



Marketing Fundamentals – Analysis and Evaluation

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Introduction

Marketing is an essential part of every business since it helps spread the word about what services or goods a company offers. Basic marketing principles help companies zero in on the best possible leads and encourage them to become paying customers (Kotler, 2019). The primary goals of this study are to analyse and evaluate foundational concepts in marketing. Understanding marketing concepts allows a company to appreciate its clients, create winning sales tactics, and cultivate lasting connections with its clientele. In the first section, we discuss what marketing is, what it comprises, and how to recognise each of its stages. The report's main body discusses the significance of the marketing environment and other situational analysis models, as well as the fundamentals of analysis and evaluation. Also covered are basic marketing concepts. Finally, the need of analysing and evaluating marketing fundamentals to establish a company's segmentation, positioning, and marketing mix strategies is emphasised. Unilever serves as a case study, and secondary materials are used to complete the report.

Marketing management in Unilever

The scope and nature of a company's marketing operations are sectors- and size-specific. Managing a company's marketing efforts efficiently will result in more customers, higher customer satisfaction with those products and services, and a higher valuation for the business overall (Cateora and Graham, 2020). A Unilever marketing manager is charged with a wide range of duties. Marketing management plays a major role in the capacity to evaluate market circumstances, create new possibilities, and boost demand. Marketers at Unilever have the responsibility of keeping tabs on clients' whereabouts and routines so that the corporation may engage them whenever they come into contact with rival brands' goods. With more than 400 brands covering food, housing, and care products that have a history of advancing social objectives, Unilever today generates annual sales of more than €1.5 billion worldwide (Sivakumar, 2021). In the face of quick growth in developing and emerging marketplaces, increasing consumer involvement in sustainability, and the coming of the digital revolution, marketing management faces the challenge of identifying trends, patterns in consumer behaviour, and opportunities for innovation to reach consumers in real-time and maintain brands' distinctiveness.

Vision of Unilever

A concise explanation of a company's long-term objectives may be found in the company's vision statement. It is often quite aspirational and conveys how the organisation intends to create a positive impact on the world. Unilever is a one-of-a-kind business with an illustrious past and an exciting future. Their aspirations for long-term development are lofty, and they feel a strong need to serve society. Unilever's goal is to "double the size of the company while decreasing ecological footprint and enhancing the positive social impact and resolve to create a sustainable business for the long term (Unilever, 2022)."

Mission of Unilever

It is Unilever's principal mission to enhance the standard of living of its patrons. The longevity and success of Unilever may be attributed to its well-established organisational structure, consistently high-quality goods, and deep commitment to serving its local community. According to Unilever, "our vitality purpose will focus our brands on addressing customer expectations arising from the primary challenges around the world today" (the aging of

populations, the growth of cities, the shift toward more processed foods, and other factors) (Unilever, 2022).

Business strategy of Unilever

Unilever's purpose is to make the world a better place through innovation in consumer products and the advancement of its employees. Unilever employs three approaches to sustainability. Profitable volume increases, new product development, and expense savings fall under this category. Unilever's R&D and innovation efforts will centre on the creation and rollout of new and enhanced goods supported by advertising to generate even stronger brands that will drive revenue growth via increased unit sales (Norton, 2022). Unilever's official business strategy is outlined in this document.

Corporate strategy of Unilever

Since regional markets account for a significant amount of Unilever's sales, the company seeks to enhance its position there (Steve Smith, 2021). Due to its well-established distribution network in both conventional and contemporary retail outlets and its capability to adapt successful global brand ideas to local markets, Unilever is well-positioned to benefit from the projected expansion in these countries. By increasing sales via strong brand preference, Unilever hopes to quadruple the size of its company across the personal grooming, residential care, food, and drink sectors to realise its sustainable lifestyle goal (Steve Smith, 2021).

SWOT Analysis

A SWOT analysis looks at how a company's strengths, weaknesses, opportunities, and threats have changed over time. It's how Unilever PLC keeps tabs on the state of its marketing department and the world at large.

Strengths	Weaknesses
1. The brand is known and loved all around the world. 2. Excellent variety of brands across several market niches. 3. Long lead times and cheap prices are the results of a well-established supply network (Windhia, 2020). 4. Due to economies of scale, prices may be lowered. 5. Massive expenditure on research and development (Juneja, 2021). 6. Great leadership and people resources.	1. Less interaction with consumers directly. 2. Problems arise from keeping track of over 400 different brands (Windhia, 2020). 3. Unavailable in the high-end markets. 4. Sales growth in developing markets is sluggish (Juneja, 2021). 5. Revenue decline.
Opportunities	Threats
1. An ever-increasing clientele base is driving demand for nutritious goods (Juneja, 2021). 2. The world's emerging markets are forecast for expansion.	1. Less favourable environment for doing business. 2. The structural complexity of the organisation (Juneja, 2021).

3. The market for personal care products may grow more specialised in the future (Almutairi, 2022).	3. There has been a shift toward specialised brands.
4. Demand for a product aimed at the older population may rise.	4. Consolidation within the market.
	5. Strong local and Multinational competition.
	6. Growing competition for retail space.

PESTEL analysis

The utilisation of information gathered from PESTEL analysis may help a business better understand its future course of action, brand positioning, growth objectives, and risks to productivity (such as another pandemic). It may be used to determine if currently offered products and services are viable as well as to set the criteria for future product development. Marketers utilise a PESTEL study, also known as a framework or tool, to assess and track changes in the external marketing environment. Unilever's PESTEL analysis is given below:

Political	Economical
1. Respect any limitations placed on how you may utilise user material.	1. Sales are declining due to a slowdown in the economy.
2. Utilize a privacy statement in the Unilever application to disclose (Almutairi, 2022).	2. COGS are rising due to inflation.
3. Local governments implement a new tax or tariff.	3. Exchange rate volatility raises the possibility of poor profitability.
4. Political unrest has an impact on business.	4. The increased interest rate on future debt.
Social	Technological
1. Demand rises when the number of people in a certain area grows.	1. New technologies drive business growth.

2. Facilitating better health and happiness (Team, 2019). 3. A widespread decline in consumer literacy is developing. 4. Campaigns in marketing may be influenced by the state of the market. 5. Nutritional and beauty standards are shifting.	2. The development of new technologies makes the older ones obsolete (Almutairi, 2022). 3. Investing in a technological upgrade is essential. 4. More effective use of resources.
Environmental	Legal
1. There might be environmental harm from Unilever's production (Team, 2019). 2. Inverse effects on tea production might result from climate change. 3. A rise in Pureit demand may be caused by contaminated water. 4. Unable to achieve long-term objectives	1. Certain guarantees cannot be excluded, and neither can the extent of responsibility that may be accepted for incidental damages (Team, 2019). 2. If the law permits it, to the fullest degree possible. 3. Intensified regulations for corporations. 4. Poor productivity because of the unions.

The Five Competitive Factors of Michael Porter

The Porter five forces analysis is a model used to assess the intensity of competition in a given market and inform corporate strategy.

Threats of New Entries

Unilever was established in London in 1929. Around 400 Unilever brands encompass toothpaste, cleaning supplies, ice cream, food, condiments, water and air purifiers, and pet food

(Unilever, 2022). With a lengthy history of several brands, it is more difficult to compete with new entrants in Fast-Moving Consumer Goods. The primary reason is the high capital and resource requirements. These things are scalable and manufactured in bulk. The company has tremendous brand property and is present in over 190 countries (Maya Citra, 2021). This industry has low switching costs. Due to the company's dominance in several market areas, the new entrant would struggle to achieve market share. Another difficulty for a newbie is complying with the country's laws. Legal constraints may also be a concern for immigrants.

Threats of Substitutes

There is always the risk of competition since the switching cost of consumer-packaged goods is low. Unilever's dominance in its industry might be threatened by upstart competitors. Unilever needs to make its products stand out. They may vary in price, quality, packaging, or even product (Adamkasi, 2017). Their primary focus is on service brands as opposed to fast-moving consumer goods. Unilever's abundance of items in the same market might lead to confusion. A company may consume another's brand. As a result, the company needs to provide two pricing points for its brand. If cheaper imitations of a best-seller are displayed beside it, it might impact sales.

Customers' Bargaining Ability

Various types of people make up Unilever's clientele. Distributors, grocery shops, pharmacies, mass merchandisers, discount stores, and e-commerce platforms are all potential customers for the firm. Unilever has 2.6 billion consumers worldwide and services them in 190 different countries (Hepsomali and Groeger, 2021). Product substitution is simple and cheap. To boost sales, Unilever often runs specials and discounts. To survive in today's market, your company has to produce goods and package them in ways that interest a wider audience. The customer has the option to transfer service providers, but no price negotiation is possible. The Unilever brand is well-recognisable and respected.

Suppliers' Bargaining Strength

65000 suppliers work for Unilever in 190 nations. Rewarding top business partners Sales of FMCGs depend on distribution (Huzenko, 2021). Forward integration is feasible since this sector lacks significant R&D. Suppliers provide all of the necessary raw ingredients and technology to produce and package goods. . Price changes are unlikely as a result. If a supplier was having issues and raising prices, Unilever could switch off their suppliers, but this would

result in a huge increase in costs. To produce and deliver their products, FMCG businesses need a reliable supply network (Huzenko, 2021). Raw material standards and quality checks should be implemented by the company. As a result, suppliers must follow business criteria.

Rivalry and Competition

Johnson & Johnson, Procter & Gamble, Dabur, Colgate-Palmolive, and other companies compete with Unilever (Xu, 2022). Unilever is opposed by several businesses, each with a wide range of businesses. Since things are identical, switching almost always costs nothing. The Fast-Moving Consumer Goods industry is dominated by low-switching-cost businesses. Many businesses favour strong competition over monopolies. To remain competitive, Unilever may release new products. If the product is not introduced, the packaging has to be updated to make it more enticing (Xu, 2022). Advertising aids in product recall for consumers. Sales are boosted through incentives, discounts, and discounts. Catching trends with humorous tweets or Instagram posts might help the business become more well-known.

STP analysis of Unilever

Segmenting

One method Unilever stays ahead of the competition is by segmenting its products for different types of consumers. By now, after 130 years in business, Unilever knows exactly what populations go best with what products (Sheehan, Marti and Roberts, 2018). They've established a loyal customer base and gained recognition as one of the area's most welcoming places of employment for people of all backgrounds. For the UK market, where many staple foods are made from milk, Unilever has shifted its focus to include more dairy goods such as cooking butter, margarine, milk, and so on (Sheehan, Marti and Roberts, 2018). More people buying these products means more attention paid to providing nutritious alternatives. A diagram is added to understand better.

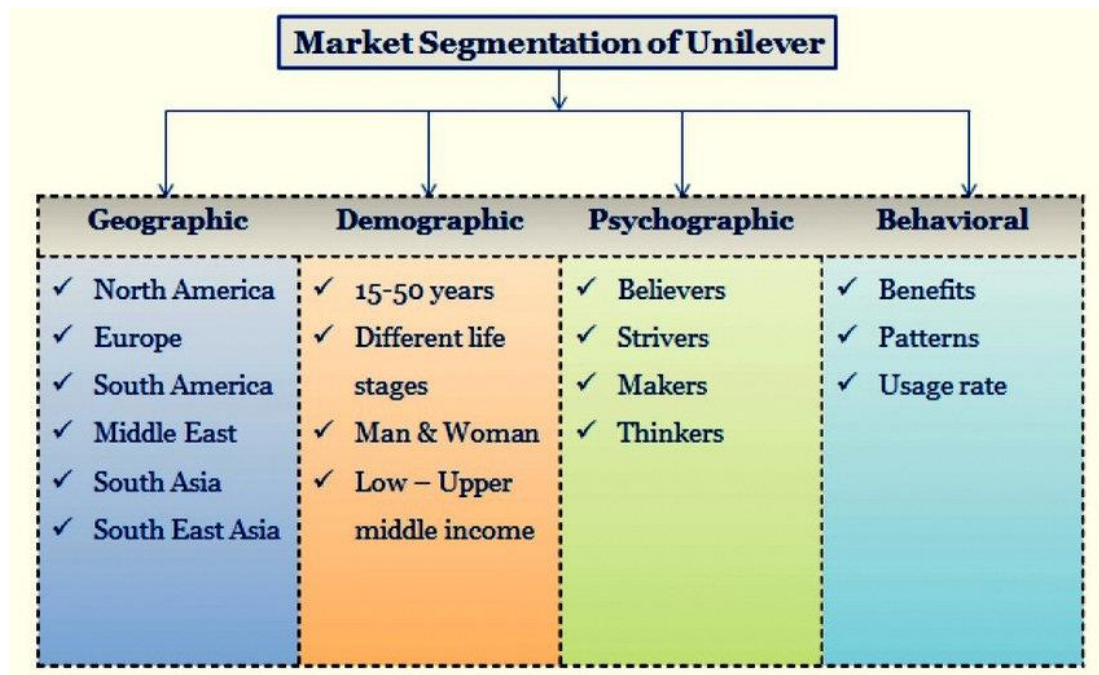


Figure 1: Unilever segmentation chart.

Source: (Sheehan, Marti and Roberts, 2018).

Targeting

For Unilever to succeed, everyone in the market is essential. Everyone in the age range from toddlers to retirees may profit from what these clients provide. Since practically every household in the globe must have the company's products, they are expanding their advertising reach to reach more individuals. All six socioeconomic categories in the UK may use and benefit from Unilever's products, including the poor, middle class, affluent, young, elderly, and everyone in between (Kotler, 2019). The placement of goods and stores in key locations across the world, along with the conspicuous branding of those locations, is essential. Their most significant consumer market is specifically Asia. Customers are therefore continually reminded of the dependability and safety of the goods they purchase. Unilever hopes to compete in several new markets, including deodorant, savoury, dressing, tea, ice cream, spread, and mass skin.

Positioning

Unilever will place its products on practically every shelf imaginable to increase its market share. They may gain knowledge about the ebb and flow of public preferences, expectations, wants, and wishes. By developing a broader consumer base, they might eventually boost their bottom line. Large grocery chains like Tesco, Wal-Mart, Carrefour, and Ahold have helped

them break into these regions and accomplish their development objectives (Ridha, Syarief and Hasbullah, 2022).

Marketing Mix of Unilever

Unilever's ability to employ the proper marketing mix strategies will determine its success in the market it serves. If the business develops strategies to handle each element separately, its overall marketing plan may be realized. In several nations and areas of the globe, Unilever owns almost 400 brands. Dove, Lux, Knorr, Surf Excel, Rexona, Lipton, and others are the most well-known brands (Unilever, 2022). Each brand is classified into a particular market category based on its characteristics and value propositions. The cost varies according to the kind of goods. Almost all marketing resources are used by Unilever for promotional purposes. More than 190 nations worldwide sell Unilever goods. Although each of Unilever's brands has a unique branding strategy, they all share the same logo, design, philosophy, and message. Each of the 400 brands owned by Unilever is represented by 25 symbols in the company's logo. With a sizable network of retailers and distributors, Unilever employs more than 170000 people globally (Unilever, 2022). Most Unilever goods are packaged or packaged in plastic bottles. They may be bought at retail establishments, malls, online, etc.

The seven elements of the marketing mix are broken down below, along with advice on how to use each one most effectively:

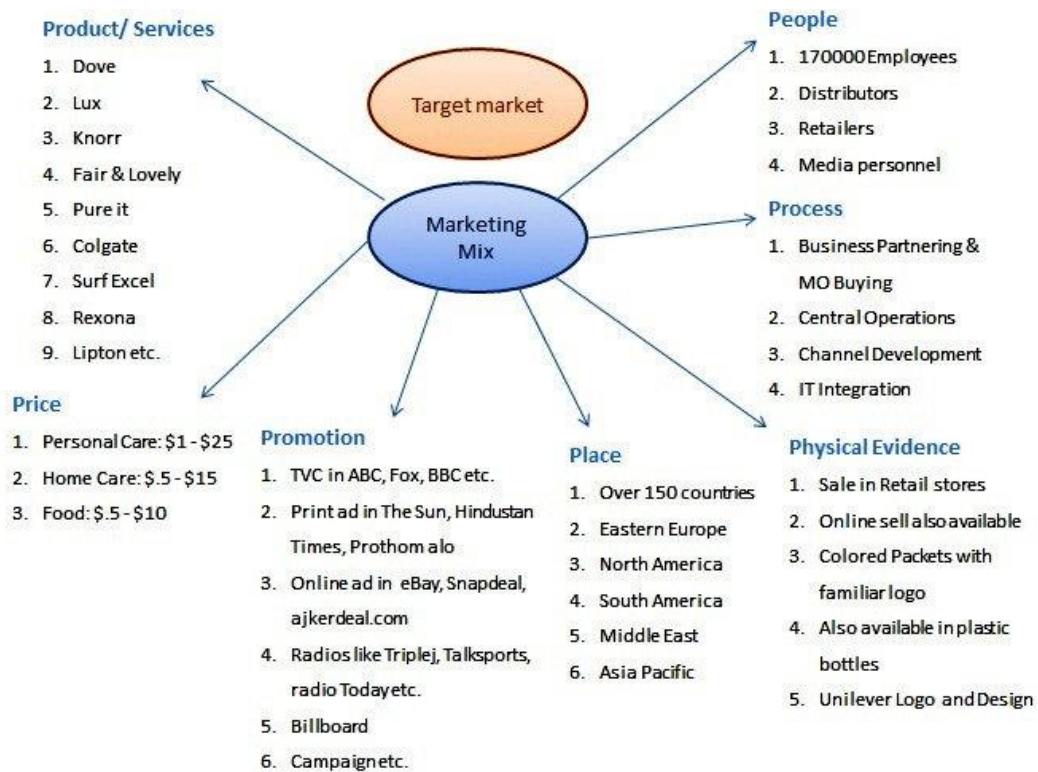


Figure 2: Marketing mix of Unilever PLC.

Source: (Pramesty, Sapar and Aqsa, 2022).

Product

There are five main categories under which Unilever offers its wares, and they may be thought of as distinct product lines. Every one of its offerings are marketed under a single brand name. It offers a wide selection of items, so buyers may get exactly what they need. It also offers items with several qualities that set them apart from the competition (Polo, 2021). Consequently, its wares are singled out as exceptional. Its goods are regarded as superior to those of other companies. For this reason, consumers are prepared to pay a greater premium.

Price

The current method of pricing is based on market competition. Numerous competitors in the market make information on the level of rivalry simple to get by. For some products that either don't have competitor data or are more costly to produce, it also takes costs into account when determining prices. The high cost is understandable given the many added features. Bundle pricing, when many items are sold together at a discount, is another method (Pramesty, Sapar and Aqsa, 2022). For certain items, it details both the base price and the separate pricing of

optional accessories. Typically, the price tag on everything bought online is higher. The total price you see is all-inclusive, including shipping. All of the costs have been calculated for the final product. The items are purchased at a discount by retailers and wholesalers, who then make a profit on their margins.

Place

Two different outlets sell the Unilever brand. The company's website serves as the primary point of contact for direct sales. The second option is to sell to distributors who then sell to merchants all around the country. Customers buy them. Therefore they must be good. Products may be purchased from more than 500 different stores (Ryńca and Ziaecian, 2021). It makes a concerted effort to reach as many shop owners as possible. Products are readily available in stores around the country. Sales and interest in shopping online are booming. It outsources its online operations to a network of delivery partners. It employs an omnichannel distribution strategy, which combines its online and offline operations for more convenient customer access. There are more than 500 suppliers of its primary components. They collaborate extensively with their vendors to provide new and exciting qualities to their products.

Promotion

Unilever uses a range of platforms in its advertising campaigns. It uses more traditional advertising techniques, such as radio and television. This will be useful since it may reach a large audience. It advertises its goods and services online and via online communities, taking advantage of the social media boom and the falling cost of internet advertising.

It primarily promotes on Twitter, Facebook, and YouTube due to these platforms' huge monthly user numbers. One of its pages, where it often makes updates, has over 200,000 likes or followers. Besides, it participates in many yearly trade exhibitions and other marketing campaigns. It is exposed to direct sales attempts by a substantial sales force to increase the number of merchants where it is available. The yearly advertising budget is determined as a percentage of revenue.

People

Salespeople at Unilever can't do their jobs without marketing. Customers can count on these individuals to win their hearts and minds. Employees in the department deal with customers. Buyers should get in touch if they have any issues with a purchase (Pramesty, Sapar and Aqsa, 2022). Staff members in this group learn to listen to customers and address their issues. In

addition, workers need to find sources for the necessary components. The work of these people is crucial to the success of the project. Employees at Unilever stores are trained to help clients choose the best products for their needs and address any questions they may have.

Process

To ensure that its products are never out of stock, this corporation has processes to notify retailers when they are running low on supply. Unilever increases the number of products it offers consumers and purchases more to replenish stock. This ensures that products will be available whenever customers need them. It receives consumer orders electronically and fulfils them by delivering the necessary products to the courier from its store (Surya, 2019).

Unilever always examines market possibilities to satisfy the needs of its customers better. In-store, over the phone, or on social media, remarks from consumers are also utilised to learn more about their needs and wishes.

Physical evidence

Unilever's merchandise comes in eye-catching colour packaging intended to stick out on retail shelves. These are placed distinctive from the other shelves provided by the firm. This helps customers find the correct shelf in congested businesses (Surya, 2019). It has an easy-to-use website with high-resolution product images taken from various angles.

Conclusion

With headquarters in London, Unilever is a global conglomerate that has expanded rapidly in recent years thanks to the smart use of various marketing approaches. Hindustan Unilever Limited, much like the parent company, has been a key player in the Indian market, making significant contributions to the country's economy and bettering people's standard of living. But while business appears to be booming, there are still significant weaknesses that must be addressed. For example, HUL's Glow & Lovely cosmetics line has come under fire for promoting harmful white beauty ideals and colourism. Applying the PESTLE and SWOT analyses allows for the detection of new dangers and difficulties, allowing for more targeted responses. This family has a warm and welcoming dynamic, with everyone getting along well and feeling welcome. Brand managers on the marketing team need to work together closely and communicate well to keep their brands performing at their best.

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