Cheatography

MARK 301 Final - Tatiana Violonchi Cheat Sheet

by tativio via cheatography.com/171749/cs/36063/

Customer Journey

CX: subjective response customers have with company

Touchpoints: instances of interaction w/ product/service

Customer Journey: sum of experiences that customers go through when interacting with brand/company. anticipate behaviors, understand path to purchase, track emotions, expectations, points of friction, channel/touchpoint interactions

CX should be adopted by the company as a whole and can lead to strong competitive advantage

Personalization: personalized service knowing customer, alert to needs, tailored experience

Integrity: build trust in customers company = customers best interest, reliable

Resolution: speedy problem fixes

Time & Effort: convenience of customer transaction seamless journeys

Empathy: company goes extra mile

Automation: digitization of journey customer can do tasks that were done manually in-person, essential foundation to sticky journey

Proactive Personalization: use data to customize optimize next steps in journey

Contextual Interaction: tech. interactions at key moments understand why customers are on their journey

Journey Innovation: identify new sources of value ongoing experimentation, analysis of customer needs

Customer Journey (cont)

Collaborate with new entrants--substitutes-customers-competitors-suppliers

Flexible Need Point Journey: company understand customer needs to make decisions that achieve purpose, address need at all touchpoints

CPI: customer performance indicators better CPI = better KPI

**Success*: were customers able to accomplish purpose

Effort: was the interaction easy

Emotion: how the customer felt in end ideally delight = loyalty

Customer Engagement: emotional/psychological attachment to brand

Customer Journey and CX are the basis to all the other MARK 301 concepts

Retailing

Omnichannel: integrations of different shopping channels into a seamless system **requirement for BUSN survival** phone, online-shopping, in-store, delivery, offline behaviors

Omnichannel Issues: UC understanding what to prioritize (lack of internal alignment, funding divergent priorities), Focus on tech over value (differentiation with costly items, company focused, neglect customer needs), Failure to invest in line w/ strategy (don't identify strategies at each step, eager to beat competition, fragmented investments = destroy value)

Retailing (cont)

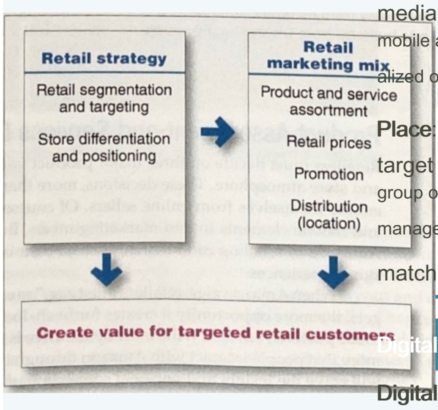
Companies should use R&D to discover where their value lies before expanding their omnichannel / each omnichannel requires distinct foundational capabilities

Assessing customer needs and finding products that answer CX reduces risk and secures future

Retailing: all activities involved in selling products/services to final consumers

Shoppers MARK: entire MARK process focused on turning shoppers into buyers focused on CX and journey efforts

Retail Decision Strategy



Retailers must first define their target markets and then differentiate/position upscale, product variety. Until retailers define & profile their markets they can't focus on price, advertising, online/mobile sites, etc.

Retailers Decision Def.

Product and Service Assortment

- Product Assort differentiate while matching customers expectations variety that retailer stocks, specialty (IKEA), departments (Bloomindale's), supermarket (Walmart), category killer (Home Depot)

-Service Mix DIFM or DIY, self-service, limited service, full service

-Store Atm: unique in-store CX suits target market and enhances **brand** positioning

Prices: high-markups on lower volume or vice versa fit assort., competition, econ. factors

Promotion: combo of advertising, personal selling, sales promotion, PR and direct/social media MARK. special events, blogs, mobile apps, email, digital = personalized offers **CX**

Place: locations accessible to target markets shopping center = group of retailers in one location managed as unit All efforts must match positioning

Digital MARK

Digital MARK: any form of MARK online consumers depend on DM to learn about brands

Digital MARK uses numerous digital tactics & channels to connect with customers (**omnichannel**)

DM=targets large audiences & prospects gender, location, age, measurable analytics in real-time, cost-effective

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Digital MARK (cont)

Attribution Modelling: ID trends in the way ppl buy/research product

DM and online channels allow you to follow entire CJ

Social Media connect w/ users & communicate brand, Content MARK generate brand awareness, Inbound attract customers at every stage of CJ

Digital Engagement: what content drives most visibility understand audience

CTR: % of clicks on link that generated impressions ppl taking action

Conversion Rate: tells if funnel is success (CJ follow-through) how many leads were converted to buyers

Keyword Rank.: favorable online with SEO

Customer Aqc. Cost: tot. amount to turn user to customer most important KPI

Metaverse: innovative**CJ**, real-time-virtual identities, brand engagement **branding** *omnichannel**

Awareness: branded content strategies Appeal to audience

Consideration: compared to competitors

Intent: resources are being browsed

Purchase: your product being bought

must always understand the need of customers

Pricing

Value Mindset: No focus on cost but focus on creating value for customer

Objective Value: TEV, measure of benefits to consumers, theoretical value

Perceived Value: Value customer sees in product surveys=extra price sensitive consumer

Elements of Value: rooted in hierarchy of need higher elements=higher value=higher pricing

Companies should focus on improving elements from aligned with their core value

Price Customization: creating different circumstances to sell at different prices product line, availability, category knowledge, taste^

Firm should price beneath/equal to perceived value and above COGS. This pricing "creates" value

Price sensitivity is greater in high-cost items and when the user is responsible for costs

Competition-Based, Cost-Plus, Dynamic, Freemium, High-Low, Hourly, Skimming, Penetration, Premium, Project-Based, Value-Based, Bundle, Psychological, Geographic

company prices a solution create value for customer to be willing to pay

Companies should change pricing when they have the knowledge to do so

Branding

Brand: sellers promise to deliver consistent features, benefits services to buyer logo, personality, packaging

Brand Culture: Meaning others assign to your brand and the story being told

Brand is the meaning/emotion associated with a product or company **brand engagement CJ**

Brand Equity: a set of assets linked to a brand that +/- value provided by product/service to firm & customers

good branding = buyers confidence in purchase decision, cleaner interpretation & easier processing of info, higher satisfaction. Corporate = increases effectiveness MARK programs, enhances brand loyalty, higher prices and margins, leverage with distribution channels, significant competitive advantage

Value Proposition: statement of functional, emotional, and self-expressive benefits delivered by brand & provide customer value

Brand Association: mental connection between brand and concept soft = Cotonelle

Brand Position: part of brand identity/value communicated to target audience

Companies shouldn't focus on short-term promotions because it devalues brand and decreases customer loyalty

Branding (cont)

Consideration: media=reduce the # of products consumer considers

Evaluate: input from various external sources to sift

Buy: point of purchase using 4Ps and sales interactions

Enjoy: deeper connection created after purchase this step wasn't included in old metaphor

Marketers should target phases in decision CJ

Customer Lifestyle: sum of customer interaction with environ.

Lifestyle MARK: product is perceived to possess ideals & aspirations according to consumer wants deeper understanding

Branded communities = direct access to consumers, co-create with customers, increase engagement, shape convos

Formulas

Contribution **Margin** = total rev - total variable costs for ROMI use Margin % if given or calculate margin

Unit contr. = selling price - unit variable costs

% Margin on SP/(100% - % Margin on SP) = % Margin on Cost

% Margin on Cost/(100% + % Margin on Cost) = % Margin on Selling Price

Fixed Costs advertising, salaries, overhead = Unit contribution * BEQ

BEQ = Fixed Costs / Unit Contribution AND BEQ = Fixed Costs / (Price – Variable Costs per unit)

Formulas (cont)

Profit Impact = (UC*US)-FC (-Cannibalization if any)	
CLV = Lifetime Value (LV) – Acquisition Cost (AC)	
LV = Customer Lifetime (in months = CL) x Monthly Profit (=MP)	
Customer Lifetime (in months) = 1/monthly churn rate	
Customer Monthly Profit = Gross Margin – Assigned Costs	
AC = Acquisition Costs = Initial Costs to Acquire the Customer (i.e. usually primarily advertising and sales)	
ROMI = (Margin - Investment)/ Investment	
Variable Costs manufacturing, shipping, commission	

→ Calculate the profit of the original product without new initiative (A); → Calculate the profit of new initiative a → Calculate the profit of the original with new initiative (C); → C-A = CANNIBALIZATION → Total PROFIT IMPACT of initiative = B + C - A

If market share is given in $, divide by retail selling price to obtain market value in units