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Subject :- Marketing Management
For :- B. Com, BBA, M.Com, MBA & Net/ Set level.

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☆ Marketing Environment :-

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Include External Factor

↓

cannot Control external factor

↓

External forces divided into

☆ ~~Environmental Scanning~~ :-

Micro — Macro

☆ Micro Environment consists of

1. Suppliers
2. Marketing Intermediaries
3. Customers

☆ Macro Environment consists of

1. Demography
2. Socio-cultural Environment
3. Technological Environment
4. Legal Environment.
5. Political Environment
6. Natural Environment
7. Consumer Demand.

☆ Environmental Scanning :-

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This is the Process of

gathering — analysing — Forecasting

↓
Information related to the external enviroment in order to identify opportunities & threats that a company may be facing Environmental scanning helps in

1. Identifying the opportunities that a company has in immediate future.

2. Identifying the threats faced by the company.

3. Demand forecasting

4. Developing appropriate business plans.

5. Adjusting the company strategy in changing competitive environment.

Market Segmentation :-

Dividing Markets

Market Segmentation is the first step in applying the marketing strategy.

In this Process, the Marketers divide the Market into homogeneous sub-Markets.

Variables used for Segmentation include :-

1. Psychographic Segmentation :-

life Style & Value

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② geographical segmentation :-

area Location Climate

③ Demographic segmentation :-

region age education socio-economic status

Culture

Nationality language

④ Behavioural segmentation :-

Loyalty

Depends on consumers needs.

* Strategies of Target Marketing :-

① undifferenciated (Mass) Marketing :-

Target Whole Market.

② Differenciated (segmented) Marketing :-

Target special group of People.

③ Concentrated (niche) Marketing :-

Select Whole to specific group.

④ Micro Marketing :-

Local Market

Individual Marketing / Markets of one Marketing / customized Marketing / one to one Marketing

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Tailoring Product Marketing.

☆ Marketing Research :-

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Marketing → buying & selling activities

Research → Systematic Method of collecting, recording, analysing

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of data,

↓

which is used to solve Marketing Problems.

☆ Process of Marketing Research :-

① Define the Problem.
② Determine Research Design
③ Identify data types & sources.
④ Design Data collection forms & Questionnaire

5. Determine sample plan & size
6. collect the data
7. Analyse & Interpret the data.
8. Prepare the research Report.

☆ Promotion Decisions :-

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Promotion activities are a key component of Marketing Mix.

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Encourage customers to Buy.

Product Mix & Product line:-

The Product Mix is the set of all the Products that an organisation offers to its customers.

Features:-

① Width:-

This is the total number of Product lines a company carries.

② Length:-

It is the total number of items in the mix.

(3) Depth :-
↓
is the assortment of
sizes — colours — variations
↓
offered for each Product in the Product line.

(4) consistency :-
↓
The Products lines in Production
requirement — distribution — usage

☆ Product Life cycle :-
↓
Introduction ~~Induction~~ stage
↓
growth stage
↓
Maturity stage
↓
Decline stage

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① Introduction stage :-
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In this stage introduced Product to customers.
↓
The cost of the Product is very high & sales are very low.
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At this stage, company charges high Price to the customers.

② growth stage :-
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is a crucial for the Product's survival in the market.
↓
This stage is characterised by increase in sales, heavy demand for the Product & Peaking of Profit.

③ Maturity stage :-
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This stage is marked by a steady decline in Profits.
↓
Finally, the sales start declining & customers try out new Product & substitutes.

④ Decline stage :-

In this stage, Product sales & Profit Decline.

The company down & the company struggle to meet its costs.

* Pricing Policies :-

(A) Skimming the cream Pricing :-

This refers to the Policy of charging high Prices in the initial stage of the life Product.

The Manufacturer sets high Price of his Product to obtain high immediate Profits for ~~year~~ fear of competition at a later stage.

② Penetrating Pricing :-

This Pricing Policy involves setting a low initial Price to attract as many buyers as Possible.

Prices are fixed below the competitive level to maximize the market share & to make the brand popular quickly.

* Selecting Pricing Policy :-

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The selection of a Pricing Policy is vital for an organisation

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The selection of a Pricing Policy is dependent on its

external / internal

↓

environment.

① Psychological Pricing :-

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Higher Price Product

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Indicate good quality.

② Transfer Pricing :-

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Transfer goods one division to another division

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The Price charge for the transfer goods called Transfer Pricing.

③ Geographical Pricing :-
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Location wise

④ Promotional ~~sto~~ Pricing :-
↓
Price reduction or any other Promotional deal will attract customers.

⑤ Discriminatory Pricing :-
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Company charge different Prices to different customers.

⑥ Discount & allowances

☆ Basic Methods of Pricing :-

① Cost Plus Pricing :-
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under this method, the cost estimate of the Product is made & a margin for Profit is added to it to determine the Price.
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The Margine know as 'make-up' & that is why cost Plus Pricing is also known as make-up Pricing.

② Marginal Cost Pricing :-

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Cost of Production are divided into two Parts namely fixed cost & Variable cost.

③ Break even Analysis :-

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No Profit, No Loss situation.

④ Intuitive Pricing :-

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Sometimes a manufacturer may set the Price of his Product simply by estimating how much the consumers will be willing to Pay & without regard to costs.