

Using the case study

[Business](#)



1. To identify and explain the term marketing, also using the case study identify and explain how Stew Leonard has embraced or adopted the philosophy of marketing principles. 1. 0Marketing is the reconciliation between the provider and the consumer in order to satisfy the economic requirements of both parties.

Marketing focuses on the satisfaction of customer needs, wants and requirements, future needs also need to be identified and anticipated. In order for a business to succeed, it has to decide what route to follow in its strategic marketing plans, as this will provide direction for activities it needs to follow. When an organisation has developed its marketing plans, it should select its own marketing mix which will include the range of strategies it will use to serve its customers. These are called the seven P's (7 P's): 1.

Product2. Price3.

Promotion4. Place5. Packaging6. Positioning7. PeopleIn order for an organization to achieve its objectives, it needs to check or revisit and use these seven P's (7P's): 1. 1Using the case study (Stew Leonard PLC), I will explain how I think he has embraced or adopted the philosophy of the marketing principles.

Product: Stew Leonard opened his business by offering eight products in 1969. Stew Leonard had the confidence to try a new product as well as by standardising milk containers so he could sell half-gallon containers. Stew Leonard test market 10, 000 different products in a year and an item (product) must sell least 1, 000 units for it to remain on the inventory, Thus customers demand dictate the products they carry/offer. 1. 2Price: This is

the only element of the marketing mix that directly generates income. The first pricing task is to create an overall pricing goal for a business that is in line with the marketing strategy.

Stew Leonard went into the Guinness book of records for selling large volumes of food and having an enormous volume of food sales. Stew Leonard's shop does buy his products direct from producers; this does help his business in reducing prices by passing on the savings to the customer. When compared with his competitors, his prices are 10-20% lower than other stores near-by. 1. 3Promotion: This entails various ways/methods a business uses to inform its customers about its products/services. In Stew Leonard's case, customers were mainly attracted to the store by the low prices on offer combined with the showmanship and also the marketing flair used.

Stew Leonard offered customers a memorable and pleasant shopping experience at his store. He made sure that he offered his customers low prices, excellent customer services, high product quality, a festive and Disney-like atmosphere. He made his employees to dress like cartoon characters or farm animals and then they would give balloons to children as well as inform customers about various special items in the store. His slogan "the customer is always right" helped him win over customers and therefore increased sales. 1.

4Place: This is where a product/service actually is sold to a customer. In the case study, Stew Leonard's original store was strategically placed in the Norwalk; the Connecticut store attracts 100, 000 shoppers a week, some from as far as Massachusetts, Rhode Island, Pennsylvania and New York. The

place you display your goods is also important as seen in Stew Leonard's case. When he followed one customer's suggestion to display English muffins near bacons and eggs; muffin sales increased by 50%. He also moved some rolls near the deli counter, and the sales of both rolls and the deli roast beef doubled.

1. 5Packaging: This is an important part of the marketing mix; consumers see attractive packaging as adding value to products. It identifies and promotes a brand as well as catching the consumer's eye. Stew Leonard's store in the case study offered his products wrapped in own brand name. This was the case for the potato chips and sliced bread.

He made sure that the brand names had own store specifications. He standardised milk containers by offering only half-gallon cartons. He made packaging attractive to customers so that shopping brings pleasure to them thereby helping the store to remain competitive. 1. 6Positioning: This involves developing the habit of continually thinking about how the business is positioned in the hearts and minds of customers. It includes understanding how customers do think and talk about the business when you are not present.

The way you position your stock is also important; potential customers can locate it easily. In the case study, Stew Leonard earned himself a Presidential Award for Entrepreneurship achievement for his own efforts in the store. The store featured in the book, " A passion for excellence", for being one of the best stores in United States of America. 1. 7People: This involves developing a habit of thinking about people inside and outside of the business who are

responsible for every element of the sales, marketing strategy and activities. It includes the ability to select, recruit, hire and retain the suitable employee with the skills and abilities to do the job.

This is more important than everything else put together. In the case study, Stew Leonard was looking for a good attitude in all his potential employees. He encouraged individual employee initiatives by giving employees public recognition for their ideas. Outstanding employees are rewarded with plaques, dinners, gift certificates, and recognition in company newsletters. Managers were rewarded through profit sharing.

Store walls had framed pictures of employees of the month and also team members whose suggestions had saved the store money. Around one hundred current employees at the store were graduates from the company in-house courses from Dale Carnegie. Stew Leonard did understand that only happy employees are able to look out and ensure customer satisfaction in a business.