



Programme: BA Business Management

Marketing Fundamentals LCBB4004

Assessment 1
*Critical analysis and evaluation of the processes and stages of marketing including the
role of the marketing mix*

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Introduction

Strategic marketing research, marketing-mix planning, marketing delivery, and marketing control are the four components that make up the market strategies. Effective marketing is needed for increasing profitability as well as establishing a brand in the market. Only introducing a product in the market is not enough it has to be promoted as well as priced in a manner so that it can gain a competitive advantage in the business environment.

NEXT plc was established in the year 1864 and has its headquarters in Enderby. The organisation has more than 700 stores worldwide. And it is the largest clothing retailer in UK in terms of sales (nextplc 2021).

Discussion

Segments of the market in for-profit organisations, marketing's objective is to fulfil all the requirements and maintain profitability. As a result, businesses should first assess which demands, as well as needs, have to be fulfilled (Camilleri, 2018). People who enjoy the expense, speed, protection, status, luxury and styling of a car, for example, make up the automobile market. No one car can meet all of these needs perfectly; choices must be made. Because of these factors, a clothing retailer like NEXT plc has a range of different products that have been made for meeting the demands of specific customers and identifying the various customer preference groups, or segments.

Sub-segments or niche markets may be formed by dividing segments into still small units. A niche can be characterized as a small customer base with specific needs (Akbar *et al.*, 2017). For instance, a bank might specialize in servicing the financing requirements of elderly people, including those with high salaries and maybe even those with unique investment priorities. Bigger businesses are most likely to serve broader consumer markets while ignoring niches. Mostly as result, smaller businesses that are closely associated with a certain niche and specialize in meeting its needs usually emerge. An increasing number of businesses are attempting to represent "one-person sections." They make an effort to tailor their offer and contact to the specific needs of each client. This is reasonable in the case of big manufacturing corporations with a small number of main consumers. For example, NEXT plc uses an algorithm that continuously makes use of data for making tailor-made experiences for the customers and this is their strategy of individual marketing.

The analysis of the business's current position acts as the foundation for finding opportunities to meet unmet consumer needs. To define targeting options, recognize the organization's own capabilities, and understand the world in which the company operates, situational and environmental analysis is performed. Political considerations are important in deciding the factors that can affect Next Plc's long-term viability in a given country or sector. Next Plc operates in the retail sector in many countries, exposing it to a variety of political risks and political systems. Economic factors are important to consider because they may have an effect on the outcome of NEXT.

The actual state of the economy in the United Kingdom and even the world is majorly affected due to the pandemic and BREXIT. In an enterprise that employs a high price differentiated approach rather than being a cost leader, it is possible to see how changes in the global climate will have a larger effect on the corporation's prospects than those

working in the need and expenditure segment of the economy. The overall ageing of the population is among the biggest challenges in the UK economy, but it is also seen across Next's broader European economies. This should be seen as both a challenge and an incentive for Next. On the one side, an older society will force Next to adjust its product offering in order to ensure that perhaps the current customers respond to the new strategies.

Aggregation of all properties to a single site is one of Next plc's strengths. Brand selection, solid third-party partnerships, and cost and quality management are also ways to add value. Distribution platforms that are well-established, as well as credit buying options. One of the big flaws has been the history of scandals around the handling of factory employees and staff. Any of the opportunities for NEXT plc include retailers using data for personalization. Licensing collaborations merge a company's sourcing capabilities with a partner's design abilities. Platform for third-party labels as a whole. Demand for highly customized clothing is on the rise. Failure to satisfy consumer style, efficiency, and value demands is one of the threats. Warehouse and distribution disruption. Long-term obligations and capital expenditures are not well managed. COVID-19 is causing business chaos all over the globe.

The development and communication of a narrative that specifically defines the business or brand in contrast to rivals is a crucial phase in marketing policy known as positioning (Streed *et al.*, 2017). For example, NEXT plc has positioned itself as a brand that provides sustainable fashion at affordable prices (Nextplc 2021). Moreover, consumers may interpret a specific perception of the brand as a consequence of their actual encounters with the organisation's products or by hearsay, even though the company communicates a certain role. Claiming dominance on multiple dimensions, on the other hand, can harm the reputation of the company as customers will not accept that a sole product will succeed in all areas. Since all Apple products integrates with the others and operates within the same environment, buyers are more likely to stick with the brand, resulting in brand loyalty. Similarly, NEXT plc has taken a 25% stake in their fashion rivals, Reiss, for being able to claim dominance in multiple dimensions (Pegden, 2021).

To begin, determine and comprehend the company's goal. Perhaps it's recorded and disseminated across the business. If not, speak with customers and learn why the business continues. A business objective outlines why it exists and how it will serve customers. The mission statement can be ambitious at times, empowering employees and encouraging clients. It may also be a simple declaration of who you are. In any case, you can't formulate a marketing campaign until you know exactly what kind of industry, you're in and why. Citigroup aspires to be the world's most valued financial services firm. They are required to provide revenues and prosperity to their stakeholders, just as every other public corporation. It's just as important to deliver these profits and expand responsibly.

It is needed to devote the money needed to put your strategy into place. The budget will detail all of the expenses associated with executing the marketing strategy, such as advertisements, internet content, branding, public relations, and staffing. For the Cost management plan, the organisation may have to make some complicated decisions on which targets and strategies are the most important (Leminen *et al.*, 2019). Alternatively, the organisation may need to change the strategy before finding an affordable budget. You will finalise and adhere to your schedule by making a budget. Companies like NEXT plc have

started using travel expense management software for cutting down the expenses sent on travelling.

According to the product life cycle principle, marketing campaigns would develop in tandem with a product from conception to extinction (Morrison *et al.*, 2017). Manufacturers can customize their marketing strategy earlier in the life cycle of the product to pique curiosity and persuade future consumers. When protections against rivals penetrate the market during the developmental process, the focus moves to secure a larger audience by creating brand loyalty, reliable chain management, and new distribution networks. Smaller organisations are forced out of business as the product matures because there is a very little distinction from the competitors. NEXT plc takes into consideration the life cycle of the product and plan out their activities accordingly and introduce new products that can meet the upcoming demands of the customers.

Following the development of a plan, a business must determine which strategies would be most successful in achieving the project's objectives. Marketing communication entails putting together a marketing mix of elements that satisfies the targets for a specific collection of consumer requirements (Thabit and Raewf, 2018). The organisation should create the right marketing combination for the target demographic as well as the type of products or service that are being offered by using market analysis. Even though there are millions of messaging platforms available, you can choose the strategies that will hit the targets at the optimal time for them to respond to the post. The product that corresponds to the service or collection of products that will be made available to consumers is the first marketing-mix element.

The organisation should work on collecting information about the characteristics as well as the advantages sought by a consumer market throughout the case of a real object, such as a shampoo. The marketing's duty is for conveying the customer needs to technicians that are designing the products or services before it is assembled. Before the research and development department used to develop products based on their tastes, desires, or skills, and then expect advertisers to find as many buyers as possible to purchase it. Customers' suggestions, rather than developers' ideas, should be used to design goods in today's world. It is essential to do detailed research also on the life cycle of products they are developed in the earlier stages of manufacturing. A product does have its life cycle, that includes a growing phase, a maturation phase, as well as a sales declining phase. Marketing should discover new ways to boost revenue after a product has entered the sales declining phase.

A certain generalized marketing strategy that relates to product creation often relates to the creation of a product portfolio. A government healthcare association, for example, would provide an agreement for its employees that spells out the treatment procedures will be provided, how much provider option will be available, throwaway prototyping medical expenses will be treated, and so on. The HMO must select features that are desired and requested by target consumers when designing a competitive utility combination, or the product would not be priced in the markets (Pomeroy, 2017).

Pricing is another part of the marketing mix which helps in deciding the price of the products or services that are on offer (De Toni *et al.*, 2017). It is important to set the right pricing according to the value that the product or service will provide the consumers. The

customers need to believe that the product is worth paying the price for. Normally, businesses evaluate a price by assessing the offer's consistency or level of success and then choosing a price that represents how the consumer rates the level of quality. Marketers are mindful, however, that price will communicate to a buyer a perception regarding the product's perceived quality level. Luxury brands like Rolls Royce believe in charging a premium on their products as it is the human mind to think that the quality of the products or services is dependent on the price. Premium brands believe in pricing their products and setting a position where they can attract a rich customer base.

And on the other end, for increasing the market share, certain businesses have adopted providing quality products at lesser costs for being able to serve a bigger customer base and earn by selling in higher volumes with fewer margins, which means significantly cheaper rates than their rivals. Companies in sectors like tourism and hospitality have had to rethink their marketing plans as a result of this type of promotional price (Keller *et al.*, 2019). Big Corporations like NEXT plc believe in applying cost leadership. There are large corporations that are cost leaders for oil shifts, such as Jiffy Lube. A smaller mechanic's shop or perhaps a dealer, on the other hand, may give reduced charges for oil changes to attract more customers. A dealership's shop could have used this as a means to attract customers and establish relationships with them in the hopes that the customers would return for more high-end work, such as a fuel injection system. A car shop would aim to increase awareness of the dealer's maintenance department and then build a partnership with buyers that would ultimately be in the shopping for a new vehicle.

A commodity is considered to be pursuing a channel of distribution as it travels from source to market. Many agricultural goods, for example, are delivered by food processing facilities, manufacturers, distributors, and retailers. By utilizing this process, a food retailer ensures that its goods are readily available by placing them in shops frequented by the target consumer. This is an element of the marketing mix that deals with the place which is used for distributing the product. Many advertisers may choose to skip stages in the process and sell directly to customers via conventional stores and online shopping. Online marketplaces have become the upcoming trend in recent times more so after the pandemic and have also become the primary focus of NEXT plc (Campaignlive.co.uk. 2021).

Promotion is the next stage in the marketing mix and one of the primary parts of marketing as this helps in the advertisement of the product and increasing brand awareness. Both types of compensated non - personal contact and marketing of goods, services, or ideas by a specific sponsor are considered advertising. News organizations, directories, banners, posters, broadcast (radio, TV), and social media marketing, e-mails and numerous Web sites, are all examples of advertising. An image, a caption, product detail, and, sometimes, an answer coupon are all common elements of print ads. Broadcast commercials are audio or video narratives that can vary in length from brief 15-second spots to longer infomercials. Digital marketing tools like search engine optimization have become the primary source of promotion for organisations like NEXT plc which has increased the budget for digital marketing to 46 million pounds (Campaignlive.co.uk. 2021). They make use of a promotional strategy that includes traditional as well as modern elements.

People are another essential part of the marketing mix as they are at the heart of the organisation and help in deciding the profitability. Companies like NEXT plc believe in effectively taking care of all the requirements of their employees so that they will be

motivated as well as dedicated towards their work (Nextplc 2021). This will help in providing the best services to the consumer as when they will go above and beyond to ensure their satisfaction. Customers are not the only ones to be taken into consideration while making the marketing strategy there is also really a need to consider the thought process of the people that would be manufacturing the product's marketing and advertising. The organisation will need staff who are qualified for the duty, be it client service assistants, copy editors, planners, or a sales agent, for example, for ensuring that they offer excellent services and marketing.

In terms of stages in the marketing mix, the company's procedures will have an effect on the efficiency of the services they offer, which includes the distribution of the goods to consumers. An organisation needs to be economically stable, which means being efficient, friendly, as well as follow a schedule. This will help in saving resources by making sure that the company has a proper procedure in place, and the level of consumer experience will be constant, which is ideal for building the brands reputation as well as consumer retention. Physical evidence is the last P in a marketing blend, as it corresponds to what a consumer encounters or hears while dealing with a company. The physical representation of the brand by the company has a significant effect on customers which can contribute to a rise or decline in revenue.

Conclusion

From the essay, the basics of marketing have been understood by making use of various organisational examples. With that also the marketing mix and how it can be used for marketing a product has also been understood. It can be concluded that marketing can have a drastic impact on the business of the organisation as it affects every department of the organisation.

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