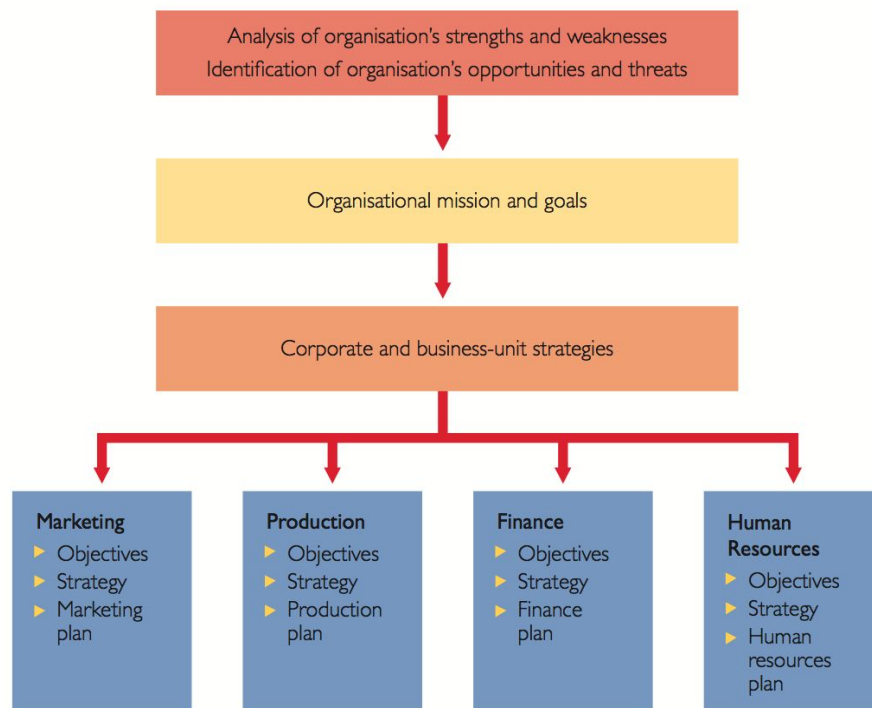


This is a compilation of extracts from my notes in a random order.

Week 11 - Marketing Strategy

Strategic Planning Process - process of establishing an organisational mission and formulating goals, corporate strategy, marketing objectives, marketing strategy and marketing plan.



SWOT Analysis

- Requires weaknesses to be converted into strengths
- Requires threats to be converted into opportunities
- Requires the matching of strengths and opportunities

Internal	Strengths <ul style="list-style-type: none">• Internal capabilities that may help the company reach its objectives	Weaknesses <ul style="list-style-type: none">• Internal limitations that may interfere with the company's ability to achieve its objectives
External	Opportunities <ul style="list-style-type: none">• External factors that the company may be able to exploit to its advantage	Threats <ul style="list-style-type: none">• Current and emerging external factors that may challenge the company's performance
	Positive	Negative

Market opportunity - combination of circumstances and timing, permits an organisation to take action, reach a target market

Core competency - combination of resources and skills that distinguish an organisation in the marketplace

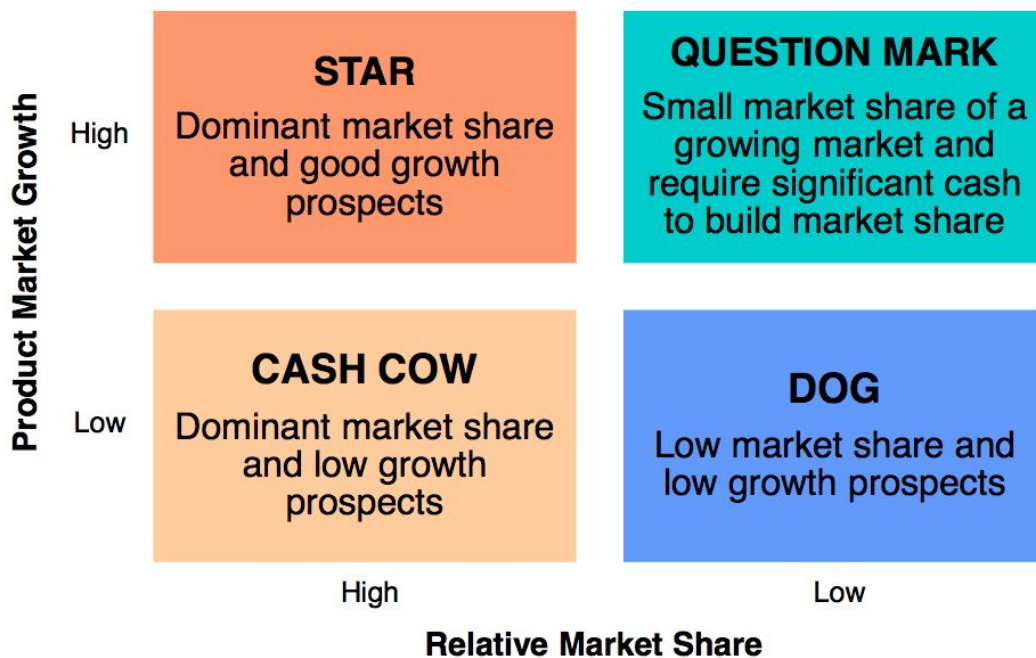
Competitive advantage - result of an organisation matching a core competency to opportunities in the marketplace.

Corporate and SBU strategies

Corporate strategy - determines the means for utilising resources in various functional areas to reach the organisation's goals

Strategic Business Unit (SBU) - division, product line or other profit centre within a parent company

Growth-Share Matrix (BCG) - used to classify company SBUs



Product / Market Expansion Grid (Ansoff's) - framework for detecting intensive growth strategies for companies looking for new opportunities to increase sales and profits

	Existing Products	New Products
Existing Markets	Market Penetration	Product Development
New Markets	Market Development	Diversification

Marketing Strategy - plan of action for identifying and analysing a target market and developing a marketing mix to meet the needs for that market

- Marketing mix decisions should be consistent with the business unit and corporate strategies
- Consistency and flexibility are key attributes of good marketing-mix decisions

Week 10 - Promotion Decisions

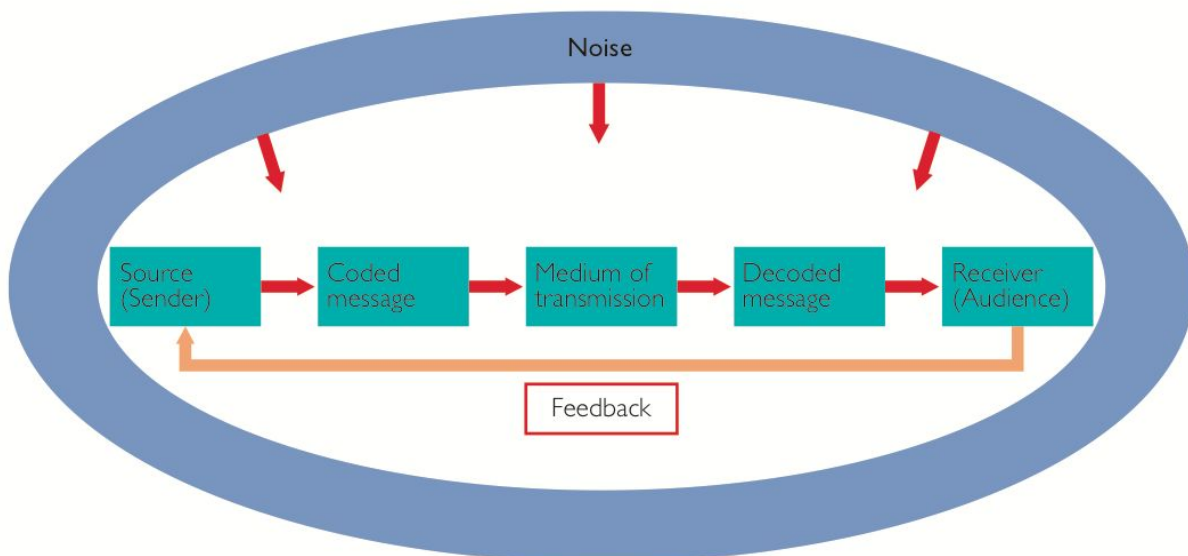
Promotion - communication to build and maintain relationships by informing and persuading 1 or more audiences

Communication Process

- Source / sender - person, group or organisation with a meaning it tries to share
- Encoding process - converting meaning into a series of signs or symbols that are meaningful to the intended receiver
- Communications channel - medium of transmission that carries the encoded message from the source to the receiver
- Decoding process - converting signs or symbols into concepts and ideas
- Receiver - individual, group or organisation that decodes a coded message
- Feedback - receiver's response to a message

Noise - anything that reduces a communication's clarity and accuracy

Channel capacity - limit of volume of information a communication channel can handle effectively



Integrated Marketing Communications

IMC - coordination of promotional efforts for maximum informational and persuasive impact on customers

Factors involved in setting IMC program:

Objectives > Message Appeal > Selecting Communication Mix Elements

Objectives of Promotion

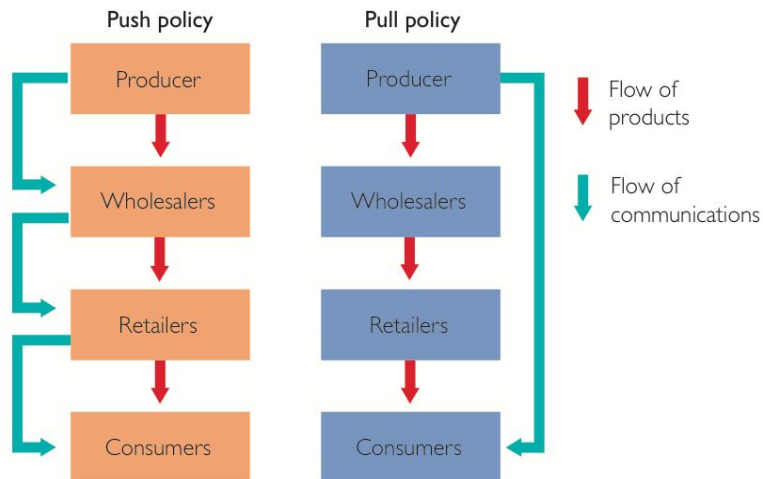
1. Inform
 - Create awareness
 - Identify prospects
2. Persuade
 - Stimulate demand
 - Encourage product trial
 - Reduce sales fluctuations
3. Remind
 - Retain loyal customers
 - Combat competitive promotional efforts

Message Appeal Styles

- Rational appeal - promotes factual information
- Emotional appeal - stir emotions such as humour, fear, irritation etc
- Moral appeal - relies on our sense of “what is right or wrong”

Push policy - promoting products only to the next institution down the marketing channel

Pull policy - promoting products directly to consumers to develop strong consumer demand that pulls products through the marketing channel



Marketing Communication Mix (Tools)

- Advertising - paid non-personal communication about an organisation and its products transmitted to target audience through mass media. E.g. TV, Radio, Newspapers etc

Advertising campaign - series of ads in various advertising media reaching a particular target audience

Comparative advertising - compares a sponsored brand with 1 or more identified brands on the basis of 1 or more product characteristics

Reminder advertising - reminds consumers about an established brand's uses, characteristics and benefits

- Personal Selling - paid personal communication that attempts to inform and persuade customers to purchase products in an exchange situation
 - Usually most expensive element in promotion mix
 - Provides greatest freedom to adjust message
 - Often the closest relationship with customers
- Public Relations - communication efforts used to create and maintain favourable relations between an organisation and its stakeholders.

Publicity - communication in a news story form about the organisation, its products and transmitted through a mass medium at no charge

News release - short piece publicising an event or product

Press conference - meeting used to announce major news events to the media

Feature article - manuscript prepared for a specific publication

Captioned photograph - photo with brief description of its contents

Event sponsorship - when organisation contributes financially to a special event to gain positive publicity

- Sales Promotion - activity and/or material meant to induce resellers or salespeople to sell a product, or get consumers to buy it
 - Direct inducement that offers extra incentive to the sales force, with the primary objective of creating an immediate sale
 - Can build short-term excitement and long-term consumer relationships

Sales promotion methods

- Consumer: coupons, frequent-user incentives, free samples
- Trade: trade allowance, free merchandise, sales contests

- Product Placement - strategic location of products within TV programs or other entertainment media content to reach the product's target market.
 - Subtle and powerful communication
 - Easy to use, effective as audiences are already pre-segmented by their choice of viewing
 - Falls outside traditional consumer protection laws

- Word-of-mouth Communication - personal, informal exchanges of information that customers share with one another about products, brands and companies
- Increasing number of customers are sharing opinions about goods, services and companies online
- Not part of marketing communication mix because message is not fully controlled by the organisation
- Not effective in all product categories