

Introduction to Marketing and Marketing Management

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What is marketing?

**Marketing is:
“meeting needs profitably”**

**Focus on the customer but also on
the company and its objectives**

PROFITS



**CUSTOMER
SATISFACTION**

Things a Firm Should Do in Producing and Marketing a product or service

Customer experience



Analyze Needs

Estimate Demand

Estimate Competition

Determine What (product)

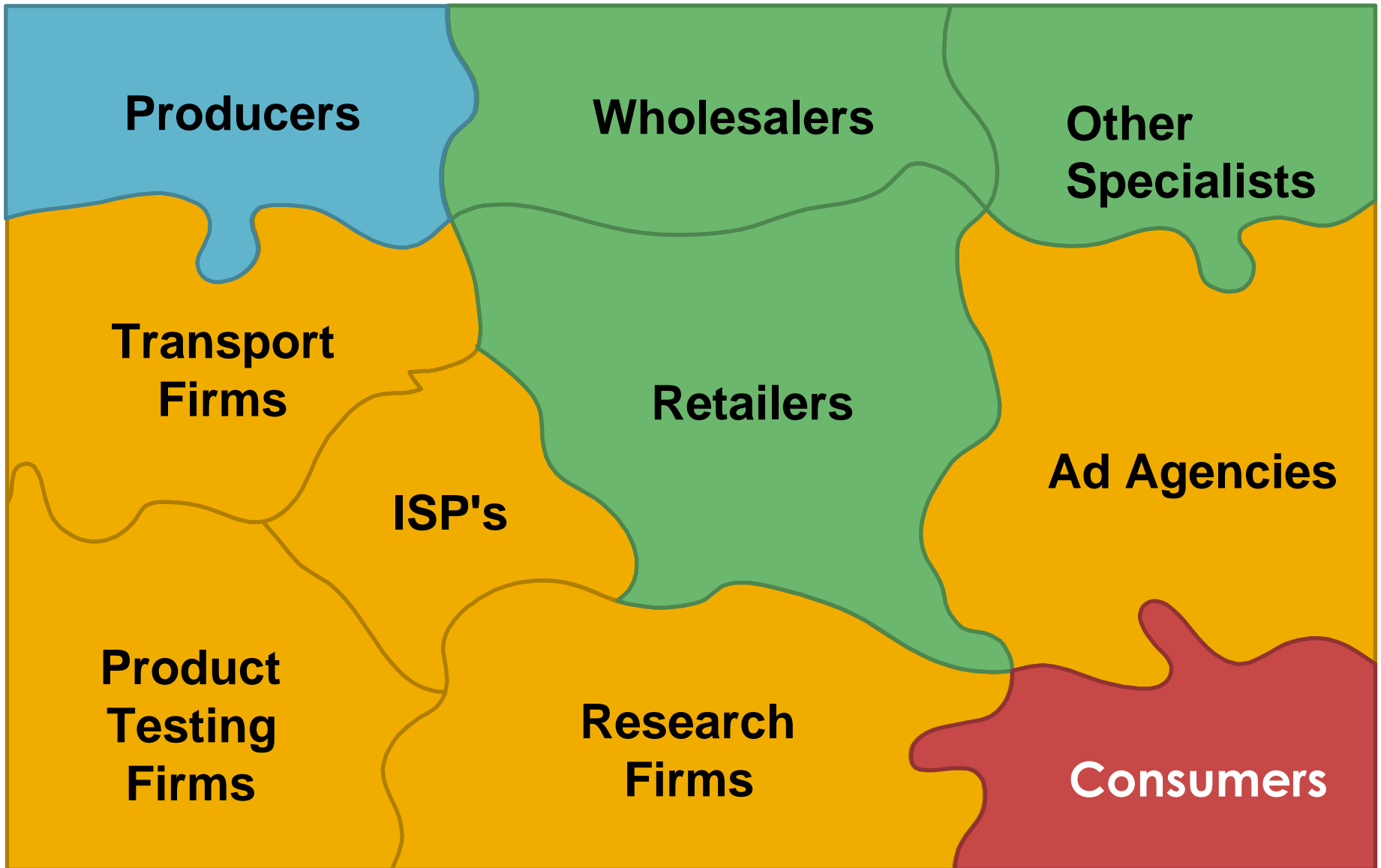
Determine Where (distribution)

Estimate Price

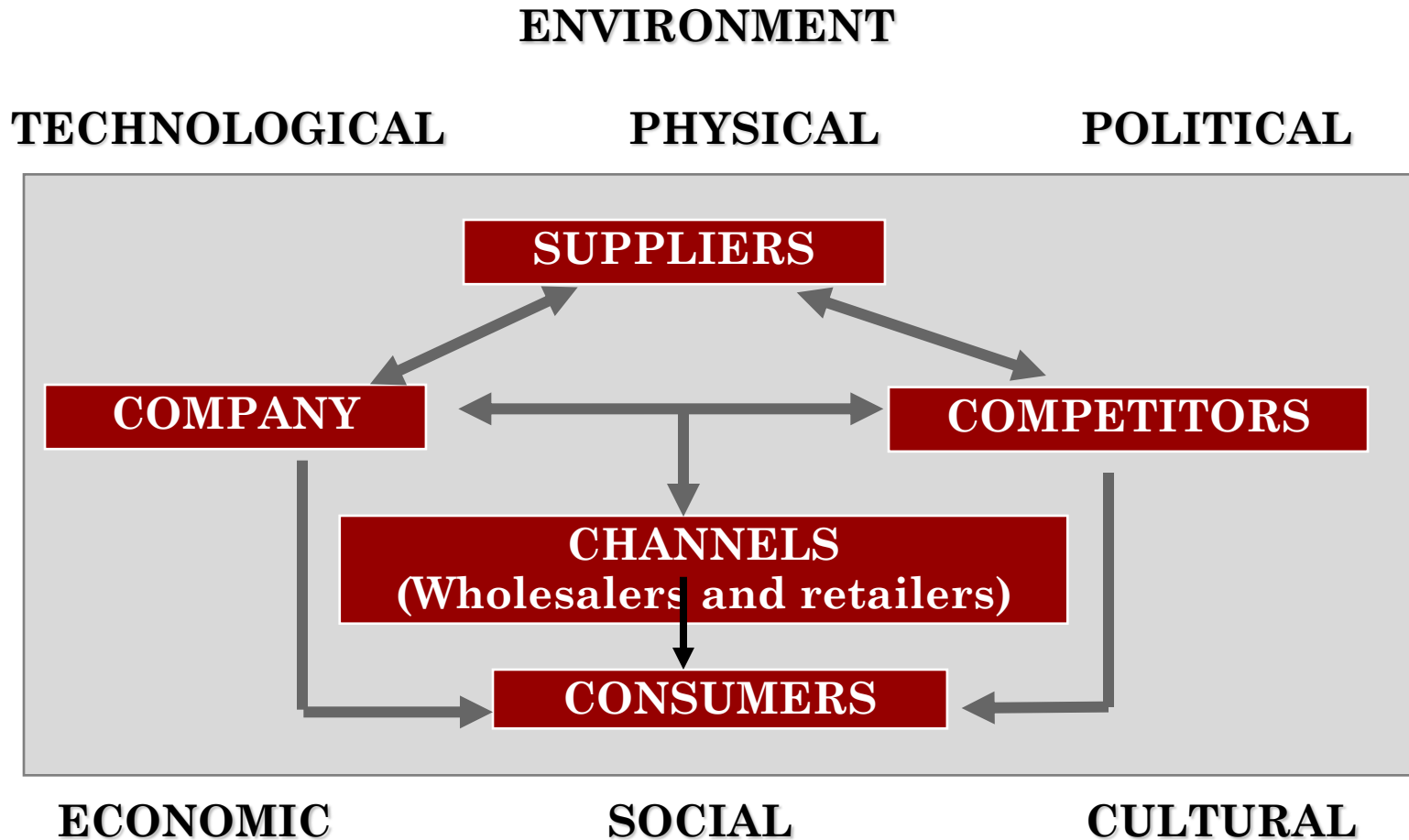
Decide Promotion

Provide Service

Who performs marketing functions?



The marketing system



Contents of a marketing plan

Executive summary

- External and internal analysis
- SWOT analysis
- Objectives
- Marketing strategy (targeting and positioning)
- Marketing mix decisions and action programs
- Budget
- Control



Brief summary of the main goals and recommendation of the plan for management review.

Table of contents

MARKETING PLAN – PRODUCT / MARKET / YEARS

EXTERNAL ANALYSIS

| | |
|-----------------|-------------------|
| Demand | Market System |
| Segmentation | Competitors |
| Buying Behavior | Macro environment |



| | |
|---------------|------------|
| Strengths | Weaknesses |
| Opportunities | Threats |



INTERNAL ANALYSIS

| | |
|-----------------------|-----------|
| Marketing | Economics |
| Operational Processes | |

MARKETING STRATEGY

| |
|-----------------------------|
| OBJECTIVES |
| TARGETING |
| COMPETITIVE STRATEGY |
| POSITIONING |

MARKETING MIX

| | |
|--------------------------|--------------|
| PRODUCT / SERVICE | PLACE |
| PROMOTION | PRICE |

| |
|-----------------------|
| <i>CONTROL</i> |
|-----------------------|

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SWOT analysis

Objectives

Marketing strategy
(targeting and positioning)

Marketing mix decisions
and action programs

Budget

Control

Describes the market and its characteristics, the segments of consumers and the company's position in it, including information about product performance, competition, distribution and the macro-environment. In synthesis, this section includes:

- the external analysis of the market
- the internal analysis of the company

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SWOT Analysis!

- Strengths
- Weaknesses
- Opportunities
- Threats

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States the marketing objectives that the company would like to attain during the plan's term.

- Quantitative objectives

- Qualitative objectives

Common objectives, their performance criteria and main measures

| | | |
|--|--|--|
| Profit and financial objectives | Profitability | <ul style="list-style-type: none"> •Profit •% Profit / sales •Contribution margin •ROI |
| | Contribution to owners | Earnings per share |
| | Utilization of fixed assets | Capacity utilization |
| Growth objectives / marketing objectives | % yearly growth | Sales (\$ and volume) Profits |
| | Competitive strenghts | Market share Brand awareness & preference |
| | Contribution to customers | Price/quality ratio Customer satisfaction Customer Loyalty |
| Social responsibilities objectives | Contribution to employees Contribution to society | |

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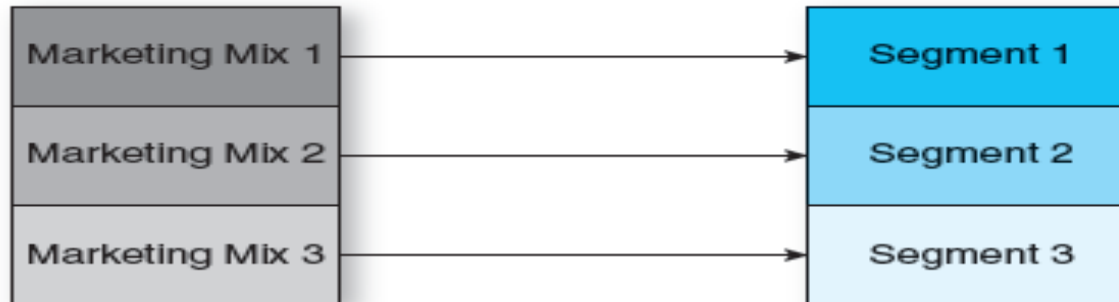
Targeting

- How many targets? **Concentrated, Differentiated, Indifferentiated strategy**
- **Product / market matrix**
- **Positioning** (taking into consideration the competitive strategy)

How many targets?



Undifferentiated Marketing

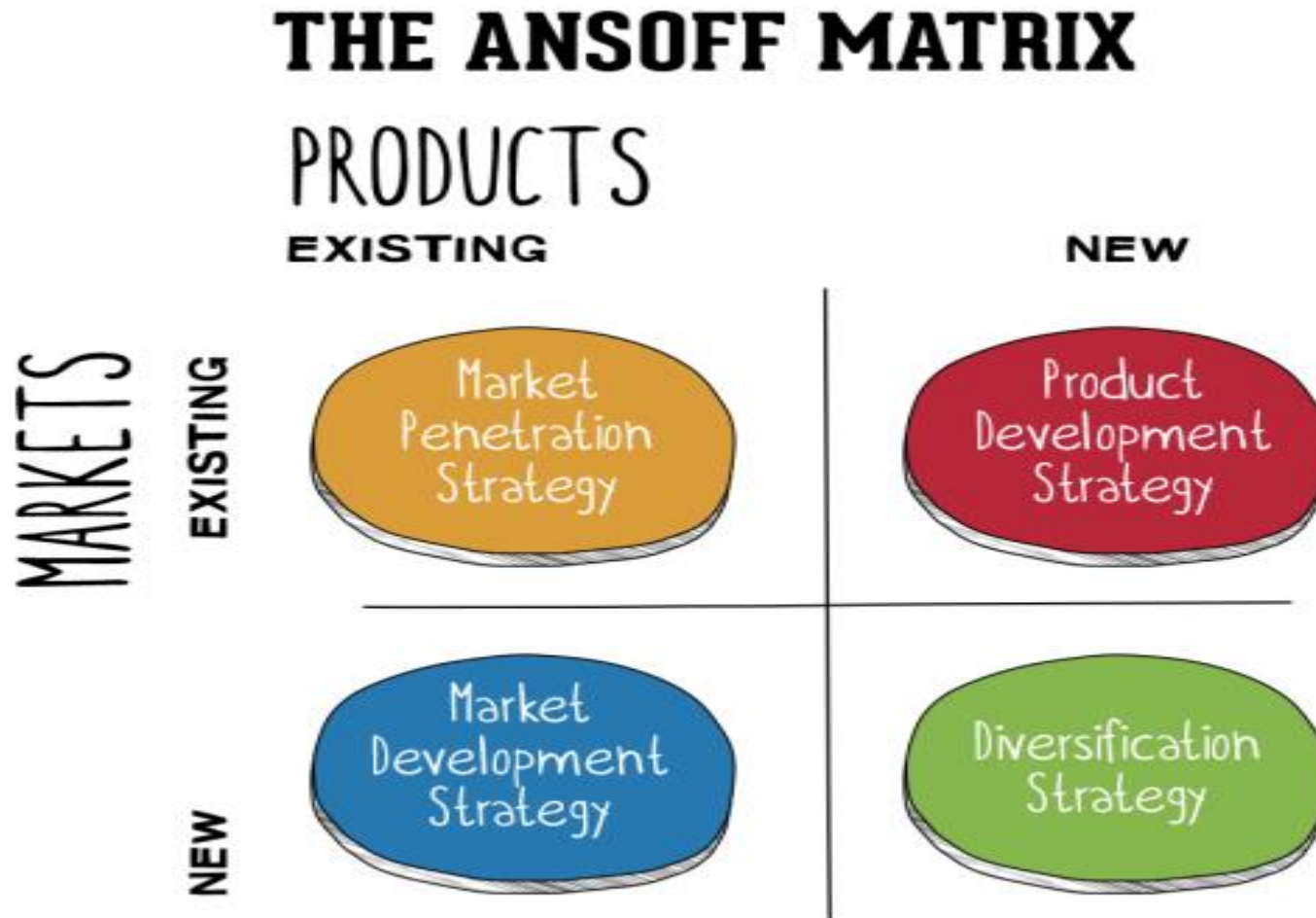


Differentiated Marketing



Concentrated Marketing

The Ansoff product / Market matrix



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Marketing mix decisions and action programs

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It outlines specific strategies and operative decisions for each marketing - mix element and explains how each responds to the threats / opportunities previously pointed out in the marketing plan

From the 4Ps to the 7Ps of the marketing mix



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Define a profit & loss statement, with a projected profit:

-**Expected revenues** (quantity - price)

-**Expected costs** (production, distribution and promotion cost)

Once the budget is approved by higher management, it becomes the basis for material buying, production scheduling, personnel planning and marketing operations

The marketing budget

Gross sales value: $p \times q$

- Trade Allowances

= Net product sales

- Direct delivered costs (DDC)
(production, distribution, etc.)

= Gross Profit

- Marketing appropriations (MA)

- **Marketing research costs**

- **Communication costs**

- = Profit Before Indirects (PBI)

← **Top line objectives
(efficacy)**

← **Bottom line objectives
(efficiency)**

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Control of results and define actions related to products that do not meet the company's goals

Thank You!