

How should other areas of de mar support its product strategy

[Business](#), [Company](#)



The personnel or human resource department of De Mar supports the product or service of the company through selective hiring, on going training, and education performance measures. Through selective hiring and education performance measures, the company would be able to ascertain that the employees have the necessary technical knowledge and a pleasing personality that can complement the main strategy (i. e. , pleasing the customers no matter what it takes). Meanwhile, continuous training ensures that the employees ceaselessly abide by the company's main strategy and receive updated information and knowledge that they can use for their work.

The personnel department incorporates customer satisfaction, strong teamwork, peer pressure, and empowerment through training, incentives, and team building which encourage the employees to have a long-term commitment with the company. In fact, Larry Harmon, the company president, spends 2% of the company gross profit on training. The company also employs a commission-based incentive system wherein the employees are rewarded positive points when they get customers to hire the services of the company again (Decker, 1995 cited in Decker, 2005). As a marketing strategy, the employees are also trained to be courteous on the job.

For instance, they are trained to send a customer a thank you after a job and wish the customer a " Deem marvelous day" before leaving. They are also instructed to hand out a company brochure and discount to the customer with every estimate (Decker, 1995 cited in Decker, 2005). Additional promotional strategies include investing on TV ads, telemarketing, and “

rolling franchise,” a mobile ad (van) carrying promotional messages (Heller, 2006).

The competitive advantages of the company translate to an effective marketing strategy: 24/7 service without extra charge including holidays and non-working hours (e. g. , during dinner time or at midnight), consistent high-quality customer service, and one-year service guarantee (Heller, 2006). Harmon wants to emulate the service of the companies like Federal Express, Walt Disney, and Nordstrom's which have an established reputation of providing excellent service (Murphy, 1993). Like these companies, De Mar implemented an “ extra mile” policy. There was once a job involving the installation of a compressor that the company promised to complete during the day. To complete the service, the company allotted a budget of \$500 to rent a crane.

However, due to a bad weather, they had to hire a helicopter for \$1, 500 to finish the job on that day as promised. The company video-recorded the installation process which the customer showed at a party. This gained the company new customers from whom they earned a profit of \$5, 400 (James, 2007). These marketing strategies have helped the company gain a sales revenue of \$70, 000 a week (Heller, 2006). The finance department should ensure that the sales cover the cost of services such as labor and other expenses of the company (e. g. , administrative expense).

Hence, they should work closely with the sales and marketing staff in determining the service rate. The price should be advantageous both to the company and to the customers by setting the price to a level that would

make the company gain profit while keeping it to a level that the customer can afford. The budget for the completion of services should also be flexible. Using the example in the article of James (2007), the company decided to exceed the budget in order to complete the job as promised so as not to lose the customer's trust. While the profit was reduced, that decision has earned them much more.