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A Written Report Which Asses the Effective Use of
Marketing Mix in The Logistics And Transport Industry

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Logistics and Supply Chain Management

3rd December 2018

Introduction to Marketing and Consumer Behavior
(M4XO1278)

EFFECTIVE USE OF MARKETING MIX IN LOGISTICS AND TRANSPORT INDUSTRY. CASE STUDY OF ASDA.

INTRODUCTION

In this report, I will look to assess the effectiveness of the marketing mix in the logistics and supply chain industries.

What is the marketing mix?

- a. Definition 1: Marketing mix refers to the set of actions or tactics that a company uses to endorse its brand and products in the market. (, Marketing Mix - What is Marketing Mix? Marketing Mix meaning, Marketing Mix definition)
- b. Definition 2: marketing mix is the set of controllable, tactical tools that a company uses to produce the desired response from its target market. It could consist of things that a company can do to influence the consumer demand for products. It also helps in marketing planning and execution. (, Marketing strategy I Marketing mix: product, price, place & promotion I Entrepreneur's Toolkit).

The marketing mix is divided into four groups. These four groups have their own influences in an organizations marketing system. The 4 P's in marketing PRODUCT, PLACE, PRICE, PROMOTION.

- **PRODUCT:** This is it the item that is built and produced by the organization to satisfy the needs of the customers or a certain group of people. These Good point to be form or services or goods. Organization and marketers have to create the right product mix. This is a help to help expand the current product mix and also diversify and increase the depth of the product line. This could also include the brand's name, the packaging styles, positionings of products and also the warranties.
- **PLACE:** This is a very important part of the product marketing mix, as this is the way organisation d (Danmei, 2016) (Dr pankaj M. Madhani, n.d.) (Gangshau(George)Cai, 2015)istribute their products.
- **PRICE:** The price of the products the amount that a customer would have to pay to enjoy the goods and services of the organisation. This is a very important component in marketing planning as this helps the organisations determine the profits and survival for the products. An organization Good point adjusting its prices of the product does have a lot of impact on the market strategy which also could include the sales and change in demand for goods and services. This includes discount prices, credit terms, and also different payment periods.

- **PROMOTION:** this method in which organisations and companies help promote their products and services. This includes different forms of advertisement, sales promotions and also brand publicities.

Supply chain management as a whole tends to focus highly on the supply of goods and services and also the effectiveness of supply, while on the other hand marketing mix strategy is often interested in the demand side of the organization or company. However, both determine the organization's long-term profitability and competitive advantages through marketing mix. There are influences of supply chain management in areas in which are highly domain of marketing, this is increasingly recognized. Flint (2004), an effective marketing strategy implements the high demands in supply chain management, this is to say that it influences all the components of a marketing mix strategy.

The Case Study Of Asda Using Marketing Mix Effectively In Merging Logistics And Transport Industry.

Introduction to Asda stores Ltd:

Asda is a public limited company and also one of the largest supermarkets in the UK. Asda as a company has at about 500+ stores located across the UK and has been seen as a subsidiary of a well-known company known as WAL MART since 1999. Asda as a company has an excellent mix of fresh foods and grocery, clothing, home, leisure, and entertainment goods all which are products of different worldwide brands.

Asda as a store has always been able to fit the marketing mix strategy into its way of the supply chain. Looking into the way Asda has been successful in the marketing mix and the way it has helped improve the company through the past years.

Marketing mix of ASDA

Product

Asda has been able to provide a huge range of products and services for the customers of the company. Products in huge which have been categorically placed in the stores.

Groceries:

- Drinks
- Frozen foods
- Food Cupboards
- Chilled food

- Bakery foods and fresh foods
- Pets- items for pets such as birds, fish, dogs etc.
- Household and laundry- painting, batteries, light bulbs etc.
- Beauty and health- Gift items, fragrances, medicines, makeup, men and women toiletries, travelling items etc.
- Outdoors, Home, entertainment- car care, painting, light bulbs, batteries, toys, stationery, appliances, electronics etc.
- Toddlers, baby, and kids- Toys, healthcare items, wipes, and nappies

George clothing line

Asda also has been able to diversify with their products and also create a sub-brand within Asda. This brand has been able to let Asda create their own brand of clothing for their customers.

- Appeal - trousers, swimwear tights, sportswear etc.
- Footwear- pumps, trainers, slippers

This also became a chance for Asda to be able to produce a lot of seasonal outfits which would interest their customers as not much companies are able to do this.

ASDA mobile

This is Asda own private mobile phone network for its customers.

ASDA money(finance explanation required

- Car insurance
- Credit cards
- Business cards and rewards
- Christmas savers  1
- Gift cards

Price

Asda has been able to have a target range of people and products who they would like to buy most of their items in their stores. Also, Asda has embrace cheap and reasonable pricing strategies that attract consumers on a large scale. Asda a brand has found a way to have a constant low-price strategy and this has been able to create a high volume of profits as this strategy looks to attract a lot of customers and also this is seen as a competitive move for the company. Asda has been able to pursue low cost in order to

lower price for customers. The company has committed to providing customers with outstanding value for their money. Asda has also used their price to give assurance to their consumers as the give price guarantees “ if we're not 10% cheaper than Tesco, Sainsbury Morrison or Waitrose on your comparable grocery shop we'll give you the difference. Guaranteed!” Also, the company also offers discounts and incentives for specific shopping days, holidays and offseason.

Place

Unlike other retailers in the UK, Asda has two main channels of distribution namely only and that offline. over the past 18 months, Asda has been implementing a new resource of the regional distribution structure using “paragon TTS”, which is a unique transport optimization and execution system which is integrated with real life and real time tracking software. Asda has a range of stores which are from superstores, supermarkets, Asda living and also petrol filling stations. At the start of this year 2018, there were 32 Asda supercenters around in the UK. 571 Asda superstores and 211 supermarkets, 33 Asda living stores and several George stores in Britain. Asda supercenters are seen as the larger hypermarkets. Asda superstores are comparatively smaller than the Asda supercenters with most of them having dining facilities and petrol filling stations.

Promotion

Organizations such as Asda strongly believer in aggressive marketing. The company has been able to create eye-catching commercial advertisements which are done on mostly all the advertisement platforms e.g. leaflets, billboards, radio, newspapers and finally on the televisions. Asda also uses modern advertisement which could be said to be social media platforms which are like the company's webpage, YouTube, and Facebook, Instagram, Twitter. The company uses this to create a positive integrity. Also, as part of the promotional marketing strategy, the company is able to announce periodic discounts and incentives for their loyal customers, which helps to hold loyal customers and also create a more friendly consumer base between both aside and the customers. Also, the company has been able to have celebrity endorsements in each country, which is then used as a promotional strategy to the customers. Finally, the last promotional strategy which Asda used is the use of tagline and brand motto or description such as “one trip and your laughing” “save money live better”. Asda has also been able to partner up with funding of sports charity SPORTS AID which was done in 2008 which was to provide funding and to support the British athletes .

The relationship between supply chain management and marketing mix effectiveness:

The relationship between the supply chain and marketing mix for a company such as Asda can easily be explained with the use of the supply chain marketing mix matrix

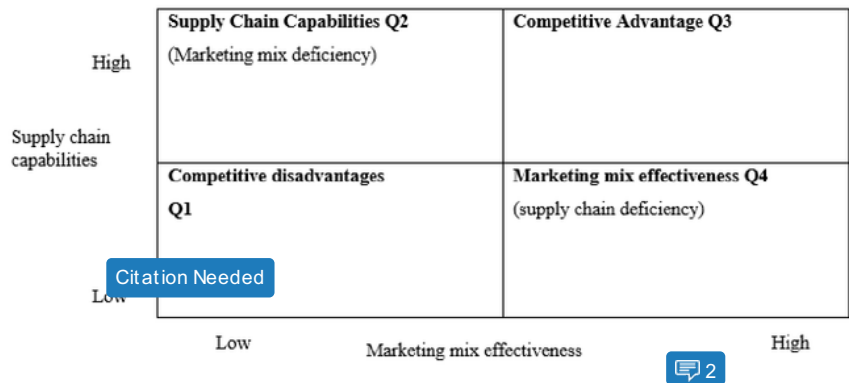


FIG 1: THE SUPPLY CHAIN-MARKETING MIX MATRIX

This supply chain marketing mix matrix has 4 quadrants Competitive disadvantages (Q1), supply chain, management capability (Q2), competitive advantages (Q3) and lastly the marketing mix effectiveness (Q4). All these groups would be explained regarding Asda below.

COMPETITIVE DISADVANTAGES

In this side of the chart, whenever supply chain management capability is at its low and marketing mix effectiveness also is at its low in this quadrant of the matrix this then creates an overall disadvantage for organizations as this companies tend not to have any marketing strengths and lack overall competitive advantages. Companies such as this would need to build supply chain management capabilities and add that with some effective marketing strategy to boost their long-term competitive advantage.

SUPPLY CHAIN MANAGEMENT CAPABILITY

In this section of the quadrant on the chart when the supply chain management capability is high and marketing mix effectiveness is seen at the low section on the supply chain marketing mix chart, this then could provide possible advantages for the organization on the supply chain management.in addition, organizations in this quadrant have individual capabilities in the way supply chain is managed and the different functions. However, this helps to reduce cost and time in inventory. Organizations with supply chain management capabilities happen to have a strong view and emphasis over the business activities such as collaborating planning, strategic sourcing e.g. just in time inventory. In conclusion supply chain management capabilities usually and generally focus on matching the matching of supplies and goods with customers’ demands which does not usually answer to customer choices and preferences.

COMPETITIVE ADVANTAGES

Competitive advantages in this quadrant refer to when supply chain management capability is at a high and marketing mix effectiveness is also at its highest which is should in Q3 in the chart above. Results of this then generate an overall advantage competitively by the organization. Organizations in this quadrant

tend to have superior supply chain management and also accurate and effective marketing strategies. Examples of this are the top stores in the UK, Tesco, Asda, Morrisons.

MARKETING MIX EFFECTIVENESS

Marketing mix effectiveness in this quadrant when supply chain management capability is low and marketing mix effectiveness is high as seen in the chart above. Asda is a great example for this as this is something Asda has been successful with. Asda has been able to invest heavily into the advertising strategy and used advertising to lure their customer and also new customers. In retail stores, availability of goods and supplies is one of the driving forces for customers as this gets their interest and brings them back to the store to buy the goods in the store. However, if store supplies are not ready for the available customers in need this could lose the customers as they would lose faith in the store and also the supplier and would look to find what they need elsewhere or in another store.

CONCLUSION:

Through modern times globalization, manufacturing and goods distribution have raised the stake margins for retailers and distribution companies. In addition, factors such as globalization of supplies and an increase in the competitive pressure from old stores noticing marketing mix and also new organization have become the main factors driving supply chain management.

In conclusion, it could be said that it is important for marketing and supply chain managers to collectively recognize ways in the supply chain could become more advantaged towards the competitive advantages of the organizations, with the help of a supply chain and very adequate marketing mix strategies.

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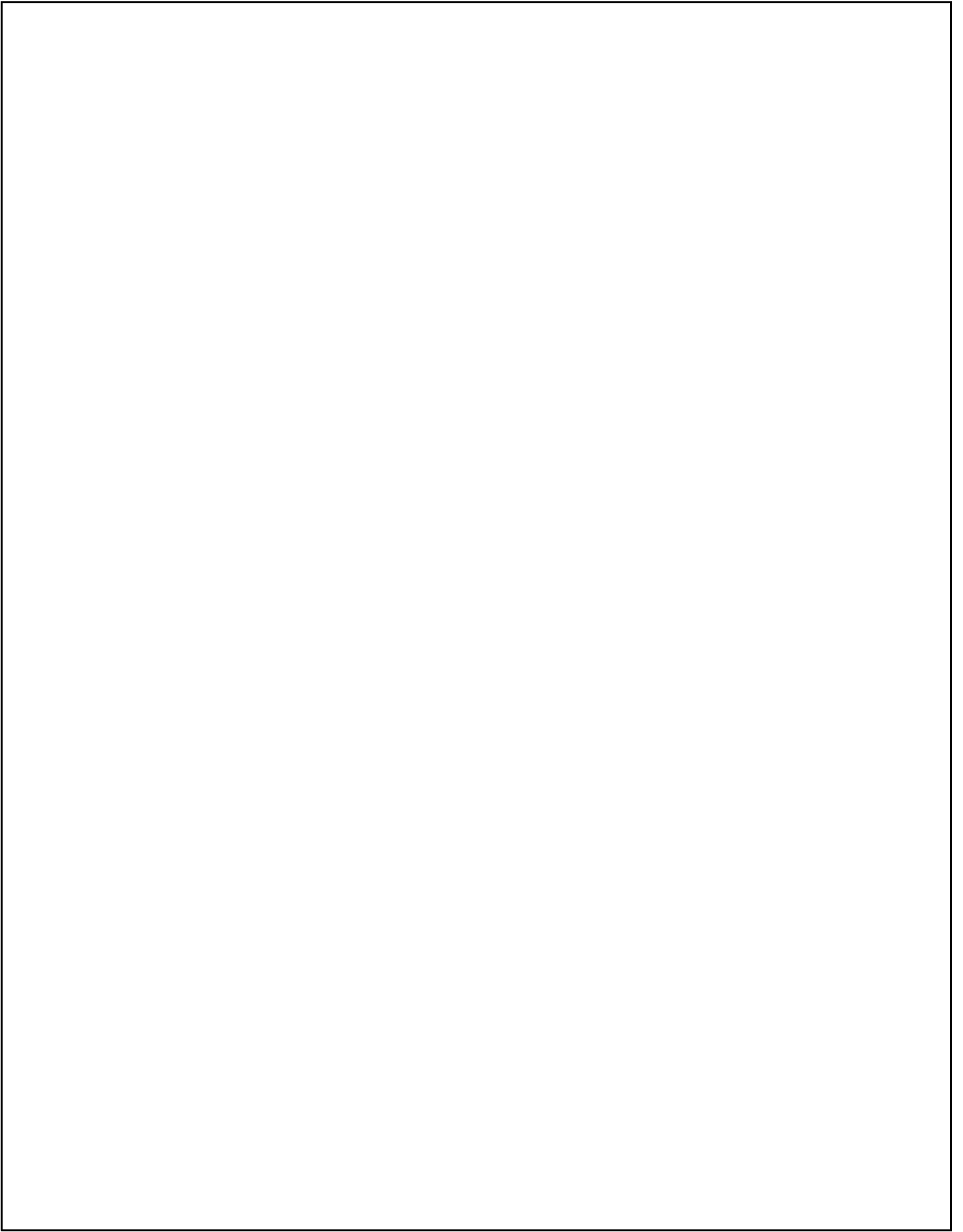
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FINISHED WORK

GRADEMARK REPORT

FINAL GRADE

45/100

GENERAL COMMENTS

Instructor

No evidence of using essential reading used. Only use of online literature, some of which is not reliable.

Satisfactory knowledge and understanding of Marketing Mix demonstrated. Some good points raised but needed expansion to score higher marks.

Satisfactory analysis but links to Supply Chain Management and Logistics are confusing. Largely descriptive work without evaluation.

Well presented.

PAGE 1

PAGE 2

QM

Good point

Good point

QM

Good point

Good point

PAGE 3

PAGE 4

QM

explanation required

explanation required

Additional Comment

This needs expansion. What significance does expanding its product offerings have for a supermarket?



Comment 1

Home delivery???

PAGE 5

QM

Citation Needed

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QM

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QM

explanation required

explanation required

Additional Comment

This needs to be linked back to the PRICE element of the Mix

QM

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QM

Good point

Good point

PAGE 6

QM

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Comment 2

This is a bit confusing. Citation required for this source

PAGE 7



Comment 3

Globalisation hasn't been discussed in the main body of the report so shouldn't be discussed in the conclusion



explanation required

explanation required

PAGE 8
