said, "In due time, we can only hope that a majority (or even all) of our energy sources are renewable or carbon-free, and appliances like the FoodCycler can capitalize on that paradigm shift."

The FoodCycler can be used as an important piece of the giant puzzle to solving environmental issues by getting food scraps and waste out of landfills and back to the soil "where they belong." According to [Food52](#), the FoodCycler is a good trade off to traditional composting, or none at all. However, users must remember to buy the replacement filters on time or it will begin to smell up their home. For some, the FoodCycler has helped them cut down on food waste and smelly, leaky trash bags, "contributing to the better health of my garden, plants, and the environment."

For others, it doesn't make it as easy to be green because of the price. "The machine itself is an investment, but factor in filters that cost about \$25 every three months." According to [Best Buy Reviews](#), the overall rating of the Vitamix FoodCycler is 4.6. Generalized pros are that it's easy to use, convenient, and gets the job done. The main con is the price. According to [Amazon Reviews](#), the overall rating of the Vitamix FoodCycler is also 4.6. Pros identified by consumers is that it's easy to use and to clean, and it's powerful. The main cons are the price, especially of replacement filters that must be replaced every 4 months.

I think the brand image has changed over time due to Vitamix increasing their diversity of appliances. Most search results show people talking and raving about their blenders. People ask if it's worth the money, how it works, and how it differs from competitors like the Nutribullet.

Competition has changed the brand image because consumers are wondering if its quality is worth the price compared to cheaper manufacturers. Consumer behavior has also influenced this change due to the increased need for green options. Consumers are looking for products and companies that are dedicated to environmental efforts and who are transparent with how that data plays into the business.

I would like to see more of an emphasis on the environmental impact. I liked that the competitor's brand image, Lomi, was able to bring green and freshness to their website. They included figures and data of how their company works against climate change, encouraging consumers to join with investment in their product. It demonstrates to consumers they are a brand invested in environmental change.

I would revamp the brand image by making changes to the website or product page aesthetic to attract more gardeners and "whole food" personas. I would like to see more emphasis on what the product can do outside of our homes and for our communities. Rather than emphasizing other features, like how it can make our kitchens smell better.