MARKETING PLAN FOR BAMBINO MIO

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INDEX

1. EXECUTIVE SUMMARY ........................................................................................................... 4
2. COMPANY PRESENTATION AND HISTORY ...................................................................... 5
3 SITUATION ANALYSIS ........................................................................................................... 6

3.1 Internal analysis .................................................................................................................... 6
3.1.1 Company organization chart ......................................................................................... 6
3.1.2 Human resources ............................................................................................................ 7
3.1.3 Financial resources ......................................................................................................... 9
3.1.4 Technological resources ............................................................................................... 10
3.1.5 Innovation ...................................................................................................................... 10
3.1.6 Organizational culture ................................................................................................... 11
3.1.7 Current marketing resources ......................................................................................... 13

3.1.7.1 Product ...................................................................................................................... 13
3.1.7.2 Price .......................................................................................................................... 16
3.1.7.3 Place .......................................................................................................................... 17
3.1.7.4 Promotion ................................................................................................................. 18

3.2 External Analysis ............................................................................................................... 21

3.2.1 Analysis of macro-environment .................................................................................... 21
3.2.1.1 Political factors ......................................................................................................... 21
3.2.1.2 Economic factors ...................................................................................................... 22
3.2.1.3 Social factors ............................................................................................................ 25
3.2.1.4 Technological factors ............................................................................................... 27
3.2.1.5 Ecological factors ..................................................................................................... 29
3.2.1.6 Legal factors ............................................................................................................ 30

3.2.2 Analysis of microenvironment ...................................................................................... 31
3.2.2.1 Market analysis ........................................................................................................ 31
3.2.2.2 Competitors analysis ............................................................................................... 37
3.2.2.3 Current positioning ................................................................................................. 42
3.2.2.4 Market segmentation ............................................................................................... 43

3.3 SWOT Analysis .................................................................................................................. 44

4. TARGET AUDIENCE ........................................................................................................ 47
5. GOALS AND STRATEGIES OF THE MARKETING PLAN .............................................. 48

5.1 Goals ................................................................................................................................. 48
5.2 Strategies ........................................................................................................................... 49

6. PROPOSED MARKETING MIX ACTIONS ......................................................................... 53
1. EXECUTIVE SUMMARY

This is a marketing plan for Bambino Mio, a small British company that produces and markets reusable nappies for babies in many countries worldwide. They have recently introduced their products in the Spanish market, and their aim is to generate a strong brand awareness within their target customers. After they started developing marketing actions addressed to the Spanish market, this plan may represent some guidelines to keep marketing this market during the period from 1\textsuperscript{st} January 2018 until 31\textsuperscript{st} December 2018.

In principle, Spain may not be a great scenario to develop products that are related with cloth nappies, as the tendency of the number of babies is continuously decreasing, and that means a continuous decline of the potential customers. However, warm temperatures compared with other countries in Europe, which make reusable nappy faster to be dried after washing, good figures in the use of social media by Bambino Mio’s customer profiles and increasing of natural upbringing trends may represent good opportunities for a nice performance of the product in a mid-term.

The market size is relatively small, but there are not many cloth nappy brands within the Spanish market. Moreover, competitors are not developing significant marketing actions. Their main weakness is promotion, as they are not investing on communicating directly with the Spanish audience. Some of them just leave this type of actions on their distributors, so they do not have a direct control on them. This fact gives Bambino Mio a great opportunity to gain market share and becoming the market leader in Spain in a mid-term.

Those reasons may make us assuming that Bambino Mio will be able to set good sales figures to make revenues enough to get profitable the launch of different marketing actions in Spain in 2018.
2. COMPANY PRESENTATION AND STORY

Bambino Mio Ltd. (logo shown in figure 1) is a family owned company with their headquarters in Northamptonshire, UK. They market a range of cloth nappies and baby accessories. Although Bambino Mio is a small company with only 25 workers, their products are distributed in more than 70 countries worldwide, and have been awarded more than 50 times.

The couple formed by Guy and Jo Schanschieff founded bambino Mio in 1997. The idea came up during a previous travel to India, when the couple met an American man who talked to them about a reusable nappy laundry in New York. Once back to their home in Northampton, England, they set up a similar service there.

In 1997, as they realised that parents in England were finding out how easy was to wash reusable nappy at home, they decided to start again by selling reusable nappies by mail. Bambino Mio grew continuously up to the present. Nowadays their brand is the most used cloth nappy brand in the UK.
3. SITUATION ANALYSIS

Situation analysis will help to have an overview of the company’s current situation and both external and internal factors that may affect their economic performance and their development.

3.1 Internal analysis

Within internal analysis, we analyse the internal situation of the company. We list and explain all factors that depend on Bambino Mio and may influence their activity.

3.1.1 Company organizational chart

Figure 10 shows the different departments in which Bambino Mio distributes their activities. We can see that there are four departments, and some of them englobe activities that would be performed by different departments in larger companies.

![Organizational Chart](source: own elaboration)
3.1.2 Human resources

Bambino Mio has 25 employees. Most of them are young professionals but with required knowledge and skills that make them capable to carry out with the assigned tasks to their position.

Marketing team has 10 members, 3 of them in charge of graphic design works. Besides the marketing manager, there are marketing analysts who are native from the markets that Bambino Mio aims to develop. Since January 2017, there a Spanish marketing analyst has joined the team.

Sales department is in charge of contacting current and potential retailers and distributors, and is in charge of customer services. Their department consists of eight people, all of them British. As Bambino Mio aims to grow internationally, new employees speaking other languages than English may be necessary in a short- and medium-term.

Bambino Mio does not have any department that is specifically in charge of Human Resources. They leave most of employees seeking tasks in hands of external recruitment agencies.

- Recruitment

Bambino Mio establishes job position characteristics and desired abilities, skills and knowledge in candidates. However, the recruitment agency is the one that advertises the job offer, receives applications and perform the first interview with candidates. After the first interview, agencies send details of the short-listed candidates to Bambino Mio.
Selection

The manager responsible of the department where the new employee is going to work in performs a second round of interviews with the short-listed candidates. Then the department manager is also the one that takes the last decision.

Training

The new employee will receive an on-the-job training. That consists in having support from the supervisor and other employees in their department when starting performing the first tasks.

Welcoming plan

During the first week at their new job position, the new employee has meetings with all department managers (marketing, sales, operations and warehouse). They explain the new employee what are the functions of their department and how can they help in the new employee’s tasks. Warehouse manager will explain how new employee should proceed when he/she needs to order or send any product for working purposes, but also will explain the evacuation plan and health and safety procedures. Accounts manager will explain how new employee can apply for holidays and leavings or what is the administrative process in case of injury or illness.

Remuneration

Remuneration at Bambino Mio includes a salary based on the position and responsibilities. There are no sales or performance incentives, nor payment in kind.
Assessment

Every department internally makes performance assessment. There is an incident and improvement sheet. Every single employee can register any incident and indicate what was wrong, its implications, and what should be done in the future for trying to avoid the failure again.

Promotion

Bambino Mio has an internal promotion system. Whenever any vacancy needs to be covered, the CEO decides who the best person in the company is for taking the vacancy.

3.1.3 Financial resources

Even though Bambino Mio’s financial data is not publicly available, according to their “International distributors and sales” presentation Bambino Mio had a turnover of £553,000 from international sales in 2016 (that means sales performed outside the UK). Compared with 2015’s figures, when Bambino Mio only sold products for a total amount of around £100,000 internationally, the increase has been severe. According to the same presentation, Bambino Mio achieved such impressive raise in their international sales due to their first participation in Kind & Jugend 2015, the most important trade exhibition for baby care products in Europe. It takes place annually in August in Cologne, Germany. There Bambino Mio had the opportunity to contact directly with many European retailers and to show them their brand. From the event onwards, more and more international retailers were interested in Bambino Mio products, because of their success in Cologne.

Another fact that explains the international sales raise is the recruitment of two new marketing team members at the beginning of 2016. Their rolls at the company are now to adapt and apply Bambino Mio’s marketing strategy to the markets in Germany and the United States.
3.1.4 Technological resources

Bambino Mio has their headquarters in a small town called Brixworth in Northamptonshire, UK. They consist in a warehouse and a small building where offices are found. The company outsources the manufacturing of nappies to partner factories in Lithuania and China. The CEO and a product developer travel from time to time to both locations to ensure manufacturing procedures and working conditions at both plants meet with the quality standards required by Bambino Mio.

Inside the office, sales and marketing teams work with some software tools that help them to perform their variety of tasks. Besides the Office software, marketing team uses commerce marketing automation tools supplied by Bronto Software. These tools allow the team, amongst other tasks, to build and maintain customer databases, to create and edit newsletters and customer emails or to track performance. The company has an ERP software called MOM. That tool improves coordination between departments, especially between sales department and warehouse.

When it comes to their websites, Bambino Mio has a partner called StarDigital. StarDigital is a company that provides with computer services to medium and small business in their region. They built Bambino Mio websites and they are in charge of editing them when a high knowledge in computing is required. Nevertheless, members of Bambino Mio’s team are able to perform many editions in their websites and especially in their online stores by using Magento. Magento is an ecommerce platform that allows carrying out many actions such as adding, editing or deleting products, activating or deactivating promotions, changing prices and many others.

3.1.5 Innovation

Although Bambino Mio is a small company, innovation is quite important for them. There is not a specific department for innovation, but one of the employees at the
operations department is in charge of product developing. With the support of the marketing team, she analyses the tendencies at every market and develops new products or improves the existing ones with new features and better quality. The last product innovation was the launch of the miopotty chair in August 2017. The miopotty chair is a result of the improvement of the miopotty\(^1\). It is more comfortable for the baby and easier to clean and empty thanks to its removable insert.

When it comes to new nappy prints, the graphic design team works for creating new designs. Bambino Mio launches two or three new design collections a year. The last one was the Dream Traveller collection, launched in May 2017.

3.1.6 Organizational culture

Bambino Mio, as mentioned previously, is a small company with 24 employees, most of them under 35 years old. The organizational chart in section 3.2.1 shows that the company has a functional structure. However, the interaction between different departments is usually higher than in most of functional structured organizations, due to the small size. This is the case of sales department and marketing department, as they need to collaborate quite often in common projects.

Work specialization degree is generally low, but it may vary in some departments. For instance, marketing department groups their tasks by market (e.g. UK, USA, Germany...). That means there is one marketing analyst per market who is going to deal with all the specific tasks related to their specific market.

There is one manager per department, to whom the employees in each department report. The CEO is the only person over them within the hierarchy. That shows that Bambino Mio organizational structure is quite plain, due to the small number of people working there.

\(^1\) Please check current marketing resources section (3.2.7) for more information about products.
The office has one room assigned to each department, where all members work together, including the department manager who has the same kind of desk and facilities than others. CEO and the unique employee at the accounts department are the only persons with individual offices.

Dress code is quite casual at Bambino Mio compared to other companies in the UK. There are no strict grooming rules for workers. With the exception of warehouse staff, employees have flexibility in order to choose the clothes they want to wear when going to work.
3.1.7 Current marketing resources

It is important to see what Bambino Mio is currently doing when it comes to marketing activities in Spain and in the rest of the markets.

3.1.7.1 Product

The current product range of Bambino Mio can be divided in four different categories: cloth nappies, accessories, swim nappies and potty training essentials.

Bambino Mio offers two different kinds of cloth nappies: an all-in-one nappy named miosolo, and the miosoft, a two-piece nappy, as shown in figure 11.

![Bambino Mio miosolo nappy (left) and miosoft nappy cover (right)](source: own elaboration. Images from www.bambinomio.com)

Miosolo* nappy is Bambino Mio’s star product. This nappy is an all-in-one reusable nappy that is one-size. That means it can be adapted to the baby’s shape and size, so that the same nappy can be used in babies from their birth until the time when parents decide him not to wear nappies anymore. They are made 100% polyester, and they have an inner pocket where it is possible to insert a booster pad to make the nappy more absorbent.
The miosoft is a two-piece nappy: an all in one cloth nappy and a nappy cover, which is available in two sizes. Nappy is made 100% cotton, and it needs to be properly folded and placed in the nappy cover. A booster pad can also be added into the folded nappy. Nappy covers are available in two different sizes. Size 1 is suitable for babies up to 9 Kg and size 2 for babies over 9 Kg. They are made 100% polyester, and they are waterproof to avoid leaks.

Both kind of nappies are available in a huge range of prints with different designs. The theme of most of the prints are animals and nature.

In addition to miosolo and miosoft nappies, Bambino Mio offers a range of accessories to complement the use of the cloth nappies. For a picture of some of them, please see figure 12 below.

- **mioboost.** This booster pad maximizes absorbency of cloth nappies. It is especially good during the night so that the baby can feel less humidity and get a better quality of sleep.

- **mioliners.** These are nappy liners. They are made with natural, biodegradable and eco-friendly materials. They are placed on the nappy’s inner layer and they are removed and thrown away once the nappy has been changed. The mioliners will help cloth nappies to get less dirty.

- **miofresh.** This is a nappy cleanser that may be added to the washing machine to improve the wash of nappies and other baby clothes.

- **Nappy bucket and laundry bags.** The nappy bucket is a small container where parents can place the used nappies before they wash them. Laundry bags are placed and attached into the nappy bucket. They will contain the used nappies. Their function is to make parents able to transfer all nappies from the bucket to the washing machine. Parents will take the bag fully loaded with nappies and introduce it to the washing machine, and there will be no need to handle dirty nappies when washing them.

- **Wet nappy bags.** They are designed to be used by parent when going out with their baby. According to Bambino Mio website, they can fit up to four
reusable nappies. They are available in the same range of designs as miosolo nappies and miosoft nappy covers.

- **miowipes.** These are Bambino Mio's natural baby wipes. They can be thrown away as they are made with natural and biodegradable materials.

![Figure 4. Bambino Mio accessories set](Source: www.bambinomio.com/es)

Bambino Mio also offers **swim nappies.** They are reusable, cotton made and available in four different sizes and in a range of designs. There is no need to wear an additional nappy when using a Bambino Mio swim nappy. They are designed with a light waterproof fabric to retain solids. According to Bebitus.com, one of the largest online baby stores addressed to the Spanish market, swim nappies are the Bambino Mio product with the best sales figures during spring and summer.

The last Bambino Mio product category is **potty training.** These products have been design for the stage when babies stop using nappies. This range includes special potty training pants, which are similar to children pants, but absorbent enough for small escapes. Bambino Mio’s potty training category also includes potties, toilet seats and step stools. They are respectively titled as miopotty, mioseat and miostep. These three products are made with BPA-free plastics.
When it comes to product names in other non-English-speaking markets, Bambino Mio has a policy concerning translations. Those product names that start by “mio…” cannot be translated in other languages. However, subtitles in these products need proper translations so that customers in a particular market are able to understand what exactly a specific product is. E.g., for miosolo all-in-one reusable nappy, “miosolo” cannot be translated and needs to be the first word in the title, but “all-in-one reusable nappy” may be translated or adapted to every market. In the case of Spain, the translation of this product title will be “miosolo pañal todo en uno”, however when the title is included in a text in Spanish, “miosolo” will be at the end of the title to meet with Spanish language structures (e.g. “El pañal todo en uno miosolo…” instead of “El miosolo pañal todo en uno…”).

3.1.7.2 Price

Bambino Mio established fixed prices for direct orders from customers through the online store. In addition, a range of fixed prices is established for small and medium retailers. Prices for all European markets (excluding UK) were established by taking the UK prices as a basis. Prices in GBP have been multiplied by a rate of 1.4 and rounded up (e.g., miosolo all-in-one nappy will cost £15.99 for British customers purchasing from Bambino Mio website, and €22.99 to customers purchasing from the rest of Europe: 15.99 x 1.4 = 22.386, rounded up to 22.99). Bambino Mio is also using psychological prices for Europe.

In addition to the product price, customers must pay 4.95€ for a standard delivery, which will normally take 5 to 7 working days to be delivered to the customer. For orders over 50€, delivery service will be for free, as stated in the header at the Spanish version of their website (Figure 13).

Figure 5. Header of Bambino Mio’s website in its Spanish version

Source: www.bambinomio.com/es
Customers in all markets can get a 15% off for their first order if they subscribe to Bambino Mio’s newsletter. This action not only encourages the customer to click the buy button, but also increases our emailing audience. When it comes to international small retailers, Bambino Mio has also fixed prices that include UK’s VAT. The following is a list of prices to both retailers and customers in Europe. Shipping costs are 14€ for retailer orders up to 500€. Over that amount, those costs will be free for the retailers.

When it comes to big retailers such as El Corte Inglés or Carrefour in Spain, order prices and conditions are negotiated at the beginning of the partnership and will be reviewed annually.

3.1.7.3 Place

Bambino Mio distributes their products in two different distribution channels. On the one hand, customers can directly purchase Bambino Mio products through their online store. Once customers have placed the order and made the payment, Bambino Mio will send the products straight to the delivery address chosen by the customer through partner transport companies. For order deliveries to Spain, Bambino Mio works with Royal Mail. Spanish customers can only select the standard delivery option, which means that they will receive the products after between 5 and 7 working days. However, according to the terms and conditions, Bambino Mio does not take any responsibility if the delivery takes longer to arrive. Moreover, they do not offer any tracking options, as Royal Mail does not include tracking in the services that have been contracted by Bambino Mio.

On the other hand, Bambino Mio works with different retailers and distributors in all markets where they are present. The company does not have a big distribution network in Spain yet. Despite of this, Bambino Mio has been the only cloth nappy brand whose products are present in retailers as El Corte Inglés.

Apart from El Corte Inglés, Bambino Mio is currently working with other three big retailers within the Spanish market: Carrefour Spain, Bebitus and Amazon.es.
Carrefour Spain is the subsidiary firm of Carrefour group that has been established in Spain. Carrefour has a range of hypermarkets all around Spain, and it is present in almost all cities and major towns in the country. Bambino Mio miosolo all-in-one nappies and swim nappies have been launched in June 2017 in some of their stores and online in www.carrefour.es.

El Corte Inglés is a Spanish department stores chain, which is present in all major cities in Spain. They launched Bambino Mio swim nappies in 2016 and in March 2017, they started offering miosolo nappies.

Bebitus is one of the largest online retailers for baby products in Spain. Customers can find Bambino Mio products through Bebitus website since 2015. They have been the first retailer in Spain for Bambino Mio.

Amazon.es is the Amazon website version for Spain. It is a famous online retailer worldwide, and customers can find there many different product ranges.

3.1.7.4 Promotion

Communication strategy in Bambino Mio is mainly based in digital marketing tools. What the brand is aiming by choosing this strategy is to make customers find the brand when they look for similar products online. The five main areas of the digital marketing strategy SEO positioning, social media content, branded content in specialised web magazines, emailing and collaborations with online influencers (bloggers, Instagramers, Youtubers, etc.), as we can see in figure 14.

Figure 6. 5 key areas of Bambino Mio’s digital marketing strategy

Source: own elaboration
- **SEO positioning**

Marketing analysts at Bambino Mio research what are the best searches in Google made by the target group. Once they find out the most used keywords, they try to include them not only in the website content but also in the product descriptions, so that customers can also find our products in retailers websites or in influencers sites where reviews of Bambino Mio products have been made.

- **Social media content**

This is the main direct communication channel with customers. Bambino Mio runs a specific Facebook page for each market. In Instagram, Twitter and Pinterest, they only run general pages addressed to all markets. The content is adapted to the brand’s targets and includes posts about Bambino Mio products and promotions, but also images and nice memes that may be interesting for the audience. Bambino Mio runs promotions by itself but also in cooperation with retailers, influencers or other brands.

- **Branded content**

Bambino Mio collaborates with many different magazines that are addressed to similar targets in some of the markets. They look particularly to online magazines that share content about baby products. Bambino Mio arrange with those magazines advertising collaborations, so that Bambino Mio can share branded content, dedicated emails and newsletters to the magazine’s audience. One of the requirements that Bambino Mio asks for is that every content must have links to their website or social media, so magazine’s audience may be redirected.

- **Emailing**

Bambino Mio send a specific monthly newsletter to every single market. They send it not only to subscribers but also to contacts in the emailing lists such as retailers (current and potential), magazines or influencers.
Influencers

Bambino Mio tries to contact as many influencers as possible that are addressed to the targets such as blogger mums. They send them a blogger sample, which consists in a pack that contains one or two cloth nappies, a roll of 50 mioliners, 1 mioboot and a small sized pack of miofresh (100g). Bambino Mio asked the influencers to try the products and publish reviews in their sites. Influencers can also get other products like swim nappies or potty training pants, depending on their babies’ age or their preferences.
3.2 External analysis

The following external analysis states the main external factors that may influence the company while entering and developing their activity within the Spanish market.

3.2.1 Analysis of macro-environment

Macro-environment is defined as a compilation of general factors that affect a society. By a PESTLE analysis, we are examining the main political, economic, social, technological, legal and environmental factors that may affect Bambino Mio while performing their brand development in Spain.

3.2.1.1 Political factors

The main recent political factor to be consider is the European Union membership referendum (most often known as ‘Brexit’). The referendum took place on 23rd June 2016, and the leave option obtained the majority of the votes (51.9%). The future trade conditions between the UK and the rest of countries in Europe are uncertain. The new trade relationship is going to be negotiated during the following two years. It is almost impossible to know on a short-term basis if new customs duties or fees are going to be established in Spain for imports from the UK. For example, the applicable custom duty for babies’ garments and clothing accessories made with cotton is 10.50% of the taxable base, which is the value of the goods at the customs, according to Taxation and Customs Union from the European Commission. If the UK leaves the EU not being able to remain in the European Economic Community nor arranging a special agreement with the EU, a third country tax will be applicable to their exports to any member country.

On the other hand, elections on 8th June 2017 resulted on a more unstable political situation, as Prime Minister Theresa May lost overall majority at the House of Commons. This new scenario has strengthen anti-‘Brexit’ movements
that may generate new pressures against UK government and may make UK losing power in the negotiations with the European Union.

In the European Union, it seems that political situation is getting more stable after the increase of nationalist and anti-Europeanist movements, such as Le Front National in France by Marine Le Pen. This is because of recent victories of Europeanist parties against nationalists in elections held in Austria, the Netherlands and France.

In Spain, after almost a year with a caretaker government, in October 2016 Mariano Rajoy was appointed President of the Government again. That event finished with a slightly unstable situation within the political macro-environment in Spain. The “Partido Popular” of Mariano Rajoy is running the government with a minority of the seats at the Spanish Parliament. However, they got the approval of the general budget for 2017 thanks to the support of other parties.

Nevertheless, political instability has come back with the Catalan issue. The plan of the Government of Catalonia, which is held by parties that support the independence of Catalonia, was to perform a referendum on the 1st of October without the permission of the Spanish national government. Afterwards, the President of Catalonia’s government, Mr. Carles Puigdemont, made a confuse independence unilateral declaration, and then he suspended it. That situation is generating multiple tensions between different parties and social agents. Some companies are moving their headquarters out of Catalonia, and if the issue goes on, that may result in an unemployment increase in Catalonia and a worse economic situation.

3.2.1.2 Economic factors

Spanish economy has recovered at a rapid pace. In 2015 and 2016, the GDP growth rate was 3.4% and 3.3% respectively. These figures overcame the estimations by institutions like Banco de España or the International Monetary Fund. In 2017, the IMF expects Spain to increase their GDP a 3.1%. Moreover,
this Spanish GDP growth is accompanied by a deficit rate under 3%. According to the data above, we can see that, in macroeconomic terms, Spanish economy is recovering after the economic turndown started in 2008.

However, one of the most important facts to analyse when it comes to Spanish macroeconomics is the unemployment rate, which has been significantly higher since the beginning of the economic turndown, if we compare it with the data of other European countries.

18.63% was the unemployment rate during the last quarter of 2016, according to the “Encuesta de Población Activa” (INE, 2017) performed in January 2017. However, there is a substantial difference between men and women in terms of unemployment. While men’s unemployment rate was 17.22%, the unemployment percentage for women was 20.25%. That shows a difference of 3 percentage points.

When it comes to unemployed people in the age of being parents, the figures are similar than the general ones (in 4th trimester of 2016): 16.9% for men, 20% for women and 18.36% for both genders. However, unemployment is significantly greater in people between the ages of 25 and 29 with 24.05%. On the other hand, if we have a look at the age ranges between 35 and 39, and between 40 and 44, the figures are 15.86% and 15.07%, respectively. That could explain why parents decide to have their first kid at older ages (please have a look at the social factors (3.1.2.3) to find out more about this fact). Please have a look to the evolution of the unemployment rate in figure 2.

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2 The “Encuesta de Población Activa” (EPA) is the Labour Force Survey quarterly performed in Spain by INE ("Instituto Nacional de Estadística"), the National Institute for Statistics in Spain.
The following economic aspect to analyse is the annual income in Spain per household. The "Encuesta sobre Condiciones de Vida" performed in 2016 shows that in 2015, which is the last known data, the average annual income per household in Spain is 26,092€. If we compare it with the last few years, we will find out that the figures trend to come down since 2009, when the average income was 30,045€. However the decrease between 2014 and 2015 was just 62€ (from 26,154€ to 26,092€), so it is realistic to expect a slight growth in the figures of 2016. Figure 3 shows the exact numbers.

3 "Encuesta sobre Condiciones de Vida" is a survey about many factors that affect life conditions in Spain. It is performed by INE.
We need to have a look in detail to the different kind of household types. Families composed by two adults and one or more dependent children have an average annual income of 31,558€, while the figures are different in the rest of the household types. The following chart shows the average income per type of household in years 2008 and 2015. We can see in table 1 that, excepting the single households, the rest have experienced a decrease during the turndown period:

### Table 1. Average income per type of household

<table>
<thead>
<tr>
<th>Household Type</th>
<th>2008</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>General average</td>
<td>28,787€</td>
<td>26,092€</td>
</tr>
<tr>
<td>Single household</td>
<td>14,802€</td>
<td>14,938€</td>
</tr>
<tr>
<td>2 adults with no dependent children</td>
<td>26,671€</td>
<td>25,936€</td>
</tr>
<tr>
<td>Other households with no dependent children</td>
<td>41,092€</td>
<td>35,965€</td>
</tr>
<tr>
<td>1 adult with 1 or more dependent children</td>
<td>18,731€</td>
<td>18,208€</td>
</tr>
<tr>
<td>2 adults with 1 or more dependent children</td>
<td>33,251€</td>
<td>31,558€</td>
</tr>
<tr>
<td>Other households with 1 or more dependent children</td>
<td>38,173€</td>
<td>34,569€</td>
</tr>
</tbody>
</table>

*Source: own elaboration. Data: Instituto Nacional de Estadística*

3.2.1.3 Social factors

According to INE, number of births in Spain has experienced a continuous decrease since 2008, coinciding with the start of the economic downturn. At that time, number of births reached a high of almost 520,000. If we look at the most recent figures, we see that they have dropped until around 425,000 per year. By knowing these data, we can estimate that the number of babies between 0 and 3 years old in Spain could be around 1,250,000. However, the expectations are that this number will decrease with the past of the next few years. Figure 4 shows the evolution of the number of births in the last 30 years.
Another important fact to keep in mind is the age at which women give birth for the first time. According to INE, in Spain the mean age is slightly increasing in the last 15 years. Figure 5 shows the variation of the average age compared between Spanish women and alien resident women age:

As we can see above, the average age has increased from 31.11 in 2002 to 32.38 in 2015 for Spanish women. That means a rise of around 1.3 in only 13 years. In the case of alien residents, the numbers are lower, but the growth has been
similar. The average age increased approximately by 1.5 from 2002 (27.93) to 2015 (29.43).

These rises have different causes. Main factors that may explain this may be the growth of the average emancipation age, caused by the high rate of youth unemployment and the studies extension. Moreover, lack of policies that help balancing working and family life and support motherhood impede many mothers and families having children earlier.

When it comes to lifestyle, it is important to mention that Spain is one of the countries in Europe where different social media platforms are used by a higher percentage of people. According to the annual social media research (IAB Spain, 2016)\(^4\), which shows a huge variety of data about the use of social media platforms by Spaniards, 81% of Internet users between 16 and 55 years old in Spain use one or more social media platforms. That represents more than 15 million users.

Facebook and Whatsapp (which has been included in the research as a social media tool) are the favourite platforms for 38% of users each. Moreover, Facebook is known by the total of the social media users, and it is the preferable one to follow and interact with brands, as it has been chosen by 81% of users as their favourite one for this purpose.

3.2.1.4 Technological factors

Spain has not been traditionally an innovative country compared with other countries in Europe. Moreover, investment reduction in R&D since the start of the economic turndown has been severe, and today investments are 10% less than before 2008, while the European Union invests 25% more. In 2015, 52.5% of total R&D expenses came from Spanish companies, while in Europe the average of participation of companies was 63.3%. It is important to keep in mind that small and middle sized companies in Spain assume half of the investments in this field.

\(^4\) IAB Spain (2016). Estudio anual de redes sociales
This fact shows the high importance of the small companies in the Spanish business network.

In spite of the negative data about R&D, Spain is one of the countries in Europe and in the world with a better infrastructure network. There are 46 harbours and airports that make attractive the imports and exports activities in the country. Spain has also a large road system, with around 200,000km of road. 15,000km correspond to motorways, being Spain the third country in the world with a longer motorway network, just behind China and the USA. This transport system makes Spain attractive for activities such as good transportation and delivery services, which require reaching their destination points as quick as possible.

When it comes to nappies, companies work on developing new features to make their nappies more comfortable and healthier for the baby. They also test new materials that generate a lower negative impact on the environment. For instance, Pampers has launched a new technology that makes urine disappear. It consists in three ultra-absorbent channels located at the bottom of the nappy that are able to absorb 27 times their own weight. In addition, other companies have started developing intelligent nappies. These nappies include new features that not only let parents know when the nappy is wet or dirty. They are also able to analyse the urine to check if there is any kind of infection.

On the other hand, cloth nappy brands work as well to give parents more comfortable and environmentally friendly products. Traditionally, these nappies may be too uncomfortable for parents, because they need to wash them, and the insertion system made parents spending more time when changing nappies to their babies. Nowadays, new insertion systems allow parents to spend the same time that they would spend if they used disposable nappies. All-in-one cloth nappies allow this. Moreover, new complementary products make cloth nappies washing and maintenance easier. As the extra tasks that parents require to perform when they use cloth nappies may suppose a disadvantage, brands need to work hard in developing products that contribute to reduce them in order to bring new users.
3.2.1.5 Ecological factors

When it comes to ecological factors, the most important ecological issue now is the climate change. According to the website www.cambioclimatico.org, the climate change represents an extreme and sharp alteration in the nature. This may cause severe negative natural effects that could completely change our life conditions. Some of them are the increase of the global temperature, the increase of the sea level, or more frequent extreme weather phenomena, such as storms, floods or longer dry seasons.

On the other hand, it is important to analyse the impact of the household waste in Spain. Each Spaniard produces an average of 440 kilograms of waste every year. That generates 21 million tonnes of waste a year in Spain. A huge amount of unprocessed residues may cause irreversible climate effects.

In terms of legislation, current regulations about waste generation and processing in Spain are stated in “Ley 22/2011, de 28 de julio, de residuos y suelos contaminados” (Boletín Oficial del Estado, 181, de 29 de julio de 2011). Even though the main regulations are stated nationally and following European directives, autonomous regions and municipalities in Spain have jurisdiction to set their own regulations (if they are according to the national legislation) and their own waste processing procedures. Unlike other countries in Europe, in most municipalities in Spain, waste collecting service is performed daily. On the one hand, this is positive when it comes to hygiene in properties and streets. However, it does not encourage people to be concerned about their waste contribution.

Also in 2011, a law about sustainable economy was approved to introduce some guidelines for organizations to promote a sustainable development for the economy in Spain in terms of ecology. This law is titled “Ley 2/2011, de 4 de marzo, de Economía Sostenible” (Boletín Oficial del Estado, 55, de 5 de marzo de 2011).
When it comes to social responsibility at companies, the Spanish Ministry of Employment and Social Security published Estrategia Española de Responsabilidad Social de las Empresas\(^5\) in 2014. This document states several guidelines to help Spanish companies to implement social responsibility actions while performing their economic activities. There is a section related to environmentally friendly actions that suggests companies to take steps to reduce their environmental impact, such as using responsibly natural resources, reducing emissions and waste contribution and encouraging using clean technologies.

### 3.2.1.6 Legal factors

From 1\(^{st}\) of January 2017, the paternity leave has been extended from 13 days to almost one month. The extension was possible thanks to a modification into the organic law titled “Ley Orgánica 3/2007, de 22 de marzo, para la igualdad efectiva de mujeres y hombres” (Boletín Oficial del Estado, 71, de 23 de Marzo de 2017), which promotes effective gender equality. The modification was approved by the Parliament and was confirmed by the government on December 2016. That gives fathers the possibility to spend more time with their new baby by not having their income decreased. The new condition helps parents to conciliate better, so that could increase slightly the number of new births in Spain the next years.

When it comes to tax regulations, it is important to have a look at internal taxes in Spain. IVA (standing for “Impuesto sobre el Valor Añadido”) is the Spanish value-added tax. The norm regulating the IVA in Spain is titled “Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido” (Boletín Oficial del Estado, 312, de 29 de Diciembre de 1992). The current IVA percentage is 21% for standard rated products that include nappies and other baby accessories within them.

Good transportation is regulated by the “Ley 15/2009, de 11 de noviembre, del contrato de transporte terrestre de mercancías”. This law states the conditions in which a transport contract must be negotiated. It regulates prices, payment conditions, rights and obligations for all parts and responsibilities when a transport agreement takes part. This law also regulates delivery services, which may be important to consider for Bambino Mio.

Electronic commerce is another important field for Bambino Mio to keep in mind. The “Ley 34/2002, de 11 de julio, de servicios de la sociedad de la información y de comercio electrónico” regulates, among others, the conditions in which goods and services must be sold and purchased by online channels. It states different requirements to the seller, such as what and how to communicate with customers, the security conditions that their web portal must have or measures to protect customers data (also stated in “Ley Orgánica 15/1999, de 13 de diciembre, de protección de datos de carácter personal”).
3.2.2 Analysis of microenvironment

In the following sections, we are explaining the current situation of the baby products market in Spain. We are analysing the market size as well, and talking about what brands do and what are broadly their strategies. We use the Porter’s five forces model to analyse competition, buyers and suppliers’ power, and threat of substitution and new entry. We also analyse other cloth nappy brands that are currently present within the Spanish market.

3.2.2.1 Market analysis

It is important at this point to cover not only the cloth nappy sector but the childcare articles sector as well.

Childcare economic sector has changed significantly during the last decade. We are in front of a new parent generation with new preferences and appreciably better informed thanks to new technologies as for instance Internet and social media, where they can easily discuss and find lots of information about many different ways to breed their babies and children. That reachable amount of information results in new parents to be more aware and clearer about what products and brands are the best for their children. In other words, they have better knowledge about baby products than parents do on the 90’s or older.

Today’s parents also look for the best for their babies. That means they look more for quality than for cheap prices, as they want to ensure the best development and growth to their babies. They are especially meticulous when it comes to products related to the baby security and health, such as car seats and hygiene products.

Internet and all new digital tools have radically changed trade sector all around the world, and Spain has been fully affected by the new commerce tendencies. The baby sector has not been spared from the new tendencies, as more and more parents are likely to check and compare products by using the advantages
that online stores provide. That is why large online stores that are specialised in baby products are continuously growing their awareness between Spanish parents. Bebitus.com and tutete.com are good examples of websites where customers can find a full range of baby products.

When it comes to the cloth nappy industry in Spain, the product awareness is significantly smaller than in other countries in Europe (e.g. UK and Germany). Only a small percentage of Spanish parents use cloth nappies in their babies, however new breeding tendencies as for instance natural upbringing or “attachment parenting” are increasing their popularity. These new trends encourage new parents to bring their children and babies a way of breeding based in environmentally friendly products and leisure, and in respect, affection and love. This could be a reason to expect that the use of cloth nappies will increase in the next few years.

According to the article titled “Siete curiosidades de los pañales que quizá te interesen aunque no tengas bebés” (Sabaté, 2015) which was published by eldiario.es, 900,000 tonnes of disposable nappies are thrown away every year only in Spain. By knowing this information, normally we will assume that cloth nappies are a more environmentally friendly product than disposables. However, according to the same source, cloth nappies also contribute to the environment pollution. The necessary energy for washing and drying them also generates CO2 emissions to the atmosphere.

In terms of trading, most of the brands opt to work with distributors and/or retailers to reach final costumers. They may be supermarkets, hypermarkets, specialised shops and many other types, either physical or online stores. Nowadays, due to the e-commerce boom, some brands choose to open their own online stores, where customers can purchase their products directly to the brand while keeping selling their products through their distributors, even though the profit margin is

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6 Translation of the title is: “Seven curious facts about nappies you may be interested in even if you do not have babies”
smaller, as brands and distributors offer similar retail prices for the same product. This is fully comparable with cloth nappy brands.

Another important fact to mention is the importance for either small or big brands to create good and effective trade networks within the markets they want to work in, as in many other economic sectors. There are many ways to approach to any potential partners the brand may be interested in cooperating with. Trade press is one of these ways. The only big trade magazine for the baby care sector is called Puericultura Market. This is a magazine that publishes articles about what baby products brands, retailers, distributors and other agents are performing in Spain. This is a good way for brands to gain visibility to other agents, and to seek for relevant potential partners.

Other good events to find and negotiate with other agents are trade exhibitions. There are many yearly baby products exhibitions worldwide. In Spain, there are some exhibitions yearly celebrated in the main cities. The most important one is Puericultura Madrid, which takes place in the beginning of October each year. In Europe, the biggest one is in Cologne (Germany) and it takes place in September. Its name is Kind & Jugend, and most of the brands try to get a stand there not only to show their products and new trends to visitors, but also for meeting with current and potential partners to create and to strengthen business relations.

- **Demand analysis**

In order to expect the demand of cloth nappies, it is important to perform a demand analysis.

Nappies can be considered as a staple product, as they cover a basic need for babies, which is the hygiene. That means that the totality of parents will use them just after their children’s birth.

According to the social factors’ section (3.1.2.3), the yearly mean of births in Spain is 450,000. If we consider that babies stop using nappies approximately
when they are 2 years old\textsuperscript{7}, we can expect 900,000 nappy users in Spain. Although there are no found data about the current percentage of Spanish parents that use cloth nappies, if we assume that 3\% of their babies use them, we get 27,000 cloth nappies’ users. Some of the consulted articles about those nappies suggest that a baby will need between 10 and 15 units for the first two years in their life. Therefore, we can expect between 135,000 and 200,000 units sold each year in Spain, by assuming that the number of births in the next few years will not drop significantly. Although the figures before are not relevant enough, as no studies or researches about the use of each kind of nappies have been found, they can be taken as an estimation to have a brief idea of the market size.

However, cloth nappies brands do not just focus on their cloth nappies. They usually offer a huge range of complementary products, such as nappy liners, baby wipes, and other useful products to complement the use of reusable nappies. Moreover, many of the brands try to reach other segments with products like potty training pants. They can be considered as a transitory product between nappies and big kid pants. They are like regular pants but with an absorbent layer to protect clothes from escapes. Parents alternate nappies and potty training pants with their toddlers at the earlier steps of stopping wearing nappies. In fact, parents that have not used cloth nappies with their babies may use this product, as they are more familiarized with it. Potty training pants are suitable for children approximately between 2 and 4 years old.

We can see that the strategy that many cloth nappy brands follow is to expand the market size by offering products to other segments.

- Porter's “5 forces”

**Competition between cloth nappy brands** is quite low within the Spanish market. It is true that customers that look for cloth nappies can find some variety of brands that are being sold by small retailers. However, most of competitors are

\textsuperscript{7} According with the majority of consulted articles and blogs
foreign brands that have not developed themselves in Spain. Moreover, the only Spanish cloth nappy brand Tucuxi has even less brand-awareness than other brands (please see competition analysis in section 3.1.3.2 for a full analysis). That means there may be good opportunities for the first cloth nappy brand that decides to start a full market development strategy in Spain.

**Buyer power** is the customer’s power to influence on the purchasing conditions. As cloth nappy claim in Spain is lower than in other markets, and customers can easily find alternative products (as they already exists and their awareness is significantly higher), we can expect customers to have a high decision power in front of our product.

The **suppliers’ power** is quite low, as Bambino Mio’s cloth nappy are mainly made by cotton, which is a quite abundant resource, and it has many different suppliers. Moreover, there are alternative materials to manufacture cloth nappies, such as bamboo.

Bambino Mio is not manufacturing their products itself, but it outsources their production to external plants (please see technological resources in section 3.2.4). Then these plants can be consider as suppliers. As they are not using unique manufacturing procedures, there are many alternatives if supplier replace is desired.

When it comes to **threat of substitution** we can find that is quite high, as customers can easier find and use disposable nappies for the same purposes. Moreover, disposable nappies product awareness is significantly greater.

Finally, it is important to mention about **threat of new entry**. Now new cloth nappy brands are not likely to start their activity within the Spanish market, as the demand is quite low. However, if the demand increases as expected, other brands may be interested in the future to enter the Spanish market, as there are not technical, political or legal barriers for entering the market.
3.2.2.2 Competitors analysis

For analysing current competitors within the Spanish market, it is important to classify them in four groups, depending on the level of competition where their products can be found. Figure 6 shows examples of brands and business that may be Bambino Mio’s competitors in the different competition levels.

![Figure 11. Competition levels](image)

Source: Own elaboration

- **Competition in product form**

Competition in product form is performed by all brands that market reusable cloth nappies in Spain. As mentioned above, most of these brands are international but they have not developed brand-awareness within the Spanish market.
**Close Parent** was founded in 2004 in Hertfordshire, England. Their **Pop-In** cloth nappies are the cloth nappies with highest awareness in Spain, as most of the consulted actual shops and online stores that offer cloth nappies have included Pop-In nappies in their range of products. Close Parent are specialists not only in cloth nappies but in baby carriers as well. Their range of products include as well feeding accessories (e.g. burp cloths and different kinds of bibs), swim products and potty training essentials (e.g. potty training pants or protector for baby cot mattress).

However, there is no sign that suggest that this brand might have any brand development plan for the Spanish market, as they do not have any website in Spanish nor any social media platform addressed to Spanish followers.

**Tucuxi** has their headquarters in Granollers, Barcelona. They are the biggest Spanish cloth nappy brand and can be found in some of the cloth nappies retailers’ stores. However, if we have a look at their social media (Facebook and Twitter), they have not posted anything since June 2016. Their last posts in Facebook consisted in links to articles or videos, but no particularly related to their products. Furthermore, their website (www.tucuxi.es) is down at the date of 13th April 2017.

**Bambinex** is a Belgian reusable nappy brand. They offer a small range of cloth nappies and basic accessories to complement their use. They are present in the main markets in Europe. In Spain, they collaborate with a main distributor called Bebés Naturales. This is a Galician company that distributes cloth nappies and other eco-friendly baby products to small retailers throughout the country. Bebés Naturales is also in charge of the Spanish social media of Bambinex. They have an active Facebook page addressed to the Spanish audience with around 1,000 followers.

**Charlie Banana** offers cloth nappies and a large range of accessories, swim nappies, potty training products and underwear for men and women too. They are a brand from the United States and they have small presence within the
Spanish market. This is also a brand distributed by Bebés Naturales. Bebés Naturales is not only a distributor but also an agent, as they manage Charlie Banana’s Spanish social media platforms, as we can see in the screenshot shown in figure 7:

**Figure 12. Screenshot of Charlie Banana Spain Facebook page**

![Screenshot](source: Facebook. Edited by author.)

**Blueberry** diapers is one of the most popular cloth nappy brands in Spain just behind Close Parent. They offer a range of cloth nappies, nappy covers, accessories but also products for mothers, like breastfeeding cushions or feminine pads. As well as Close Parent, Blueberry has no website nor social media addressed to Spanish customers.

**Popolini** is an Austrian brand that offers a range of cloth nappies and accessories, but also other baby products such as toys or clothes. They have neither a Spanish website nor a Spanish Facebook page.

Other reusable nappy brands that could be find in retailers specialised in baby products are **Tots Bots, Itti Bitti, Imse Vimse, Hamac** or **Grovia**.
We will include here brands offering other kinds of nappies, both standard disposables and ecological disposables.

In the group of standards, the most powerful brand in Spain is Dodot. Dodot is a brand created by Procter & Gamble (P&G) group to market disposable nappies and baby wipes in Spain and Portugal. They offer a large range of disposable nappies that includes all sizes. They can be found in almost every stores that include this type of nappies, whether large stores, supermarkets, or specialised baby shops. Their nappies are considered as the most upmarket disposables, and many parents choose Dodot. As we have mentioned within the sector analysis (section 3.1.3.1), parents opt frequently for high quality baby products rather than looking for the best prices. That is the reason why Dodot is the nappy brand with the highest awareness in Spain.

On the other hand, there are supermarket own nappy brands. They are significantly cheaper than the premium brands, but when it comes to quality, there are huge differences between them. According to a recent study by OCU (n.d.)\(^8\) (“Organización de Consumidores y Usuarios”, which is the Spanish main consumer organization) showed that the best quality disposable nappy brand that has been marketed in Spain was Deliplus by Mercadona, ranking even above Dodot, but with significantly lower prices. Another good ranked brand, which has not been included in that survey, but that showed nice results in older researches is Toujours by Lidl. However, other supermarket nappy brands such as Carrefour Baby are far from the excellent results obtained by Deliplus and Toujours.

Finally, Pingo nappies are the intermediate option between disposables and reusable nappies. This brand offers biodegradable disposable nappies. They are produced with natural and ecological materials, and they can be thrown away.

without the negative environment impact that have the disposables. They are significantly more expensive than standard disposables. Similar nappies can be found from other brands, such as *Bambo Nature* or *BioBaby by Moltex*.

- **Generic competition**

Generic competition is composed by all kinds of products that compete for meeting the same need. In this case, they will be all products addressed to take care of the baby hygiene. Baby shampoos or creams, potties, baby bathtubs, wipes or talcum powder will be included in the generic competition, although they are mainly considered as complements rather than as substitutive articles.

We can also include other ranges of articles like potty training pants, which may compete against nappies once the baby is getting ready to start potty training, during the stage between 18 months and 3 years old. However, as we will see in section 3.2.6 (Current marketing resources), potty training pants are included within Bambino Mio products range.

- **Budget competition**

When it comes to budget competition, we will have a look at products that compete against the same part of the customer’s budget. In this category, we will include all products and services required by babies. We can find at this stage toys, nurseries, health services (e.g. vaccines or medicines), baby car seats, and many others.
3.2.2.3 Current positioning

Figure 13. Bambino Mio’s current positioning

For analysing the current positioning of cloth nappy brands that perform their activity within the Spanish market, we used a matrix with two axes: price and quality (figure 8). The quality axis is defined as the compilation of features such as absorbency, comfort, softness and anti-leaks protection in the cloth nappies.

Bambino Mio offers high quality products compared with brands like Blueberry, Charlie Banana, Popolini or Tucuxi. Close Parent products, according to some blogs about parenting, have a similar level of quality; however, they are also slightly cheaper than Bambino Mio. In addition, Close Parent’s nappies and complementary products are generally cheaper than other brands with less quality products. For this reason, Bambino Mio should prioritize to monitor this competitor particularly.
3.2.2.4 Market segmentation

Baby brands’ current target are mainly women aged between 25 and 44 years old. From women starting thinking about having children and become pregnant to women with one or more children at ages between 0 and 3 years old. It is important to segment that huge range of customers and look in detail to the following groups shown in figure 9:

- **Women thinking about having children for the first time.** This is the segment with lowest priority to be focused in. However, it is good to engage slightly with them to find out about their needs and preferences.

- **Women at first stages of pregnancy (0-3 months).** They are more focused on the pregnancy itself at those stages. However, they may start thinking about the products they will need after the birth of their baby.

- **Pregnant women between 4 and 9 months pregnancy.** They and their families start looking in detail and comparing between all kinds of baby products. They also organize and decide about their future family budget.

- **Mothers with children from 0 to 18 months old.** Regular nappy changes, baby feeding and sleepless night are the usual routine of parents in this segment. The expenses in nappies and other related products are higher for them during this period.

- **Mothers with children from 18 months to 3 years old.** Children are old enough at this age to start potty training. This is the time for parents to find out about products that help their babies better to start being independent when going to the bathroom.
In terms of social responsibility, it would be good that companies start targeting men as well. If we have a look to most of the brands’ communication channels, we will notice that most of the content is mainly addressed to women. That encourages family models where mothers get more responsibilities when taking care of babies. This could mean a negative impact against an equal society.

3.3 SWOT Analysis

In order to analyse Bambino Mio’s strengths, weaknesses, opportunities and threats when performing their activity in Spain, we are going to make use of a SWOT matrix, as we can see just below in figure 15:

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Specialised marketing team</td>
<td>- Low brand awareness</td>
</tr>
<tr>
<td>- Good quality products</td>
<td>- Low product awareness</td>
</tr>
<tr>
<td>- Balanced product range</td>
<td>- Slow delivery service</td>
</tr>
<tr>
<td>- Stylish and modern nappy designs</td>
<td>- Customer service not fully adapted to non-English-speaking markets.</td>
</tr>
<tr>
<td>- Affordable prices</td>
<td></td>
</tr>
<tr>
<td>- Good financial health signs</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Increase of environmentally consciousness</td>
<td>- Brexit uncertainty</td>
</tr>
<tr>
<td>- Social media tools</td>
<td>- Decrease of number of births</td>
</tr>
<tr>
<td>- E-commerce facilities</td>
<td>- Increase of average age of becoming a mother.</td>
</tr>
<tr>
<td>- Increase of paternity leave.</td>
<td>- Decrease of average of income per household</td>
</tr>
</tbody>
</table>

Source: own elaboration
Strengths

Bambino Mio has some strengths that may help to reach good results in the Spanish market. To have a Spanish marketing analyst within their team is worth as they can learn more about the market and apply the marketing strategy for Spain in a better way. Moreover, their nappies are made with high quality and ecologic fabrics and are designed smartly to provide not only softness and comfort to the baby but also high absorbency and anti-leak protection. They also look nice to customers due to their stylish and diverse range of designs. A varied range of accessories, swim nappies and potty training essential complement Bambino Mio reusable nappies very well. Their price is also affordable and consistent with customer value perception. Finally, with the increase of international sales in 2016 compared to previous years, and their continuous growth in other markets, Bambino Mio shows positive signs when it comes to their financial status.

Weaknesses

On the other hand, Bambino Mio has some areas to improve in order to optimize their future performance in the Spanish market. The brand is unknown yet by many of potential customers, and even though many young parents in Spain know the existence of cloth nappies, the market share of reusable nappies compared with disposables is quite small. When it comes to Bambino Mio’s distribution channel, there is a main weakness: the only delivery service when the customers purchase directly through the website does not include tracking possibilities, and there are no possibilities for customers to hire an express service. Finally, customer service team has no member that speaks fluent Spanish. Spanish customers may perceive then less professionalism in the quality of the service and the problem solving.
Opportunities

When it comes to opportunities, Bambino Mio can take advantage from some of the Spanish market facts. Increasing environmentally friendly tendencies and new upbringing methods such as natural upbringing represent an opportunity for ecological products to stand out for many new parents. Moreover, customers increasingly use social media and e-commerce stores, especially those under 45 years old. In addition, with the approval of the paternity leave raise, young couples may be slightly encouraged to become parents.

Threats

On the other hand, Bambino Mio may expect the following threats that may have a negative impact on their development in the Spanish market. Brexit process causes high uncertainty in terms of international commerce. Depending of the after-Brexit treatment with the European Union, new taxes may be applicable for products sold by companies in the UK to EEC member countries. Other issues are the negative data about births in Spain (less birth and older age of parents when having their first child) that represent a decline of number of potential customers. These negative data is partially due to the lack of policies for work-life balancing and the income decrease in Spain.
4. TARGET CUSTOMERS

Inside the Spanish market, Bambino Mio should target families with one or more children under three years old and pregnant women between 4 and 9 months pregnancy. They are families that are concerned on the environment and look for ecological products. These families also follow tendencies like natural upbringing and attaching parenting.

On the other hand, we also suggest Bambino Mio to target men not only in Spain, but also in the rest of the markets. It would be a great idea that Bambino Mio promotes equality in baby tasks with marketing activities, which were traditionally made by mothers.
5. GOALS AND STRATEGIES OF THE MARKETING PLAN

5.1 Goals

1) To be the cloth nappy brand with highest annual sales figures growth in all Bambino Mio’s current retailers\(^9\) in Spain during 2018.

2) To sell 8,000 miosolo units during 2018.

3) To sell 2,000 swim nappies in July and August 2017.

4) To increase to 75% the likes in Bambino Mio España Facebook page during 2018 compared with the number of likes at the end of 2017. Also, the percentage of male followers to increase until 20% of the total audience by the end of 2018.

5) To be at the top three in a brand recognition test that will be performed on December 2018. For more details, please see section 9 (control).

6) Bambino Mio products to be present in small specialised physical stores in the 10 largest cities in Spain. The minimum number of stores in each city to accomplish the goal is:

<table>
<thead>
<tr>
<th>City</th>
<th>Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>MADRID</td>
<td>8</td>
</tr>
<tr>
<td>BARCELONA</td>
<td>5</td>
</tr>
<tr>
<td>VALENCIA</td>
<td>3</td>
</tr>
<tr>
<td>SEVILLA</td>
<td>2</td>
</tr>
<tr>
<td>ZARAGOZA</td>
<td>2</td>
</tr>
<tr>
<td>MALAGA</td>
<td>2</td>
</tr>
<tr>
<td>MURCIA</td>
<td>1</td>
</tr>
<tr>
<td>PALMA DE MALLORCA</td>
<td>1</td>
</tr>
<tr>
<td>LAS PALMAS DE GRAN CANARIA</td>
<td>1</td>
</tr>
<tr>
<td>BILBAO</td>
<td>1</td>
</tr>
</tbody>
</table>

\(^9\) Amazon.es, Bebitus.com, El Corte Inglés, Carrefour Spain and smaller current retailers (at the end of 2017).
5.2 Strategies

It is relevant enough to set some strategies to achieve the goals above. They will guide us when planning the marketing actions in section 6.

- **Goal 1**

As the first goal is to be the highest sold cloth nappy brand in their current retailers, we suggest Bambino Mio to implement a challenger strategy based in performing **flanking attacks**. Flanking attacks consist in find the weak areas of competitors and attack there. In the case of cloth nappy brands in Spain, their weakest area in marketing is promotion (Please see competitors analysis in section 3.1.3.2). For this reason, Bambino Mio should develop communication and promotion actions to increase their brand awareness and surpass competitors in the Spanish cloth nappy market. They also need to keep good relationships with retailers and having them as key partners when launching promotions.

- **Goals 2 and 3**

As goals 2 and 3 are sales goals, we suggest Bambino Mio to combine, together with the flanking attacks mentioned above, three other strategies to reach them.

First, a **market development strategy** will make Bambino Mio products known by more potential customers that are not currently aware about them. We may have a look at Ansoff’s matrix in Figure 16, which shows the possible directions to take by a company when choosing a growth strategy.
We can see that a market development strategy will help Bambino Mio to reach new market segments and new potential customers.

Second, Bambino Mio should follow a competitive strategy based in **differentiation**. They should try to offer best quality and attractive designed cloth nappies in all markets but also in Spain. When it comes to the quality of cloth nappies, Bambino Mio should look in detail to provide easy use nappies, with highest absorbency and full leak protection.

Another feature that can raise Bambino Mio cloth nappies to the top is their variety of designs. They should work constantly on developing new designs and updating the existing ones, to meet with customers’ likes in every market, especially in the Spanish one.

And third, we suggest Bambino Mio to perform activities to be known as a **specialist in their market niche**. The goal is to be perceived as the benchmark cloth nappy brand by Spanish parents that want to provide their babies with natural and ecological upbringing.
Goal 4

When increasing the number of followers in social media channels, Bambino Mio will have a bigger number of public. That means that information that the brand wants to communicate to customers and the general audience will reach more people. As a result, they will be more aware about products, promotions, new points of sale, etc.

For that reason, Bambino Mio should work following a good digital marketing strategy, as they are currently doing in all other markets, to reach Spanish targets. This strategy may be considered as a sub-strategy inside the flanking attacks mentioned in goal 1.

The goal is to lead customers to the website and social media, and then getting clicks on the shopping button. To this end, Bambino Mio needs to build online traffic channels. After launching the “Bambino Mio España” Facebook page and the Spanish version of the website (March 2017), Bambino Mio should research new online points from which customers may find the way to Bambino Mio social media platforms in the future. These “online points” may be potential online partners such as online magazines, blogs, “instagramers”, “youtubers” and other sites where links may potentially appear. In this way, customers visiting those “partner” sites will be leaded to Bambino Mio when they follow the links.

To increase male audience, Bambino Mio should adapt their messages making them neutral, as unlike English, Spanish language distinguish between masculine and feminine more often. They may want to collaborate with other sites where the male audience is higher, such as male bloggers or specific websites addressed to fathers.

Goal 5

To increase brand awareness, we suggest Bambino Mio to combine the market development, differentiation and digital marketing strategies explained above. By
following the three of them, and especially the digital marketing one, new customers will be lead to the brand, and that will make Bambino Mio more known by the target audience.

Goal 6

To gain new retailers, Bambino Mio should implement the differentiation strategy, and then communicate to potential retailers the features that make their cloth nappies and their range of products unique. It is necessary that retailers perceive Bambino Mio as a specialist brand in cloth nappies and other environmentally friendly baby products.
6. PROPOSED MARKETING MIX ACTIONS

6.1 Product

- Action 1: Kukuxumusu designs in Bambino Mio cloth nappies

**Implementation period:** During the whole 2018

**Objectives to which it contributes:**
1. Highest sales figures in current retailers
2. To sell 8,000 miosolo units in Spain
3. To sell 2,000 swim nappies units
4. Top 3 in a brand recognition test

Following the differentiation strategy, this action implies renewing cloth nappy designs making them more familiar for the Spanish public:

Kukuxumusu is a Spanish company that creates unique designs for T-shirts and many other different products. Their designs consist in funny draws with animals that represent Spanish traditions and culture facts such as festivals, events, Spanish folklore and lifestyle. Their products are well known in all the country, especially by people in the same age that our targets. According to their website **www.kukuxumusu.com** they are open to co-brand with other brands and organizations. We can see the area on Kukuxumusu’s website where this is explained in figure 17:

**Figure 17. Screenshot of Kukuxumusu website**

Source: www.kukuxumusu.com
This action consists in contacting with Kukuxumusu and negotiate a potential collaboration for co-branding. In the case that negotiations succeed, Kukuxumusu will develop a new print for the cloth nappies with animals representing funny situations that are common between parents and babies (E.g. problems when changing the nappy or when eating). The design will be used in miosolo cloth nappies, miosoft nappy covers, wet nappy bags and swim nappies.

Afterwards, both brands will benefit from the collaboration:

- **Bambino Mio** will offer their nappies with their brand and with designs that will be familiar to Spanish parents. That will increase Bambino Mio’s brand awareness.
- **Kukuxumusu** will include within their product range cloth nappies (they have already offer baby clothes). They will sell the nappies with their brand. Including an ecological product such as cloth nappies will have a positive impact on Kukuxumusu’s brand image.

**Figure 18. Kukuxumusu design + Bambino Mio product**

Source: own elaboration. Images from [www.kukuxumusu.com](http://www.kukuxumusu.com) and [www.bambinomio.com](http://www.bambinomio.com)
6.2 Price

- **Action 2: August sales for swim nappies**

**Implementation period:** August 2018

**Objectives to which it contributes:**
1. Highest sales figures in current retailers
2. To sell 2,000 swim nappies in July and August 2018

In order to boost sales during specific periods, Bambino Mio will perform a couple of sales promotions during 2018. This follows the flanking attack and differentiation strategy, as no other brands in Spain seem to be working themselves these kind of actions.

Bambino Mio will run a 20% off promotion in all swim nappies purchased directly through Bambino Mio’s Spanish website ([www.bambinomio.com/es](http://www.bambinomio.com/es)) during August 2018. By carrying on with this action, the brand will push Spanish customers to acquire our swim nappies for when going to the beach or the pool with their babies. We expect a significant increase in swim nappy sales with this promotion.

This promotion will be communicated through the Spanish website main page and through Bambino Mio España Facebook page. They will published a post with an eye-catching image and with a link to the swim nappies section in the Spanish website. The post will be scheduled on the 1st of August morning. Then Bambino Mio will publish a remember post once a week until the end of the month. They will also post once a day about the promotion in Twitter, with shortened link to the swim nappies section.

Bambino Mio will create a nice and eye-catching banner and place it on the top of the Spanish website so that customers that are surfing on the website will be aware about the promotion. Figure 19 shows a banner sample for this promotion.
Action 3: Black Friday sales (all products)

**Implementation period:** 24th-26th November 2018

**Objectives to which it contributes:**
1. Highest sales figures in current retailers
2. To sell 8,000 miosolo units in Spain

Nowadays many brands worldwide consider Black Friday as a key date in order to run different promotional activities. In particular, many of these brands offer discounts in their products.

Bambino Mio will run a 30% off promotion in all their range of products during the Black Friday weekend (from 23rd November until 25th). This promotion will be applicable to customers that purchase any Bambino Mio products through the website and through their retailers in Spain as well. Bambino Mio will ask them to be their partners for this promotion. Discount code box will be deactivated on the website during the time of the promotion, so that customers cannot combine more than one promotion within the same order. Figure 20 shows a banner sample for this promotion.
Two Facebook posts will be scheduled in order to advertise the promo. The first will be posted on Friday morning and the second on Sunday, as a remember post so that customers hurry up in order to get their products with a 30% off. Bambino Mio will also work closely with retailers to get more communication about the brand from their channels (especially their social media ones).
6.3 Place

- Action 4: Include an express delivery service for orders to Spain

**Implementation period**: from March 2018 onwards

**Objectives to which it contributes:**
2. To sell 8,000 miosolo units in Spain
3. To sell 2,000 swim nappies in July and August 2018

As stated in current place resources (section 3.2.6.3), Bambino Mio only offers a standard delivery service to customers that purchase products directly from the website. The expected delivery period is from 5 to 7 working days, however Bambino Mio does not ensure that there will be no delays. They cannot control the shipping process from the moment when the order leaves the warehouse in Northampton, UK, as Royal Mail (the delivery company through which orders to Spain are shipped) does not offer any tracking service.

Many of the enquiries that Bambino Mio currently receives from Spanish customers are related to delays in deliveries or questions about tracking possibilities. The fact that in many times the company cannot provide the customer with a solution for this, gives the customer the perception that Bambino Mio is not taking seriously their problems.

In order to meet with customers’ needs, we suggest Bambino Mio to offer Spanish customers an express delivery service that includes tracking option. This service will take up to 3 working days to deliver the order. The express delivery may be provided by DpD, which is the company that is currently supplying express deliveries of Bambino Mio orders to the UK, and offers international services too.

The delivery costs in the UK are £3.95 for standard deliveries and £5.95 for express deliveries. Bambino Mio may take the price for standard deliveries to Spain, which is €4.95, as a basis, and increase it in proportion with UK delivery.
prices difference to obtain the express delivery fare for orders to Spain. Then, the price for the express service will be **€7.50**.

Implementation of this service will not suppose a significant cost for Bambino Mio, as customers will assume the cost of deliveries when ordering products

- **Action 5: Create a network of small independent retailers**

**Implementation period**: from February 2018 onwards

**Objectives to which it contributes**:
1. To sell 8,000 miosolo units in Spain
2. To sell 2,000 swim nappies in July and August 2018
3. Top 3 in a brand recognition test
4. To be present in small retailers in big cities

In Spain, there are many small independent stores in every city, which may be interesting for Bambino Mio to place their products in (E.g. baby products specialists or baby and children clothes stores). Even though this kind of business is experiencing a decrease of their market share, one of their strengths against big businesses is their closest treatment with customers. Moreover, as a big part of Bambino Mio targets are concerned with environment, many of them may also aim to contribute to the local business, so they may love to find Bambino Mio products at those small stores.

We suggest Bambino Mio to develop a network of partner small stores in many cities and towns in Spain. For this purpose, it would be worth to follow the next process:

1. Research potential partner stores online. E.g. directories, search engines, databases, etc.
2. Create an own data base with stores details such as the website, place, type of store, contact details, etc.
3. Classify the stores by types and establish priority of contact.
4. Start contacting stores that are cloth nappy specialists, then baby stores that offer mainly environmentally friendly products, and then the rest of the baby stores and children cloth stores. For contacting them, Bambino Mio will send personalized emails to the two first groups of stores (cloth nappy specialists and ecological baby stores) and two general emails to the remaining stores (one to standard baby stores and one to children clothes stores).

5. After the first contact, monitor the positive replays, negative replays and no replays. To those stores that do not reply within two weeks after the date when Bambino Mio send the email, phone them and introduce the brand.

When performing this procedure, it is important to keep looking at the number of new stores to get in each city in order to prioritize which stores to contact first.

6.4 Promotion

To follow the digital marketing strategy, we suggest Bambino Mio to perform three specific actions to lead more and more customers to their sites.

- **Action 6: Article in online parenting magazine**

  **Implementation period**: Beginning of December 2017

  **Objectives to which it contributes**:
  1. Highest sales figures in current retailers
  2. To sell 8,000 miosolo units in Spain
  3. To sell 2,000 swim nappies in July and August 2018
  4. To increase audience in Bambino Mio España Facebook page
  5. Top 3 in a brand recognition test

A good way to introduce the brand to the target audience is by hiring advertising in relevant media. In our case, in order to reach young families, it is a good idea to include content about benefits of Bambino Mio products in parenting and baby care magazines.
Online parenting magazines are good sites to generate traffic to Bambino Mio website, as their audience fits with our targets: young families, pregnant women, from 25 to 45 years old, etc. This is the reason why we are suggesting Bambino Mio to hire an exclusive article in one of them.

Ser Padres (www.serpadres.es) is one of the parenting magazines in Spain with largest audience. They address their content to different types of parents: from pregnant women and their partners to parents with teenagers up to 18 years old. The content is about a variety of relevant topics, such as pregnancy, health, baby care, products for babies and children, psychology, education, etc. They have already shared an article about cloth nappies. Ser Padres magazine is available in both online and paper format (monthly).

Ser Padres offers an advertising action that consists in sharing a dedicated editorial article on their online magazine. The gross price of this action is €15,000\(^{10}\); however, discounts may be negotiated. The action will also include sharing the article through their following social media platforms, that have a significant number of followers, as shown below in table 2.

<table>
<thead>
<tr>
<th>PLATFORM</th>
<th>PAGE/PROFILE NAME</th>
<th>FANS/FOLLOWERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>Revista Ser Padres España</td>
<td>720,000 (approx.)</td>
</tr>
<tr>
<td>Twitter</td>
<td>@Serpadres_es</td>
<td>137,000 (approx.)</td>
</tr>
</tbody>
</table>

Source: own elaboration. Data: facebook.com/Serpadres.es and twitter.com/Serpadres_es

The article will talk mainly about cloth nappies benefits compared with disposable nappies. It will include relevant data, as for instance the number of disposable nappies that are thrown away only in Spain, or the estimated expenses of using each type during the whole stage of wearing nappies. Then the article will talk about Bambino Mio’s brand and about the miosolo and miosoft nappies, pointing up their best features that make them unique (quality of fabrics, ease of use, absorbency, etc.). It is highly important to mention our website and social media, including the links so that customers can easy access to our sites.

Actions 7: Facebook giveaways

Implementation period: From July 2017 onwards

Objectives to which it contributes:
4. To increase audience in Bambino Mio España Facebook page

Giveaways in social media platforms represent a cost-effective tool to gain new followers who may be converted to customers. This is the way that Bambino Mio can engage customers but also interact with them, increasing the brand awareness.

For this reason, it would be great for Bambino Mio to organize frequent giveaways in their Bambino Mio España Facebook page. It is interesting to giveaway different products each time, and choosing them carefully according to the season. We suggest performing one giveaway per month, posting it on Facebook on a Friday and closing it next Monday, so that followers can like, comment and share during the weekend.

Conditions for participating may vary according to the circumstances, but we suggest the following template:
1. Like and share the post
2. Like Bambino Mio España Facebook page
3. Other calls to action such as commenting the favourite cloth nappy or swim nappy design.

We suggest the following giveaway calendar:

- **Friday, 5th January 2018**: “Sorteo de Reyes” (“Magi’s giveaway). gift set. This set will include a variety of Bambino Mio products: 2 miosolos, a 4 miosoft nappies pack, 2 nappy covers, basic accessories, 2 swim nappies and 2 potty training pants. It will be sent with an attractive package, as the giveaway will be started in Noche de Reyes (Magi Day’s Eve).
• **Friday, 2\(^{nd}\) February 2018**: miosoft nappy (1 pack of 4 nappies and 1 nappy cover). Winner/s to choose the design they want..

• **Friday, 2\(^{nd}\) March 2018**: accessory pack.

• **Friday, 6\(^{th}\) April 2018**: miosolo nappy. Winner/s to choose the design they want. The April giveaway will be called “Easter miosolo giveaway”.

• **Friday, 4\(^{th}\) May 2018**: miosoft nappy (1 pack of 4 nappies and 1 nappy cover). Winner/s to choose the design they want.

• **Friday, 1\(^{st}\) June 2018**: 3 swim nappies. Winner/s to choose the designs they want.

• **Friday, 6\(^{th}\) July 2018**: potty training pants. Winner/s to choose the design they want. This giveaway may help increase the followers in the segment of parents with children aged between 2 and 3.

• **Friday, 3\(^{rd}\) August 2018**: basic accessory bundle. This pack will include basic articles to complement using and washing of cloth nappies. It will include a mioliners roll that has 160 sheets of nappy liners, a 3-mioboost pack (booster pads for maximizing absorbency) and a 350g format of miofresh, the nappy cleanser. This is addressed to current cloth nappy users, to make their use easier.

• **Friday, 7\(^{th}\) September 2018**: miosolo nappy. Winner/s to choose the design they want. This giveaway can be named as the “Goodbye holidays” giveaway. It can be communicated as the giveaway to help coming back to the routine. This way Bambino Mio can smartly make customers associate the miosolo, Bambino Mio’s star product, with an easy-of-use product, that will make their way back from holidays easier.

• **Friday, 5\(^{th}\) October 2018**: potty training pants. Winner/s to choose the design they want.

• **Friday, 2\(^{nd}\) November 2018**: miosoft nappy (1 pack of 4 nappies and 1 nappy cover). Winner/s to choose the design they want.

• **Friday, 7\(^{th}\) December 2017**: gift set. This set will include a variety of Bambino Mio products: 2 miosolos, a 4 miosoft nappies pack, 2 nappy covers, basic accessories, 2 swim nappies and 2 potty training pants. It will be sent with an attractive package, as the giveaway will be performed on the Christmas campaign.
For each giveaway, the graphic design team will create eye-catching images that show the prize. The winners may be chosen by using online tools such as sorteaa2.com that choose a random winner from a previous inserted list of participants’ names.

Action 8: Facebook competition: Padres 2.0

**Implementation period:** 12th-19th March 2018

**Objectives to which it contributes:**
4. To increase male audience in Bambino Mio España Facebook page

We would like Bambino Mio, as a social responsible brand, to promote equality between genders. If we surf on the web through several blogs about parenting and baby care, we will realise that almost all of them are run by mothers. This fact implies that people still perceive mothers as the persons in charge of duties like changing nappies, bathing the baby or shopping baby products. For that reason, Bambino Mio should run activities to fight against this traditional assumption from their position.

For this purpose, Bambino Mio will run a Facebook competition on the week from 9th to 15th October. They will ask participants to post in their Facebook profiles funny photos and/or videos where fathers are carrying out with any task for their babies. The participating conditions will be:
1. Tag Bambino Mio España in their Facebook post text.
2. Like Bambino Mio España

This campaign will be called “Padres 2.0” (“Dads 2.0” in English) so that it will transmit that for becoming a modern father they need to be involved in the baby caring tasks as much as mothers. Bambino Mio may use an image like the one shown above in figure 21 for advertising this promo.
By this action, Bambino Mio will not just engage with male audience, but also will contribute parents to share that they are taking care as well of their babies and they can be an example for other fathers to follow.
7. SCHEDULE

After descriptions of all the proposed actions to Bambino Mio, the table 3 below shows when actions are going to be implemented from July 2017 until June 2018.

<table>
<thead>
<tr>
<th></th>
<th>Action 1</th>
<th>Action 2</th>
<th>Action 3</th>
<th>Action 4</th>
<th>Action 5</th>
<th>Action 6</th>
<th>Action 7</th>
<th>Action 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN</td>
<td>Start negotiations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7th: giveaway</td>
</tr>
<tr>
<td>FEB</td>
<td>Check negotiations status</td>
<td>Sales from 1st to 31st</td>
<td>Express service launch</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4th: giveaway</td>
</tr>
<tr>
<td>MAR</td>
<td>Check negotiations status</td>
<td></td>
<td></td>
<td>Start procedure</td>
<td></td>
<td></td>
<td></td>
<td>1st: giveaway</td>
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<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>12th to 19th</td>
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<tr>
<td>APR</td>
<td>Start product development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6th: giveaway</td>
</tr>
<tr>
<td>MAY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3rd: giveaway</td>
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<tr>
<td>JUN</td>
<td></td>
<td></td>
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<td>Date of publication: beginning of the month</td>
<td></td>
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<td>1st: giveaway</td>
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<td>Launch of first Kukuxumusu design</td>
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<tr>
<td>NOV</td>
<td>Black</td>
<td>Friday</td>
<td>from</td>
<td>23rd</td>
<td>to</td>
<td>25th</td>
<td></td>
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<td>DEC</td>
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</tbody>
</table>

*Source: own elaboration*
8. BUDGET

The following table shows the expected budget for realising effectively the proposed actions above. Please bear in mind that costs may vary according to the circumstances.

<table>
<thead>
<tr>
<th>ACTION</th>
<th>DESCRIPTION</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Kukuxumusu cobranding</td>
<td>Royalties</td>
<td>To be negotiated</td>
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<tr>
<td>2. Swim nappy sales</td>
<td>Boosting Facebook post 1</td>
<td>€50</td>
</tr>
<tr>
<td></td>
<td>Boosting Facebook post 2</td>
<td>€10</td>
</tr>
<tr>
<td></td>
<td>Boosting Facebook post 3</td>
<td>€10</td>
</tr>
<tr>
<td></td>
<td>Boosting Facebook post 4</td>
<td>€10</td>
</tr>
<tr>
<td></td>
<td>Boosting Facebook post 5</td>
<td>€20</td>
</tr>
<tr>
<td>3. Black Friday sales</td>
<td>Boosting Facebook post 1</td>
<td>€50</td>
</tr>
<tr>
<td></td>
<td>Boosting Facebook post 2</td>
<td>€20</td>
</tr>
<tr>
<td>4. Express delivery service</td>
<td>Proportional part of the salary of the employee in charge of the procedure at the sales department</td>
<td>€12,500 (estimated)</td>
</tr>
<tr>
<td>5. Small retailers network</td>
<td>Article publication + social media posts</td>
<td>€15,000 (negotiable price)</td>
</tr>
<tr>
<td></td>
<td>Facebook post boost</td>
<td>€20</td>
</tr>
<tr>
<td>7. Facebook giveaways</td>
<td>August giveaway prize: miosoft nappy</td>
<td>€33.98</td>
</tr>
<tr>
<td></td>
<td>Facebook post boost</td>
<td>€20</td>
</tr>
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<td></td>
<td>September giveaway prize: miosolo nappy</td>
<td>€22.99</td>
</tr>
<tr>
<td></td>
<td>Facebook post boost</td>
<td>€20</td>
</tr>
<tr>
<td></td>
<td>October giveaway prize: potty training pants</td>
<td>€7.99</td>
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<td></td>
<td>Facebook post boost</td>
<td>€20</td>
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<td>8. Padres 2.0 campaign</td>
<td>November giveaway prize: basic accessory bundle</td>
<td>€20.67</td>
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<td>December giveaway prize: gift set</td>
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<td>Facebook post boost</td>
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<tr>
<td></td>
<td></td>
<td>TOTAL €28,122.40*</td>
</tr>
</tbody>
</table>

Source: own elaboration

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11 Estimating £1,800/month’s salary for an employee at the sales department, and estimating that he/she will spend 60% of their time working on the small retailers network: 1,800 x 0.6 x 10 = £10,800, around €12,500, depending on the currency rates.
Please note that the total amount of the budget may vary depending on negotiations with Kukuxumusu and Ser Padres magazine.

On the other hand, table 5 will show us the estimated net revenues coming from the Spanish market in 2018:

<table>
<thead>
<tr>
<th>Product</th>
<th>Estimated units to be sold$^{12}$</th>
<th>Income per unit (ret. Price – sale cost)</th>
<th>Total income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NAPPIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>miosolo</td>
<td>8,000</td>
<td>€4.00</td>
<td>€18,400-€32,000</td>
</tr>
<tr>
<td>miosoft</td>
<td>600</td>
<td>€3.00</td>
<td>€5,100-€1,800</td>
</tr>
<tr>
<td><strong>ACCESSORIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>mioliners</td>
<td>7,000</td>
<td>€1.75</td>
<td>€12,250.00</td>
</tr>
<tr>
<td>miofresh</td>
<td>7,000</td>
<td>€1.05</td>
<td>€7,350.00</td>
</tr>
<tr>
<td>mioboom</td>
<td>300</td>
<td>€2.38</td>
<td>€714.00</td>
</tr>
<tr>
<td>miocare</td>
<td>800</td>
<td>€1.05</td>
<td>€840.00</td>
</tr>
<tr>
<td>miowipes</td>
<td>7,000</td>
<td>€0.83</td>
<td>€5,810.00</td>
</tr>
<tr>
<td>miosquares</td>
<td>300</td>
<td>€2.88</td>
<td>€864.00</td>
</tr>
<tr>
<td>Matress protector</td>
<td>300</td>
<td>€5.25</td>
<td>€1,575.00</td>
</tr>
<tr>
<td>Reusable baby wipes</td>
<td>300</td>
<td>€2.63</td>
<td>€789.00</td>
</tr>
<tr>
<td>Nappy bucket</td>
<td>150</td>
<td>€5.25</td>
<td>€787.50</td>
</tr>
<tr>
<td>Laundry bags</td>
<td>150</td>
<td>€2.63</td>
<td>€394.50</td>
</tr>
<tr>
<td>Wet nappy bags</td>
<td>2,000</td>
<td>€3.88</td>
<td>€7,760.00</td>
</tr>
<tr>
<td><strong>SWIM NAPPIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Swim nappies</td>
<td>3,500</td>
<td>€3.50</td>
<td>€12,250.00</td>
</tr>
<tr>
<td><strong>POTTY TRAINING</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potty training pants</td>
<td>1,500</td>
<td>€2.00</td>
<td>€3,000.00</td>
</tr>
<tr>
<td>miopey</td>
<td>150</td>
<td>€2.50</td>
<td>€375.00</td>
</tr>
<tr>
<td>miostep</td>
<td>150</td>
<td>€3.00</td>
<td>€450.00</td>
</tr>
<tr>
<td>mioseat</td>
<td>150</td>
<td>€2.25</td>
<td>€337.50</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td>€89,346.50</td>
</tr>
</tbody>
</table>

Source: own elaboration

As we can see from analysing the two tables, by applying this marketing, Bambino Mio would get an income around €61,224.10. However, it is important to keep in mind that this is just an estimation, so the results may vary according to the different circumstances that may happen during the implementation period.

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$^{12}$ Estimations are made keeping in mind the product rotation, the sales goals and the complementarity of each product
9. CONTROL

With the following control actions, Bambino Mio can easily monitor their performance and the fulfilment of their goals.

**Goal 1:** Highest sales figures in all current retailers

**Indicator:**
Sales amount in each retailer (in €). Crosschecked with other retailers’ figures

**Control method:**
Each two months (end of August, end of October and end of December), Bambino Mio will ask current retailers for sales data. With the numbers and the feedback from retailers, Bambino Mio needs to understand what is working well and/or what to improve (e.g., which products are working better, if customers find any product too expensive, etc.).

**Person in charge:** Sales export manager

**Goal 2:** To sell 8,000 miosolo units in Spain

**Indicator:**
Number of sold units. Sum of both customers and retailers orders.

**Control method:**
Each two months, Bambino Mio will check the number of miosolo units that have been sold to Spain, either through customers’ purchases or through retailers’ orders. It will be necessary to check which channels are working better in terms of miosolo sales.

**Person in charge:** Sales export manager
**Goal 3:** To sell 2,000 swim nappies in July and August 2018

**Indicator:**
Number of sold units. Sum of both customers and retailers orders.

**Control method:**
As well as for goal 3, check number of swim nappies units in orders to both Spanish customers and retailers. These controls will be made once a month (first at the end of July and then once August is over).

**Person in charge:** Sales export manager

**Goal 4:** To increase fans at Bambino Mio España Facebook page

**Indicator:**
Followers on Facebook page on 31st December 2018 compared with followers at the end of 2017. Also number of male followers compared with the total.

**Control method:**
Bambino Mio not only will have a look to social media numbers frequently, but also will take the number of followers before and after giveaways, contest (“Padres 2.0”) and Ser Padres article. That way they will be able to check what content is working better. They will also check male audience numbers whenever they check and analyse the social media figures to check how this is performing.

**Person in charge:** Marketing manager

**Goal 5:** To be present in largest cities

**Indicator:**
City checklist. Stores in metropolitan areas will also be considered

**Control method:**
A priori control. Check in which cities Bambino Mio products may be found already, and search for physical stores in cities where they cannot be found yet.

**Person in charge:** Sales agent in charge of the retailer seeking process
Goal 6: Top 3 in a brand recognition test

**Indicator:**
Number of times that the interviewees say Bambino Mio compared with the times they say other brands’ names.

**Control method:**
Survey to analyse the brand awareness that will consist in a brand recognition test. Bambino Mio will ask their partners in Spain (either retailers or other agents like influencers) to perform tests with their customers and followers. Participants (all of them inside our target group) will be asked to mention three cloth nappy brands. To accomplish the goal, Bambino Mio should be at least the third one with a higher number of mentions. Participants should come from different areas in Spain, and should represent proportionally all the market segments to which Bambino Mio is addressed.

**Person in charge:** Spanish digital marketing assistant
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Ley 15/2009, de 11 de noviembre, del contrato de transporte terrestre de mercancías (Boletín Oficial del Estado, 273, de 12 de noviembre de 2009)

Ley 34/2002, de 11 de julio, de servicios de la sociedad de la información y de comercio electrónico (Boletín Oficial del Estado, 166, de 12 de julio de 2002)

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A. INDEX OF TABLES

Table 1. Average income per type of household ......................................................... 25
Table 2. Ser Padres España social media figures (May 2017) ................................. 61
Table 3. Implementing Schedule .............................................................................. 66
Table 4. Budget for marketing plan ........................................................................... 68
Table 5. Estimated revenues in Spain for 2018 ......................................................... 69

B. INDEX OF FIGURES

Figure 1. Bambino Mio logo ......................................................................................... 5
Figure 2. Organizational chart of Bambino Mio Ltd. (March 2017) ......................... 6
Figure 3. Bambino Mio miosolo nappy and miosoft nappy cover ....................... 13
Figure 4. Bambino Mio accessories set ....................................................................... 15
Figure 5. Header of Bambino Mio’s website in its Spanish version ...................... 16
Figure 6. 5 key areas of Bambino Mio’s digital marketing strategy ................. 18
Figure 7. Graphic of unemployment evolution in Spain ......................................... 24
Figure 8. Graphic of average annual income per household ................................. 24
Figure 9. Graphic of number of births in Spain ......................................................... 26
Figure 10. Graphic of average age for giving first birth in Spain ......................... 26
Figure 11. Competition levels ..................................................................................... 37
Figure 12. Screenshot of Charlie Banana Spain Facebook page ....................... 39
Figure 13. Bambino Mio’s current positioning ......................................................... 42
Figure 14. Market segments ....................................................................................... 43
Figure 15. SWOT matrix ............................................................................................ 44
Figure 16. Ansoff’s matrix ......................................................................................... 50
Figure 17. Screenshot of Kukuxumusu website ....................................................... 53
Figure 18. Kukuxumusu design + Bambino Mio product ..................................... 54
Figure 19. Banner for swim nappies sales in August .......................................... 56
Figure 20. Suggested banner for Black Friday ......................................................... 57
Figure 21. Proposed image for “Padres 2.0” campaign ....................................... 65