

# MMK277 Marketing Management Summary Notes

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## Topic 1:

### Definitions:

**Marketing: [p. 4].**

The process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.

**Needs: [p. 6].**

States of felt deprivation.

-Needs can be physical, social or individual needs.

**Wants: [p. 6].**

The form human needs take as shaped by culture and individual personality.

**Demands: [p. 6].**

Human wants that are backed up by buying power.

-Given their wants and resources, people demand products with the benefits that add up to the most satisfaction.

**Marketing management: [p. 10].**

The art and science of choosing target markets and building profitable relationships with them.

**Demarketing: [p. 10].**

Marketing in which the task is to temporarily or permanently reduce demand.

**Unwholesome demand: [p. 11].**

Is when unwholesome products attract an organised effort to discourage their consumption. The marketing task is to get people who like something to give it up. Such tools include fear messages, price hikes, etc.

**Customer relationship management: [p. 19].**

The overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction.

**Customer perceived value: [p. 19].**

The customer's evaluation of the difference between all the benefits and all the costs of a marketing offer relative to those of competing offers.

**Customer satisfaction: [p. 19].**

The extent to which a product's perceived performance matches a buyer's expectations

**Not-for-profit marketing: [p. 27].**

Marketing as practiced by a variety of organisations whose aim is to make surpluses so as to continue their operations, but who do not seek to make profits for shareholders.

**Sustainable marketing: [p. 17].**

Socially and environmentally responsible marketing that meets the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs.

## Conceptual Understanding:

**What is marketing?**

Simply put, marketing is the process of building profitable customer relationships by creating value for customers and capturing value in return.

**Write down what you (as a consumer) consider are three effective marketing campaigns. Why do you think they were successful?**

1. Iphone: Camera, gaming, siri
2. Carlton draft beer: 'it's a big add'
3. Coles: down, down, prices are down

\*These campaigns were successful because they considered the needs, wants and demands of customers. That is they marketed the benefits and experiences produced by the products. Rather than the mistake of paying more attention to the products themselves.

**Do you believe that customers are becoming more demanding?**

Customers have become increasingly more demanding due to having gained exposure from the internet and other media forms of how important they are to an organisation and what benefits they can receive in return (also due to array of many goods to choose from). If organisations focus their time and effort to customers that are too demanding they may lose lots of time and money. This time and money could have been put to better use by strengthening relationships with customers who have a strong fit between their needs and the organisations needs.

**Distinguish between market orientation and marketing orientation.****Market orientation: Is a chosen philosophy that is to guide marketing efforts.**

•Marketing orientation: Concept that holds that achieving organisation goals depends on determining the wants and needs of target markets and delivering satisfaction more effectively and efficiently than

