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The Evaluation and Process of the Lateral Marketing

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Abstract—With the marketing theory developing, the new marketing concept of Lateral marketing emerged. Lateral marketing involves bringing an unrelated idea to the existing offering and seeing if the combination manages to create a new category. It is to create a new category or market with the possibility of the process. Based on the modern marketing theory, modern competitive theory and production innovation theory, this paper offered a basic mode of lateral marketing and a new idea and method for the study on marketing of Chinese enterprises. The paper carried on key research to assess the value and the process of lateral, and analysed the significance of the Lateral marketing theory. It summed up the methods on the lateral marketing theory. The paper discusses the value and significance of the lateral marketing, and discussed the process of the implementation in the lateral marketing. Based on the case, it analysed the case in term of studying in lateral marketing, and got the general methods on practice which fit on Chinese enterprises.

Keywords— lateral marketing; evaluation; process

I. INTRODUCTION

In recent years, modern marketing theory has been put forward such as: the quality, value and customer satisfaction with emphasis on customer relationship building and maintaining the stress; on the integration of business processes and business functions of stress; Reflections on the global and regional planning emphasis; on strategic alliances and networks of stress; emphasis on services marketing; emphasis on high-tech industries; on ethical behavior of marketing emphasis. These new perspectives have been systematic, such as relationship marketing, integrated marketing, network building, strategic alliances, direct marketing, online marketing, services marketing and marketing ethics, they constitute new features of marketing. The traditional marketing strategies gradual saturation in the current China market, consumer spending increasingly rational and increasingly extensive product lines, product maturity and the external marketing environment, changing circumstances, in addition to intensified competition and high profits can not be brought to the enterprise to maintain sales growth. The search for new profit growth point, the new marketing methods and in accordance with changes in the market to develop new marketing strategies, to become a modern enterprise marketing inevitable choice. Facing the 21st century, Chinese enterprises should be combined with Western marketing theory, technology trends and

Chinese culture, markets, the actual situation of enterprises to create marketing practices combined with practical techniques to create the entire organization-wide marketing ideas and methods. The marketing concept of the proposed standard for the 21st Century marketing theory and practice of marketing pointed out the direction, it is a new category or to create a great market potential in the process. More Chinese enterprises have recognized this and started to contact with and learn the lateral marketing of this new marketing concept and marketing methods, and widely applied to the development of new products and marketing up.

II. LITERATURE SURVEY

In 1912, J.E.Hagerty named his first book with “marketing”, which marks the birth of marketing. But then not a true marketing principles and concepts of modern marketing, not really play a guiding role for enterprises. Since then, until the end of World War II, the market behavior of companies through the production-oriented and product-oriented two-stage. After the World War II, especially in the last century 1950's, in the West rapid economic recovery and development background, business marketing theory has been continually enriched and improved business practices and has had a major impact enterprise marketing behavior from to product as a starting point, to sell as a means to increase sales profits as the goal of the traditional mode of operation to the customer as a starting point to the marketing mix as a means to meet consumer demand for profits, changes in the modern marketing concept. The concept of strategic marketing changes dramatically the global market, enterprises and consumers to promote the effective coupling, and contributed to marketing theory and practice of rapid development.

However, as the global market, the new market system presents new features, many companies have found that the traditional marketing theory in practice China is not universal. On the one hand, the traditional marketing mix of advertising and sales promotion has been unable to effectively stimulate the consumer's request, on the other hand, competition between enterprises in each of the traditional marketing level, each blade is, the price war, vicious competition, the cost of warfare has been competition into the enterprise. In an increasingly complex role of modern marketing, new products, new brands

launched quickly, but a significant proportion of these new products, new brands can not be avoided. Seriously study the current market eco-system is summed up: dramatic increase in the number of brands; product life cycle shortened; updated less than maintenance; digital technology lead to more market revolution; trademark rapid increase in the number and patent number; market segments extreme; ad saturation; New Products more complex, consumers are increasingly difficult to impress. There is no doubt that the intensification of market competition and a new round of corporate excess capacity has once again pushed the marginal profit. Market in the face of the complexity of consumer buying motives, product choice and market competition, the volatility of the cruelty to meet the market demand as a starting point and end point of the "4Ps" marketing mix strategy of enterprises from the pursuit of being customer satisfaction and a customer loyalty of the "4Cs" and the "4Rs" the impact of enterprise marketing mix strategy and challenges. These new marketing idea and marketing strategy at a higher lateral marketing to build the basic content of today. It understand and grasp the meaning of contemporary marketing, the latest evolution, and enhance their competitiveness and achieve business goals boost. It caught in the plight of the new marketing, how will the modern enterprise to seek sustainable survival and development? For the evolution of this global market, the lateral marketing came into being. Lateral marketing theory is currently the latest breakthroughs in marketing theory. Level marketing is a working process, when it is applied to existing products or services can generate cover the current needs not target market of innovative products or new services. The core idea of the lateral marketing theory, the concept is to have been unrelated to combine with existing products, to explore whether this combination to create new product categories. Marketing theory has come to a turning point in urgent need of new ideas, take a different creative route, rather than continuation of the old road yesterday unlimited market segments.

III. EVALUATION OF THE LATERAL MARKETING

The purpose of assessing the value of marketing theory, the first is to make business in a timely manner to formulate and adjust marketing strategy to seize opportunities, avoid risk, achieve better effectiveness and efficiency. In this sense, the corporate lateral marketing assessment is a study of the marketing environment changes and the relationship between corporate marketing strategies. Therefore, we can change the marketing environment, marketing strategy and business relationship between the lateral this point of view to build marketing environment assessment model.

The lateral marketing in building environmental assessment mode, we co-existence of the marketing environment is divided into three factors: the environment in the child the important events that affect the current market conditions or market factors. trends: the general line of events and direction, that is, changes in market direction and trends. he stakeholders: companies outside the enterprise can influence groups and individuals, that levels of marketing practitioners.

When the lateral marketing in the implementation of these three factors on the company's marketing strategy there are three different levels of influence. positive influence: opportunity. the negative influence: risk. zero impact: a stable or business not related. In practice, the assessment of the lateral marketing can be performed in three steps.

The first step is to identify the lateral marketing implementation of environmental factors. Many factors affect the environment, both external and internal factors. Therefore, corporate marketing to identify environmental factors is a complicated task. In practice, often used to determine environmental scanning method, the lateral marketing about the implementation of the environment and the future of all marketing strategy, trends, stakeholders are listed. Through the following steps. the lateral marketing with a fair assessment, no personal bias of the existing market and product analysis presented to the panel discussion. Host does not make any environmental factors suggest. using certain methods, such as brainstorming, so that the lateral the marketing environment in all of the factors are to be listed. accurate records of the team members of the various market factors, product factors, competition and environmental factors. to discuss the basis of factors have been proposed. Group members can not post, the host functions, to examine the issue from different angles, in the discussion of factors favor themselves. conclusions. In this stage, the effect must be made on various factors the lateral marketing to reach a certain degree of consensus.

The second step is the implementation of key elements of the analysis of the lateral marketing. In the second step, companies can look for the positive influence of the maximum and minimum of zero to determine the implementation of the weight of the factors. In order to effectively use these factors, only to find they are not enough to analyze them carefully. Analysis of them can be used along the following lines: to make assumptions. Marketing strategy formulation and implementation, to analyze the assumption that the other party will get what kinds and what kind of reaction, attitudes and behavior is what most reasonable assumption. Assumptions can be divided into two categories: support or promote the power of the hypothesis, and those that impede or limit the power of the hypothesis form a risk. On the assumption that a hierarchy. Hierarchical analysis to take into account each other's assumptions are accurate, positive and important, therefore, according to importance and uncertainty to sub-grade, and determine its weight.

The third step is the reaction force combined with enterprise and innovation, enterprise development and adjustment of marketing strategy. First and second task is to find the lateral implementation of key marketing factors, the third step of the task is for these important environmental factors were analyzed, the purpose of these three steps in the final analysis was to encourage enterprises to develop and adjust properly marketing strategy in order to seize the opportunity to avoid risk. However, enterprises in developing and adjusting marketing strategies, must take into account the capacity of enterprises, that influence the ability of enterprises; enterprises should also consider recycling

power, or innovation. In general, the reaction force the size of the enterprise depends on the business functions of the new marketing strategy.

IV. PROCESS OF THE LATERAL MARKETING

A. Choose a Product

Choosing a product or service is a starting point, there are two options: The first is to look inward to see, select companies to market products or services; The second is the outward-looking vision, select a business competing with the products or services. The traditional practice of marketing research study from the beginning of customer needs, rather than starting from the study of products, so choose the lateral a product from the marketing process becomes different. The reason for this is that creativity originated in specific things.

B. Select a Focus

Once you have selected the products or services, then we should be divided into many sections to change it. Decomposition of a product or service will be the best way to use the vertical marketing program. Vertical marketing process will be divided into three main levels of all sections in order to achieve the level with the purpose of marketing. Why should such a vertical marketing process into three groups and not the other way? This is because the product level, including practical solution; market segments, including functional or demand, consumers and buyers, use or context; the relationship between the marketing mix level, it is only concerned about how to sell their products. The lateral the marketing process in one of these factors only a horizontal displacement.

C. Create a Marketing Gap

The basis of the lateral marketing is to create a blank. No gaps, no lateral marketing. If after the occurrence of replacement did not produce a blank, it shows that we are doing is vertical marketing, rather than the lateral marketing, whether the replacement of a blank is the lateral vertical marketing and marketing is an important distinction. Blank existence requires us to skip it, the only way to create empty temporary suspension of logic. The following is to create a blank 6 basic methods: substitution, inversion, combination, exaggeration, remove, and change order.

V. THE APPLICATION OF LATERAL MARKETING

Lateral marketing is still the starting point is to create demand, the process is the value of alienation, the end is still to meet the market demand. The whole, the lateral marketing is a marketing tool. Marketing tool which is extremely rich in product, market competition, market conditions worsening, more practical significance. In the Chinese enterprises are facing market conditions and a lot of marketing difficulties, with the products, markets and marketing mix has a direct relationship, the lateral marketing is to address the lateral just focused on products, markets, and the marketing mix level, so the lateral marketing theory is an important marketing tool.

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replacement did not produce a blank, it shows that we are doing is vertical marketing, rather than the lateral marketing. There are many ways create a blank, but mostly based on alternative, reversal, combination, exaggeration, removal, six methods for sequencing-based. This method is the lateral the six basic tools for marketing applications, as well as evaluation and selection of the most basic method of marketing.

Under the traditional marketing model pricing strategy, based on consumer demand for the ceiling to provide lower cost products or services. At the lateral marketing thinking, everything interests of consumers, that price is the consumer to meet their own needs and desires are willing to pay the cost price. The value of assessing the lateral marketing is a means of price measurement, the lateral marketing value of size on the price of new products and services have a natural link, not difficult to understand the lateral sales generated through the price level with the implementation of the marketing and use of resources, the number of proportional to the merits. If the level marketing companies can use the method correctly, you can optimize resources to create the lowest cost of new products and services to quickly capture the market. Promotional strategy is the essence of communication, that is, customers perceive the product or service, resulting in purchase intent. At the lateral marketing thinking, companies can try a variety of marketing planning and marketing mix, emphasizing two-way communication. Enhance mutual understanding, cultivating loyal customers. Market level factors may be concerned about the needs, goals, location, time, situation, experience. At present, most caught in marketing needs to grasp the plight of the enterprise or not allowed, or at the market level marketing strategy to import properly, or does not grasp the psychology of consumer spending. The lateral marketing strategy can be evaluated and selected to grasp customer needs, identify the marketing mode of entry points, the correct link market gaps, the lateral precision into marketing processes.

A. Case Analysis

Shuanghui Group is a large-scaled meat-processing enterprise which ranks 177th among China Top 500 enterprises in the year of 2009. As the largest meat processing enterprise, the company has a total assets over 10 billion RMB. The employee population of Shuanghui Group is over fifty thousand, with the capacity of slaughtering pigs 15 million heads per year and processing cooked meat products over two million five hundred thousand tons annually. The Shuanghui Group summarize and draw close to the success of new product industry experience, from the traditional market segments to find a new marketing model marketing way of lateral marketing. Its innovative point of view Shuanghui focus on the following areas: innovation based on Adjustment; innovation based on specifications.

After the value has been tested and put into production, rapid production and sales operations in order to speed against size, and quickly occupied the market. Fresh corn in addition to fragrance, soft, smooth and rich nutrition, corn is rich in plant fiber, to fitness and beauty features even more by the young woman's tender care. If the hot dogs and corn

will be to establish linkages favorite target consumers, marketing and R&D personnel in the flash of creative minds of the spark. However, consumer awareness, the traditional sense of the hot dogs just protein powder and a certain proportion of fresh meat product of the integration. Hot dogs and corn belong to two distinct categories, among them there is a great divide. But put them together, not only created a new category, while allowing ham with new features, new functions and this is bound to generate a new market, as long as the technology has been developed, businesses could occupy this huge market.

But demand is still the focus of attention, just to mix corn starch to protein powder, consumers not to eat corn the smell, savor the smooth feeling less than corn. Add the corn to make consumers really loved the hot dogs, must be picked near fresh frozen corn to the hot dogs in, and keep the fresh corn flavor prototype colors, so do not put products related to establish a connection and create a new product to fill the gap. As a successful marketing model ,more enterprises will get the excess return.

B. Inspiration of the Case

In summary, by analyzing the lateral marketing Shuanghui hot dogs use innovation in the market received a huge success, showing that the lateral marketing, merchandising concept in a specific operation has demonstrated its great value, then for our businesses, with What kind of enlightenment? Meanwhile, Chinese enterprises should the lateral how to deal with and absorb this new marketing idea marketing it? We already know, new products and services, innovation originated in the idea of innovation, followed by the screening and evaluation of innovative natural products and the formation of the concept, and finally the production and operation.

The case can be summarized into five steps: At first the enterprise should choose a lateral marketing products or services as a starting point; Secondly the enterprise should determine the size of its influence; The third step is to determine the lateral the lateral sales into the market level, the main consideration to customer needs, objectives, time, place, situation, experience in various sub-items; product level include tangible products and services, packaging, brand, use or purchase of ; marketing mix level in pricing, distribution and communication aspects to consider. The fourth step is to create space, it often used the following method of marketing blank:substitution, inversion, combination, exaggeration, remove, change order. Finally the lateral enterprise marketing link is an important step, it is to fill the marketing gaps, determine new product concepts and forms, such as the above example. The five steps are import process.

Through the above analysis, we can see that the lateral marketing is a marketing innovative ideas and methods. It is by changing market, changing products, changing the

marketing mix, to redefine the market and demand; these qualitative changes can bring new types of products or new markets, and thus brought to the enterprise marketing major breakthrough. If the enterprise use the lateral marketing as a solution to the problem, it will transform into a more innovative spirit of the market pioneer, and gain competitive advantage.

VI. CONCLUSION

As the lateral marketing theory is the latest worldwide marketing concept, the Chinese enterprises, the level of disruptive and innovative marketing idea more significance, is the implementation of standards in promoting and marketing process, we need to cultivate a professional level of active marketing team prevailing circumstances. Based on a natural choice the level of enterprise marketing strategy is to construct the core competitiveness, companies must thoroughly study and understand customer needs. The changes in the level marketing model is not only a change in marketing but also a overall business change .It needs to establish the organizational systems of the lateral marketing to help make strategic planning, staffing, performance evaluation,and build reward system .At the same time the enterprise should have good communication mechanisms between the department of developing new products and manufacturing. Finally the successful marketing model must be personalized, which is based on the characteristics of individual industries, business conditions and their own specific market situation. In the lateral marketing models, the innovation of new products and new services should be supported by high-level management.The executives must have the willingness to take risks.

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