

Abstract

“To maximize customer satisfaction, companies have accentuated touchpoints. The reduction in individual interaction in an organization has created an issue where the attention on customer’s end-to-end journey may have been diverted” ([Neher et al, March 2016](#)).

The organization may have created phenomenal touchpoints but it doesn’t guarantee good customer journey. To increase customer satisfaction, retailers must manage the full range within online and offline experience. The classic customer journey is divided into five phases, such as, awareness, choice, transaction, delivery and after sales ([GmbH, 2019](#)).

1. Introduction

JD Sports is a Business to Customer (B2C) company established in year 1981 with a single store in Manchester. JD Sports is a leading international multichannel retailers of sports, fashion, and outdoor brands. It was originally created by John Wardle and David Makin. JD Sports is now operating in 18 countries with over 2,400 stores, this is including acquired brands. The overall net worth of JD Sports is approximately at GBP 5 Billion.

A general marketing practice can support companies to achieve their competitive advantage and brand image across the global target markets. It is also arguable that strategic organization and structure is key to be able to benefit from scale and scope of global marketing activities ([Richter, 2011](#)). According to [Hanachor and Olumati, 2018](#); Proper planning and Marketing mix are crucial for business firms to achieve their objectives and goals.

The growth of JD Sports Plc is due to their ability of creating a balanced Marketing Mix by focusing on the needs of consumers to outperform their competitors. The Marketing Mix is commonly labeled as the 4Ps to focus on their consumers, such as Product, Place, Price, and Promotion.

2. Current Analysis on Marketing Mix

2.1. Product

JD Sports sells products with different varieties to accommodate different market. Addition to that, their products are unique with various features offered to customers where competitors don’t. Product quality is higher and customers are willing to pay a higher price.

2.2. Price

The price is higher than competitors because JD Sports offer more features. Pricing for competitors are easily available online therefore the price level is set towards a competitive based pricing strategy. JD Sports bundle products together to sell items lower than the total of individual items. Additionally, JD Sports offer optional product pricing strategy for accessories that come along with the trainers. For the online market, JD charges greater price due to the incorporation of delivery costs.

2.3. Place

The products are sold through two marketing channels: 1. direct to customers through online website; 2. sold to wholesalers then sold to various retailers over the country then to customers. JD has partnered with several delivery service providers to provide timely deliveries. JD has also integrated the

online and offline stores – Omni-channel distribution system for customers to access its products efficiently.

2.4. Promotions

JD sports use traditional media such as television advertising and radio to attract large number of audience. JD also uses online and social media advertising for cost efficiency to increase traffic on internet. JD make use of social media platforms focusing on YouTube, Facebook and Twitter where contents are frequently uploaded. The organization takes part in several trade exhibitions and events around the year.

3. Touchpoints to Customer Journey analysis

As described above – it is crucial that organization critically analyse the touchpoint to end-to-end customer journey to improve customer satisfaction. A customer touchpoint is at any moment when a customer comes into contact with your brand and this process includes before, during and after the purchase ([Survey Monkey, 2019](#)). When understanding customer journey, it is vital to identify and track the decision making process of a customer from start to finish ([Academy, 2019](#)).

3.1. Problem recognition (I need new trainers)

The first stage is identifying a customer's need. For instance, in this scenario, this particular customer requires new pair of trainers as the old pair is not in a wearable condition.

3.2. Information search (Types of trainers out in the market)

This is a search stage process. In this era where shopfront is a screen away – “Google”, now this step is critical where a customer is now searching online for a new pair of trainers. The search is not limited to type, colour, trend, or brand. The customer will be performing market research considering experiences from buying customers', value of the item, and this is a fundamental risk management process.

3.3. Evaluation of Alternatives

Customer is currently processing thoughts on whether if this is the right product to purchase. Once the customer has decided on purchasing the item, this stage is where they are seeking for the best deal. This process may consider price, value, quality or other factors that are important for them.

3.4. Purchase (Payment for the product)

At this stage, this customer has evaluated all facts and come to a logical conclusion based on emotional connection or succumb to advertising campaigns to purchase the item. In this customer journey, considering a pair of trainers where boxer Anthony Joshua was wearing online. The positioning of this particular product online or in-store has prompt the customer to make their decision.

3.5. Post Purchase satisfaction or dissatisfaction

This is where customers usually leave review, this stage is key for the company and customers. If the customer is extremely satisfied with the product, they would then become the brand ambassador influencing other buyers vice versa if the customer is not satisfied with the product.

The in-store customer journey process incorporating servicescape builds customer relationships with the surrounding physical environment where service is performed. According to (Bitner, 1992), it is closely related to customers' emotional states, predominantly in the context of consumption for hedonistic purposes (Wakefield and Blodgett, 1996). For customers that are visiting JD Sports retail stores, the service environment is the first aspect of service that is perceived. Therefore, it is essential for retail stores to include service on touchpoints to influence customers' end-to-end journey.

4. Innovative Marketing Strategies for raising awareness of the brand

4.1. SWOT analysis

SWOT analysis which simply defines as strength, weakness, opportunity and threat – is intended to produce strategic insights (Valentin, E.K., 2001). A critical SWOT analysis have been conducted for JD Sports to determine innovative marketing strategies.

4.1.1. Strengths

JD Sports has positioned well in the market with strong brand awareness. The firm has built strong proficiency at entering new markets and making them a success. The organization has made use of the expansion to build new revenue stream. Additionally, JD Sports is perceived to have high level of customer satisfaction among current customers and manage to continue uphold good brand equity among the potential customers. In saying that, this defines the success of JD Sports' touchpoints and then achieving positive customer journey, both physical stores and digital environment.

4.1.2. Weaknesses

Just like any organization, a company without a weakness is considered a myth. Weaknesses are important when identified in order for companies to overcome, convert to opportunities and then finally transform to strengths. This would then build on JD Sports' competitive advantage and strategic positioning.

Even though JD Sports is one of the leading organization in the industry, the organization has faced numerous challenges moving to other product segment with its current culture. For instance, JD Sports company has a workout institute (gym) in the UK, however, the concept has not emerged in this day and age. The marketing concept for this brand is heavily towards their sports gear and wear, therefore, the limitation on the physical gym concept. In saying that, the organization structure is compatible with current business model hence limitation on expansion in other product segment.

4.1.3. Opportunity

Opportunities is contributed via external strategic factors where management can take advantage on. As outlined above, JD sports to expand the activities in different segment. The expansion of different segment can be achieved utilizing effective marketing communication channel. For instance, to market their gym concept, the organization can make use of social marketing, creating hype in store and interactive marketing. By creating a temporary in-store pop up gym, when customers are deciding to purchase trainers, the marketing concept such as using an in-store personal trainer to perhaps try the trainers in the pop up gym to confirm purchase. Once the customer is convinced and commit to purchase, for after purchase satisfaction, the customer will receive one complimentary personal training session at the nearest JD sports gym.

4.1.4 Threats

The limitation of the counterfeit and low quality product is a threat for JD sports due to the emerging markets and low income markets. JD Sports are well known for their brands and quality, therefore, their customers are happy to pay a premium price for their products. This also means that the product is only targeted to certain market, such as the millennials, and customers with high disposable income.

4.2 PESTEL Analysis

PESTEL analysis is widely used in business to analyse external business framework when attempting to identify the sources of change (Cadle, J., Paul, D. and Turner, P., 2014). The macro-environment factors can impact Porter's five forces that shape strategy and competitive landscape. This is impact the competitive advantage or profitable levels of JD Sports. It is extremely important for JD Sports to identify and analyse external framework because the company could be on a positive growth trajectory, however, the revenue for JD sports could be affected if it is situated in an unstable political environment.

4.2.1 Political

The recent uncertainty with the BREXIT could impact the organization's trade regulation and tariffs related to consumer services. The work week regulation in retail may be impacted along with employees' benefits. Additionally, wage legislation such as minimum wage and overtime can be affected with the changes in political regulations.

4.2.2 Economic

The high supply of products and less demand in the market due to inflation and recession may impact JD Sports towards the downward spiral in the financial aspect. When the buying cost increases with no changes on income, people's buying power will reduce and this would impact the turnover of JD Sports.

4.2.3 Social

The beliefs and attitudes of population play a significant role contributing towards the design of marketing message created by the Marketing managers in JD Sports. Presently, the consumers are well aware of green and ecological product. Therefore, the marketing message can be designed to be in line with the environmental behavior, incorporating recyclable and biodegradable products in store. For example, discontinue plastic bags and use brown paper bags instead. Additionally, creating a competition in-store encouraging people not to use non-environmental friendly products.

4.2.4 Technological

The rise of new technology such as identifying potential customer's online search behavior to effectively deliver marketing message that is in line with their preference. For instance, when a potential customer is approximately at the age between 25-35, searching for a pair of workout shoes on Google. The rise of new embedded technology would then clearly work through its algorithm and create repetitive advertising short clips that are measurable on their social media.

4.2.5 Environmental

JD Sports was recently fined in Manchester for advertising more than a designated amount of posters on the windows of the retail shops. The regulation on managing environmental habits are crucial as this would impact JD Sports financially and at the same time may create a message that would degrade JD Sports. This may contradict the image of JD Sports' perception of creating an ecofriendly environment.

4.2.6 Legal

It is crucial for organization to identify legal framework to protect the intellectual property rights of JD Sports. Health and Safety law is vital to set in place to ensure that workers abide to the regulation. JD Sports operate from a heavy machinery warehouse where workplace health and safety policy is required to be prominent to avoid heavy legal penalization.

5. Marketing Communication Channels

According to [Duncan & Everett \(1993\)](#), Marketing communication is described as a strategic coordination of all messages and means of communication used by organization to influence the perception of brand value. In 1999, Philip Kotler referred to Marketing communication by utilizing various channels to deliver clear and compelling message about the organization and products. Then, in 2003, [\(Kotler, 2003\)](#) he comes back with a brand new approach by looking at marketing as a process of delivering a message from the customer's point of view [\(Percy, 2008\)](#).

It is well known that when purchasing an item, consumers are looking for reliable information whether online or through friends and family. In such, marketing communication plays an important part in influencing and guiding the customer's decision into purchasing an item [\(Cătoiu & Teodorescu, 2004\)](#).

The modern marketing theory can be shown in the AIDA model. AIDA model is a marketing basic movement resulted from customer's perception. AIDA refers to Attention, Interest, Desire and Action. Marketers can implement the AIDA model principle to raise awareness of JD Sports and simultaneously creating positive customer end-to-end journey across different communication platforms.

The first stage of a customer's attention falls under the cognitive stage. As conveyed by [Kotler & Armstrong \(2001:16\)](#), the attention of JD Sport's brand messaging has to be meaningful, believable and distinctive. For instance, being local, JD Sports' approach on targeting the young market with Anthony Joshua has received positive outcome on social media, with a social reach of 85 million. The campaign imagery was to be featured in all JD stores, outdoor media, and across 13 countries [\(The Drum, 2019\)](#).

The second stage of customer's interest and desire fall under the affective stage. This step is to make use of media of information that is attractive to the consumers. The meaning of the product is conveyed to attract consumers. It is crucial to build awareness by explaining features and benefits of the product to engage with consumers. Part of being affective is to provide the right solution for the target market. The marketer has to be smart and sharp to entice consumers to have the product. This step is generally creating a message that has the ability to engage with consumers. This process is targeted for before purchase on customer's touchpoints. For example, the boxer Anthony Joshua appeared at the Oxford Street JD Sports to meet and greet his fans. This creates a positive impact on JD Sports as a brand as the invitation was exclusive to only JD Sports members.

The final stage of customer's Action falls under the behavior stage. This is where a marketer must direct and act to persuade customers to purchase a product. Action is the last effort to influence the consumer to purchase the product by using the right influencing marketing communication strategy. This step is defined for both physical store and online market.

In reality, there are several factors that would influence a customer to purchase a product. Though the right messaging may be used for JD sports, however, if pricing is an important factor for a potential customer, he or she may not continue purchasing the product. According to [Pinson & Jolibert, 1998](#), price is mostly used to conclude attribute when there are several brands and quality is hard to be valued.

Recommendation

In order to further grow the business, JD Sports can perhaps incorporate loyalty cards to retain loyal customers to continue to spend and at the same time receive great value. By forming the loyalty card model, JD Sports is now influencing the "during purchase" touchpoints where it then provides a value for customer to perhaps make the final decision to purchase a pair of trainers. This decision process stimulates customer's emotional decision-making to action the final step of behavior stage.

The marketing mix influences AIDA model where it influences a customer's before and during purchase process. JD Sports should introduce new products that are in trend with market. JD sports should offer new product lines to fulfill the customer's needs. By constantly staying in trend with the market, JD Sports can potentially increase new web traffic by attracting more customers. This influences the first stage of AIDA model – Attention. The marketing concept for new trendy products create attention in the market.

JD Sports is not currently fully utilizing social media such as Instagram to sell products. This will allow the company to generate more sales. JD Sports' social media pages should be integrated to allow easy navigation for its users. Although JD Sports are using celebrities such as Jaden smith and Anthony Joshua on marketing campaigns, however, with the new social marketing, JD Sports should consider hiring influencers such as bloggers and celebrities to post content on their social media. This would increase acceptance of the products by customers. For instance, if JD Sports hire "Kylie Jenner" to post content on her social media, this would create a social presence where "Kylie Jenner's" followers will then be following JD Sports, it would create huge web traffic online. This would create a huge opportunity to increase the growth of JD Sports.

Conclusion

In conclusion, JD Sports has effective touchpoints with positive customer end-to-end journey that drives satisfaction. JD Sports are successful at targeting generation Z and millennials with the youthful marketing communication strategies. However, there are a few implementations to be focused on to maintain and exceed the expectation of current and future stakeholders. New and innovative marketing strategies can potentially influence consumers before the purchase of a product, and with the correct messaging, this would encourage customers to purchase the product. The after sales purchase is extremely important to sustain repeat and loyal customers.

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