

CLAUDIU PINDICI

Student number 2246687

Lecturer : NAZIA SAEED

Pages 5,6,7,8

**MARKETING FUNDAMENTALS
(LCBB4004)**

Table of Contents

Introduction	3
Mercedes Benz Marketing process for achieving business objective	3
Blended marketing mix	4
Marketing for Innovation and Safety	5
Partnerships for Strategic Marketing	5
Based on market resources.....	5
Digital engagement and presence	5
Role of Mercedes Benz marketing mix of organisations marketing process.....	6
1. Creativity, safety, and luxury as a product strategy	6
2. A value-based approach to pricing	7
3. Global Reach and Strategic Placement in Place Strategy	7
4. A comprehensive marketing communication plan for promotion	7
5. Strategic Alliances: Extending the Market Reach	8
6. The Benefit of Customer Information Resources: Knowledgeable Decision-Making	8
7. SWOT Analysis	8
8. PESTLE Analysis	9
Conclusion	10
References.....	11

Introduction

Market research, consumer identification, value proposition building, and successful communication techniques are all part of the fundamental principles and tactics that drive successful advertising for goods or services. Mercedes-Benz is a recognizable symbol of elegance, creativity, and automotive excellence in the competitive automobile sector. The company, well-known throughout the world for its high-end automobiles, attributes much of its success to its rigorous marketing strategy. This assessment looks at how the marketing mix which includes item, cost, location, and promotion influences the organisational marketing procedures at Mercedes-Benz. Here examine how the company strategically places its products, establishes pricing, builds an international presence, and conveys its identity by drawing information from reliable sources, such as the registered Mercedes-Benz website and academic studies. Mercedes-Benz navigates a competitive terrain with a thorough and flexible marketing approach, from leading technological advancements in safety to cultivating strategic relationships. The group untangle the complex webs that support Mercedes-Benz's lasting heritage in the luxury vehicle market as the group analyses the subtleties of their marketing mix.

Mercedes Benz Marketing process for achieving business objective

Analysis of the strategies and tactics used by the corporation in accomplishing its business goals is essential when marketing experts review Mercedes-Benz's marketing procedures. The group seeks to offer insights into the efficacy of their marketing campaigns by utilising data from multiple sources, like the corporate Mercedes-Benz website and research studies.



Figure 1: High end positioning strategy

(Source: Iide.co 2023)

Blended marketing mix

Mercedes-Benz is highly known for its high-end vehicles, and an effective marketing mix is a key component of their success. A key role is played by the 4Ps: item, cost, location, and advertisement.

Product: Mercedes-Benz prioritises luxury, safety, and innovation. According to studies conducted through Andreeva and Petikhin (2022), technical advancements are crucial for improving auto safety. This is in line with the brand's dedication to providing cutting-edge goods.

Price: Mercedes-Benz's pricing policy reflects its high-end positioning. The brand uses a value-based pricing strategy, according to a research study conducted by Iide.co (2023), to make sure that buyers understand the value in proportion to the price.

Location: Mercedes-Benz is present throughout the world and has taken strategic positions in important markets. The success of the brand is influenced by dealership accessibility and visibility (Mercedes-benz.com, 2023).

Promotion: Both traditional and digital media are used in the overall marketing communication strategy. According to Wen's research on marketing strategy from 2022, the company successfully conveys its dedication to innovation and elegance.



Figure 2: Vehicle safety technologies

(Source: Andreeva and Petikhin, 2022)

Marketing for Innovation and Safety

The study by Andreeva and Petikhin from 2022 emphasises Mercedes-Benz's emphasis on technology advancements for vehicle safety. This not only meets changing customer needs, but also helps the business stand out in a crowded market. The perceived worth of Mercedes-Benz vehicles is increased when safety features are highlighted as a key component in marketing campaigns.

Partnerships for Strategic Marketing

The reach of a brand can be substantially impacted by partnerships and collaborations. Mercedes-Benz participates in strategic alliances that complement its brand image. Wen (2022) cites their partnership with Hefei Yuanxing Vehicle Service Co., Ltd. as an illustration. These partnerships can expand the brand's reach and increase its allure.



Fig. 3. Customer information resources advantages and performance alternative perspectives

Figure 3: Marketing Strategy advantages

(Source: Varadarajan, 2020)

Based on market resources

The importance of client data resources advantages in marketing strategy is emphasised by Varadarajan's study (2020). Mercedes-Benz's client-centric strategy helps the corporation obtain insightful data that allows it to modify its marketing tactics in accordance with customer preferences. This perspective on market resources aids in sustaining business performance.

Digital engagement and presence

An effective presence on the internet is essential in the digital age. Customers can explore models, characteristics, and innovations on the official Mercedes-Benz website, which acts as a complete information hub. Utilising digital platforms for advertising guarantees that the company remains relevant and interacts with a larger audience.

The evaluation shows that Mercedes-Benz's marketing procedures are intricate and consistent with its corporate goals. The brand is positioned as an international innovator in the premium vehicle sector because of the combination of innovative products, strategic alliances, and a strong online presence. Consumers identify with the brand's dedication to safety and elegance, which helps explain its success. In order to maintain and further improve Mercedes-Benz's competitive edge in the future, it will be essential to continuously adapt to market changes and consumer preferences as well as to make use of customer information resources.

Role of Mercedes Benz marketing mix of organisations marketing process

The marketing mix, sometimes known as the four P's (Product, Price, Location, and Promotion), is crucial in determining how a firm approaches marketing. In the instance of Mercedes-Benz, a well-known luxury car brand on a global scale, the strategic application of its advertising strategy is essential to attaining its corporate goals. The group examined the substantial significance that the marketing mix has in Mercedes-Benz's organisational marketing processes by drawing conclusions from a variety of sources, including academic studies and the official Mercedes-Benz website.

1. Creativity, safety, and luxury as a product strategy

The three pillars of Mercedes-Benz's product strategy are innovation, safety, and luxury. The study produced through Andreeva and Petikhin (2022) highlights the brand's dedication to technological advancements, especially in the area of auto safety. This emphasis on new product development not only complements the brand's positioning but also takes into account changing client demands. Their items' luxurious appeal helps them establish an upscale brand identity and cultivates customers' perceptions of exclusivity.

POSITIONING

- The slogan, “ The Best or nothing”
- Mercedes-Benz has adopted a positioning strategy as a manufacturer of highly reliable and safe automobiles, resulting in a price premium relative to similar international competitors.
- Outstanding service solution related to the products.
- The car emphasizes design and style rather than speed. Position as a well-engineered stylish car, its tagline is ‘Vorsprung durch Technik’ in German meaning ‘Lead by Technology’.

Figure 4: Mercedes-Benz's Strategic Placement

(Source: Mercedes-benz.com, 2023)

2. A value-based approach to pricing

According to a study done by Iide.co (2023), Mercedes-Benz's pricing approach is value-based. By using this strategy, Mercedes-Benz makes sure that buyers believe the price of its cars is reasonable given their perceived value. The expensive pricing is consistent with the brand's stance as a supplier of high-end, opulent automobiles, strengthening the brand's reputation.

3. Global Reach and Strategic Placement in Place Strategy

Mercedes-Benz has created a global footprint by strategically positioning itself in important markets across the world. According to the main Mercedes-Benz webpage (Mercedes-benz.com, 2023), the dealerships' visibility and accessibility are key factors in the success of the brand. The brand is available to its target market thanks to the advantageous location of showrooms and the geographical dispersion of dealerships.

4. A comprehensive marketing communication plan for promotion

Mercedes-Benz uses a thorough marketing communication plan since promotion is a crucial component of the marketing mix. Through a variety of traditional and digital media, the company successfully conveys its dedication to innovation and elegance. The study by Wen (2022)

highlights the significance of a carefully planned marketing strategy in elevating the brand's reputation and product line.

5. Strategic Alliances: Extending the Market Reach

Mercedes-Benz's marketing procedures heavily rely on partnerships and collaborations. Wen (2022) uses the collaboration with Hefei Yuanxing Auto Service Co., Ltd. as an illustration of how strategic partnerships may expand a brand's market reach and increase consumer attractiveness. By collaborating with other businesses, Mercedes-Benz broadens its market and changes up its marketing strategies.

6. The Benefit of Customer Information Resources: Knowledgeable Decision-Making

The importance of consumer data resources advantage in marketing strategy is highlighted by Varadarajan's study (2020). Mercedes-Benz uses insightful data to guide its marketing decisions according to its customer-centric strategy. This benefit gives the brand the ability to modify its plans in accordance with customer preferences, which helps to sustain commercial performance. In conclusion, the Mercedes-Benz advertising strategy plays a crucial part in corporate marketing activities. The target audience can be reached and reached effectively when the product, costs, place, and promotion techniques are in line with the core values of the brand. Mercedes-Benz's flexibility and dedication to upholding a solid marketing mix will be essential for preserving and improving its market position as the auto sector changes. The way these components work together strategically not only enhances the success of the brand but also reinforces its position as the market leader for premium cars.

7. SWOT Analysis

Strengths • One pf the most luxurious high performing vehicles • Automotive technology pioneer • Integration of sustainable solutions for mobility • Strong Dealership Network	Weaknesses • High price • Less accessible audience • Economic downturns high sensitivity • Reduced customer busying power • Low demand of luxury vehicles
Opportunities • Expand in Ev vehicles market	Threats

• Sustainable transportation demand • Gaining new consumer bases • Collaboration with energy companies	• Highly competitive rivals like BMW and Audi • Stringent emission standards • Economic downturns can minimise consumer spending
--	--

Table 1: SWOT Analysis

(Source: Self-Developed)

8. PESTLE Analysis

Political: Mercedes-Benz conducts business in a worldwide market with a range of political environments. Production and distribution are impacted by adherence to various rules and norms in various nations. The ease of doing business globally is influenced by trade policies and political stability.

Economic: The buying power of consumers is influenced by economic factors such as inflation, income levels, and exchange rates. Mercedes-Benz is vulnerable to economic downturns due to its high price point, which also affects demand for luxury cars. The performance of the brand on the market depends critically on the state of the economy and consumer confidence.

Sociocultural: Shifting cultural fads and societal preferences affect consumer decisions. Mercedes-Benz's relevance and attractiveness to various consumer sectors will depend on its capacity to match with changing lifestyle trends and ethical principles such as sustainability.

Technology: As a pioneer in the automobile industry, Mercedes-Benz must continue to be at the forefront of accepting and creating cutting-edge technology. Connectivity, autonomous driving, and the proliferation of electric vehicles all bring potential and challenges that call for ongoing investment and adaptation.

Legal: It is crucial for Mercedes-Benz to operate in accordance with a variety of international laws and standards. The creation of products and market access are impacted by legal issues, which include safety standards, emissions laws, and intellectual property protection.

Environmental: Changing consumer choices are influenced by environmental awareness. Mercedes-Benz's dedication to sustainability, especially as it relates to electric cars and low emissions of carbon dioxide, aligns with rising environmental concerns and establishes the company as a responsible leader in the auto sector.

Mercedes-Benz can foresee external influences and intelligently respond to them by taking these PESTLE variables into account, which increases its ability to cope in the constantly shifting global market.

Conclusion

In essence, a symphony of strategic components that work together to orchestrate the brand's unrivaled success in the luxury vehicle industry can be seen in the analysis of Mercedes-Benz's marketing procedures. Mercedes-Benz is positioned as a model of automotive excellence thanks to the careful construction of the marketing mix, which includes innovative product offers, a pricing approach based on value, a worldwide and approachable presence, and a sophisticated promotion plan. The focus on technology developments for security not only demonstrates a dedication to customer safety but also establishes a benchmark for the sector. Additionally, the brand's skill in establishing strategic alliances and utilizing customer data highlights a forward-thinking attitude. Mercedes-Benz continues to advance as the automotive industry changes because of its agility and dedication to providing an exceptional customer experience. Consumers identify with the brand not just because they can drive a car but also because they may be a part of a history that is associated with innovation and luxury. The interaction of these marketing components, as described by numerous sources, reinforces Mercedes-Benz's position as a leader in the automotive industry, demonstrating the long-lasting value of a thoughtful marketing strategy in reaching and maintaining organizational goals. Mercedes-Benz not only sets the direction in the world of premium cars, but also new standards of excellence.

References

- Andreeva, S. and Petikhin, D., 2022. Research on the marketing of technological innovations for car safety: case company: Mercedes-Benz. <DOI: <https://urn.fi/URN:NBN:fi:amk-2022121429777>>[Accessed on: 7.10.2023]
- Iide.co, 2023 *MARKETING MIX OF MERCEDES BENZ* Available At: <https://iide.co/case-studies/marketing-mix-of-mercedes-benz/>[Accessed on: 7.10.2023]
- Mercedes-benz.com, 2023 *MERCEDES BENZ OFFICIAL WEBSITE* Available At: <https://www.mercedes-benz.com/en/> [Accessed on: 7.10.2023]
- Varadarajan, R., 2020. Customer information resources advantage, marketing strategy and business performance: A market resources based view. *Industrial Marketing Management*, 89, pp.89-97. <DOI: <https://doi.org/10.1016/j.indmarman.2020.03.003>>[Accessed on: 7.10.2023]
- Wen, H., 2022. Research on Mercedes Benz marketing strategy of Hefei Yuanxing Automobile Service Co., Ltd. *International Journal of Management and Education in Human Development*, 2(01), pp.201-204.<DOI: <https://ijmehd.com/index.php/ijmehd/article/view/74>>[Accessed on: 7.10.2023]