

Marketing techniques to ascertain growth in a market



The Business community: They work hard all day and often stay overnight in a strange city. They need a competent establishment that helps impress clients and prospects. Afterward, they want to relax and use the money they are making (or are expensed by their company). They spend the most on drinks, food and tips. Margala Restaurant's cosmopolitan flair and comfortable atmosphere will be perfect for sophisticated business people, whether they live in and around Birmingham or are here for work.

Local Community: The restaurant will have an intimate, romantic, enticing adult atmosphere that suggests "date." Margala Restaurant's will be the best date location in town. These young couples are generally very successful working professionals. In most cases they are budgeting to eat out on a regular basis, as they don't have the time to prepare food nightly.

The Destination Customer: Birmingham is a very 'sectioned' city, and consumers often look only in their own neighbourhoods for restaurant options. Margala Restaurant will break these habits, using marketing to draw customers from outside the main city limits. It will be a destination restaurant. Our Destination Clients tend to be new suburbanites that miss the excitement of the inner city. They have disposable income, and will spend quite a bit on such outings. It will be especially appealing to married suburban couples indulging themselves with a "date night", away from the kids. Many of these consumers are new to Birmingham from larger cities, accustomed to dining within the city and at non-franchised restaurants.

Young Generation: We will attract them with our friendly atmosphere and layout. Our international menu, striking decor, entertainment and events,

excellent service and engaging clientele will confirm the feeling of being in “the in place” in Birmingham. These are the individuals that pride themselves on socializing and dining at the premier locations - The Image Seekers.

Use of marketing strategy options in a market

Porter Generic Strategy

Market strategies differ depending on the type of individual business and target market. Micheal Porter along with his five forces of Competitor Analysis categorized generic market strategies. His strategy revolves around the dimensions of strategic scope and strategic strength. Strategic scope is focused towards market penetration while strategic strength is concerned with the firm’s sustainable competitive advantage. The generic strategy framework consists of two alternatives and each of these with two alternative scopes. These are Differentiation and low-cost leadership each with a dimension of Focus-broad or narrow.

Product differentiation - it is the process of distinguishing a product or service from others, and make it more attractive to others. It can be used to differentiate the product or service with external sources or internal. It is used as a source of gaining competitive advantage. For Margala Restaurant Product differentiation can be stated as:

The creation of a unique and innovative fine dining atmosphere will differentiate them from the competition. The restaurant will stand out from the other restaurants in the area because of the unique design and decor.

Product quality: great food, great service and atmosphere.

' Grill for Thrill' Menu: The menu will appeal to a wide and varied clientele. Our friendly menu features regional specialties around the globe, from Indian curries, to Turkish kebabs and grill, to local varieties.

The operational timing of the restaurant will also help to gain the competitive advantage. It will operate Monday to Saturday 11: 00 a. m. - 4: 00 am and on Sunday, 12: 00 p. m. - 1: 00 a. m.

Cost leadership - The way to gain competitive advantage by keeping the cost of operation low. Margala Restaurant will focus on cost control which will be an integrated function of the restaurant. The focus will be to reduce the cost of goods sold to meet profit margin goals by managing the following crucial elements of cost: Purchasing, Receiving, Storage, Issuing Inventory, Rough Preparation, Service Preparation, Portioning, Order Taking, Cash Receipts, Bank Deposits and Accounts Payable.

Market segmentation - It focuses on creating a subset of the target market made up of people with same characteristics and demand a similar product or service. Market segmentation can be done on the basis of interests, gender, price, age etc.

Core Competencies

These are the capabilities that help the organization to gain competitive advantage. Hamel and Prahalad worked on this subject and gave their own framework to recognize the core competencies.

Provides potential access to a wide variety of markets

Makes a significant contribution to the perceived customer benefits of the end product -

Difficult for competitors to imitate

Strategic marketing objectives for a market

Following will help to develop strategic marketing objectives for a specific market for Margala Restaurant

Marketing Mix:

Marketing Mix is a very famous term in marketing planning process and also known as 4 P's or in some cases 7 P's of marketing. It has four basic tactical elements which are price, place, product, and promotion. Later on and varying from case to case 3 more are used which are process, people and physical evidence.

The reason it is given this name is because it is a mixture of different elements or components which can be altered as per the requirement. For example: For a high profile brand like Apple iPhone the focus will be on promotion and physical evidence. In case of Pound land or 99p stores or stores like Asda the focus will be price, and people. For Margala Restaurant the marketing mix will be:

Price - The focus will be to provide food at low rates without compromising the quality. More attention will be given towards inventory and stock to avoid any kind of wastage. The aim will be to create an appealing and entertaining environment with unbeatable quality at an exceptional price

Place - It defines the place from where the product or service will be provided to the end user or customer. South Birmingham is the location selected for the Margala Restaurant. The outlook for the future of South Birmingham is exceptionally positive and the most progressive development area in the city.

The market has been carefully selected and tested for the necessary demographics and retail traffic necessary to meet the goals laid down for profitability. The busy Spark hill commercial/residential location has been chosen based upon a successful demographic model and a traffic count of more than 15, 000 cars daily.

Promotion - this defines the means for promoting the product or service or any business. The focus of promotion will be to expand the marketing and advertising in Birmingham and in the neighbouring suburbs to increase the customer base. Also a great amount of attention will be given to establish the image as a unique restaurant with great service, value, and great food served in an friendly atmosphere

Product - the actual product or service to be provided. For margala restaurant the focus will be given to words designing the menu. It will have a punch line which will be ' Grill for thrill'. The menu will appeal to a wide and varied clientele. The friendly menu will feature regional specialties around the globe, from Indian curries, to Turkish kebabs and grill, to local varieties.

Report on the impact of changes in the external environment on a marketing strategy

It is said that any change in external environment of an organisation will directly affect the internal environment of the organisation. And likewise all other strategies, it will also affect the marketing strategy. For example: In toy industry, initially a Barbie doll was introduced. The focus of this doll was towards young girls who would say 'we girls can do anything', which was promoting open culture. However with the changing environment it was not appropriate for girls with closed culture. Hence the manufacturer came up with another doll who would accompany Barbie. The idea was to create different models for girls from different backgrounds like Latina, black or Asians.

In the same way for a restaurant the change in culture can affect its marketing strategy directly. For-example: In current situation the focus is towards dinning for family however in next few years time this culture might change and number of gangs and groups increase in the area, which will make it unsuitable for the families.

Similarly, Legal structure or legislations can also impact the marketing management. Currently restaurant is allowed to stay open till 4: 00am, if this is changed and are asked to close as early as 12: 00am.

Moreover, if there is political instability in a state and because of processions and some other reasons, the company is not able to provide the services timely to the customers; then again a gap will be created between the relations of customers and company's management.

Internal analysis to identify current strengths and weaknesses in a marketing strategy

With the help of SWOT Analysis, a simple tool and effective tool, managers can identify the strengths and weaknesses in current marketing strategy.

Strengths:

Experienced Management - one of the major strengths for Margala Restaurant is its experienced and strong management. Management team has 15 Years combined experience, which involves opening of over 25 restaurants and in depth involvement with the UK restaurant industry.

Unique, Innovative & Contemporary - The creation of a unique and innovative fine dining atmosphere will differentiate them from the competition. The restaurant will stand out from the other restaurants in the area because of the unique design and decor. The idea is to offer a fine dining experience in a friendly atmosphere.

Product quality - great food, great service and atmosphere.

Menu - The menu will appeal to a wide and varied clientele. Menu will feature regional specialties around the globe, from Indian curries, to Turkish kebabs and grill, to local varieties.

Employee Retention Focus - Employee retention and development programs will be a primary focus and success platform for this business. Through these programs, they will be able to draw seasoned and elite professionals and build a committed work force.

Cost Control Focus - They will control costs at all times, without exception. Cost Control will be an integrated function of the restaurant from the onset. Cost control is about managing the numbers - interpreting and comparing the numbers that impact the bottom line. 80 percent of the success of a restaurant is determined before it opens. The focus will be to reduce the cost of goods sold to meet profit margin goals by managing the following crucial elements of cost: Purchasing, Receiving, Storage, Issuing Inventory, Rough Preparation, Service Preparation, Portioning, Order Taking, Cash Receipts, Bank Deposits and Accounts Payable.

Weakness

Where there are strengths there lies some weakness as well. Some of them are

New product development - A great amount of attention is given to the types of food which will be served at the restaurant however there is no focus on new product development or introducing new recipes. Which means only two things, either there will be no development of new dishes or recipes or focus is diverted from this issue. Whatever the reason is, this is a weak spot in strategy.

E-marketing - Since it is a newly opened restaurant hence there are some financial constraints due to which e-marketing position is very weak. Management has not clearly specified the means for e-marketing or if they are going to carry it out.

Strategic marketing responses to key emerging themes in a marketing strategy

A good strategic manager is the one who will have a very long and distant vision and will be able to respond to emerging change on time.

Threat of Competition - In today's rapidly growing market, the competition in the industry is increasing. Two main reasons for the increased competition is the new entrants in the industry and those who try to gain competitive advantage over these newly opened restaurants. Everyone has its own speciality or quality. The best approach to this problem is to rather than feeling this as a threat, it should be used as advantage. One can try to learn from their competition and then use that against them. Also in order to tackle competition, management needs to encourage chefs to design their own recipes and come up with something new and innovative.

Political Environment - Any change in political reforms will directly affect the restaurant. In case of changes in operation hours there is nothing much can be done about it. However management need to revisit the inventory and stock management since there will be change in stock and material usage.

Under current reforms, Sheesha is forbidden in confined spaces or indoor smoking, if government shows lenience in this area, a whole new design or segment can be made up for this purpose to serve the desired customer.