

Checkers marketing assignment

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



Its slogan is " Better and Better" which lets us know a bit of brand identity and strategy in its relentless effort to improve the various levels as confirmed on the official website of the brand available on the world wide web that says us: That although the current state of the economy puts most families with some monetary difficulties Checkers is expressing its concept in a way that makes its customers see that while the economy is unfavorable to maintain a level of life with higher standards this brand offers " better savings" offering the best prices on the products connoted with this standard of living, avoiding its customers to change lifestyle. " Better quality" offering their products with world variety and always with the high quality criteria however much the price is low.

And finally the " better services" that focuses on improving relationships with customers and with the appreciation of the time and customer itself, the brand focuses on quality of life, and on a good standard for its customers, therefore, the brand that they prefer spend more time enjoying life than to spend Checkers Marketing assignment By Jeopardizes service that can be found in the shops of the brand where customers can pay bills, buy electricity or even tickets for cultural events or to travel, all in one place and with a service that the brand tries to provide at its best. The mark Checkers in itself enhances the organization for the message that transmits through various channels to reach the consumer it creates a perception in their clients and increases the value of the organization as it becomes readily identifiable and distinct from their competitors through the values and strategy that the brand implemented in the market, and that this has connotations with their Target market of high income and living standards

above the average putting the organization at a level of prestige or premium. Question 2 II Marketing Strategy: Q. 2. Concerning the price strategy brands have to face a lot of factors that influence their own strategy to penetrate the market and to increase and or maintain the market share, the brand Checkers is not an exception to this, so following there is some of those factors that according to Can't and Harden (2013: 235) we can subdivide in two main groups: INTERNAL FACTORS: this group concerns about the matters that are controlled and intrinsic to Checkers itself such as: THE GOALS OF THE CHECKERS' MARKETING DEPARTMENT will influence the price, because their prices will be decided regarding the position that they want to occupy in the market or the target market they want in this case the prices will not be so low because as we can see in Checkers official web site their focus is on high income customers with high standards of lifestyle, but at the same time one of Checkers' goals is to perform financial viability, because when we look to the history of the company we can see it already was close to end in 1991 when the biggest brand of the organization Shoppers bought Checkers and the brand grew up during 10 years on the shadow of the biggest brand Shoppers only in 2001 they went apart and the strategy since there is to become "better and better" as the slogan talks by itself and this applies to the pricing strategy as well in a way that the prices will be managed to obtain profit and viable financial results. THE COSTS OF THE ORGANIZATION, this one of the most important factors that Checkers should look before pricing their products, because, as it is mentioned above, the brand already went through a bad financial situation in 1991 and it went

10 years dependent on the main brand of the organization and looking carefully to the costs situations like that can be avoided in the future.

And EXTERNAL FACTORS: those refer to the outside of the organization in sum the environment where Checkers is located these factors that will influence the price decisions of Checkers incorporate: Checkers, nowadays the economy of South Africa the main country where this brand operates was greatly affected by the global crisis, concerning this, Checkers implemented its marketing strategy exposing its concept that their customers don't need to change their high standards of lifestyle because the brand Checkers will always offer "better quality" products and "better savings" even regarding the situation of the economy influencing the brand to put their prices lower than if the economy were more healthy.

The factor of the economic conditions influence other factor in the price decision the NATURE OF MARKET DEMAND in times where the South African economy is being badly shaken by the crisis environment we live in a global level, creates on Checkers customers lower incomes and the trend to save because of the uncertain future to fight this Checkers has its strategy to create customer value and maintain the demand for higher standard products at affordable prices lower than in a normal economy where the customers will be more likely to consume the same items in the same quantity even if the price would be higher, thus this factor influence Checkers' price decision putting the prices lower.

In other hand we have the CONSUMER BEHAVIOR, which is about the perceptions that customers have of different prices, and how they consume

the Checkers with their attitudes and lifestyles if the price of products is too low probably consumers will think that the products have less quality than they used to have, so Checkers has to be careful on its pricing strategy if on one side they have to regard the slow economy on the other side they can't lower its prices as much as its customers will think they have lower quality, this is because as well the target market of the brand that is related with people with higher income and with high standards of lifestyle so they have to be very cautious managing this situation, in a way they can maintain and increase their market share without losing their concept connoted with their target market.

Then we have the COMPETITORS, the other retailers that Checkers should be aware of when defining its strategy to price their products, in this factor Checkers should compare itself with the other competitors' prices and decide between two strategies as Can't and Harden (2013: 246) tell us they can choose, if they will follow the price of the leader in the market or, if they decide their own price, that is what Checkers does not putting the price as low as some competitors but instead of that offering a concept of better quality and so higher prices because of the target market that they want and it is intrinsic to the brand. The SUPPLIERS will influence the price of Checkers in a logical way because if they charge more to Checkers, the brand will have to consequently raise its prices and charge more to its customers as well. (2013: 246) summarize to us the three main ways how this factor affects the price strategy of Checkers: They don't allow any organization to decide together with their competitors to fix their price at the same amount ; In South Africa main country where Checkers operates there is the Act on Price

Control, Act 25 of 1964 that states there is a maximum price for goods and services that one person or organization can sell to another, one of the products in this situation that Checkers sell is Sugar for example its maximum price is decided by one authority from time to time and not by the brand itself The third main one is the control that authorities can have in the way an organization gives the price information to consumers, Can't and Harden (2013: 246) give us the example of medicines that since 2004 all of them sold in South Africa have their prices printed on their packages and Medicines is some of the products available in some stores of the brand Checkers and so on they have to be excluded of their price strategy. Looking at the brand Checkers as a whole and analyzing the history of the company as well as the factors that influence their price strategy the price goal that appears best suit Checkers is the profit-oriented goal regarding that Checkers already went through a bad financial situation before being bought from Shoppers group and went under the umbrella of the main brand Shoppers for ten years until 2001 as the official website of the group tell us.

After all the analysis did above, regarding all the factors that influences Checkers, the most likely goal of their price strategy and after an attentive of contact them with an answer that this matter is confidential in my point of view the strategy that possibly Checkers follow is based on cost, seeming that the Cost-plus pricing will suit better the brand concerning their history and the attempt of always trying to be " better and better" it seems to me that they have projected profits for the year and they price their products based on that to meet their financial goals. Global economy have to communicate and have a relationship with their customers and remember or

get known that they exist to their target market in a way they can maintain and increase their market share.

Checkers to do that use a lot of promotional tools to create the exposure of their concept to their customers Can't and Harden (2013: 326) tell us that this process should be called Integrated Brand Promotion (IBP) following you will see some of the marketingcommunicationmix tools that the brand Checkers use and how and why they use them: ADVERTISING: this is one of the tools most used by retailers in general and Checkers is not an exception to the rule, Can't and Harden (2013: 328) define this toll as " any paid form of mass presentation of ideas, products or services by an advertiser, dressed to selected target audiences with the objective of creating awareness, informing, reminding, influencing or persuading them to buy the product or service or to be favorably inclined towards these ideas products or services. " Checkers make use of this toll through many different channels on media those channels can be divided into two main groups: Above-the-line media which include manyadvertisementthat the brand Checkers does for example on television, radio, magazines and newspapers where the brand expose messages to their customers such as promotions or to emphasize the brand value. The other group is the Digital media, which include all the World Wide Web this is a very cheap channel that Checkers use a lot as well and it will be discussed in more detail later in section 3.

Checkers make use of this tool to make their customers to aware about their brand, to increaseloyalty, to people associate their brand to the messages they want to transmit, to increase trust in the quality of the products they

sell and finally to create a reputation in the market. SALES PROMOTION: this toll is an activity that Checkers use a lot this is designed to intensify the sales normally with results in the short-term and those results can be measured and accountable. Checkers use this toll with discount coupons for certain products in a determined time bound or when they promote some products in stores encouraging their customers to try a sample in a way that they would like it and then purchase it.

The brand makes use of this toll to increase sales of slow-moving products or to sale products that the validity date is near to the end in a way that Checkers will not loose their investment on that product at least not 100% of it. DIRECT MARKETING RESPONSE: is the opposite of the mass media communication because they using this toll the brand will treat the customer as an individual and so the message that the brand wants to transmit is sent to a person normally they treat the customer by his name and sometimes they give them discounts on their favorite in question. Checkers use this strategy for example with the discount coupons that they send to individual customers directly to their own phones, their customers can subscribe to this kind of system by downloading their application for their smartness for example or with other processes for the other phones.

Checkers does this to increase the value of the relationship with their customers in an attempt to build brand loyalty and to maintain their market share, which is further more cheap than pick up new customers; another big advantage of this is that they can measure their campaigns and collect customers data. PUBLIC RELATIONS: is a toll that is used to enhance the

brand it is related with publicity as well and a bit with socialresponsibility. Checkers makes use of this toll for example participating on the Cheese festival of South Africa or supporting the breast cancer in women. The brand does this to create visibility and to show to the public in general that they help the society as well and to interact with their costumers at the same time promoting their brand awareness.

SPONSORSHIP: Can't and Harden (2013: 344) describe us this activity as " the alignment of a brand with an activity in order to exploit the commercial potential created by the association, thereby positively impacting brand image and/or sales among the sponsor's target market, in order to attain marketing and corporate objectives. " One good example of the using of this toll on the brand Checkers can be the contract they made with BBC lifestyle sponsoring a gastronomic series named " Full onFood" from popular chefs like Jamie Olivier where they were the exclusive sponsors even of BBC Lifestyles recipe planner, an online application, which allows consumers to plan their weekly meals and print their grocery lists and features exclusive Checkers recipes (BBC Worldwide Channels agrees sponsorship with Checkers 2009).

The brand did this because in this way they have exposure on media and at the same time to the specific target market Checkers wants to reach.

DIGITAL MEDIA MARKETING: this tool is extremely important these days and has become increasingly common, not only because it is very economic but also for being fast and personal, this tool was already mentioned in the part of advertisement and as mentioned above will be more detailed ahead in

section 3. Checkers we can see they are promoting their brand very well and using almost all of the tools of the marketing mix however, if we analyze their competitors as well we can see for example Woolworth and Pick n' pay they have loyalty cards to their customers. This is in my point of view one thing that Checkers can improve on their

Marketing direct response tool this will allow them to collect important data of its customers and knowing the favorite products of which individual for example when at the same time they would create more value to the consumers relationship and increasing the brand loyalty. Another thing that the brand could focus more would be in social responsibility, they are doing an amazing thing already helping women and supporting the fight to breast cancer but they can even explore more areas promoting their image as a brand. The brand could also improve the Public Relations putting a person in which store expansion to interact with the customers and try to get opinions and feedback from them to improve the company or to figure out some new demand in different products that the store doesn't have available or just to help them value in this way the relationship with the consumers.