

# Marks and spencer essay

[Business](#), [Industries](#)



Marks and Spencer Marks and Spencer has been regarded as one of the most recognisable brand names in the world.

In UK, the company has the reputation of being “ the most trusted retailer.” These exemplary remarks given to Marks and Spencer are only part of the big picture. Indeed, the desire of the company to become the leader in the industry has transformed the organisation differently. Also, the intense competition has threatened Marks and Spencer’s position in the market. Several firms concentrating on food retail have also improved in all aspects of their operations.

Primarily, the focus of this report is centred on the marketing initiatives of the company. At present, it is unclear whether Marks and Spencer has an established market. Also, it is evident that the products of the firm are still far from establishing a permanent image in the minds of the consumers. It is important to segment the market and decide a particular group that will serve as the target market. Moreover, the marketing team needs to reconcile the attributes of products perceived to be ideal by the consumers and the attributes of the products as developed by the company. The other marketing initiatives necessitate the identification of the price, promotion, product, and place.

Mixing these aspects will improve the marketing strategies of the company. It is imperative that Marks and Spencer needs to take advantage of its strengths and limit the negative effects of its weaknesses. Marketing ideas have to be done using creativity with the inclination to use the fundamental tools and concepts. Situational Analysis In viewing the resources of the

company, it is important to determine the assets that Marks and Spencer have at present.

Although the data only provides consolidated assets, it is sufficient to define the capacity of the company to improve its performance. Overall, the assets of the company are higher than the total liabilities. The net assets of the company have increased from 2006 to 2007. This shows that the company continues to acquire resources that are vital for the company. The figures may vary in its entirety, but the impact in the food retail sector is expected to be felt (Marks and Spencer, 2007).

One significant observation that can be made is that the company has a wide range of quality food sources. This is in reference to the responsible food sourcing that the company adopts. The supplies of the company are considered as one of its valuable resources. Because of its outstanding food production materials, the quality of the finished products has improved. Boosting the food with the finest inputs allow the company to effectively satisfy the needs of the consumers.

Subsequently, the quality sources also make the company more cost-effective. Another important resource of the company is its identity. This is established through the brand name of Marks and Spencer. Despite some criticisms, the brand has gained the distinction of being the most trusted retailer in UK. Over the years, the brand name has been embraced in different areas of the world. The credibility of the company is one of its intangible resources that deserved to be recognised. Moreover, Marks and

Spencer greatly depend on its employees for positive results. Indeed, the performance of the workers will influence the success of the firm.

Marks and Spencer boasts a workforce loaded with competency and talent. The hiring system of the company ensures that the best are selected at the end of the process. Also, the company provides comprehensive training programs to continuously equip the employees with the skills needed in the industry. Definitely, Marks and Spencer manages the growth of the employees and enhances the overall capacity of the workers to be contributors and difference makers.

Among the physical resources of the company, the stores are regarded as one of the finest. The stores of Marks and Spencer are uniquely designed and created to capture the imagination of the customers. Unlike conventional food stores, the stores of the company are enough to persuade consumers. The company emphasises of proper location, which makes the stores effective. The success of the stores is credited on the ability of the firm to match substance and form.

It is important to instil in the minds of the consumers that more than quality food, buying at Marks and Spencer stores is a wonderful experience. Lastly, the franchise that the company has established worldwide has helped the company to establish global market presence. The franchises represent Marks and Spencer overseas and such resource has provided huge dividends.

Several investors in other countries have noticed the increased attention given to the food products of Marks and Spencer. Eventually, this will translate to better opportunities in the future. Four Ps (Product, Pricing, Promotion and Placement) In designing marketing plans and crafting marketing strategies, there are several concepts that are organised to create a broader picture of the firm's situations.

Part of these ideas includes the four Ps, which are shortened for product, pricing, promotion, and placement. These are valuable aspects that need to serve as the foundation of marketing management strategies. Usually, the concept of marketing is generalised and extensively focused on the manner in which goods are presented in the market. Gradually, practitioners have made specific changes to accommodate the different components of marketing.

Product First, the product that the company is providing becomes a major issue in the conception of marketing plans (Brown, 1993). Indeed, quality is an important aspect that the product needs to acquire. Moreover, the product needs to address the needs of the consumers. These two considerations are vital in gauging the actions to be made in the marketing strategies.

At present, the company is looking into the flexibility of the product. The idea is to scrap the attribute of the product to show diminishing returns and continually satisfy customers despite changes in the environments and preferences. Pricing Second, pricing methods are fundamental especially in

competing with other products. For consumers, price serves as a barrier to purchase high quality commodities (Guiltinan et al., 1996).

On the other hand, there are top-notch products that have been identified as consumer friendly in relation to price. It is expected that certain amount of mark-up will be included in the price. Marks and Spencer, however justifies its pricing with the circumstances in the market. PromotionThird, the promotion of the product is an aspect that is continuously developed in marketing. Information dissemination on the product is important and this is manifested through mass media. Television, radio, broadsheet, and even the Internet are widely used for promotional activities.

Conventional mechanisms such as flyers and leaflets distribution remain a viable option for cash strapped firms. Other schemes include discounts and freebies that are placed with the product. These methods have evolved immensely because of the current uncertainties. In effectively responding to this issue, Marks and Spencer needs to identify promotional techniques that fit their target market. PlacementLastly, the placement highlights the distribution process manifested by the company (Brown, 1993). At present, Marks and Spencer focusing on it's retail schemes to distribute it's commodities. The stores have been improved to provide a cosy environment when customers shop.

In addition, the products are delivered on time to ensure that freshness of the food is preserved. Aside from the retail initiatives, the online distribution of the company is starting to progress. This is definitely a method that makes distribution highly flexible and allows the company to reach more

market groups. Evidently, the aspects discussed provide indications on the direction that marketing management will take. Although the four Ps are established, some firms motivated the technique and included other aspects. The most common addition is the people and process used in retailing. These are essential supplements that expand the concept of marketing and enable the company to soundly design marketing initiatives.

Marketing Management Strategies Indeed, Marks and Spencer is provided with several sources where competitive advantage can be derived. In particular, some of its marketing attributes can lead the company to unprecedented success. The company has to start from the basics before making complicated strategies.

This entails the analysis of current environments where the marketing strategies will work. Also, the company needs to use marketing tools that will allow the effective use of its resources to make the marketing initiatives easier to manifest. Overall, there has to be a clear direction as to the marketing strategy for the company. First, the competency of the company is taken from the expertise of the employees.

Specifically, its marketing personnel have been considered as the best in the industry. Second, the company has developed a database for its customers. Databases are marketing mechanisms that have extensively used by several prominent companies (Fornell and Wernerfelt, 1987). Basically, the database allows the company to track its customers including the movements of consumers in and out the firm. This serves as the gauge that determines the performance of Marks and Spencer in gaining more customers. Aside from

these advantages, there are characteristics that the company can use to fuel its marketing strategies. Aaker (1984) further stated that marketing techniques such as segmentation and targeting would further specify the marketing needs of the firm. Holistically, competitive strategy in relation to marketing comes with a complete understanding of the general concepts and procedurally uses different marketing mechanisms using quality instruments.

**Market Segmentation**As discussed earlier, the market concentration of Marks and Spencer is viewed in a general approach. Because of the nature of its food products, the most logical method of market segmentation is by age. Based on the reports, the food retailed by Marks and Spencer is classified as healthy.

Basically, identifying the health requirements of each age group bodes well for the company. Aging is an important aspect that has to be considered in product advertisements. It is hard to sell products without classifying the right group that will benefit the food. In segmenting the market, the company has to determine the proper bracketing of consumer groups (Wedel and Kamakura, 2003). Individuals who are in their later years will require food distributed by Marks and Spencer. Healthy living is important nowadays and focusing on individuals above the age of 40 will provide great benefits. Identifying the older consumer groups will allow the company to maintain its strategy of selling healthy food.

Aside from the older customers, there is a possibility that the market will be expanded to other age groups that are highly concerned with healthy eating.



Another method of segmenting the market is to categorise the consumers into their economic status. Usually social classes are determined by the income earned in a given time. By concentrating on the market that has the capacity to pay for the food sold by the company, Marks and Spencer will avoid overspending on marketing initiatives that are designed to attract the general market instead of specific groups. Market Targeting Selecting target consumers is manifested after the entire market has been segmented (Kotler and Armstrong, 2005). The company will target consumers that are aged 40 years old and above. Healthy foods are generally recommended for individuals who are within and beyond the mentioned age. In UK, majority of the consumers in this age bracket have started taking healthy foods.

To maintain their robust health, these individuals have to ensure living healthy lives. It was also observed that the population of UK has been aging. This means that the demand will continue to increase even after saturating the market into groups. Another target group that the company can focus are customers who value healthy food. Because of the inevitable rise of health hazards, the best way to reduce the risk of getting sick is to eat healthy food. Health groups are possible consumers that the company can target. Aside from their growing number, social groups easily influence their members to patronise products.

More important, social health groups are also capable of driving non-members to buy Marks and Spencer foods. Their role as initiators in the market will be beneficial in the long run for the firm. Finally, another market segment worth targeting is the group young professionals. The demand in

the professional world is damaging to health. Thus, professionals have to maintain their physical wellness through quality food.

Given this demand, Marks and Spencer can start focusing on this group. Eventually, specific targeting will specify the demand for the products and will enable the company to formulate particular marketing strategies. Market Positioning In theory, positioning refers to the perceptions developed in the minds of the target market. Basically, it entails the creation of image of the brand and the entire organisation (Trout and Rivkin, 1996). As expected, positioning is purely procedural and relies on the completion of stages before making further improvements. First, the company has to define its target market.

It was earlier determined that the company will target consumers belonging to the 40 years old and above bracket and health conscious individuals. Second, Marks and Spencer has to emphasise the attributes of the food, which is healthy option. The company needs to analyse the perception of the consumers on other products focusing on the attributes. Then, the mind share of the food products has to be established such that when a group of consumers purchase healthy foods, the customers will ask for Marks and Spencer instead of the specific food. It is also imperative to ascertain the location of the company in the product space.

After this, the ideal preference of the target consumers has to be identified and compared with the attributes of the product. Finally, the company can develop the product that will fit both the capacity of the company and customer satisfaction. [Source: www.

marksandspencer.com]To further enhance the position, the company has the option to provide perceptual mapping. Marks and Spencer food products has to concentrate attributes that will likely appeal to the consumers. This includes the taste, affordability, health benefits, and availability.

Basically, the Marks and Spencer has to balance the products according to target markets. Marketing MixCombining the different aspects associated to marketing is vital to the company. The development of marketing mix entails strategies that are design to ensure consistency in the quality of performance (Culliton, 1948). The first aspect that has to be considered is the price of the product.

Despite the high quality of inputs used by the company, the price of the foods has been competitive. Still, the company has to devise better strategies to reach the lower echelon of the society. That means increase in demand and the possibility of extending the market beyond the current targets. Promotional activities have to continue using all the options available. Television is an effective media and providing print advertisements is highly recommended. Most important, the company has to focus its promotional initiatives on the extensive use of the Internet.

Aside from being cost-effective, the strategy has worked for most firms in the industry. Moreover, the product needs to reflect the credibility and reputation of Marks and Spencer. It has to satisfy the ideal preference of the consumers and be produced within the capacity of the firm. Lastly, the place where the products are sold has to portray a magnetic personality that pulls the customers. The location needs to be perfect and the products have to be

easily viewed. Overall, the combination of all the suggestions will improve the performance of the food retail sector. Considering all the aspects will enable the marketing crew to draw the actual picture and determine the areas classified as possible risks. Issues and Challenges The laws being passed in UK, in relation to food consumption are critical.

Policies are important because it increases awareness of the products provided by Marks and Spencer. Ideally, the government needs to encourage individuals to limit their useless eating habits (Morton, 2005). Once laws on such nature will be passed, then the demand for healthy food will increase. On the other hand, political priorities tend to stall the progress of these legislatures.

In addition, several groups contend that traditional values will be curtailed because some individuals prefer their usual method of consumption. Most of the goods sold at Marks and Spencer stores are secondary and tertiary products. Marks and Spencer requires top-notch raw material either locally produced or imported from reliable countries.

Indeed, the company is figuring out the best strategy as to the source of supplies. Imports are possible options given the free trade that UK has been promoting. The company, however, values local products because of the proximity and the assured quality that domestic producers provide. Although both methods are feasible, it will become a detriment once the economic issues overlap ethical concerns. The company have been extensively using the Internet as its marketing vehicle (Morton, 2005). This strategy has provided significant level of success, but concerns on the veracity of data

placed on the Internet has been doubted. Finally, environmental concerns will become a primary issue because most of the products retailed by company are highly perishable. Sound waste management schemes are needed to ensure that the surroundings are protected.

[Source : [www.marksandspencer.com](http://www.marksandspencer.com)] [Source : [www.marksandspencer.com](http://www.marksandspencer.com)]

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