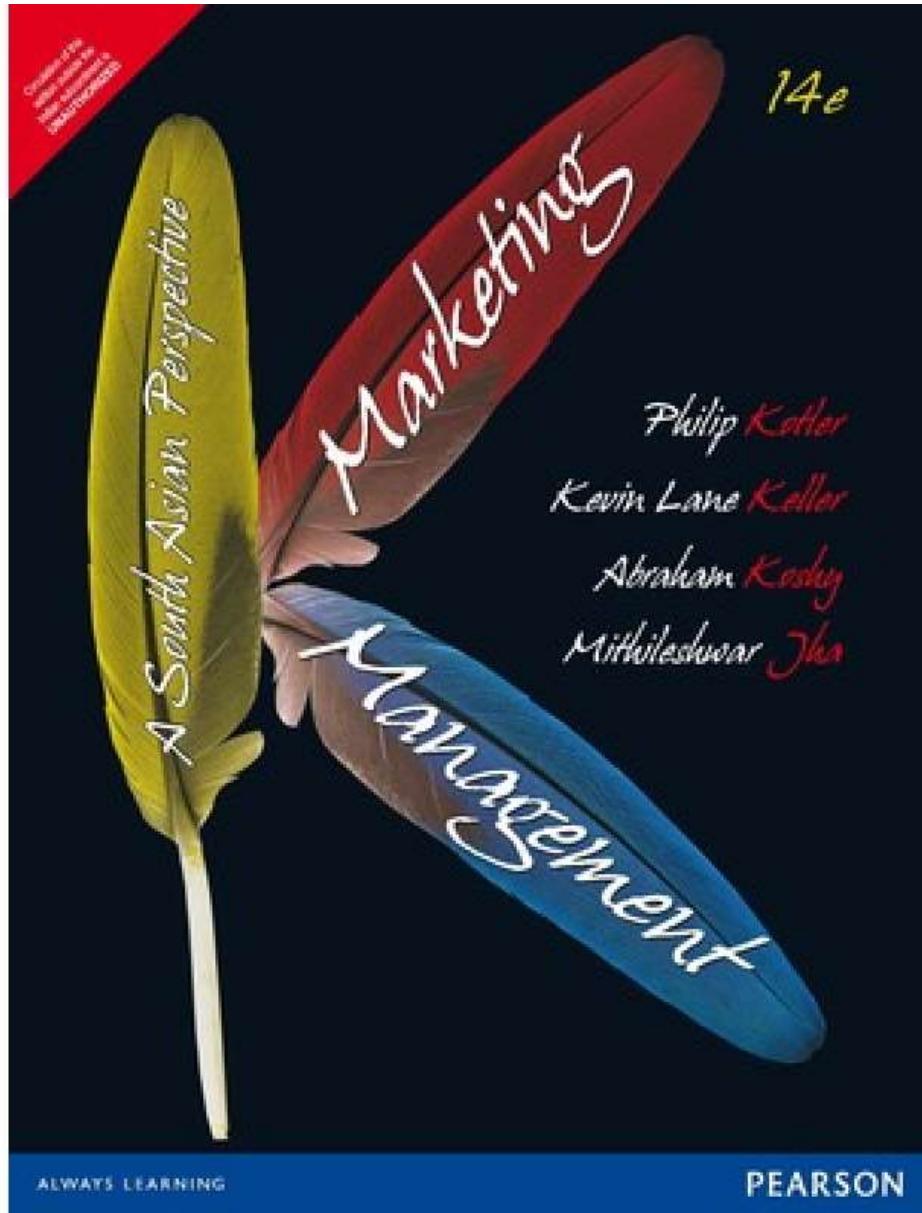


# **MARKETING MANAGEMENT**

Course code –SM722



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# CHAPTER 1: DEFINING MARKETING FOR 21<sup>ST</sup> CENTURY

- Marketing means meeting needs profitably

Definition according to American Marketing Association:

“Marketing is the activity, set of institution and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large”

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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.

# What is marketed?

- Goods
- Services
- Events
- Experience
- Persons
- Places
- Properties
- Organisations
- Information
- Ideas

- Needs – Human requirements like air, food, transportation, etc
- Wants – Needs turns into wants when they are directed to specific objects that can satisfy needs
- Demand – Want backed by ability to buy

# Demand states

- Negative demand – Consumers dislike the product but may even pay to avoid it
- Non-existent demand – Consumers may be unaware of or uninterested towards a product
- Latent demand – Consumers may have a strong need that cannot be satisfied by an existing product
- Declining demand – Consumers begin to buy products less frequently or not at all
- Irregular demand – Can vary seasonally, monthly, weekly, daily and even on hourly basis
- Full demand – Demand is meeting with the supply potential of a company
- Overfull demand – When demand for products is more than the supply
- Unwholesome demand – Demand for products that can have undesirable social consequences.

# Key customer markets

- Consumer markets
- Business markets
- Global markets
- Non-profit & Government markets



# Marketplace, Marketspace and Metamarket

- Marketplace – Physical in nature
- Marketspace – Digital in nature
- Metamarket – Includes a set of complementary products related to each other, but they can spread across industries

# STP

- Segmentation – Dividing market into different sets on the basis of similarities when it comes to needs and requirements
- Targeting – Focusing on one or more segments with much more importance
- Positioning – Place that a brand occupies in the mind of the customer and how it is distinguished from competitor's products

# Four Ps of marketing

- Marketing mix Four Ps

- Product
- Place
- Promotion
- Price

- Modern marketing management

## Four Ps

- People
- Processes
- Programs
- Performance

- Value

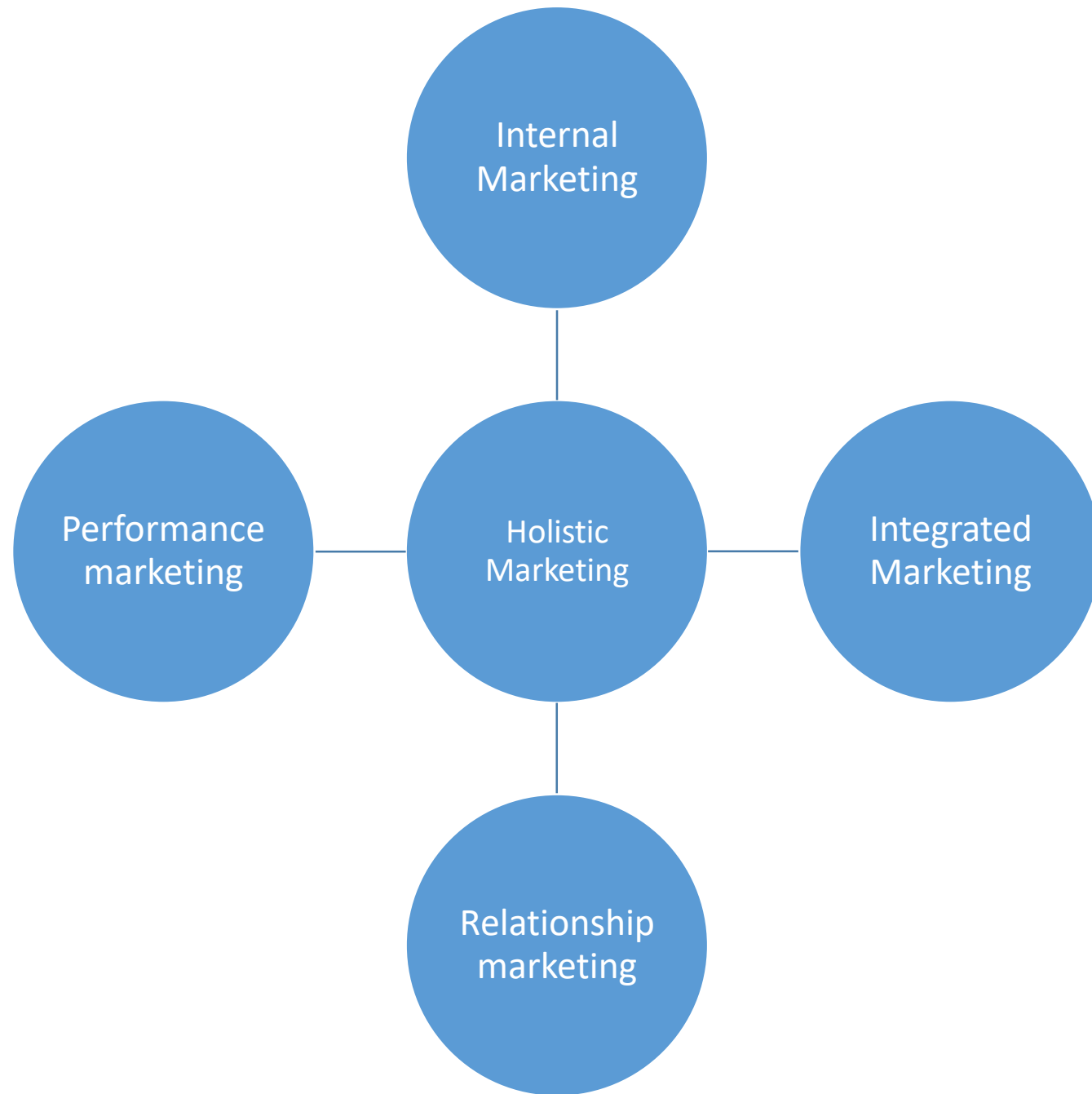
Customer value triad - Combination of quality, service and price

- Satisfaction
- Value proposition - A promise of value to be delivered, Communicated, and acknowledged.
- Offerings – Intangible value proposition is made physical by an offering, it can be a combination of goods, services, information, etc.
- Brand – A brand is an identifying symbol, mark, logo, name, word, and/or sentence that companies use to distinguish their product from others.
- Competition

- Marketing channels
  - a) Communication channels
  - b) Distribution channels
- Supply chain –The network of all individuals, organizations, resources, etc involved in creation and sale of a product, from receipt of raw materials from the suppliers to the manufacturers, to the end user.
- Marketing environment
  - Task environment
  - Broad environment

# **Company orientation towards marketplace**

- Production concept – Holds that consumers prefer products that are widely available and inexpensive
- Product concept – Consumers prefer products offering superior quality, performance and innovative features
- Selling concept – Holds that consumers & businesses if left alone won't buy products. Marketing functions like promotions are important factor.
- Marketing concept – Job is not to find right customers for your products, but right products for your customers.
- Holistic marketing concept – Scope is very broad



## Internal marketing

- Marketing department, Other department, Senior management

## Integrated Marketing

- Products & services, Communications, Channels

## Relationship Marketing

- Four key constituents – customers, employees, marketing partners and financial community

## Performance Marketing

- Financial returns
- Non-financial returns



# Example on developing marketing strategies and plans

- Assessing market opportunities and customer value
- Choosing a value
- Designing value
- Delivering value
- Communicating value
- Sustaining growth and value

THANK YOU