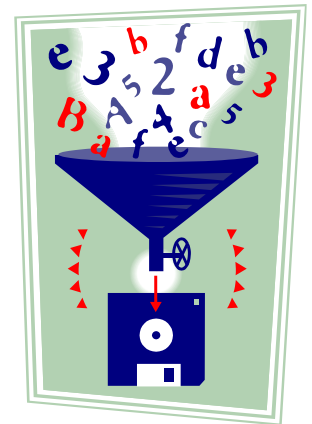


I. GENERAL MARKETING COMMUNICATION CONCEPT

1. Selected marketing terms
2. Marketing communication
3. Objectives of MC
4. Marketing communication process
5. The elements of MCM
6. STP



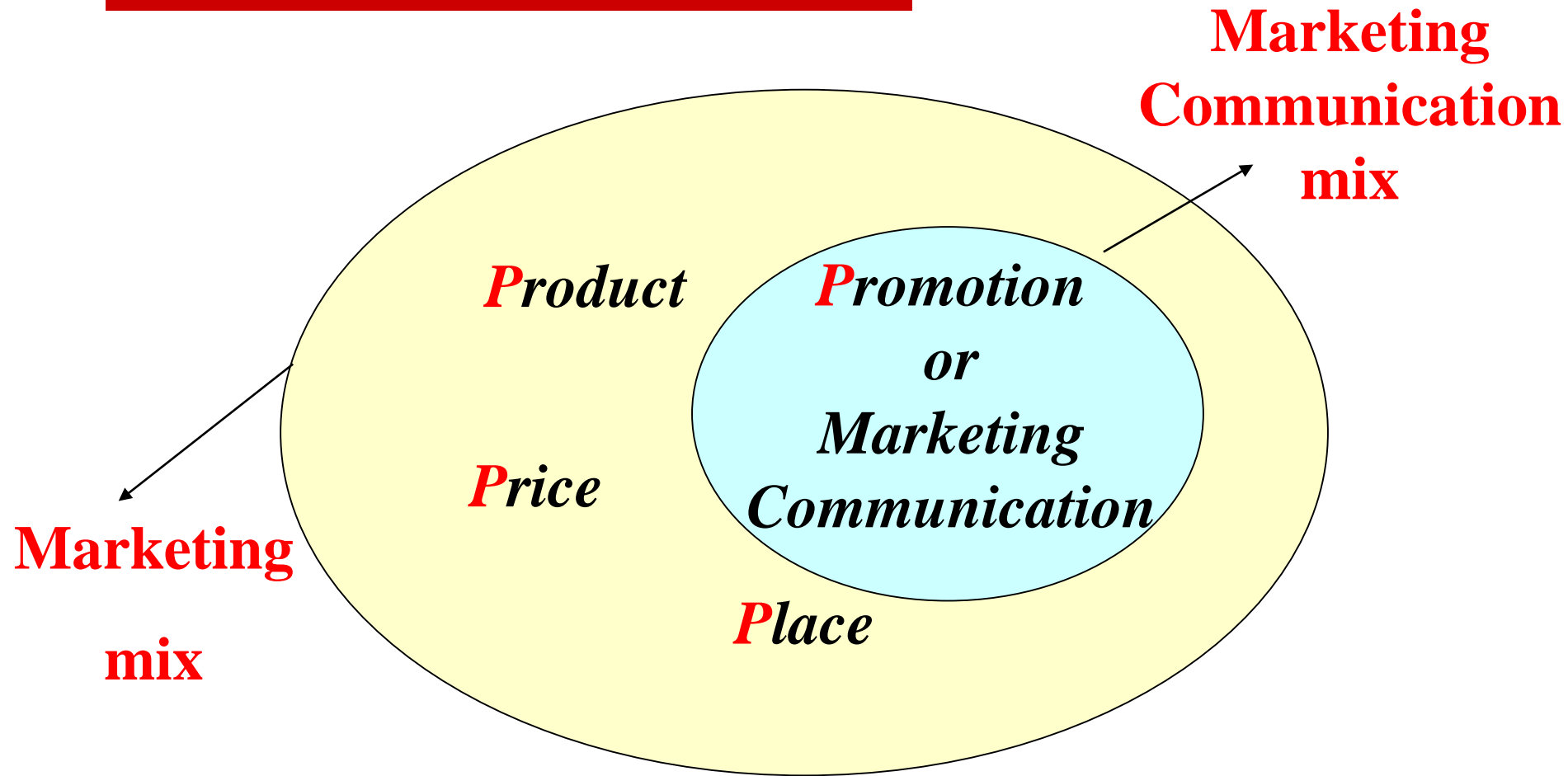
1. SELECTED MARKETING TERMS

□ **B2C** – business to customer (consumer market)

X

□ **B2B** – business to business (industrial market)

Marketing mix („4Ps“) x Communication mix



„4Ps“

- ❑ **Product** – products are solutions to customer’s needs. The provider needs to make various product decisions, including functionality, range offered, brand names, packaging, service and support. It is the critical element in the mix.
 - ❑ **Price** – various price-setting models exist, with decisions relating to factors like market penetration, credit terms, discount policy and cost of provision.
 - ❑ **Place** – it is about making the product available. Some form of structured network is normally required – a distribution channel.
 - ❑ **Promotion** – promotion aims to make a target market aware of a product offering, develop a long-term relationship with the customer and create and stimulate demand.
-

„7Ps“ – extended marketing mix

(in the case if the product = service)

□ „4Ps“

- **Physical evidence** – customers look for reassurance relating to required benefits and quality (ambience, fixtures and fittings, appearance/attitude of staff, etc.) as an indicator of likely satisfaction.
 - **Process** – the method by which the services are provided.
 - **People** – people are an essential element of the marketing mix. Staff recruitment, training, development and empowerment to deal with problems become a critical element in ensuring a positive customer experience.
-

2. MARKETING COMMUNICATION

- MC involves answering the following questions:
- **who** is the target audience?
- **what** should be communicated and?
- **how** should it be communicated?

„Marketing smog“ – a negative aspect of contemporary MC!

MARKETING COMMUNICATION

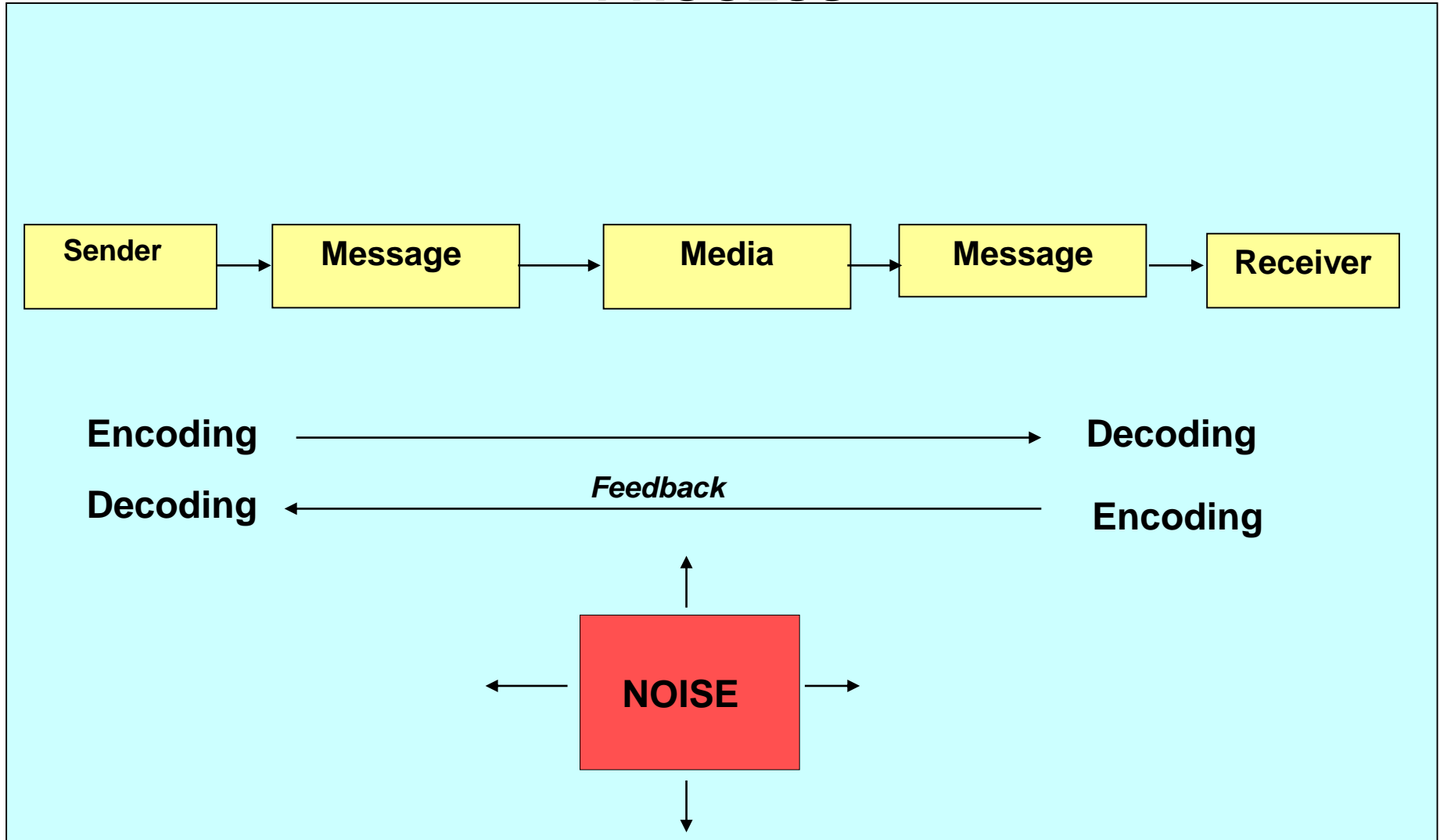
- **Larger sense:** all planned and unplanned communication in all contacts between company and its present and potential customers (the product package, brand perception, price, advertising, staff behaviour, tradition of company, car fleet, outlets, offices etc.) ⇒ **Integrated Marketing Communication.**
 - **Narrow sense:** marketing communication mix
-

3. THE OBJECTIVES OF MC




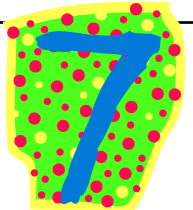


- ❑ To provide information.
- ❑ To create demand.
- ❑ To support the product differentiation (positioning).
- ❑ To point out the product value and benefit for customers.



4. MARKETING COMMUNICATION PROCESS - CYBERNETIC MODEL OF THE COMMUNICATION PROCESS



THE MEANING OF SYMBOLS IN VARIOUS CULTURES

<p>Blue colour</p> 	<p>Girls' colour in the Netherlands.</p>
<p>The yellow flower</p> 	<p>The symbol of death in Mexico, symbol of infidelity in France.</p>
<p>White lily</p> 	<p>The symbol of death in England, the symbol of purity in the central Europe.</p>
<p>Number seven</p> 	<p>Bad luck in Singapur, Ghana and Kenya, happy number in many countries.</p>
<p>Owl</p> 	<p>The symbol of bad fate in India, the symbol of cleverness in many European countries.</p>
<p>Triangle</p> 	<p>Bad symbol in Hongkong, good in Columbia.</p>

WORD OF MOUTH (BUZZ MARKETING)

- ❑ The most powerful communication medium today.
 - ❑ It is interactive, informal discussion between two or more parties
 - ❑ The communication spreads very quickly and it doesn't cost a lot of money.
 - ❑ Message must be interesting for receivers.
 - ❑ The most effective way of reducing post-purchase dissonance.
 - ❑ The problem for marketers – no control of communication.

 - ❑ WoM X Viral marketing.
 - ❑ E-WoM

 - ❑ **Negative WoM spreads more quickly than positive!!!**
-

5. ELEMENTS OF MCM

- Advertising
 - Sales promotion
 - Personal selling
 - Public relations (P.R.)
 - Direct marketing
 - Sponsorship
 - Online marketing communication
-



THE FACTORS INFLUENCING THE ELEMENTS OF MCM

- ❑ **Product type** (ordinary, special, luxury, long-term or short-term consumption).
 - ❑ **Market character** (B2C x B2B).
 - ❑ **Product life cycle** (introduction, growth, saturation, decline).
 - ❑ **Company market position and its financial resources** (large x small company).
 - ❑ **Marketing communication strategy.**
-

MARKETING COMMUNICATION MIX

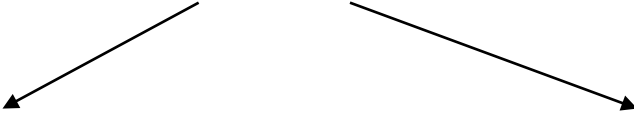
Element	Brief explanation
Advertising	A paid insertion of a message in a medium. It is aimed at the mass market.
Sales promotion	Activity designed to give a temporary boost to sales, such as money-off coupons, free samples, two-for-the price-of one promotions, free gifts, piggy-backing with another product, lottery, multi-packing, events, roadshow etc.
Personal selling	Face-to-face communications between buyers and sellers designed to ascertain and meet customer's needs on a one-to-one basis. (non-verbal communication!)

Public relations	The planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics (press conference, annual reports, open door day, social projects, ecological business, press release, human relations etc.)
Direct marketing	An interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location. It is aimed at the individuals (direct mail, telephone marketing, commercial e-mails etc.)
Sponsorship	Funding of cultural events, sporting events etc. In exchange for publicity and prestige.
On-line marketing communication	Web company presentation, social networks etc.

ATL x BTL x TTL

- **ATL** – above the line (classical media).
 - **BTL** – below the line (unconventional media).
 - **TTL** – ATL + BTL (the most frequent use in practice).
-

IMC



BTL



PUBLIC RELATIONS



DIRECT MARKETING



SALES PROMOTION



**SPONSORSHIP, ON-LINE
MC, ...**

ATL



ADVERTISEMENT

- TV
- Press
- Radio
- Outdoor
- Indoor
- Internet
- Cinema, ...

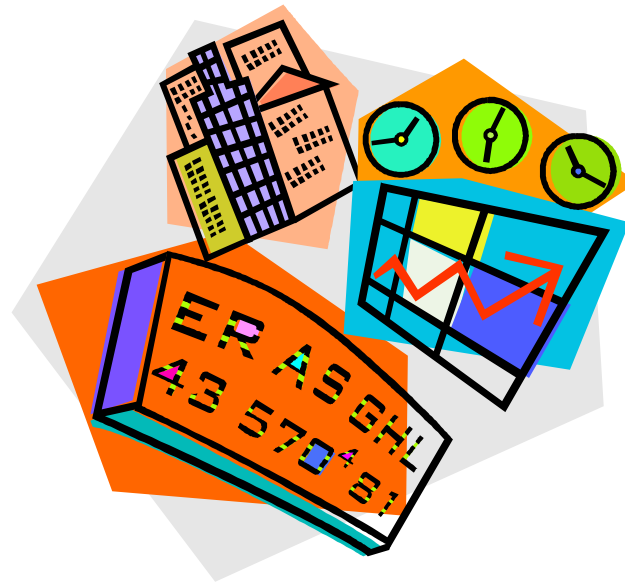
INTEGRATED MARKETING COMMUNICATIONS (IMC)

- The strategic analysis, choice implementation and control of all elements of marketing communication which efficiently, economically and effectively influence transactions between an organization and its existing and potential customers.



6. PROCESS OF STP

- Segmentation
- Targeting
- Positioning



A. SEGMENTATION

- ❑ **SEGMENT** – part of market.
 - ❑ Groups that have similar characteristics and behavior are called **MARKET SEGMENTS.**
 - ❑ Development of technologies enables better adjusting of services offer according to the different segments requirements.
-

THE SEGMENT SHOULD BE:

- Enough large.
- Measurable.
- Stable.
- Similar** (homogeneous) within the group and **dissimilar** (heterogeneous) across the different group.



WHY SEGMENTATION?

- Meet consumer needs more precisely.
- Increase profits.
- Segment leadership.
- Retain customers.
- Focus marketing communications.



B2C: SEGMENTATION CRITERIA

- ❑ **Demographic** – organization provides products and services only to segments chosen on the bases of age, sex, marital status, education level, disposable income, occupation, religion etc.
 - ❑ **Geographic** – organization decides to provide the products only in limited area (cities x villages, seaside area x inland etc.).
 - ❑ **Behavioural** – differentiation according to preferences, personality, lifestyle, buying methods, ...
-

B. TARGETING

- ❑ **TARGET SEGMENT** – part of market which is selected by firm.
- ❑ **MARKET NICHE** – there is a demand for some product but there is no supply on the market.
- ❑ Specific x profit making segments today???



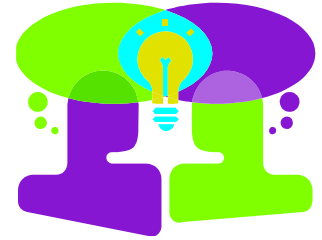
FIRMS TYPICALLY CHOOSE FROM THE FOLLOWING TARGETING STRATEGIES:

- **Undifferentiated targeting**, through which the firm directs the same marketing mix (same product, price, distribution, marketing communication) at all potential customers.
 - **Differentiated targeting**, through which the firm offers a unique marketing mix to each distinct segment, a mix tailored to the needs and wants of consumers in those segments.
-

FIRMS TYPICALLY CHOOSE FROM THE FOLLOWING TARGETING STRATEGIES:

- **Concentrated (Niche) targeting**, through which the firm picks out a single segment or very limited number of similar segments on which to concentrate its efforts.
 - **Customized targeting**, a more recent strategy through which the firm crafts specific offers for each individual consumer.
-

C. POSITIONING



-
- ❑ It is the placing of a product (brand) in the mind of a customer, in relation to other products (brands) in the market.
 - ❑ „It is place in customer’s mind.“ (Duracell, Dobrá voda, ...).
 - ❑ **Positional map (perceptual map)** – graphic presentation how consumer feels the similarity or dissimilarity of brand of specific product in comparison with competitive products in the marketplace.
-

POSITIONAL MAP



Positioning Map - Cosmetics



POSITIONING ALTERNATIVES

- ❑ **Underpositioning** – there is no sufficient difference among competitive products.
 - ❑ **Overpositioning** - excessive pointing out to only one benefit of certain product.
 - ❑ **Confused** – result of the inadequate marketing communication or the choice of bad distribution channels (branded goods – supermarket, outlets!).
-

REPOSITIONING

- It responds to the change of market demand or it's aimed to reach more profitable segments.
 - It uses the same tools as positioning, i.e. marketing communication in order to establish new image or product.
 - ! Repositioning x rebranding x redesign!
-

REPOSITIONING STRATEGY

	Unchanged target market	Changed target market
Unchanged product attributes	Image repositioning	Market repositioning
Changed product attributes	Product repositioning	Total repositioning
