

## **Marketing Lighters in Gas Stations**

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## Marketing Lighters in Gas Stations

Lighters have been sold in a variety of different stores for centuries now. They are very versatile and have many functions for which people can use them for. Lighters have always been an extremely popular seller at local gas stations or convenience stores across the United States. They are a portable source of a flame that can be used to light various things such as cigarettes, candles, etc. Our team is currently working together to try and help a Lighter Company increase its gas station sales. The problem at hand being that the lighter manufacturer wants to try and increase the lighter sales at Car and Truck Gas Stations. That being said, the sales have not been as high as the company had hoped for. Providing some more background on the product, the average lighter is typically priced at \$2 each. This is a 10-20% premium compared to other lighters sold. The lighters are not only accessible, but can be viewed easily since they can be right by where you are checking out or in the first aisle by the entrance. These lighters have a premium price, because the item is compared to other companies' items to show customers it has better quality. Companies can promote that the item has better quality by expressing that the consumer will get more out of their specific product versus the products of their competitors. This can be done by the mention of their money, such as getting the best bang for their buck. These are just a few marketing opportunities as a result of having premium qualities.

In order to start developing solutions, our team worked together and went through a couple different steps to come up with a reasonable way to solve the company's issue of low sales. Our team mainly used messaging back and forth communication to discuss the issue at

hand. We also broke down the paper into bullet points and the ideas required to meet the rubric. These points were what we brainstormed ideas we had to the organization of the paper. We had a group thread where we could all communicate and talk to each other about the issue and potential solutions that we liked. We communicated and worked together on a shared document so we all could write down our ideas and organize them in a way that made sense for this project. We also met as a team on our group thread and discussed the way we wanted to lay out our information beforehand so our project and solutions would make sense. That being said, it was important that we as a team got a good idea of what direction we wanted to go in to help act as our final team paper guideline.

As discussed, our team came up with a few alternative solutions that we thought would satisfy the lighter company's sales problem. The first suggestion to help increase sales is to display the lighters in the gas station for easy access. Doing this will allow the product to be easily viewed such as by the front door or by the checkout desk. When having an item easily viewed it may catch the buyer's eye when checking out, or persuade the buyer to buy one since they can just grab it in the checkout line. Displaying the product, you want to see more of front and center will grab the attention of potential consumers. The idea is to, "always have a display of your best products at the store entrance, regardless of the price." It is shown that items that are in a location direct of view allows customers to find the item in a hurry and aid in the buying experience. The type of display may also help, a clean, neat, and tidy type of display will attract more consumers versus one that is messy and unorganized. It is important to promote your product in a positive way.

Another potential solution would be to show customers where the lighters are located by having a sign stating that there are high quality lighters for sale inside. This will not only attract consumers looking for lighters, but it will also assure the store has what they are looking for prior to even entering the store. The sign outside could help get buyers in, but having another sign inside of the store would help determine what part of the store the lighters are located. The sign should showcase the lighter's qualities, so that customers can see its premium quality. The sign will attract buyers by displaying the quality. The quality of your product tends to be the most important thing to many consumers, therefore being able to show and express its quality is very important in retrospect to the amount of the product's sales (Alton, p. 1). Even though it is important to have easy access, be easily viewed, and kept in a tidy area, companies should also display and inform buyers how their item has the best quality compared to other competitor companies.

To increase sales, the lighter company could also implement a promotion. Anything from a slight markdown to a buy one get one at a certain price can be intriguing to consumers. Sometimes when people are not even looking to buy a specific product, seeing it at a lower price or deal can persuade them to add to their purchase (Nicasio, p. 1). This often happens at grocery stores, which is why it has been said to not go grocery shopping on an empty stomach, since you will end up buying much more than what you had planned to. At first there may be a slight loss in initial revenue, but it would not take long for that loss to become a noticeable increase in revenue. This is because even if you are not making as much per product, you would be selling more of the actual product. The number of lighters being sold in the Car and Truck Gas Stations would make up for the promotion being run. Let's say for instance a lighter is

typically \$2, and we as in the Lighter Company decide to make it buy two for \$3.50, this will make each lighter \$1.75. Doing this will make the consumer likely to purchase two lighters instead of just one.

The final solution that we brainstormed was that the Lighter Company could help increase sales by innovating the existing product. Innovation will allow existing customers to become excited about the newer, better version of the product and in turn they will tell more friends about the product. Doing this could also allow for the product to show its higher quality against its competitors and draw new clientele towards the product. One form of innovation could be creating a lighter that is guaranteed to last longer than the competitors. This can be done by making them slightly larger. Another form of innovation could be having the lighter produce a larger flame. Those are more technically based innovations, but there are also innovations to design and physical appearance that can be made (Okeson, p. 1). A simple solution could be adding the product in new colors or even adding something to give its consumers a better grip on it. The Lighter Company could go in many different directions to add to the technology of the product or change up its design. Once their chosen innovation is implemented, the company could run a marketing campaign that talks about the innovation and attempts to attract new buyers towards the brand and the product they are selling.

After developing four potential solutions, we (virtually) sat down as a team and started to go over the solutions to determine the best one in this case. Ideally, we wanted to pick which solution we all thought was best and put that solution into action. As a team, we used specific criteria to judge our solutions. The first being what solution has the quickest turnaround time

for the company. All of our solutions were good, but some required more time and money than others. The second alternative solution included making a marketing campaign that would create posters to market the product. This solution was good however, the turnaround time isn't quick. A marketing campaign takes time. Marketers will have to meet, decide on a campaign, design the posters, edit posters, and more. Our team is specifically looking for the quickest, most efficient answer. This being said, we decided to eliminate alternative solution two. Another form of criteria that we put our solutions through was overall cost. Alternative solution four has a high cost associated with it. Anytime a company puts a product through innovation, there is a lot of money being spent. Money will need to be spent on research, development, testing, re-development, and then marketing to get the product back out in the world. Although alternative solution four was a clever idea, the cost associated with it is high and doesn't necessarily solve the company's problem of increasing sales in the short run.

After putting the solutions through the specific criteria our team picked, we were able to eliminate two alternative solutions while combining the other two. The final solution our team developed consisted of a combination of alternative solution one and alternative solution three. Both solutions work to not only solve the problem at hand but are cost effective and do not require much time to complete. Our solution involves moving the lighters from the aisle or shelf they are currently located in, to the front of the store and running a short promotion or sale on the lighters so that consumers will be more interested to buy them. Our solution will be effective because moving the product up front to display them will grab the attention of consumers and direct their attention towards the product. Customers will also be more persuaded to buy one because if they're in a hurry and need a lighter, they'll grab the one

closest to them. Doing this also eliminates the need for a new sign, since they are in a spot that won't go undetected. The second part of our solution involves running a promotion so that the lighters will be more attractively priced to potential consumers. Consumers are more likely to purchase a product at a discount. Running a sale on our lighters will make its new consumers interested to test out the product. Our team underwent the consensus decision making process in order to make our decision. We all came together and decided on which decision was best for our team, which was to move the lighters to the check-out desk and run a promotion on the product. We bounced ideas around and made sure everyone was in agreement before coming to our conclusion on the best solution.

In order to properly implement our plan, there aren't many steps involved so it will be quite easy for the Car and Truck Gas Station outlet to follow. Step one would be to contact all the stores and let them know that the lighter display needs to be moved to the front by the checkout line or literally on the counter at the checkout. After doing that, the next step would be to inform the Car and Truck Gas Station outlet that the Lighter Company will be running a promotion in order to help sell more lighters. This way the Car and Truck Gas Station outlet can adjust the price stickers and the system price for the store. The Lighter Company would just need to decide when they would like promotions to be run and at what price. Other than that, this solution is cost efficient and simple, therefore very effective.

There are always stumbling blocks when executing a marketing plan. With our solutions to the problem one stumbling block that comes to mind would be other lighters causing competition. There might already be lighters at the counter or at the checkout which would

lead to an unwanted competition. Another stumbling block could be advertising space. Some places that sell lighters already have all of their advertising space taken up by other products so there is a chance that we would not get the advertising space. Another possible stumbling block could be that the lighter company does not have the funds or funding to innovate on an existing product. If they do not have the money to do so then the option is not feasible.

Knowing these stumbling blocks could lead to revenue issues, it made us be more creative. We had to take different approaches with our solutions to overcome these problems. This is why we decided to combine them into one.

Lighters create an instant flame that can be useful in many ways. The Lighter Company takes acknowledgement to that and chooses to sell their lighters at Car and Truck Gas Stations. The company wanted to market some more revenue for their product, and they did this by putting us five into a team to see what we would suggest be the best solution to that request. Our team decided that the best solution, in terms of what our team felt were suited with our main concerns of being costly and time efficient, was to combine two of our four solutions into one quickly effective, simple, and cost-efficient solution. We suggested that The Lighter Company have their products moved to the front on the counter at the checkout for easy access with an occasional promotion or sale to attract new consumers and see an increase in revenue in a short amount of time. There are plenty of things to support that being a good solution, such as the fact that money doesn't need to be spent on innovating the technology of the lighter or doing research on them plus the ease of carrying out the suggestion. We communicated and collaborated as a team and equally helped in coming up with this solution and have worked well as a team. Using this type of marketing to attract more consumers has

been effective in the past and should still play a role today because of its convenience and reasonableness.

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