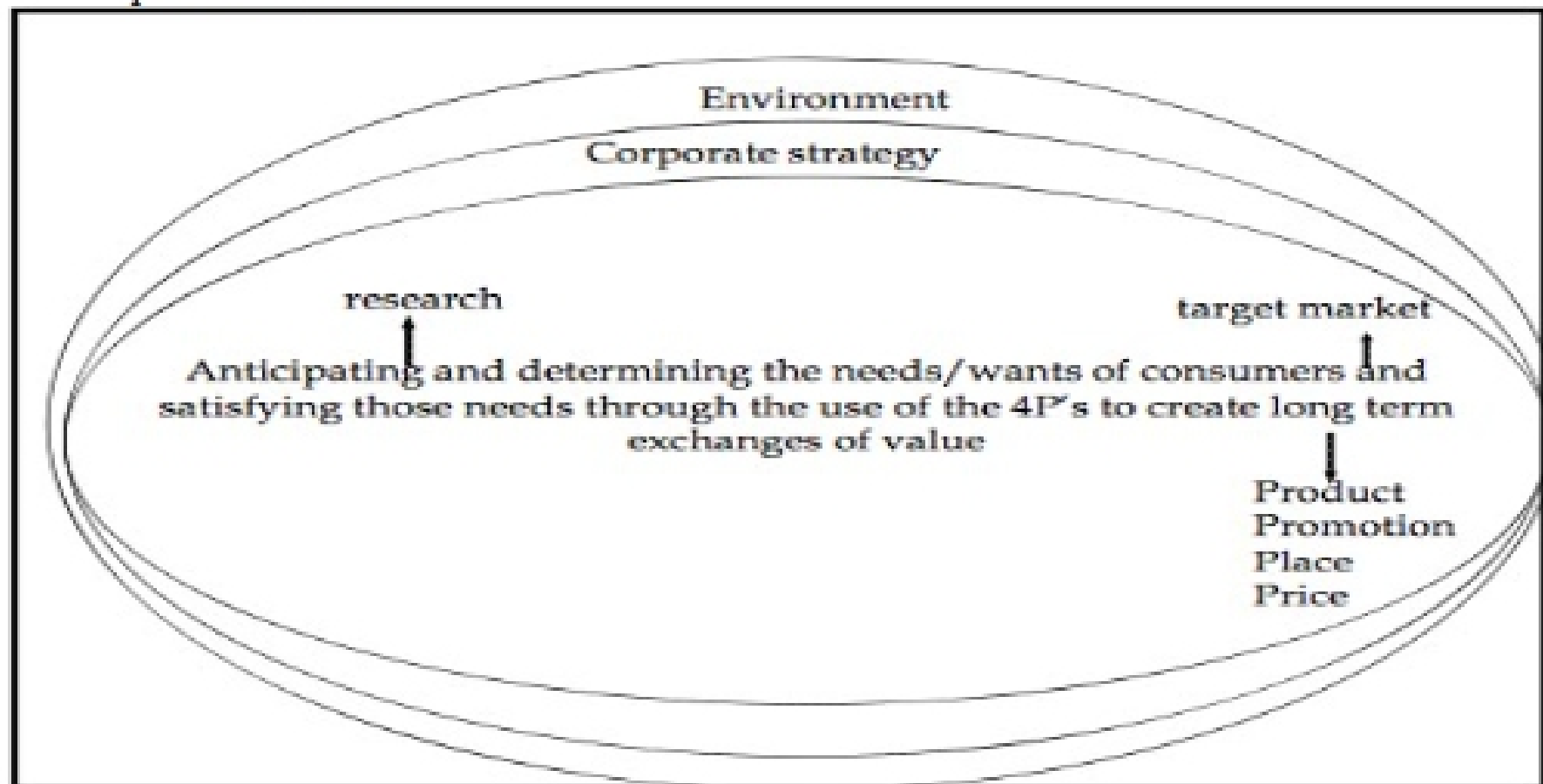


## Introduction to Marketing

### Marketing

- Is an organizational function and a set of processes
- For creating, capturing, communicating, and delivering value to consumers
- And for managing customer relationships ways that benefits the organization and its stakeholders
- Good marketing requires thoughtful planning with the emphasis on the ethical implications on decisions on society in general.
- Firms develop a **marketing plan** that specifies the marketing activities for a specific period of time.



### Core Aspects of Marketing

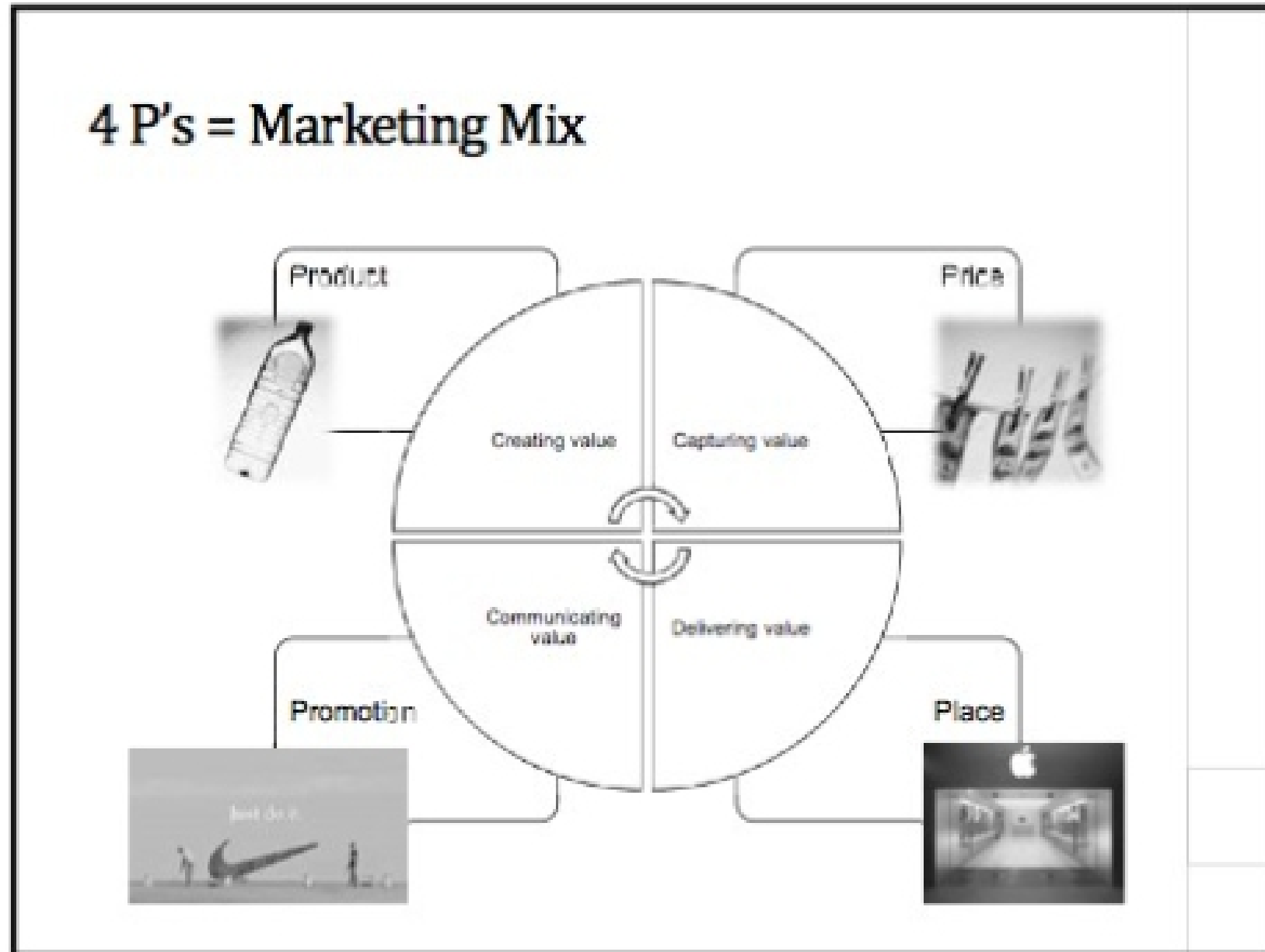


### Exchanges of values

- Value = ratio what is given up for what is obtained
- Both parties must believe they are getting value for exchange to take place
- Value is created through the marketing mix (4 Ps)

#### 4 P's = Marketing Mix

- The controllable set of decisions/activities that the firm uses to respond to the wants of the target markets.



#### Product: Creating Value

- Fundamental purpose is to create value by developing a variety of offerings, *goods*, *services*, and *ideas*, to satisfy customer needs.

#### Price: Capturing Value

- Doesn't always have to be monetary.
- Price is everything a buyer gives up (money, time, energy) in exchange for the product.
- Must be about customer is willing to pay and which gives a profit

#### Place: Delivering the Value Proposition

- *Place*, deals specifically with retailing and marketing channels
- All activities needed to get the product to the right customer when the customer wants it
- *Marketing*, supply chain management, the setoff approaches and techniques that firms employ to effectively and efficiently integrate their suppliers, manufactures,

warehouse, stores, and other firms involved the in the transaction into a seamless value chain in which merchandise is produced and distributed

### **Promotion: Communicating Value**

- Communication that *informs, persuades, and reminds* potential buyers about a product or service
- To influence their opinions or elicit a response

### **Marketing can be Performed by Both Individuals and Organizations**

- B2C (business-to-consumer) marketing
  - Business sells to consumers
- B2B (business-to-business)
  - The process of selling merchandise or services from one business to another
- C2C (consumers-to-consumers)
  - Consumers sell to consumers
  - eBay, and social media

### **Marketing Impacts Various Stakeholders**

- Stakeholders: supply chain partners, society at large
- Partners in supply chain; wholesalers, retailers, or other intermediaries, such as transportations or wholesaling companies
- Manufacturers sell merchandise to retailers, but the retailers often have to convince manufacturers to sell to them

### **Corporate orientations**

- Production
  - Turn of 20<sup>th</sup> century
  - Focus is on internal capability and technology
  - Key question: what does the firm do best?
- Sales
  - 1920-1950
  - the Great Depression and World War II conditioned consumers to consume less or manufacture items themselves
  - Focus is on aggressive sales technique
  - Key question: how can we sell more of what we have?
- Marketing Orientation/ Marketing concept
  - Suburban communities, featuring cars in every garage, shopping centers, began to replace cities' central business districts as the hub of retail activity and a place to hang out.
- Value based marketing orientation
  - Most successful today
  - Purpose of the organization is to satisfy consumer needs/wants, while meeting organization objectives
  - **Value:** reflects the relationship of benefits to cost, or what you *get* or for what your *give*.
  - Provide more value than competitors
  - Key question: what does the consumer want?