

BMA151/251
Principles of Marketing

Semester 2, 2009

This unit will be offered in:

Hobart & Launceston

The lecturing team responsible will be:

Dr Kim Lehman (Lecturer-in-Charge)

Room: A266 (Launceston)

Phone: 6324 3001

Email: Kim.Lehman@utas.edu.au

Stuart Crispin

Room: A240 (Launceston)

Phone: 6324 3140

Email: Stuart.Crispin@utas.edu.au

<http://www.utas.edu.au/mgmt/student.htm>

Introduction to the Unit

Whether or not you realise it, you are surrounded by the activities of marketing. When you tune in to television or pick up your favourite magazine, you are involved in marketing. Each time you enter a shopping complex, go online or visit a movie cinema, you are involved in marketing. And when you visit the dentist, have your hair cut or decide which holiday package to take, you're involved in marketing. So, in this unit we explore the basic principles and concepts which underpin the practice of marketing so that you can develop a solid grounding for later study in marketing. That grounding will also be of real value to you even if you do not go on to further study in marketing, but start your career in other areas of the business world instead. By applying a framework to the marketing practices which surround you, and therefore by becoming able to understand what marketing is about, and how central it is in many business decisions, you will gain an edge over those who do not have similar knowledge.

During this unit you will, for example, learn about concepts and issues surrounding why people buy the things that they do, what forces constrain and shape a marketer's activities, and you will meet the 4Ps of marketing (product, price, place and promotion), known as the marketing mix. These and other topics are all developed in more depth in specialist units offered, such as Consumer Behaviour, Services Marketing and Marketing Communications. As a 'capstone' unit, Marketing Management expands on the foundations developed in Principles of Marketing to give a managerial and strategic focus to the many issues involved in successful marketing. Over the course of these units, you will come to realise that the activities of marketing really do lie at the heart of all business practices.

Does that mean you will be an expert in marketing when you have successfully completed this unit? Well, you will have definitely started in that direction. And you will certainly be more of an expert and more realistic than many managers in the 'real' world who run companies, make business decisions, export products and services, but don't understand what they are doing as well as they could. As more and more managers realise this, so is there increasing demand for people who understand what marketing is about and who have marketing skills. So, for you, this unit is a great opportunity. We hope you enjoy it.

Enrolment in the unit

Unless there are exceptional circumstances, students should not enrol in BMA units after the end of week two of semester, as the School cannot guarantee:

- that any extra assistance will be provided by the teaching team in respect of work covered in the period before enrolment; and
- that penalties will not be applied for the late submission of any piece or pieces of assessment that were due during that period.

Learning Outcomes

On completion of this unit, you should be able to:

- Describe the role of marketing in the organisation and society.
- Identify the fundamental principles of marketing and how they apply to organisations.
- Identify the elements of the marketing mix.
- Critically analyse marketing situations and evaluate marketing strategies.

Generic Graduate Attributes

The University has defined a set of generic graduate attributes (GGAs) that can be expected of all graduates (see <http://www.utas.edu.au/tl/policies/index.htm>). By undertaking this unit you should make progress in attaining the following attributes:

Knowledge

- To develop an understanding of how marketing planning occurs.
- To develop an understanding of how to analyse markets and their opportunities.
- To develop an understanding of strategic market segmentation and positioning.
- To develop an understanding of how to determine a viable target market.
- To develop an understanding of how to formulate marketing strategies, with particular emphasis on the development of Product, Distribution, Promotion and Pricing strategies and tactics.

Communication Skills

- By undertaking the activities specified in the unit outline, notably preparation and delivery of the individual written work, tutorial exercises and discussion questions, students will enhance their ability to gather and analyse information from a variety of sources, and present well-reasoned arguments in a logical and coherent manner across a range of contexts.
- Through listening to and providing feedback on the information and ideas of others.
- Through working effectively with others.

Problem Solving Skills

- Students will learn how to analyse marketing problems and suggest feasible solutions to them.
- Students will learn how to formulate effective marketing strategies.

Co-requisites

BMA101 Introduction to Management.

Texts

Prescribed Text

Kotler, P., Adams, S., Denize, S. & Armstrong, G. 2009. *Principles of marketing* (4th ed.). Frenchs Forest, NSW: Pearson Prentice Hall.

School Publications

Students must obtain the following electronic publications which are available from the School of Management website:

<http://www.utas.edu.au/mgmt/student.htm>

Writing Assignments: A Guide

Referencing Style Manual

Recommended Reading

The publications listed below are highly recommended for further reading on the topics covered in the unit.

Books

Boone, G & Kurtz, D. 2008. *Contemporary marketing* (13th ed.). Englewood Cliffs: Prentice-Hall.

Hoffman, K. D., Czinkota, M. R., Dickson, P. R., Dunne, P., Griffin, A., Hutt, M. D., Krishnan, B. C., Lusch, R. F., Ronkainen, I. A., Rosenbloom, B., Seth, J. N., Shimp, T. A., Siguaw, J. A., Simpson, P. M., Speh, T. W. & Urbany, J. E. 2005. *Marketing principles and best practice* (3rd ed.). Mason, Ohio: Thompson South-Western.

Keller, K. L. 2008. *Strategic brand management: Building, measuring, and managing brand equity* (3rd ed.). Upper Saddle River, NJ: Pearson.

Lamb, C., Hair, J., McDaniel, C., Summers, J. & Gardner, M. 2009. *Mktg* (Asia Pacific 09-10 Edition) Sydney: Cengage Learning.

Perreault, W. D. & McCarthy, E. J. 2004. *Basic marketing: A global-managerial approach* (15th ed.). New York: McGraw-Hill Irwin.

Pride, W., Rundle-Thiele, S., Waller, D., Elliot, G., Paladino, A., & Ferrell, O. 2007. *Marketing: Asia Pacific Edition*. Milton, QLD: John Wiley & Sons.

Quart, A. 2003. *Branded: The buying and selling of teenagers*. London: Arrow.

Quester, P., McGuiggan, R., Perreault, W. & McCarthy, E. 2007. *Marketing: Creating and delivering value* (5th ed.). North Ryde, NSW: McGraw-Hill Irwin.

Reed, P. 2003. *Strategic marketing planning*. Southbank, Victoria: Thompson.

Rossiter, J. R. & Bellman, S. 2005. *Marketing communications: Theory and applications*. Frenchs Forest: Pearson.

Summer, J. 2003. *Essentials of marketing*. Melbourne: Nelson.

Journals and Periodicals

Apart from books, you will find it valuable to get into the practice of reading relevant articles from journals and periodicals (including newspapers and magazines).

Adbusters Magazine

B & T Weekly (Incorporating Professional Marketing - Australian Marketing Institute)

Business Review Weekly

European Journal of Marketing

Harvard Business Review

Journal of Consumer Marketing

Journal of Marketing

Journal of Marketing Management

Journal of the Academy of Marketing Science

Marketing

Marketing Science

Marketing Magazine

The Australian (Each Thursday there is a Media and Marketing Section)

The Australian Financial Review (Each Monday there is a Marketing Section)

Flexible Learning: MyLO

MyLO software has been incorporated into the delivery of this unit to enhance the learning experience by providing access to up to date course materials and by allowing for online discussion through this web-based environment.

To access MyLO from your own computer you will need the appropriate software, and hardware to run that software. See **Learning Online** <http://uconnect.utas.edu.au/> for computer software you will need.

Note: Older computers may not have the hardware to run some of the required software applications. Contact your local IT support person or the Service Desk on 6226 1818 if you experience difficulties.

Privacy Policy and Notice

The School of Management takes the utmost care to protect the privacy and security of your personal information and to ensure its accuracy.

If you have any concerns about your privacy in MyLO please contact the lecturer-in-charge of this unit or view the University of Tasmania MyLO Privacy Policy Statement available from the university website on <http://www.utas.edu.au/coursesonline/privacy.htm>.

Assessment

In order to pass this unit you must achieve an overall mark of at least 50 per cent of the total available marks. Details of each item of Coursework are provided in the Assignment Topics section.

Method of Assessment	Value	Due Date	Length*
Coursework			
Assignment 1 - Essay	15	12 August 2009	1000 Words*
Assignment 2 – Case study	25	30 September 2009	2000 Words*
Examination	60	Exam Period	3 hours
Total Marks	100		

* **Word Limit:** The word count includes such items as headings, in-text references, quotes and executive summaries. It **does not** include the reference list at the end of the assignment.

Study Week

All undergraduate units offered by the School of Management are scheduled to include a Study Week. The dates for this Semester are shown in the attached Study Schedule.

The purpose of the Study Week is to allow students an opportunity to consolidate their studies thus far, and to research coming assignments.

Examination

Format

The final examination will be closed book. It will be of three hours' duration. The examination is worth 60 per cent of the total available marks. The examination will comprise two parts.

Part A is comprised of 40 multiple choice questions. Part A is worth 20 marks.

Part B requires you to complete 4 essay questions from a list of 6 essay questions. Each essay will be worth 10 marks, with Part B worth a total of 40 marks.

The best preparation for the exam is consistent work throughout the semester, together with participation in tutorial activities.

Scheduled date and place

Your final examination for this unit will be held during the scheduled examination period as indicated by Student Administration in correspondence to you.

Examinations will normally be scheduled Monday to Saturday inclusive. Examinations may be held during the day or evening and students should consult the university information which will be made available towards the end of semester.

You are advised to make any necessary arrangements with employers now for time off during examination period to sit this examination. Your participation at the scheduled time is not negotiable unless there are exceptional circumstances.

Note that you will be expected to sit the examination at your recorded study centre.

Supplementary Examination

Except in special circumstances and on the recommendation of the lecturer-in-charge or the Head of School, a student who fails will not be granted a supplementary examination.

Special Consideration and Student Difficulties

If a student is experiencing difficulties with their studies or assignments, have personal or life planning issues, disability or illness which may affect their course of study, they are advised to raise these with their lecturer in the first instance. Students may also contact the Student Adviser, who will be able to help in identifying the issues that need to be addressed, give general advice, assist by liaising with academic staff, as well as referring students to any relevant University-wide support services. The Student Adviser is located in room 318a in the Commerce Building in Hobart and is contactable by phone on 6226 1916. In Launceston the Student Adviser is located in room A168 in Building A and is contactable by phone on 6324 3312. There is also a range of University-wide support services available including Student Services, International Services and Learning Development. Please refer to the *Current Students* homepage at: <http://www.utas.edu.au/students/index.html>

Should a student require assistance in accessing the Library, visit their website for more information at <http://www.utas.edu.au/library/>

Students who have completed their examinations and who feel that they have been disadvantaged due to illness or other circumstances affecting their study, may fill out a form to request that their lecturer takes this into consideration when marking the examination. Forms should be submitted directly to the relevant school, accompanied by appropriate supporting documentation, as soon as possible after the completion of the examination. Granting of special consideration is at the discretion of the lecturer and school. The relevant form

form can be found at the following website:

http://www.studentcentre.utas.edu.au/examinations_and_results/forms_files/index.htm#eits

Students with a non-English speaking background may be permitted to take a bilingual dictionary into an exam. This dictionary must not be annotated, that is, it must have no notes written in it. In order to use a bilingual dictionary students must request permission from the Student Centre.

Submission of Coursework

Lodging Coursework

All Coursework must have the School of Management Assignment Cover Sheet and Title Page attached, both of which are available as a blank template from the School of Management website:

<http://www.utas.edu.au/mgmt/student.htm>

All assignments must include the tutor's name on the assignment Cover Sheets when they are handed in. If this is not done the assignment will not be accepted and therefore marked.

Please remember that you are responsible for lodging your Coursework on or before the due date. We suggest you keep a copy. Even in the most 'perfect' of systems, items sometimes go astray.

Note that you may also be required to submit an electronic copy of your Coursework. More details of this will be given in Lectures.

Hobart students: Lodge in assignment box next to room 321, Commerce & Economics Building.

Launceston students: Lodge in assignment box beside room A170.

All coursework must be handed in at 2.00 pm on the due date.

Late Coursework

Written Work

Extensions will only be granted on medical or compassionate grounds and will not be granted because of work or other commitments. Requests for extensions should be **made in writing** to the lecturer-in-charge prior to the due date. Medical certificates or other evidence must be attached and must contain information which justifies the extension sought.

Late assignments which have **not** been granted an extension will, at the lecturer's discretion, be penalised by deducting ten per cent of total marks for each full day overdue.

Assignments submitted more than six days late will normally not be accepted by the lecturer-in-charge.

Tests

Students who are unable to sit a test on medical or compassionate grounds (work or other commitments are not considered 'compassionate grounds') may request that they be permitted to submit alternative Coursework.

Please do not expect a special test to be held for you if you choose to go on holidays or undertake other activities on the scheduled date. If you do need to request alternative Coursework, you should do so in writing to the lecturer-in-charge prior to the due date. Medical certificates or other evidence must be attached and must contain information which justifies the request. The telephone number of the doctor should also be included.

Return of Coursework

Coursework will be returned during classes or it can be collected from the lecturer's or tutor's room at nominated times; it will not be available from the School's offices.

Plagiarism

Plagiarism is a form of cheating. It is taking and using someone else's thoughts, writings or inventions and representing them as your own, for example:

- using an author's words without putting them in quotation marks and citing the source;
- using an author's ideas without proper acknowledgment and citation; or
- copying another student's work.

If you have any doubts about how to refer to the work of others in your assignments, please consult your lecturer or tutor for relevant referencing guidelines, and the academic integrity resources on the web at <http://www.utas.edu.au/tl/supporting/academicintegrity/index.html>.

The intentional copying of someone else's work as one's own is a serious offence punishable by penalties that may range from a fine or deduction/cancellation of marks and, in the most serious of cases, to exclusion from a unit, a course or the University. Details of penalties that can be imposed are available in the Ordinance of Student Discipline—Part 3 Academic Misconduct, see <http://www.utas.edu.au/universitycouncil/legislation/ord9.pdf>

The University reserves the right to submit (or to require you to submit) assignments to online plagiarism detection software, and might then retain a copy of the assignment on its database for the purpose of future plagiarism checking.

Occupational health and safety (OH&S)

The University is committed to providing a safe and secure teaching and learning environment. In addition to specific requirements of this unit you should refer to the University's policy at: http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf

Tutorial Program

Tutorial Questions for Discussion

The tutorial program is designed to consolidate understanding of core marketing theory, and to give students an opportunity to apply marketing theory to case analysis. These questions are also designed to help you prepare for the final exam. Students are asked to come to tutorials prepared to answer the questions and analyse the case study. **Note the tutorial program does not start till week 2.**

Week 2—What is Marketing?

Reading: Kotler et al (2009) - Chapter One

1. Marketing is a word that is commonly used but little understood. In your own words, write a definition of marketing and identify the types of tasks that a marketing manager would be required to undertake. Use an example to support your answer.
2. Far from being static, marketing has proved to be a very dynamic discipline. Outline the major stages in the development of marketing science and practice over the last sixty years. How do you think marketing will develop in the next ten years?
3. What are needs, wants, and demands and how are these concepts related to each other? Why do marketers need to understand these concepts? How can our understanding of needs, wants and demands be used to explain car sales?
4. Explain the concepts of customer value, customer satisfaction, and exchange. Will all customers derive the same value and satisfaction from using a given product, or will their perceptions of value and satisfaction differ? Use examples to support your answer.

Week 3—Strategic Marketing and Planning

Reading: Kotler et al (2009) - Chapter Two

1. In your own words, define the purpose of planning and the issues that an organisation must deal with in developing and implementing a plan. Having defined planning in general, what is the purpose of marketing planning and what do you believe are the major issues in marketing planning?
2. What is a marketing plan and what information should it include?
3. Select your favourite product and identify its marketing mix. Why is this marketing mix successful at reaching you as a customer? How do you believe this marketing mix could (realistically) be improved to capture greater market share?
4. Outline the reasons for poor and successful implementation of marketing plans. What control processes can we use to ensure our plans get implemented effectively?

Week 4—The Global Marketing Environment

Reading: Kotler et al (2009) – Chapter Three

1. One of the main social and demographic trends in Australia at the moment is the seachange/treechange movement. Identify the potential impact of this change for marketers.
2. Conduct your own research to identify a major macro-environmental trend and identify product categories likely to be impacted by this trend.
3. Imagine you are the marketing manager for the University of Tasmania. Who are your publics and how does the University impact upon these publics? How do these publics impact on the University?

Week 5—Information Management and Marketing Research

Reading: Kotler et al (2009) – Chapter Four

1. Why is information important in marketing decisions? What are the differences between market research and a marketing information system (MIS)?
2. Outline the different stages in the marketing research process. What are some of the issues marketers must consider at each of these stages?
3. What is the difference between primary and secondary data? Outline the advantages and disadvantages of each data type.
4. What methods of primary data collection could you use to research people's attitudes towards air travel and their demand for air services? What are the advantages and disadvantages of each of these methods?

Week 6—Understanding Buyer Behaviour

Reading: Kotler et al (2009) – Chapters Five and Six

1. What do you believe are the major differences between the buyer behaviour of individual consumers and business/organisational buyers? What are the implications of these differences for marketers?
2. There are many factors that influence the behaviour of consumers. Identify three purchases you have made in the last week and outline the factors that influenced your purchase. Which factors exhibited the greatest influence on you in each case? Did the same factors influence all three purchases?
3. Outline and discuss the stages in the buyer decision process. Do consumers go through all stages in every purchase they make?
4. Outline and discuss the major influences on business buying behaviour.

Week 7—Study Week. (Followed by Mid-semester Break)

Week 8—Market Segmentation, Target Marketing and Positioning

Reading: Kotler et al (2009) – Chapter Seven

1. In your own words define market segmentation, target marketing and positioning. Why do you believe these concepts are important to practising marketers?
2. Outline and discuss the steps involved in market segmentation, targeting and positioning. What are some of the issues you believe marketers would need to consider at each stage?
3. Compare and contrast the three different market-coverage strategies available to marketers. Identify organisations you believe are pursuing each of these market-coverage strategies.
4. Develop your own brand positioning map for the Australian car industry. What dimensions may be meaningfully used to position cars in this marketplace?

Week 9—Products: Goods, Services, People, Places and Ideas

Reading: Kotler et al (2009) – Chapters Eight and Nine

1. In your own words, define what is meant by a product. What are the different types of products that we may be expected to market? Kotler et al (2009) identify the need for managers to think of their products on three levels – the core product, actual product, and augmented product. Your task is to bring a product to the tutorial and be prepared to analyse this product in terms of these three levels.
2. Outline the different types of consumer and business-to-business products offered by firms. Provide examples of each product type.
3. What are the different stages in the new product development process? What are some of the major issues managers must consider at each stage?
4. Outline and discuss the stages of the product life cycle (PLC). What occurs to industry sales and profitability at each stage of the PLC?

Week 10—Promotion: Integrated Marketing Communications

Reading: Kotler et al (2009) - Chapters Twelve, Thirteen and Fourteen

1. In your own words define integrated marketing communications (IMC). What do you believe to be the key features of IMC, and how does it improve the promotional efforts undertaken by marketers?
2. Advertising is often wrongly assumed to be the only marketing communication tool available to marketers. Outline the different marketing communication tools available to marketers and discuss the advantages and disadvantages of each of these tools.
3. Imagine you have been given the task of promoting a new restaurant and bar, outline and discuss the steps you would need to go through in developing your IMC campaign. What are some of the major factors you will need to consider at each stage?
4. Select a major new or recent release movie and critically analyse their use of IMC.

Week 11—Price: Understanding Costs and Customer Value

Reading: Kotler et al (2009) – Chapter Ten

1. Outline and discuss the different general approaches to pricing. What do you see as being the major advantages and disadvantages of each approach?
2. What is meant by customer value? How could customer value be used as an approach to pricing?
3. What are the different approaches that may be used in pricing of new products? Identify examples where each of these pricing approaches has been used.
4. What are the different product mix and service mix pricing strategies available to organisations? Identify examples where these strategies have been employed.

Week 12—Place: Distribution and Marketing Logistics Networks

Reading: Kotler et al (2009) – Chapter Eleven

1. In your own words, provide a definition of marketing logistics networks. What do you believe to be the main tasks performed by marketing logistics networks?
2. What is a marketing channel and why are they used? What functions does a marketing channel perform?
3. What are the differences between a retailer and a wholesaler? What are some of the functions they perform? What are the main types of retail formats in use around the world? How do you believe Internet and mobile phone technologies are going to impact upon retailers and wholesalers?
4. How will the recent decision by Australian retailers to increase the number of home brand (private label) products on their shelves impact on the distribution of manufacturer-branded products?

Week 13—Ethics and Marketing Compliance

Reading: Kotler et al (2009) – Chapter Fifteen

1. Do you believe marketing should be conducted in a more socially responsible manner? Why or why not?
2. What do you believe are the major social and ethical issues currently faced by marketing? How do you believe marketers should respond to these issues?
3. It is increasingly recognised that organisations must try to satisfy the needs of multiple stakeholder groups. Select a large organisation and identify the relevant stakeholder groups. What are some of the issues this organisation may face in trying to balance the needs of these different groups?
4. Environmentalism has emerged as a major force globally. Do you believe this trend has resulted in environmentally responsible consumers? How have you changed your consumer behaviour to reduce your ecological footprint? Do you believe marketers could do more to reduce humanity's impact on the natural world?

Assignment Topics

Assignment 1 – Essay

Due Date: 12 August 2009

Length: 1000 words maximum

Value: 15 marks

This assignment involves you answering the question below.

The guidelines for this assignment are as follows:

- It should be presented in the form of an essay.
- Given the limited word count of this assignment you should not overuse headings.
- An executive summary and a contents page are not required.
- The word count includes such items as headings, in-text references and quotes. **It does not include the reference list at the end of the assignment. There is a 10% leeway on the word limit. However, over-length assignments will be penalised 10% of the available marks, i.e., 1.5 marks.**
- This is an academic assignment and you are expected to support your conclusions with at least three (3) references to the relevant and contemporary academic literature. **Avoid referencing coursework from other universities or from non-academic websites, eg Wikipedia.**

Your question

There are several concepts that reflect different marketing management philosophies in relation to marketing activities.

Compare and contrast the production concept, the product concept, the selling concept, the marketing concept, and the societal marketing concept.

Using examples, **other than those in the prescribed textbook**, discuss the circumstances under which each concept might be appropriate.

Assignment 2 – Case Study

Due Date: 30 September 2009

Length: 2000 words maximum

Value: 25 marks

This assignment involves you reading a case study and answering the question below.

The guidelines for this assignment are as follows:

- The assignment is to be presented in the form of an essay.
- An executive summary and a contents page are not required.
- The word count includes such items as headings, in-text references and quotes. It **does not** include the reference list at the end of the assignment. **There is a 10% leeway on the word limit. However, over length assignments will be penalised 10% of the available marks, i.e., 2.5 marks.**
- This is an academic assignment and you are expected to support your conclusions with at least four (4) references to the relevant and contemporary academic literature. **Avoid referencing coursework from other universities or from non-academic websites, eg Wikipedia.**
- You do not need to reference the case study in text when you refer to information mentioned in it.

Important

- You **do not** need to find any further information on the firm in the case study. You **do** need to apply an understanding of the relevant marketing theory to the case study.
- Each question should be given equal space in your essay.

The Case Study

‘Alfred Dunhill Ltd: Reconciling tradition and innovation in product and brand management’

Alfred Dunhill would probably not be surprised if he were to walk into a twenty-first century Dunhill store. Certainly he might if he were to visit a store in Shanghai, Dubai, Hong Kong or New Delhi, given he would only know the original St James’s, London retail outlet—which remains the spiritual home of Alfred Dunhill Ltd—and the New York and Paris stores. While he might be surprised by the global reach of the brand, he would still see some of his famous motoring accessories dotted about. But he would surely recognise that aura of discreet, but nonetheless luxurious, style and the continuation of his own fascination with innovative high quality products. Still, Dunhill has come a long way since Alfred took over his father’s saddlery business in 1893. Though it is now owned by Swiss-based luxury goods conglomerate Compagnie Financière Richemont SA, it now ranks as one of the most well-known British brands in the world. It is still seen as one of those masculine, but gentlemanly, brands that hark back to times gone by.

What would no doubt please Alfred Dunhill, and remind him of his own day, is the way Dunhill still specialises in the market it helped to create all those years ago, supplying luxury gentlemen’s accessories, designed in the English style. When Dunhill’s tagline was ‘Everything for the car but the motor’, the firm aimed to provide the still embryonic motoring market with all the extras they might need, given cars were little more than a chassis and a motor at the time. Alfred coined the term ‘Motorites’ to describe the range of products he invented to sell in his elegant shop in central London. That market, though, was made up largely of wealthy, eccentric men prepared to brave technology most said would not last beyond the first few years of the twentieth century. Nowadays there may well not be enough gentleman adventurers to form a viable market segment for any firm, but an astute firm will retain the ‘spirit’ of the past, repackage it for the modern consumer, and carefully manage their products and brand to suit.

Keeping the traditions of the brand alive needs to be a priority for firms that seek to incorporate their history into their marketing communications, like Dunhill. This is no different to a firm that, for example, is known for its value for money. That firm would incorporate into its branding communications clues to the consumer as to where its products sit in relation to others—their position in other words—then use branding to build an image upon which the consumer can draw when it comes time to purchase.

Branding, then, encompasses the associations that come to mind when consumers think about a brand, as well as all instances of contact that customers may have with a brand. For Dunhill, their retail stores and licensed outlets must reinforce the brand. Linked to this is how Dunhill uses brand identity, which involves those facets of the brand that represent the brand visually and verbally—logos, taglines, colours, etc. Importantly, these facets are constructions of the firm concerned. Dunhill crafts a brand identity to support its position as a retailer of superior, luxury goods for men, continually and consistently communicating the message of tradition and heritage through their advertising. The firm understands that simply claiming a tradition since 1893 is not sufficient to impress today's highly informed consumers. It must be demonstrated in a tangible way.

A significant part of the Dunhill brand is its reputation for innovation and invention. This is true even in relation to their retail outlets. The current London store has a fitting room with a unique lighting system that can reproduce the natural lighting of any city in the world at any time of the day. A gentleman, no matter where they may be from, can assess his suit in just the right lighting! Clearly, Dunhill has never only just been about the 'gentlemanly' product range, it was also about that quirky, eccentric side to the English identity. One example oft-told is Alfred Dunhill's invention of 'Bobby-finders', a combined binocular/goggle that claimed to be useful in detecting police hiding by the roadside, waiting to catch unsuspecting motorists who might be speeding. Stemming from a speeding ticket handed out to Alfred, the 'Bobby-finder' is one slightly eccentric example. There are, though, numerous, more mainstream instances of product innovation. The 'Unique' petrol cigarette lighter became almost a cult item in the 1920s, as did the 'Aquarium' table lighter of the 1940s.

Today, on a more commercial level, the firm accesses this tradition of innovation by drawing on the products of the past. Dunhill maintains an archive of an international museum standard that they see as a source of inspiration for their designers. Items in the archive have provided the inspiration for new products that can be as innovative in today's context as the ones that they have in their archive were in theirs. The archive plays very much a core role in the business. It serves as a reminder of their history, of the variety and quality of all that they have produced, and is therefore a source of inspiration to energise their creative team to continue that tradition. In a manner of speaking, Dunhill view their archive as an embodiment of the DNA of the brand. There is, then, a storehouse of corporate memory that competing firms can only dream of.

Importantly, the products that come from this reference to the past are not just reproductions of previous items. The archive 'informs' the design, it does not control it. At the end of the day, there is little value in designing, manufacturing and retailing a product that does not speak to the current market. One example of how this works for Dunhill is with their 'Sidecar' collection launched in 2004. This collection, which included a range of writing instruments and leather goods, was inspired by the motorcycle sidecars produced by Dunhill in their early years—part of the firm's 'Motorites for Motorcyclists' that first appeared in a 1905 product catalogue. One product in the Sidecar collection particularly illustrates the Dunhill philosophy. A limited edition fountain pen, the Sidecar Limousette, was included, with only 1893 produced, to celebrate the year Alfred Dunhill took over the business. It is these sorts of touches that are part of the English style that is carefully cultivated by Dunhill.

It is this very 'Englishness' that is perhaps at the heart of the brand's appeal in the global marketplace. Dunhill have now successfully packaged their brand for a number of international markets. Alfred Dunhill opened his first New York store in 1921 and the Paris store in 1924. The latter, in Rue de la Paix, has become something of a landmark in the French capital, much as the St James's store has in London. In the 1920s to be able to state 'London, Paris, New York' on your marquee was symbolic of an internationally successful brand. It wasn't until 1966 that Dunhill ventured to Asia, opening a store in Hong Kong in that year. Now Dunhill is represented throughout the Far East, the sub-continent and the Middle East. These 'out-posts' of the Dunhill brand, the wholly-owned stores in particular, all communicate the same message as the original three stores—style, restrained luxury and quality gentlemen's accoutrements. Indeed, items from the Dunhill archive collection sometimes travel throughout the firm's global network, to tangibly reinforce the brand's heritage. It would not be unusual to see a collection of 1930s Dunhill Art Deco silver and lacquer cigarette lighters and

timepieces on display in the Tokyo store, for example. Both the London and Paris store have continual exhibition displays from the Dunhill archive, including many items from the very early motoring days. Visitors are literally immersed in the Dunhill brand!

For Dunhill, then, there are two things that are fundamental to their appeal to sophisticated, wealthy customers. The first is authenticity, the authenticity of the brand they are buying from, and the products they are buying. That authenticity is underpinned by the history and traditions of the firm. A customer might state: 'I go to Dunhill because I know Dunhill has been around for a hundred years, and it stands for something.' Buying into that tradition, that heritage—and this aspect is particularly significant in the Asian market—is an important facet of the Dunhill brand that needs to be carefully managed. However, that is worth very little if the products themselves are not perceived as stylish, well designed and beautifully made, and deliver on the brand promise. Of course, the product must also make the buyer feel good about themselves, and make other people feel impressed, perhaps make the buyer feel 20 years younger, or make them look taller and a lot more sexy! Remember, luxury products are about much more than their physical attributes. They are also about feeling good.

The second fundamental aspect of the Dunhill brand is its relevance to the current market and its consumer. So, while there is no doubt that authenticity and heritage is very important, the product line has to be in tune with the spirit of the times. If it's not, it will fail—consumers are not going to buy simply because of the heritage of the brand. In other words, a heritage brand, if it's not counter-balanced by quality product with a contemporary feel, can actually become a millstone, because the image of the brand will be diluted, relegating it to being thought of as simply old-fashioned.

The challenge for brands like Dunhill, that rely on their heritage as part of their branding, is to reconcile that with the constant need to remain relevant to the modern consumer. The global High Street, where the same stores appear in every major city, mean consumers throughout the world can now choose from a myriad of luxury brands, many with the same brand promise. In some ways Dunhill has a distinct advantage. It has always had a reputation for producing quirky, innovative, but above all, high quality men's accessories. It can take risks with its products, and revisit classic ideas and designs. But it would be an unwise strategy to lose sight of those facets of the brand that made it famous. Perhaps the trick might be to remain true to Alfred Dunhill's original vision. He aimed to fill his store with products customers could not find anywhere else. People would visit London, come to Dunhill, and expect to find something new, different and exciting. That is a product and branding strategy still valid in today's world—and one which still works for Dunhill.

Case source:

Lehman, K. & Byrom, J. 2009. Alfred Dunhill Ltd: Reconciling tradition and innovation in brand management. In G. Armstrong, P. Kotler, M. Harker & R. Brennan (Eds.). *Introduction to marketing* (First European Edition). Harlow, Essex: Pearson.

Your questions

1. In addition to visual manifestations of the brand such as logos, taglines and colours, how might a firm such as Dunhill communicate its brand identity?
2. How can a company with a strong history ensure that its products remain relevant to today's market?
3. Imagine you have been invited by Dunhill to act as a consultant. Dunhill are keen to expand the range of products that are offered. Outline how you might assess the inclusion of new products into the range and justify your approach.

Study Schedule

Semester 2, 2009

Week	Start of Week	Text Chapter	Topic	Due Dates
1	13 July	1	What is Marketing?	
2	20 July	2	Strategic Marketing and Planning	
3	27 July	3	The Global Marketing Environment	
4	3 August	4	Information Management and Marketing Research	
5	10 August	5 & 6	Understanding Buyer Behaviour	Assignment 1 – Essay
6	17 August	7	Market Segmentation, Target Marketing and Positioning	
7	24 August		<i>Study Week</i>	
Mid-Semester Break 31 August – 4 September				
8	7 September	8 & 9	Products: Goods, Services, People, Places, & Ideas	
9	14 September	12, 13 & 14	Promotion: Integrated Marketing Communication	
10	21 September	10	Price: Understanding Costs and Customer Value	
11	28 September	11	Place: Distribution and Marketing Logistics Networks	Assignment 2 – Case study
12	5 October	15	Ethics and Social Responsibility	
13	12 October		Unit Review	
A Calendar/Study Planner showing dates is available from School of Management website at http://www.utas.edu.au/mgmt/student.htm .				