**Questions:**

**Please begin with the target market identified in the Kmart attachment and provide the mix for that target market and only that target market (not what the company is currently doing but what they should be doing).**

**-  Tangible product/service features and benefits**

**- Product/service augmentations**

**- Distribution channels and inventory plans**

 **(include channel structure and types of middlemen)**

**- Promotion decisions about advertising, sales promotion**

**- Personal selling and publicity**

**- Pricing strategy and policies**

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| **Explain why you selected each of the above components of the mix and how****it relates to the target market** |

**This is where you can delve in to the retail stores or the specialty stores**

Response:

In the marketing domain, it is imperative for the company to identify its target market to deliver value to the customers. With the identification of the target market segment, the company can offer product and service suiting the requirements of the diversified customer segments. In this essence, the target market identified for Kmart is the lower income group, wherein the company focuses on offering different products and services at reasonable price. The following paper reflects the marketing mix for Kmart, which will prove to be beneficial for the growth of the company in the near future

Marketing Mix

Product/Service Offerings: Kmart should also offer grocery items and enter the food and beverage sector to cater a vast segment of the society. The company has not entered the food and beverage sector; therefore, the company can reap the substantial revenues by entering the food and beverage sector (Kmart, 2015). Product and service augmentation is relatively important for Kmart to beat the growing competition. Thus, in this context, Kmart should enter the service sector by offering low price food and services by adhering to the standard quality in all the stores. The company should establish fast food retail chains in various nations and provide standardized quality food products at nominal prices.

Pricing Strategy: In this context, Kmart is offering distinct products and services to a wide range of customer segment; therefore, the company should adopt competitive based pricing strategy. In the retail segment, fierce completion is prevailing, wherein Kmart focuses on providing low-cost products and services to its customers. In order to create a dominant position in the marketplace, the company should adopt competitive based pricing strategy by analyzing the market environment and setting the prices according to the changing market dynamics (Smith, 2011).

Promotional Strategy: Promotion is relatively important for the retail stores to create a distinctive image in the industry segment. In this respect, the company should effectively take the advantage of mobile applications and advertise its product and service offerings effectively to its key clients. By creating a mobile application, the majority of customers, spread across the globe, can be tapped easily, thereby, enhancing the brand identity (Boone & Kurtz, 2015). The company should adopt aggressive promotional techniques by using social media platforms like Instagram, YouTube, Facebook and Twitter, wherein the company can demonstrate its product and service offerings effectively and cater to the mass market segment.

Distribution Channels: Kmart should invest substantially in computer-controlled inventory system and specialized logistics and distribution channels, which would enable the company to serve diversified customer segments in an effective manner. The company should establish diversified distribution channels and store locations in various countries so as to appeal the target market segment.

The aforementioned marketing mix for Kmart will prove to be highly beneficial in enhancing the brand image and brand identity of the company. Moreover, the company will be able to beat the growing competition that is rising phenomenally in the retail sector. With the help of this marketing mix, Kmart will be able to acquire a larger share of the market segment and reap substantial revenues for the company. The company needs to adopt distinctive marketing strategy so as to cater to the distinct needs of the diversified customer base.

References:

Smith, T. (2011). Pricing Strategy: Setting Price Levels, Managing Price Discounts and Establishing Price Structures. Boston: Cengage Learning.

Boone, L. & Kurtz, D. (2015). Contemporary Marketing. Boston: Cengage Learning.

Kmart. (2015).About us. Retrieved November 13, 2015, from http://www.kmart.com.au/about-kmart