Master of Business Administration (MBA) Syllabus

Paper Code – MB103

Course: MARKETING MANAGEMENT

Unit – I: Basics:

Marketing, Market, Marketing Management. Tasks, Philosophies, Marketing Mix-expanded Marketing Mix, Marketing Program and Marketing Strategy, Managing marketing effort, Global marketing, Marketing Environment - Company's Micro and Macro Environment – Interface with other functional areas.

Unit – II: Market Segmentation:

Levels and Bases for Segmentation, Segmenting Consumer Markets, Business Markets, International Markets, Market Targeting - Evaluating Market Segments, Selecting Market Segments– Differentiation, Product Positioning, Positioning Strategies, Demand Measurement and Sales Forecasting Methods, Estimating Current and Future Demand.

Competitive strategies.

Unit – III: Marketing Programme:

Decisions Involved in Product, Branding, Packaging, Product Line and Product Mix Decisions. New Product development, Product Life Cycle, Pricing, Strategies, Distribution Channels, Channel Management Decisions, Promotion Mix - Advertising, Sales Promotion.

Public Relations, Personal Selling. Online Marketing.

Unit – IV: Consumer Markets:

Model of Consumer Behavior, Seven Os Structure, Factors Affecting Consumer Behavior. Stages in the Adoption Process, Industrial Markets - Characteristics, Industrial Buyer Behavior, Services Markets-Characteristics, and Strategies.

Unit – V: Marketing Organization and Control:

Types of Marketing Organization Structures and Factors affecting Global marketing Organization, Marketing Organization Annual plan Control, Efficiency Control. Profitability Control and Strategic Control. Marketing Audit.

MBA I Semester - SYNOPSIS

Subject : Marketing Management – Unit I **-Basics**

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Unit – I: Basics:

Marketing, Market, Marketing Management. Tasks, Philosophies, Marketing Mix-expanded Marketing Mix, Marketing Program and Marketing Strategy, Managing marketing effort, Global marketing, Marketing Environment - Company's Micro and Macro Environment – Interface with other functional areas.

Market-A market is where sellers of particular goods or services can meet with buyers of those goods and services. It creates the potential for a transaction to take place. The buyers must have something they can offer in exchange for the product to create a successful transaction

Marketing-Marketing is defined by the American Marketing Association 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".

Marketing Management-MARKETING MANAGEMENT as the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services in order to create, exchange and satisfy individual and organisational objectives

Tasks of Marketing Management

Marketing management has to do a set of tasks necessary for success in marketing. The basic tasks of marketing are as follows:

1. Develop marketing strategies and plans

The first and foremost tasks of marketing are to develop marketing strategies and plans. They consist of following tasks:

Determining the strategies consist of identifying the marketing objectives or goals of the organization, their determination, and modification as well as determination of specific resources to achieve objectives or goals set. They are concerned with product, price, channel, promotion, competitors, etc.

Marketing plans involve mangers by which the marketing goals can be achieved. They involve deciding policy, strategy, tactics, procedures, rules and regulations and marketing programs, budgets and schedules to achieve the long-term as well as short-term goals.

Marketing strategies and plans allocate economic, physical and managerial resources of the organization for future.

They assess and analyze strength and weakness, opportunities and threats (SWOT).

2. Creating marketing information system

It is concerned with understanding what is happening inside and outside the company. Simply there are four components of marketing information. They are Internal Record System, Marketing Intelligence System, Marketing Research and Decision Support System.

3. Build customer relationship

Marketing needs to build customer relationship. Building customer relationship is a very effective way to increase satisfaction and sustain in market. The relationships can be built by using the emerging concepts such as relationship marketing and customer relationship management.

4. Build strong brands

Marketing needs to build strong brand. It is also a major task of marketing. Strong brand helps in promotion, value creating, image development, product positioning, brand loyalty and expansion of product lines.

5. Determine marketing mix

Marketing needs to create and determine and effective marketing mix to satisfy needs of target markets. It is the combination of four inputs such as the product, the price, the place and the promotional activities. Different marketing mix is essential for different groups of customers.

6. Deliver value

Marketing needs to deliver value to the target customers. Value is the ratio between what the customers pay and what they receive. Marketing must determine how to properly deliver the value embodied by the products and services to the target market. Customers' product choice is guided by value. So, marketing should add maximum value to the customers.

7. Communicate value

Marketing needs to communicate value to target markets. It has to develop an integrated marketing communication program that maximizes the individual and collective contribution of all communication activities by which firm attempts to inform, persuade, remain and reassure consumers about the brands. For this, marketing has to set up mass communication programs consisting of advertising, personal selling, sales promotion, public relations and publicity.

8. Create long-term growth

Marketing must take a long-term view of its products and brands and how its profits should be grown. Based on its positioning, it must initiate new-product development, testing and launching.

9. Implementation and control

Marketing must organize its marketing resources and implement and control the marketing plans. It must build a marketing organization that is capable of implementing marketing plans and strategies. Similarly, it must find out any deviations between achieved performances against planned or budgeted performance using predetermined standards. It provides feedback about marketing planning and strategies.

1.Marketing studies.

2.Analysis and satisfaction of consumer needs.

3.Control competition.

4.Managing Distribution costs.

5.Determination of the advertising budget.

6.Evaluation of advertising effectiveness.

7.Identification of customer needs and the possibilities offered by the market.

Philosophies of Marketing

Since marketing is the process of creating, communicating and delivering products to customers with the aim of satisfying their needs, the purpose of a marketing philosophy is to identify and fulfill those needs, as well as wants and demands.

This makes the concept of marketing philosophy extremely important, even crucial, to the success of marketing.

Depending on the business and a wide set of circumstances, there are 5 marketing philosophies (or concepts) that businesses can apply when marketing their products:

The production concept

The product concept

The selling concept

The marketing concept

The societal marketing concept

Some of them work better than others depending on the type of business, so let’s see what each of them entails.

marketing concepts - marketing philosophy

Marketing is ever-changing | Source

1. The production concept

As the name suggests, this marketing philosophy is all about production.

This means that the businesses that utilize it create inexpensive and widely available products, which is something their customers want.

A good example is Henry Ford and his famous cars.

Before him, cars were extremely expensive because they weren't mass-produced.

In fact, they were made by hand and would take ages to build. Ford realized that everyone needed cars, not only the wealthy, and decided to make them widely available.

Contrary to popular belief, he didn't invent this concept, and both mass production and assembly lines were used before him. In fact, one of his engineers, named William 'Pa' Klann, introduced the idea to Ford after visiting a slaughterhouse in Chicago and getting inspired by their so-called 'disassembly line'.

production marketing concept - henry ford assembly line

The Ford assembly line in 1913 | Source

Additionally, China was the first to utilize mass production to make metal parts for tools, armor, and weapons, and then the concept got to Europe and created the Industrial Revolution.

Furthermore, during the early 12th century, Venice started making ships using something similar to the production line in the shipyard called the Venetian Arsenal.

However, Ford and his Model T remain a good example of the marketing philosophy of production and business knowing what their customers need and making it available to them by mass producing it and making it widely available. In 1908, the price of the Model T was around $825, and in 1912 it was around $575.

How affordable is that?

production marketing concept

The Model T in 1910 | Source

Today, this marketing philosophy isn't as used as it was in the previous century.

Today's brands are more focused on other marketing concepts, which there will be a word about in the following paragraphs.

2. The product marketing concept

Unlike the production marketing philosophy which is focused on mass-producing inexpensive products, this concept favors high-quality products and holds the belief that the consumers won't mind the high price because of the quality.

The businesses that utilize this marketing philosophy assume that the customers prefer products that are of greater quality, so they spend a lot of time working on their products, improving them and coming up with new features.

They're fully focused on their products, paying less attention to the customer needs and markets, which can sometimes lead to bad product sales.

A great example of the product marketing philosophy is Apple.

They've been working on their models for years and coming up with new features, which convince their customers to stay.

Their products are expensive, but you don't get just any kind of product: you get the most cutting-edge technology.

3. The selling concept

While the production and product concepts are all about production, this marketing philosophy is focused on the promotion of products because it believes that the customers won't buy the products if they're not being advertised to them.

The businesses that utilize this marketing philosophy believe that they can sell any product with the use of advertising. What lead to the emergence of this concept was the very Industrial Revolution. During it, there was a lot demand, which leads to a lot of competition between businesses.

They became more efficient in production, which then led to overproduction and a surplus of products. Companies needed to sell the extra stock somehow, hence the emergence of the selling marketing philosophy.

selling marketing philosophy - selling marketing concept

Unsold products most often end up being put on sale and then promoted.

They started creating entire selling departments that had the aim of coaxing customers into buying as many products as they could.

Nowadays, this marketing philosophy is still used a lot, and for a similar reason, which is dead stock.

Dead stock presents products that a company is not able to sell and that has to be stored, which costs the company money. The way they get rid of it is by using the selling marketing philosophy, putting it on sale and encouraging people to buy it.

4. Marketing concept

This concept is all about learning as much as you can about your customers, and only then creating a product that you know they need.

Out of all the marketing philosophies, this one is probably used the most in marketing nowadays. This is probably because it is hard to sell anything nowadays without knowing your target audience really well and appealing to them. Hence why this marketing philosophy places a lot of importance on the customer and their wants and needs.

marketing concept

Knowing your audience is crucial if you want your business to succeed | Source

Unlike the selling marketing concept, which doesn't care about the needs of the customer and the market, the marketing concept is all about that.

1.Production Concept

2.Product Concept

3.Selling Concept

4.Marketing Concept

5.The Societal Marketing Concept

Marketing Mix- The Four Ps stand for 'product', 'price', 'place' (i.e., distribution) and 'promotion' (i.e., advertising). According to Kotler, "(The) Marketing Mix is the set of controllable variables that the firm can use to influence the buyer's response."

Expanded Marketing Mix - The services marketing mix is also called the 7Ps and includes the addition of process, people and physical evidence

Marketing Program:

With respect to marketing, it means the plan with respect to the various marketing activities taken by a company to increase sales.

A marketing program is a coordinated and well-designed set of activities to achieve marketing objectives. Marketing objectives are strategic sales goals that fit the products' strengths and are based on various characteristics of the product. One may follow different marketing programs according to the situation. In order to build strong customer relationships and maximize sales, the organizations follow different marketing, sales and loyalty programs.

Marketing is a broad field, encompassing elements as diverse as advertising, brand and logo design, sales calls, Web sites, brochures, packaging, shows, conferences and other events, and so on. The more tools, the better. But the variety and complexity of choices makes getting organized and focused hard. The 4Ps- product, place, price and promotion can be used to develop these marketing programs.

A marketing program is a coordinated and well-designed set of activities to achieve marketing objectives. Marketing objectives are strategic sales goals that fit the products' strengths and are based on various characteristics of the product. One may follow different marketing programs according to the situation

Marketing Strategy: Marketing strategy is a long-term, forward-looking approach to planning with the fundamental goal of achieving a sustainable competitive advantage.

Managing Marketing effort: Marketing efforts are the resources a company dedicates to promoting its products and services. Through marketing activities, a company can create demand and interest in its items and gain greater visibility with potential customers.

Global Marketing: Global marketing is "marketing on a worldwide scale reconciling or taking commercial advantage of global operational differences, similarities and opportunities in order to meet global objectives".

Marketing Environment: The **Marketing Environment** includes the Internal factors (employees, customers, shareholders, retailers & distributors, etc.) and the External factors(political, legal, social, technological, economic) that surround the business and influence its marketing operations.

Interface with other functional areas- Marketing Interfaces with other functional areas. The marketing function within any organization does not exist in isolation. Therefore it's important to see how marketing connects with and permeates other functions within the organization. The marketing function within any organization does not exist in isolation. Marketing management has interface with all the functional areas including finance, accounts, supply chain management, operations management, human resource management etc. Marketing has to provide several inputs as information to these functions and also receives from them a lot of data and information for carrying out its tasks.

MBA SYNOPSIS

Subject: Marketing Management – Unit II

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Unit – II: Market Segmentation:

Levels and Bases for Segmentation, Segmenting Consumer Markets, Business Markets, International Markets, Market Targeting - Evaluating Market Segments, Selecting Market Segments– Differentiation, Product Positioning, Positioning Strategies, Demand Measurement and Sales Forecasting Methods, Estimating Current and Future Demand. Competitive strategies.

Market Segmentation- Market segmentation is the sub-dividing of market into homogeneous sub-sections of customers, where any sub-section may conceivably be selected as a market target to be reached with a distinct marketing mix.

Levels of Segmentation, Bases for Segmentation -

- Geographic
- Demographic
- Psychographic
- Behavioral
- Benefits sought etc.

Target Market- Target market consists of various groups of buyers to whom company wants to sell the product; each tends to be similar in needs or characteristics.

Evaluating Market Segments: You can evaluate the market potential of a segment by looking at the number of potential customers in the segment; their income and the number of people in the segment who need the kind of product you offer

Selecting Market Segments- The market segments should be selected on the basis of their attractiveness at present and in the foreseeable future.

Differentiation-In economics and marketing, product differentiation (or simply differentiation) is the process of distinguishing a product or service from others, to make it more attractive to a particular target market. This involves differentiating it from competitors' products as well as a firm's own products.

Product Positioning- Positioning is the act of designing the company's offering and image to occupy a distinctive place in the target market's mind."

Positioning Strategies

There are several approaches to positioning strategies:

1) Using Product characteristics or Customer Benefits as a positioning strategy.

2) Pricing as a positioning strategy.

3) Positioning strategy based on Use or Application.

4) Positioning strategy based on Product Process.

5) Positioning strategy based on Product Class.

Demand Measurement and Sales Forecasting Methods

Sales forecasting is the process of estimating future sales. Accurate sales forecasts enable companies to make informed business decisions and predict short-term and long-term performance

SALE FORECASTING- Sales forecasting is the process of predicting the amount of sales a business can generate in a given period. It involves analyzing historical data and using it to make informed assumptions about future sales. The purpose of sales forecasting is to enable businesses to set realistic sales targets, allocate resources, and adjust their strategies to meet changing market conditions1. There are several methods that businesses can use to calculate sales forecasting, including historical data analysis and market research. Accurate sales forecasting helps businesses make informed inventory, production, and marketing decisions.

Sales Forecasting Methods

1. Jury of Executive Opinion.
2. Sales Force Opinion.
3. Test Marketing Result.
4. Consumer's Buying Plan.
5. Market Factor Analysis.
6. Expert Opinion.
7. Econometric Model Building.
8. Past Sales (Historical Method).
9. Statistical Methods.

Competitive Strategies: A competitive strategy may be defined as a long-term plan of action that a company devises towards achieving a competitive advantage over its competitors after examining the strengths and weaknesses of the latter and comparing them to its own

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Unit – III: Marketing Programme:

Decisions involved in Product

Branding: [Philip Kotler/Gary Amstrong]- A brand is defined as a "name, term, sign symbol (or a combination of these) that identifies the maker or seller of the product". Branding is the process of creating the brand identity of a company or a product. A brand identity is the name, logo, design, symbol, or features that make a company or a product stand out from the competitors and connect with the customers. Branding helps to communicate the vision, values, and personality of a company or a product, and to create a positive and memorable customer experience. Branding is important for any business that wants to achieve success and loyalty in the market

Packaging- Kotler defines packaging as "all the activities of designing and producing the container for a product." Packaging is the process of providing a protective and informative covering to the product in such a way that it protects the product during material handling, storage, and movement and also provides useful information to all the concerned parties about the content of the package. Packaging can be described as a coordinated system of preparing goods for transport, warehousing, logistics, sale, and end usehttps://www.geektonight.com/what-is-packaging/. Packaging can have different purposes and functions, such as protection, identification, promotion, convenience, and containment. Packaging can also have different types and materials, such as paper, plastic, metal, glass, or textile.

Product line Decisions. A product line is a group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same types of outlets, or fall within given price ranges (Philip Kotler and Ronald E. Turner). Product line decisions are based on analysis of individual products in that line for sales revenue and profitability.

Product Mix Decisions Product mix (also called product assortment) is the set of all product lines and items that a particular seller offers for sale to buyers" Product mix decisions are based on analyzing the product lines for sales revenue, profitability and comparing it with profit targets. Product mix decisions are the choices that a company makes regarding the range and variety of products that it offers to the market. Product mix decisions affect the positioning, competitiveness, and profitability of the company and its brands. Product mix decisions involve four dimensions: width, length, depth, and consistency.

- Width refers to the number of different product lines that the company carries. For example, a company that sells shoes, clothing, and accessories has a wide product mix.
- Length refers to the total number of items or variants that the company offers within each product line. For example, a company that sells 10 types of shoes, 15 types of clothing, and 20 types of accessories has a long product mix.
- Depth refers to the number of versions or variations that the company offers for each item or variant in the product line. For example, a company that sells shoes in different colors, sizes, and styles has a deep product mix.
- Consistency refers to how closely related the product lines are in terms of end use, production, distribution, or any other way. For example, a company that sells shoes, clothing, and accessories that are all designed for sports has a consistent product mix.

A company can increase or decrease its product mix width, length, depth, or consistency by adding or deleting product lines, items, variants, or versions. These decisions depend on the company's objectives, resources, capabilities, and market opportunities

New Product development- this follows several stages as listed below

1.Idea generation

2.Idea screening

3.Concept development and testing

4.Marketing strategy development

5.Business analysis

6.Product development

7.Test marketing

8.Commercialization

New product development is the end-to-end process of creating a product that has never been brought to market—from idea to concept, prototyping, developing, testing, and launch. It involves building a product strategy and roadmap to successfully guide cross-functional teams and stakeholders through the entire process.

New product development can be divided into seven stages, each with its own goals, tasks, and deliverables

- Idea generation: This is the stage where you brainstorm and collect new product ideas from various sources, such as customer feedback, market research, competitor analysis, or internal innovation. You can use tools like mind maps, SWOT analysis, or surveys to generate and evaluate ideas.
- Idea screening: This is the stage where you filter and select the most promising and feasible ideas from the pool of generated ideas. You can use tools like scoring models, checklists, or feasibility studies to screen and rank ideas based on their potential value, cost, and risk.
- Concept development and testing: This is the stage where you define and refine the product concept, which is a detailed description of the product features, benefits, and target market. You can use tools like personas, user stories, or value proposition canvas to develop and communicate the product concept. You can also test the product concept with potential customers or users to get their feedback and validation.
- Business analysis: This is the stage where you assess the business viability and profitability of the product concept. You can use tools like market size estimation, financial analysis, or break-even analysis to estimate the revenue, cost, and profit of the product. You can also use tools like Porter's five forces, SWOT analysis, or PEST analysis to analyze the external factors that may affect the product success.
- Product development and prototyping: This is the stage where you design and build the product prototype, which is a working model or a sample of the product. You can use tools like wireframes, mockups, or sketches to design the product appearance and functionality. You can also use tools like agile methodology, scrum, or kanban to manage the product development process and collaboration.
- Product testing and validation: This is the stage where you test and validate the product prototype with real customers or users to evaluate its performance, usability, and desirability. You can use tools like user testing, beta testing, or A/B testing to collect and analyze user feedback and data. You can also use tools like quality assurance, bug tracking, or user acceptance testing to ensure the product quality and reliability.

• Product launch and marketing: This is the final stage where you launch and market the product to the target market and the public. You can use tools like marketing mix, marketing plan, or marketing strategy to plan and execute the product promotion and distribution. You can also use tools like product launch checklist, press release, or social media to announce and celebrate the product launch.

Product life cycle - The product life cycle is an attempt to recognize distinct stages in sales history of the product." Product life cycle concerns with the study of relationship between sales volume and profits in relation to time through entire span of the product's life. Product life cycle is a concept that describes the stages that a product goes through from its introduction to its decline in the market. Product life cycle has four stages: introduction, growth, maturity, and decline. Each stage has different characteristics, challenges, and opportunities for the product and the company

• Introduction: This is the stage when the product is launched in the market for the first time. The product is new and unfamiliar to the customers, and the demand is low and uncertain. The company faces high costs of production, marketing, and distribution, and the profit is low or negative. The company's main goal in this stage is to create awareness and interest for the product, and to attract early adopters and innovators

• Growth: This is the stage when the product gains acceptance and popularity among the customers, and the demand increases rapidly. The product faces more competition from other similar products, and the company tries to differentiate and improve its product. The company benefits from economies of scale, lower costs, and higher sales and profits. The company's main goal in this stage is to increase market share and customer loyalty, and to expand to new markets and segments.

• Maturity: This is the stage when the product reaches its peak in sales and profits, and the market becomes saturated and stable. The product faces intense competition from many rivals, and the company faces pressure to lower prices and increase promotions. The product's features and benefits become standardized and commoditized, and the customer's needs and preferences change. The company's main goal in this stage is to maintain and defend its market position, and to extend the product's life cycle through innovation and diversification.

• Decline: This is the stage when the product's sales and profits decline due to changing customer needs, technological advances, or environmental factors. The product loses its appeal and relevance to the customers, and the demand decreases. The company faces high costs of maintaining and supporting the product, and the profit becomes negative. The company's main goal in this stage is to decide whether to withdraw, discontinue, or reposition the product, or to reduce costs and resources.

Pricing The **definition** of **Price** according to **Philip Kotler** is :**Price** is the amount of money charged for a product or service

Pricing strategies

Four basic **pricing strategies**

Premium, Skimming, Economy or Value and penetration

Pricing strategies are the methods and techniques that businesses use to set and adjust the prices of their products or services. Pricing strategies affect the revenue, profit, and market share of the businesses and their brands. Pricing strategies depend on various factors, such as the costs, the demand, the competition, the value, and the objectives of the businesses.

There are different types of pricing strategies that businesses can choose from, depending on their situation and goals. Some of the common pricing strategies are:

- Cost-plus pricing: This is a pricing strategy that adds a fixed percentage or amount of profit to the total cost of producing or providing the product or service. This is a simple and easy way to ensure that the business covers its costs and makes a profit, but it does not consider the customer's willingness to pay or the market conditions.
- Value-based pricing: This is a pricing strategy that sets the price of the product or service based on the perceived value or benefit that it provides to the customer. This is a customer-oriented and competitive way to capture the value that the business creates, but it requires a lot of research and analysis to estimate the customer's perception and preference.
- Price skimming: This is a pricing strategy that sets a high price for a new or innovative product or service when it is first introduced in the market, and then gradually lowers the price over time as the demand decreases or the competition increases. This is a way to maximize the profit from the early adopters and the market segments that are less price-sensitive, but it may limit the market penetration and the customer loyalty.
- Penetration pricing: This is a pricing strategy that sets a low price for a new or existing product or service when it enters or re-enters the market, and then gradually increases the price over time as the demand increases or the competition decreases. This is a way to attract and retain a large number of customers and gain a significant market share, but it may reduce the profit margin and the perceived quality of the product or service.

• Dynamic pricing: This is a pricing strategy that adjusts the price of the product or service in real time based on the changes in the demand, the supply, the competition, or other factors. This is a way to optimize the revenue and the profit by matching the price with the market conditions, but it may require sophisticated technology and data, and it may alienate some customers who feel unfair or confused.

Distribution Channels

A channel of distribution is a set of independent organizations involved in the process of making a product or service available for use or Consumption by the consumer or business user”.

Marketing channel management involves selecting, managing, motivating and evaluating the channel member's performance. A distribution channel is the network of businesses or intermediaries that facilitates the delivery of a product or service from the producer to the end consumer. It also transfers the payments from the buyer to the seller. Distribution channels can include wholesalers, retailers, distributors, and even the internet. Distribution channels are part of the marketing mix, along with product, price, and promotion. They affect the availability, accessibility, and affordability of the product or service for the customers.

There are different types of distribution channels, depending on the number and the role of the intermediaries involved. Some of the common types are:

• Direct channel: This is when the producer sells the product or service directly to the consumer, without any intermediaries. This can be done through the producer's own website, store, or sales force. This type of channel gives the producer more control, lower costs, and higher profits, but it also requires more resources, reach, and customer service.

• Indirect channel: This is when the producer uses one or more intermediaries to sell the product or service to the consumer. The intermediaries can be wholesalers, who buy large quantities of goods from the producer and sell them to retailers; retailers, who buy goods from the wholesaler or the producer and sell them to the final consumer; or distributors, who act as agents or brokers for the producer and help them reach the target market. This type of channel gives the producer more access, coverage, and efficiency, but it also reduces the control, margin, and feedback.

• Hybrid channel: This is when the producer uses both direct and indirect channels to sell the product or service to the consumer. This can be done to reach different segments, regions, or markets, or to offer different levels of service, quality, or price. This type of channel gives the producer more flexibility, diversity, and competitiveness, but it also increases the complexity, conflict, and coordination.

Channel Management Decision- Marketing channel management involves selecting, managing, motivating and evaluating the channel member's performance. Channel management decisions are the choices that a company makes regarding the selection, training, motivation, evaluation, and termination of the intermediaries that distribute its products or services to the end customers. Channel management decisions are important for achieving the company's marketing objectives, such as customer satisfaction, market coverage, sales volume, and profitability.

Some of the factors that influence channel management decisions are:

- The characteristics of the product or service, such as its complexity, perishability, standardization, or customization.
- The characteristics of the market, such as its size, geographic dispersion, segmentation, or competition.
- The characteristics of the intermediaries, such as their availability, capability, compatibility, or loyalty.
- The characteristics of the company, such as its goals, resources, capabilities, or policies.

Some of the steps involved in channel management decisions arehttps://testbook.com/ugc-net-commerce/channel-management:

- Selecting channel members: This involves identifying, evaluating, and choosing the most suitable and effective intermediaries for the company's products or services. The company should consider the criteria, such as the market coverage, the sales potential, the costs, the control, and the cooperation of the intermediaries.
- Training channel members: This involves providing the intermediaries with the necessary knowledge, skills, and tools to perform their roles and responsibilities. The company should consider the topics, such as the product features and benefits, the sales techniques, the customer service, and the company policies and procedures.
- Motivating channel members: This involves encouraging and rewarding the intermediaries for their performance and cooperation. The company should consider the methods, such as the financial incentives, the non-financial incentives, the feedback, and the recognition.
- Evaluating channel members: This involves monitoring and measuring the intermediaries' performance and satisfaction. The company should consider the indicators, such as the sales volume, the market share, the customer satisfaction, and the profitability.

• Terminating channel members: This involves ending the relationship with the intermediaries who are underperforming, uncooperative, or incompatible. The company should consider the reasons, such as the breach of contract, the poor performance, the conflict of interest, or the change of strategy.

Promotion mix- The Promotion Mix is the integration of Advertising, Personal Selling, Sales Promotion, Public Relations and Direct Marketing.

Advertising is any paid form of non personal presentation & promotion of ideas, goods, or services **by** an identified sponsor. Advertising is the practice and techniques employed to bring attention to a product or service. Advertising aims to put a product or service in the spotlight in hopes of drawing it attention from consumers. It is typically used to promote a specific good or service, but there are wide range of uses, the most common being the commercial advertisement. Commercial advertisements often seek to generate increased consumption of their products or services through "branding", which associates a product name or image with certain qualities in the minds of consumers. On the other hand, ads that intend to elicit an immediate sale are known as direct-response advertising. Non-commercial entities that advertise more than consumer products or services include political parties, interest groups, religious organizations and governmental agencies. Non-profit organizations may use free modes of persuasion, such as a public service announcement. Advertising may also help to reassure employees or shareholders that a company is viable or successful.

Advertising has a long and rich history, dating back to ancient times. Some of the earliest forms of advertising include wall paintings, posters, flyers, and signs. With the development of mass media, such as newspapers, magazines, radio, television, and the internet, advertising has become more widespread and sophisticated. Advertising can also use various methods and techniques, such as slogans, jingles, logos, mascots, testimonials, endorsements, and humor. Advertising can also have different effects and impacts, such as informing, persuading, influencing, or entertaining the audience.

Advertising is a complex and dynamic field that involves many aspects, such as creativity, strategy, research, planning, execution, and evaluation. Advertising also involves many stakeholders, such as advertisers, agencies, media, regulators, and consumers. Advertising is also influenced by many factors, such as culture, society, economy, technology, and ethics.

Sales Promotion- Sales Promotion consist of diverse collection of incentive tools, mostly short term designed to stimulate quicker or greater purchase of particular product or services by consumers or the trade

Public Relations- According to Philip Kotler and Gary Armstrong, public relation means 'building good relations with the company's various publics by obtaining favourable publicity, building up a good corporate image, and handling or heading off unfavourable rumors, stories and events'.

Personal Selling- According to Philip Kotler, "Personal selling is a broader concept and involves oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales."

Online or Digital marketing- is a form of direct marketing which links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etc. (Kotler and Armstrong, 2009).

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Unit – IV: Consumer Markets:

Model of Consumer Behavior, Seven Os Structure, Factors Affecting Consumer Behavior. Stages in the Adoption Process, Industrial Markets - Characteristics, Industrial Buyer Behavior, Services Markets-Characteristics, and Strategies.

Consumer Market- The consumer market pertains to buyers who purchase goods and services for consumption rather than resale. However, not all consumers are alike in their tastes, preferences and buying habits due to different characteristics that can distinguish certain consumers from others.

Models of Consumer Behavior

1.Economic model
2.Input, Process, Output model
3.Psychological model
4.Howarth sheth model
5.Sociological model'
6.Engel – Blackwell - Kollat Model
7.Industrial buying model
8.Nicosia model

Seven O's Structure

1.Occupants - Who constitutes the market?
2.Objects - What does the market buy?
3.Ojectives – Why does the market buy?
4.Organizations - Who participates in buying?
5.Operations - How does the market buy?
6. Occasions - When does the market buy?
7.Outlets - Where does the market buy?

Factors affecting Consumer Behavior

1. Cultural factors

2. Sub-Culture

3. Social Classes

4. Psychological factors

Stages in the adoption Process- Philip Kotler considers five steps in consumer adoption process, such as awareness, interest, evaluation, trial, and adoption.

Industrial Markets - Industrial marketing (or business-to-business marketing) is the marketing of goods and services by one business to another

Characteristics of industrial Markets

1. Few buyers
2. Geographical distribution
3. Future Vision
4. Reduced impact on demand
5. High purchasing power

Industrial buyer behavior

Services Marketing- Services marketing is a specialised branch of marketing. Services marketing emerged as a separate field of study in the early 1980s, following the recognition that the unique characteristics of services required different strategies compared with the marketing of physical goods.

Philip Kotler, A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything

Characteristics of services markets- Intangibility, Inseparability, Perishability, and Variability.

Strategies of services markets-

1) Research.
2) Niche-driven Strategy.
3) A High Performance Website.
4) Search Engine Optimization (SEO)
5) Social Media.
6) Advertising.

7) Referral
Marketing.
8) Marketing
Automation, CRM,
and Lead Nurturing.

MBA SYNOPSIS – Marketing management Unit – 5

Marketing Organization and Control

CONTENTS

Unit – V: Marketing Organization and Control:

Types of Marketing Organization Structures and Factors affecting Global marketing Organization, Marketing Organization Annual plan Control, Efficiency Control. Profitability

Control and Strategic Control. Marketing Audit.

Types of marketing organization structure

The Most Common Types of Marketing Structure

1. Linear structure
2. Functional structure
3. Product-based structure
4. Matrix structure
5. Geographical structure
6. Channel-based structure
7. Segment-based structure

Factors affecting Global marketing organization

These factors include cultural and social influences, legal issues, demographics, and political conditions, as well as changes in the natural environment and technology.

Marketing Organization Annual Plan Control:

Annual plan control is the monitoring of current marketing efforts and results to ensure that the annual sales and the profit goals are achieved. Annual plan control signifies continuous ongoing performance verification against the annual plan and taking the necessary corrective actions.

Efficiency control involves micro-level analysis of the various elements of the marketing mix, including sales force, advertising, sales promotion, and distribution.

Profitability control is a mechanism of monitoring the sales made, profits earned and expenditure incurred by a company. The relative profit earning capacity of a firm's products and consumer groups can be determined via **profitability control**.

Strategic Control:

Strategic control is the process used by organizations to control the formation and execution of strategic plans. Strategic control processes allow managers to evaluate a company's marketing program from a critical long-term perspective. This involves a detailed and objective analysis of a company's organization and its ability to maximize its strengths and market opportunities.

Marketing Audit

Philp Kotler defines : A marketing audit is a comprehensive, systematic, independent, and periodical examination of a company's marketing environment, objectives, strategies, and activities with a view to determine problem areas and opportunities, and recommending a plan of action to improve the company's marketing. Marketing audit is different from accounting or financial audit which are basically concerned with accuracy of the book keeping and its ability to convey the financial health of the organization. Marketing audit looks at marketing mix, segmentation, targeting and promotion mix etc. Amarketing audit is a systematic evaluation of all marketing elements and practices of a business. With a marketing audit, you can find out how effective your efforts are, where your strategy might be lacking, and a variety of other insights that can help you improve your business's return on investment.

If you are a small business, then every dollar spent on your marketing efforts makes a difference. If you are a major corporation, you undoubtedly make a considerable investment in marketing, and accounting for and maximizing those dollars is no small matter. From small businesses to big businesses, regularly scheduled marketing audits are an essential component of any good strategy.

It's just good business to make sure all spend is well-thought-out. How to do a marketing audit, and why you should consider using them to the benefit of your business are important topics.