

A Tactical Error

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In many retail businesses, competition can be fierce. Getting the name of the company before the public is important. Retailers that have a delivery fleet can use the company trucks as moving billboards. Making sure the truck stands out in the traffic is can make all the difference. Besides the name of the company, the retail needs to determine what other information should be placed on the truck panels. In the office supply business, two firms, Grand & Toy® and Staples®, compete in many product areas. The selling of staples that are used in a stapler is one such area. Both companies have a fleet of trucks, each prominently promoting the company and each with a distinctive colour scheme, including a use of red by Staples and green by Grand & Toy. With the store name and given the colour scheme on the trucks, it would be impossible to confuse one company for the other. Below is a picture of a Grand & Toy truck On the top back panel and at the bottom in front of the back wheel are three upside-down strips of staples.

Focus: Marketing strategy, marketing tactics, perception, cognitive processing, beliefs, attitude, intra-type competition (conflict), communication process model (sender, encoding process, message channel, decoding process, receiver, common field [or frame] of reference, noise, feedback), retailer, retailing, memory.

Questions:

1. Define each of the terms listed above.
2. What is the expected response of a consumer who knows of the two firms to seeing the information on the truck? Explain by incorporating the appropriate concepts listed above. Is the response what Grand & Toy would want? Explain. Is the response what Staples would like? Explain.
3. Using the communication process model, explain the nature of the situation in terms of the decision to place the information of the identified nature on the truck and how the consumer is likely to respond.
4. Conceptually, what marketing mistake did Grand & Toy make? How could the company correct the mistake made?

