

## Chapter 1 Introduction to Marketing

**The marketing concept-** generating customer satisfaction is the key to profitability and a fundamental objective of the organisation.

Customer orientation -business begins and ends with the customer -Integrated marketing efforts through whole org- Resulting profitability.

**Production Orientation:** pursue efficiency in production and distribution. Practically sells itself

**Sales Orientation:** stimulate the interests of potential clients in the organisation's **existing offerings**.

**Marketing Orientation:** determine the needs and wants of target markets and to satisfy them through the design, communication, pricing and delivery of appropriate and competitively viable offerings. Fundamentally different-begins and ends with customers (not our existing products) and how to meet their needs.

**Societal Marketing concept:** organisation's task is to determine the needs, wants and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being.

**Stakeholders:** Owners, Employees, Customers (and clients), Partners, Government

**Service dominant logic** – a focus on the intangible elements that provide value beyond the exchange

**Customer co-creation** – working with customers as partners in creating value

**Marketing Process:** understanding the market to create, communicate and deliver an offering for exchange.

Understanding= Market Research + reviewing sales data

**Marketing exchange:** the mutually beneficial transfer of offerings of value between the buyer and seller.

**A successful marketing exchange involves:**

- 1)two or more parties, each with something of value desired by the other party
- 2)all parties must benefit from the transaction
- 3)meet both parties' expectations (e.g. quality, price).

**Value- a perception:** A customer's assessment of the utility of an offering based on perceptions of what is received and what is given.

**Corporate social responsibility** Businesses have an obligation to act in the interests of the societies that sustain them. Such activities extend philanthropic (i.e. giving) actions to make them of strategic benefit

**Ethics:** A set of moral principles that guide attitudes and behaviour. Trade Practices Act, Fair Trading, the Australian Competition and Consumer Commission, and New Zealand's Commerce Commission.

**Sustainable Development** – meeting the needs of today without compromising tomorrow (sustainable fishing; sustainable forestry, etc.).

**Sustainable Marketing** – combining economic and ecological elements in business practices (recycling; paper instead of plastic, etc.).

**Green marketing-** marketing of environmentally safe or beneficial products.

**Greenwashing:** questionable /misleading information in order, to be perceived as environmentally friendly.

**The marketing mix:** A set of variables marketer can exercise control over in creating an offering for exchange