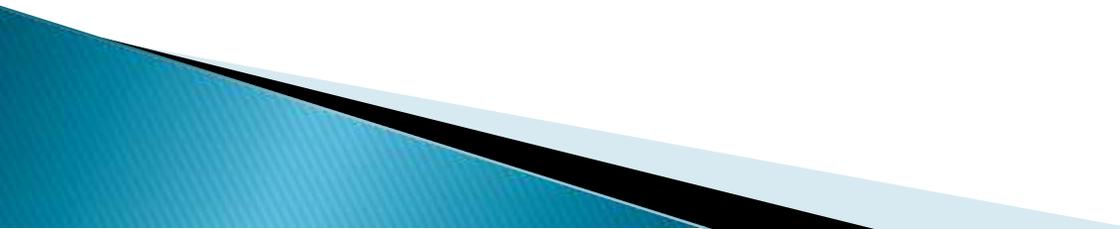


BBA 205, Unit 1

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Meaning, Nature and Scope of Marketing Management, Elements of Marketing Management Needs, Wants, Desire, Demands, Customer v/s Consumer, Markets and Marketers, Marketing Vs Selling, Concept, Marketing concept, Holistic Marketing Concept, Marketing Philosophies , Marketing Mix and Environment

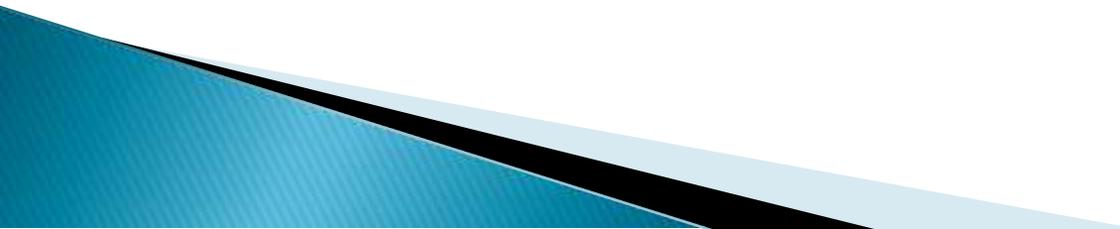
Marketing

- ▶ The term Marketing Derived by Market.
- ▶ Market is a place or geographical area where buyers and sellers meet and enter in to a transactions involving transfer of ownership of goods and services.

Marketing

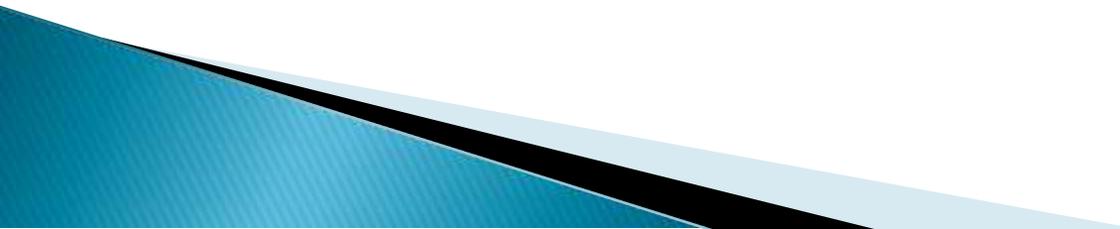
- ▶ The action or business of promoting and selling products or services, including market research and advertising.

By “The Western arts of marketing and distribution”



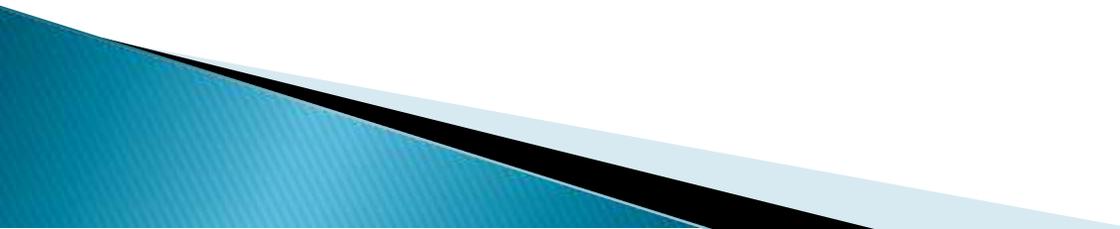
“The Marketing concept is a customer orientation backed by integrated marketing aimed at generating customer satisfaction as the key to satisfying organizational goals”. –

Philip Kotler

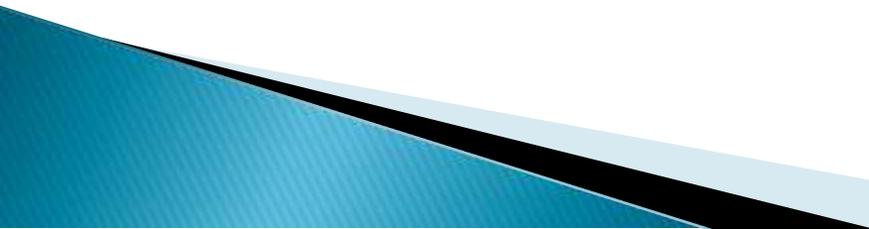


Marketing Management

Marketing management is “planning, organising, controlling and implementing of marketing programmes, policies, strategies and tactics designed to create and satisfy the demand for the firms’ product offerings or services as a means of generating an acceptable profit.”



Elements of Marketing Management

- ▶ **Market Analysis:**
 - ▶ This comprises of looking into the company activities that have occurred in the past, on-going and the future. Stress is laid on the future tasks since the marketing manager is keen to explore information pertaining to the competitive social-economic and political environments. Company uses the S.W.O.T analysis in order to ensure the strengths and weaknesses of the market analysis the threats and opportunities within that market. The evaluation of the growth, trend, distribution channels and the market size as well as the cost is also a part of their job.
 - ▶ **Marketing Plan**
 - ▶ Once the market has been analyzed then the managers come up with the marketing plan. This expands the company agenda for the market and how far it can go to meet the objectives based on the company mission. They need to consider the product itself along with its placement and pricing, including the packaging of the product. The people who would be involved in the whole plan and the promotion of the product form an integral part of this stage of the marketing management.
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- ▶ **Market Implementation**

- ▶ Once the evaluation and planning has been endorsed it is now considered as the marketing implementation phase. Stress is laid on the timings of each activity and adjusting situation wherever necessary. You can consider the examples of coupon promotions and email marketing as part of marketing implementation stage.

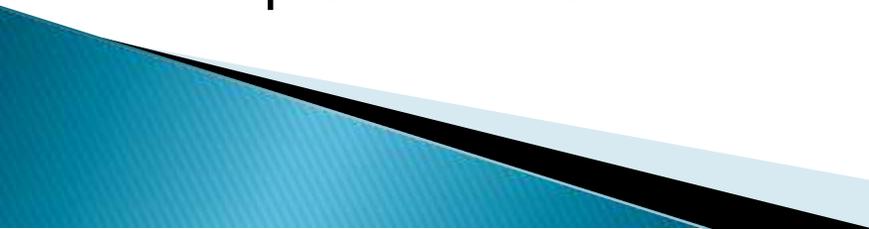
- ▶ **Market Control**

- ▶ At this stage the marketing managers have to take control of the situation and see where the success or failure of the company lies. They use measures to evaluate the success of the campaign and use surveying and feedback strategies to analyze their implementation.

Nature of Marketing

- ▶ Human activity: Originally, the term marketing is a human activity under which human needs are satisfied by human efforts. It's a human action for human satisfaction.
- ▶ Consumer-oriented: A business exist to satisfy human needs, hence business must find out what the desire of customer (or consumer) and thereby produce goods & services as per the needs of the customer. Thus, only those goods should be produce that satisfy consumer needs and at a reasonable profit to the manufacturer (or producer).
- ▶ Art as well as science: In the technological arena, marketing is the art and science of choosing target markets and satisfying customers through creating, delivering, and communicating superior customer value. It is a technique of making the goods available at right time, right place, into right hands, right quality, in the right form and at right price.

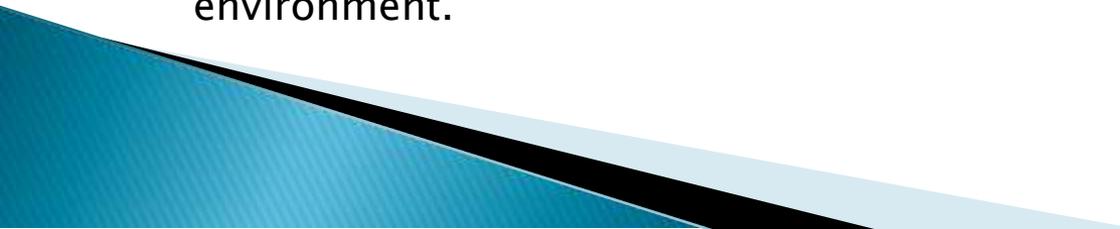
- ▶ Exchange Process: All marketing activities revolve around commercial exchange process. The exchange process implies transactions between buyer and seller. It also involves exchange of technology, exchange of information and exchange of ideas.
 - ▶ Starts and ends with customers: Marketing is consumer oriented and it is crucial to know what the actual demand of consumer is. This is possible only when required information related to the goods and services is collected from the customer. Thus, it is the starting of marketing and the marketing end as soon as those goods and services reach into the safe hands of the customer.
 - ▶ Creation of Utilities: Marketing creates four components of utilities viz. time, place, possession and form. The form utility refers to the product or service a company offers to their customers. The place utility refers to the availability of a product or service in a location i.e. Easier for customers. By time utility, a company can ensure that products and services are available when customers need them. The possession utility gives customers ownership of a product or service and enables them to derive benefits in their own business.
 - ▶ Goal oriented: Marketing seeks to achieve benefits for both buyers and sellers by satisfying human needs. The ultimate goal of marketing is to generate profits through the satisfaction of the customer.
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- ▶ Guiding element of business: Modern Marketing is the heart of industrial activity that tells what, when, how to produce. It is capable of guiding and controlling business.
 - ▶ System of Interacting Business Activities: Marketing is the system through which a business enterprise, institution or organization interacts with the customers with the objective to earn profit, satisfy customers and manage relationship. It is the performance of business activities that direct the flow of goods and services from producer to consumer or user.
 - ▶ Marketing is a dynamic processe. series of interrelated functions: Marketing is a complex, continuous and interrelated process. It involves continuous planning, implementation and control.
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Various functions of marketing management are:

- ▶ **1. Assessing the Marketing Opportunities:**
 - ▶ Determination of marketing objectives and assessment of the marketing opportunities for the firm, is an important function of marketing management. The constantly changing market conditions and opportunities make it imperative for the marketing management to come out with planned programmes to meet the challenges, and reap the opportunities.

 - ▶ **2. Planning the Marketing Activities:**
 - ▶ Planning is an important managerial function. Planning of marketing activities is a crucial task and involves numerous steps. It involves planning effective strategies to achieve the desired marketing objectives. It is concerned with formulation of policies relating to product, price, channels of distribution, promotional measures, forecast of target sales etc. Planning provides the basis for an effective marketing for the enterprise.

 - ▶ **3. Organising the Marketing Activities:**
 - ▶ Another significant function of marketing is organising it implies determination of various activities to be performed and assigning these activities to right person, so that marketing objectives are achieved. In the light of the changing concept of marketing, it is necessary that the organisation structure is flexible and accommodative. This will help in better interaction between organisation and environment.
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▶ **4. Co-Ordinating Different Activities of Enterprise:**

- ▶ Even the best of planning will not be rewarding if there is improper coordination between different activities of the organisation. Marketing involves various activities and these are inter-related and interdependent. Product decisions, pricing strategies, channel structure research activities all require proper coordination. Only then the objectives can be achieved.

▶ **5. Directing and Motivating the Employee:**

- ▶ A good direction is a must for effective performance of marketing functions. Direction helps in rightful performance of the work. Different leadership style are practised to guide the subordinates. A leader directs his subordinates and ensures through effective supervision, that the performance is as per planned specification. At the same time, it is necessary that employers are properly motivated. Motivation not only helps in better performance by the employee but also holds him back to the organisation for longer periods.
- ▶ These days organisations are very serious as far as their motivation policies are concerned. New ways of motivation are being introduced so that the employee gives his best of services.

▶ **6. Evaluating and Controlling Marketing Efforts:**

- ▶ In order to have a profitable venture, marketing manager must on a continuous basis, evaluate the marketing efforts. This will help him in knowing the deficiencies if any, which can be corrected beforehand only and proper adjustments can be made with the changing environment. Controlling is a managerial function concerned with comparison of actual performance with the standard performance and locating the shortcomings if any, finally corrective measures are taken to overcome the shortcomings.

Importance / Advantages

- ▶ **1. Analysing Market Opportunities:**
 - ▶ Marketing management collects and analyses information related to consumer's needs, wants and demands, competitor's marketing strategies, changing market trends and preferences. This helps to identify market opportunities.
- ▶ **2. Determination of Target Market:**
 - ▶ Marketing management helps to identify the target market that the organization wishes to offer its product.
- ▶ **3. Planning and Decision Making:**
 - ▶ Marketing management helps to prepare future course of action. Planning relates to product introduction, diversification. Decision making regarding pricing, selection of promotional mix, selection of distribution channel is taken by the marketing management.

▶ **4. Creation of Customer:**

- ▶ Consumers determine the future of the market .Therefore providing the best product to the consumer according to their preference is the important task of marketing. Marketing management helps in creation of new customers and retention of current customers.

▶ **5. Helps in Increasing Profit:**

- ▶ Marketing caters to the varied and unlimited needs of consumers. Marketing management helps to increase profit and sales volume. This is achieved by expansion of market and increasing customers.

▶ **6. Improvement in Quality of Life:**

- ▶ Marketing management aims at providing innovative product and services to the customers. Marketers continuously strive to incorporate new technology and mechanism in their product to provide more satisfaction to customers than before. This improves quality of life and makes life of consumers easier than before.

▶ **7. Employment Opportunities:**

- ▶ Marketing process is a combination of different activities like research work to assess the marketing environment, product planning and development, promotion, distribution of product to customers and after sales service. Marketing process requires researcher, production engineer, different distribution intermediaries, sales personnel also creates employment opportunities in advertisement section. Thus marketing management opened up different employment avenues thus creating employment opportunities.

Scope of Marketing

▶ 1. Marketing research:

- ▶ Marketing research involves identification of needs, wants taste and preferences of the targeted customer. Marketing management conducts a continuous analysis of consumer's behavior towards firm's marketing mix strategies, business environment; competitor's marketing strategies in order to plan effectively the marketing activities of future.

▶ 2. Determination of Objectives:

- ▶ Marketing management performs the task of setting marketing objectives. The marketing objectives are set in accordance with the overall organizational objectives of profit maximization. Marketing objectives relates to attracting new customers, retention of current customer, expansion of customer base, introduction of new product, improvement of old product and so on. Marketing management aims at maximizing the customer's value by providing high satisfaction to the customers.

▶ 3. Planning Marketing Activities:

- ▶ Planning involves determining the future course of action. Planning helps in accomplishment of objectives in a systematic manner. Planning of marketing activities relates to determining product line strategies, planning for product diversification, advertisement and promotional activities, planning related to selling and distribution process.
- ▶ Planning may be conducted on short term, medium term and long term basis depending upon the requirements. Plans should be flexible so as to adjust with the changing business environment.

▶ 4. Product Planning and Development:

- ▶ Product is the basic element of marketing. Products are goods or services that are offered to the customer for satisfying their needs and wants. Products are customer oriented and offered to the customer's as per their requirement and preferences. Product planning involves new product development, product innovation, product diversification plan.

▶ **5. Pricing of Product:**

- ▶ Pricing is a complex function of marketing management. In most of the cases prices form the decision making criterion for purchase decision. Pricing decisions are based on cost of the manufacturing and distribution of product, competitor's pricing strategies, customer's willingness to pay for the product, customer's perception about the product.

▶ **6. Promotion:**

- ▶ Promotion and advertisement are essential in order to maximise sales. Promotion and advertisement is essential to provide information to the customers about the product, to attract new customers, to provide reminder to customers about the product and to continue purchase, to provide information about product improvement or introduction of new brand. Marketing management develops new techniques and tools for promotion of their product.

▶ **7. Distribution:**

- ▶ Distribution process facilitates easy availability of goods and services to the customers at right time and at right and convenient location. Selection of distribution channel depends upon the nature of the product, price of the product, availability of intermediaries for distribution and cost involved in the distribution process.

▶ **8. Evaluation and Controlling of Marketing Activities:**

- ▶ Marketing management performs the task of evaluation and controlling of the marketing activities. Evaluation enables identification of effectiveness of marketing plans and actions.