

University of Wales Trinity Saint David

**MARKETING ANALYSIS
AND
EVALUATION
OF
TK MAXX**

Module: LCBB4004 Marketing Fundamentals

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INTRODUCTION

In last few decades the world of business has changed dramatically. There is rising level of competition between the businesses and thus, firms are offering better services and products to the customers. They are also making efforts to market their products effectively better than their rivalries (Kotler, 2013). The current research study is segregated into two parts wherein the first part is essay that with understanding the processes and stages of marketing and will evaluate the role of marketing mix in the organization TK Maxx. It is a famous worldwide off-price retailer dealing with more variety of stores and quality brands. Emphasis will also be done on role of marketing in creating value for customers and stakeholder's engagement and its influence on the firm. The second part is the personal reflection on the tactical communication tools being used in the project.

TASK – 1A

Purpose of stages of marketing including role of marketing mix

Contemplating in relation with the TK Maxx, it is one of the best-off price retailers in the US and UK and is the subsidiary of TJX companies, Inc. At the end of 2018 the company has 260 stores all around United Kingdom, also stores in 9 countries including Australia, Canada, Germany and Ireland, and operated e-commerce sites. The company has brought a relatively new concept in the market. Because of this, they do not have any direct competitors as well. Each and everything within the firm whether it is its marketing strategy and other business tactics, is quite different and unique (TK Maxx, 2018). Consequently, it can be said that the heart of the firm's success greatly lies in the business model of providing higher level of designer labels for up to sixty percent less from the actual prices.

TK Maxx also has online platform - tkmaxx.com/uk, which operated by TJX UK. It is an online store with nationally focused sales. Its eCommerce net sales are generated almost entirely in the United Kingdom. The product range is diverse - tkmaxx.com/uk is an all-round online store, with products on offer that cover different categories, such as "Fashion", "Home" as well as "Toys", "Gifts" etc.

Under the marketing concept, TK Maxx has significantly found a way to discover the unfulfilled needs and wants of the customers and has brought that products and services into the market that contends their needs effectively. The process of carrying out this is being modelled in a sequence of steps i.e. analysing the situation for determining the opportunities in the market, formulating the strategy for value preposition, making tactical decisions and finally, execution of the plan and monitoring of the outcomes (Farooq, 2015).

Throwing light about the very first stage of marketing process i.e. situational analysis, TK Maxx significantly carries out thorough analysis of itself and evaluation of the external environment as well. The firm is greatly affected by the tax system, policies of the UK government, tariffs restrictions and political stability. Further, because of the global slowdown the sales of the firm have also reduced a lot. Even the people are now becoming sophisticated and thus, are crazy about the fashionable clothes. TK Maxx also makes sure that their stores are neat and clean and make efforts to recycle the waste as well. Furthermore, the major strength of the company is affordable price as well as quality product. However, because of the recession the sales of the firm are seasonal (Suzanne, 2007).

Further, in order to determine the effectiveness of the marketing strategy, it is vital to throw light on market segmentation, targeting and positioning strategy of the firm. TK Maxx has divided its market based on demographic segmentation. They want to aim consumers with low incomes with significant interest in designer as well as luxurious goods. In addition to this, the firm also makes use of differential marketing for targeting diverse customer segments i.e. men, women and kids. They also have different department that targets youngsters and teenagers. From the given points can be said that TK Maxx positioned itself as the leading discount retailer of excellent quality branded goods in the markets of UK (Atkinson, 2016).

After this, the firm also make many tactical decisions for controllable parameters of marketing mix i.e. product development, pricing decisions, distribution contracts and ultimately, promotional campaign development. Marketing mix plays a crucial role in the marketing of brand. It helps in making the world go around the firm. Furthermore, the elements of the marketing mix help the company in determining the needs and wants of the potential customers. The products of TK Maxx are put onto the shop floor at full price as they receive deliveries daily. Additionally, the products are at the maturity stage which means the firm earns higher profits as well (Gundlach and Wilkie, 2010). The pricing strategy of the firm is influenced by various factors. The firm keeps the prices at such a level that its purchasing costs and marketing costs are covered from the amount of revenue received from sales. It is here necessary to discuss the distribution strategy of TK Maxx, they follow an opportunistic buying system in which they make purchase from different people such as retailers, wholesaler and producers and get excess discounted and unwanted branded products (Fill, 2012).

Finally, the firm makes use of advertising, public relation and personal selling for promoting their products and services such as television, radio station, social media, door to door marketing etc.

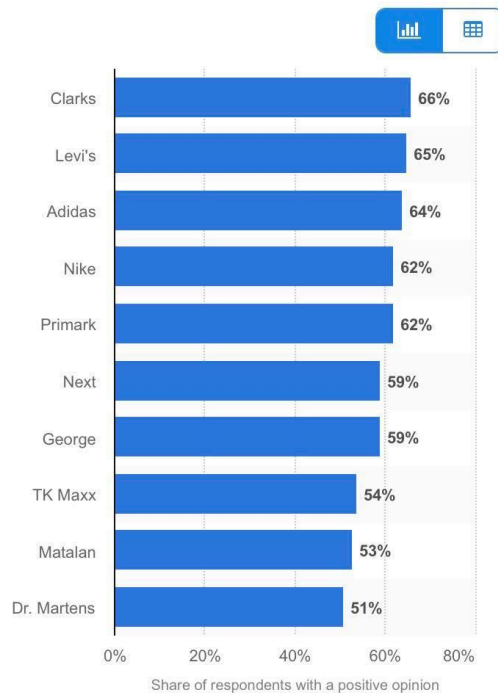
The last step in the process of marketing being adopted by the company is implementation and control. At this stage, firm has significantly developed marketing plan and the results are being monitored and controlled by the marketing team. As per the demands and needs of the customers the marketing mix elements of the firm is altered and adjusted. Continuous adaptation is being done for accomplishing the desires of the firm consistently over longer period of time effectively. Given the above factors, it can be concluded that marketing mix and the whole marketing process plays the most crucial role in the success and growth of TK Maxx (Carson and Cromie, 2009).

Role of marketing in creating value to the customers

During the 1993, there were waves of criticism against marketing and following that wave, the Chartered Institute of Marketing in the UK decided to carry out research in marketing for establishing the things European companies take into account as the key issue being faced by them and in what ways they can respond towards it. In simple words, the role of marketing in creating the value to the customers was researched effectively. The study revealed that there are many challenges that the firm especially TK Maxx needs to overcome and must develop effective marketing strategies (Mahajan, 2016). The author “Malcolm McDonald” has formulated 12 guidelines for the development of effective marketing strategies. TK Maxx considers these guidelines effectively. The very first guideline suggested by the author is comprehending the sources of competitive advantage such as customer orientation, flexible organization and technical expertise for the small firms and on the other hand, economies of scale, share experiences and coverage for large companies (McDonald, 2004). The next guideline is comprehending the differentiation. Under this, TK Maxx offers superior and unique products and services to customers at discount rates. Further, a strong brand name is also connected with the products they sell in the market. The third recommendation is understanding the environment. The firm analyses its external business forces such as political, economic, social and environmental and other industry factors such as suppliers, customers, its behaviour, channels and market segmentation. The fourth one is analysing the competitors, TK Maxx carries out effective study for evaluating its potential competitors, substitute products and profitability of the rivalries. In addition to this, next it is also vital for the firm to comprehend their internal strengths and weaknesses and external threats and opportunities (Saunders and Wong, 2003). Moreover, the dynamics of the products and market evaluation is also needing to be understood for creating value to the customers.

TK Maxx was also amongst the top 10 Leading fashion and clothing brands popular with consumers in the United Kingdom as of January 2019.

Leading 10 fashion and clothing brands popular with consumers in the United Kingdom (UK) as of January 2019



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This graph shows a ranking of the leading 10 most popular fashion and clothing brands in the United Kingdom as of January 2019. Clarks topped the list as the most popular brand with 66 percent positive opinion. Runner ups were Levi's, Adidas, Nike, and Primark.

TK Maxx was also amongst the top 10 Leading fashion and clothing brands popular with consumers in the United Kingdom as of January 2019 and receiving over a 54 percent positive opinion among the British public.

(Statista, 2019)

Thus, from the above ranking it can be concluded that the marketing strategies of TK Maxx has clear strategic priorities as well as objectives and they stick to them always. This is the reason for its success.

The firm also encompasses professional marketing skills which implies formal training in some of the concepts of marketing such as market research, gap analysis, portfolio management, product life cycle management etc. (TK Maxx, 2018). Another important guideline being followed by the company is that understand the customers orientation. In each function of the firm customers orientation is being developed. This implies that they clearly know that they are in the market to serve the customers and their own narrow functional interests. Last but not the least, the final success factor of TK Maxx is leadership. The leaders of the firm make sure that doom and gloom does not pervade in their thinking. They lead their whole team strongly as well as effectively (Parasuraman, 2008). They even do not accept poor performance in the most critical positions. From the give points, firstly the products and services being offered by TK Maxx is of excellent quality. Secondly, the operations are very efficient too and are state of the art. The leadership within the firm is creative and more focus is being given on the personnel of the firm. Furthermore, the firm makes use of professional

marketing and continuously monitor its environment, competitors, own performance against the customer driven standards that each one within the firm has to deliver. The discussion is quite convincing as it clearly states the role of marketing in creating value to the customers (Carson and Cromie, 2009).

Stakeholder engagement and their influence on the marketing activities of the firm

In order to determine the impact of stakeholder engagement on the marketing activities of TK Maxx, it would be necessary to throw some light on stakeholder engagement within the firm. It is being acknowledged as the most important part in the success of any project and programme of the company. There are many stakeholders of the firm such as customers, communities, employees, suppliers, contractors, producers, media, regulators and many more. All these stakeholders are quite different and bring upon varied perspectives as well as expertise (Frooman, 2009). They too carry out their operations in diverse culture as well as environments. Further, they all have different opinions and beliefs in regards with the results. Stakeholder engagement is being referred as the process through which the firm involves people who can be affected by the decisions being undertaken by the company. To engage with its important stakeholders, TK Maxx develops partnership in which they have shared accountability as well as responsibility. They have joint learning and decision making. The firm also regularly consults with its stakeholders and asks significant questions to them. They even broadcast information to all the first tier and two tier stakeholders of the organization through using different channels such as letters, emails and leaflets. Finally, stakeholders of TK Maxx are also engaged through listening to their needs as well as value (Kotler, 2013). This helps in increasing the connection and relationship between the stakeholders and the company. Further, the stakeholders of the firm signal them about the kind of marketing activity to be approved or not be approved by them. For instance, the customers of the firm give signal about the liking of the products of the firm through continuously purchasing the firm's products (Gundlach and Wilkie, 2010). If there is negative word of mouth or any complain about the firm, they will not purchase the product and will have negative impact on the functioning of the company. In addition to this, there are many external stakeholders of TK Maxx which engaged in the action like proxy votes, letter writing, campaigns and protests for demanding

that the firm must make use of certain principles or products or operational change. The above point is quite valuable as based on these actions of the stakeholders; the firm is required to change its present marketing activities as well practices. Thus, from the above research it can be concluded that there exists inter-relationship between marketing activities and multiple stakeholders of the company as well as on its relative performance results. There is many stakeholder's activity as discussed above possess a power to influence or potentially shape the firm's marketing strategy for the stakeholder orientation (Day, 2014).

~~6. The current essay being written above is a reflective account on the progress being made by me at the time of ongoing management training programme which I have embarked upon. The areas being intended to improve in my learning through this essay was key communication skills, transferable skills and overall personal development. The areas of future development will also be determined related to my personal as well as professional development. During my essay I think I have developed self-discipline which is considered as the most vital aspects for effective learning. I have gradually developed my communication skills and teamwork learning. Communication plays a very significant role in the success and failure of any project. It is being referred as an art or technique of making use of words effectively for imparting knowledge and ideas to others. Four communication tools were being used by me in the current essay writing such as publication, digital or online, media and events. There were many magazines, journals, articles and newspapers related to marketing process and strategies being used by TK Maxx being published from time to time. In addition to this, concerning the digital or online tools, I have used blog post for extracting information about the current project topic. The internal blog of the company helped in enhancing my knowledge about the marketing strategy and process being adopted by the firm. Furthermore, it was proved to be a permanent archived of knowledge for me as information articles uploaded and published on an internal blog of TK Maxx stays there unless and until it is deleted. In addition to this, I have also acquired knowledge through online media and social media sources such as Facebook, twitter, YouTube, LinkedIn and many other news channels. Lastly, there are many events and conferences that take place every year in varied locations. I have grabbed information related to my topic from this source as well.~~

TASK 1B - REFLECTIVE WRITING

The current essay being written above is a reflective account on the progress being made by me at the time of ongoing management training programme which I have embarked upon. The areas being intended to improve in my learning through this essay was key communication skills, transferable skills and overall personal development. The areas of future development will also be determined related to my personal as well as professional development. During my essay I think I have developed self-discipline which is considered as the most vital aspects for effective learning. I have gradually developed my communication skills and teamwork learning. Communication plays a very significant role in the success and failure of any project. It is being referred as an art or technique of making use of words effectively for imparting knowledge and ideas to others. Four communication tools were being used by me in the current essay writing such as publication, digital or online, media and events. There were many magazines, journals, articles and newspapers related to marketing process and strategies being used by TK Maxx being published from time to time. In addition to this, concerning the digital or online tools, I have used blog post for extracting information about the current project topic. The internal blog of the company helped in enhancing my knowledge about the marketing strategy and process being adopted by the firm. Furthermore, it was proved to be a permanent archived of knowledge for me as information articles uploaded and published on an internal blog of TK Maxx stays there unless and until it is deleted. In addition to this, I have also acquired knowledge through online media and social media sources such as Facebook, twitter, YouTube, LinkedIn and many other news channels. Lastly, there are many events and conferences that take place every year in varied locations. I have grabbed information related to my topic from this source as well.

On reflection I can say that all these communication tools being used by me helped in creating awareness and generating interest towards the current project. These tools have also supported me all throughout the coursework and in the recent project. Because of these tools, I felt confident and assured in regards with my knowledge and familiarity of the current research essay topic. To conclude I can say that I have critically demonstrated the ways through my learning was evolved from beginner to advanced learner. I have made certain plans to continue my personal as well as professional development by continuously involving in several learning activities. Other than this, I will also make efforts regularly to acquire more knowledge regarding facing professional issues such as decision making, stress management and time management. Consequently, I desire to see learning as integral component of me. I will continue to learn new skills from my everyday lifelong experience. This reflective practice will not only be going to make improvement in the quality of my writing it will also going to augment my knowledge base, personal and professional development thereby supporting me to close the gap amid the theory and practice.

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