

# Domino's pizza in the Netherland

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## **Introduction:**

In this part of the research, the targeting of the Dominos company on its customers will be taken into consideration. The different methods applied for positioning products to the customers will be identified. The product strategy and service marketing will be reviewed. The pricing policy and the distribution method will be recognized. In addition to that the market communication and promotion methods will be identified and evaluated which are used to attract customers.

## **Targeting:**

The market targeting strategies are applied for the purpose to target the customers in different kind of markets that can be undifferentiated, differentiated, concentrated and micro market. The main idea is develop different groups and segments so that the target set of customers could be reached. Under undifferentiated marketing technique the market strategy used is ignoring segments and applying the whole market with one offer. Under differentiated marketing, the decisions are made to target several market segments through separate offers which suit their respective requirements. Under concentrated or niche market, the concentration is made on the few segments or niches. And finally in the Micromarketing, further segmentation is done where in business is divided between local marketing and individual marketing. Under local market the cities, neighborhood and specific stores are concentrated, while in the individual marketing the efforts are made to concentrate on one person.

## Market Targeting Strategies

Undifferentiated (Mass) Marketing	Differentiated (Segmented) Marketing	Concentrated (Niche) Marketing	Micromarketing	
			Local Marketing	Individual Marketing
Whole market with one offer → Ignore segments	Decide to target several different market segments, separate offers for each	Concentrate on one or a few segments or niches	→ cities, neighbourhoods, specific stores	→ 1 person
Targeting broadly		Targeting narrowly		

Source: <http://marketing-insider.eu/wp-content/uploads/2015/04/Market-Targeting-Strategies.png>

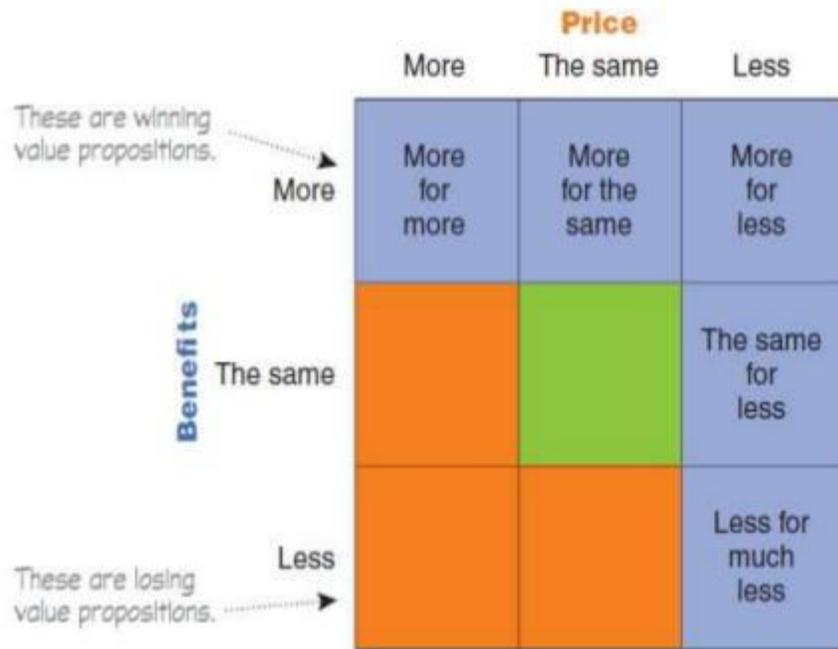
Domino's pizza has been successfully targeting families in the Netherland who like to go outside for dinner once or twice a week. The company has also targeted the teenagers of the school as well through its aggressive advertisement where middle to high school student's love to consumer Domino's pizza. In addition efforts are made by the company to affect the consumer decision makers especially the college going youth. This way the company has developed a mega trend where people come together and have the taste of their lifetime through consumption Dominos made pizzas. The company has targeted people from background of life including the

lower middle level, middle level, upper middle level and high class. This way there is a huge customer base that has been made by the company.

## **Positioning:**

The positioning is done in terms of price and benefits. That is change in prices could lead to more or less benefits. The winning proposition is therefore when more price results in more benefits to the company. And the losing proposition is when more prices lead to lesser or losing value proposition. Therefore it is vital to develop an effective positioning (Toften & Hammervoll, 2010).

## Selecting an overall positioning strategy



Source: <https://image.slidesharecdn.com/differentiationandpositioning-150309050122-conversion-gate01/95/differentiation-and-positioning-17-638.jpg?cb=1425877397>

The positioning strategy applied by Dominos includes aggressive marketing and advertising. That is the efforts are made to advertise on high scale about the latest products and services offered by the company. This way interest of the people is actually generated and

**Product strategy and service marketing:**

Product strategy and service marketing can be done using the Ansoff matrix. Through this matrix the various possibilities or opportunities to the business can be evaluated. For instance the business could apply product development through introduction of new product in the old market. Or it could be other way round by producing new product and marketing them in the new market. The latter is called product diversification. This way the company could diversify its business and develop such products that can either sold in the existing market which is called product development, and selling of the new product in the new market is called product diversification.

If the same product is sold in the existing market through application of various marketing measures than it is called market penetration. On the other hand if the old product is sold in the new market than it is called market development (Sharma, 2013).

## Ansoff Matrix

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	Old Product	New Product
Old Market	Market Penetration	Product Development
New Market	Market Development	Product Diversification

Source: <https://ghanatalksbusiness.com/wp-content/uploads/2016/02/ansoff1.gif>

As far as dominos business in Netherland is concerned, the company is trying to develop through product diversification. That is, efforts are made by the company to develop new range of products and services to sell in the new market.

Dominos offers variety in menu. The product strategy is therefore to increase range of products so as to offer customers with variety of food material for consumption. The variety of products offered by Dominos is Pizza, Pasta, Breadstick, Cheese dips, Beverages, Chicken wings, Choco lava cake etc. The service level is also kept at world class levels. The marketing and advertising strategies are applied by the company to achieve desirable benefits in the form of more customers. The company also offers its customers with the 30 minute service guarantee. Under this guarantee the pizza is delivered within 30 minutes or considered free. Various advertisements are also issued at regular time that guarantees the association of the company with high quality fresh pizza that is delivered on time.

The customers are given an additional option of getting the pizza delivered and that too in 30 minutes time frame. This way hot and fresh pizza is offered to the customer at the comfort of the home. The customers are further allowed to choose any of the available option for ordering pizza. That is the customers can order online or could make a call to the hunger helpline number. In addition to that the customers are also offered with the numbers of local area restaurant so that they could contact and make order as per their choice.

Different payment options are also offered to the customers. The customers can pay online or offline using credit card and debit card. Cash on delivery is also another option offered to the customer.

The customers are given self-service facility through which they can take their order and sit back and relax while enjoying their food in the restaurant. This self-service also helps the customers to have a view of the process that is followed while making pizza. Hence transparency is applied in the business place where people can have a look at the kitchen to see if the system followed is clean. On the other hand, the employees of the company are issued with strict guidelines that are required to be followed in the kitchen. Therefore health and hygiene is kept in mind.

The development of new product range is done with the strategy of “Think local and act regional”. This means that sincere attempts are made by the company to improve its product line and add new products so that it could meet the requirements of the local and regional level customers.

### **Pricing:**

Pricing is done with the goal to achieve high sales, earn profit, fight back competition, achieve prestige of the company and maintain a status quo in terms of sustenance of business in the long run. This way pricing is meant to be done very carefully as it could affect the sales of the company. The company could earn good profit if the pricing is done in the best manner. That is keeping the competitors in mind; the effective pricing could be done so that the business does not suffer (Samli, 1995).



Source: <http://www.biz-development.com/Marketing/Marketing-Mix-Price.jpg>

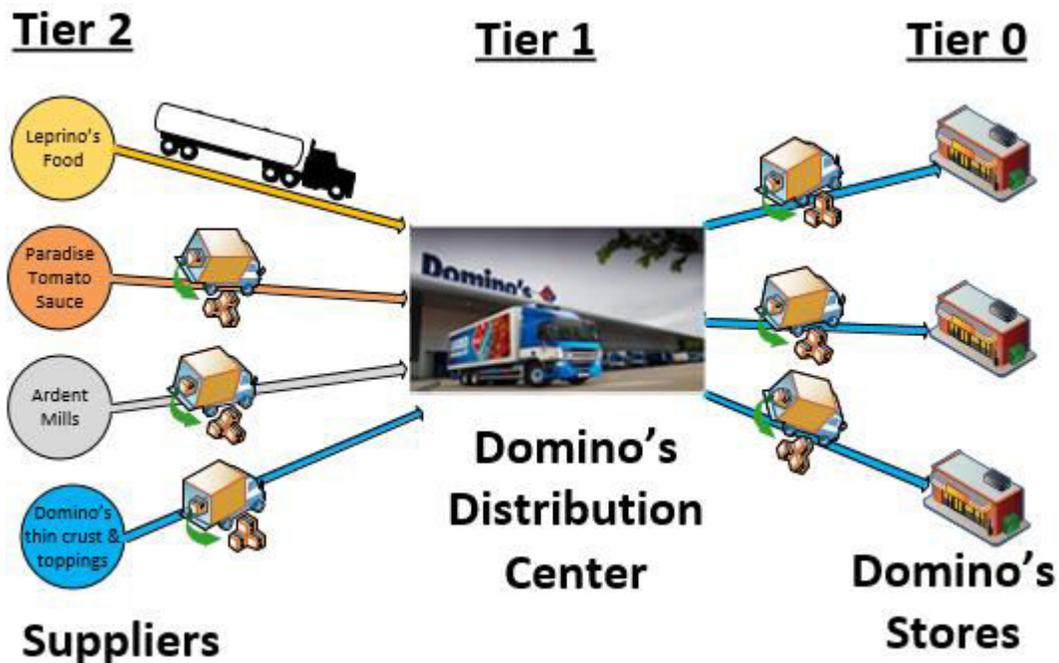
The pricing of the domino's pizza is done in a highly competitive manner. The customers are offered the high quality and high value products at comparatively lower prices. In addition to that various schemes and offers are floated at regular intervals which ensure that the customers are offered with the value for money. This includes schemes like discount coupons, happy hours and schemes that are meant to attract customers so that they could make the purchase of required product and service.

This way attempts are made to offer customers with the comeback value. The high prices are actually attributed to offer high quality of ingredients used. That is the need of jalapeno and peperoni is fulfilled by importing them from Spain and Australia to the Netherland.

To fight back competition with various local companies and other international brands the company has been making price cuts and discount offers to attract more customers. Also days are fixed for offering high discounts to the customers so that the low working can be converted into high customer flow day.

**Distribution:**

Distribution is a process of physical movement of the goods and services using different channels of distribution. This way the products and services are moved from one place to another with the purpose to support the business process. The use of trucks and other motor vehicles can be made to transfer goods from one place to another. The main idea is to pass on the goods from the supplier to the distribution center and then to the stores or restaurant so that the sale proceeds can be initiated (Rao & Klein, 2004).



Source:

[http://www.gmu.edu/schools/vse/seor/studentprojects/graduate/2015Fall/Dominos\\_Pizza\\_CaseStudy/Supply%20Chain\\_files/2.png](http://www.gmu.edu/schools/vse/seor/studentprojects/graduate/2015Fall/Dominos_Pizza_CaseStudy/Supply%20Chain_files/2.png)

The distribution process follows two tier systems. Under this system the suppliers send the food material to the dominos distribution center. This includes supply of tomato sauce, flour, fresh veggies, spices and other things to the dominos distribution center. From the distribution center than the transport of the required quantity of goods is made to the dominos restaurants. This way the transport of raw material is made first to the distribution center and from there is transferred to the restaurant.

## **Marketing communication:**

Marketing communication is vital for the company business. It helps in reaching out to the target customers so that they could be made aware of latest business proceeds of the company. The different methods used for marketing communication includes developing public relations and publicity, direct marketing, interactive marketing, word of mouth marketing, personal selling, advertising, sales promotion and events and experiences. All these methods help in reaching out to the customers communicating them with the company schemes and promotional ideas so that next visit to the company restaurant could be ascertained.



Source: <https://businessjargons.com/wp-content/uploads/2015/09/Marketing-Communication-Mix.jpg>

Dominos is applying marketing communication mix with the purpose to reach out to the target customers in Netherland. The company is actively participating in events and experiences to stay in the limelight. Also different sales promotion ideas are developed and advertised at regular intervals to keep the customers updated with the latest schemes offered by the company. The personal selling is also promoted at different times with the help of efficient workforce. Direct marketing and interactive marketing are among the two methods that are applied by the company at different occasions to keep the target customers interested in company product and services (Powell & Osborne, 2015).

### Promotion:

Different promotional schemes and ideas are developed and applied by the companies so as to attract customer attention and affect their purchase decision. The promotion mix activities include advertising, personal selling, sales promotion, public relation and direct marketing. These are among the key methods that could help in staying in contact with the target customers. Through advertising the customers are conveyed about the recent upgrades and updates about the company, its products and services. Different sales promotion ideas are also developed so that the customer could avail the benefit and make their next visit to the company's restaurant. In addition to that the public relations are developed through professional executives who keep a close track of customer thoughts, views, feelings and preferences. This way the customers are heard and their feedbacks are applied in the regular business process to improve their experience with the company.



Source: <https://businessjargons.com/wp-content/uploads/2015/09/promotion-mix.jpg>

Dominos is making maximum utilization of available resources for communicating its brand name and image to the target customers. The promotion has been done through television advertisements, hoardings, emails and various other methods. These way efforts are made to stay in touch with the people and make them aware of latest happenings and schemes issued by the company. These efforts help in creating alertness among target customers and this way their purchase decisions are affected (Pegg et al., 2014).

### **Conclusion:**

In the conclusion, we can say that the Domino's pizza has been successfully targeting families in the Netherland who like to go outside for dinner once or twice a week. The company has also targeted the teenagers of the school as well through its aggressive advertisement where middle to high school student's love to consumer Domino's pizza. In addition efforts are made by the company to affect the consumer decision makers especially the college going youth. This way the company has developed a mega trend where people come together and have the taste of their lifetime through consumption Dominos made pizzas. The company has targeted people from background of life including the lower middle level, middle level, upper middle level and high class. This way there is a huge customer base that has been made by the company. The pricing of the domino's pizza is done in a highly competitive manner. The customers are offered the high quality and high value products at comparatively lower prices. In addition to that various schemes and offers are floated at regular intervals which ensure that the customers are offered with the value for money. This includes schemes like discount coupons, happy hours and schemes that are meant to attract customers so that they could make the purchase of required

product and service. This way attempts are made to offer customers with the comeback value. The high prices are actually attributed to offer high quality of ingredients used. That is the need of jalapeno and peperoni is fulfilled by importing them from Spain and Australia to the Netherland. Dominos is making maximum utilization of available resources for communicating its brand name and image to the target customers.

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