

Marketing of Maritime services(port of Piraeus)

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Introduction

Marketing mix is very important for the maritime services and Maritime industry. The marketing of shipping companies activating in merchant shipping is the science of Business to Business Marketing, which deals with the satisfaction of charterer's – shipper's needs for the carriage of goods by sea, with the main aim being the profit of the enterprise. This satisfaction presupposes, on the one hand, correct diagnosis of the shipping market and, on the other hand, appropriate organization, planning and control of the shipping enterprise's means. The more the shipping enterprise tries to discover what its clients need to adapt the chartering policy to their requirements, to offer appropriate transport services and to negotiate the freight as a function to what it offers, the more the possibilities are to achieve the most appropriate, efficient and long-lasting commercial operation of its vessels. All shipping enterprises have limited capabilities concerning the means, resources and management abilities for their ships. This means that it is impossible to exploit all the chances of the shipping market with equal effectiveness. The matching of the shipping enterprise's capabilities with the needs and desires of its clients is fundamental for the provision of the desired transport services, the satisfaction and retention of charterers and thus the commercial success of the enterprise. Marketing strategies are the means by which a company achieves its marketing objectives and are related to the tools of the marketing mix. The concept of the marketing mix has attracted attention from both academics and managers and has been widely used in the marketing discipline.

<https://ageconsearch.umn.edu/record/10043/files/sp06ki04.pdf>

The four main elements of the marketing mix.

Product/Service Strategy

Shipping is a complex industry and the conditions, which govern its operations in one sector, do not necessarily apply to another.

Although one can usefully isolate sectors of the industry providing particular types of service, there is usually some interchange at the margin which cannot be ignored. Although there are commercial divisions within the shipping market – the liner business carries different cargoes, provides different services and has a different economic structure from bulk shipping – the shipping market can also be considered as a single market. Some shipping companies are active in both the bulk and liner markets and many ships (such as combined carriers and multipurpose vessels) are designed to operate in several different markets; indeed, this is one of the important ship owning decisions which is related to the service strategy. It must be recognized that in a depressed market, owners can move their investment from one market sector to another in order to avoid the market's threats and to exploit the market's opportunities. As a result, supply/demand imbalances in one part of the market can ripple across to other sectors

Promotion Strategy

such as advertising programs, policies for maintaining good relations with charterers, etc. The purpose of advertising is to get a message across to the charterer. Advertising operates at three levels

(https://www.irim.eur.nl/fileadmin/default/content/irim/research/centres/smart_port/admin/c_news/marketing%20communication%20strategies%20for%20seaports%20-%20ja%20si.pdf)

- 1) informs
- 2) persuades
- 3) reinforces.

Advertising to inform normally relates to the promotion of new transportation services offered by new vessels of the company. There is also the public relations side of advertising, which includes media relations and exhibitions. The shipping companies use advertising as a basic competition tool. The companies, which provide high quality transport services, have a motive to reveal this quality through advertisements. Most of shipping companies have developed various advertising programs that include a web page on the Internet, brochures, advertisements in the shipping press and participation at maritime exhibitions.

People Strategy

such as programs of continuous crew training. According to this strategy, a company's personnel and crew participate in training programs in order to be aware of the new developments of the international shipping industry (such as developments of a charter's legal framework, developments of the shipbuilding industry, developments of a ship's sale and purchase market, etc.). A.P.Moller – Maersk Group maintains a simulation center for the training of its personnel and crew

Process Strategy

such as improvement strategies of negotiation procedures as well as strategies of voyage execution with speed and safety. The chartering industry is very demanding. It is difficult to think of any other industry in which contracts are negotiated within a few days, if not hours. Under the pressure of difficult negotiations conducted with speed, often by telephone or e-mails, mistakes and errors can have disastrous consequences. In this demanding and competitive environment, care must be taken to present a professional image, negotiations

Sample Only

must be conducted in a serious and business-like way and charter parties' clause must complement the contracting parties. When the guidelines of negotiations are ignored, the parties may well become liable for substantial claims. On the other hand, the strategies of voyage execution concern the reliability of the voyage.

Price Strategy:

In the shipping industry, there are two main pricing regimes: the tramp market and the liner market. Liner shipping provides transport for small quantities of cargo for many customers and is essentially a retail shipping business. The liner company is a common carrier accepting cargo from any customer at prices set out in the rate book. The published rate book sets the framework for pricing, which involves differing degrees of discrimination by commodity and owner.

Place Strategy

In case of a time charter engagement, the charterers wish to employ vessels without trading and geographical limits. Instead of that policy, the time charter party usually specifies that the vessel must be used only within a certain geographical area and that the charterers have the privilege of breaching the trading limits by paying an extra insurance premium. Where a charter party states that the loss of time, due to breach of warranty limits, is caused by the charterer, this provision does not only mean the time lost on passage due to average (e.g. damage), but also the time wasted by the ship owner while the damage is being repaired

Physical Evidence Strategy

such as strategies of the improvement of a vessel's performance and efficiency. Physical evidence strategies are the strategies of a company's compliance to the international regulations concerning vessels' design and operation, strategies of proper maintenance of fleet, strategies of continuous crew training, etc.

Paperless Trade Strategy

Many shipping companies, particularly in the liner shipping market, have realized that the investment in information technology and electronic commerce should be seen not simply as a corporate overhead to be absorbed as part of the cost of doing business, but as a competitive weapon in its own right. This requires managers to view information technology not as a part of the infrastructure servicing the rest of the organization to be left to computer specialists, but as a strategic resource. A clear paperless trade strategy is needed to allow the firm to recognize the relevance of the information to gaining the stated marketing objectives. The information should be stored in the database on a need-to-know basis rather than a nice-to-know basis. At the same time, it should be recognized that the data must be constantly updated if they are to be of use.

B

Brief explanation of each of the items typically listed on the CONTENTS PAGE of a formal written marketing plan.

Marketing plan should have the following

- **Situation analysis**
 Situation analysis is defined as an analysis of the internal and external factors of a business. It clearly identifies a business's capabilities, customers, potential customers and business environment, and their impact on the company. A situation analysis is an essential part of any business plan especially for maritime services and should be reviewed periodically to ensure that it is current.

When considering performing a situation analysis of our business, it is important to look at several factors:

Product situation :for example if we use port of Piraeus we trying to establish bases close to that port.Going somewhere far from that port we increase the cost of our company.

Competitive situation. Analyze your main competitors and determine how they compare to your business .We have to do a competition analysis

Distribution situation. Review your distribution situation in terms of how you get your products to market, such as through distributors or other intermediaries.

environmental factors. Determine the external and internal environmental factors, which can include economic or sociological factors that impact our business's performance.

Opportunity and issue analysis. Conduct a swot analysis to determine any strengths, weaknesses, opportunities, and threats that may affect our business and its performance.

Time objectives

Businesses follow several marketing strategies to achieve our purposes (success and excellence). Marketing strategies can be long- or short-term depending on the goals of the business

Assumptions of marketing plan.

One of the first and most important assumptions to address in a business plan is that there is a demonstrated need for your product or service in the marketplace. You can do this with a competition analysis, showing that others are making this product or offering this service and selling it profitably. If we believe we have a new idea no one has tried yet, demonstrate that there's a need or desire for the benefit you offer, which can include showing how other companies currently address this consumer need, but not as well as your new idea will.

Marketing strategies

A **marketing strategy** is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage. A marketing strategy should be centered around the key concept that customer satisfaction is the main goal. (Wikipedia).

To say with simple words Marketing strategy planning involves creating a

road map for how you will sell your product or service or customers

Detailed plan for each element of the mix and timing

Product

This probably goes without saying, but the product (or service) you offer your customers largely determines how you should market your brand as a whole.

But it's essential to remember that your product/service exists in the *real world*.

When developing your product or service, you need to consider:

- Whether or not there's a need for it in the current marketplace
- Whether or not there will be a need for it in the future (or what you'll need to do to adapt to future needs)
- The life cycle (growth, maturity, and decline) of similar products or services in the industry

Price

Again, pretty straightforward – to be successful in any industry, you need to offer your products or services at a price that is affordable to your customers while also allowing you to maximize returns.

We have to think that:

- How the pricing of your offer affects your profit margin
- The perceived value of our product or service
- Along with perceived value, your brand's reputation throughout your industry
- The price of similar products being offered by your competition

Place (Placement and Distribution)

Place refers to the logistics of where (and how) you actually deliver your product or service to your customers. Additionally, you'll want to determine where they're most likely to purchase *your* product. Then, you'd put all of this information together to determine which channels you should use in order to maximize output and profit. In terms of distribution, there are three main strategies to choose from, depending on your customers' preferences and needs:

- **Intensive Distribution**
- **Selective Distribution**
- **Exclusive Distribution**

Promotion

Promotion refers to any action, taken by a company or its customers, that gets the company's name out in the public eye in a positive way. Such promotion can either be paid for in some way or another, or it can be organic.

Some of the most common forms of promotion are:

- Paid advertisements
- Public appearances and events
- Discounts, sales, and freebies
- Contests
- Social media marketing and content marketing
- Referral marketing

Projected sales/income by period-costs

This section details the investment needed to start or expand the business and the expected financial performance of the business for the next three

years based on the information in a series of financial documents (see Appendix for format).

The first of those documents is a list of what resources (i.e., building, machinery, equipment, etc.) will be needed to open or expand the business. It should also explain how the costs of these resources will be financed either by the owner or an outside source of financing. Details supporting these costs should be included in an appendix to the business plan.

In addition to startup/expansion costs, the financial plan must include a projected profit & loss statement with monthly projections of sales and expenses for the next year, along with projections of annual revenues and expenses for an additional two years. The plan must also include projected cash flow statements showing sources and uses of funds from startup through the next three years of business.

There should also be projected balance sheets listing assets, liabilities and owner's equity at the beginning and end of each of the next three years. There also needs to be an explanation of any significant changes in the business that would affect cash flow during a particular year (i.e., additional staffing, equipment purchase, etc.).

Control measures

Many control mechanisms are quantitative in nature, assessing performance and cost effectiveness according to hard facts and mathematical calculations. Examples include sales analysis, market share analysis and assessments that compare marketing expenses to sales ratios. Just as important, however, are qualitative controls such as a suggestion box, customer surveys or an in-house customer panel. These control techniques provide ways to evaluate how customers feel not only about the business's products and services, but about the business as a whole.

http://www.geocities.ws/icts_papers/Papers/Samija.pdf

Conclusions.

Building a good marketing plan is essential for a business(not only for maritime services).For example if we use port of Piraeus for maritime services firstly we have to see whats going on in the market.What solutions we can find to be profitable business.OF course is essential how we sell the product (marketing-S.E.O etc) .

.Main objectives of a marketing plan are:

- Increase sales
- Build brand awareness
- Grow market share
- Launch new products or services
- Target new customers
- Enter new markets internationally or locally
- Improve stakeholder relations
- Enhance customer relationships
- Improve internal communications
- Increase profit

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