

# Direct marketing nowadays theory

[Literature](#), [Russian Literature](#)



Direct marketing is selling product directly to the consumer or end-user, rather than through a broker, distributor or wholesaler. Example: Sometimes confusing the matter, direct marketing is also used to describe the sale of food directly to a restaurant, grocery store, caterer, processor, etc., who will then resell the food to customers.

2. Identify the major forms of direct marketing and the techniques they employ to target customers. Use the template provided below to explain the different techniques each major form uses to target customers. Major forms of direct marketing differentiated in terms of techniques:

Forms of direct marketing

Target markets: Techniques used to target customers: Face-to-face selling Residential area, People who like to visit in market. Malls, all age group Promotion, door-to-door service, direct approach, offering samples

Direct mail Adults & older Post, courier, sent mail Catalogue Sending, attractive image of products, special offer, brief description of product

Telemarketing Land line phone holder Special offer, brief description of product, Calling to landlines

Print Adults, older & retired people Flier, newspaper, posters, using famous person's face

Direct-response television advertising House wife, retired people stabilize people Saving offer, free home delivery, short time offer, Free call on television advertisement like 0800

On-line Internet user Through the video presentation, Website, social network like Facebook, twitter

Mobile technology All age people Mobile APPS, social network, text

3. Choose a business you know well or a case study of a business which uses direct marketing e. G. Cafe using Facebook, Salesrooms, a business which uses

Trade, Auckland Council, FamilyPlanning, NZ Heart Foundation, CAB Bank, Anyway.

Describe it briefly. We have chosen CAB Bank. CAB Bank offers bank accounts, personal and home loans, savvier, investments, foreign exchange, insurance, internet banking, credit cards and online banking. 4. Identify one growth direct marketing trend that your chosen business uses e. G online marketing, telemarketing, face-to-face, social networking, direct mail. Refer to this trend and the case study you have chosen in your assignment and presentation. The growth of direct marketing trend of CAB Bank offers direct mail service to their customers, online banking or internet banking.

They send mail or letter on their postal address to inform about their account and investment. Regularly (once in a month) they send the user bank account statement to their customers. Have chosen? Give 3 benefits for buyers and 3 benefits for sellers. Answer for buyers: Availability of credit. Privacy Time saving Interactivity. Benefits for seller are: Target market selectivity. Ability to build customer relationship. Ability to maintain privacy of marketing programs. Convenience Time saving. - Benefits 6. What are the ethical issues or public policy issues for the direct marketing trend you have chosen?

Give 3 examples of ethical issues or public policy issues. Answer- There is four ethical issues that CAB Bank should keep in mind while using direct mail marketing methods: Payment security- Bank must have a very tight security system because in our society there are so many high professional hacker who can do something wrong by take outmoneyfrom the customers account.

Spamming: Bank should make conversation with the customers while someone (customers) doing big amount transaction or send them e-mail regarding their accounts information.

Terms and conditions-Bank should tell their customer about terms and conditions of ann. before opening a new account regarding how much they have to pay credit card interest rate and in how many days customers have to pay funds to them, how much transaction takes time. Agreements and contracts-Banks should send all copies of all relevant documents, agreements, contracts and advice of legal rights on the customer's postal address. 7. Explain the use of digital technology and databases for your direct marketing trend.

Answer- CAB bank use digital technology and database for direct marketing trend as in following ways- Digital technology database in direct mail CAB bank uses New Zealand post database to find new customers with quality data including names and addresses as well as new market. CAB advertising in their own website. CAB bank mainly target people of every age group like students, working people, unemployed, and old age people. CAB bank update existing customers database. CAB bank provides several loans to customers such as Business loan, Home loan, Car loan etc. At low interest rates.

They offers online and internet banking as well. 8. Thinking about digital technology and databases explain how your direct marketing trend fits into marketing mix strategies. Talk about price, promotion, product, people and distribution. Answer: People- CAB target every age people like students,

working people, employment, old age people. But they mainly target the people of age group 28-35 because most of on Youth, advertising on the back of bus, at bus stands and we can see big poster on roads. Product- CAB bank provide 100% home loan on low interest rate to customers.

Credit cards on low interest rates, debit cards. 9. What products or services are offered by your case study business using the direct marketing trend you have identified in question 4? Analyses the pricing of these rodents - are the prices competitive? Answer- CAB bank offers 100% home loan on low interest rate to customers. Credit cards on low interest rates, debit cards. Competitors of CAB bank are ANZA bank, WESTWARD, and BENZ bank. The prices are very competitive because every bank wants to attract customers by providing loans on very cheap rates and on low interest rates.

Fixed Homes lone BANKS For 12 months For 24 months CAB sank 5. 15% 5. 70% ANZA sank 5. 19% 5. 95% So we can see that CAB bank provide home loans on cheap rates. 10. Describe the segments of the market which are targeted by your direct marketing rend. Explain how different types of promotion are targeted to different markets. (Single segments, multiple segments and aggregate) Answer- CAB bank uses single segment marketing and mainly targets and motivate people of specific age group of 28-35 because their earnings are higher than others and most of the people of this age group are working.

CAB Bank offers direct mail service to their customers. They provide all useful information to motivate them in the mail. CAB Bank also provides 100% loans to their customers at cheap interest rate than other competitors

in the market. They provide latest or up to date useful information on their website and they update website continuously. They advertise on social network like Faceable, Twitter, Youth because usually young generations use this social website. 11. What level of service would you recommend for these target markets?

How will this service build and maintain customer relations? Answer- CAB bank provide 100% loan to customers for their satisfaction and they give proper information about their services and terms and conditions so that they can make a good relationship with their customers and finally CAB bank have a good reputation in the market. According to us, to attract more customers the service should be very fast, provide 100% security to the customers, prices should be lower than other competitors.

CAB Bank build and maintain their customers by hiring more staff so that customers get fast developers and it specialists who can concentrate on security because these are the components with they can get customerloyalty. 12. Explain how products or services advertised by your direct marketing trend are distributed to the target market. Answer - CAB bank have good reputation in the market because they advertise about their services in many different ways: They advertise on social networks to young generation on Faceable, Twitter, Youth etc because mainly young use these social websites.

CAB Bank advertisement on buses, bus stops and big poster on the roads. CAB bank updates their own website about their services. CAB bank advertise on shops according to the community of people like Indian,

Chinese, Maori people etc. CAB bank offer direct mail services to the customers. CAB bank sent account information to their customers once in a month to keep them update or aware about their bank transactions CAB provide loans to customers at cheap interest rate than others in the market.

**BANKS**