
1 Marketing Environment

2.1 Definition: all of the internal and external forces that affect a marketer's ability to create, communicate, deliver and exchange offerings of value

2.2 Macro Environment

- Encompasses the factors outside of the industry that influence the survival of the organisation
- Always beyond an organisation's and marketer's control, however there are rare instances of org influencing environmental factors
- **Purpose:** effective marketers adapt, and change offers to accommodate shifts in the environmental sphere (PESTEL)

2.2.1 Environmental Factors:

Factor	Description	Example
Political	The influence of government decisions and their limitations and restrictions on company behaviour	Government trade agreements such as ASEAN
Economic	Forces that influence the overall state and condition of the economy	Spending patterns, purchasing power
Sociocultural	Factors that affect society's fundamental values, preferences, attitudes and beliefs	Supermarkets stocking more organic food to satisfy demands
Technological	Forces include advancements or adoption of technology	Uber ride sharing app
Environmental	The ecological and environmental influences on business	Pollution, climate and weather
Legal	Regulatory influences that prohibit and restrict what business can and cannot do legally	Competition and Consumer Act Sales of good Act

2.3 Micro Environment

- Forces within an organisation's industry that affect its ability to serve its customers and clients
- Cannot be directly controlled by organisation, however does have influence over them
- **Customers and clients:**
Understand or influence the needs and wants of the customer to implement marketing strategies accordingly
- **Partners:**
Understand how partner's processes work and how they benefit each party
e.g. retailers, advertising agencies, financiers
- **Competitors:**
Ensure that offerings provide their target market with greater value than their competitor's range

Comp Type	Description	Exampe
Pure competition	Competitors offer undifferentiated products	Agricultural goods such as sugar
Monopolistic competition	Competitors offer products that are similar	Laptop computers such as acer, dell
Oligopoly	Small # of competitors offer similar, but somewhat differentiated products	US mass media and news industry
Monopoly	Only one supplier and there are substantial barriers to new entrants	Government services
Monopsony	Only one buyer in market	De Beers in diamond trade

2.4 Internal Environment

- Refers to the parts of the organisation, the people and the processes used to create, communicate, deliver and exchange offerings that have value
- Directly controllable by the organisation
- **Purpose:** Ensures understanding to weakness and strength within organisation
- Senior and middle management/ functional departments/ employees/ external vendors

2.4.1 Internal Marketing

Process to achieve strategic alignment between employees and marketing by informing them of policies, procedures and such so they are more motivated to satisfy customers