

Reviewing the Last Lecture

- ▶ What is Marketing Management?
- ▶ How to Build Profitable Customer Relationships?
- ▶ Why the new emphasis on keeping customers?
- ▶ Marketing Challenges into the Next Century
- ▶ Marketing's Impact on Individual Consumers
- ▶ Marketing's Impact on Society as a Whole

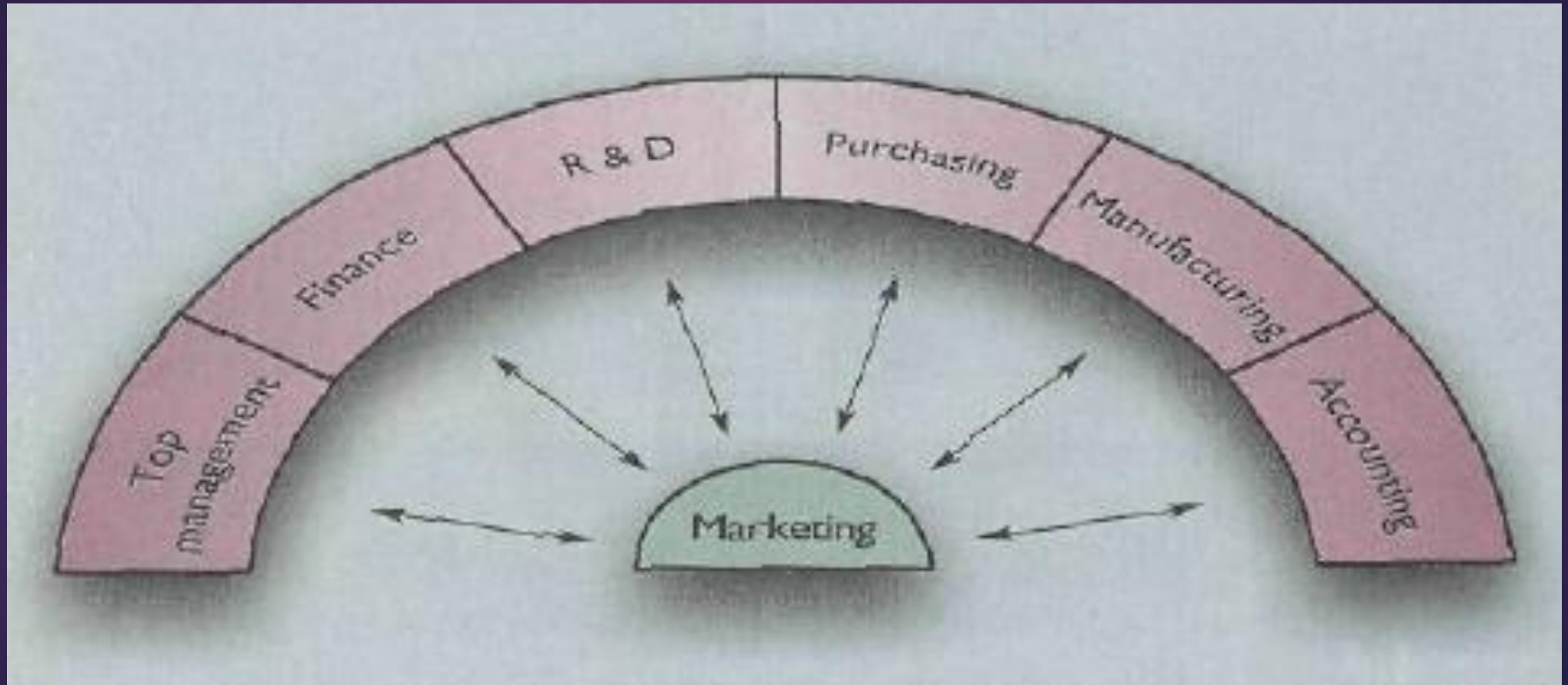
Marketing Environment

- ▶ It consists of the actors and forces outside marketing that affect marketing management's ability to develop and maintain successful transactions with its target customers.
- ▶ It offers both opportunities and threats.
- ▶ Successful companies know the vital importance of using their marketing research and intelligence systems constantly to watch and adapt to the changing environment.

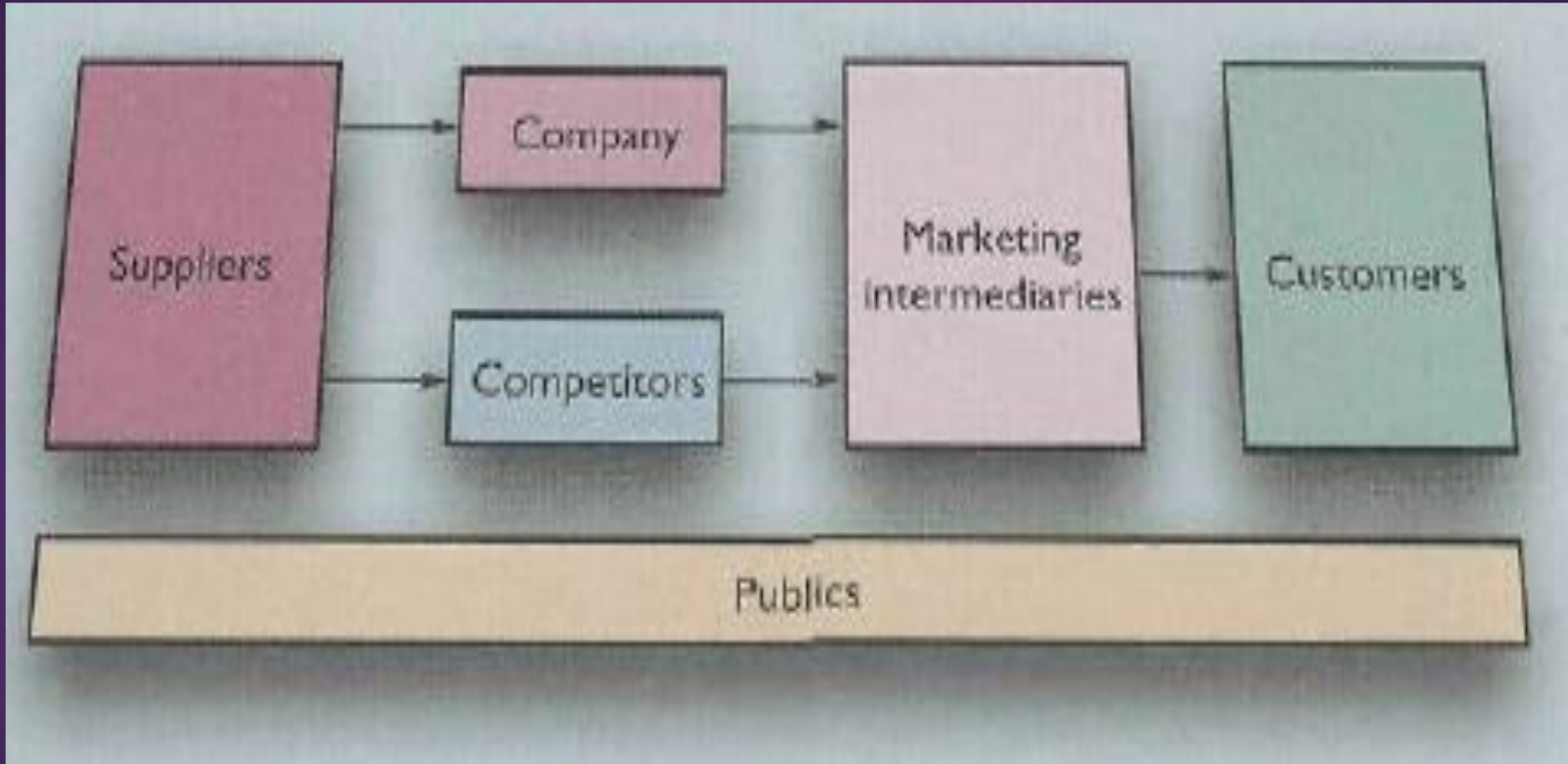
The Company's Microenvironment

- ▶ Marketing management's job is to create attractive offers for target markets.
- ▶ However, marketing managers cannot simply focus on the target market's needs.
- ▶ Their success will also be affected by actors in the company's microenvironment.
- ▶ *Company's microenvironment includes the following:*
 - ▶ Company departments
 - ▶ Suppliers
 - ▶ Marketing Intermediaries
 - ▶ Customers
 - ▶ Competitors
 - ▶ Publics

Company's Internal Environment



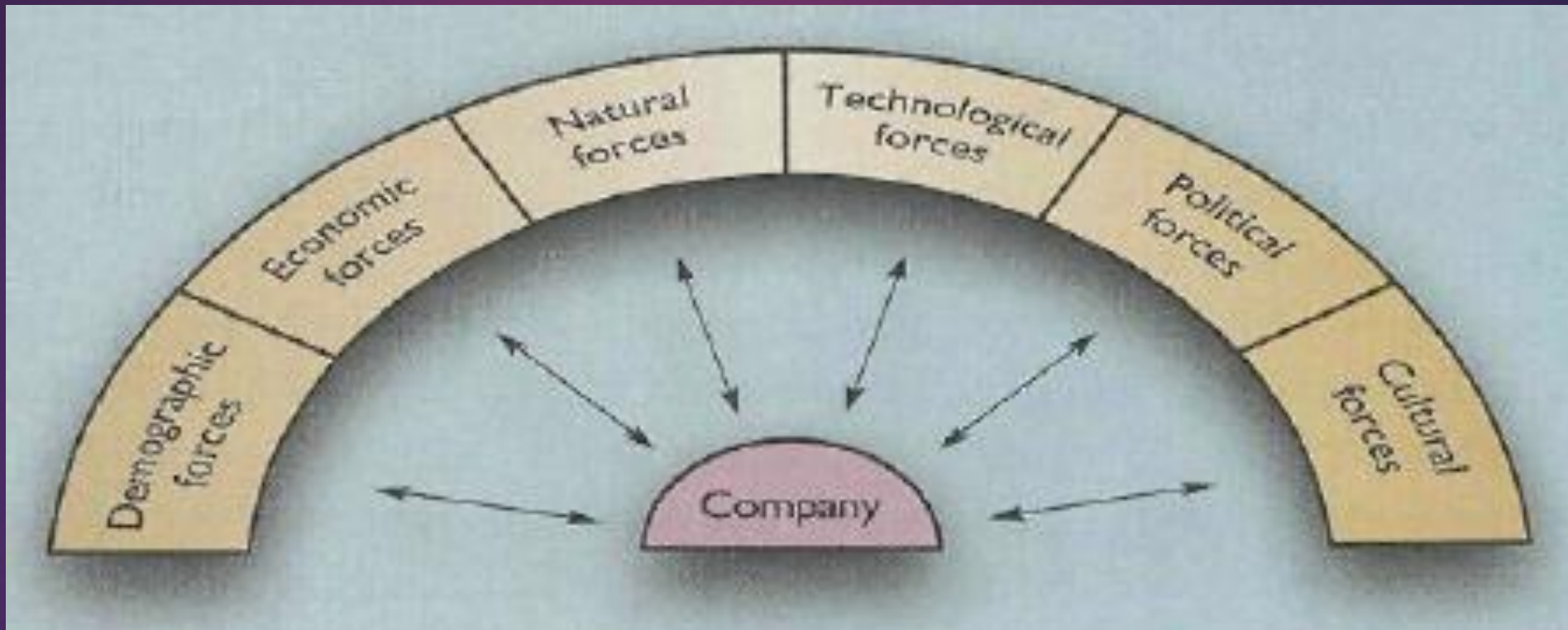
Principal Actors in the Company's Microenvironment



Company's Macroenvironment

- ▶ The company and all the other actors operate in a larger macro environment of forces that shape opportunities and pose threats to the company.
- ▶ It includes the six most influential forces:
 - ▶ Demographic Environment
 - ▶ Economic Environment
 - ▶ Natural Environment
 - ▶ Technological Environment
 - ▶ Political Environment
 - ▶ Cultural Environment

Influential Forces in the Company's Macroenvironment



Responding to the Marketing Environment

- ▶ Many companies view the marketing environment as an 'uncontrollable' element to which they must adapt.
- ▶ They passively accept the marketing environment and do not try to change it.
- ▶ They analyze the environmental forces and design strategies that will help the company avoid the threats and take advantage of the opportunities the environment provides.
- ▶ In fact, Marketing management cannot always affect environmental forces. In many
- ▶ cases, it must settle for simply watching and reacting to the environment.