**COMSATS UniversityIslamabad, VirtualCampus**

**MGT210Principles of Marketing**

**Lecture23Handouts**

**MARKETING STRATEGIES**

**Guerrilla Marketing Strategies**

Guerrilla Marketing is an advertising strategy that focuses on low-cost unconventional marketing tactics to yield maximum results. Guerrilla marketing uses multiple techniques and practices in order to establish direct contact with the customers. For guerrilla campaigns to be successful companies don't need to spend large amounts, they just need to have imagination, energy and time.

**Attention to Convenience.**

Customer convenience is any element of customer experience that saves the customer time and effort. Several important points need to be considered in this regard and are discussed below in detail.

* Customer convenience must be considered while choosing the location of a business. A business’s location also helps it create a brand and image, since there are always parts of a city that carries a reputation. Different brands open their outlets in big malls like Giga Mall and Centaurs to get the attention of customers
* Choosing business hours of your business is also of much importance and contributes in convenience for your customers. Your business hours must be matched with the customer to serve them better. Sometimes businesses must tailor their working hours as per need of customer. Businesses modify their working hours as it brings convenience for their customers.
* E-commerce has brought us a lot ease and now most of the people prefer using this facility to purchase products and services they need. Online buying services and home delivery facility can enhance customer experience and increase brand loyalty.
* With the facility of plastic money and especially credit cards, customers can purchase even if they have no money in their accounts. Providing your customers, a facility of purchasing your product through credit card can help you increase your sales.
* Hiring the right person for right job is important, same way their training is also very important. Being business owner, you must ensure that your employees are well trained to handle business transaction.
* Sometimes Bundling of existing products can also bring convenience for customers. For example, Telecom companies introduce customized packages to cater need of every customer that ultimately results in more customer loyalty.
* Customer care is also one important aspect contributing to customer convenience. Customer feels satisfied if his queries and concerns are rightly addressed which ultimately results in more customer loyalty.
* Innovation and customer convenience have a direct relation and the key to future success. Entrepreneurs often create new products and services by focusing their efforts on one area and by using their size and flexibility to their advantage.

**Concentration on Innovation:**

Innovation is the key to future success. Markets change too quickly and competitors move too fast for a small company to stand still and remain competitive. Because they cannot outspend their larger rivals, small companies often turn to superior innovation as a way to gain a competitive edge.

Innovation is one of the hallmarks of entrepreneurs, and it shows up in the new products, unique techniques, and unusual marketing approaches they introduce. Despite their limited resources, small businesses frequently are leaders in innovation.

**Dedication to Service**

One of the best ways to define superior customer service is to understand that you must go above and beyond your customer expectations during each interaction. To achieve this goal, you must first understand what customer’s need is and how it can be fulfilled in best possible way.

As hiring the right person for right job is important, same way their training is also very important. Employees must be given training on regular intervals that not only increases employee performance but also empowers the employee in terms of skills and career growth.

Technology these days is one major factor contributing in providing better service to the customers. Technology enables businesses like Alibaba and Amazon to perform their operations much more efficiently. Being entrepreneur, it is up to you that how you use technology to grow your business.

**Emphasize on Speed**

This philosophy of speed is based on time compression management (TCM), which involves three principles:

(1) Speeding new products to market,

(2) Shortening customer response time in manufacturing and delivery,

(3) Reducing the administrative time required to fill an order.

Companies relying on TCM to help them turn speed into a competitive edge should do the following:

* “Reengineer” the entire process rather than attempt to do the same things in the same way—only faster.
* Create cross-functional teams of workers and give them the power to attack and solve problems. In world-class companies, product teams include engineers, manufacturing workers, salespeople, quality experts—even customers.
* Set aggressive goals for time reduction and stick to the schedule. Some companies using TCM have been able to reduce cycle time from several weeks to just a few hours!
* Rethink your supply chain. Can you electronically link with your suppliers or your customers to speed up orders and deliveries?
* Instill speed in the culture.
* Use technology to find shortcuts wherever possible. Properly integrated into a company’s strategy for speed, technology can restructure a company’s operating timetable.
* Put the Internet to work. Perhaps nothing symbolizes speed better than the Internet, and companies that harness its lightning-fast power can become leaders in TCM.

**Entrepreneurial Tactics**

Entrepreneurial Tactics are the strategic actions that direct the promotion of a product or service to influence specific marketing goals. Several actions can be taken in this regard and as discussed as follows.

* Companies sometimes sponsor events to promote their product and services.
* Sales promotions are given by companies to promote their product. For example, recently a toothpaste Company (Sensodyne) launched a marketing campaign in different areas of Islamabad City where they were performing live teeth sensitivity tests and giving free toothpaste samples for promotion.
* Frequent buyers’ program is also one of the tactics used by different businesses to promote their products or to increase their sales.
* Some small businesses take the opportunity of marketing their business using testimonials of famous people and celebrities. Some good words from mouth of these celebrities can be a good source of promotion for your business.
* Marketing on internet is one of the most powerful and effective tools these days. Companies and businesses use several internet website and social platforms to promote their products and businesses. Best part about web is that it can be the “Great Equalizer” in a small company’s marketing program.
* Sell gift certificates. They really boost your cash flow.
* Clip articles that feature your business and send reprints to customers and potential customers. Keep reminding them of who you are and why you’re valuable to them.

**Marketing on World Wide Web**

Even the smallest companies can market their products and services around the globe through World Wide Web. The Web can be the “Great Equalizer” in a small company’s marketing program.

**Key Questions to Consider Before Buying a Business**

Being a businessman, it is not just about starting new business. Sometimes people look for good business opportunity already available in market for sale. In order to buy any running business, certain aspects and concerns need to be analyzed properly and thoroughly. Some of these aspects and concerns are discussed below

* Is the right type of business for sale in the market in which you want to operate?
* What experience do you have in a particular business and the industry in which it operates? How critical is experience in the business to your ultimate success?
* What is the company’s potential for success?
* What changes will you have to make – and how extensive will they have to be – to realize the business’s full potential?
* What price and payment method are reasonable for you and acceptable to the seller?
* Will the company generate sufficient cash to pay for itself and leave you with a suitable rate of return on your investment?
* Should you be starting a business and building it from the ground up rather than buying an existing one?

**Advantages of Buying a Business**

Acquiring any running business can have both possibilities i.e. advantages and disadvantages. Possible Advantages can be as follows:

* It may continue to be successful
* It may already have the best location
* Employees and suppliers are established
* Equipment is already installed
* Inventory is in place and trade credit is established
* You can “hit the ground running”
* You can use the previous owner’s experience
* Easier financing
* It’s a bargain

**Disadvantages of Buying a Business**

Possible Disadvantages can be as follows

* “It’s a loser”
* Previous owner may have created ill will.
* “Inherited” employees may be unsuitable
* Location may have become unsatisfactory
* Equipment may be obsolete or inefficient
* Change and innovation can be difficult to implement
* Inventory may be stale
* Accounts receivable may be worth less than face value
* It may be overpriced

**Acquiring a Business**

More than 50 percent of all business acquisitions fail to meet buyers’ expectations. Buying an existing business can be risky if approached haphazardly.

To avoid blowing a deal or making costly mistakes, an entrepreneur to- be should follow these seven steps:

1. Conduct a self-inventory, objectively analyzing skills, abilities, and personal interests to determine the type(s) of business that offer the best fit.
2. Develop a list of the criteria that define the “ideal business” for you.
3. Prepare a list of potential candidates that meet your criteria.
4. Thoroughly investigate the potential acquisition targets that meet your criteria. The goal is to minimize the pitfallsand problems that arise when buying any business.
5. Explore various financing options for buying the business.
6. Negotiate a reasonable deal with the existing owner.
7. Ensure a smooth transition of ownership.

**Five Critical Areas for Analyzing an Existing Business**

* Why does the owner want to sell.... the real reason?
* What is the physical condition of the business?
* What is the potential for the company's products or services?
* Customer characteristics and composition
* Do a complete Competitor analysis to analyze the competition.
* What legal aspects must be considered?
* Is the business financially sound? Make a proper financial analysis of records of business before making the decision.