

What is Marketing

Advice from Sligo company PMMS

Paula Lawlor

PMMS Professional Merchandising & Marketing Services

Email: paula@pmms.ie



Over the next twelve months Sligo based marketing company, PMMS Ltd will discuss in detail marketing topics and marketing issues facing business in today's climate. Business Sligo is delighted to welcome this new contribution to our publication – another example of Sligo based enterprise offering top class professional advice!

What is Marketing?

In theory 'Marketing is a management process responsible for identifying, anticipating and satisfying customer requirements profitably' or in simpler language 'marketing is concerned with getting the right product or service to the right person at the right price in the right place at the right time'.

Marketing is common sense, so forget all the jargon.

If you are a small business, there is a distinct possibility you are already 'marketing' more than you realise. The reason for this is marketing is often seen by small businesses as equivalent to selling, promotion and advertising. In reality marketing covers a much broader range of activities which many businesses already carry out but do not call marketing.

So think about what you do.

Quite probably you make an effort to know your customers well. Your business instincts tell you that getting to know what your customers want on an individual basis and giving it to them is what will keep you in business. You know that you cannot stand still, that you need to improve or extend existing products/ services and sometimes develop new ones.

If you are already 'marketing', you may ask 'then what's the problem'?

The key issue is that not knowing that you're doing it makes it less likely that you can repeat the activity consistently over time. If your business is very small it's not such a big problem but unplanned marketing becomes less feasible as your business grows. Applying a simple marketing framework allows you to identify within your business which activities are effective and under which circumstances.

While you may be able to carry out some or all aspects of the 'marketing mix' in-house, it is worth considering outsourcing the marketing function to professional marketers especially during a period of business transition such as initial start up, product launch or expansion. By doing this you have the benefit of industry experience and

academic knowledge without the expense of employing a full time marketing manager.

At the heart of marketing is the customer, and businesses ignore this at their peril.

The central concept of marketing is that in order to be successful, and effectively satisfy your customers, there are certain fundamentals of marketing which you need to address on a regular and planned basis. These fundamentals are called the 'P's' of marketing. Depending on whether you are a product or service organisation there are five or seven 'P's' for you. The marketing P's are some basics for satisfying customers.

Product: Customers need to be happy with your product or service or they won't buy it. So your product or service must satisfy a need both now and in the future. This is obvious but there are many businesses who choose their product first

then try to find a market for them, instead of firstly finding out what the customer wants, then developing a product / service that fulfils this need. Marketing therefore involves design, concept testing and product/service launch.

Price: What people really feel about a product or service is reflected in what they are prepared to pay for it. Pricing is the only element of the 'marketing mix' that generate revenue. Price positions you in the marketplace. So everything about your dealings with your customers must live up to the expectations of this positioning.

Place: This is a key aspect of marketing –the movement of goods from the point of production to the point of consumption / use. Your product / service must be available at the right time and in the right quantities. Customer surveys have shown that delivery performance is



one of the top criteria when choosing a supplier.

Promotion: This 'P' is the best understood and most visible aspect of marketing. Promotion means communication with your customers, as promotion is persuasion. Promotion includes corporate identity, branding, advertising, public relations, direct marketing, sales promotion/merchandising, sales management and exhibitions. The way in which all these elements are co-ordinated is critical to the success of the overall marketing strategy.

People: It's a common fact that anyone coming into contact with customers can have an impact on satisfaction. People are important as in the customers eyes, they are generally inseparable from the total service. This means that they must be trained, well motivated and the right type of person. In addition to this, the personal, social and psychological profile of potential customers is of great importance to market researchers if their needs are to be successfully met.

Marketing must involve customer research.

Process: The process involved in providing a service and the behaviour of people can be critical for customer satisfaction. Ask yourself: do your customers have to wait? Are they kept informed? Are your people helpful? Is your service efficiently carried out?

Physical Evidence: Unlike a product a service cannot be experienced therefore it is intangible. Physical evidence such as the appearance of where you deliver your service such as a showroom or retail space or office, will have an influence on the opinions of customers. It must be consistent with the type of service offered.

In summary, we now live and work in a world of unprecedented social and technological upheaval, which introduces new levels of competition for all kinds of organisations. Customers are becoming more demanding, many mature markets offer little room for growth, the value of the brand is now appearing on financial balance sheets, and the pace of change is quickening all the time.

One of the key strengths of marketing is the way it constantly adapts and responds to changing conditions. As competitive pressures increase, marketing skills have never been more highly valued by organisations. In many of the recent business success stories from airlines to food products, marketing has played a key role.

Business history and current practice remind us that without proper marketing, companies cannot get close to customers and satisfy their needs. And if they don't, a competitor surely will.

In the next issue of Business Sligo we will address the whole area of market research. In the meantime please visit our web site on www.pmms.ie.



NEWS BITS

EBS LAUNCHES AFFORDABLE HOUSING MORTGAGE

EBS is committed to making home ownership a reality for first time buyers Geoff Chrystal, EBS Grattan St Sligo

EBS Building Society last month launched 'HomeAccess', a mortgage product specifically for those purchasing their first home under a local authority affordable housing scheme. The product has been designed in consultation with the Department of the Environment, Heritage and Local Government and will be available in EBS Branches from 1st September.

HomeAccess allows first-time home buyers who are allocated an affordable house to borrow up to 97% of their home. The borrower can repay the mortgage over a term of up to 35 years and has a choice of highly competitive EBS mortgage rates whether variable, tracker or fixed rate options.

Discussing the launch of HomeAccess, Mr Geoff Chrystal of EBS Grattan St Sligo said: 'We're delighted to be launching this new product. As a mutual building society, EBS is committed to continuing to make home ownership a reality for first time buyers.

With the increase in property prices over the last few years, many first time buyers have



found it difficult to purchase their own homes. Access to the housing market and affordability are now key factors facing many first-time home buyers today. We believe that affordable housing has a key role to play in this regard.

EBS HomeAccess makes it easier for those buying their first home under the affordable housing scheme as purchasers are required to have a 3% deposit only. EBS will provide the balance, offering a range of highly-competitive mortgage options both at the time of purchase and throughout the life of the borrower's

mortgage' states Mark Boland at EBS Grattan St. Commenting on the EBS announcement, Mr. Noel Ahern, T.D., Minister for Housing and Urban Renewal said: "It's great to see a product designed specifically for those purchasing their first home through affordable housing. It is anticipated that over 12,000 affordable homes will become available to purchasers over the three years and it is encouraging to see the provision of innovative mortgage products to address the needs of this group of first-time buyers." Access to affordable housing is facilitated through various local authority schemes that aim to help first time buyers on lower incomes to buy their own homes. Under the schemes, newly constructed homes and apartments are offered for sale to eligible first-time buyers at prices significantly less than their actual market value. All applicants must have been approved by their local authority for a property in advance of their mortgage application.

As part of the launch, EBS has launched a new module on its online advice resource www.insidetrack.ie, which is live from today and specifically deals with the topic of affordable housing.