



E-Marketing

What you'll learn:

Describe the need for Marketing Information

Understand marketing-research activities

Understand how to employ marketing-information to develop a marketing plan



Essential Question ???

- How do I utilize marketing information to develop a marketing plan for an on-line business?
- A8.0 Construct a Marketing Plan.
- A8.1 Describe effective marketing techniques.
- A8.2 Explore how products and services are conceived, developed, maintained, and improved in response to market opportunities.
- A8.3 Conduct market analysis and assess the business organization's position within their industry.
- A8.4 Interpret how market research is used to develop strategies for marketing.
- A8.5 Differentiate the components of a promotional plan (e.g., advertising, public relations, and sales promotion) and describe how the plan is used to achieve a stated outcome.



Essential Skills

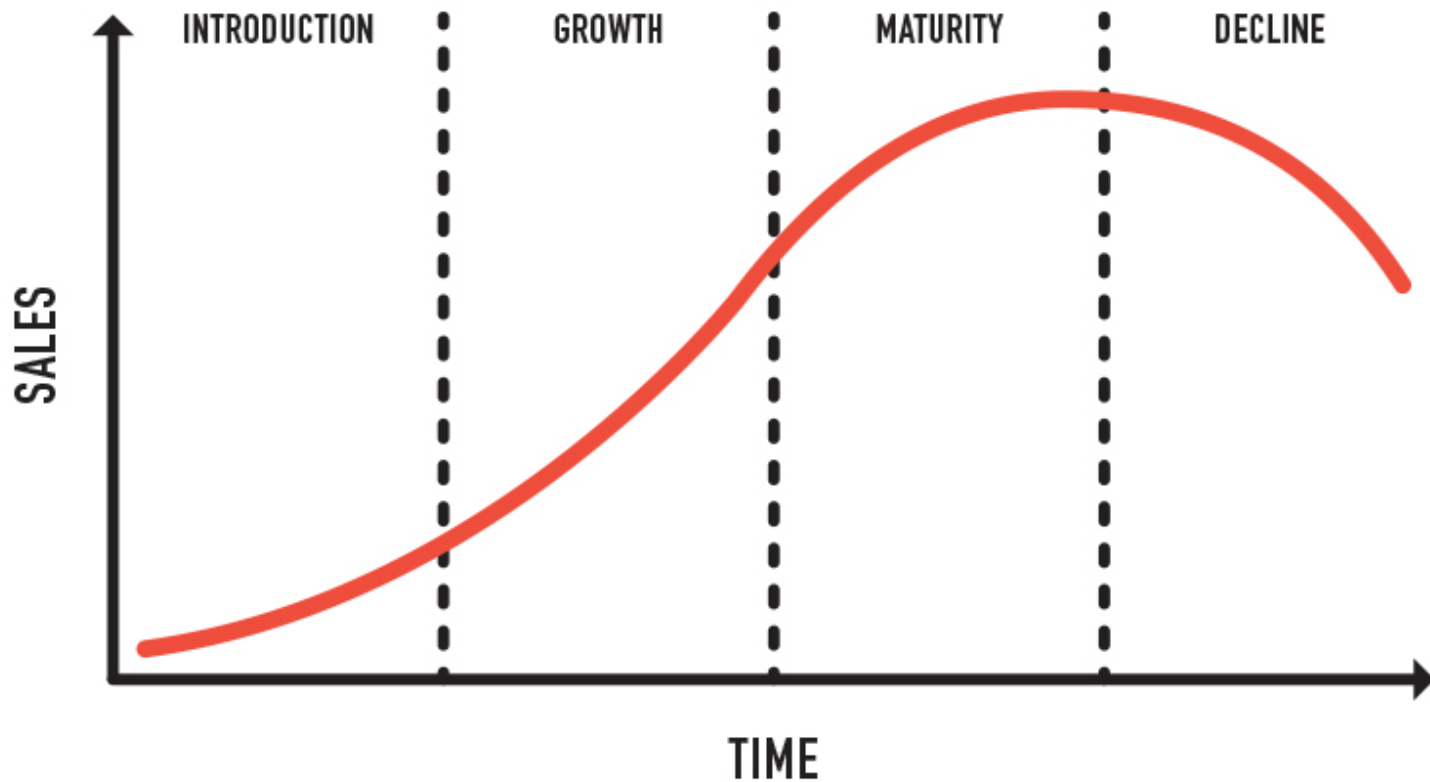
Students will be able to:

- What are the differences between internet and traditional marketing strategies?
- What are the effects of marketing for an online business?
- How do I analyze a web competitor?
- How do I understand online consumers?

Product Lifecycle

What stage depicts what type of marketing

PRODUCT LIFECYCLE





Marketing Research

- **Links the consumer, customer, and public to the marketer through information.**
- **The primary emphasis is to obtain information about the preferences, opinions, habits, trends, and plans of current and potential customers.**
- **Marketing Research** – the systematic gathering, recording, and analysis of data about issues relating to marketing products and services



Why is Marketing Research Important?

- Helps businesses plan their future operations to increase sales and profit.
- Helps solve marketing problems and anticipate future potential
- Helps keep track of what is happening in current markets – what the competition is doing

Who Uses Marketing Research?

- Small companies – research is often informal – done by owner or manager.
- Internal (done using company employees)
- **Secondary** (outside resources, such as the government, initially collected the information)



Who Uses Marketing Research?

- Larger companies have a formal research department and specialists to plan and conduct research
- External (marketing firms are hired to collect the data for the company)
- **Primary** (done specifically for the company)



Who Uses Marketing Research?

- Governments' research
 - The major source of data for economic trends and information
- Secondary source of data



United States
Census
2000

Marketing Information Systems

- A set of procedures and methods that regularly **generates, stores, analyzes, and distributes** marketing information.



Marketing Information Systems

- Includes company records, competitor's records, customer profile data, government data



	Receipts			Payments			Cash surplus	
	\$m	Per cent real growth	Per cent of GDP	\$m	Per cent real growth	Per cent of GDP	\$m	Per cent of GDP
1970-71	8,000	6.0	20.9	7,176	10.0	18.7	824	2.1
1971-72	8,827	3.3	20.9	7,987	4.2	18.9	840	2.0
1972-73	9,414	0.4	19.8	9,120	7.5	19.2	294	0.6
1973-74	11,890	10.4	20.6	10,829	3.8	18.8	1,061	1.8
1974-75	15,325	5.8	22.6	15,275	15.8	22.5	50	0.1
1975-76	18,316	3.6	23.0	19,876	12.8	25.0	-1,560	-2.0
1976-77	21,418	4.2	23.3	22,657	1.6	24.7	-1,239	-1.4
1977-78	23,491	0.9	23.4	25,489	3.5	25.4	-1,998	-2.0
1978-79	25,666	3.0	22.6	27,753	2.7	24.5	-2,087	-1.8
1979-80	29,780	5.9	23.1	31,041	2.1	24.1	-1,261	-1.0
1980-81	35,148	6.9	24.1	35,260	2.9	24.2	-112	-0.1
1981-82	40,831	2.9	24.3	40,394	1.4	24.0	437	0.3
1982-83	44,675	-1.7	24.7	47,907	6.5	26.5	-3,232	-1.8
1983-84	49,102	2.9	24.0	55,966	9.4	27.4	-6,864	-3.4
1984-85	57,758	11.8	25.6	63,639	8.1	28.2	-5,881	-2.6
1985-86	64,845	5.8	26.1	69,838	3.4	28.1	-4,993	-2.0
1986-87	73,145	5.3	26.9	75,392	0.8	27.7	-2,247	-0.8
1987-88	81,217	3.4	26.1	79,440	-1.8	25.6	1,777	0.6
1988-89	88,369	0.4	25.1	82,202	-4.5	23.4	6,167	1.8
1989-90	95,517	1.8	24.8	88,882	1.8	23.1	6,635	1.7
1990-91	97,705	-2.4	24.6	97,333	4.5	24.5	372	0.1
1991-92	92,966	-6.8	22.9	104,551	5.2	25.7	-11,585	-2.8
1992-93	94,448	0.5	22.2	111,484	5.5	26.2	-17,036	-4.0
1993-94	100,142	5.1	22.4	117,252	4.2	26.2	-17,110	-3.8
1994-95	109,720	8.7	23.3	122,901	4.0	26.1	-13,181	-2.8
1995-96	121,105	7.6	24.1	131,182	4.0	26.1	-10,077	-2.0
1996-97	129,845	5.1	24.5	135,126	1.0	25.5	-5,281	-1.0
1997-98	135,779	3.1	24.2	134,608	-1.8	24.0	1,171	0.2
1998-99	146,496	7.4	24.7	142,159	5.1	24.0	4,337	0.7
1999-00	165,806	na	26.5	152,747	na	24.4	13,059	2.1
2000-01	160,829	-7.2	24.0	154,858	-3.0	23.1	5,970	0.9
2001-02	162,524	-0.9	22.8	163,507	3.5	22.9	-983	-0.1
2002-03	176,147	5.6	23.4	168,661	0.5	22.4	7,486	1.0
2003-04(e)	185,214	1.2	22.8	180,629	3.0	22.3	4,586	0.6
2004-05(e)	194,237	2.3	22.6	191,846	3.6	22.3	2,391	0.3
2005-06(p)	201,831	1.9	22.3	200,244	2.4	22.1	1,587	0.2
2006-07(p)	211,832	2.9	22.1	208,394	2.1	21.8	3,438	0.4
2007-08(p)	222,748	3.1	22.1	218,247	2.7	21.6	4,501	0.4

Marketing Databases

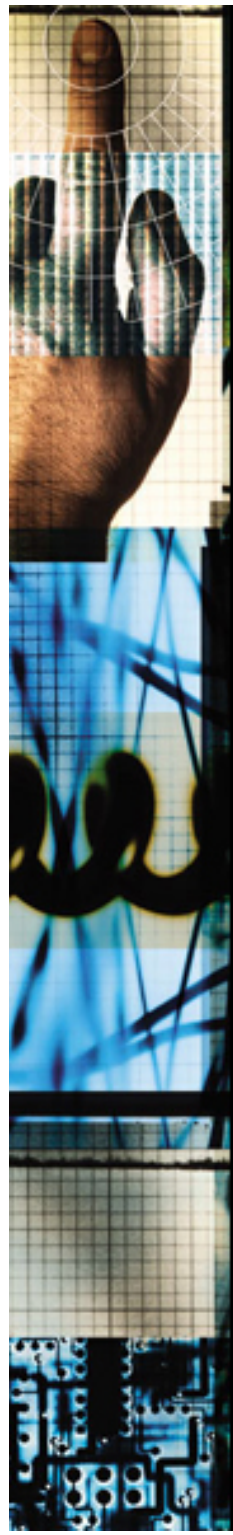
- Sometimes information is collected by bar code scanner, “valued customer cards”



Marketing Databases

- Often companies sell their information to others

The advertisement features a central banner for LISTSHOPPER.COM with the following text: "marketing data", "get FREE competitive list quotes within hours", "sales leads", "save time and money", "telemarketing lists", and "no cost service and no obligation to purchase". The LISTSHOPPER.COM logo is in a dark green box. Below this is a billboard for "Intec Wholesale Lists" with the tagline "A DIVISION OF INTEC DATA CORPORATION". The background includes a faint "process" watermark and a stylized orange and black graphic.





Understand marketing-research activities





What you'll learn

- Understand marketing-research activities
 - Explain the nature of marketing research
 - Identify sources and types of primary and secondary research
 - Explain importance of determining the marketing-research problem
 - Understand the need to interpret, assess, and evaluate marketing information



The Marketing Research Process

- **Step 1: Define the Problem**
- Step 2: Obtaining Data
- **Step 3: Analyzing the Data (Interpret, Assess, and Evaluate)**
- Step 4: Recommending Solutions to the Problem
- Step 5: Applying the Results

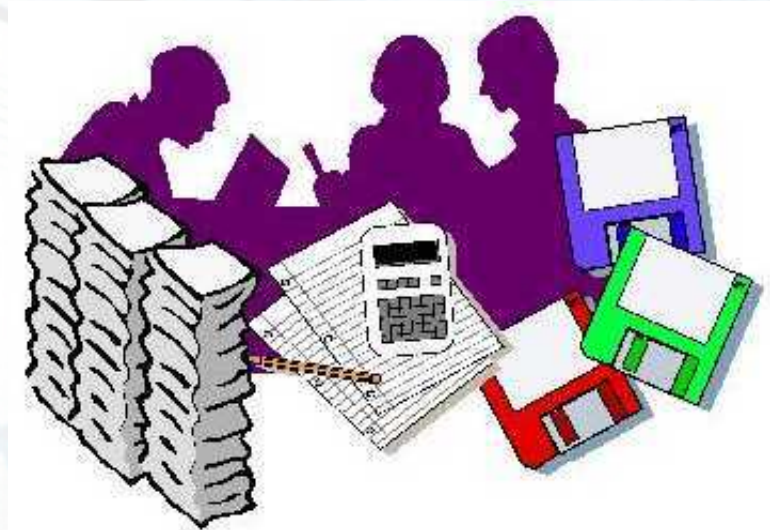


The Marketing Research Process

- **Step 1: Define the Problem** – are customers satisfied? Are prices competitive? Are promotion activities effective?
- **Step 2: Obtaining Data**
 - **Primary Data** – obtained for the first time and used specifically for the particular problem or issue being studied.
 - **Secondary Data** – has already been completed for some purpose other than the current study.

Step 3: Analyzing the Data

- Data Analysis – the process of interpreting, assessing, and evaluating the results of primary and secondary data collection



Step 4: Recommending Solutions to the Problem

- Successful research results in information that helps businesses make decisions on how to solve a problem



Step 5: Applying the Results

- Managers use the research report to help make decisions.
- Monitor the results
- An ongoing process



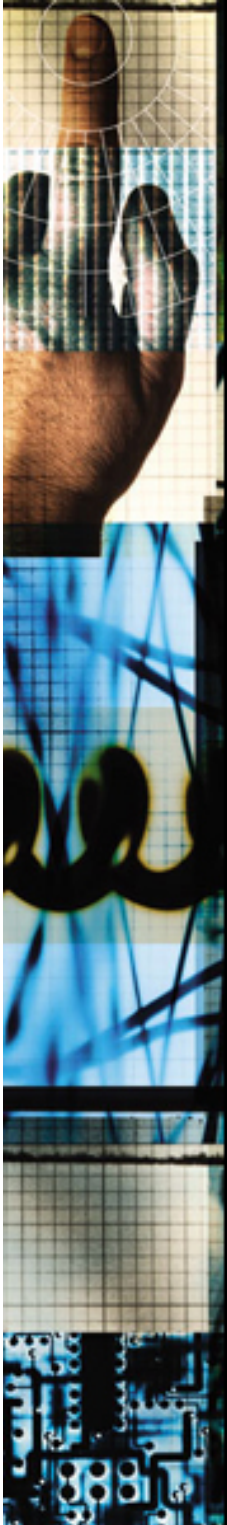


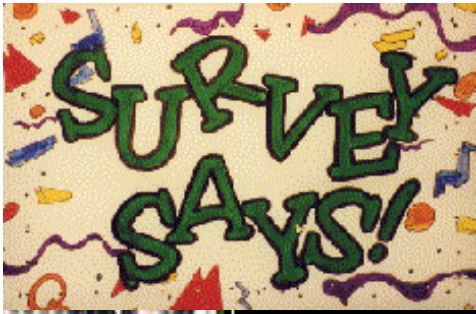
How **Secondary Data** Are Obtained

U.S. Census Bureau

Check out all of the information you can get at the U.S. Census Bureau's web site by clicking above.

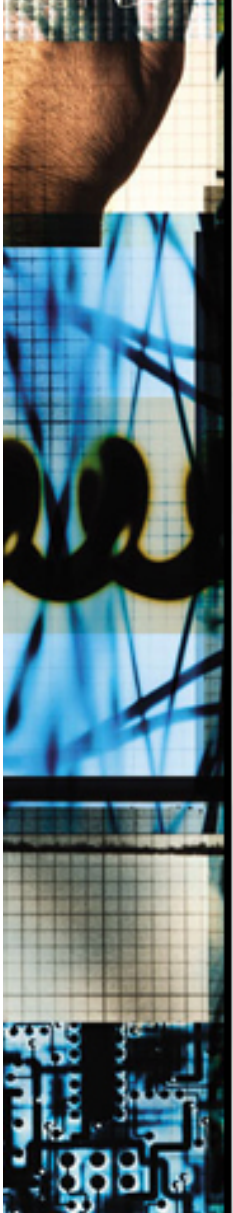
- **Internet Sources**
- **U.S. Government Sources**
 - U.S. Census Bureau, SBA, Statistical Abstract of the U.S.
- **Specialized Research Companies**
- **Business and Trade Publications**

- 
- Advantages of Secondary Data – easy to obtain. Saves time and money.
 - Disadvantages of Secondary Data – existing data may not be suitable or available. Sometimes it is inaccurate.



How **Primary Data** Are Obtained

- **Survey Method** – information is gathered through the use of surveys or questionnaires
 - **Sample** – part of the target population that is assumed to represent the entire population
 - The **bigger** the sample size of people surveyed the more reliable the results.





Methods to collect primary data

Surveys – Internet, telephone, face-to-face, focus groups, panels, etc.

Observation – Secret shoppers, store cameras, watching customers reaction to products, etc.

Experiment – Taste tests, test marketing, or product sampling. Hypothesis based.



Technological Survey Methods

- **Online surveys**
- Focus group chat sessions on the Internet
- Digital surveys using a prerecorded voice
- Electronic Surveys
- Pop-Up Surveys

Types of Surveys

- Personal Interview
 - questioning **face-to-face**
 - People are more willing to respond in person.

Types of Surveys

- Mall Intercept Interview – conducted in a central location.



Types of Surveys

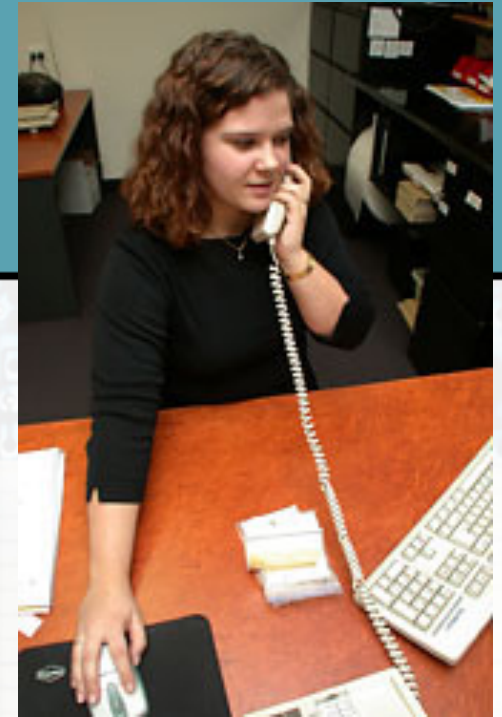
- **Focus Group Interview** – A group of 6 to 12 people who are a part of the target that is assumed to represent the entire population who are brought together by researchers to discuss a particular situation or reactions to a product.



Kristen Sanders (seated, center) conducts the focus group while other members of the team shoot video and look on.

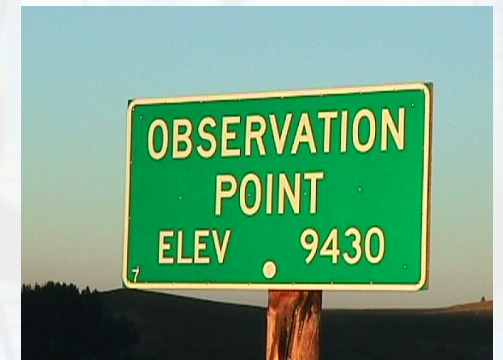
Types of Surveys

- **Telephone** Interview
 - This type of survey has the greatest potential for causing resentment on the part of those surveyed.
- **Mail Survey**
 - Questionnaire sent in the mail This has the lowest response rate.



Observation Method

- Actions of people are watched either by cameras or observers
- **Mystery shopping**
 - It cannot measure attitudes or motivations



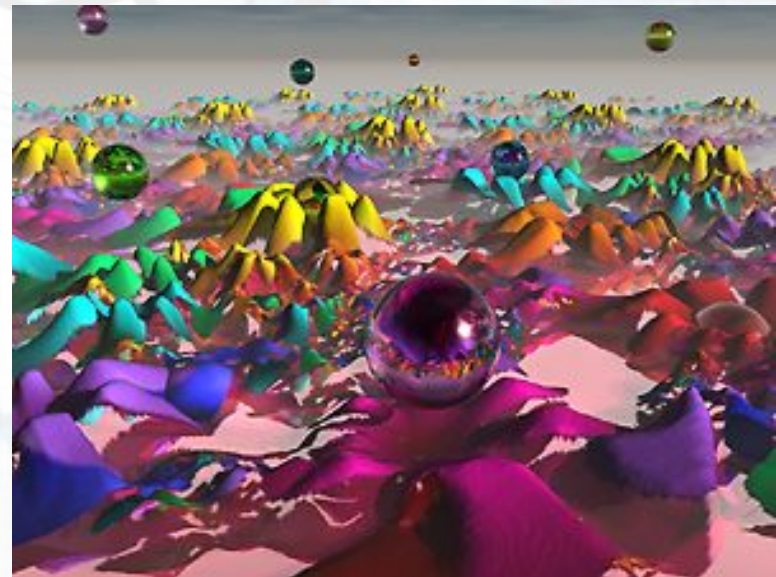


Point-of-Sale Research

- Combines natural observation with personal interviews to get people to explain their buying behavior
- Researcher watches the sale, then approaches the selected shoppers and ask them questions

The **Experimental** Method

- Researcher observes the results of changing one or more marketing variables while keeping certain other variable constant.





Data Mining

- A computer process that uses statistical methods to extract new information from large amounts of data.
- A database may contain subtle relationships or patterns that only a mathematical search process can identify.



Understand how to employ
marketing-information to develop
a marketing plan





What you'll learn

- Understand how to employ marketing-information to develop a marketing plan
 - Explain the concept of marketing strategies
 - Explain the importance of designing marketing strategies based on market research
 - Explain the nature of marketing plans



What is a Marketing Strategy?

- Outlines the goals and objectives of the sales and marketing departments
- Decisions about how the customer will find and be motivated to purchase a product.
- Focuses limited financial resources on the target market.
- **Marketing Strategy** – A marketing strategy identifies target markets and sets marketing mix choices that focus on those markets.



Designing Marketing Strategies

- Must be based on research!
 - Evaluation of the internal and external environment (research).
 - Must be directed at the target market (research).
 - Include options and alternatives (research)
 - Have measurable outcomes, did it work (research)?



Nature of Marketing Plans

- The Marketing Plan is part of a Business Plan, the overall outline of a business.
- Marketing Plans are the list of actions necessary to complete the Marketing Strategy
- Addresses all of the **5 P's** added **People**
 1. **P**roduct or service description
 2. **P**romotion and advertising plan
 3. **P**lace -Business location
(advantage/disadvantage)
 4. **P**ricing strategy
 5. **P**eople – target market



Marketing Strategy examples

NIKE - Over the past three years Nike has decreased its spending in TV and Print advertising by 40% and is shifting resources into the digital realm.

<http://management.fortune.cnn.com/2012/02/13/nike-digital-marketing/>

McDonalds – With the sluggish economy McDonald's is stressing value to grow guest count and coax customers into buying regular-price items.

<http://nrn.com/article/mcdonalds-stress-value-marketing-strategy>

Creating a Marketing Mix

- A business can control 4 elements of marketing that it combines in a way that reaches the businesses target market.
- Product, Price, Place (distribution), & Promotion
- A business can change any 1 or more of the ingredients to reach specific target markets (People)



Product

- The Product ingredient of the marketing mix includes decisions about the product's design, brand name, packaging, and warranties.





Pricing

- The Pricing ingredient is concerned with both base prices and discounts. Pricing decisions are intended to achieve goals, such as to maximize profit or make room for new products.



Place

- The Place ingredient concerns the distribution channel. Not only transportation and storage but also selection of intermediaries.
- How many levels of intermediaries should be used? Should the product be distributed as widely as possible?



Promotion

- The Promotion ingredient focuses on providing information to target markets.
- Advertising
- Personal Selling
- Sales Promotion
- Public Relation



Marketing Plan

- A Marketing Plan is a written document that specifies a company's description, mission and goals, core competencies (competitive advantage), SWOT Analysis, competition, target market, marketing mix, budget, timeline, and monitoring.
- REFER TO SAMPLE MARKETING PLAN ON CLASS WEBSITE



IMPORTANCE??

- Primary goal is to communicate a clear consistent message to employees and customers about the direction of marketing, promotion, and branding.
- Helps marketing managers monitor and evaluate the marketing strategy.
- Marketing Plans need to be updated frequently.



EXECUTIVE SUMMARY

(Read example-Blue Sky Clothing)

Outlines the Who, What, Where, When, How, and Why of the marketing plan.



COMPANY DESCRIPTION

- Summarizes the history of the company; how it was founded and by whom, what its products are, and why they are unique.

It begins to “sell” the reader on the growth possibilities for the company.

Activity- Lay the foundation of the business-
Write the Company Description including an introduction to the marketing plan...



MISSION STATEMENT AND GOALS

- State the company's mission statement and goals including financial and nonfinancial goals.
- Include growth and profits for the company as well as the community benefits.
- Class Activity- Find your favorite company's mission statement and share it with the class
- Write the Ranger Station's Mission and Goals



CORE COMPETENCIES (COMPETITIVE ADVANTAGE)

- What does the company do well?
- How does it plan to achieve a sustainable competitive advantage over competitors?
- Should focus on building relationships with customers.

SWOT ANALYSIS





SWOT ANALYSIS

- Provides an outline of the marketing environment. Clearly identifies the company's strengths, weaknesses, opportunities, and threats.

(See chart on example)



COMPETITION

- Identify and describe the company's competition
- Describe how the company rises to the challenge of the competition.
- Refer to any surveys or research conducted in this area



TARGET MARKET

- Identify the intended market segment(s) the company is targeting.
- Describe current target market and new markets the company is seeking.



MARKETING MIX

- Outline the details of the 4 P's.
- Product
- Price
- Place (include distribution strategies)
- Promotion



BUDGET, TIMELINE, MONITORING

- Include actual financial details such as projected sales for the next three years. If there will be new products introduced describe when and how much.
- How will the plan be monitored and evaluated? How will the company know if the marketing plan is successful?
- How will the company address shifts that need to be made along the way?

(See example also go back to your Goals)



CREATE YOUR OWN MARKETING PLAN

- You will prepare and create a marketing plan for the expansion of the Ranger Station through adding an on-line store and how the student store can expand it's market share on Tuesdays.
- This assignment will be done independently
- See rubric for details.