



MARKETING PLAN

DEVELOPMENT

AE 1049- Final Project Work

Business Administration Degree

Student: Durry Syouffi Barghout

Tutor: Javier Sanchez Garcia

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1. EXECUTIVE SUMMARY

In the actually, we are in a context of economical crisis, when the exterior sector in Spain is one of the few sector that has an increase in their sales. Beauty Ceramic, a new company founded in 2012, is living in this economical context and trying to get benefits and increase their sales in this present year and in the next year, when our entire proposal in marketing actions will be implanted and done by the company.

We have seen that the main problems in the company are that mostly of their sales are to Arabic countries and some of these transactions have very little profitability, especially when we talk about the most abundant products in markets like Saudi Arabian market.

We have seen that some line products like 45x45 size has decreased his profitability between the local and international customers because their abundance and market maturity. Also we have seen that others sizes like 60x60 line is being one of the most popular lines in the market. Other big lines tiles are starting to be popular, especially in Arabic countries.

The company will continue a focus cost strategy to reduce their costs and will try to maximize their sales by meter square, but the company will need at the same time some investment to increase this sales.

Our proposal to the company is making some marketing actions to increase their sales in the market and accomplish positive benefits. The company will need to negotiate with their suppliers and start to commercialize line products with big sizes, especially sizes like 75x75 and 28x85. These products are starting to be popular in Arabic markets and they will be more profitable than actual products that have the company.

Another big important action in products is that Beauty Ceramic will commercialize some commercial qualities of the actual products that have with first qualities, and with this products the company will satisfy the needs in markets when second qualities tiles are much demanded.

The company also will make some actions in price to incentive the sales and to urge the customers to make a prepayment. Also they will give deferred payment to the

customers they want this type of payment. The company is going to incentive the best customers giving them sales rebates in condition of their budgets at the finish of this year.

The company will make some promotion to increase their popularity between the local customers and international customers. They will make publicity in local market and they will participate in the principal fairs exhibition in the world.

The company will have a new sales team by contracting new commercial sales. The sales team will make some promotion trips to their actual customers and they will open new markets to the company in other areas over the world. They also will help to new European customers in red tape to transport the goods from Spain to their respective countries by train.

These actions will be possible with a good sales team, formed with some experience years in the company and managed by a director with many years in the sector. The sales team is focused especially to the exterior sector and to satisfy their demands in building materials.

The competitive advantage to the company is the exclusive access to some suppliers and the exclusivity to commercialize some lines from their suppliers. Also, the good and large relations with many customers in Middle East will facility them to introduce the new products.

The new digital printing and his technology development in tile factories is having a good acceptance in the market, so the company will commercialize mostly of his new products with design made by digital printing.

To accomplish the marketing actions proposed, the company will need 41.767 € as a budget, mostly of this budget will be to participate in exhibition fairs and to promote the products around the world with a new sales team. This budget represents about 14% of financial resources of the company. We have the prevision that this investment in marketing will return at the finish of June 2015, and the company will start to increase significantly their sales when new line products start to be commercialized in current and new international markets.

2. SITUATIONAL ANALYSIS

2.1. EXTERNAL ANALYSIS

2.1.1. Macro-environment analysis

PESTEL Analysis

-Politico-legal factors: includes the government intervenes in the economy and

Laws which affects to tile sector.

. Labor regulation in 40 hours, being 1760 hours worked at year.

. Wage agreement of 950,92 Euros monthly and 14263,85 Euros annually with 14 payments. Minimum wage in Spain is 645, 20 Euros monthly. (**Ascer Agreement, 2014**)

."First job": Incentives from Government to companies if they contract a young worker under 30 years if it's his first job. This regulation was made for help finding job to young people.

. The increase in Spanish VAT from 18% to 21% made in September 2012, which reduces demand in Spain because the inflation in prices.

The labor reform in Spain, which reduces the compensation to employees if they are dismissed. Up to 2012, employee could receive 45 days of payment for each year worked, actually only can receive 20 days of payment for each year worked. (**BOE,3/2012**)

. Regulation of the importation in other non-European countries can difficult selling them. This regulation is made especially to reduce the importation and boost domestic demand.

. The dismissal of thousands of immigrant's workers in Arabia Saudi in December 2013 temporarily reduced its imports because a lot of them were working in tiles companies.

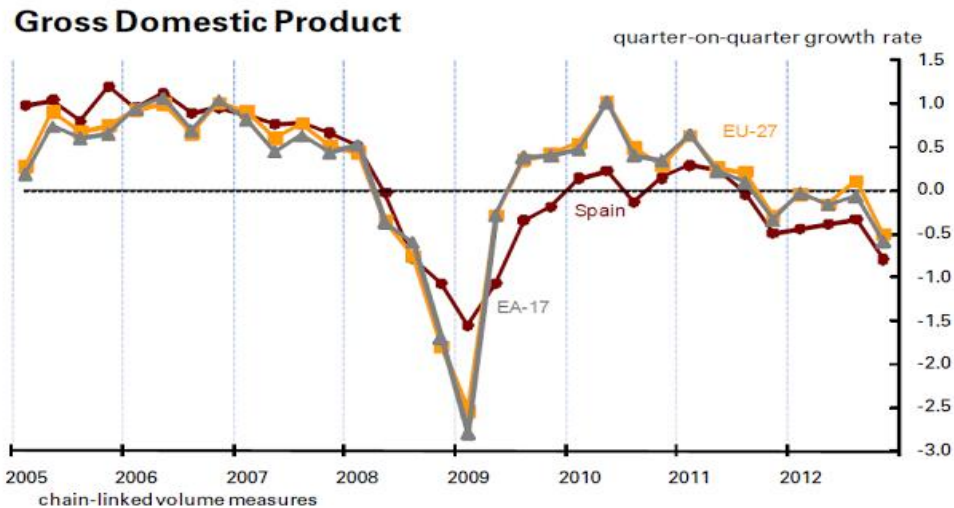
- . Regulation of the exportation in Spain, can difficult bureaucratic procedures.
- .The price rising of Certification of Compliance to export to Saudi Arabian.
- .The 'Arab Spring' in some Arabic countries reduced a lot the importation of tiles.
- .The political instability in some North African countries, which are big importers of tiles.
- . The authoritarian governments in some Arabic importers of tiles, can difficult their importation.
- .The new law called 'flat rate' made by Rajoy Government, by which companies can pay only 100 Euros monthly for 2 years to Social Security for every employee contracted for minimum three years. **(BOE , 3/2014)**
- .The new law in March 2014, about 'Income Tax', that excludes workers with salaries per year under 12000 Euros to pay this tax from 2015.
- .Limitation in container capacity up to 24 tons will increase transportation costs.
- .Decrease in government subsidies, specially to gas companies has caused a large increase in prices, about 15 cents per euro in meter square, which will reduce the competitively in world market.

-Economic factors: economical cycle, interest rates, level of unemployment, income of the country, economical situation.

- . The economical crisis in the world since 2007, especially in Spain.
- . Public debt in Spain around the 93,4% of GDP, being 954.863 millions of Euros in the third quarter of 2013. **(National Statistic Index, 2014)**
- . The high rate of unemployment in Spain, around 26,03% being one of the highest in Europe. **(National Statistic Index, 2014)**
- .Exportation sector is one of sectors in Spain that have a positive grow.
- . Risk premium decreases in Spain up to 157 points in May 2014. **(Datos Macro, 2014)**
- .Slow evolution of GDP in France, the biggest importer of Spanish tiles.

.Low funding from banks can make instability in some tiles companies.

Graphic 1 GDP comparison Spain- European Union



Source: (The Bonddad Blog,2013)

-Socio-cultural factors: demography, rental distribution, social mobility, education, geographic distance.

. Continuous and fast changes in consumer tastes in characteristics like design, size tiles, and material. Now, consumers and importation companies search the best quality and design with the best price.

. In general, tiles companies in Spain are family business and their direction have low or medium education, which difficult changes.

.Low employment makes people to study, which conduces to people to have a good level of education and formation.

. For international relations with tiles customers, employers and employees studies many foreigner languages, like English, French, Arabic, Russian and Chinese.

. Heterogeneous demand, distinguished especially in different countries and different purposes.

. Mostly of business people in tiles sector are businessmen and are a very little number of businesswomen, in factories tiles and importation companies around the world.

-Technologic factors: Investigation in Research and Development, technology maturity and products development.

.New sizes in tiles products to adapt to new likes in consumers.

. Development of raw materials for tiles.

. Development in new digital inkjet printing for new tiles design.

. Electronic mail has facilitated the relation between companies and customers of all over the world.

. Information and communications technology has developed and improved the warehouse control and stock.

-Ecological factors: impact of tiles production in environment, the level of contamination.

. Some certificates of quality to being approved to build.

. New tiles companies use glass recycling as raw material for production.

. New vans and ecological trucks has designed to transport goods from one site to another, and minimizing the environmental impact.

2.1.2. Micro-environment analysis

2.1.2.1. CURRENT AND POTENTIAL DEMAND

-Size market

Beauty Ceramic wants to arrive to the maximum of companies of tiles in the maximum countries of the world, especially in Arabic countries, one of the biggest importation areas of tiles. Beauty's customers are mostly importation companies in Arab countries, with medium size in the markets and with some years of experience in tiles importation. Also in present and future, the company wants to arrive to stores and customers with a medium level of business in Europe and American Countries. It's very difficult to know exactly the number of tiles customers with medium size in all countries of the world, but mostly of the importation companies have medium size of business.

Gross sales of the company was about 2.2 millions of Euros in 2012, having decreased to about 2 millions in 2013, being more than 90% in Arab countries, especially North African countries and Saudi Arabian. Rest 10% of sales was in Spain, Africa Center and East Europe. Far East and American are the areas where the company doesn't arrived yet.

(Internal Data Base, 2014)

-Growth potential

In Spain, the sales in 2012 in tiles sector were 2656 millions of Euros, being 575 millions national sales and increasing 10% up to arrive 2082 millions in international sales, being the second market in Europe and third in world. Beauty Ceramic represented in 2012 about 0,096% of sector tiles exportation and 0, 0346% of National sales. Italy, the first tiles market in Europe, has in 2012 sales in valor of 4580 millions of Euros, being 3660 millions of Euros in exportation and the rest in National sales.

Beauty can grow in the next years because it is a new company yet and because they are a lot of countries that Beauty doesn't arrived yet. Despite national sales are decreasing, exportation sales are increasing every year, and Beauty Ceramic is a company with international vision and presence.

France is the biggest Spanish tiles importation country, about 11% of Spanish tiles exportation and followed by Saudi Arabian with 8% and Russia with 7%. France and Russia could be an opportunity to the company to grow, because they are strong areas for Spanish tiles and the company hasn't sold in them, despite they are having little problems in consumption and political crisis.

The first area of exportation, Arabic countries, now is having some political problems, but in the next years, when situation goes better and democratic changes and openness to international commerce arrive, it can be a big opportunity to the sector and to Beauty Ceramic.

The limitation of Chinese tile importation made by European Union, it can be a good opportunity to growth in Europe and establish a strong presence. This limitation made reduce about 40% Chinese tiles in Europe in 2011.

-Changing demand

Sales in the sector are increasing in last year's. In 2013, sales were about 2800 millions of Euros, having grown about 5% regarding 2012. In 2012 sales were about 2600 millions of Euros, being the fourth year that sales grow. Exportation has grown about 8% in 2013 but in other side national sales have been decreased about 3% to 552 millions of Euros, being the sixth year with this situation since National sales were more than 1.800 millions of Euros in 2007. Tiles production in 2013 has grown about 4%, beating the 400 millions of square meters.

-Market segments

Market segments refer a group of people or companies customers in the market with some common characteristics that makes them homogeneous in the view of Beauty Ceramic.

-Socioeconomic reasons: Our Company makes segments with different qualities in the tiles. In one hand, first quality and continued items are sold normally in rich countries like European countries and some Arabic countries and in the other hand, commercial and low quality are sold normally by Sub-Saharan, South-American and some Arabic countries.

-Benefit sought: Company Ceramic have different products to different finalities. The company has different types of coating with different decorated pieces for different wall in kitchen, bathroom, living room, bedroom or exterior walls. Also it has different pavement tiles for floor interiors, floor exteriors, shopping centers or pools. In pavement, for example, wooden models are designed for living rooms and floor interiors, porcelain tiles are produced for floor exteriors and high traffic areas people and thick tiles are designed for pools and gardens.

-Geographic and socio cultural reasons: different tiles and designs and different prices for different geographic zones. Stoneware tiles with brightness and marbling design are bought normally by Arabic countries and porcelain tiles with mate design and dark color are bought normally by European countries. This differences by zones are conditioned because different climate. Also, low prices to countries which buy a big quantities of tiles and with economic instability like Arabic and European-east countries

and National market and higher prices to countries which buy less quantities and have a high purchasing power like European Union countries.

-By type of consumer in the supply chain: different prices and different payment conditions. It depends if our customer is another intermediary, like wholesaler or retailers, or is the end-user.

-Porter five forces analysis

Graphic 2. Porter five forces



Source (Notesdesk, 2013)

-Bargaining Power of Customers: refers to power of the customers to impose their demands and requests and the power of their negotiation with the companies.

In our sector, they have strong bargaining. Our tiles sector is mostly locally and mostly of the customers are from different countries and they can put their conditions to a company who want to enter to a new country. But also, a lot of manufacturers have closed and limits supply.

-Threat of New Entrants: is the threat of new companies to the sector. In this sector there are little few barriers to entry, like privilege to actual companies to access to some suppliers but there isn't required a big investment, new companies can be new competitors even without store. So the threat is medium.

- Threat of Substitute Products: Nowadays and from several years, there are some products that could use as substitute of tiles, like marble, carpet, ground glass or wood. But really, they have a little threat as substitute for the tiles, especially because they

are difficult to produce in large quantities, sometimes their prices are higher than tiles and the insecurity that could represent some materials like ground glass in a commercial center, where a lot of people enter daily.

-Competitive Rivalry within an Industry: despite the economical crisis and the close of many manufacturers' tiles, the competitive rivalry continues strong, especially in intermediary and wholesaler companies, who have increased last years. The control of some international markets by some companies and the attempts of the other companies to sale in this markets increase the competence.

-Bargaining Power of Suppliers: in our sector, mostly of our suppliers and other manufactures are also our competitors. They make the same functions like Beauty Ceramic, and the bargaining of full integration forward is permanent. In any time, they can stop the trade with other customer business for sell to the final customer with better competitive prices.

-Competence

-Expotile S.L.: commercial company in the sector since 2001, situated in Onda(Spain). The company, specialized in medium and high quality material, is mainly engaged in purchase of construction materials and with exportation, operates in all over world, and has experimented high growth in last year's, beating the 20 millions of Euros in sales in last year, by remodeling they facilities, their sales team and strengthen their relationship with their suppliers. They have 6 types of models, according to meet different customer needs, like specials designs, exterior pavements to different climates, high standing design and basics tiles to home interior.

-Pamesa Ceramica : one of the biggest manufacturer in the sector. It was born in 1972 and it's situated in Almazora (Castellón). It has a subsidiary company in Brazil, called 'Pamesa do Brasil' and has some other commercial companies in the same province of Castellon. His turnover was about 320 millions of Euros in 2013, having grown about 20% in that year. It's production is about 45 million of meters square and it is sold in all countries around the world, especially in Europe, Arabic Countries and Southamerica. They produce all sizes of tiles, and are specialized in porcelain tiles and decors and special pieces. In their life, they had won several awards from different commercial association.

-AlBaidar: it is a company founded in 1981, and it's situated in Onda. It one of the oldest commercial companies in our sector. In tiles sector, it is dedicated in the intermediation and the commercialization and exportation, specialized in Arabic countries, especially in North Africa and Saudi Arabian. Their strong relations for long years with customers and suppliers have made them to remain on the market. Like other competitors, they participate in few fairs like Cevisama and Cersaie.

-Geotiles: it is a company with a presence for more than ten years in the sector. It's a company founded by Pamesa Ceramica and has his facilities in Almazora. It is dedicated in production, commercialization, importation and exportation of tiles above all red paste and porcelain tiles. Like other Spanish companies tiles, their exportation sales have increased last years and National sales have decreased. About 75% of their sales are exportation, having increased their total sales in 2013 about 33%, arriving to 33 millions of Euros in sales. Mostly of sales were in Europe and Middle East.

-Ceramicas Mimas: Spanish manufacturer founded in 2002 in the town of Alcora. It is one of the top Spanish companies in this sector. His philosophy is based in a quick service of distribution with competitive prices in international market through continues innovation and a continuous cost reduction. The company is one of the most financially solvent companies in the sector .Like other manufactures, this company produces a lot type of sizes with different materials, like red paste, white paste and porcelain, with which satisfied customer demands. In the end of 2012, Ceramicas Mimas acquired Hispano Azul factory and his brand, which helped Mimas to develop his production and increase his daily production capacity to the double. Their sales have passed the 30 millions of Euros and this sales are concentrated specially in Middle East countries, North African countries, North European countries and some South-American countries. They have also some important customers in Spain, mostly in Castellon province.

-Porcelanosa Group: is one of the top Spanish companies of tiles and one of the most prestigious companies of tiles in the world. It was founded 40 years ago and his headquarters are localized in Villarreal. With a turnover more than 1150 millions of Euros, is the first manufactures tiles in Spain in sales, being about 85% of this sales in exportation, especially in Europe, Far East and North-American countries. It has 7 subsidiaries with other commercial names around the world, which facilities the

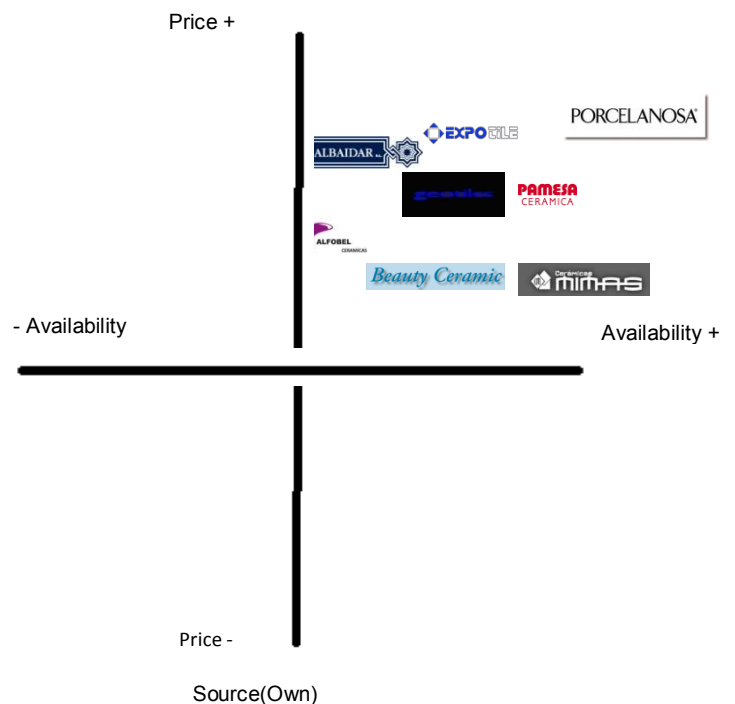
presence in 100 countries. Mostly of their products have a big quality and design and luxury with big sizes and porcelain materials.

-Alfobel Ceramicas: is one of the most direct competitors currently. Situated in Villarreal-Onda Road, was founded in the beginning of 2013 by Bayern Group, and is managed by a business man with a many years of experience in tiles and with a big relationship with many customers in North-African area. The company is dedicated in importation and exportation of building materials and his subsequent marketing and the intervention like a middleman. Like a lot of companies in this sector, mostly of sales are wholesale and foreign customers.

Graphic 3 Quality-price relation



Graphic 4 Price- availability relations



In the analysis of our competitors in view of the consumer, we can identify different proficiency levels; we have four levels of competence: competence in product form, competence in product category, generic competitors and finally budget level competition.

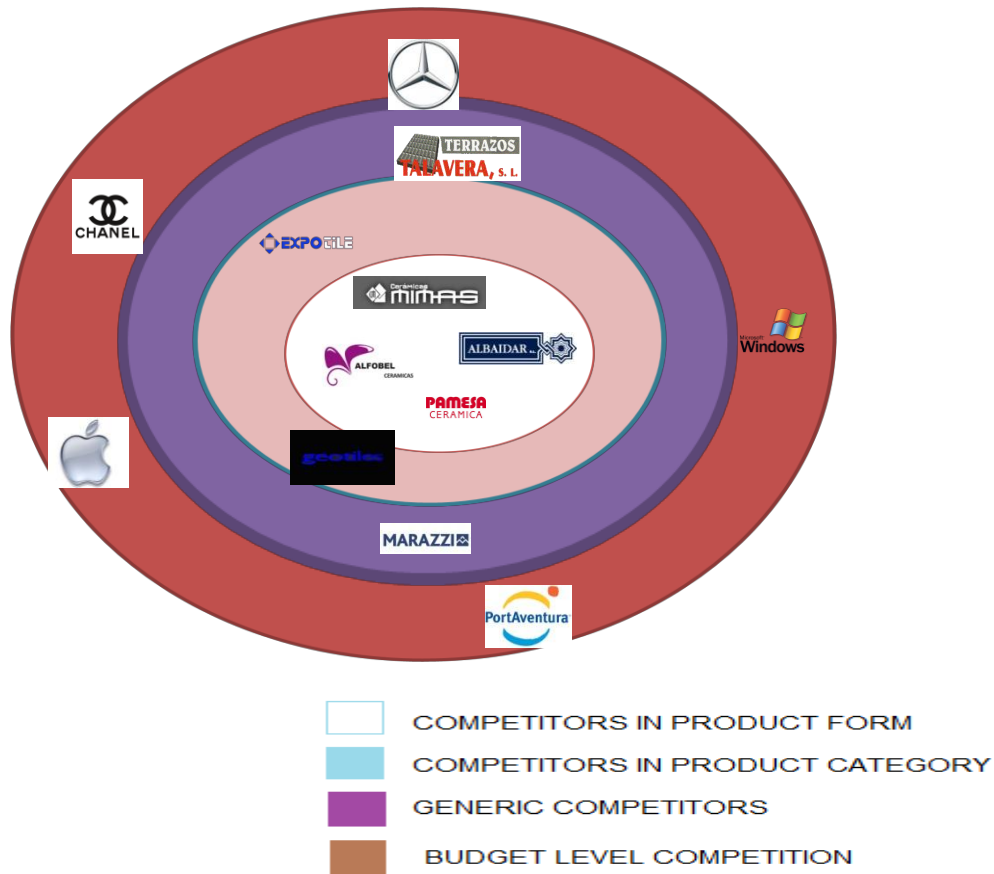
.Competitors in product form: in this level we have all competitors of tiles sector who have our same target audience. They are companies which have the same attributes as our company and the same levels of his attributes and the same technological alternative. They sell normally the same tiles like us and with the same sizes. They have our market segment, which are a big number of company customers in different areas of the world, especially in Arabic countries, which buy a large quantity of tiles at competitive prices. In this level, inter alia, we have competitors like Ceramicas Mimas, Alfobel Ceramicas.

.Competitors in product category: are all competitors in our sector which have or same technological alternative but they have other target market. As large differences, here are other competitors who target with luxurious tiles and they sell specially in other areas of the world, like European and Northamerican countries. Here also we have competitors which sell discontinued products to other countries like Middle-African countries. Porcelanosa Group, Vives Ceramica, Expotile, Apavisa Ceramica are good examples of this level.

.Generic competitors: all companies that satisfy the same need we meet us. We have in this level other companies with different technological alternative. Here are all companies which sell building materials, like glass companies, granite companies, marble companies and terrazzo companies. Some of the competitors in this level are Levantina, Porcelanosa, Marazzi, Marmol Seller and Terrazos Talavera.

.Budget level competition: in this level we have all companies in all sectors in world. Here, we have all companies in the world, all companies where customers can spend their budget, in any need they want to satisfy. In this level we have competitors in restaurant sector, automotive sector, communication sector, leisure sector, fashion sector and all other sectors in the market.

Graphic 5 Levels of competence



Source (Own, 2013)

2.1.2.2. PURSACHING FACTORS

-Who buy?

Customer profiles who buy the products of Beauty Ceramic are, above all, companies from other countries which want large orders for good Spanish tiles with a good price and beauty design and local customers which want a little tile quantity for doing alterations in their homes.

-Purchase motivations. Why buy?

We can classify purchase motivations in some groups, depending on which interest people buy from the company: reforms and renew their homes, the security, for building or because are alternative to tiles factories.

-Reforms and renew their homes and properties

Homes and constructions, like most things in the world, deteriorate over time, because the weather, damage, knocks, water and gas leaks and more other reasons. For this causes, people need to reforms their homes with tiles. Another people also renew their homes and properties because are old and want new modern designs in their homes.

-Building

Builder companies always need tiles to build and decorate houses, buildings, hotels, chalets, commercial centers, small shops, swimming pools.

-Security

Some customers buy from Beauty Ceramic because they have the security that they are buying good materials and they are served kindly and personally.

-Alternative to tiles factories

Some factories have contracts with one o some customers in some countries, and they can't sell to other customers in those countries. So, these customers come to commercial companies like Beauty Ceramic who have commercial contracts with the factories, to buy these products which they can't acquire directly from the factories.

-Products. What buy?

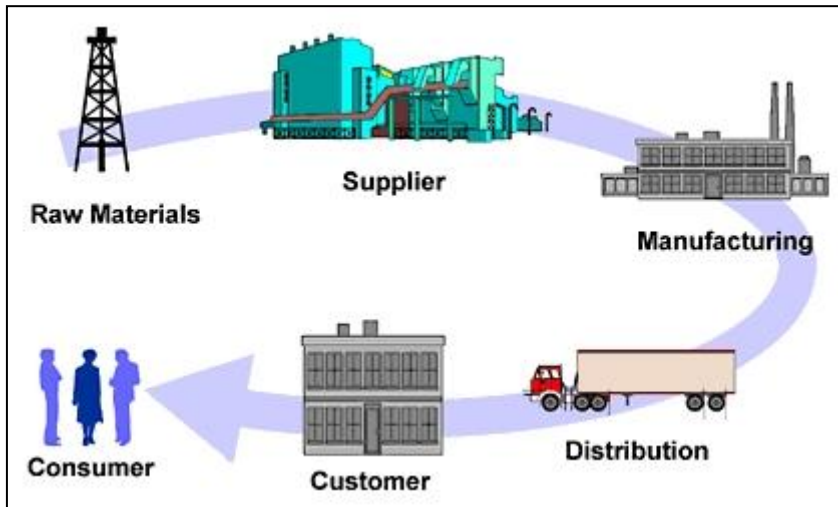
The company offer coating tiles, pavement tiles, porcelain and stoneware tiles with different sizes, overcoat square sizes.

-Key factors. How buy?

Customers can buy by sending E-Mail after seeing the products in website, or by telephone, or by visiting the company his customers in their countries or in the same company store. Mostly of orders is when company visits his customers or in the same store.

-Supply chain

Graphic 6. Supply chain



Source (Metalez, 2012)

Supply chain is refers to activities and process who involucres customers and suppliers for supply and distribute correctly the goods with the correct quantity, to the correct place at the correct time, in order to satisfy customer expectative.

The supply chain includes all companies and people which participe in the production, distribution, manipulation, storage and commercialization of a product. In this process participe suppliers, manufacturers, distributors, wholesalers, carriers, retailers and other commercial agents.

-Suppliers: in tiles sector, suppliers of raw materials are enamel companies, soil companies, porcelain suppliers, stoneware companies and others.

-Manufacture: manufactures are Beauty suppliers. They are responsible for the production of goods in the sector. They sell the goods directly to final consumer and also to another intermediary, especially wholesalers.

-Distributors: mostly of times are transports companies contracted by the customers and sometimes belong to the customers or to their suppliers.

-Wholesalers: Beauty Ceramic is included in this group. Agents in this group buy big quantities to sell to retailers and also they are responsible for the promotion of the tiles.

-Retailers or customer: in our supply chain are our customers in their respective countries. They are responsible to buy the goods for selling them to the final consumer.

2.2. INTERNAL ANALYSIS

2.2.1. ESSENCE AND IDENTITY OF THE COMPANY

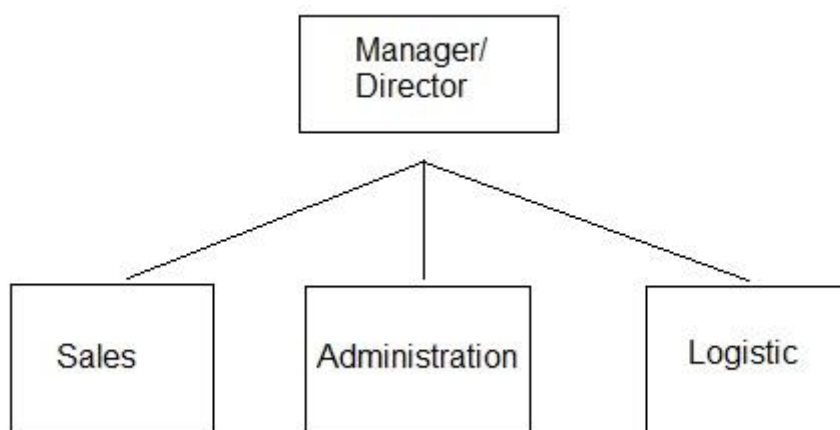
-Mission: Beauty Ceramic has only one mission, the satisfaction of customers of all countries of the world with all type of modern sizes and designs of stoneware and porcelain tiles with the best price possible.

-Vision: Beauty's vision is to arrive to maximum number of customers around the world, to create a modern, beautiful and elegant space in every home and every premises. The continuous renewal accomplishes being in the latest regional's fashion' in sizes, tone and colors, to satisfy an increasingly heterogeneous public with custom likes. Beauty Ceramic wants to be known in the sector like a company with modern tiles with the best price possible, and known that everyone can buy from them.

-Beauty Ceramic structure

. Administrative and organizational structure

Graphic 7. Organization chart



Source: (Mine)

Beauty Ceramic has a simple organizational structure, like mostly little companies, with a manager and 3 employees. The manager is the same owner of the company, and he leads the company, and he is charge of operations with banks and the responsible of goods purchasing. Sales department is also guided by the manager of the company and is helped by one of the administrative employee. The administration department is the responsible of manage the daily operations of the company, exits, entrances of goods and is the task of the other administrative employee. Logistic department is the labor of warehouse manager.

Beauty Ceramic has his headquarter in the city of Villarreal, in Castellon (Spain), and it has about 4200 meters square, used as a logistics hub, business offices and showroom. This headquarter is the only company premises.

-Beauty Ceramic offer to the customers building solutions with porcelain materials, stoneware tiles to walls, to floors, to kitchens and bathrooms and to outer surfaces.

The company doesn't follow any kind of backward vertical integration. It acquires goods from independent manufacturer tiles that have good relations with them. Beauty Ceramic, as a wholesaler, obtains the prices by purchasing large quantities from his suppliers. From three of these suppliers, Beauty Ceramic obtains special prices thankful to a good relations with other competitor company, and the twice form a 'Central purchasing' with suppliers. Also Beauty doesn't follow any kind of vertical integration forward, the company doesn't have any specialized store to sell to the final consumer, they sell to other intermediate commercial, overcoat retailers in other countries, commercial agents and others wholesalers and sometimes to local final customers.

-Company resources

The company has some distinguished resources to compete in the sector. We difference between tangible and intangible resources.

.Tangible resources

-Physical Material:

.A headquarter in the city of Villarreal (Spain) with 4200 square meters in logistics hub, business offices and showroom and is the only premises of the company.

.One company car.

.One van for load small goods.

.One forklift for load from logistics to trucks.

.One loading dock for facilitate work load in trucks.

.Four computers in the offices for daily work.

.Some sample stands to new and actual collections.

.Some desks and meeting tables.

-Financial resources

.Financial solvency through null debts with banks.

. 300.000 Euros in economic backgrounds.

.Intangible resources

-Nonhuman resources

. High reliability and security in customers when they buy products from the company.

.A registered brand in the sector since the end of 2011.

.Reputable suppliers and reputable products supplied by these suppliers.

.Beauty Ceramic only commerce first quality tiles.

-Human resources

. An experienced manager with many years in the sector and in business.

. Employees with many experience years in the sector.

. Employees with higher education.

-Company capacities

The manager coordinates the team making them all equally. The result of the success of the company lies in the employees. Everyone is motivated to give the best on the best field in which it develops.

2.2.2. MARKETING MIX

.Price

Price is one of the most important marketing tools in this sector and a lot of transactions succeed or fail because the price.

The factors which most condition the price in the sector are: the legal framework, because Government fixes electricity and gas price; the market and the competence; the goal of the company and the reactions of stakeholders.

The goal of the company is maximize the units sold. Beauty Ceramic, by a penetration pricing strategy, searches to sell the maximum possible of units to reduce unitary costs and to have benefits in large term by reducing prices. The main reason to adopt this strategy is because the market is very sensitive with the price. This strategy is adapted by a big number of competitors in the sector who have similar products in sizes, quality and countries target.

Regarding the price adaptation strategies, we can find different prices according to:

-Geographical area: Our Company, as like some competitors, fixes prices by country. There are differences in prices between European countries and Arabic countries. The firsts buy little quantities with a price, and the seconds buy big quantities of goods with another price.

-Discounts in prices

.In cash or anticipate: Customers who pay in cash or anticipate get a little discount in final price.

. Quantity: customers who buy big quantities by containers have better prices.

.Seasonal: sometimes some products are in off season and are considered 'stock' and they won't produce more. The customers have a special discount in these products.

.Second quality products: some quantities of products are produced by the suppliers with a little default. These products are called 'second quality' or 'commercial product' and are sold with a reduced price.

.Functional or commercial discounts: the price varies according to the type of customer. Different prices for different channel members. Wholesalers have better prices than the retails or the final customers.

.Product

Beauty Ceramic products are all construction material, specifically tiles and baseboards. All products are adapted to modern aesthetic in building and the company has the clear objective to satisfy the demands of customers of building and decorate interior homes and stores. Beauty Ceramic sells porcelain tiles, wall tiles, floor tiles and baseboards in different sizes, tones and colors.

Actually, Beauty Ceramic has the next sizes:

-Porcelain tiles

60x60, mostly are in brightness and mate color for contrast.

-Floor tiles

57x57

60x60

45x45

33, 33x33, 33

15x50

33x66

33,3 x 33,3 x 12 Thickness floor

-Wall tiles

31,6x45

31,6x60

20x50

20x30

20x20

15x50

Graphic 8. Khalpe Crema 45x45



Source (Beauty Ceramic, 2013)

.Place

Beauty Ceramic only has the headquarter as store, located in the city of Villarreal. It is used like store, exhibitor and logistics center.

The company distributes their goods retailers in European countries like France and Ukraine, Asian countries like Saudi Arabian and Israel, North-African countries like Morocco and Libya and Center-African countries like Guinea and some local customers in Spain, mostly in Castellon province. In the case of Ukraine, the company has a exclusive distribution, the company has actually an agreement with a customer and they can't sell to other customers in this country.

Beauty Ceramic's distribution is done by selling in the physical store, in the website or receiving orders by the telephone or E-Mail.

-Channel levels

In our sector, all levels are used, but in our company as a wholesaler, are used only channel levels 2 and 3.

. Channel level 2

Manufacturer → **WHOLESALER** → Retailer → Final Customer

The wholesaler, Beauty Ceramic, make an order to the manufacturer, according to the demands of their customers. Their customers, who are the retailers, buy the goods from Beauty Ceramic and sell to the final customers.

.Channel level 3

Manufacturer → **WHOLESALER** → Middleman → Retailer → Final Customer

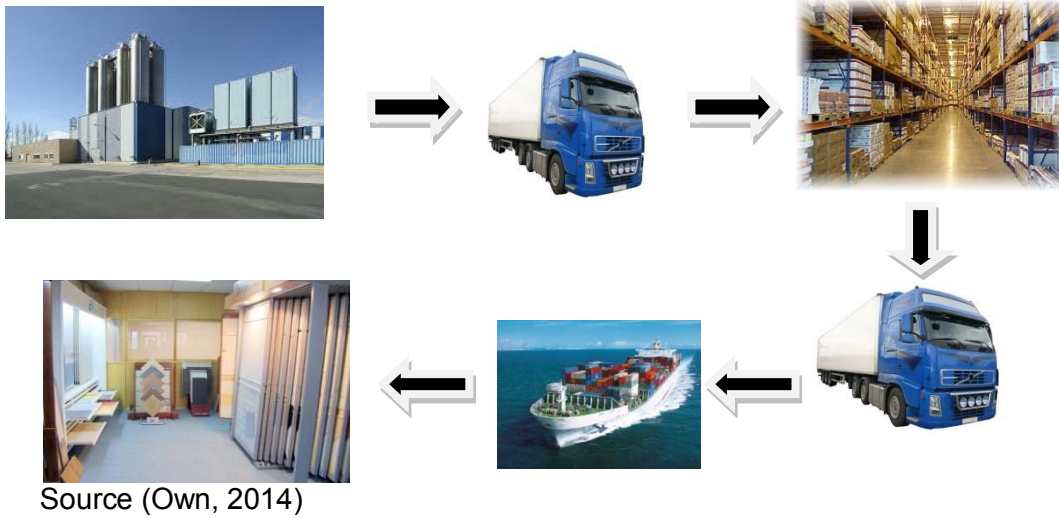
The process is the same like second level, but here a middleman acts as agent to normally, a foreigner retailer, and he negotiate with Beauty Ceramic the conditions, prices and method of payment.

Within the wholesalers, Beauty Ceramic is defined as wholesaler of general line with some services. The company makes information and promotion reaching smaller customers that manufacturers can't reach and has better prices for big purchases. The company makes storage in the store and also assumes the risk in case of breaks or theft of the material. Also Beauty finances the retailers giving them credits and obtains market information from their retailers.

-Transportation to our customer

Beauty Ceramic has three process of transportation to their customer.

Graphic 9. First Process to transportation to the foreigner customer



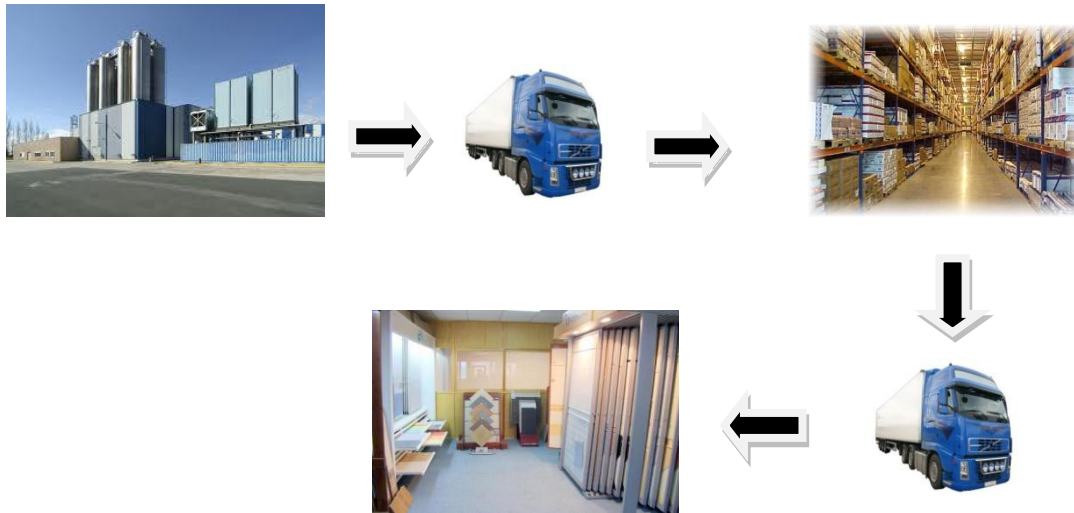
In this first process, Beauty Ceramic buys the goods from the manufacturers and takes them to the logistics center by a truck. This truck belongs to an independent company transports and the costs are loaded to Beauty Ceramic. When the goods are in Beauty Ceramic store, the foreigner customer makes an order and contracts an independent truck and a cargo ship, and they take them to the customer's store in his country.

Graphic 10. Second process to transportation to foreigner customer



In this second process, the goods are transported from the manufacturer company by a truck and later with a cargo ship to the retailer in other country. The truck and the cargo ship, like the first process, are paid by Beauty Ceramic's customer. The difference with the first is in this process the goods are manufactured on request and Beauty Ceramic save the costs of transports to their store.

Graphic 11. Third process to transportation to the local customer



Source (Own, 2014)

In this last process, is used normally with the local customer. The goods are taken by Beauty Ceramic from the manufacturer to their logistic center. There, the local customer make an order and take by his truck or with a contracted one the goods to his store.

.Promotion

The promotion in Beauty Ceramic is limited to the capital of the company. In opposite of other companies, Beauty Ceramic sees the promotion as an investment and as a marketing tool and not as spend.

In the 2012, the company makes promotion with briefcases and pens, putting their logo and name and this promotion continues to the present.

In the next year, the company makes promotion on the travels to visit the actual and potential customers. Also they used the E-Mail as promotion. But the best's promotion tools in that year were when the company created a commercial catalog and a web page " www.beautyceramic.com "

In the 2014, Beauty Ceramic takes part in Cevisama 2014, the biggest Ceramic fair in the world and being the biggest promotion made by Beauty Ceramic since it was born.

Also, during the first's months of 2014, the director of the company has made some trips to some customers around the world. At the end of March 2014, he has gone to visit the customers in Libya. At April he goes about a week to Algeria. Finally, at first of May he has gone about 2 weeks to Saudi Arabian and Jordan.

2.2.3. CURRENT OBJECTIVES

- Increase gross sales in 2014 in comparison with the sales in 2013.
- Achieve a net balance of benefits in 2014 to compensate the losses of 2013
- Open new markets in other countries and establishes relations.
- Reduce the amount of stock and stopped goods.
- Increase the popularity of the company in local and international figure in the industry.
- Commercialize new tile formats anticipating our competitors.
- Increase the sales and strengthen in North African countries.

3. STRENGTHS, WEAKNESS, OPPORTUNITIES AND THREATS ANALYSIS

In this section, firstly, we will enumerate about the internal features which give us an advantage in the market being our strengths or what internal features are our weakness, and secondly we will talk about external analysis and what external factors can be an opportunity in our company and what factors could be an threat.

3.1. Intern Analysis

3.1.1. Strengths

- The big experience by many years in the tiles sector of the manager facilities the market knowledge.
- Company with a clear focus on customer satisfaction.
- The experience by many years in one of the administrative helps to increase the customer base.
- The facilities to innovate and acquire the latest tendencies in the markets due to the big relations with their suppliers and with other companies in the sector.
- The good consolidation of company's accounts thanks to zero debt company.
- The good positioning market of the company in the North-African countries and the relation with the customers helps to know the latest customer requirements and likes.
- The facilities to innovate and acquire the latest tendencies in the market.
- The multilingualism of members of the company helps and makes easier the relation with the international customers.
- The strategic location on the main road tile in the area, which helps the actual customers and potential customers meet easily the company.

3.1.2. Weakness

- Little presence in many Arabic countries like Palestinian, Jordan and some Persian Gulf countries.
- No presence in American countries, North-European countries and Far East countries.
- Lack of a true sales team to promote and introduce the products in many countries.
- Being a newly created company, many areas where the company wants to reach are already settled by other companies and difficult the entry to them.
- Being a small company, neglects some the demands of some groups of the market.
- The result of the year 2013 was with economical profit losses.
- The decrease in the sales in last year in comparison with the year 2012.
- Lack of bargaining power with customers makes customers to have the best conditions in payment and supply with the best prices.
- The disadvantage of Beauty Ceramic in front of other bigger companies which have better relations with other customers and suppliers.

3.2. Extern Analysis

3.2.1. Opportunities

- Make promotion in some American countries where Spanish tiles isn't very settled.
- Help to rebuild countries that were destroyed in the war like Libya, Iraq and some Middle-African countries.
- Help to rebuild in future Syria in help with local companies and Syrian companies import, who where former customers before the war.
- Openness and economic liberalization in some countries after long processes of political change make them attractive to the companies to meet new customers.
- Attraction by the customers in the responsibility to the environment make by the company and their suppliers.

-Commercialize new big sizes, which are being demanded actually, especially in Saudi Arabian, where Beauty Ceramic is selling now and it will need to make a product strategy.

-The new law 'Flat rate' which Government want to implant in Spain to help companies to contract workers, may facilitate hiring new workers, especially commercial workers.

3.2.2. Threats

- The economical crisis which affects specially to Spain and our area.

-Political instability in some countries from East Europe and North-African countries and Middle-East countries reduces business possibilities.

- The increase in prices in gas and electricity to the tiles manufacturers increase the prices in tiles and reduce competitively.

-The increase in prices in source materials increases the prices in tiles and reduces competitively.

- Little funding from banks reduces the restructuring and new projects in the companies.

-Emergence countries with better competitively like Turkey, China and India reduces the attractiveness of our products.

-Heavy duties and the difficulty of bureaucratic processes made by Governments in some countries reduce the attractive of those countries.

-The reducing of number of tile factories reduces the bargaining power of the company facing the manufacturers, because of the reduction of the supply.

-The increase of wholesaler companies in the area increase the competence and increases bargaining power of the customers.

-Reducing of economic aid from the government to the manufacturers causes the increase in price in the products.

-Bureaucratic, fiscal and environmental difficulties made by Spanish Government to Spanish firms' export which reduces their power in the international context.

4. OBJECTIVES AND STRATEGIES

4.1. Objectives

Based on the SWOT analysis, it will consider a number of objectives to address the weaknesses, to profit the opportunities and to get over the possible threats.

-Objective 1 (Commercial objective): Increase the sales in 15% per square meter in a year.

The sales per square meter in 2013 were 518248 meters square so our objective is to increase to 596000 meters square in one year since July 2014. The objective is increasing the sales in square meters and not in gross sales because increasing the volume of gross sales doesn't reflect the real increase in the company's business because the inflation in source materials.

Source: Internal database of the company (2013)

-Objective 2 (Commercial objective): Open new markets in North Europe by meeting new customers at the end of this year

The company has never sold or tried to sell in North Europe, where are fewer buyers than other areas but they are more profitable to the company and with a stable situation. It's a good opportunity to the company to expand their business in the United Kingdom, France, Ireland and Poland in the finish of this year.

-Objective 3 (Commercial objective): Increasing the popularity of the company among local retailers and other potential local customers to the 50%.

In a recent inquiry made by the company between some local sanitation and construction retailers only 3 of 10 respondents admits that knows the existence of the company and 6 respondents might be interested in Beauty goods' if they satisfy their demands. So the objective is to increase the popularity of the company and his products up to 50% by the finish of the next Cevisama fair in the next February.

-Objective 4 (Relational objective): Commercialize new big series of tiles in markets already present.

Some models and sizes in tiles are very saturated in the market both demand and supply, like 45x45 and 25x40 and they lose their differentiation in the market. Because this saturation, the profit margins decrease. New large models are being starting to be popular in some places, and the objective of Beauty Ceramic is starting commercializing these new large products, like 75x75 and 28x85, after August in Saudi Arabian, Jordan and Qatar.

-Objective 5 (Commercial objective): Increase the sales in Libya and Algeria up to 15% in one year.

The sales in these two countries was in 2013 about 650.000 of Euros being the 35, 85% of the total sales of the company, which shows the big importance of this two areas to the company. Other characteristic which shows the big importance of these two countries is the good payment conditions with these countries, mostly of them pay in cash or open a letter card. For this, the company we will make all the possible to strengthen the relations with the actual customers satisfying their current and future needs and to search to new potential customers during a year since July 2014.

-Objective 6 (Commercial objective): commercialize stock market products and commercial qualities in Middle-Africa and Middle East countries.

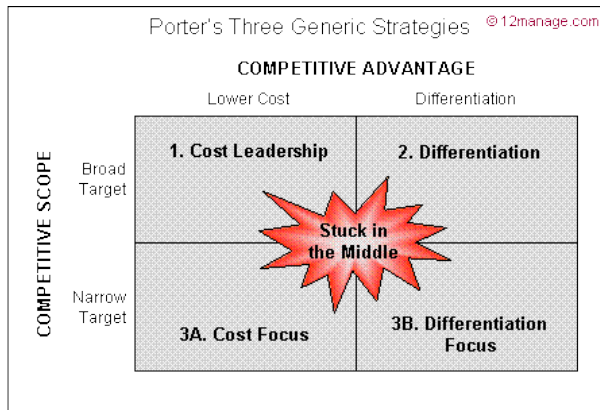
This objective would be an alternative to decrease of benefits because the price inflation. Some customers especially in Middle-Africa and some Arabic countries prefer the price despite rise quality or limited stock. This objective is only possible in short term because don't entail a lasting business relationship with customers, these products disappear from the inventory of the company and of the production when are bought. The objective of the company is to buy all commercial qualities from some first quality products that they buy, especially in 45x45 and 20x50 sizes. The company will increase this type of products in his store in beginning of this summer 2014.

The company has some customers in Guinea which buy the little commercial stock that have the company in actually. The objective will be to increase this sells to these customers with increasing in commercial qualities and offer also to Kuwait and Israel.

4.2. Strategies

4.2.1. General strategy of the company

Graphic 12. Porter competitive strategies



Source (Porter, 1980)

Based in Porter competitive strategies, the general strategy which company will develop and continue is strategy in cost focus by looking for the lowest costs. The company will continue with this strategy to accomplish some of the objectives, especially in Arabic countries. The company search to quality-price relation. They are trying to get a competitive advantage with this focus with the last innovation and good quality in products and trying to obtain a good efficiency in costs. Now, the competitive advantages in the company are based in economies of scale, the good relations with the supplies to obtain the best prices in goods and the low indirect costs. This strategy of cost focus has been chosen by the company because in a context of economic crisis more appropriate to mostly of countries and especially in Arabic countries, the biggest customers in the sector.

Beauty Ceramic will continue with this strategy by developing some actions based on focus to reduce their fixed costs and to sell with the best's prices and lower than mostly of the competitors and with these, satisfy mostly of consumers that are increasingly interested in the price. These actions to reduce the fixed costs will be made principle to make face against the inflations of raw materials and energy costs.

The company will try to achieve more economies of scale by selling more quantity of square meters and by this reducing the fixed costs; this action will be achieved with the proposed objectives in the next point. Also, to reduce these costs, it has been

proposed to the company renting part of their offices which actually are not used, to other company and with this reducing about 20% of the rental cost of the facility.

The company also will try to reduce the variable costs, which are the material goods, by negotiating the central purchasing (Beauty Ceramic and other company) with the suppliers the conditions of sales.

4.2.2. Strategies based on Ansoff typology

Graphic 11. Ansoff typology

		MARKET	
		OLD	NEW
PRODUCT	OLD	PENETRATION	MARKET DEVELOPMENT
	NEW	PRODUCT DEVELOPMENT	DIVERSIFICATION
	NEW TECHNOLOGY	TECHNOLOGICAL PRODUCT SUBSTITUTION	HIGH TECHNOLOGY

Source (Ansoff, 1990)

This matrix reflects the growth strategies or investment or disinvestment that could implant a company and growth opportunities in the organization.

Beauty Ceramic will use penetration strategy with the current products in current markets with the finality of increase consume with the current customers, the catchment of new customers of the competitors. The **objective 1** could be reached with this strategy and a lot of others. The **objectives 3 and 5** will be helped with this objective. The company also needs to be more known in local market to increase their popularity and their sales by making communication and accomplish the objective 3 and the sales increase in Libya and Algeria can be achieved with more promotion.

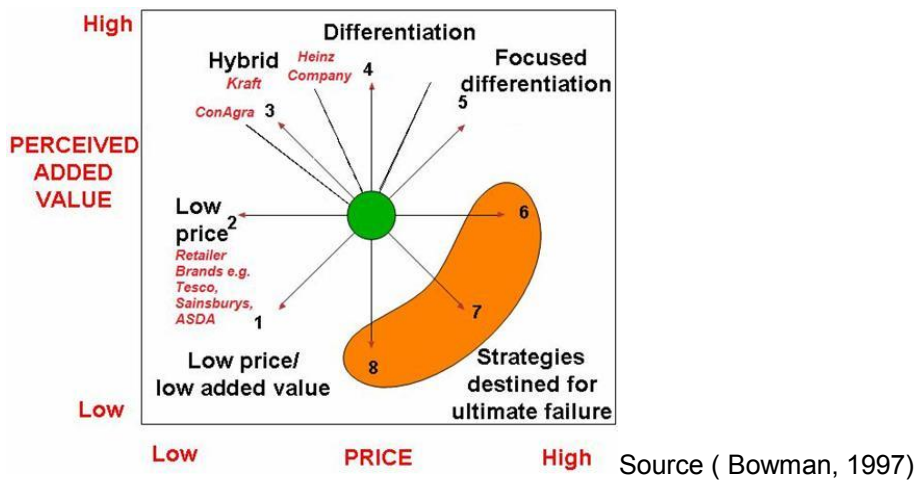
Market development is required to accomplish the especially **second objective** of the company. The company wants to arrive to the three countries in North Europe, Poland, United Kingdom, France and Ireland. Also the company wants to develop a market trying to convince some potential local customers of other sectors of construction, so the company needs to know their demands to develop new products or promote the current products and apply different marketing tools, especially in product, distribution

and communication. **Objective 6** will need a market development, because the company wants to arrive to other countries in Middle Africa and Kuwait with new commercial products. The **objective 1** is helped with this strategy.

Product development strategy is implanted in current markets and sold to current customers. Is developed with new products with the objective to renew the products in the company and to adapt to the new demands of the customers and could accomplish **objectives 5**. The company needs to commercialize new sizes, especially big ones to accomplish especially objective 5. Also the product development can be implanted in new markets, especially when the company wants to satisfy the needs in other countries with new products like North Europe countries. The marketing tools needed are product tool, communication to release the new products and price.

4.2.3. Strategic clock

Graphic 13. Strategic clock



The company uses the 3b option, a quality-price relation, making a balance between price and valor. This option is very valued by the customers.

To accomplish the **6 objective**, the company will use the option 1, with low price and low added value to the products. These products, mostly stocks without continuity in their production or commercial quality products will satisfy the demands of some customers in Middle African like Guinea and some Arabic countries like Israel and Kuwait. For don't affect the image of the company, these products will be offered only to the customers who are known that buy these products.

4.2.4. Strategic development

. Internal development

The company will need to make domestic investment to implant new products in current markets and to develop and promote the actual products in new markets and to accomplish the logistical objective.

. Business cooperation

The company needs to strengthen with the partner company in the central purchasing to improve their conditions in front their suppliers. Maintaining good prices despite increase in source materials, the exclusivity in some products and sizes and maintaining the payment conditions are the objectives of this central purchasing.

5. MARKETING MIX

5.1. Actions to the objectives

Firstly, we will expose briefly the actions to accomplish the objectives written in the last point. The next thing is to classify these actions according to if they are marketing actions of product, price, communication or distribution and we will estimate the budget of these actions according to the budget of the company. We will see that some actions will accomplish more than one objective.

-Objective 1 (Commercial objective): Increase sales per square meter in one year up to 15% in global.

A lot of the actions that will take to the other objectives take to accomplish this objective, so I will expose them briefly:

-Recruitment: the company will sign a new employee with a commercial sales function and he/she will be part of the own sales.

-The company will commercialize two new product lines, 75x75 and 28x85.

- Promotional trips to current and potential customers from different countries.

-They will be present in the principal tile exhibition fairs.

-Get contact with new sales agents to new sales areas that company want to arrive.

-The company will offer their actual products and new ones to new customers in Ukraine.

-Objective 2 (Commercial objective): Open new markets in North Europe by meeting new customers at the end of this year

The company knows that opening a new market is the one of the hardest thing in sales. So the company needs to make some marketing efforts and an internal investment to arrive to the goal.

- Recruitment a new employee to work in sales and to help to open the company by making promotion in France, United Kingdom, Poland and Ireland.

-Identify trends in these countries and offer the right products. We need to realize that these countries have always a cold weather and they will prefer special products with thicker and they are prepared to pay a little more for better services and quality in products.

- Strengthen their participation in principal tile exhibition fairs to attract customers from around the world and also from these countries.

-The participation and exposition in Cevisama fair in 2015 and the visit to Cersaie 2014.

-Objective 3 (Commercial objective): Increasing the popularity of the company among local retailers and other potential local customers to the 50%.

-Participation in Cevisama fair in 2015.

-Rent a hoarding in the town to make a promotion and to attract potential customers from the competitors.

-Make an ad in "Yellow Pages", where mostly companies in Castellon have an ad and create a Facebook page. This action will take before July.

-Hire a service with Google to appear in "Google Search" Beauty Ceramic website if a customer search with the word "ceramic".

-Objective 4 (Relational objective): Commercialize new big series of tiles in markets already present.

According to Santesmases, the basic benefits to the consumer is put the tiles in the construction, the tangible product is making bigger tiles and designs with a good relation in quality-price under Beauty Ceramic brand. A good distribution in the correct time, financing the payment and post-sales advice are the added aspects to the customers.

-The company will commercialize new product lines, with big sizes from August. Beauty Ceramic will give superior benefits to his customers by increasing the tangible product in style and design. The company will commercialize new sizes in 75x75 and 28x85 with different colors and designs to adapt the consumer demands, especially in Saudi Arabian, Jordan and Qatar.

-The company will need to make communication to arrive these new products to their customers. This communication will be made by the website, by sending photos and information by E-Mail and making a promotion travelling to these countries by the finish of this year. Also the new products will be presented in Cersaie fair finishing September.

-Objective 5 (Commercial objective): Increase the sales in Libya and Algeria up to 15% in 2014.

- The company needs to make some business trips to Libya and Algeria to strengthen their relation with current customers and to meet potential customers and try to establish commercial relations.

- The company will visit Algeria and Libya fairs in May of 2015 to meet new customers and know the demands and tendencies of the market.

-The company will also present the new products of big sizes in these countries to see the degree of market acceptance. These products will be offered to new customers who are known that commercialize these products and to the actual customers. The company will present the advantages of these new products to the current customers.

- The company will collaborate with the two best customers and to strengthen the relation with them, will communicate in June an offer sales rebates of 2% if at the finish of the present year, they have been increased the transactions with the company in 10% in respect of 2013.

-Objective 6 (Commercial objective): commercialize stock market products and commercial qualities in Middle-Africa and Middle East countries.

-Beauty Ceramic will contact by E-Mail with actual customers which buy stocks and commercial qualities to offer them the new commercial qualities and stock market that the company will take to their stock. Also, the company will offer these stocks to some customers that ask normally about stocks and seconds qualities. It is important to the company that doesn't offer these products to the customers who search to quality.

-The company will change some conditions and services to adapt to the demands of these customers of low prices, like payment conditions, guarantees and other after sales devices.

- These products will have a time horizon of short-term, especially because they are production-related of first quality products and regular models.

-The company will commercialize commercial qualities of the regular products and first qualities they have in stock, and will be sold until the end of their existences.

In total, the company will make 6 actions to accomplish the objectives:

- New products: the company will commercialize new big products sizes, especially 75x75 and 28x85.

-Commercialize stock products and commercial qualities products.

-Promotion: the company will participate in Cersaie 2014, Cevisama 2015 and will participate in Libya and Algeria fairs in the May of 2015. Also, the company will make some trips to different countries to make promotion to their products and know new demands of the customers.

-They will contract new commercial sales to new areas and countries. At the same time, they will contact with more commercial agents to make the promotion in their countries.

-The publicity which will make the company will be by a Facebook page, by Yellow Pages and they will rent a mupi and make publicity by the search in Google about tiles.

-Prices fixed by geographical areas and depending of quantities. The company will apply sales rebates to their best 2 customers in Libya if they buy from Beauty Ceramic if they increase 10% their purchases.

5.2. Actions in 4 P's

Then we will classify these actions in the respective marketing mix tools and we will explain them:

-Product

-The company will commercialize new products with big sizes in 28x85 and 75x75 in the final of this next August to adapt to the new tendencies and new demands and preferences in the market. To the company, these products will be more rentable and economically efficient to the company. These products are focused on the needs of the consumers.

- Commercial stocks and commercial qualities will be commercialized in the company to some customers known that they are buyers of these types of products. The company will reduce the quality only for these commercial lines. To adapt the product and the service to a low price for consumers who want it, the pay will be in cash and the company won't accept any claim when the goods go out from the company. This strategy is focused in the product. The goods will be commercialized with the manufacturer's packing and not Beauty Ceramic packing, because the products will be firstly in the stock of the manufacturer. These products will be limited to some products lines in 25x40 and 45x45 if they are available in stock supplier. The principal customers of these products are Middle-African customers and Kuwait and some customers in Saudi Arabia.

-The company will make a market research contacting by E-Mail to 20 old customers in Qatar, Jordan and Saudi Arabian the reasons of the decrease in their relations with Beauty Ceramic and know the acceptance level of the new big sizes products.

- With these products, the company will give some added aspects in services to the customers like payment period up to 90 days; advices in transport issues; assistance in red tape; guarantees from the company until the store of the customer; an easy order by contacting with anyone of the employees in the office and a delivery from 2 up to 15 days to national customers, depending on the stock and between 15 and 25 days in the case of international customers because the shipping and customs processes.

-Price

The objective of the company in the prices fixation is to maximizing market share by selling the maximum possible and by this reducing the unitary cost.

- Beauty Ceramic will make 'cash back' applying sales rebates in 2% at the end of this year 2014 to the best 2 customers in Libya if they increase their purchases from the company in 10% compared with 2013. These 2 customers represent about 20% of the sales of the company.

-Pricing events: the company will apply a 3% of discount to the customers if they make an order in their exhibition in Cevisama fair or if they meet new customers in Cersaie 2014.

- The company will apply up to 5% discount by quantity to the customers. Many customers, especially in Arabic countries like Saudi Arabian, Palestinian and Algeria buy big quantities of tiles and they are the main beneficiaries of this action. This action have relation with 'geographical prices' because non-Arabic customers, especially in Europe and North America, buy more little quantities of tiles and they haven't this discount by quantity.

- The company will apply a 3% discount to the customers for 'cash payment'. With cash payment by the customers, the company will may face more easily and faster the payments to his suppliers.

- Beauty Ceramic in actually makes a channel pricing. This happens when a foreigner customer has other intermediary who acts as a commercial representative to him. In this case, the final price is increased actually by 5%. The company will reduce this increase to the 4% to reduce the final price to the final customer and not apparent an expensive company to the foreigner customer.

-Promotion

The company will make communication actions in some platforms in publicity, in sales promotion, in direct marketing and personal sales.

- Publicity: rent a **hoarding** between September and March, both inclusive. It will be situated between Villarreal and Onda in the area called "Apeadero".

- Sales promotion:

.The Company will expose and participate in some tiles **fairs**. They will expose in Cevisama (Valencia) in February 2015 renting a small place with 38 meters square. There, they will meet a lot of customers and visitors from all over the world. Also, the company will visit the tiles fairs in Cersaie (Bologna) at the end of September 2014, Libyabuild and Algeria fair at the middle of May 2015. In these three latest fairs, the company will go to the fairs as visitor to meet the actual customers and visit their expositions and to know the last tendencies between their competitors.

. **Samples:** the company will send some pieces as samples from their latest models to the customers when they make an order in October and November.

.**Cash back:** as we explained in 'price' tool, the company will make sales rebates to the best 2 customers in Libya if they increase their purchases and a 3% discount to the customers who pay with cash.

- Direct marketing and interactive marketing

.**Catalogue:** the company will design and introduce a new little catalogue with their last novelty in big sizes on the October or November of 2014, and they will call it "Novedades 2015". This little catalogue will be attached with the general catalogue of the company.

.**E-Mail:** the company will send by E-Mail the images of the new models that they will commercialize to the actual customers.

.**Web page:** it will be upload to the web page (www.beautyceramic.com) the last tendencies of their catalogue. They will be uploaded when the company starts to commercialize them.

.**Facebook page:** the company will create a Facebook page fans to maintain a near relation with his customers and other stakeholders. The company will invite to these stakeholders to give a 'like' in the new page.

.**Google search:** the company will make a contract with Google to appear at the first of the page if someone searches in the web with the word 'ceramic'.

. **Yellow page:** Beauty Ceramic will announce the company in Yellow Page in Castellon, where a lot of companies have an ad there.

-Personal marketing

. Sales demonstration: to accomplish this action, the company will make some trips to visit some actual and potential customers around the world to make demonstration and negotiation to convince them about Beauty Ceramic's products. We will organize the trips in order to the schedule.

.October 2014: the commercial sales will go to England, Ireland and Poland in October 2014 to meet new customers or customers that the company met in Cersaie and try to open these markets to the company. It will take to them about 2 weeks to meet the principal and possible customers in those markets.

.January 2014: the commercial sales will make a second trip, this time to France 5 days and to England 3 days, to know the level of satisfaction with Beauty Ceramic and to meet new customers in France.

.December 2013: the director of the company will make a long trip to visit the actual customers in Saudi Arabian, Qatar, Jordan and Kuwait and know the level of satisfaction of the new products in 28x85 and 75x75 or try to convince to potential buyers to make an order. This trip will take about 3 week in total, 2 weeks in Saudi Arabian, and 2 days in Qatar, 3 days in Kuwait and 2 days in Jordan.

.March 2015: the director of the company will visit during 10 days the actual customers in Libya and Algeria and know their opinion about Cevisama and about the new products of the company. Also the director will try to confirm Cevisama orders and to get new ones.

-People: the company will contract in September new commercial sales to strengthen and increase sales. Specifically, the company wants this commercial to new areas in Europe, overcoat in France, England, Poland and Ireland countries. The company wants a commercial who know English and French languages, with a University formation in Business and Administration with a minimum of 3 years in sales in the sector. The company will search asking to the stakeholders of the company or searching in the CV received in the last time. The new commercial sales will be trained by individual instruction in the same place of work. The company will encourage him

with a 2% of the sales if he sells first class materials or 1, 5% if the products are second class or stock materials in European countries or other areas. These encourage will be given if he overcome the 50000 meters square the first year.

To the new commercial sales, the company will be benefit by the new 'Flat rate' and they will pay in taxes for the new employee only 1200 € by year.

-Place

-Coordination in the supply chain: the company has a compromise with one supplier that some models from 28x85 and 75x75 will be commercialized only to Beauty Ceramic. The company and the supplier will make efforts to sell these models in the areas mentioned above.

- Selective distribution in Ukraine. Until now, the company hasn't sold to other customers in this country because they sold exclusively to one customer. The company will sell to other customers in Ukraine because this customer has decreased his purchases, but they won't sell products that this customer buys up to the date. They will make a selective distribution and sell to other customers that in the past have asked about our products. These potential customers mostly are from the West of Ukraine where political tensions are very little.

-To new customers in France, the company will offer contracting the services of Renfe Company, to transport the containers from Spain to France. The company will be responsible of the bureaucratic procedures of the containers. Renfe service is the journey from Barcelona to Lyon.

5.3. Resources required

We will consider the investment and expends in marketing mix to 1 year, from 1 July 2014 to 30 June 2015.

-Product

- Commercialization of new lines of tiles doesn't represent a money investment, the costs of buying these new products are variable costs, and it depends of the production.

- Market research by E-Mail: it doesn't have a specific cost. The monthly Net subscription of the company is the only spend to this action. $30 \text{ €} \times 12 \text{ months} = 360 \text{ €}$

.Total product investment= 30 €

-Price

All the actions in prices don't represent an exactly money investment, they are actions that the company will make to incentive the sales. If the company sells to his best customer in Libya about 10% more of the last year, being about 250000 € in gross sales, the company will return to the customer the 2% of this amount, about **5000 €**.

.Total price investment= 5000 €

-Promotion

-Rent a hoarding in the province of Castellon costs 390 € monthly x 6 months= 2340 € + 500 design = **2840 €**

- Cevisama fair: (per meter square x meters) + decoration + transports + other expenses = $136,9 \text{ €/meter square} \times 32 \text{ meters} = 4380,8 \text{ €} + 1900 + 750 + 300 = 7335,8 \text{ €}$

-Visit to Bologna fair: 160 € (Valencia – Bologna) + 60 € transports + 300 € maintenance costs= **520 €**

- Visit to Libyabuild: 80 € (Barcelona- Tripoli) + 350 € maintenance costs + 60 € transports= **490 €**

-Visit to Algeria fair: 90 € (Barcelona – Argel) + 400 € maintenance costs + 70 € transports = **560 €**

-Samples: the company has prevision to have 20 orders in October and November. This is the period of time when the company will send mostly of the samples without costs. $20 \text{ times} \times 5 \text{ meters square} \times 3 \text{ €/meter} = 300 \text{ €}$

-Facebook Page and E-Mail = **0 €**

-Web page maintenance: 35 € monthly x 12 months = **420 €**

- Yellow Page: basic ad= First year **0 €**

- Google search= **150 €** in a year

- People= (1100 € monthly x 14 months) + (100 taxes x 12 months) + variables =
16.600 €

-Sales demonstration:

.Trip to Saudi Arabian, Qatar, Kuwait, Jordan = 550 € in plane (Barcelona-Amman-Riyadh-Amman-Barcelona) + 300 € in interior transports + 2000 € maintenance costs= **2850 €**

.Trip to England, Poland and Ireland= 55 € (Valencia- London) + 35 € (London – Dublin) + 95 € (Dublin- Cracovia) + 55 € (London-Valencia) + 300 € in interior transports + 1500 € maintenance costs= **2030 €**

.Trip to France and England = 46 € (Valencia-Paris) + 41€ (Marseille – London) + 45 (London- Valencia) + 1000 € maintenance costs + 290 € in interior transports=
1422 €

.Trip to Libya and Algeria= 65 € (Barcelona- Argel) + 100 € (Argel- Tripoli) + 75 € (Tripoli-Argel) + 900 € maintenance costs + 80€ interior transports= **1220 €**

-Total promotion investment= **36737,8 €**

-Place

- The company, making accords with other members of supply chain, don't make a real spend in money.

- Renfe freight services is a cost which will be paid by the customer, so to the company doesn't represent any spend or cost. = **0 €**

**TOTAL BUDGET= PRODUCT (30)+ PRICE (5000) + PROMOTION (36737,8) =
41.767,8 €**

6. Monitoring

All the objectives posed to Beauty Ceramic are considered to be accomplished in one year between July 2014 and July 2015. The company will use annual plan control to know the evolution of the objectives. They will make quarterly control to the objectives, so in the finish of October, the manager will make this control to know if the interim results are feasible and to correct the possible deviations. The second objective will be controlled in 6 months.

6.1. Forecast control

-Objective 1: Increase the sales between July and October up to 10% in comparison with the same months in the last year, and with this to arrive to 135000 meters square sold. We have the prevision to arrive up to 15% in the accumulated in the year with the marketing actions that will be done in the next months.

-Objective 2: this objective will be controlled at the finish of this year. This is because the company will start the promotion in the North Europe in October. The company wants to meet and sell to at minimum 1 new customer in every of France, England, Ireland and Poland in this period of time.

-Objective 3: in this first 3 months, the company wants to arrive up to 40% of the popularity in the local market.

-Objective 4 Commercialize new big series of tiles in markets already present: the company wants to sell a minimum of 10000 meters square before October. The company will sell this new series since the end of August.

-Objective 5: the company wants to increase the sales in these 3 months about 10% in comparison with April-June period.

-Objective 6: commercialize stock market products and commercial qualities in Middle-Africa and Middle East countries: in these 3 months, the objective of the company will be to meet customers in Middle East and that buy this type of products and sell more times to the actual customers in the Middle of Africa.

6.2. Luxury and Budget Control

-Objective 1: is important to know, by making the appropriate statistics, if the commerce in meters square has increased in our previsions and know if our investment in marketing is giving good results.

-Objective 2: if in these 6 months the company meets new customers and starts a relation and the European customers show interest or buy from our company, it signifies that this objective will be got.

-Objective 3: one of the most important things to start a business is to be known in the market. The company will make a poll between 20 customers by telephone to know if the popularity of the company has increased near the 50% between the local customers.

-Objective 4 Commercialize new big series of tiles in markets already present: it's important to the company to have customers that buy new products which has started to be commercialized.

-Objective 5: the manager will compare the sales of these 3 months with the last period (April-June). It's important to know the increase in sales in this period in Algeria and Libya countries because are the best markets to the company.

-Objective 6: if the company meets new customers in Middle East countries which are interest to buy second qualities and stock materials and sells to actual customers, it means that the objective to commercialize these products will be available.

6.3. Corrective actions

-Objective 1: if the company doesn't increase their sales in comparison with the same period of the last year, it will mean that is very possible that the company won't have benefits in 2014. In the case of fail this objective, the company will need to fix the prices with a survival target, covering variable and fix costs to minimize the losses.

In the finish of the year, if the company hasn't arrived to about an increase in sales 15% per square meters, maybe the company will need to think to restructure the company, selling all the stock and becoming wholesalers without having stocks and

logistical center, with only a little sales teams and offices, to finish with mostly of the fix costs.

-Objective 2: if our potential customers in the North European countries are not interested in our current products, it is recommendable to know their needs and to offer them new tile products based in a different design or material type.

-Objective 3: if the popularity of the company in local market doesn't increase with the publicity and the contacts, the company will visit some customers and to meetings with them as a promotion to try to increase the popularity.

-Objective 4: the company will try to sell the new products in current markets, but if this strategy fails, the company will apply a special discount for being new products and with this action, the company will try to commercialize and introduce them in the market.

-Objective 5: with the marketing actions and the contacts made with the customers, the company fails in the increase of the sales in Libya and Algeria, the company will need to visit more times the customers in the two countries and visit a third country (Morocco) to try to compensate.

-Objective 6: if the commercialization of commercial qualities or stocks fails in Middle East and Middle African countries, the company will remove this new line of products of their stock and try to sell in little quantities to North African countries, especially in Morocco.

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