

CULTART Training programme

Training Module 6:

Marketing Strategy and Marketing Mix

for Managers in CCI Freelancers and Startups



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Disclaimer

The CULTART training program has been developed as a blended training program, combining e-learning (independent study relying on online learning resources) and in- person classroom activities facilitated by a qualified trainer.

The units of this module are designed to provide learners with the most important insights regarding the subject matter of the module, in accordance with the findings of the analyses conducted in the framework of Intellectual Output 1 of the CULTART project.

The learning content provided here is intended to serve for independent learning and does not pretend to cover all possible aspects and related issues in terms of the subject matter covered.

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Training description

In this module, you will learn about the basics of marketing: the basic skills to be more informed about the various instruments of the so-called “marketing mix” and about the methods used deciding on marketing activities. You will learn about marketing strategy development for your products and services. The “Marketing Mix” will describe the various types of decisions to be made on product strategies, product pricing and product distribution. Finally, you will also learn and understand the role of communication in the marketing process.

In a society where trends and developments influence each other rapidly, it becomes increasingly important to develop own strategies and positioning in order to be prepared for the future.

Objectives of this training module

This modul aims helping CCI startup companies and CCI entrepreneurs to:

- Receive a comparing overview on marketing instruments;
- Understand which marketing strategies should be employed and which should be avoided;
- Realize which genral skills you need to define your marketing strategies;
- Understand and apply the various types of marketing instruments; and
- Learn about methodologies, means and channels of marketing communication.

Target groups

This training module is designed to fit the training needs of the following stakeholders:

- Stakeholders operating in the CCS and the fintech industry;
- CCI freelancers;
- Startups in the CCI sector;
- Entrepreneurs that want to use networks for value creation in their international expansion; and
- Regional multipliers.

Competencies and skills after finishing this module

After studying this module:

- You will know the various focus points for strategic marketing and the SWOT analysis;
- You will understand the four components of a marketing mix: product, place, price and promotion;
- You will know which types of strategic analysis are most suitable for your business; You have been introduced into strategic thinking; and
- You will understand the basic principles of communication for marketing.

Training method

CULTART learning philosophy promotes a unique engaging training method, based on the following aspects:

- Short-burst learning sessions which feature very well-structured learning content.
- A deep sense of involvement and merging of action and awareness.
- A sense of control and dealing with the task that you will find at the end of the module.
- Enjoyment and provoking further interest.

CULTART focuses on an interactive training approach:

- The modules as a training material for self-learning.
- Using the interactive CULTART online training platform: <http://cultart.dyndns.org/login/index.php> for facilitated training sessions in a group with a professional trainer.

Unlike the lecturers into the face-to-face classroom, which provide their students with guidance and some additional directions, you have to take the responsibilities for the time management and for the control of your learning progress.

Training content

Unit 1. Marketing Strategies



Source: <https://virtualsnipers.com/blog/developing-a-comprehensive-marketing-strategy-in-2023-7-steps/>

Tags:

Marketing strategy, strategic marketing, SWOT analysis, market analysis, customer analysis, strategic thinking, strategy development, customer strategies, competition

Unit 1 - Introduction

For SMEs, start-ups, single entrepreneurs and actors in creative industries it is crucial to apply activities of strategic marketing in order to adapt to the current situation in their defined business vision, mission and objectives and to set the pace for future business development. With other words, the ground for future success is set when defining the marketing strategies and their implementation through applying the proper marketing instruments in daily business management.

Strategies are long-term decisions or specifications that determine the framework of your organization's policy, usually with a period of five to ten years. They are large scale and they determine structures, whereas short term marketing planning is tactic marketing and covers a period of approximately one year. It refers to certain defined measures and details.

In this unit, you will be acquainted with the basic knowledge of defining marketing strategies.

Basic of Strategic Marketing

Before we talk about strategic marketing, we need to understand what marketing is. We can define marketing as a primary business function for planning and implementing ideas, products and services through which the needs of the target customers – individuals or organizations, are met.

Many people believe that marketing is creating and sending brochures, or participating on events (fairs, completions, etc.) to promote their creative skills or offerings as an entrepreneur; or an establishing Facebook page to promote their creative business and activities. But you should know that brochures, events, social media are only marketing communication tools to reach your business goals – profits and growth. They have to be united by a *strategic goal*.

The main point of the strategic marketing: In order to implement your ideas, product or services on the market, you need to know your target customers' needs, you need to establish good relationship with them and to provide offerings that have value for them.

That is why when we talk about strategic marketing is important to remember that the main task you have is to adapt to your current objectives to the suspected market development. This means that first you need to come up with a *viable idea*. From there, you need to discover a *profitable niche*, define a *target customers group* and have a *valuable for them product or service* to sell. Whether you're peddling products, services or information, getting the word out has become increasingly burdensome. And without the right marketing strategies to fuel your growth, churning a profit and staying afloat is virtually impossible.



Source: <https://marketbusinessnews.com/financial-glossary/marketing-strategy/>

Development of Marketing Strategy

The basic goal of any business, including CCI business, is to make profits and to grow. Thus, marketing is top priority. According to the 2018 B2B Marketing Mix report from Sagefrog, 67 % of the companies surveyed named lead generation¹ as their top marketing objective.² There is another important spotlight for every business – the customer experience. Thus, *attracting new customers* from your target market and *analysis of the needs of your clients* are the two important pillars of your marketing strategy.

Your target market (Image 2 “Marketing strategy, marketing mix and communication”) is a specific group of people or companies who are most likely to buy your art and cultural products or services. They have common characteristics, behaviours or needs.

Why need CCI entrepreneurs to understand their target market? Knowing the needs and preferences of your potential customers, and also the offer of the competition, the entrepreneur can ‘put the right product or service in the right place’.

Marketing strategy development requires a thorough understanding of the target market in which a company operates.

Marketing strategy is a planned road the entrepreneur takes to acquire new customers or retain the old ones, and to achieve the company’s goal. In order to be successful, the entrepreneur needs the right actions, which will bring revenues to the company and will increase the market share of its products and services.

One of the most important *analysis* and some marketing methods, as starting points for the marketing strategy, are described in Unit 2.

The use of a *marketing mix* is an excellent way to make this happen. It is a crucial tool to create viable offers and to plan for a successful product offering to your regular clients and as well to attract new ones. The marketing mix is most commonly executed through the 4 P’s of marketing: Price, Product, Place and Promotion. More detailed information, we present in the next Unit 4.

Many people fear that strategic operations mean to make everything “new and different”. However, most strategies build upon existing offers and aim at securing a position at the market in the future. Be careful: It makes a big difference if you are a pioneer and the first on the market, or if you enter an existing market already.

Remember: The marketing strategy needs revision, when new opportunities arise, or changes on the market are identified and new competitive threats are developed.

¹ In marketing, lead generation is the initiation of consumer interest or enquiry into products or services of a business. Leads can be created for purposes such as list building, e-newsletter list acquisition or for sales leads. Source: wiki

² <https://www.entrepreneur.com/article/317638>

Further reading for Unit 1:

1. Marketing Strategy, Adam Barone, Investopedia, October 7, 2019, <https://www.investopedia.com/terms/m/marketing-strategy.asp>
2. 15 Marketing Strategies That Inspire Strategic Thinkers, Murray Newlands, Inc.com, March 24, 2015, <https://www.inc.com/murray-newlands/15-marketing-strategies-that-inspire-strategic-thinkers.html>
3. No Plan = No Customers: How to Build a Profitable Marketing Strategy, Jonathan Chan, foundr.com, February 15, 2019, <https://foundr.com/marketing-strategy>

References for Unit 1:

1. 10 Marketing Strategies to Fuel Your Business Growth, R.L. Adams, Entrepreneur Europe, September 12, 2017, <https://www.entrepreneur.com/article/299335>
2. Hill, Brian. (n.d.). Marketing Strategy Methods. Small Business - Chron.com. Retrieved from <https://smallbusiness.chron.com/marketing-strategy-methods-61071.html>

Unit 2. Analyse First



Source: <https://www.ingeniouszone.com/blog/market-analysis-for-startups-step-by-step/>

Tags:

SWOT analysis, market analysis, customer analysis, strategic thinking, customer strategies

Unit 2 - Introduction

Depending on the type of your business – freelancer, one-man-show legal company, or SME with small number of people, you may employ various types of analysis. In this unit, we will present the most useful methods for strategic analyses such as SWOT analysis, competitor analysis and customer analysis, which will help understand the internal and external starting position and the development possibilities.

SWOT Analysis

The first and very practical method is the **SWOT** Analysis. It represents a frequently used planning tool that investigates a context by examining the **Strengths**, **Weaknesses**, **Opportunities** and **Threats**. The analysis assesses challenges and opportunities by both internal and external factors, as summarised by Image 4 below:



Source: <https://www.conceptdraw.com/How-To-Guide/swot-analysis-examples>

There are some easy questions you can ask yourself when doing your SWOT analysis. They are:

- **(S) Strengths.** What advantages does my business have over other business? These are YOUR strengths as a freelancer, or YOUR organizational strengths. You have the power and influence to maintain them. *Remember, the strengths are always internal for your organization and business.* Examples: Unique assets in terms of unique design offer, skillful team of designers, your personal art work, diversity of offers, strong motivation of success as an entrepreneur, name recognition (well-known brand name), starting capital and financing for business development; etc.
- **(W) Weaknesses.** What might account for losing customers to the competition? Think about the weak points in YOUR work, YOUR business, in you as a freelancer, in your team. Think about weaknesses in terms of starting new business – what is missing, what has to be improved in the future? *Remember, the weaknesses are always internal for your organization or business.* You have the power to influence and change them. Examples: Luck of business knowledge, luck of marketing knowledge, luck of financing, luck of enough human resources, unattractive packaging, long time for creation and delivery (longer than the customer is expecting), restrictive (inconvenient) opening hours of your place where clients are coming, etc.
- **(O) Opportunities.** What is beneficial for your business activity from your external environment? Research about existing regulations or financial opportunities you can apply and use for successful development. Research about upcoming trends that could benefit your business (ex. trends to buy environmentally clean products). *Remember that the opportunities are always external to you, your team and your business.* You do not have the power to influence and change them. You can identify them by conducting desk research or by reading already existing ones. Examples: Growing market for your products or services, existing cultural heritage in your region attracting many people, culture and history of your region, existing infrastructure, existing community support, etc.

- **(T) Threats.** *What can harm your business? What can prevent its development?* Research about upcoming trends that can harm your business activities in a short and in a long term. Are there restrictions for your business, or possible negative environmental influences? Changes in the regulatory framework are crucial for every business as well. *Remember, the threats are always external to you, your team and your business.* You do not have the power to influence and change them. You can identify them by conducting desk research or by reading already existing ones. Example: Upcoming negative trends, highly competitive products on the market; recession, changing taste and preferences, etc.

The consumer landscape constantly changes internally and externally. The SWOT analysis, if used correctly, can direct attention and reflection toward aspects of the context that may have been overlooked or underappreciated. The results can become substantial raw material for further product marketing.

Our advice: Have always in mind that the current landscape of your business constantly changes. The S.W.O.T. analysis, if used correctly and periodically, can direct attention and reflection toward internal and external aspects that may have been overlooked or underappreciated. The results can become substantial raw material for further strategic marketing planning.

Customer Analysis

As a part of your business activity, you should conduct another analysis called *customer analysis*.

The categories of information which this analysis should provide include:

- *Who your customers are* – define their demographic, socio-economic characteristics if they are individuals; define their organizational characteristics if your customers are companies;
- *What your customers read, listen or watch* – research their preferences about media usage (TV, newspapers, magazines; Internet/social media, etc.);
- *What your customers like or dislike in your creative work and business* – you can directly ask them face-to-face, or by filling specially designed questionnaire as a part of your research;
- *What your customers recommend and suggest to be improved* – always important point for your offers;
- *What kind of related products or services your customers suggest* in addition to the existing ones – you can identify uncovered needs.

It is important to conduct customer analysis frequently after your business start because consumers' behaviour and preferences change with time. Friendly talk with you customers is always helpful. More professional approach is using a specially designed questionnaires and conducting research among your target group of customers not only those that you serve. You can hire also a special marketing research agency which will provide you with beneficial information about your market.

Our advice: For improving your service, you can create and maintain regularly individual customer profiles, whenever it is possible. Then, regular fill in different information about the concrete customer – name, contact information, purchases, preferences, likes and dislikes, suggestions and recommendations for your products, services, delivery, etc. If such maintenance of individual customer profiles is not possible, you should regular conduct surveys only among your customers, for example via small questionnaires. The questions can be very standard about customers' satisfaction of your products/services, their preferences, uncovered needs, as it was explained in the text above. In this case, be sure that the questionnaire is anonymous.

Analysis of the competition

The second type of analysis is simple, but very effective: observe the competition. Also referred to as competitive intelligence, observing the competition is done with the goals of identifying what competitors are doing well and where they might be vulnerable to losing market share to your company. Most competitors vary by target market and therefore it is best if you divide the competitive analysis in that way.

You should have a good observation of your competitors. The best source are your customers, to pinpoint other CCI providers that they considered as very good for their purchase is one way to tackle the observation. If you have already established company, another option is to use a focus group approach in which past or potential consumers reach a consensus on the closest competitors.

Our advice: Be creative in the observation in order to find out what kind of experiences your real or potential customers had with your competition. Surprisingly, you might also find out that a competitor could be a partner in your business activity.

Further reading for Unit 2:

1. Senko Duras, Using SWOT Analysis to Improve Your Marketing Strategy February 22, 2019 in Small Business
2. Link: <https://smallbusiness.patriotsoftware.com/swot-analysis-improve-marketing-strategy/>
3. Kiesha Frue, Applying SWOT Analysis in Your Marketing Plan, August 16, 2016
Link: <https://pestleanalysis.com/swot-analysis-in-marketing-plan/>
4. Kim Smith, How to Conduct Customer Analysis and Customer Segmentat (Detailed Guide), 2016, Link: <https://www.brandwatch.com/blog/how-to-write-customer-analysis/>
5. <https://www.reliablesoft.net/website-marketing/>

References for Unit 2:

1. Hill, Brian. (n.d.). Marketing Strategy Methods. Small Business - Chron.com. Retrieved from <https://smallbusiness.chron.com/marketing-strategy-methods-61071.html>

Step 2: Define your USP “unique selling proposition”

It is all about being different and you must identify these differences early in your marketing strategy. Sometimes these differences are referred to as “unique selling propositions” (USP), “sustainable competitive advantages” (SCA) or “differential-distinct competitive advantages”.

We use in pure trainings the term “unique selling proposition”. USP is your unique skills, or, unique product, or unique service that cannot be easily copied by competitors. There are no strategically equivalent substitutes for these assets or skills.

All successful products and services on the market have their UPS, which can easily found out in their advertising and marketing materials. Once identified, UPS should be actively communicated (advertising, interviews, one-to-one meetings, etc.).

Example:

M&Ms - The milk chocolate melts in your mouth, not in your hand.



Image. 6

Source: M&Ms' official Instagram page #mms chocolate

Everyone has heard of M&Ms and has tried the candies at least once in their lifetime. Indeed the M&M candy shell keeps the chocolate inside from oozing out and dirtying your hands. Moreover, this is a definite plus for customers, whether they are parents and do not want their children to run around with dirty chocolate hands or grown up, wishing to enjoy chocolate on a summer day. This is a great example of how even a quirky USP can attract customer interest. Who would think of making a selling point out of the fact that your product does not melt when you hold it? M&Ms did, and it worked very well for them. This is evidence that as long as a benefit is meaningful to prospects, it will be effective.

Step 3: Define your company's vision, mission and goals

By accomplishing Step 1 and Step 2, you already have very good base to start a business but you will never achieve a lot if do not have your strategic road oriented to your main goal. Here comes the next step: a long-term vision of your (future) business company will help you to define your strategic business direction.

Vision

Company's vision is the starting point for shaping a marketingstrategy.

The vision reflects your dream and desired achievement for your company. It is where you want your business to be in 10 years' time, for example. The vision has always-long range. Try now: close your eyes and imagine your business after 10 or 15 years from now, and make a picture of your vision. Now, open your eyes and describe what you have seen in one sentence. Easy!

Here are some good examples of visions of already successful companies:

- Disney - "To make people happy."
- Tesla – "To accelerate the world's transition to sustainable energy."
- IKEA - "Our vision is to create a better everyday life for many people."
- Nike - "Bring inspiration and innovation to every athlete".

Mission

After you have created your vision, it is time to define the mission of your company – how you will achieve your vision.

The mission is a general statement describing how your company will achieve the vision. Generally, the mission always starts with "To ..."

Example of a business vision and mission:

- **Goodwill**

Vision: Every person has the opportunity to achieve their fullest potential, participate in, and contribute to all aspects of life.

Mission: Goodwill works **to** enhance the dignity and quality of life of individuals and families by strengthening communities, eliminating barriers to opportunity, and helping people in need reach their full potential through learning and the power of work.

- **Make-A-Wish**

Vision: We are dedicated to making every eligible child's wish come true.

Mission: The mission of Make-A-Wish International is to grant the wishes of children with life-threatening medical conditions to enrich the human experience with hope, strength and joy.

Goals

There is no success without clearly stated goals that must be achieved. Therefore, once you have clarified your vision and mission, it is time to set your goals. Goals are those targets that should be accomplished in order to fulfil the company's mission.

Goals are well-defined, measurable and realistic statements that give direction and focus.

Now start thinking about the goals you need to achieve as you move towards achieving your vision. These must be measurable and realistic. Plan out your goals in a road map, with set deadlines.

Examples of marketing goals:

- Goal: "To increase the visibility of the website." You should include how the increase will be measured and in what timeframe will be measured.
- Goal: "By December 2022, to create, launch and sell via Internet 30 items of artwork of my studio."

Step 4: Choose your right strategies

Many small businesses, without sufficient experience, determine marketing strategies based on what everyone else does, not based on their actual business needs.

Marketing strategies support business revenue and sales strategies.

They determine how a company plans to attract and win new customers, enter new markets, or adapt products or services to future market changes. Strong strategies will help sustain the business in the long run.

There are different business strategies and related marketing strategies that vary:

- Expansion strategy: Depends on your resources and is often limited by existing infrastructural and environmental or social boundaries. Marketing strategies are oriented to maximizing the number of sales and attracting new customers.

- Strategy to stabilize the strategy: Due to the aforementioned limitations, it is often important to think about maintaining the same volume and instead to think about quality growth.
- Strategy Shrink Strategy: This should not be a sign of defence or crisis. Supply shortages can lead to higher prices and thus better economic results. Marketing strategies here can be oriented to better offerings as quality and service.

Example: If a company's business strategy is to focus on maximizing profits through better deals and customer service, then future market needs must be identified. The main result of the analysis will give you a clearer understanding of how your organization is different from your competitors (ex. UPS) and how this will affect your marketing strategy. It's all about being different and having to make those differences at the beginning of your marketing planning. Then, marketing strategies need to be defined that can be based on offering you brand new products or services in the future or changing your current offering in the long run. Be careful: It makes a big difference if you are a pioneer and first to market or if you enter the market after being accepted by customers.

Conclusion:

Marketing strategy contains vision, mission and goals for your business activity, as well as your unique selling proposition (UPS) as competitive advantage, target market, competitive analysis and brand. Marketing strategy should be created before the start of your business activity.

Recommendations for Further Reading

It is advisable to take also Blended Training Module 4 – “Networking, Building Ecosystems and Entering International Markets”, Unit 2 – “Creating your network and your ecosystem”, where you will learn how to set up a proper partnering ecosystem around your business.

Once you go through these modules, you will be able to access new markets and secure the consistent and sustainable growth of your business.

Further reading for Unit 3:

1. Stephanie Ray, A Guide to Writing the Perfect Vision Statement, May 16, 2018
2. Link: <https://www.projectmanager.com/blog/guide-writing-perfect-vision-statement-examples>
3. Kirstin O’Donovan, 20 Inspiring Vision Statement Examples, undated 2020,
4. Link: <https://www.lifehack.org/articles/work/20-sample-vision-statement-for-the-new-startup.html>
5. Baylor Cherry, 18 Captivating Mission Statement Examples You Need to Read, 2019,
6. Link: <https://www.bluleadz.com/blog/15-of-the-very-best-mission-statement-examples>
7. Don Hofstrand, Vision and Mission Statements -- a Roadmap of Where You Want to Go and How to Get There, Link: <https://www.extension.iastate.edu/agdm/wholefarm/html/c5-09.html>
8. Debra Murphy, Planning Your Road to Success, 2010,
9. Link: <https://masterful-marketing.com/mission-vision-goals-strategies-tactics/>
10. Debra Murphy, Marketing Goals – Your Pathway to Success, 2019
Link: <https://masterful-marketing.com/marketing-goals/>

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1. Hill, Brian. (n.d.). Marketing Strategy Methods. Small Business - Chron.com. Retrieved from <https://smallbusiness.chron.com/marketing-strategy-methods-61071.html>
2. Debra Murphy, Planning Your Road to Success, 2010,
Link: <https://masterful-marketing.com/mission-vision-goals-strategies-tactics/>

Unit 4. Marketing Mix – 4Ps



Image 1.

<https://www.lifesight.io/blog/marketing-mix-modeling-misconceptions>

Tags:

Unit 2 - Introduction

The term “Marketing Mix” is a general expression used to describe the various types of marketing decisions, which need to be taken to bring your product or service to the target market. It refers to the set of actions, or tactics, that a company uses to promote its brand or product in the market. When we talk about a Marketing Mix we usually visualize the 4Ps which make up a typical marketing mix – Price, Product, Promotion and Place. However, nowadays, the marketing mix increasingly includes several other Ps like Packaging, Positioning, People and even Politics as vital mix elements make the internal and external environment. In this unit we will examine closely the 4Ps and we will provide you with additional reading materials on the topic.

The marketer and academic E. Jerome McCarthy proposed the original marketing mix as a framework for marketing decision making (McCarthy, 1964). It can be outlined as follows:

Category	Definition/Explanation	Typical marketing decisions
Product	A product refers to an item that satisfies the consumer's needs or wants. Products may be tangible (goods) or intangible (services, ideas or experiences)	<ul style="list-style-type: none"> • Product design – features, quality • Product assortment – product range, product mix, product lines • Branding • Packaging and labelling • Services (complementary service, after-sales service, service level) • Guarantees • Returns • Managing products through the life- cycle
Price	Price refers to the amount a customer pays for a product. Price may also refer to the sacrifice consumers are prepared to make to acquire a product (e.g. time or effort). Price is the only variable that has implications for revenue. Price also includes considerations of customer perceived value.	<ul style="list-style-type: none"> • Price strategy • Price tactics • Price-setting • Allowances – e.g. rebates for distributors • Discounts – for customers • Payment terms – credit, payment methods
Place	Refers to providing customer access Considers aspects of distribution. Considers providing convenience for consumer	<ul style="list-style-type: none"> • Strategies such as intensive distribution, selective distribution, or exclusive distribution • Market coverage • Supply chain member selection and relationships • Assortment • Location decisions • Inventory • Transport, warehousing and logistics
Promotion	Promotion refers to marketing communications. Promotion may comprise elements such as: advertising, PR, direct marketing and sales promotion.	<ul style="list-style-type: none"> • Promotional mix - appropriate balance of advertising, PR, direct marketing and sales promotion • Message strategy - what is to be communicated • Channel/ media strategy - how to reach the target audience • Message frequency - how often to communicate

In summary, marketing is simplistically stated ‘putting the right product in the right place, at the right price, at the right time.’ It sounds like an easy proposition. However, if even one element of the marketing mix is not considered thoroughly enough, a promising product can fail completely and end up costing the organizational

substantially. The use of a marketing mix is crucial to help understanding what the product or service can offer and how to plan for a successful product offering, commonly executed through the 4Ps as detailed below.

- **Product**

Usually, the product is a tangible good, although it can also be understood as something non-material, e.g. a concert. This “product” should meet the customers’ specific expectations or needs. Products usually follow a natural lifecycle and that’s why you should strive to understand and plan for each stage accordingly, identify what the product is expected to 'solve' and understand the benefits and understand the benefits as well as the features of the product itself.

For a product or a service to be successful, it has to meet and satisfy a specific need and it should be able to function as promised. The features and benefits of the product or service should be clearly communicated to your current and potential customers.

Another vital feature of a product is branding, because this is what differentiates itself from other similar products in the market. It also creates customers’ recall and loyalty. These factors ultimately affect your product strategy.

- **Price**

This refers to what you expect the customers to pay for your products. The pricing can have either positive or negative impact on its selling. This depends more on how your customer perceives the value of this product than on the actual value of the product itself. If a product has a higher or a lower price than the perceived value, it might not sell as expected.

Therefore, it is important to understand what your customer perceives before you decide to price a product. If the customer’s perception is positive, it is likely that the product will even go for a higher price than its actual value. On the other hand, if the product has very little or no value for the customer, it might be beneficial to under-price the product just to make some sales.

Price is the amount of money that your customers have to pay in exchange for your product or service. Determining the right price for your product can be a bit tricky. A tempting strategy could be to create a bargain pricing impression by pricing your product lower than your competitors.

Therefore, your pricing strategy should reflect your product’s positioning in the market and the resulting price should cover the cost per item and your profit margin. This amount should not let appear your business as timid or greedy. Low pricing hinders your business’ growth while too high pricing kicks you out of the competition.

- **Placement (distribution and sales)**

Placement refers to how the product will be made available to your customers. A suitable placement strategy will assess the best and most suitable distribution channel for the product. Place refers to distribution or to the methods and location you use that your products or services become easily accessible by the target customers. The type of your product or service dictates how they can be distributed.

Sales are important for achieving your marketing goals. Therefore, the requirements for the people who are engaged with the sales are as following:

- Know how to communicate;
- Self-confident;
- Know the product/service;
- Open-minded;
- Customer is very important for them;
- Treat the customer as a partner and “special guest”;
- Know and apply effective sales and negotiation techniques.

Remember that the good sales people are experts in marketing:

- Distribution: They are responsible for distributing the product or service to the customer;
- Market research: They receive first-hand information about the needs and wishes of the customers;
- Controlling: They have an overview about the effects of marketing and communication activities;
- Public relations: They contribute to the image of your organisation to the public.

At the beginning of your business activity, you on your own can be the sales person for your products and services.

- **Promotion (marketing communication, PR)**

Promotion refers to the marketing strategies and communication techniques used to advertise your product to the targeted customers. It includes activities like special offers, advertising, public relations, marketing communication and sales promotions. Any promotional channel used should always be adequate for your product, for your customer and for the price.

Remember, marketing is different from promotion because promotion only concerns the communication aspect of marketing.

The goal of your communication should be in any case that your message is effective. In most cases the goal is the purchase of the product / service. Other targets could be a good corporate image or a high level of customer satisfaction.

In order to be successful, you should follow some basic communication rules:

- *Get to know your target audience.* Only when you know with whom you enter into a relation, you can choose right messages and channels (media).
- *Send clear and powerful messages.* What is the effect you want to achieve with your message? The desired effect determines the type of the message and the selection of the communication channels. Adjust the contents of the message according to the target group.
- *Select the right communication channels.* It is only possible if one knows both: the target audience (= target groups for communication) and the existing communication channels.
- *Your messages should arrive without interference at the receiver (your target audience),* i.e. the receiver should understand the message entirety and not just perceive selectively. Do the receivers understand what you say? Do they also understand what you mean? Check that.

It should be noted that the various communication activities cannot be regarded separately and that they should result in a holistic action. Ideally, they fit into each other and are firmly anchored in a marketing plan (strategic planning). The field of communication requires careful planning and often professional support and should certainly not be the area to which less attention than to other areas of the marketing mix is paid.

Promotion is the part of marketing where you advertise and market your product or service. It is also known as promotional strategy. Through this strategy, potential customers get familiar with what you are selling. In order to convince them to buy your product or service, you need to explain what it is, and why they should buy it. Promoting makes your customers feel that their needs can be satisfied by what you are offering to them!

An effective promotional effort contains a clear message that is targeted to a certain audience and is done through appropriate channels. The target customers are people who will use your product or service. Identifying these people is an important part of your market research. The marketing image that you are trying to convey to them must match with your advertisement's message. It should catch your target customers' attention and either convince them to buy or at least state their opinion about the product. The promotional method you choose in order to convey your message to the target customers may probably involve more than one marketing channel.

Recommendations for Further Reading:

We recommend to take Training Programme 2 "Creative thinking for innovation": Blended Training Module 3: Visual Branding, Unit 3 Corporate Identity and Branding. You will learn valuable insights and get deeper knowledge, regarding what corporate identity consists in, alongside its themes: coherence, symbolism, and positioning. In addition, you will become familiar with some techniques that provoke immediate emotional response among clients, and you will have a chance to explore how Nike utilized the technique of archetypes, known from fairy tales, as a powerful tool in its campaigns appealing to emotions.

Further reading for Unit 4:

1. Marketing Mix. Definition of the 4P's and 7P's, <https://marketingmix.co.uk/>
2. 7 Elements used in Marketing Mix for Services, Smriti Chand, <http://www.yourarticlelibrary.com/services/7-elements-used-in-marketing-mix-for-services/34003>
3. Ps of Marketing (Product Mix), <https://www.mbaskool.com/business-concepts/marketing-and-strategy-terms/6778-4-ps-of-marketing.html>
4. Importance of Marketing Communication, August 2, 2018 By HiteshBhasin, <https://www.marketing91.com/importance-of-marketing-communication/>
5. Marketing Communication, Business Jargons, <https://businessjargons.com/marketing-communication.html>

6. Marketing Communications - Meaning and its Process, Prachi Juneja, Management Study Guide, <https://www.managementstudyguide.com/marketing-communications.htm>

References for Unit 4:

1. Definition of 'Marketing Mix', The Economic Times,
Link: <https://economictimes.indiatimes.com/definition/marketing-mix>
2. McCarthy, Jerome E. (1964), Basic Marketing. A Managerial Approach, Homewood, IL, USA

Unit 5. Marketing Plan



Image 1. Source: <https://pisqahpeaksventures.com/how-do-you-create-a-marketing-plan/>

Tags:

Marketing plan, analysis, short-term goals, budget. Marketing activities.

Unit 3 - Introduction

The objective of this module is to draw your attention to planning as an essential final part of your marketing strategy. Often planning is forgotten and then the risk of all marketing activities to be chaotic and out of focus is high. In order to prevent this from happening, we've briefly summarized the basic steps you need to follow.

After you have learned already how to create your marketing strategy and to set goals, now, you need a plan that provides you with “what” and “when” to be done in order to accomplish those goals. Therefore, you need one more step - to create your marketing plan.

The marketing plan contains all the activities that will move you forward in implementing your marketing strategy and promoting your business. In addition, you should know that the marketing plan usually covers one year, ie. you plan your tactics every year. This is because you need to be flexible enough - if something does not work during the year to be corrected in the next.

Step 1. Put together your information

Be creative and look at all the information you have already gathered - SWOT analysis, USP for your products or services, competitors, distribution channels (See Unit 1, Unit 2, Unit 3 and Unit 4). Pay attention to your marketing mix. What products or services do you offer?

What are the strengths and weaknesses of your company? What opportunities and threats have you identified?

Step 2. Define your target market and target audience

Take the time to gather information about your target customers. Who are your customers? What age or profession do they have? What are their habits and preferences?

Knowing your target market, you will be able to plan your communications activities, choose the right communication channels and messages.

Step 3. List your marketing goals for the year (short term goals)

Write down your short-term goals for the year by creating a timeline. They should support the long-term goals of your strategy. Identify the main stages of implementation (See Unit 3).

Step 4. Plan your marketing activities and tactics for the goals

In order to achieve its marketing goals, a company plans a variety of activities, carefully selected according to their effect and scope. This includes brochures, newsletters, websites, press releases, social media channels, advertising, direct mail, and participation in fairs or other events. All marketing activities should support sales and stimulate the demand. (See also Unit 4)

Step 5. Set your marketing budget

When starting a business, setting a budget for your marketing activities can be challenging. You can use your own savings, a loan from a bank or friends, or other sources. For more information see Module 1: Planning, organizing and managing – visualizing the entrepreneurial journey and Module 2: Business planning.

It is often possible to give up planning for marketing activities because of a lack of financial resources. Do not do it! Keep in mind that marketing is essential to the success of your business. Moreover, you know it, right? There are various tactics through which, with very little funding, you can achieve the desired effects and reach every possible niche of your target audience. The key is to never stop your marketing activities.

Further reading for Unit 5:

1. STARTING A BUSINESS, Use These 5 Steps to Create a Marketing Plan, Entrepreneur Media Inc.,
Link: <https://www.entrepreneur.com/slideshow/299487>
2. Brian de Haft, The Marketing Strategy vs. the Marketing Plan, 2019,
Link: <https://blog.aha.io/the-marketing-strategy-vs-the-marketing-plan/>
3. <https://medium.com/@hrnawaz/what-are-the-four-key-elements-of-a-marketing-mix-and-how-to-execute-these-elements-f927c28603c9>

References:

1. STARTING A BUSINESS, Use These 5 Steps to Create a Marketing Plan, Entrepreneur Media Inc.,
Link: <https://www.entrepreneur.com/slideshow/299487>