

Case Study: The Needs for Marketing Marketing Concept

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Your Role : A marketing consultant with a new client (the owner of a successful start-up company for the past 5 years) , whom You met in a local network event.

Situation: The company's growth has come from the introduction of a number of innovations from in-house engineers (and IT specialties) and quick turn-around time but the growth has slowed because they find they cannot sustain their past momentum through new product introductions alone. With their niche products that can sell themselves in the past, there is no need for a formal marketing process to promote their product but new competitors have entered the market with cheaper substitutes, your new client is concerned about company's ability to meet its yearly goals and has decided they need to try something different. The employees of the firm (engineers and information systems specialists) have had little exposure to marketing and its components.

Economics Environment: Economy is entering a recession and customers are cutting their budgets.

Your Proposal: Educate client (owner/employees) on marketing and establish a marketing process (mindset) for the owner (and managers) with the following steps:

- (1) Explain what is marketing and why it is important to employees of the company.
- (2) Outline important steps for company's managers to successfully lead the process of marketing in their firm.

Your Detailed Proposal ?

There are three basic functional areas (Finance, Operations and Marketing) in a typical company. Finance is responsible for securing financial resources, budgeting, analyzing investment proposals, and providing funds for operations. Marketing is responsible for assessing consumer wants and needs, and selling and promoting the organization goods. Operations is responsible for producing the goods offered by the organization. The company needed marketing consulting help reduced their basic functions to two: Finance and Operations. Since the products manufactured with highly innovative features can sell themselves with little competition, the need for the marketing is not necessary. The operations function is also the sale/marketing function for this company. The demands of the products produced by this company meet the need/want of the customers. With economy getting worse starting late 2013, and the entries of competitors with cheaper substitutes into the same market segment in recent year, there is a need for the company to change their tactics to meet their goal in 2014. To maintain the profitability and sustain the market share, the company needs to enhance their functions of marketing that is embedded into the operations. As a marketing consultant, I have proposed the following approaches to help this company to succeed.

1. Marketing Awareness and Training for Technical Personnel (Engineers and IT specialists)

Define “What is marketing? “

Marketing consists of the strategies and tactics used to identify, create and maintain satisfying relationships with customers that result in value for both the customer and the marketer.

Strategies and Tactics - Strategies are best explained as the direction the marketing effort takes over some period of time while tactics are actionable steps or decisions made in order to follow the strategies established. Performing strategic and tactical planning activities in advance of taking action is considered critical for long-term marketing success.

Identify - Arguably the most important marketing function involves efforts needed to gain knowledge of customers, competitors, and markets

Create – to produce innovation - the cycle of creating something new never ends.

Maintain - Efforts to attract customers do not end when a customer makes a purchase. It continues in various ways for, hopefully, a long time after the initial purchase.

Satisfying Relationships - A key objective is to provide products that customers really want AND to make customers feel their contact with the company is helping build a good relationship between the two. In this way the customer becomes a partner in the transaction, not just a source of revenue for the company.

Value for Both Customer and Company - A successful company effort to take place both the customer and the marketer must feel they are receiving something worth while in return for their efforts. Without a strong perception of value it is unlikely a strong relationship can be built.

Explain: “Why Marketing is important”

Marketing’s focus is on selling and promoting the products of an organization. Marketing is also responsible for assessing customer wants and needs, and for communicating those to operations people and to design people. That is, operations needs information about demand over the short to intermediate term so that it can plan accordingly, while design people need information that relates to improving current products and services and designing new ones. Marketing, design, and production must work closely together to successfully implement design changes and to develop and produce new product Marketing can provide valuable insight on what competitors are doing. Marketing also can supply information on consumer preferences so that design will know the kinds of products and features needed. . In a company with embedded marketing function in operations, it is especially important to have the engineers adopted the mindset of a marketer.

Address “Why adopting a marketing mindset is critical.”

Engineers are always in love with their ideas and products designed and manufactured. They committed their energies, creativities, and training as an engineer into the products’ (product’s features) creation. But consumers might have their own unique perceptions of the world based on their belief system. The most innovative ideas, the greatest products succeed only when these products meet consumers’ needs and wants. The design, modification and improvement of a product to meet customer’s need is very important. This marketing mindset is critical in every step of every phases of engineering design of company’s product.

Explain “What is in it for the them (employees of the company)”

Job Satisfaction and Job Security:

Developing products that satisfy needs, including products that enhance society’s quality of life

Building demand for products that require organizations to expand their labor force

2. Outline “The roll of management”

- what they need to do as managers to successfully lead the process of marketing in their firm”

Marketing management usually requires managers of a department or group of professionals engaged in marketing activities. In this company, the managers, need to coordinate across different departments and also resources from finance, R&D, engineering, operations, manufacturing, or other functional areas to implement the marketing plan. In order to effectively manage these resources, managers may need to spend much of their time focused on political issues and inte-departmental negotiations. The effectiveness of a marketing manager may therefore depend on his or her ability to make the internal "sale" of various marketing programs equally as much as the external customer's reaction to such programs.

Managers could use the following guideline to launch their marketing initiative.

1. Before launching any marketing initiative, you need to:

Share the rationale behind your marketing programs,

Align marketing efforts with the big strategic plan

Get employee input

Provide the appropriate training

2. While underway

Stay in touch with what employees need to keep the momentum going

Share the program's success and any interim fine-tuning that needs to be done

Recognize & reinforce employee support of the program.

3. When is done

share the final results, including what worked & why ... what didn't work & why ... Solicit employee feedback on ways to improve future initiatives

Acknowledge employee efforts and their collective contribution