

# [Santa fe, marketing and strategy](https://assignbuster.com/santa-fe-marketing-strategy/)

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Santa Fe is a market leader in Asia in the field or relocation services. It offers a comprehensive range of the highest quality services, including; Immigration / Visa, Home / School Search, Language / Cultural Training, Tenancy Management, Financial Management and Moving, to individual and corporate clients. The company started its operations in Hong Kong in 1980 and after its acquisition by EAC www. eac. dk in 1988, it has continuously expanded operations throughout the region and currently operates through offices in 13 countries and 36 cities and territories across Asia, including; China, Hong Kong, India, Indonesia, Japan, Macau, Malaysia, the Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam.

Along with its increasing profits and rising image, company has started facing many issues. Main issue is branding challenge. Other issues facing Santa Fe are not as big as branding challenge, but, with passing time they may rise to uncontrollable level. People dislike relocation and when they have to, they don't want to spend money on it and look for cheapest option available. There are very less no. of companies and individual clients, who are aware of the broad range of the services provided by the company. Change in brand mark can be considered as another issue coming in front of the company. Staff at other offices often customized the branding material according to their convenience. The colours, scripts, font sizes, and even versions of the logo used in marketing materials varied widely from office to office. Inconsistency in the brand mark can cost company a lot.

SWOT Analysis

SWOT Analysis of Santa Fe shall help in giving a deeper and clearer insight of the internal and external factors that can either be taken as a helping hand or as a trouble maker for the company.

Strengths: Santa Fe owes much of its success to a focus on quality. It is firmly dedicated to ISO standards, in addition to quality standard of 'FAIW. Company is known for the highest level of quality services it provides. Full Range of Services company is offering adds on as an advantage. It provides household goods moving, home and school search, familiarisation programmes, cross-cultural training, maid & handyman services, tenancy management and many other related services. Worldwide network support of partners can be considered as strength. Company offers the finest worldwide network supported through active partnership in the industry's leading organizations including Worldwide Employee Relocation Council (ERC), Overseas Moving Network International (OMNI), and International Federation of Furniture Removers (FIDI).

Company is also actively engaged in Corporate Social Responsibility. It is active in a variety of community events and charitable organisations. Reason behind it is to create goodwill, motivate staff, and improve the world. Other strength of Santa Fe is innovation. Company is known as an industry leader in terms of innovation as it continuously makes effort to increase the value it brings to the clients. Santa Fe's procedures are highly computerised for increased operational efficiency and control. Based on the latest technology, the IT systems allow for tracking and monitoring the success of each and every relocation from start to finish. Company has got the highest employee retention record, which is another major strength of the company.

Weaknesses: Santa Fe operates basically in Asia region only. It cannot cater to the needs of the overseas expatriates directly because of its agreement with OMNI. Another drawback is that the company is focusing on the premium segment only; leaving the upper middle class segment that can be an attractive market. The price company quoting for its services is commonly taken as expensive and most of the people do not want to spend that much. Company's marketing efforts in promoting support services are not also up to the mark as the efforts were rewarded with moderate success only.

Opportunities: Overseas partnership with more partners can be seen as an opportunity. Moreover, company can enter the overseas market directly by opening its offices. Other opportunity available to Santa Fe is to open its offices in more locations in Asia only to make its presence much stronger.

Threats: Entry of foreign players in Asia poses the threat to the market share of the company. Along with it, increase in no. of players in the local market poses another challenge for the company. Perceptions of the individuals and corporations are changing and they have started looking for cheap options available in the market. This is another area of concern. Indirect competition from the distributors who helped the company in providing support services also brings in the challenge for Santa Fe. Multinationals have started reducing their budget that is to be allocated to overseas relocation because of global economic conditions, which again creates a problem for Santa Fe.

Considering the Strengths, weaknesses, Opportunities and threats that company is facing, following questions can be answered:

Ques 1: How can Santa Fe stand out as a high-quality provider in customers' minds?

Santa Fe may use the positioning strategies to stand out as a high-quality service provider in customers' minds. According to Ghosh (2009, p. 202), " Positioning refers to creating a mental image of the product offering and its differentiating features in the minds of the target market." If positioning is done effectively, it can surely put the company in top of mind with its customers. In order to do this efficiently, company needs to understand the services from customers' point of view, relative to the competition.

Strategies for brand positioning for Santa Fe:

Create a rich, three-dimensional portfolio of benefits that enriches & adds new dimensions to the brand personality to power the brand: Three-dimensional portfolio of benefits includes functional benefits (stressing quality), process benefits (new ways to research & buy) and relationship benefits (ongoing contact with the marketer). The three-dimensional benefits would create opportunities to increase performance distinction & enhance the brand's personality, rather than rely on just one & that is the functional approach.

Focus brand essence on a set of touch points through which the brand can deliver a consistently distinctive & inspiring customers experience: The number of consumer touches point's increases exponentially. This increase in touch points creates opportunities & challenges for branding.

Concentrate on surroundings the consumer with superior and market presence: In response to trends, new brands are creating total brand presence rather than relying on advertising-centric approaches. Innovative approaches are building presence through new media, world of mouth, and alliances & customer in store experience. These tools enhance their power when tie with the closely with the brand proposition. Basically, this would help in knowing the consumer & the market and moreover it help in knowing the brand presence.

Nurture the brand as an asset that can be profitably leveraged across product segments or channels: Brand with the kind of aggressive brand leverage would generate superior returns. Therefore, brand should be treated, as an asset not like as an expense.

Ques 2: How can Santa Fe reach and attract customers who would be willing to pay more for premium service?

Santa Fe can reach and attract the customers by having the appropriate marketing mix, which consists of product, price, place, and promotion.

Product: It means either tangible product or services. Santa Fe is offering the services of household moving goods and other support services such as familiarisation, visa and immigration, home search, school search, furniture rental, settling-in assistance, maid and handyman services, cross-cultural training, etc. Santa Fe can consider brand name, quality, safety, packing, support services, etc. in this category.

Price: Company has established itself as a premium service provider. Price is relatively high compared to other brands, suggesting it is not as important in the mix whereas the product itself is important - it relies on a reputation of quality to justify the higher price.

Place (distribution): Company's main operations are in Asia over 13 main countries and 36 territories that include China, Hong Kong, India, Indonesia, Japan, Macau, Malaysia, the Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam. . Company can focus on overseas partnerships, market coverage in Asia, on multinational companies, and on individuals.

Promotion: It means communicating via various marketing channels. It includes push or pull strategy, advertising, personal selling and sales force, public relations and publicity. Company is taking direct marketing approach to reach corporations in Asia, with sales representatives approaching through the use of phone calls, personal sales visits, presentations, etc. Company has also started distributing promotional brouchers to high-light the value-added services. Sponsoring international level events like conference of the Employee Relocation Council (ERC) can also help in promotions. Moreover, active involvement in various charity work also helps in promoting the brand as it brings in goodwill and people would like to associate with well known and ethical company.

How can Advertising help in reaching the customers?

The role of advertising is to keep a brand in the mind of the consumer. During the lifetime of a brand, companies will develop marketing strategies that communicate brand identity and core values to gain consumer's attention. In order to keep its product competitive and contemporary, these messages need to change over time. Santa Fe can modify its existing advertisements from one campaign to the next to attribute new values to a brand giving consumers more reasons to buy its services. Healthy brand equity or brand strength is critical in an impulse-driven, competitive market. Advertising plays a key role in maintaining this strength.

Ques 3: How do Santa Fe's characteristics, values and image align with potential customers' needs and purchasing criteria?

Santa Fe's core value is providing the highest quality service to its clients and it has established itself in the market as a quality service provider in the relocation industry in Asia. In today's world, where living standards of people have increased along with increase in income generation power, individuals' needs have changed dramatically. Now, they want good quality service even if it comes with slightly higher price as they can afford it easily. Santa Fe's image fits in this demand of customer in a perfect manner. Moreover, people do attach sentiments with their goods and value them very much. While relocating, they look for a service provider, which can take utmost care so that product can reach destination without any severe damage. And delivering goods at the destination with minimal or no damage done to them is the key characteristic of the company. This is how Santa Fe's characteristics, values and image align with potential customers' needs and purchasing criteria.

Ques 4: How can Santa Fe adapt its household goods moving brand to promote its other services?

Brand extension is a necessary move at some point in the life of a brand. Brand extension is the tool that Santa Fe may use to promote its other services with the help of its already established and well known household goods moving brand. It can be done in following way:

(i) Up-selling: Up selling refers to when you help a customer decide to buy a little extra or " up-grade" slightly the final purchase. Along with selling main household moving goods, representatives can try to up-sell the support services or if that is not possible, they can inform the customers about other support services available with the company.

(ii) Website marketing: Company may upload the information about support services on to the website as people usually visits the websites before making any purchase decision.

(iii) Word of Mouth: Santa Fe may inform its existing customers about the support services and at the same time it can also put this information in its overseas partners' knowledge, which might be helpful in reaching more customers.

Ques 5: What effect will this have on brand (Question 4)? Will it enhance or detract from the company's message?

When done successfully, brand extension can have several advantages: It will help in reaching the existing consumers and more likely chances are that customers would better like to evaluate, try and adopt the brand extension than an unfamiliar brand in the same category. Consumers trust a known brand name. Customers will associate the quality of the established brand name with the new product. It shall substantially help in enhancing the company's image.

The distributors may find it easier to adopt the product as it is backed by an established and known brand. It can be seen as more cost effective alternative as there shall be no need to create brand awareness. The support services may refresh the home moving goods services, providing a more comprehensive offer to the customer. It will help in establishing the company's message that Santa Fe is willingly interested in customers' needs and wants and it is continuously engaged in serving those demands, which means starting whole range of support services.

Conclusion

Branding is the process by which a marketer tries to build long term relationship with the customers by learning their needs and wants so that the offering (brand) could satisfy their mutual aspirations. The strongest brands that exist today are strong because they stay focused on that one aspect of singular distinction. When Santa started providing support services after realizing the customers needs, initially it was appreciated but due to lack of good marketing strategy, it started facing the problems. With the strategies discussed above, Santa Fe shall resolve its issues.

Company must also be consistent with its logo (brand mark) as it makes the customers buying process much more efficient because customers can locate and purchase products more easily than without branding (Ghosh, 2009, p. 196). Branding a product helps in identification, comparison shopping, risk reduction, product acceptance, enhanced self-image and enhanced product loyalty. Company strictly needs to work on brand building. Various tools available for brand building are Various tools for brand building are Public relations, Sponsorships, Trade shows, Event marketing, Celebrity, Mobile phone marketing etc.