

# Introduction to marketingassignment assignment

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This is developing new products and putting them into new markets e. G. A coffee shop now selling T-shirts and mobile phones. Believe the higher the risk, the higher amount of customers and profit you will gain if the operation is successful. This therefore helps me to conclude that using the diversification method is the most insightful method in terms of helping a business grow and develop rapidly. However, if the new product has not been researched properly/the research hasn't been considered whilst production, then where the customers views and opinions haven't been encountered

Sunburst's & Virgin Atlantic Existing New Market Penetration Product

Development In Sunburst's, prices are lowered, ways of advertisement via internet, newspapers, buses, TV etc. They are also partnered with nectar and provide loyal customers with nectar cards in order for them to stay and collect points. These ways are called customer promotions and loyalty schemes. In Sunburst's they introduce new products to their stores. This includes their value products for example, their 'Taste the Difference' section. This is often an alternative for branded products as they are much cheaper.

Self-service is another way of product development. This allows customers to scan and pay for their own products which is also less time consuming and results to a better alternative. There is also a Kingsbury mobile app. In Sunburst's, more stores are opened in different geographical locations. This includes Sunburst's local which are the smaller supermarkets which allows competition with smaller stores e. G. Corner shops and off licenses. They

also provide online services including the online shopping scheme. There are some Kingsbury mini stores at petrol/diesel stations.

In Kingsbury, they move to new areas of the market. They now have their own brand for clothing which they developed -TU, they've also developed their own bank which provides home insurance, loans, credit cards etc. In addition, they have Kingsbury mobile which allows customers to join their mobile network as well as buying their phones, they sell books, CDC, stationary, DID tools, and they sell energy resources e. G. Gas and electricity. They have an entertainment sector which allows customers to rent/buy movies and films. Market Development Diversification Virgin Atlantic lower their prices based on seasons.

This means when there are times of low demand, they decrease their prices attracting customers to book holidays. They also increase prices when there is a high demand which is common especially around summer and hotter seasons. Virgin Atlantic advertise their company via internet, TV adverts, newspapers and such methods. They also have a flying club that provides customers with ' a seriously rewarding loyalty scheme'. Virgin Atlantic use ways like booking seats, Economy, Economy and Upper Class flights to make sure customers are getting the best out of their flight experience.

This also widens the audience not only to middle class, but per class too. Virgin Atlantic visit more destinations for returning customers in order for them to keep flying with their company. It also attracts new customers of which will like to fly in different geographical of the world of which may not be available on other flying companies. Virgin Atlantic have moved to

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different areas in the market. This includes: Virgin Galactic, Virgin Active, Virgin America, Virgin Australia, Virgin balloon, Virgin books, Virgin care, Virgin casino, Virgin connect, Virgin earth challenge, Virgin experience days, Virgin V festival, Virgin games,

Virgin gift card, Virgin green fund, Virgin health care, Virgin holidays, Virgin HIP hotels, Virgin holiday cruises, Virgin media, Virgin mobile, Virgin money, Virgin megastars, Virgin pulse, Virgin radio, Virgin pure, Virgin startup, Virgin trains, Virgin unite, Virgin vacations, Virgin wines

Market Development  
Branding - Kingsbury Product Development Branding - ' the entire process involved in creating a unique name and image for a product in the consumer's minds, through advertising campaigns with a consistent theme [1] A brand is also defined as a name, term, sign, symbol or a combination of these, that identifies the maker or seller of the product.

Kingsbury use the colors ' orange' (two pantones) and ' white' on the logo: to signify the organization. It is known from afar; if you see this, you'll know it's a Kingsbury store. They also print the logo on their delivery trucks/vans and shopping bags. It is also written on their value/basics products so it's easier to determine which brand is which. This distinctive ' orange color look' represents living and links to how Sunburst's are now trying to provide everything needed for living. This means that they secured the family market. Their motto ' try something new today' recently changed to ' Live well for less' creates a catchy phrase that is easy to remember. " Live well for less will drive everything we do.

We are not resting on our laurels, we are ensuring that we will help customers to enjoy competitive prices, without compromising on quality or values. " [2] Relationship marketing - Kingsbury Relationship marketing - Marketing activities that are aimed at developing and managing with larger customers - maximizing the lifetime value of customers and segments. Sunburst's uses the well trusted and well linked service, nectar to provide customers with a strong loyalty scheme. Nectar points are provided with every purchase using your nectar card. This then converts into discounts and money off your parking and next purchases. Purchases can be within the company nectar and the connection it has with other companies e. G. Easy Jet.

This scheme allows them to track the customers' buying habits and adapt to that. They also do brand matching which creates a better relationship between the customer and the business. Branding - Virgin Atlantic Virgin Atlantic use the colors red, white and purple to signify the company and its logo. The color red is seen the most out of all these colors. It is represented by staff and worker uniforms and on the plane wings. This is so the planes will be recognized when up in the air and it's also promoted. There is also a scheme that provides membership benefits; the flying club. Within the flying club are opportunities including: red benefits, silver benefits and gold benefits.

Red has ways to earn in the air, on ground, save up to 7% on holidays and other promotions and deals. Silver has premium check-in, you take priority and park and fly services. Gold has golden rewards, access all areas and added extras. Relationship marketing - Virgin Atlantic The loyalty scheme - <https://assignbuster.com/introduction-to-marketingassignment-assignment/>

flying club, is one way that Virgin Atlantic creates a good relationship with their customers. They will inform the loyal customers of any deals and seasonal price reductions for flights to countries recently viewed in their history. Task 2 Comparisons Sunburst's and Virgin Atlantic are both global companies which use similar diversification and relationship marketing methods. Diversification They both provide entertainment sectors.

Virgin media is well known for providing home broadband services and TV packages and Sunburst's provide ideas on demand and movies to buy and rent. They both provide mobile services. Virgin mobile sells phones on pay as you go and pay monthly deals, phone accessories, Simi cards and top-up services and Mobile by Sunburst's sell phones (refurbished), accessories, Simi cards and top up online services. They both provide money services. Virgin money do credit cards, debit cards and Mastered. They also do investments, mortgages and insurance. In addition, Sunburst's have a bank and give out credit, debit cards and Mastered. They also do online banking, loans, savings accounts and insurance. Relationship marketing They both have a loyalty scheme for long-term customers.

Kingsbury have the partnership with nectar and Virgin Atlantic have a flying club (as previously described). Differences They also have different approaches in both Market penetration methods and product development methods. Market Penetration They both have a strategy on offers however, they take very different approaches. Sunburst's offers meal deals to help gain customers and Virgin Atlantic offers seasonal price lowering to gain customers in times of low demand. Product development They both take different approaches as Sunburst's have their value brands - including their '  
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taste the difference' brand which is usually more expensive than the value meals. This is as they are more focused on quality and not cheaper prices.

They also have self-services which allows customers to scan and purchase their own items. Virgin Atlantic have call centers for busy bookings at site. They also have priority boarding to expand their target audience. In terms of performance (2014) Sunburst's have 11.5 million people who signed up to the loyalty scheme with nectar Elbowing+ annual grocery sales online; they are developing and progressing the organization. Virgin however had a pre-tax loss of £50 million in 2013 which means they are not as strong as Sunburst's financially. This information is very useful in terms of evaluating the effectiveness of the marketing methods. The own-brand penetration percentage is much more than the total grocery market for example.

This shows that the product development stage has increased the profit of the business as well as creating a broader audience of customers. In addition, Sunburst's have redeemed 100 million of points over the year through their loyalty scheme with the nectar card which means the market penetration stage has been very useful and effective towards the economic growth of the organization. 6,197,888 total passengers flown by the airline. An uplift in premium travel, with an increase of 7.5% in Economy passenger numbers and 1.8% in Upper Class passenger numbers Virgin Atlantic have launched direct services from London Heathrow to Mauritius and to Kingston over the past years. This has been known to increase their customers by 4% which infers to the market development.

Also, with the Virgin Atlantic services being highly recommended and therefore reliable, the other services that Virgin provide have also been seen as more reliable - the verification stage has improved the reliability of the airline as well as other areas of the market of which the organization holds. Furthermore, according to Wisped, Virgin Atlantic have approximately 23% of their customers of which are part of the flying club. This shows that their market penetration stage has to be more developed and researched. There has been a great improvement of service since both companies introduced their loyalty schemes however, since Virgin Atlantic had a pre-tax loss, I believe that the development schemes and strategies are more effective in the Kingsbury industry. They also have a wider range of products and services to provide which also means that they have a broader audience.

Name of law How they should follow this law Consumer's rights Sale of Goods Act 1979 Product has to be as described, fit for the purpose of which it was intended and of satisfactory quality They don't have to prove there is a manufacturing fault in the product if it has been less than 6 months of purchase. Consumer Protection from Unfair Trading Regulation 2008 They can't create special offers that do not exist and have closing down sales that run for months Have the rights to redress - specifically if you've been the victim of a misleading action & Right to unwind Consumer credit Act 1974 and 2006 They need to give a monthly statement and give you an extension if you fall behind in your payments.