

Assessment 2 - Business Management- Marketing and practice - Internal Marketing

Start:

Dealing with a product recall can be difficult for a business as it is not something many are rehearsed in doing. Brand image can potentially be damaged and a business wants to avoid dis-economies of scale as much as possible. The severity of the recall depends largely on the size of the recall. Thankfully as the description states; only a batch were recalled, which suggests the amount is not unmanageable. However an internal marketing campaign will need to be carried out by the PR team to gauge a real understanding of what the effect on the stakeholders has been.

A key issue identified last time was the impact on stakeholders. The business has a corporate social responsibility to inform all stakeholders of the recall. Which is why it is a good idea for the PR team to appease the consumer in some way, either through a discount on future purchases, full refunds, promo codes, reimbursement of faulty product ect.. Another key aspect identified previously was communication channels and media coverage. If journalists are pressing for a comment from the business you have to be prepared as fast as possible with an apology and promise to be better. Keep open communication channels with the consumers affected through ecommerce sites or phone. Finally the third most important area is the report remit and repositioning message. The PR team needs to take note of the positive things that came from the recall, how they did or did not handle something well. This allows the business to be in a stronger position in the event that this happens again. The repositioning message needs to divert attention from the bad press. Introducing a big new reveal or product that will create a more positive message for people to remember, saves the brands image further. Root cause analysis is important to identify how the recall happened in the first place, to avoid the same situation in the future.

Within Human Resources there are many teams, each needs to be informed not only of the problem, but how we (as the business) aim to rectify the mistake. Each department needs clear objectives to ensure each part is working in unison for the overall positive target of the company at this time. The main teams are the marketing and sales team but HR also includes recruitment, compliance, administration and employee-employer relations. Each will have a role in the recall and need to be informed by the head of HR of what their roles are. This company is well established

in the chocolate industry, we know it's been around for more than 5 years, which means it may need to develop its own website / helpline as part of their HR communication plan. This is a perfect example of where the needs of the different teams collide. The public relations team will be heavily involved in this as the website is set up solely for the public's purpose. It will also need to be advertised on the companies social media sites by the social media manager as to make its awareness known. The wording in this section is paramount to the brands reputation so the PR communications team is another team that will need to help put this in place. Then before anything can be sent off, the marketing manager will need to review and oversee the process as well as the results. In order to set up the website and phone line you may need to employ or externally source staff to assist in this professionally. This is where the recruitment staff will be needed. As a result of the recall, the company may decide to offer compensation through discounts or refunds, this again involves another department in Human Resources called; the Compensation and benefits administration. They are used to ensure that all refunds are given at an appropriate time and the correct amount. As one can see there are a variety of roles that will need to work together for the whole system to work, it is the responsibility of the HR department that this all works in unison.

A key aspect of any internal marketing campaign is a movement, which we have already been given here; the recall. The movement needs to be established as a goal that all internal employees understand is the main current objective. This links nicely into the next aspect which is ensuring that internal and external marketing is linked. This means that the employees should hear the same messages that you are sending to the public as your message. Confusion can arise if this is not done, leading to questions over integrity. For example, a health insurance company could tell their employees that their main aim is to increase market share and value of stock but tell the public that their main aim is to ensure the best welfare of their patients. As a manager you have to make sure everyone is on the same page and is striving for the same objective or else the direction of the business frays in different directions. Which is why it's a good idea for PR to set up a meeting as soon as possible with every department involved. Clear guidelines and aims will need to be established. Information on the businesses stance and reason that the recall took place will have to be clearly explained. Ensuring that everyone is familiar with their role will ensure that the employees are all focused on the same mission. Another very effective marketing campaign to utilise is Customer Experience Stories. The customer will describe their experience and how the business did well or could improve. This is a cost friendly and fairly easily implementable strategy that demonstrates internally as well as externally the success that the business does produce. This in turn creates motivation which will be particularly needed during a recall phase as it shines a negative light over the business name. This method reminds stakeholders what the business can achieve and can be. Directly correlating

to the simple but effective SMART objectives. Specific in that its demonstrating direct response to the business by the consumer, Measurable as its a real experience, Achievable, it's very achievable compared to other more complex methods, all you need is feedback. Realistic, it doesn't get more real than hearing from the source itself and Time bound, this method can happen online in seconds or in person within an hour or less, making it very time friendly.

When producing and implementing an internal marketing campaign you should ask your own employees to give feedback on the business's products. You need to understand why your employees feel the way they feel and what they think the business could change to make it better. This relates to Taylors 'Theory of Scientific Management' where he states that when workers are looked after to a high standard the number of items they produce in a set period of time increases. As they feel more involved and wanted in the business. As a result workers are encouraged to work ever harder to maximise their productivity. This method is specific as the feedback that they give will be much more focused and niche as internal employees understand the business much better than external stakeholders. Measurable in the range and number of employees asked. Achievability is very easy as internal employees are usually much easier to get a hold of than external ones. All feedback will be realistic and this can all be completed in a very short amount of time. This highlights against the SMART specification how easy and effective this method is. Information is coming straight from the horse's mouth. Trailblazing is a third example of an internal marketing campaign for the business. Since this product launch wasn't a success due to the recall, you ask your employees to come up with new ideas for different types of chocolate bars that they think the businesses audience would like. Similar to 'Dragons Den' the employees make their pitch to senior management about a product that they feel would succeed in the market. Allowing the employees to get a say in the big decisions of the business whilst simultaneously giving management an insight into what the mood is around their brand image as well as sparking ideas for future product options. Each employee then has the ability to contribute to the business in a major way, making everyone still feel relevant and needed.

The aim of internal marketing is to align all the areas of the companies internal operations so that they are as capable as possible of giving good value to the customers. It sees the internal stakeholders / employees as customers too. The customers attitude towards the company is based on their whole experience with the company instead of solely focusing on their experience of the products. Which is why PR gaining insight into their employees views is a crucial part of internal marketing. If an individual feels like they have helped create or feels in debt to the business because of the good service that they have received, then they are much more likely to work harder at their job too. PR can then take this information and strengthen the brand by focusing on the areas that the employees stated were weak.

Once you have received internal feedback from your stakeholders you then want to use tools that can monitor the success of the objectives. For example SMART objectives form targets and engage focus as well as feedback and learning from mistakes. You need to use the S - specific in how the recall will be handled and what stance the business is taking on explaining it to the public. PR managers will need to be specific and clear to each department to ensure everyone knows what their role is and that everyone is focused on the same mission. Your business should measure the inbound and outbound marketing strategies to see what is effective as well as measure the impact the recall has had on brand image and customer relations. Every employee and team from sales to marketing will also have to have a timeline / deadlines for this to all be completed and achieved. SMART acts as a lens for monitoring your product or objective. It's a very strong tool used in marketing to keep organised and on track. You need to apply SMART and other monitoring tools to gain knowledge on your customers. For example, you should know what type of channels you want to track. Is it direct marketing? Referral? Organic? Dividing up your market into these channels helps to define it and break down the task. ROI (return on investments) through market matrix will give a clear picture on how much of an effect the recall had on the business financials. CTR (click through rate) on the website for the recalls should be monitored too to give an accurate picture on the amount of people affected. These are all examples of what the PR team will need to find out and implement to carry out this recall successfully.

In conclusion, there will be a multitude of departments and specialised areas that will all need to come together to achieve the set aims and goals. A product recall involves more than just the sales and marketing team. It is the PR managers job to make sure the roles are clear, the work is divided, the public is reimbursed and then execute it without fault. Crisis management is a key aspect of the job and employees who can handle it well are the ones the business will want to keep in office in the future. Strategic management styles and risk management techniques will all need to be pulled from in this scenario as it's a very precarious issue for a business to undergo. Their brand image and reputation directly relates to how the situation is handled. The PR manager will need to ensure communication throughout many different departments is clear, so that each knows what the other has done and no confusion arises. Public relations is a very high pressure and organised role to be in and if it's not done correctly, it has the potential to seriously damage market share or cause diseconomies of scale.

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