

Marketing Planning and Strategies

(Week 1)

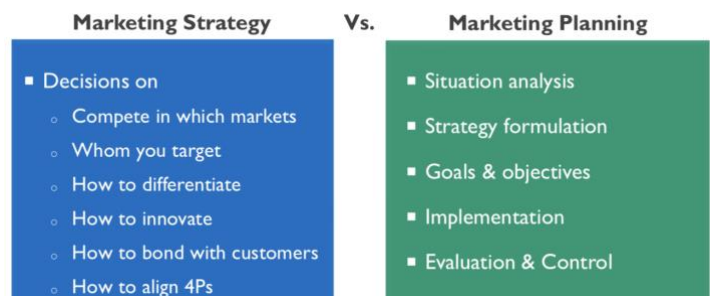
Marketing: “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large”

Market: A group of individuals or institutions with similar needs that can be met by a product.

Marketing strategy: The creation of a distinctive and valuable position in the market that involves differentiated activities, not just improved practices (i.e. better by being different)

- Changing target marketing and market segmentation
- Creating a link between new product benefits and consumer needs
- Changing distribution and supply chain management
- Integrated marketing communication
- Branding and positioning

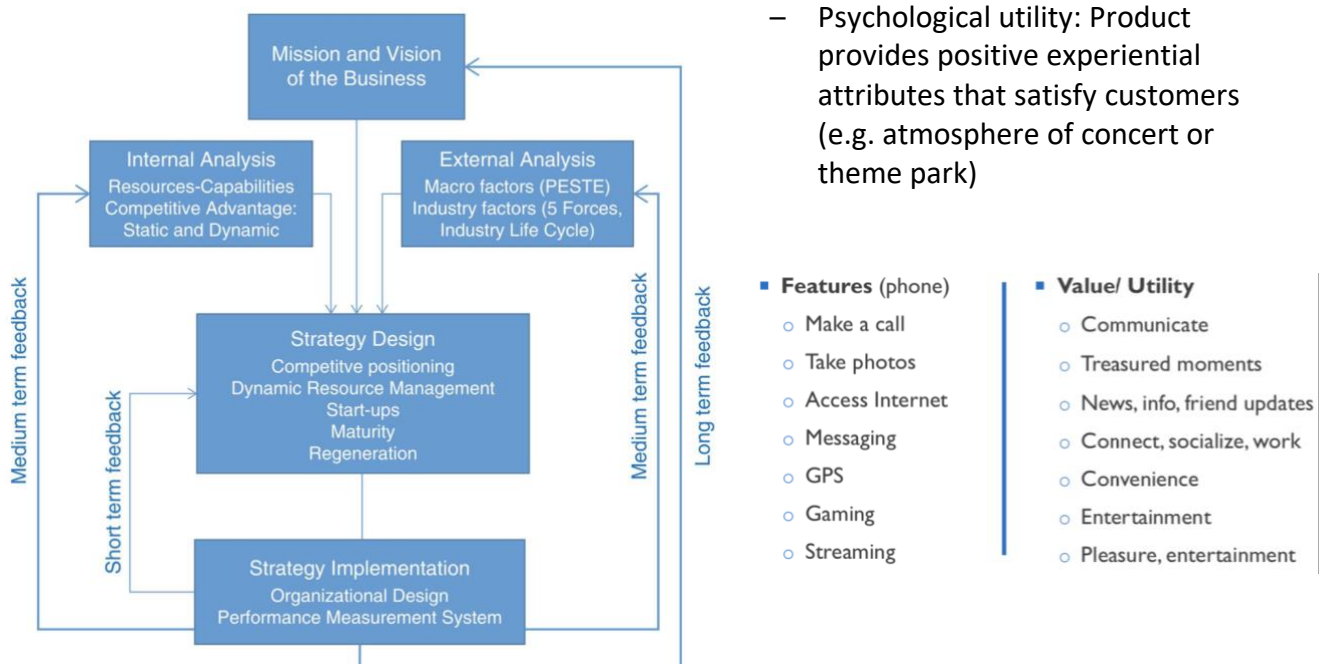
Exchange: Process of willingly obtaining something of value by offering something in return



Product: Something acquired through an exchange to satisfy a need or want (goods, services, ideas, information, digital products, people, places/property, organisations)

Utility: Ability of a product to satisfy a customer’s need or want (achieved through features)

- Form utility: Product contains distinguishing attributes (e.g. quality, design)
- Time utility: Product is available when customer wants it
- Place utility: Product is available where customers want it
- Possession utility: Deals with transfer of ownership or title from marketer to customer
- Psychological utility: Product provides positive experiential attributes that satisfy customers (e.g. atmosphere of concert or theme park)



Challenges and trends in our modern economy:

1. Power shift to customers: They are less easily influenced by marketing because more aware (e.g. online reviews and price comparison sites)
2. Increase product selection is causing increased competition and less loyalty
3. Media Fragmentation: The creation of many media channels and specialisation of content (e.g. Fox Sports, Food Network, Instagram pages etc.) makes reaching a broad audience harder, but easier to target specific demographics
4. Changing Value Proposition: New technologies are transforming how consumers expect their products to be as well as their role in the buying process (e.g. Ikea's self assembled furniture, irrelevance of travel agents or shift to digital cameras bankrupting Kodak)
5. Shifting Demand patterns: Consumers now demand immediate and affordable access to a wide variety of products and services (e.g. Netflix, online news and phone apps)
6. Privacy, security and ethical concerns: Increased awareness of data tracking and selling and the strengthening legislation around this
7. Unclear legal jurisdiction: The globalisation and digitalisation of companies has caused ambiguity over which laws and jurisdiction products must abide by (e.g. censorship, OH&S, trademarking, tax etc.)