

# Marketing is connectedness assignment

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1. As Howard Schultz said, "Marketing is the business of filling souls", this statement shows how marketing is concentrating on customers rather than on product. In fact, it's from this relationship and the study of customers that the products are created to fulfill one's needs and wants. Marketing is the tool that connects one's desire and the product related to it. It is a science which helps understanding what people need even if they don't know about it yet. It reads in people's mind.

Marketing studies people behaviors and way of living on a daily basis, finding the issues or the things that could be improve to have an easier and faster life. Who would have thought one day that a phone could replace a computer, a GPS, a camera, a video tape, an MP3 and that would connect you to the Internet in 1 min to find an information right when you think of it. Marketing did, it erased all the many tools to provide a simple one, gathering them all. What is disturbing in all of that is that these tools created have become necessary to a basic life, it is now part of the way of living, and people would be lost without it.

That's how much marketing can get into people's mind and make the connection between customers and the business: become existential. That's also one of the goals: to create lasting customer relationship. The team company chosen is Simon LA, its market segment is composed of different types of customers, having in common not only the natural need to eat that everybody on Earth have, they also need to enjoy this time. Business people come to have a break in their day but also to make business while having a nice time.

It creates an informal atmosphere in which it's enjoyable to make business. They are in their 30s to 60s and they are dynamic, they like cool things, new trends, they live in their time. They have money and they spend it. Families come to the restaurant while they are staying at the hotel, they like things to be convenient, they have kids. They are pretty young (30-40), the parents are both working, they are from different nationalities, coming for vacation to relax and discover Los Angeles or California.

The leisure segment is composed by people from Los Angeles, working, dynamic, young and they are likely to be foodies, or night lovers: they enjoy going out and try places, discover new things, they are the kind of persons that wants to be surprised, amazed, astonished. They are the key of word of mouth. They have money, part of them is single, and others are married and have kids. They don't like a routine way of life. This market segment is demanding and judges everything; the food must be excellent such as the service.

Older people, in their 70s, love to break their routine and they usually do so by going out and eat in a nice place to celebrate something (birthday, anniversary, graduation). They have money, they don't work anymore, they are demanding and care about good care. They take their family and friends out and pay for them. They expect good service and good food. The other market segment is people working, they could have two jobs, they have children and they don't go out often because they don't have the money to afford it. They are the ones that are not picky because they are not used to go out all the time and they enjoy each moment.

The food is not their first choice; they choose the place depending on the money they will spend. Simon LA's target segments are business people, families, and leisure people. The modern atmosphere and the advertised chef is one of the reasons they come to the restaurant. The decor is trendy, the ability to have a private party appeals them, and so does the patio. They are dynamic, have a modern lifestyle and they like to discover new places and have fun. Simon LA works with different micro environments such as the suppliers, the marketing intermediaries and the company itself.

Suppliers are mandatory in a restaurant; they provide the base of the product which is the food. The restaurant has to make a good choice in the suppliers because the products need to be fresh, have a good quality and not too expensive. To find good deals on good food, the orders have to be smart, to have enough quantity and be able to negotiate the price. The menu has to be thought with keeping in mind that imported products are more expensive than local products. The choice of the suppliers influence a lot the prices paid by the customers, if the prices of the meals are high, there will be a high expectation from the customer.

It is sometimes better to choose simple and local products and make them become original and delicious. Simon LA chose to work with Avendra. This company helps the restaurants to create a supply chain by finding the right products and negotiating the prices with the original supplier. This enables the Chef to have less work on one hand, but on the other hand, this might need to be controlled sometimes. The marketing intermediaries for Simon LA are The Sofitel hotel in which it is located, the Stone rose bar, and different guides or type of advertising in Los Angeles such as "DineLA".

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Let's start by the first one, Simon LA as a brand is already a marketing intermediary: launched by Kerry Simon the chef that won Iron Chef of America. His brand is known in Las Vegas where he has two restaurants, Simon and Cathouse, but also through the media, the chef is famous as being a "rock n' roll chef". The Sofitel promotes Simon LA as being the restaurant of the hotel, mainly through the hotel website. It is a very important intermediary for Simon LA but I also find that it is not playing his role enough, or maybe not as it should.

I found out that there is no special offer for the hotel guest going to Simon LA, the reservation department does not promote or talk about the restaurant! The two establishments are partners and at the same place...find the mistake... Stone rose bar is a marketing intermediary but does not act in favor for the restaurant. Two issues: if people wants to avoid being on the waitlist for the stone rose, they can eat at Simon LA first and they will be able to go to the Stone rose easily.

Now, it helps the restaurant to make people discover it, but isn't it the other way around? Simon LA is the marketing intermediary for the Stone Rose, which is good, there is a kind of a relationship there, but I feel more like it is a one way relationship. Just like you have to go to the restaurant to finally go to the first place you wanted to. The second issue is that the customers going to the Stone Rose, as it is known to have beautiful waitresses, loud music and a lounge atmosphere, are not particularly the one going to Simon LA.

Will families want to go to a restaurant where you can't talk because of the music of the bar next to it? Finally, the company is part of the micro environment as it is composed by decision makers driving the company to its goals. Kerry Simon is the first decision maker, it is his brand, he gives a value, his image and takes the company where he wants to. The Sofitel general manager also stands in the decision since the restaurant is part of the hotel and that the people working there is the Sofitel staff. I would think there are some conflicts or differences in the way of managing 2 businesses in one... Macro environments that will be described have an influence on the segments, such as demographic and economical but also on the company with the regulatory environment. Demographic is a wild subject to analyze, that's why I will concentrate on the demography of the target segments of Simon LA. The Generation X, people born between 1965 and 1976 are one of the most important segments of Simon LA. They went through the recession and pay attention to their money, they value their money with their acquisition but mostly with the experience they gain. They will spend money when they feel like it's worth it; they will look for information before buying.

They have different interests but they are likely to be business travelers and they love to exchange information. The American family of the Generation X will look out for pleasure and enjoying their time. Simon LA is also the type of restaurant for the young adult from the millennial generation, born between 1977 and 1989. They are familiar with technology and can't live without it. They evolve with the time and like fast changes. They like novelty and are always waiting for original and fun interest. Their buying power is not great except if they are born in comfortable families.

They work and study at the same time, or they just started the first job of their career. Even if, they don't have as much money, they will spend it to have fun and go out. The economical environment is one of the major causes of people's behavior for spending their money. As we noticed this last three years, in crisis time, people don't spend and are afraid. They keep their money for survival needs. They cut on costs that can be sacrificed, and the first thing cut was going out, go on vacation, everything concerning leisure etc... We have to keep in mind that 90% of the families are from the middle class and their buying power has decreased.

They are now starting to spend again, but less than before. They put themselves into perspective and still want to have pleasure but they will pay more attention on what and how much they spend. This is where businesses that are not worth it will sink. Competition has never been harder: a company has to focus on low prices and on good quality at the same time. The political environment is very influent especially with the regulatory system. A company has to make sure of the safety of its employees but of its customers too (product quality). The food has to go through many check points to respect the food chain.

Hygiene rules are to respect such as the "walk ahead" rule, which consists in never taking a product through its different phases in a previous area where germs (of the skin for example) could be. The staff requires a special attention too. Issues could be social, healthy or based on work. The company has to make sure that the place of work is safe for its employees. The managers have to play their role in social issues, in order to make the work easy and enjoyable for everyone, that is to say try to escape the round trips

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to the Human Resources department. 2. The marketing mix is a mandatory tool to create marketing.

It is the process to go through in order to answer the consumers' needs. It transforms the concept of marketing into a product and its attributes. The reason why it is essential remains in the fact that it goes along with every detail and characteristics: the product, the price, the place, and the promotion. Each of these points is detailed so as to be mastered and that no failure either omission comes at the corner. In our case, the study of Simon LA would start with the product. The restaurant is trendy, fashionable, nice decor, original, with a great open space, smartly cut into sections with elegant-coming from the forest- panel walls.

The open kitchen gives an overview of how the meals are made and of the cooks' work. The long dark corridor takes you to the main floor, passing by the wine room where you can have a seat and a drink. The food is a described as a comfort type of food- not sure what that means about food-. The restaurant has been launched by Kerry Simon, famous winner chef of the Iron Chef show on TV. He wanted to create a modern food, with a lot of international influences brushed up, American influences but also customized meals for flavors experiences.

It has a special desert plate for all the guests, composed with cotton candy, cookies etc... Whoever wants to eat in a nice place will be pleased to go to Simon LA. The prices range for breakfast is from 5 to 22 dollars. For lunch, prices start at 10 to 24 dollars, for brunch from 4 to 22 dollars and for dinner from 10 to 42 dollars. For a restaurant in Los Angeles, these prices are very



reasonable as a customer's point of view. Simon LA is located in the hotel Sofitel, near to the Beverly Center on La Cienega Boulevard, which is not far from Melrose Ave and Sunset Boulevard.

It is a big building easy to find and near a lot of facilities, such as the shopping center and the stores along La Cienega Blvd. Being not far from Sunset Blvd enables the restaurant to catch potential customers from the hotels located on Sunset. The advantage of being part of the hotel is that a parking is accessible. The promotion of the restaurant is made by different intermediaries: The restaurant promotes itself through its website, where we can book a table. It is also part of Open Table a website where people can look through different restaurants and their comments and book a table.

The hotel Sofitel enables its customers to book a table at the front desk but also on the hotel's website where it puts Simon LA's website. Different community's associations talks about Simon LA. Dine LA is the office promoting the city of Los Angeles to international people but also to Angelinos and it helps people to discover places to go in the city. Simon LA is easy to reach for customers because it is a known place thanks to its chef Kerry Simon, winner of Iron Chef, a TV show where chefs from the US where competing. So what could possibly go wrong, since the customer's needs seem to be carried out?

Let's go closer and focus on the connectedness of what is offered to the customers and their expectations towards it. The decor of the restaurant is original and takes you in a special atmosphere, pretty trendy, and relaxed, although, the chef Kerry Simon finds a rock n' roll attitude with its long hair,

young looking air; does it fit with the restaurant, does people expect Kerry Simon's restaurant to be as common as other hotel's restaurant in L. A.? What do people expect when they go there? It is actually high on food expectations since the chef won, Iron Chef. Does the brand go with the product?

The image given of Kerry Simon to the customers is totally different than what the restaurant is. The location plays a big role. As we saw before, it is in the Sofitel and enjoys its parking which is very convenient. The main problem to handle when a brand restaurant is part of the hotel is fitting with the In-House guests needs, as a matter of fact; the target segments of Sofitel and Simon LA should be the same. But it is not. Let's go through the target segment of the Sofitel to understand: families with children, young and old couples (Cedars Sinal Hospital is right at the corner!! ), international visitors for leisure.

Let's not forget that Sofitel is a French brand, so the hotel guests are looking for the French touch. Simon LA doesn't concentrate on French food at all. The focus is not the same but the two businesses are in the same buildings... The promotion is well handled from my point of view except at one point: the hotel doesn't have any prices for the hotel guests to go to the restaurants. Whenever a reservation is booked, the hotel does not take in charge of reservations for the restaurant: are they really working together? What about a special menu for the in house guest with some French touches in it and special prices for dinner?

Does Simon LA target the right segments? Does Simon LA have its own identity? What represent the brand to a customer point of view? What does it promise? We will see later in this paper that one of the main problems is that Simon LA doesn't position itself and we don't know what to expect 3. The process of buying when it comes to a perishable product is sometimes more complicated to explain. It could be an impulse, or something planned a long time ahead. The first need is to eat, which is a primary need. There are more than one need, because, you can eat at home.

Meet some friends around something to eat is more official than just talk to them in the street, spend time with family or friends is the second need. Then eating become just an excuse, you take yours in a nice place where you think they'll enjoy the food and the ambiance, just to create memories. For a restaurant to be found, the best way is word of mouth. Satisfied clients are worth a hundred times the whole advertising campaign. They can also look through the Internet to search information on restaurants in L. A. Good news is that Simon LA can be found on Google first page when you type "best restaurants L. A. Then the role of the media is to provide a great website, clear, with pictures, so that potential buyers will see themselves seating too table or make them drool over the menu. That's where the distribution of the marketing mix becomes so important, it takes the effort to put you in the customer's mind and know where they will look for their need to be fulfilled. For Simon LA to be on Open Table website is an advantage since this website brings together most of the restaurants. Of course, the alternatives are numerous, especially in restaurants. The choice is large, the type of food can be very varied and it really depends on what people eel like

eating and they often have to discuss over the choice with the people they are going to. The price has become a big factor in the evaluation of alternatives, that's where the impulsion towards going to the restaurant has decreased. Because of the buying power lower since a couple years, going to a restaurant has become something you plan (especially if the restaurant is expensive). Simon LA is a good alternative since it is in the market price; it probably won't be affecting the decision. Another consideration to take is the novelty of the place; we will come back on this point later.

The purchase decision for a restaurant can be made by one person, but it is usually an approval of the whole party. The choice for Simon LA was at first the novelty of the place. The nature of human is to be curious, and people are most likely to try something new to make their opinion and try something they don't know. The obstacle could be that people also fear the unknown and it is important to be able to reassure them, pictures can do so and that will be their first impression of the place. Then, the first contact with the place will be on the phone usually and the person speaking represents the whole restaurant first impression.

The post purchase behavior begins in the restaurant. Since it becomes memories, because it is perishable, every detail is relevant. The satisfaction will result from a fitted answer to the people's need. In a restaurant, the post purchase behavior will be based on two major points: The food and the service which will become memories. A phenomenon exists into people's nature: they have the capacity to remember good things, but it's easier for them to remember bad things and they will be more likely to talk about the bad sides than the good ones.

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In one word, the restaurant has to make no mistake, because, one mistake takes over the hundreds good things. In Simon LA's case, the post purchase behavior is important and the desert plate they give is such as a little gift and that influence people's mind as it is a gift, they are honored, and it is the last thing brought to the table before the check. Simon LA tries to build loyalty. The adoption process varies depending on how people are. They can be part of those who are the pioneers and love to discover new place, or they can be part of the early adopters who are the followers of the innovators.

In Simon LA's case, the restaurant at its opening got these two types of adopters because it was new. But as the time goes by, the adoption process didn't take place, the activity decreased a lot. We can almost say that there was no adoption towards this product. The feedbacks of first two adopters might have been bad or just ok. They didn't have this great experience. The awareness and the interest were because it was new and the curiosity was the main factor that brought people to the place. We can now ask people: what would be the interest to go to Simon LA?

Is there actually something different about this place? What is Simon LA? How the company sees itself, and how the people see it? There is a position issue; the place is not connected with people's mind. They expect something different than what the company claims to be. We will go over this problem later. 4. It's all about the brand. What the brand carries out in terms of values, promise and distinction. Let's go closer to Simon LA. It was launched by Kerry Simon who won Iron Chef. People who saw the show, understood

that the chef was a young man with long hair, having this rock n' roll attitude.

He looked original for a chef; you could almost picture him cooking with a guitar in his hands! There was the story about the brand because the brand is him. The promise was the originality that could surprise customers. Having dinner at Simon LA could represent a fun time and because he won Iron Chef, the food was expected to be astonished by its originality and also its quality. As a matter of fact, it has nothing to do with that. The restaurant is a common modern place, the decor is nice, the atmosphere is quiet, and the food is not as original as it can be expected.

This is exactly why the restaurant lost credit. The brand is positioned but doesn't carry out the values at all. Customers are disappointed. The product doesn't match with the promise of the brand. The weakness is all about the positioning. Moreover, it is also part of a French hotel, that does not have a rock n' roll attitude. It is modern but it is French and they put an accent on it as they customize the service to be French. The basic expectation for the hotel guest is to have in the hotel a French restaurant. Simon LA has nothing to do with a French restaurant.

The targeted segments of the hotel and the restaurant are different. I don't think Simon LA is the restaurant that fits into the Sofitel. What could work well is to create a French neighborhood: a French restaurant is a positioning, and it makes sense in the Sofitel. Then, hotel guests would be pleased and the outsiders would come to eat French food. Besides, the location of the restaurant is a strength, being in a hotel usually helps you to have customers

and the Hollywood neighborhood is likely to be dynamic, which is an advantage to catch customers.

Without changing Simon LA, what the chef could do is to create menus with a French type of food even actualized with its own flavors. What is obvious is that it can't go any longer in this way: the restaurant was open three years ago and its lifecycle has already reached the maturity step. There is a slow activity, the level of sales doesn't grow anymore. It appears to me that the success was so big when it opened that the managers sat on it and they didn't deliver the product through the time. The story was entirely told at the beginning.

No effort was put in order to know the customers' satisfaction, and they could have changed or rearrange things in order to fit with the expectations and stay connected to the customers. The brand must carry out its promise and its value with the product to stay connected and be credible. 5.

MARKETING MYOPIA Theodore Levitt has changed the face of management. Decisions have been taken differently since his article. He concentrates on different points, and one the most relevant because it was whistleblower, was about management: "Failure is at the top".

The management at that time was thought depending on short terms objectives instead of looking at the bigger picture. The further evolution or the steps that the world could eventually take was neglected. Levitt refers to the improvement in technology and the ability of predicting the future in order for a company to anticipate new directions and opportunities. The author refers to that with "creative destruction". A company needs to stay in

its tracks but can find related tracks to its path. To be creative by exploring new products that can still be part of the company's field.

Decision makers shouldn't be scared about dropping some of their products and emphasize on new directions because the world is in perpetual development. T. Levitt as a marketing type of man found that concentrating on products was such a mistake in terms of decision for long term profit. He changed the way of thinking by starting by thinking of the consumers, their type of life and their needs. Being able to create products that would fill their needs (or even create new needs) was a winning. The real new thing he brought to people's mind was: long term relationships equal long term profits.

That's what we see in our world now, every single company tries to make their customers loyal, which could, I think, been called a mania and could turn into an extreme: if everybody becomes loyal, then there is no more difference and the customer lacks of recognition. That's one reason why this article is still relevant today: marketing is everywhere around us. Each of us is part of a market segment, each of us is part of a target segment, each of us develops needs through the time's evolution and each of us has his/her life motivated by marketing.

POSITIONING How do you know if the flowers you bought to your wife will be appreciated? Because you know her and you know exactly what she thinks about roses: too old school. Well that's the point of the book written by Trout and Ries. Get into people's mind to know exactly what they think. Of course, it is not as easy as reading your wife's mind (even if it's still hard sometimes



I'm sure), but marketing helps to find the needs of the people through different techniques such as segmentation.

When you know who people are, when you try to get into their shoes and that make an effort to recreate their type of life, you will know what they need and you will aim at the center of their wishes. The authors emphasize on the way people look at brands. There are so many, that some won't even get into their minds and some will become the references of products; the name of the product is not even said anymore but it is the brand name that is used. This is how far can get a very well handled brand.

Become the one is the best thing to wish even though it is now hard to find a gap. A lot of criterions are to be known, such as choosing the right name for a brand that could picture a value, or that could sound nice. As a very important thing to remind: everybody wants to be number one, you are not, leave with it. If a brand high levels itself, it won't work. Be true to yourself and face the reality, the try to concentrate on what could be done to make your business and stop comparing to the others. It will just look like a kids' fight.

A company has to be strategic and follow their own tracks. When customers know who you are, they know what you offer. In Simon LA's case, the main issue is the positioning. What values does the brand carry out? Do the guests know what to expect when they go to the restaurant? There is a lack of values; there is no promise, no differentiation between other restaurants. The only thing people know is that the chef is famous, he won Iron Chef with

making a burger, but the burger is not even on the menu. There is no line to follow in the story of Simon LA.

The alternatives to make this restaurant work would be a change in the product delivered: bring some originality to the food by being different. Explore another track, another type of food. The French alternative would be the best thing to do since the place is in a French modern hotel, the food could be mostly French and have international influences in order to be modern. A story could be told. There is no point in having two products associated but with nothing to share. Then if these changes occur, the name of the restaurant would have to change too, so that people know where they are going and what to expect.