BA4207 - MARKETING MANAGEMENT

UNIT- I: INTRODUCTION 9

Defining Marketing − Core concepts in Marketing – Evolution of Marketing − Marketing Planning Process − Scanning Business environment: Internal and External − Value chain − Core Competencies– PESTEL − SWOT Analysis − Marketing interface with other functional areas – Production, Finance,Human Relations Management, Information System − Marketing in global environment – International Marketing − Rural Marketing − Prospects and Challenges.

UNIT- II: MARKETING STRATEGY 9

Marketing strategy formulations – Key Drivers of Marketing Strategies - Strategies for Industrial Marketing – Consumer Marketing − Services marketing – Competition Analysis − Analysis of consumer and industrial markets − Influence of Economic and Behavioral Factors − Strategic Marketing Mix components.

UNIT- III: MARKETING MIX DECISIONS 9

Product planning and development – Product life cycle – New product Development and Management– Defining Market Segmentation – Targeting and Positioning − Brand Positioning and Differentiation –Channel Management – Managing Integrated Marketing Channels − Managing Retailing, Wholesaling and Logistics − Advertising and Sales Promotions – Pricing Objectives, Policies and Methods

UNIT- IV: BUYER BEHAVIOUR 9

Understanding Industrial and Consumer Buyer Behavior − Influencing factors – Buyer Behaviour Models – Online buyer behaviour − Building and measuring customer satisfaction – Customer relationships management – Customer acquisition, Retaining, Defection − Creating Long Term Loyalty Relationships.

UNIT- V: MARKETING RESEARCH & TRENDS IN MARKETING 9

Marketing Information System – Marketing Research Process – Concepts and applications: Product –Advertising – Promotion – Consumer Behaviour – Retail research – Customer driven organizations - Cause related marketing − Ethics in marketing – Online marketing trends - social media and digital marketing

TOTAL: 45 PERIODS

UNIT-I- INTRODUCTION

➢ *DEFINITIONS:*

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

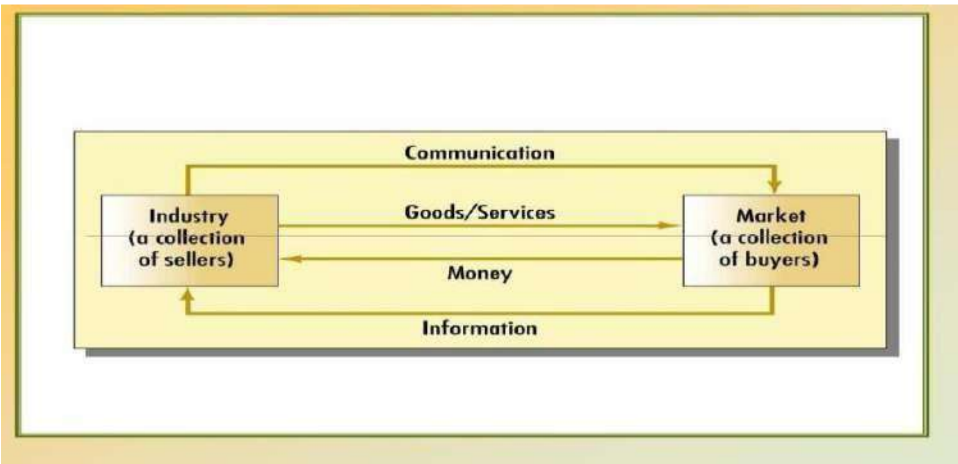
"Marketing is the economic process by which goods and services are exchanged between the maker and the user, and their values determined in terms of money prices."

"Marketing is a total system of interacting business activities designed to plan, promote and distributes need-satisfying products and services to existing and potential customers."

"Marketing is a viewpoint, which looks at the entire business process as a highly integrated effort to discover, create, arouse and satisfy consumer needs. "

"Marketing is the delivery of a standard of living to society."

American Marketing Association [AMA] defined as "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."



To explain marketing definition, we examine the following important terms :

- Needs, wants, and demands
- Products and services
- Value, satisfaction and quality
- Exchange, transactions, and relationships
- Markets

➢ Products and Services:

✓ Product:

- Anything that can be offered to a market to satisfy a need or want.
- The concept of product is not limited to physical objects – anything capable of satisfying a need

- **Services:**
  - In addition to tangible goods, products also include services, which are activities or benefits offered for sale that are essentially intangible and do not result in the ownership of anything.

Core Concepts f Marketing: (https://www.youtube.com/watch?v=LV3LrVxc0yk)

Needs, wants, and demands; products (goods, services and ideas); value, cost and satisfaction: exchange and transaction: relationships and networks: markets: and marketers and prospects.

a) Needs: தேவை

Describe basic human requirements such as food, air, water, clothing, and shelter.

b) Wants: ேவ ண டOம
.

Needs become wants when they are directed to specific objects that might satisfy the need.

c) Demand: கவ ៈ ர க கூவ

Are wants for specific products backed by an ability to pay.

d) Product:

Is any offering that can satisfy a need or want, such as one of the 10 basic offerings of goods, services, experiences, events, persons, places, properties, organizations, information, and ideas.

e) Value:

As a ratio between what the customer *gets* and what he *gives.* The customer gets *benefits* and assumes *costs,* as shown in this equation:

$$Value = \frac{Benefits}{Costs}$$

F) Exchange :

- Exchanges are carried out by business firms, and also by no business organizations and even individuals.
- Four conditions must exist for an exchange to be able to occur:
  - – Two or more people or organizations must be involved.
  - – The parties must be involved voluntarily.
  - – Each party must have something of value to exchange, and the parties must believe they will each benefit from the exchange.
  - – The parties must be able to communicate with each other.

Marketing Channels:

To reach a target market, the marketer uses three kinds of marketing channels. **Communication channels** *deliver messages to and receive messages from target buyers*. They include newspapers, magazines, radio, television, mail, telephone, billboards, posters, fliers, CDs, audiotapes, and the Internet.

Beyond these, communications are conveyed by facial expressions and clothing, the look of retail stores, and many other media. Marketers are increasingly adding **dialogue channels** (e-mail and toll-free numbers) to counter balance the more normal **monologue channels** (such as ads by as bestows)

The marketer uses ***distribution channels*** to display or deliver the physical product or service(s) to the buyer or user. There are physical distribution channels and service distribution channels, which includewarehouses, transportation vehicles, and various trade channels such as distributors, wholesalers, and retailers.The marketer also uses ***selling channels*** to effect transactions with potential buyers.

(https://www.youtube.com/watch?v=AuQ6GRXPv3c)- Best Advertisement
(**https://www.youtube.com/watch?v=i0-Vi_WTZtM**) - **The 10 Popular Commercials of 2022 (so far)**
(https://www.youtube.com/watch?v=EpLX09EwhcY)- 10 Creative Commercial Ad 2022

Nature of Marketing:

- Marketing is Customer-focused
- Marketing must Deliver Value
- Marketing is Business
- Marketing is surrounded by Customer Needs

Scope of Marketing:

- ✓ Goods
- ✓ Services:
- ✓ Event
- ✓ Persons
- ✓ Properties
- ✓ Organizations
- ✓ Information
- ✓ Ideas

Functions of Marketing:

✓ ***Functions of exchange***

- Buying function
- Assembling function
- Selling function

✓ ***Functions of physical Distribution***

- Transportation
- Inventory Management
- Warehousing
- *Material handling*

✓ ***Functions of Facilities***

- Financing
- Risk-taking

- Standardization
- After-sales service

Marketing Environment

Micro Environment:

- The forces close to the company that affects its ability to serve.
- It comprises all those organizations and individuals who directly affect the activities of a company.
- All factors which impact directly on a firm and its activities in relation to a particular market.

1. ***Suppliers***
2. ***The market channel***
3. ***Customers.***
4. ***Competitors***
5. ***Public***

1. Suppliers:

i. Suppliers are either individuals or business houses.
ii. They provide resources needed by the company.
iii. The developments in the supplier's environment have a substantial impact on the marketing operations of the company.
iv. Companies can lower their supply costs and increase product quality to gain competitive advantage in the market.
v. Supply shortages have to be fully monitored and plans should be made to avoid it.

2. Market intermediates:

i. They are either business houses or individuals.

ii. They help the company in promoting, selling and distributing the goods to customers.
iii. They are middlemen, distributing agencies, market service agencies and financial institutions.

3. ***Customers:***

The target market of the company is usually of five types:

i. *Consumer market* (i.e.) individual and householders
ii. *Industrial market* (i.e.) organizations buying for producing other and services.
iii. *Reseller market* (i.e.) organizations buying goods and services with a view to sell them to others.
iv. *Government and other nonprofit markets.* (i.e.) those buying goods and services in order to produce public services.
v. *International market* (i.e.) individuals and organizations of nations other then home land who buy for either consumption or industrial use.

4. ***Competitors :***

i. No company stands alone in serving and satisfying the needs of a customer market. It faces competition.
ii. This helps the company in facing a host of competitors with confidence.
iii. The company in order to come out successfully has to adopt means which may help it to outmaneuver/ best.
iv. The competitive environment consists of certain basic things which every marketing manager has to take note of.
v. Philip Kotler 'the best way for a company to grasp the full range of its competition is to take view point of a buyer."

5. ***Public:***

i. Public is defined as 'any group that has an actual or potential interest in or impact on a company's ability to achieve its objective.
ii. The actions of the company do affect the interest of other groups i.e., those who form general public for the company who must be satisfied along with the consumers of the company.
iii. According to Kotler 'companies must put their primary energy into effectively managing their relationships with their customers.

✓ Macro Environment:

- Macro environment refers to those factors which are external to company's activities and do not concern the immediate environment.
- It comprises general forces that affect all business activities in market .

Factors affecting Macro environment

1. Political Forces
2. Economic Forces
3. Social and Cultural Forces
4. Natural Forces
5. Technological Forces
6. Demographic Forces

1. *Political and Legal forces:*

i. Includes laws, government agencies and pressure groups that influence or limit various organizations and individuals in a given society.
ii. Increasing legislation.
iii. Changing government agency enforcement.
iv. More emphasis on ethics and socially responsible actions.

2. *Economic environment :*

i. The economic environment consists of factors that affect consumers purchasing and spending power.
ii. Under economic environment manager generally studies
iii. Trends of gross national product
iv. Patterns of real growth in income
v. Variations in geographical income distribution.
vi. Borrowing pattern, trends and governmental and legal restrictions.
vii. Major economic variables

3. *Social and cultural forces :*

i. Social responsibility has crept into the marketing literature as an alternative to the market concept.
ii. Socially responsible marketing is that business firms should take the lead in eliminating socially harmful products.

4. *Demographic Forces:*

i. Demographic data helps in preparing geographical marketing plans, household marketing plans, age and sex wise plans.
ii. It influences behavior of consumers which in turn will have direct impact on market place.
iii. A marketer must communicate with consumers anticipate problems, respond to complaints and make sure that the firm operates properly.

5. *Technological Environment:*

i. Most dramatic force now shaping our destiny.
ii. Changes rapidly.
iii. Creates new markets and opportunities
iv. Challenge is to make practical, affordable products.
v. Safety regulations result in higher research costs and longer time between conceptualization and introduction of product.

6. *Natural Environment Trends:*

i. Shortage of raw materials.
ii. Limited quantities of non-renewable resources.
iii. Increased pollution.
iv. Waste disposal, air/water pollutants.
v. Increased government intervention.

vi. Environmentally sustainable strategies.

vii. G.R.E.E.N. movement.

7. SWOT Analysis:

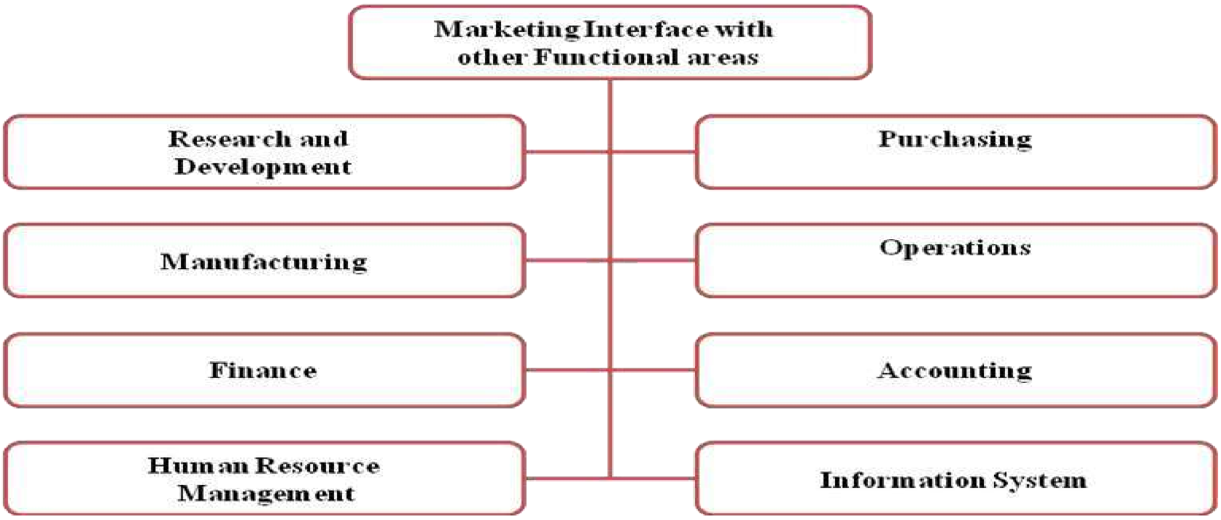
i. SWOT analysis is a use~~ful framework for assessing an organization and it~~smarketing Environment.

ii. SWOT analysis summarizes the main environmental issues in the form of Opportunities and threats facing an organization.

iii. These external factors are listed alongside the organization's internal strengths and weaknesses. An opportunity in an organization's external environment can only be exploited if it has the internal strengths to do so. If, on the other hand the organization is not capable of exploiting these because of internal weaknesses then they should perhaps be left alone.

iv. For this reason, the terms opportunities and threats should not be viewed as "absolutes", but assessed in the context of an organization's resources and the feasibility of exploiting them.

Marketing Interface with other Functional Areas:



✓ ***Research and Development:***

- Research and Development:

  Focus to challenge technical problems without concerning payoffs / supervision / accountability

- R & D towards Marketing People:

  Marketers are more interested in sales than product's technical features

- Marketing Management:

  Focus with business-oriented people pride themselves on sales promotion and feel about pay

- Marketers towards R & D:

  R & D people only consider maximizing technical qualities rather than designing for customer requirements.

✓ ***Purchasing***

Purchasing Management refers to "the process of efficient, effective and economical purchasing of materials to be utilized by the organization in relation to its manufacturing activities"

- **Purchase Management:**

  Focus on obtaining materials and components in right quantities and qualities at cheap cost.

- **Purchasers towards Marketers:**

  Marketers request purchasing small quantities of many items rather than large quantities of few items.

- **Purchasing Vs. Marketers for success:**
  1. Purchasing management handle all data's relating to contact with suppliers.
  2. They required knowledge of supply chain, business and tax laws, invoice and inventory procedures and transportation and logistics issues.

✓ ***Production/Manufacturing***

Manufacturing:

❖ Responsible for producing right products in right quantities at right time for right cost.

Manufacturers towards Marketers:

❖ Little understanding of factory economics or politics.

❖ See only problems of their customers.

Manufacturing Vs. Marketing:

i. Production planning influence the performance of production.

ii. Marketing influenced by scheduling the production plan.

iii. When plan and scheduling is problematic, production and marketing need to cooperate to resolve problems and need to adjust continually.

✓ ***Operations***

- Used for creating and providing services.

  (Example: In a hotel,)
- Operation Department: includes front-desk people, doormen, waiters and waitress.
- Marketers promise the customers about service levels
- Operation staffs focus - their convenience - give ordinary service, whereas marketers want to focus on customer convenience and provide extraordinary services.

Operations Vs. Marketers

- Operations concern with production of goods and services with little resource and effective meeting of customer requirements.
- i.e., managing the process of converting the input into output

✓ ***Finance***

- **Finance Executives:**
  - Focuses on evaluating profit on different business actions

- **Finance executives towards marketers:**
  - Marketing people do not spend time relating expenditures to results
  - They are not able to prove how much revenue these expenditures will produce
  - They are too quick to sales prices to win orders instead price to make profit
  - They " know they value of everything and the cost of nothing"
- **Marketing Executives:**
  - Focus on asking budgets for advertising, sales promotions and sales force
  - Marketers towards Financial Executives:
  - - controlling the purse strings tightly and refusing to invest in long term market development
  - - They "know the cost of everything and the value of nothing".
- **Finance Vs. marketing – Company's success**
  - The financial management should avoid the mistake of looking marketing expenses only from the point of view of cost control.
  - Working capital management should be taken into consideration not only by the financial managers but also by the marketing executives.

✓ ***Accounting:***

Prepare the sales report and gives effective marketing information system .

Accountants towards Marketers:

- Lack in providing sales reports on time
- They enter into the special deals of sales with customers and require special accounting procedures.

Marketers:

- Requires to prepare special reports on sales and profitability by segments, important customers, individual products, channels, territories, order size etc.

Marketers towards Accountants:

- - They allocate fixed-cost burdens to different product in the line.

✓ ***Human Resource Management:***

An integrative general management that involves identifying organization's demands for human resources with particular skills and abilities.

HR towards Marketers:

- Once new product/services introduced marketing has responsibility to inform HR dept. punctually and sufficiently.

Marketers:

- The characteristics of Human resources (skill, quality, moral, commitment, attitude etc) could contribute the strength and weakness of a marketing organization.

HR Management vs. Marketing Management

The involvement, initiative etc., of people at different levels may vary from organization to organization, and it is essentially required to manage personnel issues by the Human Resource Management in order to meet and exceed the marketing objectives.

✓ ***Information System:***

It focus on exploring the interface between management, information science and computer science

- **Traditional hierarchy:**
  - If a customer wants to buy a particular product,
  - Marketing dept - first his order arrives here
  - Finance dept - credit needs to be approved
  - Production dept - check whether the product is in warehouse
  - Operation dept - needs to pack the product and forward it to shipping for delivery
  - Accounts dept - prepare bill for customer
  - Finance dept - arrange for shipping insurance

- The flow of work and information between the different departments may not work well, creating delays or poor customer service.
- Provides input to marketing decisions including product improvements, price and packaging changes, copywriting, media buying, distribution etc.
- It is a part of an ongoing data gathering process involving initial data collection as well as routine and systematic data collection procedures.

Marketing in Global Environment:

Global Marketing:

Global marketing is not a revolutionary shift, it is an evolutionary process. While the following does not apply to all companies, it does apply to most companies that begin as domestic-only companies

i. ***Domestic marketing***
ii. ***International marketing***

Nature of Global Marketing:

1. Denotes the use of advertising and marketing on a global basis.
2. Marketing is at the threshold/ (entry) of a new and exciting era: E-business, E-commerce and E-marketing.
3. Business has two basic functions: marketing and innovation (Drucker).
4. New era of competition, demanding customers.
5. More stakeholders (customers, employees, media).
6. Companies need new set of guidelines, values and insight.
7. Marketing is a Strategic Business Concept.
8. Marketing is too important to be left to the Marketing Department. (David Packard)

Elements of the global marketing mix

- Product
- Price
- Place

- Promotion

Challenges of global marketing:

- Marketing has become a complex art.
- Technology and trade have increased the potential for global brands.
- The fragmentation of audiences and rising costs of television and print advertising are making other media attractive.
- Direct marketing and the internet are rewriting all the marketing rules."
- The television invention opens the new ways of the mass marketing and with the visual demonstration many local brand and now take the status of the world class brand.
- TV gave the new confidence to its viewers and globally advertised the real market position.
- Now World Wide Web is taking the position of the TV and Similarly the Digital TV and the Smart mobile are writing the new rules of the marketing.
- The customer buying behavior and its quality perception is also changing and now he is demanding the rich added value products and services.
- The multinational companies and chain store also create a strong competition globally and it's becoming more difficult to retain a long term relation with existing customer.

✓ **Driving Forces**

- Technology
- Culture
- Market Needs
- Costs
- Free Markets
- Economic Integration
- Peace
- Strategic Intent
- Management Vision, Strategy and Action

✓ **Restraining Forces**

- Culture
- Market Differences
- Costs
- National Controls
- Nationalism
- Peace vs. War/ Stability
- Management Myopia
- Organization History
- Domestic Focus

✓ **Opportunities**

- Profit
- Expanding the production capacities
- Severe Competition in the home country
- Limited home market
- Political stability Vs Political instability
- Availability of technology & managerial competence
- High cost of transportation
- Nearness to raw materials
- Availability of quality human resources at less cost

✓ **Major Decisions:**

- **Deciding to go abroad:** (The Company might discover foreign markets give higher profit opportunities, need a larger customer base to achieve economies of scale, to go abroad it requires international servicing.)
- **Deciding which markets**: (population and income size and growth are high in the initial countries chosen)
- **Deciding how to enter markets**: (It has to determine the best mode of entry. Choices are- Indirect marketing, direct exporting, licensing, joint ventures, and direct investment.)
- **Deciding on marketing programs**: (Standardized marketing mix, Adapted marketing mix)
- **Deciding on marketing organization**: (Companies manage their international marketing activities in 3 ways- through export departments, international divisions or a global organization.)

UNIT – II

MARKETING STRATEGY

(Marketing strategy formulations – Key Drivers of Marketing Strategies - Strategies for Industrial Marketing – Consumer Marketing — Services marketing – Competitor analysis - Analysis of consumer and industrial markets – Strategic Marketing Mix components.)

- **Marketing Strategy:**

"Marketing Strategy is a series of integrated actions leading to a sustainable competitive advantage." - John Scully

Marketing strategy is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable Competitive advantage.

(**Blogs**- a regularly updated website or web page, typically one run by an individual or small group, that is written in an informal or conversational style.)

➢ Nature of Strategic Management:

- ✓ Strategic Management is an on-going process of analysis, planning and action.
- ✓ It attempts to keep an organization aligned with its environment while capitalizing on organizational strengths and environmental opportunities and minimizing or avoiding organizational weaknesses and external threats.
- ✓ Strategic management is also a future-oriented provocative/(challenging) management system.
- ✓ Managers who use strategic management skills are seeking a competitive advantage for their organizations and long-term organizational effectiveness.

- ❖ (Traffic building- Promotional campaign or special attractions aimed at increasing the number of shoppers passing through a shopping area, mall, store, or website.
- ❖ Optimization process- the action of making the best or most effective use of a situation or resource.)

Marketing Strategy

- A **marketing strategy** provides vital information on how a business will meet its goals of satisfying customers that will result in making sales and profits
- Two Steps:
  - Target Market
  - Marketing Mix

Strategic Marketing Decision Process:

✓ **Steps 1 -**Reaffirm the firm's intended general direction.
[Company mission, objectives, goal]

✓ **Step 2 –**Determine broad areas of environment opportunity.
[Market characteristics, political, legal, economic, & technological , cultural & social]
✓
✓ **Step 3 -**Narrow down alternative to those compatible with the company's strength.

✓ **Step 4** –Segment markets into groups having similar needs.
[Market & strategy, market satisfaction vs cost, measurability]

✓ **Step 5 –** Assess Segment opportunities against competitor positions then select target.

[Market segment opportunities, competitor strength analysis, target selection]

✓ **Step 6 –** Determine Marketing strategy

[Market entry, expansion, development, retrenchment]

✓ **Step 7** – Develop, implement and control company's marketing actions
[organise, plan, budget & control marketing actions]

Class of 2015 & Aspirants

Rank	Name	Score
1	Hindustan Unilever	1977
2	Procter & Gamble	1785
3	The Coca-Cola Company	713
4	ITC	606
5	Nestle	303
6	Cadbury	256
7	PepsiCo	208
8	Reckitt Benckiser	162
9	Google	125
10	Johnson & Johnson	120

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IAMS
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BRAUN
Herbal Essences
MAX FACTOR
PANTENE PRO-V
Secret
P&G
CLAIROL
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COVERGIRL
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VICKS
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durex
Strepsils
Calgon
Dettol
Old English
NUROMOL
EASY-OFF
rb
Reckitt Benckiser
finish
Delsym
RID-X
Scholl
Veet
NUROFEN PLUS
ClingFree
SPRAY WASH
Woolite
RESOLVE
HARPIC
French's
Clean & Smooth
BANG
CATTLEMEN'S
BRASSO
Amphyl

Key Drivers of Marketing Strategies:

Market leader Strategies:

The leader firm might become weaker or old-fashioned against new entrants as well as existing rival firms. The leader firm can use one or a combination of three strategies:

1. **Expand the total market strategy:** The market-leader firms can gain the maximum when the total market expands. The focus of expanding the total market depends on where the product is in the maturity stage.

2. **Defending market share strategy:** When the leader firm tries to expand the total market size, it must also continuously defend its current business against enemy attacks.

(a) **Position defence**: This Strategy involves pouring maximum firm's resources into its current successful brands. To overcome a position defence an attacker therefore, typically adopts an indirect approach rather than the head-on attack that the defender expects.

(b) **Flanking defence**: This strategy both guards the market positions of leading brands and develops some flank market niches to serve as a defensive corner either to protect a weak front or to establish an invasion base for counterattack, if necessary.

(c) **Pre-emptive defence:** This defence strategy involves the launching of an offence against an enemy before it starts an offence. For ex: TITAN launched more brands and sub-brands called Insignia Collection.

(d) **Counter-offensive defence:** This a strategy of identifying a weakness in an attacker and aggressively going after that market niche so as to cause the competitor to pull back its efforts to defend its own territory. When a leader is attacked ,he may base his counter-attack in the attacker's territory. The attacker has to deploy resources to this territory for defence.

(e) **Mobile defence:** This strategy involves the leader's broadening and expanding its territories into new market areas by diversifying. The leader takes innovation into new market areas by diversifying

. The leader takes innovation works in both these directions. E.g.: A five-star hotel can become foreign exchange dealer. Diversification into related areas is used in mobile defence.

(f) **Contraction defence:** This strategy involves retrenching into areas of strength and is often used in later stages of a product life cycle or when the firm has been under considerable attack .For ex: HUL decided to concentrate on its core business areas, i.e. soaps and detergents and etc.

3. **Expanding the market share strategy:** Market leaders can improve their profitability through increasing their market shares. Market leaders are successful at expanding their market shares.

✓ **Market Challenger Strategies**

Those firms which occupy second or third places in the market can be called as Runner up or Market Challenger. The market challengers' strategic objective is to gain market share and to become the leader eventually

How?

- By attacking the market leader
- By attacking other firms of the same size
- By attacking smaller firms

Types of Attack Strategies:

- Frontal attack:

  Frontal attack involves a head on attack on the competitor by matching the competitor in all aspects – product, price, place promotion.

There are different types of frontal attack,

- **Pure frontal attack:** It involves matching the competitors in all aspects of marketing.
- **Limited frontal attack:** It involves attacking in specific customer segments.
- **Price based frontal attack:** Every product attribute is matched by the competitor.

- Flank attack:

  The Flank attack is the marketing strategy adopted by the challenger firm and is intended to attack the weak points or blind spots of the competitor, especially a leader.

- Encirclement attack:

  The Encirclement Attack is a war strategy adopted by the challenger firm intended to attack the competitor on all the major fronts. Under this strategy, the challenging firms consider both the strengths and weaknesses of the opponent and then launch the attack simultaneously.

- Bypass attack:

  The Bypass Attack is the most indirect marketing strategy adopted by the challenging firm with a view to surpassing/ betters the competitor by attacking its easier markets. The purpose of this strategy is to broaden the firm's resources by capturing the market share of the competing firm.

✓ **Market-Followers strategy:**

Market follower is the one who follows a leader or a challenger.

The strategies are- ***e.g.*** Product innovation-- Sony,
Product imitation-- Panasonic.

- **Following Closely -** Follower appears to be challenger in many respects, but doesn't muster/ collect too great an effort so as to block direct conflict.
- **Following at a distance -** Follower parallels the leader's general price levels, product innovations and distribution at a distance without thread to challenger.
- **Following selectively -** Follower follows the leader quite closely in some ways, goes its own way in other instances, and sometimes chooses not to participate at all.

✓ **Nichers Strategy:**

A market niche strategy coincides/ matches with a concentrated marketing strategy. Firm realizes that it lacks the resources to compete directly with bigger firms in the industry and Seeks to identify a particular niche or segment of the market upon which it can concentrate all its energies.

The nicher can play a role of specialist in the following ways:

- Channel specialist - large size distribution network
- Service specialist - one or more services not available from other companies
- Product feature specialist- certain type of product or product features
- Product line specialist - only one product
- Geographic specialist - certain locality, region or area
- Specific Customer specialist - one or few major customers
- Customer size specialist -(Small or medium or large-size

✓ **Rivalry Strategies**

- Cost leadership Strategy
- Differentiating Strategy
- Product Flanking Strategy
- Confrontation Strategy:
- Defensive Strategy;
- Offensive Strategy;
- De marketing Strategy
- Remarketing Strategy

✓ **Growth Strategies**

- For Existing Markets
  - Market penetration
  - Product Development
  - Vertical integration

✓ **Strategies for Consumer Products:**

✓ **Consumer market consist of 4 components**

- People
- Purchasing Power
- Need for specific product
- Willing to fill the need with a given product

Definitions:

American Marketing Association " Consumer Goods are destined for use by ultimate consumers or households and in such form that they can be used without commercial processing**"**

- **Classification of Consumer Products**
  - Durable Goods
  - Non-durable
  - Services
- **Goods can also be classified as**
  - *Convenience goods*
  - *Shopping Goods*
  - *Specialty Goods*

1. Convenience goods

Goods which are easily available to consumer, without any extra effort are convenience goods. Mostly, convenience goods come in the category of nondurable goods such as like fast foods, confectionaries, and tobacco products, with low value. The goods are mostly sold by wholesalers/retailers to make them available to the consumers in good volume.

Features

- Buyers make their purchase as a routine matter
- Low unit price
- Greater frequency of purchase
- Brand preference is subject to change during non-availability of a particular brand.

a) Staple Convenience Consumer Goods:

Goods which come under the basic demands of human beings are called staple convenience goods. For eg: milk, bread, sugar etc.

b) Impulse Convenience Consumer Goods:

Goods which are brought without any prior planning or which are brought impulsively are called impulse convenience goods. For eg: potato wafers, candies, ice creams, cold drinks etc.

2. Shopping Goods:

In shopping consumer goods, consumer do lot of selection and comparison based on various parameters such as cost, brand, style, comfort etc, before buying an item. They are costlier than convenience goods and are durable nature. Consumer goods companies usually try to set up their shops and show rooms in active shopping area to attract customer attention and their main focus is to do lots of advertising and marketing to become popular. Goods like Clothing Items, Televisions, Radio, Foot Wears, Home Furnishing, Jewelleries.

Features

- A full search of the product is made before it is bought
- They are non-routine products and the frequency of purchase is low
- Brand comparisons, inter-store comparisons are made

***3. Specialty Goods (Insistence)* :**

- Goods which are very unique, unusual, and luxurious in nature are called specialty goods. Specialty goods are mostly purchased by upper-class of society as they are expensive in nature.
- The goods don't come under the category of necessity rather they are purchased on the basis personal preference or desire.
- Brand name and unique and special features of an item are major attributes which attract customer attraction in buying them.

Examples of Specialty Products are: Antiques, jewelry, wedding dresses, cars.

✓ **Marketing Mix of Consumer Products:**

- **Product Planning:**
  1. Evaluating the company resources
  2. Preparing to meet consumer preferences
  3. Developing the product
  4. Pre-testing the product
  5. Producing the product
  6. Marketing the product
  7. Control and evaluation

- **Pricing Policies**

  Various factors Influencing pricing are
  1. Influence of cost
  2. Influence of competition
  3. Influence of distribution channels

4. Influence of discounts & allowances
5. Influence of Government interference

- **Physical distribution**

  Distribution strategy for consumer goods should cover the following basic activities…

1. Choice of available channels
2. Whether or not to confine distribution to one channel or several
3. Whether to go direct to the customers or deal through intermediaries
4. Expenditure to be allocated

- **Place/ Physical Channels open for the distribution of consumer goods**

1. Direct to the ultimate consumers
2. Direct to the wholesalers/retailers
3. Indirect sale through agents/brokers
4. A combination

- **Factors influencing Channel Decision:**

1. Nature of the product
2. Kinds of consumers and geographical concentration
3. Cost involved
4. Competition

- **Promotion**

  Three elements in promotional mix are

1. Sales promotional activities
2. Advertising
3. Salesmanship

➢ Marketing Strategies for Industrial Goods

Industrial goods are defined as "those goods which are destined to be sold primarily for use in producing other goods or rendering services as contrasted with goods destined to be sold primarily to the ultimate consumers"

✓ Characteristics Features of industrial products:

- Derived Demand
- Inelastic Demand

- Limited no. of buyers
- Concentration of Buyers
- Scale of purchase is greater
- Buying is a group process
- Price-Quality-Service mix
- Supplier's reputation
- Rational buying motive
- Awareness of marketing process
- Leasing is possible
- Short Distributive Channels

✓ **Classification of Industrial products:**

1. Raw Materials (farm products or natural products)
2. Major equipment (any machinery to undertake production, lathes)
3. Accessory equipment (typewriters)
4. Component Parts (tyre, battery,)
5. Process materials (ball bearing, electrical fitting)
6. Consumable Supplies (paint, lubricating oil)
7. Industrial Services (consultancy service)

✓ **Industrial Markets are OEM**

Original Equipment Manufacturers may refer to a company that purchases, for use in its own products, a component made by a second company. e.g.: Maruthi Suzuki Buys speedometers, tyres & other accessories from external agencies and fits them

User Firms : User firms buy the products for their own use or manufacturing other products
Industrial Distributors and Dealers - buy the products for resale to large and industrial buyers
Government.

✓ **Product Planning:**

1. Same set of models or machines cannot win the market
2. Reduction in noise, lower noise, higher speed…..
3. Market research and analysis of business trends is must
4. Emphasizes on services
5. Conform to technical specification (pre-determined and agreed)
6. Packaging is for protection

✓ **Pricing policies**

1. Stable price (also depends on ss & dd)
2. Rate of return

✓ **Factor in Pricing are**

1. Customer
2. Competition and
3. Cost

➢ **Services Marketing:**

American marketing Association defines services as " activities, benefits or satisfaction which are offered for sale or are provided in connection with the sale of goods"

Three kinds of services;

1. Activities that are intangible in nature
2. Benefits purely derived from services
3. Services obtained along with the buying of the products

✓ **Characteristics of Services:**

- Intangibility
- Inseparability

✓ **Differences between services & Products:**

Services	Goods
Intangible	Tangible
Usually perishable/ cannot be stored	Can be stored, Perishable or non-perishable
Inseparable	Separable
Vary in quality	Standardized
Ownership cannot be transferred	Ownership can be transferred

✓ **Kinds of services**

- Personal services (painting, domestic)
- Facility services (car, theatre)
- Business Services (consultancy)
- Customer Services (laundries, hotels)

✓ **Marketing mix for services**

- Marketing should occur at all levels
- Establish direct contact with the customers
- Use high-quality personnel for marketing job
- Creation of loyalty
- Ensure quick resolving of problems
- Brand the services offered
- Provision of improved services at lower cost.
- Long term- relationship

✓ **Price Mix:**

- Pricing plays both economic and psychological role
- More of psychological as the consumers rely on price as the sole indicator of service quality
- Higher price – peak period-reduce demand
- Lower price- slack period – increase demand
- Requirements of advance payment
- Negotiated Price
- Bids for high-price services

✓ **Promotion Mix:**

- Advertising is somewhat challenging (to be accompanied by tangible things)
- Personal selling is potentially powerful
- Sales Promotional activities ,
- More stress on consumer benefits,
- Publicity

➢ **Competitor Analysis:**

Competition is defined by the Customer

- **Product form competition -** includes only products or services of the same product type.
- **Product category competition -** products that have similar features and provide the same basic function.
- **Generic competition** - incorporates the customer's notions of substitutability.
- **Budget competition** - products and services that are purchased from the same general budget

✓ **Sources of information for competitor analysis**

Recorded Data	**Observable Data**	**Opportunistic Data**

Annual report & accounts	Pricing / price lists	Meetings with suppliers
Press releases	Advertising campaigns	Trade shows
Newspaper articles	Promotions	Sales force meetings
Analysts reports	Tenders	Seminars / conferences
Regulatory reports	Patent applications	Recruiting ex-employees
Government reports		Discussion with shared distributors
Presentations / speeches		Social contacts with competitors

✓ **Competitor analysis has several important roles in strategic planning:**

1. To help management understand their competitive advantages/disadvantages relative to competitors.
2. To generate understanding of competitors' past, present (and most importantly) future strategies.
3. To provide an informed basis to develop strategies to achieve competitive advantage in the future.
4. To help forecast the returns that may be made from future investments (e.g. how will competitors respond to a new product or pricing strategy?

✓ **Steps of Competitive Analysis:**

1. Define The Target Market
2. Define The Direct Competitors Segment(S) Use...Perceptual Mapping
   A. Multi dimensional Scaling
   B. Factor Analysis
3. Assess Competitive Dynamics
   A. Pioneering Advantage
   B. Potential For Technology Discontinuity
   C. Identify Future Competitors (New Entrants)
   D. Barriers
4. Assess Competitive Intensity-Include Conditions That Fosters Intense Competition
5. Identify Avenues For Attaining A Sustainable Advantage Over Competition
6. Sources Of Competitive Intelligence

✓ **Analyzing Competitors**

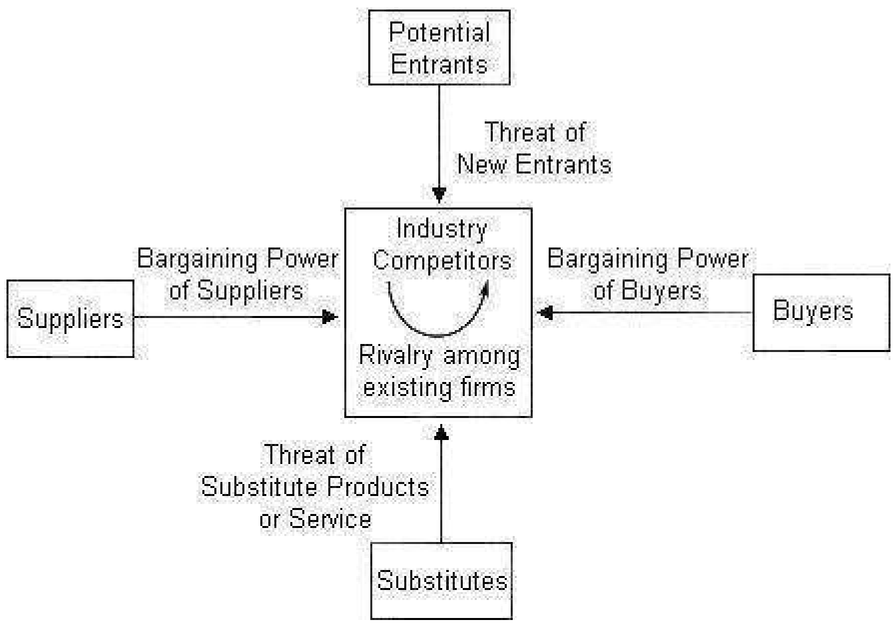
✓ 1. Strategies

Objectives

2. Strength & Weakness
3. 5. Reaction pattern

Porter Five Forces Analysis

Porter's Five Forces is a framework for industry analysis and business strategy development formed by Michael E. Porter of Harvard Business School in 1979. It draws upon Industrial Organization (IO) economics to derive five forces that determine the competitive intensity and therefore attractiveness of a market. Attractiveness in this context refers to the overall industry profitability. An "unattractive" industry is one in which the combination of these five forces acts to drive down overall profitability. A very unattractive industry would be one approaching "pure competition", in which available profits for all firms are driven down to zero



1. The threat of the entry of new competitors
2. The threat of substitute products or services
3. The bargaining power of customers (buyers)
4. The bargaining power of suppliers
5. The intensity of competitive rivalry

UNIT III

MARKETING MIX DECISIONS: **12**

Product planning and development – Product life cycle – New product Development and Management – Market Segmentation – Targeting and Positioning – Channel Management – Advertising and sales promotions – Pricing Objectives, Policies and methods.

Introduction to Product Management:

Product management is an organizational life cycle function within a company dealing with the planning or forecasting or marketing of a product or products at all stages of the product lifecycle.

Product management (inbound focused) and product marketing (outbound focused) are different yet complementary/ balancing efforts with the objective of maximizing sales revenues, market share, and profit margins

➢ Product Planning:

According to W.J. Stanton, "Product planning embraces/ hold all activities which enable producers and middlemen to determine what should constitute a company's line of products".

According to Johnson, " Product planning determines the characteristics of product best meeting the consumer's numerous desires, characteristics that add stability to products and incorporates these characteristics into the finished product".

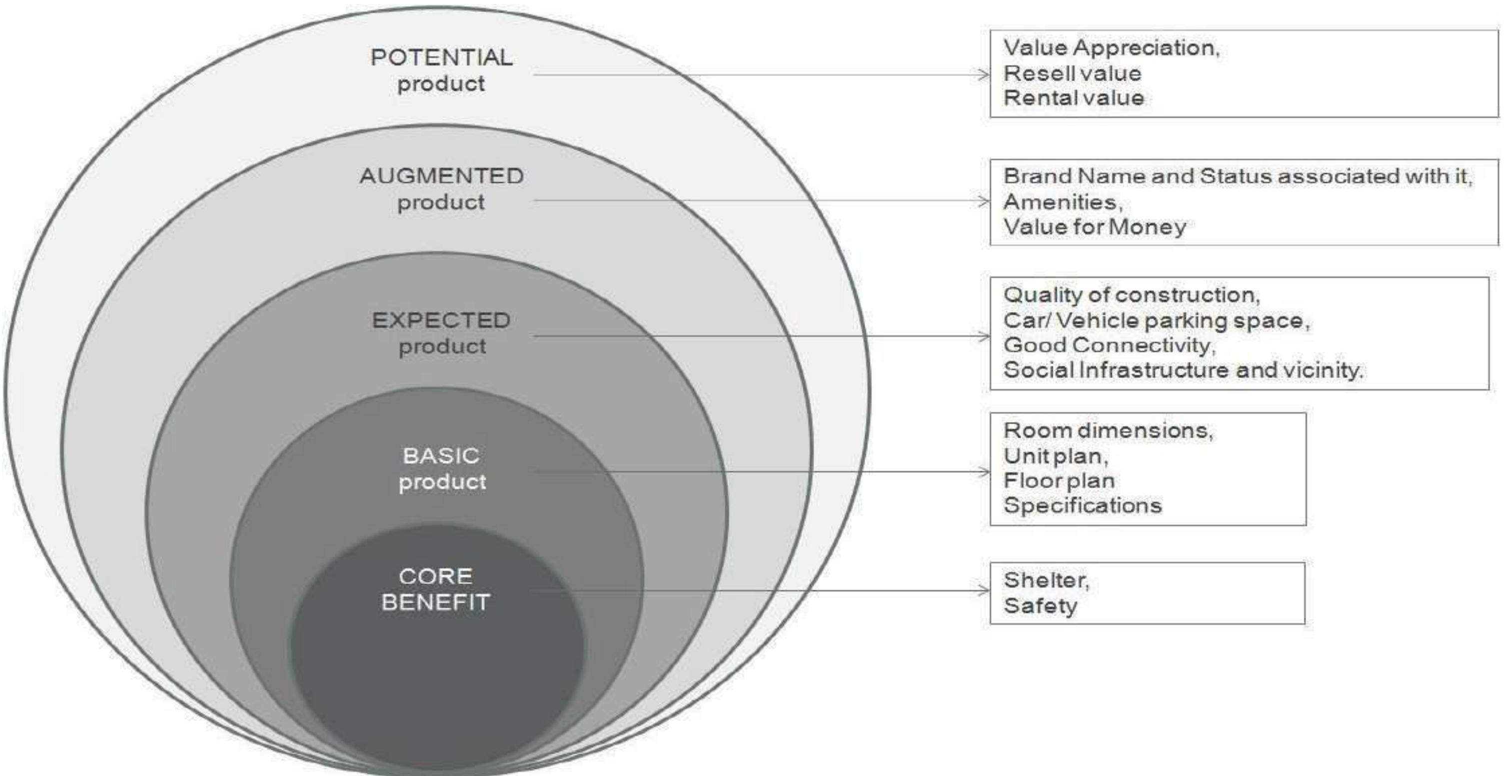
Elements of Product Planning:

- Research before production
- Possibility of production method
- Modification in existing lines
- Elimination of the product
- Improvement in the product

Features of Product:

1. Tangibility.
2. Intangible attributes/ (characteristic or quality)
3. Associated attributes.
4. Exchange value.
5. Consumer satisfaction.

✓ Levels of Product:



- Products are comprised of 5 levels. Each level adds more customer value. Here are the product levels using a hotel as an example.
- **Core benefit**: service or benefit the customer is really buying.
- **Basic product:** marketers turn core benefit into a basic product at this level.
- **Expected product:** attributes and conditions buyers expect when they purchase this product. Competition takes place at this level in developing countries.
- **Augmented product: :** attributes and conditions exceed customer expectations. Competition takes place at this level in developed countries..
- **Potential product:** various augmentations that could be incorporated in the future. Here is where companies search for new ways to satisfy customers and distinguish their offering.

Product Classifications - Consumer Goods

1. Convenience Products:

- Buy frequently & immediately
- Low priced
- Mass advertising
- Many purchase locations, i.e. Candy, newspapers

2. Shopping Products:

- Buy less frequently
- Higher price
- Fewer purchase locations
- Comparison shop, i.e. Clothing, appliances

3. Specialty Products:

- Special purchase efforts
- High price
- Unique characteristics
- Brand identification
- Few purchase locations, i.e. can be anything

4. Unsought Products:

- New innovations
- Products consumers don't want to think about these products
- Require much advertising & personal selling, i.e. Life insurance, blood donation

Industrial Goods Classification:

1. Materials and parts:

- Farm Products
- Natural Products
- Manufactured Material & Parts
- Compound Material
- Compound Parts

2. Capital items:

a) installations
b) equipment

3. Supplies & business services:

a) maintenance and repair service
b) operating supplies
c) maintenance & repair services
d) Business advisory services

➢ Brand:

✓ Brand is a name, term, sign, symbol or design or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate from those of competitors. In essence the brand identifies the seller or maker.

✓ Trademark or distinctive name identifying a product or manufacture

✓ The brand must be a bridge between the customer and owner of the brand

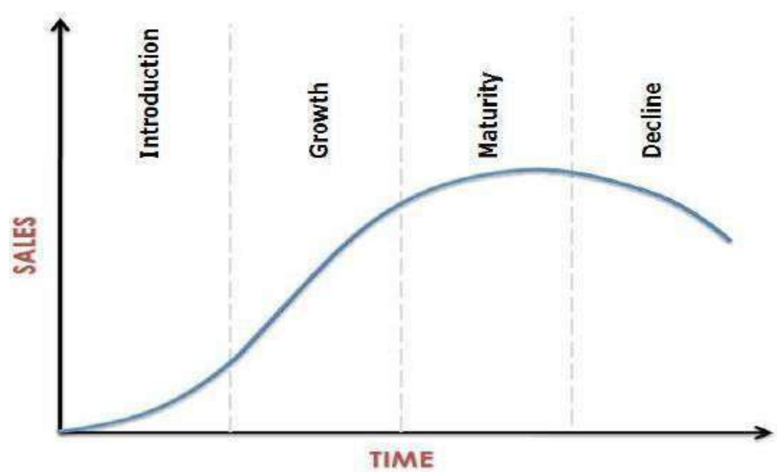
Levels Attributes:

- Benefits
- Producer's values
- Culture
- Personality
- User

➢ Product Life Cycle:

✓ Product life cycle is a business analysis that attempts to identify a set of common stages in the life of commercial products.

✓ In other words the 'Product Life cycle' PLC is used to map the lifespan of the product such as the stages through which a product goes during its lifespan



i. Introduction Stage:

During the market introductory stage, there may not be ready market for the product. Sales are low; the product undergoes teething troubles, profits seem a demand has to be created and developed; customers have to be prompted to try out the product. This stage poses several problems for the marketer. The complexity of the problems and the duration of the stage depend upon the nature of the product, its price, its technological newness and the consumer's view of the product.

The management can pursue one of the four strategies

1. Rapid skimming,
2. Rapid Penetration,
3. Slow penetration,
4. Slow Skimming.

Characteristics

- Low sales volume
- High costs
- No or little direct competition
- Basic product configuration

Strategies

- Develop primary demand by building awareness and educating consumers Stimulate opinion leaders to buy the product
- Build channels of distribution (selective in the beginning)

Two pricing strategies:

i. Price Skimming – introduce at high price and later reduce and
ii. Price Penetration – introduce at low price and later increase.

ii. Growth Stage

During this stage, the demand for the product increase and the size of the market grows. There is a rapid increase in sales. Early adopters like the product and additional consumers start buying it. Now competitors enter attacked by the opportunities. They introduce new product features and expand distribution.

Price remain where they are or fall slightly depending on how fast demand increase. Profits increase during this stage as promotion cost are spread over a large volume and unit manufacturing costs fall faster than price decline owing to the producer learning effect.

Characteristics

- Sales volume increases significantly
- Costs per unit decrease
- Competition increases
- More product variation

Strategies

- Differentiation move toward

- Engage in product modification
- Build selective demand; stress intensive distribution
- Practice more aggressive pricing

iii. Maturity Stage:

In the maturity stage the demand for the product reach a saturation point Price competition become intense and pioneer tries to distinguish his brand by subtle company. Maturity divides into 3 phases:

- Growth Phase
- Stable Phase
- Decaying Maturity

Characteristics

- Sales growth slows then levels off
- Profits decline for the industry
- Marginal competitors leave marketplace

Strategies

- Rejuvenate product – change packaging, new models, line extensions
- Stimulate usage rate
- Maintain brand loyalty through reminder promotions
- Continue aggressive pricing
- Continue intensive distribution

✓ Decline Stage :

In this stage, sales begin to fall. The demand for the product shrinks probably due to new and functionally advanced products becoming available in the market/ market being more saturated to the product. In any case, price and margins get depressed: total sales and profits diminish .

Firms do perceive the impounding total decline and prepare for the gradual phasing out of the product. Successful firms quite often keep new products ready in the queue to fill the vacuum created by the decline of existing products

Characteristics

- Strong downward shift in sales
- Profits stay low and continue to decline

- Only a few strong competitors remain
- Back to basic product configurations

Strategies

- Distribution reduced to fewer outlets
- Promotional support reduced Prices lowered

Stages	Main strategy	Price	Advertising and sales promotions
Introduction	Aim to get the innovators try the product	Try to have a higher price to cover the launch costs	Generate awareness; Samples, test drives etc.
Growth	Aim at the weaker market	Keep price up to take advantage of market growth	Reinforce success; Reduced sales promotions
Maturity	Fight off the increasing competition and support loyal customers	Avoid price wars	Stress the differential advantages; use sales promotions to attract users to the brand
Decline	1.Revamp 2.Promotion 3.Substitution	Change price levels Reduce price Price down to clear stocks	Stress and inform change Spend more, special offers Do nothing

➢ New Product Development and Management:

New product development (NPD) is the term used to describe the complete process of bringing a new product or service to market.

There are two parallel paths involved in the NPD process: *one involves* the idea generation, product design and detail engineering; the *other involves* market research and marketing analysis. Companies typically see new product development as the first stage in generating and commercializing new products within the overall strategic process of product life cycle management used to maintain or grow their market share.

✓ The process/ Steps in NPD:

Stage 1 - Idea Generation;

- Ideas for new products can be obtained from basic research using a SWOT analysis (Strengths, Weaknesses, Opportunities & Threats), Market and consumer trends, company's R&D department, competitors, focus groups, employees, salespeople, corporate spies, trade shows
- Lots of ideas are being generated about the new product. Out of these ideas many ideas are being implemented
- Idea Generation or Brainstorming of new product, service, or store concepts

Stage 2 - Idea Screening;

- This process involves shifting through the ideas generated above and selecting ones which are feasible and workable to develop
- Pursing non feasible ideas can clearly be costly for the company

The screeners should ask several questions,

- *Will the customer in the target market benefit from the product?*
- *What is the size and growth forecasts of the market segment/target market*
- *What is the current or expected competitive pressure for the product idea?*
- *What are the industry sales and market trends the product idea is based on?*
- *Is it technically feasible to manufacture the product?*
- *Will the product be profitable when manufactured and delivered to the customer at the target price?*

Stage 3 - Concept Development and Testing;

- Investigate intellectual property issues and search patent data bases
- Who is the target market and who is the decision maker in the purchasing process?
- What product features must the product incorporate?
- What benefits will the product provide?
- How will consumers react to the product?
- How will the product be produced most cost effectively?
- Prove feasibility through virtual computer aided rendering, and rapid prototyping
- What will it cost to produce it?

Stage 4 -Business Analysis;

- Estimate likely selling price based upon competition and customer feedback
- Estimate profitability and break-even point.

Stage 5 . Marketing Strategy;

A proposed marketing strategy will be written laying out the marketing mix strategy of the product, the segmentation, targeting and positioning strategy sales and profits that are expected.

Stage 6: Product Development;

Finally it is at this stage that a prototype is finally produced. The prototype will clearly run through all the desired tests, and be presented to the target audience to see if changes need to be made.

Stage 7: Test Marketing;

Test marketing means testing the product within a specific area. The product will be launched within a particular region so the marketing mix strategy can be monitored and if needed, be modified beforenational launch.

Stage 8: Commercialization;

If the test marketing stage has been successful then the product will go for national launch. There are certain factors that need to be taken into consideration before a product is launched nationally. These are timing, how the product will be launched, where the product will be launched, will there be a national roll out or will it be region by region?

✓ **New Product Pricing:**

- Impact of new product on the entire product portfolio o Value Analysis (internal & external)
- Competition and alternative competitive technologies o Differing value segments (price, value, and need)
- Product Costs (fixed & variable)
- Forecast of unit volumes, revenue, and profit

➢ **Market Segmentation:**

✓ Process of dividing a total market into groups, or segments, consisting of people or organizations with relatively similar product needs

✓ The purpose is to enable a marketer to design a marketing mix (mm) that more precisely matches the needs of customers in the selected market segments.

✓ **Patterns of Market Segmentation:**

- *Homogeneous preferences*
- *Diffused preferences*
- *Clustered preferences*

✓ **Market-Segmentation Procedure**

Marketers use a three-step procedure for identifying market segments:

1. **Survey stage**. The researcher conducts exploratory interviews and focus groups to gain

insight into customer motivations, attitudes, and behavior. Then the researcher prepares a questionnaire and collects data on attributes and their importance ratings, brand awareness and brand ratings, product-usage patterns, attitudes toward the product category, and respondents' demographics, geographics, psychographics, and media graphics.

2. **Analysis stage.** The researcher applies *factor analysis* to the data to remove highly correlated variables, then applies *cluster analysis* to create a specified number of maximally different segments.

3. **Profiling stage**. Each cluster is profiled in terms of its distinguishing attitudes, behavior, demographics, psychographics, and media patterns, then each segment is given a name based on its dominant characteristic. In a study of the leisure market, Andreasen and Belk found six segments:10 passive homebody, active sports enthusiast, inner-directed self-sufficient, culture patron, active homebody, and socially active. They found that performing arts organizations could sell the most tickets by targeting culture patrons as well as socially active people.

✓ **Bases for Segmenting Consumer Markets Geographic Segmentation**

- Demographic Segmentation
- Age and life-cycle stage

1. *Gender*
2. Income
3. Generation
4. Social class

- Psychographic Segmentation

1. Lifestyle
2. Personality
3. Values.

- Behavioral Segmentation

1. Occasion
2. Benefits
3. User status
4. Usage rate
5. Loyalty status
6. Buyer-readiness stage
7. Attitude.

✓ **Effective Segmentation:**

- Measurable
- Substantial
- Accessible

- Differentiable
- Actionable

Positioning:

- Once the firm has identified its market-segment opportunities, it is ready to initiate market targeting
- Marketers evaluate each segment to determine how many and which ones to target and enter.

Selecting and Entering Market Segments:

- Single-Segment Concentration
- Selective Specialization
- Product Specialization
- Market Specialization
- Full Market Coverage

Objectives of Positioning:

- To create a distinctive place of a product or service in the minds of the potential customers
- To provide competitive edge to a product or service
- Place an intangible service within a more tangible frame of reference
- Help influence both service department and the redesign of existing service
- Follow competitor’s moves and responses to take appropriate action
- To give the target market the reason of buying your services
- Guidelines for development of marketing mix

Positioning Process/ Steps

1. Market Positioning:

It is the *process of identifying and selecting markets or segments* that represent business potential, to determine the criteria for competitive success this must be based on the following factors. Thorough *knowledge of needs, wants and perceptions of the target market* and benefits offered by the services offered.

2. Psychological Positioning:

This step involves the *use of communication to convey the firms or its offerings identity and image* to the target market. It *converts the needs in to images and positions* the offerings in the customer’s mind.

a) Objective Positioning:

Here the positioning relates to the *objective attributes of the physical product Creation of an image of service offering* that reflects physical and functional features. This is concerned with what actually is and what exist in real.

b) Subjective Positioning:

It relates to the *subjective attributes of the service offerings*. It is the *mental perceptions or image* perceived by the customers

Positioning Approaches:

- Positioning by attributes, features or customer benefits
- Positioning by Price value
- Positioning by use of application
- Positioning according to users or class or Users
- Positioning with respect to product class
- Positioning against Competition
- Positioning by endorsement/ support
- Positioning by Quality Dimensions.

➢ **Targeting:**

Once the firm has *identified its market-segment opportunities*, it is ready to initiate market targeting. Here, marketers evaluate each *segment to determine how many and which ones to target and enter*.

✓ **Factors in Evaluating Market Segments:**

1. **Segment Size and Growth -** Analyze sales, growth rates and expected profitability**.**
2. **Segment Structural Attractiveness -** Consider effects of: Competitors, Availability of Substitute Products and, the Power of Buyers & Suppliers.
3. **Company Objectives and Resources -** Company skills & resources relative to the segment(s). Look for Competitive Advantages
4. **Target Market should be consistent , should meet the goals of the organization**
5. **Markets must be consistent with the resources.**

✓ **Selecting the Target Market:**

The essence of the *marketing strategy of a firm for a given product/brand can be grasped/filter from the target market chosen*, the way it is positioned and how the marketing mix is organized. The target market shows to *whom the unit intends to sell* the products, positioning and marketing mix together show how and using what uniqueness or distinction the unit intends to sell.

✓ **Comparative Analysis:**

FACTORS	UNDIFF	CONCEN	DIFF

Service/ Product	One brand- many type of consumers	One brand- one group	Different brand for each group
Distribution	All possible outlets	All suitable outlets	All suitable outlets- differs by segment
Promotion	Mass media	All suitable media	All suitable media- differs by segment
Price	One price range	One price range aimed to the consumer group	Distinct price range for each consumer group
Strategy emphasis	Appeal to large no. of consumers via uniform broad cased marketing programme	Appeal to one specific consumer group via highly specialized but uniform marketing programme	Appeal to two or more distinct market segments via different marketing plan catering to each segments
Target markets	Broad range of consumers	One well defined Consumer group.	Two or more well defined consumer group
Strategy emphasis	Appeal to large no. of consumers via uniform broad cased marketing programme	Appeal to one specific consumer group via highly specialized but uniform marketing programme	Appeal to two or more distinct market segments via different marketing plan catering to each segments

➢ **Channel Management:**

According to Philip Kotler, "Every producer seeks to link together the *set of marketing intermediaries* that best fulfill the firm's objectives. This set of marketing intermediaries is called the marketing channel (also called as trade channel or channel of distribution.)

✓ **Characteristics of Distribution channel:**

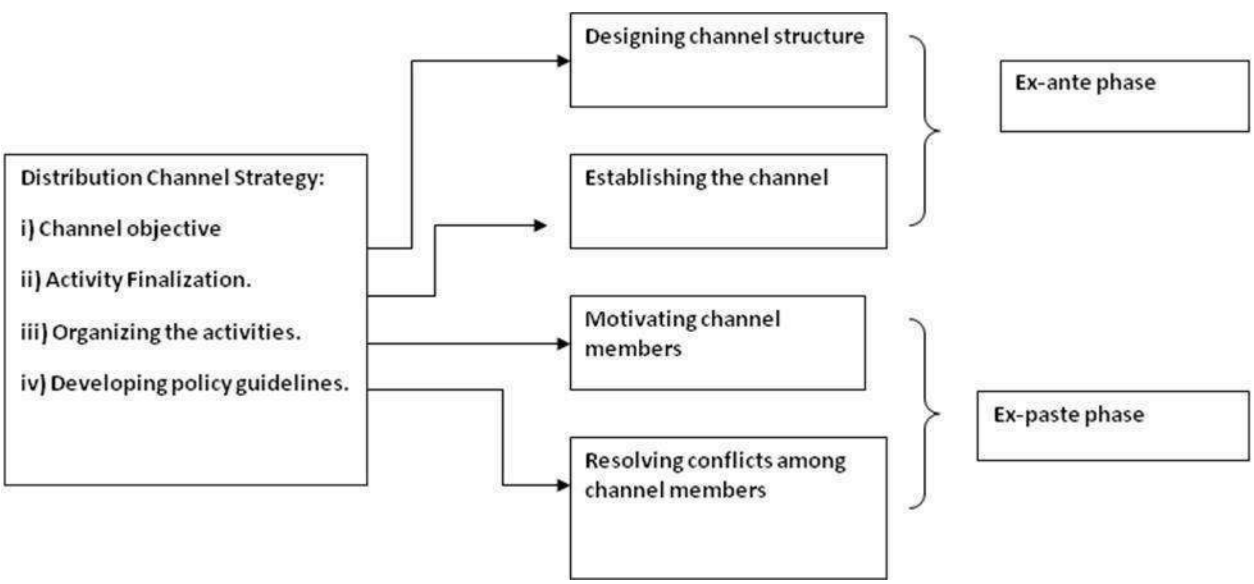
1) Route or pathway

2) Flow
3) Composition
4) Functions
5) Remuneration
6) Time Utility
7) Convenience Value
8) Possession/ (control/ownership) Value
9) Marketing tools
10) Supply-demand Linkage

Channel Functions:

1) Information Provider
2) Price stability.
3) Promotion
4) Financing
5) Title
6) Help in Production Function
7) Matching demand and supply.
8) Pricing
9) Standardizing Transactions.
10) Matching Buyers and Sellers.

✓ **Concepts of Channel Management:**



✓ **Factors Influencing Channel Decisions:**

1. Relating to Product Characteristics;

- Perish ability
- Industrial / consumer products
- Unit values

- Style obsolescence/ (outdated and no longer used)
- Weight & technicality
- Standardized Products
- Purchase Frequency
- Newness & Market Acceptance
- Seasonally
- Product Breadth

II Relating to Company Characteristics;

- Financial Strength
- Marketing Policies
- Size of the company
- Past Channel Experience
- Product Mix
- Reputation

III Factors relating to Market or consumer Characteristics;

- Consumer Buying habits
- Location of the market
- Number of customer
- Size of orders

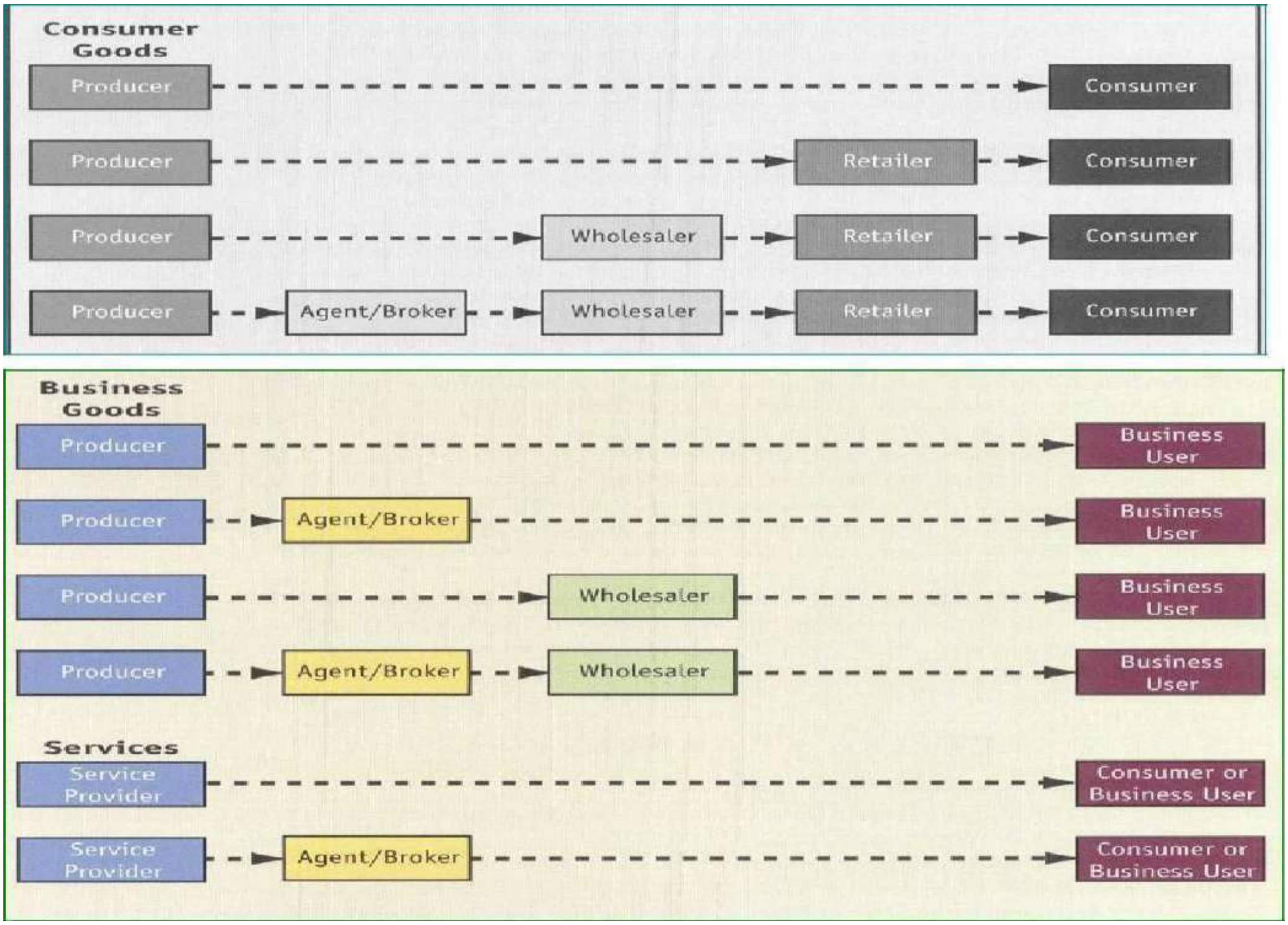
IV Factors relating to middleman consideration;

- Sales volume potential
- Availability of middleman
- Middlemen’s Attitude
- Service provided by middlemen
- Cost of channel

V Factors relating to environmental characteristics;

- Economic conditions
- Legal restriction
- Competitors channel
- Fiscal/ (economic) structure

✓ **Types of Marketing Channels:**



✓ **Channel Management Decisions:**

1. Selecting Channel Members;

During the _selection process, producers should determine what characteristics distinguish the better intermediaries_. They will want to evaluate number of years in business, other lines carried, growth and profit record, solvency, cooperativeness, and reputation. If the intermediaries are sales agents, _producers will want to evaluate the number and character of other lines_ carried and the size and quality of the sales force.

2. Training Channel Members;

Companies _need to plan and implement careful training programs for their distributors and dealers_ because the intermediaries will be viewed as the company by _end-users_. Microsoft, ***for example***, requires third-party service engineers who work with its software applications to complete a number of courses and take certification exams. Those who pass are formally recognized as Microsoft Certified Professionals, and _they can use this designation to promote business_.

3. Motivating Channel Members;

The most successful firms view their channel members in the same way they view their end users. This means determining their intermediaries' needs and then tailoring the channel positioning to provide superior value to these intermediaries. *To improve intermediaries' performance, the company should provide training, market research, and other capability-building programs and the company must constantly reinforce* that its intermediaries are partners in the *joint effort to satisfy customers.*

4. Evaluating Channel Members;

Producers must periodically evaluate intermediaries' performance against such standards as sales-quota attainment, average inventory levels, customer delivery time, treatment of damaged and lost goods, and cooperation in promotional and training programs. A producer will *occasionally discover that it is paying too much to particular intermediaries* for what they are actually doing.

5. Modifying Channel Arrangements;

Channel arrangements *must be reviewed periodically and modified when distribution is not working as planned,* consumer buying patterns change, the market expands, new competition arises, innovative distribution channels emerge, or the product moves into later stages in the product life cycle.

➢ Advertising:

According to American Marketing Association, "Advertising is any paid form of non-personal presentation of ideas, goods or services by an identified sponsor".

✓ Features of Advertising:

(i) It is Mass-Communication Process.
(ii) It is Informative in Action.
(iii) It is a Persuasive Act. (believable)
(iv) It is a Competitive Act.
(v) It is a Paid-For.
(vi) It has an Identified Sponsor.
(vii) It is Non-personal Presentation.

✓ Purpose / Objectives of Advertising:

(i) To increase Demand.
(ii) To sell a new product and to build
(iii) To educate the masses.
(iv) To build Brand Preference.
(v) To build Goodwill.
(vi) To attract and to help Middlemen.
(vii) To support Salesmen.
(viii) To remind the customers of the Product and company.
(ix) To inform about changes in marketing Mix.
(x) To Neutralize/ (counter balance).

(xi) To enter in New Geographical Area.
(xii) To do Entire Selling Job.
(xiii) To overcome Dissonance of buyers.

✓ Classification of Advertising:

Basis of Geographical Area:
- National Advertising
- Local advertising
- Global advertising

Basis of Target Groups:
- Consumer Advertising
- Industrial Advertising
- Trade Advertising
- Professional Advertising

Basis of demand influence level:
- Primary Demand
- Selective Demand

Institutional or Product Advertising:
- Product advertising
- Informative product advertising
- Persuasive product advertising
- Remainder-oriented advertising
- Institutional advertising

✓ Criteria for Selecting Advertising Media:

- Communication Effectiveness
- Geographic Selectivity
- Audience Selectivity
- Flexibility
- Impact
- Prestige
- Message life
- Coverage
- Cost
- Frequency
- Lead times

➢ Sales Promotion:

- A sponsor-funded, demand-stimulating activity designed to supplement advertising and facilitate personal selling.
- Frequently consists of a temporary incentive to encourage a sale or purchase.
- Included are a wide spectrum of activities, such as event sponsorships, frequency programs, contests, trade shows, in-store displays, rebates, samples, premiums, discounts, and coupons.
- Marketing activities, other than personal selling, advertising and publicity that stimulate consumer purchasing and dealer effectiveness such as display shows and exhibitions, demonstration and various non-recurrent selling efforts not in the ordinary routine.

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- Sales Promotion does not include personal selling , advertising and publicity
- Activities are not regular
- Makes advertisement & Personal Selling more effective
- It encourages dealers, distributors and consumers.

✓ **Methods/ tools of Sales Promotion:**

1. Consumer Promotion;

- Free Samples
- Coupons
- Money Refund offer
- Temporary price Reduction/ price Off
- Contests/sweepstakes

(A **contest** is a competition or game in which people try to win)

- Bonus offer
- Draw
- After Sales service
- P-O-P material
- Exchange Offer
- Product placements/tie-ins

2. Middleman Promotion;

- Buying allowance Discount
- Buy-back allowance
- Display & Advertising allowances
- Dealer – listed Promotions
- Push Money
- Sales Contest
- Free Gifts
- Advertising materials
- Credit Facility

(A point-of-purchase or **POP** display is marketing **material** or advertising placed next to the merchandise it is promoting. These items are generally located in the checkout area or other location where the purchase decision is made.)

3. Sales Force Promotions;

- Bonus to Sales Force
- Sales force Contest
- Sales Meetings

➢ **Price:**

The sum or amount of money at which a thing is valued, or the value which a seller sets on his goods in market; that for which something is bought or sold, or offered for sale

✓ **Objectives of Pricing:**

- To maximize the profits
- Competitive Situation
- Capturing the Market
- Long-run Welfare of the Firm
- Price Stability
- Achieving a Target-Return
- Ability to Pay

Resource mobilization.

✓ **Factors Affecting the Pricing Decisions:**

1. Internal factors:

(a) Organizational Factors: pricing decisions occur on two levels in the organization. Overall Price strategy is with the top executives. They determine the basic ranges that the product falls into in terms of market segments.
The actual mechanics of pricing are dealt with at lower levels in the firm and focus on individual product strategies.

(b) Marketing Mix: Marketing experts view prices as only one of the many important elements of the marketing mix. A shift in any one of the elements has an immediate effect on the other three- production, Promotion and distribution.

(c) Product Differentiation: The price of the product also depends upon the characteristics of the product. In order to attract the customers, differentiation

✓ **Pricing Process:**

1. Set Pricing Objectives
2. Analyze demand
3. Estimating Cost
4. Analyzing Competitor's Costs, Prices and Offers
5. Select pricing Method
6. Selecting the final price

✓ **Pricing Objectives:**

- Profit objectives e.g.
  - Targeted profit return.

- Volume objectives e.g.
  - Dollar or unit sales growth
  - Market share growth.

- Other objectives e.g.
  - Match competitors' price
  - Non-price competition

✓ **Selecting a Pricing Method:**
- Customers' demand schedule,
- Cost function, and Competitors.

UNIT IV

BUYER BEHAVIOUR:

➢ Understanding industrial and individual buyer behavior:

According to Solomon, "Consumer/ buyer behaviour is the process involved when individuals or groups select, purchase, use, or dispose of products, services, ideas or experiences to satisfy needs and wants."

✓ Importance of Consumer Buying Behaviour:

1. Production Policies.
2. Price Policies.
3. Decision Regarding Channels of Distribution.
4. Decision Regarding Sales Promotion.
5. Exploiting Marketing Opportunities.
6. Consumers do not always act or react predictability.
7. Consumer preferences are changing and becoming Highly Diversified.
8. Rapid Introduction of New Products.
9. Implementing the "Marketing Concept".

Buying Behavior Model :

Consumer Buying Behaviour Models

Black box model

Nicosia Model

John Howard model

Howard Sheth model

Engel – Kollat Blackwell model

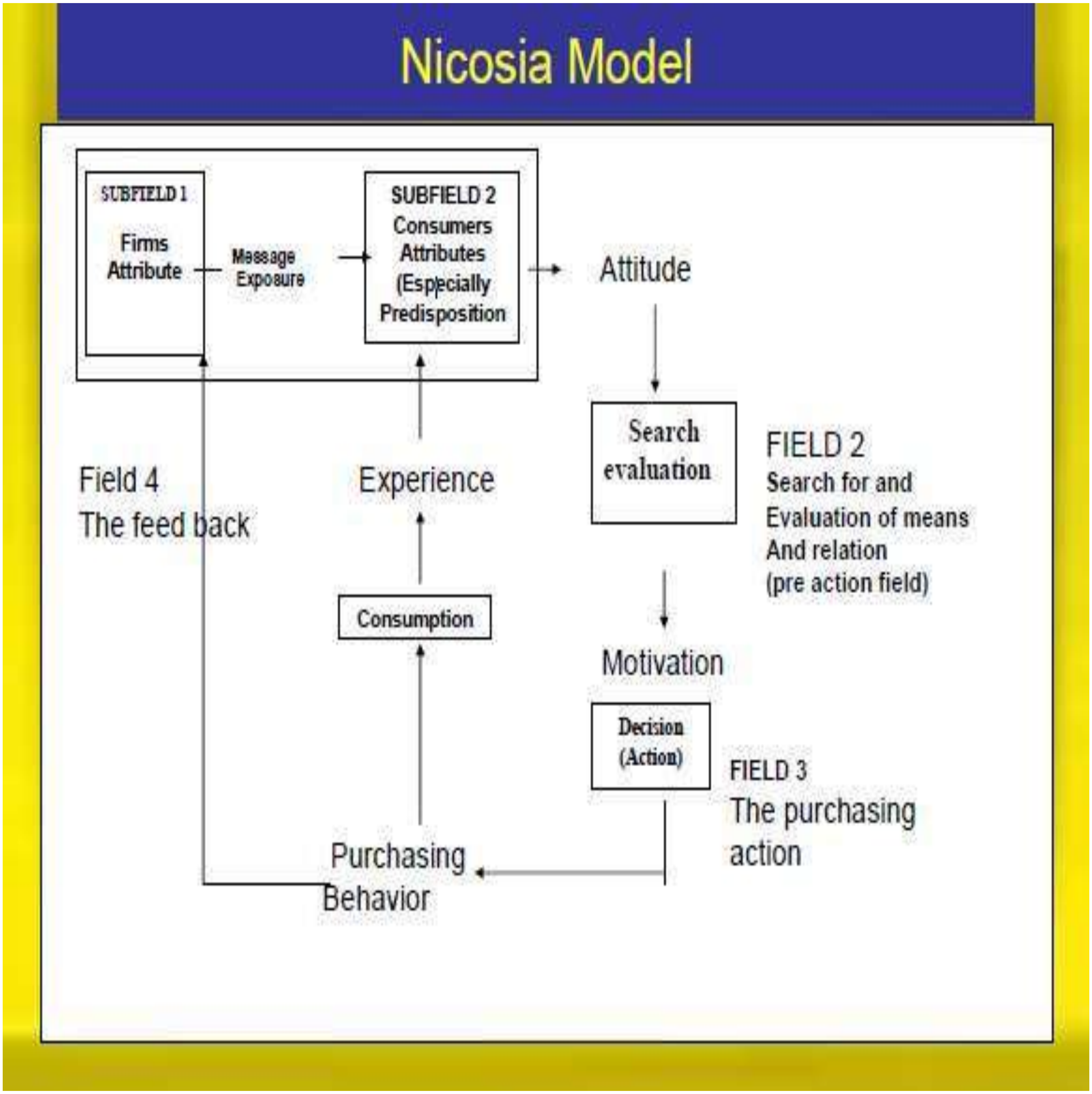
✓ **Black Box Model:**

Input stimulus:

- Purchase behavior
- Product choice
- Price Brand choice
- Promotion Brand loyalty
- Place.

Black box model is also called *stimulus response model*. Consumers mind and thought processing is treated like a "Black Box" which cannot be opened to find out it's working.

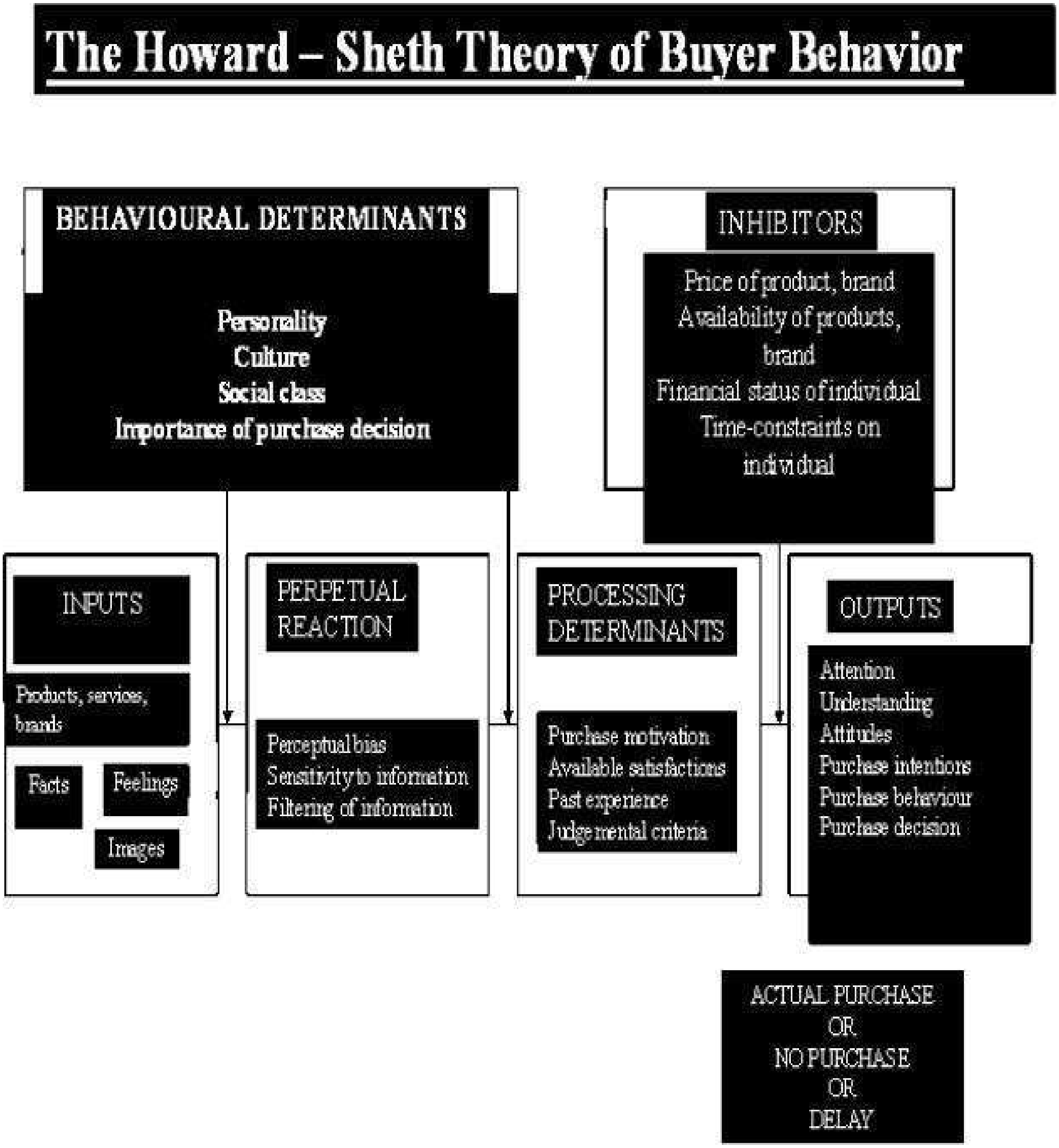
✓ **Nicosia Model:**



Nicosia Model of Consumer Behaviour *is a dynamic model which explains the decision making process of a consumer while being exposed to the Company's attributes through it formal and subtle communications.*

It was one of the first models *to divulge as to what constitutes loyalty towards a specific product. The* model *proposed by* ***Francesco* Nicosia *in the 1970s, was one of the first models of consumer behavior*** *to explain* *the complex decision process that* consumers *engage in during purchase of new products.*

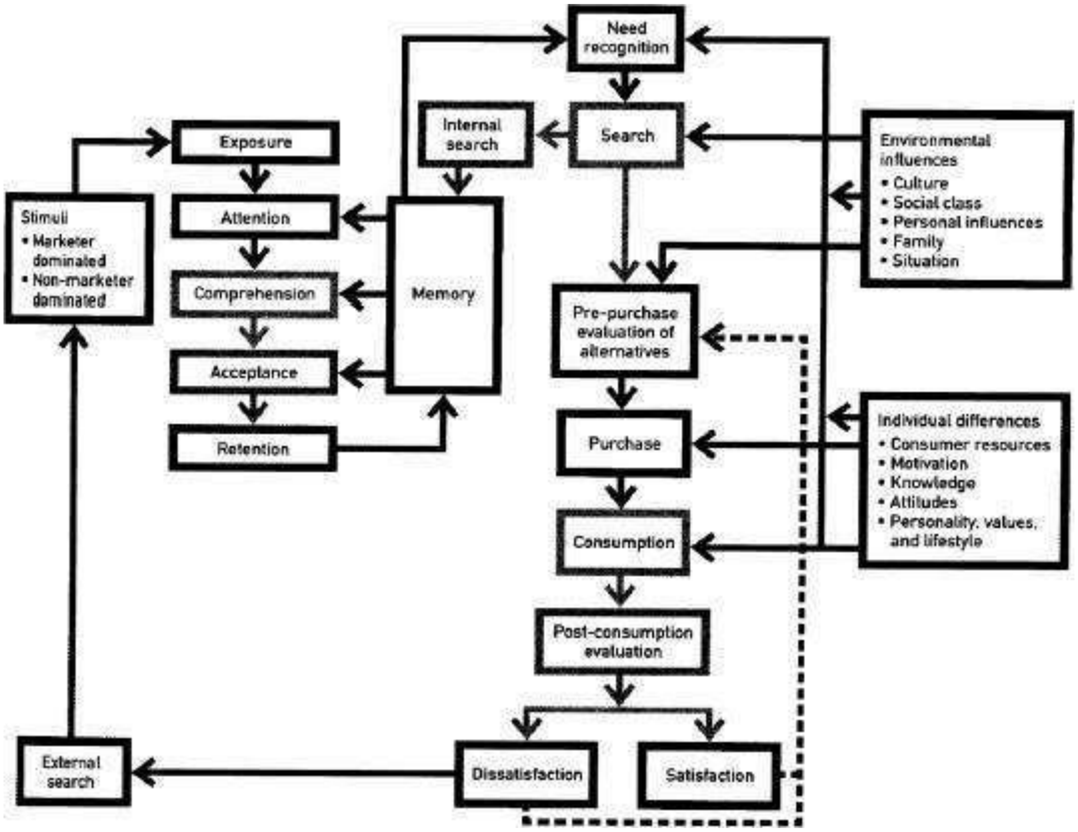
- **Howard Sheth Model:**



The Howard Sheth Model of Consumer Behavior *is a graphical representation of reality, when a consumer goes out to make a purchase decision, under diverse conditions of extensive problem solving, limited problem solving and as a routine behaviour.*

Howard-Sheth model is one of models that represent consumer behaviour on the market. It attempts to explain the rationality of choice of the product by the consumer under conditions of incomplete information and reduced processing capability.

- **Engel – Kollat Blackwell Model:**

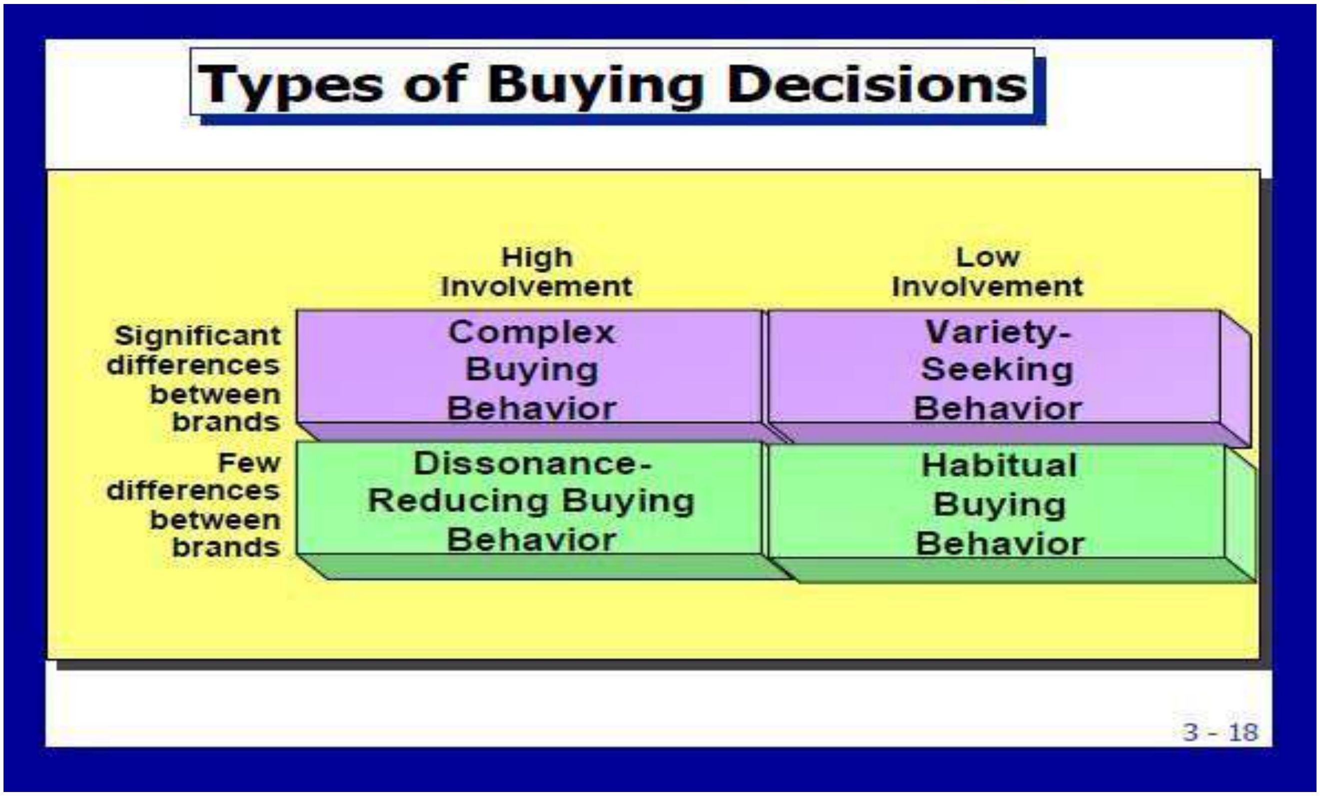


The EKB model of consumer behavior was originally designed to save as framework for organizing the fast growing body of knowledge concerning consumer behavior. The Engel-Kollat -Blackwell model is essentially a conscious problem solving and learning model of consumer behavior. It also referred to as the was proposed to organize and describe the growing body of knowledge/research concerning **consumer behavior**.

- **Online Buyer Behaviour:**

Understanding the mechanisms of virtual shopping and the behavior of the online consumer is a priority issue for practitioners competing in the fast expanding virtual market place.

Several academics and practitioners have identified the "online shopping experience" or "virtual experience" as a crucial. E-commerce marketing issue the online shopping experience as a process of four stages describing the successive steps of an online transaction. Considering that an online customer s not simply a shopper but also an information technology user one can argue that the online experienceis a more complicated issue than the physical shopping experience:



Customer Relationships Management (CRM)

- ✓ CRM "is a business strategy that aims to understand, anticipate and manage the needs of an organisation's current and potential customers"
- ✓ CRM is a shift from traditional marketing as it focuses on the retention of customers in addition to the acquisition of new customers
- ✓ CRM is concerned with the creation, development and enhancement of individualised customer relationships with carefully targeted customers and resulting in maximizing their total customer life-time value"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CRM Process:

- **Customer acquisition, Retaining, Defection:**
  - ✓ **Customer Retention:**

The customer retention process actually begins during acquisition, which creates customer expectations, including perceptions of product value and uniqueness. Initial product usage determines whether these expectations are met. Then other factors, such as ease of exit, ease of purchase, and customer service, come into play. Together these factors affect long-term customer behavior and determine the relationship between seller and buyer.

Customer Retention marketing is a tactically-driven approach based on customer behavior. It's the core activity going on behind the scenes in Relationship Marketing, Loyalty Marketing, Database Marketing, Permission Marketing, and so forth. Here's the basic philosophy of a retention-oriented marketer

In this model, there are seven determinants of customer retention:

i. Customer expectations versus delivered quality
ii. Value
iii. Product uniqueness and suitability
iv. Loyalty mechanisms
v. Ease of purchase
vi. Customer service
vii. Ease of exit.

- **Why customer retention preferred?**

Customer retention is the process of keeping customers in the customer inventory for an ending period by meeting the needs and exceeding the expectations of those customers.

It is approach of converting a casual customer into committed loyal customers.

Customers come in a fold of an organization in following ways:

i. Customer by chance.
ii. Customer by occasion.
iii. Customer by choice.
iv. Customer by repetition.
v. Customer by loyalty.

They makes every effort to convert a customer by chance into customer into loyalty

✓ **Customer Acquisition:**

Acquisition is nothing but making profits by attracting the users to purchase our product.

• It emphasis on both sales promotional programs as well as service during the time of purchase.

• Acquisition refers the process of attracting the new customers, making them initial purchase and trying to incur gain for its investment on acquiring the new customers

Definition:

• Customer acquisition is a process of gaining new customers through marketing and sales efforts. It involves identifying the target market and prospects, designing marketing and sales campaigns and implementation of the same to increase the customer base.

- **Objectives:**

i. Setting objectives should take into account the cost of customer Acquisition.
ii. The following steps can be taken to identify the investment requires to win a new customer and to track the return on investment.

iii. Establish a system to enumerate all costs of acquiring new customers.
iv. Divide the total cost of acquisition by the number of new customers gained in a given time period to determine the average cost of acquiring a customer
v. Determine the number of months the organizations must keep a customer in order to provide a pay back on investment
vi. Evaluate the average new customer profitability and set customer acquisition objectives

Retention Strategy:

A plan identifying what basic retention objectives will be pursued & how will be achieved in the time available is considered to be a customer retention strategy.

i. The welcome.
ii. Reliability.
iii. Responsiveness. (wanted to treat right)
iv. Recognition. (special attention ,appreciation)
v. Rewards. (redeemable points)

- **Process of Acquisition:**

The acquisition process constitutes the following stages;

i. Enquiry.
ii. Interaction.
iii. Exchange
iv. Co-ordination
v. Adoption.

- **Requisites for Effective Acquisition:**

i. Focused Approach: (knowers , preferers, indifferent, rejecters).
ii. Providing a win-win platform.
iii. Initiate Forum For Communication.
iv. Attempt to Minimize “FUD”: (Fear, Uncertainty, Doubts).
v. Projection of Benefits and not Products.
vi. Contextual Application. (initiator, influencers, Decider, Buyer, User)

- **Process of Acquisition:**

The acquisition processes are influenced by:

i. Type of buying.
ii. Type of product.
iii. Type of customers.
iv. Economic Environment.
v. Contextual Operations

UNIT – V

MARKETING RESEARCH & TRENDS IN MARKETING

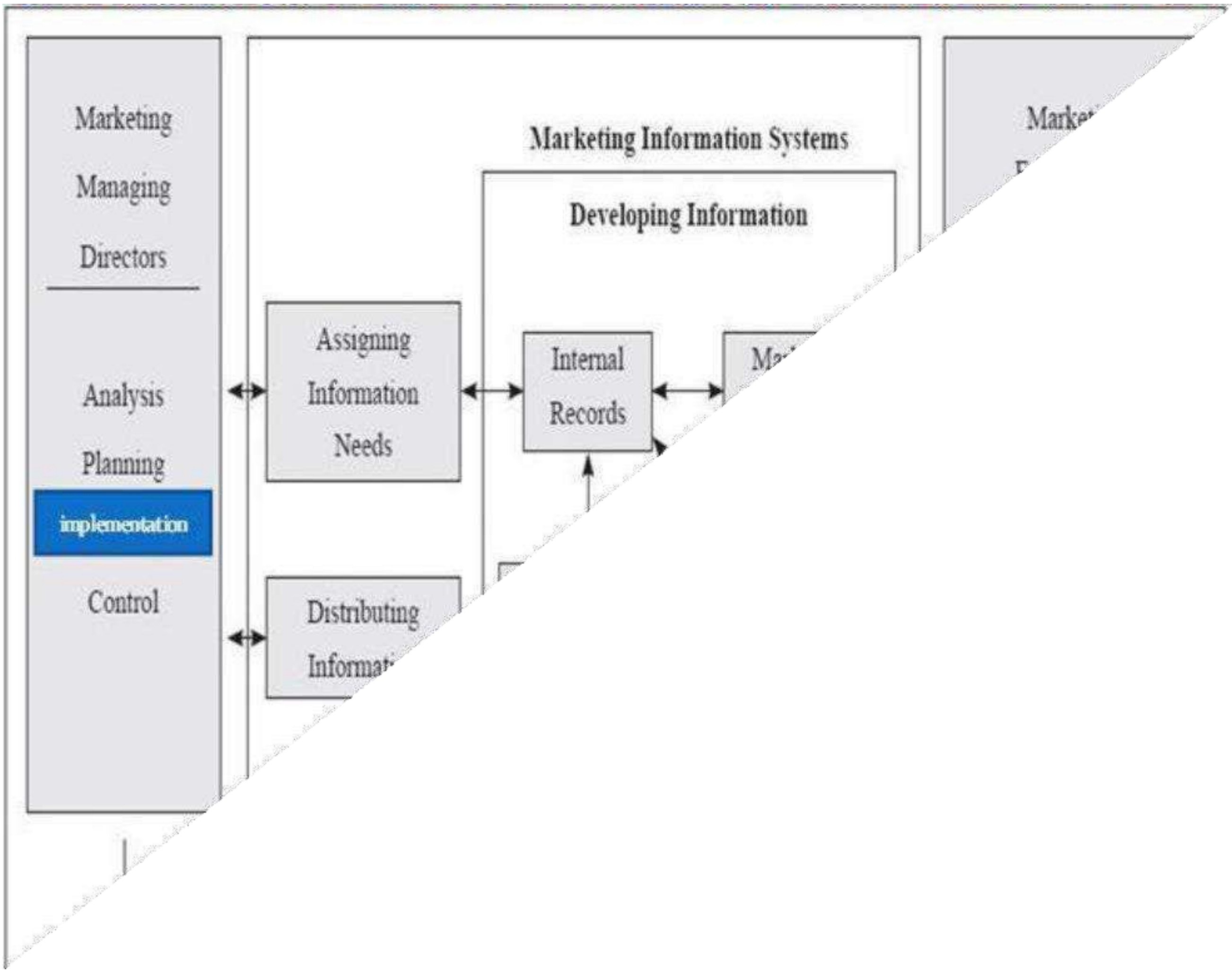
Marketing Information System-Definition:

"A marketing information system is a continuing and interacting structure of people, equipment and procedures to gather, sort, analyze, evaluate, and distribute pertinent, timely and accurate information for use by marketing decision makers to improve their marketing planning, implementation, and control" (Kotler)

A Marketing Information System can be defined as 'a system in which marketing information is formally gathered, stored, analyzed and distributed to managers in accord with their informational needs on a regular basis' (Jobber, 2007)

Characteristics:

1. It is a planned system developed to facilitate smooth and continuous flow of information.
2. It provides pertinent information, collected from sources both internal and external to the company, for use as the basis of marketing decision making.
3. It provides right information at the right time to the right person.
4. Ongoing Process
5. Future Oriented
6. Co-ordinates Internal & External Environment



- ✓ **Designing MIS:**
  - Define the system
  - Source & Frequency identification
  - Formats of MIS
  - Research Assessment Sheet
  - Marketing activity evaluation Sheet
  - Implementation

➢ **Marketing Research:**

Marketing research is the systematic and objective search for, and analysis of, information relevant to the identification and solution of any problem in the field of marketing

Marketing research is the function that links the consumer, customer, and public to the marketer through information - information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process.

- ✓ **Objectives of Marketing Research**:

- Discovering the new markets
- Analyzing tastes & preferences of customers
- Reducing the cost of marketing
- Suitable price policy formulation
- Liaison with ultimate consumers
- Greater mkt share
- To know future sales volume
- Quality of products
- Facing competition
- To study external environment

Different types of Marketing Research:

Reporting	Provides an account or summation of some marketing phenomenon
Descriptive	Discovers and reports the who, what,when, when or how related to a specific marketing decision
Explanatory	Attempts to explain the reasons for a marketing phenomenon
Predictive	Attempts to forecast a marketing

Comparison:

Aspect	*Industrial Marketing Research*	*Consumer Marketing Research*
Market Size	Very large value-wise	Very large Volume-wise
Structure	Oligopolistic, Geographically concentrated	Monopolistic - Geographically Dispersed
Demand	Derived, Joint, Fluctually demand, price inelastic	Mostly autonomous and price elastic
Nature	Technical complexity Customized	Technically less complex standardized
Motives	Rational / Task motives	Socio-psychological motives
Factors	Quality, Service and Price in that order	Price, Quality and service are important
Channels Logistics	Mostly direct, fewer linkages, SCM for efficient physical distribution	Indirect, Multiple linkages, simple planning and lime management

Management	Top management, Closely related to corporate strategy	Functional management, aligned with corporate strategy.

- **Marketing Research process:**

  Step 1: Identifying and defining your problem

  Step 2: Developing your approach

  Step 3: Establishing research design and strategy

  Step 4: Collecting the data

  Step 5: Performing data analysis

  Step 6: Reporting and presentation

✓ **Elements of Research report:**

- Title Page
- Table of Contents
- Executive Summary or Abstract
- An Introduction
- The Methodology
- Body of the Report
- Conclusion
- Recommendations
- Bibliography
- Appendices

The secondary market also called the aftermarket and follow on public offering is the financial market in which previously issued financial instruments such as stock, bonds, options, and futures are bought and sold. After the initial issuance, investors can purchase from other investors in the secondary market.

Multiple pricing, or multiple unit pricings, is a pricing scheme that specifies the item price for multiple units. A typical example of multiple pricing is an item that sells at 4 for rs.100. In this example rs.100 is the multiple unit price and 4 is the multiple unit quantity.

Product Life and Captive Product Pricing While often the main item may be a one-time purchase, the captive products required to use the item are generally repeat purchases. A customer might buy a relatively inexpensive razor, for example, but the company set a high price on the replacement razor blades.

Distinction B/w Marketing Information System & Marketing research:

MIS	MR
Handles both internal and external data	Emphasizes the handling of external information.
Is concerned with preventing as well as solving problems.	Is concerned with solving problems.
Tends to be future-oriented.	Tends to focus on past information.
Is a computer-based process.	Need not be computer-based
Includes other subsystems besides marketing research.	Is one source of information input for a Marketing Information System.

- **Advertising & Promotion Research:**
  - Advertising Strategy Research
  - Target Audience
  - Product & its positioning
  - Communication media
  - Advertising message-Element

Creative Concept Research :

- ✓ Pre-Testing & post-Testing

  (Pre-testing helps in sharpening advertising variables)
  - Merchandise (features & benefits of product)
  - Markets
  - Motives (identify & appeal to needs & wants)
  - Messages
  - Media

- **Consumer Behaviour Research/ consumer research.**

It includes,

1. Determining demographics of existing & potential users
2. Identify customer needs & product expectation levels
3. Identify factors influencing purchase decision

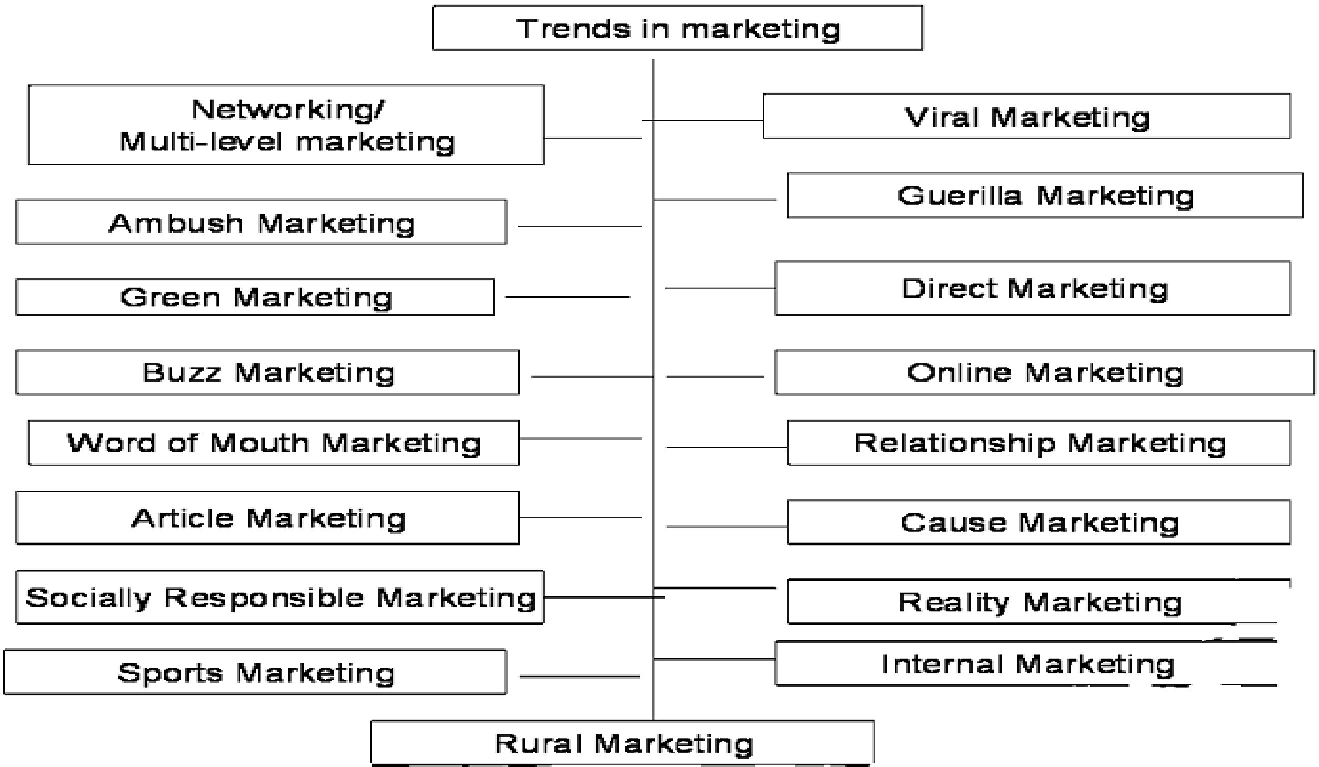
- ✓ Ascertain the level of customer satisfactionScope of Consumer Research
  - Market Research
  - Product Research
  - Advertising Research
- Distribution Channel Research
- Pricing research
- Sales Research
  - ✓ Post transaction research**nctions of Marketing Research:**
    - Describing
    - Evaluating
    - Explaining
    - Predicting
    - Assisting

- ✓ **Concepts in Marketing Research:**
  - Consumer Research
  - Market Research
  - Product Research
  - Sales Research
  - Distribution Channel Research
  - Advertising & Promotion Research
  - Pricing Research
  - Retail Research

- ✓ **Product Research:**
  - Opportunity identification
  - Concept screening
  - Market Strategy Development
  - Product Development
  - Market testing
  - Product Introduction

- ✓ **Customer Driven Organizations:**

Customer driven marketing involves the products or services from the customer's perspective and communicating the messages in the customer's language,



- **Cause related marketing**:

According to Thompson, "Cause-Related Marketing (CRM) is the public association of a profit company with a non-profit organization, intended to promote the company's product or service and to raise money for the non-profit."

- **Objectives**:

1. Increase Sales.
2. Enhancing Corporate Stature.
3. Uncomfortable Negative Publicity.

To prevent the occurrence, realization, or attainment of Negative publicity is a deliberate attempt to manage the public's perception of a subject with an intention to demote it to an extent that it arouses public interest in it.

4. Customer Pacification/ agreement.
5. Facilitating Market Entry.
6. Increase the level of Trade Merchandising Activity for the Brand(s) Promoted.

- **Ethics in marketing:**

The American Marketing Association commits itself to promoting the highest standard of professional ethical.

  - **Norms**: are established standards of conduct that are expected and maintained by society and / or professional organization.

- **Values** represent the collective conception of what people find desirable, important and morally proper.

Framework of analysis for Marketing Ethics:

1) Value-oriented Framework: It analyses ethical problems on the basis of the values which they infringe/ disobey (e.g: Honesty, autonomy, privacy, transparency).

2) Stakeholder Oriented Framework: It analyses ethical Problems on the basis of whom they affect. (e.g: Consumers, competitors.)

3) Process-Oriented Framework: It analyses ethical Problems in terms of the categories used by marketing specialists (e.g: research, price, promotion, and placement.)

Online Advertising Options:

✓ Text Ads

Text ads are one of the most common ad types used in online advertising. Google's AdWords program has made text advertising in easy, accessible, and affordable option for many businesses. One of the greatest advantages is that they can be matched to highly speed line keywords and appear on sites where they are the most likely to reach potential customers.

✓ Banner Ads

Banner ads are large, rectangular advertisements intended to capture the attention of online viewers. These ads often feature images or animations designed to catch the eye and inspire the reader to click the banner. One problem with this type of online advertising is that it has become so prevalent that many users experience what lias been called banner blindness, where commonly viewed ads are ignored and disregarded.

✓ Advertorials

Advertorials are a combination of an editorial and an advertisement. This type of online advertising is common on E-commerce websites, *For example*, a business selling entertainment media might write an advertorial review of a product and then provide an affiliate link where the customer can purchase the item.

✓ E-mail:

E-mail offers an excellent opportunity to make direct contact with potential customers. However, customers do not want to be inundated with unwanted e-mail. The key to using e-mail as an online advertising tool is to encourage customers to sign up for a mailing list or newsletter. By providing valuable information to potential customers, they will be more receptive to your marketing message.

Online Marketing Techniques:

Over the years, different companies have generated a number of tried and tested advertising techniques. These methods increase the profile of your business on the Web, draw potential customers to your website, and increase sales. Use some of these proven and tested marketing methods to rev up the company's online advertising.

- **Search Engine Marketing (SEM)**

Search engine marketing involves advertising your website through search engine, often through search results, paid listings, or pay-per- click campaigns. By using effective search engine optimization (SEO) techniques, businesses can achieve top results in search engine results. Many businesses have found that search marketing dramatically improves site traffic and sales.

- **Affiliate Programs**

Allowing other websites to advertise and promote your product and service is a great way to significantly expand your customer base and increase your online sales. In exchange for marketing your business, affiliates earn a commission on the sales they produce. Affiliate programs are an ideal solution for product-based websites that need to reach out to a targeted audience.

- **Reciprocal Links**

Exchanging links with other websites is another important Internet advertising tool-. When you place a reciprocal link on your website, the other business will place a corresponding link on their side leading back to your Web location. The advantage of reciprocal links is that they are relatively easy way to reach more customers and improve search engine rankings. A potential drawback of this marketing techniques is that it can be time consuming and difficult to determine the effectiveness.

- ✓ **Blogs**

  Blogs are one of the latest tools used in Internet advertising. While they are often thought of as personal journals, many businesses have discovered ways of successfully using blogs to promote products, services, and other business-related news. Blogs are a great way to add interactivity and liveliness to your website. Syndicating your blog, with an RSS feed is another way to promote your website and rive readers a chance to access all of the latest updates and news about your business.

Ambush Marketing: A marketing technique in which advertisers work to connect their product with a particular event in the minds of potential customers, without having to pay sponsorship expenses for the event. An example of ambush marketing might involve selling music merchandise.

Buzz marketing is a viral marketing technique that is focused on maximizing the word-of-mouth potential of a particular campaign or product, whether that is through conversations among consumers' family and friends or larger scale discussions on social media platforms.

Article marketing is a branch of content marketing. It is a type of advertising in which companies write and distribute short articles to a range of outlets such as article banks, forums, and newsletter publishers. Article marketing is also one of the least costly ways to market a company.

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced in an environmentally friendly way.

Sports' marketing is a subdivision of marketing which focuses both on the promotionof sports events and teams as well as the promotion of other products and services through sporting eventsandsport steams. It is a service in which the element promoted can be a physical product or a brand name.

------- ALL THE BEST-------