

# An introduction to marketing essay sample

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



P1- Describe how marketing techniques are used to market products/services in two organisations Introduction

Marketing techniques vary depending on a business. Every Business tends to have a fundamental objective, which is profit. In order to be successful, you should consider taking and using these important techniques in order to make your business be effective and efficient. Give a definition of marketing

The definition of marketing is

“ Putting the right product in the right place, at the right price, at the right time” Source : BBC Bitsize

Morrison's

Morrison's Supermarket is the fourth largest chain of supermarket in the United Kingdom. Its headquarters operates in Bradford city, West Yorkshire, England where it originated from. The founder of the company was a man by the name of William Morrison in 1899. He began and started by as an egg and butter stall in Rawson Market, Bradford England. The company now runs over 400 superstores across the United Kingdom. Quiet interestingly, the Morrison's Family currently owns around 15. 5% of the company. Red Bull Drink

Red Bull Drink is an energy drink sold by Austrian company Red Bull GmbH created in 1987. Red Bull is the most popular and well liked energy drink in the world, with “ 5. 2 Billion” cans sell in 2012. Austrian entrepreneur Dietrich Mateschitz was inspired and encouraged by an energy drink named krating Daeng, which was first, invented and sold in Thailand.

### Overall objective of Morrison's

The purpose of this particular organisation Morrison's, is to provide the customers fresh food, such as vegetables, fruits to stationery, TV, CDs, PS3 and games. The main purpose, aim and objective of Morrison's, is to provide all their customers with the very best value for money on their weekly shopping. On the Website it states:

" Our main aim and purpose is to deliver sustainable and long term growth building on your traditional strengths" Morrison's sponsor many charities as well as companies. For example, the charity " Save the children" and companies and restaurants such as " Taste of the World". Overall Objective of Red Bull

Red Bull is non-alcoholic energy drink and therefore falls under the category of soft drinks. Soft drinks can be divided into sub-segments and one of these segments is energy and sports drinks. These can be divided again into three different categories. 1- Glucose Energy Drinks

2- Sport Drinks

3- High Energy Stimulation Drinks

The overall objective of Red Bull is to target the core markets of Western Europe and the USA and the growth markets of Brazil, Japan, India and South Korea. Concept of Marketing 4ps

The concept of marketing 4ps is also known as the Marketing Mix. The is a business tool used in marketing and by marketing professionals. The marketing mix often crucial when determining a product or brand's offer, and is often with the 4 Ps, Price, Product, Promotion, and place.

### Price-

A business should consider the following:

1- What is the value of the product or service to the buyer? 2- Are there established price points for products or services in this area? 3- Is the customer price sensitive? Will a small decrease in price gain you extra market share? 4- How will your price compare with your competitors?

### Product-

A business should consider the following:

1- What does the customer want from the product/service? What needs does it satisfy? 2- What features does it have to meet these needs?

3- How and where will the customer use it? What does it look like? How will customers experience it? 4- What is it to be called? How is it branded? What size and colour? Promotion-

A business should consider the following:

1- Where and when can you get across your marketing messages to your target market? 2- Will you reach your audience by advertising in the press, or on TV, or radio, or on billboards? 3- When is the best time to promote? Is there seasonality in the market? Timing of promotions? 4- How do your competitors do their promotions? And how does that influence your choice of promotional activity? Place-

A business should consider the following:

1- Where do buyers look for your product or service?  
2- If they look in a store, what kind? Online? Or direct, via a catalogue? 3- How can you access the right distribution channels?

4- What do your competitors do, and how can you learn from that or differentiate? Marketing objectives of Morrison Supermarket

The marketing objectives of Morrison supermarket is offer the best product with the best value. On the Morrison Supermarket Website it states: “ We offer quality and freshness at a price people like. Our famous promotional offers always save our customers money. We don’t just offer value on a few items- our prices are great value across the ranges”. This is known as Brand Awareness. Visions of Morrison’s include- “ Food Specialist for everyone”

Marketing Objectives of Red Bull Drink

The marketing objectives of Red Bull Drink are many compared with Morrison’s Supermarket. The reason being Red Bull Drink is a worldwide company, whereas Morrison’s is a regional company. One main thing Red Bull Drink does is that it has a distinctive product. The taste of the product is unlike any other, it also has a functional effect in comparison to other soft drinks. Red Bull uses premium pricing strategy. The product is priced above that of competitor’s products. Consumers will pay a premium for Red Bull due to the quality of the product and the product’s benefits. This is reflected in the fact that it is the world’s best-selling energy drink.

Marketing Techniques

1- What is Asnoff Matrix?

Asnoff Matrix is a marketing tool created by Igor Asnoff. Igor was a Russian/American mathematician who applied his work to the world of business. His most famous work is the Asnoff Matrix. The purpose of this is to help managers consider how to grow their business through existing or new

products or in existing or new markets. In this way he was helping managers to assess their business and moving it forward. Here is a table of Asnoff Matrix.

#### Market Penetration

Market penetration is simple and less risky. It is simply taking an existing product or service and trying to sell more of it in its current market.

Morrison's uses market penetration by selling bread at a very cheap price as well as milk. "Buy 1 get 1 free". Red Bull Drink use market penetration by selling drinks in a higher price. They make rich people by the drink and as an example an average man would want to automatically buy it.

#### Product Development

Product development is riskier compared to Market Penetration. This means bringing out a new product or service in a business's existing market.

Morrison's uses product development by designing and baking their own cakes and biscuits and selling them in their existing market. Red Bull Drink doesn't use product development in their business.

#### Market Development

Market development is moving an existing product into a new market carries a similar and comparable risk to product development or even greater. It depends on the market which your product is moving into. This determines the level of risk associated and linked with it. Red Bull Drink use market development by selling energy drinks to other countries. This moving the existing energy drink into a new market, in this case into a different country.

#### Diversification

This is the most risky tool out of the four main strategies which Igor Ansoff invented. Diversification is the process of taking a new product into a new market. Morrison's Supermarket use diversification by creating a restaurant within their main stores as well as making it free for young school children. With one adults meal which is around £4. 50-£5. 00, there comes a free meal of any choice for a child. Red Bull Drink use diversification by creating a football arena and stadium in Germany. While on the other hand, they have an F1 racing team and a surfing team. This is known as a sponsorship. 2- What is branding?

The brand of a company or business could be a name or a logo, packaging and other services that the company or business offer. Morrison's Supermarket and Red Bull Drink for example, have logo as well as a slogan that they use to attract customers to their stores throughout the kingdom. Advertising slogans are normally short and memorable. The advertising phrases are means of drawing attention to one distinctive feature. The purpose of slogans is to emphasize a phrase that could be remembered. Companies would normally change the slogans and signs depending on which audience you target. Here is a logo of Morrison's:

Here is the slogan of Morrison's:

Here is a logo of Red Bull Drink:

Here is the slogan of Red Bull:

“ Red Bull Gives You Wings”

## Brand Extension

Brand extension is the process of launching additional products under an existing brand name. Red Bull Drink has done this over the years of its existence. It changed the flavours of its drinks under its original name, in order to attract more customers. Here is an image of Red Bull's brand extension.

Red Bull has also taken their company further. With a F1 Racing Team and Surfing Team, shows how far they have developed with 40 years of their existence. They also constructed and built a football stadium in Germany and quite frankly, it was used for the World Cup 2006 in Germany. Red Bull has also manufactured planes and helicopters for their needs, as well as cars and Lorries to distribute its products across the globe.

Here are some pictures to show the companies' product development of the years.

First Bottle of Red Bull Red Bull's First Can Manufactured cars. (Advertising)

Lorries for transporting goods Red Bull F1 Racing Team

Red Bull Air Racing Team

Red Bull Helicopter

P2- Describe the limitations and constrains of marketing.

The legal requirement of Morrison's Supermarket such as Sale of Goods Act 1979 must be implemented. If not, they will receive heavy fines and obviously a negative media that can lead to a poor public image. Sale of



Goods Act 1979- Goods and products that are sold should fit the purpose that they are intended for. This law impacts on the product and promotion aspects of the marketing mix. Sale of Goods and Services Act 1994- This applies to business that offer services and should be carried out with due care and skills within a reasonable and rational time. Data Protection Act 1998- The data collected should be used for the purpose it was collected for. The data should be accurate and up to date and not passed on to anyone else without subject's permission. Consumer Credit Act 1974- Anyone or any service and company that lends money or offers credit deals to have a licence to do so from the Office of Fair Trading. They should allow time for the consumer to change their mind and cancel the agreement.

Obviously within a company like Morrison's there will be company laws that fall under the legal factors that affect a company's activities. Customer protection which falls under the sales and good act 1994. This is a act of parliament which relates to goods been sold and bought. It includes conclusions like if the price is not agreed the buyer's will be required to pay a reasonable price. Another act that may affect Morrison's and Red Bulls activities and business might be the national minimum wage act 1998. This sets the minimum wage the employees can work. This in turn effect both business Morrison's, and Red Bull. The health and safety Act 1974 is another act of parliament that relates to both Red Bull and Morrison's. If someone was to get injured in the store of Morrison's or at the warehouse of Red Bull, they could be eligible and entitled to be sued because it is Morrison's or Red Bull responsibility to make sure that everyone whether costumer or staff is safe within the environment they happen to be.

References:

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