

# Marketing Strategy

## Meaningful Marketing

### What is Marketing?

- |  |   |  |
|--|---|--|
| <ul style="list-style-type: none"><li>• <b>Unique</b></li><li>• <b>Better</b></li><li>• <b>Special</b></li><li>• Generate Revenue</li><li>• Increase Sales</li></ul> | <ul style="list-style-type: none"><li>• Trust</li><li>• Relationships</li><li>• Placement</li><li>• Consistency</li><li>• Pricing</li></ul> | <b>Goal</b> <ul style="list-style-type: none"><li>• Unique: One-of-a-kind</li><li>• Better: Gives a greater value</li><li>• Special: Treated like a <b>Club Member</b></li></ul> |
|--|---|--|

### Meaningful Marketing

- Conscious
- Genuine
- Authentic
- Sustained
- Hard to do
- Changes to product/service
- Involves other departments
- Enduring

### Mindless Marketing

- Hype
- Tricks
- Fads
- Gimmicks
- Easiest to execute
- Only involves sales/marketing
- Short Term

### True Marketing

- Every Campaign is a blend of Meaningful and Mindless
- Take unique value and tie it with a promo
- Information Explosion: Bombarded with information
- Customers are Smarter and Wiser
- Effect a Generation

## Brand Positioning Statement

### The Cornerstone

- The brand positioning statement is the single most important item in all of marketing.
- It defines EVERYTHING about what your brand is to the consumer.

### Elements

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Target audience</li><li>• Unique benefit</li><li>• Compelling reason to believe</li></ul> | <ul style="list-style-type: none"><li>• Packaging, Pricing, Distribution, Manufacturing, Sales, Marketing...</li><li>• All work in unison to the beat of the brand positioning statement.</li></ul> |
|---|---|

## Creating Value

- Social
- Functional
- Experimental
- Economical

## Optimal Value Proposition

## 5 Cs

Value Concern: Intersection of Company, Collaborator, and Customer Value

- Marketing: Customer Value
- Finance: Company Value
- Sales: Collaborator Value

- Context
- Collaborators
- Customers
- Company
- Competitors

## The Company

- PESTEL: Political, Economic, Social, Technological, Environmental, and Legal
- Strategies & Tactics: Theory and Design of the Plan
- Implementation: The Human Organization of the Plan

## The Customer

Bucket Theory: Retaining current customers and getting new customers

## CLV

### Useful

- Customer Acquisition limits
- Value-based segmentation
- Can be used to estimate the firm's value

### Unuseful

- When customers buy once
- When the firm has few customers

## Segmentation

- Segmentation: Involves aggregating prospective buyers into groups (Geographic, Demographic, Behavioral)
- Perceptual Map: A Map/Graph displaying in two dimensions the location of products or brands in the minds of consumers to enable a manager to see how they perceive competing products or brands, as well as the firm's own product or brand.

## Customer Behavioral

### Influences

#### Cultural

- Ethnic group
- Beliefs, religion, values
- Affects every part of our lives
  - How we spend money
  - How we consume
  - How we sleep

#### Situational

- Type of Purchase/Involvement
- Purchase Task: Purpose vs Urgency
- Physical Surroundings
- Temporal Effects (Time)
- Payment Type

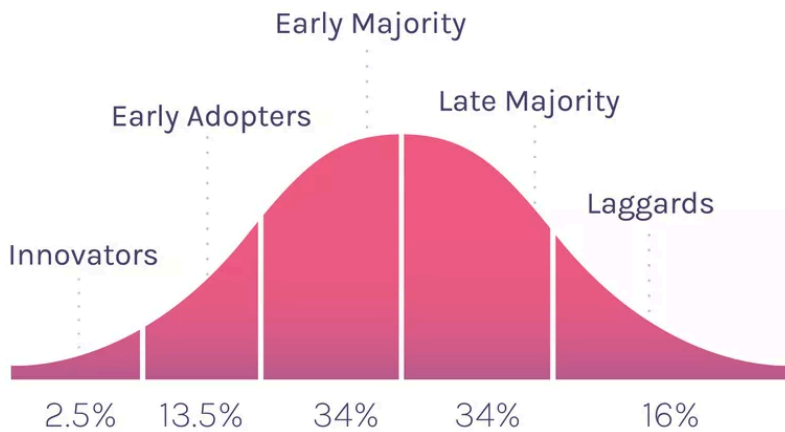
## Social

- Social Surroundings
- Class, Roles, & Status
- Reference Groups
- Social Media
- Family
- Conscience Marketing

## Psychological

- Motivation, Emotion, & Perception
- Learning & Memory
- Beliefs, Attitudes, & Values
- Age & Life-cycle Stage
- Lifestyle, Personality, & Gender

## Innovation Adoption Lifecycle



## The Pricing

What is Price? 'Tactic or Strategy

### Pricing Approaches

#### Demand-Oriented

Focuses on the level of customer demand for a product/service

- Skimming
- Penetration
- Prestige
- Odd-even
- Bundle
- Target
- Yield Management

#### Cost-Oriented

Sets prices based on the cost of producing/selling a product/service

- Standard markup
- Cost-plus: Percentage of Cost; Fixed Fee

#### Profit-Oriented

Achieve a specific profit target/maximize profits

- Target Profit
- Target Return on Sales
- Target ROI

#### Competition-Oriented

Setting prices based on what competitors are charging for similar products/services.

- Customary
- Compare to Market
- Loss leader

# The Products

## Product Development Cycle

1. New Product Strategy
2. Idea Generation
3. Screening & Evaluation
4. Business Analysis
5. Development
6. Market Testing and Research
7. Commercialization

## Product Lifecycle

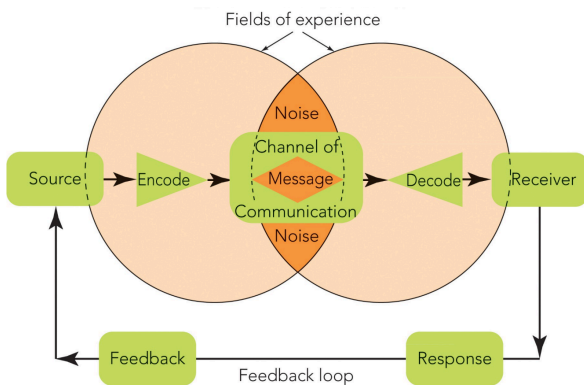
- Objective
- Competition
- Product (R&D)
- Pricing (Skimming/Discounting)
- Place (Distribution)
- Promotion & Advertising

## Brands

- Brand Personality: A set of human characteristics associated with a brand name
- Brand Equity: The added value a brand name gives to a product beyond the functional benefits provided

# The Promotions

## Communication Process



## How to Evaluate Ads

- What makes it effective/good?
- How do we evaluate creative execution?
- Brand position clearly identified
  - Unique, better, special
  - Target, benefit, reason why
- Relevant but unexpected

## Promotional Mix

- Advertising: Costs are paid for space or time
- Personal Selling: Fees are paid as either salespeople's salaries or commissions
- Public Relations: No direct payment to media
- Sales Promotion: Wide range of fees paid, depending on the specific promotion selected
- Direct Marketing: Cost is associated with communication through mail, telephone, or computer