

Marketing Plan

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Unit Code:

Term:

Year:

Executive Summary

The report is regarding a marketing plan and strategy prepared for a company called, DeLorean Aerospace and their product DR-7. The learner has discussed the steps of preparing a marketing strategy and gained information about the current market condition by conducting a SWOT Analysis and Porter's Five Forces Analysis. The mission of the company has also been discussed and marketing and financial objectives have been set based on the structure of the company. An action program is discussed for managing the implementation and control procedure.

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Introduction

With increasing competition in the world markets, every organization has introduced a marketing department in their organizational structure. The marketing department has been entrusted with the task of understanding the changing market and consumer needs and developing methods to reach the target audience. The marketers have to develop a strategic marketing plan which will contain details about the market and consumers including the segmentation, targeting and positioning strategy that would be used by the company. In this report, the learner discussed the marketing plan prepared by the management of DeLorean Aerospace for their new product DR-7. The report contains a detailed discussion on the marketing strategy and action plan prepared by the company for their new product.

Steps in writing a marketing plan

The steps adopted by the marketing department of DeLorean Aerospace in consultation with their senior management for their new product DR-7 has been listed down below:

Step 1: Situational Analysis

The company conducted a market research of the market so that they could gauge the market demand and changing consumer needs. The situational analysis of the industry provided the company with information about the current market demand (Westwood, 2010). Apart from that, the management also gained information about competitors and the strategies used by them to enhance their customer base.

Step 2: Selecting the target audience

After the existing market situation has been analyzed, the management of the company adopted the STP strategy. As per the STP, the management segmented the market based on several factors like behavioral, psychographic, demographic and others. Based on the segmentation made, the company selected their target audience (Hollensen, 2015). The target audience of DeLorean Aerospace was the consumers belonging to high income group.

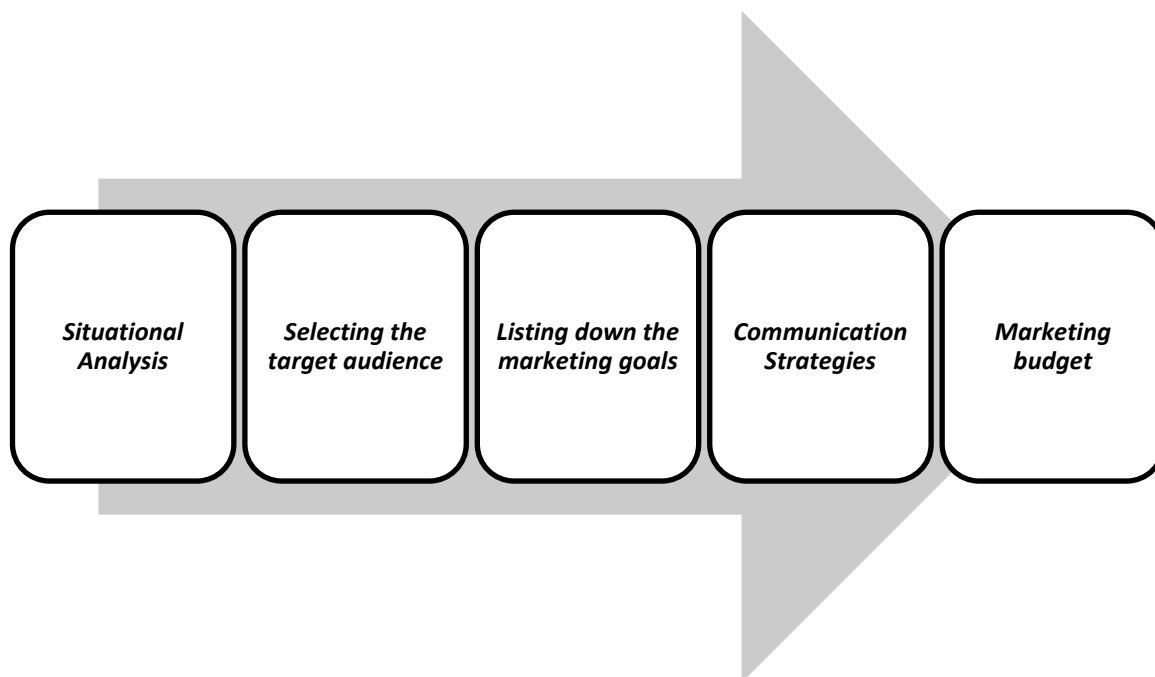


Figure 1: Steps in writing a marketing strategy

(Source: Created by author)

Step 3: Listing down the marketing goals

Based on the product, target audience and consumer demand pattern, the marketing goals and objectives will be laid down by the marketing department and senior management of the company. The main aim of the company is to create an autonomous, battery powered aircraft which will have the range of 120 miles. The marketing goal of the company is to plan a big and grand launch for the product in the market so that it catches the attention of all the consumers at a global level (Baker, 2014). The company wants to market and promote their product at an international level and create a stir in the transportation sector.

Step 4: Communication Strategies

For executing the marketing plan and spreading awareness in the market or gaining customer and industry information, the company will have to choose communication strategies. The communication strategies will be the promotional tools like advertising, personal selling, social media promotion and others by means of which the consumers will be reached (Wilson and Gilligan, 2012). For the situational analysis also primary and secondary methods of research will be used.

Step 5: Marketing budget

For execution of the entire plan, a marketing budget is required which will contain an estimate of the costs and revenues. This is required to control the overhead expenditure.

SWOT and Competitor Analysis

To understand the market scenario and company standing in the industry, the management of DeLorean Aerospace decided to conduct a SWOT analysis based on the existing market condition. The SWOT analysis of the company has been presented below:

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Being a new innovation in the market, the company does not have to face any competition in this sector. • It has become the pioneering company in the market of flying cars. • The exclusivity of the product being launched • The use of the appropriate promotional tools has helped the company to reach out to a global audience. • The company has been able to procure huge investments from the market to manufacture the product. 	<ul style="list-style-type: none"> • The company can face technological disruptions since the entire technology being launched is new and unique • The consumers may face problem in getting after sale service for the product purchased since the service centre will not be available anywhere • The company will face problems in serving their customers
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Being an innovative product, the company will not face any competition in the market; monopolistic market structure will be formed • The company will have scope for more technological expansion and business expansion • DeLorean can also introduce new products and variants of the flying car in the market 	<ul style="list-style-type: none"> • The costs incurred is high • Gathering customers will be difficult because the product is priced high • The risk of failure is high

Table 1: SWOT Analysis

(Source: Created by the author)

Porter’s Five Forces Analysis

<i>Factors</i>	<i>Explanations</i>
<i>Bargaining power of buyers (Low)</i>	The bargaining power is low as this is the only company in the market supplying DR-7 product. Being a new innovation no other company provides flying car.
<i>Bargaining power of suppliers (High)</i>	The suppliers will have high bargaining power since there will not be many companies supplying products for a flying car. Hence, DeLorean Aerospace will have to pay high costs.
<i>Threat of new entrants (Low)</i>	The threat of new entrants is zero since the expenditure and risks in this sector are huge.
<i>Availability of substitutes (Low)</i>	The availability of the substitutes is low since the companies do not want to take high risks.
<i>Competitor rivalry (Low)</i>	The rivalry is zero as DeLorean Aerospace is the only company in this sector.

Table 2: Porter’s Five Forces Analysis

(Source: Created by the author)

Mission

The mission of the company is to provide the opportunity of owning personal air transport to the general public. The company aims to provide best quality engineering and elegant designs to the customers apart from ensuring safety and free access to the airports.

MISSION

To bring the freedom and exhilaration of personal air transportation to the masses. With superior design and engineering, our advanced architecture provides a practical, elegant, and extremely safe alternative to conventional aircraft, with the convenience of airport-free access.

Figure 2: Mission Statement of the company

(Source: DeLorean Aerospace, 2017)

Set 3 marketing objectives and 3 financial objectives achievable within the first 6 months of the product launch

The *three marketing objectives* that the company wants to achieve in the first six months of their product launch are as follows:

- The company wants to *increase the product awareness* in the market by using appropriate promotional tools. The marketing department aims to use the suitable promotional tools like Goggle ads, social media communication, and television and print advertisement to promote their product aggressively in the market (Vaňa and Černá, 2012). They want the marketing mix and strategy to be as per the market.
- The company wants to *create a brand* for their product. The vision is to create a unique identity in the minds of the customers so that they can recall the product immediately hence, initiating sale. The company has a set target audience in minds of which they want to create a brand.
- Another objective of the company is to *increase sales* in the market. By promoting the product properly in the market, the marketing department wants increase their ales in the market (Hansen, 2017). As more consumers will be aware, the rate of sales will increase.

The *three financial objectives* that the company wants to achieve in the first six months of their product launch are as follows:

- One of the financial objectives of the company is to *increase the profit margins* of the company (Czinkota and Ronkainen, 2013). The company wants to increase their revenue generation and profit margin by increasing sales volume.
- To manufacture and launch the product, the company has taken capital from many investors. Hence, another financial objective of the company is to *increase their return on investment*. The company wants to enhance the stakeholder satisfaction and hence, provide good returns on investment.
- The company wants to *sustain* in the market also. The sustainability part will be achieved only if the company is financially stable and secure.

Formulate a detailed marketing mix strategy and place particular emphasis on a digital marketing communication plan

The *marketing strategy* is as follows:

- **Product:** The product here is DR-7 which is a battery powered craft with two pair of winglets. As per the dummy model, the length of the product is 30 feet and the width is 18.5 feet. The product is a flying car with a range of 120 miles and autonomous in nature.
- **Price:** The price of the product will be on a higher side because of a lot of financial and technological investment is to be done for the product. Hence, the company will have to be careful while deciding on the pricing strategy so that they are able to recover their costs and make profits.
- **Place:** The place is debatable since the where the company will launch their product is yet not decided. However, the product will be sold through special orders at retail outlets.
- **Promotion:** For the promotional strategies, the company will use social media promotions and television and print advertisements. The promotion will be done at a global scale.

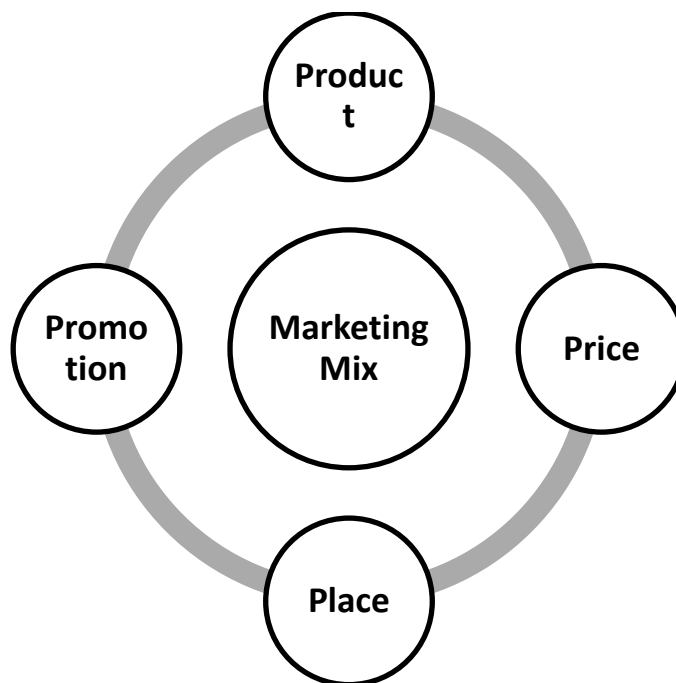


Figure 3: Marketing Mix

(Source: Created by the author)

A *digital marketing communication plan* will be prepared for the company. As per the plan, the company will use the digital media to promote their product and spread awareness among the consumers (Phil and Jim, 2010). The digital medium used will be social media promotions and Google adverts so that the company can reach more and more customers.



Figure 4: Digital marketing media

(Source: Lee and Kotler, 2011)

Present action programs designed to achieve the marketing and financial objectives

For achieving the marketing objective of increasing the product awareness in the market, the company will have to select and use the suitable promotional tools and techniques. Based on the target audience, the company will have to choose their promotional tools. For instance, they can advertise their products in business magazines and newspapers. The target audience is high income group people and rich businessmen and hence, the promotional tools have to be chosen accordingly (Thackeray and McCormack Brown, 2010). For brand management and increasing sales, the management will have to plan a strategic marketing plan as per the current market situation. However, the plan should be made in consideration of the long term scenario also so there are scopes present to made amendments and changes in the plan.

In order to increase the profit margin the company needs to target high income customers along with mass production of the model. The mass production will help the company to reduce their manufacturing and overhead costs also (McDonald and Wilson, 2016). The availability of the product in the market will help the company to sustain longer since the consumers will not have to wait long to purchase the product. Higher profits and revenue turnover will ensure that the company is able to provide higher returns to their investors on the capital provided to manufacture and launch the product DR-7.

Discuss the implementation and control of the marketing plan

For implementing the plan successfully in the market, the company will have to ensure that they are utilizing every opportunity present in the market. The communication systems that will be used by the company to co-operate with the other officials should be well planned so that all the information is passed on without any chances of misinterpretation (Boone and Kurtz, 2013). The timeline of executing the tasks should also be formed after assessing the current market scenario.

In case of control, the customer feedback and personnel feedback will be asked for. The people involved in the implementation procedure will be providing feedback and overlooking the entire process to ensure that the project is a success. Another method of establishing control is by procuring data about the budget, market share and sales revenue in the industry (Civi and Persinger, 2011). The targeted market sales will help the company to understand whether their implementation procedure and overall plan was a success or not.

Conclusion

The report prepared by the learner contains a market strategy for the product DR-7 envisioned by the company DeLorean Aerospace. The product is colloquially being referred to as a flying car demanded high investment of resources, capital and technology. The learner has discussed the steps of developing a strategic plan and has also analyzed the market by using SWOT and Porter's Five Forces Analysis. The marketing and financial objectives have all been listed down based on which a marketing mix and present action program has been prepared.

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