

E3: Analysing external influences

There are external influences affecting the development of my marketing strategy. These influences are listed below.

The customer

The customer's buying behaviour affects my marketing strategy for Burn because the customers are the people who will be purchasing and trying the product. If my product is not up to their standards and does not meet their needs then they will not purchase the product Burn.

Buying influences

The customer buying influences are things like studying the products that my target market already purchases and where they purchase them from, using the information that I have gathered in E1 and E2. This will help me when constructing my marketing plan, so that I can achieve my objectives.

Ethical, environmental and social issues also need to be addressed if I want my marketing strategy to develop. Ethical, environmental and social issues are important for the development of my marketing strategy because they indicate who my target market is and what their buying behaviour is.

Ethical issues are the moral/underlying principles that guide most members of the society. Some examples of ethical issues that I will have to look at include:

- Child labour- what are the views of the people that I am targeting on the use of child labour, and if I do save money by using child labour then will my profit margins be reduced so much to make me use older more experienced people that will cost more money. How will I show people that coca-cola is a respectable company to its workers abroad, they could donate to charities, etc.
- Employee treatment- I will look at the effect that employing people in 3rd World countries and paying them poorly will have on the sales of my product. I will also have to work if the profit lost would be worth paying more money to the employees or creating more jobs in more economically developed countries, this is so that it doesn't look like I'm exploiting my workforce. I will have to make sure that workers are being paid the minimum wage that working conditions are safe and the employees are not working over the time limit.
- Product development- I will make sure that there are no genetically modified chemicals in the drink, because it causes a huge decrease in sales.

Environmental issues are addressed in regard to the marketing of Burn in an environmentally friendly manner, for example, recyclable packaging and materials that are safe for the environment. My product must be safe enough for the environment and communities to an extent that customers will purchase the product knowing they are doing their part in helping for the environment and that they aren't damaging the environment.

Social issues must also be addressed accordingly, for example, aligning the product with the actions of particular groups (for example Green Peace and World Aid) so that the consumers can see Burn favourably.

Industry

The actions of Burn need to be monitored by a number of independent bodies like the Advertising Standards Authority (ASA) which is an independent body that exercises control over all advertising except that on radio and television, which is why it applies to my marketing strategy for Burn, because Burn will not just be advertising on the radio and television. The ASA exercises control in all of the following:

- Press- national and regional magazines and newspapers
- Outdoor advertising- posters, transport and aerial announcements
- Direct marketing- direct mail, leaflet, brochures, catalogues, circulars, inserts and facsimiles
- Screen promotions- cinema commercials, electronic media such as the Internet.
- Sales promotions- on-pack promotions, front-page promotions, competitions and prize draws.

The ASA ensure that all marketers (who subscribe as members) comply with a set of standards in relation to ensuring that advertisements are 'legal, decent, honest and truthful'.

The Code of advertising practice committee made up of representatives within the marketing industry supports the British code of advertising practices, which sets out the rules with which the advertising industry must comply. This is to ensure that advertisements

The Chartered Institute of Marketing like ASA has its own code of practice to which members must abide. Both these bodies exist because organisations obtain a certain amount of prestige and trustworthiness by being affiliated as well as also being entitled to certain discounts and priority when seeking to advertise their products.

The Code of Advertising Practice Committee supports the British Code of Advertising Practice. This code organises rules that those in the advertising industry agree to follow. Those outside advertising also have regulations designed to ensure advertisements can be trusted, this is also indicated.

The Chartered Institute of Marketing has its own code of practice to which all members must abide. One of the main reasons that a company would join these bodies is because it gives them a certain amount of prestige to be affiliated with them. They are also entitled to certain discounts and priorities when seeking to advertise their products

The code of advertising practice committee is made up of representatives within the marketing industry, and they make sure that the companies comply with the rules and regulations. This is to show the people that the advertising bodies can be trusted.

Legal constraints are concerned with the goods that the companies sell. The goods must meet certain standards in order to go out on sale within certain countries, and the companies must make sure that they don't advertise the product incorrectly or stating

something without having the evidence to back it up. There are a number of acts that make sure people are abiding to these laws, and they are:

- The sale of goods act
- The trade descriptions act
- The weights and measure act
- The food and drugs act
- The broadcasting act
- The competition act
- The office of fair trading

All these acts ensure that the companies are following the fierce regulations that have been set down, and that they aren't breaking the law. With all these different areas that are enforcing guidelines upon companies it means that they must look very carefully into how they advertise their project. This has resulted in companies having to spend more money on their advertisement campaigns, and being careful that nothing is included that could hold them liable.

Competitors are very important to the majority of companies; companies always look into their competitors when they are deciding how to advertise their product, what market to target and the type of promotions that they will offer. This is so they aren't entering a field that is dominated by their competitor without knowing, and if they do this then the more established company will be able to drive us out of the market. In my case I have chosen to compete with Red devil.

Technological changes may influence the ways in which my business determines its marketing strategy, as there may be new technology that can add with my advertising and promoting of my product Burn. I must take into account when constructing my marketing plan that if organisations can come up with new and original ideas they will generate a lot of demand for their product. Research and development is the key to technology and should be seen as a considerable investment in competitive advantage and in future profitability.