

Toms – critical success factors and marketing mix

[Business](#), [Marketing](#)



Cuff's have become essential elements to strategic planning and no business can achieve consistent success without effectively adopting them, it is a term that describes a component that is essential for a company to succeed in its tasks. (Howell, M. 2009) The report will identify, analyses and evaluate TOMS' critical success factors (Cuff's) on the basis of the market and marketing mix that surrounds the company. The marketing mix is defined as a set of controllable, tactical marketing lolls that can be blended to produce the desired results within the target market. (Kettle, P. Et al, 2010). The report will then provide potential links between the factors of the marketing mix and the Cuff's of TOMS, suggesting potential changes to the marketing mix and what the effects of the changes may be. Research Methods The research methods undertaken in the report are secondary.

The Cuff's of TOMS I have presented come as a result of previous research carried out within a group project based on the company, in which we analyses the microeconomic and macroeconomic factors of TOMS, allowing us to present a list of radical success factors. Basic findings and Recommendations The three key Critical Success Factors for TOMS I have chosen to look into are firstly for the company to expand into wider markets. Secondly is for TOMS to focus on their business ethics and their ethical procedures. The final SF is the marketing and advertisement of TOMS. The recommendations are mainly based upon making changes to the factors of TOMS' marketing mix that link to its Cuff's. Some of the factors, such as product, place, promotion and positioning can be changed slightly to id in TOMS' Cuff's and result in great benefits for the company.

However I recommend that some of the factors of the marketing mix are not as vital for TOMS success as the others and therefore do not need to be changed as much. About TOMS TOMS originated from the word 'Tomorrow', which further originated from the 'Shoes for Tomorrow' Project. The company was founded in 2006 by Blake Mossier, who formed an idea whilst on vacation doing voluntary work. Mossier had noticed how many children in Argentina were without shoes, provoking him to sell his company for \$500,000 and invest in TOMS. The company went on to sell 10,000 pairs of shoes in its first 6 months. By 2012 over million pairs of shoes had been donated in over 40 countries, with over 500 retailers selling them. (TOMS 2012) Business Model TOMS is a for profit company, however they have a non-profit subsidiary, Friends of TOMS. The company designs and sells shoes based on the Argentine Albright design, as well as aware. The shoes are made from canvas or cotton fabric with a rubber sole and come in a variety of colors and styles. The business model is offered to as the 'One for One concept'. The slogan used by TOMS is 'One for One'. The model uses a word for mouth advocacy and the main focus for the business is based on corporate and social responsibilities. When TOMS sells a pair of shoes, a pair of shoes is given to an impoverished child. When TOMS sells aware, part of the profit is used to save or restore the eyesight for people in developing countries.

TOMS also works with a large variety of charities and Non Government Organizations in order to distribute its shoes and create awareness for the cause. (TOMS 2012) Countries we distribute to' - TOMS Giving Report (2012) The Critical Success Factors The first SF for TOMS to succeed is for them to expand. TOMS currently only sell through other retailers and online stores,

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meaning that they have a lack of physical presence on the high street. If TOMS acquired a chain of physical stores it would allow them to provide their whole range of stock to an increased potential customer base. It would also allow them to market and advertise themselves more successfully, making their brand known to more people.

TOMS already has just over 500 retailers or their products worldwide, however I think that they could benefit from having more, especially as there are only a handful in the I-J. They may be able to increase their presence in more countries worldwide. TOMS could also expand their product range and move into new areas of clothing or accessories. The second factor surrounds the ethics of their business. Although TOMS is focused heavily on being a socially and corporately responsible company, research showed that it has come under a vast amount of scrutiny regarding its policies and ethical procedures. There is a growing opposition to the TOMS business model and the way TOMS operates.

The one for one system is being scrutinized and the way in which TOMS shoes are produced are being questioned. TOMS need to clearly establish how they manufacture their shoes and illustrate the benefits of the one for one system, helping impoverished people. The final SF is to increase their marketing. This is based around the marketing of TOM's products and the business itself. Whilst the company is known worldwide, it only advertises its products through fashion shows, word of mouth marketing and pop-up stores. If TOMS were to change its marketing techniques such as advertising

through social and other forms of media, they could pose more of a threat to competition and reach a much wider audience.

My research illustrated that TOMS do not currently have many marketing methods other than those mentioned above, resulting in TOMS being frequently overshadowed by rival companies. Blake Monocots, TOMS (2011)

How does the marketing mix link with the Cuff's? The factors of the marketing mix that link to the first SF are Placement and Product. Placement is where and how the product is sold. For example, it could be where TOMS products can be bought and how they may be bought, such as online, in a physical store or at trade shows. It would aid TOMS expansion if they were to use a combination of placement methods for their company and products. I recommend that they implement more distribution channels and ensure that they offer a wider variety of ways for consumers to buy their products.

The next factor, product, can relate to the SF in that TOMS need to expand their product range, offering a wider range of products. This may allow them to gain market superiority over it's rivals and dead the company into new markets. I recommend that TOMS evaluate their products' life cycles and look into potential new product development in order to fulfill this SF. The second factor that relates to TOMS' Cuff's is positioning. Positioning is about how the company stands within their market, such as how the customers and rivals see the company. This factor links in with TOMS' SF of being an ethically and socially responsible company. Research suggested that TOMS has large amount of people opposing its ethical procedures and its business model.

If they were to re-evaluate their market position and try to boost their current image by re-assuring customers that the one for one model is in fact beneficial to impoverished people, as well as providing evidence that their shoes are made ethically, they will silence their critics. TOMS may also want to adapt to its competitors' marketed position, focusing on their Cusp's and making the most of them. The final marketing mix factor that can link with the Cuff's of TOMS is promotion. This consists of all the ways in which TOMS products and services are advertised and sold. My research suggested that TOMS currently has a relatively poor promotion Truckee, therefore if they were able to change the way that they promote and advertise themselves, they could abolish the problem.

Making use of promotional tools such as advertisement, public relations, direct marketing and sponsorship, TOMS could reconstruct their promotional factor of the marketing mix to further allow them to succeed. There are however three factors of the marketing mix that don't tend to link with the Cuff's. The first factor is price. Although research suggests that some may think that TOMS' products are overpriced for what they are, they still succeed in selling a very large amount. TOMS has appeared to do well with its current price structure, therefore I do not think that the price factor needs to be changed in order to aid the CUFF'S. The next factor is packaging. Packaging for TOMS seems to be a minor issue, if an issue at all. The packaging for TOMS' products is more than satisfactory and has little to no effect on their current Cuff's.