

MARKETING RULES.- Session 01. The marketing campaign.

Situation

SWOT Analysis

Opportunities in the business environment are those factors that provide possibilities for a business to expand so as to make more sales and profits. Constraints are those factors that limit the ability to grow, and reduce sales and profit potential. A useful way of assessing opportunities and constraints is to carry out what is known as a SWOT analysis.

Strengths and weaknesses are internal to an organisation. Typically they relate to the resources of the organisation, and its structure and leadership, as well as the extent of its marketing.

Opportunities and threats (constraints) exist in the external environment. Opportunities relate to the market, to the development of new technologies, and external factors such as government policies. Threats relate to what the competition is doing as well as legal and other constraints.

A good example of external opportunities and constraints is that of the building industry in the UK today. The government is encouraging developers to build on 'brownfield' as opposed to 'greenfield' sites. The constraint therefore is not being able to develop on greenfield sites while the opportunity is that of developing on brownfield land.

The best way of thinking about constraints and opportunities is to realise that good businesses will seek to turn constraints into opportunities, while at the same time building on existing opportunities.

Organisations should use their strengths such as good reputation, strong relationships with stakeholders and knowledge of product and market to build competitive advantage.

Adapted from <http://businesscasestudies.co.uk/business-theory/marketing/swot-analysis.html>



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1.- Reading activity.

Starbucks Marketing Strategy

Choose a heading for each paragraph. Write the number.

1. Brand Marketing.
2. Creating a Starbucks Community.
3. Customer Satisfaction.
4. Innovation.
5. Third Place.
6. Unique Cup of Coffee.



Now it's your turn

Starbucks is one of the most successful and admired companies today. It has grown from a single coffee shop in Seattle 33 years ago to a \$4.1 billion international company. By studying the Starbucks Marketing Strategy you will be able to apply the principles of success that worked for them in a big way. The history of Starbucks and its expansion give this company the respect of being a model for other businesses to look up to. From only one store more than 30 years ago in Seattle to its still growing empire today with thousands of outlets in the United States and in foreign countries, the Starbucks Coffee Company is no doubt a well-known success story all over the World. Many points can be attributed to the success of this innovative company. But one thing is certain, if Starbucks comes up with a new viral social media campaign it has other companies taking notes.

Uniquely Starbucks Coffee Company.

The Starbucks marketing strategy is not one commonly seen in many businesses today. Did you ever realize that it's rare to find a Starbucks ad in a billboard, ad space, newspaper or poster in places where you can expect to see advertisements for most other establishments, even huge ones like McDonalds?

Now, Starbucks Coffee Company didn't just go for unconventional marketing strategies for the fun of it. They thought hard about promoting their company, and have decided that Starbucks is more likely to benefit if it employed unconventional word of mouth viral social media strategies that perfectly matched the concept the company wanted to portray.

Points to Learn from the Starbucks Marketing Strategy

Starbucks history has shown that they place emphasis on product quality. Their coffee, even if priced slightly more expensive than expected, is notorious for satisfying customers with its rich, delicious taste and aroma. While not truly premium specialty coffee as we know it today from upscale independent coffee houses and roasters, Starbucks unique "burnt espresso" coffee beverage profile introduced millions of Americans to the Italian espresso bar tradition.

From the very beginning, the Starbucks marketing strategy has focused on creating the "third place" for everyone to go to between home and work. Creating this unique and relaxing "experience" and "atmosphere" for people has been very important for the company as they have realized that this is one of the strongest concepts attached to the company, to which customers have been strongly attracted.

Customer satisfaction is a very important issue with Starbucks. From entrance to the store to the very last drop of their coffees, it is a must that customers feel the uniqueness of enjoying their Starbucks coffee experience. Without a doubt, Starbucks Coffee knows the answer to the question, why is customer service important.

The Starbucks social media viral marketing strategy has even expanded to create a community around their brand. On their website, on Facebook, on Twitter and in their blogs; individuals are encouraged to express their experiences with Starbucks history, and the company strives to "personally" join in the discussions.

Through the years, the Starbucks Coffee Company has been known to think up creative and innovative ideas to add to their products or services. They've added different flavors to their coffee, different drinks including Green Tea Latte, Frappuccino's and iced teas, more food on their menu, and even became one of the first to offer WIFI – internet capability in their stores.

The Starbucks marketing strategy has always focused on "word-of-mouth" advertising and letting the high quality of their products and services speak for themselves. For years, this has been uniquely Starbucks, and it has played a huge part in making Starbucks Coffee Company a success.

The definition of social media viral marketing speaks to this new word of mouth that Starbucks has run with and made their own.

Adapted from: <http://www.rosemarketing.com/2011/03/29/starbucks%E2%80%99s-success-is-its-word-of-mouth-social-media-viral-marketing-strategy/>

A step ahead

You can download a Starbucks marketing plan here.

[Starbucks Marketing Plan](#). (0.27 MB)

And here you can watch a presentation on Starbucks marketing strategy.



[Text summary](#)

2.- Listening activity.



Now it's your turn



Listen to some interesting facts on marketing approaches and answer the questions.



[Script](#)

Henry Ford thought customers had the right to choose the colour of their cars.

- True.
- False.

According to the first school of marketing, the customer had to change their mind to fit the product.

- True.
- False.

Customer driven companies focused on the customer's opinion

- True.
- False.

The speaker thinks that the market driven approach is very slow

- True.
- False.

Regis McKenna thought that everyone in a company must bear marketing in mind when doing their jobs.

- True.
- False.

According to Henry Ford, advertising should be the last thing to get cut in a company.

- True.
- False.

Now you can listen again and read at the same time.

[Transcript.](#)

A step ahead

Here you have an interesting article about branding.

[Why the best brands leave their names behind.](#)

3.- Speaking activity.

Find a partner to practice being a tourist and a RENFE agent. Use [RENFE web site](#) to find out the information.



4.- Writing activity.

Imagine that you want to rent an economy car for three days during a trip to Malta. You don't need car insurance, but you need a car that has unlimited miles. Search for two or three car rental agencies and compare them to see which company will give you the best deal. Consider cost, car features, and mileage as part of your research. Write about your findings on the forum of the unit. Let's see who gets the best deal!



Appendix I.- Listening script.

In 1909, Henry Ford famously said about the Model T: 'Any customer can have a car painted any colour that he wants so long as it is black'. This statement became the principle of what is been called the 'any colour as long as it's black' school of marketing or changing the customer's mind to fit the product.

As technology developed and competition increased, some companies shifted their approach and became customer driven. These companies expressed a new willingness to change their product to fit customer's requests- practising the 'tell us what colour you want' school of marketing.

But the range of marketing possibilities doesn't stop there, it is also likely to find nowadays very successful market driven companies. These companies will practise 'Let's figure out together how and whether colour matters to your larger goal' marketing or, in other words, marketing that it is oriented toward creating rather than controlling a market.

So what happened to the old approach - getting an idea, conducting a market research, developing a product, testing the market and finally going to market? That might be simply very slow.

As Regis McKenna wrote as part of an article for the Business Review, 'marketing today is not a function; it is a way of doing business. Marketing is not a new ad campaign or this month's promotion. Marketing has to be all-pervasive, part of everyone's job description, from the receptionist to the board of directors. Its job is neither to fool the customer nor to falsify the company's image. It is to integrate the customer into the design of the product'.

Given this new perspective and how everyone must be involved in the trade process, it is easy to understand why marketing has started to play an outstanding role in business. What takes us again to the beginning of this presentation, with another statement by Henry Ford, 'a man who stops advertising to save money is like a man who stops a clock to save time'.

Appendix.- Licenses of resources.

Licencias de recursos utilizados en la Unidad de Trabajo

Resource (1)	Resource information (1)	Resource (2)	Resource information (2)
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