

Deecell's customer acquisition strategy case study examples

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



Section A

Question 1 Discuss 5 benefits derived by DeeCell with their careful segmentation and profiling of the target customers for the campaign.

- The first benefit was saving on cost. The company did not have to roll out massive and costly advertisements.
- Their strategy was effective. The company was able to access the telecommunication solutions that it would present to individual call centres. The strategy also enabled DeeCell to gain the trust of its customers through personalized services.
- The company could get to know the demands of its clients better and therefore enhance its demand forecasting.
- It also gave the company the benefit of understanding the potential of the untapped market
- The unique and seemingly hilarious direct mails caught the attention of call centre executives.

Question 2 What do you consider to be the key factors underlying the success of DeeCell's direct mail campaign?

- The direct mail campaign was unique, eye-catching and intriguing. The mails thus attracted the attention of the recipients to ask for follow-up meetings.
- DeeCell promised to offer personalized telecommunication solutions through their mails. The personalization of services endeared call centres to DeeCell's solutions and they would give each of the call centres some competitive edge.

- The mail campaign inclusion of a drum, a mail and a brochure presented DeeCell as a highly innovative company capable of coming up with ground-breaking solutions to the telecommunications industry.

Section B Question 5(a) Discuss the information that would be contained in the situation analysis of a company.

Situational analysis is method that managers use to analyse their internal and external environments to enable them understand their customers, capabilities and business environment (Ferrell, & Hartline, 2011). The information that would be contained in a situational analysis includes:

- Product situation:- includes information on core and secondary (supporting) products or services that combine to make up what a business sells. It also includes an analysis of the needs that the product helps its users to meet.
- Competitive situation:- analyses the main competitors of the business by asking questions such as; what are they up to? What are their competitive advantages? Among others.
- Distribution Analysis:- information on how products get to the market.
- Environmental factors:- the internal and external such as the political, social and economic influences on the business.
- Opportunity and Issue analysis:- this requires the company to conduct a SWOT (Strengths, Weaknesses, Opportunity and Threats) analysis. (Ferrell, & Hartline, 2011)

(b) Differentiate between company's situation analysis and its SWOT analysis?

A situational analysis is comprehensive and detailed since it covers entirely all the business's entities from the macro to the micro environment of a

business. It includes several other analyses such as the Porter's Five Forces Analysis and the SWOT analysis. The situational analysis comes before the formulation of a marketing plan or a marketing strategy (Paley, 2006).

A SWOT analysis on the other hand is a small aspect of the situational analysis that analyses the opportunities and the issues that the business will have to overcome in order to exploit the available opportunities. It involves specifying a certain business venture and then identifying the Strengths, Weaknesses, Opportunities and Threats to be encountered in the achievement of specific goals. This is different from the situational analysis which is general. The SWOT analysis is not accommodative of all the macro-environmental factors (social, political, legal and economical factors) in a similar manner as the situational analysis (Ferrell, & Hartline, 2011).

Question 6(a) The Product Life Cycle (PLC) is useful in planning product strategies. Identify the four stages in the Product Life Cycle and describe what happens at each stage.

The four stages of a product's Life Cycle are:- Introduction, Growth, Maturity and Decline (Paley, 2006).

- Introduction:- the product is new in the market. Depending on the product's demand from customers, monopoly can be created. Businesses usually incur losses at this stage especially if the product is in a new product class since its intended customers may not be aware of its existence.

- Growth: - growth comes when a product is accepted in the market and the business breaks even. If there exists monopoly, companies can try new innovations to maintain their sales growth. It is recommended that businesses introduce new and effective products to the market at this stage.

- Maturity stage: - It marks the end of the growth rate. Sales slow down because the product has already achieved acceptance in its target market. Competition intensifies because there are many similar products in the market. Aggressive marketing tactics such as reductions in prices results in decreased profits as the business marks the end of growth stage and enters the maturity stage.

- Decline stage:- Most of product dies down as a result of low growth rate in sales. Businesses share the same market and it becomes difficult for all of them and the market entrants to maintain sustainable levels of sales.

(b) Discuss the marketing mix strategies that would be appropriate at the different stages of the Product Life Cycle.

Marketing mix takes into consideration the 4ps of marketing: - Place, product, promotion and Price. During the first stage (introduction) the marketing mix elements should conjure to establish a market as well as create demand for the product in question. The business may for instance open its first distribution points at a heavily populated region in order to attract diverse market categories and thereby create demand for the product. It may also sell at low prices.

The marketing mix in the second stage (growth) involves branding that helps to differentiate products from one company from those of other companies. Effective promotions at this stage try to show customers why the product is the best in the market. The prices remain reasonably fair and the product is sold via more distribution points.

At the third stage (Maturity) the marketing mix should try to adjust the prices to accommodate the increasing competition and therefore help retain

its market share. Innovative promotional techniques should be adopted to prove the relevance of the product over other competing products.

In the fourth stage (decline) the business should strategize on the places (distribution) points that are cost effective. The business should concentrate on its strongholds, stabilize its prices, and seek to reinvent its products.

References

Paley, N. (2006). The manager's guide to competitive marketing strategies. London: Thorogood.

Ferrell, O. C., & Hartline, M. D. (2011). Marketing strategy. Australia: South-Western Cengage Learning.