

Marketing

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Definition of Marketing

Philip Kotler and others,

“Marketing management is the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering and communicating superior customer value.”

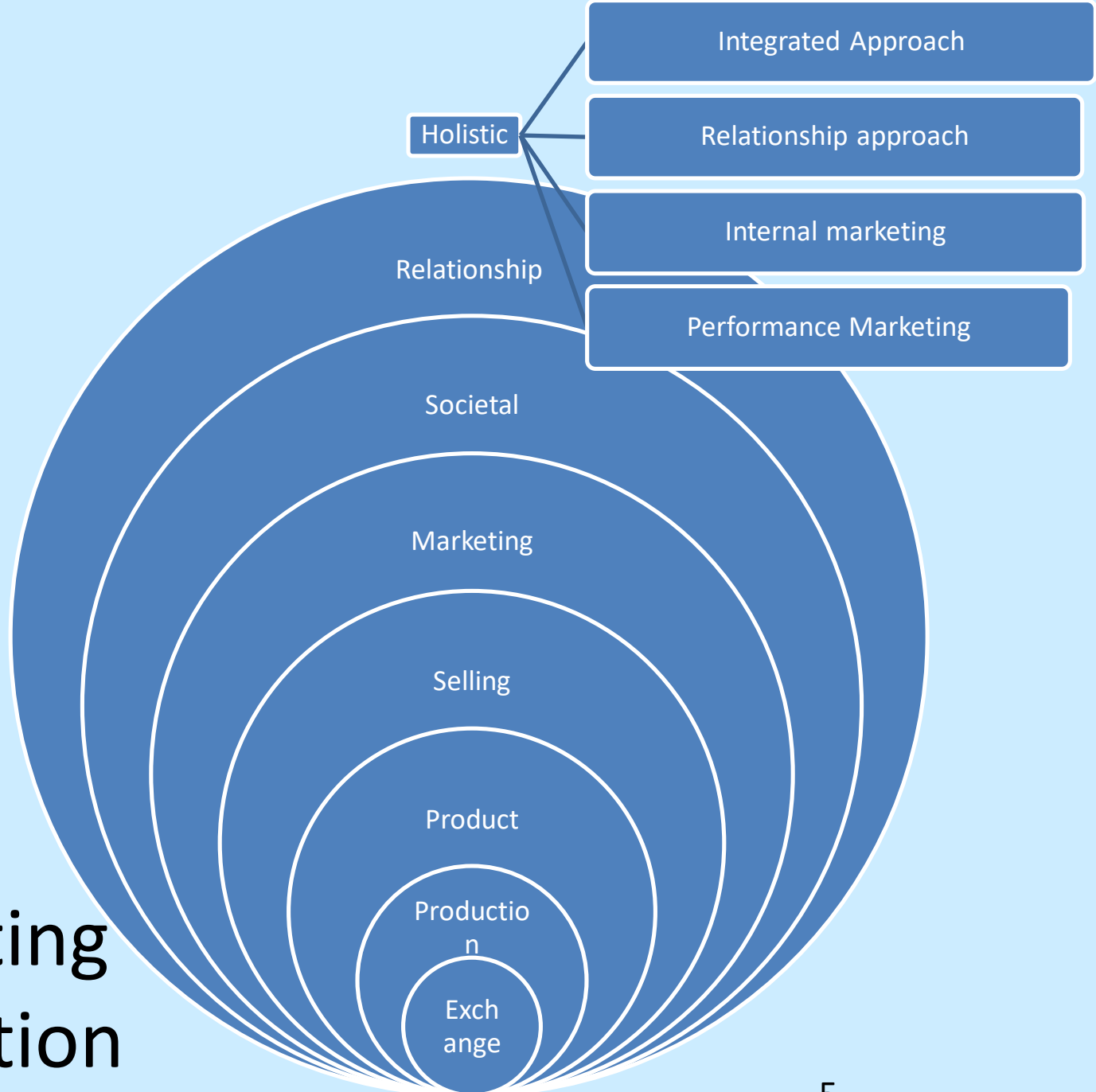
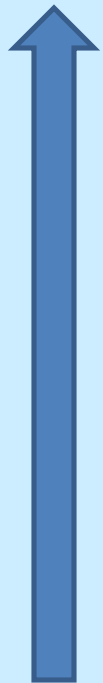
Nature and Features of Marketing

- Systematic process
- Ideas, goods and services
- Target markets
- All Pervasive
- Marketing Environment
- Integrated Approach
- Societal Interest
- Expansion of Business
- Organisational Objectives
- Customer Satisfaction (satisfaction to delight)
- Competitive Advantage
- Corporate Image

Marketing Functions



Marketing Evolution

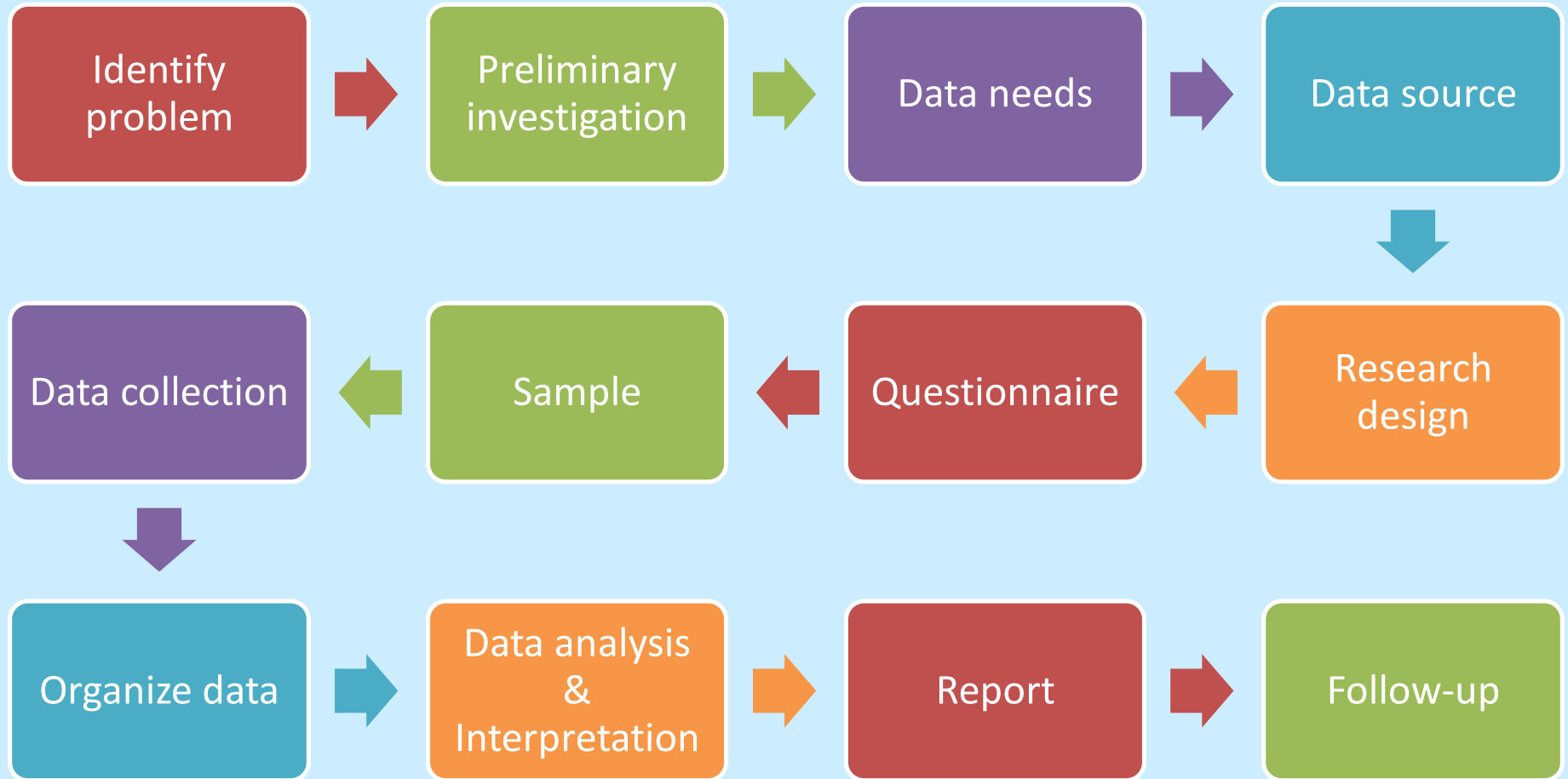


Traditional V/s Strategic Management

• Meaning	Achieve obj	Value to Customer
• Marketing research	Hardly invest	Lots of emphasis
• Nature-decision	Reactive	Proactive
• Nature of strategy	Stability	Growth / Retrenchment
• Opportunity sensing	Adhoc search	Ongoing search
• Objectives	Profit	Social & eco
• Pricing method	Cost oriented	Market oriented
• Promotion	Few elements	Integrated
• Quality	Hardly	Emphasis
• Customer relation	New customers	Customer centric
• SWOT	Hardly	Emphasis
• Time frame	Short	Long term
• Creativity	Hardly	Emphasis -originality

Remember, MNOPQRST & C

Marketing Research - Process



Marketing Research - Features

- Systematic process
- Specific in nature
- Scope – 4 Ps
- Applied research
- Bridge company-customer gap
- Continuous
- Company objectives
- Cost-effective
- Professional approach
- Methods – data collection
- Certain limitations

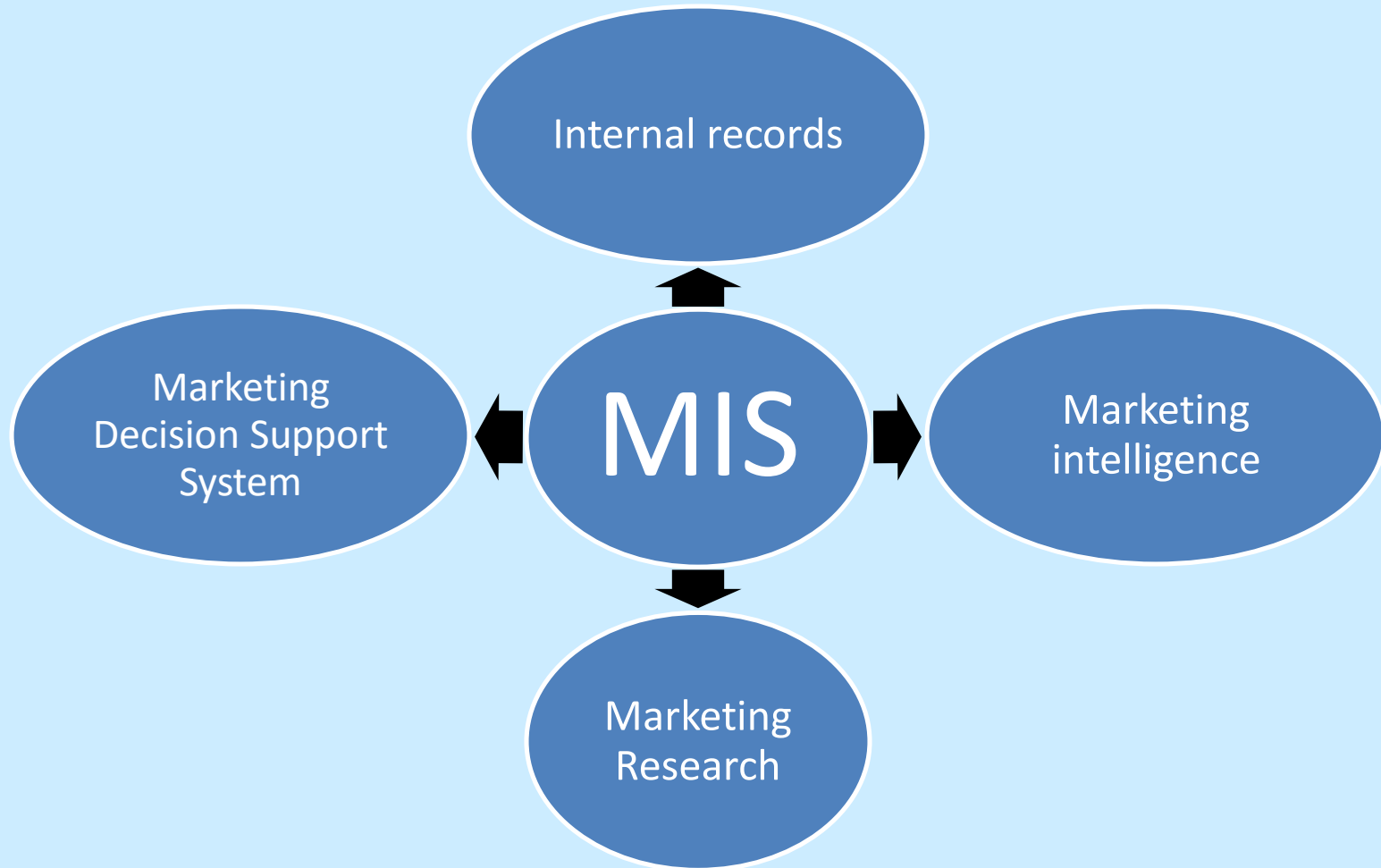
Marketing Information System (MIS)

- A Marketing Information System consists of people, equipment and procedures to gather, sort, analyze, evaluate and distribute needed, timely and accurate information to marketing decision makers - **Philip Kotler**

- MIS is the discipline covering the application of people, technologies and procedures collected called Information System to solving business problems.
- In very simple words, MIS refers to providing:
 - Right Information
 - To the right person
 - At the Right place
 - At the Right Time
 - In the Right Form
 - At the Right Cost

- Characteristics/Features
 - Systematic approach
 - Management oriented
 - Need based
 - Integrated
 - Long term planning
 - Future oriented
 - Central data base
- Objectives
 - Data capturing (Internal and External)
 - Processing of data
 - Storage of information
 - Retrieval of information

Marketing Information System - Components



Data Mining- Concept

- Data Mining is a process of extracting useful data from a larger set of raw data for the purpose of effective decision making
- Investopedia
 - Data mining is a process used by companies to turn raw data into useful information

Data Mining- Importance

- Consumer behaviour
- Customer loyalty
- Low operating cost
- Lower customer defection
- High customer equity
- Customized market offering
- Higher returns
- Price
- Promotion
- Distribution
- Improved services
- Company image

Consumer Behaviour- Concept,

Engel, Blackwell and Mansard

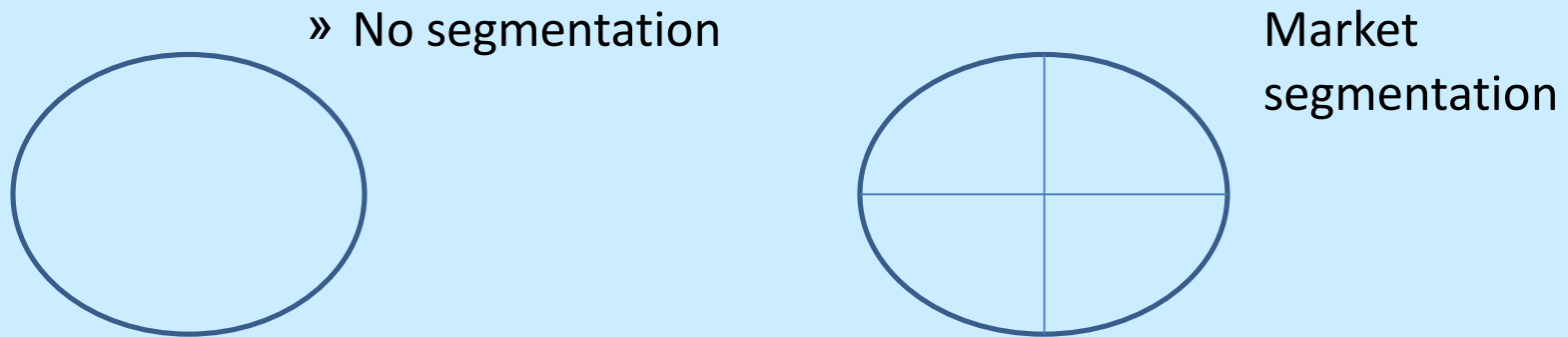
“Consumer behaviour as the actions and decisions processes of people who purchase goods and services for personal consumption.”

Factors influencing Consumer Behaviour

Marketing	Personal	Psychological	Situational	Social	Cultural
<ul style="list-style-type: none">• Product• Price• Promotion• Place	<ul style="list-style-type: none">• Age• Gender• Education• Income• Status	<ul style="list-style-type: none">• Learning• Attitude• Motives• Perception	<ul style="list-style-type: none">• Physical• Social surrounding• Momentary• Time	<ul style="list-style-type: none">• Reference groups• Family• Roles and status	<ul style="list-style-type: none">• Religion• Sub-cultures

Market Segmentation- Concept

- Philip Kotler - Marketing segmentation is a process of identifying groups of buyers with different desires or requirements



- In simple words, it is the process of
 - Defining and subdividing a large homogenous market
 - Into clearly identifiable segments
 - Having similar needs, wants or demand characteristics

Market Segmentation



Geographics

Country
City
Density
Language
Climate
Area
Population



Demographics

Age
Gender
Income
Education
Social Status
Family
Life Stage
Occupation



Psychographics

Lifestyle
AIO: Activity,
Interest, Opinion
Concerns
Personality
Values
Attitudes



Behavioral

Benefits Sought
Purchase
Usage
Intent
Occasion
Buyer Stage
User Status
Life Cycle Stage
Engagement

Market Segmentation- Benefits

- Market opportunities
- Product development
- Price
- Promotion
- Distribution
- Media selection
- Timing
- Use of resources
- Better services
- Customer loyalty

Customer Relationship Management

- Philip Kotler and Gary Armstrong
 - CRM is concerned with managing detailed information about individual customers and all customer touch points to maximize customer loyalty

Customer Relationship Management- Techniques

Data warehousing

Loyalty programme

One to one marketing

Priority customer programme

After sales service

Satisfaction survey

Customer service agents

Suggestion schemes

Market Targeting

- Market targeting is a process of selecting the target market from the entire market area.
- A target market is the market a company wants to sell its products and services to, and it includes a targeted set of customers for whom it directs its marketing efforts.
- Today is the day of 'Niche' and 'Super niche' (Niche means specialization)

Five patterns of Target market Selection

Single segment
concentration
One segment,
one product
one MM

Single market specialization
One segment
Several products
Several MM

Selective specialization
Several segments
Several products
Different MM

Product specialization
Several segment
One product
One MM

Full market coverage
All segments
Several products
Different MM