

Concept of marketing: kef

Business



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Over a period of time it has given a stiff competition to other fast food chains like McDonald's, KFC etc. Through its comprehensive and effective marketing strategy. LOL . 1: Changing Perspectives in Marketing Planning

Concept of Product: KEF founded in 1930, has always believed in the concept of product.

Its primary product -fried chicken has remained the most sought after fast food product since its inception. With time KEF added range of fast food items catering to different taste buds and eating sensibilities.

This approach reflected that how it has adapted itself in the changing and challenging environment by rival companies like McDonald's etc. Product development and adapting in the changing market perspective is crucial for a fast food chain like KFC (Ghanaian, 2022) Concept of Selling: KEF has kept its focus on ensuring that consumers favor the product which offers the best in terms of taste and quality. KEF has never compromised with the quality of the product it has offered to customer.

Since inception it has maintained its trademark taste of the fried chicken which has resulted into a loyal base of customer following.

KEF has never taken its popularity for granted and has always believed in getting feedback from customer through various channels, which in return has helped it further to optimize the quality and other factors associated with its fast food products. Concept of Marketing: KEF has always been aggressive in terms of marketing its product.

Even though it has established itself as leading player in fast food sector, despite of this fact it has never shied away from marketing efforts towards its product. This focus on marketing helps in creating brand awareness and customer satisfaction. Concept of Societal Marketing: Societal marketing is an important concept in marketing strategy of any company.

KEF has always believed in reaching to its customer through various ways like customer surveys, feedbacks etc. Irish helps KEF in establishing a close bonding with its customer which eventually helps in increasing the sales.

Through its feedback and survey it has launched geographic specific products as well in order to cater localized taste and sensibilities. L. O.

1. 2: Cuff's Capability for Planning its Future Marketing Activity For KEF, capacity planning for its marketing activity is an extremely critical part of the business as complete business relies heavily on the future forecast and trend. This capacity planning strategy is focused on determining current and future requirement of a typical fast food specific market.

Capability for planning its future marketing activity as several important points which need to be understood, they are as follows: Financial Capability: KEF earned revenue of nearly \$11 billion in 2012 underlines the fact that it has enough financial capabilities to compete with other fast food chains like McDonald's etc. This has also ensured that with a strong revenue model it has sufficient marketing budget allotment for maintaining its market positioning. Technological Capability: KEF has always focused on supporting its marketing activity through use of superior technologies.

These technologies helped in optimizing its operation as well as marketing activities. Popular Products: Like its other competitors, KEF has always maintained a wide range of popular fast food product. Its trademark chicken burger and other chicken fast food products has helped in maintaining a niche market in non-vegetarian fast food segment. Having a popular line of products always helps a company in establishing brand connectivity with the end customer (Watkins, Ma & Ghent, 2003). LO 1. : Techniques Used by KEF for Organizational Auditing & for Analyzing External factors that affect marketing planning Multinational companies like KEF are aware of the fact that effect marketing landing cannot be achieved without application of techniques for organizational auditing and analyses of external factors.

External factors for KEF comprises of Macro environment and Micro environment. Macro environment consists of aspects such as social, cultural, legal, economic, political and technological. These aspects further include other factors such as demographics, environmental limitations and broader societal factors.

On other hand micro environment includes other constraints such as market structure, suppliers, customer, trend of the market, and competition.

Organizational audio as KEF to analyses and examine resources available and supplies suggestion related to strength and weakness of the company.

Organizational considerations are controlled by KEF itself hence it is important that it should avoid any sort of issues from this area. It is vital for a company like KEF to consider organizational auditing and development of the SOOT analysis (McGrath, 1986).

It is important especially to take advantage of its organizational strengths, reduce any limitation, and exploit market opportunities as they appear.

External environment is critical since it gives direction to behavior and overall marketing treated of a multinational company like KEF. L. O.

1. 4: Assume that you have just been promoted to the position of marketing manager in a Fast food organization. Carry out organizational auditing and analysis of external factors that affect marketing planning in your organization.

As a marketing manager it is important to understand the role and importance of organizational audit and analysis of external factors. This is critical because it leads to a direct impact on the success of the marketing strategy of KEF and its goal to maintain its niche position of fried chicken fast food specialist. Organizational audit focuses on entire business, it focuses on the business objective, goal, mission, vision and all strategies being applied in the business.

SOOT analysis is one popular and effective tool for audit of such factors.

Following are the result for the SOOT analysis done for KEF: Audit focusing upon organizations marketing objective and strategy helps in determining how well those strategies is suited to the current and forecasted market environment in fast food segment across various geographies.

Organizational audit of marketing strategy is concerned specifically with a goal of evaluating organization's tutorial capability and its preparedness for implementation of the strategy needed for further development of the business and fast food segment in general.

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Organizational audit helps in covering wide spectrum of functions like quality of organizational systems for analysis, control and planning. L.

O. 2. 1 : Assess the main barriers to marketing planning Following barriers needs to be addressed: Lack of Vision: KEF has to be cautious while implanting its marketing plan. In order to ensure an effective implementation it is important to have a comprehensive plan. However marketing plan should ensure that it covers every aspect which it can face due to changing market environment (Christian ; Grief, 2010).

Poor future vision can result into an insufficient marketing plan which can lead to failure.

Less focus on Innovation: Although fast food segment has been dominated by products which have not changed over a long period of time. However with changing customer taste and preference, it is critical for KEF to focus on innovation of new fast food items which can offer something new to customer. It has to innovate and customize its product based on various geographies it works in. Leadership issues: KEF comes under a single brand known as YUM!

Brand, which operates other subsidiaries brands such as Pizza hut and Taco Bell. In order to ensure a smooth functioning of the business, it is important to segregate the leadership for a better focus on the individual brands.

This will help in brand specific focus and other management related activities. L. O. 2. 2: Examine how organizations may overcome barriers to market planning KEF ¶Ewing an international chain to taste Todd Joints, it

NAS huge pressure in terms to ensuring that its market planning is always in sync with its business objectives.

In order to achieve that KEF needs to ensure that irrespective of the geography it is operating in, it should take care of certain barriers which might become a road block in an effective marketing planning. First important barrier is confusing marketing tactic with strategic tactic, often organization end up getting confused between the two. Hence KEF should ensure that it has clear demarcation of its operational tactic and its marketing tactic. Another aspect is overcoming organizational barriers, in way of effective market planning, organizational barriers like slow decision making process, unnecessary hierarchies etc. Get create problem in effective market planning.

Another important barrier is failure to prioritize the objectives to be achieved from the market plan. In order to achieve the maximum out of a market plan, it will be important for KEF to prioritize its requirements or goals. For example its expectation from Asia geography might be different as compared to European continent, in such circumstances it needs to accordingly prioritize its market plan activities and set the goal on those priorities. L . 0.

3. 1 . : Marketing plan (notes for power point presentation) Situational Analysis: KEF is famous for its non-Vega range fast food products

Increasing trend towards vegetarian fast food products Demand for economic and quick snack vegetarian fast food products in growing countries such as India Campaigns from PETA are another reason why people from <https://assignbuster.com/concept-of-marketing-kef/>

Nest are also moving away from non-Vega fast food items. Market

Segmentation: Total market of fast food market is around \$15.2 billion (2011-12), important point to note that despite presence of various kind of fast food products there is hardly any presence of Vega fast food products this highlights that there is huge scope for Vega fast food products which are cheap but have superior quality.

Competition: Major competition for KEF Vega Snicker is from Vega products such as Subway's Vega sub, McDonald's Vega burger, McDonald's Vega wrap etc.

And other local player specializing in Vega fast food products Consumer Analysis: Population in growing economies seek cheap but tasty and good quality fast food item. In country such as India, there is huge vegetarian population which also like fast foods such as Vega snicker burger offered by KEF.

Marketing Challenges Faced: (S) Strength Second best global brand in fast food industry Famous and popular formula of original 11 herbs and spices recipe Support of popular subsidiaries such as combination of KEF - Pizza Hut and KEF - Taco Bell Leadership position among companies offering chicken as their primary product offering (W) Weakness includes Negative publicity from health conscious groups Row over quality of chicken used as raw material Vulnerable to downfall in business due to issues like bird-flu Lack of strong marketing efforts as compared to companies like McDonald's (O) Opportunities includes Increasing demand for healthier food Focus on home delivery of the products Scope to introducing new varieties in its chicken

range to products (T) Threats includes trend towards healthy food habits
Currency fluctuations various law suits from groups supporting green and
vegetarian food Marketing Strategy: Product: Vega Snicker in a country like
India is fulfilling the requirement of cheap, quick and tasty fast food.

Vega Snicker also has better nutritional value as compared to other
competitors such as McDonald's Vega burger, and cottage cheese burger
and " raps Place: KEF should focus on markets dominated by Vega
population, its distribution channel should be in place for procurement of raw
material for its Vega products. Pricing: Unlike other KEF product, Vega
Snicker has been priced imitatively to attract customer with low budget but
are looking for quality Vega fast food products.

Promotion: KEF should focus on this aspect that being a famous brand for
non-Vega fast food products it is now focusing on Vega items as well. It
should focus on ensuring that quality of Vega fast food items is equally good.
Conclusion Irish marketing plan for Vega products has to be implemented
carefully because of risk due to brand image.

Marketing plan for Vega products has to be isolated from overall marketing
plan, since main focus of KEF has been on non-Vega fast food items. Pricing
ND Packaging of the product is critical for overall success of the Vega line of
fast food items. L .

0. 3. 3: Examine techniques for new product development KEF can opt for
eight stages of a product development which involves following process:
Concept Generation of New Product: SOOT analysis can be used effectively
for assisting basic research towards new concept generation of a fast food
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product. Concept Screening: KEF based on a new concept/idea can then screen and question the relevance of the concept.

It is very important for KEF to understand that relevance of the product that should be implemented as per the market situation. Nonworking on a concept which competitors have already launched might not be a logical business strategy.

There should be clarity related to the target market as well. Nat customer base KEF will be targeting should be clear from the concept stage itself (Starfish, 2011). Concept Development and Product Testing: KEF should also focus on the proper testing of the new product for its market suitability and target customer segment. For example a spicy chicken burger might not be successful in market dominated by less spice loving population.

Thus a product should be tested internally before it is launched on a wider scale. Beta Testing and Marketing Testing: KEF can understand a significant part of customer feedback through a selected launch of the product to a specific set of customers.

With a proper feedback channel, ' label inputs regarding the product can be collected which can be further used to optimize the end product before it is launched. Technical Implementation: Technical implementation phase will include activities like all the logistical attributes which will be necessary for a producing the fast food product. Thus how a raw material will be procured? What raw material will be used?

Availability of the manpower for the production and several other facts should be taken care by KEF in this particular phase to the product development. Centralization: Centralization is the critical phase, where post development of the product there has to be specific budget and time for product promotion and creating awareness about the product. Optimization of distribution channel and modernization of the product is also crucial part of this phase. Product Pricing: For a company like KEF which has operation in developed as well as developing countries, pricing is a critical aspect of the whole business.

In price sensitive markets like Asia, any wrong pricing strategy can result into product failure. L . 0. 3. Pricing policy, distribution and communication mix for: Energies chewing gum: Wriggles chewing gum is a classic example of how a company can create success through a product which is not a necessity for consumers.

Rough its aggressive strategy in pricing, distribution and communication it has ensured that it remains on top in chewing gum category. Rather than focus on creating a premium product, Wriggles focused on getting its basic correct through an economical pricing of the product which ensured that people adopted and started sing the product. Through its intensive market research it strengthened its distribution channel and formed a strong relationship with retailers. With its Innovative and aggressive marketing and communication strategy, it has ensured that consumers do not forget about the brand.

Sky TV: Being one of the pioneers in direct- to-home concept, Sky TV always ensured a balanced approach in terms of pricing. It offered both segment of customers I.

E. Segment which was bothered about ' allee delivery and segment which believed in cost of product. It bundled and offered them in various packs based on their popularity and subscription cost. Sky TV initially had been aggressive in its communication strategy to reach its customer, which paid off positively. With focus on acquiring new customer base, Sky TV has always been Innovating in terms of its communication approach to actively engage with its customer base. BMW 7 Series: Keeping in with tradition, BMW has maintained a premium pricing over each of its product.

Main reason behind this is to maintain an exclusivity of the brand along with a healthy margin on the product sold. Thus it never comprises with its pricing strategy to boost its sales volume. BMW 7 Series has en able to penetrate the upper class of the car buyers through its wide spread distribution channel, which not only sells the car, but also provides an effective after sales service to the vehicle. Communication mix for BMW has always been focused on the premium segment of society, for whom spending money is not an issue, but they are cautious about the premium attached to the product. Bentley Car : Similar to brands like BMW, Audio etc. , Bentley has ensured that it is known as super premium car making company.

That is why despite of slump in its car sales it never tweaked Ninth its pricing strategy. It has always focused on the premium and high net worth individual who are more focused on the brand and the premium attached to it.

Distribution channel of Bentley is not as strong as its competitors, but it does have presence in majority of the prime cities across globe. Its communication mix and marketing has always targeted rich customers who have always believed in owning the best of every segment. Hilton Hotel Room: Hilton has always believed in providing best of the user experience to its end customer, even if it comes with an extra cost.

That is why Hilton boasts of a loyal set of customers who always prefer Hilton over other hotel.

Hilton has given preference to exclusivity over the pricing doctor, Witt added luxuries as compared to other competitors and a personal touch in its services Hilton has always been able to justify its above average pricing structure. Ninth a wide presence across the globe, it has been able to establish a brand name through which its customer can connect easily.

Holiday Cruise from London to Florida: Cruise holidays have always been a popular product among tourists. Tours and travel companies have ensured that they capitalize on this craze.

However with a holiday cruise as far as from London to Florida is concerned, it depends on the latter offering. Pricing strategy should be focused more on upper segment of the society, because they are the one who can afford a cruise travel.

With various luxuries added, cruise holiday can justify its pricing strategy as well. Distribution has to be maintained through extensive network of tours and travel operators. With multiple holiday packages being promoted, a

holiday cruise has to be promoted aggressively in order to ensure that it can be differentiated from other holiday packages.

L . 0. 3. 5: Explain how factors affecting the effective implementation of the marketing plan have been taken into account. Various factors which affect the effective implementation of the marketing plan are as follows: Information about Target Segment: For KEF the target customer has always been the teen and post teen.

Their advertising campaign has primarily revolved around college going students and working professionals.

However with time, and competition from rival fast food companies, they have focused on various age groups (Roller, Overshoes & Luminaries, 2006). Important aspect is that whatever fast food product has been launched, it has been done with proper knowledge of its target customer. For effective implementation of marketing plan prior research about the target customer base is extremely critical. Measurable Goals and Objectives: Marketing team at KEF has to be clear about their end goals and organizational objectives. Clarity on these two aspects is important towards effective implementation of the marketing plan.

In fast food segment, acceptance of the new product launched, and objective achieved in terms of the expected sales helps towards effective implementation of the marketing plan. Proper techniques for forecasting of the expected sales and measurable goals helps in understanding the success of the product launched. Proper and Effective Communication Tactics: Fast food companies have to be very thoughtful with their communication

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strategy. Even a slight mistake in terms of improper communication can lead to disastrous result. Ninth various lobbies opposing Junk food or fast food segment, there is always a pressure on companies like KEF to come up with relevant and targeted communication.

Thus what channel is being selected for communication also matters lot.

For example if target demography is vegetarian in nature then launching and creating campaign about a chicken burger will be a big mistake. Hence optimization of communication tactic is an important stepping stone towards effective implementation of the marketing plan. L. O.

4. 1: Explain how ethical issues influence marketing planning Fast food segment has to face several ethical issues, which eventually shape up their marketing plan. There are many countries which are extremely particular about the quality of the product and its raw material used. For example a country or area dominated by vegetarian population will never accept a Chicken or beef burger. That is why in the stores there has to be strict check on what s being served to the customer.

Recently there was a viral video on social networking site which highlighted how raw material tort KEF is procured which highlighted several loop-holes in the procurement process.

This issue exposed the hygiene and cleanliness standards in the procurement as well. Such kind of ethical issues many times results in lawsuit etc. (Schroeder & Impeacher, 2005). L . O. 4.

2: Analyses examples of how organizations respond to ethical issues KEF has witnessed an exponential growth across globe. But with this growth rate there are several instances of backlash against the brand as well. For example a slight negligence in a vegetarian dominated population can lead to ethical issues among the population and negative publicity for the brand.

In any such instance where KEF has been on the defaulter side, it has always cooperated with the respective agencies and has proactively accepted its mistake wherever necessary. As a brand KEF has never ignored its social responsibility and accepting mistakes because of its negligence. In order to address any consumer complain they have dedicated complain cell which handles consumer grievances.

L. O. 4. 3: Analyses examples of consumer ethics and the effect it has on the marketing planning Consumer ethics has major impact on designing of market strategy of a company. For example KEF avoids an aggressive marketing of non- vegetarian products in vegetarian dominated population.