

# [Marketing research paper – click frenzy](https://assignbuster.com/marketing-research-paper-click-frenzy/)

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Question 1 Click Frenzy is an annual online sale that was started in Australia in 2012. The event has been started after the Cyber Monday online sale that occurs in the United States of America every day that follows Thanksgiving. The Cyber Monday event is held on the Monday after the Thanksgiving in the United States and Click Frenzy is intended to act as a boost for Australians before Christmas. By partnering with other major retails in Australia, Click Frenzy redirects users to other retails involved in the sale. It is also a time when things are sold on discounts on the site and also by the participating retailers.

The main intention of Click Frenzy to be launched was to ensure that since Australians loved shopping online, they could get the best deals for any products and find them at a shorter time than they would otherwise. The Click Frenzy was also launched with the intention of locking out their competitors with the Cyber Monday where clients were online looking for good deals before Christmas. By introducing a first of its kind, it is the largest annual online sale in Australia (Van Wyk 2012, par. 1). Question 2 The Australian online market is growing at a very fast rate.

According to the article What is driving the growth of online shopping (n. d.), the spending habits of online shoppers are bound to go on increasing, which ia a sign that the online shopping trend is gaining force. This is because by 2012 it was expected that roughly 9 million Australians would participate in online shopping (What is driving the growth of online shopping n. d.

, par. 1). This must have attributed to the clients that participated in click frenzy. The new wave of online shopping that is running in Australia is basically due to new innovations in technology. The reasons that may have led to clients participating in the Click Frenzy include: the increasing trends of mobile technology usage, the Australian dollar gaining more strength meaning that the economy is doing well, and the Australian market being now focused on the value of their money based on the products.

Other reasons include the following: there is now a wider variety of products to choose from, confidence in online shopping is growing in Australia, and there are better transaction procedures in online retailing. All of the above were the factors that led to consumers making the decision of shopping at click frenzy since the security of the participating retailers’ sites was also guaranteed. Moreover, there were many discounts and also shopping convenience was reassured. This is because everything one needed would be on the categories they had. This thus made it easier for clients to navigate through many pages that fell in the category of what they wanted (Online shopping in Australia market research report 2012, par.

3). Question 3 The market positioning of Click Frenzy was similar to that of Cyber Monday online sale in the United States of America. Just as the Cyber Monday online sale, it also takes place before Christmas and it is meant to act as a trigger for the Christmas period trade in online retailing. This has made click frenzy establish its position in the Australian market. This is because it is a unique sale in Australia that also comes at the onset of the Christmas period. Thus, consumers can even shop for everything they need for Christmas since they will be sold at discounts and it will be easy to identify them (Dudley-Nicholson 2012, par.

2). This will help to capture the Australian online market share that is keen on the Cyber Monday of the United States. After its launch, there were more than two million clients who went online to the point that this led to a temporary crush of the site. However, that did not deter consumers who continued shopping on the sites that were not affected showing that there was much anticipation for the online sale. Such a huge Australian population participating in the event during its launch shows that they have indeed been able to capture a good position in the online trading market.

The target market for Click Frenzy is the Australian population that has already embraced online shopping. The online retailers in Australia offer their products at a higher price than international sites. Thus, to capture these clients, the annual event is to offer discounts and at the same time satisfy the sophisticated online shoppers in Australia. This sophistication is due to the fact that they have to search through many sites to find an enticing discount on a particular product. Thus, by offering this discount on all of the products, they are aiming at the local Australian online shoppers (Dudley-Nicholson 2012, par. 3).

The points of parity that Click Frenzy has are their ability to offer users products in categories and brand names. By creating this multi-channeling option, they have been able to capture the complexity of the local Australian shoppers. By combining everything together and redirecting the shoppers to their preferred stores, they have been able to distinguish themselves from the competition. It is easy for online shoppers to explore a wide range of products from one site, but there are different options of retailers and thus it is quite probable to view the best discounts as a key measure for online sales (Summers n. d., par.

4). By being the only annual online sale event in Australia, they have been able to create a point of difference. This gives them a competitive parity since it also happens before Christmas just like the Cyber Monday, thus gaining in on the large Australian shoppers who would be attracted by their competitors (Summers n. d., par. 4).

Question 4 The competitive frame of reference that it faces is the way the Cyber Monday event is run. While the Cyber Monday involves individual retailers organizing their own discounts on the particular day and running them independently, the Click Frenzy co-hosts other retailers and this has brought a big failure after its launch. This failure in the server caused many Australian shoppers to be frustrated and even though they were ale to still recover, they had let down the shoppers. It was highly anticipated and thus when the server failed, shoppers were left trying to open pages that either took so long to open or even did not open at all. This also led to the collapse of some participating retailers in the event, thus making the users get limited options of product discounts (Dudley-Nicholson 2012, par. 3).

Despite all these hitches, they were able to explain to the users what had happened and it was rectified and thus the users were later able to participate in the event. A huge number of visits were experienced, which also came as a shocker to the organizers, especially considering it was the first time. They were able to retain their positioning as a local annual online sale in Australia since they offered the discounts to the sophisticated Australian shoppers. Question 5 Click Frenzy’s sources of brand equity are its discounts on all products, combining with other major online retailers to promote the event and being the only annual shopping event in Australia before Christmas. It also boasts of its ability to offer different products and brands, from different retailers and brand names, all in one site (What are the different sources of brand equity? n. d.

, par. 3). The Click Frenzy is a well-known brand in Australia. This is because it is the only one of a kind in Australia where there is also a higher number of online shoppers. The organizers of the event intend for it to be a brand as time passes since it will be meant to offer online shoppers a boost during the Christmas period due to the discounts. Also, by bringing together all the major retailers in Australia, the sophisticated Australian shoppers will be able to search for the best deals from a centralized place that is one interface.

This saves time for these online shoppers who are also the target market. Also, by associating with these major online retailers, they have been able to build a reputation that will help to strengthen their brand (Click Frenzy: who’s taking part? 2012, par. 2). The timing of the event to happen before Christmas in a country with a high number of online shoppers makes it a unique event in Australia. Instead of Australians waiting for Cyber Monday, they can participate in a event of their own where they can easily find the best discounts for the products they need without searching for long. Question 6Click Frenzy did a good job in the way they managed their customers.

Before the launching of the online sale extravaganza, the organizers did not anticipate a large number of online visits like it happened. Within moments of launching, there were over 2 million visits leading to a temporally collapse of their host server (Click Frenzy ‘ smashed’ expectations 2012, par. 4). However, they reassured the users that the issue was being looked into instead of leaving their visitors worried. They had good communication skills and avoided their customers from making up their own speculations, thus making sure they maintained their legitimacy. They also worked hard to ensure that the sale continued by addressing the faults that had occurred and they still managed to record high sales afterwards.

Question 7 Before the event, the organizers using theirFacebookpage dubbed the event as the sale that would stop the nation. They also gave the clients same tips on how to ensure that they were ready for the sale. Some of the tips they gave included: ensuring that their laptops, tablets, and phones were charged, keeping hydrated, ensuring that they registered their details on the Click Frenzy site, being focused not to lose track of the discounts they needed, and ensuring that they had a strategy to attack instead of just searching aimlessly. They ensured that through social media they were able to prepare their clients for their first experience with the event (Click Frenzy crashes under strain 2012, par. 5).

However, soon after launching the event, it failed many clients. InTwitter, #Clickfail was created and many users commented negatively on the online sale event. Many users used social media to show their dissatisfaction with the event making all kinds of jokes and also questioning why they had not put in place measures to ensure that they would handle any amount of load. Many clients also used social media to claim that the discounts that had been advertised were not even there after all. Question 8 Retailers should be aware that Australian online shoppers love major sales.

Since they are also lovers of discounts for the products they buy, it is easier to give them discounts rather than have them come to the shops to ask for the bargains. They are also ready to search out wide for good offers and thus the Australian retailers should offer them back home with this big sale that occurs annually. This will help them to exploit the large market pool of Australian online shoppers as the event gains popularity (Online shopping in Australia industry market research report now updated by IBISWorld 2013, par. 3). Australian retailers should also desist from imposing harsh prices on their products relative to other places in the world. This is because due to globalization, the value for money is becoming more important and other retailers are offering products at a lower price.

Thus, they should ensure that they offer good deals and inform of discounts to entice the local shoppers. Managing social media is another task that the retailers will have to address before Click Frenzy is held again. Social media is an effective tool that can be used to promote the event, but it has also been used to tarnish the brands name. They should ensure that they avoid any potential hitches in future and only use social media to receive feedback from the clients. The retailers of the Click Frenzy should also be keen on delivering what they have promised. The discounts were not as they had been initially suggested to be also in addition to the failure of the site.

To avoid some of the failures, they should ensure that they test their systems effectively, and also since they expect a large number of people to visit, they should ensure that high traffic can be handled. They should strive to ensure that they satisfy their expectations and also satisfy the users’ needs. Question 9 The main intention for companies to trade online is to increase their sales through targeting a wider client base. More and more people use the internet everyday and this is a good incentive for retailers to capitalize on this resource. More opportunities are opened up because clients from all over the world can be able to shop for things they desire despite the geographical location of the sellers.

Thus, one way managers would use to capitalize on online trading is giving promotions for their products online. This is because the company advertises for free either on their websites or social sites and thus cuts costs on the advertisements if they were to be done manually. Thus, it is easy to display numerous adverts on one page by changing them dynamically. This gives prospective clients a high chance to view their products and thus to remain competitive if a wise and fair pricing technique is used. Since they have already saved a lot from the cost that would have been spent on advertising, giving small price deductions for customers will increase their loyalty to the brand. Another trend that is observable as technology advances is that people are opting to shop online since visa cards can now be used to purchase online.

Hence, with this increase a promotion of the company’s online adverts will act as an incentive to the clients since everyone is interested with value for their money. Another strategy is making sure that clients are directed to the intended links once they click on them. The clients should only be directed to the product being advertised by the link since if it takes them to a page they have to waste some time to see it, they will avoid hitting the links anymore. By reducing time for the client to view the product, they can always look at any other products that you offer them in the future. Thus, companies should research to establish the favorites of their consumers, their spending habits, and also their trends. This will enable the managers to maintain their clients as they continue to expand their market.

Through online trading, it can be possible to keep track of all those who visit the page. This is in order to help the team to measure the achievements of the online sale. In order to increase the client base, social online media may be used for brand awareness too. This is because social media is the easiest way to reach many consumers. Sites like Facebook, Twitter, andLinkedinprovide a platform on which people can also suggest products to other people.

These social sites are able to bring together people from different parts of the world and share their experiences. Thus, it is even possible that the brand would get recognition among a huge demography of people. This helps to expand the market by a very large margin. Social online media is also a highly suitable media to use when introducing new products in the market. It increases competitiveness since managers are able to avail these products to their followers who are most probably their primary consumers.

Thus, social online media is an important tool to ensure that long-lasting relationships are founded, thus keeping a grip on the market segment. Online trading is actually helping retailers to concentrate on the customers’ requirements and specifications. This enables them to capitalize on the vast opportunities created by globalization. This ensures that the firm is able to retain its clients and continue recording high profits. Customer Relationship Management can also be enhanced through online marketing by offering discount incentives to capture the bulk of the online shoppers (Online shopping in Australia industry market research report now updated by IBISWorld 2013, par. 5).

Question 10 Some of the opportunities for Click Frenzy arise from the fact the number of Australian online shoppers is increasing at a fast rate. These shoppers also love big sales where they expect to find discounts on the products they want from a variety of options to choose from in order to get the value for their money. The Australian dollar has also gained significant strength and this has led to the increase in the spending ability of the Australian shoppers. Thus, if they could offer good discounts, they would ensure that many shoppers do not have to go to sites abroad to get the best bargains. Another opportunity that Click Frenzy has is that they are able to satisfy the sophistication of the Australian online shoppers. By giving them an annual shopping event before Christmas where they can get everything they need from different retailers on one site with all the discounts, they are sure to cash in high profits during the event.

It has also gained support from many major retailers and this might be a good start for the annual event. One of the future branding challenges Click Frenzy will face is restoring its image among the consumers. Within 30 minutes into its launch, it failed and this continued for a number of times during the sale. They got a lot of negative publicity and this may have ruined their reputation and credibility. Another branding challenge they face is their pricing strategy. They promised consumers good discounts, but clearly they did not deliver on their promises.

To distinguish themselves as a brand, they will have to reassure their clients that the discounts will indeed be as they have stated. This is to avoid a situation when they may have fewer sales since the primary target does not feel as if the discounts are good enough. However, with a large number of visits despite their failures, they should be aware that online shoppers would be anticipating one of these events in the near future. Thus, they should ensure that they do their planning well to make sure that they can handle the high traffic and avoid crashing the sites of participating retailers. This will definitely increase the confidence of online shoppers in the Australian online retail sector and subsequently contribute to a great success of the annual event.