

# Dhl marketing strategy assignment

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



When talk about overland transport, air freight, ocean logistics the only one name comes DEL operating almost 220 countries worldwide and having 28500 direct employees who are contributing their willing efforts with full dedication to provide speed, reliability in providing services and exceeding expectations of the customer in their all destination customer touch points (12, 000 walk in customer contact center worldwide) Globalization, political and economic changes has been affecting world business globally and yet DEL has also faced difficulties with the change of laws and regulations, fast technology and obviously the new competitors coming into the market. This report will give brief analysis their strengths, weaknesses, opportunities and threats and the way they have compete in this changing world with their unique style of marketing strategy and opportunities they benefited from the change in political, economic, social, technological factors.

As for this assignment is based on the marketing strategy of DEL, research work is taken from different valuable theories and Journals, newspapers and press releases of DEL website. External and internal analysis is taken from the literature and available company information. The data used in this assignment is based on available researches already done in this regards on internet. Introduction In this era of rapid transformation in dynamics and competitive environment all companies need to formulate and assess their marketing strategy to get distinguished position in the market both in terms of business and socialistic aspect. With the passage of time competitive situation is getting more complex day by day along with advancement in technology and globalization.

Increasingly, in order to respond to the highly competitive environment, many companies have to look for an approach to develop themselves from “inside” to “outside” (Aimed & Raffia, 2003). To make business successful companies need to find the key factors and study, research to focus on what differences in marketing strategies of multinational or global impasses are using in different countries This report is a study of marketing strategy and value creation process, strength weakness of existence marketing strategy of DEL express where three Entrepreneurs Adrian Dales, Larry Hillock and Robber Lynn established a company in 1969 named Deutsche Post DEL. San Francisco was given honor to start operations and send shipping papers to Honolulu by Air.

When talk about overland transport, air freight, ocean logistics the only one name comes DEL operating almost 220 countries worldwide and having 28500 direct employees who are contributing their willing efforts with full dedication to provide speed, reliability in providing services and (1 2, 0000 walk in customer contact center worldwide) DEL Situational Analysis Situational analysis defines the state of the organization and accessing internal and external environment is important. It also tells the business environment, customers and organizational capabilities. The market analysis tools used to access the internal and external environment are SOOT and PASTEL SOOT Analysis (Micro environmental Analysis – DEL) Micro environmental analysis of DEL means Internal factors (strengths and nakedness) and external environment (Opportunities and threats) can be easily identified by a strategic marketing tool SOOT analysis.

It will also find the situation at present and key factors which will help to forecast the future of organization and also helps in new planning and implementation keeping focus on market competition. Once the organizations find the key concerns they can certainly change or improve market objectives. PEST analysis is another tool which uses the results of SOOT for audit and analysis. DEL focus on providing a quality service to meet their customer satisfaction is their en of great strength since they are in the market. Obtaining ISO 9001 system worldwide is another success story in order to make company more efficient organization and with standardize operations globally.

After becoming the professional well established company they moved to another success story which was globalization which is indeed a strength which means reducing cost of redundant work in doing business worldwide. Cold chain project where DEL is providing lifesaving product is a big responsibility in the supply chain business. These success stories effect in remarkable increase in exceeding customer expectation while choosing the DEL as their first preference. DEL is using state of the Art technologies to get the following advantages New horizon for more customers to access Easy reach Reduction of cost in making new communication channels New market segment Enhanced customer services Smart-truck project is also a great strength of DEL.

When it comes to weaknesses, high prices are weakness of DEL Company and a certain major risk in taking the market share as customer are now trying to go for low cheap cost companies in such economic condition. DEL

visibility is one another non learnable weakness as it is not as famous as UPS and Fed Ex. Opportunities and Threats Online sales and marketing is upcoming opportunity of the new business market and lots of companies have already entered into this business. It is easy to sale anything from online but it is difficult for online retail companies to establish a supply chain/ courier structure to deliver goods to destination. Business case in contracting with these companies as their courier partner is a good opportunity for express companies like DEL.

Companies are outsourcing their departments of supply chain which are not a part of their core business so it is very easy to insecure any supply chain department for a DEL as its core business is based on supply chain model; it will be a very cost effective business case for DEL. Fluctuated fuel price is now becoming a critical concern, no matter what fuel prices are DEL has to deliver a parcel to its destination and certainly these prices have no link with the economic or political back ground of the countries as the fuel prices are set internationally Political and legal Political and Legal aspect effect the company in the same way. As political environment formulate these kinds of laws and regulation that are effected within the transportation and logistics industry.

Its more than 3 decades that DEL exists so their growth was due the capitalization strategy which was firm to make opportunities form a number of external factors they faces, which was because of the government deregulation of the airline industry, which permitted the landing of larger freight planes, which reduced the operating costs for DEL and De regulation

of the trucking industry, to reduce the cost on short haul trips DEL established a regional trucking system. Also, Asia Pacific opened new markets for DEL and cause of deregulation of trade this gave DEL opportunity to expand operations globally. Economic Globalization became the reason of growth of the express transportation and logistics industry.

When the business expanded internationally and extended their global reach to take advantage of new markets and cheaper resources. This leads the DEL to create new demands for the transportation and logistics industry. This creates competitiveness, and with this competitiveness of DEL depended upon their global network of distribution centers and they will have the competency to deliver wherever their customers are conducting business. Especially in this time of uncertain economic situation, companies need to reduce cost and streamline business processes. This is why firms outsource activities which are not a part of their core business. And supply chain is more prone to disruption, DEL see growth where customer wants more stable integrated logistic solution.

**Social and Environmental** As the part of CARS DEL has launched go green product and services as they feel their responsibility to become environmental friendly company and become a part of decreasing carbon emission. DEL is also practicing philanthropy with volunteers and developing relationships with charities. There is an ever changing market demand for value added services which affects Dell's corporate level strategies tremendously in that most of the business tactics that the firm employees

center on bringing about value added services to their customers, after all, DEL relies largely on their customers' loyalty to sustain their leadership in the industry that they are in, they have to be loyal to the customer to enable their business to be in the lead in the market, they have a corporate social responsibility strategy in place.

The revolutionary advances in the IT [tracking system devices and the application of new technology have helped to make the efficient processes which are another cause of growth of the express transportation and logistics industry. The major breakthrough for the express transportation industry is because of the technology they are now able to share information between their all departments which remarkably reduced cost, improve customer services, moved company towards operational efficiency. Greater significance of the using the technology is to work on business intelligence framework which is now used to make top level decision as the customer data and information helps and enabled businesses to redefine themselves and re-engineer to save cost where is needed.

Interconnectivity through the internet and intranets and the integration enabled customer to communicate to DEL without coming to centers have helped reducing resources for customer queries and helped make customer experience better. Competition Analysis Competition is high due to competitive prices, different services with extra features. Additionally DEL is one of the leaders of courier business and offers dedicated business to customer such as different courier solutions. There is very slow switching cost for consumers in the industry making rivalry even more intense,

because of the competition among other world leading businesses such as feeder and UPS..

Marketing strategies- DEL According to the DEL logistics, DEL vision is to be the logistic company of the world and also want to be the first choice of the customer not only for shipping but also as an investor and employee. Mission statement also comprises with these 4 components Simplify customer lives Successful customer , employees, investors Positive contribution to the world Be respectful when achieving results. There are six key points which are interconnected components of DEL with corporate 1 . Customer focus needs to be intensified 2. Consistent deliverance 3. Achieving excellence in services 4. Go beyond capabilities by creating strength and practical innovation. 5. Nurturing talent 6.

Influence efficiency and proactively A company with the purpose A purpose of becoming the back bone of the trade and whatever needed is to be delivered. " We DEL deliver prosperity, we transport health, we power growth, and we deliver Joy. Every day we connect people, improving their lives (DEL, Strategy 2005)". Strategy of DEL is employed to attain the goals and to achieve the targets of internal and external growth, where internal is their own diversification and specialization and external is their franchises and outsourced environment and Retrenchment means cost cutting and stability of their express logistics. DEL marketing strategy gives an accurate support to achieve the corporate strategies (mission, vision and objectives) as it is help to engage with customers and marketing programs.



Whereas the Unique Selling Proposition of DEL is short delivery time.

Corporate Strategy 2015 DEL is well supported by its marketing strategy to achieve its mission, vision and objectives, as it helps to add value to people interaction, providing excellent services or products, being a solid investment on stock market, and showing concern to its corporate responsibility programs under the motto of "Living Responsibility". SMART Objectives DEL DEL main competition is with Fed Ex where in comparison DEL has lower rates in services charges but Fed-Ex has better speed of delivery than DEL. UPS is on No. 3 in speed of delivery and in service charges UPS is competing both Fed Ex and DEL.

DEL STEP Strategy believes in Kettle (2009) that profitability, growth in sales, improvement in market share, and containment of risk, innovation and reputation these mix of objectives are created by business units. The SMART objectives of DEL are mentioned below Reduce the price for inbound and domestic express services by 5% in 2013 Reduce Enhance the smart truck project and increase the budget in 10% in 2013 Decreases the threat fluctuation of fuel prices by smart truck project COT 2012 Introduce promotions: 50% in UK till Dec 2012, increase the market share To identify the customer expectation and increase the profits DEL use strategic marketing process and strategic marketing plans respectively.

Improvement of existing marketing projects and market dominance is main purpose of marketing strategy. Engagement with greater number of customers can increase the market share and increase profits. Strategic marketing creates effective business tactics and goals to be met and setting

realistic objectives. Benchmarking is another tool through which DEL can improve performance by learning past marketing failures and benchmark those strategies with current strategies being practiced in market. The focus of the market should tend towards companies who are interested to outsource their supply chain units, warehouses Etc. Especially Asia Specific Markets.

By expanding new services and introducing them to a greater number of customers, DEL can slightly increase the customer base. Market Segmentation According to Hollers (2003), Market segmentation is a formulation of using their resources effectively. DEL is operating globally in more than 220 countries so the market is categorized in different market segments. Similar needs and wants responding similar market programs is the consumer identification strategy of DEL. Therefore segmentation is based on the division of the market of similar needs and wants response on similar market program. Market Segmentation of DEL market will be based on demographics, benefit sought, and behaviorist's. Like few customers need their documents to be sent in the same day, some are not worrying for this.