Marketing

Chapter 1: Introduction to Marketing

Learning Outcomes

LO[1] Define the term *marketing*

LO[2] Describe four marketing management philosophies

LO[3] Describe several reasons for studying marketing

LO[3] Explain **the elements of the marketing mix. (The 4 P's)**

What is Marketing?

LO[1]

Define the term marketing

What is Marketing?

- ***A Philosophy***
- ***An Attitude***
- ***A Perspective***
- ***A Management Orientation***

<u>A Set of Activities</u>

- **Products**
- **Place**
- **Promotion**
- **Pricing**

What is Marketing?

Definition
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.

Customer Needs, Wants, and Demands

Needs

- States of deprivation
  - Physical—food, clothing, warmth, safety
  - Social—belonging and affection
  - Individual—knowledge and self-expression

Wants

- Form that human needs take as they are shaped by culture and individual personality

Demands

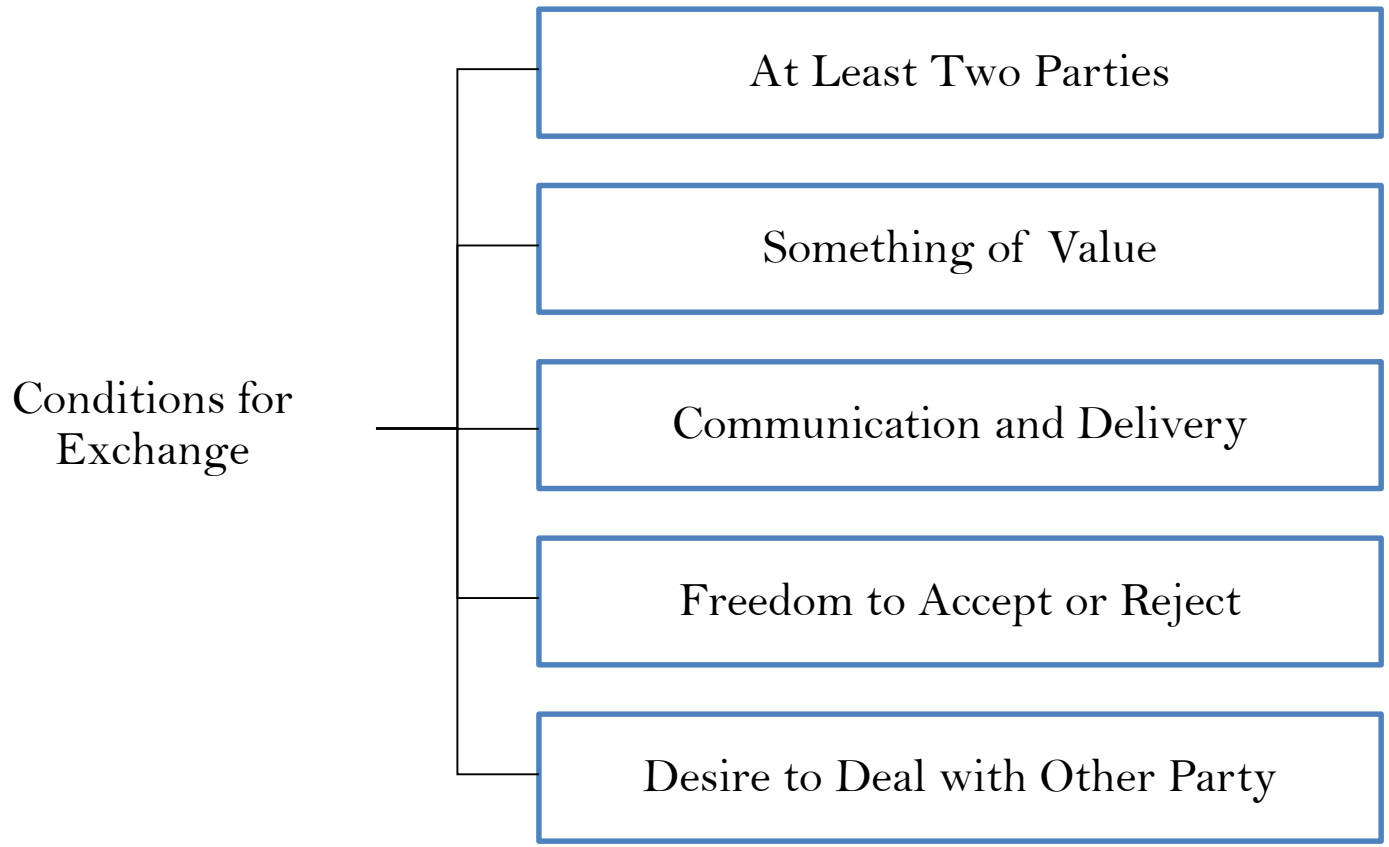
- Human wants backed by buying power

Exchange

Exchange

People giving up something to receive something they would rather have.

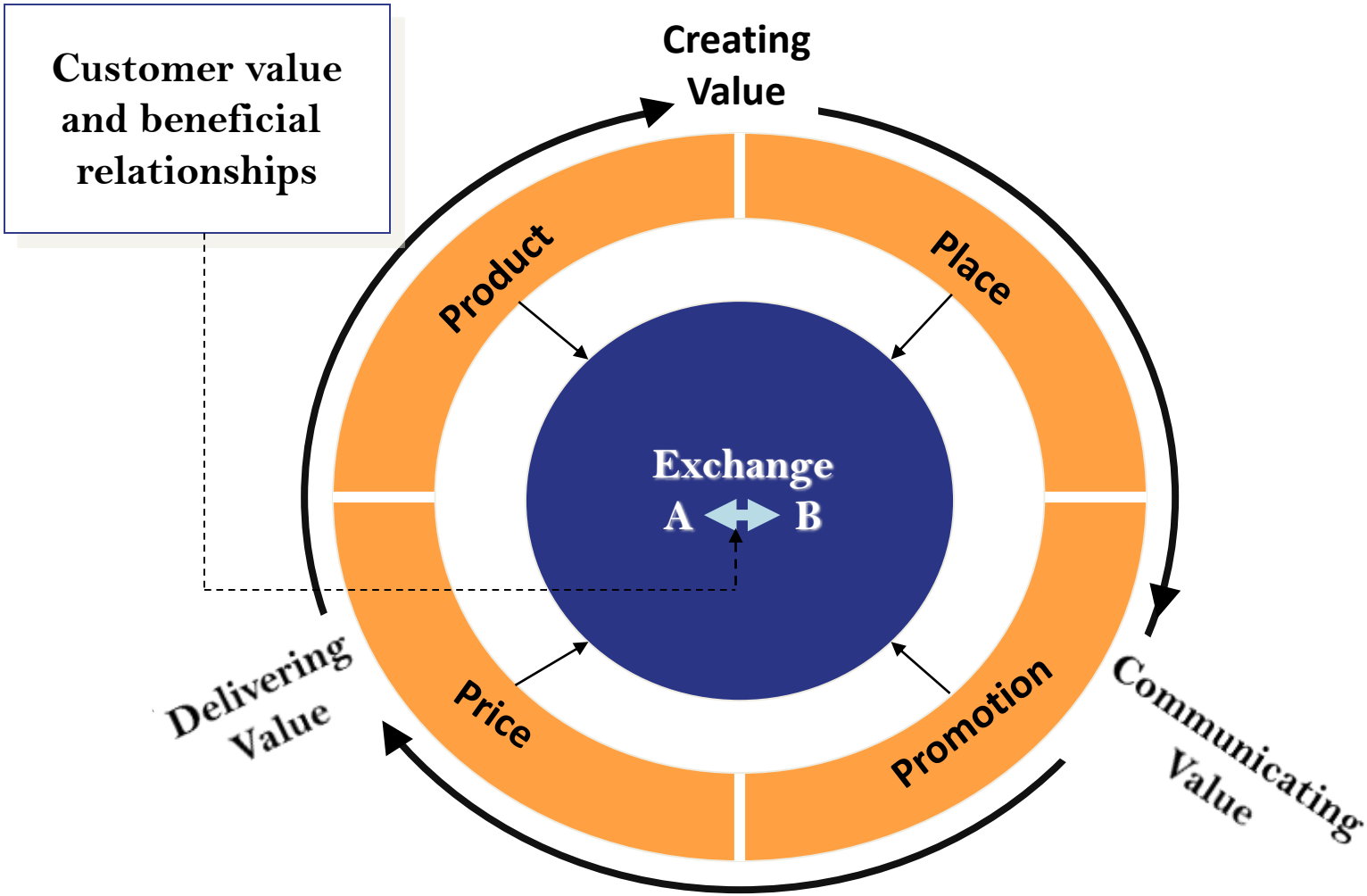
Exchange


Conditions for Exchange
At Least Two Parties
Something of Value
Communication and Delivery
Freedom to Accept or Reject
Desire to Deal with Other Party

LO[1]

Review Learning Outcome

What is Marketing?



Marketing Management Philosophies

LO2

Describe four marketing management philosophies

Marketing Management

Marketing management is the art and science of choosing target markets and building profitable relationships with them

- What customers will we serve?
-How can we best serve these customers?

Marketing Management Philosophies

Orientation	Focus is on…
Production	product that offer best quality, and features
Sales	aggressive sales techniques and belief that high sales result in high profits
Market	satisfying customer needs and wants while meeting objectives
Societal	satisfying customer needs and wants while enhancing individual and societal well-being

LO²

Review Learning Outcome

The Four Marketing Management Philosophies

Orientation	Focus
Production	What can we make or do best?
Sales	How can we sell more aggressively?
Marketing	What do customers want and need?
Societal	What do customers want and need, and how can we benefit society?

Why Study Marketing?

LO^3

Describe several reasons for studying marketing

Why Study Marketing?

- ✓ Plays an important role in society
- ✓ Vital to business survival, profits and growth
- ✓ Offers career opportunities
- ✓ Affects your life every day

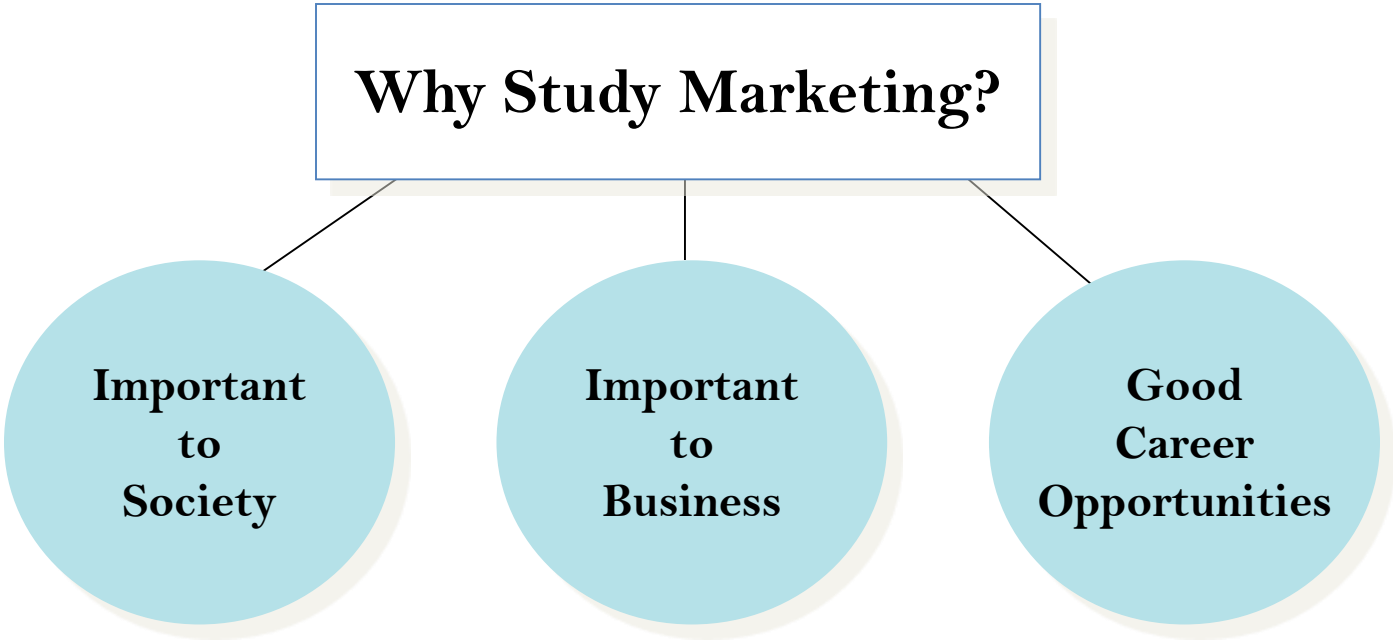
Why Study Marketing?

Vital Marketing Activities for Organizations
Assess the wants and satisfaction of customers
Design and manage product offerings
Determine prices and pricing policies
Develop distribution strategies
Communicate with present and potential customers

LO3

Review Learning Outcome

Reasons for Studying Marketing



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Marketing affects you every day!

The Marketing Mix

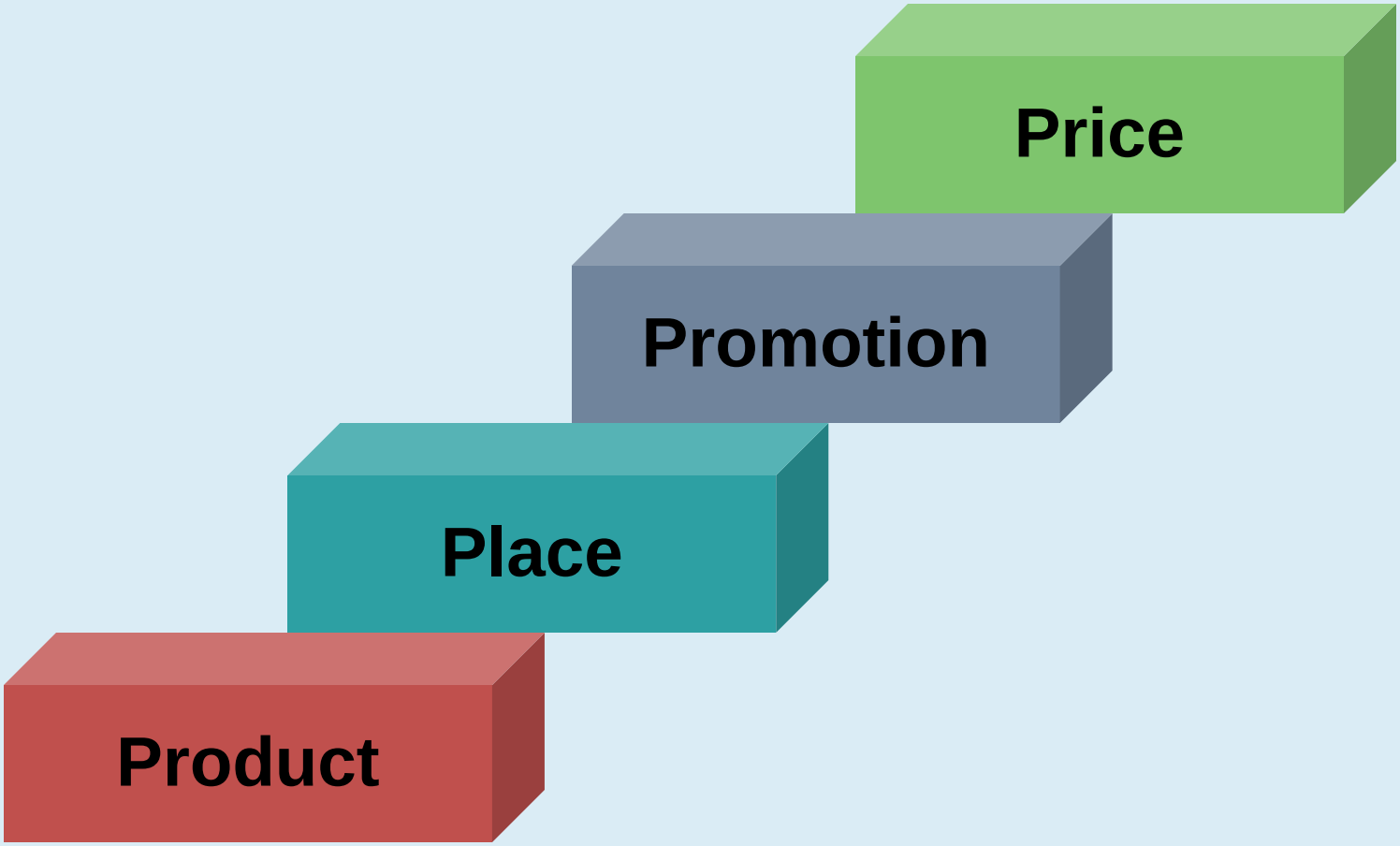
LO^4

Explain the elements of the marketing mix. (The 4 P's)

The Marketing Mix

A unique blend of product, place, promotion, and pricing strategies designed to produce mutually satisfying exchanges with a target market.

Marketing Mix: The "Four Ps"



Marketing Mix: The "Four Ps"

- The starting point of the "4 Ps"
- Includes
  - Physical unit
  - Package
  - Warranty
  - Service
  - Brand
  - Image
  - Value

- Products can be…
  - Tangible goods
  - Ideas
  - Services

Marketing Mix: The "Four Ps"

- **Product availability where and when customers want them**
- **All activities from raw materials to finished products**
- **Ensure products arrive in usable condition at designated places when needed**

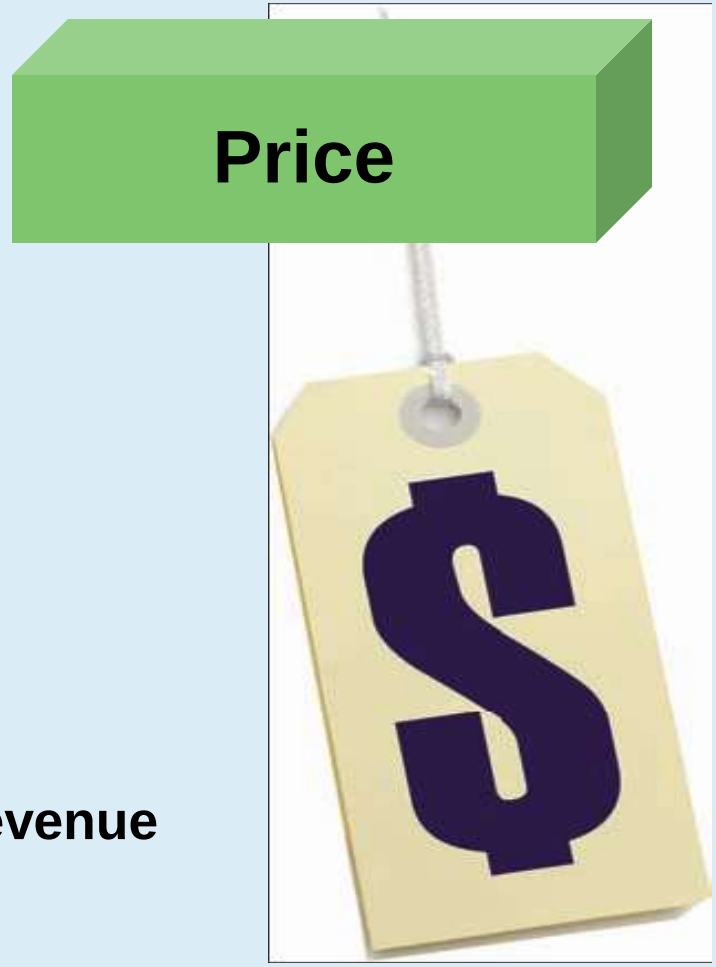
Marketing Mix: The "Four Ps"

- **Role is to bring about exchanges with target markets by:**
  - **Informing**
  - **Educating**
  - **Persuading**
  - **Reminding**

- **Includes integration of:**
  - **Personal selling**
  - **Advertising**
  - **Sales promotion**
  - **Public relation**

Marketing Mix: The "Four Ps"

- **Price is what a buyer must give up to obtain a product.**
- **The most flexible of the "4 Ps"-- quickest to change**
- **Competitive weapon**
- **Price x Units Sold = Total Revenue**



LO4

Review Learning Outcome

Elements of the Marketing Mix