

Marketing is the life
blood of any
organisation
marketing essay



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When people think of marketing, most would immediately think of it as a business trying to get the consumer to purchase its products. However the concept of marketing and the marketing process is much more complex than that assumption. Today, practically everything is marketed to some degree. The marketing of goods is the most obvious one, however you can consider places to be marketed, think of the government ministers mass exodus every saint patricks day under the guise of marketing Ireland to the rest of the world! Organizations, such as colleges and universities market themselves to prospective students. Sporting events such as the Cheltenham race festival or the six nations rugby engage in marketing. Even people are marketed as Kotler points out, " some people have done a masterful job of marketing themselves- think of Madonna, Oprah Winfrey, the Rolling Stones, Aerosmith and Michael Jordan" (Kotler, 2006 p8)

The American Marketing Association defines marketing to be " marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" AMA. (2007) Definition of Marketing.

Available: <http://www.marketingpower.com/aboutama/pages/definitionofmarketing.aspx>

Last Accessed 10 March 2010. As I previously stated the process of marketing is much more than a vendor trying to convince a consumer to purchase their product. It is about delivering value to the consumer, satisfying customer needs, meeting or exceeding customer expectations, creating strong brand identity, winning new customers and retaining current one's and companies being able to adapt to changing market conditions.

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The process of marketing occurs in a dynamic environment (Bradfield, 2010), that is constantly changing, however a core concept in the marketing process is the so called marketing mix or the 4 p's of marketing, first referred to by Jerome McCarthy in 1960. Available: http://www.youtube.com/watch?v=KkBvzS_fj2g&feature=related Last Accessed 11 March 2010.

The marketing mix refers to product, price, place and promotion. When you talk of a product or service, you have to offer a product that fits the need of the consumer. Today, consumers have more choice than previous generations and are more demanding. It should satisfy other criteria such as product durability, product differentiation, i. e. what makes your product stand out from the crowd, what features does your product have, is there after sales care/warranties etc. The price of the product being offered has to take into account how much customers are willing to pay for your product and for the producer to make a profit. This is a difficult question to answer as a product that is priced too high in relation to other products may not sell well, however sometimes a higher price in the minds of consumers equals better quality for which some consumers are prepared to pay a premium for. But on the other hand a product that is priced too low, possibly on the assumption that it will win on price alone, may not sell well either as it is considered inferior to other similar products due to its low price.

The place in the marketing mix is all about how the product or service gets to the consumer. It must be convenient for the consumer to access the product. This element of the mix is evident in the rise of businesses like Amazon. com that allow consumers to shop for goods 24/7 and have the goods delivered to them. And the last element of the mix, promotion refers

to how the consumer is made aware that the product exists, of the benefits it can bring to them and the value of the product. As I said at the beginning of the paragraph marketing occurs in a dynamic environment and marketing thought is constantly changing. It must be pointed out however as Gareth Morgan shows in his book 'Riding the waves of change', that the 4p's takes the view from that of the producer, in that everything in it is from their point of view. Whereas marketing thought today tends to put the consumer at the centre and everything is geared towards meeting their needs rather than that of the producer.

From a marketers point of view, it is impossible to satisfy everyone all of the time so marketers engage in what is called market segmentation. A market segment "consists of a group of customers who share a similar set of needs and wants." (Kotler, 2006 p240) When marketers identify a market segment they can they target their efforts on that group. Markets can be broken up on a number of different basis.

The process of market segmentation

In marketing a product or service an organization can follow a mass marketing strategy or it can use the process of market segmentation. The mass marketing strategy (tied into the production concept, which I will detail in the next section) is probably now an outdated method of marketing for most products due to the sheer variety on offer to consumers. In pursuing a mass marketing strategy, a company targets a market as whole and offers the one product or service to the whole market. The company hopes for higher profits by engaging in mass production and mass distribution

techniques, thereby lowering it's overall costs. Examples of previous mass marketing strategies was Coca Cola who at first only produced one size bottle of coke. (Kotler, 2003, p279)

The market segmentation process is what is practiced more commonly today. A market segment " consists of a group of customers who share a similar set of wants." (Kotler, 2003, p279) In defining a market segment, Kotler talks of a seven step process. The first step is to group customers who have a similar needs. For example with cars you can identify groups who have a need for people carriers. The next step is for each identifiable market segment to break it down further by classing it according to other variables such as demographics(gender, race, age etc), behavioral patterns(usage, user status etc), and geographic variables.

The third and fourth step combined is to take each segment that has been broken down and to establish how attractive each segment is to the organization based on factors such as profitability and segment size. Step five, after identifying a particular segments unique needs, the company must set forth a set of benefits to satisfy those needs (The product of the marketing mix) and it must determine a price for the product.

The sixth step is to determine the attractiveness of each segments positioning strategy and finally to expand the positioning strategy to include the whole marketing mix.

Marketing Concept

The marketing process is all about the customer. The philosophy that the customer is king and is the core of the business. Kotler again speaks of six competing concepts under which the process of marketing is carried out. They are the production concept, product concept, marketing, selling, customer and societal concepts.

The production concept is as I said previously tied in with mass marketing. The production concept does not take into account the consumers needs, rather it focus's on building a product and then trying to sell this to the consumer. The production process favors low cost due to high volume manufacturing.

The product concept concentrates on building better quality products, with more features in the belief that is what consumers want. The selling concept is probably the concept most people equate with marketing. This is where a producer actively tries to sell its goods/services to consumers through advertising and aggressive selling. The risk with the selling concept is producers hope that consumers who do fall for the hard sell, will actually like the product. Obviously consumers may like the product and return to do more business but on the other hand they may hate it and actually bad mouth the product to friends.

The marketing concept is more customer orientated than the previous concepts. Here the customer is king and everything the business does is centered on the needs of the customer.

Marketing Plan BarryDoyleDesign Jewelers

1. Executive Summary

Barry Doyle Design(BDD) Jewelers is a husband and wife operation that has been in business for several years. Barry has learned the trade from his father whilst Adrianna is a qualified gemologist. It specializes in custom made high end jewelery as well as holding a range of contemporary and Celtic themed stock jewelery. The business has targeted the wedding sector quite successfully in the past and through it's website is also chasing international customers, especially those of Irish ancestry who would be interested in it's Celtic line.

2. Situation Analysis

BDD Jewelers' products have been very well received and they have a percentage of returning customers. To grow the market, product awareness is called for through marketing at trade exhibitions and wedding fairs, an upgraded web site and a more visible shop location, funds permitting. The key target markets are couples seeking to marry, individuals looking for a unique product and those who make one off purchases for special occasions etc and to expand the business through targeting of galleries willing to stock the production jewelery.

Due to the weakness of the US Dollar against the Euro in the last year, international sales has been slow, however with the expectant rise in the US economy that situation is expected to revert to past positive performance. The wedding market remains stable with modest growth forecast for the next year.

3. Market Demographics

Due to the the firms use of the Internet, it has no defined geographical area. However a rough estimate is that 70% is from the domestic market while 30% make up the international side. The customer base is evenly split between men and women. The largest age group who make a purchase is those in the 25-40 bracket and in the middle to high income bracket.

3. 1 Market Needs

BDD Jewelers provides it's customers with a wide variety of jewelery. As a business it seeks to provide to its customers jewelery of the highest craftsmanship coupled with unique and contemporary designs. A first class after sales service is provided, jewelery resizing and jewelery repair.

4. SWOT Analysis

Strengths

Good reputation among customers

Central location

Quality Workmanship

Good access and relationship with suppliers

Weaknesses

Poor shop visibility

Limited marketing budget in comparison to larger retailers

Due to business size possible problems in meeting supply requirements

Opportunities

Government incentives for small business

Threats

Economic slowdown can have a negative effect on the amount of discretionary income people have for luxury items

Inferior quality products

5. Market Assumptions

The fore casted market growth in the sector for the the next 3 to 5 years is 9%. The threat of new custom made jewelers to the market remains small, due in part to the high skill involved and start up costs, however the larger jeweler chains may become more aggressive in their pricing and marketing which could affect sales of our stock production lines.

6. Strategic Intent

The businesses core marketing objectives over the next year is to make inroads into getting the stock production line into third party retailers such as niche high end jewelers (galleries)and to develop the wedding market with more visible promotion of the business at wedding fares. An overhaul of the website is required to make it look more appealing.

In the mid to long term, a new future premises is needed (most likely in the same general area) with more exposure to pedestrian traffic. With projected growth in the business, the employment of more skilled craftsmen to meet demand for the custom designed jewelery side of the business. The possibility of forming partnerships with Irish distributors in the US market with the help of the IDA.

7. Marketing Mix Strategies

BDD Jewelers marketing mix is made up of the following

A. Product.. Will strive to produce the highest custom made jewelery alongside a more affordable yet equally high quality range of stock jewelery.

B. Price.. Will vary according to specific customer requirement such as gemstones for the setting or the level of detail required. In the stock range, price is comparable to major retailers.

C. Promotion.. Due to high return for custom designs, it is felt that an increased marketing campaign be engaged upon. This will be achieved through magazine advertising, networking, website links, the yellow pages and trade/fashion shows.

D. Place.. For internationally received orders, delivery is via UPSFedEx express delivery. Domestic orders can also be shipped with tracking or can be picked up in store.

8. Sales Forecast

In year one, months 1 to 3 will be spent trying to establish a foothold within the gallery market. It is expected after month 3 sales to this sector will begin incrementally. Within a three month period sales will be rising also in the wedding market sector due to an increase in the visibility of the business at wedding fairs and an advertising campaign in magazines etc.

9. Implementation

In order to achieve desired results, the following milestones must be met on time and in budget.

A. The development of the plan

B. Identify the channels to be used in the marketing plan

C. Establish a review process