天津外国语大学(天外)
Tianjin Foreign Studies University
School of International Business

Business Strategies

Class starts at 08:00

(Beijing Time, GMT+8)

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September 12, 2023

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Marketing section at a glance

Module 1: What Is Marketing?

- Marketing Defined
- Marketing in Action
- The Marketing Concept
- Marketing and Customer Relationships
- How Organizations Use Marketing
- Value of Marketing

Module 2: Marketing Function

- Importance of Customer
- Segmentation and Targeting Introduction
- Communicating the Value Proposition
- Evaluating Value Proposition Examples
- Marketing Mix
- Using the Marketing Mix
- Role of Marketing Plan

Module 3: Segmentation and Targeting

- Segmentation and Targeting Rationale
- Common Segmentation Approaches
- Segmentation Decisions
- Targeting and Marketing Mix

Module 4: Marketing Strategy

- Evaluate Alignment of Marketing Strategies
- Marketing Strategy Mechanics
- Strategic Planning Tools
- Examples of Corporate Strategies
- Customer Relationships

Module 5: Ethics and Social Responsibility

- Ethical Marketing Issues
- Regulatory Laws
- B2B and B2C Marketer Ethical Dilemmas
- Ensuring Ethical Marketing and Sales
- Social Responsibility Marketing Impact

Module 6: Marketing Information and Research

- Importance of Marketing Information
- Types of Marketing Information
- The Marketing Research Process
- Marketing Research Techniques
- Marketing Data Sources
- Customer Relationship Management (CRM) Systems
- Using Marketing Information

Module 7: Consumer Behavior

- Buying Process Stages
- Low-Involvement vs. High-Involvement Decision
- Factors Influencing Consumer Decisions
- B2B Purchasing Decisions

Module 8: Positioning

- Defining Positioning and Differentiation
- The Positioning Process
- Developing Positioning Statements
- Repositioning
- Implementing Positioning Strategy

Module 9: Branding

- Elements of Brand
- Brand Equity
- Brand Positioning and Alignment
- Name Selection
- Packaging
- Brand Development Strategies

Module 10: Product Marketing

- Products and Marketing Mix
- Product Life Cycle
- Product Portfolio Management
- New Product Development Process
- Challenges for New Products

Module 11: Pricing Strategies

- Pricing Impact on Value of Products or Services
- Pricing Considerations
- Common Pricing Strategies
- Price Elasticity
- Competitive Bidding

Module 12: Place: Distribution Channels

- Using Channels of Distribution
- Managing Distribution Channels
- Retailers As Channels of Distribution
- Integrated Supply Chain Management and the Distribu

Module 13: Promotion: Integrated Marketing Communication

- Integrated Marketing Communication (IMC) Definition
- Defining the Message
- Determining IMC Objectives and Approach
- Marketing Communication Methods
- Using IMC in the Sales Process
- Customer Relationship Management (CRM) Systems and IMC
- Measuring Marketing Communication Effectiveness
- Developing a Marketing Campaign and Budget

Module 14: Marketing Globally

- Globalization Benefits and Challenges
- Approaches to Global Competition
- Factors Shaping the Global Marketing Environment

Module 15: Marketing Plan

- Elements of the Marketing Plan
- Presenting the Marketing Plan
- The Marketing Plan in Action

Outcomes	Short Title	Full Learning Outcome
1.0	Marketing Role	Explain the role of marketing in organizations and society and how it impacts individuals
1.1	Marketing Defined	Define marketing • Explain how the marketplace addresses customer wants and needs by creating opportunities for the exchange of products, services and experiences • Describe the role marketing plays in facilitating the exchange of value
1.2	Marketing in Action	Identify evidence of marketing in everyday life • Recognize marketing activities in daily life • Explain the differences between marketing, advertising, branding, and sales
1.3	The Marketing Concept	Demonstrate a clear understanding of the marketing concept • Define the production concept, the product concept, the selling concept and the marketing concept
1.4	Marketing and Customer Relationships	Describe the role of marketing in building and managing customer relationships • Define the concept of customer lifetime value • Explain why customer relationship-building is a central purpose of marketing
1.5	How Organizations Use Marketing	Describe how different types of organizations, such as non-profits, consumer product (B–C) firms and business-to-business (B–B) organizations, use marketing • Explain the difference between a customer and a consumer • Define different types of organizations including B2C, B2B and nonprofit organizations • Provide examples of how each type of organization uses marketing
1.6	Value of Marketing	Explain how marketing creates value for the consumer, the company, and society • Explain the benefits consumers derive from marketing activity • Explain the benefits companies and organizations derive from marketing activity • Explain the benefits society derives from marketing activity

Why It Matters: What Is Marketing?

When you hear the term “marketing,” what comes to mind?

Based on what you know about marketing right now, what one word would you use to describe it? Take a moment to write it down. We’ll come back to it shortly.

- Marketing sells products.
- Marketing creates memorable experiences.
- Marketing alters history.

Learning Outcomes

- Define marketing
- Identify evidence of marketing in everyday life
- Demonstrate a clear understanding of the marketing concept
- Describe the role of marketing in building and managing customer relationships
- Describe how different types of organizations, such as non-profits, consumer product (B2C) firms and business-to-business (B2B) organizations, use marketing
- Explain how marketing creates value for the consumer, the company, and society

Which of these definition you like the most?

Here are two popular and widely accepted **definitions of marketing**. The first is the definition preferred by the UK's Chartered Institute of Marketing (CIM), while the second is that offered by the American Marketing Associatioan (AMA):

(1) Marketing is the management process responsible for identifying, anticipating, and satisfying customer requirements profitably. (CIM, 2001)

(2) 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.** (AMA, 2007)

What Is Marketing?

- Marketing is a set of activities related to creating, communicating, delivering, and exchanging offerings that have value for others. In business, the function of marketing is to bring value to customers, whom the business seeks to identify, satisfy, and retain.

The Art of the Exchange

In marketing, the act of obtaining a desired object from someone by offering something of value in return is called the exchange process. The exchange involves:

- the customer (or buyer): a person or organization with a want or need who is willing to give money or some other personal resource to address this need
- the product: a physical good, a service, experience or idea designed to fill the customer's want or need
- the provider (or seller): the company or organization offering a need-satisfying thing, which may be a product, service, experience or idea
- the transaction: the terms around which both parties agree to trade value-for-value (most often, money for product)

Marketing Creates Value for Customers

According to the influential economist and Harvard Business School professor Theodore Levitt, the purpose of all business is to “find and keep customers.” Marketing is instrumental to helping businesses achieve this purpose. It’s a way of thinking about business, rather than just a collection of techniques. It’s much more than just advertising and selling stuff and collecting money. Marketing generates value by creating the connections between people and products, customers and companies.

THE ROLE OF MARKETING

IDENTIFY CUSTOMERS

- Understand customer wants and needs
- Identify whom to target and how to reach them

SATISFY CUSTOMERS

- Make the right product or service available to the right people at the right time
- Make everyone feel better off from the exchange

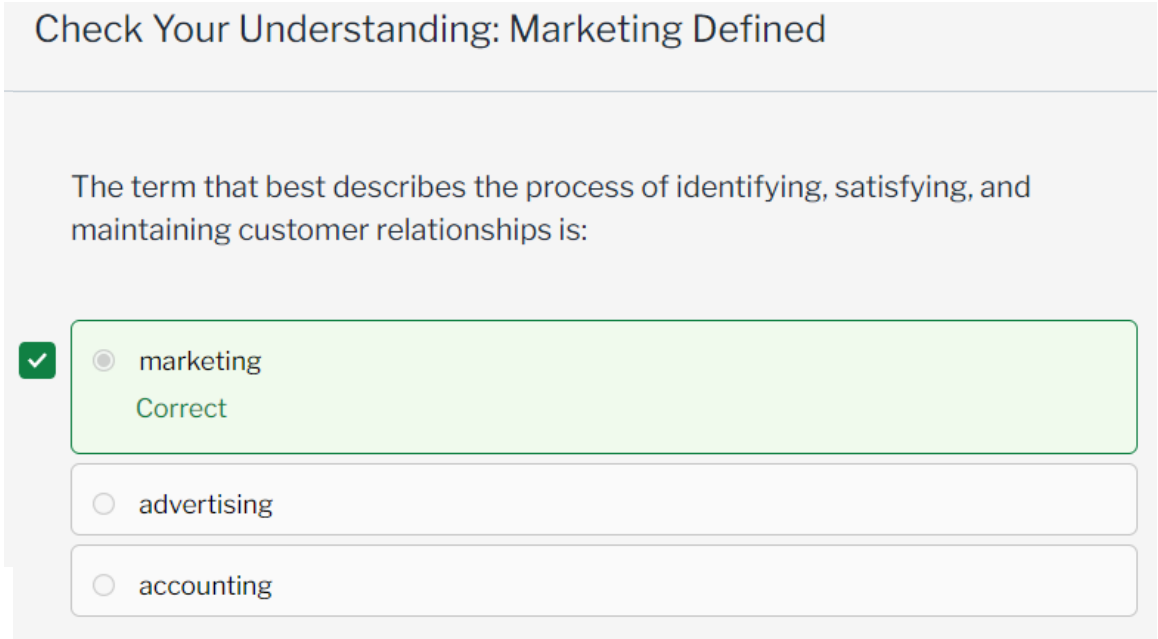
RETAIN CUSTOMERS

- Give customers a reason to keep coming back
- Find new opportunities to win their business

Self Check: Marketing Defined

Check Your Understanding

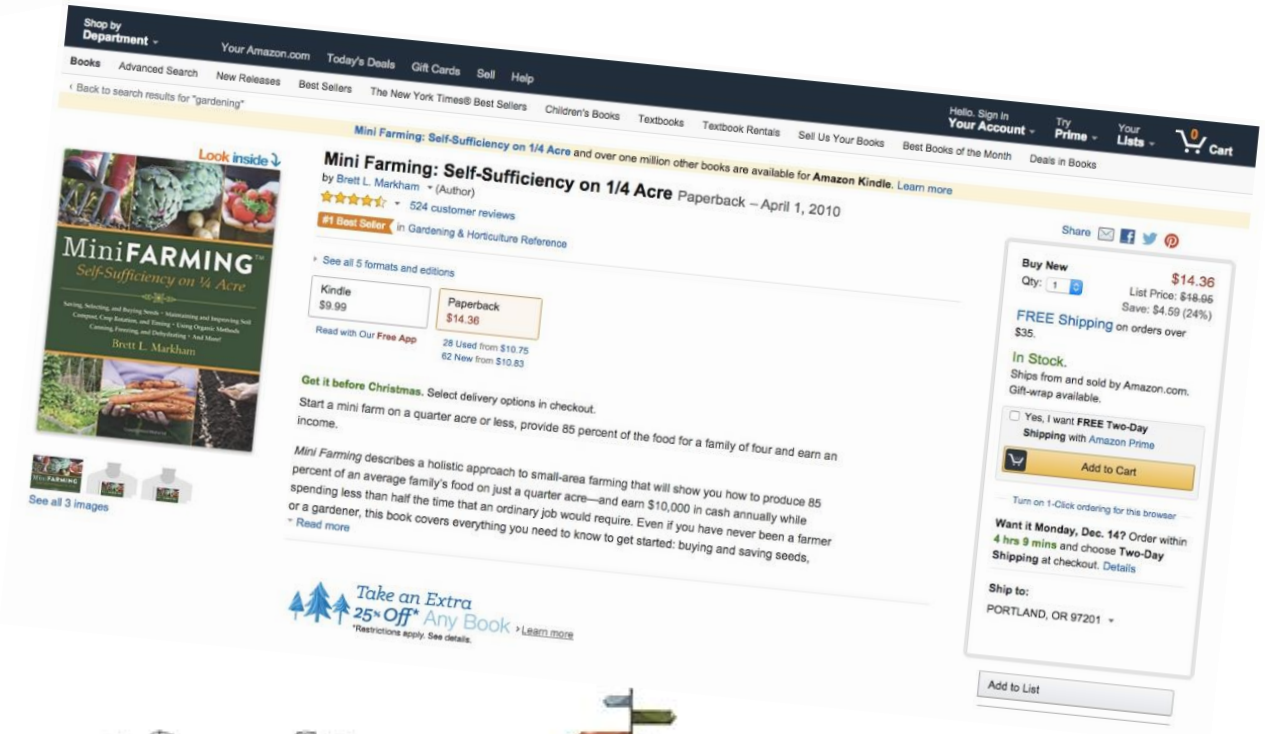
- Answer the question(s) below to see how well you understand the topics covered in the previous section. This short quiz does not count toward your grade in the class



Marketing Is Everywhere

Scenario #1: Life on the Streets

You're walking down an urban street and, on impulse, you head into a trendy-looking clothing store. Right away, you pick out the obvious signs of marketing: shop signs, posters, window displays, sale notices, product displays, and brand names. Then come the less obvious, "environmental" things: the interior design, colors, aromas, the background music, announcer messages, the pricing structure, the way store clerks approach you—or leave you alone. All these details are part of a coordinated marketing strategy aimed at creating an ideal environment to separate you from your money. You may or may not be aware of how this is happening, but rest assured it is at work.



Marketing Is Everywhere

In fact, marketing can play an important and beneficial role by connecting you to information, people, and things. It can make you aware of things you care about but wouldn’t otherwise encounter. When marketing is working well, the new information it brings to you also aligns with what you’re already interested in doing or exploring.

Marketing Activities

Marketing encompasses all the activities described above. It covers an entire spectrum of techniques focused on identifying, satisfying, and retaining customers. For people new to the concept of marketing, it can be easy to confuse marketing with some of the powerful and visible tools that marketers use.

Marketing vs. Advertising

Advertising uses paid notices in different forms of media to draw public attention to a company, product, or message, usually for the purpose of selling products or services.[1] While advertising is a common and useful tool for marketing, it's just one of many tactics marketers may use to achieve their goals.

"Advertising." The Free Dictionary. Accessed September 10, 2019. http://www.thefreedictionary.com/advertising ↲

Marketing vs. Branding

Branding is the process of “creating a unique name and image for a product in the consumer’s mind.” [2] Brand is a powerful tool for shaping perceptions about a company or product in order to attract and retain loyal customers. Marketing processes and activities build brands, and branding is an important strategic consideration in any marketing effort. At the same time, marketing refers to a broader scope of activity than just branding.

"Branding." Business Dictionary. Accessed September 10, 2019. http://www.businessdictionary.com/definition/branding.html) ↲

Marketing vs. Sales

Sales refers to the process of actually selling products or services, leading up to the point where the exchange of value takes place. Effective marketing aligns well with the sales process and leads to increased sales. While marketing and sales are intertwined, the scope of marketing is generally considered broader than just supporting sales. Marketing helps identify prospective customers and prepare them to enter the sales process as informed, receptive, qualified sales leads.

Check Your Understanding

Answer the question(s) below to see how well you understand the topics covered in the previous section. This short quiz does not count toward your grade in the class

You need a new phone. You liked your old Android phone but aren't sure you want to stay with the same brand. After visiting a phone carrier store you walk away confused about your options, annoyed at the hour it took to get all your questions answered, and without a new phone. You just experienced an example of:

- [x] a poor marketing strategy process
  Correct
- [ ] a comprehensive and effective marketing strategy to satisfy and retain customers
- [ ] an emotional connection to the brand that makes you feel more confident

Your confidence level in answering this question was: **Very Sure**.

Outcome: The Marketing Concept

What you'll learn to do: demonstrate a clear understanding of the marketing concept

The specific things you'll learn in this section include:

- Define the production concept, the product concept, the selling concept, and the marketing concept

The learning activities for this section include the following:

- Reading: The Marketing Concept
- Self Check: The Marketing Concept

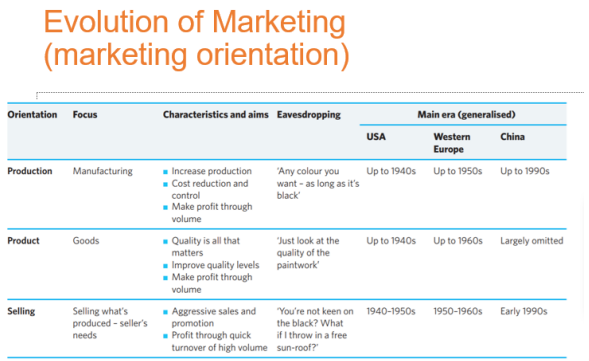
Reading: The Marketing Concept

Company Orientation and the Marketing Concept

In every transaction between a buyer and seller, there is an underlying dynamic that governs the parties' perception of the exchange. Sometimes the exchange is very one-sided, with one party exercising most of the power and the other only in a position to react. In some cases, deception and lying permeate the exchange. Other exchanges are more equitable, with each party receiving about the same value as the other. The customer's need is satisfied, and the business makes a reasonable profit.

The Marketing Concept

An organization adopts the marketing concept when it takes steps to know as much about the consumer as possible, coupled with a decision to base marketing, product, and even strategy decisions on this information. These organizations start with the customers' needs and work backward from there to create value, rather than starting with some other factor like production capacity or an innovative invention. They operate on the assumption that success depends on doing better than competitors at understanding, creating, delivering, and communicating value to their target customers.



Evolution of Marketing
(marketing orientation)

Orientation	Focus	Characteristics and aims	Eavesdropping	Main era (generalised)		
				USA	Western Europe	China
Production	Manufacturing	▪ Increase production ▪ Cost reduction and control ▪ Make profit through volume	'Any colour you want – as long as it's black'	Up to 1940s	Up to 1950s	Up to 1990s
Product	Goods	▪ Quality is all that matters ▪ Improve quality levels ▪ Make profit through volume	'Just look at the quality of the paintwork'	Up to 1940s	Up to 1960s	Largely omitted
Selling	Selling what's produced – seller's needs	▪ Aggressive sales and promotion ▪ Profit through quick turnover of high volume	'You're not keen on the black? What if I throw in a free sun-roof?'	1940–1950s	1950–1960s	Early 1990s

Evolution of Marketing
(marketing orientation)

Marketing	Defining what customers want – buyer's needs	▪ Integrated marketing ▪ Defining needs in advance of production ▪ Profit through customer satisfaction and loyalty	'Let's find out if they want it in black, and if they would pay a bit more for it'	1960s onwards	1970s onwards	Mid-1990s onwards but patchy
Ethical and sustainable marketing	Serving the needs of the buyer with due respect for the welfare of society and the environment	▪ Integrated ethical marketing ▪ Defining needs and designing and producing products to minimise harm/damage ▪ Profit through customer satisfaction and loyalty, and through societal acceptance	'Let's find out if they want it in black, and then produce it as "greenly" as possible and think about what to do when its useful life ends'	Late 1990s onwards	2000 onwards	Just starting

The Marketing Concept

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The Product Concept

Both historically and currently, many businesses do not follow the marketing concept. For many years, companies such as Texas Instruments and Otis Elevator have followed a product orientation, in which the primary organizational focus is technology and innovation. All parts of these organizations invest heavily in building and showcasing impressive features and product advances, which are the areas in which these companies prefer to compete.

The Sales Concept

Other companies follow a sales orientation. These businesses emphasize the sales process and try to make it as effective as possible. While companies in any industry may adopt the sales concept, multilevel-marketing companies such as Herbalife and Amway generally fall into this category. Many business-to-business companies with dedicated sales teams also fit this profile.

The Production Concept

The production concept is followed by organizations that are striving for low-production costs, highly efficient processes, and mass distribution (which enables them to deliver low-cost goods at the best price). This approach came into popularity during the Industrial Revolution of the late 1800s, when businesses were beginning to exploit opportunities associated with automation and mass production.

Seeing the Whole Picture

Savvy businesses acknowledge the importance of product features, production, and sales, but they also realize that the broader focus of the three-step process described below will help them be most effective:

1. Continuously collect information about customers' needs and competitors' capabilities;
2. Share the information across departments; and
3. Use the information to create a competitive advantage by increasing value for customers.

This is a true marketing orientation.

Self Check: The Marketing Concept

Check Your Understanding

Answer the question(s) below to see how well you understand the topics covered in the previous section. This short quiz does not count toward your grade in the class

A company's strategy stems from the ideology that "the customer is king," and the company tries to understand its customer as much as possible. Which concept is the company using to drive its success?

- product concept
- ✓ marketing concept
  Correct
- production concept

Your confidence level in answering this question was: **Very Sure**.