

MINI COOPER: MARKETING STRATEGY, DIGITAL MARKETING, BRAND & ETHICS

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The report is designed to examine, analyse, and evaluate where appropriately the current Mini Cooper's marketing strategy, its digital marketing initiative, branding, and the importance of ethical values in Mini Cooper as well as other organisations. That is important for understanding of the practical applications of marketing is achieved by applying theory to them.

It is determined that Mini's marketing strategy has shifted in terms of targeting and brand positioning. As previously it was an affordable iconic British car, now it has become a cool luxury car dominantly for a young segment. Its international marketing strategy is differentiated in a way that a brand is built up on the historical iconic image of Mini for the UK and associated market, but it is not associated with any values in the past for the US customers. Overall, Mini's marketing strategy is considered to be innovative, creative, and sometimes 'silly', which is of great value for its young energetic target audience.

Digital marketing initiative also corresponds to the latest IT and social trends worldwide by 'digitalising' marketing initiatives and active social networking with the consumers. Brand is a core competence and 'everything' for Mini. Marketing is centered on its brand, not vice versa. An analysis of the Mini's strategy shows that it is efficient in terms of its branding strategy.

Ethical values also play an important role for Mini as well as the other organisations. It is important to pursue them nowadays as it helps to support the communities and the organisations both in the same direction and with dynamic progress.

1. INTRODUCTION

The following paper is based on the Mini Cooper's case study and is designed to report on the marketing strategy of Mini Cooper, its digital marketing initiative, branding, and Corporate Social Responsibility. In order to provide a direction for a report and its structure, the aim and objectives are designed and followed.

1.1. AIM

Report on the current marketing strategy of Mini including its analysis, examination of digital marketing approach, explanation of Mini's brand, and investigation of the importance of emphasising the ethical values in conducting business.

1.2. OBJECTIVES

- Analyse Mini's current marketing strategy based on a variety of theoretical models and contemporary literature;
- Critically examine Mini's digital marketing approach;
- Drawing on relevant theory explain how the Mini brand creates value for the customer; and
- Investigate why some organisations emphasise an ethical manner of conducting their business using Mini as an example as well as other relevant organisations.

2. MARKETING STRATEGY

Mini's brand revival started in 2001 (Dahlen, Lange and Smith, 2010, p.275), and is one of those success stories to be taught in marketing classes; though, it is a contiguous one as even in the recent years Mini's marketing strategy justifies that 'magic exists'. According to BMW, Group Mini delivered to its customers 234,175 cars in 2010, 285,060 in 2011, and deliveries have been growing each year since 2007 (2012).

2.1. CORE MARKETING STRATEGY

2.1.1. SEGMENTATION

Market segmentation is: "the process of identifying different groups of users within a market who could possibly be targeted with separate products or marketing programmes" (Croft, 1994, p.1). Talking about Mini fun facts, there are different segments, but they are not universal. There was a case when a 15-year old boy ordered a Mini and when a 72-year old lady ordered it after getting her new driving license (Paternie, 2002, p.63). MINI USA General Manager Pitney says, "demographics are irrelevant when it comes to owning a Mini. It's a mindset." (Paternie, 2002, p.63). That shows that Mini segments its market in an intangible way depending on the emotions people have. On the other side, it has a geographical segmentation according to the countries in which it has dealerships (US, Canada, 14 countries in Latin America, all the European countries, Egypt, Morocco, South Africa, Middle Eastern countries, 12 countries in Asia, Australia, and New Zealand) and the age the Mini targets is mostly the 20-30 year-olds (Dahlen, Lange and Smith, 2010, p.275).

2.1.2. TARGETING

Relying on Kotler and Armstrong, targeting can help the Mini "to be more efficient and effective by focusing on the segments that they can satisfy best and most profitably" (2001, p.232). Historically, "Mini" in that time (MINI USA, 2012), was developed responding to the demand for smaller cars that were easier to park (Marketing, 2011). Things have changed now and Mini is becoming bigger. Mini Countryman is 4.10m long and the new Mini 2011 is 3.72m long whereas old classic Mini, 1959, is just 3.05m; and by the way, Mini Countryman targets families (Madslie, 2010). That justifies that Mini targets families as well.

However, the main target is 20-30 years old affluent segment (Dahlen, Lange and Smith, 2010, p.275) - so different from previously being "the compact British everyman car" (Marketing, 2011).

2.1.3. DIFFERENTIATION

Differentiation means the features and characteristics that make the company's product different from the others available in the market (Ferrell and Hartline, 2008, p.209). Silas Amos, Creative Director of JKR, suggests that Mini's product has changed due to modification of the old retro style and combining it with the future trends (Amos, 2011). Looking at the product, redesign still saved the Mini-shape of the car and its "face" (MINI UK, 2012) in a retro-style distinguishing it from the other cars. Additionally, bright colours and their different modifications are another way to notice a Mini in a bunch of cars. However, over the years, the main features of Mini's differentiation are product-based associations and the perception of the brand (Simms and Trott, 2006, p.234). That shows that Mini's differentiation strategy was to create value of the brand and product itself, the one no other car-producer will make; and by the way, this is what successful differentiation strategy theoretically seeks for (Tybout and Calkins, 2005).

2.1.4. POSITIONING

Positioning is about the placement of the product in the minds of perspective customers (Boone and Kurtz, 2009, p.303). Mini positions it as "a fun affordable alternative for those wanting a luxury vehicle experience" (Boone and Kurtz, 2009, p.303). This is what basically suits their target audience by presenting young energetic people. This is the opposite of what they had before according to Pitney, "small cars have historically been inexpensive... boxes of transportation from point A to point B" (Paternie, 2002, p.61). Mini's current positioning can be observed from the advertisements and other promotional tools. For example, as it can be observed from its advertisement (ad) in Zurich, Mini positions itself as a practical car with the bigger size. The other ads for a brand new Mini Cooper S position it as opposite to soft, weak, and clumsy (Appendix A), and giving it a sense of an energetic and strong car. Maximisation of the car's features in those ads helps to draw attention to the features that differentiate Mini.



Figure 1: Mini Cooper Train Station Ad

2.2. 4PS

2.2.1. PRODUCT

Consumers are generally inclined to like the products with the better quality and features (Moore, 2007). Product is a key success factor of Mini present by seven product lines, special editions, limited editions, and customised versions. Recently, Mini's product became more universal than it was before because previously it was too British-looking and way too strange for many other countries as, for example, the USA (Amos, 2011). Product universality for all the markets was introduced since BMW took over Mini in 1994 and launched the new Mini generation in 2001 (Marketing, 2011).

Mini is a potential-benefit product because Kotler suggests that potential is to do with the "new ways of differentiating the product from its competitors" (Sinclair-Hunt, 2005, p.82) and Mini's potential is about the emotional value it brings to its customers. Augmented value is brought by the additional products assisting in adding value to a core product. There are tangible product benefits as well, concentrating on design, shape, features, technical characteristics, etc. However, a core benefit of Mini is the value, as it is the most important to customers as suggested by Moore (2007). It is also justified by Mini as its deliveries have been growing since 2007 (BMW Group, 2012).

According to Boone & Kurtz, product life cycle includes stages of introduction, growth, maturity, and decline (2010, p.363). As it comes clear from the Mini Cooper history, the product had always been iconic and never declined. However, Mini experienced decline of its brand and then its revival after the 2001 BMW branding strategy.

2.2.2. PRICE

Mini was designed as economical car for general audiences (Simms and Trott 2006, p.228), and now it is positioned as an affordable luxury car (Boone and Kurtz, 2009, p.303). International pricing strategy was adapted to the conditions of each market, and it is justifiable because Muhlbacher et al. suggest that international pricing strategy should consider various factors such as legislation, taxes, distribution, and competitors' cost structure (2006, p.663). As it can be observed from Table 1, Minis are the most expensive in the UK and most affordable in the US.

Model (basic)	UK (MINI UK, 2012)	USA (MINI USA, 2012)	Czech Republic
Mini First Hatch	£ 11 870	\$ 20 200 (£ 12 496)	397 500 CZK (£ 12 666)
Mini Cooper Coupe	£ 16 640	\$ 22 000 (£ 13 609)	517 500 CZK (£ 16 490)
Mini Cooper Roadster	£ 18 020	\$ 25 050 (£ 15 496)	557 500 CZK (£ 17 765)
Mini Cooper Convertible	£ 15 870	\$ 25 650 (£ 15 867)	522 500 CZK (£ 16 649)
Mini One Clubman	£ 14 490	\$ 21 900 (£ 13 547)	475 000 CZK (£ 15 136)
Mini Cooper Countryman	£ 16 510	\$ 22 450 (£ 13 888)	485 000 CZK (£ 15 454)
Mini John Cooper Works	£ 22 455	\$ 30 600 (£ 18 929)	Info on demand

Comparing Mini's pricing with the competitors, Simms and Trott note that there are just several brands which can be called the competitors of the Mini, and they are the Volkswagen Beetle, Citroen 2CV (classic car, already went out of production), and Fiat 500 (2006, p.228). In the UK, the Volkswagen Beetle's price starts at £19,605 (Volkswagen UK, 2012) which is more expensive than a Mini. Fiat 500 starts from £9,950 and Fiat 500C from £12,960 in the UK which is less expensive than a Mini. However, Fiat has never had the reputation of a British icon and probably that is why it may be their strategy to attract more customers based on the price-competitiveness. Finally, Wood suggests that "Mini Cooper car remains so well differentiated as it matures through its growth stage that the car does not need drastic price cuts to sell" (2007, p.128).

2.2.3. PLACE

Mini is distributed via dealers in different countries and the regional websites help to find them. For example, in the Czech Republic there are authorised dealers in Prague and Brno (Mini.com.cz, 2012).

Mini's website is also a 'place' tool as it helps not only to promote, but creates the environment surrounding the potential customer. There are Mini's local websites in its markets: in the US and Canada (both French and English), 14 countries in Latin America, all the European countries, Egypt, Morocco, South Africa, the Middle East, 12 countries in Asia, Australia, and New Zealand. By the way, these are the markets of the Mini (MINI.com, 2012), and in each of them there is at least one authorised dealer. It shows that Mini is looking not only to get their cars into the markets, but also support them with post-sale service.

2.2.4. PROMOTION

A promotional mix includes advertising, personal selling, sales promotion, and publicity (Strydom, 1998, p.142) and as those elements are discussed in the integrated marketing communications mix, please follow section 2.3.

Guerilla marketing also comes as a part of Mini's promotion. For example, in Amsterdam, they got big Mini boxes and packaging stored in the street right after Christmas looking in such a way that someone got a Mini as a Christmas present. Overall, it should be noted that guerilla marketing is widely used by Mini corresponding to its brand and image.



Figure 2: Mini Cooper Box Packaging

2.3. INTEGRATED MARKETING COMMUNICATION

2.3.1. ADVERTISING

Advertising, as "a paid form of non-personal communication through the mass media" (Strydom, p.142) is widely used by Mini to communicate to its target audience with a simple message for a branded and differentiated product as it is suggested by Trehan and Trehan (2009, p.46). As far as Mini's ads are designed to create a demand for a product, it is a pull advertising strategy.

Mini's ads are distributed in newspapers, magazines, on buildings, train stations, etc. Mini also uses advertorials to support its brand recognition. For example, in the journal Marketing (2011, p.39) they used FDS advertising for that purpose (Appendix B). Another example is an ad in the journal Marketing, October 19, 2011, where a company CORGI offers to put your brand sticker on a Mini Cooper as a model (Appendix C). However, there are many debates as to the ethics of advertorials because they may trick the consumers (Ali, 1998, p.183). That is why Mini should be careful not to destroy its brand with unethical marketing incentives.

2.3.2. SALES PROMOTION

As suggested by Lamb et al., "sales promotion is marketing communication activities... in which a short-term incentive motivates consumers or members of the distribution channel to purchase a good or service immediately, either by lowering the price or by adding value" (2008, p.537). According to Mini websites and observation of its dealer in the Czech Republic (Invelt Praha) there are no specific short-term incentives motivating consumers to purchase a car immediately which could be probably connected with the luxury niche market trends. However, they actively promote test drives which can be a combination of promotion and sales promotion.

2.3.3. DIRECT MARKETING

The Direct Marketing Association defines direct marketing as "communications where data are used systematically to achieve quantifiable marketing objectives and where direct contact is made" (Mullin, 2002, pp.1-2). In the case of Mini, it mainly relates to the digital marketing. First of all, Mini attracts its audiences to interact via e-mails, Facebook, and Twitter. Additionally, they have the opportunity to create a profile on the Mini website and to get the news and other support via the website. All the methods, profiles, e-mail, Facebook, and Twitter allow the gathering personal data of its users and communicate to each of them on a personal basis.

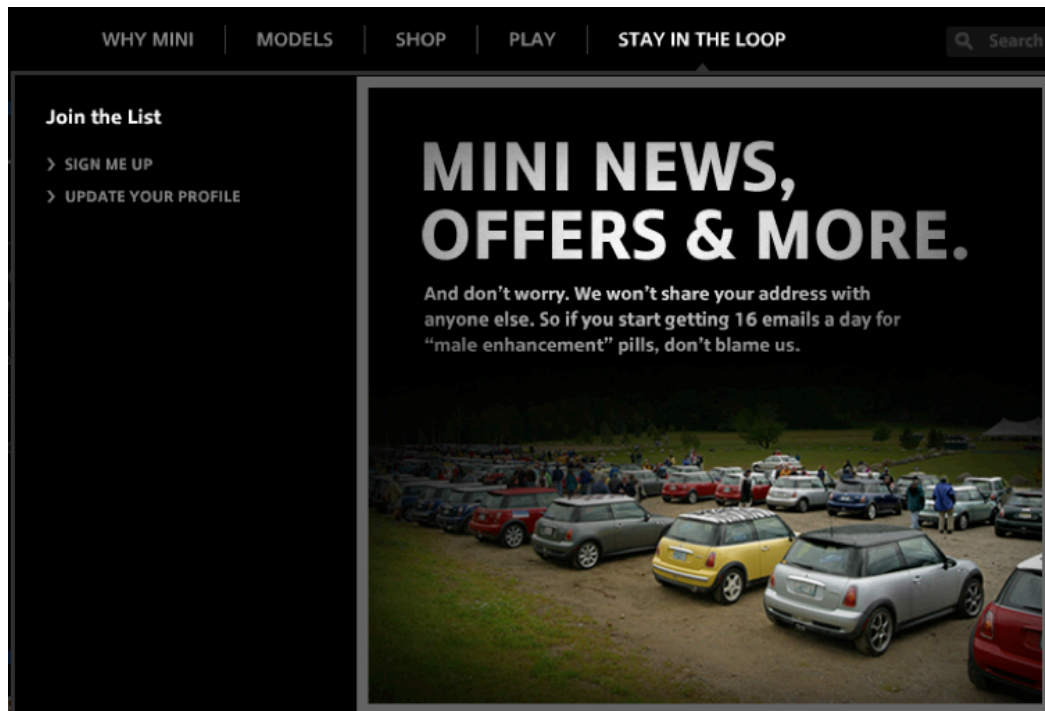


Figure 3: Screenshot of Mini offer to sign-up

2.3.4. PUBLIC RELATIONS (PR)

The strong brand of Mini justifies a strong PR function in BMW serving Mini, and it is quite important to it as the advertising and promotion of Mini are innovative and sometimes too unexpected. For example, BBC reported that BMW paid for naming a cold weather front a "Cooper" as a PR initiative for the Mini Cooper. However, it led to a PR misstep as the weather front caused several deaths (BBC, 2012). As the Mini Cooper does not have its own PR function, it is cared by BMW, and in this case BMW had to apologise for the misstep.

2.3.5. PERSONAL SELLING

Personal selling 'comes into force' in the case with the Mini Cooper when it comes to salesmen selling a car in the showroom or dealer's place. As it can be observed from visiting the authorised dealer in the Czech Republic, Invelt Praha, the staff are well trained, young, and energetic. Pride and Ferrell suggest that personal selling "is often important because personal influence can help the customer visualize the benefits of a given service" (2011, p.254). That is clearly seen in the Mini's case: salesmen are a part of Mini and so it is its image.

2.4. INTERNATIONAL MARKETING STRATEGY

International marketing strategy is quite universal and Mini does not adapt it to specific markets. First of all, there is no product adaptation except complying with countries' technical standards which are different, for example in Europe and the USA. As to the expert view, Silas Amos also suggests that the latest Mini version "is adapted to become more globally relevant" (Marketing, 2011, p.18).

However, pricing strategy differs in all the markets. It may be connected with the competitiveness of the prices in different markets, different tax regulations, and most probably distribution. Minis are manufactured at the BMW Group Plant Oxford in the UK (MINI UK, 2012) and distributed all over the world, which justifies the price differences. On the other hand, as it is clear from Table 1, the highest prices are in the UK which could be the strategy of corresponding to the market trends. Being expensive in the UK can be explained by the Consumer Prices Index (CPI) published by the Office for National Statistics, "the index for January 2011 was 116.9, indicating that £116.90 would buy the same amount of goods and services as £100.00 would have in 2005." (2011, p.17).

Promotion of Mini is also universal. Websites are built on the same platform with the same advertising and promotional tools. Advertising and promotion are creative in all the countries with the guerilla marketing elements. Mini also uses co-branding in all the markets, such as the famous Red Bull Mini.



Figure 4: Red Bull Mini (Brand Report)

3. DIGITAL MARKETING

3.1. EXAMINATION

Mini owns an international website Mini.com and 52 websites in local languages for each market. They are not only the informative sites but also the platforms for interaction with the audiences through the internal profile system and direct e-mail. The website adopts a user-friendly navigation with a minimal scroll. Though the graphics are quite 'heavy', and for some of the markets where internet connection is quite low, pages will not be fast-loading, which can be noted to be the disadvantage of the universal Mini website design.

The website also offers users to connect with Mini on social networks including Facebook, Twitter, and Youtube. There are different Mini pages for different countries, e.g. MINI UK (Facebook, 2012) and MINI USA (Facebook, 2012). Mini interacts with the audiences by posting the news and initiating discussions in an informal way. In addition to being an advertising and promotion tool for Mini, social networks allow the gathering information about the users for future use in segmentation and targeting strategies as well as customisation and product development.

Viral marketing is another way of communication when a message is spread to others and is forwarded many times (Vered, 2007, p.103). It is widely used by Mini, especially with their videos. Many of them are not broadcasted on TV but have tons of views on Youtube. For example, The Italian Job Clip, 'Pedal To The Metal', got 227,457 views on Youtube (2008).

Mini also uses SEO to drive traffic to its website via Google AdWords. According to Brown, the main benefit of Google AdWords is that the ad will be placed on the very top of the search page (2011, p.141). On the other side, everyone knows it is paid, but in the case of Mini, it will not damage the image as Mini is an iconic brand. On Google.cz Mini's paid ad says, 'New Mini Countryman. Mini-invelt.com. First Mini with 5 doors + possibility 4x4, more information here' which shows that Mini advertises its new car and aims to attract more potential customers to its website.

Figure 5: Screenshot – Google AdWords

As to online advertising, Mini mostly uses advertorials. It is beneficial to Mini as it helps support the image of the company. Here is one of the examples of Mini's digital advertorial on the website of one of the most luxury reality agencies in the Czech Republic, Svoboda Williams.

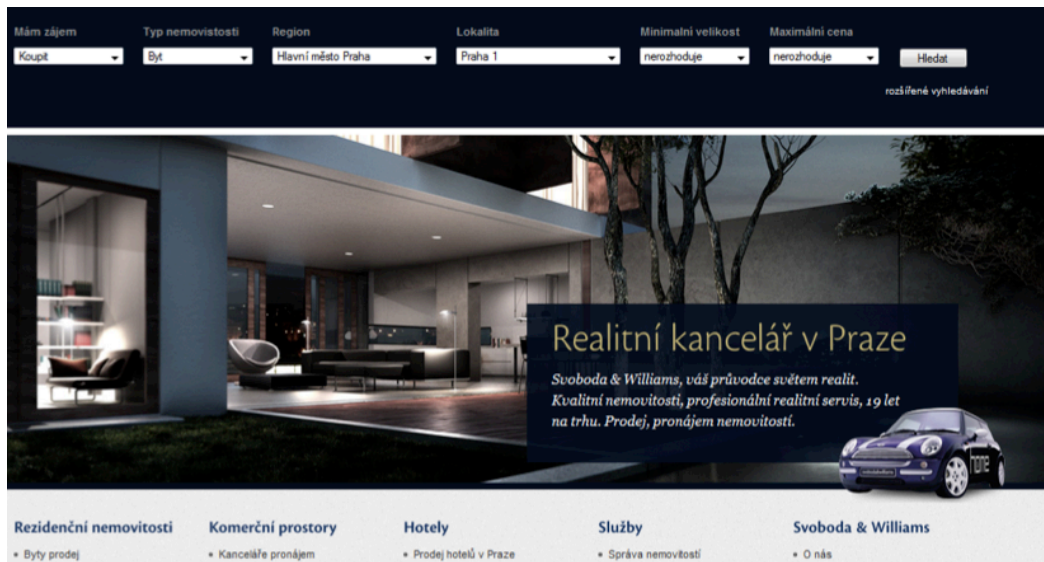


Figure 6: Mini's Digital Advertorial

3.2. BENEFITS

The benefits of Mini's digital strategy can be broken down into four categories relating to the product, price, place, and promotion.

- Product: presenting a product and its features in a way that is suitable for target audiences.
- Price: digital campaign is less costly than traditional and it helps to achieve cost efficiency.
- Place: creating the environment corresponding to Mini's image.
- Promotion: a variety of ways to reach target audiences with the relevant content.

3.3. SUMMARY

A digital marketing strategy is one of the key components of Mini's strategy. It is an innovative approach to Mini's brand image and is concentrated on interactive websites, social networks (Facebook, Twitter and Youtube), viral marketing, Google AdWords campaigns, and advertorials. Have a look at the Twelve Trends for 2012 according to the journal Marketing: the first two of them are mass-sharing in the social media and i-Everything generation (referring to Apple and social networks) (2012, p.26). Additionally, the journal Marketing suggests that mass customisation is the ninth trend of 2012 which means that due to the social media, it is possible to get more information about the users, create their customer profiles, and customise advertising, promotion, and even the product (2012, p.28). While having a look at Mini's current strategies, it should be noted that it corresponds to the latest trends in Marketing. That is a good sign of its success.

As to the international perspective of Mini's digital strategy, it is universal for all the markets which is beneficial because it allows to unify a brand all around the world

4. MINI BRAND

According to Philip Kotler, a brand should distinguish one product from another in a beneficial way (Lindstrom, 2005, p.11). As to the Mini Cooper, Simms and Trott have concluded that "Mini's distinct brand image is clearly key to its differentiation" (2006, p.234). According to Keller (1998), perception of brand consists of two components: brand awareness and brand image (Chitale and Gupta, 2011, p.203). The following section goes through an investigation of how the Mini brand creates value to its customers.

4.1. BRAND AWARENESS

According to Kotler and Pfoertsch, brand awareness is the ability of potential customers to remember the brand and connect it with the particular product (2010, p.313). Mini is famous for a strong brand awareness throughout its history since 1957 when it was a "compact British everyman car" (Amos, 2011, p.18) and nowadays it comes as an iconic, cool, and luxurious car (Boone and Kurtz, 2009, p.303). As it can be observed, Mini's brand awareness nowadays is still linked with the strong iconic brand of Mini, which is a large benefit. After Mini's repositioning in terms of re-launching the brand in 2001 in the audience's perception reliability, quality and practicality (Dahle, Lange and Smith, 2010, p.276) appeared in addition to 'an icon'.

Brand awareness is connected with recognised quality and brand associations. Mini took a strategy to improve its quality after BMW took it over, and according to Pitney, they brought highly innovative technology and quality to Mini (Paternie, 2002, p.61). That means that in addition to an iconic image, Mini got good quality which is important because customers prefer long-living cars which do not need to be driven to the service centre every few months. As to the brand associations, that is one of the most important factors for Mini, as its audiences value the historic image (Simms and Tott, 2006, p.234). On the other side, that can work out in the UK, or even in Europe, but it is completely different in the US. According to Pitney, the MINI USA General Manager, in the US the strategy is more inclined towards making Mini a brand of excitement and fun (Paternie, 2002, p.61). That means that the branding strategy is not universal for all the markets, and it is concentrated on the associations the audiences have or may have.

4.2. BRAND IMAGE

According to Dobni and Zinkhan (1990) brand image is the mental picture of the product or service in the eyes of the consumers (Glynn and Woodside, 2009, p.276). It is a key component to the explanation of how the Mini brand creates value to its customers. First of all, taking into consideration that Mini's brand awareness is built on any or both recognised quality and brand associations, it means that image appeals to consumers in any or both rational and emotional level(s) (Simms and Tott, 2006, p.229). Rational level is driven towards recognition of quality and emotional towards the brand associations.

Mini is a brand that is chosen by its customers based on familiarity heuristic when, according to Kardes (1994), customers purchase a brand they are most familiar with (Heding et al., 2009, p.92). That is obvious if looking at the marketing of Mini; there is no specific target audience, and the reach of their marketing campaigns is very large justifying that they want to familiarise Mini with as many people as possible, according to the customer-based brand equity framework, brand image consists of attributes, benefits, and attitudes (Dahlen et al., 2010, p.275).

As to the product-related attributes, Mini is associated with its physical style and quality (Dahlen et al., 2010, p.275). Talking about non-product-related attributes, the main intangible asset is brand based on the symbolic appeal, "fun, energetic, cheeky, stylish, self-confident, reliable and exciting" (Dahlen et al., 2010, p.275), edited with an "It's a MINI adventure" storyline (Dahlen et al., 2010, p.275) giving it a sense of the adventure car. These are the values shared by the young people and Mini adopted a strategy of corresponding to the trends among its target audience.

Mini brings functional benefits to its customers due to its technical features; it is a fast small car. Dominantly it is relevant for the urban areas where there has been always a problem of parking a car. As to the experimental and symbolic benefits, Mini brings a value to its customers by its symbolic historical image and modern iconic perceptions of its brand (Simms and Tott, 2006, p.234).

As to the attitudes based on the research made by Simms and Trott, Mini's customers most of all perceive Mini as a sporty, fun, and fashionable brand in addition to an historical iconic association (2006, pp.231-234). These attitudes are what distinguish the Mini brand from the others, and this is how the brand image of Mini is valued by its customers. That is also proved by the customers' actions, "In the end they decided to buy the Mini because it had personality and spunk" (Elliott, 2012, p.1).

4.3. SUMMARY

Mini is not just an iconic brand anymore. In addition to being a historical symbol in the UK, Mini's brand has shifted to the position of an energetic, cool, and high-quality car for energetic people of all ages. That became possible due to re-positioning the strategy adopted in terms of re-launching a brand in 2001 which according to Simms and Trott (2007) resulted in "repositioning centered on emphasizing improved reliability, build quality and practicality" (Dahle, Lange and Smith, 2010, p.276).

5. ETHICAL VALUES

The introduction of ethical values had become an important strategic step for many of the organisations and it is a continuing process. Even though the main purpose of every business is making money, Friedman (1970) suggests that it should be done in correspondence with law and ethical values (Sison, 2008, p.4). Such black-famous cases as Enron's top management unethical behaviour, violation of employment standards in Wal-Mart, or Shell polluting the nature of Nigeria, and many others prove Friedman's statement and determine the importance of ethics within the organisations.

5.1. BENEFITS

There are the following benefits of the ethical codes and ethical behaviour for organisations:

- Customers feel more confident about the organisation and are more likely to trust it;
- Employees are provided guidance for their performance and protection of their rights;
- Organisations are provided with the standards and regulations for both internal and external use;
- Industries benefit from ethics because it helps regulating the trade relations; and
- Society is benefiting from the ethical standards in the organisations in the economic (e.g. income of population, industry turnover, etc.), social (e.g. employment standards, product/service benefiting the society), environmental (responsible companies cause less pollution act in respect to the ecology), and other ways. (Anbuvelan, 2007, pp.26-27)

5.2. MINI'S ETHICAL VALUES

Ethical values of the organisations are usually expressed in the ethical codes. For example, Mini adopts a BMW Group corporate responsibility code (BMW Group, 2012). Mini's ethical values are broken down into several categories.

5.2.1. WHAT'S NEXT?

These are the latest initiatives that the company aims to achieve in the present and the future. Mini aims to produce cars with the zero emission responding to the eco-trend. BMW already has hybrid cars and even though there is no hybrid line for Mini, it is quite a low petrol consumption and emission car (average consumption of Mini One is 52.3 mpg, and CO₂ emissions of just 127 g/km (MINI UK, 2012)). It helps Mini to correspond to the current trends in the societies and reflects in customers' and other stakeholders' loyalty.

5.2.2. SUSTAINABLE VALUE REPORTING (SVR)

SVR helps BMW and so Mini to regulate the report standard to the current shareholders as well as potential investors. Acting ethical in relation to them is important for the company because reporting influences the shareholders' decisions as to the future direction of the company.

5.2.3. STAKEHOLDER DIALOGUE

BMW encourages the dialogue between the company and the publics, customers, employees, etc. In the example of the Mini, it is clear that the company aims to communicate with its customers as much as possible, directly, by e-mail, and through social networks. That is beneficial to Mini because it helps to identify its current strengths and weaknesses and improve its product and service.

5.2.4. EMPLOYEES

In regards to relations with its employees, BMW and Mini follow them, and has age/experience, gender, cultural background, and other ethical codes designed to set a high level of morale among the employees and between the company and employees. That may lead to better productivity of the employees.

5.2.5. SOCIETY

The social commitment of BMW is linked to road safety, education, and health. Supporting the following social issues may help BMW as well as the other companies to become a sustainably developing organisation.

Implementation of the corporate governance and its effectiveness can be observed from the fact how Mini reacts to the faults in its production. For example journal Engineer reports, 'BMW recalls Mini models owing to water-pump fault' (2012, p.4). Even though a recall of the model means huge expenses to the company, Mini acts in an ethical manner in order not to disappoint the consumers and save its brand image. For example, if Mini did not do that, and there was an accident caused due to the fault, it would damage Mini's brand a lot. That shows the inter-connection of the ethical manner of doing business and safety of its brand and reputation.

Another example is reported by BBC in the case where BMW paid for naming a cold weather front a "Cooper" as a PR initiative for Mini. It led to PR and an ethical misstep as a front caused several deaths (BBC, 2012). That shows a poor PR decision that led to unethical perception of Mini based on the case. This also justifies that it is important for Mini to conduct its business as well as all the marketing initiatives in an ethical manner, especially taking into consideration that marketing campaigns of Mini are innovative and guerilla marketing is used.

5.3. ETHICS IN OTHER ORGANISATIONS

Ethics really matters in business. For example, taking over the Northern Rock Sir Richard Branson says he has putting ethics at the first place as because "the banks nearly destroyed the financial world as we know it and the public is crying out for a really good, honest brand to get into that sector" (Eleftheriou-Smith, 2011, p.1). This case shows that ethical manner of doing the business helps to return trust of the customers. It is also reflected in the theory covered.

The bright explanation of how unethical behavior can damage image of the company is Wal-Mart. Wal-Mart is famous for its cheap prices and it happened that when Wal-Mart was entering the market the prices went down by nearly 25%. As a result, wages were also declining with an average of 5%. Wages of employees were low and many of their children were uninsured in addition to the poor working conditions, violations of human rights and unethical leadership (Ferrel et al., 2010, pp.292-304). That destroyed image of the company and the sales went down. However, Wal-Mart found a solution by adopting the code of ethics and introducing morale to the management of the organisation. It proves the importance to introduce ethical values in organisations in order to avoid cases of unethical behaviour and its consequences.

5.4. SUMMARY

As it is discussed in the Mini example and other organisations, the case studies ethical values play important role in a sustainable development of the organisations. Ethical standards of the organisations affect customers, employees, and other stakeholders, as well as the industries and the societies. Once there is an unethical case, it is very difficult for organisation to emerge again and save their reputation. That is why it is so incredibly important to introduce ethical values and follow them in the modern business world.

6. CONCLUSIONS

Mini's marketing strategy has shifted from marketing an icon to marketing an iconic cool luxury car for a young segment. Mini adopts a creative and innovative marketing strategy; pretty much the same in all the markets besides the US. The most efficient is the guerilla marketing and the digital marketing which correspond to the latest world's trends.

Digital marketing is one of the most important marketing initiatives of Mini to target young audiences on such platforms as website and social networks (Facebook, Twitter, and Youtube). The use of advertorials is also high in Mini's digital strategies, the same as in traditional advertising.

Discussing the brand, the most important feature is that brand perception of Mini is connected with the historical iconic associations of Mini's customers. However, in its international strategy, Mini differentiates its brand in the US; it is not positioned as an iconic brand because there are no such historical associations in the minds of Americans.

Finally, talking about the ethical values, they play an important role for Mini being a part of the BMW Group and adopting its corporate governance. It is generally important in the car industry as it is connected with the emissions and polluting the environment, but it is also especially important to Mini because its marketing strategy is quite sharp and it is important to follow the ethical standards, and not to offend customers, employees, competitors, or any other stakeholders.

To top it off, the report discusses several areas of marketing enabling assessing it not only from the theoretical, but also from the practical points of view. It can be used for the academic reading, as well as the perspective on Mini's marketing. It can be also used for further research and development of the issues discussed. ■

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FIGURES

Figure 1: MINI Cooper Train Station Ad (toxel.com, 2010)

Figure 2: MINI Cooper Box Packaging (toxel.com, 2010)

Figure 3: Screenshot of Mini offer to sign-up at <http://www.Miniusa.com/#/contactFaq-m>

Figure 4: Red Bull Mini (Brand Report)

Figure 5: Screenshot – Google AdWords

Figure 6: Mini's Digital Advertorial at <http://svoboda-williams.com>

APPENDIX A: ADS FOR NEW MINI COOPER S

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APPENDIX B: MINI'S ADVERTORIAL IN THE JOURNAL MARKETING (2011, P.39)

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APPENDIX C: MINI'S ADVERTORIAL IN THE JOURNAL MARKETING (2011, P.36).



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