



Principles of Marketing

DBB 1313

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CHAPTER 9

TECHNOLOGY DRIVEN MARKETING

Learning Outcomes

LO¹

Explain the concept and purpose of a marketing decision support system

LO²

Define marketing research and explain its importance to marketing decision making

LO³

Describe the steps involved in conducting a marketing research project



Learning Outcomes

LO⁴

Discuss the profound impact of the Internet on marketing research

LO⁵

Discuss the growing importance of scanner-based research

LO⁶

Explain the concept of competitive intelligence

Marketing Decision Support Systems

LO¹

**Explain the concept
and purpose of a
marketing decision
support system.**

Marketing Decision Support Systems

**An interactive, flexible
computerized information system
that enables managers to obtain
and manipulate information as
they are making decisions.**

DSS System Characteristics

Interactive

Flexible

Discovery-Oriented

Accessible

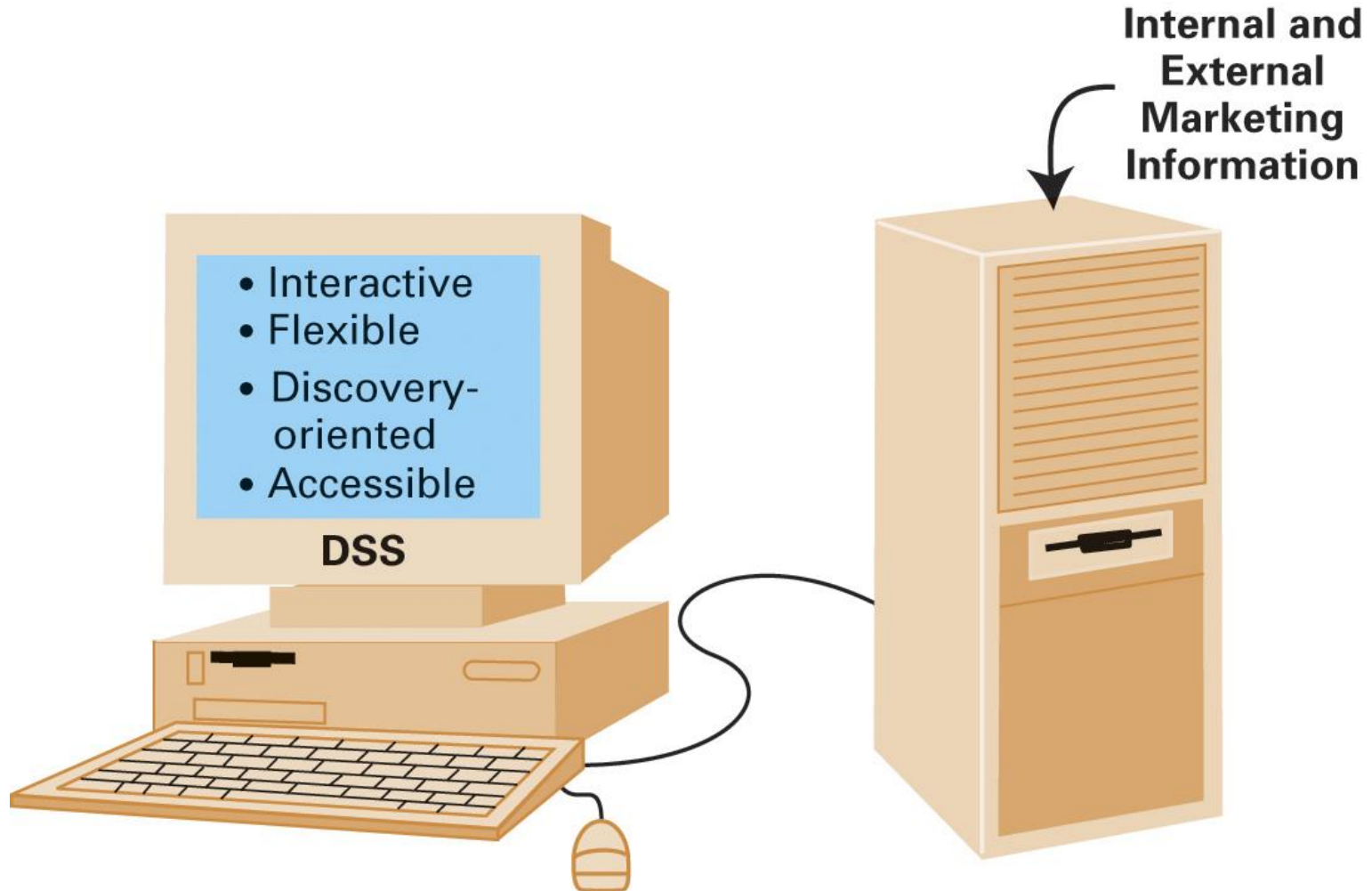
Marketing Decision Support Systems

Database Marketing - The creation of a large computerized file of customers' and potential customers' profiles and purchase patterns.

The key tool for successful one-to-one marketing.

Review Learning Outcome

Marketing Decision Support Systems



Customer Relationship Management

LO²

Discuss about CRM.

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

Building Customer Relationships : Customer Value and Satisfaction

Customer perceived value

- The difference between total customer value and total customer cost

Customer satisfaction

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

Building Customer Relationships

The Changing Nature of Customer Relationships

- Relating with more carefully selected customers uses selective relationship management to target fewer, more profitable customers
- Relating more deeply and interactively by incorporating more interactive two way relationships through blogs, Websites, online communities and social networks

Building Customer Relationships

Partner relationship management involves working closely with partners in other company departments and outside the company to jointly bring greater value to customers

Building Customer Relationships

Partner Relationship Management

- Partners inside the company is every function area interacting with customers
 - Electronically
 - Cross-functional teams
- Partners outside the company is how marketers connect with their suppliers, channel partners, and competitors by developing partnerships

Building Customer Relationships

Partner Relationship Management

- Supply chain is a channel that stretches from raw materials to components to final products to final buyers
- Supply management
- Strategic partners
- Strategic alliances

Capturing Value from Customers

Creating Customer Loyalty and Retention

- Customer lifetime value is the value of the entire stream of purchases that the customer would make over a lifetime of patronage

Capturing Value from Customers

Growing Share of Customer

Share of customer is the portion of the customer's purchasing that a company gets in its product categories

Capturing Value from Customers

Customer equity is the total combined customer lifetime values of all of the company's customers

Capturing Value from Customers

Building Customer Equity

- Building the right relationships with the right customers involves treating customers as assets that need to be managed and maximized
- Different types of customers require different relationship management strategies
 - Build the right relationship with the right customers

Impact of the Internet on Marketing Research

LO⁴

Discuss the profound impact of the Internet on marketing research.

Impact of the Internet

- **Allows better and faster decision making**
- **Improves ability to respond quickly to customer needs and market shifts**
- **Makes follow-up studies and tracking research easier**
- **Slashes labor- and time-intensive research activities and costs**

Advantages of Internet Surveys

**Rapid development,
real-time reporting**

Dramatically reduced costs

**Personalized questions
and data**

**Improved respondent
participation**

**Contact with the
hard-to-reach**

Uses of the Internet by Marketing Researchers

Administer surveys

Conduct focus groups

Other types of marketing research

Scanner-Based Research

LO⁵

**Discuss the
growing importance of
scanner-based research.**

Scanner-Based Research

A system for gathering information from a single group of respondents by continuously monitoring the advertising, promotion, and pricing they are exposed to and the things they buy.

- ***BehaviorScan***
- ***InfoScan***

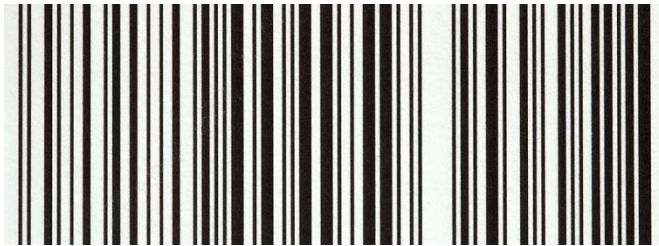
When Should Marketing Research Be Conducted?

- Where there is a high level of uncertainty
- When value of research information exceeds the cost of generating the information

Review Learning Outcome

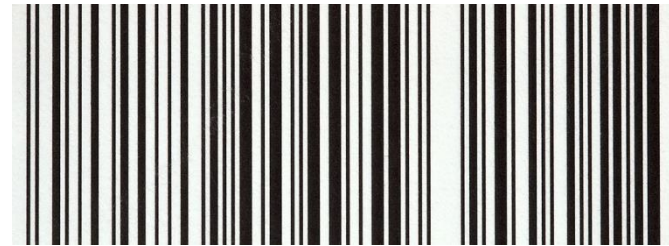
Scanner-Based Research

BehaviorScan



**Panel information from
Specific groups of people,
enables researchers to
manipulate variables and see
real results**

InfoScan



**Aggregate consumer
information on all
bar-coded products**

Competitive Intelligence

LO⁶

Explain the concept of competitive intelligence.

Competitive Intelligence

**An intelligence system that helps
managers assess their
competition and
vendors in order to become
more efficient and
effective competitors.**

Sources of Competitive Intelligence

Internet

UCC Filings

Company Salespeople

Suppliers

Experts

Periodicals

CI Consultants

Yellow Pages

Government Agencies

Trade Shows

Review Learning Outcome

Competitive Intelligence

CI



Part of a sound marketing strategy



Helps companies respond to competitive threats



Helps reduce unnecessary costs