

Marketing Planning Process

The **Marketing Planning Process** deals with guidelines regarding the launching of a product and making it the best seller in a specific period of time. This planning actually deals with all the strategies and policies adopted by management to sell their product in the market and achieving sales targets within the assigned time frame.

The Marketing Planning process outlines the plan of a company as to how they will make their product successful. Some of the important points are mentioned below:

- The company checks the market condition.
- Define targets where they want to see their product by making analysis and adopting different marketing techniques.
- How to create a road map for the product becoming popular in the market?
- To select the best options through extensive brainstorming
- This process also helps you to stay in the market even in peak business time.

The Need For The Marketing Planning Process

The marketing planning process was introduced as "*to provide the companies with strategies as to where they want to see their business in future*". It gives you an overview of the target market and market segmentation. The most important part of this process is to maintain proper documentation of your strategies.

If you want your product to survive in the market, you need to plan your marketing strategies and its strict compliance is implemented. Since the competition in the market has become so tough, it will not be possible for you to survive without proper planning.

The planning process of Marketing makes it important for the management to invest some of their time in attaining the opportunities for the firm by utilizing the resources in a productive way. Currently, the trend of digital marketing is at a pace so it is important to emphasize the proper planning of marketing in order to cover the major market. But implementing a proper plan, the risk of failure can also be avoided and the target market can easily be satisfied.

Steps For Market Planning Process

The steps of the planning process are usually similar for every business with minor changes according to the conditions:

1. Developing the action plan

- Setting up the goals and vision
- Setting up the mission statement
- Objectives of the firm

The first and foremost step towards making a product successful is to make a careful observation of the objective of the firm. Hence the first stage of the planning process of marketing is to set the goal which you like to accomplish. One should be aware of your final goal, the vision of the company regarding the product depicts what the company is for and where they want to reach.

2. Monitor your current position

- Through marketing audit and monitoring
- SWOT analysis

The second step entails the observation of the current situation. This is a subset of long term and strategic planning processes in order to observe the current situation, the resources company holds depict the direction in which the company is moving.

Draw the layout of the resources; assess the in addition to assessing the internal and external factors. Identify the risk and favors associate with introducing the product. Review the market, target the appropriate one and divide it into different segments through resources so that you can penetrate the product in the market more clearly.

Conduct a SWOT analysis of the business which involves different internal and external facets involved. Through this, you can analyze and improve the current situation. Design the inner view of the firm which will define that you understand the need of your customer; you know whom you are targeting.

Perform market research to understand your competitor and understand the fact that which needs of the consumer are necessary to be fulfilled, what depreciation is connected to it and how much needs will change with the passage of time.

While implementing the planning process you have to observe the current situation in order to consider certain external facets that are directly linked to the internal possibilities and performance of the firm. Such external facets are directly connected to the internal facets and the level of the business which are legal aspects, political scenario and competition in the market while we are moving, economy, culture and various demographics.

3. Developing a strategy for Marketing

- Marketing Mix
- Designing objectives and strategy for marketing
- Vehicles and sources of communication
- Observe the alternative strategies and processes for marketing available

This involves making the marketing strategies and objectives in order to gain the overall objective of the firm. This involves observing the marketing tactics which fit the best for the promotion of the business. This step will be useful in making the selection of various strategies that will be helpful in approaching the target market.

This will help you in guiding you towards the segment of the market which you have selected to reach. This will also guide you to how you will reach the desired market

by selecting the most appropriate type of communication means and way of positioning your product.

Hence through properly involving the marketing efforts of all the known marketers such as Kotler, Porter, Ansoff one can design a single market report in which they have monitored how they will introduce the product and the vehicle they will be utilizing.

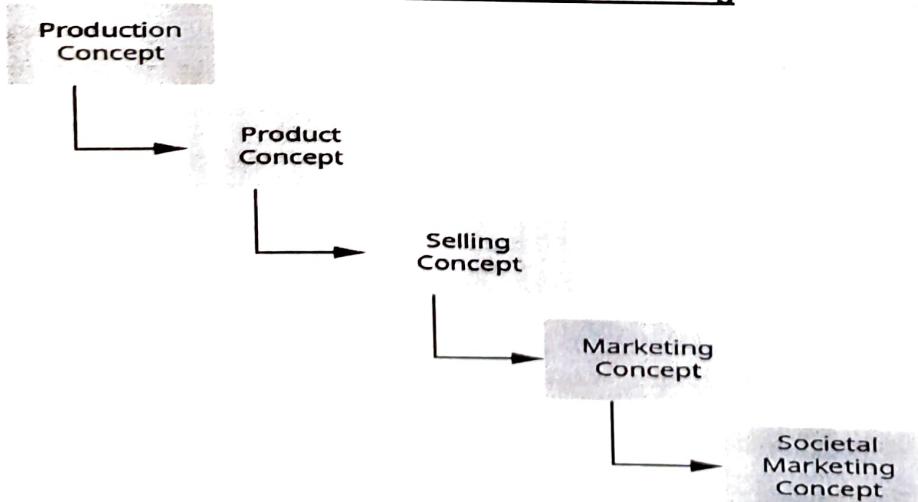
With the help of the components of the marketing mix, one can design the marketing strategy in order to gain a successful competitive advantage. Relying on the core competencies of the company one decides their needs to be the first-mover advantage or incorporate any strategy and how you will implement your marketing efforts in order to target the desired customer.

4. Employing, executing and evaluating the planning process

- Make the budget
- Define the resources and implement
- Analyzing and overviewing

This is the milestone of every planning process which involves the operational level activities. In this, you will allocate the resources, design the budget for implementation of the discussed processes and design some action plans. One has to monitor the process consistently and observe the plan based on the opinion and feedback of the customer. Hence make a regular review of the promotional plan.

Evolution of Marketing



The Production Concept

In order to understand the production concept, it's important first to understand the history of technology and mass production. Spurred on by the use of steam power, the Industrial Revolution began in the United States by the middle of the 19th

century. Although much of the population was still employed in agriculture, the expansion of commerce and industry drew millions of factory workers into cities and towns. Suddenly, an abundance of manufactured goods was available to households at a rate never experienced before.

The **production concept** assumed that consumers were mostly interested in product availability and price, not necessarily product features. As a result, companies concentrated on high production, low costs, and mass distribution. In other words, to use the oft-used line from the movie *Field of Dreams*, "If you build it, they will come." People were so hungry for mass-produced goods that companies didn't have to do a lot of sales or marketing. The production concept is thought to have lasted from just after the Civil War (1861–1865) until the 1920s.³⁵ For example, inventor Samuel Colt's company began mass-producing revolvers in 1835. The Waltham Watch Company (founded in 1850 in Waltham, MA) was the first to use the division of labor to mass produce watches and clocks.

The Product Concept

From the 1920s until the 1950s, the **product concept** dominated. With product availability a thing of the past, consumers began to favor products that offered quality, performance, and/or innovative features. As a result, companies concentrated on making superior products and improving them over time. One of the problems with this type of thinking is that marketers may fall in love with a product (known as "marketing myopia") and may not realize what the market truly wants or needs. Consider the manner in which railroad marketers overlooked the growing competition from airlines, buses, and automobiles. In his book *Marketing Myopia*, author Theodore Levitt writes, "The railroads did not stop growing because the need for passenger and freight transportation declined. That grew. The railroads are in trouble today not because that need was filled by others (cars, trucks, airplanes and even telephones) but because it was not filled by the railroads themselves. They let others take customers away from them because they assumed themselves to be in the railroad business rather than in the

The Sales Concept

By the 1950s, mass production had become the norm rather than the exception. Competition had increased over the years, and there was little unfulfilled demand in the marketplace. Marketing evolved from simply producing products that customers wanted to trying to persuade customers to buy through advertising and personal selling. The basic premise of the **sales concept** was that consumers and businesses need to be "coaxed" into buying, and the aim of companies was to sell what they made rather than make what consumers wanted.

The Marketing Concept

The **marketing concept** was built on the premise that an organization will achieve its goals when it satisfies the needs and wants of the consumer. As a result, firms began to focus on customer needs *before* developing products, rather than developing products and then trying to "sell" them to consumers. The marketing concept was also the start of relationship marketing—fostering long-term

relationships with customers in order to ensure repeat sales and achieve stable relationships and reduced costs.

The Societal Marketing Concept

In a nutshell, the **societal marketing concept** is simple. Companies make good marketing decisions by considering not only consumers' wants and needs but additionally the balance between those wants and needs and the company's capabilities and society's long-term interests. The concept emphasizes the social responsibilities that companies bear. This means meeting consumers' and businesses' current needs while simultaneously being aware of the environmental impact of marketing decisions on future generations' ability to meet their needs.³⁷

Contemporary issues in Marketing and Practices

1. Understanding Your Target Audience

The "information age" is the perfect term for the time we're in now. People have far more information than ever before about the businesses around them.

The key to modern marketing success is a crystal clear understanding of the challenges facing your buyers. Your messages must be aligned with how your buyers describe the problem. How you describe your product doesn't matter if you aren't connecting with the needs of your audience.

2. Standing Out from the Crowd

When it comes to changing the marketing landscape, technology is both a gift and a curse. On one hand, it's allowed businesses to reach huge numbers of people in a short period of time. On the other hand, it's allowed all their competitors to do the same.

Today's consumers see around 4,000-10,000 ads per day. Business buyers are no different. They too are bombarded with messages. This creates a challenge for marketers: how do you stand out from the crowd?

As you plan your marketing campaigns, thinking outside the box is key. Tracking your past campaigns will show you what you've done before so you can branch out and find new ways to reach your customers.

3. Managing Big Data

This is another one of those ways technology is both helping and hurting businesses when it comes to marketing.

The amount of data that is available for a company's marketing seems unlimited. You can find out so much about where a customer comes from, who to target, and more. In fact, the challenge is keeping tabs on all that data.

The trick is having a marketing software system that keeps everything organized. This lets you see what information is relevant and when.

The software also allows you to see and compare data from different sources. To get a clear picture, you'll need to look at your website analytics alongside your revenue data, as well as your social media metrics and more. Pulling everything together in a minimal amount of time is far easier with the right tools.

4. Maintaining a Steady Flow of Competitive Content

As most marketers know, content marketing is one of the most essential aspects of any business's marketing plan. The problem is that your competitors know this as well.

Now that the trend of content marketing is growing, it's getting more competitive. Your search engine optimization skills are more in-demand now than ever because there are more companies vying for those coveted first-page positions in Google search results.

The other reason content marketing's popularity is becoming more difficult is that it's a struggle for businesses to keep coming up with original content. As a marketer, you want to show potential customers that you can deliver useful content that adds value to your relationship.

The best way to do this is to hire professionals with distinct experience in content marketing. These team members will have the creativity and knowledge to build your strategy from the ground up.

5. Keeping Up with the Need for Personalization

As we mentioned above, the growth of big data gives you plenty of information about how your marketing campaigns are working. It also gives you information about how to make them successful in the first place.

Today, it's all about personalization and targeting. Business buyers respond well to ads that are relevant to them but they're annoyed when they see irrelevant ads.

The key to targeting lies in the data and the software. Your content management software can help you categorize and target your content, catering to every reader.

6. Proving Success

This challenge may not be new, but it's certainly growing. Decision-makers are having a harder and harder time getting the data that proves their marketing is successful.

It's ironic, but this is a difficult task whether your company is doing well or struggling. When a company is successful, some executives think they can scale back on their marketing because they have plenty of business already. When the company is struggling, executives are looking for any expense to cut.

This is why your marketing department needs ongoing ways to collect data that proves how successful your campaigns are.

It all comes down to keeping your data organized. You also need to know which types of data are the most telling and which translates the best to your revenue.

For example, a boost in website visitors means far less to executives than concrete data about the conversions coming from your pay-per-click ads.

7. Appealing to Multiple Decision-Makers

In B2B companies as in B2C companies, you need to know your customers. In today's business world, that's trickier than it seems.

In fact, most purchasing choices in a company will involve 3-5 decision-makers. Those decision-makers could span multiple departments and seniority levels.

For B2B companies, this means you need to know how to appeal to the goals each decision-maker has.

For instance, a purchase may need approval from the CFO, the customer service department head, and the CEO.

MARKETING MANAGEMENT

CORE CONCEPTS

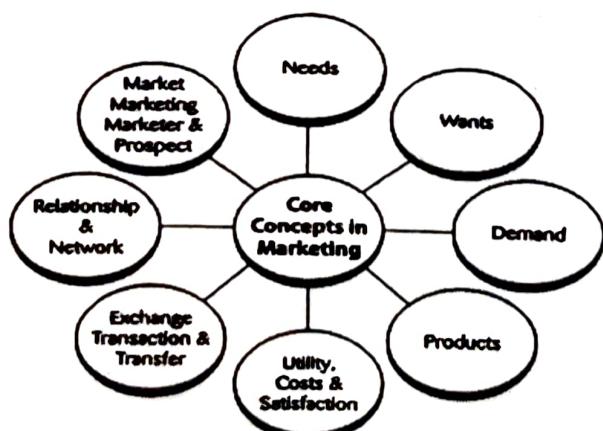


Figure 4: Core Concepts in Marketing

1. Needs

Existence of unmet needs is precondition to undertake marketing activities. Marketing tries to satisfy needs of consumers. Human needs are the state of felt deprivation of some basic satisfaction. A need is the state of mind that reflects the lack-ness and restlessness situation.

Needs are physiological in nature. People require food, shelter, clothing, esteem, belonging, and likewise. Note that needs are not created. They are pre-existed in human being. Needs create physiological tension that can be released by consuming/using products.

2. Wants:

Wants are the options to satisfy a specific need. They are desire for specific satisfiers to meet specific need. For example, food is a need that can be satisfied by variety of ways, such as sweet, bread, rice, etc. These options are known as wants. In fact, every need can be satisfied by using different options.

Maximum satisfaction of consumer need depends upon availability of better options. Needs are limited, but wants are many; for every need, there are many wants. Marketer can influence wants, not needs. He concentrates on creating and satisfying wants.

3. Demand:

- Demand is the want for specific products that are backed by the ability and willingness (may be readiness) to buy them. It is always expressed in relation to time. All wants are not transmitted in demand. Such wants which are supported by ability and willingness to buy can turn as demand.
- Marketer tries to influence demand by making the product attractive, affordable, and easily available. Marketing management concerns with managing quantum and timing of demand. Marketing management is called as demand management.

4. Product:

- Product can also be referred as a bundle of satisfaction, physical and psychological both. Product includes core product (basic contents or utility), product-related features (colour, branding, packaging, labeling, varieties, etc.), and product-related services (after-sales services, guarantee and warranty, free home delivery, free repairing, and so on). So, tangible product is a package of services or benefits. Marketer should consider product benefits and services, instead of product itself.
- Marketer can satisfy needs and wants of the target consumers by product. It can be broadly defined as anything that can be offered to someone to satisfy a need or want. Product includes both good and service. Normally, product is taken as tangible object, for example, pen, television set, bread, book, etc.
- However, importance lies in service rendered by the product. People are not interested just owning or possessing products, but the services rendered by them.
- Similarly, we do not buy a car, but transportation service. Just owning product is not enough, the product must serve our needs and wants. Thus, physical product is just a vehicle or medium that offers services to us.
- As per the definition, anything which can satisfy need and want can be a product. Thus, product may be in forms of physical object, person, idea, activity, or organization that can provide any kind of services that satisfy some needs or wants

- Utility means overall capacity of product to satisfy need and want. It is a quality of product that helps the product to satisfy consumer's varying degree of utility. As per level of utility, products can be ranked from the most need-satisfying to the least need-satisfying.
- Utility is the consumer's estimate of the product's overall capacity to satisfy his/her needs. Buyer purchases such a product, which has more utility. Utility is, thus, the strength of product to satisfy a particular need.
- Cost means the price of product. It is an economic value of product. The charges a customer has to pay to avail certain services can be said as cost. The utility of product is compared with cost that he has to pay. He will select such a product that can offer more utility (value) for certain price. He tries to maximize value, that is, the utility of product per rupee.
- Satisfaction means fulfillment of needs. Satisfaction is possible when buyer perceives that product has more value compared to the cost paid for. Satisfaction closely concerns with fulfillment of all the expectations of buyer. Satisfaction releases the tension that has aroused due to unmet need(s). In short, more utility/value with less

6. Exchange, Transaction, and Transfer:

- Exchange is in the center of marketing. Marketing management tries to arrive at the desired exchange. People can satisfy their needs and wants in one of the four ways – self-production, exchanging coercion/snatching, , or by begging.
- Marketing emerges only when people want to satisfy their needs and wants through exchange. Exchange is an act of obtaining a desired product from someone by offering something in return.

Exchange is possible when following five conditions are satisfied:

- i. There should be at least two parties
- ii. Each party has something that might be of value to the other party
- iii. Each party is capable of communication and delivery
- iv. Each party is free to accept or reject the exchange offer
- v. Each party believes it is desirable to deal with the other party

• Transaction differs from exchange:

- Exchange is a process, not event. It implies that people are negotiating and moving toward the agreement. When an agreement is reached, it is transaction. Transaction is the decision arrived or commitment made.
- For example, Mr. X pays Rs. 25000 and obtains a computer. There are various types of transactions, such as barter transactions, monetary transactions, commercial transactions, employment transactions, civic

- **Transaction involves following conditions:**
- i. At least two things of value
- ii. Agreed upon conditions
- iii. A time of agreement
- iv. A place of agreement
- v. A law (legal system) of contract to avoid distrust

- Transfer involves obtaining something without any offer or offering anything without any return. For example, Mr. X gives gift to Mr. Y. Transfer is a one-way process. But, pure transfer is hardly found in practice. One transfers something with some unexpressed expectations. Offer of money to beggar is to get the favor of God.
- Donor gives donations and receives honor, appreciation, and special invitation, or even special influence in administration. Gift is rewarded in terms of gratitude, a good behavior, saying, "thank you" or with the expectation that the receiver of the gift will offer the same in the future. Almost all transfers are same as

7. Relationships and Network:

- Today's marketing practice gives more importance to relation building. Marketing practice based on relation building can be said as relationship marketing. Relationship marketing is the practice of building long-term profitable or satisfying relations with key parties like customers, suppliers, distributors, and others in order to retain their long-term preference in business.
- A smart marketer tries to build up long-term, trusting, and 'win-win' relations with valued customers, distributors, and suppliers. Relationship marketing needs trust, commitment, cooperation, and high degree of understanding.
- Relationship marketing results into economical, technical, social, and cultural tie among the parties. Marketing manager is responsible for establishing and maintaining long-term relations with the parties involved in business.
- Network is the ultimate outcome of relationship marketing. A marketing network consists of the company and its supporting stakeholders – customers, employees, suppliers, distributors, advertising agencies, colleges and universities, and others – whose role is considered to be essential for success of business. It is a permanent setup of relations with stakeholders. A good network of relationships with key stakeholders ~~results into excellin~~ ~~the marketing performance over time~~

8. Market, Marketing, Marketer, and Prospect:

- In marketing management, frequently used words are markets, marketing, marketer, and prospects. A market consists of all potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy this need or want.
- Marketing is social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging product and value with others.
- Marketer is one who seeks one or more prospects (buyers) to engage in an exchange. Here, seller can be marketer as he wants other to engage in an exchange. Normally, company or business unit can be said as marketer.
- Prospect is someone to whom the marketer identifies as potentially willing and able to engage in the exchange. (In case of exchange between two companies, both can be said

MARKETING MANAGEMENT

EVOLUTION OF MARKETING

EVOLUTION OF MARKETING

Marketing has changed over the centuries, decades and years. The production centered system systematically changed into relationship era of today and over the period; the specializations have emerged such as sales versus marketing and advertising versus retailing. The overall evolution of marketing has given rise to the concept of business development

Evolution of Marketing Theory	
1	Production Orientation
2	Product Orientation
3	Sales Orientation
4	Marketing Orientation
5	Societal Marketing

3

Production Orientation Era:

The prevailing attitude and approach of the production orientation era was "*consumers favor products that are available and highly affordable*". The mantra for marketing success was to "*Improve production and distribution*". The rule was "*availability and affordability is what the customer wants*". The era was marked by narrow product-lines; pricing system based on the costs of production and distribution, limited research, primary aim of the packaging was to protect the product, minimum promotion. Advertising meant, "*Promoting products with a lesser quality*".

4

Product Orientation Era:

The attitude changed slowly and approach shifted from production to product and from the quantity to quality. The prevailing attitude of this period was that consumers favor products that offer the most quality, performance and innovative features and the mantra for marketers was '**A good product will sell itself**', so does not need promotion.

5

Sales Orientation Era:

The increased competition and variety of choices / options available to customers changed the marketing approach and now the attitude was "**Consumers will buy products only if the company promotes/ sells these products**". This era indicates rise of advertising and the mantra for marketers was "**Creative advertising and selling will overcome consumers' resistance and convince them to buy**"

6

Marketing Orientation Era:

The shift from production to product and from product to customers later manifested in the Marketing Era which focused on the "**needs and wants of the customers**" and the mantra of marketers was '***The consumer is king! Find a need and fill it!***'. The approach is shifted to delivering satisfaction better than competitors are.

Relationship Marketing Orientation Era:

This is the modern approach of marketing. Today's marketer focuses on needs/ wants of target markets and aims at delivering superior value. The mantra of a successful marketer is '***Long-term relationships with customers and other partners lead to successes***'.

The following sentences summarize the evolution of marketing.

1. *Production era: 'Cut costs. Profits will take care of themselves'*
2. *Product era: 'A good product will sell itself'*
3. *Sales era: 'Selling is laying the bait for the customer'*
4. *Marketing era: 'The customer is King!'*
5. *Relationship marketing era: 'Relationship with customers determine our firm's future'*