

Exam Tips:

Market-oriented firm

- Whole idea of value

_what's value? What are the things that deliver value?

- Characteristics of the market-oriented firm

_ What makes a firm market-oriented?

Relationship marketing & customer loyalty

- Relationship logic

_(why are we shifting away from the **transactional** to relationship) - Assumption of eco theory are the floor, and that's why we are moving away from it (#)

- Customer retention & profitability

_why is it important that over long term we retain customers is better than always try to find new customers (##)

Attitudinal & behavioural loyalty

_we want attitude loyalty (that fact that people keep buying from you, is not necessary mean they like you in attitude) - aiming to get people who keep buying from you behavioural like doing that attitudinal _true loyalty

There are also other forms of loyalty (keep in mind)

Customer satisfaction & delight

_what do we do to delight our customers- **expectation & actual performance**(###); meets satisfied, not meet mad, excess, delight!

Pricing

Understanding how consumers see price

Approaches to price setting

Pricing objectives

Pricing strategies (skimming, penetration, stability)

Channel management

Role of distribution channels

Determinants of channel structure

_whether we go short or long; intensive, selective, or exclusive?

Managing channel conflict

_how do we resolve these conflicts?

Contextual influences on channel design

- customer characteristics (long/shorter/multi channel)
- product characteristics+ channel modifications(Product life cycle)
- intermediary (consistent with brand position)
- competitor (near or avoid)
- company (financial/ product mix/ value proposition)

Services marketing

4 aspect that we don't find on physical product

_Intangibility; inseparability; variability; perishability

Extra 3ps

_process, physical evidence, people

Cost & opportunity of service failure; recover

Immovability of services failure (#### in exam)

_cycle of failure

Role of service employees in service recovery
_recovery model, 4 stages process (#)

Marketing ethics

Ethical dilemmas facing business,
Social responsibility of business
stakeholder management,
business cases for corporate social responsibility (CSR)

Common sense ≠ common practical
Human behavior is not predictable, many boundaries
Underline rational

FEW TIPS

10~15 mins structure out how to write (plan)
Then add text to how to write
*should use structure on the exam paper (perhaps being mark on it)
Not to show you what to know (understand the concept)
USE examples! Use as much as you can _perhaps statement is not very clear, example can make things clear

What is Customer Value?

Customer value refers to the difference b/w the benefits and costs of one product from a customer's perspective.

The goal of marketing is to create **sustainable, superior perceived value**.

Good profits means earning from creating customer value, which in turns, creates loyal customers.
(where **bad profits** means earning at the customer's expenses)

"The customer rarely buy what a firms thinks it's selling him. _Peter Drucker "

By this it means the customer's might not mainly be at the product itself, but also the services, relationship management, maintenance etc.

For example, a customer buys a coffee at \$8, he is not only paying for the product, but also the services, and the wholeset of operation team behind, like the cashier, sales team, customer services team etc.

For customer, the **benefits** they get is not in terms of **product features**, but in terms of "**results delivered**". For example, improved performance, productivity, experience, or reduced risk.

Similarly, they don't define the cost in terms of purchase price, but in terms of total costs/savings over the life cycle.

Market oriented firm always have to think about the product and services based on customer perspectives in order to create superior customer value.

Market-Oriented Firm

Those that seek ways to understand customers' needs and create products to fulfilled these needs, they are the firms focusing on creating value for customers.

(having process and structures in place which make the creation of value easier)

They are trying to create **sustainable, superior customer value**, and reducing life-cycle costs & increasing benefits to the customer over the product's life