

Hello !!!
😊 Good Morning 😊

Introduction

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Fundamentals of Marketing



Fundamentals of Marketing

Course Contains

Unit 1: Marketing Introduction

Unit 2: Marketing Environment

Unit 3: Marketing Information

Unit 4: Buyer Behavior

Unit 5: Segmentation, Targeting & Positioning Strategies

Unit 6: Product Decision

Unit 7: Pricing Decisions

Unit 8: Distribution Decisions

Unit 9: Promotion Decisions



Unit-1

Introduction

Contents

- Meaning of marketing
- Evolution of the marketing philosophies
- Basic principles of the production, product, selling, marketing and holistic marketing concepts.
- Meaning and tasks of marketing management.
- Marketing challenges of the 21st century and firm's resources to the challenges.
- Concept, relevance and practices of relationship marketing, green marketing and e-marketing.
- Components of the marketing mix for products and services.

Meaning of Marketing

Marketing in the pragmatic sense is composed of three key activities:



Marketing is not only with attracting customers but also with retaining customers.

Definition of Marketing

American Marketing Association-1960

The performance of business activities that direct the flow of goods and services from the producer to consumer or user.

American Marketing Association-2004

Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.

American Marketing Association-2007

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.



Definition of Marketing

Philip Kotler

Marketing is a social process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others.

This theory focuses on the following five aspects of modern marketing:

1. Marketing is a social process and the knowledge of marketing can be used to meet various social needs and solve various social problems.
2. Individuals and groups satisfy their needs and wants through the process of marketing.
3. Marketing creates satisfying products and services.
4. The products and services are exchanged for value in a transaction that provides mutual benefits to sellers and buyers.
5. The exchange has to take place in a free-environment without any external imposition or compulsion.

Definition of Marketing

E. Jerome McCarthy

Marketing is the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client needs and directing a flow of need-satisfying goods and services from producer to customer or client.

William Stanton

Marketing is a total system of business activities designed to plan, price, promote, and distribute want-satisfying products to target markets to achieve organizational objectives.

Kotler & Armstrong

Marketing is a process by which individuals and groups obtain what they need and want by creating and exchanging products and value with others.

Definition of Marketing

Key points for marketing

1. Marketing is a process
2. Marketing consists of activities
 - a. Product related
 - b. Price related
 - c. Place related
 - d. Promotion related
3. Marketing satisfies customer needs
4. Marketing facilitates exchange relationship
5. Marketing helps achieve objectives
 - Profit, Service, Growth, Survival, Leadership
6. Marketing occurs in a dynamic environment

Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.



Definition of Marketing

Marketing process encompasses all activities aimed at identifying and satisfying customer needs through exchange relationships to achieve organizational objectives in a dynamic environment.

1. Marketing is concerned with meeting needs and providing benefit.
2. Marketing focuses on customer satisfaction and delivering value to individual customers, groups, organizations and the society at large.
3. Future needs of the individual customer and the society as a whole should be identified, anticipated and served.
4. Marketing focuses on achieving long term profit targets rather than short term sales and profit.
5. Marketing can be applied in all spheres of the society to sell a variety of entities that includes goods, services ideas, experience, places, people, organizations, assets and information.

Marketing Philosophies

Several marketing concepts have evolved over time that has guided marketers to plan and implement their activities. These business concepts have different focus, means and ends. They put different weight to the interests of organizations, customers and society.



Marketing Philosophies

Production
Concept
(1950-1960)

The production concept believes that consumers will favor those products that are widely available and low in cost.

Emerged in 1950

Tank factories that produced tanks started manufacturing automobiles and uniform producers started manufacturing readymade garments.

Influenced by the Keynesian Economics thought.

Keynesian economics is an economic theory of total spending in the economy and its effects on output and [inflation](#).

Mass production and wide distribution coverage.

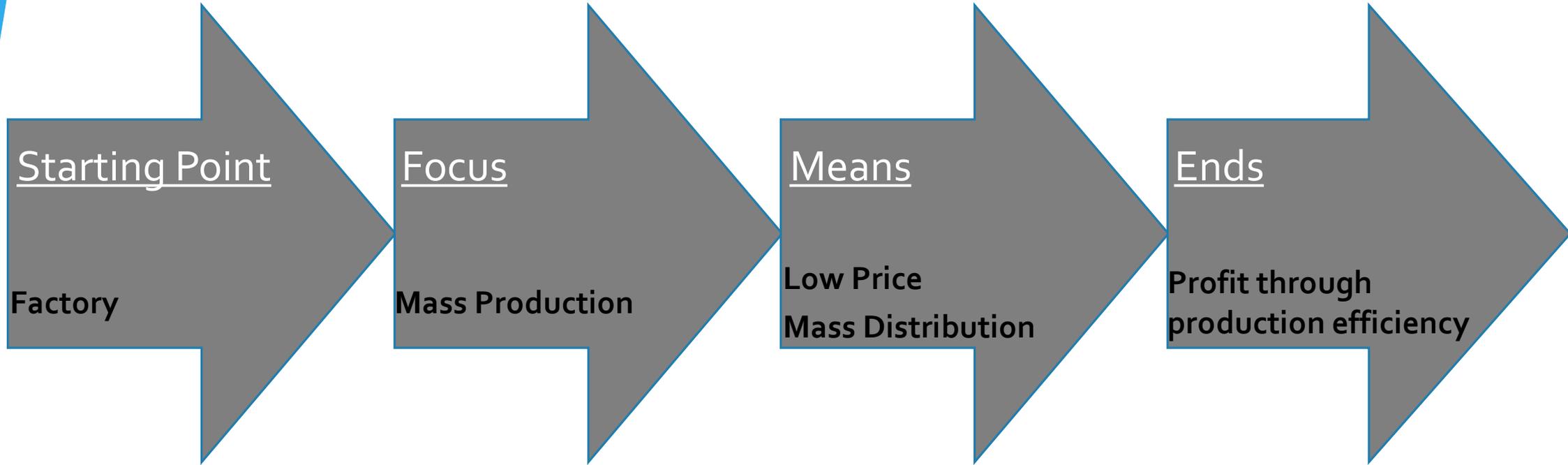
Directed at raising output levels, produce standardized product and sell at lower price.

Focus on building internal capabilities of the organization in terms of production and selling.

Use lower costs to cut prices and expand market sizes.

Marketing Philosophies

Production
Concept
(1950-1960)



Currently Chinese companies are adopting this concept in order to penetrate into the international markets with price advantages.

This concept was abandoned by many organizations when they realized that all consumers do not buy cheap products.

Marketing Philosophies

Product
Concept
(1950-1960)

The product concept believes that consumers respond to good quality products that are reasonably priced.

Emphasis on product quality, performance and features.

Little effort is required to sell the good quality products that are reasonably priced.

Long lasting products

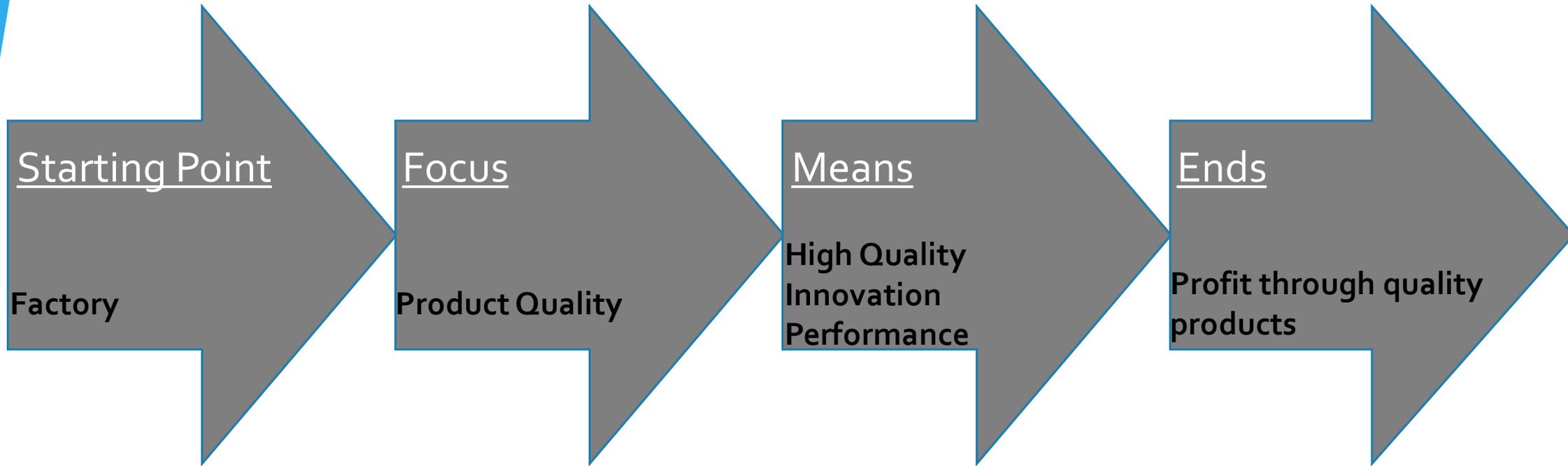
Provide warranty for longer periods.

Heavy faith in the role of engineers in development of super products.

Gave birth to various products- West-End Watches, Mercedes Benz, Hi-Tech Shoes etc.

Marketing Philosophies

Product
Concept
(1950-1960)



Although this concept was not so successful in consumer market, it still has importance value in marketing of machinery and heavy equipment.

This concept disregard customer needs and preferences.

Marketing Philosophies

Selling
Concept
(1960-1970)

The selling concept is based on the idea that people will buy more goods and services if aggressive selling methods are used. It believes that people ordinarily will not buy the organization's product unless they are persuaded to buy.

Organization believes that there is a large number of customers and there is a whole range of selling techniques available to attract the customers.

Organization can use another methods for selling if one methods fails.

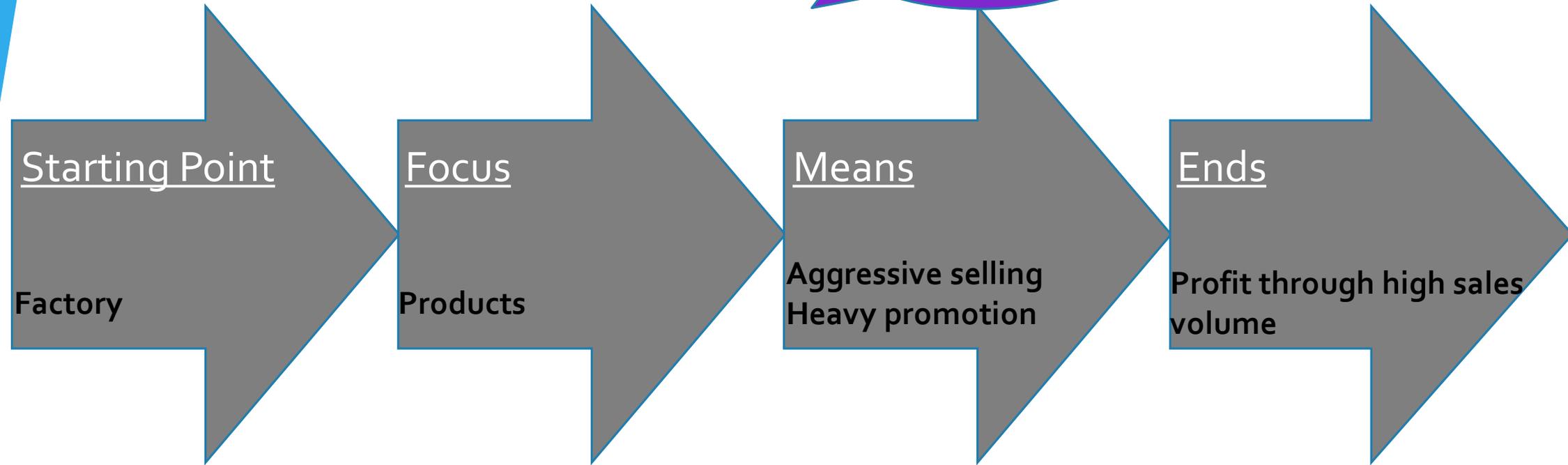
Heavy emphasis on convincing and persuading the buyers about the super quality and fair prices.

Selling concept has been successful in the field of political marketing.

Focused for selling unsought products which buyers do not normally thing of buying.

Life-insurance, encyclopedia, subscription of magazines.

Marketing Philosophies



Selling concept is successfully implemented in political marketing and marketing of unsought products. The Nepalese business sector today is dominated by selling concept.

The basic problem with the selling concept is its assumptions that a majority of the buyers who have been lured to buy the product would ultimately like the product. Those who do not like the product would forget their disappointment with the product.

Marketing Philosophies

Marketing
Concept
(1970-2000)

The marketing concept believes that the key to achieving organizational objectives lies in being more effective than competitors in integrating marketing activities toward determining and satisfying the needs and want of the target markets.

It is different as of previous slogan: "We sell what we make."

Change the business slogan to: "We make what we can sell."

This concept emphasizes customer orientation and coordination of marketing activities.

The mean adopted for achievement of organizational objective of profit differed among the production, product and selling concepts as it consider buyers an important variable in the business environment.

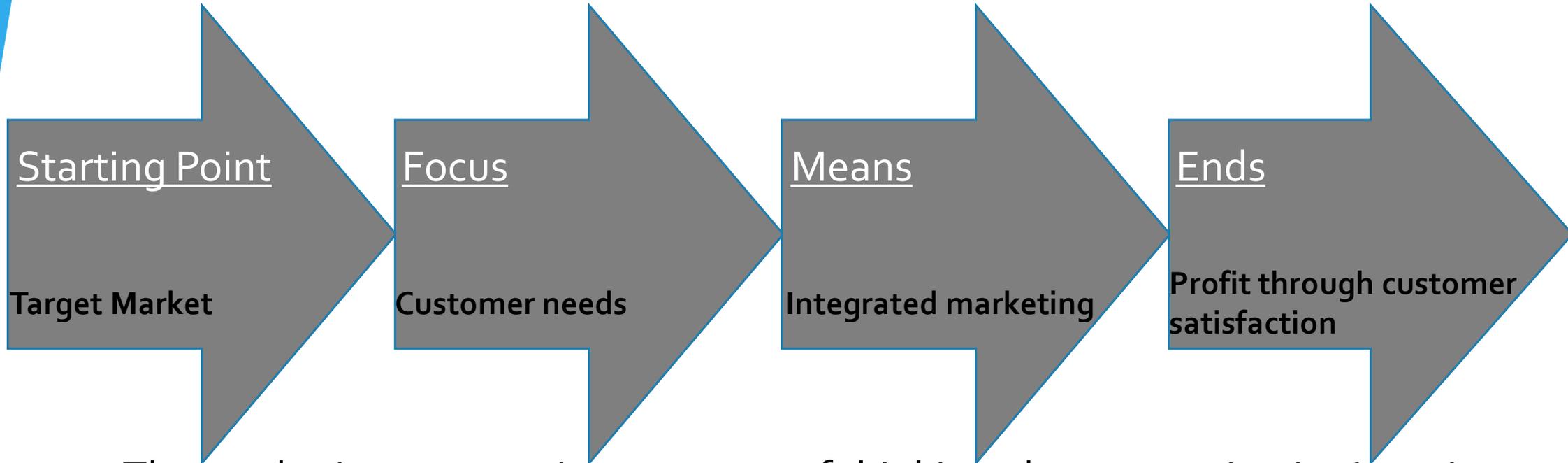
Managers focus on all activities at determining customer needs in the target market and earn profit through customer need satisfaction.

"Think Customer"

Marketing department is well coordinated with other departments like finance, production, human resources and research and development to foster team work.

Marketing Philosophies

Marketing
Concept
(1970-2000)



The marketing concept is a new way of thinking about organization's entire activities. The concept is based on the notion that the main task of the organization is to know the needs, wants and value of the target market and then delivering products that satisfy those needs and wants.

Problems: Customer desire versus spending realities, lack of marketing knowledge, new features and services, lack of effective customer service, barriers to communication.

Marketing Philosophies

Marketing
Concept
(1970-2000)

Fundamental Principles of Marketing Concept

Target Market

An organization can do better if it can define the boundaries of its operation and follow a market tailored business strategy.

Customer Orientation

All activities of the organization are focused on determining and satisfying customer needs. All organizational activities are customer oriented.

Integrated Marketing

All marketing activities are organizationally coordinated under the marketing department. Product management, marketing research, pricing, distribution, promotion etc.

Objectives Achievement

For private business, the objective is profit, market share, sales etc. For non-profit organizations, it is surviving and attracting funds to provide service.

The marketing concept stresses that organizations can best achieve objectives through customer values and satisfaction.

Marketing Philosophies

Difference between Selling Concept & Marketing Concept

Emphasis

Process

Orientations

Tools

Approach

Planning

Pricing

Selling Concept

Marketing Concept

Product



**Customers
needs and
wants**



Marketing Philosophies

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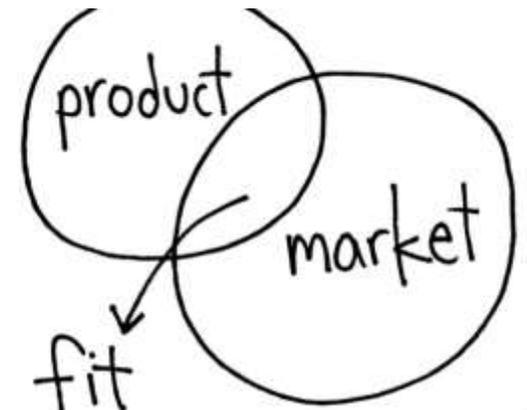
Selling Concept

First manufacturing and then selling



Marketing Concept

First determining market prospects and then manufacturing



Marketing Philosophies

Difference between Selling Concept & Marketing Concept

Emphasis

Process

Orientations

Tools

Approach

Planning

Pricing

Selling Concept

Sales volumes



Marketing Concept

Customer needs



Marketing Philosophies

Difference between Selling Concept & Marketing Concept

Emphasis

Selling Concept

Marketing Concept

Process

Aggressive salesmanship

Identifying needs

Orientations

Advertisements

Discovering demands

Tools

Sales promotions

Delivering satisfaction

Approach

Transaction marketing*

Obtaining loyalty

Planning

Maintaining relationship

Pricing



*Achieving quick sales without a significant attempt to form a long term customer relationship



Marketing Philosophies

Difference between Selling Concept & Marketing Concept

Emphasis

Process

Orientations

Tools

Approach

Planning

Pricing

Selling Concept

Marketing function wise operation.

Each department works independently.



Marketing Concept

Integration of all marketing functions and processes to achieve common marketing goals.



Marketing Philosophies

Difference between Selling Concept & Marketing Concept

Emphasis

Process

Orientations

Tools

Approach

Planning

Pricing

Selling Concept

Short term focusing on current products and competition.



Marketing Concept

Long term focusing on future products and potential completion.



Marketing Philosophies

Difference between Selling Concept & Marketing Concept

Emphasis

Process

Orientations

Tools

Approach

Planning

Pricing

Selling Concept

Costs determines price



Marketing Concept

Customers determine price



Marketing Philosophies

Customer
Concept

The customer concept believes that individual customer is the key to achieving organizational objectives. All marketing activities are done to satisfy the needs of individual customer.

Focus on needs and values of individual customer though one-to-one marketing.

Tailoring marketing program to the needs of individual customer, customized marketing mix, individualized promotion and distribution.

Capture larger share of each customer's expenditure.

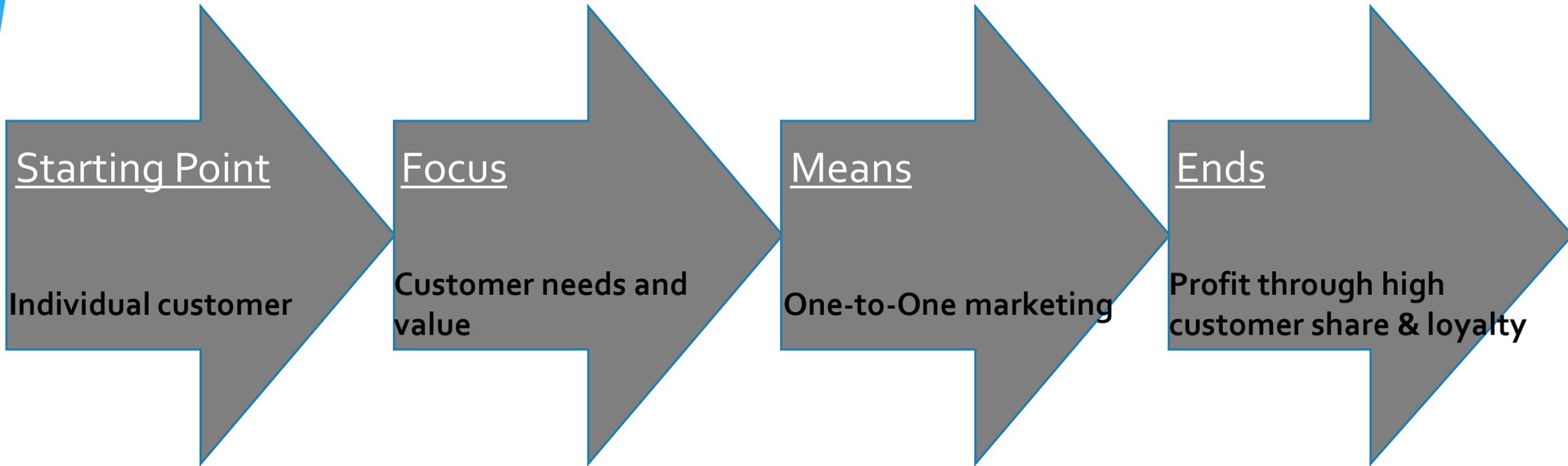
One to one marketing. Fulfill needs of specific individuals and locations.

Profit through customer loyalty and retention.



Marketing Philosophies

Customer
Concept



Organizations collect information about the profile of each customer. They use e-commerce and the latest information technology.

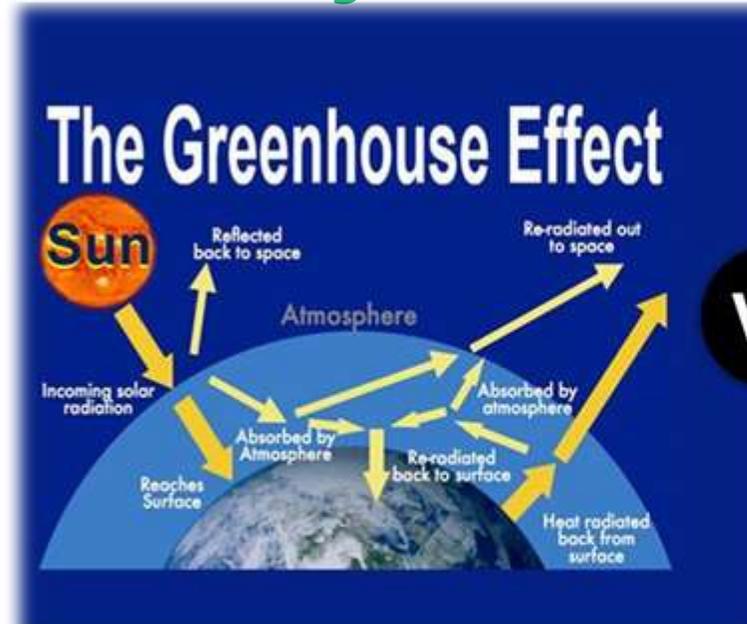
This concept is useful to companies selling high value products. Such products need periodic replacement or upgrading. Airlines industry is an example.

Marketing Philosophies

Societal
Concept

The societal marketing concept is an emerging concept which holds that organizational objectives should be achieved through customer need satisfaction in ways that protect the interests of the consumers and safeguard the well-being of society.

Marketing is blamed for green-house effect leading to global rise in temperature.



VS



Greenhouse Effect vs. Global Warming

Marketing Philosophies

Societal
Concept

Marketing is blamed for green-house effect leading to global rise in temperature.

For depletion of ozone layers leading to a rise in the incidence of skin cancer.

For resource shortages due to haphazard use of limited and non renewable natural resources, such as oil, coal, forests etc.

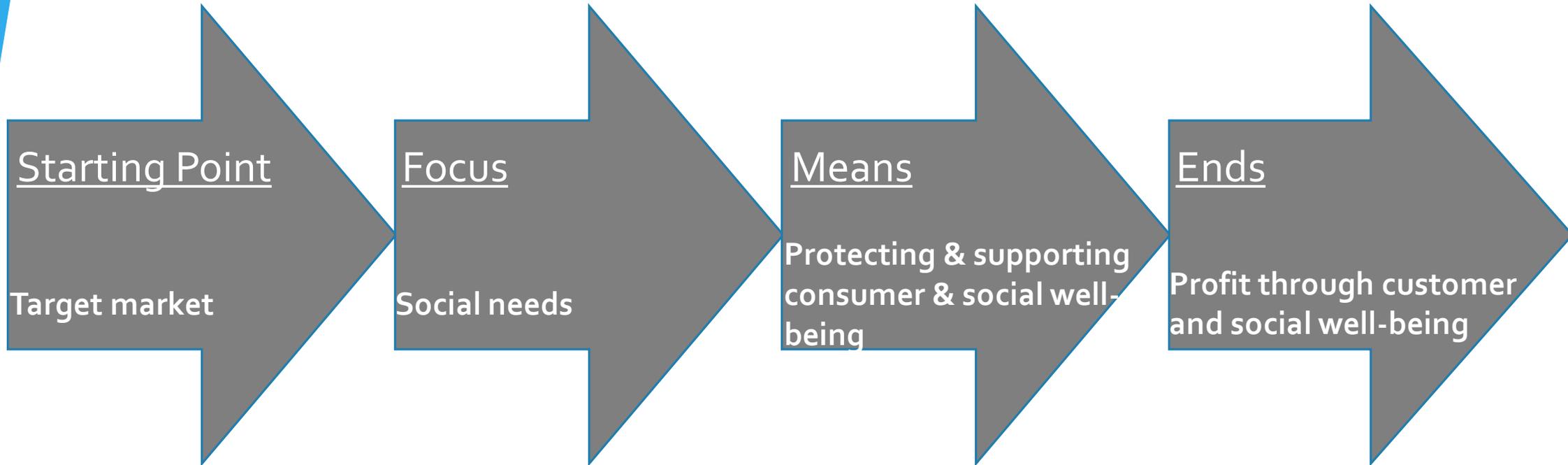
For encouraging over consumption in the developed world while a large population in the underdeveloped countries is suffering from hunger, starvation, disease and premature death.

For social disharmony by projecting women as wrong symbols in advertisements.

Therefore, the societal marketing concept assumes that along with the consumers wants and interests, social interests too should be considered so that long-run social welfare could be maintained.

Marketing Philosophies

Societal
Concept



The societal marketing concept believes that the organization should deliver the superior value product to the market that maintains or improves the consumer's and society's well being.

The pressure groups, particularly environmentalist, consumerist and feminist, have forced many companies to adopt the societal marketing concept.

Marketing Philosophies

Societal
Concept

Environmental quality
Employment generation
Meet community needs

Society
(Social Well-being)

Product quality
Product safety
Honesty
Consumer rights

Consumers
(Need Satisfaction)

Societal Marketing
Concept

Company
(Profits/Other Goals)

Marketing Philosophies

Holistic
Concept

Holistic marketing concept is a part of the series on concepts of marketing and it can be defined as a marketing strategy which considers the business as a whole and not as an entity with various different parts. According to holistic marketing concept, even if a business is made of various departments, the departments have to come together to project a positive & united business image in the minds of the customer. Holistic marketing concept involves interconnected marketing activities to ensure that the customer is likely to purchase their product rather than competition.



Marketing Philosophies

Holistic
Concept

Philip Kotler- "The holistic marketing concept is based on the development, design and implementation of marketing programs, processes and activities that recognizes their breadth and interdependencies."



Practiced to promote consumer and societal welfare.



Efficiently and effectively utilize marketing resources and to meet customer needs.

Holistic



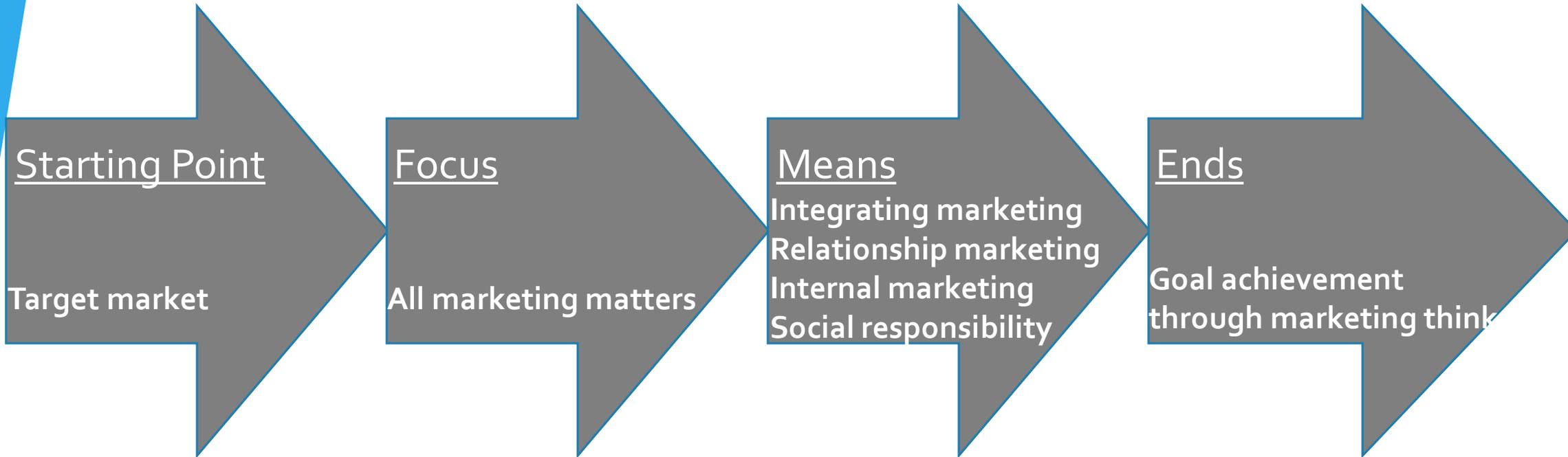
Practiced to make all members of the organization customer-oriented.



Practiced to develop long term relationships with customers

Marketing Philosophies

Holistic
Concept



The holistic concept emerged mainly due to the social and technological challenges that raised serious questions about the power of marketing to mold and modify consumer needs and preferences in the 21st century.

Marketing Philosophies - Comparison

Business concepts	Starting point	Main focus	Means	Offer to buyers	Organizational goal
Production concept	Factory	Mass production	Low price Mass distribution	Low priced products	Profit through mass production and merchandising
Product concept	Factory	Product quality	High quality Innovation Performance	Product quality and performance guarantee	Profit through long-lasting and high performance products
Selling concept	Factor	Products	Aggressive selling and promotion	Promises of product superiority and extra benefits	Profit through high sales volume
Marketing concept	Market	Customer's needs	Integrated marketing	Customer satisfaction	Profit through customer satisfaction
Customer concept	Individual customer	Customer needs and values	One-to-one marketing	Customer satisfaction	Profit through high customer share and loyalty
Societal marketing concept	Market	Customer's needs	Integrated marketing	Consumer welfare	Profit through social welfare
Holistic marketing concept	Society	Social needs	Relationship, integrated, internal & performance marketing	Social welfare	Profit through social welfare

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Components of Marketing Mix



Components of Marketing Mix

Product Mix

Product planning and development

Product quality

Variety

Design

Features

Branding

Packaging and labeling

Warranty

After sales service



Components of Marketing Mix

Price Mix

Competitors' price analysis

Pricing objectives

Price setting

Conditions of sale

Discounts, allowances and commission



Components of Marketing Mix

Promotion Mix

Advertising

Personal selling

Sales promotion

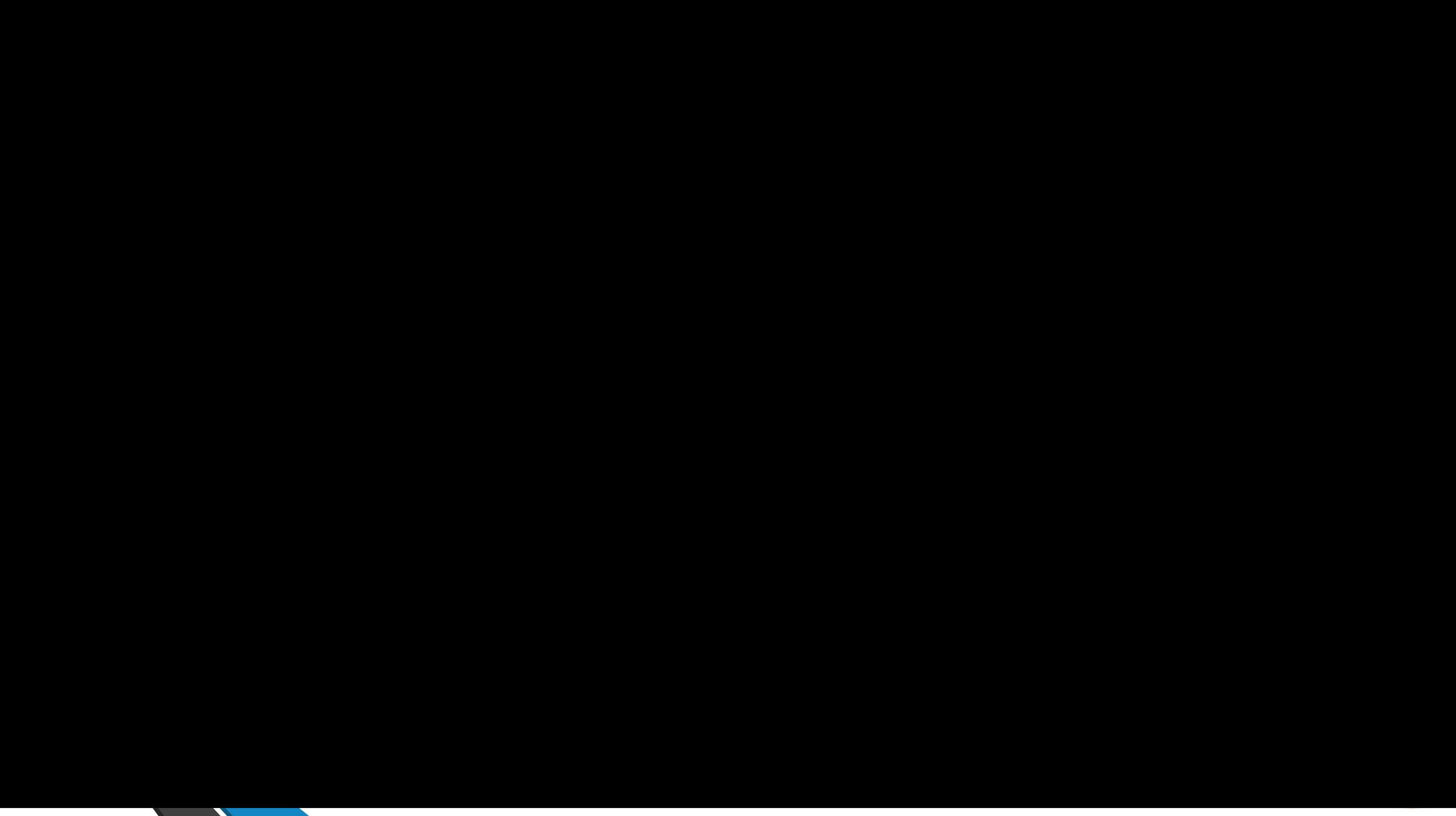
Public relations

Direct Marketing





PEPSI VS COCA COLA: BANNED COMMERCIAL



Components of Marketing Mix

Place Mix

Channel

Wholesaler

Retailer

Physical Distribution

Order processing

Warehousing

Material handling

Inventory management

Transportation

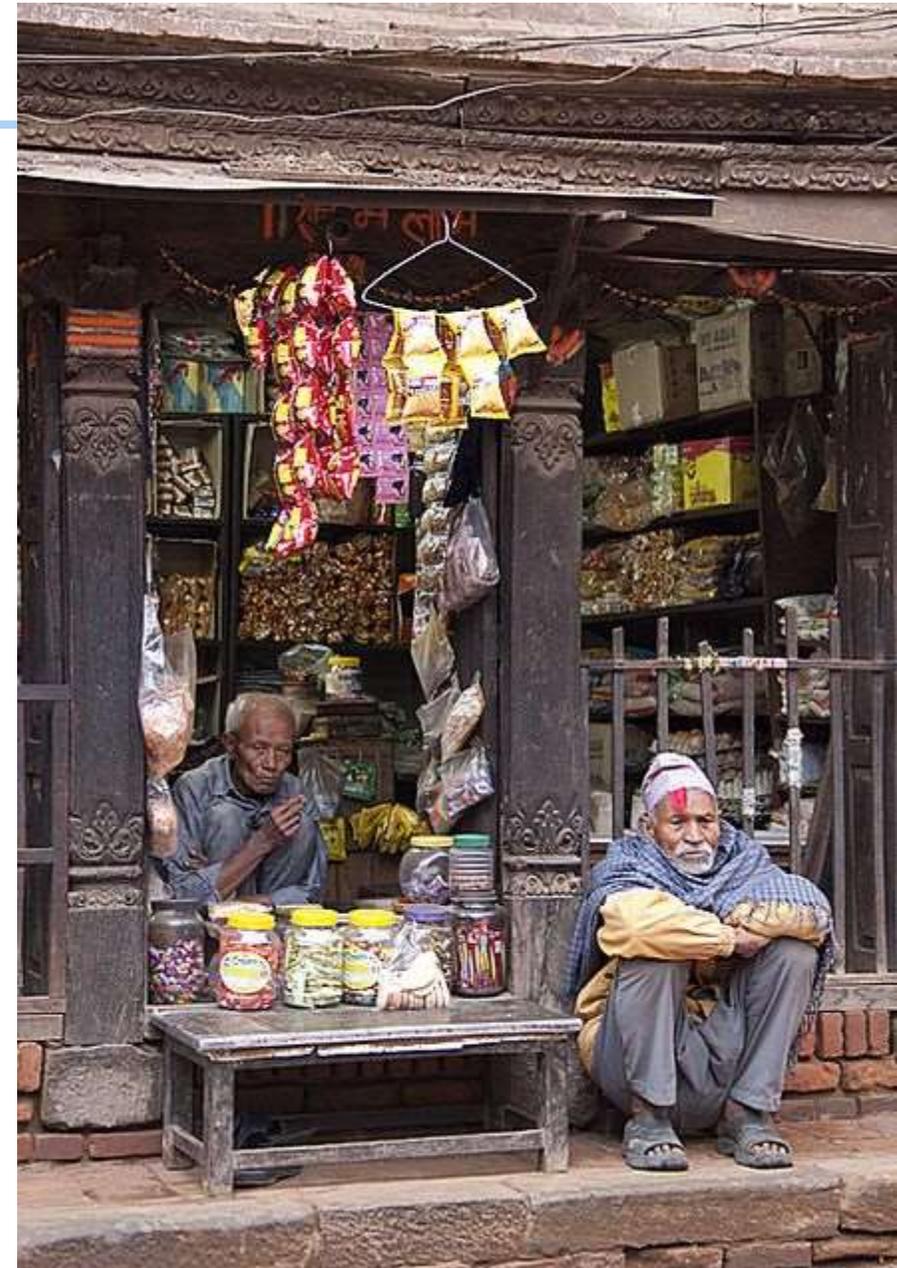


Marketing Management

Customer needs and wants are fulfilled through an exchange process.

An exchange process consists of considerable **efforts and skills** and for the fulfillment of needs and wants of one party (buyer) several activities are to be performed by another party (seller) in an organized way, which requires considerable amount of skills with the providers.

Marketing management takes place when one party thinks about the fulfillment of needs of another party. Hence marketing management is an organizational approach to marketing.



Marketing Management

American Marketing Association:

“Marketing management is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals.”

Cravens, Hills and Woodruff:

“Marketing management is the process of scanning the environment, analyzing market opportunities, designing marketing strategies and then effectively implementing and controlling marketing practices.”

Philip Kotler:

“Marketing management is the process of planning, implementing and controlling marketing activities or practices to achieve the desired organizational goals.”

Marketing Management

Marketing management is the process of developing strategies and planning for product or services, advertising, promotions, sales to reach desired customer segment.



"Marketing management is 'the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value' (Kotler and Keller, 2008: 5)."

The concept reviews the process used to determine what products or services may be of interest to customers and the strategy to use for marketing mix. It also explores the process of understanding, creating and delivering value to targeted business markets and customers.

Task of Marketing Management

Developing Marketing Strategies and Plans

Create marketing information system

Connecting with Customers

Capturing Marketing Insights

Building Strong Brands

Delivering Value

Shaping the Market Offerings

Creating Successful Long Term Growth

Delivering and Communicating Value

Task of Marketing Management

Create marketing information system

Marketing designs, delivers and uses an effective marketing information system. It consists of four components.

1. Internal record system
2. Marketing intelligence system
3. Decision support system
4. Marketing research



Task of Marketing Management

Capturing Marketing Insights

Closely monitor its marketing environment so it can continually assess market potential and forecast demand.



Task of Marketing Management

Connecting with Customers

Must consider how to create best value for its chosen target markets and develop strong, profitable, long-term relationships with customers



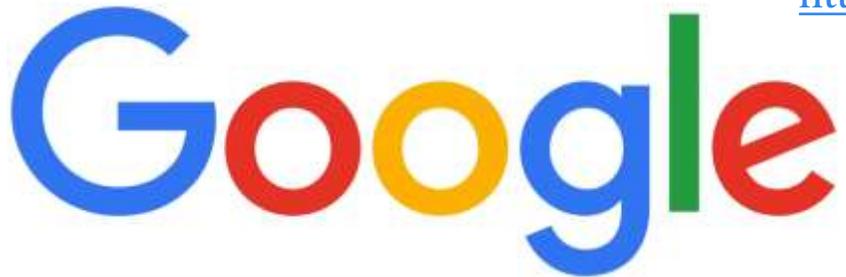
Task of Marketing Management

Building Strong Brands

Must understand the strengths and weaknesses of the brand as customers see it.

Must also pay close attention to competitors, anticipating their moves and knowing how to react quickly and decisively.

http://brandirectory.com/league_tables/table/global-500-2018

The Google logo, consisting of the word "Google" in its signature multi-colored font (blue, red, yellow, blue, green, red).

Microsoft

The Amazon logo, the word "amazon" in a bold, black, lowercase sans-serif font with a curved orange arrow underneath it.The Samsung logo, the word "SAMSUNG" in a bold, white, uppercase sans-serif font inside a dark blue oval.

Task of Marketing Management

Building Strong Brands

Must understand the strengths and weaknesses of the brand as customers see it.

Must also pay close attention to competitors, anticipating their moves and knowing how to react quickly and decisively.



HIMALAYAN JAVA COFFEE
Serving Nepali Coffee Since 1999



Task of Marketing Management

Shaping the Market Offerings

Offering product quality, design, features and packaging.

Wholesale price, retail prices, discounts, allowances and credit terms to gain a competitive advantage.

Provide leasing, delivery, repair and training as part of its product offering.



Task of Marketing Management

Delivering Value

Properly deliver to the target market through different channel activities to make the product accessible and available to target customers.

Must understand the various types of retailers, wholesalers and physical distribution firms and how they make their decisions.



Task of Marketing Management

Communicating Value

Adequate communication with the target market.

Needs to set up mass communication programs consisting of advertising, sales promotions in the form of direct and interactive marketing as well as hire, train and motivate sales people.



Task of Marketing Management

Creating Successful Long Term Growth

Must initiate new product development, testing and launching as part of its long term view. The strategy should take into account changing global opportunities and challenges.



Marketing Challenges

The information technology

revolution

Connection with customers

Globalization

Ethics and social responsibility

Customer empowerment

Product Vs Services

Creating and innovation

Outsourcing

Relationship marketing

Global life style

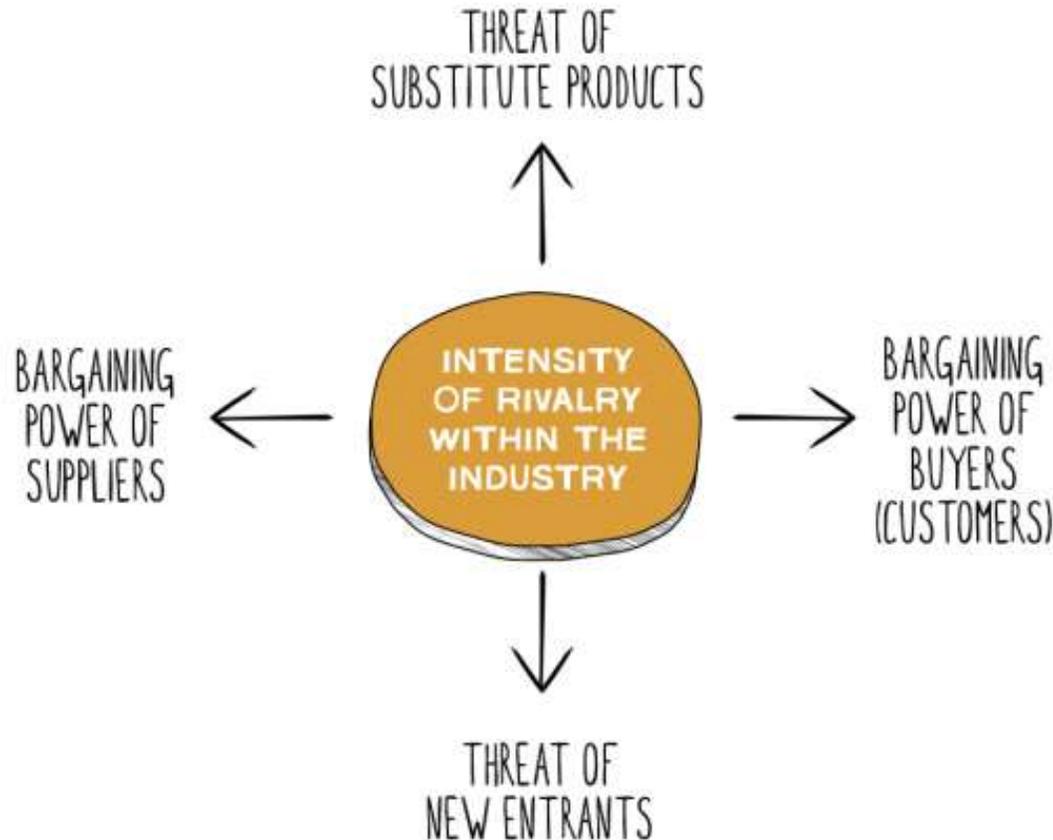


Marketing Challenges

Marketing job has become very tough these days. Every marketer is facing challenges in the job.

Michael Porter has identified five marketing challenges of the firm's competitive position.

PORTER'S FIVE FORCES MODEL



firm's response to Marketing Challenges

- **Developing marketing plans that are designed to build long-term profitability.**
- **Developing cogent arguments to protect or increase, the investment in marketing when economic times were tough.**
- **The need for a framework that created a good balance within marketing strategy between the needs of the customer and those of the organization.**
- **Developing effective strategies that engaged those outside of marketing that were crucial to delivering to promise to consumers.**
- **Developing the right metrics to monitor progress and provide accountability.**
- **Motivating others to be passionate about data quality, as 'fit for purpose' data is vital in direct, digital and CRM based marketing and for monitoring performance against achieving the goals laid down in the marketing plan.**

Relationship Marketing

- **The relationship marketing has emerged from 1980's.**
- **It has shifted attention from short term transaction and immediate profits toward a process of creating customer value through building long term relationships with customer.**
- **Sales focus Vs Marketing mix.**
- **Directed towards building a large group of satisfied and loyal customers**
- **Customer retention and winning back of lost customer.**
- **Long term efforts in delivering value.**
- **Win-win relationship**
- **Directed at building strong economic, technical and social relationships.**
- **Creating valuable marketing network.**

Relationship marketing has the aim of building mutually satisfying long term relations with key parties-customers suppliers, distributors- in order to earn and retain business.

Relationship Marketing

Dimensions of relationship marketing

Relationship marketing has three dimensions:

1. The view of companies about customers is changing. The emphasis is shifting from transaction based marketing to relationship based marketing.
2. In addition to their relationship with customer's companies are increasingly concerned about their enduring relationship with suppliers, middlemen, stakeholder and other influences groups. The focus is also on internal marketing where all employees are trained and motivated to work for customer satisfaction.
3. A strategy to bring the three key elements- quality, customer service and marketing activities-to work together in order to produce synergistic effects for the benefit of the customers and external agencies.



Relationship Marketing

Relationship marketing is the practice of building long-term satisfying relations with key parties- customers, suppliers and distributors- in order to retain their long-term preference and business.

If properly implemented, relationship marketing may result in strong economic, technical and social ties among the parties.

It can also cut down on transaction costs and time.

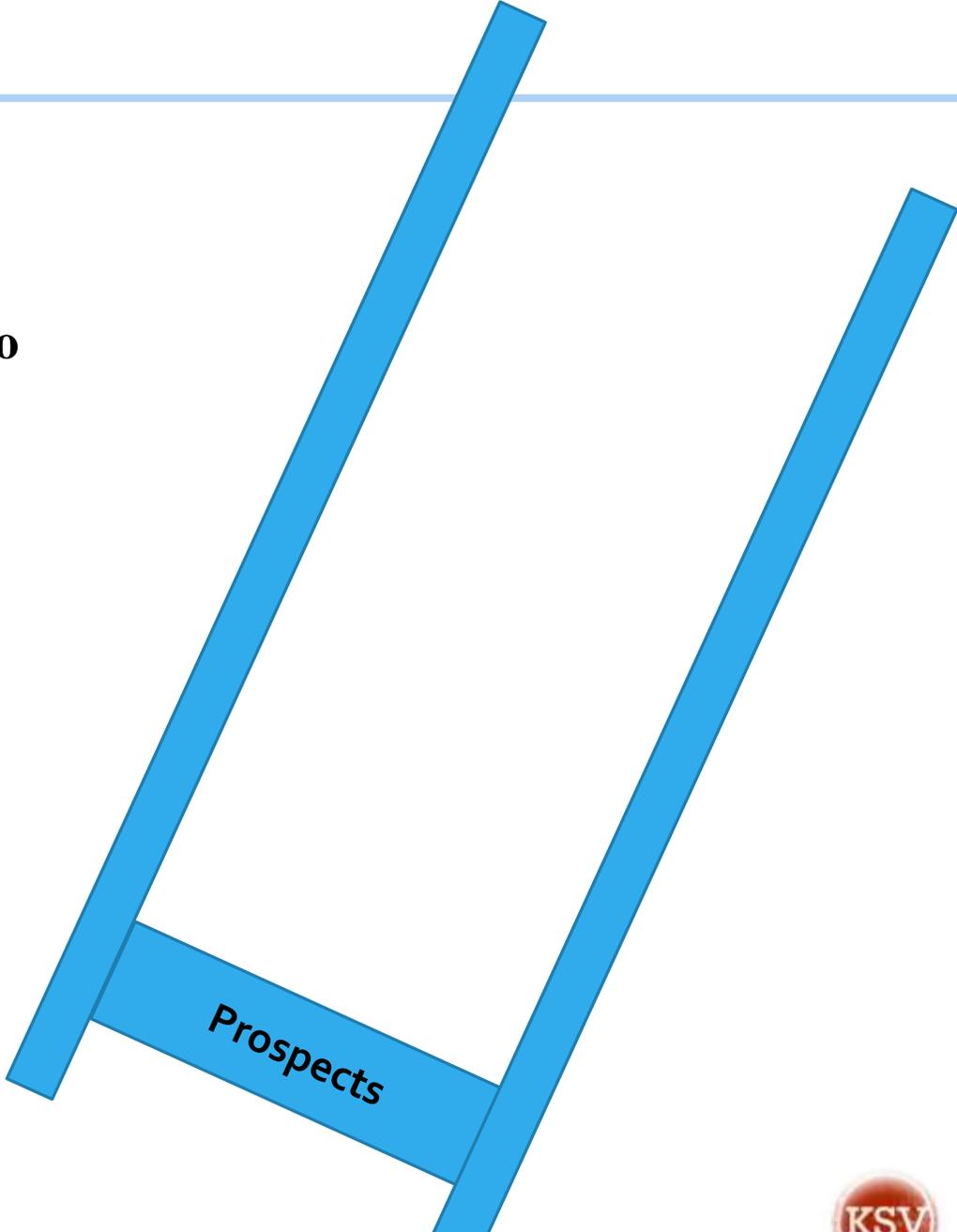


Relationship Marketing

Relationship Building Process

Prospects

People who have interest in the product and ability to pay for it. They are likely to buy the product



Prospects

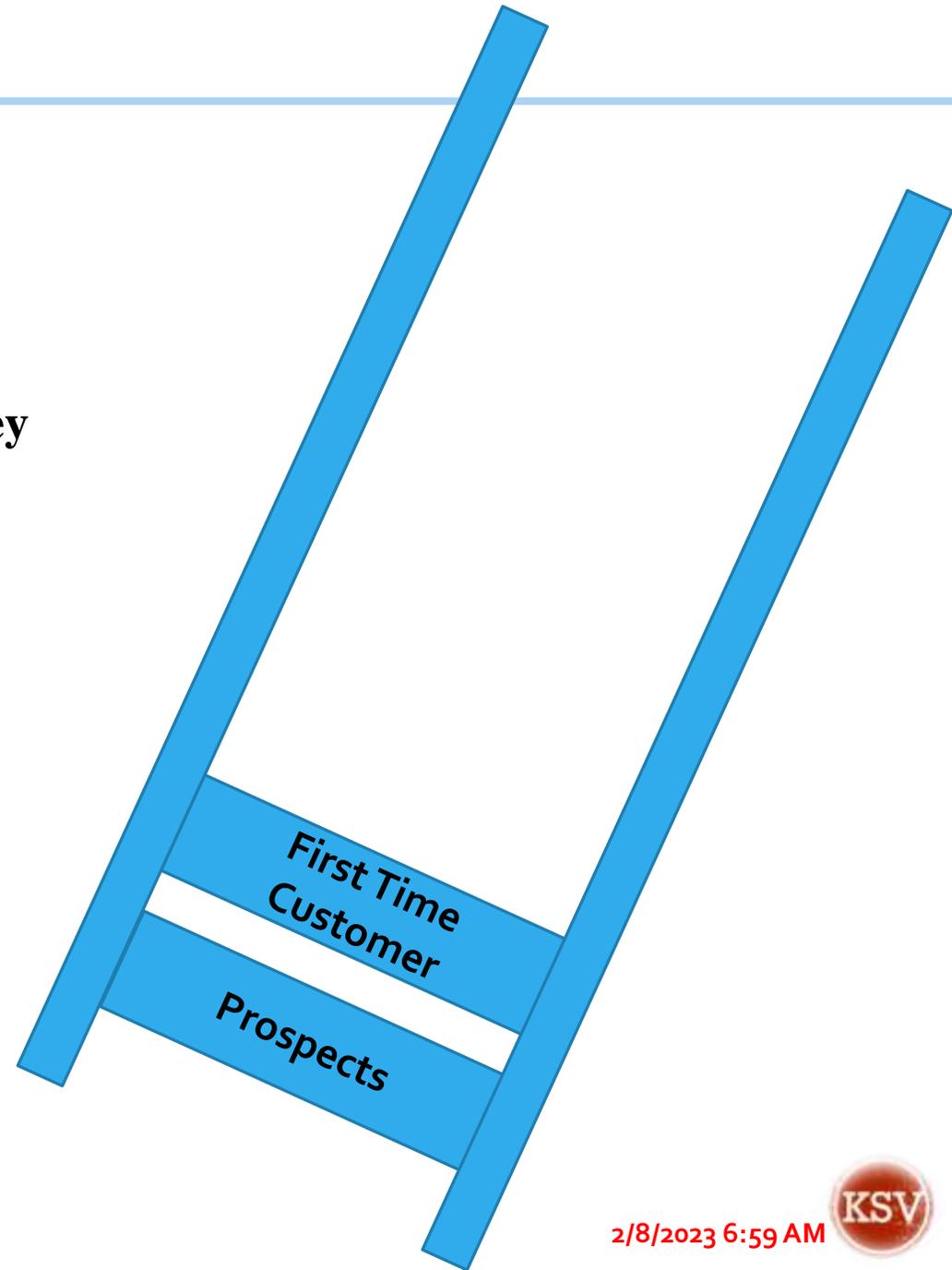
Relationship Marketing

Relationship Building Process

Prospects

First Time Customers

Prospects who buy a product for the first time. They can be brand switchers.



Relationship Marketing

Relationship Building Process

Prospects

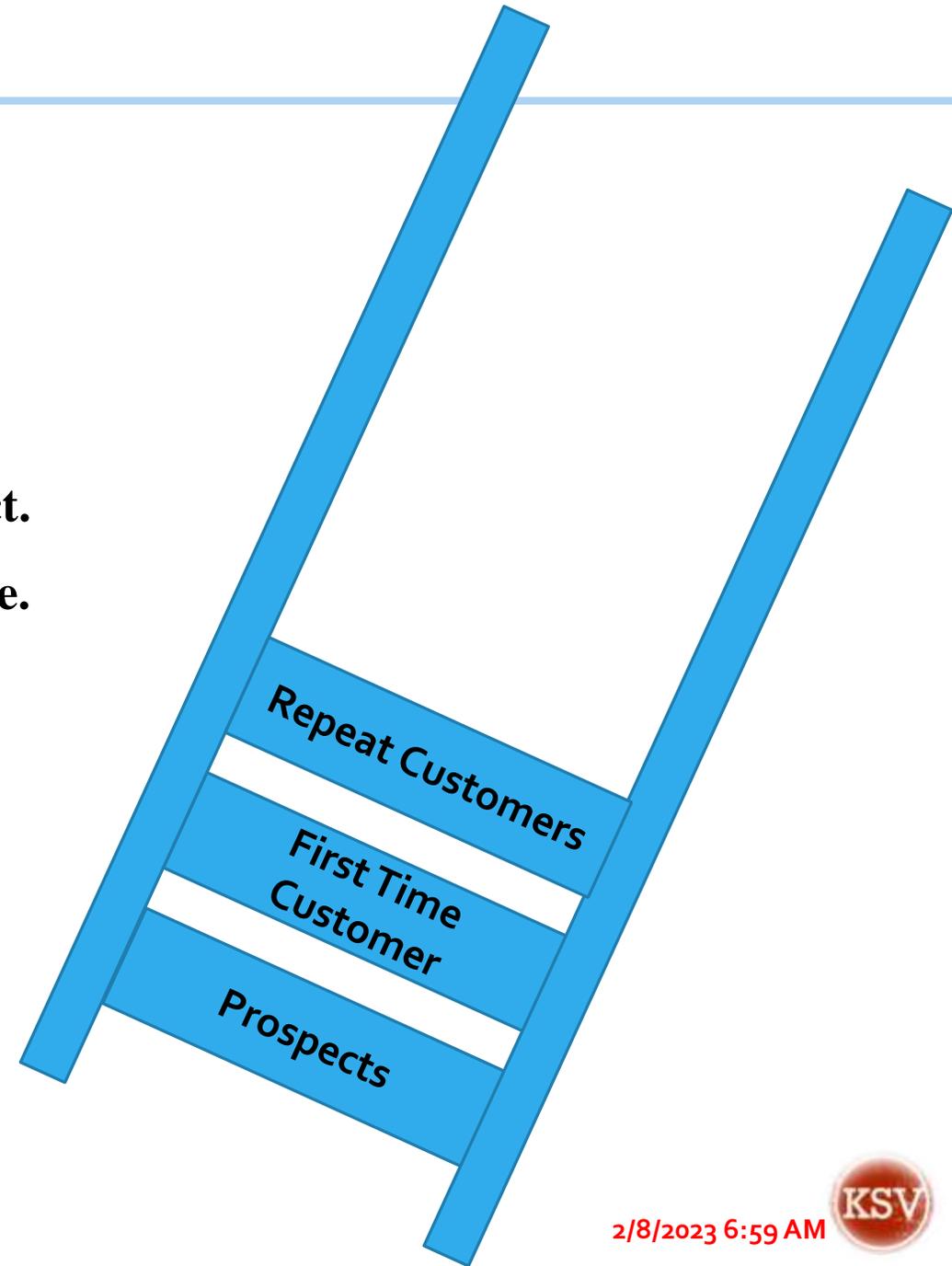
First Time Customers

Repeat Customers

First time customers who repeatedly buy the product.

They experienced satisfaction with first time purchase.

They have potential to become loyal customers.



Relationship Marketing

Relationship Building Process

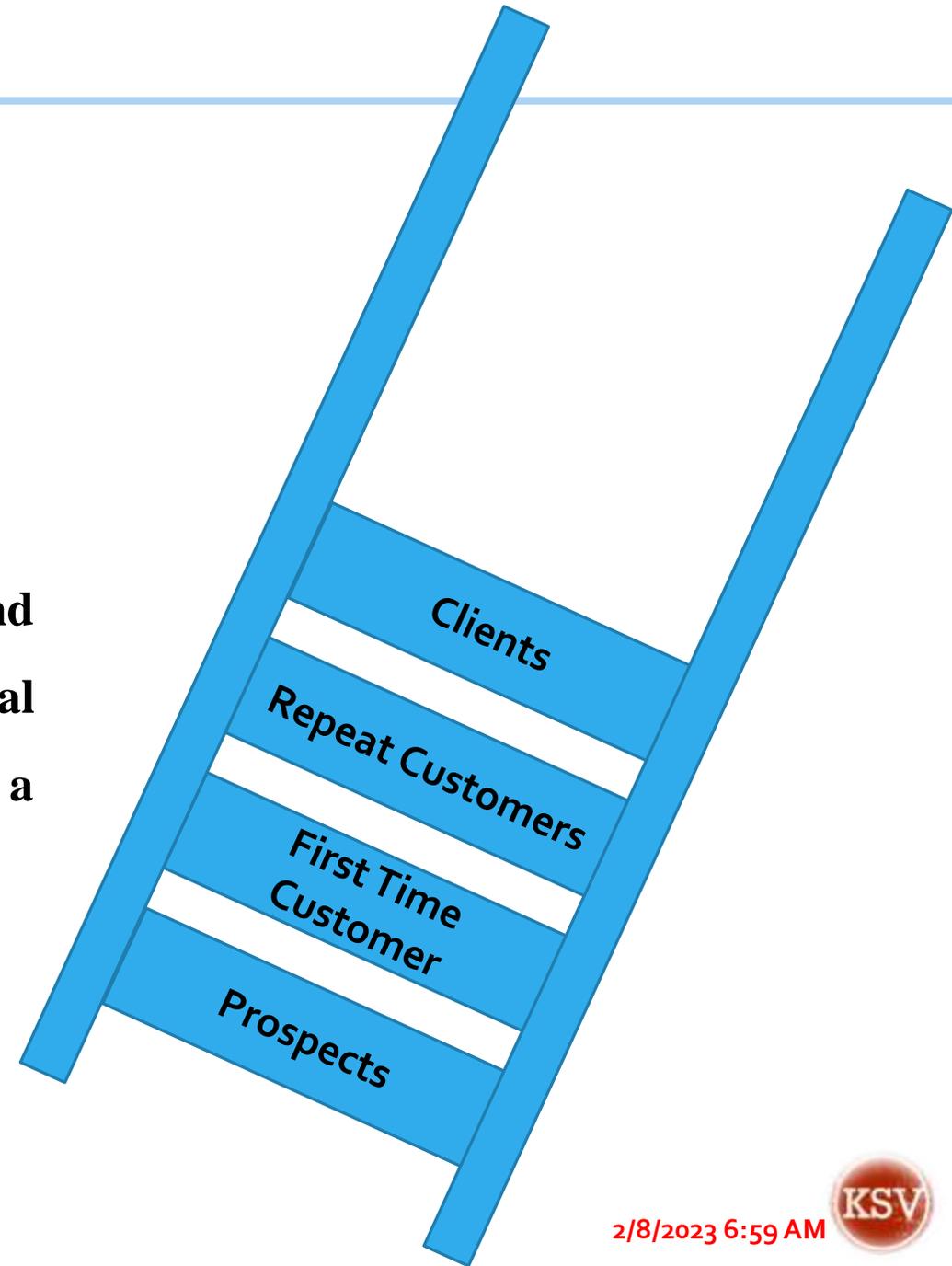
Prospects

First Time Customers

Repeat Customers

Clients

Repeat customers who are treated specially and knowledgeable by the organization. They are loyal and satisfied customers. They buy products for a longer period of time.



Relationship Marketing

Relationship Building Process

Prospects

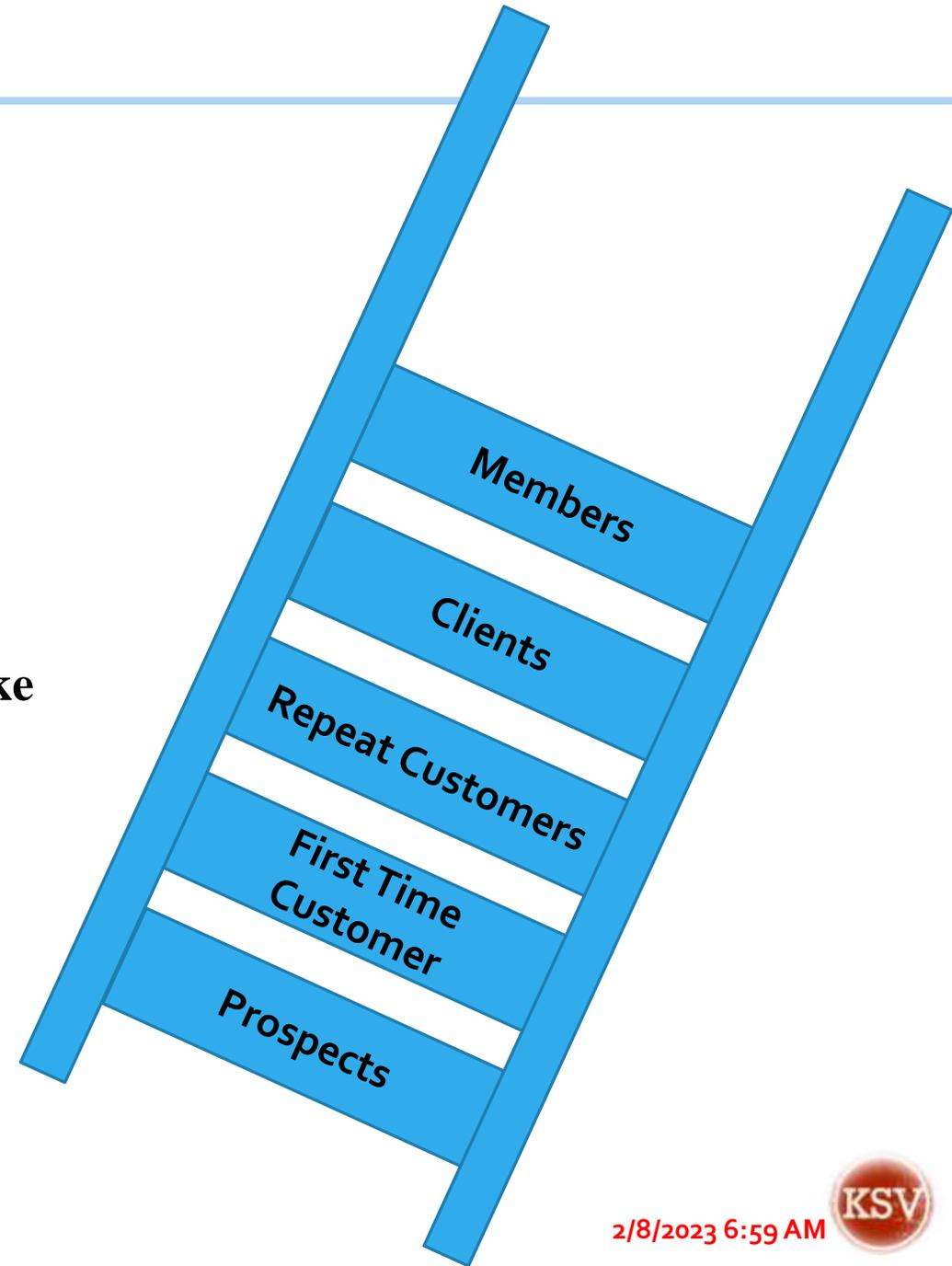
First Time Customers

Repeat Customers

Clients

Members

Clients who join membership programme to take advantage of benefits. Customer clubs are organized.



Relationship Marketing

Relationship Building Process

Prospects

First Time Customers

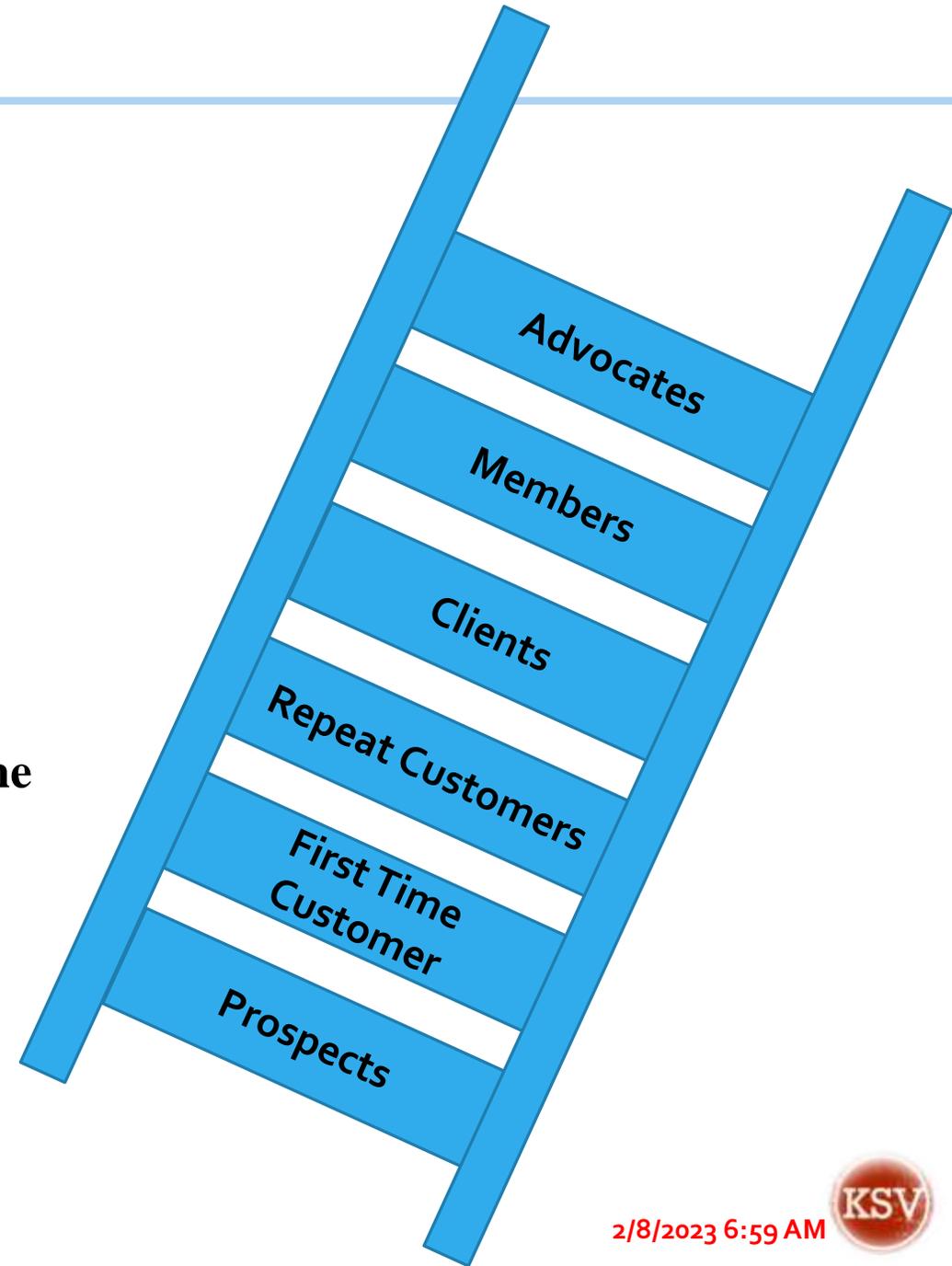
Repeat Customers

Clients

Members

Advocates

Members who enthusiastically recommend the organization and its products to others.



Relationship Marketing

Relationship Building Process

Prospects

First Time Customers

Repeat Customers

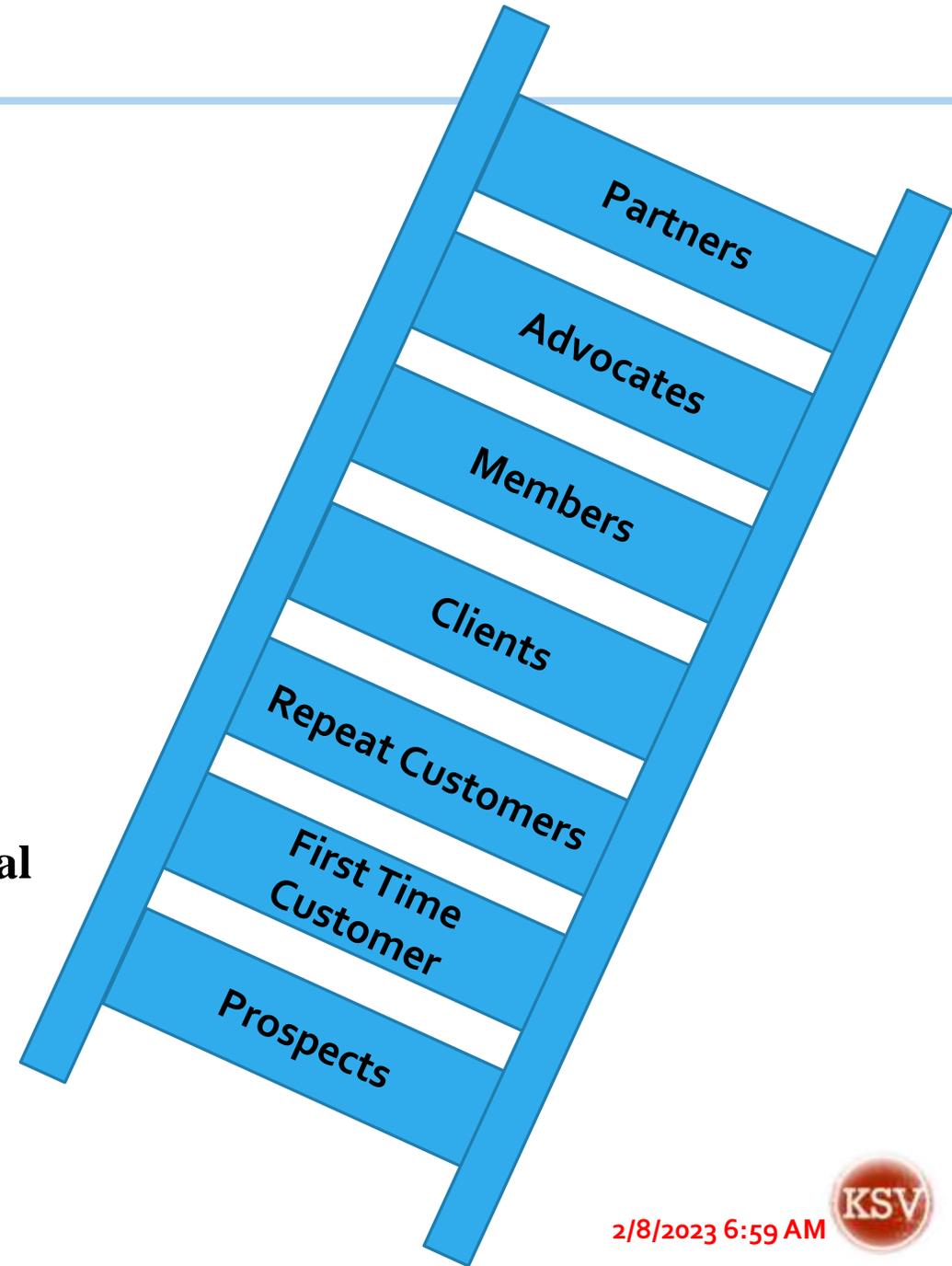
Clients

Members

Advocates

Partners

Advocates who work together actively for mutual benefits with the organization.



Relationship Marketing

Strategies for Relationship Marketing

Quality Assurance

Promise and deliver
high quality products
at fair hello
worldprices

Technical Benefits

Developing Electronic Data
Interchange (EDI)

Relationship Marketing

Economic Benefits

Frequency marketing
programme.
Club membership program.
Gift to customer

Social Benefits

Increase social bonds
with customers.

Relationship Marketing

Practices of Relationship Marketing in Nepal

HOME WORK

Green Marketing

Green marketing refers to the process of selling products and services based on their environmental benefits.

- Part of societal marketing concept.
- Environmental friendly.
- Potential customer will view a product or services “greenness” as a benefit.
- Customer will pay more for green products.
- Address ecological problem or make balance.
- Address environmental problems due to mass production, mass marketing and mass consumption.
- Environmental friendly processes and practice.

Green Marketing

Marketing of products taking into considerations the ecological issues is popularly known as Green Marketing.



Green Marketing calls for business organizations and consumers to show environmental consciousness by modifying business and consumption behavior favoring green products and practices.

Green Marketing

Practices of Green Marketing

Environmental awareness – polythene bags, plastic packaging, water bottles and glass and tin containers, old vehicles etc.

Customer associations around the world have become very active to pressurize governments and businesses to adopt more environmental friendly business practice.

Resource conservation– Renewal resources & Non-renewal resources.

The society today emphasizes on using more of the renewal resources and conserving the non-renewal resources for the future generations.

Recycled products – The pressure on non-renewal resources has greatly been reduced through recycling of plastics, iron, cooking oil, paper and many other products.

Green products – Use of excessive fertilizers, genetically modified grains, fruits and vegetables and use of pesticides on plants has harmed the general health of people.

Promoting organic farming and marketing of organic food.

E-Commerce (Internet Marketing/E Marketing)

E commerce is the marketers effort to inform, communicate , promote and sell its products and services through the internet.

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E-Commerce (Internet Marketing/E Marketing)

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DEALERS
WANTED

पोखरा, धरान, बुटवल, बनेपा, नारायणगढ, बिराटनगर
लगायत देशका मुख्य शहरहरुमा अनलाइनमा विशेष
दखल कम्पनी/व्यक्तिहरुले सम्पर्क राख्नुहोला ।

E-Commerce (Internet Marketing/E Marketing)

E Business uses three types of networks for conducting business operations:

Internet: The global network through which a firm or an individual can contact, access and share information, order for products and services and sell products and services to other users of the internet.

Intranet: This is an in-company network that allows employees to access and share information with each other in order to improve the company's performance.

Extranet: This is a network of the company with its suppliers, distributors, and major customers facilitating exchange of information, execution of orders, transactions and payments.



Board Questions

1. Define holistic marketing concept. 1
2. Explain the marketing challenges of the 21st century and firm's responses to these challenges. 5
3. Write about E-Marketing. 1
4. Write the concept of core marketing. 1
5. What is relationship marketing? How does relationship marketing help to customer development process? Explain. 5
6. How is marketing defined in modern days? 1
7. Give two examples of green marketing in Nepal. 1
8. Name three modern marketing concepts. 1
9. Point out the various marketing concepts that have been evolved over a period of time. 1
10. Conceptualize the term "Relationship Marketing". 1
11. Give the meaning of marketing in one sentence. 1
12. What is marketing myopia? Explain in one sentence. 1
13. Explain any three emerging concepts of marketing. 1
14. Give the meaning of marketing mix in one sentence. 1
15. What is marketing? Discuss the core marketing concept. 5
16. Define marketing in one sentence. 1
17. Point out the core marketing concepts. 1
18. What is marketing? 1
19. Point out the components of marketing mix. 1
20. Differentiate consumer and customer. -1

5.1 Case Study: Everest Bakery

Ang Didi Sherpa and her husband migrated to Kathmandu from Solukhumbu twenty years ago. Her husband works for a travel and trekking agency. She is 50 years old and has one son and one daughter. The children are married. The son is working in USA.

Ang Didi is an excellent cook. She had successfully completed a one month training in pastry making offered by Hotel Management Training Centre. Pastries baked by her are delicious. However, she felt lonely and bored staying at home alone. She decided to put her talents to use. She rented a small shop in front of Shaker Dev Campus in Putali Sadak. She bought the necessary equipment for kitchen and shop with a cash outlay of Rs. 600,000. She also spent Rs. 100,000 for furniture and furnishings. Half the amount of total outlay was a loan from the Bank. She decided to call her shop "Everest Bakery".

The business has been operating for the last twelve months. Sales are slowly increasing. The major customers are campus students who drop in for a pastry and coffee. Occasionally professors come by with their friends for a chat over a pastry and cup of tea. Shopkeepers and offices in the nearby area are also her regular clients who send orders for home delivery. Households also purchase pastries over the counter. Customers are satisfied with the service. But students frequently ask for Momo, Burger and Chau-chau dishes.

The business is growing rapidly. She has added new product items Momo, Burger and Chau-Chau on the menu. The students seem very happy to visit her bakery. Order from shopkeepers have been increasing for these items. One afternoon, she heard a group of students talking about the marketing mix while drinking coffee in her bakery. She became curious.

She wants your help to find answers to the following questions:

1. What is her target market?
2. What are the components of the marketing mix of the Everest Bakery?
3. What changes should be made in the marketing mix to satisfy the needs of target market?