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Marketing Fundamentals: Assessment 1

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Introduction

In this individual essay, the main attention has been given to the processes related to the stages of marketing as well as creating a broader understanding of these stages. Moreover, the essay helps to generate better knowledge regarding the role of the marketing environment. Along with this, the situational analysis model has also been implemented within this assessment to fulfil the utilitarian aspect of the overall knowledge acquired from this assessment. Apart from that, there had been some illustration for determining the segmentation, targeting and positioning process under the marketing practices. This has been supplemented with the marketing mix strategies in the context of Morrison for generating an authentic idea regarding the fundamentals of marketing. Morrison is the fourth largest retail chain in the UK and there is a great need for marketing in this company; hence the choice of this company for this assessment.

Main Body

Understanding the process and stages of marketing

The process of marketing can take place with the aid of certain aspects. According to Britannica (2021), marketing can be conducted using the physical process or by the digital process. In the case of physical process, organisations are required to create banners, hoardings and placards, which will contain information about the products and/or services they are trying to highlight and in turn sell to the interested customers. However, the digital marketing process, which is in vogue at present, takes the aid of digital platforms, namely different social media platforms such as Facebook, Instagram, Twitter and Google platform as well. However, the stage of marketing remains a prevalent element irrespective of the marketing process. With close observations, four distinct stages have been found that are necessary for marketing, these are Ideation, Research and Testing, Advertising and lastly, Selling (Digitalprakhhar, 2021).



Figure 1: Stages of Marketing

The **Ideation** stage is the phase, where an idea is formed regarding products or services, which will be marketed eventually (Digitalprakhar, 2021). Large-scale companies must have a concrete idea regarding the products/services they will be offering to their target markets as well as a tentative pitch for selling the products. The next stage is dedicated to conducting **Research** on the market, where the new products and/or services will be sold as well as **Testing** these products/services on a select group of people before releasing them on a mass level (Lisna, Pivavar and Ponomarenko, 2018). It has to be mentioned that, the research process also includes analysis of the product or services developed from the idea, so that betterment of the products can be achieved while meeting the demands of the customer segments within the operational markets.

After the conduction of research and testing, the **Advertising** stage is initiated within an organisation. This phase involves creating a promotional pitch for attracting customers and generating sales and revenue for the new products and services. Different mediums are considered when advertising some new range of products or services; among them, the most notable ones are the digital platforms such as Google, Facebook and Instagram along with SEO tools (Kim, Kang and Lee, 2019). Apart from this, physical mediums such as newspaper commercials, billboards and signs are also used for advertising a wide range of goods. However, the advertising stage is incomplete with the intervention of advertising agencies and the various campaigns planned by these agencies, which helps to generate more awareness among the target customers regarding products/services (Yang *et al.*, 2017). This in turn enables the conversion to the **Selling** stage, where the organisational sales department develops selling strategies according to the target customer groups.

Understanding the role of marketing environment and situational analysis models

As per Athuraliya (2021), situational analysis is a framework that critically addresses the internal and external factors that can affect the organisation. Morrison's uses situational analysis models to identify the prevailing opportunities and challenges related to its products and services. It helps the firm to develop better proactive strategies as per the situation and thereby provides stability in its overall operations. As opined by Wolf *et al.* (2018), the situational analysis identifies the marketing trends and helps to frame better plans to overcome the situation. Morrisons' uses situational analysis with the help of different marketing environment methods to address its internal and external factors.

- 5 C's
 - *Company*
 - *Consumers*
 - *Climate*
 - *Collaborators*
 - *Competitors*

Figure 2: 5 C's Model

As deduced by Lake (2020), situational analysis is an essential part of a business plan and it should be reviewed periodically for ensuring its efficiency. The 5C

analysis analyses the *Company*, *Competitors*, *Consumers*, *Collaborators*, and *Climate* for the situational analysis. Morrisons' tries to identify the sustainable competitive advantage method through the *company factor*. It uses the VRIO model for determining if the assets of the firm can provide a temporary or sustainable competitive advantage over the marketing environment. Further, Morrisons' tries to identify its *competitors* by examining the market share in the industry (Indeed, 2021). The customer factor helps Morrisons' to identify the potential *consumer* segments whereas the *collaborator* factor helps the firm to identify better suppliers and distributor for reaching proposed consumer segments (Wolf *et al.*, 2018). Finally, the *climate* helps the firm in identifying the areas where the business has little or no control such as Covid-19.

As critiqued by Gürel and Tat (2017), SWOT analysis under situational analysis analyses the opportunities and strengths along with the threats and weaknesses for the current and future conditions. Morrisons' is known for its *large product portfolio and consumer-oriented services*, which has provided the firm with opportunities to *boosts its sales through e-commerce* in the prevailing pandemic situation. Moreover, the firm has the opportunity to become the *largest grocery retailer in the UK in future*. However, its prime weakness is *limited geographic presence* along with *less consumer retention* and the *threat of competition* from the rivals and *increasing technological risks* are icing on top that the firm must resolve (Haleem and Jehangir, 2017).

As per Helmold (2019), the last phase of situational analysis analyses the marketing environment and minimises any potential threats that can arise in management. The *threat of competition* helps to understand the prevailing competitors in the external business environment while the *threat of substitute* helps Morrisons' to identify if there are any potential substitute products in the marketplace. The *bargaining power* analyses the powers of the buyers and suppliers and helps Morrisons' to take alternatives if it needs that. Finally, the *threat of new entrants* helps Morrisons' to identify if there are any new companies with new technologies in the external environment, which can force the firm to change its pricing policies (Öneren, Arar, and Yurdakul, 2017).

Determination of STP and Marketing Mix strategies of a chosen organisation

STP of Morrisons': As denoted by Hanlon (2021), STP helps in creating a marketing communication plan as it prioritises proposition and develops tactics for engaging with the consumers. The market segmentation helps Morrison to identify the bases of segmentation and determine important characteristics related to each market segment. Morrisons' uses demographic segmentation to segment the UK market through age, income, education, ethnicity, marital status, and so on. It also segments the market as per the personality and attributes of the consumers so it can provide them with commodities and services related to their demographic and psychographic segments.

As opined by Sukma, Lubis and Utami (2019), behavioural segmentation refers to brand loyalty, purchasing patterns, and marketing trends. Morrisons' uses behavioural segmentation to understand these trends so it can place its commodities appropriately to the target market. Morrisons' majorly targets the households and middle-class section of the UK as it provides consumer-oriented and affordable commodities to its users. The firm places its commodities majorly through physical stores as most of its commodities are affordable and are available for the middle-class section. However, the brand is using e-commerce websites in the prevailing pandemic majorly to accelerate its profitability in the UK sector (Hanlon, 2021).

Marketing Mix of Morrisons': As deduced by Ing, Osman and Tze-Yin (2020), the marketing mix analyses the product, price, place, and promotion of the company and evaluates its overall strategies. Morrisons' sells its *products* under five broad categories and each of them has separate product ranges. This makes its product portfolio very vast and it helps consumers to select the best-suited commodity for their usage. The commodities of Morrisons' have higher quality than its competitor, which also helps the firm to take the competitive edge in the market. Furthermore, Morrisons' follows competitive pricing strategies to undervalue its competitors. It offers better features in its commodities than its competitors offer and thus takes a higher price for selling commodities. The brand should allow discount and allowances to attract newer consumers and to gain wider exposure in the UK (Haleem and Jehangir, 2017).

- Marketing Mix
 - Product
 - Place
 - Price
 - Promotion

Figure 3: Marketing Mix

As denoted by Suryaningrat and Mussry (2018), place determines the marketing channels and promotion tactics. Morrisons' use multiple marketing channels i.e. online website and wholesalers to place its commodities in the UK. The firm has more than 500 suppliers and retailers that provide the firm with raw materials necessary for manufacturing and completing the production. Morrisons' should try to engage with consumers, directly through social media websites, as it will help the firm to generate greater sales (Ing, Osman, and Tze-Yin, 2020). Further, Morrisons' uses multiple media channels for promoting its commodities. It uses traditional media along with online paid promotions to create momentum in the marketplace (Thabit and Raewf, 2018). The brand should collaborate with influencers and content creators to generate buzz and increase its creditability in the marketplace.

Conclusion

The report provides a comprehensive take on the fundamentals of marketing through the context of Morrisons', UK. It has critically evaluated the processes involved and different stages of marketing. Further, it has discussed the role of marketing environment and situational analysis models in the fundamentals of marketing. Lastly, it has used and applied STP and marketing mix through 4Ps for determining the processes and stages involved in marketing in the context of Morrisons', UK.

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