**Candidate 1**

**Marketing Assessment 1 – Heavenly Treats**

1. The marketing concept places the customer as the central driving force behind a company’s activities. The company in question focuses on what are the customer’s needs and wants and listens to complaints, feedback and undertakes different forms of research to gain a better understanding. In the marketing concept, undertaking such research helps further your understanding of your customer base helping your organisation to satisfy the needs/wants of your customer, advertise and market your goods better, develop goods and services and break down your market into different segments to help further with branding your product successfully.
2. The micro environment deals with issues on a local basis which directly impact an organisation. Such direct factors to Heavenly Treats micro environment are customers, affecting revenue and sales. The impact of this is especially pronounced in the seasonal sales of perfumes at Christmas etc. Another factor is Heavenly Treats’ competitors. Although they provide a unique service compared to competitors, their involvement in the beauty treatment industry still affects their pricing strategy and market share. The purchases of perfumes and products from the hotel chain also affects Heavenly Treats micro environment affecting their sale of goods. Bigger, external environmental factors from the macro environment that affect Heavenly Treats are Political, Economic, Socio Economic and Technology (PEST). The company is also susceptible to trends in the beauty industry.
3. Gathering market research is important to understand Heavenly Treats customer needs and wants. This is vital for them to understand as the customer is the key to their continued existence. Research aids in the decision making process for Sally and reduces risks taken and can lead to an increase of the market share if the correct marketing takes place. Undertaking this market research would ensure Heavenly Treats understands their main demographic and the trends, lifestyle, current social/cultural and attitudes of their target market, mainly speaking females in the 25-50 age bracket. This helps them keep in touch and aid in successfully marketing products and future expansion and developments of products such as Sally’s desire to increase perfume sales
4. Heavenly Treats may want to collect date on their sales, especially during the peak hours in the event time to find out buying trends and focus on branding the more popular items. Another quantitative use of the date may be used to establish which of the products on sale has the greatest popularity to the least. A form of qualitative data Heavenly Treats may want to undertake is primary questionnaires where they can ask specific questions they are seeking to gain answers to. With Sally looking to increase the sales of perfumes, she may wish to establish which perfumes people would be looking for and which products they want. Along with understanding this, Sally may seek to ask other questions which could help establish a strategy to reduce the fluctuation in perfume sales and create a more stable form of income. Secondary sources can again be employed, establish what people’s perceptions are of perfumes and current social trends. All this data gathered aids in the decision making process for Sally and greatly reduces risks as they better understand their target market and hopefully increase revenue, reduce costs and bring about market expansion.
5. Target marking is the process of highlighting a particular group of customers with similar traits who have or may have an interest in your product. On establishing this target market, an organisation will seek to place their marking efforts into persuading that market to purchase your goods and services, price your products and design/develop your products accordingly. As Heavenly Treats has established its target market, women in the 25-50 age range, they can better market their products and design their salons according to the culture, lifestyle and attitudes of this group. Market segmentation is the process of dividing the broad market into different categories of customers which share similar characteristics helping establish the target market and aiding the company to better communicate with consumers market the correct products/services to them and implement other marketing mixes. These segments different in the shared characteristics such as age, income and geography. In Heavenly Treats example, it is important to segment their customers into geographical location depending on the location of any of the salons in Scotland they operate, helping market goods according to location and understand customer incomes of those areas helping set prices. It also highlights the potential market. They may also seek to segment their market into gender and age based on the current target market. Heavenly Treats would also benefit from psychographic segmentation helping marketing based on customers’ lifestyle, culture, and interests.

*Suitable references provided*

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1. The marketing concept places the customer as the central driving force behind a company’s activities. The company in question focuses on what are the customer’s needs and wants and listens to complaints, feedback and undertakes different forms of research to gain a better understanding. In the marketing concept, undertaking such research helps further your understanding of your customer base helping your organisation to satisfy the needs/wants of your customer, advertise and market your goods better, develop goods and services and break down your market into different segments to help further with branding your product successfully. The marketing concepts see the customer as the key to your organisation’s survival. In the free market economy, consumers have the choice of where, when and whether to buy so an organisation must understand the consumers they are targeting in order to persuade them to buy their goods/services.
2. The micro environment deals with issues on a local basis which directly impact an organisation. Such direct factors to Heavenly Treats micro environment are customers, affecting revenue and sales. The impact of this is especially pronounced in the seasonal sales of perfumes at Christmas etc. Another factor is Heavenly Treats’ competitors. Although they provide a unique service compared to competitors, their involvement in the beauty treatment industry still affects their pricing strategy and market share. The purchases of perfumes and products from the hotel chain also affects Heavenly Treats micro environment affecting their sale of goods. Bigger, external environmental factors from the macro environment that affect Heavenly Treats are Political, Economic, Socio Economic and Technology (PEST). Economically the cost of purchasing raw materials for the factory to produce perfume and products are increasing. This could continue for a long period and could affect Heavenly Treats competition and profits. Further economic factors include economic growth/recession however through the recession Heavenly Treats managed to expand. Government laws and regulations can also affect Heavenly Treats in the macro environment such as health and safety and working hour’s directives. The company is also susceptible to trends in the beauty industry.
3. Gathering market research is important to understand Heavenly Treats customer needs and wants. This is vital for them to understand as the customer is the key to their continued existence. Research aids in the decision making process for Sally and reduces risks taken and can lead to an increase of the market share if the correct marketing takes place. Undertaking this market research would ensure Heavenly Treats understands their main demographic and the trends, lifestyle, current social/cultural and attitudes of their target market, mainly speaking females in the 25-50 age bracket. This helps them keep in touch and aid in successfully marketing products and future expansion and developments of products such as Sally’s desire to increase perfume sales. This helps enhance customer relations showing that the company is listening.
4. Heavenly Treats may want to collect date on their sales, especially during the peak hours in the event time to find out buying trends and focus on branding the more popular items. Another quantitative use of the date may be used to establish which of the products on sale has the greatest popularity to the least. With this data, Heavenly Treats could reduce costs by withdrawing the products with the least popularity and market the more popular ones, increasing the profitability. They may also want to acquire, by means of second hand information, a competitors profit and loss accounts to understand how they are performing in contrast. Sally may also want to gather information into the sales of products at the hotel chain interested in selling the products to establish whether it would be a wise investment. Another secondary source is reports into the costs of raw materials. This also gives accurate financial forecasting showing how the market currently is. A form of qualitative data Heavenly Treats may want to undertake is primary questionnaires where they can ask specific questions they are seeking to gain answers to. With Sally looking to increase the sales of perfumes, she may wish to establish which perfumes people would be looking for and which products they want. Along with understanding this, Sally may seek to ask other questions which could help establish a strategy to reduce the fluctuation in perfume sales and create a more stable form of income. Secondary sources can again be employed, establish what people’s perceptions are of perfumes and current social trends. All this data gathered aids in the decision making process for Sally and greatly reduces risks as they better understand their target market and hopefully increase revenue, reduce costs and bring about market expansion.
5. Target marking is the process of highlighting a particular group of customers with similar traits who have or may have an interest in your product. On establishing this target market, an organisation will seek to place their marking efforts into persuading that market to purchase your goods and services, price your products and design/develop your products accordingly. As Heavenly Treats has established its target market, women in the 25-50 age range, they can better market their products and design their salons according to the culture, lifestyle and attitudes of this group. Market segmentation is the process of dividing the broad market into different categories of customers which share similar characteristics helping establish the target market and aiding the company to better communicate with consumers market the correct products/services to them and implement other marketing mixes. These segments different in the shared characteristics such as age, income and geography. In Heavenly Treats example, it is important to segment their customers into geographical location depending on the location of any of the salons in Scotland they operate, helping market goods according to location and understand customer incomes of those areas helping set prices. It also highlights the potential market. They may also seek to segment their market into gender and age based on the current target market. Heavenly Treats would also benefit from psychographic segmentation helping marketing based on customers’ lifestyle, culture, and interests.

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