

Marlboro Hispanic Promotions
1988 Marketing Plan

I. PROGRAM HISTORY

Marlboro's involvement within the Hispanic community started in the late 1970's with participation in Hispanic Festivals. Over the years, Marlboro has increased the scope of its involvement in Hispanic programs by adding amateur hispanic baseball & soccer, mexican rodeos, and a national soccer event.

II. CURRENT PROGRAMS

In 1987, Marlboro participated in the following Hispanic programs:

o Festivals

- 19 events in 14 markets
- Sponsorship of music entertainment

Festivals present a good opportunity for brand visibility, however opportunities to capture leadership position are limited due to the structure of these festivals. There are other ways to penetrate the hispanic market, and still maintain a leadership position. The recommendation for 1988 is to focus in on key markets with participation in major festivals. We will be sure that all remaining markets are covered by other promotions.

o Amateur Sport Sponsorship

Baseball
Los Angeles
New York
San Antonio

Soccer
Los Angeles
New York
Miami
Chicago

For the past three years Marlboro has committed to support grassroots amateur sports in major hispanic markets. The plan for 1988 calls for Marlboro to discontinue sponsorship of its grassroots soccer program and spend the monies to build other major programs.

o The Marlboro Soccer Cup of Miami

Capitalizing on growing interest nationwide in the area of soccer, Marlboro expanded its amateur hispanic sports sponsorships, by sponsoring a major soccer event titled the Marlboro Soccer Cup of Miami. This event extended our hispanic involvement to a national level. Due to the program's success, a national rollout program is recommended for 1988.

2040736976

o Charreada (Mexican Rodeos)

Phoenix, AZ
Dallas, TX
Industry Hill, CA
Los Angeles, CA

Marlboro executed a test program in 1987 to determine potential participation in a Mexican rodeo program. The objective was to enhance our association with the Mexican community. Based on the poor results of the test program, we recommend, that we not to continue participation in 1988.

III. 1988 OBJECTIVES

Marlboro is currently in the developmental stage of creating targeted hispanic programs. We have tested amateur sports, Charreada and are recommending deleting these programs because they do not generate the necessary results. Our overall objective for 1988 is to develop and execute programs which reinforce Marlboro's leadership presence and which appeal to all segments of the Hispanic community.

- o Develop targeted promotions toward the Hispanic community which offer high brand visibility.
- o Position brand in a leadership role within the Hispanic community via retail programs.
- o Utilize publicity to extend visibility.

IV. 1988 STRATEGIES

- o Discontinue amateur Soccer and Rodeo Programs.
- o Development of a major soccer promotion which will enhance Marlboro's leadership position.
- o Test a Latin Music Tour program in major hispanic markets.
- o Increase Bar Night Program to target certain geographic areas of opportunity and penetrate the Hispanic market more effectively.
- o Develop publicity program to extend reach of Marlboro Hispanic sponsorships.

o Soccer

Soccer in the United States over the last two decades has become a true American sport, which is played regularly by nearly ten million people. This American attachment to the game which, added to the overwhelming ethnic interest, produces a huge market base within the United States. The participation is vast, both in the native American sense and the ethnic sense with nearly every resident ethnic group claiming soccer as their sport, particularly among Hispanics.

The Marlboro Soccer Cup will provide the brand with excellent visibility, awareness and involvement in the Hispanic Community.

The overall program will consist of two key promotional elements:

1. Reach the Hispanic communities in each city through sponsorship of a major soccer event and surrounding promotional activity.
2. Develop a merchandising program to insure retail visibility and product trial.

To maximize awareness for Marlboro, the following key markets have been identified: Los Angeles, New York, Miami and San Antonio. These four markets represent a potential reach of 42% of the entire Hispanic population in the U.S.

<u>Breakdown:</u>	<u>Hispanic Pop. (Thousands)</u>	<u>Percent of Total Market</u>
Los Angeles	3,614.0	27.4
New York	2,495.6	31.0
Miami	739.6	41.7
San Antonio	889.3	48.3

The Marlboro Soccer Cup promotion will feature superior international teams which will create a high level of competition at each event.

Suggested teams to compete in the Marlboro Soccer Cup promotion are as follows:

Millonarios	Colombia	Juventus	Italy
Medellin	Colombia	Hyundai	Korea
Boca Juniors	Argentina	Fluminense	Brazil
Club America	Mexico	Olympiakos	Greece
Santos	Brazil	Roma	Italy
Unam Monterrey	Mexico	BayernMunich	West Germany
Guadalajara	Mexico	Cruz Azul	Azul

The overall time frame surrounding each event will average 4 to 6 weeks. The activities that will occur simultaneously with the major event are:

- Coordination of soccer workshops or clinics for young adults.
- A series of Bar Nights, primarily in heavily hispanic soccer communities.
- To create a broader reach aside from spectators at the event, each market will execute a retail tie-in.
- The tie-in of a charity gives Marlboro ongoing event awareness throughout the hispanic and anglo markets.

o Latin Music Tour Test Program

The most effective way to reach the hispanic consumer is through entertainment. A latin music test program will aid Marlboro in its reach to all segments of the Hispanic universe.

A latin music program will give Marlboro a sole presence versus participation in hispanic events with many other corporate sponsors. The objectives set for a Latin Music Program are as follows:

- Reinforce leadership position in Hispanic markets through a program that reinforces brand image.
- Create high impact music program to effectively reach young adults.
- Develop effective retail support through event promotion.
- Create community awareness of Marlboro involvement in Hispanic Market through highly visible public relations.

The flexibility of this program gives Marlboro the opportunity to customize each program based on market and business needs. Key markets will be utilized to enhance Marlboro's overall awareness and leadership position within the Hispanic community.

It is evident that the Marlboro Country Music Program utilizes the best in technology. Whenever possible we will try to schedule our latin music test event around country music concerts, to utilize their technology and realize cost efficiencies.

- o Creative Materials

Specific materials will be developed to give Marlboro high visibility at retail which will appeal to the Hispanic consumer.

- o Merchandising

Marlboro incentive items are very popular with Hispanics. In order to place Marlboro in a leadership position we should consider utilizing Hispanic- related items. Further we recommend customizing our sweepstakes program to this ethnic group.

- o Retail Tie-Ins

It is recommended that Marlboro work with National Accounts to offer a special retail program where we highlight our participation in the market. Tie-ins with M.A.G.A. (Mexican American Grocers Association) in the West Coast, Fiesta in Texas, Metro Spanish in New York, and other major chains will enhance Marlboro's awareness in the Hispanic community.

- o Trade Relations

Each event will give Marlboro the opportunity to entertain key accounts and to enhance its business relationships with major Hispanic leaders.

- o Publicity

Publicity is an important element of each of our sponsorships, and a major publicity plan will be developed for each program. The Marlboro Affiliate Network System will be utilized to broaden the reach of the program to markets nationwide. Awareness through Hispanic media in each market should assist our efforts in placing Marlboro in a leadership position.

V. BUDGET

PROMOTION COMPONENTS:

	<u>1986</u>	<u>1987</u>	<u>1988</u>
Charreada		\$0.35	-
Festivals		\$0.45	\$0.05
Sport Sponsorship		\$0.30	\$0.01
Sampling (500K sample 6's)		\$0.15	\$0.15
Marlboro Soccer Cup*		\$0.25	\$2.99
Latin Music Tour Test*			\$0.3
Budget	\$.07	\$1.5	\$3.5

1988 increase due to expansion of the Marlboro Soccer Cup and Latin Music tour test program.

*Additional funds for retail programs will be allocates out of total brand budget.