

# The study on nokia s utilizing of communications mix marketing essay



**ASSIGN  
BUSTER**

## **1 Introduction**

When it comes to modern international marketing, it is not just confined in developing a good product, pricing it attractively, and making it available to target customers. Firms need also communicate with current and potential customers. For most companies, the question is not whether to communicate, but how much to spend and in what ways. This is what the communications mix is good at. Communications mix is comprised of sales promotion, personal selling, public relations, advertising, and direct marketing tools which the firm uses to fulfill its marketing objectives and strategy. Here the theory of communications mix is primarily analyzed related with the case of Nokia's. The international company Nokia takes full advantage of the theory of communications mix to fulfill its strategic goal. Under the guidance of the theory of communications mix, the concrete marketing measures or activities taken by Nokia are analyzed. It mainly includes: how Nokia makes full use of advertising, public relation, promotion and direct marketing in its international marketing, cultural influences' on the communication, and the recommendations, etc.

## **2 Communication Mix**

Marketing, as a concept with specific meaning, has come into being for about one hundred years. Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products of value with others (Kotler, 1967). It is a definition grounded upon human needs and wants, which are satisfied through products or services. When marketing crosses borders, it is called international marketing. There are literally dozens of marketing

<https://assignbuster.com/the-study-on-nokia-s-utilizing-of-communications-mix-marketing-essay/>

methods, for instance, customer segmentation, product/service offering, market research activity or part of their communication mix. Communication mix is emphatically discussed hereinafter. The communication is comprised of direct marketing, advertising, personal selling, promotion and public relations. Communication mix is mainly used to promote the new products. It is an effective method to attract consumers and increase the selling (Gatignon, 1993).

### **3 The Background of Nokia**

In 1865 when Nokia was established in southwestern Finland, it was a little company. At that time, Nokia's business covered mainly following sectors, such as televisions, personal computers, shoes, electricity production, communications cables, capacitors, paper products, etc. In the 1960s, the electronics section of the cable division was founded and it witnessed a modern Nokia. In 1967, this section was divided from into its former division and became independently, and started to produce telecommunications equipments. In this period, Nokia got itself more involved in the telecommunications industry and began to develop its network equipment products. In 1992, Nokia changed its name and began to use the name of Nokia Telecommunications, which is today's name. Since 2000, Nokia has begun to expand its business and cooperation with other companies. In 2006, Nokia and Siemens made an unprecedented cooperation in the fixed line and mobile phone network equipment businesses and built one of the largest network companies all over the world. The two companies jointly held a fifty percent stake in this infrastructure firm and built Nokia Siemens

Networks. About 20, 000 Nokia employees had been transferred to this new company.

Nokia is the leading mobile phone manufacture around the world. Its logo “Technology Connecting People” has been deeply rooted in customer’s mind. Nokia House was constructed between 1995 and 1997. Nowadays, there have been more than 1000 Nokia employees in its company. At the same time, Nokia is a customer oriented company. There has been a continuous and progressive increase contact in technology and communications all over the world. Nokia’s strategy is to build trusted consumer relationships by offering compelling and valued consumer solutions that combine beautiful devices with context enriched services. And, Nokia promises to connect people in a better and new way.

## **4 The Communication Mix of Nokia**

### **4. 1 Advertising**

It is any paid form of no personal presentation and promotion of ideas, goods or services by an identified sponsor. It is a widely-used means of publicity.

The major media types for advertising are: newspapers, television, magazines, radio, internet and so on (Rao, 1993). Advertisements help to draw the public’s attention and make people aware of this product. As a result, it undoubtedly could promote a company’s sales. However, it is also kind of double-edged sword as advertisements can be very money-consuming. What is more, advertisements may mislead consumers if they are not properly designed or contain any exaggerated information.

Therefore, when a firm chooses advertisements as it means for promotion, it

must be very careful to select a advertising company and be clear the messages and the image that it wants to convey to it current and perspective customers.

“ Technology Connecting People” is Nokia’s distinguished brand concept. Through TV advertisements, magazine advertisements and leaflets; the concept has been deeply rooted in consumers’ mind. Except some traditional promotion ways, Nokia adopts some new ways to announce its new products.

When selling classical mobile phone Nokia 8810, Nokia sold the products on Internet and became the first firm adopting interactive advertisement in Asia. Nokia held celebrity salon with the theme “ the upper life” to push its new product Nokia 8800 in 2006. Its target consumer was the top end consumer who paid attention to life quality and adored elegant product design.

## **4. 2 Public Relations**

Public relations mean establishing good relations with the publics by earning a good reputation, shaping a favorable image and dealing with the company’s rumors and events (Doyle, 1994). It mainly contains keeping good relations with the firm’s different social groups by getting favorable publicity and setting up a healthy and good corporate image in public and at the same time, tackling or heading off stories, rumors, and events which damage its reputation. As a result, consumers get a good impression with this kind of firms and, therefore trust and purchase products manufactured by them. From the perspective of enterprises’ social obligations, especially in

modern times, companies can be condemned and eventually be abandoned by consumers if they fail to perform their social responsibilities. Therefore, today, it is not whether firms should build good relations with the public, but how to construct it in a better and more impressive way.

In order to develop public relationship promotion, Nokia tries best to be all excellent enterprise citizen in China and makes its effort to sponsor the development of the society, sports and education through series of innovation activities.

The first series of activities are donations. In 1998, it donated RMB10 million to the districts suffered from flood in China. From 2000 to 2001, Nokia launched the planting trees activities in China with its cooperators. Up to now, Nokia still takes these activities as all important components of its marketing methods.

The second series of public activities are gym support activities. By gym support activities, Nokia builds a stylish, leading, and creative brand among the young generation. In 1995, Nokia sponsored Beijing international tennis match. In 1997, Nokia sponsored the No8 national chess match. In 2000, it donated mobile phones to sports meeting for the disable. In 2001, Nokia sponsored No 21 national university match. In 2005, it supported China international diving match. In 2006, it supported “ NBA China Jam Van and Basketball without Borders” activities. The third series are education activities. From 1999 to 2000, Nokia held series of activities in theme of “ innovation is the source of wisdom” to promote teenagers’ innovation abilities. In 2000, it organized “ Nokia 2000, flew ideas match” with the

theme of “advancing to future” in Beijing University. In recent years, Nokia paid more attention to develop the campus marketing. In order to ease the university enter exam pressure, Nokia held campus activities named “communication crates happiness”. By humors pictures and creative attempts, these activities added fun to campus life, also set up a good brand image among the campus.

### **4.3 Promotion**

Promotion refers to activities or performances taken by companies in a short term to stimulate the purchase or sale of the product or service using varieties of formats such as premiums, coupons, contests, etc (Brick, 1982). Through a serial of activities or performances, it can promote people to purchase more. And sales promotion is targeted at final buyers, wholesalers and retailers, other business customers and members of the sales force (Schall, 1983). It can be effective especially for introducing new products or services.

In order to announce its new product, Nokia cooperated with the famous star Wang Lihong and pushed its new product Nokia 3230 to the youth. Nokia 3230 was a music smart phone, which embodies the demands of the youth at that time. In December 2006, Nokia cooperated with Hunan TV Station, and held a concert named “Music let me feel happy” to push its middle end products. In July 2007, Nokia held a concert named “Nokia’s stylish trend night” to announce its new product Nokia 7500 prism, which was the unique design for Chinese market that month.

## 4. 4 Direct Marketing

It refers to direct contacts with carefully targeted individual customers in order to acquire a reply in time as well as cultivate permanent consumer relationship, for example, using telephone, mail, fax, e-mail, the Internet, and other tools to communicate directly with specific consumers. Direct marketing is very useful helps companies obtain the first hand information directly from consumers. And companies can give an immediate reply to their customers if there are any questions. Through this way, customers obtain a sense of being respected and cared by firms and, therefore, consumers can be loyal to this kind of companies. However, there are also negative effects brought by direct marketing. Firstly, it undoubtedly costs a lot of money, time and human resources. Secondly, companies may not draw any useful conclusions for decision-makers at all if information is processed in a scientific way. Therefore, to make full use of direct marketing, firms must make sufficient preparations. When it comes to the contour design, Nokia appears to be rather conservative and backward. Especially in China, consumers pay a lot of attention to it. Compared with its competition rivals such Motorola and Samsung, Nokia seems stubborn in reaction to market. However, by directing contacts with its consumers and obtaining the relevant information from the Chinese market, Nokia finally produced its freshly designed foldaway mobile phone 7200.

However, any one aspect of the communications mix is not enough to guarantee a good marketing. Instead, a successful promotional strategy should adopt the concept of integrated marketing communications widely by coordinating the promotion channels and tools. Through putting together



and reinforcing all the images and messages, it constructs a famous brand in public. Integrated marketing communications requires that all the messages, positioning and images, and identity from the corporate are harmonized across all marketing communications venues. Under this concept, to deliver a clear, unchangeable, and convincing message about the organization and its products, the company should be careful to integrate and bring into line its many communications methods. In terms of this aspect, Nokia really excels in.

## **5 How Culture Affects the Communications Mix of Nestle**

### **5.1 The Introduction of Culture**

Since 1871 when the founder of cultural anthropology E. B. Taylor put forward the definition of culture in his works *Primitive Culture*, scholars have raised hundreds of definitions about culture from different perspectives. The definition of culture given by Taylor is that the so-called culture or civilization is an internal integration of knowledge, beliefs, art, morals, laws, customs and other capabilities and habits acquired by human beings as community members (Taylor, 1871). His view has a deep influence on the later research and has been accepted by many scholars. In the West, the origin of the word “culture” is “cultura” in Latin. In English, the very beginning meaning of the word “culture” referred to agriculture and raising of plants. Since the 15th century, it has been extended to cultivate people’s morals and competences. And culture is also a basic definition in both sociology and anthropology. In broad sense, culture is the sum of material wealth and spiritual wealth created by human beings; in narrow sense, it refers specifically to spiritual wealth including language, literature, art and other ideologies. Based on the <https://assignbuster.com/the-study-on-nokia-s-utilizing-of-communications-mix-marketing-essay/>

analysis above, the thesis adopts the definition of culture in large sense, that is, culture is composed of three aspects: material culture, spiritual culture and behavioral culture.

## **5. 2 How It Affects the Communications Mix of Nokia**

As an international company, Nokia needs to handle cross-cultural problems and culture plays a significant role in Nokia's application of communications mix. Undoubtedly, Nokia is a firm sensitive to cultural differences and adapts varied cultural counter-measures in varied regions.

Advertising is the most commonly utilized promotional method. Companies must be very clear who their potential customers are probably to be, make effective contacts with those consumers, and be aware of the relationship between the culture and advertising, i. e. . cultural impacts. Various cultures' reaction to communications and messages are quite different. Companies which realize these differences may succeed; those that totally neglect them fail. In Korea, consumers often recommend the suitable and good products to their friends, relatives and workmates. Therefore, the word-of-mouth advertising is very popular: a consumer's testimony works more effectively than advertisements on television or in newspaper. In the same way, Chinese are also dependent on this form of communications. The Chinese consumers value and trust their family and this is justified by their purchasing products through their families' recommendations. Thus, Nokia have noticed that and put a great emphasis on this in East Asia. For example, Nokia's advertising message is " technology is people-oriented". As everyone knows, people-oriented thought is put forward by ancient Chinese two thousand years ago. Therefore, Nokia's advertisement is rather

<https://assignbuster.com/the-study-on-nokia-s-utilizing-of-communications-mix-marketing-essay/>

successful. It is a typical example of Nokia's combination of its own enterprise's culture and local culture.

Many companies today use marketing public relations to support their marketing departments in corporate/product promotion and image making. The Japanese have little concept of public relations in the American sense. Since the Japanese are very modest and self-effacing, they cannot understand self-promotion. They have little need for corporate public relations. The tendency of the Japanese conservative and low profile way of doing their business results from many economic and cultural factors. From the ancient times, Japanese society has been comprised of exclusive groups and even within groups there are smaller ones. Each one is cared about its living, obligations, and powers and is generally hostile to the other. Therefore, when Nokia operates its business in Japan, it also adapts the way Japanese companies take and keep a low profile in public relation. Although it still seems to make a better job than Japanese firms.

Culture also has a deep influence on Nokia's promotion. When Nokia notice that today's youth are passionate for fashion, music and sports, it adapts the concept of youth marketing and cooperates sports and music stars to promote its new product. For example, in China, as Nokia 3230 was a music smart phone, it cooperated with the famous star Wang Lihong and Wang especially wrote a song for publicizing the new phone.

### **5. 3 Recommendations**

International companies must objectively know and learn the diversity of the culture, turn the cross-cultural awareness to the cross-cultural marketing

skills and develop cultural sensitivity (Schwartz, 1981). Culturally sensitive companies understand that differences exist and make corresponding accommodations for them.

Advertising is a key tool in international marketing, and it is required to accurately position the product as desired for multinational companies. For an international company like Nokia, firstly, it needs to emphasize one characteristic that caters for local culture. Therefore, in the United States, Nokia should focus on durability and economy; in France, it could be leisure and power; in Germany, utilization; in Mexico, price; and in Venezuela, quality. Secondly, it must be aware of local taboos and idioms when selecting the advertising message. Otherwise, it could be at least embarrassing and even hurt local consumers' trust and respect towards Nokia. For example, an advertising campaign used by Pepsi-Cola-" Come Alive with Pepsi"-translated too literally in some countries. The German translation of " come alive" became " come out of the grave," while in Chinese it read " Pepsi brings you ancestors back from the dead." In Spanish, the very word for advertising poses a problem since the corresponding Spanish word means propaganda, which has other connotations in English.

Public relations are designed to promote and/or protect a company's image or its individual products. However, under different cultural background, there are different skills in carrying out it. For example, in China, Nokia needs to focus on such activities as lobbying and counseling-the former aims to improve the relationship with legislators and government officials, and the later, connected with public confidence and loyalty. In this respect, Amway set a good example-through out the seven years after its entry into China's <https://assignbuster.com/the-study-on-nokia-s-utilizing-of-communications-mix-marketing-essay/>

market, it has always been concerned with the China's children, and it has sponsored nearly one hundred charity campaigns to help these children, such as China's " Hope Project" or " Spring Bud Project", through which it obtain sanction from the government and popularity from the citizens.

## **6 Conclusions**

It has been proved by many international companies that a good quality of products does not certainly guarantee companies successful sales, and that a proper and wise application of communications mix is indispensable in this respect. Communications mix is essential to help a company maintain its market share and even obtain more, build its good image such as innovation, responsibility and so on, stimulate consumers to buy more products, and also get people to know its new products. However, a firm may be end with a loss if it fails to know positive and negative aspect of each method and choose the right one or ones in the right time and in the right place.

Especially when the firm selects more than one method, it needs to make sure that all these methods are to convey a consistent, clear message about its image and products. If it fails to do so, consumers can get confused and therefore, there be will no loyalty customers. Besides, culture has a substantial influence on communications mix. For those companies which are not sensitive to cultural differences, they cannot obtain the result they have expected by using communications mix in better and even worsen their selling. The international company Nokia's leading role in mobile phone market tells us that a successful is the result of the combination of a good quality of product and of proper using of marketing strategy.