

3. Heinz – over 100 years of developing successful products

From concept through to launch



Heinz's Research and Development Department develops new products from concept right through to launch and into the supermarket. Squeeze & Stir is a good example. Our new range of rich instant soups comes in four tasty flavours. Made from a concentrated puree, each thick, delicious cup of soup is perfect as a snack or with a sandwich.

Three key elements of Heinz's R&D operations are:

- **Product Development**
While dedicated teams of creative chefs develop new recipe ideas, their colleagues in food technology manage costs, nutrition, ingredient specifications and factory trials.
- **Process Development**
The perfected products are then passed on to process engineers who specify the relevant manufacturing processes and equipment.
- **Packaging Development**
After that, our packaging experts develop exciting and innovative ways to present the products on the shelves.

Source: www.heinz.co.uk

In addition to constantly developing new products Heinz has many famous **brands**, including Heinz Tomato Ketchup, Salad Cream and Baked Beans; 400 million cans of which are sold in the UK every year. Each of these products has a very lengthy product life cycle and Heinz have developed many **extension strategies** in order to combat their many competitors and keep their customers coming back again and again.

- (a) Explain **two** reasons why *brands* are so important to Heinz. [4]
- (b) Explain, with the use of a labelled diagram, what is meant by the term '*extension strategies*'. [4]
- (c) Analyse the factors Heinz should take into account when deciding how to package its products. [8]
- (d) To what extent do you agree that Heinz's success depends more on its Research and Development Department than its Marketing Department? [10]