

## Marketing Practices for Logistics mgr

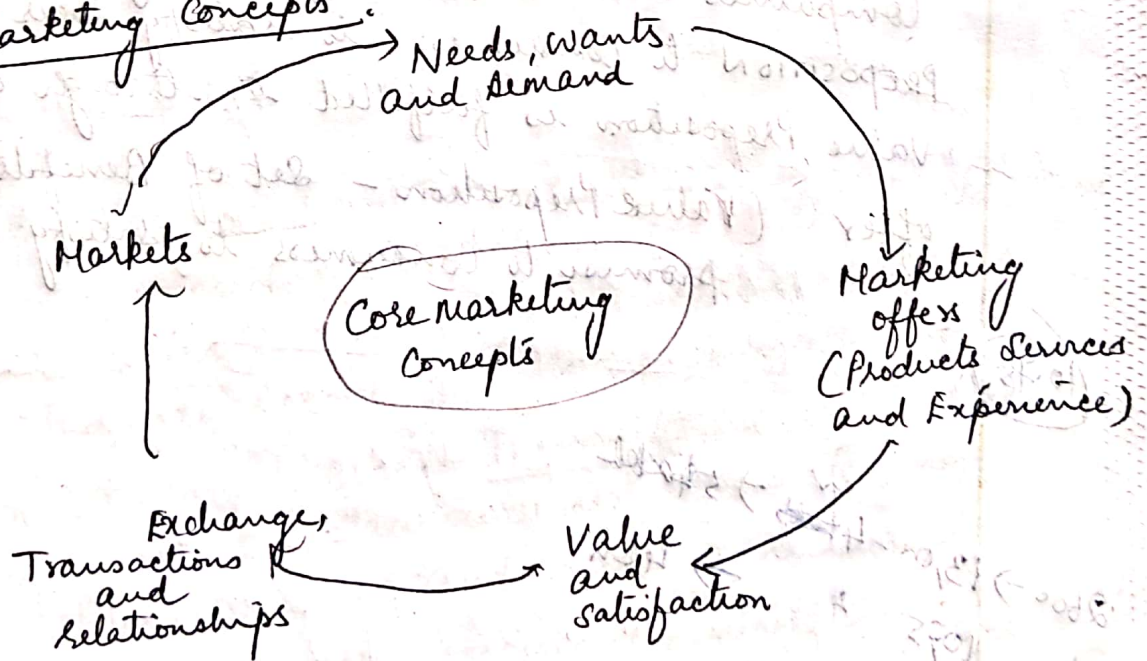
UI: Marketing - Core Marketing Concept - Function - Importance  
Scope - Needs - wants - Demands - Difference - Selling & Marketing  
Planning & Implementing Marketing Programmes - Marketing  
channels - Supply chain - Competition - Marketing Environment -  
Nature - Types - Factors

### Marketing :

It is a social and managerial process by which

Individuals and groups obtain what they want  
(things that people require) need and want <sup>(that people desire)</sup> through creating and exchanging  
products and value with others.

### Core Marketing Concepts :



Need :- Needs are the state of Deprivation. These include physical Needs (food, clothing), Social Needs (Affection & belonging) and Individual need (Knowledge and Self Expression). These Needs are not created by Marketers but are the basic part of human.

wants :- These are form Human Needs take as they are shaped by culture and Individual Personality, Soci  
Eg :- A person in US, need food but want french food and a Soft Drink.  
A person in Mauritius need food but want Mango, Rice and beans.

Demands :- wants are shaped by culture, Individual personality, society. When these wants are backed by buying power, the wants become Demand.

Marketing offers - Products, Services and Experiences  
Companies address needs by putting forth a VALUE PROPOSITION to consumers to satisfy their needs. These Value Proposition is fulfilled through a Marketing offer. (Value Proposition - Set of Benefits that they promise to consumers to satisfy their needs).

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These offers include physical products, services, activities, benefits offered, Intangible products/services

Marketers also look beyond products like Brand Experiences for consumers.

Eg Nike - More than just shoes, it is what the shoe do for you and where they take you

Coca-Cola - Tradition and Meaning

Disney World - Experiences

Harley-Davidson - A Ride

### Value and Satisfaction:

Customer Value is the difference between the values the customer gains from owning, using the product and the costs of obtaining the product.

Customer satisfaction with a purchase depends on how well the product's performance lives up to the customer's expectations.

The customer's expectations are formed based on the past buying experiences, opinions of friends, marketers & competitors' information and promises.

### Exchange Transactions and Relationships:

Marketing consists of all actions taken to build and maintain desirable exchange relationships with target audience involving a product, service or object.

Marketers also try to create transactions with customers with the goal to retain customers, grow business, build strong economic and social connections by promising & to deliver consistently superior value.

## Marketing : Markets :

The Market is a set of actual and potential buyers of a product. These buyers share a particular need or want & can be satisfied through Exchange Relationships.

## Functions of Marketing :

- (1) Market Research : Deals with gathering and analyzing market information. This helps to identify the needs of customers. While gathering information, marketer focusses on opportunities & threats that exist in the market and use their strength & and also overcome their weakness.

Companies usually use internet sites, SMS,

- (2) Market planning : The marketer has to plan the steps necessary to achieve marketing objectives in market planning. These plans are made to increase prodn, sales and also to use innovate tools of promotion.

- (3) Product Designing and Development : This includes decisions like quality standards, shape, design, type of packing, models etc.

- (4) Standardisation and Grading : Standardisation refers to maintaining quality stds to achieve uniformity in product. Standardisation leads to quality assurance, consistency to consumers. Grading refers to classifying the product on the basis of size, quality etc.

- (5) Packaging & Labelling :- Products are always supplied to customer in the packed form. Packaging refers to Design of packs, wrappers, cartoons which are used in the pack. Labelling refers to Information part of packaging.
- (6) Branding :- Refers to Giving a special Name to Product. Decisions about selling the Product in Company's Name or Brand Name is done.
- (7) Customer Support Services :- It includes handling Customer Complaints, after sale services, maintenance services, Customer information & Technical Services etc.
- (8) Pricing of Products :- Price refers to the Money that the Customer has to pay to buy a product or service. It is dependent on objective of firm, Demand, Competition etc.
- (9) Promotion and Selling :- Promotion & Selling is an Important function of Marketing.
- (10) Importance of Marketing Mgmt :- Marketing mgmt helps the orgn to feel the pulse of market through Continuous market Audit, Market Research etc.

- (2) The purpose of Marketing Mgmt is Customer Satisf
- (3) It has an Integrated Marketing Mgmt Action
- (4) It increases the Volume of Sales
- (5) It helps to have and maintain regular Interaction with Existing and potential consumers
- (6) ~~It~~ It helps in creating Infra-structure of Various Activities.

### Scope of Marketing Mgmt

- (i) ~~It~~ The Scope covers various Activities like
- a) Assessing the Marketing opportunities
  - b) Planning the Marketing Activities
  - c) organising and Monitoring the stocks so as to meet customer Demand
  - d) organising and Maintaining the effectiveness in Activities of Sales Promotion, Advertisement, after Sales Service
  - e) Evaluating all Marketing Efforts.

### Difference between Selling and Marketing

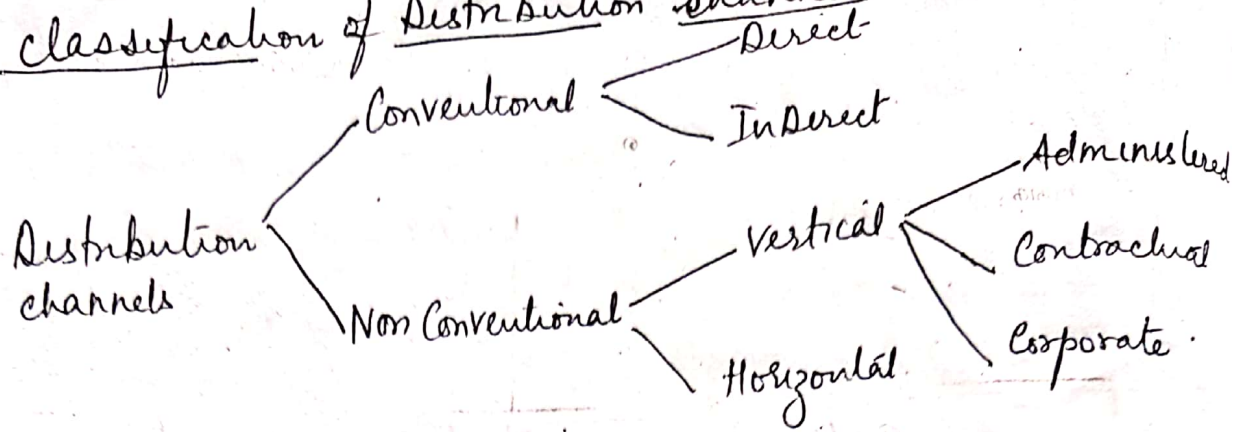
Selling	Marketing
(1) It is based on Needs & Interest of seller	(1) It is based on the Needs and Interest of buyers
(2) It begins with products of Orgn and focus will be on pushing the products to customers	(2) It begins with Present and potential customers and focus will be on meeting the Needs of customers.
(3) The Target is on Earning profits by pushing the Products	(3) Here also focus is on Earning profits but by meeting the Needs of customer.

Selling	Marketing
(4) Emphasis is on Exchange aspect	* Emphasis is on Value Satisfaction
(5) Selling focus is to attain short-term goals	* Focus is on Integrated Approach to achieve long term goals
(6) Selling involves converting goods into Cash	* Marketing involves converting the Needs into Products
(7) Focus is to stay with Existing product and reduce the cost of Production	* Focus is on Innovation thereby providing better value to customers
(8) Price is based on the Cost	* Pricing is based on Customer
(9) It Ends with Delivery of goods	* It is creation and Delivery of standard of living to society

### Marketing channels:

It is a path Traced in Direct and Indirect Transfer of title of goods as it moves from producer to consumer or Industrial user.

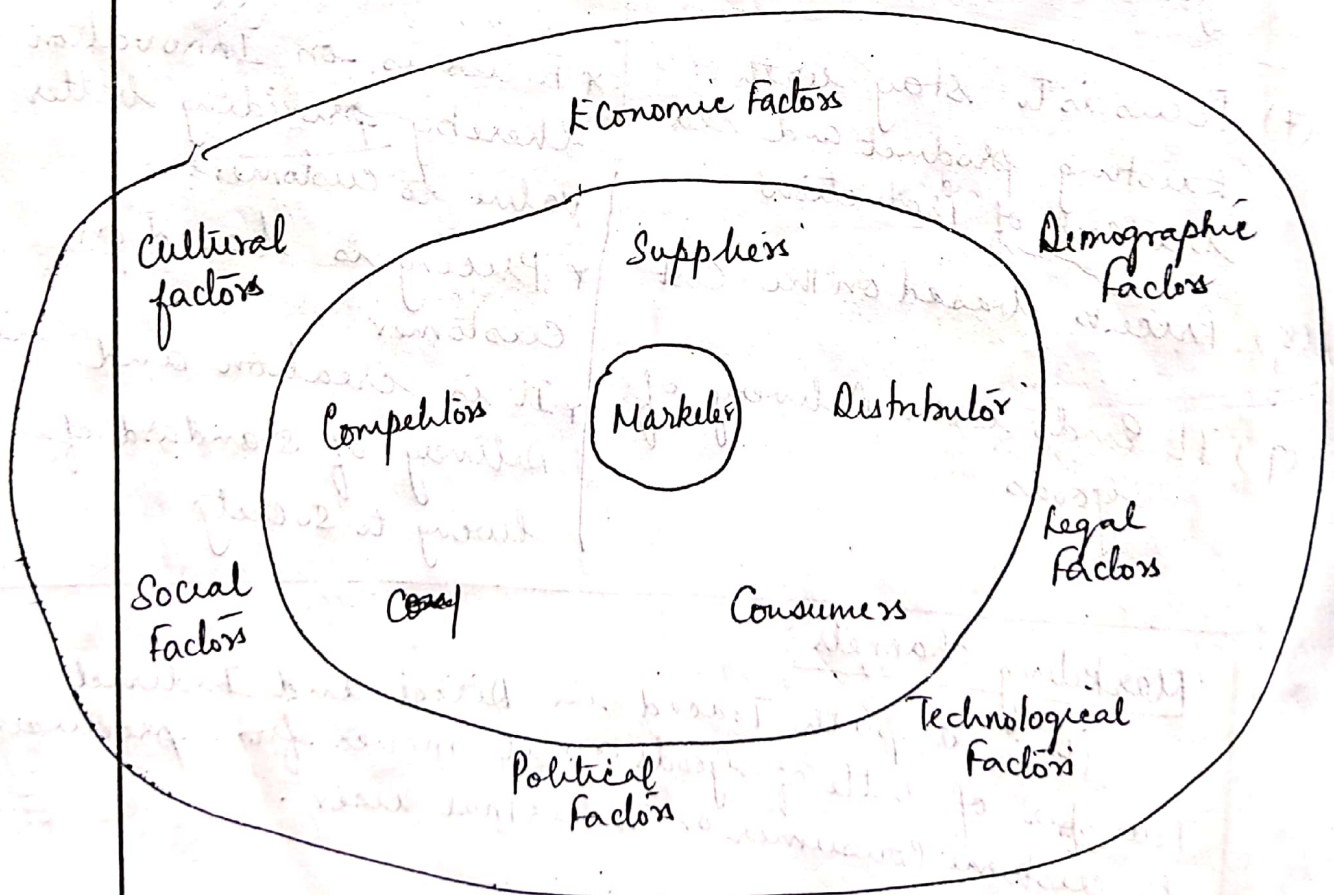
## Classification of Distribution Channel:



## Marketing Environment:

It includes all forces that affect marketing Policy Decisions and operations of any organisation.

## Nature of Marketing Environment





# Types of Marketing Environment

- (1) Economic Environment
- (2) Demographic Environment
- (3) Socio-cultural Environment
- (4) Technological Environment
- (5) Political Environment
- (6) Legal Environment

(1) Economic Environment: Based on Agricultural Trends, Industrial output Trends, pattern of Income Distribution, Per Capita Income Trends, Pattern of Savings and Expenditure.

(2) Demographic Environment: Includes the changes in the society based on Age, Sex, Educational Background, Marital status, family size, Family lifestyle, religion and Nationality.

(3) Socio-cultural Environment: Includes changes in people's lifestyle, concern for social problem and Growth of consumerism.

(4) Technological Environment: It includes:

- \* High Expenditure on R & D
- \* Concentration on Product Improvement and Development
- \* Accelerating pace of Technological change.

(5) Political Environment: It includes:

- \* stable Govt leading to policy changes
- \* Cycle changes.
- \* Role of various types of Sector (Pvt, Service, Pwdn) towards Economy

(6) Legal Environment: The various laws are  
Factories Act, Minimum Wages Act, Contract Act, T. Companies Act,  
Env. Protection Act, Consumer protection Act, Tax Laws, SEBI.

# Factors affecting marketing Environment

The Factors affecting Marketing Environment includes

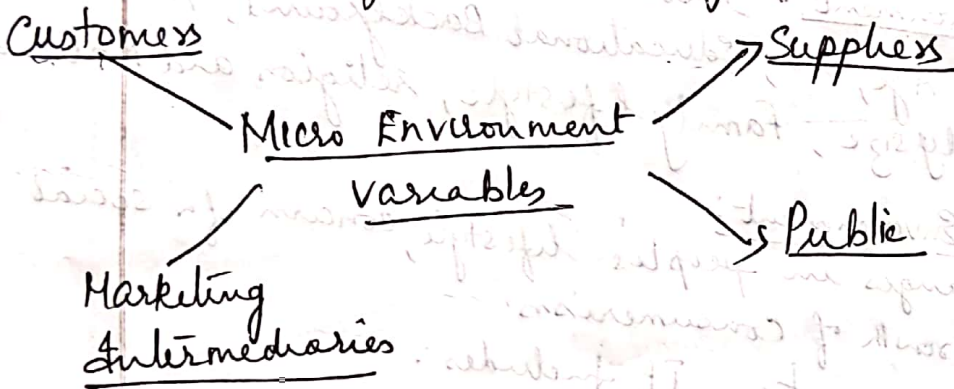
- \* Controllable Factors (slightly affect)
- \* UnControllable Factors

## UnControllable Factors:

These include two levels

- (1) Micro Environment
- (2) Macro Environment

Micro Environment: These include the Element/forces that influence Marketing Directly. They are



## Macro Environment Variables

- (1) Demographic Environment
- (2) Socio cultural Environment
- (3) Economic Environment
- (4) Ethical Environment
- (5) Political Environment
- (6) Physical Environment
- (7) Technological Environment

## Controllable Factors

These include Marketing policies and Marketing strategies

