Marketing Management

Mohan Vellanki

Introductions

- Mohan Vellanki
  - BE, MS, MBA
  - Work Experience Engineering, Marketing, Sales, Product Management – 18 Years
  - Founder, Orvito, Inc. – An IoT company

Course Learnings

- Framework to develop & evaluate marketing strategy
  - Analysis – 5C's
  - Segmenting, Targeting, Positioning (STP)
- Analytics Tools
  - Value of Products (EVC)
  - Value of customers (CLV)
  - Value of Brands (Brand Equity)
  - Marketing Assets
    - Customers
    - Brands
- Implementation
  - Marketing Programs – 4P's
  - Strategy Implementation

What is Marketing?

☐ Everything starts with the customer –

Lou Gerstner – CEO of IBM 1993-2002

☐ Trying to get answer to following…

☐ What does customer want?

☐ Can we build it?

☐ Can we keep the customer satisfied?

☐ Marketing puts the focus on Customer

Customer –
Everything starts with the customer

☐Who is a customer?

Patient Visiting Doctor

Family Outing to McDonalds

Customer Drivers

- The *initiator*, who might be the child who wants to go to Disneyland.

- The *influencer*, who might be a travel agent.

- The *decider*, who might be the parent's.

- The *buyer*, who might be the father who used his credit card.

- The *user*, who reaps the benefits, which in this case was the child who was the initiator.
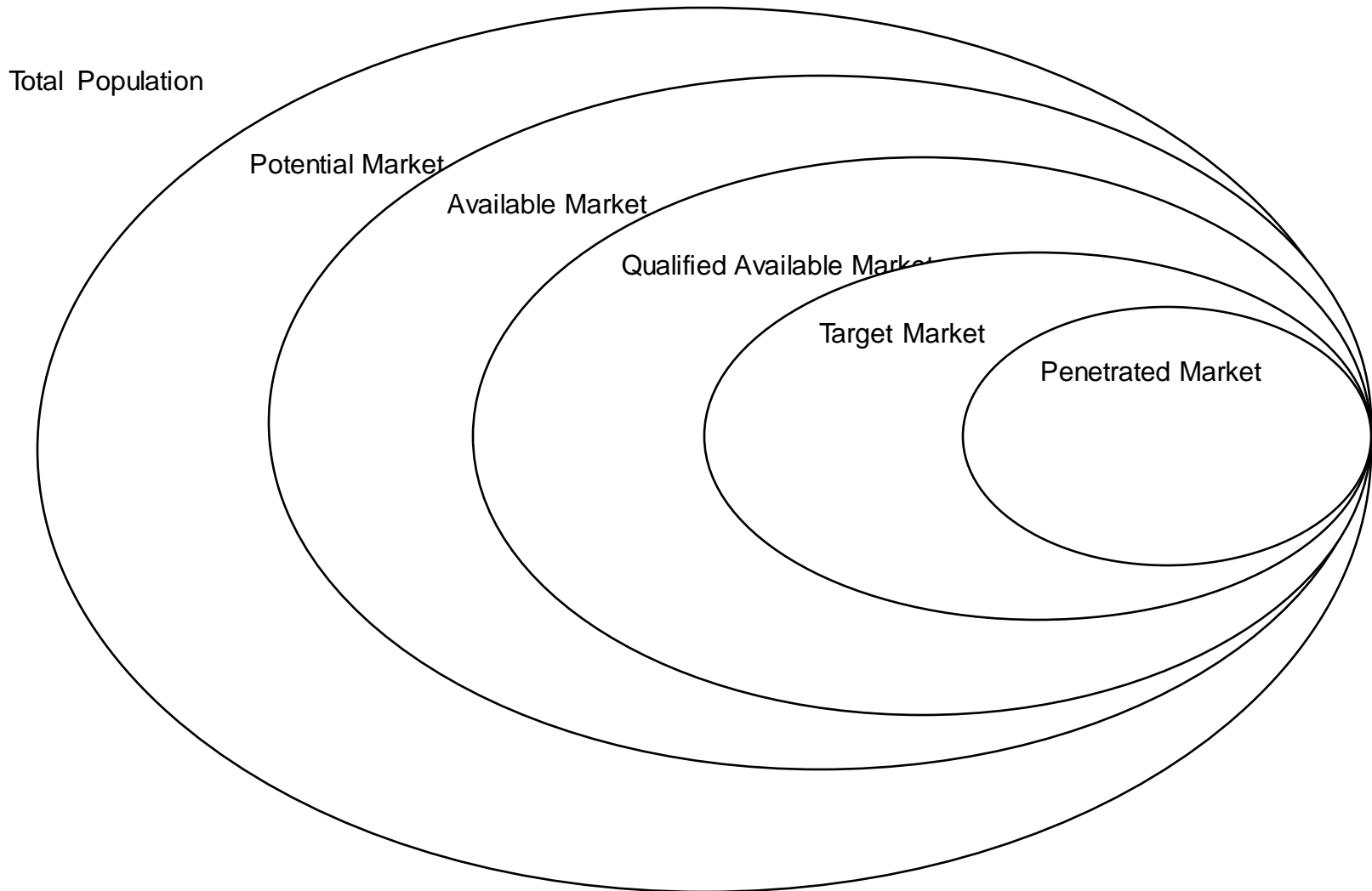
Strategic – 5 C's

- Customer
  - Customer needs, Segments, Consumer Behavior
- Company
  - Brand Name, Image, Production Capability, Organization
- Competition
  - Actions are interrelated, Market Environment
- Collaborators
  - Downstream, Wholesalers or retailers, Upstream Suppliers
- Context
  - Culture, Politics, Regulations, Social Norms

Customer

- Market Size & Growth
- Market Segments
- Benefits or Value the customer is seeking
- Motivation behind purchase
- Decision Maker
- Customer Touchpoint Channel
- Buying process
- Frequency of Purchase
- Quantity of purchase
- Trends

Market Definition

Total Population

Potential Market

Available Market

Qualified Available Market

Target Market

Penetrated Market

Market Sizing

- Market volume =
  - Number of Target customers x Penetration Rate

- Market Value = Market Volume x Average Value

What is the market size of Mobile phones in India?

Company

- Product Line

- Brand or Image in the market

- Technology and Experience
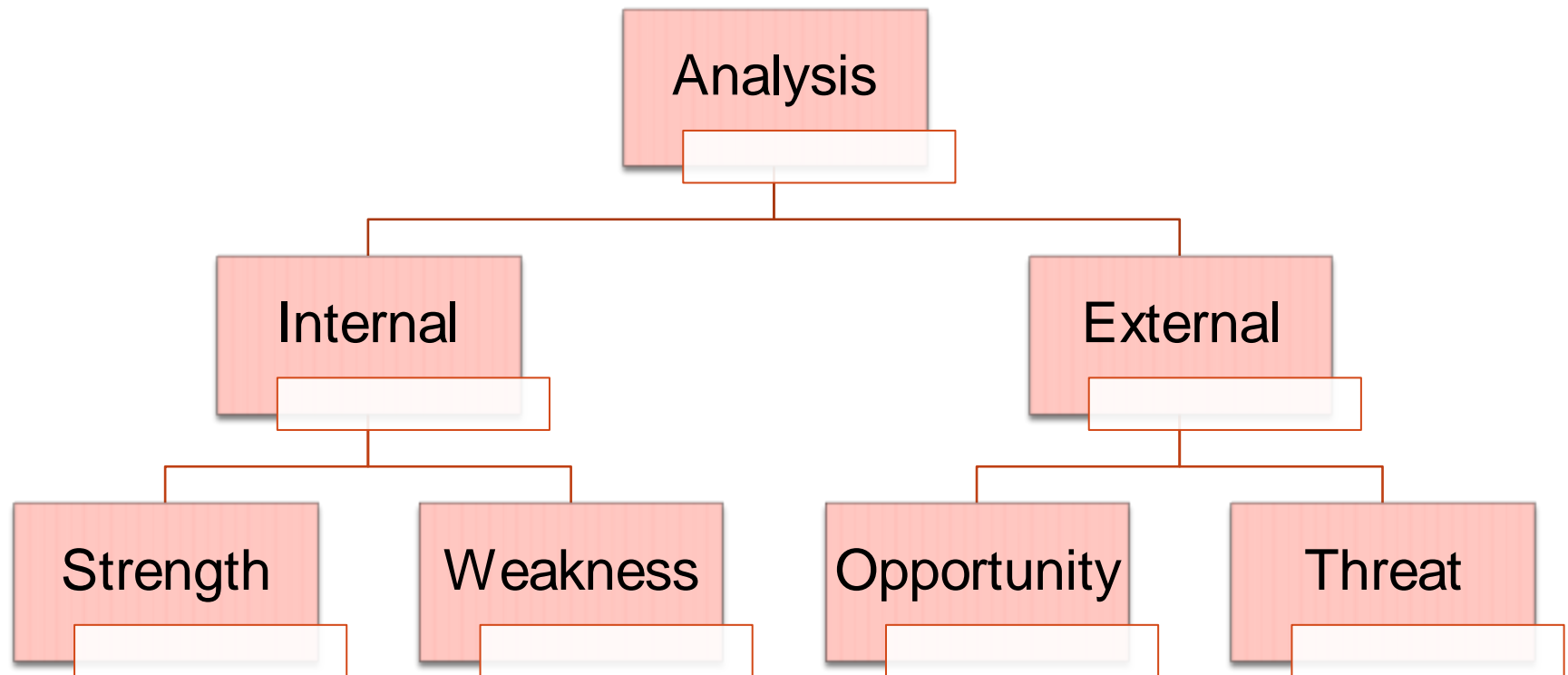
- Culture

- Goals

SWOT Analysis

Strength

Weakness

Opportunity

Threat

☐ Helps identify positive & negative of a company

SWOT

Internal Factors

- Human resources
- Physical resources
- Financial
- Activities and processes
- Past experiences

External Factors

- Future trends
- The economy
- Funding sources
- Demographics
- The physical environment
- Legislation
- Local, national or international events

SWOT Analysis Framework

☐ Can company meet customer needs?

Internal

Strengths	Weaknesses
Opportunities	Threats

External

Factors in SWOT

Strengths

- specialist marketing expertise
- exclusive access to natural resources
- patents
- new, innovative product or service
- location of your business
- cost advantage through proprietary know-how
- quality processes and procedures
- strong brand or reputation

Weaknesses

- lack of marketing expertise
- undifferentiated products and service (i.e. in relation to your competitors)
- location of your business
- competitors have superior access to distribution channels
- poor quality goods or services
- damaged reputation

Opportunities

- developing market (China, the Internet)
- mergers, joint ventures or strategic alliances
- moving into new attractive market segments
- a new international market
- loosening of regulations
- removal of international trade barriers
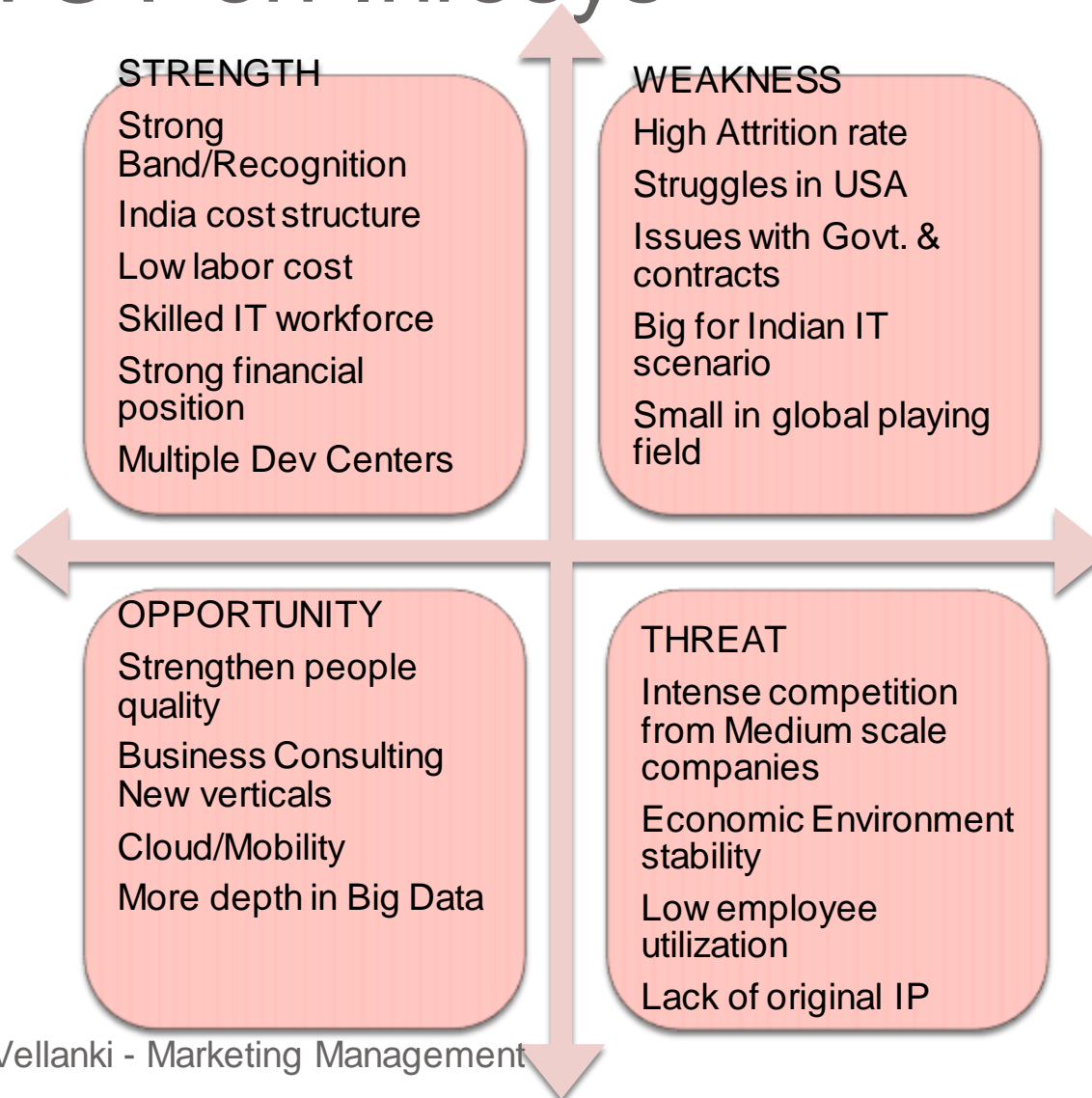- a market led by a weak competitor

Threats

- a new competitor in your home market
- price war
- competitor has a new, innovative substitute product or service
- new regulations
- increased trade barriers
- taxation may be introduced on your product or service

Mohan Vellanki - Marketing Management

SWOT on Infosys

- Services in Business and IT consulting
- Integration of system, design
- Development, maintenance, infrastructure management services
- Product engineering, Consulting
- Operates in North America & Europe along with India

SWOT on Infosys

STRENGTH

Strong Band/Recognition

India cost structure

Low labor cost

Skilled IT workforce

Strong financial position

Multiple Dev Centers

WEAKNESS

High Attrition rate

Struggles in USA

Issues with Govt. & contracts

Big for Indian IT scenario

Small in global playing field

OPPORTUNITY

Strengthen people quality

Business Consulting New verticals

Cloud/Mobility

More depth in Big Data

THREAT

Intense competition from Medium scale companies

Economic Environment stability

Low employee utilization

Lack of original IP

Group-work 1

☐ SWOT on your company

SWOT Pitfalls

- Can be subjective

- May be too oversimplified

- It should be conducted regularly /periodically

- Data analysis is typically based on assumptions

- Lacks detailed structure , Key elements may get missed

Output from SWOT

☐ Identify the issues or problems you intend to change.

☐ Set or reaffirm goals.

☐ Create an action plan.