

JAMAL MOHAMED COLLEGE (AUTONOMOUS)

**PG DEPARTMENT OF FASHION TECHNOLOGY AND COSTUME DESIGNING
COURSE: NATIONAL AND INTERNATIONAL MARKETING**

COURSE CODE: 20UFT6DE2A

UNIT-I: INTRODUCTION TO MARKETING MANAGEMENT

Concept of Marketing, Marketing Management Process – Analysis, Opportunities, Selecting target consumer's, Developing Marketing Mix, Marketing Research Process – Sales of Forecasting – Techniques, Modern Marketing Concept – Important and Components of Marketing Concept.

1.1 CONCEPT OF MARKETING

A marketing concept is a strategy that companies and marketing agencies that work for companies, design and implement in order to satisfy customers' needs, maximize profits, satisfy customer needs and beat the competitors, or outperform them.

The 5 major marketing concepts are:

- Production concept
- Product concept
- Selling concept
- Marketing concept
- Social marketing concept

The Production Concept: This concept is the oldest of the concepts in business. It holds that consumers will prefer products that are widely available and inexpensive. Managers focusing on this concept concentrate on achieving high production efficiency, low costs, and mass distribution. They assume that consumers are primarily interested in product availability and low prices. This orientation makes sense in developing countries, where consumers are more interested in obtaining the product than in its features.

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The Product Concept: This orientation holds that consumers will favor those products that offer the most quality, performance, or innovative features. Managers focusing on this concept concentrate on making superior products and improving them over time. They assume that buyers admire well-made products and can appraise quality and performance. However, these managers are sometimes caught up in a love affair with their product and do not realize what the market needs. Management might commit the “better-mousetrap” fallacy, believing that a better mousetrap will lead people to beat a path to its door.

The Selling Concept: This is another common business orientation. It holds that consumers and businesses, if left alone, will ordinarily not buy enough of the selling company’s products. The organization must, therefore, undertake an aggressive selling and promotion effort. This concept assumes that consumers typically show buying inertia or resistance and must be coaxed into buying. It also assumes that the company has a whole battery of effective selling and promotional tools to stimulate more buying. Most firms practice the selling concept when they have overcapacity.

The Marketing Concept: This is a business philosophy that challenges the above three business orientations. Its central tenets crystallized in the 1950s. It holds that the key to achieving its organizational goals (goals of the selling company) consists of the company being more effective than competitors in creating, delivering, and communicating customer value to its selected target customers. The marketing concept rests on four pillars: target market, customer needs, integrated marketing and profitability.

The Societal Marketing Concept: This concept holds that the organization’s task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors (this is the original Marketing Concept). Additionally, it holds that this all must be done in a way that preserves or enhances the consumer’s and the society’s well-being.

1.2 MARKETING MANAGEMENT PROCESS

Marketing management is a composition of two terms 'Marketing' and 'Management'. Where, the term 'marketing' is a set of actions and processes of a company associated with buying and selling of goods or services. "Management" is a function of coordinating the integrated efforts of people towards a common goal by effective utilization of available resources.



STEP 1: SETTING MARKETING OBJECTIVES

The first step of marketing management process is setting marketing objectives. While setting objectives, the organisational mission must be considered. The mission helps the marketer to conduct the proper environmental scanning and search for new opportunities.

STEP 2: ANALYZING MARKETING OPPORTUNITIES

In the next step, different marketing opportunities are analysed in accordance with the strengths and weaknesses of the organisation, which can be internal or external. The availability of further opportunities can be examined on the basis of the project or work assigned.

A consistent market information system is needed for the effective analysis of the opportunities. This enables the marketers to have information regarding choices and preferences of target customers, their geographical locations, buying behaviour, social behaviour, etc.

STEP 3: RESEARCHING AND SELECTING TARGET MARKETS

After analyzing the opportunities, the research and selection of target market is carried out. For selecting a target market, it is very essential to understand that how the attractiveness of a

particular market can be measured. There are various techniques which are used to measure the market potential and forecast the future demand. Under modern marketing concept, the whole market is divided into several small segments. These segments are evaluated to select the target markets, and then different positioning strategies are applied to each market.

STEP 4: DESIGNING MARKETING STRATEGIES

This is the most crucial step of marketing management process. In this, the marketing strategy of an organisation is designed for the target markets. The strategy reflects the overall plan of the organisation for achieving marketing or business objectives.

Marketing strategy states the major approaches through which an organisation can achieve its business goals in a target market. It also comprises of basic decisions related to marketing mix, marketing expenditure and marketing distribution.

This step also involves extensive marketing research for the development of firm-market system. Based on the system, four Ps of marketing management, viz., product, price, place, and promotion are determined and applied on the consumers. The organisation should also decide the total expenditure to be used for marketing mix.

STEP 5: PLANNING MARKETING PROGRAMS

The broad marketing strategies alone are not enough to meet the organisational goals. In order to achieve the business goals and implement marketing strategies, the organisation requires effective marketing programs.

These marketing programs include decisions regarding the product characteristics, packaging, policies related to services, branding, pricing (retail as well as wholesale), credits, discounts and allowances, recruitment, selection and integration of different marketing intermediaries for effective distribution, advertisement, sales promotion, personal selling, direct marketing, etc.

STEP 6: ORGANIZING, IMPLEMENTING AND CONTROLLING THE MARKETING EFFORT

The concluding step in marketing management process involves organisation of resources and implementation and control of the marketing plan.

A marketing organisation is designed to apply the marketing plan into action, that is for the implementation of marketing plan.

Once the plan is executed, activities concerned with customer feedback and sales forecast are organised. This is done to evaluate the effectiveness of marketing plan.

In marketing plan, control is very essential component through which alternations or modifications can be done. Controlling in marketing is responsible for determining performance standards, analyzing actual performance and minimizing the difference between actual and desired performance.

It involves three main elements, i.e., measuring, analyzing, and monitoring. The marketing manager compares the actual performance with the standard performance and takes corrective measures, if required. In case of applying corrective measures, the reason for the deviation is identified by conducting market research.

1.3 DEVELOP MARKETING MIX

- Product
- Price
- Place
- Promotion

Marketing Mix Elements

When perfected and synchronized, the core elements of a marketing mix provide a well-rounded approach to marketing strategy.

1. Product

Product refers to **what** your business is selling – product(s), service(s), or both. The bulk of the work in this element is typically done by product marketers or managers.

Nailing the product element of the marketing mix means doing extensive research and development, understanding the need for the product, developing a product launch plan and timeline, and educating customers and employees – especially salespeople – on the product's purpose.

2. Price

Price refers to the price point at which you'll sell your product(s)/service(s) to consumers. Arriving on this dollar amount requires consideration of multiple pricing strategies, analysis of similarly priced products in your market, and insights from consumers through surveys and focus groups.

Price speaks to positioning in the market, the speed at which you want to penetrate your market, and your company's revenue goals and profit margin.

3. Place

In the marketing mix, place refers to where your product or service will be sold. For tangible products, this will include physical locations such as your own store, or a retailer where your product will be resold.

It can also include the other methods where your products can be purchased, like online or over the phone.

4. Promotion

Promotional activities are those that make your target market aware and excited about what you're selling.

While this does include paid initiatives like commercials and advertising, promotion also entails organic initiatives like word-of-mouth marketing, content marketing, and public relations.



1.4 Marketing Research

Marketing research is the process of collecting and analyzing data from consumers and competitors to help businesses explore who their target customer is and what they want from the brand. Good marketing research can also provide insight into how effective marketing efforts are, and explore potential areas for growth. Marketing research covers a business's entire marketing plan—from creating brand awareness to securing brand loyalists.

To conduct marketing research, businesses collect information from consumers to help identify a product's target market and how best to reach it. They do this by gathering consumer feedback from product surveys, focus groups, social media tracking, phone

interviews, and consumer observation. A company may also complete a competitor analysis to assess market share and check how it's stacking up against the competition.

The 6 steps in the marketing process

The market research process is designed to paint a thorough picture of a company's marketing plan, helping to identify where the weaknesses and strengths exist. The first step in the marketing research process is defining the problem or the question your research is trying to answer, followed by developing a research plan to answer that question, collecting and analyzing the data, and then producing a report.

1. Identify the opportunity

The first step is to define the problem you're aiming to solve. Asking specific questions will help pinpoint the most pressing needs or reveal the biggest opportunities to reach your research objectives. Questions you might ask in this initial stage include:

- How many of our recent buyers are first-time customers?
- How can we turn them into repeat customers?
- Why are sales lower than last quarter?
- Are our prices too high?
- Why do customers put items in their shopping cart but don't complete the purchase?
- How can we make our checkout flow more efficient?

2. Develop a research plan

A marketing research plan can help a business outline how to find the ways to address the questions it seeks to answer or the problems it wishes to solve. How you plan and design this research depends on the budget available, the research method chosen to source data, and the scope of the project.

There are two main research methods you can use to collect your data: primary research and secondary research. Each pulls information from different sources to provide a clear snapshot of your marketing research plan.

- **Primary research.** Primary research involves gathering original data through collection methods such as surveys or in-person interviews, then synthesizing that data into a report. Although potentially time-consuming and costly, it may be among the best ways to accurately collect answers to your questions.
- **Secondary research.** Secondary research data involves gathering and synthesizing information gleaned from other sources, such as research reports, websites, or government files. Most research plans start with secondary data since it's usually less

expensive and readily available. You can use the information you gleaned using secondary data to inform how you will approach your primary research.

The scope and budget for the plan will likely influence the time it takes to complete the research. A smaller sample size, for example, may only need a few weeks, while a larger, complex research project may take months (and more money) to collect the necessary information.

3. Collect the data

After identifying objectives, it's important to start collecting information. There are several different data collection methods that you can use to source information.

- **Surveys.** Conducting a survey is an effective primary research method that can provide valuable feedback about business practices, marketing tactics, and product demand. Unbiased survey research can help capture the thoughts and feelings of a particular demographic.
- **A/B testing.** This research methodology compares two or more versions of a variable— say, two layouts of the same website (version A and B)—to collect information to test which would result in better outcomes and consumer engagement. In this scenario, the goal may be to see which site attracts more direct traffic to increase the number of monthly visitors.
- **Social media polling.** Setting up a social media poll can be an effective and inexpensive way to collect user data. Polling current and potential customers gathers insight from your target audience, which can impact how the company curates its products and user experiences.
- **Interviews.** Face-to-face or phone interviews can help companies assess consumer expectations from a brand. During these interviews, participants may be asked questions like: How long have you been a customer? Or: Why did you choose this brand over the competitor?
- **Focus groups.** Focus groups gather a select group of people together based on demographics, buying history, or other factors to collect non-numerical (qualitative) data about a particular product or service. With focus groups, moderators can capture a variety of opinions and emotions via open-ended conversation or lines of questioning to capture the feelings potential (or current) customers have toward a product or service.

4. Analyze your data

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Analyzing data is a way to uncover trends or patterns within the company or in the marketplace that can impact a business's market performance. Data analysis transforms raw metrics into digestible information to provide the answers to your initial research questions.

There are four main types of analysis you can use to evaluate data:

- **Descriptive analytics.** Analysis tools that lay out data in charts and graphs, for example, so you can see the big picture are known as descriptive analytics. This type of analysis presents a snapshot of performance in numbers, such as unique users or page views.
- **Diagnostic analytics.** Analysis tools that provide more than a general overview can help you find the “cause and effect” of a problem. For example, if the number of visitors to your website has decreased by 15% within the last six months, you'll want to investigate why. Are too many pop-ups making it more difficult for users to navigate the site, or is the page load speed too slow and users are clicking out to another website?
- **Predictive analytics.** Based on existing data, predictive analytics help companies establish predictive models to forecast future outcomes more accurately. For instance, if data points to a correlation between the start of the school year and increased clothing sales, your ecommerce company may need additional solutions to help take care of increased web traffic during this time of year.
- **Prescriptive analytics.** This analytics tool combines descriptive, diagnostic, and predictive analytics methods to help companies optimize their best course of action. For example, if predictive analytics show clothing sales go up at the beginning of the school year, prescriptive analytics would assist in prescribing a solution—in this case, finding web hosting plans that upgrade site bandwidth to accommodate increased web traffic.

5. Present your results

Once you've done the research and analyzed the data, you can build a research report to present your key findings. You can present your report in a slideshow format, as an illustrated book, as a video, or in an interactive dashboard that allows users to look at the data in different ways. The emphasis should be to present the information in a way that is comprehensible and accessible.

Marketing research reports contain, at minimum, key company-specific details like customer profiles, target audience buying habits, and market competitors, and address the questions

your research sought to answer. Beyond that, reports typically present the findings from the research in a narrative format that incorporates visuals, like charts and graphs, alongside “real people” feedback. You’re not looking to present a stack of numbers—you want to establish a story about real people, how they behave, and their desires (as they pertain to the company or product). The report also needs to present the solutions to these problems—how the company should tailor its strategies to optimize its marketing and target its consumers better.

Other information to include in your report is how you arrived at these conclusions. Which research methods did you use? How long did it take? How big were your sample groups? Once the report is compiled, share these results with all necessary parties, like relevant stakeholders such as the marketing team, company managers, or other people this proposed shift in strategy might affect, like engineering.

6. Incorporate your findings

Once you’ve presented your data, it’s time to develop actionable plans that put your findings into play, whether it’s developing brand-new strategies or improving existing ones. Some findings may result in big shifts to your marketing plans or small improvements that can help you optimize your company strategy overall.

For instance, if your marketing report points to an issue with retaining a younger audience, you may need to redesign your entire social media campaign to accommodate a wider demographic. Or, you might only need a smaller shift, like offering extra promotions through social media accounts to entice current young customers to stay loyal. An ever-changing market means that your data won’t stay relevant forever, so turning your info into action can help you improve your business when it counts

1.5 MODERN MARKETING CONCEPT

The consumer-oriented marketing has given rise to a new philosophy in business known as ‘marketing concept’. The marketing concept emphasises the determination of the requirements of potential customers and supplying products to satisfy their requirements.

Under the marketing concept customer is the fulcrum around which the business moves. The objective of a firm is not the maximisation of profitable sales volume but profits through satisfaction of customers. And all the marketing activities in a firm are integrated and directed towards this objective. The managers practicing this philosophy think in terms of what benefits the market or what needs are they satisfying.

The marketing concept considers marketing as an integrated process of identification, assessment and satisfaction of human needs and wants. It regards creation of customer and satisfaction of his wants as the justification of business.

Determination of wants of the customers takes precedence over production and other business activities. In other words, production is carried on according to the needs of the customers. Thus, the emphasis in modern business is on selling satisfaction and not merely on selling goods.

The marketing concept is based on the following pillars:

- (i) Identification of the prospective customers or the target market.
- (ii) Understanding the needs and wants of the customers or the target market by connecting with them.
- (iii) Development of products or services for satisfying the needs of the target market.
- (iv) Satisfying the needs of target market better than the competitors.
- (v) Ensuring profitable sales for the business.

IMPORTANCE OF MODERN MARKETING CONCEPTS

Following the aspects of modern marketing concepts not only are beneficial for consumers but can also be beneficial for the businesses serving them. Business can evaluate their operations on a full scale to determine if different departments and systems, like sales and marketing, are collaborating efficiently in monitoring data and results of marketing strategies. This emphasizes the importance of integrated relationships between departments and the ability to collect and analyze consumer data to ensure impeccable customer service.

COMPONENTS MODERN MARKETING CONCEPTS

1. The production concept

Before a business can offer a product to consumers, they must manufacture or produce said product first. This concept is based on the philosophy of the more something is produced, the less it costs for consumers and if a business can figure out how to produce a product on a mass scale (factories), it lessens the costs for them as well. If this concept could be described in 4 words it would be: Increase profits, reduce costs.

2. The product concept

No matter how high quality a product is, the consumer essentially weighs the cost, accessibility, and efficiency before deciding to purchase a product. If a business produces luxury goods that are pricey, then the number of consumers willing to, but the product will possibly below, making it a niche product.

3. The sales concept

Dealing with the process of actually selling a product, this concept emphasizes the importance of selling as much of the product as possible no matter if the needs of the consumer are met or the quality of the product/service. Following this concept alone does not lead to long-term consumer relationships, satisfaction, or consistent sales of a product.

4. The marketing concept

As stated earlier, the marketing concept places the consumer as the main priority for business operations. All motivations for creating a product and creating a marketing strategy to reach potential consumers are all for meeting their wants and needs to increase their satisfaction. This can lead to a business being the preferred choice among its competitors due to putting the consumers' needs first.

5. Societal marketing concept

While similar to the marketing concept in prioritizing the needs of the consumer, the concept also urges businesses to put in mind the overall welfare of the consumer and society as a whole. An example of this might be a business considering an eco-friendly way of producing its products in order to reduce carbon emissions, making the air healthier and improving breathing conditions for consumers.

Societal marketing can enhance profits from the sale of products by

- Making a product is useful enough to meet consumer needs
- Focusing on the well-being of the public at large
- Bettering the consumers' quality of life

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