# Positive Marketing

### **Publisher Preface**

To sell products in today's markets, not only does one need to take into account the significance of product quality, there is also another aspect which is of no less importance, namely that of "marketing" the product.

When engaging in marketing activities in order to sell a product, it doesn't necessarily mean that one can create money and become rich after making the initial sales. Once a customer runs out of trust in a product, then selling more of it in the long run becomes extremely difficult because of the negative perception towards the product in the eyes of the customer.

Hence, when laying out the path for each sales strategy, a marketer needs to plan well, be completely informed, thorough, and well aware of products in the market place, as well as having a good knowledge of both marketing and purchasing activities of competitors and consumers, respectively.

"Positive Marketing" is a collection of marketing ideas from Mr.Boonkiet Chokwatana, President of I.C.C. International Public Company Limited, who has previously proved his extensive writing skills in the publicly acclaimed *Marketing Guru*, which relayed his assembled experiences throughout his many years in marketing.

Hence, we hope very much by publishing Positive Marketing, the thoughts of this successful business man, will provide many good ideas to those to who wish to build effective sales and long term success.

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### **Author's Preface**

This book is a result of my drive to pass on my experiences, thoughts as well as feelings regarding marketing to all marketers, or all those who are related to marketing, so that they can use it to their benefit or build a higher image of Thai marketers in the world.

Even though I work day and night, I do not feel tired because of being a positive thinker for more than ten years. Also it is to do with making a motto for myself during the time that Thailand was facing a harsh monetary crisis, and it is there should be "no tiredness, no fear, no despair, no problem, no difficulty, and no stress."

During those times work demanded a lot of my attention, and did not allow me to write down my thoughts regarding marketing. But my ideas kept accumulating through those periods. Hence, later on I decided to write them down in short chapters so people can refer to them depending on their area of interest, rather than providing a typical thick detailed text book, which does not very well explain the circumstances true to Thailand.

Some books are more data oriented than thoughts oriented. However, I tend to believe that *Right thinking leads to Right Doings*, that is why this book is related to procedures of thought regarding marketing, and not particular data. It is also concerning personal experiences of myself and those near to me.

The writing of this book eventually came about from receiving an invitation from the marketing news editor of the Krungthep Thurakit newspaper, Khun Nongnaath Haanwilai, to write a column in the marketing section of the new Nation Group weekly newspaper "Krungthep Thurakit – Biz Week". I agreed without hesitation to do so, and in fact I was most grateful as it prompted me to start writing, as otherwise I might never have started writing about marketing in my life.

Writing is not my career, so I have never had thoughts of gaining profit from such activity. However I am motivated to write because I want to give some good to society, which I believe includes my thoughts, my knowledge, my understanding or perhaps my skills. For this reason any revenues from the licensing of this book that are received, will be donated to the Dr. Thiam Chokwatana Foundation, a foundation formed in memory of my father when he received the Honorary Doctorate Degree from Srinakarintaraviroj University, Bansaen in the year 1985.

My father, Dr. Thiam Chokwatana, never studied marketing but was very interested in all its aspects. So, he is partly responsible for leading me to find an interest in the field of marketing, and it is a passion I still have to date.

Hence, I hope very much readers will gain benefit in carrying out marketing related business with honesty and morality, as well as helping Thai society develop towards prosperity and stability.

Boonkiet Chokwatana

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# 1. Backbones of Marketing

Finance	$\mathbf{F}$	Futurity
Intellectual	I	Intelligence
Responsiveness	R	Receptiveness
Speediness	$\mathbf{S}$	Stamina
Technology	T	Training thoughts

### **Backbones of Marketing**

**Finance** Successful marketing begins with the money factor. This does not necessarily mean a huge amount of money but rather the correct usage of the money, spending consistent money in hand, minimum loss and highest efficiency.

**Futurity** Marketing needs a forward looking perspective, not backwards. If our competitor is in front of us then we have to come up with ideas of how to catch up and surpass the competitor. This translates into coming up with new, creative ideas. Ideas that will occur in the future and we will be a part of that innovation.

Those that look only at the past will not become a good marketing person. However, successful concepts or ideas from the past that are not outdated can be used as a lesson for the future.

**Intellectual** The mind always has to work. One must also keep learning and be able to think with reason, think systematically. In other words, make use of the mind. Make decisions and work intellectually, and not only depend on mood, fun, or thrill.

**Intelligence** Smartness, perceptiveness, coupled with knowledge about competitors and personal situation like the Chinese saying "Know them, know your self. Fight 100 times, win 100 times." Important is the ability to analyze the situation and decide steps to be taken further. Should we go slow or fast? Should we go heavy or light? Should we attack or retreat? Questions like this will arise all the time. And the answers to them lies in your analytical skills as they won't be available but have to be sought for mentally.

**Responsiveness** The ability to respond appropriately to consumer needs, market and competitors .

**Receptiveness** Accept suggestions from consumers, their views and ideas and make use of them for betterment.

**Speediness** Respond quickly to the market and competitors. Speedily change oneself, develop oneself, as well as the system and the organization, without neglecting or slowing down for even the tiniest moment.

**Stamina** Be vigorous and energetic both mentally and physically, and be able to face a huge work load, or difficult work continuously, without failing or becoming too strained.

**Technology** Always be on the lookout for new technology to develop stronger and more efficient systems, and make products more efficient in the eyes of consumer.

**Training Thoughts** Continuously train to work as a team, train to learn new methods, systems, new thinking processes and new thoughts.

All these are important points, other than the 7 Ps (Product, Price, Promotion, Presentation, People and Pisadarn), that is why they have been named "The Backbones of Marketing"

# 2. Servicing

Servicing in businesses is increasingly important, especially in cases where the competition is high or consumers have a wide variety of choices.

Servicing is an art that each individual possesses, but does so unequally. In other words, it is a personal skill. Thais possess better servicing skills when compared to westerners because of their traditions, cultures and customs which entails respect to elders and gentleness to others which can be applied while servicing clients or customers. The only requirement is the systematic application for efficiency, so eventually an image for the product or business can be created for the development of the business.

Even though servicing is all about what one does for the other, it does not necessarily mean a person needs to be involved in the act of service. If the will to provide service to customers exists, it is already servicing in itself. For e.g. in department stores, clear signs directing customers towards products or facilities available.

Minute things like a clear Care Label on a product or good after sales services can alone create a favorable impact on the consumer's mind. For e.g. a clean washroom in a petrol station or restaurant can be good examples of servicing without the use of a person.

However, undeniable is the fact that the art of servicing still lies in what one does for the other or what we refer to in English as "The Personal Touch" or "Human Touch."

Good servicing in business begins with thorough research regarding consumers' wants or likes. Finding out what satisfies them, what kind of servicing will attract their attention and lead to increase in purchasing or increase in the use of the services. For e.g. should one greet a customer by doing the "Wai" or merely show respect. Also, the manner of speech should be gentle and courteous, take care of complaints and solve problems, answer queries on dressing style or demeanor.

After sufficient information has been retrieved from consumer research conducted, the service team needs to be trained in order to standardize servicing techniques and achieve efficiency. This can be done by conducting role play to build the ability to make a timely response and create familiarity to avoid behaviors of shying away in actual situations. Other than Role Playing, service providers also need to feel good towards or think good about the customers they are providing services to. As only the kind of service that comes straight from the heart is appreciated by customers and not considered as deceptive.

In instances where there is competition, the main point is to differentiate your services. These services should be unique and appeal to consumer's satisfaction. All these points mentioned above are merely about servicing techniques.

The product that we provide services for, if has any attractive differentiated point, will help support our service. However, the right thing (*product's attractive differentiated feature*) needs to be said at the right time by the right people (*the service providers*).

# 3. Core Marketing Strategy

One important thing about marketing is setting up a core strategy. A core strategy comprises of many tactics. Do notice the difference between

### **Process** and **Tactics**

**Process** is a method or route

**Tactics** are a device of strategy or procedure of strategy which is usually not straight forward.

To have a good strategy one must have competitors in mind and the determination to win. If competitors do not exist, then consider competing with you own self and win against the bench mark.

Marketing needs competitors irrespective of one or many. Marketing also needs the drive to win. A strategy of an uncompetitive firm or individual will not be cutting edge or sharp and fine. A core marketing strategy of a brand is a strategy that gives identity to a brand, increase its sales or image and sometimes both significantly.

Setting up a core strategy begins first with finding the brand or product distinctiveness and then using it as a strategy. All future core strategies should be tested to see the difference in impact on consumers.

After deciding on a core strategy, one that has the highest positive effect on consumers, the tactics to be employed in order to achieve the result favorable to the brand needs to be made.

Examples of setting a core strategy:

Suppose we are the management of a brand of automobiles which is currently engaged in a head on competition with the other brand which has a very similar brand image but higher sales when compared to ours.

Firstly, find out the competitor's weakness. Take for instance, if the competitive brand's after sales service is not good, then we will have to make sure our after sales service is better and more prominent.

Secondly, find out our own weakness. For instance, if our staff lacks customer relation skills and our show room do not look very impressive, then we need to provide training to our staff to polish their sales skills and also renovate our showroom and excel in both areas over competitors.

Thirdly, find our competitive advantage. For instance, if our automobile excels in design, our products look good and is liked by consumers, for this particular reason, then we should make sure that our design aspect is communicated to consumers through magazines or newspapers regularly

(These three strategic points can be obtained from research conducted on one's own as well competitor's consumers.)

Then we have to test which of our approaches mentioned above are more effective on which of our target markets. The most effective one will become our core strategy. Setting up a core strategy alone is not enough. It needs to be followed up on; a budget needs to be given to the core strategy; competitor's counter action needs to be observed closely.

Other strategies employed should not contradict to the core strategy but support it.

### 4. Momentum

The formulae for the word **Momentum** in scientific terms:

M = mv

(M = Momentum, m = mass, v = velocity)

I've introduced the word **Momentum** and applied it in marketing. But simpler words would be **Punching Force or Energy Punch.** 

The phenomenon of Momentum, I've noticed, is present in products or activities that we've created on building brands over more than 20 years. Each product has a momentum; the only difference is which brand creates more and which less.

The tools available to create **Momentum** for a brand are:

- 1) Products
- 2) Activities
- 1. Products:
  - A product that appeals to consumers or satisfies the needs of a huge customer base like instant noodles, which are both convenient and cheap.
  - A product that creates a higher potential demand in the future. A product that is in line or consistent with the circumstances, trend or consumer preferences like price, design, colors and varieties. For e.g. mobile phones
- 2. Activities comprise of many things:
  - 1. Advertising
    - Careful analysis regarding advertisements being too much or too thin when compared to the needs or amount of consumers should be done by assessing the results of such activities to see its appropriateness. Otherwise, the budget allotted will be depleted even before marketing efforts (advertising) brings about effective results.
    - Assessment or research if the advertisement in question is one which has a high or low impact on target consumer feelings or needs.

### 2. Sales Promotion

- The objective of the Sales promotion needs to be substantiated. Is it to increase sales volume or build a new customer base or increase market share or increase profit or increase awareness or is it to create better brand image?
- Some people conduct sales promotions while considering only one point – Sales figures. But if careful consideration and thought is put into the conducting of sales promotions then it could have an impact on a wider area and not only

- sales figures alone. However, sales promotion activities and the budget set should match with each other.
- For example, meritorious activities or social activities need to be assessed as to how the results and the budget relate. And also if the results are short term or long term.

Taking proper care during a product launch or making the best use of the mentioned activities will craft a brand to have a high Momentum. In constructing Momentum for a brand, the process should be repetitive and regularly assessed to keep a check on whether the momentum of the brand increases, if yes – by how much, and why.

Assessing the Momentum of a brand can be done by evaluating the consumer's level of **awareness** towards the brand each year, whether it increases or decreases. If awareness didn't increase, then research should be conducted among a new group of consumers to find out their increasing level of awareness. **Contribution to Brand Growth** is the launching of a new product that accelerates the growth of a brand and sometimes, if done with good and powerful activities can also help increase the growth of old products and hence create brand's **sustainability**. (**Brand Sustainability**: The capability of the product in retaining constant sales in the market, market share and brand equity)

If one can think with such a format and also monitor the movement of competitors, then it is possible to alleviate lessening good brand momentum even in time of crisis like in 1997. The brands with strong momentum still grow, some brands will only drop slightly when compared with those low momentum brands.

# 5. Create News, Build Brand

Presently, creating a new product or a new service to have high sales and a high growth level in the business world is getting tougher and also more costly than before. For this reason, launching a product into the market now requires a huge amount of money or if not a lot of creativity is a must. In instances where one does not have enough money, creativity needs to be present or one will have to search for something extraordinary for the product or service to give it a chance to make it into the news or create news so that consumers and public may hear about it.

There are many examples, those of new products that have just made it into the market and also those that have been in the market for a long time. The followings are examples:

- Shower Cream: Launched by having a famous model take a shower on a truck simulating a shower room in the middle of the hustle bustle of Bangkok city causing the Prime Minister and the Commander of Police to appear in news making statements against its inappropriateness.
- Lingerie (Bra): During the Football World Cup, this particular brand made bras printed with goal net and soccer ball which stirred consumer's attention and resulted in a long queue to purchase the product. They also made bras printed The Great Wall of China as an attraction.
- Tomato Ketchup: Manufactured ketchups in variety of colors including green, yellow, blue et cetra and sold them in the market targeted at the young generation.
- Coffee: This coffee brand made people carry coffee tanks on their backs and go around giving out free coffee drink samples to passer bys in Times Square, New York. USA and Reuters spread the news world wide.
- Even some celebrities create news for themselves by using means of pornography.
- While certain celebrities use the tactics of dating or breaking up with other celebrities as a means to the front page.
- At a performance once on stage, a celebrity's part of the top fell off exposing her bosoms. This could also have been an intentional act to get to news coverage.
- Creating a world record breaking product, like the biggest product, and getting it recorded in the Guinness World Record.
- Universities also create attention in the media for themselves by inviting famous sports personalities or celebrities to study at their universities.
- A car company creates a robot for various entertainment purposes in order to create news.

Marketing by getting media coverage could also be the core strategy or sometimes the backup core strategy. Management must understand the process of finding out about consumer's awareness level, how big or how little it is, how they impress the consumers. And that news should have continuity or be developed further?

Some may copy the actions of others but do not keep its consistency or sometimes the news are not strong or loud enough to create an impact. But there are also times when

news appears but it is too small to be noticed or too bland to be remembered by consumers. Moreover, if one does something that is similar to the actions of others especially that of a big brand, then consumers might confuse the marketing activities to be those of the big brand and not yours.

There are still many creative ideas that can make it to the front page. It depends on how one realizes the usefulness or the determination to benefit the brand in the market.

### 6. New Brand

There are various ways to create a brand or a trade mark for products but some different products can use a similar approach. However, one needs to ask oneself the following questions:

- Who is the consumer of the product?
- Has the product a huge market or a small one?
- How long have products of the same category existed in the market?
- What is the rate of development of the market for a product of this nature?
- How many percent of the country's population represent the target consumers?
- Which are the competitive brands?
- What are the marketing activities and promotional techniques employed by competitors in the past and up until now? And is there any development of each activity and how?
- What are the manufacturing capabilities, marketing power, financial power, and management structures of competitors?
- Is consumer preference towards the competitive products increasing or decreasing?
- What is the level of the competitor's strength, age, experience and attitude of its top management?
- How is the business network of the competitors and other main players structured?
- What is the management experience of the competing firms?
- What is the competitive advantage of the competitors' products?
- What are the respective market shares of the main competitors?

These factors mentioned above are those that one needs to know when creating a brand. The answers to many of these factors may not be readily available, but the constant consideration and search for the information should not be neglected and sometimes frequent analysis helps improve decision making skills.

Those marketers who are already in the market with similar products usually are aware of such information without having to look for it, but may need to apply this knowledge under various circumstances, and also follow closely to changes in the industry. In case, the assessment of the market is found incorrect for some reason, the numbers in your plan may have to be adjusted, or sometimes may have to be replanned.

After understanding the various factors that have been made known, the important thing is to set a position for your product, ideally one that will likely capture the minds of your target consumers.

In order to set a position you need to identify the competitive advantage or differentiating points of your product when compared with those of competitors. Also, it maybe related to a personal activity or specialty that your competitors do not possess. It may even be some thing prominent that both you and your competitor possess but you will identify it as the selling point before your competitor does.

If your product's positioning is very similar to that of your competitors and there is nothing outstanding in your product or even though the product is differentiated but the differentiation is not obvious, then the market will witness head on competition between the similarly positioned products.

For this reason the one that challenges in such a competition should be the one with significant financial resources and strong support systems that has very little chance of failure. If a small firm raises such a challenge and is bold enough to position its product in comparison with a big brand, then there is a possibility that it stands to serve a niche market. However, if not managed correctly then there is hardly any chance of surviving in the market.

Managing a small brand differs very much from managing a big brand. If the positioning is one that is strongly different from a big brand and one that attracts consumer attention coupled with the right marketing approaches, it can make the brand develop and increase in size. At the same time, one should not forget that competitors may very well be working on a counter attack strategy thus the punch and expeditiousness in fighting are highly important.

There are many strategies in building a new brand. Below are ways that can be applied:

- Doing things step by step and having a good follow up. Have as much contact and good relationship with retailers, quietly and expeditiously.
- Use a lower price strategy to pave entry paths and slowly sink in. Nevertheless, there has to be a way to attract consumer's attention at point of sale. Exercise marketing activities in zones and not nationwide at the beginning.
- Employ public relations in getting the message of one's products major points into consumers' minds. A big advertisement budget can lead the product into retail stores but more budgets needs to follow to keep the surge going. Another way is to bench mark one's product with an established product and compete head on in every way possible. If you're strong enough, then find a way to communicate your message to target consumers that your product excels over that of your competitors. (This technique has been used extensively in USA)
  - Employ a presenter. It should be someone whose fame is appreciated and looked up to among your target consumers. This is to enter the market and induce your competitors to spend huge amounts of money in response to your action while in the meantime you spend minimal amounts waiting for the competitor to exhaust his funds. Then concentrate all your forces to make your mark. (There are minimal chances to employ this strategy and also minimal success cases)

[Sometimes it's necessary to use many strategies at the same time in order to be able to bring a brand into the market]

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### Counter reactions that may be used by competitors:

- Behave indifferently, observe the situation to see if they will be affected or not.
- Intercept each marketing activity launched into the retail trade by using already existing important products to negotiate with retailers, engaged in heavy advertisements diverting consumer's attention from one's products
- Arrange for sale, gift with purchases, exchanges, free samples for consumers in many retail outlets.
- Use legalities as much as possible . ( used mostly in USA)
- Find information on the manufacturing process or distribution process and interfere or intercept wherever possible.

# 7. Upkeep and Develop Old Brand

If you notice the name of products in the market without thinking about any other of their aspects, you can still make out how long the products have been available in the market. Earlier, brand names or trade names of products used to be derived from the names of the persons who first started up the business or important events or impressive instances in the past. Sometimes the main features of products are used as brand names.

For example, "Kuan Im" water powder, "Mae Pranom" curry paste, "Hua Seng Heng" gold store, "Quinna" water powder and many more . If more examples are to be given then hundreds more can be named in the world.

Many of such brands are still being sold in the market. Many were successful for a while and then failed, while some have disappeared along with their first masters.

The brands that have not disappeared are those that further generations of the original owners paid interest in and kept it as a source of income, while some rejuvenate the brands and made them popular as a legacy of their parents.

With such descendants, a brand doesn't die. It would though, if the children are not capable.

To maintain or develop a brand can be done in many ways, ranging from changing the look of the brand to reflect current trends, or finding out about consumer preferences especially the **design** aspect.

However, if the **Design** is changed so much that the prominence of the product is lost or consumer confidence in the brand's product does not remain because there is no familiarity associated with the old version, and then the loyal customers will slowly disappear.

If one does not care about the old customer base, then it does not matter. But change does not necessarily mean a complete inside out change rather a change that makes the brand sufficiently flexible. Changes can be made every two years to keep up with trends. Even though the old appearance is almost completely preserved, minor changes can be made to the colors or the look to attract a new generation. There is even a chance that when research is conducted to compare the new and the old form, the new generation may prefer the older version over the newer version.

Sometimes one can use a Second Brand that is related to the First Brand or what I call the Father brand and the Son brand. Some might refer to it as a Sub brand, a brand that is under the umbrella of a parent brand.

In setting up a name or a design for a product, first consideration must be given to the **Positioning** of the products. The products that share the same target consumer base may be positioned differently. The positioning of a product is the perception regarding a product in the mind of a consumer, and each consumer has different views and perception.

The right positioning for a brand is one in which it is perceived by most target consumers in the way the brand owner intends it to be. Such a positioning can attract more consumers towards the product as it reflects what the consumer believes.

Besides the right positioning of a product, the elements of advertising, public relations and sales promotion should be integrated into one another in accordance with the positioning statement and the target market.

Some may wonder as to how it can be possible to set a position, create an advertisement, engage in public relations and sales promotional activities directed towards one target market. The answer lies in research of the target market from different angles which will then be used to set a position in the minds of consumers.

The next concept is about "Fast Slow Heavy Light"

**Fast Slow** refers to doing activities necessary and timely according to the nature of opportunities that arise. This aspect needs practice and depends on the owner's interest and it is not easy to elaborate in details.

**Heavy Light** refers to a feel for the amount of effort to be exerted, money to be spent, or the frequency in doing certain things.

Fast-Slow-Heavy-Light is the thought that brand managers or brand creators must always observe and implement accordingly.

# 8. Product Positioning

At present, different products that are available and being sold in the market tend to have standardized quality. Even durable goods like cars do not have much difference in terms of quality. The engine of a Toyota can be utilized for more than 100,000 kilometers and is similar in use to that of the engine of a Mercedes Benz . The difference in quality of the engine may be in the minor details like the noise level or the horse power. If the body of the car is concerned, then details like the balance of the car or the good braking capabilities may have some differences.

This does not mean that Toyota does not know how to make a silent engine or one with high horsepower as well as Mercedes Benz, but it is more a question of the cost of manufacturing that will be needed to incorporate all the extra features. A Benz C class is priced at 2.5 times more than a Toyota Camry but this does not translate into the quality of the Benz C Class being 2.5 times better than the latter. It is actually the positioning given to the brand and the pricing policy which must go hand in hand.

The thing that differentiates two brands from one another is not the basic quality it is more the properties that relate to target consumer satisfaction, or in other words, the qualities that appeal to the target market.

That is why, when one sets up a position for a brand, care must be taken about consumer satisfaction by consistent research conducted on target markets. Research regarding consumer satisfaction levels should be conducted regularly and sufficiently in order to understand the true feelings of consumers.

In carrying out frequent target market research one gains skills necessary in analyzing the results of the research. Usually consumer samples of a research do not always reflect the all the true feeling of consumers. For instance, they do not talk about their real needs or sometimes may not be able to put into words what they want to say. Hence, a brand manager should possess the ability to read and understand research results, analyze them, draw conclusions, and understand the behavior of the target consumers. Using the conclusions drawn, the brand manager should decide on methods and ways to appeal to target consumers, and gain their satisfaction, or set up a strategy to compete with competitors in order to win and be the leader in the market.

Enlarging the consumer base surveys should be done occasionally to keep a check on the Paradigm Shift, and whether it is increasing or decreasing, and by how much, or in which direction. This sometimes may prompt us to increase more customer portfolios.

Increasing the target consumer base has both positive and negative effects depending on the exactness of the expansion, and the outstanding properties we intend to project to attract the attention of a new target market. This must also be done in planned steps and not in haste, or else the present position may be lost, or competitors may see it as an opportunity to attack.

A reckless increasing of the customer base may sometimes result in existing consumers turning away from the products because many others (those who are not similar in status to themselves) are using them. This is referred to as Negative

Reference. For example, clothes of a particular brand are usually priced expensively and those who wear them tend to belong to the B+ group. Also, perhaps a situation of over stock occurs and a low price campaign is undertaken ,resulting in a much broader range of consumers being able to buy original pieces at very low prices. Now, how many B+ customers do you think would like to be seen wearing the same brand as every other consumer.

There are some products on which research has not been conducted for quite sometime. In these cases, the brand's position could have changed without the brand manager's knowledge. For example, a product intended to sell to target consumers aged 20-30 years, might have turned into one that attracts consumers aged 30-40 years. This I called Unintentional Repositioning or can also be referred to as Position Shift.

With regards to clothes, if such is the case then it means that the design or color of the clothes are not right for the intended target market

Product Positioning is what comes to the mind of target consumers when they think of the product. It is not the position or rank of sales figures in the market.

### 9. Create Demand

In a free country, marketing creates increasing consumption. But if there is no marketing, consumption depends on the demand and supply. A marketer who is interested in consumers should thus be interested in the concept of demand and supply.

If one produces too big a volume, there is bound to be some unsold portion. If a product has a limited market, many producers compete to win customers or consumers. Hence the person that does good marketing will usually get the customers and consumers.

Nowadays, supply is greater than demand. There are many producers of products who can match the expected quality standards and these producers also have high production capacities when compared to consumer demand. Hence, they will have to

- Create Fashion
- Create More Consumption
- Create Artificial Demand
- 1.) Create Fashion: Creating a want by stirring feelings or emotions of consumers, igniting their want of having something that the person they idolize has. For example:
  - a. Clothes of a particular color that are currently a hit or a design which is trendy or appeals to the consumers. Search for a presenter who will be able to reach out to the target consumers.
  - b. A new hairstyle. A hair styling gel which makes hair stand upright, hair dying, perming, bonding and the like. Nowadays, girls sport short hair., and the trendsetter's job is to be harmonious with the society in which working women are increasing in number. Also, the dressing and getting ready time for women has reduced, thus sporting short hair has more advantage over long.
  - c. Mobile phones, because of their convenience, presently are creating a trend among consumers. The design should also be good and be consistent with the taste of the target teenager market. This further pushes for lower prices since teenagers cannot really afford expensive ones. There also must be variety of functions like music download, sms etc. .

All these are the work of a marketer who needs to deeply understand the target consumers. If there are many products competing with each other, then it depends which individual can gain the best insight about the consumers and then develop products that are consistent with target consumer's needs. It also depends on who can be more efficient and more effective. At the same time, the stronger marketer will be the one who can reduce investment costs, and have a large customer base that can allow retailers to earn enough, as well as being able to continue developing the product and also engage in sales promotional activities.

2.) Create More Consumption: to create buyers increased usage, a marketer needs to give reasons to consumers to engage in additional usage.

- a. Increase the size of bottle or packaging. Selling only a big size but not a small one. When consumers get into the habit of buying large amounts there is a tendency that they will consume more.
- b. Enlarge the diameter of the mouth of the bottle so that more is poured out than from that of a small bottle.
- c. Mention the amount to be used each time to be more to avoid low usage, and hence less purchase.
- d. Change the formula into a much milder one so that it can be used daily, and hence more frequently, but at the same price.
- e. Make the products wear out more quickly without consumer's knowledge.
- f. Make products un-repairable, and so can only be replaced.
- 3.) Create Artificial Demand: a good marketer should be able to motivate a consumer to want a product irrespective of need or previous possession.
  - a. Price in such a way that makes a consumer want to purchase in larger quantities.
  - b. The products presented are so nice that they can make gifts or souvenirs.
  - c. Products that increase the social image.
  - d. Create products that can be used only for specific occasions like shoes to be worn in the day time, shoes to be worn in the evening, shoes to be worn when partying and shoes to be worn for sports.
  - e. Create so many varieties that consumers cannot just buy one, but more.
  - f. Create volume of purchase that prompt giving away gifts, free samples or discount.
  - g. Provide financial help like credit terms or make the purchase of goods to be easier.

One who does good marketing is the one who gets the most consumers.

### 10. Consumer Activities

Currently marketing is highly competitive. Those product managers/owners whose products reach out to consumers are usually better off and successful.

Everyone probably understands what the concept of reaching out to customers means. But there are some operators who aren't sure or do not do it right, thus making the product not sell as well as it should do. This usually occurs because no activities that reach out to consumers are conducted, or activities conducted are directed towards too small a group of consumers, therefore they do not cover the intended target market.

Proper coverage, frequency and the expenditure on activities need to be properly considered, apart from also the sales and image that can be obtained from the activities.

There are many business owners and product managers that do not consider these points mentioned above. They only designate jobs to employees or marketing graduates to conduct activities with consumers occasionally, without having a precise action plan and mostly without a thorough consideration of what the objective is for the particular activity. Nor do they have a way to measure the achievement of the objective.

The most important thing is setting up an objective, something for which many business operators tend to neglect or give very little importance to. However, there are many people who do it for the sake of just doing something, or to increase sales, or only for the sake of their job, and because another company or competitor might be doing so. Also, many do this just an inclination or out of habit, and in many cases because someone in a higher position asked them to.

The process of deciding upon an objective starts with these questions that I'm putting forward. The answers to these questions are to be found by the person who wants to conduct meaningful consumer activities

- 1) Who are the target consumers? Where are they? What do they like? (These questions will definitely be some of the first in the minds of those people who major in marketing)
- 2) What is the purpose of the activities? For example, is it to increase sales, to create awareness about the product or brand, or to increase more consumers' to be favourable towards the product or brand. (All these mentioned are examples of objectives.)
- 3) How should the activities be shaped or organized?
- 4) Before starting an activity one should first learn to assess results and also set ways to measure them. And then prepare to collect necessary data that are needed to conclude the results of the activities.

If these steps are given importance and worked on, then right after the activities have been completed, one will be able to conclude immediately, and compare if one has achieved close to expectation or not. If the objective is missed significantly then one needs to find out why, so that the same mistakes will not repeat themselves in the future.

# 11. Marketing Person

Marketing is a relatively new course being offered in universities, encompassing aspects of sales and business. It is about human beings, and hence a good marketer needs to be someone who possesses a natural understanding of human beings, and I believe such an individual can be called a "marketing person".

Personally to me, a marketer does not necessarily mean a marketing person. A person who possesses a bachelor degree, master's degree or a PhD degree in marketing may call himself a marketer. Or a person who has conducted business for many years, and has become rich may also consider himself as a marketer.

On the other hand, a marketing person may or may not have the credentials mentioned above. However, they do need to be someone who is interested and aware of changes in the market place, not only in relation to themselves, but also the effects on others. Also, they must be interested in what actions they undertake, at the same time as paying keen attention to changes in human behavior. Moreover, one should not only use one's own emotional interest to judge different marketing activities that take place, and the effects on consumer behavior.

These are examples of items that a marketing person will assess, analyze, summarize and observe continuously, in order to deal with widely varying consumer behaviour. Continuous follow up and contact with consumers at different levels also help to better understand mass consumer behavior, and not only particular groups of consumers. A marketing person is someone who can get close to people on many levels, and is interested in almost everything, irrespective of their own liking or not. Not only do they show interest, but also they can systematically summarize everything in their minds and apply them in their own businesses.

Moreover, positive thinking is the most important attitude of a marketing person. They should be brave enough to think and do out of the ordinary, as well as being the one that does not always completely rely on information from the past. Also, they should always look into the future, and be able to visualize what will be the positive things that can happen to the products that they are working on .

# 12. Marketing Mix of Fashionable Goods

University students are usually exposed to the marketing of consumer goods, which requires heavy advertising, distribution networks and sales promotional activities. But marketing can be further divided into many other forms such as manufacturing marketing, marketing of durable goods, marketing of industrial goods, service marketing media marketing, fashion marketing, and advertisement marketing etc..

Many of the above mentioned have similar approaches, but each of them may need different emphasis on different Ps in the marketing mix.

The important thing is to know your clients, consumers and competitors. Those who can excel in this, always have a greater chance of success than the others.

Marketing Mix for me consists of 7 P's which are Product, Price, Place Promotion, Presentation, People and Pisadarn (Innovation or Creativity). Each product category requires emphasis to each P of the 7 Ps differently. Even products of the same category may emphasize on different Ps

I would like to shed light on Fashion Marketing first:

**1. Product** – In fashion, products play a very important role. Research about consumer's needs and wants is crucial but one thing required more than research is a "Sense" or *Fashion Sense*. A fashion marketer must have a sense for fashion because Sense is a feeling that sometimes cannot be reasoned or supported with information. If a person who deals with fashion products does not understand the word Sense, or does not believe in the sense of a designer or that of themselves, then the chances of product or brand development is close to minimal.

A manager's skill in being able to tell who has good sense or bad sense is also equally important. Some may have a good sense for a particular category of merchandise while others might have for different categories. Some markets may be small while others may be big. Hence, it does not always mean that a designer whose product sells well has a good fashion sense or a designer whose product does not sell as well has a bad fashion sense.

In fact, a designer may possess great sense but if it is not in line with the brand image, it may appeal only to a very small group of customers.

What is necessary is the knowledge regarding the size of the market for the brand, and identifying groups of consumers that make up the brand. Also, find out which group is big or which group is small, and then design to appeal to those particular groups of consumers. This does not mean that other design aspects will never sell; new target markets can be developed so these and other designs can cater to them.

Some brands cater to too many consumer segments, however this is not very appropriate as the brand will tend to loose its identity and image. This is more obvious in cases where a brand logo is identifiable on the product.

For example, take the brand that attempts to cater to both old and young people. If a young individual sees an old person sporting a particular product, then likely they

would not want to be seen in it, and vice versa. This is called Negative Reference, a rejecting behavior of one group when witnessing some other groups doing or sporting the same thing.

There are certain fashion products that can have minimal association with Negative Reference such as lingerie products. Even though they cannot be seen when worn, since they are worn under the clothes, they are still categorized as fashion items.

My own definition of Fashion and fashion products are as follows:

**Fashion** is the trend of feelings and interests, towards services or products, by major groups of people and thus induces purchases of products or services.

**Fashion Products** are products similar in purpose of use but have a variety of price levels and a variety of designs for consumers to choose from.

Another aspect of fashion products is that even though the products are attractive, excessive quantity can make the products less appealing to consumers as there are too many available in the market.

For this reason, the ability to forecast accurately the quantity of demand for each item is very important, and hence needs practice from regular monitoring of product orders, up until the point at the end of the season, when the products are almost all sold out. The success rate and the forecast should always be compared to see how accurate the forecasts have been made.

To have a *monitor shop* is also a method to improve accuracy in ordering the quantity of products

**2. Price** – there are many pricing strategies for fashion products. It all depends on who does what that best suits the business or image of the brand.

*First strategy*: price all products in the same level or according to the cost of each item. If stocks are left unsold then they can be sold at a cheaper price. This technique has been used for quite sometime but does not fit the condition in today's market.

Second strategy: price products according to their appearance or look. If the appearance of a product looks good, then the pricing can be high, if not then the price should be low. This method is less related to costs than the previous method. The product manager must have a sense about the products, and which ones look good and which do not, and then price products accordingly, while placing the appropriate quantity of orders, and evaluating the success rate of each item as well as the success rate of each season.

Discount sales are inevitable for fashion products due to the range of sizes, varieties of designs, and colors. It is not possible to sell all items at full price right up until the last piece.

Price one group of products high while pricing another one low. However, the products priced high must also be worth their price in terms of design and quality.

This strategy is to create a higher image for the brand by selling a good quality product, with a prominent feature and a high price. But such a product may not sell in large quantities at the beginning, so purchasing has to be scrupulous, with no build up of stock, and hence resulting in minimal discount sales.

Other than this, the main group of items should incorporate medium prices whose designs are very similar to the high priced items. *From my experience*: Product managers often say that they make wrong estimates because the consumers are more interested in the higher priced items. The higher priced items usually sell out while the medium priced items are not so well received.

There are two explanations for this:

- 1. Consumers show interest in the high priced product to show their financial status but do not usually purchase them. The information a sales person communicates to the product manager is usually misinterpreted. As the products are expensive a lower quantity may be ordered, and thus a particular size or color runs out of stock, which gives an impression that the product is selling well.
- 2. Sometimes if highly priced items have been purchased in excess quantity then there will be stock build up giving the impression that the product is not selling well. Same is the case for middle priced items. Undeniably it is a fact that assessing and evaluating the quantity of both products as well as managing products, during and after the season is of great importance.

The product managers who cannot sort out their own thoughts will resort to the first strategy.

Fourth Strategy: price products higher at the beginning when newly launched and then reduce the price to the proper level so that consumers purchase products believing they are getting it at a cheaper price without jeopardizing profits. Also leave room for further discounts if necessary.

There are still many more pricing strategies but these mentioned are being used world wide.

**3. Place** – Fashion products are products that cannot just be sold anywhere but should be in places which are suitable for them. Also, they are products of desire rather than that of necessity, and that is why the environment in which they are sold plays a very important part in driving consumers to the act of purchase. Products need to be placed right, be easy to find and displayed attractively. These factors are important for consumers' decision to purchase.

Other elements like lighting, color, noise, decorative pieces and attractive display all can play important roles. But the most important thing is *Location*, which is the most crucial and delicate. Furthermore, the location must also be regularly relocating to a better position.

**4. Promotion** – There are many differences between promotions for fashion products and those for other products. Fashion products do not emphasize advertisements in

mass media, because most fashion products target selected consumer groups. Conducting mass media advertising would likely be an unnecessary wastage, but possibly it may create awareness among consumers not targeted and turn them into potential customers.

In cases where the brand is small, it might not be worthwhile to lean towards mass media especially during the first phase, unless the product has a sufficiently big customer base and the marketer has vast experience.

Fashion products should stress public relations more, along with creating attractive activities, or making use of famous presenters to get personal endorsements.

Arranging for free samples or gifts during special discount periods occasionally can also be a type of sales promotional activity. However, this highly depends on whether the free gift or discounts are able to attract much or less attention. A brand that can build the right image or awareness when conducting sales promotional activities, will automatically receive better consumer response than brands with a mediocre image.

- **5. Presentation** Presentation of a product can be done through packaging, point of purchase display, window display, fashion shows or catalog shows. A sales person using the products being sold is also a type of presentation. Additionally, if it is done sufficiently well a sales person can present products in such a way it can close sales, so also becoming another important means of presentation.
- **6. People** In this instance, people refers to all those who are associated with products ranging from the brand owner, brand manager, company staff, retail owners, consumers, sales people, and also media people. I refer to all of them as people whose compatibility, ability to understand each other, their process of work, love for each other, as well as their combined proper attitude towards the brand, consumers, retailers, products and the organization, together will nurture the further development of the fashion business.
- **7. Pisadarn (Innovation and Creativity)** Fashion products in today's competitive environment Pisadarn is increasingly important because innovation of fashion products can be done from different angles with different fineness relating to consumers needs and wants. If a fashion product manager can innovate in a way that reaches out to consumers consistently, the success of the product in terms of image as well as sales will be higher. And following closely will be profits associated with the respective sales

Pisadarn can be integrated into all other six P's which are product, price, place, promotion, people and presentation.

# 13. Marketing in IT Era

For hundreds of years, the word "trading" has been in the dictionary. Later the word "business" made its way into the dictionary, and now more recently for several decades "marketing" has also been included.

Thus marketing should be a thinking method, ways of trading or conducting business to a higher potential.

To understand consumers, research regarding their needs and wants can be done through methods like Mass Behavior, Lifestyle, Focus Groups, Panels of Discussion and Product Blind Testing etc..

These kinds of research provide marketers the insight necessary to introduce products that better serve the consumers' needs and wants. Consumers vary widely in terms of behavior because of their upbringing, careers, family environment as well as social environment.

At present, marketers offer a variety of products to consumers to choose from, and this brings about higher attention to consumers' needs and wants.

However, interest by consumers cannot be created overnight, but rather through long term consistent observation, along with research of consumer behavior, which helps bring about the understanding of the various aspects of consumer behavior.

Windows of opportunity for marketers to come up with products or services are narrowing each day. However, if one looks scrupulously there is still room. A product does not necessarily have to be completely different from others or superbly better than others, but should be an answer to consumers' unmet needs. In many cases consumers themselves cannot identify these unmet needs, and hence products that can accommodate the unmet needs of consumers can realize a high success rate. Nevertheless, the success rate still depends on the product quality, availability, public relations and efficient management.

Examples of successful products that responded to unmet needs are:

- 1) Low priced beer which attracts drinkers from local whisky and rice liquor.
- 2) Japanese buffet all you can eat restaurants.
- 3) Aromatic green tea in a bottle
- 4) Contemporary Thai fast food restaurants which have a trendy atmosphere in shopping malls.
- 5) Energy drinks which project a fighting spirit.

The important thing in the IT age that relates with marketing is "Speed". Speed in searching for information, speed in research analysis, speed in concluding results and setting up strategies and methods needed to fulfill set objectives. Sometimes changing objectives also needs to be done with speed. If one believes that the objectives set are not right, they should be changed without hesitation or obstinacy or regret.

Objectives can further be subdivided. Each must be followed up on continuously and KPIs can be used to monitor and review regularly, so one may remain posted if any necessary changes are in order to achieve the target.

# 14. Marketing Entrepreneurs

Business men who have successfully expanded their marketing networks and created prosperity for their organizations, tend to be either owners or professionals, and can see themselves at the helm. However, most of these top men did not major in marketing, but rather have marketing persons as their advisors or mentors, or have taken marketing courses.

Here is a list I recall of people who did not graduate with degrees in marketing, but have expanded their businesses considerably:

Khun Thanin Chianwon Khun Boonchai Bencharonkun Khun Aphirak Kosayothin Khun Boosaba Daoreang Dr. Thaksin Chinnawat Khun Anand Asawaphokhin Khun Choroen Siriwattanaphakdee

In the past three decades, I have noticed how business growth has relied on marketing, and those mentioned above did not graduate with a marketing major. However an exception is Khun Amonthep Deerojanawong – Mistine who graduated with a BBA degree major in marketing from Youngstown University Ohio, USA. Also, there have been many other people who have already passed away, who were able to expand vastly their organizations ,and their businesses are still expanding till date.

From observation, I have been able only to find a few answers as to why successful people in the business of marketing are usually those that did not study marketing.

Firstly, those in the past people did not have ready access to marketing teachers or lessons.

Secondly, many individuals did not get chances to study and some of them were not interested in studying.

Thirdly, these people naturally understand the behavior and nature of other people. Consumers are people so marketing conducted on consumers is easy for them.

Fourthly, because they did not graduate in marketing, they paid close interest in marketing and consumers, and thus they learnt about the feelings of consumers more than those who have studied marketing.

Fifthly, they were determined & motivated which is an important element of being a successful marketer.

For those who graduate with marketing major tend to become teachers, advisors or managers in organizations. One thing I could not fail to notice was those who do actually finish from this field often believe that they are more capable in marketing aspects than others, and for this reason they loose interest, also fineness in analyzing consumer behavior scrupulously, also things which are not in text books. Students

with marketing majors tend to stick too much to the theories or equations in marketing and ignore the real world. Most marketing theories emphasize models of marketing used in The United States of America, because USA is considered the biggest platform of marketing. You could even say that most marketing gurus belong to that country. (I have not researched the history of Philip Kotler, a marketing genius. However Kotler himself is not a marketing graduate).

Most marketing models stem from basic consumer product models because consumer products have been competing fiercely in the market for more than thirty years.

Marketing graduates tend to stick to their lessons so much that they pay lesser attention to changing consumer behavior and end up applying marketing models that do not match to the products, situations and competitors.

Marketing is more a matter of intangibility than tangibility, because marketing taught at school comprises of marketing theories or definitions, techniques of research, marketing glossary or maybe lessons of how to read information and draw graphs. I myself have never read any marketing books, but I personally believe marketing books or lessons do not teach or stress how to interpret consumer behavior, which may result in misinterpretation and moving in a completely wrong direction.

Marketing books usually stress too little about individual behavior versus mass behavior.

I used to like listening to marketing lectures given by Dr. Seri Wongmontha because I got the most ideas and marketing glossaries from him (Dr. Seri also is not a marketing graduate either).

It can be concluded that to know marketing one has to be a good observer of people's behavior, and not of one self, be able to remember minute details and put them together to use, and believe in personal ability to understand people without having to refer to books alone.

Those who graduate with marketing majors are not marketing persons (my personal view).

One who teaches marketing is not a marketing person

A retailer is not necessarily a marketing person.

A manager is not necessarily a marketing person.

A market person (in my view) is one who can expand and develop a market of a product or service efficiently. I believe that marketing texts give very little importance to "Fast Slow Heavy Light".

Fast Slow can be analogy to economy of speed.

Heavy Light can be analogy to quantitative analysis

To be able to make oneself understand the concept of Fast Slow Heavy Light one must be aware of both conscious and subconscious minds and also train oneself regularly. This is usually a weakness of Thai people because of the Thai culture that does not push people to work fast but rather let people take their own sweet time.

Thais are also taught not to try to catch two fishes at a time, however, according to books in the United States with the titles:

The Smaller Fish Eats the Bigger Fish Fast Eats Slow Speed as Thought

It is an aspect that Thai people need to consider that the present world is the world of IT, a world of the fast because computers can help do things at hundreds of times the speed that one could do things ten years ago. Those that are used to the old concept of taking one step at a time, and thinking slowly will remain behind because their pattern of work is *think slow, decide slow, act slow and follow up slow.* 

There are many people that I know change very slowly, very little or do not change at all. All of us need to understand that in order to change ourselves we have to begin with changing our thoughts and ideas, which will allow us to change our actions, and eventually ourselves.

Many people are stuck with their own ideas, to an extent that they cannot open up to ideas from others, even a little or at all. This behavior is more obvious in people highly educated because the higher they climb the ladder of education the more they are taught that "Believe in yourself, if you believe in others easily, you'd be easy to fool", "Before you believe in something, prove it first", "If you believe in others easily that means you have no ideas of your own", "Two individuals do not necessarily have to share the same ideas", "There can be many answers to one question", "There is no conclusion because information is insufficient" and the like. These notions make a highly educated man slow and less receptive.

These notions may sound acceptable at school and university but in the real working world ,even when information is insufficient, a decision has to be made because a business or the market will not wait for you to get hold of all the information you need for you to make decision. Decisions are to be made immediately because if one waits for complete information, one might loose opportunity.

In English there is a saying "The show must go on".

To understand, to believe, to be self-confident and to be a leader are powers that push you towards success more than people who believe only in information.

Use some of your feelings and senses when working, do not only use information.

# 15. A Marketing Person Must Understand Consumers

Today's education system tends to teach a person to become a specialist or a professional. In other words, it trains a person to become skilled and apt in a particular direction. If you have been educated in a marketing area then you would eventually pursue marketing research or engage in marketing activities using marketing tools. If you have been educated in engineering, you would be likely to apt in machinery and the like. If you have been educated in computer science then your interest would be towards software and hardware, while if your field is accounting your interests would be numbers and mathematics.

A professional like a manufacturer would be interested in machines, raw materials and manufacturing processes. A retailer would be interested in purchasing product and getting it to the end consumers.

But I have since long believed that a person who can work and achieve success should be a generalist and be able to become a specialist when needed.

A generalist means one who is not stuck to one particular method or particular idea. A generalist should be flexible in their heart and soul, be in line with the situation, and be able to learn new things that help make success.

Specialists or professionals whose education prompts them to pursue their professional careers will attain success only up to a certain level.

In the past, our country was short of specialists or professionals but today every educational institute is providing the world with numerous specialists and professionals which have resulted in competition for job positions.

It has been observed that specialists and professionals who establish themselves as such, basically find that they are starting to get stuck at the age of thirty six to forty years. While some that could change themselves on time into generalists can do variety of activities and employ specialists or professionals to work in specific areas.

A marketing person must be a generalist especially in understanding consumers, because consumers are different, and *in differences one can find similarities*. A good marketing person should then be one who can tell differences and similarities, understand dynamically changing consumer needs which are affected by advertisements, economics, and the social and political environment that reflects their purchasing behavior. Moreover, a marketing person also needs to know how to ride on a fad or a trend to their benefit, and find products or services that suit situations that arise.

Other than understanding consumers, attention must also be given to competitors. One should be confident that the competitor is evaluated properly and one should also be determined to win or excel over the competitor at all times.

If continuous interest is paid to the various things that I have mentioned, I believe that the particular operator will achieve success without doubt and if he was a specialist

before he will never return to be one again. In conclusion, a successful marketing person is the one who understands people.

### 16. Final Destination Is to Win

The concept of marketing is very similar to the concept of sports or war in the sense that it needs the determination to win.

A person who completes his duty without expecting victory, or hoping to be **number one**, does not usually bring as much success to a product under their care as it should.

A good marketer should be a dreamer, and one that fulfils his dream, because marketing is about working for the future of a product.

Those who are not dreamers, seldom become good in marketing, due to a lack of imagination and creativity. They dare not think out of the box. They tend to look for information to support ideas, even though they are marketing graduates. Most institutions teach students about marketing information, structures, advertising, marketing research and case situations in marketing, which are mostly things of the past. To build students to become dreamers, which is something uncertain in the future, I do not think to a large extent is being taught, along with creativity. I have come across a number of marketing graduates who are not generally creative even with small ideas .

Asked why they are not creative, the answer is because most of the professors teach their students to look for information and stress that information is very important, but good creativity hardly stems from the past information, instead it is from new ideas that have never happened before. This is why students that graduate with a mind full of belief in the importance of information, do not dare to conceive new thoughts, or are even confident enough to think creatively.

On the other hand, graduates from Communications or Arts, usually possess a better sense of creativity because these are fields that do not require students to search for information or research. Instead they emphasize artistic activities, such as photography, acting, radio or T.V. program management, which are attributed to creativity of the art of communication, versus the different approach by marketing graduates.

If feasible, majors in comm.-marketing or psychology-communications and marketing, should be offered for study.

I have had a chance to come in contact with graduates in different fields and found that whoever majored in whatever subjects would confine themselves to their fields of study, and try to apply their subjects of study to their work. Even if sometimes they do not fit in, or often without thinking of how they deviate from the actual facts or situation.

In the real world and what has been learnt at school are usually quite different. There are some areas of studies i.e. engineering, computer science and finance which are involved more with systems and numbers, where study and work come closer together, because these fields of study are less involved with the interaction of people and individuals. In institutes, only a few concerns with other people are taught, but in

the real world, the human factor is most important, which in many cases results in the acquired knowledge from schools to be ineffective.

For this reason, I would like to convey a message to students or those graduating to always be attentive to human behavior, *because the only path to success is for you to understand people*.

# 17. The Thai Market, the Market that Tames Marketing Gurus

I tend to observe, analyze and most importantly summarize specific behavior, which is why I do not need to work in particular areas for long to learn to understand thoroughly, because I believe that to understand something perfectly is not possible. Hence we should learn in order to understand, or know in order to sufficiently lead one's working or private life. However, some people take a lot of time to conclude things, need a lot of information, and find a lot of proofs. In other words the search never ends because what he has is never enough.

It is obvious that this type of people are usually highly educated individuals, because they tend to believe that whatever they do they have to back it up with facts, evidence and information, or else they cannot make a decision because if they do it will be very un-business like. Moreover they are also taught that believing easily is like someone with no ideas, or capability, or is easily fooled.

However, marketing is about working in the future, or preparing for the future, and information about the future is never certain. It needs to be guessed and evaluated, which is possible only if one possesses the skills to understand the consumer's mind and not only information from consumer behavior research alone.

A good marketing person is observant, interested in others, inquisitive and experimental. He should be able to put himself in other person's shoes, especially those of consumers who are his target market.

A marketing person that does not understand people and is stuck to ideas from books or any particular method will not achieve good results.

A good marketing person should be flexible, receptive and thoughtful, he should be able to analyze and decide without having to wait for complete sets of information, and does not stick to any one particular idea, because the world is changing dynamically and so are consumers.

Experiences from the past, both right and wrong, whether big or small, are lessons to be learnt.

During the past thirty years I have followed an idea which is to *learn from others'* mistakes so that you don't have to learn from your own mistakes.

Some people just go ahead and do anything in spite of numerous warnings and when something goes wrong puts the blame on somebody else. Dr. Thiam Chokwatana,my father once said to me:

A person who commits a mistake and blames it on somebody else, is the one who "can never improve himself"

After observing marketing activities done in Thailand by Thais, or foreigners, certain products have had success in Thailand more than in other countries that share similar

characteristics, and there are products introduced in Thailand by foreigners that have failed for example :

- 1) The sales of Mercedes Benz cars in Thailand were so high that the country has made it into the top ten list of the world.
- 2) The expansion rate of discount stores is the highest in the world when compared with per capita income.
- 3) One country where there is a very high competition in fast food chains.
- 4) One country which has department stores whose quality is one of the best in the world.
- 5) One country that karaoke has become very popular.
- 6) Mobile phone usage by the Thai population is relatively high by worldwide standards.

There were many products and services that were very successful in other countries but when introduced in Thailand were major flops. I would like not to take names but to conclude according to what I think why some products are successful while others fail??

I have a conclusion for every point mentioned.

## 18. Marketing Difficulties after the Asean Crisis

I kept asking myself whether it was easier to conduct marketing before the crisis in 1997 than it is now, and I only found the answer after quite some time.

1. Before the crisis getting loans from financial institutions as well as from off- shore was much easier, even though the interest rates were much higher than they are today. But people who borrowed money during those days were not very interested about the interest rates as long as they had money to pay their bills, pay salaries, pay their creditors while some used the money for personal purposes, and others engaged in improper investments.

Businesses that were running at a loss were still operating without having to develop in terms of efficiency.

- 2. A tough competitor, but with less financial muscle, was not able to compete with big competitors who were less efficient and running at a loss, because the big competitors always had financial support.
- 3. Interest in new business was minimal because businessmen were content with their present operations, while new entrepreneurs had not emerged, as they were still employees or managers in bigger companies.

#### **After the Crisis**

- 1. Businessmen who were not conducting business properly or ethically could no longer exist, because the financial institutions kept asking for their money back as they themselves were in bad shape. Hence, inefficient businessmen fell out of the arena.
- 2. Companies that were sustainable and had strongly developed their marketing abilities, spent wisely, unlike previously, igniting tough competition in the market. The strong companies expanded their networks and product lines in order to be the big fish in the market.
- 3. Expenditure started being strictly controlled by financial institutions, and thus the wrong use of money in useless businesses reduced, even though interest rates dropped.

Lucky were the businessmen who dealt with property, cars or durable goods, because interest rates dropped and the government reduced the tax on housing.

Managers who lost their jobs or did not see any future in their jobs began to start up their own businesses from scratch.

Business owners began to be determined to expand their activities, giving rise to innovations in marketing. This came from both new, as well as established businessmen. This kind of competition made marketing more difficult, so those who are slow or do not have ideas are left behind.

It is important to be aggressive in marketing, because expenditures are high and correctness in terms of marketing is also needed to be more than before. There is no time to waste in trying and failing. Creative ideas are necessary in evaluating and testing new innovations, their effectiveness and success rates, also whether they reach the set goals or not, so that the company can keep expanding.

#### 19. Individual Behavior vs. Mass Behavior

Understanding consumer behavior is of great importance in marketing. Retailers do not stress the understanding of consumers in the belief that if a product quality is good consumers will be satisfied and then purchase. This kind of thinking still exists among retailers and manufacturers of products, but if a product happens to fail, the blame goes to the fact that there was not enough financial resources to conduct advertisements at the same level as competitors. Or there is blame of the competitor stealing the market, or belief that the competitor being a "big fish" was bound to be more successful.

If considerable thought is given, it can be seen that those that have a very large market share are usually those that place great importance in understanding the behavior of consumers, and respond to their wants and needs. They are also more detailed than others who shut their eyes and ears, and produce products that they believe should sell without caring if the consumers would be satisfied or not.

A consumer is a human being; a manufacturer is also a human being. Sometimes retailers like or take pride in a particular product and believe that consumers will also like it too. Moreover they go around asking their friends to try a product, and when they get confirmation that the product is good, they even get more confidence in the product.

But I would like to suggest that this is "Individual Behavior". Personal attachment towards a product that one produces is a kind of individual behavior, and the fact that friends and family tell one that the product is good is because they are friends, and hence this can also be termed individual behavior.

Additionally, if one goes around giving away a product for free then one cannot measure anything at all, because those that get a free product and like it will tell you so, but those who don't will merely shy away trying not to hurt your feelings, or in some cases will not dare to say anything, as they might be concerned they will not receive free products again in the future.

All this is considered individual behavior. Conducting wide research by using questionnaires does not necessarily give information regarding mass behavior, but can be used as a base for evaluating such, because giving out free samples is different from making an actual purchase. Moreover, if someone is paid to take a test, or if sometimes there are no competitors' products to compare with, or there is a comparison used in a blind test, these situations will differ from those in real life where consumers get to compare between brands in terms of packaging, price, location, display and advertising. All of which affect purchasing decisions and consumer perception regarding the product.

That is why sometimes research suggests that a better quality product but at a higher price with unattractive packaging, not displayed visibly, no media support, no appealing selling point will not sell as much as it was intended.

Also, it is why that product brands that have limited marketing investment must give additional attention to consumer behavior, and be more precise than other brands that have already made it in the market.

In conclusion, individual behavior is different in every individual as a result of dissimilar environments, situations and circumstances and mentality etc..

While mass behavior is the behavior of similar consumers, if a marketer intends to sell a large amount, he or she must see that the product has a selling point and appeals to mass consumers when compared with competing products.

If a selling point has not been found then it should be created and then researched on consumers to see if that particular product appeals to a huge or small mass consumer group.

If you appeal to mass consumers, your sales will be extensive. If you appeal to individual consumers, your sales will be minimal.

#### 20. Lessons Learnt from Past Mistakes

I returned from United States of America in 1972 and heard about a brand of detergent that was conducting a "4 color card" campaign. If four colors were found in the detergent package, many gifts were to be given away. It was a campaign that stirred a lot of excitement around thirty years ago. Consumers as well as non consumers purchased the detergent in order to find all four color cards but no matter how much they purchased all four colors were not to be found, because the quantity of the fourth color was very minimal when compared with the other colors, maybe one in a million. Still the search was on with the hope that luck will be on their side, in the belief that the particular card was in the detergent box. Hence, people kept purchasing but there was nowhere to store the detergent, and they had to put it away in large earthen vessels because these were the largest containers in the house.

During the campaign, the brand achieved a lot of success as sales multiplied. However, during the years after the campaign it saw stagnant sale figures because consumers accused the brand of being deceptive. Moreover, when they saw the detergent powder in vessels where they subsequently couldn't store water, or neither could they sell it off, the result was that whenever they opened the vessel it would trigger their anger.

#### The lesson I learnt from this is

- 1. Organizing a campaign that is very exciting and interesting but may have adverse side effects because of the amount of people hoping to win are numerous while those who actually win are minimal, leaving a huge proportion of consumers disappointed. Thus it can be said that high expectations lead to high disappointment, No expectations, no disappointment.
- 2. Before organizing a campaign, evaluation regarding consumer expectations should be done in order to find out if only particular groups, or whether almost everyone will be affected. If it is only a few groups then it is not too significant. For example with lucky draws, people who believe they will win are very few, but at the same time they still keep speculating at each attempt. However, other consumers participate without expecting much, hence the disappointment is limited to a few people.
- 3. Offering major gifts in small quantities (1 3 items) only to stir excitement, and then giving out mere consolation gifts, may create the situation that the previously mentioned detergent brand had to go through.

A similar incident happened with Pias Cosmetics when they conducted the campaign **Handi 71** (in 1971) before I returned from United States of America. The name Handi 71 came about as a result of a few ICC managers at that time\_liking bowling, and bowling had a system of handicaps. Hence, the campaign offered retail stores that purchased **Hai Cake**, which was Pias' best selling long shelf life water repellent powder, prizes like refrigerators, televisions, radios etc., as thirty years ago such items were considered substantial gifts. Also, incentives were offered to sales people who sold large quantities of goods. The result was that retail shops stocked up with product as they believed the gifts to be a very attractive offer.

At that time, it was thought that if retailers purchased substantial amounts of product they would try hard to push the sales of products off the shelves and into the hands of the consumers. However, because of high stock levels occurring, not everything could be sold. This resulted in a drop of sales of Hai Cake after 1971, because retail shops had many years of stock, and eventually consumer demand for Hai Cake started fading away.

Lessons learnt during year 1972 – 1973 are

- 1) When setting up a campaign directed towards retailers there is no need to add additional incentives for sales personnel, because if retailers are already interested the sales personnel will have to sell the products irrespectively.
- 2) Do not hope for sales figures to jump too high from normal because there is always a side effect.
- 3) When \_pushing a product one should also think about how to pull it from the retail outlets. To expect retailers to push one's products is wrong. Not having a campaign but instead giving gifts to consumers who buy the product is a better strategy.

<sup>&</sup>quot;Learn from other's mistakes so that you don't have to learn from your own"

## 21. 7 Ps

In formal marketing lessons one is usually taught about the marketing mix or 4 Ps, which are Price, Place, Product and Promotion, and I also learnt about this marketing mix in marketing lectures. But after analyzing marketing circumstances over the last twenty years, it is very evident that competition in marketing has become higher and higher, thus giving the impression that 4 Ps is not detailed enough for current conditions.

Marketing is about people, consumer behavior, trends, likes, dislikes and creativity, that determine the extent of success.

So a more complete picture of marketing should be 7 Ps which are Product, Price, Place, Promotion, Presentation, People and Pisadarn(Creativity or Innovation)

Many marketing Gurus claim that there should also be P for packaging, but I believe packaging is a part of presentation. In addition, some marketing Guru's suggest process, which I do not agree with as process should be a method employed in marketing. Everyone is quite familiar with the first 4 Ps so now let us talk about the three remaining Ps.

**P Presentation** is about packaging design, display and visibility which is what consumers can see, hear and acknowledge as defining the product's existence and brand identity. And thus it is arranged as another P in the marketing mix.

If there are only 4 Ps, P Promotion will cover advertising and public relations, but if there are 7 Ps, advertising and public relations would fall under P Presentation.

**P People** is research regarding consumer behavior, as well as learning to understand consumer mass behavior and consumer individual behavior.

Also, P People includes the staff that are related to a particular marketing activity, because when marketing certain products personal contact is necessary. For example, when selling a car, house or conducting other direct selling methods requires people to undertake these activities.

Training people to be able to carry out marketing also plays an important role. Other than this P People also includes retail customers, along with department store managers, with whom good relations and coordination need to be established so as to help products achieve success.

**P Pisadarn** is especially for Thai people because Pisadarn does not exist in any other language. Actually Pisadarn means weird creativity. Also, the truth is that marketing today emphasizes product differentiation, new or innovative ideas, and services.

Hence, a successful marketer must establish product differentiation because invariably there are wide varieties of products available with comparable quality standards. So a point of differentiation that appeals to consumers can be very important. Possessing a good quality product alone is not enough anymore because now we are operating in a

consumer driven market. In economic terms supply is greater than demand and hence it is also a buyer's market.

Creativity in terms of design, or product usage which is very prominent, and is not made available by anybody else, refers to the word Prisadarn, and is of great importance in today's market.

## 22. Marketing Assessment

I have found out from managing marketing activities of companies, that marketing managers tend to conduct activities without considering carefully the objectives of those activities, the associated expenses, and both the positive and negative impact effects. Also, I have found there is a tendency not to consider meticulously, whether there will be a strong or weak impact, or either a long or short term result.

The missing evaluation and consideration with sometimes anchor prior tests on their activities whether in what areas of results they could achieve. If all the mentioned points are not neglected, the effectiveness of these marketing activities could be much higher, or even some additional benefits could be realized for each activity, because the marketing person has carefully designed and tested whether all the objectives could be met by such activities.

I have written a check list comprising of the elements that should be considered when preparing for marketing activities as follows:

- 1. Is the activity conducted nation wide or in a selected area
- 2. Periodic or continuous activity
- 3. Repeatable, one time or occasional activity
- 4. Specific or multiple occasion activity
- 5. Activity attributing to sales and by how much
- 6. Activity that creates growth and increases sales or just to prevent a sales drop.
- 7. Activities if conducted will affect sales and profit of both the brand and company
- 8. Activities to create awareness amongst consumers
- 9. Activities require high or low investment
- 10. Activities require high or low staffing
- 11. Activities to counter attack, to be offensive or to be defensive
- 12. Activities that better the skills of staff
- 13. Activities that increase staff income or mostly to provide good morale.
- 14. Activities targeted at short term, long term effects, or both.
- 15. Activities that affect sales figure in the following months or not
- 16. Activities that give immediate or delayed effect.

- 17. Activities that will affect the present less than the future.
- 18. Activities which have insignificant follow-on effect and take place just for the sake of a trend.
- 19. Activities organized to reach monthly goals or yearly goals
- 20. Activities directed towards mass consumers or individual consumers
- 21. Activities that require advertisements and PR or not
- 22. Activities that should begin and end on particular dates, or when to start and when to end, or what is to be done in what areas, when required, or to be done periodically, or during festivals.
- 23. Activities where results can be measured immediately, both before and after.
- 24. Activities when terminated will affect staff, stores, customers, and sales figures.
- 25. Activities to fulfill the desire of the head of the team or not
- 26. Activities conducted as a result of demands of influential persons
- 27. Activities to create image
- 28. Activities conducted for social purposes with minimum marketing objectives
- 29. Charity marketing (making merit, making sales, making image)
- 30. Corporate image building activities
- 31. Activities that have to be big or can they be small but repeating.

Campaign conductors should consider or test the effects to be expected.

## 23. Way to Success

In conducting present day business, we tend to hear that such business is not doing well because it lacks marketing. Some business men often say that they can handle products but they cannot handle marketing, which impacts upon their ability to compete with big competitors, or conduct better marketing activities.

But the truth is that marketing is very simple. For some it comes naturally but for others it is a hard earned ability.

I would like to recommend to people who lack understanding, or believe they cannot carry out marketing, to know the method of becoming a marketing person for their own businesses as follows:-

- 1. Think, believe and be confident that you will do marketing and succeed.
- 2. Be interested in consumer behavior by getting as close as possible in contact with target consumers.
- 3. Possess the desire and drive to make one's business or product such that they are appreciated and liked by consumers or one's customers.
- 4. Pay keen attention to research information in terms of marketing of different products in markets that either relate, or do not relate with your own.
- 5. Try to find differing marketing approaches of products and businesses.
- 6. Guess or observe marketing methods of products or businesses.
- 7. Follow up on success and failure of marketing methods of small and big businesses.
- 8. Train to think creatively without referring to reasoning or information, and train to evaluate the level of success of such creativity.
- 9. Train to understand behavior of consumers of different sex, age, backgrounds of education and status when compared to your self.
- 10. Pay attention to your competitors' strategic moves.

Marketing of each product or business tends to be both different and similar in some instances. Products, services, finance, medical or even politics rely on marketing in order to achieve success, or incorporate changes in order to prove fruitful. Because marketing is about making a consumer like your product, it requires experience regarding consumer behavior, plus the courage to think and do new things that no one has ever done before. It also requires delicate knowledge about consumer needs which vary considerably. Hence, one needs to strive to discover similarity amongst the dissimilarities of individuals, or sometimes vice versa.

An example of similarity amongst dissimilarity is when different people like different colors of clothes, but most of them may like a similar material. This is also the case when different people prefer different designs in shoes but many prefer those that are lightweight.

Everyone likes Mercedes Benz but not everyone earns enough to be able buy one, hence what the company has to do is produce many models of cars to respond to the needs of the consumers that appreciate the brand, and also match their financial capabilities. At the same time it needs to make sure that its image remains consistent, and does not loose its positioning.

Every individual wants to eat different types of food in restaurants, but everyone wants it to be delicious.

However, the definition of delicious for each individual is not identical. For some it means sweet, for others it means spicy or salty, and this is referred to as subjective behavior.

For this reason a graduate from the field of marketing may not be able to compete with those who have learnt from experience. It depends however on how much that person understands consumers, and their exposure to consumer behavior, evaluation, and analysis.

Most marketers analyze consumers by using themselves, which may lead to a wrong decision because one's behavior may match only to some extent with the consumer, while certain other behavior may be completely dissimilar.

Some marketers conduct marketing only by using information, for example if a competitor does something, they have to follow them. But in reality in doing strategic marketing not only one needs to know one's competitor, but should do what the competitor does not do, or is hesitant to do. We may even use our competitor's strengths for our product's benefits (changing threat into opportunity), or we may look for a competitor's weakness and develop it into our own strength.

Other than this, creativity (which does not come from past information) will help create a difference in the product.

Products and competition in each category can make use of almost identical marketing methods, but the weight put on each method may differ. Sometimes there maybe a special marketing method for a certain business or product. Copying marketing methods across product categories also is possible.

Each method has many details which depend on the level of understanding of consumer behavior by the marketer who has to deal with the product.