

Marketing

Marketing is a system of business activities designed to plan, price, promote and distribute want satisfying goods and services to target markets, in order to achieve organizational objectives.

MARKETING MIX

1. Product

Anything that can be offered to a market for attention, use, or consumption that might satisfy a want or need. It includes any tangible item, services, ideas, concepts, or a person.

2. PRICE

The sum of the values that consumers exchange for the benefits of having or using the product or services.

3. PLACE (Distribution channel)

A set of interdependent organizations involved in the process of making a product or service available for use or consumption by the consumer or business user.

4. PROMOTION

Promotion is simply coordination of individual methods of promotions such as advertising, personal selling and sales promotion.

Evolution of Marketing

- | | |
|-------------------|-----------------|
| 1. Production Era | -----late 1800s |
| 2. Sales era | 1930s-----1950s |
| 3. Marketing era | 1950s-----1970s |
| 4. Societal era | 1970s-----1990s |
| 5. The future | -----????? |

Market

A place where buyers and sellers meet, goods and services are offered for sale and transfer of ownership occur.

Roles comprising the Market

- ✓ The marketer
- ✓ The decision maker
- ✓ The consumer
- ✓ The purchaser
- ✓ The influencer

CUSTOMER VALUE

Customer value is the values that customer expect before owning and using a product and the costs of obtaining the product

CUSTOMER SATISFACTION

The level to which a product's perceived performance matches a buyer's expectations.

Difference in between needs, wants and demands.

Needs

A state of felt deprivation

Wants

The form taken by a human need as shaped by culture and individual personality.

Demands

Human wants that are backed by buying power.

Marketing

Marketing is a system of business activities designed to plan, price, promote and distribute want satisfying goods and services to target markets, in order to achieve organizational objectives.

Sales

When a company makes a product and then tries to persuade customers to buy it, that's Selling.

Difference between selling and marketing

Selling	Marketing
<ul style="list-style-type: none">• Emphasis is on the product.• Company first makes the product and then figures out how to sell it.• Management is sales volume oriented.• Planning is short run oriented, in terms of today's products and markets.• Needs of sellers are stressed.	<ul style="list-style-type: none">• Emphasis is on customers' wants.• Company first determines customers' wants and then figures out how to make and delivers a product to satisfy those wants.• Management is profit oriented• Planning is long run oriented, in terms of new products, tomorrow's market, and future growth.• Wants of buyers are stressed.

Marketing Environment

External Environment

1. DEMOGRAPHIC

- Ratio of urban to rural population
- High population growth rate
- Demographic shifts
- Aging of population
- Ratio of minorities

2. TECHNOLOGY

- Invent of computer/internet
- E b i z (e-commerce)
- Change in lifestyle
- Change in business pattern

3. ECONOMIC

- Business cycles marked by recessions & booms
- Gross domestic product (GDP)
- Real income
- Inflation
- Interest rates

4. COMPETITION

- Brand competition
- Substitute products
- General competition

5. SOCIAL & CULTURAL FORCES

- Change in consumption pattern
- Difference in life style
- Two income families
- Changing gender roles
- A premium on time
- Health & environmental issues

6. POLITICAL & LEGAL FORCES

- Monetary & fiscal policies
- Social legislation & regulations
- Government relationship with industries
- Legislation special related to marketing

7. THE MARKET

“A place where buyers and sellers meet, goods & services are offered for sale, and transfers of ownership occur”

ORGANIZATION’S INTERNAL ENVIRONMENT

1. FINANCIAL RESOURCES

- Expansion / Retrenchment
- Size of operations
- Strength of the company
- Lease / buy options
- Advertising

2. LOCATION

- Prime Location Leads To Reduced Operating Costs

3. PRODUCTION FACILITIES

- Production Facilities To Meet The Quality
- Operation On Maximum Capacity

4. RESEARCH & DEVELOPMENT

- Customer Satisfaction From Existing Products
- Product Innovation
- Keeping An Edge Over The Competitor

5. HUMAN RESOURCE

- Employing Experts
- Employee An Asset Rather Than A Liability

6. COMPANY IMAGE

- Perception Of The Consumer
- Providing Meaningful Benefit To The Customer

Internal Environment

Positive Coordination between different departments creates good internal environment and hurdles of coordination between different departments damaging internal environment.

SWOT Analyses

Strength

- Do we have a unique competitive advantage?
- Do we have sufficient financial resources?
- Can we do something better than our competitors?
- Do buyers think well of us?
- Are we known as the market leader?
- Do we have most modern technologies?
- Can we produce at market at lower costs?
- Does our management team have a good track record?

Weaknesses

- Do we have lack of a clear strategic direction?
- Are our facilities obsolete?
- Is our profitability lesser than others?
- Do we have lack of management depth and talent?
- Are we missing any key skills?
- Do we have internal operating problems?
- We have short of cash to fund current and future business efforts
- Do we have a weak image in the market?

Opportunities

- Can we enter in new market?
- Can we expand our product line?
- Can we grow the Market size?

THREATS

- Are we likely to get new competitors?
- Other products that may be substituted for our product?
- Will new government policies hold up our business?
- Are we defenseless to economic downturns?
- Will buyers' tastes and preferences change?
- Will demographic shifts hurt us?

Strategic Marketing Planning

PLANNING

Refers to matching an organization's resources with the available market opportunities over the long run

Strategic Planning

THE PROCESS OF
DEVELOPING AND MAINTAINING STRATEGIES
TO MAXIMIZE THE CAPABILITIES OF ORGANIZATIONS
TO ACHIEVE THE OBJECTIVE
IN THE CHANGING MARKETING ENVIRONMENT.

OPPORTUNITY WINDOW

Refers to the limited amount of time available during which, a firm's resources coincide with a particular market opportunity

MISSION STATEMENT

Refers to over all boundaries of an organization's activities, which includes three aspects:

- What customers it serves
- What needs it satisfies
- What type of products it offers

OBJECTIVES & GOALS

Refer to the achievement of a desired outcome.

TACTIC

Means by which a strategy is implemented

SITUATIONAL ANALYSES

PESTEL analyses

- Political
- Economical
- Social
- Technological
- Educational
- Location

SWOT analyses

- Strengths
- Weaknesses
- Opportunities
- Threats

Selected Planning Models

Strategic Business Units (SBUs)

A unit of the company that has a separate mission and objectives and that can be planned independently from other company businesses.

To be identified as an SBU an entity should :

- Be a separately identifiable business.
- Have a distinct mission.
- Have its own competitors.
- Have its own executive group with profit responsibility.

The Boston Consulting Group (BCG)

		High	Low
Market Growth Rate	High	STAR	QUESTION MARK
	Low	CASH COW	DOG
		Relative Market share	

Stars

In Stars the market growth rate is high as well as the product growth rate is also high and capturing a large market size. They need heavy investment and excellent strategies. Whenever the market growth will slow down, product can turn into Cash Cows category.

Cash Cows

In Cash Cows market growth rate is low but the product growth rate is either stable or high relative market growth rate. Due to established products they need less investment to hold their market share. Thus they produce a lot of cash and profit margin is relatively high.

Question marks

In question marks the market growth rate is high but the product growth is either stable or decreasing. They required a lot of cash to hold their market share. Managers have question marks for low-share. Managers may be plan for new investments.

Dogs

In Dogs the market growth rate is low and the product growth rate is also low. They may generate enough cash to maintain themselves but do not promise to be large sources of cash. All such products are near to decline stage.

Igor Ansoff Matrix

	Present Products	New Products
Present Markets	Market Penetration	Product Development
New Market	Market Development	Diversification

Market Penetration

A strategy for company growth by increasing sales of current products to current market segments without changing the products.

Market Development

A strategy for company growth by identifying and developing new market segments for current products.

Product Development

A strategy for company growth by offering modified or new products to current market segments.

Diversification

A strategy for company growth by starting up new businesses, create new product to participate new market requirement.

Research

Research is the development, interpretation and communication of decision-oriented information to be used in all phases of the marketing process.

Why research?

- Competitive pressure
- Expanding market
- Customer expectation
- Cost of a mistake

Marketing Research Projects

Define the objective

Objective is to solve a problem.

Research is not a panacea but no panacea can be discovered without research.

Conduct a Situation Analysis

Situation Analysis is a background investigation that helps in refining the research problem. It involves obtaining information about the company and its business environment by means of library research and extensive interviewing of their officials.

Conduct an informal Investigation

Informal investigation consists of gathering readily available information from the company, middlemen, competitors, advertising agencies, and consumers.

Plan and Conduct a formal Investigation

Formal investigation consists of gathering primary and secondary data & their sources.

Primary Data

Primary Data are the new data gathered specifically for the project at hand.

Secondary Data

Secondary Data are available data, already gathered for some purpose.

Sources of Primary data

- Survey Method
- Mail Survey
- Personal Interviews
- Observation Method
- Telephone Surveys
- Experimental method

Analyze the Data

The end of the investigation is the researcher's conclusions and recommendations in the form of a written report.

Conduct a Follow up

Researcher should follow up their studies to determine whether their results and recommendations are being used as well as improving the research data in the future.

Consumer Behavior

Consumer behavior is the decision process and physical activity of an individual or group, when they are evaluating, acquiring, using or consuming goods and services.

Characteristics Affecting Consumer Behavior

◆ Cultural Factors

○ Culture

The set of basic values, perceptions, wants and behaviors learned by a member of society from family and other important institutions.

○ Sub-culture

A group of people with shared value systems based on common life experiences and situations.

◆ Social Class

○ Groups

Two or more people who interact to accomplish individual or mutual goals.

○ Family

A family is a group of two or more people related by blood, marriage, or adoption living together in a household

○ Roles and Status

A role consists of the activities people are expected to perform according to the persons around them e.g. daughter, husband, brand manager etc.

◆ Personal Factors

○ Age and life-cycle stage

- Single
- Married without children
- Married with children
- Married without dependent children
- Single without dependent children
- Single without children
- Single with children

Occupation

- Blue color job
- Junior Executive
- Senior Executive
- Small Business Entrepreneur
- Entrepreneur of group of companies

Economic situations

- Single
- Married without children
- Married with children
- Married without dependent children
- Single without dependent children
- Single without children
- Single with children

Life Style

A person's pattern of living as expressed in his or her activities, interests and opinions.

- **Personality and self-concept**

A person's distinguishing psychological characteristics that leads to relatively consistent and lasting responses to his or her own environment.

Psychological factor

- **Motivation**

A need that is sufficiently pressing to direct the person to seek satisfaction of the need.

- **Perception**

The process by which people select, organize, and interpret information to form a meaningful picture of the world.

- **Learning**

Changes in an individual's behavior arising from experience.

- **Belief and attitudes**

Belief

A descriptive thought that a person holds about something.

Attitudes

A person's consistently favorable or unfavorable evaluations, feelings, and expressions toward an object or idea.

Business Market

All organizations that buy goods & services for use in the production of other products & services that are sold, rented, or supplied to others.

Major Types of Buying Situations**Straight re-buy**

A business buying situation in which the buyer routinely reorders something without any modifications.

Modified re-buy

A business buying situation in which the buyer wants to modify product specifications, prices, terms, or supplier.

New task

A business buying situation in which the buyer purchases a product or services for the first time.

System buying

Buying a packaged solution to a problem from a single sellers or distributors.

Business buying process

Business buying process is the decision-making process by which business buyers established the need for purchased products & services and identifies, evaluates, and chooses alternative among Brands & suppliers.

Participants in the Business Buying Process**Buying center**

All the individuals and units, who are participating, in the process of Business buying decisions.

Users

Members of the organization who will use the product or service; users often initiate the buying proposal & help define product specification.

Influencers

People in an organization's buying center who affect the buying decision, they often help define specifications and also provide information for evaluating alternatives.

Deciders

People in the organization's buying center who have formal or informal power to select or approve the final suppliers.

Gatekeepers

People in the organization's buying center who control the flow of information to others.

The Business Buying Process

Problem recognition

The first stage of the business buying process in which someone in the company recognizes a problem or need that can be met by acquiring a good or a service.

General need description

At this stage of business buying process company describes the general characteristics and quantity of a needed item.

Product specification

At this stage of the business buying process buying organization decide on the product and specifies the best technical product characteristics for a needed item.

Value analysis

An approach to cost reduction, in which components are studied carefully to determine if they can be redesigned, standardized or made by less costly methods of production.

Supplier search

At this stage of the business buying process buyer tries to find the best vendors.

Proposal solicitation

The stage of the business buying process in which the buyer invites qualified suppliers to submit proposals.

Supplier Selection

The stage of the business buying process in which the buyer reviews proposal & selects a supplier or suppliers

Order-routine specification

The stage of the business buying process in which the buyer writes the final order with the chosen supplier(s), listing the technical specifications, quantity needed, expected time of delivery, return policies, & warranties.

Performance review

The stage of the business buying process in which the buyer rates its satisfaction with suppliers, deciding whether to continue, modify, or drop them.

Market Segmentation

Dividing a market into distinct groups of buyers on the basis of needs, characteristics, or behavior, who might require separate products or Marketing mixes.

Major Segmentation Variables for Consumer Markets

GEOGRAPHIC SEGMENTATION

- ◆ World region
- ◆ City or metro size
- ◆ Density
- ◆ Climate

Demographic Segmentation

- ◆ Age and Life Cycle Stage
- ◆ Gender
- ◆ Family Size
- ◆ Family Life Cycle
- ◆ Income segmentation
- ◆ Occupation
- ◆ Education
- ◆ Religion
- ◆ Cast
- ◆ Generation
- ◆ Nationality

PSYCHOGRAPHICS

- ◆ Social Class
- ◆ Lifestyle
- ◆ Personality

BEHAVIORAL

- ◆ Occasions
- ◆ Benefits
- ◆ User status
- ◆ Usage rate
- ◆ Loyalty status
- ◆ Readiness Stage
- ◆ Attitude Toward product

Major Segmentation Variables for Business Markets

Demographic Segmentation

- ◆ Industry
- ◆ Company
- ◆ Location

OPERATING VARIABLES

- ◆ Technology
- ◆ User
- ◆ Customer Capabilities

PURCHASING APPROACHES

- ◆ Purchasing Function Organization
- ◆ Power Structure
- ◆ Nature of existing relationships
- ◆ General purchase Policies
- ◆ Purchasing Criteria

SITUATIONAL FACTORS

- ◆ Urgency
- ◆ Specific Application
- ◆ Size of Order

PERSONAL CHARACTERISTICS

- ◆ Buyer-seller similarity
- ◆ Attitudes towards risk
- ◆ Loyalty

Market Targeting

The process of evaluating each market segment's attractiveness and selecting one or more segments to enter.

Evaluating Market Segments

To evaluate each segment we have to check :

- ✓ Segment size and growth
- ✓ Segment structural attractiveness,
- ✓ Company objective

Selecting Market Segments

a) Undifferentiated Marketing

A marketing-coverage strategy in which a firm decides to go for the whole market with one offer.

b) Differentiated Marketing

A marketing-coverage strategy in which a firm decides to target several market segments and designs separate offers for each.

c) Concentrated Marketing

A marketing-coverage strategy in which a firm decides to go with large markets share in one or few market segment.

MARKET POSITIONING

ARRANGING FOR A PRODUCT TO OCCUPY A CLEAR DISTINCTIVE, AND DESIRABLE PLACE RELATIVE TO COMPETING PRODUCTS IN THE MINDS OF TARGET CONSUMER.

PRODUCT

Anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need.

Service

Any activity or benefit that one party can offer to another party that is essentially intangible and does not result in the ownership of anything.

Product Classifications

A. CONSUMER PRODUCT

Product bought by final consumer for personal consumption.

a) Convenience Product

Consumer product that the customer usually buys frequently, immediately, & with a minimum of comparisons and buying effort. e.g. tooth paste

b) SHOPPING PRODUCT

Consumer good that the customer purchase after the process of selection. It requires characteristically compares on such bases as suitability, quality, price, and style. e.g. clothing

c) SPECIALTY PRODUCT

Consumer product with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort. Expensive and fashionable shopping goods Ameer Adnan, Cotton & Cotton.

d) Unsought product

Consumer products that the consumer either does not know about or do not want to think normally before buying. It has some emotional feelings. e.g. donations.

B. INDUSTRIAL PRODUCT

Product bought by individuals and organization for further processing or for use in conducting a business.

a) Materials and parts

- ✓ Farm Product e.g. Fruits, Cotton, etc.
- ✓ Natural Product e.g. Fish, Iron, etc.

b) Capital Items

Capital items consist of office accessories and operating materials.

c) Supplies

Operating supplies (Floppy disks, Office stationeries)

d) Services

Maintenance and Repair services.

BRAND

A name, term, sign, symbol, or design, or a combination of these intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

BRAND EQUITY

The value of a brand, based on the extent to which it has high brand loyalty, name awareness, perceived, quality, strong brand associations, and other assets such as patents, trademarks, and channel relationship.

REASON FOR BRANDING

1. FOR CONSUMERS, TO DIFFERENTIATE BETWEEN TWO PRODUCTS
2. To help shopkeepers to manage their shelf.
3. To help consumers to get consistent quality.

CO-BRANDING

THE PRACTICE OF USING THE ESTABLISH BRAND NAMES OF TWO DIFFERENT COMPANIES ON THE SAME PRODUCT.

BRAND STRATEGY**A. LINE EXTENSION**

Using successful brand name to introduce additional items in given product category under the same brand name, such as new flavors, forms, colors, added ingredients, or package sizes e.g. Suzuki Cultus, Suzuki Mehran, Suzuki Baleeno.

B. BRAND EXTENSION

By using the same brand name to launch new or modified products in new categories e.g. Honda Cars, Motorcycle, Generators, and Marine engines.

C. Multi Brands

In this strategy company marketed their products with different brand for each product. P&G.

D. New Brands

IN THIS STRATEGY COMPANY INTRODUCES NEW BRANDS JUST TO INCREASE THEIR NUMBER OF BRAND OR TO ENTER IN THE NEW MARKET.

PRODUCT MIX

A product mix is the set of all products offers for sale by a particular organization.

BREADTH OF A PRODUCT MIX

The number of product line included measures breadth of a product mix.

DEPTH OF A PRODUCT MIX

The variety of sizes, colors and models of product line included measures breadth of a product mix.

Characteristics of a service

1. Service Intangibility

A major characteristic of a service is that they cannot be seen, tasted, felt, heard, or smelled before they are bought.

2. SERVICE INSEPARABILITY

Second major characteristic of services is that they are produced and consumed at the same time and cannot be separated from their providers are people or machine.

3. SERVICE VARIABILITY

Third major characteristic of services is that their quality may vary greatly, depending on who provides them and when, where, and how.

4. SERVICE PERISH ABILITY

Fourth major characteristic of services is that they cannot be stored for latter sale or use.

Strategies for Service Industry

- ✓ Organization should have very trained workers.
- ✓ Staff should be satisfy and loyal with the employer.
- ✓ There should be excellent internal environment of the organization
- ✓ There should be very effective communication with customers.
- ✓ They have to careful for customer's satisfaction.

New-product development

Through the R&D efforts of a firm, the development or any change occur in the original products, modifications or improvement in a product, and creating a new brands.

New Product Development Strategy

A. Idea Generation

The systematic search for new-product by generating ideas through Research and Development.

B. Idea Screening

Screening new product-ideas in order to accept good ideas and drop poor ones as soon as possible.

C. Concept & Image Development

A product concept is a detailed version of the new-product idea stated in meaningful consumer terms. A product image is the way consumers perceive an actual or potential product.

D. Concept Testing

Concept testing is the process of testing new product concepts, with a group of target consumers to find out the perception of the consumer.

E. Marketing Strategy Development

Designing an initial marketing strategy for a new product based on the product concept.

F. Business analysis

In the process of business analysis we are analyzing the sales, costs, revenue and profit of the new product, to find out whether these factors satisfy the company's objectives or not.

G. Product Development

Developing the product concept into a physical product in order to assure that the product idea can be turned into a workable product.

H. Test Marketing

Before the full introduction of the product, marketer tests the market with realistic approach by free sampling of the product or by any other sources.

I. Commercialization

After the test marketing organization decides whether it should launched or not. If the test market is in the favor of the organization, they go a head for commercialization.

Product Life-Cycle

A. Introduction stage

In the introduction stage the new product is first distributed and made available for purchase.

B. Growth stage

In the growth stage consumers are well aware with the product, product's sales start climbing quickly.

C. Maturity stage

In the maturity stage consumers have created favorable or unfavorable perception with the product. So, in this stage sales growth is very high or slow.

D. Decline stage

Due to the environmental change the product may lose their importance. So, the sales of the product are declining gradually until zero.

PRICE

The sum of the values that a consumers exchange for the benefits of having or using the product or services.

Types of Cost

1. Fixed costs

These are that type of costs which occurs at the establishment of the organization. The costs are not affected with the production or sales level.

2. Variable costs

These are that type of costs which occurs with each extra unit produce or sale. These costs are directly related with the level of production.

3. Total costs

Total Cost is the sum of the fixed and variable costs, for any given level of production.

Factors Affecting Pricing Decision

A. Internal Factors

- a. Marketing Objective
- b. Marketing Mix Strategy
- c. Cost
- d. Organizational Consideration

B. External Factors

- a. The Market
- b. Demand
- c. Competition
- d. Environment

General Pricing Approaches

A. Cost Based Price

a. Cost-plus pricing

Adding a standard markup to the cost of the product.

b. Breakeven pricing

In this pricing approach we tried to achieve our break even in our desired time period.

B. Value Based Pricing

Setting price based on buyers perceptions of value rather than on the seller's cost.

C. Competition Based Pricing

Setting prices based on the prices that competitors charge for similar products.

New Product Pricing Strategies

A. Market Skimming Pricing

Setting a high price for a new product to skim maximum revenues from the segments willing to pay the high price. The company desires to make fewer but generate handsome revenue.

B. Market Penetration Pricing

Setting a low price for a new product in order to attract a large number of buyers and a large market share.

Product Mix Pricing Strategies

A. Product Line Pricing

Setting the price steps between various products in a product line, based on differences of different product's cost, features, and competitor's prices.

B. Optional Product Pricing

Optional product pricing is the pricing of accessory products along with a main product or price for extra value added with the main product.

C. Captive Product Pricing

Setting a price on products that must be used along with a main product, such as blades for a razor and film for a camera.

D. By Product Pricing

Setting a price for by products in order to make the main product's price more competitive.

E. Product Bundle Pricing

In this approach we create package rates by combining several products and offering the bundle at a reduced price.

Price Adjustment Strategies

A. Discount and Allowance Pricing

a. Cash Discount

Cash discount is for those customers who pay their bills punctually or in advance.

b. Quantity discount

Quantity discount is reduction in price for those customers who purchases in bulk quantity.

c. Functional discount

This discount is offered by the seller for the member of the trade channel who performs certain function for seller, such as selling, storing, and record keeping.

d. Seasonal discount

The seller offers this discount, for those buyers, who purchase merchandise or services out of season.

e. Allowance

Allowance is promotional Money paid by the manufacturers to the retailers against his performance or as per agreement.

B. Segmented Pricing

Selling a product or service at two or more prices, where the difference in prices is based on the differences in the environment of the segment.

C. Psychological Pricing

In this approach price is based on the perceptions of the consumer for the product.

D. Reference Prices

Price that buyers carry in their minds and refer to when they look at a given product.

E. Promotional Pricing

Temporarily pricing products below the list price, and sometimes even below cost, to increase short-run sales.

F. Geographical Pricing

a. FOB Origin Pricing

A geographical pricing strategy in which goods are placed free on board a carrier and the customer pays the actual freight from the factory to the destination.

b. Uniform-delivered pricing

A geographical pricing strategy, in which the company charges the same price plus freight to all customers, regardless of their location.

c. Zone Pricing

A geographical pricing strategy, in which the company divide their all clients location in different zones as per distance with the production house and fix charges for each zone. All customers within a zone pay the same price. The more distance of zone causes higher the price

d. Basing Point Pricing

A geographical pricing strategy in which the seller designates some city as a basing point and charges all customers the freight cost from that city to the customer location, regardless of the city far from the production house.

e. Freight-absorption Pricing

A geographical pricing strategy in which the company absorbs all or part of the actual freight charges in order to get the business.

Promotion Mix

A. Advertising

Any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

B. Personal Selling

It is personal presentation by the firm's sales force for the purpose of making sales and building customer relationship.

C. Sales Promotion

It is short-term incentives, to encourage the purchase or sale of a product or service.

D. Public Relations

Building good relations with the company's various publics and corporate clients by publicity and interacting in favorable moods and media, as well as handling unfavorable rumors, stories and events are also the part of public relation.

E. Direct Marketing

Direct communications with targeted individual consumer to obtain an immediate response and development of long-term relationship.

Integrated Marketing Communication

The concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent, and compelling message about the organization and its products.

Developing Effective Communication

- ✓ Identifying the Target Audience
- ✓ Objective
- ✓ Designing a Message
 - Message Contents
 - Message Structure
- ✓ Choosing Media
 - Personal Communication Channel
 - Non-personal Communication Channel
- ✓ Selecting the Message Source
- ✓ Collecting Feedback

Advertising objective

It is a specific communication task to create awareness within a specific target audience, during a specific period of time.

Advertising Agency

A marketing services firm that assists companies in planning preparing, implementing, and evaluation all or portions of their advertising programs.

Types of Advertising Agencies

1. Creative Agency
2. Agency on Record (AOR) or Media Buying Houses
3. Public Relation
4. Off Line Advertising Agency
5. Production Houses
6. Strategic Planners

Direct Marketing

Direct communications with targeted individual consumers to achieve an immediate response and develop long lasting customer relationships. This communications is carrying out through E-mail, Direct mail, Telephone, Catalogues, Fax, etc.

Forms Of Direct Marketing

- a) Face to Face Marketing
- b) Telemarketing
- c) Direct Mail Marketing
- d) Catalog marketing
- e) Direct Response Television Marketing
- f) Kiosk Marketing

Benchmarking

The process of comparing the company's product and process with the competitors or leading firms within the industry to find ways to improve quality and performance.

Sales Promotion

It is short-term incentives, to encourage the purchase or sale of a product or service for a limited time period.

Sales Promotion Objectives

The main objective of sales promotion is to build relationship between consumer and the brand as well as creating short term sales or temporary brand switching.

Salesperson

Salesperson is representative of a company, who performed one or more works in terms of vision, communicating, servicing, and information gathering.

Sales Promotion Tools

A. Consumer Promotion Tools

a. Sample

A small amount of a product offers free to the consumer for trial.

b. Coupon

This is a certificate that gives buyers for saving when they purchase a specified product again.

c. Cash Refund Offer

Offer to refund part of the purchase price of a product to consumers who send a “proof of purchase” to the manufacturer.

d. Price pack

In this strategy the producer directly reduced price and marked the label or package.

e. Premium

Another goods offer either free or at low costs as an incentive to buy a main product.

f. Advertising Specialties

Useful items printed with an advertiser’s name, given as a gift to consumers.

g. Patronage Reward

It is cash or other awards for those customers who are regularly using products or services of a certain company.

h. Point of Purchase (POP)

Display or demonstrate products at the point of purchases or sales. This demonstration should be in the favor of the retailer.

i. Contests, Sweepstake, Games

Promotional events in which consumers get a chance to win something such as cash, trips, or goods by luck or through extra effort.

B. Trade Promotional Tools**a. Discount**

A straight reduction in price on purchases the same brand during a declared period of time.

b. Allowance

Promotional money paid by manufacturers to retailers in return for an agreement to treat the manufacturer's products preferable than any other.

C. Business Promotional Tools

Conventions and Trade Shows are organizing for corporate and industrial clients.

Promotion Mix Strategies

Push strategy

A promotion strategy in which pushes the product through distribution channels to final consumer.

Pull strategy

In this strategy the marketing strategies are directly hit the final consumer to induce them to buy the product. Consumer will demand the product from channel members, if the pull strategy effect successfully.

Public Relations

Building good relations with the company's various publics and corporate clients by publicity and interacting in favorable moods and media, as well as handling unfavorable rumors, stories and events are also the part of public relation.

a. Press Release

Creating and placing news worthy information for ultimate consumer/customer in the media, to attract attention for a person, product, or service.

b. Product Publicity

Publicizing any specific products by focusing on its unique specialty.

c. Public Affairs

Building and maintaining a strong brand relation with national or local communities.

d. Lobbying

Developing and maintaining relations with legislators and government officials to influence legislations and regulations in favor of the organization.

e. Investor Relations

Developing relationships with investors and shareholders of the organization.

f. Development

To gain financial and volunteer support, generates relation with donors and social workers.