

# Lecture 1: Introduction To Marketing

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.

N.B. Marketing is a philosophy or a way of doing business that puts the customers, client, partner and society at the heart of all business decisions.

## The Marketing Concept:

A customer orientation, backed up by integrated marketing activities aimed at generating customer satisfaction as the key to satisfying organisational goals.

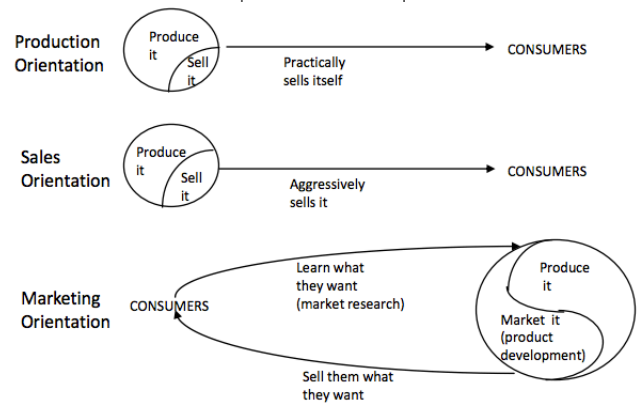
## The Societal Marketing Concept:

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 and enhances the consumer's and society's well-being.

## Marketing Orientation:

- **Production Orientation:** Major task of an organisation is to pursue efficiency in production and distribution.
- **Sales orientation:** Is to stimulate the interests of potential clients in the organisation's existing offerings.
- **Marketing Orientation:** Main task of the organisation is to determine the needs and wants of the target markets and to satisfy them through the design, communication, pricing and delivery of appropriate and competitively viable offerings.

	Marketing Concept	Societal Marketing Concept
Customer Focus	Individual Wants	Societal Benefits
Corporate Focus	Corporate Opportunities	Corporate Responsibility
Time Horizon	Short-term	Long-term
Market Focus	Customers	Stakeholders



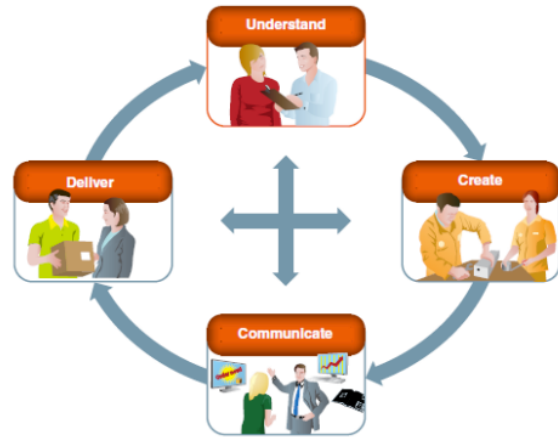
## Stakeholders:

The market is a group of customers with different needs and wants.

- **Customers:**
  - People who purchase the product for their own use or somebody else.
- **Clients:**
  - Customers of 'not-for-profit' organisations or social marketers. E.g. medicare, centrelink and public hospitals serve clients.
- **Partners:**
  - Those involved in creating, delivering, communicating offerings for exchange.
- **Society:**
  - Body of individuals living as members of a community.

The Marketing Process: →  
Corporate Social Responsibility:  
Businesses have an obligation to act in the interests of the societies and sustain them. Therefore businesses have a triple bottom line:

1. Social
2. Environmental
3. Economic



The Marketing Mix:

A set of variables that a marketer can exercise control over in creating an offering for exchange. Traditionally known as the four P's:

- Product
- Price
- Promotion
- Place (Distribution)

Additionally there are other P's including people, process, and physical evidence. This is from the service marketing 7 P's.

## Lecture 2: The Marketing Environment and Market Analysis

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Strategy is the process of developing and maintaining a viable match of the organisation's resources and capabilities to the demands of the changing environment in pursuit of objectives. The aim of strategy is to achieving a sustainable differential advantage in the changed environment. Marketing should play a central role in business strategy.

The Marketing Environment:

All of the internal and external forces that affect a marketer's ability to create, communicate, deliver and exchange offerings of value.

The environmental analysis is a process that involves breaking the marketing environment into smaller parts in order to gain a better understanding.

- Internal Environment:
  - Parts of the organisation, the people and processes used to create, communicate, deliver and exchange offerings that have value.
  - Directly controlled by organisation
  - Strengths and weaknesses are internal factors that positively and negatively affect the organisation's ability to compete in the marketplace.
  - Internal marketing is a cultural framework with the hopes of aligning the interests of front-line employees and marketing.
- External Environment:

- People and processes that are outside of the organisation and cannot be directly controlled. Marketers can only seek to influence the external environment.
- Opportunities and threats are external factors that positively and negatively affect the organisation's ability to serve the market.
- Consists of micro and macro environments.

### External Environment:

- **Micro- environment:**
  - Forces within an organisation's industry that affect its ability to serve its customer's and clients
  - Cannot be controlled by organisation, but seek to negotiate with, or influence, it.
  - Consists of:
    - **Customers & Clients:** Must understand their current and future wants/needs. Therefore knowing what they currently want and identify the changes and being able to adapt to their changes.
    - **Partners:** Logistic Firm, financiers, Retailers, advertisers, wholesalers and suppliers.
    - **Competitors:** Must ensure their offering provide customers a better value than their competitors.
      - Can be brand competition (Nike, adidas) or product competition (Soft drinks, water, sparkling water)
  - Constitutes the organisation's 'task' environment.
- **Macro- Environment:**
  - Framework also known as PESTLE framework.
    - **Political forces:** Influence of politics on marketing decisions e.g. government lobbying for particular decisions e.g. Lowering GST threshold.
    - **Economic forces:** Factors affecting how people and organisations can spend their money (E.g. GFC, interest rates, exchange rates)
    - **Sociocultural forces:** social and cultural factors affecting people's attitudes, beliefs, behaviours, preferences, customs and lifestyles.
    - **Technological forces:** Changes the expectations and behaviours of customers and clients and can have huge effects on how suppliers work
    - **Legal forces:** Legislation enacted by elected officials. Privacy laws, fair-trading, competing laws.
    - **Environmental forces:** Natural disasters, weather and climate change.
- **Situational analysis consists of company analysis, environmental analysis, market**



analysis, and competitive analysis.

**SWOT:**

This is an analysis that identifies the internal strengths and weaknesses and external opportunities and threats in relation to an organisation.

- **Strengths:** attributes of an organisation that help achieve its objectives
- **Weaknesses:** Attributes of an organisation hindering its achievement of objectives.
- **Opportunities:** External factors that are potentially helpful in achieving objectives
- **Threats:** External factors potentially harmful to an organisation's efforts to achieve its objectives.



**Marketing Metrics:**

