

Week 1

Introduction: What is marketing?

What is marketing?

Marketing's Key words:

- Intimacy/ closeness relationship
- Create loyalty for repeat purchasing
- Exchange between the organization and the market
- Matching of expectation (Mutually)
- Creating 'value' for customer (Being 'better off' = benefit)
- Communicate to the target audience in order to persuade
- Transformative Customer Research (TCR) to protect harm

Marketing:

- Marketing is the process of creating and resolving exchange relationships
- Marketing involves exchanges of goods for money, where goods can take on a rather broad meaning in the context of the exchange relationship.

Markets:

- The market can be individual, group, communities, or organization
- The marketer needs the prospect to buy product or change their behavior by responding the prospect's attention/ purchase/ donation/ vote

Definition

1. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large.
2. Marketing management is the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering, and communicating superior value.

Marketing Tasks

1. Identify and profile distinct groups of buyers (market segmentation)
2. Select on or more market segments to serve (market targeting)
3. For each segment, establish and communicate benefits of offerings (market positioning)

Marketing tools (4P)

1. **Who** will be most likely to buy my product or service?
2. **What** do they want to buy?
3. **Where** do they want to buy it?
4. **How much** will they pay?
5. **How** and **when** will they collect information about products and services like ours?
6. **Why** will they buy our product rather than a competitor's?

Marketing processes

1. **Situation analysis**
Do market research (micro & macro environmental analysis), review current strategy
2. **Strategy Formulation**
Deliver 'value proposition' to match the customer expectation
3. **Planning, organizing, and budgeting**
For all marketing programs
4. **Marketing Implementation**
Consistent within the organization
5. **Measuring**
Measure the marketing performance → Do marketing metrics

Company Orientation

1. Production Orientation

Customer will favor the organization whose products *are the cheapest and the most readily available*.

- Focus on internal capabilities of the firm rather than needs of target market
- Improving production efficiency
- Cost reduction
- Increase volume and economies of scale
- Mass distribution

Concern:

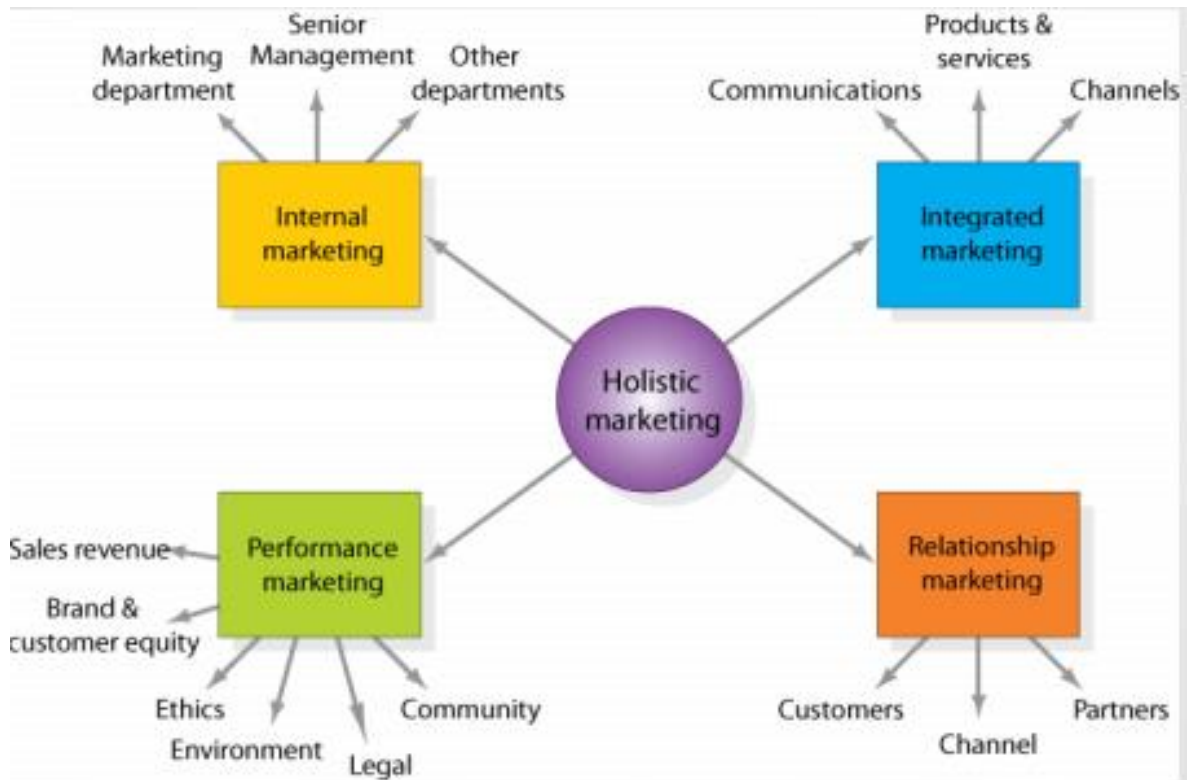
- Demand > Supply (excess demand)
- Product's cost is too high (for the people who need)

2. Product Orientation

Customers favor products offering the most quality, performance, or innovative features

- Lead to high cost → high price

3. Holistic marketing



3.1 Internal marketing

- Take good care of everybody within the company
- Level 1: Take care Marketing function
- Level 2: Take care all departments

3.2 Integrated marketing

Many different marketing activities communicate and deliver value

- Companies view marketing mix as a tool for influencing buyers
- Customers view marketing mix as a set of tools for delivering benefits

3.3 Performance marketing

- Balance between financial accountability VS Social responsibility
- Not to harm another person or environment

3.4 Relationship marketing

Think about relationship first, and then benefit (With all customers, employees, and partners) → Marketing network