

1. Creating and capturing customer value

- WHAT IS MARKETING
 - Marketing defined
 - Marketing Process
- UNDERSTANDING THE MARKETPLACE AND CUSTOMER NEEDS
 - Customer needs wants and demands
 - Market offerings: Goods, services, experiences
 - Customer value and satisfaction
 - Exchange, transactions, relationships
 - Markets
- DESIGNING A CUSTOMER DIVEN MARKETING STRATEGY
 - Selecting customers to serve
 - Choosing a value proposition
 - Marketing management orientations
- PREPARING AN INTEGRATED MARKETING PROGRAM
- ENGAGING CUSTOMERS AND MANAGING CUSTOMER RELATIONSHIPS
 - Customer relationship management
 - Engaging customers
 - Consumer-Generated marketing
 - Partentr relationship management
- CAPTURING VALUE FROM CUSTOMERS
 - Creating customer loyalty and retention
 - Growing share of customer
 - Building customer equity
 - Building the right relationships with the right customers
- THE CHANGING MARKETING LANDSCAPE
 - The digital age
 - Challenging world economy
 - Measuring marketings contribution to performance

2. Company and marketing strategy: Partnering to build customer engagement, value and relationships

- COMPANY WIDE STRATEGIC PLANNING
 - define a market oriented mission
 - Setting company's objectives and goals
- DESIGNING THE BUSINESS PORTFOLIO
 - Analysing the current business portfolio
 - Strategic business units (SBU'S)
 - Strategies for growth and downsizing
- PLANNING MARKETING: PARTNERING TO BUILD CUSTOMER RELATIONSHIPS
 - Partnering with other company departments (Value Chain)
 - With other in the marketing system (value delivery system)
- MARKETING STRATEGY AND THE MARKETING MIX
 - Customer value-driven market strategy
 - Developing an integrated marketing mix (Product, price, place, promotion, people, physical evidence, process)
- MANAGING THE MARKETING EFFORT
 - marketing analysis
 - Marketing planning
 - Marketing implementation
 - Marketing department organisation
 - Marketing control
- GROWTH STRATEGIES
 - Market: (penetration, Development)
 - Product: (development, Diversification)
- STRATEGIES FOR COMPETITIVE ADVANTAGE
 - (Leader, Challenger, Follower, Nicher)
- STRATEGIC ALLIANCE
 - (product/service, Promotional, logistical, pricing collaboration)
- PORTERS GENERIC 3
 - Cost leadership, Differentiation, Focus (niche)
- FIRST AND SECOND MOVER STRATEGY
- MEASURING AND MANAGING MARKETING RETURN ON INVESTMENT

3. The market place and customers: Analysing the environment

- THE MARKETING ENVIRONMENT
- THE MICROENVIRONMENT
 - The company
 - Suppliers
 - Marketing intermediaries
 - Competitors
 - Publics
 - Customers
- THE MACROENVIRONMENT
 - Demographic
 - Social
 - Technological
 - Political
 - Natural
 - Cultural
- RESPONDING TO THE MARKETING ENVIRONMENT
 - Proactive, reactive

4. Buyer behaviour

- CONSUMER MARKETS AND CONSUMER BUYING BEHAVIOUR
 - Model of consumer buying behaviour
 - Black box
 - Characteristics affecting consumer behaviour
 - Cultural
 - Social
 - Personal
 - Lifestyle
- THE BUYER DECISION PROCESS
 - Stages in the buyer decision process
- THE BUYER DECISION PROCESS FOR NEW PRODUCTS
 - Stages in the adoption process
 - Individuals differences in innovativeness
 - Rate of adoption
- BUSINESS MARKETS AND BUSINESS BUYER BEHAVIOUR
- E-PROCUREMENT
- BUSINESS TO BUSINESS (B2B)
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5. Customer-Driven marketing strategy: Creating value for target customers

- CUSTOMER DRIVEN MARKETING STRATEGY
- MARKET SEGMENTATION
 - Segmenting consumer markets
 - Geographic (location, Climate, density)
 - Demographic segmentation (Income, age, sex, etc)
 - Psychographic (social class, lifestyle, values/attitudes, personality, AIO's)
 - Behavioural (Occasions, benefits sought, User status, Usage rate, loyalty)
- REQUIREMENTS FOR EFFECTIVE SEGMENTATION
 - Measurable
 - Accesible
 - Substantial
 - Differentiable
 - Actionable
- Market targeting
 - Evaluating market segments
 - Selecting target market segments
 - Socially responsible target marketing
- DIFFERENTIATION AND POSITIONING
 - Positioning maps
 - Choosing a differentiation and positioning strategy
 - Communicating and delivering the chosen position

1. Marketing: Creating and capturing value

■ WHAT IS MARKETING?

Marketing defined:

An activity, set of institutions and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large. (American Marketing Association)

- Linked to economics (marketing influences demand)

Textbook:

The Process by which marketing organisations engage customers, build strong relationships and create customer value in order to capture value from customer in return.

Marketing process:

-Understand the marketplace and customer needs and wants —>

-Design a customer driven market strategy —>

-Construct an integrated marketing program that delivers superior value —>

-Build profitable relationships and create customer delight—>

-Capture value from customers to create profits and customer equity

■ UNDERSTANDING THE MARKETPLACE AND CUSTOMER NEEDS AND WANTS

Six core marketing concepts

1) Customer Needs and Wants

Needs: -Are states of felt deprivation

-Basic concept underlying marketing

Wants: The form human needs take, as shaped by culture and individual personality

Demands: Human wants that are backed by buying power

2) Market Offerings:

Some combinations of goods, services, information or experiences offered to a market to satisfy a need or want

Product: Anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. Eg objects, services, persons, ideas.

Marketing Myopia: The mistake of paying too much attention to the specific products a company offers rather than to the benefits and experiences produced by these products

3. Customer value and satisfaction

Customers form expectations. Make sure to set right level of expectations. (Quality of conformance)

4. Exchanges, transactions and relationships

Exchange: the act of obtaining a desired object off someone by offering something in return

Transaction: A trade between two parties that involves at least two things of value, agreed upon conditions and a time and place of agreement.

5. Markets: The set of all actual and Potential buyers of a product

Marketplace: Any location or medium used to conduct an exchange

■ DESIGNING THE BUSINESS PORTFOLIO

Business portfolio: The collection of businesses and products that make up the company

Portfolio planning:

First, the company must analyse its current portfolio and decide which businesses should receive more investment. Second, the company must shape future portfolio by developing strategies for growth and downsizing.

Analysing the current business portfolio:

Portfolio analysis is the process by which management evaluates the products and businesses that make up the company.

Purpose: To find ways in which the company can best use its strengths to take advantage of opportunities in the environment.

Boston consulting group: Growth- Share matrix

Stars	Question Marks?
<ul style="list-style-type: none"> - High Growth and market share - Profit potential - May need heavy investment to grow 	<ul style="list-style-type: none"> - High growth, low share - Build into stars or phase out - Require cash to hold market share
Cash Cows	Dogs
<ul style="list-style-type: none"> - Low growth, High share - Established successful SBU's - Produce cash 	<ul style="list-style-type: none"> - Low growth and share - Low profit potential

Problems with Matrix Approaches:

- Difficult
- Time Consuming
- Costly

■ MARKETING STRATEGY AND THE MARKETING MIX

Marketing strategy is the logic by which the company hopes to create customer value and achieve profitable customer relationships. They focus on ways in which the corporation can differentiate itself effectively from competitors, capitalising on its distinctive strengths to deliver better value to customers.

Core Competencies: The skills and abilities that enable the firm to deliver, must:

1. Be a source of competitive advantage and makes a significant contribution to perceived customer benefits
2. Have applications in a wide variety of markets
3. Be difficult for competitors to imitate

Partnering to build customer relationships

With other departments:

Each departments can be seen as a link in the company's **Value chain**: The series of internal departments that carry out value crating activities.

With others in the marketing system:

The network made up of the company, suppliers, distributors, and ultimately customers who partner with each other to improve the performance of the whole system. (**value delivery network**)

Customer driven marketing strategy

Market segmentation:

Analysing how a market is naturally broken into distinct groups of buyers who have different needs, characteristics or behaviour, and who might require tailored products or marketing programs.

Market segment: A group of consumers who respond in a similar way to a given set of marketing efforts.

Market targeting:

The process of evaluating each segments attractiveness and selecting one or more segments to enter.

Positioning:

A products position is the place the product occupies relative to its competitors products in consumers minds. Positioning is arranging for a product to occupy a clear, distinctive and desirable place in the minds of target consumers relative to competing products.

Differentiation:

Differentiating the company's market offering from that offered by competitors, to create superior customer value.

Developing an integrated marketing mix

Marketing Mix:

The set of controllable tactical marketing tools that the firm blends to produce the response it wants in the target market.

Product	The combination of goods and services that the company offers to the target market.
Price	The amount of money customers use pay to obtain the product. Influenced by current competitive and economic circumstances, and credit terms.
Placement	The activities that make the product available to target consumers. (Logistics)
Promotion	The activities that communicate the merits of the product and persuade customers to buy it.
People*	Servies are often people-based, such as when a service manager attends to a customers needs. Encounters are highly variable. Variation may be because of organisations lack of motivation or other issues. In which case organisation must engage in internal marketing or training.
Process*	Marketers need to be involved in designing and monitoring processes involved in buying and servicing any type of product.
Physical evidence*	Often, it is necessary to manage customer and potential customer expectations

*Not as important