

# **Marketing Communication Suggestion for Youngor group(Hefei branch)**

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Bachelor's Thesis

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<b>Abstract</b>  <p>The objective of this thesis was to evaluate the current marketing communication activities of Youngor Group (Hefei branch) in Hefei, China. The researching part of this thesis is mainly based on the secondary data collection in terms of the current marketing communication activities. With the further comparison of the current activities with the marketing theory, several suggestions were concluded.</p> <p>During the conducting of the research, marketing theory laid a sound foundation for the whole thesis. The information collected was mainly from library and reliable internet sources. Researching part was mainly based on the secondary resources on the existing data, as well as the author's own researching experience in the branch shop in Hefei city.</p> <p>This thesis throws light on the current marketing communication activities of the Youngor group. With the combination of analyzing the practical actions and academic theory, arguments towards the improvement of current marketing were made. The general planning of marketing communication tools could further help the manager to maintain the communication process.</p> <p>To conclude, marketing communication is not an easy area, constant effort is needed to maintain and extend the current competitive market.</p>			
<b>Keywords:</b> Marketing communication, Youngor group, communication plan			
<b>Note</b>			

## TABLE OF CONTENTS

1	INTRODUCTION.....	5
2	WHAT IS MARKETING COMMUNICATION.....	11
	2.1 Communication theory.....	11
	2.2 Marketing communication tools (Promotional mix).....	14
	2.3 How marketing communications work.....	21
3	MARKETING COMMUNICATION PLANNING.....	24
	3.1 General marketing communication processes.....	24
	3.2 Key characteristics of each promotional tools.....	27
	3.3 Implementation and measuring of results.....	29
4	YOUNGOR CURRENT MARKETING COMMUNICATION ACTIVITIES.....	31
	4.1 Advertising.....	31
	4.2 Personal selling.....	34
	4.3 Sales promotion.....	35
	4.4 Public relationship.....	37
	4.5 Direct marketing and sponsoring.....	38
5	SUGGESTIONS.....	40
	5.1 Advertising suggestion.....	40
	5.2 Personal selling suggestion.....	41
	5.3 Sales promotion and sponsoring suggestion.....	42
	5.4 Direct marketing.....	43
6	CONCLUSION.....	44
	Bibliography:.....	46
	APPENDICES:.....	48

## LIST OF FIGURES AND TABLES

FIGURE 1. Internal structure of the group	6
FIGURE 2. Youngor group market share and competitors	7
FIGURE 3. Clothing industry assets and liabilities.	8
FIGURE 4. The relative effectiveness of the tools of the marketing communication mix.	10
FIGURE 5. The communication process based on Schramm's 1955 model	13
FIGURE 6. Exhibiting of the encoding process	14
FIGURE 7. Types of advertising	16
FIGURE 8. Personal selling steps	17
FIGURE 9. Consumer promotion objectives	18
FIGURE 10. Consumer promotional tools	19
FIGURE 11. Strengths of public relationship	20
FIGURE 12. Direct marketing objectives and target groups	21
FIGURE 13. SMARTRT objectives	27
FIGURE 14. Summary of marketing communication plans	28
FIGURE 15 Youngor magazine advertisements	34
FIGURE 16. Youngor ads	34
FIGURE 17. Youngor product discount	36
FIGURE 18. Youngor group cash refund	37
FIGURE 19. Youngor TV-series sponsoring	39

## 1 INTRODUCTION

Youngor Group was found in 1979, which was initially a small production factory of raw clothing material. With the economic restructuring in China, Youngor gains its competitiveness during the time of golden 80th -90<sup>th</sup>. In the 80<sup>th</sup>, the company collaborate with Pierre Cardin brings the group various improvement including foreign investment, new technology, proper management, which aftermath improves the competitiveness in the marketing economy. In the 90<sup>th</sup>, the group has changed its internal structure and introduced joint-stock to the enterprise. The new structure has brought the group to the new free market economy, and also brings internationalization to the group. With 30 years development the company now specialize in branding clothing industry, estate industry and share investment industry. It is currently China's most influential garment production company. (Youngor group official website 2013)

At this age, the company has grown into an enterprise which includes several departments and focuses on different industries. The clothing industry is the core business of the company. Hand in hand, with the developing of international trading and estate, financial investment industry, the company becomes versatile in the current market situation. (Youngor annual report 2011) The graph below illustrates the core business of the corporation.

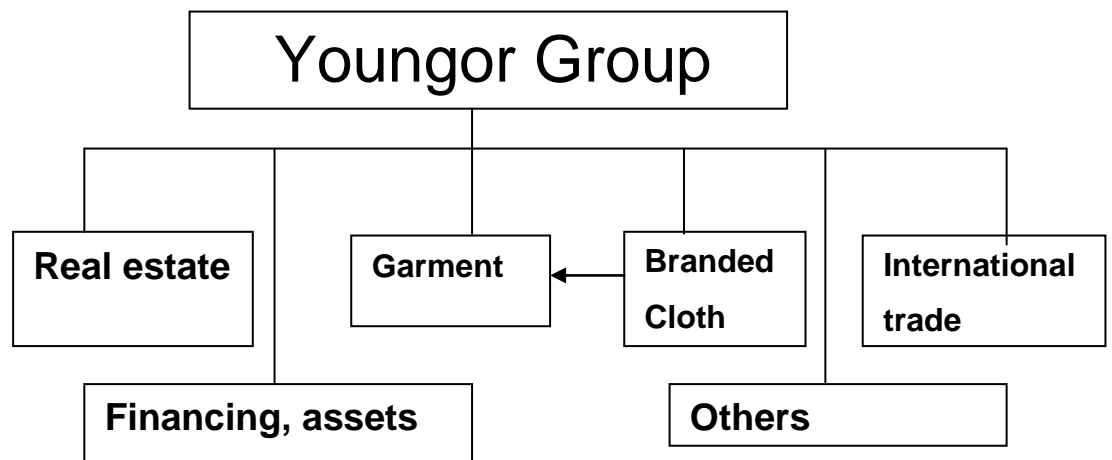


FIGURE 1. Internal structure of the group (Youngor annual report 2011)

Clothing industry as the core business, Youngor has established the shirt, suit, trousers, leisure cloth and T-shirts product range. The main brand (golden Youngor) has a production of 10 million shirts, 2 million suits and 20 millions of other different products. The suit product range becomes the leader of the current market. The Heifei branch company of Youngor group entails the branch store and marketing team of the company.

(Youngor annual report 2011)

Due to the facts that the entry barrier for clothing industry is pretty low, no technology intensive for the country, therefore imitate other enterprise becomes not uncommon. The main competitor domestically of Youngor group in the clothing part could be divided into two parts the shirts market and suit market.

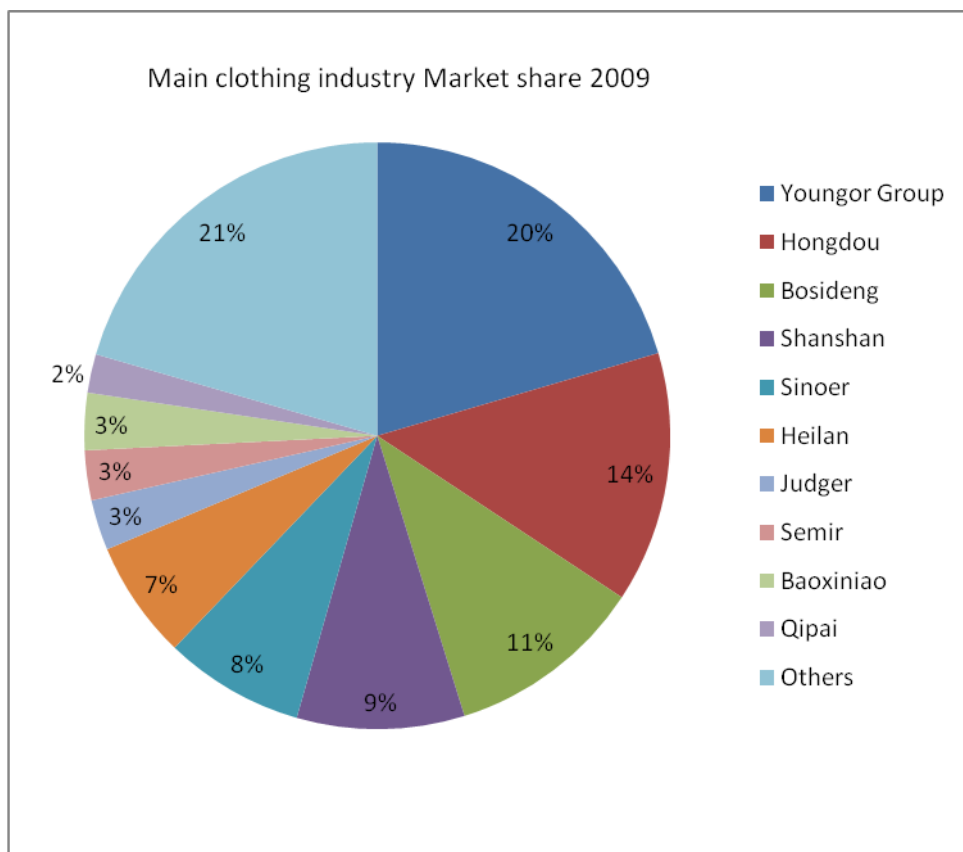


FIGURE 2. Youngor group market share and competitors (Clothing industrial report 2009)

Currently, the branches in Hefei region include the sales and marketing activities. The clothing business aspect of the company would become the main focus of this thesis. The group has established a serious branded product range includes shirts, suits, trousers, leisure suits, T-shirt. In the clothing aspect, Youngor has developed joint venture with companies in Hong Kong, Japan area, which aims at developing the top level garment manufacturing places. The internal objective of the company is to provide high taste, high quality, small quantity, short production process, various designs. With the help of up-to-date technology, Youngor has gains its competitiveness in the clothing industry. With the help of trading within the group, the total production cost has been minimized.( Youngor development report 2005)

Youngor group enjoyed a good performance during the past decade, plus the marketing department has constant inputting constant into the business.

The Heifei branch company of Youngor group entails the branch store and marketing team of the company.

#### General background information

The macro external clothing market in China is positive in the historical perspective. With the development of economic in the last decade, the demand for middle and top grade clothing has been increasing.

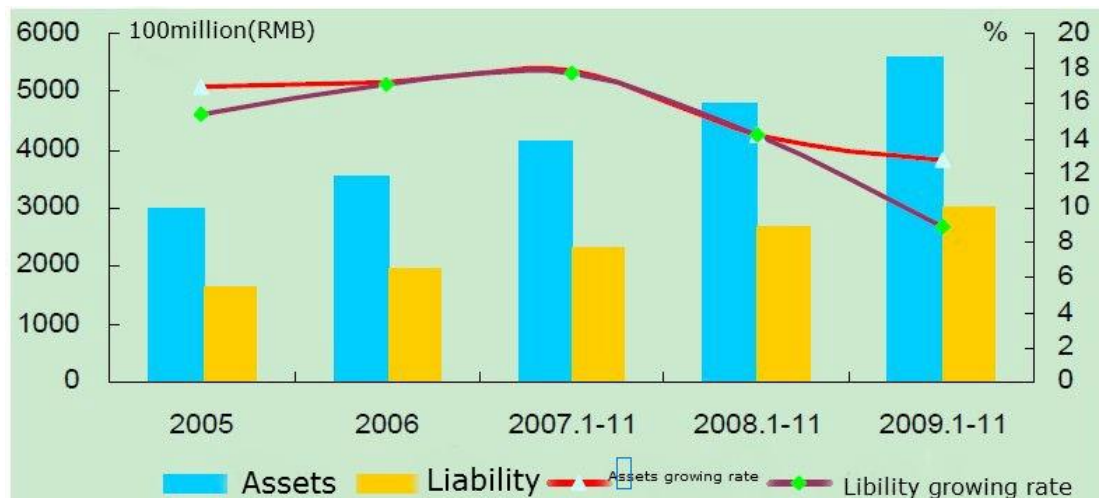


FIGURE 3. Clothing industry assets and liabilities

(China national statistics 2011)

China clothing industry has dropped down in 2008, due to global recession, however it quickly recovered under a set of economic stimulation strategies. (National statistics China 2012)

#### Purpose of the study

The nature of the clothing industry is dynamic. To ensure a steady market share, it requires continuous marketing and researching effort.

In a historical perspective, the China marketing form has changed from a production oriented marketing form into a customer needs oriented competition form. Therefore communication activities become essential in the business. Market oriented companies focus on creating satisfaction towards customers. It gains a market share when the customer satisfaction overweigh which provided by competitors. (Drummond 2005, 8)

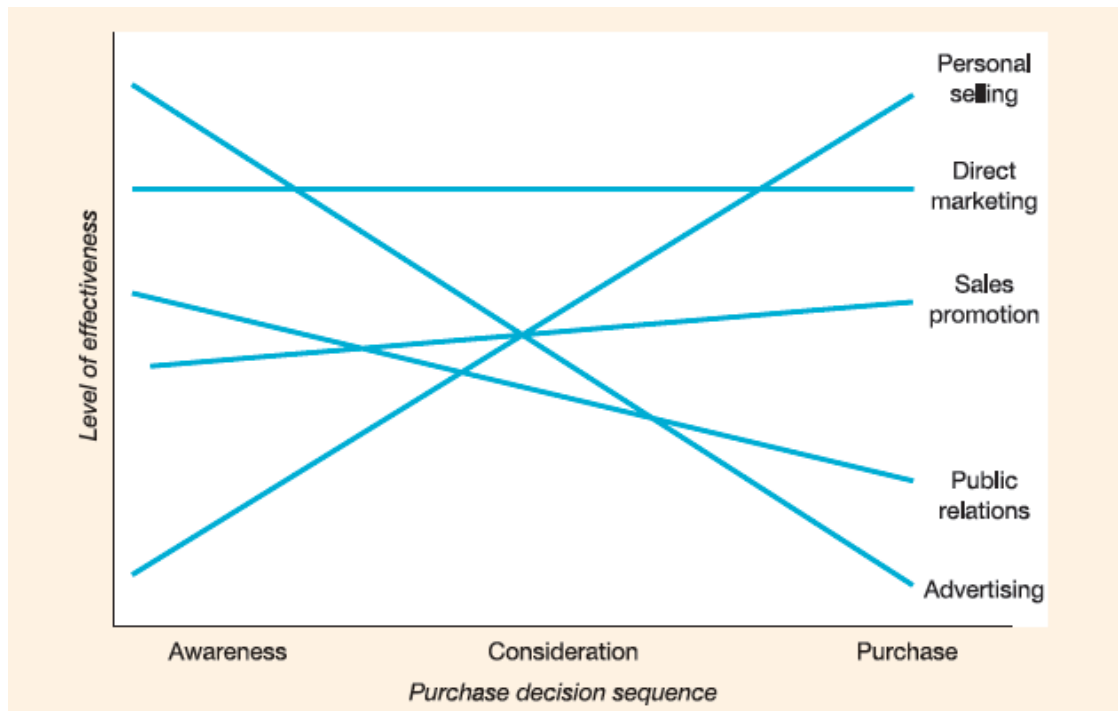
Moreover, market oriented companies focus on creating satisfaction towards customers. It gains a market share when the customer satisfaction overweigh which provided by competitors. Plus, marketing activities provides value in the purchasing process. Successful marketing activities anticipate customer's behaviour and provide suitable service for the business. (Kotler 1999, 19)

In this thesis, it will be analyzed in terms of the internal and external environment of the company. Furthermore, researching on what has been noticed and what could be improved in the perspective of marketing communication will be provided. It would facilitate the final suggestion for marketing communication.

#### Problem definition

Due to the nature of marketing promotions, the effectiveness of different marketing communication mix is different. Therefore, it is essential for the company to implement those communication tools which is preferred by the potential customer of the company. In this way, the marketing communication would become more effective which increase the turnover of the corporate.





*FIGURE 4. The relative effectiveness of the tools of the marketing communication mix (Fill 2010, 25)*

Chris Fill's graph model indicates that different market mix might have various effects during the purchasing and post purchasing activities. (Fill 2010, 25) Hence, the combination of different marketing mix could have a different influence in the current market situation

According to the theory, the effectiveness of communications tools is different. The aims of the researching process are to find out what have been noticed by the customer and potential customer in terms of marketing communication.

Furthermore the thesis work is going provide suggestions for the in terms of different promotional tools for the Hefei branch company. The question constructed would what kind of communication activities would benefit the company.

## Limitation

Due to the nature of the marketing process, the results of each method individually are hard to analyze. For instance, the results of personal selling could be seen immediately, however for advertising and direct mailing, it takes constant effort into the business to get feedbacks.

Plus the economic scale of the clothing industry would be large; therefore the results might fluctuate with other factors as well.

## 2 WHAT IS MARKETING COMMUNICATION

To facilitate a decent share in this competitive market, companies normally require constant communication with customers and organizations. Marketing communication is the main approach to communicate with the customers in different ways. It is a process which gives credits to the stakeholders of the goods provided by the enterprise. Values also have been added during the marketing communication activities. (Fill 2002, 5)

Marketing communication was defined as 'promotional mix', which involves the five traditional promotional tools (public relations, advertising, direct marketing, personal selling, and sales promotion). It is known as an essential step to combine the company's products and services to the external customers and target audience. In this day and age of rapid technology development, the marketing department of the company is facing a more complexity of marketing environment which might provides a wide range of channels to the intended customers. Meanwhile, it is noticed that the target groups' receiving channel has also changed. (Kimmel 2006, 1-5)

### 2.1 Communication theory

To better grasp the concept of marketing communication, the communication theory should be firstly understood. It is pointed that communication is one of the most essential events. The impression of communication is not created instantaneously. However, with a set of communication mix, it would pose a ladder effect in the consumer purchasing activities. (Fill 2002, 4)

It is stated that marketing communication is the effort by the enterprise aims at constant interaction with the stakeholders. The information sharing is the main target of the communication process. During these activities, communication is the main process (Fill 2002, 5)

To further explain the communication theory, several theories have been developed. The graph below describes the linear model communication.

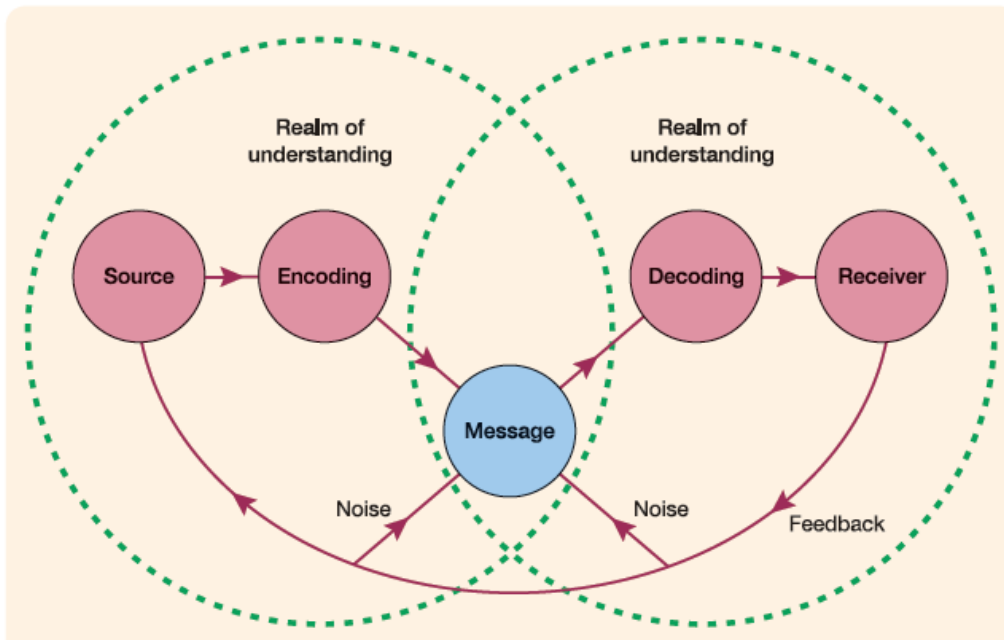


Figure 5. The communication process based on Schramm's 1955 model (Fill 2010, 42)

The communication process normally start with encoding, it is the process to create a message that could be perceived by the target group. In the first place, the company recognizes the needs of transmitting a message. It could be conducted by the means of words, or other symbols. The understanding of target group is the key issues of this subject, as the message could be misinterpreted by the target group. It has been commonly seen that enterprises would like to spend large amount of input in the field of audience market research, which aims to develop a deeper understanding of their target group. It is commonly seen that corporate spend a large amount of time in the marketing research process. (Fill 2002, 35)



*FIGURE 6. Exhibiting of the encoding process (Youngor official website 2013)*

Youngor group's marketing team plays a key role in the encoding process. Lots of attention has been paid during the encoding activities. The picture above is one of the advertisements for Youngor group suits product range, which is a good example of the encoding process. The product itself is targeted to the business man who normally appears in formal occasions. Therefore, the message encoded gives the audience an impression of formal, high textual quality, decent environment. The company itself firstly try to understand the target group of their product. The misunderstanding of the potential customer could leads to the failing of communication.

After the information is encoded, it is normally translated in a form, which is proper for further delivering. A message of the communication is defined as a proper form of transmission and it could be in various forms, for instance formal or in spoken language. The message itself normally is transmitted in a form that could send to the target audience, through different channel. The channel indicates the approaches that the information is sent, therefore it could be personal or non-personal. Personal contacts include the word of mouth communications which has more credibility. Non-personal method

including advertising, personal selling .etc. could reach the mass audience, but it is hard to transmit the personal information. (Fill 2002, 36)

When the message has been sent, it comes to the process of decoding. It is the target group's attempt to interpret the message. The level of understanding could be depended on the realm of understanding of the audience. Realm of understanding is an essential part of the communication. It includes the cultural background, experience, values. Etc. It is the main determinant of audiences' perception of the source. (Fill 2002, 36)

The realm of understanding is crucial to the Youngor group as an organization. Huge amount of capital has been spent in the researching of the target market. The better understanding of the customer would further facilitate the conveying of message.

However, noise could occur during the process, as misunderstanding of the message or noise could pull a threat to the communication process. Noise normally stems from the failing of receiving message, this could cause by the realm of understanding and the message is not matched to each other.

## 2.2 Marketing communication tools (Promotional mix)

Five methods of marketing communication could be seen in the traditional sense. It could be seen as: advertising, direct marketing personal selling, public relationship and sales promotion. In general, the marketing communication tools could build the brand awareness and impose positive feelings to the customers. (Fill 2002, 15)

### **Advertising**

Advertising is a method which involves mass communication, is the most classic way of the promotional mix. It is known as not-free, non-personal by different channels. It has the influence of informing and persuading the audience. (Pelsmacker, Geuens, Bergh 2011, 212) Advertising as a commonly used tool, could be highly controlled by the management of the

company. Meanwhile, the personal message might be hard to convey during this method. The total sales level is also difficult to monitor aftermath. Plus, people are not tending to believe the message that advertising shows. However, it is flexible to communicate with the target audience. Due to the economic scale, the total cost of advertising would be huge. (Fill 2002, 17)

People are likely to think the method of advertising should be linked with mass media, for instance TV, newspaper, magazines and prints. However, the modern world has developed various method of advertising. It could be categorized in several ways. The following picture illustrates the four criteria of the different types of advertising. In the first place, it could be seen in the perspective of the sender of information. For instance, the Youngor group manufacturing company would provide advertising that could improve their own company image. Sometimes Youngor group retailer and manufacture jointly organize an advertising campaign. Plus, the idea could be spread through non-profit organizations. The message could also be perceived in the types of receiver, which could be either B to C or B to B. Other destitution could be seen as types of message and approaches of media. (Pelsmacker, etc, etc 2011, 214)

<b>Sender</b>	<b>Message</b>
■ Manufacturer	■ Informational
■ Collective	■ Transformational
■ Retailer	■ Institutional
■ Co-operative	■ Selective vs generic
■ Idea	■ Theme vs action
<b>Receiver</b>	<b>Media</b>
■ Consumer	■ Audiovisual
■ Business-to-business	■ Print
- industrial	■ Point-of-purchase
- trade	■ Direct

*FIGURE 7. Types of advertising (Pelsmacker, etc, etc 2011, 214)*

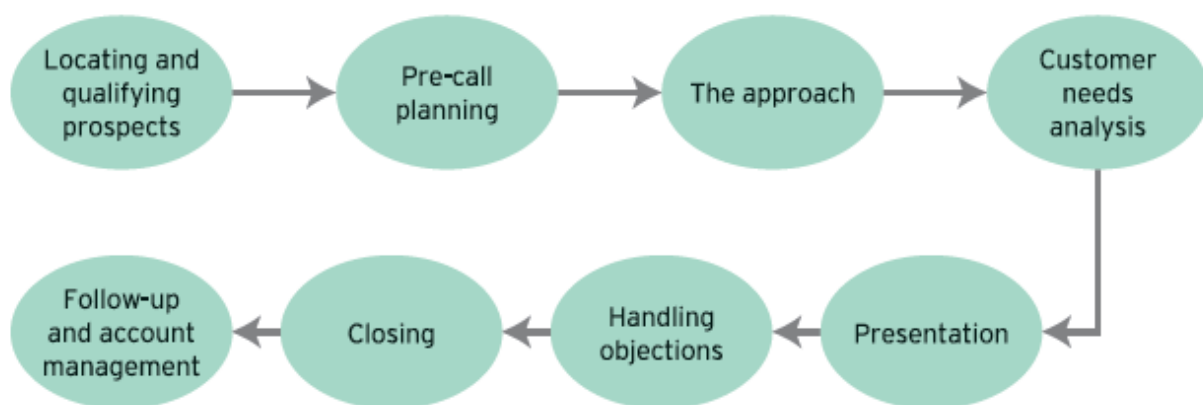
### **Personal selling**

Personal selling is normally known as the face-to-face method with the customers. Therefore massive interaction with the potential customer is

required. It is an essential part of the marketing communication tools, which is commonly used in business to business context. However, the aggressive selling strategy has gained personal selling a bad reputation. ( Pelsmacker, etc, etc 2011, 530)

Personal selling could be categorized in terms of different target groups. Trade selling is targeted to supermarkets, wholesalers, while missionary selling indicates the direct convincing of target audience. Retail selling requires the sales person contacts the end-customer directly. ( Pelsmacker, etc, etc 2011, 533)

Personal selling normally starts with the building of proper prospects. In the first place, the sales person needs to choose a decent product that has a positive prospect to the customer. Pre-call planning indicates that preparation needs to be done before real contacting the customer. The common approaches could be telephone call, writing a letter. In the customer needs analysis, the representative need to search the customer's real needs. Pleasant conversation is needed in this section. When presenting, the salesman have to show the benefit sides of the product. After a comfortable closing, the sales process is done. The final step would be the management of customership. ( Pelsmacker, etc, etc 2011, 533)



Source: Dalrymple, D.J. and Cron, W.L. (1992), *Sales Management*. New York: John Wiley & Sons.

*FIGURE 8. Personal selling steps ( Pelsmacker, etc, etc 2011, 532)*

Personal selling is the method which requires inter-personal activities towards the market. It could stimulate sales in the short run. The backside of this



method is the lacking of control, plus it is hard to persuade customer the information needed to be transmitted. The sales person involved could be large. Therefore it also requires a substantial capital in this communication method. (Fill 2002, 16)

### Sales promotion

Sales promotion is the tools which can increase the sales in the short term. It is the method which could create extra sales by increasing the purchasing quantity of the existing customer and attracting new audience. It is known as a method to give attention to the target audience which could further stimulate purchasing. This method would have a special effect to the certain group of customer who are more prices-sensitive. ( Pelsmacker, etc, etc 2011, 408)

The goals for promotion could be seen in various ways. It could remain the loyalty of the existing customers. And the cost-effectiveness of this method is pretty high. Moreover, it could expand the current market share, especially for the market leader. With the implementation of sales promotion, other communication mix could be reinforced too. ( Pelsmacker, etc, etc 2011, 410)

For instance, the advertising campaign of Youngor group is frequently linked with the promotion activities.



FIGURE 9. Consumer promotion objectives ( Pelsmacker, etc, etc 2011, 410)

The core of consumer promotion is the offering product with an upgraded price or quality perceived by the target audience. The most commonly used customer promotion could be seen as the picture below:

Monetary incentives	Chance to win a prize	Product promotions
<ul style="list-style-type: none"> <li>■ Price cut on the shelf</li> <li>■ Coupons</li> <li>■ Cash refunds</li> <li>■ Extra volume</li> <li>■ Savings cards</li> </ul>	<ul style="list-style-type: none"> <li>■ Contests</li> <li>■ Sweepstakes and lotteries</li> </ul>	<ul style="list-style-type: none"> <li>■ Sampling</li> <li>■ Free in mail</li> <li>■ Premiums</li> <li>■ Self liquidators</li> <li>■ Savings cards</li> </ul>

*FIGURE 10. Consumer promotional tools ( Pelsmacker, etc 2011, 410)*

Price discount directly from the shelf could be commonly seen in the supermarket. It is a simple tool which could stimulate short term purchasing. It is normally used by the fast-moving product. However, the downside of this method is also obvious. A frequent cutting price strategy could degrade the brand image of the company. The target audience might have a impression that the real price should be lower. ( Pelsmacker, etc 2011, 410)

Coupons are the tools by offering vouchers which stands for a monetary value. It could be used in general product range or a certain product. It is a communication tool which could stimulate trial of the products. ( Pelsmacker, etc 2011, 410)

Cash refunds are used by get offer after proving the activity of purchasing. It is a similar method as coupon that coupon needs to collect before hand, while cash refunds need to proof purchasing aftermath. The discount level of cash refunds is stronger than coupons. Therefore the probability of new customer trial is higher. However, similar as coupons there are potential possibilities that current customers are getting discounted rather than attracting the new ones. Promoting by offering extra value is similar to other sales promotional tools. ( Pelsmacker, etc 2011, 410)

The tools of offering a chance to win price is appealing to customer depending on their willingness to gamble. Therefore, the level of effectiveness could be depending on the cultural background regionally. Basically, the cost of this method is rather low and easy to organize. The customers get a chance to get promoted on the basis of cost nothing. Product promotion offers customers a chance to try product for free. ( Pelsmacker, etc 2011, 417)

This method of sales promotion depends on offering extra-value or discount on the product. Non-personal activities are involved in this method. This method enables the management to target on smaller target groups and the total cost is relatively low. (Fill 2002, 16)

### Public relationships

This communication tool is a way to improve the company goodwill as a total. For long term oriented companies, future returns results from the public relationship becomes the main concern. The target is to get respects from the customers especially the essential stakeholders of the company, including the opinion leaders, investors. It is an essential way to miner the gap between the company's perception and the media's presentation.

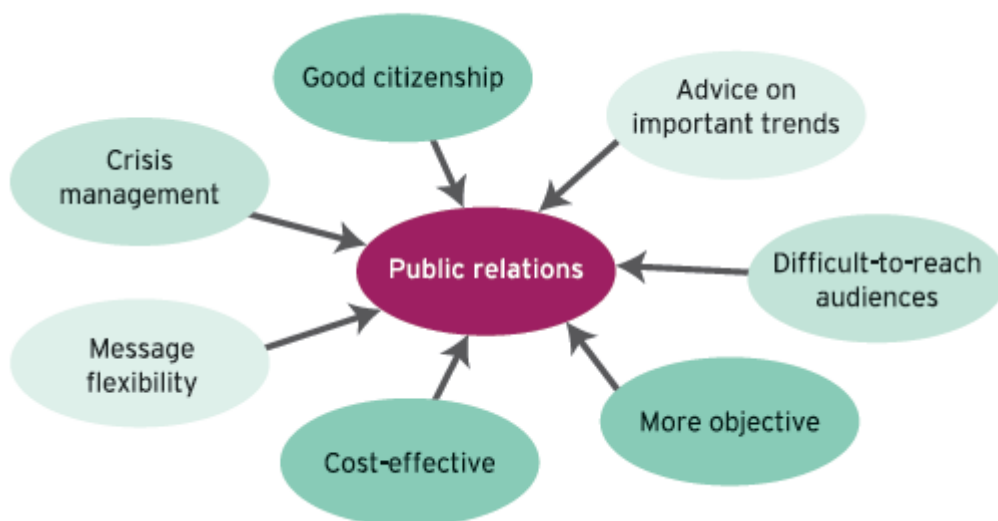


FIGURE 11. Strengths of public relationship ( Pelsmacker, etc 2011, 340)

It is a cost-effective method to help the company going through crisis without damaging the company's image.

However this method also has a downside which is the lacking of control. When conducting the activities, the general media could present the company information in way contradict to the PR department's own will. Plus, the journalists may feel reluctant to report the information which is not attractive. And the effectiveness is difficult to measure.

In general, this method is a broad perspective of the enterprise strategy. It involves the interaction with stakeholders of the company. The interaction would be firstly planned by the company, which presents an image of the company. Compare to advertising, the cost of public relationship is rather low. However, the management has a less level of control of the PR activities. Plus, this method could be target to small market segmentation. The level of cost-effectiveness is rather high. (Fill 2002, 621)

### Direct marketing

Direct marketing indicates the communication with customers directly. The media which could contact customer directly is normally been used. The goals of direct marketing could be seen as the picture below.

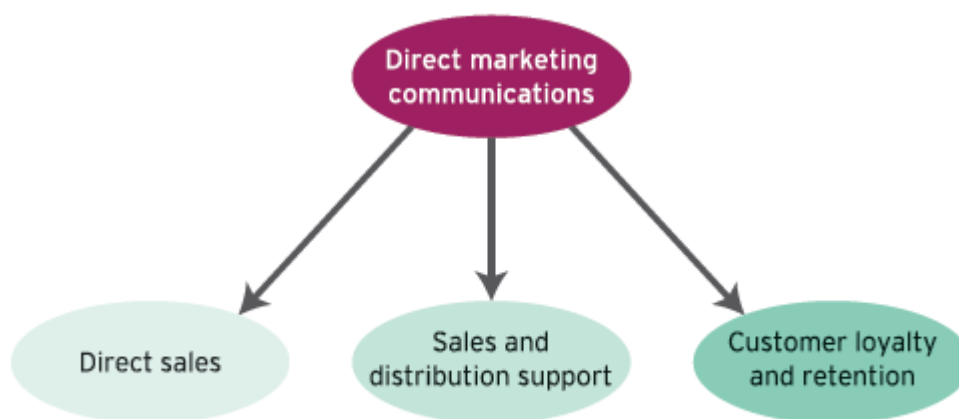


FIGURE 12. Direct marketing objectives and target groups ( Pelsmacker, etc 2011, 442)

It has been used as a direct sales channel without the help of intermediates. For instance, catalogues are sent directly to the customer, and the customer could order product from the company directly. This method could also help the customer's relationship management of the company. ( Pelsmacker, etc 2011, 442)

The direct marketing media and tools could be seen in two perspectives, addressable and non-addressable. Non-addressable method normally includes the mass-media and advertising while addressable tools focus on the targeted market audiences. ( Pelsmacker, etc 2011, 442)

Direct marketing is a method that based on the information technologies. It targets toward individuals, which aims at delivering personal message. This method requires already-established information of target audience. Media is the common channel for the target group. (Fill 2002, 668)

In general sense, marketing communication could enable interaction with the audience. A dynamic environment is created by the management of the company, aims at the information delivering to the customers.

### 2.3 How marketing communications work

In the current competitive market environment, customer's reactions are hard to predict. The results are influenced by several factors: audience's anticipation, the usage of the product, the background of the target group. However, several frameworks have been developed, aims at the explanation of the response process. Theories have been developed by researchers which aim at the explanation of the audience information perceiving process. One of the dominant theories is known as the Hierarchy-of effects model. ( Pelsmacker, etc 2007 , 85 )

The effect of hierarchy indicates that the audience perceives the information in a certain process. The hierarchy or ladder effect can be illustrated in the

figure3. In the last tier of the ladder, the consumers are not aware the product at all, however with the effectiveness of marketing communication, the awareness, interests and final purchasing behaviour could be build. ( Blythe 2006, 5)

According to the perceiving process, audiences are under these stages of ladders. Therefore, the audiences firstly understand a product or image of a company, for instance, the Youngor T-shirt. In the next stage, responses were developed in terms of the feeling and expectation towards the Youngor Company. In the last stage, the company or brand image enables the audience the impulse to purchase those products. The main goal of marketing communication is to drive the audience into these stages. ( Pelsmacker, etc 2007 , 86-87 )

After purchasing, attitudes or feelings towards the product or company are formulated this would lead to the coming stage of attitude. It is described that attitude are the audiences' feedback towards the previous purchasing experience. In the perspective of marketing communication, it could be described as the level of satisfaction towards the product or brand. Therefore, it is essential for marketing communicators to formulate audiences' positive expectation with the brand or company. ( Pelsmacker, etc 2007 , 89-90)

The formulation of attitude originates from several aspects. The cognitive segment was defined as the evaluation of the brand, which comes from the background and education level of the perceiver. Affective segment is linked to the personal feeling of the audience, which influence the ultimate attitude. By providing emotional information, marketing communication focuses on the changing of the affective segment. While the cognitive part stands for the audience's background knowledge, and how they evaluate things. ( Pelsmacker, etc 2007 , 90)

For instance, large amount of information about the stylish design of the cloth was presented by the Youngor advertisement. Effectively, customers would have a positive image towards the product or brand. In general, different

theories have been developed which aims at the explanation of how the marketing communication works. ( Pelsmacker, etc 2007 , 104)

### 3 MARKETING COMMUNICATION PLANNING

#### 3.1 General marketing communication processes.

Marketing communication planning is an indispensable part of the marketing activities, as it takes an overview of the brand and marketing goals. To achieve a decent market share, company needs to address the marketing mix during the planning process.

##### Defining business idea

To start a communication plan, the company brand situation should be known. It is the analyzing of current market which could provide the information for further development of objectives. The executor should understand the current economics, competitor activities. ( Pickton 2004, 291)

The PRESTCOM model is normally used in this phase. It includes the political environment, the regulatory environment, the economic environment, the social environment, the technology environment, the organization environment and the market environment. ( Pickton 2004, 291)

##### Setting company objectives

In the second stage, the target group of the company should be decided. Select the target group is essential step in the planning process.

##### Setting marketing strategy

In the later part the marketing strategy should also be decided. This is mainly depending on the current market situation that the company is facing.

##### Setting marketing communication objectives

This step would mainly concentrate on the objective setting of the communication planning.



### Choosing marketing communication strategy

By considering the communication objectives, different communications mix should be used. The main criteria could base on the effectiveness, credibility, cost, and level of control. Characteristics of each method should be understood in the beginning phase.

### **Planning marketing communication activities**

The beginning of the plan is to understand the company current situation analyzing. In this section, the market competitors, consumer's relationship with the company, and the effectiveness of each promotional tool should be known by the communications executor. (Pickton 2004, 299)

In the next section, the planner should decide to whom the communications is talking with. It is essential to target the audience in the planning process of communications. The current consumers and potential customers are the main targets, nevertheless, this also stop us from reaching more audiences. (Pickton 2004, 299)

Budget setting is the next step of the planning process. It is normally the third phase of the planning process, however budget might be set in this stage, and strategies fix it later. Other corporation might also have a flexible budget depending on the goals of the communications. (Pickton 2004,299) The 3Ms strategy is commonly used in this stage which includes: Men, Money, and Minutes. It stands for the combination of personnel, budget and time. (Smith 1997)

The next step of the planning process is objective setting. This could be increasing in sales, broad communications goals, or objectives of different communication tools. The SMARRT model gives the executor a clear objective towards the evaluation of the communication mix. (Pickton 2004,

299)

<b>Objectives</b>	<b>Why?</b>
<b>Specific</b>	Objectives should be clear, precise and directional about what is to be achieved
<b>Measurable</b>	Objectives should possess a quantified measurement statement (e.g. a percentage or absolute amount to be achieved) to enable precise evaluation of the campaign
<b>Achievable</b>	Objectives should be capable of being reached, in that the company/department/suppliers have the resources to achieve the objectives set
<b>Realistic</b>	Objectives set should be realistic. For example, large brand adoption percentages of a new product in short time-scales are unrealistic. Unrealistic objectives are demoralising when the goals are not met and are subject to poor evaluation
<b>Relevant</b>	Objectives should be appropriate for the task at hand. Once a problem or task is identified, the specific objectives should address that problem
<b>Targeted</b>	All objectives should be related to the target audience(s) that are to be reached. If there is more than one target audience group in the campaign, objectives will be needed for each
<b>Timed</b>	Objectives should have a clearly stated time frame to indicate by which time they are expected to be achieved. This enables the scheduling of the campaign to be monitored and indicates when the results can be evaluated

*FIGURE 13. SMARTT objectives (Pickton 2004, 299)*

In the later part of the planning process, the strategic decisions should be made. It mainly including the choosing of activities of how could be communications achieve there. (Pickton 2004, 299)

<i>All plans</i>	<i>Cooper</i>	<i>Smith et al. SOSTAC</i>	<i>J. Walter Thompson advertising agency</i>	<i>RABOSTIC</i>	<i>Typical response</i>
<b>Situation</b>	Familiarise	Situational analysis	Where are we? Why are we here?	<b>Research and analysis</b>	Develop a situational analysis Understand the market and its influencers Understand competitors Identify problems Identify opportunities
<b>Targets</b>	Who are we talking to?			<b>Audience(s) identification</b>	Determine who should be targeted for marketing communications
<b>Resources</b>				<b>Budgets and allocations</b>	Decide how much resource is needed
<b>Objectives</b>	What are we trying to achieve?	Objectives	Where could we be?	<b>Objectives</b>	Set what needs to be achieved
<b>Strategy</b>	How do we expect to achieve it?	Strategy	How could we get there?	<b>Strategy</b>	Develop message, media and marketing communications strategy
<b>Tactics</b>		Tactics		<b>Tactics</b>	Develop message, media and marketing communications tactics Schedule activities including plans to evaluate progress
<b>Implementation</b>		Action		<b>Implementation</b>	Put the plan(s) into action
<b>Evaluation and control</b>		Control	Are we getting there?	<b>Control</b>	Measure and track the effectiveness of the marketing communications

FIGURE 14. Summary of Marketing communication plans ( Persmacker 2011, 294)

### 3.2 Key characteristics of each promotional tools

The tools of communication could perform a different task individually, and the accomplishment is different. It is mainly depends on the criteria of the level of control, money, mass media or personal approach, and credibility of the information. (Fill 2010, 24)

Control indicates the information would be understood by the audiences. Plus, the noise should be under a certain level. It is an important element especially in online and outdoor advertising.

Advertising has a low ability to deliver a personal message, while with a high extent of reaching audiences and the interaction level is rather low. It has a

low credibility to the audience, and the absolute costs are rather high. It has a high wastage and the capital invested is rather high. However, the cost per contact is rather low. (Fill 2010, 24)

Sales promotion has a low ability to deliver a personal message. The ability to reach large audience is in the medium level, and the interaction between customers is rather low. It has a middle level of credibility and all the costs are in medium level. (Fill 2010, 24)

Public relationships fail to deliver a personal message. It has a medium level ability to reach audience, and the level of interaction is low. This method has a high level of credibility and the cost is not substantial. However, it is difficult for companies to control the PR reputation. (Fill 2010, 24)

Personal selling has a high ability to deliver personal message and the reaching of audience is low. It has a high level of interaction with audience but the cost is also high. The company has a medium level of control towards the communication activities. (Fill 2010, 24)

Direct marketing has a high ability to deliver personal message, and it can reach a medium level of audiences. It has a medium level of credibility and the cost per contact is high. The company has a high level of control towards the activities. (Fill 2010, 24)

### 3.3 Implementation and measuring of results

#### Implementation of advertising campaign

This is the method similar to other communications tools. It starts with the developing of marketing strategies which based on the criteria of specific advertising strategy. However, it is difficult to interpret the advertising strategy into real action. In the following part, different ideas would be considered in terms of the communications goals and creativeness.( Persmacker 2011, 215)

After the idea is created by the advertising team, it should be carefully considered in terms of creativeness. This indicates that the method choosing should be attractive to the audience, and according to the company's long term development strategy. After the decision making is done, the advertising team should develop the advertisements which require expertise from the professionals. After designing, the message should be sent through the media. ( Persmacker 2011, 215)

After the implementation of campaign, the level of effectiveness should be assessed. It is vital to have a measurable goal in the planning process of communication. The data before the launching the campaign should be recorded in the first place. ( Persmacker 2011, 215)

#### Implementation of Media plan

The objective of media planning is to detail the choosing of media in terms of the choosing of media, the price and the estimated outcomes. Flow chart is commonly used in the planning process, which indicates for instance the name of the specific TV channel or magazines, the expected reaching of audience, and the cost. In the first place, the communication environment should be understood. Then the target audience needs to be described in the next section. And the media goals should be set in the next section. After the media mix is selected, the media planning team would pay for the media implementation. ( Persmacker 2011, 215)

## Planning and organizing the salesforces

In the first place, the sales manager needs to consider the sales goal, for instance the total sales revenue in terms of different region. The next section needs to think about the salesforce, normally company could choose either full time salesman or sales representatives selling product by signing contract. ( Persmacker 2011, 215)

After the objective setting is done, the employees should be selected, the communication skills, message presenting skills, market and product knowledge would become the main criteria. Aftermath, the personnel should be trained and motivated by the management of the company. Motivation forming is essential in this section. It could achieve by the combination of training, and the incentives like bonus. ( Persmacker 2011, 542)

The evaluation of personnel selling could be measured in different approaches. Qualitative measurement includes the evaluation of salesman's motivation, product information. Quantitative measurement includes the assessment of the total sales in short-term or long-term level. ( Persmacker 2011, 543)

## 4 YOUNGOR CURRENT MARKETING COMMUNICATION ACTIVITIES

Youngor group's marketing department has been implementing various activities to communicate with the customers. The team has achieved a decent market share in this competitive environment. This chapter would mainly list the current marketing communication activities that Youngor group is currently conducting.

### 4.1 Advertising

The characteristics of advertising are the content is emotional which grasp the inner need of the customer. The target group of the Youngor group is the majority of the audience. Therefore the choosing of advertising approach should be focused on the reaching of the mass audience, with a wide geographical coverage. (Youngor marketing communication mix report 2012)

Currently Youngor group has been releasing advertisement on TV commercials, clothing magazines, newspaper, radio and internet. Plus, the product information has been used in the information page of the regional newspaper. ( Youngor marketing communication mix report 2012)

#### Active media

TV commercials have been used extensively by the marketing department of the company. The releasing of the TV commercials has been planned regionally, according to the market situation of the company. The strategy of the Youngor advertising message has been focusing on what kind of customer the company is targeted. The message created illustrated the reasons for buying the product, what kind of advantages the consumer would get.

In the year of 2009, the suit market has grown considerably. The annual growth of the suit market has grown more than 2%. (Youngor annual report 2010) The Youngor group has gained a decent share during the marketing activities; therefore the company increase the input for TV commercials. The objective of the advertising campaign is to create recognition in the B2B and

B2C business environment, plus add brand awareness in the current market, which could further increase the market share of the suit product. ( Youngor internal report 2010) The link below is a Youngor TV commercial in the year of 2011: (<http://my.tv.sohu.com/u/vw/27982298>), the message created mainly conveys the message of brand identity, attractiveness, and the product quality. The 35 seconds commercial has been given the customer an overall review of the product given. Creative appeals has been used by the company, the appeals created by the commercials has both effect on both the emotional appeals and rational appeals. The emotional appeals give the audience a subjective impression, while the rational appeals create the functionality of the product presented. (Youngor development report 2005)

#### Press advertisement

Magazine advertisement has also been used by Youngor marketers. Below is an example of the magazine advertisement. The advantage of this method is the durability of the reading material. For instance, the magazine on train, airplane would stay for a long time, and could be re-read by many travellers.

Magazines have clear customer segmentation; therefore it is rather easy for Youngor marketers to select the right target group. The magazine selected include: Fashion Times, China clothing. The target audience of the magazine is the business to business part of the clothing industry.

The picture below is an example of the magazine advertisement used by Youngor group. The picture has a very creative connection of the ties product with the wine glass. It would be hard for people to purchase the product instantaneously after reading the advertisement. However, the image of the product range has been implemented to the customers. While seeing the product next time in the shopping mall or branch store, the customer would have recognition towards the product.





*FIGURE 15 Youngor magazine advertisement (Fashion Times 2010)*

#### Outdoor advertising

Outdoor advertising is also a powerful tool used by the Youngor communicators. The approaches used include the outdoor billboard, wall ads. Here's an example of Youngor wall ads in the department store. It has a relatively low cost but the message is rather passive.



*FIGURE 16. Youngor ads ( Walls ads 2009)*

Despite that outdoor advertising is difficult to research and hard to measure, it is popularly used by the Youngor group marketers.

## 4.2 Personal selling

Youngor group has a personal selling group, which belongs to the sales department. Part time sales group are recruited frequently with the organizing of different sales promotion activities. The demonstration of the product, model and consultation are provided during these activities. (Youngor development report 2005)

Plus, the company has been providing training activities to the branch store. ( Youngor marketing communication mix report 2012)

Personal selling has also been largely used in the B2B business environment of the Youngor group. The sales department has spent large amount of capital which aims at building the sales team. The job position has been divided into different part: order-takers, delivery-man, propagandist, technicians, export sales, and customer representatives.( Youngor development report 2005)

The order takers are responsible for taking orders from the customer and find new orders from shopping mall, clothing shops. The delivery-man only takes care delivering the goods to the seller. The propagandist only acts as a communicator, which helps the seller to select the goods and finding the potential customers. The technicians would provide technical information to the seller, includes the product specifications, promoting brochures, etc. The customer representatives would take care of the consultant of the seller regionally.( Youngor development report 2005)

Because the cost of the personal selling is rather high and it is effective in the B2B business context. Therefore the company needs to consider the number of employees carefully. The company has also provided training activities to the sales personnel, which aims at increasing the product knowledge, and feminizing with the current market situation.

The criteria for sales person have also been created. It is mainly depends on the attempts to find potential customers, the sales revenue, the gross profit margin, and the cost for sales.( Youngor development report 2005)

#### 4.3 Sales promotion

Sales promotion has been extensively used by the Youngor group marketing team both in the B2B and B2C business context. The product manager would like to see an instant increasing in sales, therefore incentives are created to attract the extra sales. The main objective of the sales promotion activities are attract trail from the new customers and enabling the loyalty from the existing customers. ( Youngor marketing communication mix report 2012)

During the customer promotion activities, incentives in terms of monetary value have been used. The company used the method by providing discount on the shelf to generate extra sales. This is easy way to provide promotion to the customer, and the purchasing could be durable. Normally, Youngor branch store provides seasonal clothe promotions in a certain time period, especially in the transition of each season. The main objective is to increase sales and get rid of the ending inventory at each season. ( Youngor marketing communication mix report 2012)



FIGURE 17. Youngor product discount (Youngor promotions 2011)

The marketing team has also used a coupon which stands for an amount of money during the purchasing. Normally, the product range is specific, and it is distributed directly during the previous purchase and sometimes on printed ads. To remain the redemption rate in a low level, the Youngor marketing team has a carefully selection of the voucher distribution. The main difficulty of this method is that it always attracts the, old customers rather than attracting the new audience.

Cash refund is more frequently used by the Youngor marketers, and it is very often targets to specific product.



FIGURE 18 .Youngor group cash refund(Youngor promotion 2011)

The method of buying product and provide extra volume is also provided by the Youngor marketers.

To conclude, Youngor has been organizing sales promotion activities in terms of the following activities:

- Sales person promoting product directly to the customer in shopping malls, branch stores.
- Refund voucher
- Free gifts
- Discount

Sales competition: different branch store could have a sales competition, the winner could have bonus from the company. (Youngor marketing communication mix report 2012)

#### 4.4 Public relationship

Youngor group has also conducted various actions aims at improving the relationship with the stakeholders of the company. The main target group of the PR includes the employees, shareholders, customers, officials.

The internal public relationship aims at the improving of the employee's feeling towards the company. The main approach includes: Creating a decent company culture. The company also provides an internal communication environment which could increase the employees' motivation.

The internal method is a good route to enable the employees feeling motivated toward the company. The internal communication gives the staff an approach to know what the organization is going. Therefore, the employees understand that they are working for a ethical company.

The external public relationship concerns the improving of the company image towards customers. The Youngor group has been using the activities for instance: visiting activities in the company, expo, funds raising, reporters' conference, and annual celebration. The theme of the event should be various depend on the situation. ( Youngor marketing communication mix report 2012)

The crisis management team is also substantial to the Youngor group. The way Youngor responses the public would influence the attitude of the audience. In the year of 2013, the company has been undergoing financial crisis. Special attention was drawn from the public. The crisis management team responded the questions towards the press in the first time. The company did not conceal the existing problem and the current company image is remained.

#### 4.5 Direct marketing and sponsoring

Direct marketing is the method which is not very popularly used by the Youngor group as a marketing tool. However the team has built a membership management database, which could facilitate the CRM towards customers. Instead of mass media and mass ads distribution, the company could send message to the segmented targets of people. For instance, Youngor group has been sending catalogs to the target audience, which could stimulate further purchase. By combining the Youngor group with the customer database, increase the probabilities of relationship marketing. By understanding of the loyal customers, the needs and effectiveness could be developed.

Sponsoring is also used by the company. In the year of 2012, Youngor Company sponsored the broadcasting of the TV-Series *Nvren Lei*. The target group of this sponsoring is the middle class business man. The goal of marketing and company interaction is achieved during this process. The marketing goals include the awareness building of the product range, while the interaction of the company could improve the overall brand image. By sponsoring the TV-series, the awareness towards the company is built.



FIGURE 19. Youngor TV-series sponsoring



FIGURE 20 .Youngor business meeting sponsoring (advertising, 2011)

## 5 SUGGESTIONS

### 5.1 Advertising suggestion

Researching is an essential process of the advertising activities. It would be effective if the advertising activities are supported by researching plan. Due to the facts that pretesting and measurement is not well-developed in the current company, the advertising might be less influential.

Therefore, strategic research might be helpful in the first place, which provides information for the general communication environment. Further research could be done for instance the competitor communications strategies, the researching of the content and the management's review and tests.

In a well developed advertising campaign, the advertisement should be pretested in the first place. For instance, the information could be assessed by the company staff in terms of understanding, or by the audience group in the perspective of recalling test.

When analyzing the content of advertising, facts was found that emotional appeals is more frequently used by the Youngor group. The main purpose of the emotional appeals of advertising is to convey an image of the product or the company and create awareness.

Emotional effect is an essential part of the advertising; however, clothing is a common product, customer might more sensitive towards the performance of the product. Therefore rational appeals for instance the quality, component, and taste could also be combined in the advertisement.



## 5.2 Personal selling suggestion

The recruiting of sales force is a majority cost of the company. And the skills required for salesforce is large. It is an interpersonal communication method with the customers. Great impact could be seen from this method, especially in the B2B business context.

The Youngor group currently has a large personal selling team. However the training and personal development activities are not enough. Plus, it is also noticed that the sales force employees do not stay in their position for a long time. This might be a huge expense during the marketing activities.

In response to this, the training of personnel could be highlighted. The problem for Youngor might be that the cost of employee training is huge. However, human resource development plan could be designed in the beginning. With a careful researching and designing, development for personal selling employees could be developed, even with a low budget. This could further stimulate the sales revenue in the long run. The training activities could be organized by the company it-self or other consulting companies which organize those kinds of activities.

Motivation is another important factor of the PS tool. Despite, the sales force might be self motivated, it is still important to remind them from time to time. This could be enforced by providing clearly defined incentive system, rights and responsibilities. Job satisfaction could be improved by various program provided by the human resource department. This could reduce the level of intention to quit the current work.

### 5.3 Sales promotion and sponsoring suggestion

The company has been conducting large amount of effort in the sales promotion field. In the short term, sales promotion could increase sales revenue, and encourage the trial from potential customers. In the medium run, audience tend to purchase the brand with promotion and become less brand-loyalty. And, the effectiveness is not powerful in the long run. If overuse this method, the brand image could even be damaged. The incentive system for the manager should not only focus on the sales in the short term, but also other field concerning the further development of the company and brand image.

#### Sponsoring suggestion

The role of traditional media is becoming less attractive and more capital is needed in this field. Plus, the competition in the similar produce range is stiff. Therefore the role of sponsoring is increasing at a high speed. The management of the company could spend more expenditure in this field, and the assessment should also be done by the Youngor group. There is an increasing competition in the traditional way of media, and the effectiveness is also going into the downside position.

Given an evaluation of the Youngor previous sponsoring activities, the target group of the company is not so clear. The TV series *nvrenlei* main audience is household ladies free at home, while the company's main potential customer is middle class, business man or women. Therefore, when sponsoring, the majority audience of the event should be analyzed carefully.

Youngor Group could carefully select the programs which is particularly interested by the target group, in this case, is the middle class business man. By take the objective and audience of the sponsoring program, better action could be come up.

#### 5.4 Direct marketing

Direct marketing is an influential tool in the clothing industry. However it is not very popularly used by the company at the moment. Youngor could increase the expenditures in this field. Databases could be created such as the name, address, and purchase history. By carefully segmentation, the product or brand information could be sent to the potential customer in a designed time sequence.

## 6 CONCLUSION

Marketing communications is an interesting and challenging field to focus on. Companies like Youngor has been invested large amount of capital and human resources in the communication activities towards the customers. Strategies have been developed to increase the brand awareness of the brand and product.

The thesis was trying to build the marketing communication theory as the foundation. Different marketing communications tools were listed in this thesis as well as the communication plans. During the researching part of the thesis, collections of the current Youngor marketing communication activities were made.

In this thesis compact, marketing communication academic theory was the main framework. The company's communication activities was collected and compared with the theory, and the suggestions was made based on the previous collection. During the collection of activities several problem was highlighted, which might improve the further development of the company.

However, the communication activities are a broad sense, especially during the collection of the marketing communication activities. It is quite challenging to collect various activities at a time. And even with a large sample, the results might still be biased. Therefore further researching and development could divide the general problem into small aspect for the further company development. In the suggestion section, it is quite difficult to come across with different points as the market is also dynamic and the situation might be various also.

To conclude, this thesis could help the company in several ways, firstly the marketing communication theory gives the company a general review of the activities conducted so far and provides a sound conceptual framework for the marketing communication activities. Secondly, the marketing communication plan and the event calendar in the appendix could give the company an executive review of the events planning and other. The suggestions in the

fourth chapter could give the company some checkpoints with the previous actions that might influence the future performance of the company. By analyzing the past and planning the future, developments could be made in terms of marketing communication.

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**APPENDICES:****I: Marketing communication planning executive summary**

- 1 Executive summary
- 2 Situation analysis
  - 2.1 Company analysis
  - 2.2 Competitor analysis
  - 2.3 Consumer analysis
  - 2.4 Market analysis
  - 2.5 Product analysis
  - 2.6 Problems and opportunities
- 3 Target market profile
- 4 Objectives
  - 4.1 Marketing objectives
  - 4.2 Communication objectives
  - 4.3 Advertising objectives
- 5 Marketing communication strategy
  - 5.1 Advertising strategy
    - 5.1.1 Creative strategy and execution
      - 5.1.1.1 Objectives
      - 5.1.1.2 Strategy
      - 5.1.1.3 Tactics or executions (in appendix)
    - 5.1.2 Media strategy
      - 5.1.2.1 Objectives
      - 5.1.2.2 Strategy
      - 5.1.2.3 Tactics or vehicles
      - 5.1.2.4 Cost estimates
      - 5.1.2.5 Continuity schedule
    - 5.2 Sales promotion strategy
    - 5.3 Public relations strategy
    - 5.4 Direct marketing strategy
    - 5.5 Other (such as Event marketing)
- 6 Campaign evaluation
- 7 Budget
- 8 Appendices

Adapted from Parente et al. (1996)



## II: Marketing communication planning calendar

Months	1	2	3	4	5	6
Sales force integration						
Print advertising						
Direct mail	 Event	 ETA				
Outbound telemarketing						
Follow-up mailings						
Confirmation calls						
Events/ appointments						
Follow-up mail/ phone						
Ongoing communication						
Lead generation						

( Persmacker 2011, 294)

### III.Youngor Marketing communications collection:



FIGURE 15 Youngor magazine advertisement (Fashion Times 2010)



FIGURE 16. Youngor ads ( Walls ads 2009)



FIGURE 18 .Youngor group cash refund(Youngor promotion 2011)



FIGURE 17. Youngor product discount (Youngor promotions 2011)



FIGURE 19. Youngor TV-series sponsoring



FIGURE 20 .Youngor business meeting sponsoring (advertising, 2011)



FIGURE 6. Exhibiting of the encoding process (Youngor official website 2013)