

MKT 500 Final Project – Marketing Plan

Emma L'Heureux

12/02/2018

Abstract

Comcast Corporation has had success with their brand Xfinity in providing cable TV service, along with internet and phone services. This marketing plan for a new innovative package through Xfinity would put Comcast ahead of the competition for how customers currently watch live television and entertainment the way that they choose. Sections highlighted are the product idea, mission statement, SWOT analysis, the marketing objectives, the marketing strategy, and finally concluding IEC- implementation, evaluation, and control.

Key Words: marketing plan, product proposal, SWOT analysis, strategy, objective, implementation.

Company Information

Company name: Comcast Corporation

Location: One Comcast Center, Philadelphia, PA 19103

Industry: SIC: 4841 - Cable & Other Pay Television Services (SEC)

Traded name: Comcast

Stock symbol: CMCSA

Publicly traded stock exchange: \$34.56 (As of October 5, 2018)

Mission: “Giving back to the communities we serve is in our DNA. We have extraordinary businesses and game-changing products – but we are at our best when we are using our collective strength to make the world a better place.” (Corporate.comcast.com)

Status: Active

Marketing Reports:

- “February 2017 - Xfinity launches its new Stream app to all Xfinity TV customers”
(Corporate.comcast.com)
- “August 2017 - Xfinity on Campus surpasses 100 schools” (Corporate.comcast.com)

Marketing Domain: Web and Television

Product Idea and Mission Statement

With today's products and services, consumers value customization and personalization. Although Comcast provides bundled services comprised of internet, phone, and cable through their Xfinity brand, customers end up paying for channels that they do not watch. Lower income families do not truly have an affordable option when it comes to Xfinity entertainment and internet packages. For example, a customer who has the Xfinity Standard Double Play package for the base price of \$69.99 per month as access to 125+ channels, and internet speed up to 150 mbps. This does not include any fees associated with the programming, or rental of the Xfinity hardware for cable services.

Realistically, customers do not watch all 125+ channels that are part of the package. Part of the channels added to the plan include entertainment such as sports, animation, and channels in different languages. A household who does not watch the sports channels still gets billed for a monthly "Regional Sports Fee" of \$6.75. This is very frustrating for customers who only want to purchase select channels to watch, and not be inundated with paying for channels they do not use. Many customers live in areas where Comcast is the only choice to use for an internet and cable provider, and struggle with affording. Having a package where you can bundle an internet plan along with certain channels would not only provide more affordable options for current and new customers, but this would also increase customer satisfaction. The option to choose only the channels you want could be available only if bundled with either internet service, phone service, or both. The bundle for internet service along with the choice of 20 channels picked by the customer would start at \$39.99 per month, plus any additional fees. This would increase based on the internet service speed chosen, along with adding a phone line.

Competitive Advantages

Although there is plenty of competition for cable and streaming services, no other company offers a true service that allows you to pick only the channels that you want to watch and pay for. The attraction for customers is enhanced by the fact that they are not only getting to choose every single channel they want, but it is also bundled together with internet, and phone service. With the ability to choose your own channels, Xfinity is positioning itself for customers to perceive it as a more tailored service that they are customizing, and a higher value for live TV and shows. Netflix is a large competitor when it comes to movies, TV shows, and a rate of \$13.99 per month for a Premium plan. However, Netflix is only a streaming service. They do not offer live TV programs, nor are they an internet or phone provider. Currently, no other provider offers a true “a la carte” service package.

Challenges

A challenge with creating a plan revolving around picking your own channels would be trying to change what channels are part of the contract, along with limiting the audience of potential advertisers who pay to show their ads on certain channels in attempt to market towards a targeted type of consumer for their products. Depending on what channels are most popular amongst customers, it could affect profits for other channels and shows if they are not being purchased or watched. Other companies may condemn Comcast for not offering enough content and causing them to lose profits on their programs.

Mission Statement

“Giving back to the communities we serve is in our DNA. We have extraordinary businesses and game-changing products – but we are at our best when we are using our collective strength to make the world a better place.” (Corporate.comcast.com)

The mission statement of Comcast recognizes both the excellence of their products, along with supporting their customers. As Comcast provides cable, internet, and phone products and services through their Xfinity brand, it is a constant focus to remain involved in the communities of their consumers and maintain communications. The mission statement is proudly displayed on the webpage with the proclaimed priorities involving internet accessibility, diversity, sustainability, accessibility, and supporting the military. “We are committed to increasing access to technology, providing skills that help individuals fully participate in the digital economy, and empowering innovators, entrepreneurs and our own employees to use media and technology for good.” (Comcast Corporation, *Community Impact*.) Making a difference as a company is equally as important as providing great products and services.

Comcast’s mission statement includes how they strive to give back to the community and make the world a better place. Their current successful initiative, Internet Essentials, created in 2011, provides affordable internet for eligible low-income families for a set price of \$9.95 per month, plus tax. (Internet Essentials by Comcast.) An online application is available online for customers to determine if they qualify for this service. Comcast states on their website, “For today’s families, a home internet connection is more essential than ever. Since 2011, Internet Essentials from Comcast has connected more than six million low-income Americans to low-

cost, high-speed Internet at home so that students, parents, seniors and now veterans can be ready for anything.” (Comcast Corporation.) The mission statement justly supports Comcast’s core values, and part of the main focus.

Data

Since the Internet Essentials program started, Comcast has accomplished the following:

- Reached 8.5 million people by investing \$550+ million in digital literacy, awareness, and training
- Providing affordable computers for low-income families
- Service 6 million low-income people to internet

(Comcast Corporation.)

Impact

- 98% of customers use this internet service for schoolwork
- 93% of customers witnessed a positive impact on their child’s grades
- 62% of customers claimed the service helped them or someone in their family find a job

(Comcast Corporation.)

The proposal for the Pick Your Own, or “a la carte,” plan for customers to pick their own channels they wish to view to bundle with choices of internet and phone service completely endorses Comcast’s mission statement: it will further their success with a positive impact on the community, along with being a game-changing product. Being able to reach and satisfy more customers in the lower income range will continue to make a difference. There is a lot of value in

the mission statement focusing on the customer, because any business resolves around their consumers and supporters.

SWOT Analysis

<p style="text-align: center;"><u>Strengths (Internal)</u></p> <ul style="list-style-type: none"> • Provides multiple services • Covers large areas • Largest Cable/Service provider in U.S 	<p style="text-align: center;"><u>Opportunities (External)</u></p> <ul style="list-style-type: none"> • BBB Customer complaints • Technological advancements
<p style="text-align: center;"><u>Weaknesses (Internal)</u></p> <ul style="list-style-type: none"> • Customer service inconsistency • Resolving issues 	<p style="text-align: center;"><u>Threats (External)</u></p> <ul style="list-style-type: none"> • Competitors/streaming services

Internal

- Marketing Skills
- Financial Resources
- Brand Image
- Employees
- Technology

External

- Political
- Economic
- Social
- Technological
- Trends
- Expectations

Strengths

The strengths of Comcast's Corporations services through its brand Xfinity offers multiple components, including internet, phone service, cable, mobile phone service, and home security. According to the Comcast Overview press kit, "Comcast Cable is the nation's largest video, high-speed Internet and phone provider to residential customers under the Xfinity brand as well as to businesses." (*Comcast Overview*.) Being the largest provider of the aforementioned services in the U.S. is a qualifying strength. Comcast serves a total of 54.8 million customers combined from all of its services. Having multiple services to offer creates an opportunity to market towards customers to create a package unique based on their needs, whether it is a service for a home or business. Comcast is the only service provider available in some areas.

Weaknesses

For Comcast being the largest company of its type in the U.S., it is incredibly pertinent to have an expansive amount of employees to service customers. With a large number of employees handling calls, interactions, and going on location to assist customers, consistency is very important. "We have increased our Digital Care team 5X since 2015 and the team has handled more than 1.5 million interactions so far this year." (*Customer Experience*.) With this growth, keeping consistent with all customer interactions (minimizing misinformation given to customers), and upholding company policies can be a challenge, which can impact the reputation that Comcast has amongst its customers. Excellent customer service is one of the top most important factors of having a successful business.

Another weakness highlighted is the ability to solve technical and billing issues. Comcast's *Customer Experience* report expresses advances in the timeframes that they are able to deploy technicians to examine issues within customer's homes. The report states that improvements were made to improve customer satisfaction and convenience by having 2-hour windows for appointments instead of 4, and claim to be on-time to remote service appointments 98% of the time. Customers get a \$20.00 account credit if a technician is late to an appointment. There is reportedly a 2% reduction in the amount of repeat technical issue visits needed to resolve an issue. "Reduction in repeat tech visits, meaning we are fixing it right the first time we're in a customer's home." (*Customer Experience*.) Repeated visits needed to resolve an issue diminishes a customer's perception of Comcast's brand image of providing exceptional services, and being able and competent to fix issues in a knowledgeable and timely manner. This ties into the issue of making sure all employees are consistent and able to perform their assigned tasks.

Opportunities

Although Comcast Corporation has an A- rating on the Better Business Bureau's (BBB) website, it is not accredited by the BBB. In order to obtain this accreditation, a company must make a significant effort to resolve a majority of complaints from customers. Customer reviews on the BBB site average to less than three out of five stars. (*BBB - Comcast Corporation*.) This information is public, and available for all consumers to read. The majority of the complaints are related to customer service interactions, including: inconsistencies between what representatives are telling customers, deceptive pricing with hidden fees, services not being terminated when requested, and customers being billed for items when an employee stated that their account would not be charged. Consistency in customer service is an area in dire need of improvement.

Another area of opportunity is within technological advancements. A popular feature that Comcast Xfinity cable packages can include is the ability to record programs and watch them later. You can even set a recording to automatically schedule future recordings of new episodes of shows. However, it does not work along with the ability to record a show that you have already started watching. You can rewind a live show back a certain amount of time, but if you start recording a show 10 minutes after it has already started, the recording will only start at the “live” part of the show, and cut out the first 10 minutes.

Threats

Even though Comcast is the largest cable company in the U.S., it certainly has other competition in the industry. Two of Comcast’s largest competitors compared in this analysis are Verizon Communications Inc., and Netflix. Verizon holds the title as the nation’s largest mobile network, serves 116.5 million customers, and has 98% U.S. wireless network coverage. (*Verizon Fact Sheet*.) However, Verizon’s brand of Fios TV and Internet service is not quite as expansive as Comcast- they service 5.96 million Fios Internet subscribers, and 4.56 million Fios TV subscribers. Fios is not available in as many areas as Xfinity is, but Verizon is fully capable of expanding their TV and internet services. Fios does not currently offer an “a la carte” option for channels, so the proposal for Comcast to create a true pick-your-own, fully-customizable cable package with internet and/or phone bundling program will be a unique service only provided by this company.

Netflix is a unique competitor to Comcast. Although Netflix does not offer live TV, such as weather, news, or live sports, they service customers worldwide as opposed to just the U.S.

They do not offer any other phone or internet providing services like Verizon and Comcast sustain. As proclaimed on the company's website, "Netflix is the world's leading internet entertainment service with over 130 million paid memberships in over 190 countries enjoying TV series, documentaries and feature films across a wide variety of genres and languages. Members can watch as much as they want, anytime, anywhere, on any internet-connected screen. Members can play, pause and resume watching, all without commercials or commitments." (*Netflix Investors: Company Profile.*) Comcast and Netflix both have the "play, pause, and resume" features for shows, however, Comcast has some on demand programs that contain advertisements. Additionally, some of the programs are blocked from using any "fast-forward" features to skip through the advertisements. Some of the free movies available to watch even contain intermittent commercials.

Netflix is a large competitor in the way that customers can pick and choose the exact shows and movies available they want to watch, and they do not charge any fees for programs that customers do not watch within the subscription. However, they cannot compete with Comcast if a customer wishes to add live channels and programs to their lineup. As aforementioned, Netflix does not have live TV options like sports available, nor do they provide internet service. This is a huge competitive advantage, and a determining factor for customers to choose Comcast Xfinity over Netflix streaming. This makes it necessary for customers to still utilize another company for services that Netflix simply cannot provide, and gives Comcast the advantage to be able to provide a customer with their phone service, internet, and pick-your-own channels all in one.

Marketing Objectives

- Improving customer relationships to 100% customer satisfaction
- Launch an innovative service to entice new and current customers
- Improve employee training and communications- strive for 100% accuracy
- Increase sales by 20%
- Maintain relationships with business partners

One of Comcast's Corporations opportunities as outlined in the SWOT analysis were the ratings and reviews from customers on the Better Business Bureau's (BBB) website. This makes improving customer relationships a critical objective, as it is important to maintain positive relationships with existing customers, and be enticing for new and returning customers. Every business, regardless of what product or service is provided, needs consumers in order to thrive and simply exist. It is appropriate to have it listed at the very top of the objectives for the sole importance- satisfied customers should always be the number one priority in a successful business.

As Comcast has various existing packages of internet, cable, and phone and cable services through its brand Xfinity, launching the innovative new "a-la-carte" channel program is an imperative objective. Additionally, it helps support the other objectives for this proposal. By offering a new service package under Xfinity, it creates a new opportunity and topic for an advertising campaign. Advertising the new "a-la-carte" service would promote it as being the first of its kind, since no other company has yet to cater a true option to pick only the select

amount of channels a customer wants to subscribe to, as outlined in the original Product Proposal. While striving to improve good relationships with customers, offering the new package for cable service would help improve satisfaction by providing a more customizable option for customers who live in an area where there are no cable competitors to Comcast.

Improving how employees are trained, and how communication is performed within the company will support the other objectives for Comcast, and help improve their own internal operations. This was an area of opportunity in the SWOT analysis as well, and supports the objective to improve customer service. Complaints and inconsistencies that were specifically mentioned in a review on the BBB website described how a customer repeatedly called for customer service, and was being told something different during each conversation with a different employee. (*BBB – Comcast Corporation.*) Statements promised in one phone call were not being upheld in following conversations. Inconsistencies with training and communication will cause a customer to lose satisfaction with the company. From an internal point of view, all employees should be receiving comprehensive training, and properly following procedures and policies communicated from other departments within Comcast. Additionally, maintaining a positive culture within the company itself will motivate employees to continue striving to improve their skills and knowledge for assisting customers. A good employee is necessary for providing good customer service.

Increasing sales is a fundamental objective within every business. Similar to the importance of having a positive relationship with customers, a company needs to earn profits in order to stay in business. To increase profit and stay in business, a company needs to have a product or service that customers want, or need. An increase in profit means more money for a company to

compensate employees, investing and expanding the business, and giving back to the community as expressed in the mission statement for Comcast Corporation: “Giving back to the communities we serve is in our DNA. We have extraordinary businesses and game-changing products – but we are at our best when we are using our collective strength to make the world a better place.” (Corporate.comcast.com)

Maintaining relationships with other business partners is a crucial component for Comcast Corporation, as they depend on the programs, channels, and media provided by other companies to air on television. However, these other companies are also reliant on Comcast Corporation to air their programs, as they are the largest internet and cable provider in the U.S., as outlined in the SWOT analysis. These companies are heavily reliant on one another to be successful, so it is critically important for both parties to work together to remain successful. With the release of a new product that allows customers to pick and choose exactly which channels they want, this could cause other programs to lose money if their channel is not part of a customer’s subscription package. A way to manage any potential profit loss would be to make plans with business partners to advertise their channels or shows on other channels as a way to entice a customer to want a specific channel. The “a-la-carte” channel package would still allow advertisers to have commercials, and could even improve the niche advertising capabilities even further. For example, a customer who has a sports channel could receive more sports-related advertising, but advertisements for other channels can still be included to entice the viewer to add or switch channels. If a customer wants to watch a certain movie through Comcast Xfinity’s “on-demand” movie rental, an additional fee could be charged if the movie is not part of the subscribed network’s channel.

Marketing Strategy

Comcast Corporation is currently known for its “tiered” packages that vary based on the services provided, along with costs associated with varying internet speeds, high definition television, and quantity of channels to subscribe to through their Xfinity brand. Comcast’s market strategy is already demonstrated as differentiated marketing, which is targeting multiple market segments, and designing separate offers for each (*Marketing: An Introduction. 12th Edition*). The proposal for the new “a-la-carte” package style aligns seamlessly with their existing services that they offer, making it an ideal product that would be the first of its kind in regards to personally choosing every channel wanted, along with being an option that caters to lower-to-middle income consumers.

Target Market

Comcast’s demographic approach to marketing specializes in advertising different packages for families with a difference in income. As highlighted in the Mission Statement segment for this proposal, Comcast has been successful with their Internet Essentials program that currently provides 6 million low-income people with access to internet at home for \$9.95 per month, plus tax. (*Internet Essentials by Comcast*). By offering this program, they are able to reach these 6 million consumers by catering this product that fit their need of affordable internet access at home.

Offering similar but different products to customers varying by prices and number of services included allows them to reach as many customers as possible. In this current day and age, internet has become such a staple in our everyday lives, and everything has come to revolve

around it. Every consumer needs an internet connection. Certain businesses offer free Wi-Fi internet to customers, we pay our bills online, and in some areas you can even receive a consultation by a doctor through video chat. By offering a new package bundled with internet and the ability to pick your own channels, middle-to-lower income consumers can afford to enjoy media of their choosing, along with a home internet connection that they can financially sustain.

New Service

Previously outlined in the product proposal, Comcast Corporation is successful with services they provide through their Xfinity brand. This new, innovative service proposal is the first true plan of its kind that no other company has provided. Xfinity is known for providing cable, phone, and internet to households and businesses, along with being the nation's largest cable and high-speed internet provider. (*Comcast Overview.*) There are options between using just one of the services, or bundling services together in a subscription package. The bundles of internet and cable are referred to as "Double Play," and the bundle of cable, internet, and home phone is called "Triple Play." (*Comcast Xfinity Internet Plans.*) The cable plan "Digital Starter TV" starts at \$59.99 per month for the first 12 months. It has "over 140 digital channels, thousands of Xfinity On Demand choices, and watch any time on your TV, laptop, smartphone, or tablet with the Xfinity Stream app." (*Get TV Your Way.*)

Although the cable package offers a lot of channels, customers realistically would not be watching every single one of the channels provided. Competitors in TV entertainment have much more inexpensive services where you can watch exactly what you want, and that can deterring

customers from subscribing to cable. There is also no other option for less than a customer with a lesser income would be able to subscribe to for entertainment. Comcast has had success with the Internet Essentials plan that offers low-income customers internet service for \$9.95 per month, but no cable service is part of that offer. (*Affordable Internet.*) With competitors offering streaming services and shows for competitive prices, there has yet to be any company that has a plan where customers can subscribe to the exact channels that they want. This gives Comcast the opportunity for a truly innovative cable service that would be the first of its kind.

The “Pick Your Own” plan would allow customers to subscribe to and pay only for the channels that they desire- including live TV channels. In this day and age, choice, customization, and personalization are essential to consumers. Being able to pay for only the channels that they want will entice customers to subscribe to cable with Xfinity. Not only will customers be able to watch only their favorite channels, but will still be able to bundle the Pick Your Own option with the Double Play and Triple Play services. Consumers will be satisfied with the new choice available to them, and it will improve overall customer satisfaction with products and price. They want to know how they will benefit from subscribing to the service, and why the Pick Your Own cable service plan will be favored over Netflix.

The Pick Your Own channels package will start at \$24.95 for the first 12 months, and the choice of 20 channels to subscribe to at one time. All of the typical features would be available as well, such as having an Xfinity cable box and remote controller. If the customer wishes to have high-definition channels, this would be a free add-on for the first 12 months of the subscription as a new product promotion to assist in the advertising appeal for the service. It would also be marketed with the ability to claim this service as the first of its kind. As

mentioned, no other company has yet to provide customers with a true pick-your-own channels. Customers who do not watch sports would no longer have to pay for channels that they do not use, like ESPN. When subscribing to the typical Digital Starter TV package, there are fees applied during billing afterwards to cover a “live TV” fee, along with a fee for the sports related channels. Consumers are tired of paying for parts of a service that they do not even use, and will turn to other competitive services instead of paying high prices for cable each month.

For lower income customers, this is a great option for any Internet Essentials customers to add-on once their circumstances improve. Internet Essentials is designed for families with children who qualify for free lunch programs at school, as low-income families and children struggle and fall behind if they do not have internet access at home. This innovative service aligns perfectly with Comcast’s mission statement: “Giving back to the communities we serve is in our DNA. We have extraordinary businesses and game-changing products – but we are at our best when we are using our collective strength to make the world a better place.”

(*Corporate.comcast.com.*) Not only will this service be game-changing, but it will improve the quality of life for lower-income households to have access to live TV and entertainment.

The Pick Your Own “a-la-carte” cable service proposal for Comcast Xfinity can be subscribed to as its own service package, or can be bundled along with internet or phone service as well. As reviewed previously in the Service section, Comcast’s Internet Essentials plan offers low-income customers internet service for \$9.95 per month. (*Affordable Internet*). While a customer being able to pick and pay for only the channels they want is an innovative service that has never been done before by any rival company, the price will also be competitive. Customers within the lower to middle income range would be presented with a cable option that they can

afford, and would convert them to become a cable customer of Comcast instead of just subscribing for internet service. The base price for new customers who sign a contract to subscribe for 12 months of service would be paying \$24.95 per month (excluding any additional fees for live entertainment, sports channels, and any hardware fees and rented movies/shows).

The most inexpensive basic package for cable as currently advertised by Xfinity is the “Digital Starter TV” package. The pricing is \$59.99 for the first 12 months, and includes over 140 digital channels, thousands of Xfinity On Demand choices, and the ability to view programs on multiple devices using the Xfinity Stream app. (*Xfinity - Get TV Your Way.*) As reviewed in the Service section of the proposal, customers subscribing to the Pick Your Own service can choose 20 channels to subscribe to, along with having an Xfinity cable box and remote controller. High-definition channels would be a free add-on for the first 12 months of the subscription, and customers will have access to On Demand programs that are only part of their subscribed channels. On Demand choices for channels that the customer is not subscribed to would prompt the customer with the option to alter their subscription in order to view other Content not included. Customers will be satisfied with only paying for the channels that they want, along with choosing a cable subscription over what competitors have to offer.

The \$24.95 Pick Your Own cable plan can also be bundled with the internet and phone plans. The starting plan for an internet subscription currently being offered by Xfinity is the Performance package. This plan includes download speeds up to 60 Mbps, upload speeds up to 2 Mbps, and an introductory price of \$39.99 per month for the first 12 months. (*Comcast Xfinity Internet Plans.*) To make a bundle a better value to entice the customer, the bundle with any internet package and the Pick Your Own plan would be discounted by \$10.00 per month.

Therefore, a bundle with Performance internet package and Pick Your Own cable would be \$59.94. This pricing strategy would not be applicable when combined with the Internet Essentials program.

Pricing Strategy

Customer value-based pricing: Setting price based on buyers' perceptions of value rather than on the seller's cost.

4 Steps of Cost-Based Pricing

- 1.) Design a good product
- 2.) Determine product costs
- 3.) Set price based on cost
- 4.) Convince buyers of product's value

(Marketing: An Introduction).

The customer value-based pricing strategy is the most suitable choice for the Pick Your Own service, as it is being advertised to customers as being a great value. By promising the customer that they have the choice to only pay for a select number of channels to watch, this creates a value that is enticing to consumers. Customers dislike paying for portions of products and services that they do not use. This keeps existing customers satisfied with Comcast, as well as creating new customers to subscribe to their cable services and more. There would be no channel of distribution, as Comcast Xfinity would be the only company providing this service directly. A price adjustment strategy where special offers are given to long-term customers,

however, Xfinity often only advertises discounted services for the first year of service of a new customer. Changing this strategy in the future to include long-term customers would improve customer satisfaction.

Profit

Comcast is the nation's largest video provider with 22.5 million customers, and 54.8 million combined customer relationships. (*Comcast Overview*.) In some areas, consumers do not have a choice between companies when it comes to internet, phone, and cable services available, so they must subscribe to services needed from Comcast. "Comcast NBCUniversal delivered another year of strong results in 2017 with consolidated revenue growth of 5%, Adjusted EBITDA growth of 6% and \$9.6 billion in free cash flow." (*2017 Year in Review*.) By giving customers a new choice in cable subscription, this will attract previous customers who may have terminated their cable subscription due to rising costs of the packages, and an increase in competitive entertainment services available. Bringing back previous customers along with new customers will increase the overall profit.

Competition Pricing

As a competitor, Verizon Fios has a more costly starter cable package. The Preferred HD plan has 280+ channels, 95+ HD channels, and starts at \$74.99 per month for the first 12 months. (*Shop Fios TV Plans*). This is more costly than Comcast Xfinity's Digital Starter cable subscription. Netflix's Basic package starts at \$7.99 per month, but does not contain high definition format programs, which come standard in both Xfinity and Fios subscriptions listed online. (*Choose a Plan That's Right for You*). The next package called Standard does contain

HD format content for \$10.99 per month, however Netflix does not offer any live TV or live sports programs. The proposal for Comcast Xfinity's new Pick Your Own package gives customers the freedom to choose the exact content they want to watch, while providing live TV channels available at a price that is cheaper than Fios, and overcomes Netflix with the advantage that live TV services are available.

To successfully market Comcast Xfinity's new, innovative "Pick Your Own" TV channel/cable plan, the main focus will be to promote the "never-done-before" service along with being a great value to customers. As this is a service being provided directly through Xfinity, it is most accurate to consider Xfinity to be a **direct marketing channel**- which is a company that sells directly to consumers. (*Marketing: An Introduction*). As Comcast has combined customer relationships totaling 54.8 million, this is a large audience that they can reach with their advertising. In addition to a large customer population, Comcast also owns NBCUniversal. "NBCUniversal is one of the world's leading media and entertainment companies in the development, production, and marketing of entertainment, news, and information to a global audience. NBCUniversal owns and operates a valuable portfolio of news, entertainment and sports television networks, a premier motion picture company, significant television production operations, a leading television stations group, world-renowned theme parks, and a suite of leading Internet-based businesses." (*Comcast Overview*). This greatly extends the advertising reach for the new service proposal.

As this is a service provided directly from Comcast Xfinity, no intermediaries such as a wholesaler or retailer will be used. Comcast can market directly towards existing customers using various mediums. For example, all existing customers receive a monthly bill mailed to

them, as is standard for any service/subscription- unless they opt for paperless billing by email instead. A page showcasing the Pick Your Own plan can be included as print media advertisement. Although, in these current times with the internet, digital marketing would have the widest reach for new and existing customers. Comcast can reach customers through internet ads on websites, social media, email blasts, and television commercials. Using every outlet available possible will provide the most effective advertisement. After the beginning states of advertising, the data and conversion rates regarding specific types of outreach can be analyzed. The more ineffective means of conversion can be scaled back or ended altogether, while the most successful can be further implemented.

Essentially, Comcast Xfinity would be competing with itself in marketing a new cable service, as customers only have one type of service that they subscribe to at a time from a company. With Comcast being a direct marketing channel, this company is also a **corporate vertical marketing system**- which combines successive stages of production and distribution under a single ownership. Channel leadership is established through common ownership. (*Marketing: An Introduction*). Comcast is the producer of this service, and the marketer for the product that is sold directly to a customer. This company also has its own hardware that customers can pay to rent monthly in order to use the cable and internet services provided, and technicians that are dispatched to go to the homes of customers to install, troubleshoot, and repair the hardware as needed.

As this is a service provided and not a tangible product, all advertising and distribution would be the responsibility and efforts of Comcast. A separate retailer or wholesaler would not be involved. The closest type of setting that Comcast has to a store would be the set locations

where customers can go in-person to pay a bill, express an issue, exchange defective hardware, or change their service subscription. Customers interacting directly with employees in these locations can be introduced to the new cable service, and a chance to ask questions- which customers can also discuss over the phone with a customer service representative when selecting what services are best for them.

As outlined, Xfinity is a brand by Comcast, so the sales force would be a specific team dedicated to the selling function organized within the company. This team is responsible for all advertisement and distribution, and are managed, trained, and compensated by Comcast with no third party involvement. With no third party involved, Comcast has total control over every step of the process, and the service is provided directly to the end user. By having total control over every part and delivery to the customer, Comcast holds the responsibility of upholding the product, marketing, distribution, maintenance, and quality control of anything related to the company and services.

Integrated Marketing Communications

Integrated Marketing Communications (IMC) is “carefully integrating and coordinating the company’s many communications channels to deliver a clear, consistent, and compelling message about the organization and its products.” (*Marketing: An Introduction*). With today’s technology and media, there are endless outlets for advertising and promoting a new product or service. A common obstacle companies face with all of these outlets available is consistently portraying the same product and company image across each advertising platform. Having a solid marketing plan to ensure seamless consistency will improve how the public views Comcast

and its services. Each section discussed are all a part of integrated marketing communications: public relations, advertising, direct marketing, sales promotion, and personal selling.

Advertising

Advertising includes, but is not limited to broadcast, print, internet, mobile, social media, radio, and more. As opposed to the traditional advertising through print media, salespeople, radio, and television commercials, today's technology has greatly impacted the way that customers can be reached. "The digital age has spawned a host of new information and communication tools- from smartphones and tablets to satellite and cable television systems to the many faces of the Internet (brand Web sites, e-mail, blogs, social media and online communities, the mobile Web, and so much more). These explosive developments have had a dramatic impact on marketing communications. Just as mass marketing once gave rise to a new generation of mass-media communications, the new digital and social media have given birth to a more targeted, social, and engaging marketing communications model." (*Marketing: An Introduction*).

Comcast Xfinity provides services such as internet, cable, and phone, so they are already thriving in the digital age and have existing social media platforms to market towards consumers. It also is a large advantage with the fact that Comcast owns a cable service, as they have the advantage of targeting their own existing customers with television commercials. Print media like flyers, magazine ads, and newspaper ads have been on a heavy decline, becoming more obsolete with all of the computer screens constantly surrounding consumers. Print media just does not have the same effect as in the past before the age of computers and websites. "In recent

years, although TV still dominates as an advertising medium with a 40 percent share of global ad spending, its growth has stagnated. Spending in magazines, newspapers, and radio has lost considerable ground.” (*Marketing: An Introduction*).

Public Relations

Recently, there was a lawsuit in the state of Massachusetts against Comcast Corporation for overcharging customers hidden fees that were not disclosed before customers entered a long-term contract for services. Comcast settled to pay \$700,000 of refunds to 20,000 customers, as they had violated state laws put in place to protect consumers from deceptive practices. “According to the assurance of discontinuance, the AG’s Office alleges that Comcast provided inaccurate and misleading price information to consumers entering long-term contracts, leaving them stuck in agreements they could not afford. Comcast failed to adequately disclose fees that typically increased customers’ monthly bills by 40 percent above the advertised price. These customers were required to pay early termination fees of up to \$240 to cancel long-term contracts, even when they downgraded Comcast services to a more affordable monthly package.” (*Commonwealth of Massachusetts*).

This negative press initiates distrust in Comcast amongst current and potential customers, as well as concern at the state level. Angry customers voice their negative experience by word of mouth, along with posting on social media to warn other consumers. To regain trust and satisfy customers, Comcast must improve practices and disclose all information during interactions with customers looking to enter a new service contract. All advertising will specify that the Pick Your Own cable service has starting price of \$24.95 per month for new customers for the first 12

months, and explicitly state that this excludes additional fees that can vary. Comcast customer service representatives must disclose the total monthly cost of services including fees before a customer signs into a long-term contract.

Sales Promotion

The startup price of the service for the first 12 months only will be advertised at \$24.95 (plus any fees). This price is only for the cable service itself, and customers can obtain more plan and pricing information by contacting Xfinity customer service representatives online or by phone. The Pick Your Own cable service will not only attract customers with the starting price. This is the first true “a la carte” channel service in which customers can choose exactly which channels they wish to watch and pay for, without paying for all the extras that they are not going to use. Having a unique service sets Comcast apart from the competition, which can also be highlighted in promotional materials.

Direct Marketing

Direct marketing is directly targeting individual customers that are most likely to purchase this new service. As previously outlined in the Pricing segment of the marketing plan, lower income consumers will be the primary market target for advertisements, as these are the consumers looking for a plan that is within their price range. The focus will be to utilize a mix of mostly digital marketing platforms with some traditional media as well. “Rather than the old-media model rapidly collapsing, most industry insiders see a more gradual blending of new and traditional media. The new marketing communications model will consist of a shifting mix of both traditional mass media and a wide array of online, mobile, and social media that engage

more-targeted consumer communities in a more-personalized, interactive way.” (*Marketing: An Introduction*).

Personal Selling

Most interaction that would happen to be face-to-face would be at a Comcast retail/service outlet, or when repair servicers visit the homes of customers. Personal selling for a cable service would be ineffective, and not worth the monetary investment that could be put towards an outlet with a higher conversion rate. Direct marketing and other means of advertising will be more successful. Personal selling can perhaps be more successful for a physical product that can be demonstrated in person, whereas a cable service from a well-known internet provider would be better advertised by television, or on the internet.

Promotion Plan

Comcast already has a combined customer relationship total of 54.8 million, and operates in 39 states, plus Washington, D.C. (*Comcast Overview*). In 2014 alone, Comcast spent 3 billion on advertising, and ranked at number 4 on the list for their advertising budget. (*Business Insider*). The most appropriate advertising plan would be to run a combination of advertisements for Xfinity across television (taking advantage of the cable services), engaging customers through social media, online advertisements throughout various websites, email campaigns, and sending printed advertisements in the mail with the monthly bill to existing customers. The goal is to enroll 10 million customers on this service within the first year (52 weeks).

Television Advertisement – 30 second ads shown twice per hour throughout each channel at \$1,000.00 per hour to cover the time slot on each of the programs and compensate the channel owners for 52 weeks.

Total Cost: \$17,520,000.00

Social Media – digital advertisements disbursed throughout social media (Facebook, Instagram, Twitter) geared towards existing customers, and consumers based on their patterns of interest on social media. Customer service representatives will be responsible for responding to comments, monitoring for trends and customer feedback, and working with customers to enroll in a service contract. By utilizing multiple platforms of social media, this optimizes the ability to attract and interact with numerous customers online, and is a crucial part to a present day integrated marketing plan.

Total Cost: \$10,000,000.00

Website Ads – Advertisements aimed towards consumers as they browse other sites, and can be prompted to appear if they visited the Xfinity website recently or are an existing customer. Paid advertisement on Google can make Comcast Xfinity one of the first suggested sites. The cost would be \$10,000 weekly for 52 weeks.

Total Cost: \$520,000.00

Email Campaign – Send email blasts to customers currently and/or previously subscribed to Xfinity services at a rate of 2 emails per week totaling 104 emails over 52 weeks.

Total Cost: \$100,000.00

Ads Printed With Monthly Mailed Bill – 1 sheet printout included with the customers monthly Xfinity services bill; provided to customer within a certain monthly cost threshold (\$9.95 - \$299.00 per month).

Total Cost: \$50,000.00

Total Overall Cost: \$28,190,000.00

Implementation, Evaluation, and Control (IEC)

Implementation

Implementation is the stage in which the marketing plan for Comcast Xfinity's Pick Your Own cable service is put into action. Running the advertisement methods outlined in the Promotion plan will be the driving force responsible for new customers and profit. "One of the interesting aspects of implementation is that all functional plans have at least two target markets: an external market (i.e., customers, suppliers, investors, potential employees, the society at large) and an internal market (i.e, employees, managers, executives). This occurs because functional plans, when executed, have repercussions both inside and outside the firm. Even seemingly disconnected events in finance or human resources can have an effect on the firm's ultimate customers- the individuals and businesses that buy the firm's products." (*Marketing Strategy*).

Employees (both customer service representatives and marketing staff) will be active throughout each part of the plan. As previously mentioned in the marketing plan, the Pick Your Own cable service to pay for only select channels has never been offered before by any competitors. In the SWOT analysis, improvement with customer service and satisfaction is an

imperative start to the success for this marketing plan. Customer service representatives are the first line and direct interaction that customers have with Comcast, so the importance of communicating information with customers and assisting them in selecting services is a top priority. For public relations in the Promotion section, the lawsuit in the state of Massachusetts left a negative image for Comcast, which will be a challenge to overcome and restore trust in current and potential customers. Every department, including ones that are not customer-facing, play an important role for implementing the marketing plan and making it successful. Focusing on the external and internal markets during each phase will keep the plan steadily moving forward. The marketing department will work to carry out an advertisement plan and budget as outlined in the Promotion section, and analyze the customer response and conversion rates during the actual period of active advertisements.

Evaluation

To ensure that the marketing plan follows a planned path to success involving multiple factors, data and information is examined during the evaluation process. “The evaluation step of a marketing plan focuses on analyzing quantitative and qualitative metrics associated with the implementation and strategy. Quantifiable metrics are those to which numbers can be attached, such as the numbers of sales leads obtained, customers reached and dollar amounts achieved. Qualitative factors include measures of customer satisfaction.” (*Why Are Implementation, Evaluation & Control of the Marketing Plan Necessary?*).

As the marketing plan has not yet launched, any results or conversion data are not available at this time. Over time, a marketing audit can be performed to review any positive or

negative changes from the marketing plan in action. By reviewing any new data, changes can be made to adjust the marketing plan as necessary at any point in time. Constantly adapting to changes is the main key to success of the plan. Below are the current goals for the quantifiable and quantitative metrics gathered from the information regarding the Promotion plan and SWOT Analysis:

Quantifiable-

Goal: register 10 million customers for Pick Your Own cable service within the first year (52 weeks).

Total Advertising Budget: \$10,000,000.00

Qualitative-

Goal: Improve customer service and satisfaction to increase sales/business.

Current Public Relations: Comcast Corporation has been using deceptive tactics, and not disclosing additional fees when enrolling customers in long-term contracts. Customer satisfaction needs strong improvement to obtain the marketing goal. Complying with universal ethical practices, and providing great customer service are imperative for the plan's success.

Control

Throughout the evaluation, controls will be established and followed to track how close Comcast Xfinity is to the set goals on a scheduled basis. "Controls are necessary for the evaluation phase. Controls established during the creation of the marketing plan provide

benchmarks to assess how well the plan accomplished its goals. Controls are like goals; they give the company something to aim for when enacting the plan.” (*Why Are Implementation, Evaluation & Control of the Marketing Plan Necessary?*). A necessary control will be tracking sales data organized by daily, weekly, and monthly metrics related to the sales goal, budget, and what the actual sales conversions are. Customers will also be offered surveys to complete after any interaction with Xfinity’s customer service to gauge how customers view the company, and what can be further improved upon. Survey feedback is often overlooked, but is a great way to track how much improvement has been made in gaining back the trust of the customers.

References

Armstrong, Gary. Kotler, Philip. (2015). *Marketing: An Introduction. 12th Edition*. One Lake Street, Upper Saddle River, New Jersey 07458. Pearson Education, Inc.

Better Business Bureau. (2018) *Comcast Corporation*. Retrieved from

[<https://www.bbb.org/us/pa/philadelphia/profile/cable-tv/comcast-corporation-0241-80003221>]

Business Insider. (July 6, 2015). *These Are The 10 Companies That Spend The Most On*

Advertising. Retrieved from [<https://www.businessinsider.com/10-biggest-advertising-spenders-in-the-us-2015-7#5-verizon-communications-ad-spend-up-36-to-25-billion-last-year-verizon-famously-launched-a-content-marketing-site-called-sugarstring-but-shuttered-it-just-two-months-later-big-ads-included-a-push-for-its-smart-rewards-loyalty-scheme-and-a-fun-spot-ice-fishing-gravity-spot-for-its-xlte-service-6>]

CableTV – Xfinity Authorized Retailer. (2018) *Comcast Xfinity Internet Plans*. Retrieved from

[<https://www.cabletv.com/xfinity/internet>]

CableTV – Xfinity Authorized Retailer. (2018) *Get TV Your Way*. Retrieved from

[<https://www.cabletv.com/xfinity/cable-tv>]

Comcast Corporation. (2018) *Comcast Overview* [PDF document]. Retrieved from

[<https://corporate.comcast.com/images/Comcast-Press-Kit-Sept-2014.pdf>]

Comcast Corporation. (2018) *Community Impact*. Retrieved from

[<https://corporate.comcast.com/values/community-impact>]

Comcast Corporation. (2017) *Corporate: 2017 Year in Review*.

[<https://corporate.comcast.com/press/releases/2017-year-in-review>]

Comcast Corporation. (June 30, 2018) *Customer Experience* [PDF document]. Retrieved from

[https://update.comcast.com/wp-content/uploads/sites/33/dlm_uploads/2018/02/Creative_CX-Fact-Sheet-Q1_9-26_R4.pdf]

Comcast Corporation. (2018) *Internet Essentials*. Retrieved From

[<https://corporate.comcast.com/values/internet-essentials>]

Comcast Corporation. (2018) *Our Values*. Retrieved from [<https://corporate.comcast.com/values>]

Comcast Corporation. (2018) *Xfinity Service Bill*. September 28, 2018.

Commonwealth of Massachusetts. (November 13, 2018). *Comcast to Pay \$700,000 in Refunds*

and Cancel Debts for More Than 20,000 Massachusetts Customers to Resolve Allegations of Deceptive Advertising. Retrieved from

[<https://www.mass.gov/news/comcast-to-pay-700000-in-refunds-and-cancel-debts-for-more-than-20000-massachusetts-customers>]

Ferrell, O.C. Hartline, Michael. (Dec 20, 2012). *Marketing Strategy*. Retrieved from

[<https://books.google.com/books?id=-dIWAAAAQBAJ&pg=PA36&lpg=PA36&dq=marketing+plan+implementation+evaluation+control&source=bl&ots=uEFp3ODer4&sig=6di3nMwXmWcrNI4IUZzGXaC7c84&>

hl=en&sa=X&ei=Y9P9VOqFFMaIsQSE0ID4Ag&ved=0CEcQ6AEwCA#v=onepage&q
&f=false]

Grunert, Jeanne. (June 26, 2018). *Why Are Implementation, Evaluation & Control of the Marketing Plan Necessary?* Retrieved from

[<https://smallbusiness.chron.com/implementation-evaluation-control-marketing-plan-necessary-75170.html>]

Internet Essentials by Comcast. (2018) *Affordable Internet*. Retrieved from

[<https://www.internetessentials.com/apply>]

Netflix. (2018) *Choose Your Plan*. [<https://www.netflix.com/signup/planform>]

Netflix (2018). *Netflix Investors: Company Profile*. Retrieved from [<https://ir.netflix.com/ir-overview/profile/default.aspx>]

Olsen, Erica [Virtualstrategist]. (October 19, 2016). *How to Perform a SWOT Analysis*

[Video file]. Retrieved from [https://www.youtube.com/watch?v=I_6AVRGLXGA]

U.S. Securities and Exchange Commission. (2018) *EDGAR Search Results*. Retrieved from


[<https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001166691&owner=exclude&count=40>]

Verizon Communications, Inc. (June 30, 2018). *Verizon Fact Sheet* [PDF document]. Retrieved from [https://www.verizon.com/about/sites/default/files/Verizon_Fact_Sheet.pdf]

Verizon Fios. (2018) *Shop Fios TV Plans*. Retrieved from [<https://fios.verizon.com/fios-tv.html>]

Verizon Fios. (2018) *Why Fios*. Retrieved from [<https://fios.verizon.com/why-fios.html>]

Xfinity Bill- listed in references.



Account Number [REDACTED]	Billing Date Sep 28, 2018	Services From Oct 05, 2018 to Nov 04, 2018	Page 3 of 7
------------------------------	------------------------------	---	----------------

Regular monthly charges	\$89.74
Your XFINITY package	\$69.99
Standard Double Play Includes Limited Basic, Kids & Family, Entertainment, Sports & News, HD And Performance Pro Internet. Includes \$40.00 Yr1 Contract Discount 24 Month Contract.	\$69.99
Equipment & services	\$5.00
DVR Service + TV Box Includes TV Box With Remote And DVR Service (HD Technology Fee Is Required And May Be Included In Your Video Package) Includes \$5.00 Service Discount	\$7.68
Equipment Discount Eligible For Equipment Discount For Remaining Term of Your Current Promotion.	-\$2.68
Other charges	\$14.75
Broadcast TV Fee	\$8.00
Regional Sports Fee	\$6.75
One-time charges	\$5.99
Entertainment extras	\$5.99
On demand rentals:	
Aveng. Infinity HD Aug 30, 9:35pm	\$5.99
Taxes, surcharges & fees	\$0.08
Taxes & surcharges	\$0.08
FCC Regulatory Fee	\$0.08


What's included?

- TV:** 125+ Channels
- Internet:** Download as fast as 150 Mbps

Visit xfinity.com/myaccount for more details

You've saved \$45.00 this month with your yr1 contract and service discounts.

Visit xfinity.com/contract for details



Additional information

You have 120 days from the date of this bill to dispute any charges included on this bill.

For residential customers, after contacting us, if you are unsatisfied with the resolution of a video service problem, you may file a complaint at the Office of the Attorney General, Consumer Protection and Antitrust Bureau, 33 Capitol St., Concord, NH 03301. Local Franchising Authority is Town Council, Town of Hooksett, 16 Main Street, Hooksett, NH 03106; 603-485-8471. The FCC ID for your town is NH0055.

97739900 NO BP 2R 20180928 NNNNNNNNY 0002104 0010