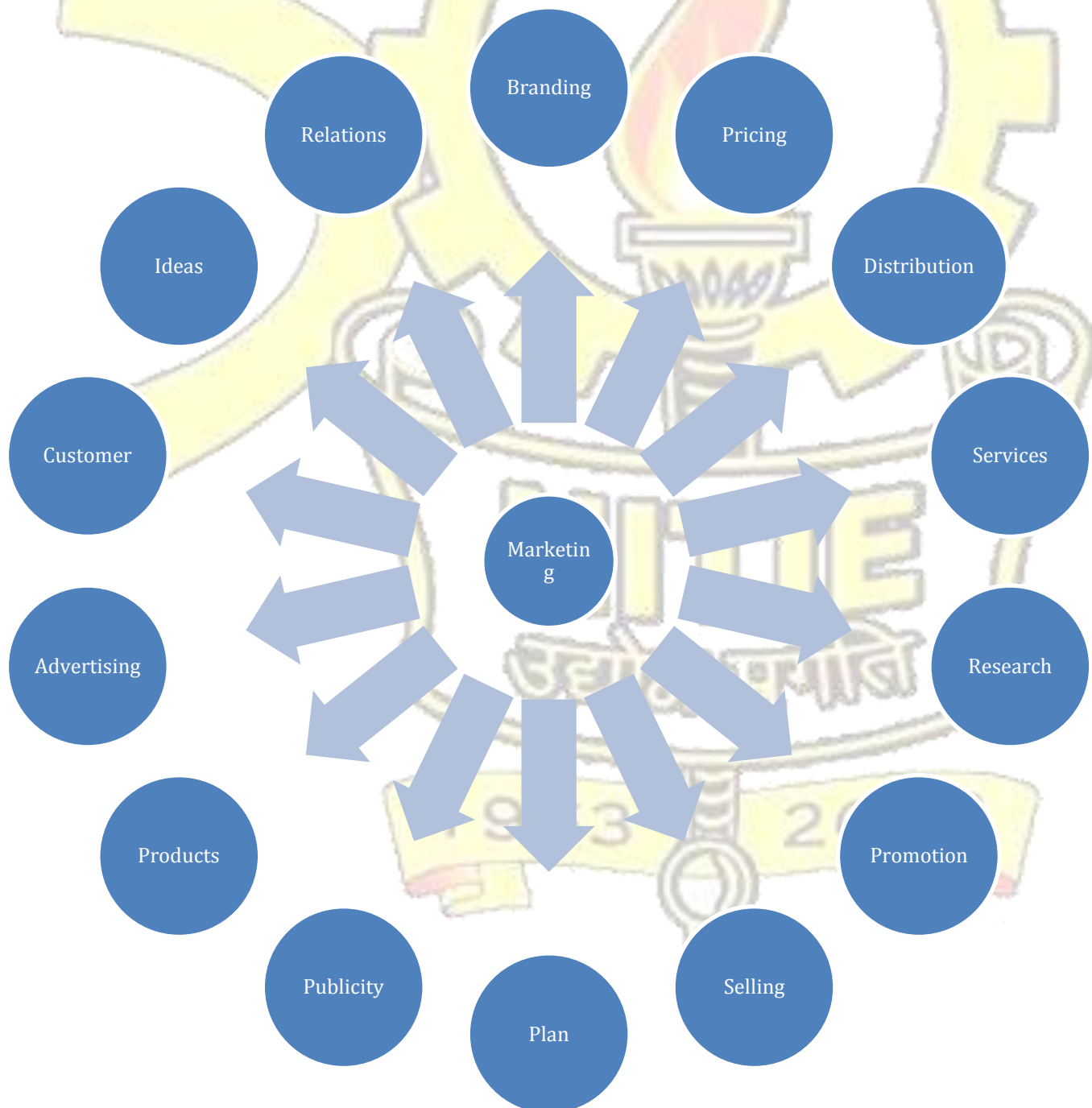


What is Market?

The place where buyers and sellers come together for exchange of goods, services and information. The exchange of goods with money is called transaction.

What is Marketing?

The action or business of promoting and selling products or services, including market research and advertising. Marketing is an organizations strategy for allocating their resources to achieve their desired objectives that is profit. It is the process of communicating the value of a product or service to customers.



What is the difference between a customer and consumer?

A customer is a buyer but not necessarily a user. A consumer on the other hand might be a buyer but not necessarily a user.

The product is designed to give maximum satisfaction to the consumer and a product is branded and advertised in a manner that it makes the maximum appeal to the customer.

A classic example would be of a diaper, baby uses a diaper but it would be in most cases that baby's mom visits the super market to purchase them. Here the baby would be the consumer and mom would be the customer.

Difference between marketing and sales?

Marketing: Marketing is an integrated communications-based process through which individuals and communities are informed or persuaded that existing and newly-identified needs and wants may be satisfied by the products and services of others. Marketing creates the atmosphere to make it easy for sales to happen.

Sales: Selling includes the activities that get customers to make a purchase. Selling is closing sales that make you money. E.g., an insurance agent trying to sell insurance, a salesperson selling encyclopedias door to door. A few things included in selling are: presenting, answering questions, making suggestions, doing proposals or estimates, addressing concerns, negotiating, and most important, asking for the sale and then completing the sales agreement, etc.

Marketing	Selling
Customer Focused	Product Focused
Product is designed as per customer needs	Revenue is generated from the product sold
Profit through customer satisfaction	Profit through sales maximization
Emphasis on product planning and developing as per customer needs	Emphasis on selling the product already produced

What is STP?

STP stands for Segmentation, Targeting and Positioning

Market Segmentation

1. Identifying segmentation variables and segment the market
2. Develop profiles of resulting segments

Market Targeting

3. Evaluate the attractiveness of each segments
4. Select the target segments)

Market Positioning

5. Identifying possible positioning concepts for each target segments
6. Select, develop, and communicate the chosen positioning concept

Segmentation: The basic idea of segmentation is to identify the different parameters based on which you further group your customers into segments, which will have common, needs or will respond similarly to a marketing action.

Targeting: Once the parameters are decided and the different groups corresponding to each parameter are decided, the next step for a marketer is to decide upon the groups that he shall target to sell his product. The aim for every marketer is to decide upon clearly-defined target groups before embarking upon marketing their product.

Positioning: Positioning is the act of designing the company's offering in a way so as to develop a certain image in the minds of the consumers. It helps create an idea in the minds of the customers of the experience they will have if they choose the product ahead of others.

The 4 P's of Marketing?

- **Product** - A product/service is a bundle of utilities, which satisfies a customer need, or want. Utility can be tangible or intangible. The tangible features are those things that the customer can see, touch, feel, taste, or smell. The intangible include such things as the image of the offering, the brand, warranties, and guarantees or after sales service etc. Before launching a product marketers must carefully study the market to find out the suitability of the product in the target market. Marketers must also keep in mind the competitor's product features and marketing objectives of the company while deciding on the product.
- **Price** - The price is the monetary value assigned to the product. It includes direct and indirect costs like transportation price. The benefits of the product have to be great enough to warrant the price. The price is very important as it determines the company's profit and hence, survival. When setting a price, the marketer must be aware of the perceived value of the product in the eyes of the customer. A marketer should also keep in mind the positioning of the product and competitors pricing strategy in mind.
- **Place** - refers to providing the product at a place, which is convenient for consumers to access. Place is synonymous with distribution. A company can choose to sell its products exclusively or can make it available at all places. While making strategy for this P the marketer keeps in mind customer convenience and distributor behavior.
- **Promotion** - It is a tool for creating interest, persuasion and remembrance of the product. It may be of the following types advertising, public relations, personal selling and sales promotion. The objective of promotion can range from creating awareness of the product to make people like the product. The important objective in today's promotional activities is to break the clutter formed by competitor's messages in the minds of the customers.

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