

**LEVEL/ LEFEL 4**

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**MARKETING FUNDAMENTALS**

**ASSIGNMENT: 2**

**ASSIGNMENT TITLE: CHRISTIAN DIOR COMPANY**

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## **Introduction**

Marketing is one of the most critical processes of business primarily responsible for brand-awareness, promotion, selling, and publicity of the products or services. In today's competitive business world, marketing has become a crucial aspect of surviving. Therefore, business organizations like DIOR must complete the marketing process strategically and rationally. Marketing does not only promote the business, but it is also responsible for creating customer value, maintaining the relationship between customers and the organization. Similarly, marketing has a strong relationship with employees and other stakeholders as well. This report is divided into two sections in which section A includes an analysis of the marketing process. It involves explaining stages of the marketing process followed by the role it plays in creating customer value. After that, it analyzes stakeholders within an organization and its impact on marketing activities. Section B concludes the report and gives a reflection of tactical communication tools to generate awareness. The report emphasizes on blogging as a communication tool used in the previous project connected to this report. It also uses marketing theories and industry examples as well.

## **Marketing Process**

It would not be wrong if it said that marketing is a continuous process and businesses cannot survive without promotion and advertising. Because marketing is an extensive concept that involves various tools and process from understanding the audience to targeting, selecting, and positioning, also known as marketing theory discussed by (Kotler, 2003). To be precise, the marketing process never stops and goes on like business itself is considered a continuous process. This process is divided into several stages; as explained by (Berkowitz 2011), the process starts with goal setting. The next step is situation analysis, then strategy formation, followed by implementation and evaluation.

Goal setting is the crucial stage that gives a road map to the entire marketing process by defining what to achieve. These goals must be aligned with the mission and vision of the organization. In this regard (Teo and Choon, 2016) have concluded that developing and implementing realistic goals can become guiding principles that increase effectiveness and improved organizational performance. Realistic goals mean that they must have practical implementation for the organization. These are also called SMART goals in marketing theory. It refers to specific, measurable, attainable, relevant, and time-bound. To make the goals specific, one must consider answering what to do, how, where, and why to do?

The most critical question is why because it emphasizes the importance of goals for the business. For example, if Dior wants to increase its customer engagement, it must first find why it requires increasing customer engagement and then it should proceed with what, where, and how. In this case, Dior has to increase its online sales to improve its overall revenue; therefore, it requires to expand its customer engagement, where? On digital media platform. How? Through digital marketing such as blogging. After this, goals must be measurable, which means how much engagement the company requires and how to know if it is increasing or not? Likewise, attainable or achievable refers to goals that are under the capabilities of the organization. No manager can say that they will make the entire city talking about their brand because this is impossible and beyond human capabilities. Many constraints influence marketing, such as competitors.

Similarly, relevant means the goals must be related to the business of a given organization. And at last, the goals must be bound by a time frame. Saying that customer engagement will be increased is not effective until or unless a deadline is defined because defining a deadline keeps the activities on track, and marketers will feel accountable; therefore, they will increase their efficiency to meet the deadline.

The next stage of the marketing process is situation analysis, which involves scanning the organization's internal and external environment. Business organizations use many tools, such as SWOT and PESTEL, to analyze the situation. SWOT helps find the organization's strengths and weaknesses, along with threats and opportunities in the market. In contrast, PESTEL gives a deep understanding of all the external factors which influence marketing activities. PESTEL includes a scan of political, economic, social, technological, environmental, and legal aspects of the market, as found by (Vrontis and Thrassou, 2006). Analysis of the situation is an audit that informs what is the current position of the company in the market so that further plans will be made accordingly. In the above example, marketers must first find what the current rate of customer engagement is. By conducting a SWOT analysis, the marketers will discover the capabilities of their organization and what can make hurdles during the process. But there are some contradictory studies, such as (Strakova *et al.*, 2018), which believe that situation analysis has no vital role in business management. These contradictions are difficult to agree with because of how a marketer can plan to find the organization's capabilities and weaknesses. How can one organize a marketing campaign without understanding the law or social values of the people? In the above example, how Doir can achieve its blog without first knowing if the target audience has access to technology/internet or not? Therefore, without knowing the opportunities and threats can result in marketing failure affecting the entire business. Hence, situation analysis must take place to provide the next stage of the marketing process a strong foundation.

The next stage of the marketing process is strategy formulation. It is the most critical stage where an organization utilizes the information it has gathered through situational analysis and plans to achieve the set goals. Among the most effective tools used in strategy, the formulation is

the marketing mix, also known as 4Ps of marketing, which emphasizes four aspects of marketing: product, price, place, and promotion briefly introduced by Neil H Borden in 1964 found by (Singh, 2012). These four Ps can be considered highly valued decisions through which an organization defines what it is going to sell, how, and where. These play a significant role in creating competitive advantage long-term success of the business. Because the product is what the company sells using the price to make a transaction, place to establish a business and promotion to create awareness, this statement is also supported by (Bahador, 2019) that a compelling marketing mix makes customer value and increase customer satisfaction. Below is a brief of marketing mix of Dior.

**Product:** Product includes all the attributes from quality to durability and attractiveness. Dior is a fashion icon, and it must offer items that are unique and of high value for customers. The company produces things that have a rich heritage and which gives a sense of richness when wearing made up of high-quality material. (Danao, 2017).

**Price:** Dior sets a price that is affordable for its target audience. Pricing strategy is a crucial element that does generates not only business but also it can also affect the demand for products and competition. For example, if Dior sets a price higher than the competitors, it will benefit other brands. It can be said that everyone wants to spend less and receive more based on shared human Psychology. It is also true that some people may compromise on the price for better quality, but still, there is always a price limit to be in the competition and long term success. (Danao, 2017)

**Place:** Dior has adopted a traditional way of place strategy. It uses exclusive exhibitions to showcase its products like clothing and perfumes. The exhibitions focus on presenting the history of its products, creating deep-rooted customer interest and curiosity. (Danao, 2017)

**Promotion:** Promotion includes all the activities organized by an organization to create awareness, engagement, and sales. Dior uses a combination of technology to reach the audience and attract them through activities designed for the modern generation that loves to dance and to socialize. It uses digital marketing tools like social media and blogs and dance-centric campaigns designed to understand customer behavior through a situation analysis. (Danao, 2017).

The final stage of the marketing process is the implementation and evaluation. After understating the feasibility and planning of what to achieve and what to do, it is time to start acting. Plans are executed, and marketing activities are performed, such as writing an impressive, engaging blog post. But before implementing the marketer identifies the target audience because all the above planning focuses on creating value for the customer. Based on the above understanding of the customer needs, the marketer first defines what value the product will give to the buyer, followed by identifying areas or segments where the product can deliver higher-value, also known as target marketing involving segmenting targeting and positioning (Camilleri, 2017). The segmentation can be geographic, demographic, including income and preferences or based on any other attribute. After selecting the appropriate segment, the company will position itself as the solution/product provider. This entire process must be evaluated and monitored for its effectiveness; otherwise, the marketers will not be able to identify the improvement in business, making it challenging to plan future strategies.

After the brief analysis of the above process, one thing comes into mind that why is marketing important? Because it creates value for the customer. It is because of marketing that customers feel their requirements and satisfaction after using a product. For example, a young woman wears jeans. Still, suppose she is exposed to a marketing campaign about a long dress. In that case, she may get attracted because of the strong messages used in marketing campaigns

developed by understating the customers. But first, what is customer value? Customer value can be understood as the value a customer receives as an exchange for the price they pay defined by Zeithaml and found by (Graf and Maas, 2008). Marketing provides the customers what they require, on a price that is acceptable by them. It is a combination of understanding customers' needs, creativity the solution or product based on creativity, and efficient processes, as shown in the figure below. Another way through which marketing creates value for customers is by educating them. For example, when Dior organizes a marketing campaign or an exhibition, it sells the items that give a utility, and the exhibitions provide knowledge and fashion awareness to many visitors. People can also see this knowledge included in the price they pay the product. Similarly, many promotional blog post explains various aspects of life from identifying current trends to basic human needs people are yet to know. For example, a blog post about a new dress usually gives a brief of the latest style trends that keep updated with fashion.

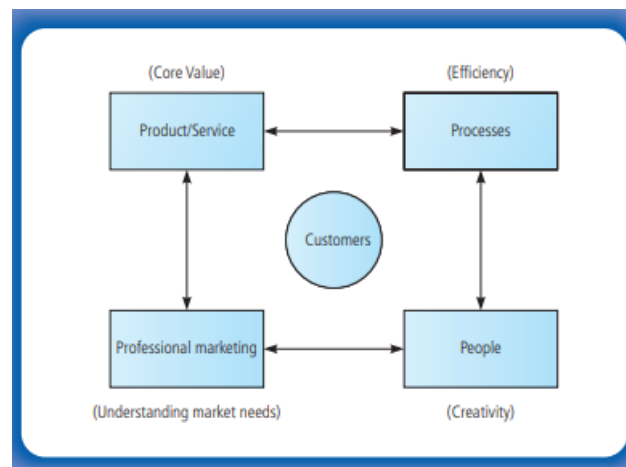


*Figure 1: Marketing creates customer value, Source:(Wang, no date)*

Above all, information has emphasized on marketing process, creating value for the customers and customers as the target audience. But the process of marketing is not limited to customers. It is an essential business process that involves many stakeholders. Some of the critical stakeholders are, and their impact on marketing is given below:

**Employees:** Employees are the most critical elements of marketing who perform and act on the strategies. But here, stakeholders include not only those employees who are involved in the marketing but all the people working within an organization. The people act as an internal audience because organizations like Dior have thousands of employees within the workplace to buy from their organization. Hence, employees provide another market for business. Secondly, employees also evaluate the effectiveness of marketing as it is directly related to all their efforts. Every department's goals meet at the once central point as the vision of the company. In this regard, (Celsi and Gilly, 2010) found that employees increase their performance when they see marketing activities effective. Therefore, employees challenge the marketing process making it better.

**Customers:** Customers are the receivers of the marketing process and products. Marketers design their strategies according to customer needs and want. For example, change in customer behavior affects the strategies demanding new planning based on the latest trends, social and cultural background plays a significant role in marketing. Hence, from situation analysis of change in products or marketing channels, all are changed with customer demand.

**Shareholder:** Shareholders have a firm eye on the organization's performance as they benefit from success and loss due to failure directly. Indeed, shareholders would always evaluate and monitor the marketing process, not directly but indirectly pressurizing the marketing team.

**Supplier:** Suppliers provide raw material and making sure the availability of the products to promote. Surprisingly, the marketing literature focuses on understating customers and planning accordingly, even though suppliers are the supply chain system's backbone, which produces the effect.

**Authorities and Social organizations:** These stakeholders include government, legal bodies, and non-profit organizations. All these elements closely monitor the marketing and define criteria for campaigns. For example, legal bodies make the law or Dos and Don'ts, whereas an NGO analyses the movement under social and moral definitions.

## **Conclusion**

In the last part of this report, a project about integrated marketing communication included some tactical tools used to communicate with the audience. Communication tools are the ways used by business organizations to create brand awareness and increase customer interest in the brand by communicating with them. Modern technology has brought several opportunities to use in marketing communication. This was an opportunity to analyze several tools to choose the most effective one comprehensively. We choose blogging and social media because the selected tools must be supported by marketing theory that involves selecting a segment, targeting potential customers, and positioning showing high value to the customer.

The reason behind using blogging is its ability to reach a specific targeted customer. A blog is a website where posts our opinions and tries to create brand awareness among the visitors. Today, not every person is a fan of reading when videos are more fun to get to know something; that is why only a few people browse a blog, but these few read with tremendous interest and actively participate in the engagement. Therefore, a blog targets people that are more likely to become customers. To be precise, interest in reading is decreasing over time, but those who read do it with concentration. This is the easiest way of targeting a specific segment. Secondly, these people become brand ambassadors while taking part in the engagement, which is the ultimate marketing goal. Blogging has benefited me in various ways, such as increasing writing skills that are highly important in marketing communication. It has enabled me to write to a targeted group

of people by understating them and delivering what they value. It has also helped in enhancing entrepreneurial skills like creativity, analytical, and critical thinking. Sales and networking is also a great benefit that I have gained from blogging. Second tool used is social media. Social media plays a significant role in not only marketing activities, but it helps to maintain effective customer-brand relations while used many other departments of the business. First of all, under the marketing theory, it helps to reach a wide range of audiences. Only Facebook gives access to millions of viewers daily. As compared to blogging, social media does not provide a narrow audience; instead, here people of any age, any demography or geography can view the post while only interested people visit the blog. In my view, using social media in marketing is openly announcing the message while blogging is talking to few but attentive people. But one thing these both communication tools give is increasing my ability to accept criticism for good and observe the people, their thoughts, and their behavior. It has also increased my interest in reading, which plays a significant role in acquiring knowledge about the business world's latest happenings.

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