



Marketing Concepts

- Manufacturing
- Product
- Selling
- Marketing
- Holistic Marketing

Manufacturing Concept

- Consumers favor available and highly affordable products
- Management should improve production and distribution systems

Product Concept

- Consumers prefer those products that offer the most quality, performance or innovative features.
- Management's job is to develop good versions of these products

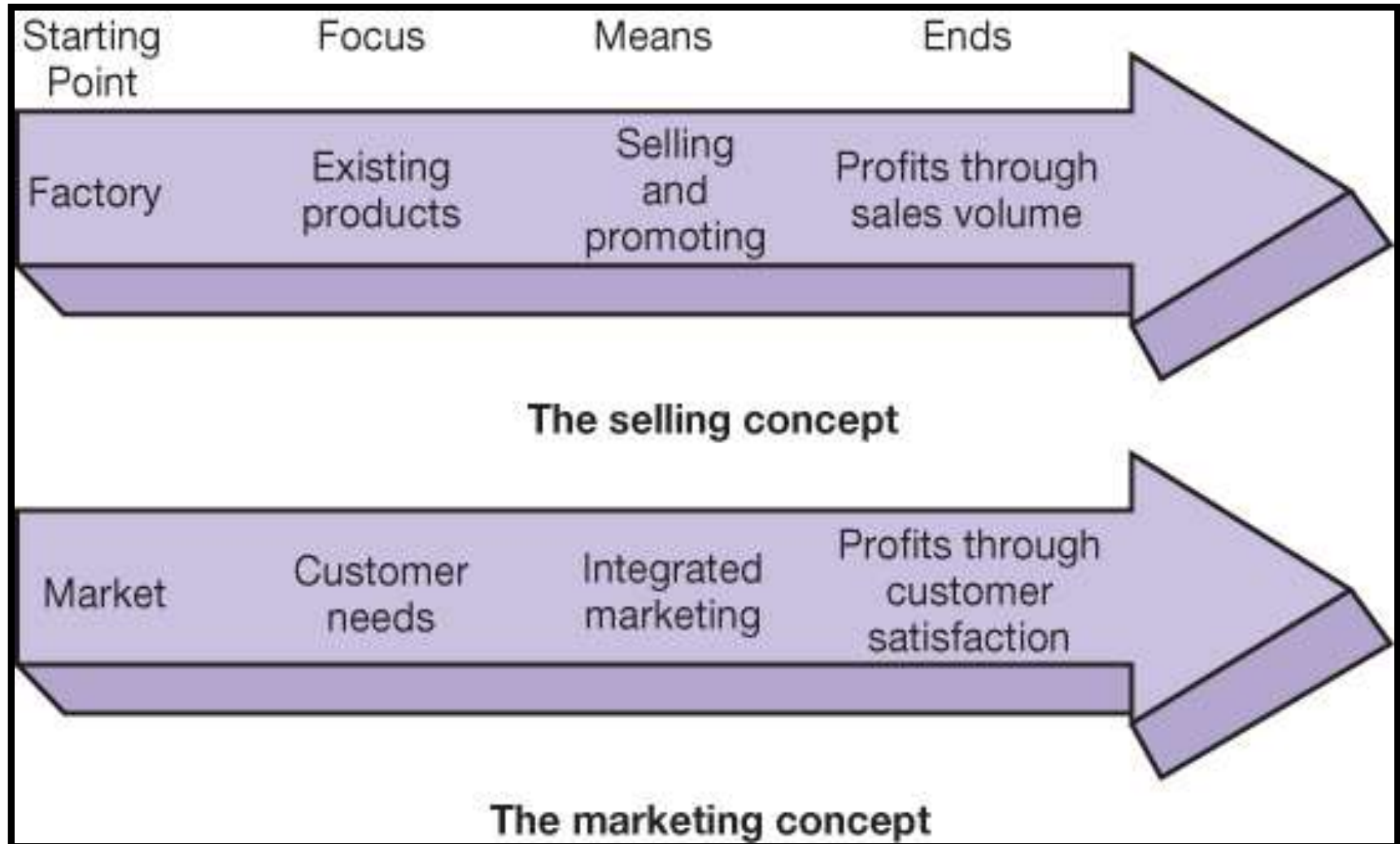
Selling Concept

- Consumers will not buy enough products unless the company undertakes large selling and promotion efforts
- Aim is to maximize sales without worrying about customer satisfaction
- Fails to establish a long-term relationship with customers

Marketing Concept

- Achieving organizational goals depends on determining the needs and wants of target markets and delivering desired satisfaction better than competitors
- Creates long term customer relationships

Marketing and Sales Concepts Contrasted



The holistic marketing concept

Holistic marketing recognizes that “everything matters” with marketing and a broad integrated perspective is often necessary.

The holistic marketing concept

- Four broad themes characterizing holistic marketing
 - Relationship marketing
 - Integrated marketing
 - Internal marketing
 - Social responsibility marketing

Marketing

“Marketing is an organizational function and a set of processes for creating , communicating and delivering values to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.”- A.M.A.

Nature of Marketing

- Marketing is an economic function of exchange.
- It is a legal process by which ownership is transferred.
- It is a system of interacting business activities.
- It is a managerial function of organizing and directing business activities that facilitates the movement of goods from producers to consumers.

Nature of Marketing

- It is a philosophy based on consumer orientation and satisfaction .
- It has dual objectives – profit making & consumer satisfaction .
- It is a social process by which the society gets goods and services for the satisfaction of needs .

Scope Of Marketing

- Goods
- Services
- Events
- Experiences
- Persons

Scope Of Marketing

- Places
- Properties
- Organization
- Information
- Ideas

Role of Marketing

At the organizational level: For the for-profit organization, marketing is responsible for most tasks that bring revenue and, hopefully, profits to an organization. For the not-for-profit organization, marketing is responsible for attracting customers needed to support the not-for-profit's mission, such as raising donations or supporting a cause

Role of Marketing

Benefits to society:

- Developing products that satisfy needs, including products that enhance society's quality of life
- Creating a competitive environment that helps lower product prices
- Developing product distribution systems that offer access to products to a large number of customers and many geographic regions

Role of Marketing

Benefits to society:

- Building demand for products that require organizations to expand their labor force
- Offering techniques that have the ability to convey messages that change societal behavior in a positive way (e.g., anti-smoking advertising)

Consumer Behavior

“Consumer behavior is defined as activities people undertake when obtaining, consuming, and disposing of product and services.”

Reasons for studying CB

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how

- The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products)
- The behavior of consumers while shopping
- The psychology of how the consumer is influenced by his or her environment (e.g., culture, family, media)

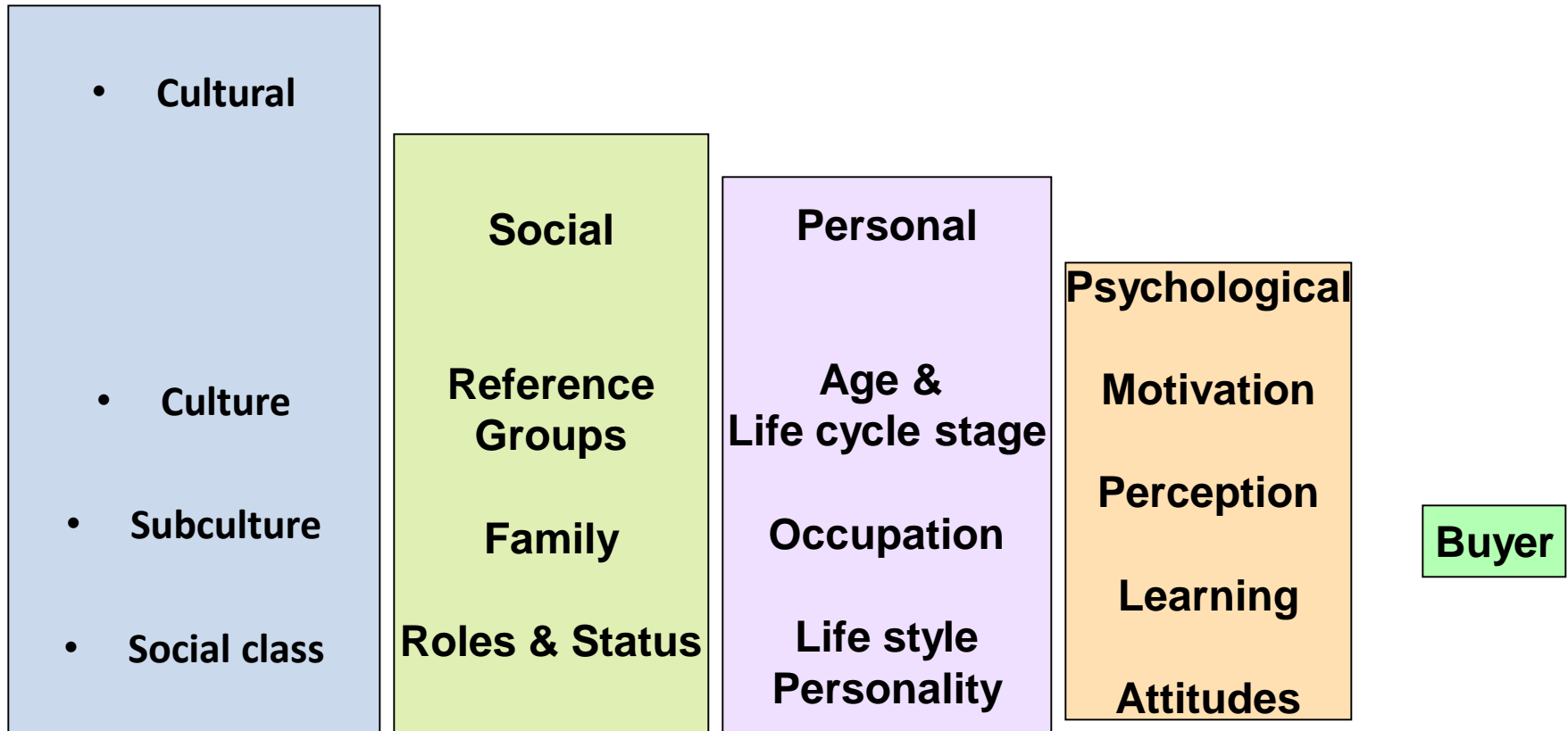
Reasons for studying CB (contd.)

- Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome
- How consumer motivation and decision strategies differ between products that differ in their level of importance or interest
- How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer

Five Premises of Consumer Behavior

- Consumer behavior is purposeful and goal oriented
- The consumer has free choice
- Consumer behavior is a process
- Consumer behavior can be influenced
- There is a need for consumer education

Factors Influencing CB



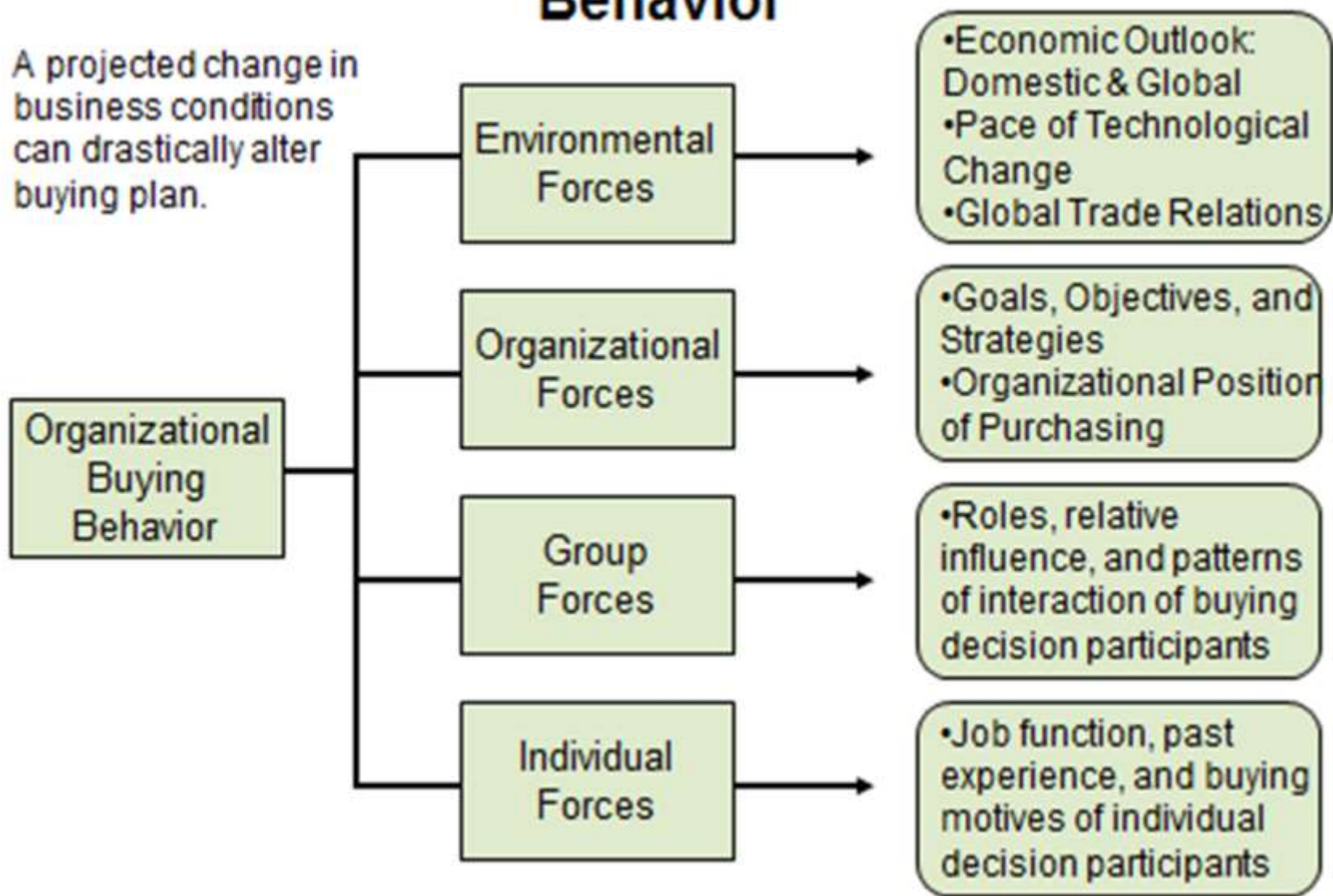
Decision Roles

Decision Roles

- Initiator
- Influencer
- Decider
- Buyer
- User

Forces Influencing Organizational Buying Behavior

A projected change in business conditions can drastically alter buying plan.



Changing Consumer Trends

TRADITIONAL	MODERN
Single Income	Dual Income
Less disposable Income	More disposable Income
Less available options	Plenty of options
Lack of awareness	Sound Knowledge
Prefer to Save	Prefer to Spend.
Family shopping	Individual or with friends
Functional	Lifestyle
Traditional meals	Indianized Mc Donald, KFC,PHD etc

Marketing
Environment

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graph TD; A[Marketing Environment] --> B[Internal Environment]; A --> C[External Environment];
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The diagram illustrates the structure of the Marketing Environment. At the top level is a grey rectangular box labeled "Marketing Environment". A vertical line descends from the bottom center of this box to a horizontal line. From the left end of this horizontal line, an arrow points down to a blue rectangular box labeled "Internal Environment". From the right end of the horizontal line, an arrow points down to another blue rectangular box labeled "External Environment".

Internal
Environment

External
Environment

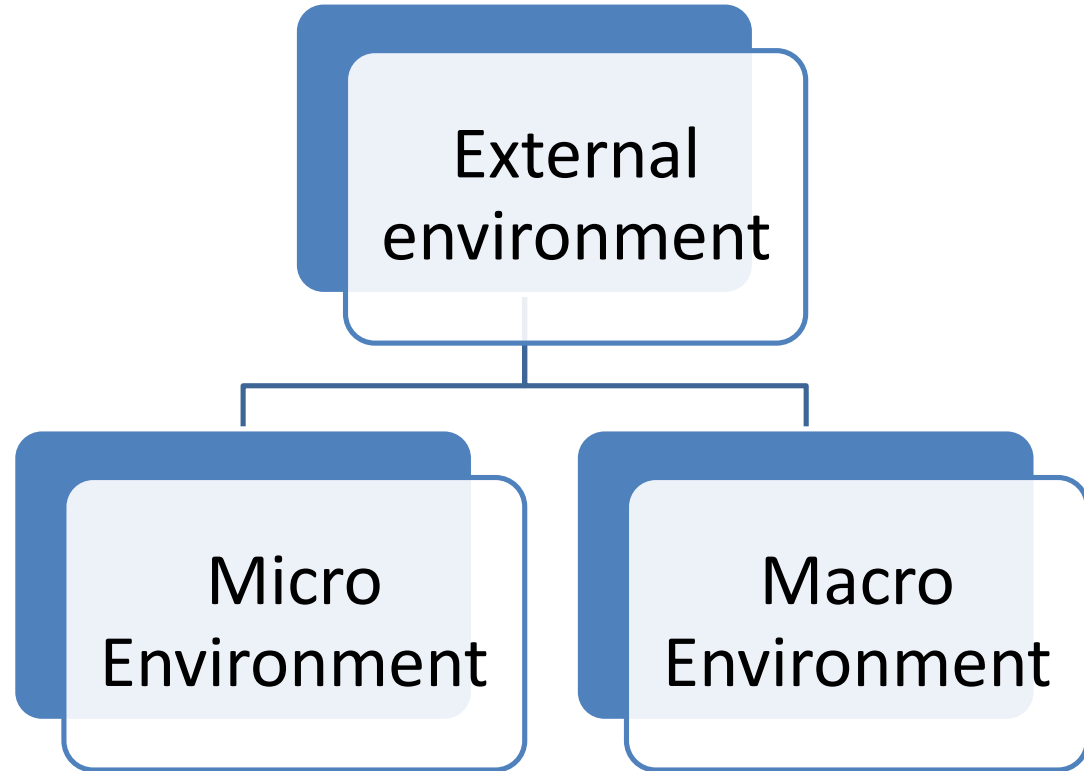
Internal Vs External Environment

- Internal Environment are those factors over which a firm has full control.
- External Environment are those factors over which a firm has little or no control

Internal environment

- **Human resources**
- **Production facility**
- **R & D**
- **Company location**
- **Financial capability**
- **Company image**

External environment



Micro Environment

Micro environment affects firm immediately,
they are-

- Suppliers
- Marketing intermediaries
- Customers
- Public

Macro Environment

Macro environment may not affect the firm immediately but they have capacity to affect all other firms in that industry

Factors of Macro Environment

P-Political

E-Economical

S-Socio-cultural

T-Technological

E-Environmental

L -Legal

Political Factors

- Tax policy
- Employment laws
- Environmental regulations
- Trade restrictions and tariffs
- Political stability

Economic Factors

- Economic growth
- Interest rates
- Exchange rates
- Inflation rate

Socio-cultural Factors

- Health consciousness
- Population growth rate
- Age distribution
- Career attitudes
- Emphasis on safety
- Religion

Technological Factors

- R&D activity
- Automation
- Technology incentives
- Rate of technological change

Environmental factors

Laws on

- Waste disposal
- Energy consumption
- Pollution monitoring etc.

Legal factors

- Unemployment law
- Health and safety
- Product safety
- Advertising regulations
- Product labeling
- labor laws etc

The Marketing Environment & Environmental Scanning

- SWOT analysis
- PESTEL analysis
- Five forces analysis

SWOT analysis

- Strengths (internal)
- Weaknesses (internal)
- Opportunities (external)
- Threats (external)

Strengths	Weaknesses
Opportunities	Threats

SWOT Analysis

Types of Market

- Consumer Goods and Services
- Industrial Goods and Services