

Student's Name:

Admission Number:

Date:

Strategic Marketing Plan

Executive Summery

The New Shoes Simulation Company offers variety of shoes for men and women. The company seeks to venture into the shoe industry to provide quality shoe products. Backed by a strong and dedicated management team of professionals, the company plans to perform well exponentially in the shoe industry within a period of twelve years. The company also plans to enter the international markets in future so as to increase its market share.

Strategic Situation Analysis

Internal Analysis

Internal Environment

Internal Environment is composed of elements that the company encounters in their immediate environment and which the company has influence over, and therefore refers to the area around where the company is located. The internal environment includes staff, human capital, supply, suppliers, competitors and government authorities as well. This group is very important in ensuring the success or failure of the company since they play a very important role in the daily running of the company. The company should therefore pay a lot of attention in addressing their needs so as also avoid conflicts that could result in mismanagement of the organization. The company can achieve this through looking into the welfare of its staff and the community as well as avoiding any practice that is likely to interfere with the wellbeing of the surrounding society. The organization should maintain positive retentions with the surrounding community since the community also plays major role in ensuring the organization succeeds. This practice will enable the organization and the community to co-exist in a positive environment that will lead to success of both of them. Employees are another key pillars of the organization without which the organization cannot deliver its services to the society. The organization therefore needs to take into consideration the concerns of its employees in a way

that will help to motivate them. The company in doing this, will also succeed in its goals and objectives supported by its employees.

Economic Environment

In considering the economic factors relating to the production of shoe products, the company considers financial effects that also come with the production of shoe products process due to the continuous economic changes. Inflation is also a factor that would likely determine the cost production of shoes. The company hopes the economic status in the market will favor it. Every company has to spend some substantive amount of money and resources in production. Economic environment is therefore a factor that the company has to consider so as to avoid financial crisis.

Company History

The company is one of the youngest shoe producers in the US market having been launched two years ago. The idea of establishing the company was first mooted way back in 2009 when the founders realized that there was market gap in the shoe industry and hence the need to fill the gap. This market gap was as a result of high prices. The company came in to provide affordable high quality shoes to take advantage of the gap in the industry.

Market Data

The company currently produces variety of shoes that it sells in the market at affordable prices. The company's revenue in 2014 was \$200,000 representing 62% of total sales. This being

the first performance in the market, the revenues was considered commendable. In the year 2015, there was high inflation and this affected production cost and eventually sales. The company fell short of reaching its target of 70% sales volume, only managing 52% indicating a reduction in revenues.

Market Description

Competitive Analysis

Competitors are these businesses that offer the same products in the market. They can pose a serious completion if not checked. The company has to therefore use the marketing strategies to sustain the likely competition in the education sector. Every industry has competitors including shoe industry and therefore the company must bear in mind the consequences that may come as a result of completion. Theses consequences may include lose of public trust with the institution and even subsequent closure of the company. The company should therefore employee the use of marketing strategies that include marketing mix and product positioning to help it gain competitive advantage over its rivals in the market.

SWOT Analysis

Competitor A

1. Developing stable financial goals and objectives and ensuring greater performance.
2. Aspiring to be the top market controller in shoe industry.
3. Employing the use of current technology in shoe production.

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4. Be number one in the shoe production sector.

Weaknesses

1. Exposed to competition
2. Overdependence on home market is a challenge.

Opportunities

1. Good reputation in the international market.

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2. Coming up with current technology for shoe production.

Threats

1. Turf competition from rivals.
2. Inflation.
3. Unfriendly government policies.

Marketing strategy

Employing the use of product positioning

Competitor B

Marketing Mix

Price

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Price is the amount of money that customers pay so as to get the value of shoe product.. Price is a very important aspect when it comes to marketing a product, as it determines the volume of your organization's success (profits and survival of the company) as well as the number of customers attracted to the company.

In the market where there is demand for shoe products, the company should evaluate the income level of the community and rate them in terms of high, middle or low income. This should help the company to develop price range of its shoes products that suits the income level of this important market.

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Setting the price of your courses has a great impact on the entire marketing strategy for the company and its competitors as well as determining the number of customers and the demand for the shoes as well.

If your company's shoes are new in the market, it's unlikely that your target customers will pay high prices for that product.

Although they may be willing to pay high fees in future, getting them to do that for courses is not possible.

Pricing is a very important tool in marketing that will always shape the way your target customers view your product in the market. It's good to note that a low price could mean an

inferior product in the minds of the consumers and they will always rate their money over your product. Pricing too high will also make the costs to outweigh the benefits of the shoes in the customer's eye. Be keen to evaluate what your competitors charge for the same shoes as your customers will always compare your products to these of your competitors.

Pricing always help shape the perception of your product in consumers eyes. Always remember that a low price usually means an inferior good in the consumer's eyes as they compare your good to a competitor.

When considering setting the price of a product it's important for company to take into consideration the value that product offers to the customers. The company should consider the following pricing strategies for the company to succeed:

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- Market penetration pricing
- Market skimming pricing
- Neutral pricing

Some of the most important question to ask yourself when setting price for your courses:

- How much did it cost you to produce your product?
- How do students perceive the value of your product?
- Do you think that the increasing price slightly could decrease increase your market share?

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- Can the current price of the product keep up with the price of the product's competitors?

Place

Place or distribution is a very critical part of marketing to be considered. The products must be distributed at the right place within the reach of potential customers.

In doing this, you must understand your market properly so as to enable you unearth the most suitable positioning and distribution channels that are directly linked with your market.

Here are some of the questions that you should answer in developing your distribution strategy:

- Where do your clients look for your service or product?
- What kind of courses do potential clients go to? Do they register online or not?
- How do you access the different communication channels?
- How is your distribution strategy different from your competitors?

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- Do you need a strong marketing force?
- Do you need to attend academic seminars?

Promotion

Promotion is a very critical part of marketing as it increases the awareness about your product therefore boosting both the number of admissions and course recognition among customers.

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Promotion is composed of various components like:

- Sales Organization
- Public Relations
- Advertising
- Sales Promotion

Advertising generally involves the methods you use to communicate to your customers.

These include radios and televisions as well as print media. Technology has changed everything in the contemporary world and things are done through the internet.

Public relations are communications that are free and not paid for by the company. They include press releases, sponsorship deals and academic seminars.

Talking to people directly can also be a type of product promotion. For example, engaging a section of the market where there is high demand for shoes is important. Talk to people and inform them about your products so that they become aware.

It's important to take word of mouth seriously as it can circulate in the internet and has the capability of to be one of the most important assets the company can use to improve its revenue online.

A good example if this is social media platform that include face book and twitter gas well as management's firm social media page.

In creating an effective product promotion strategy, you need to answer the following questions:

- How can you deliver marketing messages to your target customers?
- What is the right time to do promotion of your shoes?
- Which best channel will you use to reach your target customers well?
- Is social media good for your shoe products promotion?
- What promotion strategy do your competitors use?

Your combination of promotional, price and place strategies and how you go about them will depend on your budget and profit target, the message you want to communicate, the target market you have defined already in previous steps and which channel to use to reach your target customers.

Company's SWOT Analysis

Strengths

-Domestic Market

-Skilled Workforce

-Barriers Of Market Entry

Weaknesses

-High Prices Are Possible

-Investments In Research And Development

-Brand Portfolio

-Competitive Market

-Future Debt Rating

-Cost Structure

-Small Business Units

Opportunities

-New Products And Services

Threats

-Growing Competition And Lower

Profitability

-External Business Risks

Market Analysis

Appropriateness of Brand Positioning

Positioning Statement

You were always on my mind

Product positioning is a very important aspect in marketing. Product positioning is what normally comes to mind when your target market thinks about your products as compared to the products that your competitors offer in the same market. For example, when you hear of education, what comes into your mind? Definitely: better life in the future. This also helps the company to differentiate its products from those of its competitor in the market.

Why product positioning is important.

Product positioning is a very crucial aspect when it comes to consumer decision making process. Product positioning offers you an opportunity to influence the way customers think about your product. And therefore product positioning is a must address issue if the company want to succeed. Once your product is in the market, the customers will defiantly position it based on the information from your competitors and without any of your input. The company has paid considerable attention to target every customer.

Features of Product Positioning

The major objective of product positioning is to help keep your products on top of mind of your customers whenever they consider making a purchase. The company intends to achieve this objective by putting their logo on their products, brochures as well as continuous online advertisement. For product positioning to be successful, the following objectives must be considered:

- Ensure that you have good learning system unique features from these of your competitors.
- Crucial customer buying criteria must be considered.
- Key product (or company) characteristics must be articulated.

Marketing messages and positioning have a lot in common

It's important to continuously review the following while working on your product positioning strategies.

Is your strategy:

- Single-minded—is it able to convey one primary message at a time?
- Meaningful—will it go down well with the target students?
- Differentiating—how does it asses our strengths against these of your competitors?
- Important—how useful is it to the target market or audience?
- Sustainable—does it have future impact on the audience?
- Believable—will it ring true with the target audience?
- Credible—how capable are you to prove your claims?

Positioning strategies

Products positioning strategies

Reflect on your products and see how they fit.

- **Price**

Price is the value that you charge for your products and services. Sometimes coming up with effective pricing for products may not be easy. Small colleges have always created impression of bargain pricing since they feel they should have the lowest price in the education sector. This however may signal a low quality product and services and not lowest pricing. In this scenario, the company will consider a pricing approach that reflects the positioning of its products prices.

- **Product**

This is a good or services that you offer to your target customers in the market. Our products are fast food. Customers are normally attracted to many aspects of a product apart from its physical outlook. These include the way the company presents its products, quality, options and brand name. The way your product appears or functions constitute to what the customer is actually buying. It's very important for the company to focus and put more energy on the needs their products address in the market.

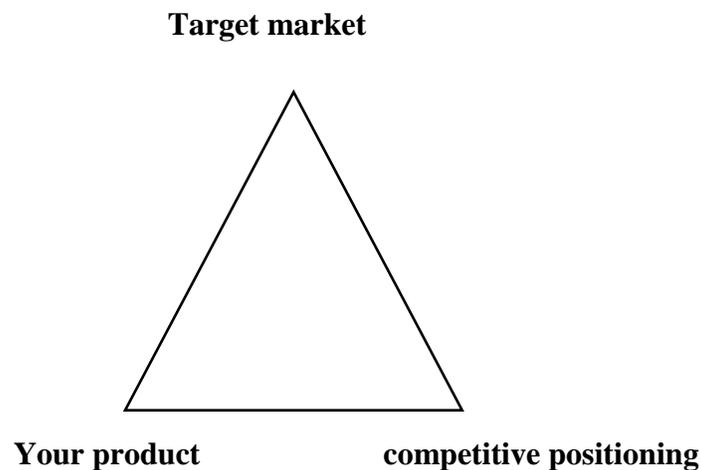
Unique Products: Have a unique product superiority claim against your competitors if your product positioning is to be effective.

Away from a Competitor: Positioning your products uniquely and clearly opposite of your competitors in the market can make your products get the attention of your customers.

- **Benefits:** This concerns the value that your products add to your customers.
- **Attributes:** It's important to emphasize on some specific features of your product.
- **Product Categories:** This helps your products to be unique.

To achieve all the objectives of positioning; differentiation, address and articulation you must therefore understand:

- How your customers or market audience make their purchasing decisions.



These three elements must balance if you are to achieve competitive advantage over
Positioning Triangle Analysis helps you to develop an effective product positioning.

Implementation Process of the 4ps

Price

Price is a very important aspect when it comes to marketing a product, as it determines the volume of your organization's success as well as the number of customers attracted to the company's products. This should help the company to develop price range of its products that suits the income level of this important market.

Setting the price of your products has a great impact on the entire marketing strategy for the company and its competitors as well as determining the number of customers and the demand for your products as well.

Although they may be willing to pay high fees in future, getting them to do that for courses is not possible.

Place

The products must be distributed at the right place within the reach of potential customers.

In doing this, you must understand your market properly so as to enable you unearth the most suitable positioning and distribution channels that are directly linked with your market. The organization has to therefore implement this strategy by ensuring its services are accessible.

Promotion

The organization should implement this strategy as it's very important to the success of the organization. Promotion is very important and is composed of composed of components like:

- Sales Organization

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- Public Relations
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Product

Product is what the company offers to the market for its customers to buy. It's important for the company to come up with reorganized courses in the job market that bare likely to endure customers' for the future product requirements in the job market. The organizations therefore need to implement this strategy by ensuring that it adopts the use of the most current production technology.

Target Market (market segmentation)

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Demographic Segmentation

This marketing plan has established demographic segmentation based on gender, age and level of income are common demographic variables and found that age and income level will highly determine its success in this market area.

Income level will determine the consumption levels often define market segments and this will greatly determine the number of shoes bought by customers Demographic

segmentation almost always plays some role in a segmentation strategy for products or services.

Lifestyle Segmentation

In this scenario, the attitude of the students in regard to lifestyle is looked into. Beliefs and interests are also key factors. Psychographic segmentation is an important way of market segmentation. The company, through this marketing plan has identified proper segmentation variables that are important in market (or lifestyle statements, words, pictures, etc.). Typically, verbatim comments from consumers are used to build batteries of psychographic or lifestyle statements.

Behavioral segmentation

Behavioral market segmentation helps in categorizing population based on their behaviors and how the population responds to the product. Consumers normally consider a lot of factors before making a final decision on whether to enroll or not.

This decision making of consumer is affected by his/her behavior and this helps the business in effectively targeting behavior segment.

Geographically

These include domestic and international subgroups and neighborhoods where students live. This segmentation is important as it will determine the distribution channels the company can use to reach the customers.

Price Segmentation

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Price segmentation is common and widely practiced in markets. The difference in people's earnings creates an opportunity for segmenting some markets along a demographic, psychographic, geographic, and behavioral as well as time and price dimensions. The company should offer some affordable shoe products, some medium-priced ones, and some expensive ones. Hoe products target majority of the students both the youth and old. But the company has to come up with a variety of shoes with different prices to target the entire

Proposed Marketing Mix for the New Company

Price

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Vertical Market Segments

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Behavioral market segmentation helps in categorizing population based on their behaviors and how the population responds to the product. Consumers normally consider a lot of factors before making a final decision on whether to enroll or not.

International Distribution

Currently, the company is marketed through regional and local specialty shops scattered along South Africa. Fashion change tends to dictate the sales at specialty shops, which sell more shoe products.

Over the next three years, the company seeks to expand distribution to retail specialty shops throughout the South Africa.

International Pricing Strategy

Pricing Strategy

The products are priced competitively in the international market, offering a good value against its competition. This also helps us to reach even people with low income.

we aspire to offer outstanding results, market oriented courses. We must therefore make our place well reorganized not only with the quality products that we provide to international customers.

Promotional tool

Advertising

This involves informing the target customers of the available products the company offers. The company uses televisions and print media to advertise its products. The marketing manager is responsible for this duty. This is to be done on every second day of the week.

The promotional tool used is advertising where the company employs the use of sales men as well as internet and media to advertise its products.

Public Relations Strategy and Execution

- **PR strategies.**

Public relation is how good or bad the company relates to its customers and the society in general. The company has a PR team that oversees its relationship with other stakeholders like the community and customers.

- **PR plan highlights.**

The company's PR plans to hold discussion talks with the community on matters that are important to both the company and society.

Advertising Strategy and Execution

The advertising management team will be tasked with duty of ensuring that overview, media and timing as well as spending is taken care of.

Personal Selling

The company marketing department will oversee the execution of overview of strategy, vehicles, and timing as well as overview of response targets, goals, and budget.

Other promotions will also be taken into consideration

The marketing team will be charged with duty of contacting customers to market the products and this will cost approximately \$8000

The completion date for marketing will be in the second week of the month that is, the 14th September 2016.

Controls

The control process will involve team members who will closely monitor the plan using evaluation techniques and results will be implemented in a simultaneously.

Conclusion

This plan if used well can lead to the success of the new shoe company. The control and implementation of results should be handled with care so as to realize the full benefits of this plan.

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