

MARKETING CONCEPTS FOR D&K SUOMI

CASE STUDY WITH D&K SUOMI



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ABSTRACT

The purpose of this thesis was to examine possible suggestions for D&k Suomi on how they can penetrate and successfully market their product in Nigeria. D&k Suomi is a Finnish company based in Finland that manufactures soap with natural ingredients.

The theoretical framework included examining market segmentation, a marketing mix, Porter's five forces model, marketing concepts, marketing planning, a marketing strategy, swot analysis and marketing analysis.

The research methodology part in this thesis depicts an understanding of what marketing research is about. This part includes the research questions set by the writer and the company, the research method used in this thesis and the methods used to collect data.

The survey questions were done and sent to D&k Suomi. At the time this project was being conducted representatives of D&k Suomi were in Nigeria to plan on how to begin their operations. The survey questions were divided into two parts, questions targeted to the retailers and the consumers. The survey questions were made using online survey software and analysed with it as well.

The results from the questionnaire brought up some suggestions on how D&k Suomi could successfully penetrate the Nigerian market and market their products. The survey questions, analysis and suggestions are presented towards the end of the thesis.

Keywords Marketing concepts, mode of entry and marketing strategy.

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1 INTRODUCTION

Consumers are the most vital targets in the global market and a company's capacity to reach out to them means a lot, therefore managing consumer relationships with the consumers, enables the progress and success of the company's market. However for a firm to effectively gain part of the market share, various strategies needs to be implemented. The aims and objectives of a firm are to have its products widely known and accepted and for its usefulness? and create benefits which they want to market to the consumers.

Thus making the right decisions and knowing which marketing strategies to use to achieve these goals are very essential due to the various reasons that influence customer purchasing decisions. In other words it is therefore important to understand the market values, marketing concepts, products, marketing strategies, distribution channels, brand loyalty, the quality and price levels.

1.1 Commissioning company

D&K Suomi stands for Deborah Kabare, a Finnish company that manufactures soaps, detergents and shampoos. The company is located at Sellukatu 5a, 33400, Tampere in the Pirkanmaa region of Finland. Initially the business started over a year ago and now they have plans to market their business in Nigeria. For D&K Suomi to be successful in marketing their products in Nigeria it could be stressful and tedious, but if the right steps and proceedings are taken into consideration, the risks can be reduced and the goal of the company can be achieved in due time both in Nigeria and potentially enabling further spreading to other African countries.

1.2 Background

During the course of operating in Finland d&k Suomi found out that there was a need to expand their operations and create awareness of their products to the global market. This brought up the idea of marketing their products to Nigeria and spreading their operations gradually to other African countries. They are willing to do this although coming into the African market could be tedious due to the existence of other competitors in the market.

Nowadays it is said that consumers are more accustomed to what they see often. Therefore elaborations to have potential consumers, retailers tend to increase the market awareness and thus maximize the profits.

1.3 Purpose of study

The essence of this thesis project included recommending to d&k suomi how to market their products in Nigeria and elsewhere in Africa. The company manufactures shampoos, detergents, and soaps. Due to the large consumption and wide range of the African market d&k Suomi will definitely benefit from the sparse population that will enable them to enjoy from the availability of marketing their products. Thus the company required research to enable them penetrate into the Nigerian and African markets.

This thesis is divided into the following parts: introduction, theoretical framework, research methodology, data collection and data analysis and conclusion.

2 THEORETICAL FRAME WORK

The theoretical framework describes the theory basis to this project and its approach to marketing as a whole.

It includes marketing terminology, various ideas and models that could be implemented when planning on how to market a product to new firms. It also provides an understanding of the concept of marketing.

2.1 Definition of marketing

Marketing is a managerial process that shows, enhance and gives consumers the need of coherence and yield income revenue. Marketing can also be defined as the genuine functional aspect of a business that includes managerial experience and knowledge. Basically it involves organizing and survey, material allotment, constraint due to finance, sufficient trained workers and corporal materials.

Furthermore it involves the joint observance and analysis, based on other managerial activities, which could be implemented and organized with the influence of the consumer to gain the market. (Brassington & Pettit 2000, 5.)

2.2 Market segmentation

Market segmentation separates a market into good phase differentiating a produce from other products in the market. A market segment involves combinations of consumers that have similar sets of demands. The seller's duty is to recognize the right digit and disposition of different market sections/phases and determine solidly which one to focus on. (Kotler & Keller 2012, 214.) Marketing segmentation can be defined as a preceding idea for marketing speculation in factual implementations. Marketing segmentation does not exceptionally create several ways of applying the marketing ideas, also it basically accelerates a company's marketing concept and material allotment. (Hollensen 2003, 307.)

	Current Products	New Products
Current Markets	<p>Market Penetration strategies</p> <ul style="list-style-type: none"> Increase market share Increase product share Increase frequency of use Increase quantity used New applications 	<p>Product development strategies</p> <ul style="list-style-type: none"> Product improvements Product –line extensions New products for same market.
New Markets	<p>Market development strategies</p> <ul style="list-style-type: none"> Expand markets for existing products. Geographic expansion Target new segments / customer groups. 	<p>Diversification strategies</p> <ul style="list-style-type: none"> Vertical integration Forward integration Backward integration Diversification into related business (concentric diversification) Diversification into unrelated businesses (conglomerate diversification)

Figure 1 Ansoff product-market matrix. (Hollensen 2003, 275.)

Figure one above shows the Ansoff product-matrix that helps in strategizing on how to implement various strategies on how to penetrate a new market or an already existing market either by coming into the market with a new product or an already existing product. The strategies are further explained below.

2.3 Marketing penetration

Marketing penetration is a form of a strategic way by which a firm implements a ready-made product into a market and with a possible way of enlarging its quantum in the market. (Hollensen 2003, 275.) Marketing penetration can be sub-divided into two parts;

The strategic means to influence consumers for increased usage of the commodity occasionally, thereby overlapping consequentially other exist-

ing manufacturers in the market. Basically this phase can be used to the commodity frequently lacking and wanting to take the market from the existing manufacturers.

The strategic means to cease the market straightaway from existing manufacturers thereby enlarging by piercing and gaining part of the portion of the market. It can be attained whether by modifying the commodity benefaction or by modifying the placement of the commodity. (Hollensen 2003, 275.)

2.3.1 Marketing development and product development

Marketing development and product development involves creation and marketing of new commodities to consumers and new geographical areas, while product development is a strategic means of changing products, standard, methodology, efficiency and variation. A firm should basically follow its master plan of goods business improvement, and allot materials to certain markets and concentrate its performance on the most recent goods in these certain areas. (Hollensen 2003, 277.)

Creating new product development is an important role in a firm that marketing does in creating and bringing up new successful products. New products can be authentic products, products innovations, product modification, and newly created brands that the company develops with its own innovation strength. One of the major reasons to creating an efficient product development process is to implement an easy structural organizational process. (Karunakaran 2010, 139.)

2.3.2 Diversification

Diversification is a strategic process that a firm markets new products into a new market. It could involve high risk because the business is going into markets in which the firm does not have experience about or little information about. A company that wants to make use of this strategy must have a good idea about what it wants to achieve from using this strategy. (Andrew 2010, 61.)

2.3.3 Competitive advantage

In order for a firm to have successful marketing strategy over its already existing competitors to increase its profits and achieve market values it is important to comply with the standard of goods, market portion and “profitability” needs to be met. Basically a company needs to devise a means in its competitiveness to be smarter than the rivals thereby interacting with the market environs.

The company should basically be able to meet the consumer needs, wants and demands. Furthermore for a company to integrate into a certain market environment, it has to create a competitive platform for itself that involves materials, efficiency irrespective to others in environment making

its products uniquely different and stand out amongst other products in the market. (Hollensen 2003, 58.)

2.3.4 The Four (4 P's) of Marketing Mix

Basically the marketing mix can be said to be the comprising of marketing tools to achieve goals and satisfying specific consumer needs. Furthermore it can be said to be marketing pursuit, which eventually brings advantage to the consumer. The way that which the opinion are naturalized and implemented is called the marketing mix.

The mode by which the marketing mix as a collection of specific tools of marketing was created by "Borden in 1950" and the short form was given as 4P's which means product, price, promotion and place, which the meaning of these tools was defined by McCarthy in 1960, while the marketing mix develops suggestions for the consumer. (Brassington & Pettit 2005, 20.)

2.4 Product

Product deals with the invention and care of goods or commodity which does not only entail what to produce, but when exactly to produce it, what procedures to produce it, thereby also ensuring that the product has a long period of time usage and satisfaction. Basically a product can be said not just to be only a real object, in the marketing world it could be said to be an essential component, such as afterwards-purchase offering, warranty and other things that enhance to differentiate the goods from its rival competitors and makes the consumer more interested to buy it. (Brassington & Pettit 2005, 20-21.)

In other words the product phase, explores the rival products to try to conclude the placement strategy. It includes analysing a rival goods focus market and various forms that profitability can be earned, meanwhile the marketing mix can point out the focus market. (Hollensen 2003, 185.)

Furthermore the product can be said to be a commodity and service that depicts what a firm wants to offer to consumers in market. (Ramachandra, Chandrashekara & Shivakumar 2010, 38.)

2.4.1 Production concept

Production concept can be said to be one of the major backbone of a business that handles the customer desired commodity that is broadly accessible and not costly. It also requires that the production manager needs to focus on attaining top-level manufacturing skills and knowledge. Furthermore the production concept helps if a company or firm wants to expand its market region of operations. (Kotler & Keller 2012, 18.)



Figure 2 Four P's of marketing mix www.business-fundas.com 2011

2.4.2 Selling concept

Selling concept could mean that consumers may not want to buy a company's products if they are abandoned without being sold. Majorly it is being implemented profusely with unpaired products. Retailers rather may not think of purchasing it as indemnity, then companies with overproduction could forecast to sell what they produce, instead of making what the market requires.

A market that is being focused on difficulty selling is dangerous, customers may assume to purchase the product and after purchasing it, could return the product or probably speak bad about the product. (Kotler & Keller 2012, 18.)

2.4.3 Core products

For a firm to have a unique and standard competitive advantage their product needs to be unique, therefore the core product is an initiation stage, which the plan of a commonly unique core-product begins. Further additions are included to the core product to fit the market requirement.

Earnings are made by the reduction of the manufacturing and buying costs, thus similarly the firms taking this into consideration will have versatility that enables them to change the product easily. (Kotabe & Helsen, 2011.)

The core product depicts the main part of a product i.e. the main purpose why the product was created and bought. The main purpose of a product can be for usage or for personal issues and it must create some ideas for marketers to brainstorm on to gain better advantage.

The core product can be divided into four parts;

- *The tangible product* is a vital part of the core product that depicts how the marketer implements efforts on the core product, which makes it look realistic brightly shows and connect to the offering of the core benefit.
- *The augmented product* portrays additional formation of inseparable component that involves in the product; but can be in usage by manufacturers and retailers to make increments in products offerings.
- *The potential product* phase depicts the unique and strategic view of a product. The 3 phases have shown the information of how a product is important, in other words the marketer has to brainstorm and possibly come up with various ideas on how the product can look like in due time to come. The potential product is defined in a phrase that it's feasible and tends to change, such a way as keeping away from its rivals. (Brassington & Pettit 2005, 174.)

2.4.4 Core competencies

The core competency is a vital approach which tends to position the firm's product, when the company has located its target markets, the administration of should develop a certain strategy to gain the target market and then know how to implement its products into the heart of the target customers as fast as possible. Basically territory modification or moving customers desire tends to make a company to recheck its core competencies. (Kotabe & Helsen, 2011.)

2.4.5 Brands

A brand is a design or logo that stands for product recognition. A good brand represents a product that has a high standard, sustainability and competitive advantage against other existing rivals. (McDonald, Wilson & Hugh 2011, 147.)

Furthermore a brand can be said to be a "name, sign or mark" attributed to a product or services and which buyers put in their mind-set towards. Basically a brand can portray, as a link of ideas in a customer's memory to remember every properties of a product such as the picture while buyers

create memories towards their mind-set thereby being called “perception” and for a brand to acquire a high market value the properties of the product must involve in the life-style of the buyer.

A common perception of creating a brand could be either by advertising or creating a logo. Advertisement has a major role in creating brands when making it look different from other rivals when it comes to picture differentiation. Thus for a brand to achieve its goals, picture brands must have a product, cost or asking price and supplying stations that enhance the image transmission through commercials and logos.

A brand can be made known to buyers via the means of commercials such as media, television, and newspapers, therefore brands are vital, dangerous and needs patience and devoted time to create. Meanwhile the creation of a brand is led by creativity. (Tybout et al. 2010, 115-118.)

2.5 Price

Basically in the initial stage the price is not mostly regarded as it may be, since it is not directly proportional to calculating the costs and profitability margins, thus the price of a product should show the reaction of the customers, based on the fact that customers tend to examine the value or quality of their idea towards what they are purchasing if it's worth it to spend their money on the product. Furthermore price has a particular positioning that sends out messages to different type of consumers in the market, for instance an individual could take a price for a tag of value or quality for a certain product.

Rival products could see the price as a competition, because a firm could reduce the price of its products, which could make it products affordable for the consumers, meanwhile high price tag could show that there are profits to be gained and there is space for rival products to reduce and takeover the market. Thus price is a vital and versatile component of the marketing mix that is very easy to twist and also a very threatening component that should not be tampered with because it is a straight connection between revenue, profitability therefore firms should take precaution whenever it has to be modified. (Brassington & Pettit 2005, 22.)

Price can also be said to be the readiness for the purchase of a product that varies amongst others. A product value that is favourably good in a region could have a less or no value in another region. Thus a high price in western world can be categorised as a sign of luxurious entity for a lot of goods. (Kotabe & Helsen 2011, 127.)

It can be a major factor in a firm that widely has an important role and it is being determined by the “Finance and Accounting” department while the marketers have opinions over the prices placed on the products. (Tybout, Calder, Kotler & Philip 2010, 182.)

Price could be said to be the unique value of an item or service that is in a form of money. Furthermore price of an item or service tends to depend on what the seller feels is the equivalent in money, when it is being sold to

a customer. If there is no money involved in trade the transaction can still take place then the price won't be involved such trade were common in the trade by barter economy also it exist presently in a small scale. Therefore without price wouldn't be increase in marketing society. (Sherlekar et al 2010, 187.)

The price of a product or service is what a consumer pays for before owning the product. When the price is being determined the firm should always decide what the value of the product would be to the consumer. Price can also be said to be the value of goods expressed in monetary form that a buyer pays in return for the item. (Ramachandra et al. 2010, 109.)

2.5.1 Pricing strategies

The company needs to make pricing decisions that inter-link marketing actions with the aim of the activity. Further important marketing features are required in order to have a successful pricing decision such as:

- Sales revenue
- Profit margins
- Rate of return on investment
- Trade Margins
- Advertising
- Sales promotion
- Product image
- New product development

In order words making the price decision is very vital in the implementation of the marketing mix. The pricing strategy decides the state and position of the company in the market against its competitors, the efficiency of pricing approach should not be lowered merely because of cost and financial criteria. (Sherlekar et al 2010, 189.)

Pricing strategy can also be driven to bring the customers closer to the product by the price alone, individuals may also want and maybe willing to purchase the value and basically modifying the service offering and trading approach to maximize the opportunities. Pricing strategies can be divided into three parts namely skim strategy, neutral strategy and penetration strategy. (Burton, Mark & Reed 2008, 49.)

2.5.2 Skimming strategy

The skimming strategy is used to set a specific high price in respect to the existing market rivals. It is used to increase earnings from the market rush. It is also a service to customers enabling them to visibly see, and making it look different from competition. Furthermore skim-pricing strategy solely depends on your strength to show the services that a firm provides more revenue benefits than the market competition. Thus this process is mostly implemented at the beginning stage of the product lifecycle which consumers that do not pay close attention to the price in order words seeing it as the first customers to try out a new product.

Basically since products involve lifecycle process in order to keep the skim process relevant is based on the variations or other benefits being added to the services. Skimming pricing strategy could be dangerous if a firm depends on it too much because it can therefore create market chances of new rival products that want to enter the market. (Burton et al 2008, 51-52.)

2.5.3 Neutral strategy

The neutral pricing strategy tends to put price in place that is close to the market competition, with the motive of lowering the effect of the price competition. In other words firms that use this form of pricing strategy do this due to the fact that they want the concept of the rivalry for consumer business to be something else other than the price of the product. Basically they cannot cope with the price variations for a firm that wants to compete with a large existing market competitor, thereby making the use of this strategy as a choice for a new firm coming into the market and trying to compete with a big market competitor that exists already. In addition neutral strategy can be said to be implemented when a market is growing gradually or barely growing, in this case making it possible for price to lowered and merged with other rival products in the market and reduce price and make it reduce the marginal value for the rival products. (Burton et al 2008, 53.)

2.5.4 Penetration strategy

The penetration pricing strategy specifically price is being used and the main feature here to be the caption key for drawing the customers nearer for transactions and giving them a critical reason to make decision to buy the firms product. This strategy works perfectly well when it is being used to cover a market segment. It could also bring up some problems such as the consumers who were the first to patronize the products based on the price that attracted them to the product will be the ones to leave first when another rival comes with a low price strategy, so priced competition thus creates lower competition is favourable and that can be managed.

In addition, another advantage which a firm can have over an existing market rival is by using new acquired technological equipment which other competitors have not yet implemented and this enables the company to run their operations smoothly and more efficiently better than the competitors. Furthermore this strategy can be used efficiently when a firm creates a large space and use that space quickly and effectively before the rivals, thereby implementing an increase in the production size and thereby being the ones to enlarge and take more size and occupy investments by rivals due to the fact that they are left with low size or low price market to offer.

It is a strategy that must carefully implement if not rivals can easily counter and attains various means to overcome changes due to their own way of price strategy penetration. (Burton et al 2008, 53-55.)

2.6 Place

The place in the marketing means different activities implemented to make the product accessible to the main customers. It involves assigning wholesalers and retailers, influencing them and therefore creating awareness, notifications and organizing transportation and warehouse storage. (Ramachandra et al. 2010, 38.)

It majorly involves the transportation of products to various start point and end point and what action takes place at the point of purchase. In order words there are various stations, which goods go through intermediaries when products are being dispatched from the start point to the delivery point for the customers, and also the dispatch problems that are included to make it possible. Furthermore, the major act that is mostly seen and involves in the customers products in the station of dispatch is the retailer.

Manufacturers and Customers similarly need to entrust the retailer to do justice to the goods to conserve items and to enable fulfilment transaction experience. Also retailers encounter lots of marketing problems when making choices as other administration, so therefore they make use of marketing mix tools to solve this issues but with a little different prospect; in order words they encounter special marketing problems such as storage location, warehouse, developing storage layout and environment. (Brassington & Pettit 2005, 22.)

2.6.1 Retailers

A retailer's work comprises of various activities ranging from trading of goods and services straight to the main customers for individual usage or not-business usage. Retailer or retail warehouse can be any firm that run all its transaction activities comes basically from its retail. (Kotler & Keller 2012, 447.), Retailers are the salesperson in between that purchase goods from a station, so the good are then sold in various quantities to suit personal consumer needs. A retailer is the final element in the station that trusts producers with consumption and also retailer's communication with consumers are always frequent and tight. Retailers are divided into 2 groups. (Ramachandra et al. 2010, 131.)

- a) Institutional Retailer: These are retailers that often goods are being delivered to a mostly large or medium scale shops and consumers can purchase goods directly from the shops examples are;
 - Customer co-operative shops
 - Fair price shops
 - Departmental stores
 - Chain stores or multiple shops
 - Mail order house
- b) Non- Institutional Retailer: These are retailers that pick up the products from the distributor and the sell it on the street directly to

consumer instead of the consumers going to the shops to purchase the product examples are;

- Street sellers
- Pedlars
- Hawkers

2.6.2 Wholesalers

A wholesaler or distributor can be said to be a middleman that purchases goods in large quantity from the manufacturers and trade them in whole quantity and dispatch in smaller quantities to other middlemen in the channel. (Ramachandra et al. 2010, 130.)

Basically wholesaling involves and encompasses all the major activities in trading products and services to other merchants that purchase and re-sell either for individual use or for business use, it does not include producers and farmers because they are involved in manufacturing and also it does not involves retailers as well. (Kotler & Keller 2012, 461.) There are major types of wholesalers, which includes as follow,

1. Merchant Wholesalers: Can be said to be private business owner that take the label to the merchant they control. They have filled-service workers, distributors, and mill supply warehouse. (Kotler & Keller 2012, 462.)
2. Full-Service wholesalers: Their activities involve the transportation of stock, sustain trade force, give credit services, offer distribution, and give managerial aid. Basically wholesale merchants trade directly to the retailers. A few wholesale merchant transports various goods, while few transport one or two, while others carry only partly. Factory distributors trade to producers and could enable offerings like credit and delivery. (Kotler & Keller 2012, 462.)
3. Limited Service Wholesalers: They are involved in the activities of cash and carry and they basically trade limited trend of quick delivery of goods to little retailers for fast payment. Truck wholesalers trade and transport little semi-decayable products to shops, hospitals, supermarkets, restaurants and hotels. Drop transporters offer bulk factory such as weighted tools, they take responsibilities for the damage and duration of which goods are being ordered and until when they are being transported to its destination. (Kotler & Keller 2012, 462.)
4. Brokers & agents: They enhance purchasing and trading also getting some sort of commission varying from two percent to six percent of the trading price involving little role mostly focus by goods or consumers. Brokers also known as Dealers fetch shoppers and traders together and help in discussion of transactions, also they are being paid for their services being rendered while being hired.

Agents portray or serve as customers basically on major and constant occasions. Most producers have small businesses and with workers that have high expertise, meanwhile sales agents have the commitment and control the trade of a whole manufacturer's product, purchasing agents major activities involves procuring for customers and always supervise storage warehouse, and transport merchandise; commission trader take categorically the control of goods and dialogue on the sales. (Kotler & Keller 2012, 462.)

5. Manufacturers and retailers branches and offices: Wholesaling activities are made traders or customers individually other than via individual wholesalers. Secluded branches and offices are devoted to transactions and most retailers bring up sales offices inside the main markets for easy access for the customers. (Kotler & Keller 2012, 462.)
6. Specialized Wholesalers: They involve in agricultural activities that involves the purchasing of agricultural products of many farms, large petroleum plants and stations. (Kotler & Keller 2012, 462.)

Distributors and are different from retailers in various ways, basically distributors don't focus on development, area and place, due to the consumers. Basically distributors businesses often are bigger than retail businesses and distributors always cover a wider sales area than the retailer. Basically government have a mutual understanding with distributors and retailers vary due to legal law and taxes. Furthermore distributors have more efficiency in fulfilling various activities as follows;

1. Selling and Promoting: Distributors transaction's strength enables producers to get major little business consumers with a very low cost. Distributors have strong alliance and regular conversation with consumers majorly assuring them other than to believe other producers.
2. Buying and Assortment Building: It is easy for a distributor to pick items and create varieties of consumer needs, in order to enable them work.
3. Bulk Breaking: Distributors implement discounts for their consumers by purchasing large goods that can be then split into smaller packages.
4. Warehousing: Distributors keep large stocks, whereby lowering the stock costs and danger to retailers and consumers.
5. Transportation: Distributors can always supply fast delivery to consumers due to the fact that they keep close contact with the consumers.

6. Financing: Distributors majorly finance consumers by making credit available and finance suppliers purchasing faster and payment of bills on-time.
7. Risk bearing: Distributors take some danger by taking responsibility of loss of costs, damage and spoilage.
8. Market information: Distributors provide information to suppliers and consumers in connection to rival proceedings, new goods, costs developments and others.
9. Management services and Counselling: Distributors mostly assist retailers and surpass their activities by rendering training sales staffs, assisting with shop design and displays and building up accounting and stock systems and also helping in technical abilities. (Kotler & Keller 2012, 462.)

2.7 Promotion

It is one of the most vital stages of the marketing mix that involves interaction and convincing the consumers to purchase the product based on the value of the product. A firm must undergo the promotional activities such as advertisement; individual selling, sales promotion and public relations to enable to create the awareness of the product. Basically in promoting the products a large sum of finance is being involved by companies in order to beat the other rival competitors in the market. (Ramachandra et al. 2010, 61.)

Furthermore the promotion is a process that can be majorly seen, everyone that does not purchase the product for any reason or situation can still be opened to your advertisement and have a change of heart towards the product. Cultural difference sometimes may often be the main reason for a company's communication strategy. (Kotabe & Helsen 2011, 128.) In addition promotion involves majorly transmission that is often viewed as the enormous final stage of marketing. Furthermore it does not involve only transmission methods neither advertising alone but involves sales promotions, personal selling, public relations and direct marketing.

2.7.1 Importance of promotion

The major importance of promotion is to move mass marketing to the main targeted customers and directly use a big mix of promotional communication mix tools to cause issues for the marketers. Consumers do not differentiate between the information link the way marketers do theirs. In the heart of the customer publicized information from various communication agencies and from various promotional means all come together and be one piece of information about the firm. Communicating efficiently to the main direct market the product properties. Uniqueness and benefits is the genuinity of various promotional strategies. The main activity of promotional attainment is to implement and conserve interactions together with various big market sections. (Ramachandra et al. 2010, 148.)

The importance of promotional activities are listed below:

Promotion enables prospective consumers to be aware of a company's goods and services.

In times of gaining strong hold of the market against other products the already made promotions and publicities that have taken place will help the company to remain relevant in the market.

Large production could be gained basically with the aid of a bigger scale trading that is achievable via the means of promotional activities.

It could be difficult to sell goods during unstable competition because of the product variations, therefore the properties of a single competition is based on its trading price; this price is what is spent on the promotional activities to create the awareness to the buyers.

Promotion is the reason for the existence of demand for firms' goods via the means of communication, convincing and influencing the customers to purchase goods.

Various intermediaries are involved ranging from the distributors to the retailers that have been in between the manufacturer and consumer. The required instructions are being sent to both the customers and the intermediaries in return they interact with the consumer concerning the goods, basically promotional activities are vital.

When economic depreciation and downturn hits, trading becomes a problem, during this period promotion and publicity are very vital to speed-up the demand for the goods or services the firm offers. (Ramachandra et al. 2010, 149.)

2.7.2 Communication mix

Communication mix also known as promotion mix. It is a set of activities that are drawn up, considered as an effective role in the sequence of promotion. Generally all the marketing promotions must be structured and become part of a whole body and rather not is stand-alone. Basically the communication mix consists of four elements:

- Advertising
- Publicity
- Personal Selling
- Sales promotion

In general all the marketing promotion mix tend to enhance and cajole buyers behaviour, imagination, the way they live and their life style, values and preferences towards a firm and its goods and thereby making im-

pact on the buyers behaviour. (Sherlekar, Prasad, Nirmala & Salvadore 2010, 250.)

2.7.3 Advertising

Advertising can be said to be a form of payment being paid for promotional ideas, products and services by a firm. It is the objectives for the salesperson for mass selling, and a way of communicating with the customers. (Sherlekar et al 2010, 250) Advertising is said to be a pricing process of conveying information to the target customer. Basically advertising is organized and initiated to convey information efficiently.

It can be said to be both scientifically and artistically, the main purpose for advertising is to trade goods and services but it is not a direct sale process. It doesn't sell directly but it tends to persuade the customers to purchase goods from the firm. It is also a means of mass communication in order to gain its goals; therefore creating a great advertisement increases the turnover and profit of a firm. (Chunawalla 2010, 66.)

2.7.4 Publicity

This can be said to be a strategized attempt in order to conserve bond between a company and its environment. The payment is not made directly by the firm that basically doesn't imply that publicity is lower in price than advertising. Publicity involves about new products, conferences, seminars, awards, prizes, cover features, interview etc. they all target the promotion of the firm and the firm's product. In general publicity is more complete other than advertising. It encourage initiating commendatory atmosphere for the firm, meanwhile advertising has a slim aim of selling. (Chunawalla 2010, 66.)

It can also be said to be non-individual stimulation of want for goods, services or market unit by implementing commercials and notable information about it in media forms or gaining desirable presentation of the information in the radio, television or platform that is not paid for by a sponsor. (Ramachandra et al. 2010, 150.)

2.7.5 Sales promotion

This covers other marketing activities other than advertising, publicity and personal selling that stabilize customer transactions and retailer efficiency. In order words those activities are basically in form of exhibitions and demonstrations and other lots of non-procedural form of trading at some time of sale. Therefore it can be said that sales promotion aid to supplement the other forms of the promotion mix. (Sherlekar et al. 2010, 251.)

Furthermore sales promotion can be said to be part of promotion as an aspect that is confined to direct incentives on a short period of time to customers or sales in order to stabilize transactions of goods and services. The incentives basically include coupons, price offs, premiums, larger

quantity, trading stamps, free gifts, exhibitions and presentations. It also enhances to strengthen advertising and personal selling by co-ordinating and supplementing their strength in their locations. (Chunawalla 2010, 182.)

2.7.6 Personal Selling

Personal selling is an individual communication process with another individual with for a purpose of sales. Therefore factory items can easily be sold preferably by personal selling marketer is in a state to tell about the properties and quality of a product to the customer. Salesman generally is always in the post to convey message such as the uniqueness features of the goods. In most cases nowadays the marketing manager makes the decision on a precise mix on advertising and personal selling, therefore the salesman can immediately get response during the interaction with the buyer and can see how their message is being conveyed if its in a right manner.

Personal selling is a deep means of passing messages across to the buyers, individuals may miss an advertisement on the media but it is difficult to dismiss a salesman which makes it one of the most effective communication tool because it requires face to face conversation. In order words it is not a tool for mass communication. (Chunawalla 2010, 67.)

It can be further said to be an oral form of presentation that involves one or two or more potential buyers for the essence of making sales. (Ramachandra et al. 2010, 150.) Furthermore in addition to the existing four marketing mix three new elements have been added which can be further called seven p's or extended marketing mix. The three new elements consist of People, Physical evidence and Process. (Andrew 2010, 87.)

2.8 Physical evidence

Physical evidence can be said to be the materialistic part of a service, in order words there are no physical properties of a service so therefore customers depend on the materials. Examples of physical evidence are packaging, Internet & webpages, paperwork (invoices and despatch notes), brochures, furnishings, uniforms, business cards, the building such as offices & headquarters, mailboxes etc. During events brand logos, tags can be basically seen and this shows which particular company it belongs to. In order words some firms majorly depend on physical marketing as a way of marketing their products to consumers. (Andrew 2010, 87.)

2.9 People

Humans are the most vital part of any service and experienced services can be produced at the same time be consumed, and part of the consumer skills are being modified to meet the personal need of the person using it. Individuals can think of circumstances where personal service that is being offered by persons. Consumers tend to buy from people they find in-

terest in, so the behaviour, skills and appearance workers needs to be very good. There are few steps in which humans include value to experience in the marketing mix training, personal selling and customer service. (Andrew 2010, 87.)

2.9.1 Training

Staffs that are involved in meeting customers need to be well trained with a lot of skills and keep great individual personalities. As soon as staffs begin working they should be trained during orientation process that reveals the worker into the company's environment and also informing them about the companies rules, regulations & strategy. The tasks involves 'on the job' and both 'off the job'. On the job can be said to be training while the job is going on while off the job can be said to be the process at which the training is taken at a place e.g. a school. (Andrew 2010, 100.)

2.9.2 Customer service

Customer service means the provision of skilled experts on financial services, technician aid, and offering suggestions on information technology applications organizes the consumer usage such as communicating with a sales person. The orientation of such individual is very vital to a firm because the approach of the process, which they implement, and use, is very high. (Andrew 2010, 100.)

2.10 Process

Process can be seen from three different perspectives,

- a) Various people could see processes as a way to achieve a result such as gaining market share, which a firm includes, a marketing planning process.
- b) Marketing involves few processes that integrate together which bring the creation of a whole marketing process for example telemarketing and Internet marketing can both be integrated.
- c) In other words it can be seen that marketing processes can be made used to direct the marketing mix, which means process that evaluates the goals of marketing aims & objectives.

These phases listed above are quite eligible but do not only focus on the consumers, in terms of marketing mix, process is a component of service that sees the consumer benefiting from what a company is offering. In addition it can be said to be what buyers are involved in various times.

Always give value through all elements of the marketing mix, process, physical evidence and people enhance service offering.

Feedbacks should be taken and the mix can be modified.

Consumers should be kept and other offerings and products should be marketed to them.

The main process can be patterned to the needs of various consumers, which also want to try the service also.

Process uniquely has contributions, throughputs and outcomes. Marketing puts value into stages of the process (Andrew 2010, 100).

2.11 The 7 C's of marketing mix

An official insight into the consumer-focused thereby satisfying the consumer needs is known as the four Cs namely commodity, cost, channel and communication involves the 7C model. This model is basically known as the four Ps of marketing mix but it has been rephrased to provide benefits for consumer focus. The four C's model creates provision for demand/consumer and an option for the known four Ps model (products, price, place, & promotion) of marketing management. (Vivek, four c's & seven c's of marketing mix24.5.2010.)

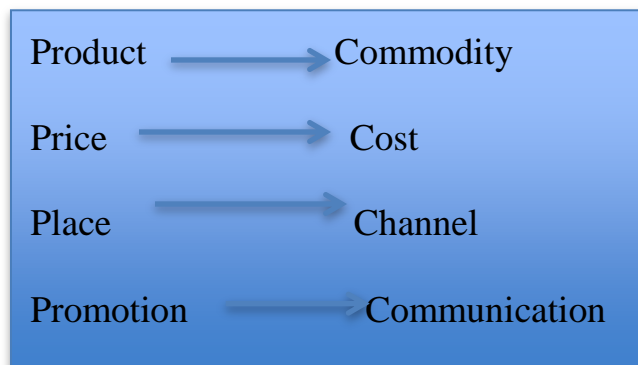


Figure 3 Four c's and seven c's of marketing mix24.5.2010 modified from slideshare.net

The four components of the seven C's model are below;

Commodity: This is the main goods being sold by a firm to the buyers.

Cost: This means the sum of the total marketing expenses.

Channel: This is means the various distributors and marketing channels to enable the movement of goods and services.

Communication: This means the marketing communication.

The seven C's compass model is embodied is based and directed towards the consumer marketing mix. Thus the structure of the seven C's compass model includes; corporation and competitor, commodity, cost, Communication, channel, consumer & circumstances. In order words the model is being directed to the following;

2.11.1 Corporation & competitor

Corporation is the basics in correlation to the four C's of marketing, which makes it a very good idea to concentrate on the corporation of the firms, it is also required to accomplish the marketing plans alongside with the firms objectives. It is also required to make sure that inner communication such as corporate communication or corporate identity system difficulties are being eradicated because in the market there are firms of the same business, which are the rivals. (Vivek, four c's & seven c's of marketing mix24.5.2010.)

Furthermore during the decline of economics firms or corporation manufacture the appropriate "*commodities*" for the end users or nationals considering the whole marketing "*cost*" by firstly capturing their acceptance through the adequate "*communication*" and then also capturing their trust by choosing effective "*channels*" together with the external situation. This will help a firm to remain in the market during the decline of economics. (Vivek, four c's & seven c's of marketing mix24.5.2010.)

2.11.2 Consumer

The consumers are the people that surround a firm, and they are not just buyers because of the four p's of marketing that have brought them to the firm but nationals that have been brought up with the perception of a good consumer behaviour, however they are also known as the potential consumers. There are four phases which the compass are related to the consumers which is known as N, W, S, E. (Vivek, four c's & seven c's of marketing mix24.5.2010.)

N = Needs: This means that a firm basically has various offers for its end users or consumers to be able to meet their needs and satisfy them accordingly.

W = Wants: This is the substance that is needed and embodied in respective to the commodity.

S = Security: The firm has to make sure about the safety of the commodities, safety of the manufacturing process and also include guarantee of after sales of the commodities to the consumers.

E = Education: The buyers should know about the information of the commodities they are purchasing such as the features and properties. (Vivek, four c's & seven c's of marketing mix24.5.2010.)

2.11.3 Circumstances

There are different problems resulting to environmental factors that surround the firm. In relating to the factors of the consumers it is a bit similar to the circumstances situation namely N, W, S, E.

N = National and International circumstances: This deals with the national situations that are related to politics and law making international geographical zone more vital.

W = Weather: The firm should be aware that natural hazards are bound to happen, therefore a firm should always be at alert and always forecasts from time to time so as to be prepared so that it does not affect their marketing plan.

S = Social and Cultural Circumstances: When a firm decides to market their product internationally they should make research and findings about the social situation of the desired country.

E = Economic Circumstances: This deal with the changes of climate that cannot be controlled, factors include energy, resources, foreign income & expenses, financial circumstances and circumstances & economic growth. (Vivek, four c's & seven c's of marketing mix 24.5.2010.)

2.12 Porters five forces model

Figure four below shows the porters five forces models. It aids to recognize and analyse the rival competition in a market area, also it can be implemented to help a firm understands the market it is in presently and intended market its going into. The models are named below;

- New Market Entrants
- Bargaining power of supplies
- Bargaining power of Buyers
- Threat of Substitutes
- Rivalry among existing Firms

Merging these model strength together shows that major gains and revenue could be gained prospectively in the production and if the power models are stronger, then the capability of a firm to increase and gain higher profits are being slim. Furthermore a higher competitive power could be taken as a threat and a lower competitive power can be taken as advantage and threat to create favourable plan. (Jeyarathmm 2008, 70.)

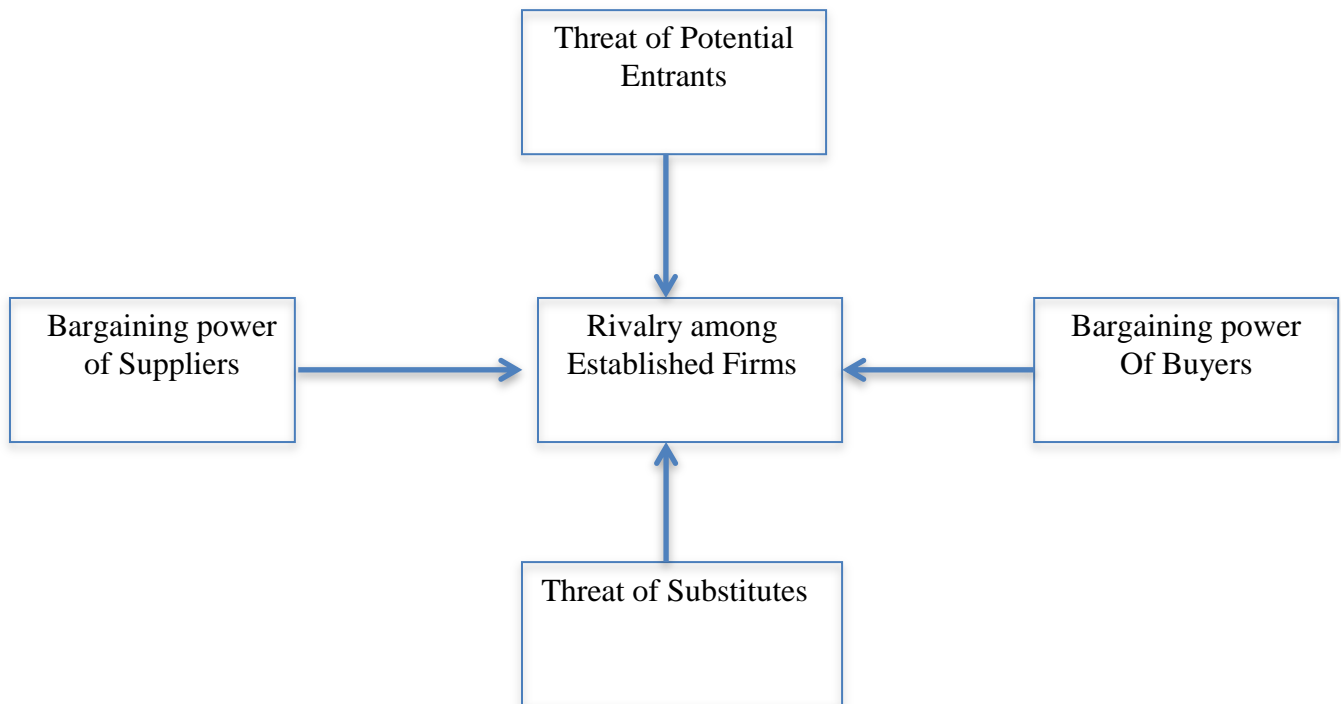


Figure 4 Porters Five Forces Model (Jeyarathmm 2008, 71).

2.12.1 Threat of new market entry

The entry of a new prospective firm coming into the market is a major threat and concern to already existing major firms in the market. New rivals coming into the market/ industry tend to bring in new ability such ranging from resources and various equipment with the determination to earn the market value and share. The firms that already exist in a market does not want another prospective rival to come into the market by raising the limit of barriers and this causes drawbacks for a new firm coming into the market. The idea of the barrier means that there is a cost that is needed to join an industry, the high cost makes it impossible for a new rival to enter the market when it is known that the income revenue will be high. Various possible barriers to enter a market can be as follows;

- Economies of Scale

Economies of scale in manufacturing and trade depicts a special cost benefits and opportunities for existing products over a new rival, it can be acquired through reduction of price and large quantity of production, discount on large purchase of raw materials and advertisement. When the new rivals see that the costs are extraordinary expenses, they will not be able to enter the market due to the fact that high risks decisions have to be made in order to enter the market so they exit. Firms that already exist in the market with economies of scale have lower threat of new competitors coming. (Jeyarathmm 2008, 71.)

- **Product Differentiation**
A firm needs to create a brand loyalty thereby continuously creating advertisement for the brand, develop products, customer service and high product quality. Various products create heavy advertisement to build brand loyalty. The act of breaking down a consumer loyalty is expensive and reduces threat of new rivals coming into the industry.
- **Cost Advantage**
Firms that already exist always obtain cost benefits because of the access they have to raw materials, cheaper funds, higher manufacturing techniques, secret processes, managerial skills, government subsidies, asset obtained from pre-inflation costs and other benefits that comes up. The cost benefits and opportunities of companies lower the threat of new rivals coming into the industry.
- **Capital Requirements**
A firm needs to have good financial resources or materials for creating structural provisions, storage and to execute unnecessary cost in the market could be a barrier for the new firms coming into the industry.
- **Access to Distribution Channels**
Smaller companies find it hard to obtain their own space for distribution of their own goods because distributors basically give already existing companies various benefiting options meanwhile the already existing companies are ready to pay for heavy publicity to generate consumer demand.
- **Government Policy**
For a company to start a business in a specific region, it needs to get licence for whatever operation they want to carryout, basically the government sets various requirements, therefore if rivals company that wants to enter the region and do not meet the requirement it could be a barrier for not being able to come into the industry.
- **Brand Identity**
A company should create a brand that consumers will obtain great benefits from and making its value different from other products in the market, creating a brand with a strong value is always a problem for new firms coming into the industry. (Jeyarathmm 2008, 72.)

2.12.2 Bargaining power of suppliers

The bargaining strength of a supplier can be seen to be a threat to new firms coming into the industry. Suppliers have the strength and power during negotiation, increase the price or offer low quality of products and services, in order to lower the profits of the firm. In other words if the suppliers are not strong enough then it is an advantage for the firm to bid lower prices and get good quality. Porter analysed that in order for a supplier to be strengthful certain conditions have to be met below:

- The supplier factory is surrounded by various firms that trade within the industry.
- The product and services varies, specially when there has been versatility of costs have been involved.
- Replacements could be scarce or not available.
- Suppliers lay threats and intend moving ahead and challenge already existing companies. (Jeyarathmm 2008, 72).

2.12.3 Bargaining power of buyers

Customers can be seen as threat when they make firms to reduce purchasing price or when they want more quality and better service with their strength of negotiation. Also customers can be seen weak if they give the firm advantage to increase price and gain more profits. According to Porter consumers are powerful with the following criteria below.

- There are various suppliers but there are few customers
- The customers buy in big quantities.
- There are various replacements of suppliers but their products tend to have low quality and not distinguished.
- The cost of changing price is not expensive.
- For the suppliers to gain large share of sales on orders it depends on the customers to buy large sum of amount of goods.
- The quality of the purchased item may not be important or the cost of the customer's product.
- The customer has the ability to improvise by manufacturing the product itself.
- Customers can make use of vertical integration as a means to reduce price (Jeyarathmm 2008, 73).

2.12.4 Substitute products

These are replacement products that fulfil equivalent needs but they are different. According to Porter replacement products reduce the potential earnings of any firm by implementing a strict price, companies in the market can demand. The availability of close replacement products becomes a threat, price can be limited as well as profitability for a firm. Furthermore if there is little availability of replacement products it will give benefit to a firm to increase the price and earn more high profitability. (Jeyarathmm 2008, 73.)

2.12.5 Rivalry among existing players

When the strength of competition is weak between already existing firms in the market, firms can increase prices and make more earnings. If the

competition is tough between the existing firms, the price competition and price war could occur and this will lower the earnings of a firm. The strength of competition between existing companies can be due to the following reasons below:

- Industry competitive platform
- Demand policy
- The extent of exist barrier in the market. (Jeyarathmm 2008, 73-74).



Figure 5 Marketing concepts modified from gktoday.in 2010

2.13 Marketing concepts

The diagram in figure five above shows the concepts of marketing that involves the key marketing strategies for a firm to enable them in achieving their goals, making profit and satisfying customers, nevertheless either old or new consumers. Basically little part of marketing allocation has graphically been allotted straight towards already existing consumers.

The marketing concept acts to organize and implement all various organizations departments to achieve a certain goal, profit and thereby extending and satisfying customers. (Hollensen 2003, 9.) In order to be able to assimilate marketing process, the need to comprehend the following concepts of which are divided into the following parts namely needs, wants & demands, products, values and satisfaction, exchange transactions and relationships, markets. (Basic marketing concepts, 2010.)

2.13.1 Needs

Needs can be defined as the fundamental requirements by humans such as food, materialistic items, and pleasure, leisure that human heart desire, which develops and become, wants when they are solely customized materials to benefit the need of satisfaction. (Kotler & Keller 2012, 10.)

It can also be said to be something that one is lacking or not privileged to have which is being required. There are different types of needs such as physical need, social need that tends to be needed at some point in human's life. (Basic Marketing Concepts, 2010.)

2.13.2 Wants

Wants can be defined as an item to satisfy a need, when it is being backed by a buying demand decision then it becomes a demand. Want rely on both internal and external factors. Furthermore want can be defined as a fierce aspiration in something but does not continue to exist after a period of time. (Andrew 2010, 12.)

2.13.3 Demands

Demands can be defined as wants for specialized products with the intention of being paid for. E.g. lots of people want to buy a Porsche car but not all can afford to buy it. Firms should determine the amount of persons that wants to purchase their items and alternatively ready and able to afford it. (Kotler & Keller 2012, 10.)

2.13.4 Value and satisfaction

Customer values and satisfaction should be the most vital part and concern for a firm offering to serve its customers, so understanding the nature of consumers needs, demands and wants. (Brassington & Pettit 2005, 20.) Customers have desired value for products they want and also customers pick the best value for money.

Thus firms have to provide market offerings that fulfil and satisfy the customers want thereby giving the customers a chance to judge on the value of what their money is being spent on if its worth it or not. (Basic Marketing Concepts, 2010.)

2.13.5 Exchange, transactions and relationships

Exchange is a form of getting a desired item from a person by also giving something in return. Before an exchange can be made it has to involve two or more people or from an organization to another, when this takes place it is known as a transaction, which becomes a trade.

Transactions may not be forcefully done but could be necessary and it can be for profit or non-profit thus the unit of measurement is known as the

transaction. Furthermore if there are good relationships during transactions, it could last longer than expected. (Basic Marketing Concepts, 2010.)

2.13.6 Mission statement

In order to setup marketing strategies a company should be ready to itemize what type of business they want to offer to the consumers, will it be of good quality to the customer, what will be the outcome of the business, what will the business be about. These questionnaires are commonly majorly tough for organizations to solve. Companies that excel vigorously implement these ideas and continue to solve the questionnaires. Furthermore companies create mission statements and then passing it on to the supervisors, workers and sometimes to the consumers.

An elaborate and straightforward mission statement brings a greater chance of wide range of success. (Kotler & Keller 2012, 38.)

There are five major mission statement characteristics;

1. Concentration of few numbers of aims & objectives: The statement manufacturing the best standard commodity, provide the best service, attain a broader delivery and sell at cheaper cost” request little more.
2. Straining the organization’s core approach and values: Making the scope of a person’s initiative limited so that workers can obey constantly on serious matters.
3. Mission statements will showcase the core competitive area, which the organization will function.
4. Mission statement takes long duration of time: Administration should change the mission when it seems not to be applicable.
5. Mission statement can be little, catchy, and relevant as viable (Kotler & Keller 2012, 38).

2.14 Marketing planning

Market planning can be defined as a practical method to ascertain a scope of ideas, to pick multiple options of them, afterwards plan and price out what has been implemented to attain the goals. (Brassington & Pettit 2005, 397.)

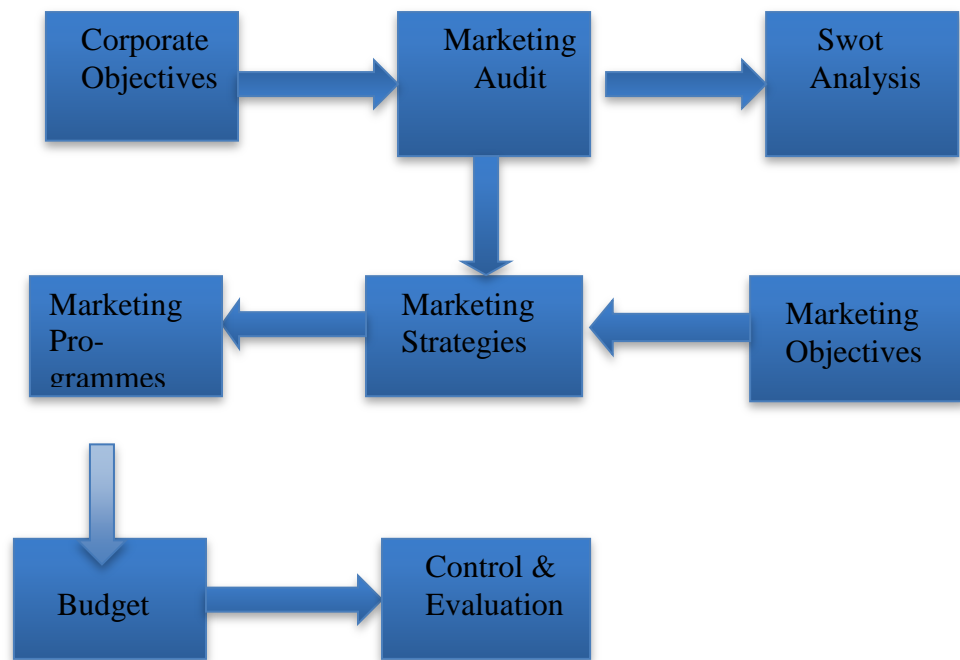


Figure 6 Stages in the Planning Process: (Brassington & Pettit 2005)

Figure six above shows the stages that involves marketing planning, basically the formation in a marketing plan could be different varying from the broadness and difference of the company, and the concentration could differ and be unstable in the area and the constant problems facing the company, few stages in the planning process can mostly work effectively in any situation. (Brassington & Petit 2005, 397.)

2.14.1 Corporate objectives

The corporate mission can be defined as the set of goals and objectives that a firm should outline and follow to achieve success, setting ambitions, visions and values are also included. (Jeyarathmm 2008, 17.)

Corporate objectives are the most vital decision in the planning process, they explain the direction, priorities and relative positions of a firm in a market. The objectives include market share, sales, profit and return on investments. (Brassington & Petit 2005, 398.)

2.14.2 Marketing audit

Marketing audit is an important element in marketing control and evaluation process. It is known as a systematic, comprehensive, independent and periodic assessment for a firm’s environs, aims and objectives, strategies and activities to control the problems and opportunities in the environment. (Karunakaran 2008, 269.)

Marketing audit is a way by which a firm understands how it inter-relates with the environment that its activities are carried out. It also a mean which a company analyse its strength and weakness in relationship to its opportunities and threats. (Brassington & Petit 2005, 399.)

2.15 Marketing objectives

Marketing objectives are vital for firms, to visibly define what must be gained through the marketing strategies that will be used and also helps in guideline of how they measure their success during this process. (Brassington & Pettit 2005, 410.)

It is a special and precise target that company's to gain in the various areas of their operations that are included in the company's mission statement and their goals. (Hollensen 2003, 4.) Marketing objectives can also be said to be the final stages which a firm tends to achieve or earn through the various operations already been carried out. (Jeyarathmm 2008, 17.)

2.16 Marketing strategy

Marketing strategy can be said to be one of the main focus of market, and the mode of which it is implemented is taken into consideration and what needs to be executed in various ways to establish a solid and moderate status, suitable within various markets. Marketing mix strategy could be structured to be suitable to the company's strength with the focus on market advantages. (Brassington & Pettit 2005, 393.)

Marketing strategies also concentrate on various methods that a company stands out and distinguishes it from other brands emphasizing on its capability to ensure better customer satisfaction to its customers. It can be said that marketing strategy is the product of a genuine and expensive spot, which includes various set of proceedings. (Hollensen 2003, 261.)

2.17 Budget

Budget is a statistical means of documenting the amount of the marketing plan that a firm will implement, making it possible for the firm to analyse how much will be spent on various operations that will be carried out. (Basic Marketing Concepts, 2010.) It can also be defined as a specific and outlined way to maintain materials that are requested to control and evaluate the price efficiency of various marketing activities and also it needs versatility because of the changes in forecasts. (Brassington & Pettit 2005, 419.) Furthermore it can be said to be a managerial tool that regulates what a firm need to spend on what is required and help to decide on priorities of choice. (Hollensen 2003, 676.)

2.18 Control and evaluation

Control and evaluation is an essential part for the firm to make sure that the operations are going on as it should be properly and the results are what it is supposed to be. It can also take the form of long term or short-term view. (Brassington & Pettit 2005, 419.) Control and evaluation is an essential aspect that needs to be re-assessed often prior to the earlier objectives that the firm sets and making sure that good feedback system is put in place to enable customers give feedback. (Basic Marketing Concepts, 2010.) Marketing control includes the assessment of results of the marketing strategies and plans and making sure that the right actions are

being taken to ensure that the objectives are being achieved. (Karunakaran 2008, 268.)

2.19 Market analysis about Nigeria

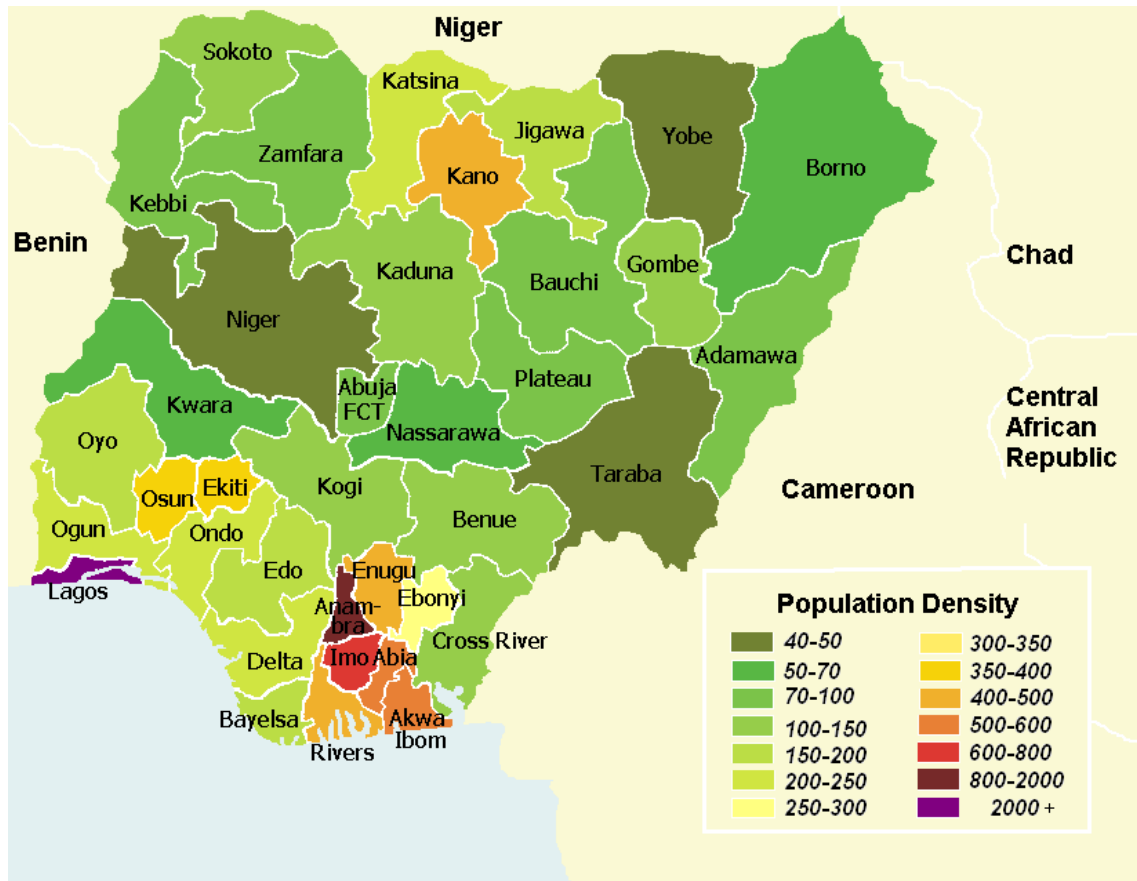


Figure 7 The Map Of Nigeria modified from Wikimedia.org

Nigeria is located in West Africa bordering the Gulf of Guinea between Benin and Cameroon. It has the population estimated of about 135,031,164 million people. (Kwintessential, 2013.)

The Nigerian market is a large market which consists of 36 states in total which make it a diverse market, it is not really structured and organized, which makes a little bit tedious to know where to start marketing your product from. Strategically it is more advisable to pick selected city with large population to start marketing product before spreading out to other cities.

Dk Suomi has picked three major cities to start marketing their product, which is namely Lagos state, Kwara state, and the capital city Abuja, starting a business in these cities is very good because of the population and the profitability and the income revenue that is to be made.

Basically Nigerians believe in fashion and style what you wear depicts who you are and what class you belong to, foreign brands and products easily pierce the heart of Nigerians because they believe in fashion. Since

Dk Suomi is a foreign brand they have an edge advantage over local products for a start.

2.20 Collection of d&k suomi products.



Figure 8 Soap with natural coffee ingredients.



Figure 9 Collection of soaps with natural ingredients by Dk Suomi

2.21 Swot analysis

Swot analysis stands strength, weakness, opportunities and threat. It is a method that is implemented in strategic management that helps a firm to

achieve its goals in the market. It also shows opportunities that are available and that are not yet fully exploited which a firm can quickly grab and make use of.

Opportunity may not have a value until an organization make full use of it then it becomes an opportunity. (Jeyarathmm 2008, 113.)

Swot analysis is a method specifically created to aid and identify favourable marketing strategies for an organization to follow and successfully achieving their market targets, thereby it involves the internal and external factors that affect environments of the organization in both positive and negative ways. (Hollensen 2003, 265.)

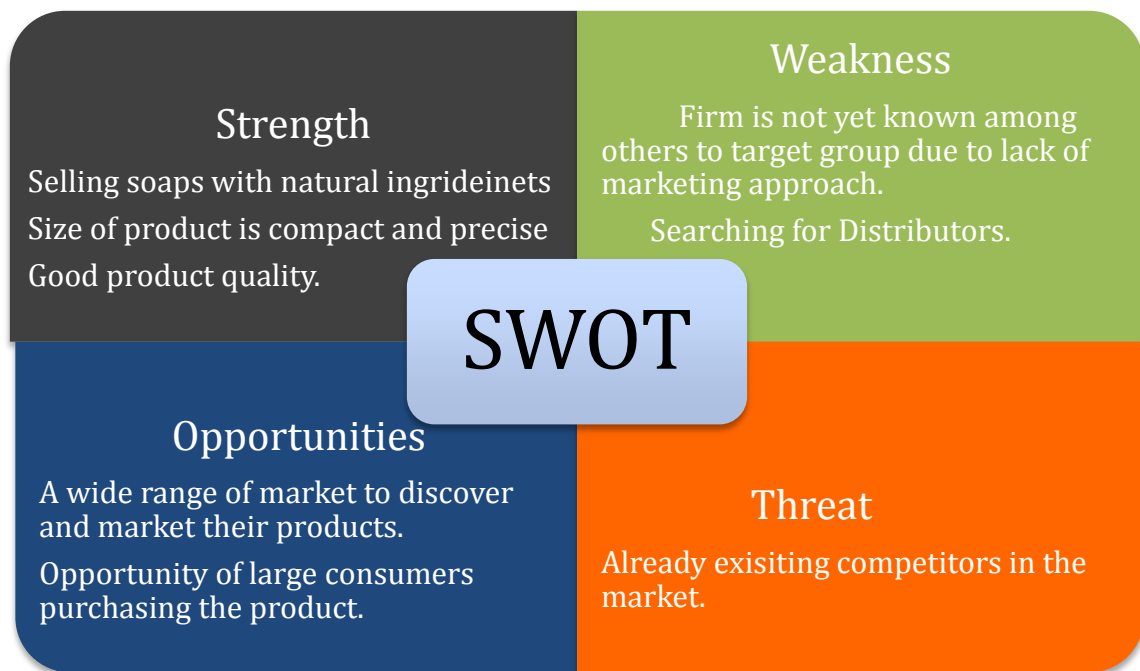


Figure 10 Swot Analysis of Dk Suomi.

2.21.1 Strength

Figure ten explains the strength, weakness, opportunities and strength of Dk Suomi, which helps them to know favourable marketing strategies to follow whereby analysing both internal factors and external factors and making use of their opportunities that surrounds them.

Dk Suomi manufactures soaps with natural ingredients that which make their product stand out from other soaps existing in the market. They manufacture their soap in a compact and precise shape, which makes it easily visible and fierce. The product quality is very good and hopefully will suite a wide range of people. Thus Dk Suomi have the opportunity of reaching out to large customers that enables them to try the product as quickly as it becomes available in the market.

2.21.2 Weakness

Dk Suomi will need distributors to distribute their products to retailers before it gets to the consumers, getting distributors is one of the restraints they will face because distributors have products and various firms that they work with. Distributors can be approached with various offers and various incentives which enables them to distribute Dk Suomi's product, when trust is gained then distribution spreads out to cover large area.

2.21.3 Opportunities

Dk Suomi enjoys wide range of opportunities entering into a wide market, first their soap is made of natural ingredients which makes it special amongst others, secondly they have the opportunities of consumers trying out their product being a new product in the market and the quality value.

2.21.4 Threat

Dk Suomi will face already existing manufacturers of soaps in the market but as they are going into a wide market there is space for everyone to market their product and as customers want to try new product Dk Suomi will enjoy that and once the trust has been established between the consumers and Dk then they continue to purchase the product and thereby improving on their marketing strategies to win more customers to their side.

3 RESEARCH METHODOLOGY

3.1 Marketing research

Marketing research is a mode of organizing, recording and making analysis of data that has been gathered about marketing difficulties and thereby enhancing possible decisions to solve the problems. It can also be said to be collection of systematic designed to analyse and reporting of facts and findings related to a particular marketing problem facing a firm. (Sontakki 2010, 3.)

Furthermore marketing research can be defined as a function that connects the consumers and public to the marketer via information that is then used to know the marketing advantages and difficulties and evaluating marketing actions. (Brassington & Petit 2005, 135.)

3.2 Research question

Marketing a product in a new environment can be tedious for a new company, considering the fact that there are already existing competitors in the market. This led to Dk Suomi to set out the following research question to possibly suggest strategies on how they can market their products in Nigeria and Africa.

- What means can D&k Suomi use to enter into the market.
- What marketing Tools and Models can be used to approach the market in order to get the desired result.
- What are the effective and efficient research methodologies available for D & K Suomi to achieve its goals in Nigeria.

3.3 Research Method

The qualitative approach is used for the research and questionnaire is being used in this thesis with the retailers and consumers as the main target segment. The data and result collected from the questionnaire is regarded as highly accurate since it was sent to the main people that are concerned and will purchase the products.

3.4 Data Collection Method

The data was collected from retailers and consumers in Nigeria by the commissioning company through survey questions. The analysis and result was made based on the data collected. About 43% of the total surveys made were able to respond to the survey while about sixteen consumers were able to respond directly approached at the market.

4 DATA COLLECTED AND ANALYSIS OF DATA

This chapter shows the analysis implemented and discusses the results gotten through the survey that was given out to the focus consumers and retailers. The questionnaire is further explained below in the chapter.

4.1 Marketing survey For Consumers

1. The price affects my purchasing decision of soap.

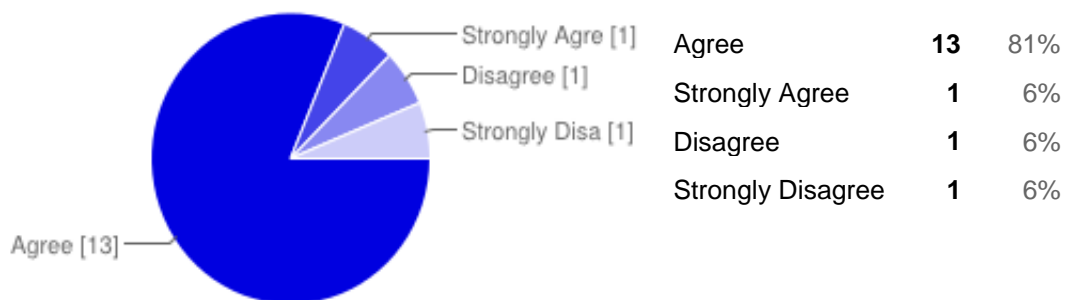


Figure 1 Consumers view on price.

Figure one shows that 81 percent of the respondents accepts that marketing competitive price affects the purchasing decision of a product, it could either be because of the quality of the soap. In other words consumers tend to have their loyalty on a specific product but sometimes consumer's compromise and want to try out new products regardless the price.

2. I care about buying a branded soap product.

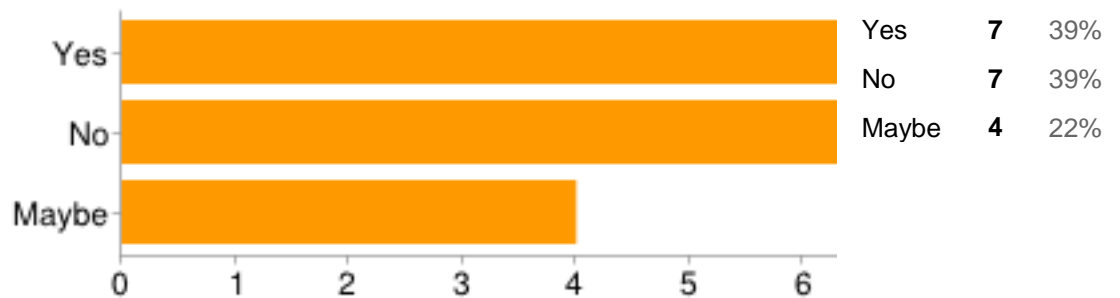


Figure 2 Consumers view on branding.

The chart above shows that 39 percent of the respondents agree that when purchasing a soap product, branding and packaging is being considered and plays a vital role when making a decision on purchasing soap. According to the chart also another 39 per cent group do not care about the branding of soap but the quality should be good.

3. The choice of my desired soap product is based on the availability in the market.

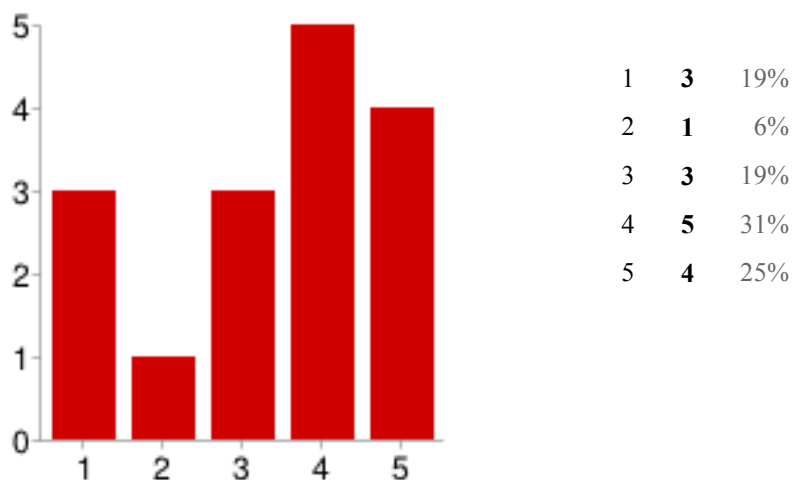


Figure 3 Consumer response on the availability.

The chart in figure three shows that 31 percent prefer that the availability of their desired product in the market during the time of purchase also influence part of their loyalty to the product. Therefore if the products are available at the market on regular basis consumers expectations are being met and by doing this customer relationship can be maintained over a longer period of time.

4. Advertisement and promotion influence my buying decision of a product.

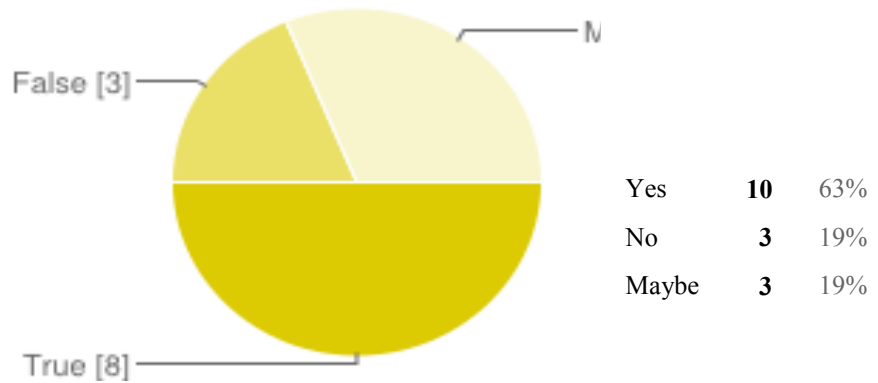


Figure 4 Advertisement and Promotion of product.

In figure four shows that 63 people agree that advertisement and promotion influence their decision in purchasing a product. For a new firm that want its products to be well known, creating awareness and publicity is very vital, it is easy to reach out to the masses through advertisement, by doing this consumers are quickly aware of the product and have the eagerness to try out the product.

5. Competitive price has influence on my purchasing decision.

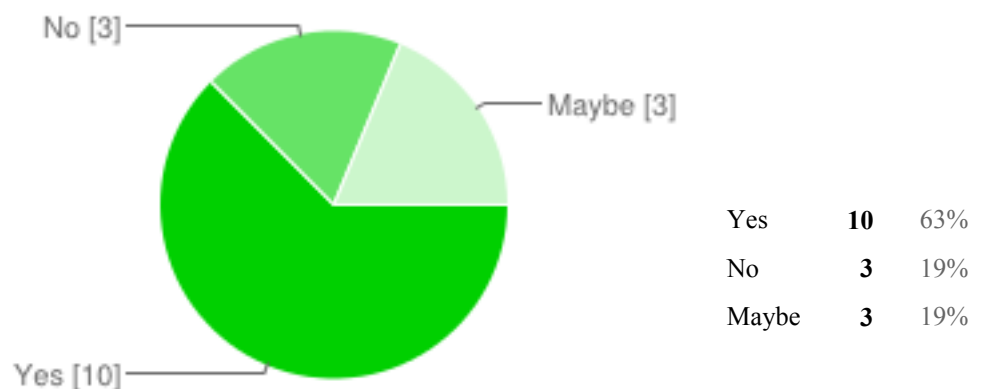


Figure 5 Consumer view on price competition.

Price competition is a critical and sensitive issue in that a firm must focus on when coming into the market. Figure 15 shows that 63 percent respondent said that competitive price influence their purchasing decision which implies that the price of a product must not be to low or to high in other to keep the market relevance. In order words other respondents said that the price competition does not affect their purchasing decision which makes easier for a firm to also target both groups and slowly achieve their goal.

6. The quality of the soap determines my patronage.

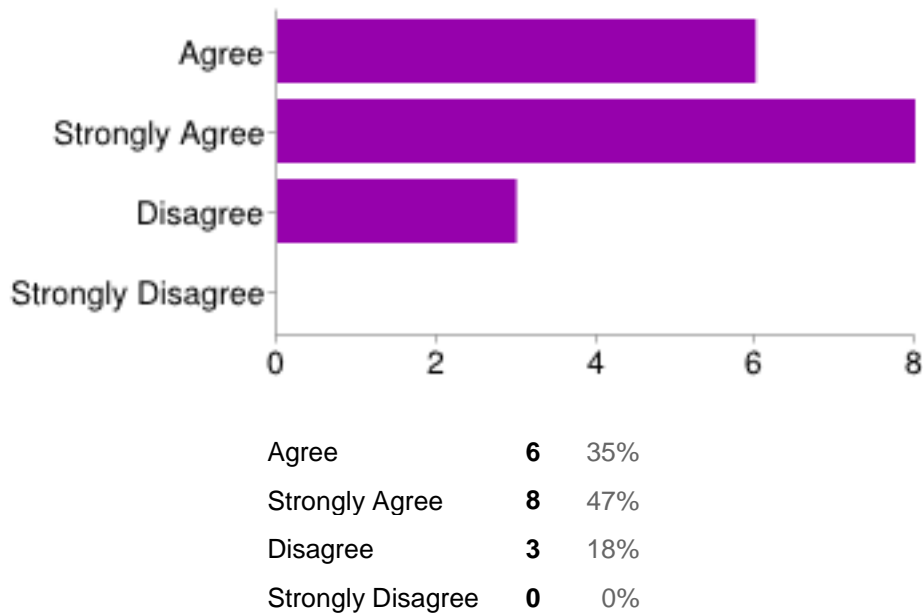


Figure 6 Survey on consumers patronization.

The chart in figure six shows that 47 percent respondents strongly agree that due to the current quality of the soap they use they always go back to buy the same product. It shows that if the quality of the soap is good consumers will try it out and then come back for to re-purchase. Dk Suomi have a soap product can not be resisted when being tried out since the product comes with natural flavour they stand high chance to gain consumers that will try the product based on the quality and definitely will continue to buy the product.

7. I have a favourite soap I purchase all the time.

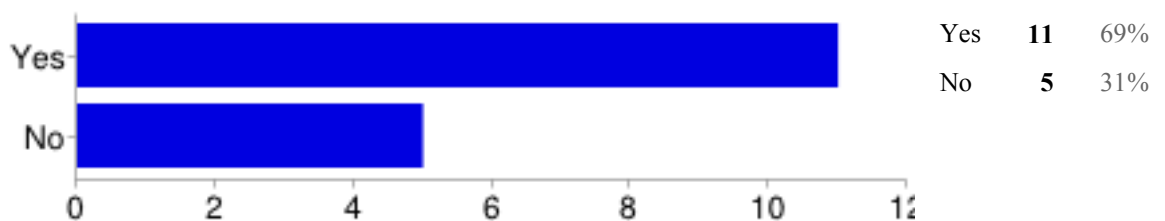


Figure 7 Survey on consumer choice of soap purchase.

It can be seen in figure seven, the chart shows that some 69 percent have favourite soap they purchase all the time, while some 31 percent do not have favourite soap that they purchase which means that they are opened to different market and probably could be ready to try out new product.

8. Are you satisfied with your current soap quality?

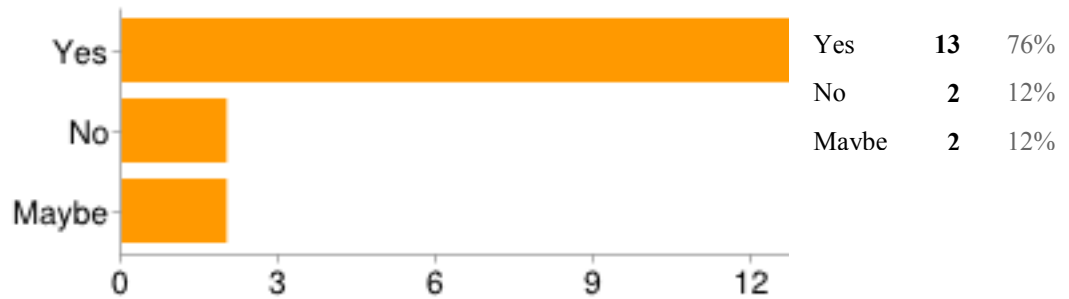


Figure 8 Survey on consumer satisfaction of quality.

The chart in figure eight shows that 76 percent people are satisfied with their current soap quality, which possibly means that a firm has to work more extensively on the quality of the product and continuously improve on their product quality, because consumers want change consequently because after a period of time they could get bored on the product and want to try out another product, meanwhile other respondents are not satisfied with their current soap quality capturing this group could be easy because they would like to try out a new product coming into the market and possibly like it.

9. Will you recommend your favourite soap to others?

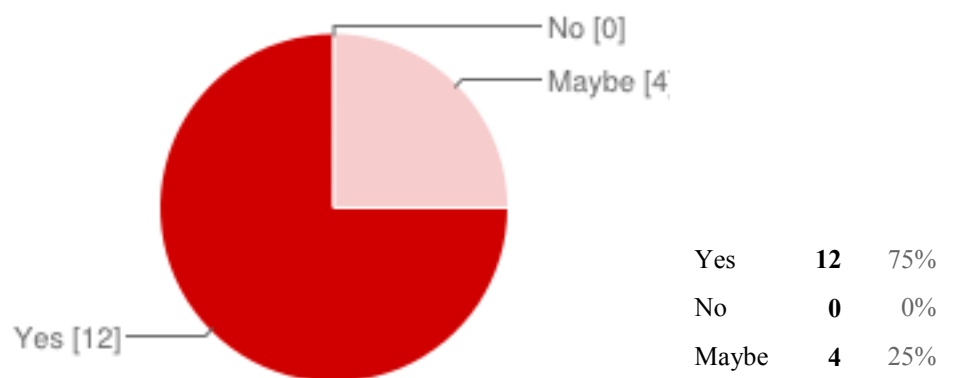


Figure 9 Survey on consumer serving as a promotion service.

Figure nine shows that 75 percent of the respondents said that they will recommend their favourite soap to others possibly family and friends, with this Dk Suomi can be rest assured that if consumers try their product out and are satisfied they will recommend it to others and thereby enlarging

their customers, mean while other respondents said that they could either suggest the product to others and there was no respondent that said they will not recommend the soap to others. The recommendation can also be said to be a means of promoting the products further to reach out to other people.

4.2 Marketing survey for retailers.

1. I purchase soap products based on its appearance or packaging.

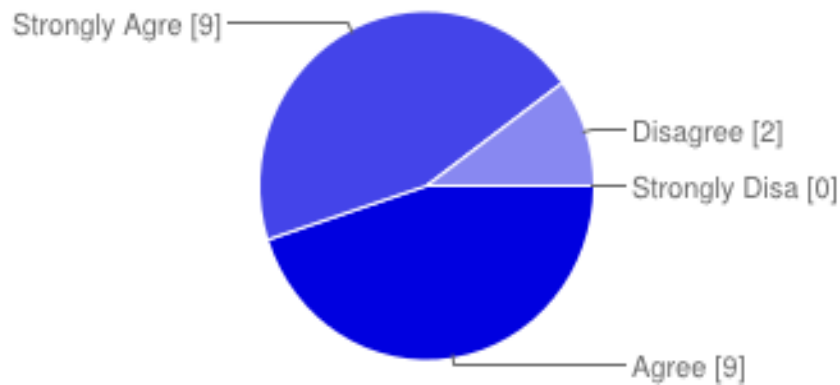
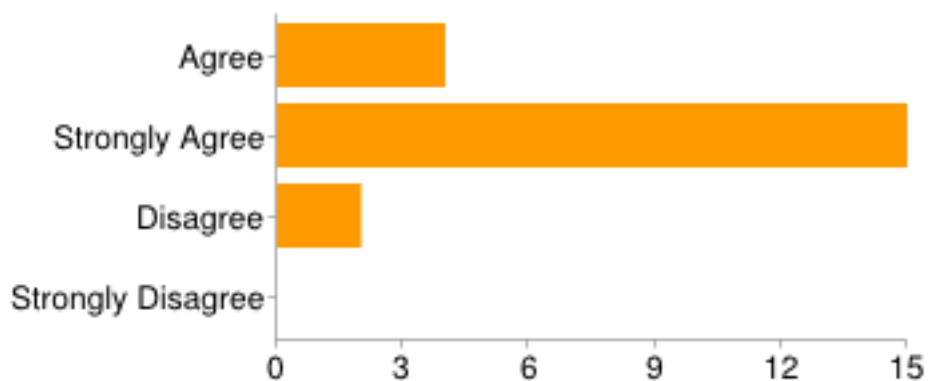


Figure 10 Survey on retailers view on packaging.

Figure ten shows that 45 percent of respondents retailers shows that they purchase soap products based on the appearance and the model of its packaging. Dk Suomi's product is being well packaged which will make it very attractive to consumers and retailers will at least be opened to try out their products.

2. We sell soap products based on its demand in market.



Agree	4	19%
Strongly Agree	15	71%
Disagree	2	10%
Strongly Disagree	0	0%

Figure 11 Survey based on demand of Product.

The chart in figure eleven above shows that 71 percent respondents strongly agree that they sell soap products based on the demand from customers. Basically when Dk Suomi starts selling their product one of their targets is to make their product on high demand from consumers. Once this is being achieved they become increasingly one of the market giants existing and also further improving consistently on their strength.

3. Do you supply soap with natural ingredients?

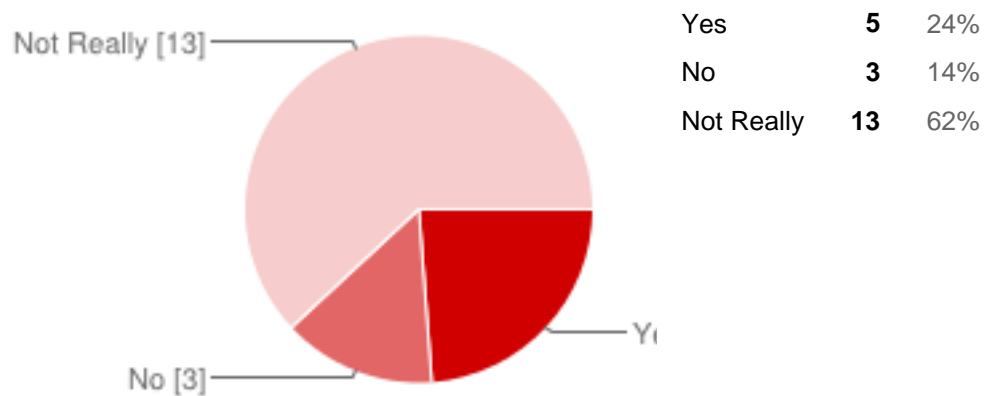
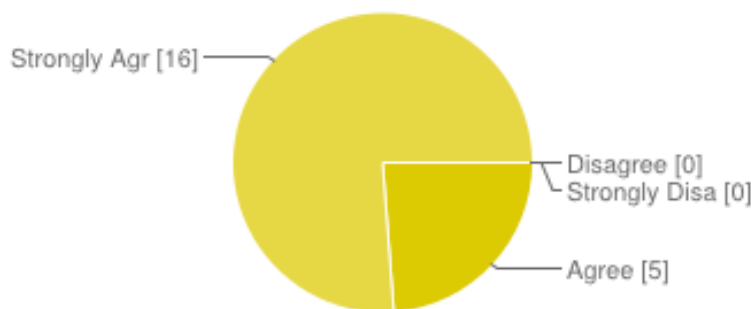


Figure 12 Survey based on quality of soap.

Figure twelve show that 62 percent respondents do not really sell soap with natural ingredients. Since Dk Suomi's product is outstanding from other products because of its natural kind of flavour and ingredients its been made of, retailers will want to try to market their kind of products and see if they attract more consumers and make more profit since making profit is one of the retailer's goal as well. Since some of the respondents sell soaps with natural ingredients then its also an advantage for Dk Suomi to try from both sides effectively.

4. Promotion enhances product sales.



Agree	5	24%
Strongly Agree	16	76%
Disagree	0	0%
Strongly Disagree	0	0%

Figure 13 Survey on promotion of sales.

The chart above in Figure thirteen shows that 76 per cent of the respondents strongly agree that promotion enhances the sales of products in the market. For new firm coming into a new market promotion is a vital aspect to gain the attention of the consumers by creating publicity and awareness of the product for quick sales of product.

5. Consumers need more natural ingredients soaps.

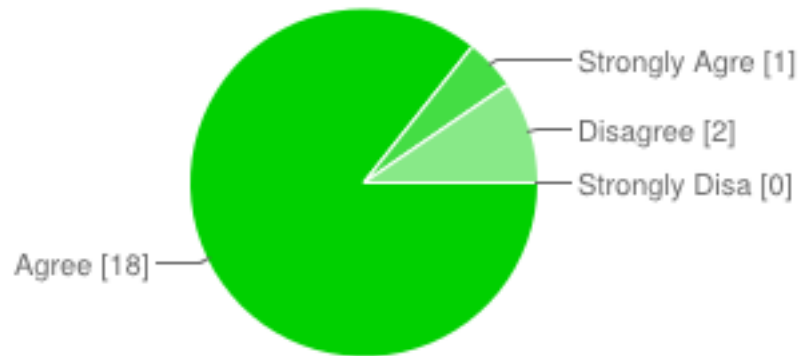
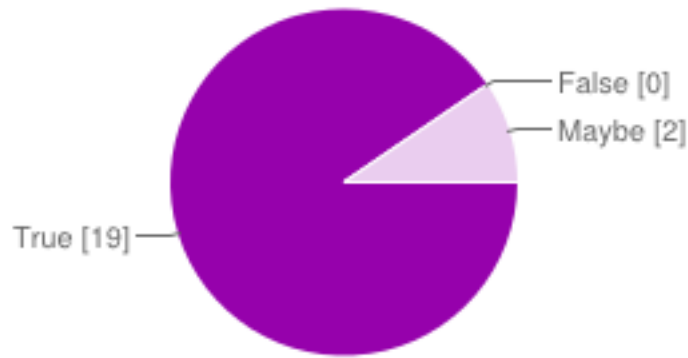


Figure 14 Retailers survey on consumer needs of natural soaps.

In figure fourteen, 86 per cent respondents agree that consumers need more soap with natural ingredients, in view of this it is a very good advantage for Dk Suomi to use this opportunity to penetrate into the market by offering their brand to the consumers.

6. Competitive price affects the sales of the soap.

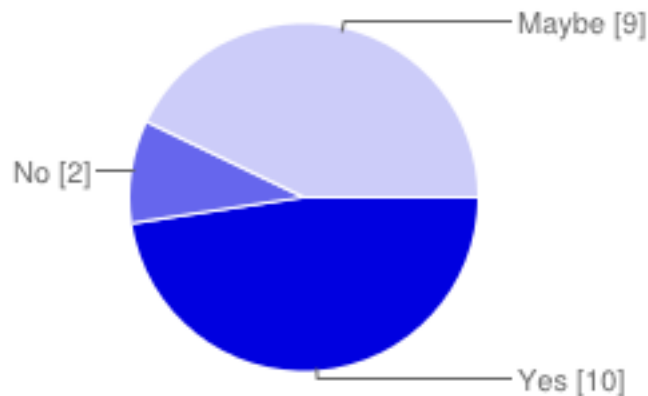


True	19	90%
False	0	0%
Maybe	2	10%

Figure 15 Price effect on sales of product.

In figure fifteen, the highest respondents believe that competitive price has effect on the sales of product. Competition is a critical challenge for new firms coming into the market so they need to be careful on how they implement the pricing strategy to be able to surpass other competitors and achieve their goals.

7. Customers patronize us because of quality of the soap.



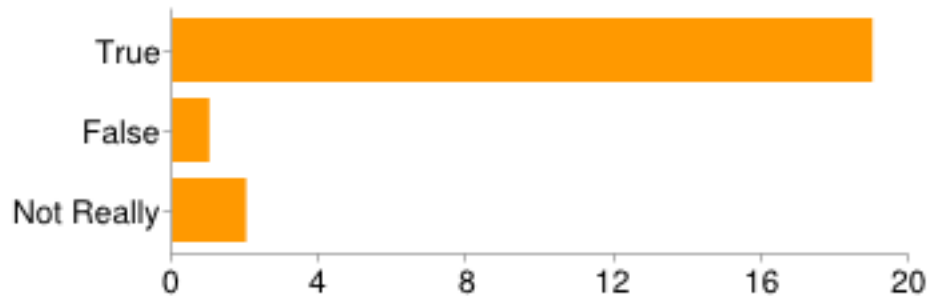
Yes	10	48%
No	2	10%
Maybe	9	43%

Figure 16 Survey on consumer loyalty.

The survey result in figure sixteen shows that 48 per cent of the respondents believe that consumers always patronize their service because of the

quality of the soap, while 43 per cent believe maybe it is the quality or not. Dk Suomi's product comes with a good quality that is suitable for consumers that consumers will love and be accustomed to.

8. Consumers purchase soaps because of easy accessibility in the market.

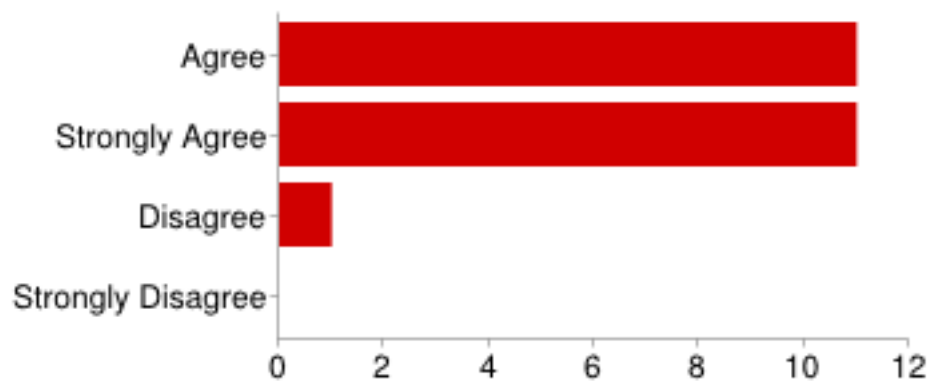


True	19	86%
False	1	5%
Not Really	2	9%

Figure 17 Survey on accessibility of product in the market.

In the chart above in figure seventeen, 86 per cent of the respondents believe that for it is necessary that at every point in time at which consumers want to purchase a product it must be available, if it is not available consumers may tend to switch to other product. Therefore products should be made available to retailers often in order to avoid scarcity and loss of customers.

9. Do you think consumers purchase soap because of the competitive price?

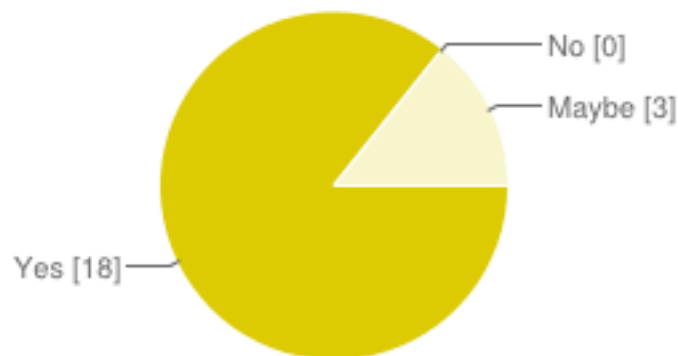


Agree	11	48%
Strongly Agree	11	48%
Disagree	1	4%

Figure 18 Survey on price competition.

The chart in figure eighteen shows that the highest respondents believe that consumers agree and strongly agree that price competition can affect consumers decision on purchasing soap, in order words if the price of soap is too high consumers could be scared away to another product of the same quality. So a firm coming into the market should be careful when implementing price to the product not to be to high and not too be too low.

10. Will you refer a good soap with a good brand to consumers?



Yes	18	86%
No	0	0%
Maybe	3	14%

Figure 19 Survey on referral to consumers.

Figure nineteen shows that 86 percent will refer consumers to try out a good soap product, by implementing a referral system a firm will be able to win more consumers to try out their product and thereby expanding their consumer base. Furthermore this referral system can be done in negotiation with incentives to the retailers and consumers.

5 RECOMMENDATIONS

- 1) The firm should vividly create a marketing plan such as the one presented in chapter two. By following the steps each department in the firm knows its duties and is expected to carry these out extensively and with care.
- 2) For d&k suomi to successfully capture and enter the market, the skimming pricing strategy could be implemented by setting the price of the product high with the current market competitors, which will give high-income earnings from the market rush.

- 3) The firm should allocate reasonable funds for implementing promotional activities. The more the promotional activities are being conducted constantly the greater consumer awareness of the product and this will help to reach out to consumers faster than expected.
- 4) The Nigerian market is quite extensive, so that new companies entering the market should be aware of corruption and fraudulent activities. Firms should approach the right offices to get the required documents and they should also make sure that they deal with genuine dealers and distributors. Before doing business with them companies should always ask for certificates before dealing with them.
- 5) Dk Suomi should remember to create a way in which consumers give feedback so as to give their views on the product during and after use, this help to get a consumer's view on the quality of the product and also to see if the consumers want any improvements on the product.
- 6) Dk Suomi has selected three major cities for starting their operations: Lagos, Abuja and Kwara. These cities are populated and there is tendency of traffic, so in other for d&k suomi to have smooth delivery they need to make sure they have good delivery plans with their distributors in time in order to avoid scarcity of products and delays.

6 CONCLUSION

D&k Suomi strategically wants to position itself in a highly competitive market and is gradually becoming one of potential market leaders. Entering the Nigerian and African market will increase their market size and give the firm a capacity to increase their revenue.

All the information given in this thesis can be seen as guidelines and recommendations to focus on the strategy that will make the company achieve their desired goal of entering the market towards becoming one of the market leaders. In other words by keeping the firm innovative and competitive d&k Suomi will become part of the frontline of natural soap manufacturers in Nigeria. Alongside with the right promotional activities suggested in the chapters above, the company will grow to achieve greatness.

Finally having an efficient marketing plan d&k suomi in Nigeria will further enhance their marketing operations. In this thesis project it was recommended how to retain customers by implementing customer loyalty scheme, to expand market share, to generate income revenues, to further

explore new growth and opportunities and also take the company's strengths and weaknesses seriously so as not to fall out of the market.

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Appendix 1

The appendix section consists of appendix 1 for the consumers and appendix 2 for retailers.

Questionnaire for Consumers

Marketing Survey for Consumers

This Questionnaire is based on research to obtain an effective marketing value of a new product

*** Required**

1. The price affects my purchasing decision of a soap. *

- Agree
- Strongly Agree
- Disagree
- Strongly Disagree

2. I care about buying branded soap product. *

- Yes
- No
- Maybe

3. The choice of my desired soap product is based on the availability in the market. *

1 2 3 4 5

-
-
-
-
-

4. Advertisement and promotion influence my buying decision of a product. *

- True
- False
- Maybe

5. Competitive price has influence on my purchasing decision. *

- Yes
- No
- Maybe

6. The quality of the soap determines my patronage. *

- Agree
- Strongly Agree

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4/26/2014

Marketing Survey for Consumers

- Disagree
- Strongly Disagree

7. I have a favorite soap that I purchase all the time. *

- Yes
- No

8. Are you satisfied with your current soap quality? *

- Yes
- No
- Maybe

9. Will you recommend your favorite soap to others? *

- Yes
- No
- Maybe

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Questionnaire for Retailers

4/26/2014

Marketing Survey for Retailers

[Edit this form](#)

Marketing Survey for Retailers

This Questionnaire is based on research to obtain effective marketing of a new product to be filled in by Retailers.

*** Required**

1. I purchase soap products based on its appearance or packaging. *

- Agree
- Strongly Agree
- Disagree
- Strongly Disagree

2. We sell soap products based on its demand in market. *

- Agree
- Strongly Agree
- Disagree
- Strongly Disagree

3. Do you supply soap with natural ingredients? *

- Yes
- No
- Not Really

4. Promotion enhances product sales. *

- Agree
- Strongly Agree
- Disagree
- Strongly Disagree

5. Consumers need more natural ingredient soaps. *

- Agree
- Strongly Agree
- Disagree
- Strongly Disagree

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1/2

6. Competitive price affects the sales of the soap. *

- True
- False
- Maybe

7. Customers patronize us because of quality of the soap. *

- Yes
- No
- Maybe

8. Consumers purchase soaps because of easy accessibility in the market. *

- True
- False
- Not Really

9. Do you think consumers purchase soaps because of the competitive price? *

- Agree
- Strongly Agree
- Disagree
- Strongly Disagree

10. Will you refer a good soap with a good brand to consumers? *

- Yes
- No
- Maybe

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