Topic # 1

Entrepreneurial Marketing

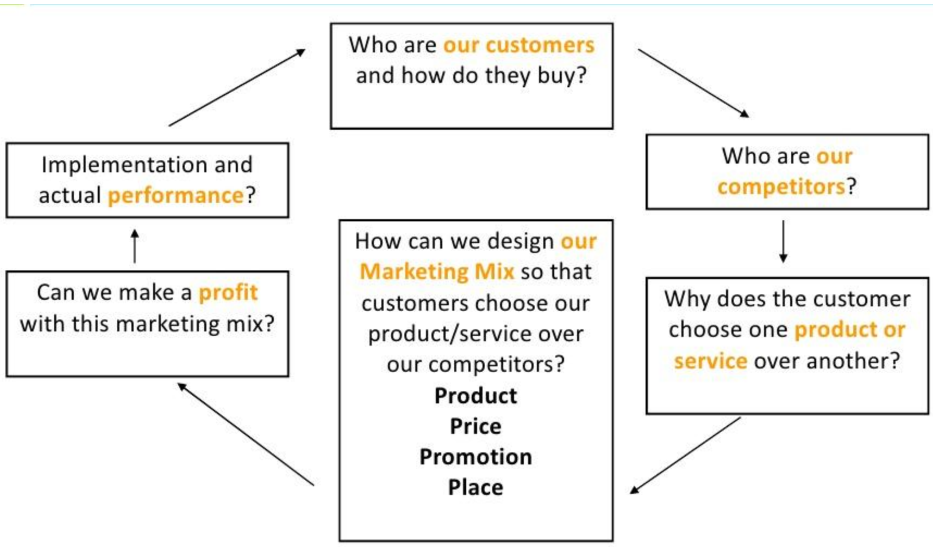
Definition of marketing by the **American Marketing Association:**

"An organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders". Marketing practices vary depending on the type of company and the products and services it sells.

Entrepreneurial marketing is a "proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation,". Also can be defined as "a set of processes adopted by entrepreneurs based on new and unconventional marketing practices in order to gain traction in competitive markets". Entrepreneurial marketing differs from traditional marketing terms in aspects of innovation, dynamics, and proactiveness. it is a set of unconventional practices that help start-ups and young firms to emerge and have an edge in a competitive market, it tends to focus on satisfying customers and building trust by providing innovative products that appeal to a specific market.

Framework For Developing Entrepreneurial Marketing

Entrepreneurs use different frameworks to devise marketing plans to promote their firms also in marketing different sets of strategies and approaches are used to identify and reach the target market. a framework is like a blueprint, a template that contains an instruction to ensure that you are delivering the right product to the right people through the right process and promotion. A framework is essentially how you plan to execute your marketing strategy.



The basic components of marketing can be summarized into;

- Product (what you are selling)
- Promotion (what channel you are using)
- Price (what is the ideal price for the product)
- Place (where the product is being sold)
- People (who is your target market)
- Physical environment
- Process

Bjerke and Hultman (2002) also express the concept of entrepreneurial marketing with the help of a "conceptual framework for entrepreneurial marketing" This framework shows the relationship between the four pillars. The first pillar is Entrepreneurship which explains the why and how processes of opportunity recognition. Resources, which is the next pillar, concern the fact that there is a need in the offering to generate value to the customer. Resources can be acquired by cooperating with partners or they can just simply be owned by the company. The third part of the framework is the process. It is here where the value creation takes place; co-created by all the different processes that take place. Maintaining customer relationships, distribution channels, production planning, and the development of products are just a few processes that take place in any organization. The last and final pillar is the actors. The actors are individuals or organizations that run the processes and co-create customer value.

Topic # 2

Devising Entrepreneurial Marketing Plan

According to William M. Pride, "the Marketing Plan is a written document or blueprint governing all of a firm's marketing activities, including the implementation and control of those activities." The marketing plan establishes how the entrepreneur will effectively compete and operate in the marketplace. An effective marketing plan projects numbers and analyzes them but rather than focusing on cash flow, net income, and owner's equity, a marketing plan concentrates on the customer. Since the term marketing plan denotes the significance of marketing, it is important to understand the marketing system. The **marketing system** identifies the major interacting components, both internal and external to the firm, that enable the firm to successfully provide products and/or services to the marketplace.

Environmental factors (external and internal) play a very important role in developing the market plan. **Internal environmental factors** are more controllable by the entrepreneur but they can affect the preparation of the marketing plan and implementation of an effective marketing strategy. Some of the major internal variables are as follows:

Financial resources: The financial plan should outline the financial needs for the venture. **Management team:** An effective management team's responsibilities assigned is needed for implementing the marketing plan.

Suppliers: Suppliers used are generally based on a number of factors, such as price, delivery time, and quality.

Company mission: Every new venture should define the nature of its business and what it hopes to accomplish.

Guerrilla Marketing

One form of entrepreneurial marketing is guerrilla marketing, which is a low-budget strategy that focuses on personally interacting with a target group by promoting products and services through unconventional means. A successful guerrilla marketing campaign enhances the customer's perception of value, inspires word of mouth, and increases sales.

Guerilla marketing can be defined as "a **low-budget strategy** that focuses on personally interacting with a target group by promoting their products and services to be heard and seen in very noisy marketplaces.

Guerrilla marketing strategies are almost limitless: email, interactive poster campaigns, advertisements on cars, T-shirts, street branding (writing marketing messages with paint or chalk on pavements or walls), characters in costume, flashmobs (where a large group of people seemingly come out of nowhere to perform an act in a public place), projecting images/videos/messages in public areas through laser or beamer, and even YouTube videos that can go viral in minutes.

Before making a marketing plan entrepreneurs need to do some marketing research for their business venture.

STEPS IN PREPARING THE MARKETING PLAN

Step 1: Defining the Business Situation

The situation analysis is a review of where the company has been and considers many of the environmental factors. The entrepreneur should provide a review of the past performance of the product and the company. Industry analysis should include information on market size, growth rate, suppliers, new entries, and economic conditions.

Step 2: Defining Target Market

Business owners and entrepreneurs acquire information through marketing research that helps identify and define marketing opportunities. **Market research** is the process of determining the viability of a new service or product through research conducted directly with potential customers. A **target market** refers to a group of potential customers to whom a company wants to sell its products and services. Market research allows a company to discover the target market's income levels, buying patterns, likes and dislikes, psychological profiles, opinions, and other feedback from consumers about their interest in the product or service. Another factor that is most important is **Demographics:** The study of population characteristics such as age, education, race, and others. Market research does not have to be time-consuming, complex, or expensive, useful Online-surveys, customer opinion polls, and other research projects are easy to conduct and cheap.

How to conduct market research

The goal of market research is to reduce the risks associated with making business decisions. It consists of a four-step process;

1. Define the purpose or objective

One effective way to begin the marketing plan is to make a list of the information that will be needed to prepare the marketing plan. The marketing goals define what the business hopes to accomplish. The marketing objectives, which should be measurable and specific, spell out how to meet those goals. Marketing Goals and Objectives

2. Collect the data

Data can be collected from primary and secondary sources. Secondary sources can include trade magazines, newspaper articles, libraries, government agencies, the internet, universities, and commercial data. The primary source data includes

- **Individualized** (one-to-one marketing; also referred to as personalized marketing, helps companies shape their products or services so they appeal to individual customers.
- **Networking** is an informal method to gather primary data from experts in the field, can be a valuable low-cost research method.
- **Observation** (observe potential customers and record some aspect of their buying behavior)
- **Focus group** (a group of 10-12 people invited to participate in a discussion related to the research objective)
- **Interviews** (formal method of collecting data in person, by telephone, or through e-mail)

3. Analyze and interpret the data

An analysis is done through **data mining**: defined as a process used to extract useful information from a larger set of raw data. By using software to look for patterns in large batches of data, businesses can learn more about their customers to develop more effective marketing strategies, increase sales and decrease costs. After then the next step is to **draw a conclusion and act.**

The defined target market will usually represent one or more segments of the entire market. **Market segmentation** is the process of dividing the market into smaller homogeneous groups. The process of segmenting is:

a. Decide what general market or industry you wish to pursue.

b. Divide the market into smaller groups based on the characteristics of the customer.

c. Select segment or segments to target.

d. Develop a marketing plan integrating the parts of the marketing mix.

Step 3: Considering Strengths and Weaknesses

It is important for the entrepreneur to consider its strengths and weaknesses. Strengths and weaknesses are internal to the company things that you have some control over and can change.

Step 4: Establishing Goals and Objectives

Before strategy decisions can be outlined, the entrepreneur must establish realistic marketing goals and objectives. These answer the question "Where do we want to go?” These goals should specify such things as market share, profit, sales, market penetration, pricing policy, and advertising support.

Step 5: Defining Marketing Strategy and Action Programs

Once the marketing goals and objectives have been established, the entrepreneur can begin to develop the marketing strategy and action plan to achieve them. Strategy and action decisions respond to the question "How do we get there?" The actual short-term marketing decisions in the marketing plan will consist of four important marketing variables, called the marketing mix: 1. Product or service. 2. Pricing. 3. place. 4. Promotion.

1. Product or Service

This element of the marketing mix indicates a description of the product or service to be marketed in the new venture. This product or service definition may consider more than the physical characteristics. For example, Dell Computer’s product is computers, which is not distinctive from many other existing competitors. What makes the products distinctive is the fact that they are assembled from off-the-shelf components and are marketed with direct-marketing and Internet techniques promising quick delivery and low prices. Dell also provides extensive customer service with e-mail and telephone available to the customer to ask technical or nontechnical questions. Thus, the product is more than its physical components. It involves packaging, the brand name, price, warranty, image, service, delivery time, features, style, and even the Web site that will be seen by most customers. When considering market strategy, the entrepreneur will need to consider all or some of these issues, keeping in mind the goal of satisfying customer needs.

2. Pricing.

One of the difficult decisions is determining the appropriate price for the product. Factors such as costs, discounts, freight, and markups must be considered before setting the price. Marketing research can help determine a reasonable price that consumers are willing to pay.

3.Place

Describe how you intend to sell and distribute your products. This factor provides utility or makes the product convenient to purchase when it is needed. This variable must be consistent with other marketing mix variables. The type of channel, the number of intermediaries, and the location of members should be described. Regardless of the type of business, it is usually necessary for the new venture to have a website. The Internet will become an increasingly important medium for information and distribution. Direct mail or telemarketing may be considered. Direct mail marketing is one of the simplest and lowest entry costs. But the direct-marketing or Internet strategies are not a guarantee for success. The entrepreneur should evaluate all possible options for distribution.

5.Promotion. The entrepreneur needs to inform customers as to the product's availability using advertising media such as print, radio, or television. Usually, television is too expensive unless cable television is a viable option. Larger markets can be reached using direct mail, trade magazines, or newspapers. A website may also create awareness and promote the product and services of the venture. It is possible to make use of publicity as a means of introduction. It is important that the marketing strategy and action programs be specific and detailed enough to guide the entrepreneur through the first year.

Step 6: Budgeting the Marketing Strategy

Planning decisions must also consider the costs involved in the implementation of these decisions. If the entrepreneur has followed the procedure of detailing the strategy and action programs to meet the desired goals and objectives, costs should be reasonably clear. This budgeting will be useful in preparing the financial plan.

Step 7: Implementation of the Marketing Plan

The marketing plan is meant to be a commitment by the entrepreneur to a specific strategy. It is not a formality that serves as a superficial document to outside financial supporters or suppliers. The plan must be implemented effectively to meet all of the desired goals and objectives. Someone must take the responsibility for implementing each decision made in the marketing plan.

Step 8 Monitoring Progress of Marketing Actions

Monitoring the plan involves tracking specific results of the marketing effort. What is monitored is dependent on the specific goals and objectives outlined. Adjustments in marketing actions are usually minor if the plan has been effectively developed and implemented. If the entrepreneur is constantly faced with significant changes in the marketing strategy, then it is likely that the plan was not prepared properly. Weaknesses in market planning are usually the result of poor analysis of the market and competitive strategy, unrealistic goals, and objectives, or poor implementation of the outlined plan actions.

Topic # 4
Entrepreneurial Marketing Strategies

In competitive markets, it can be easy to get lost in the crowd. One of the biggest challenges for entrepreneurs is standing out from their competitors. Marketing in new, unusual, or aggressive ways is the best way to illustrate what makes a business unique. Below are some marketing strategies that entrepreneurs have used successfully in the past. A **marketing strategy** refers to a business's overall game plan for reaching prospective consumers and turning them into customers of their products or services. A marketing strategy contains the company's value proposition, key brand messaging, data on target customer demographics, and other high-level elements. The **marketing mix** in marketing strategy: Product, price, place, and promotion is the set of controllable, tactical marketing tools that a company uses to produce the desired response from its target market. It is also a tool to help marketing planning and execution.

A company can direct all of its marketing efforts towards one strategy, or use several of them at once.

- **Relationship Marketing** – Focuses on creating a strong link between the brand and the customer. A strong link is built on trust and a unique bond with the customers which will not only attract more customers but also make it difficult for existing customers to leave.
- **Expeditionary Marketing** – Involves creating markets and developing innovative products. It can be defined as marketing for growth. Its main objective is to move companies and firms into new markets and thus increasing the value of a firm. Companies act as leaders rather than followers.
- **One to One Marketing** – Customers are marketed to as individuals. All marketing efforts are personalized.
- **Real-Time Marketing** – Uses the power of technology to interact with a customer in real-time.
- **Viral Marketing** – Places marketing messages on the Internet so they can be shared and expanded on by customers.
- **Digital Marketing** – Leverages the power of Internet tools like email and social networking to support marketing efforts

Entrepreneurs use above mentioned strategies to devise a marketing plan for their enterprise.

Topic # 5

Product Quality And Design

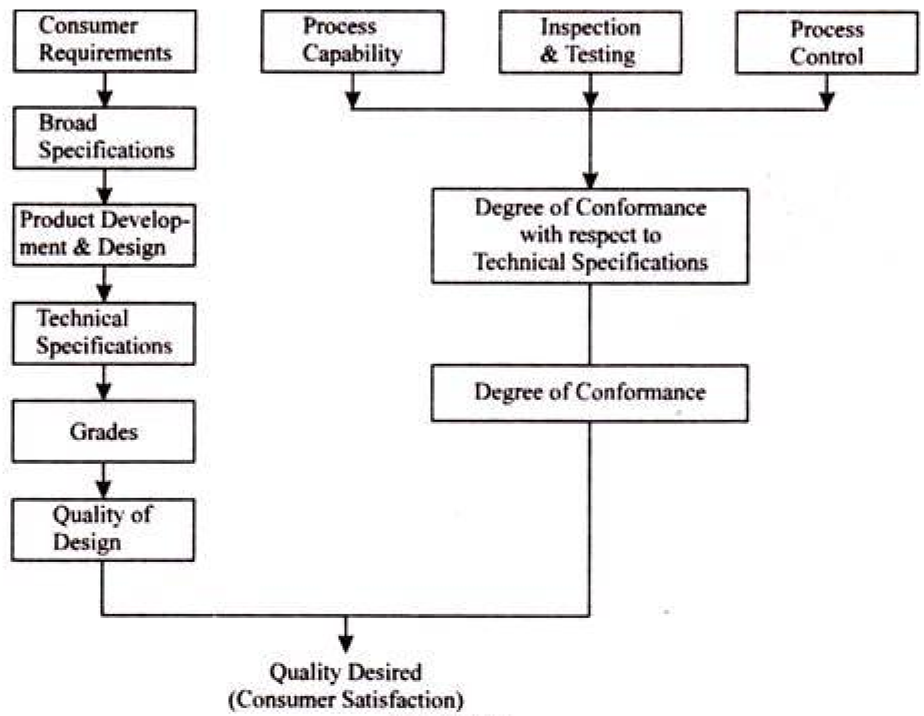
A **product** is an item offered for sale. A product can be a service or an item. Every product is made at a cost and each is sold at a price. The price that can be charged depends on the market, the quality, the marketing, and the segment that is targeted. **Product design** is the translation of intellectual wisdom, requirements of the entrepreneurs, or needs of the consumers, etc. into a specific product. **Quality** is the totality of features and characteristics of a product or service that bear on its ability to satisfy given needs. Quality is an inherent or distinguishing characteristic, a degree or grade of excellence. The quality of the design is concerned with consumers' satisfaction by variation in the quality of products. In contrast, the quality of conformance is the extent to which the products/ items and services conform to the intent of the design.

Quality level Consumers consider that the level of product quality when making purchase decisions is both new and existing products. At a minimum, buyers want products that will perform the functions they are supposed to and do so reasonably well. Some customers are willing to accept lower quality if product use is not demanding and the price is lower. In designing new products, marketers must consider what criteria potential customers use to Determine their perceptions of quality.

Eight general criteria are given below:

1. **Performance** – How well does the product do what it is supposed to do?
2. **Features** – Does the product have any unique features that are desirable?
3. **Reliability** – Is the product likely to function well and not break down over a Reasonable time period
4. **Conformance** – Does the product conform to established standards
5. **Durability** – How long will the product last before it will be worn out and have to be Replaced?
6. **Serviceability** – How quickly and easily can any problems be corrected?
7. **Overall evaluation** – Considering everything about the product, including its physical Characteristics, manufacturer, brand image, packaging, and price, how good is this Product?

Product design: Designing new products with both ease of use and aesthetic appeal can be difficult, but it can clearly differentiate a new product from competitors. Good design can add great value to a new product.



Quality management is not only concerned with maintaining the quality characteristics of a product but also with achieving the same at the least cost. Quality is an important dimension of production. It is not sufficient to produce products/goods or services in the right quantity and at the right time; it is important to ensure that the goods/items and services produced/provided are of the right quality. The consumer of the final product of the company/organization requires a certain quantity of products of requisite quantity as per his requirements. Without quality, the other dimensions of quality and time have little rather no relevance.