Marketing

Defintion

* Attract and retain customers at a profit, putting the right product in the right place at the right price and at the right time.
* Involves many parts of a company
* Marketing isn’t equal to communication
	+ Goal Marketing: sales, market share, revenue, growth🡪 talk about benefits of a product
	+ Goal Communication: Image, trust, reputation

Marketing Objects:

* Consumer Goods Marketing: products of private use (food, clothes, …)
* Capital Goods: products for operational use (Stadler rail, machines, …)
* Service: intangible assets and services(travel, health insurance, …)
* Non-Profit: non-profit organizations (WWF)
* Social: Social Idea🡪 creating awareness ( plastic in the ocean)
* Destination: specific region (Region Zurich, Zermatt, …)
* Trade: trading company🡪 retail trade (eg. Zalando, Amazon: don’t promote single products but the company itself)

Sales Markets:

* B to B: Business to Business🡪 car manufacturer purchases steel
* B to C: Business to Customer: business sells products to end user🡪 H&M
* C to C: Customer to Customer: individuals transact directly🡪 Airbnb

Market Analysis:

* Collection, processing, analysis of data about markets, competitors, …
* Market share: sales turnover of the company in relation to the total market volume
* Market volume: actual turnover of all suppliers on the market
* Market potential: number of potential customers
* Market capacity: total number of possible customers



* Collecting Data:
	+ Primary Data: surveys, questionnaires, observation
		- +: exclusive data, specific, accurate
		- - : expensive, needs time
	+ Secondary data: Internet records, market reports, newspaper
		- + : faster, cheaper
		- - : not specific, competition has same data, not always available

Marketing Strategy:

* Segmentation: dividing markets into smaller groups with the same needs
* Targeting: selecting the target segments
* Positioning: developing possible concepts

Segmentation criteria:



Requirements of effective Selection:

* Measurability: availability of data on customers🡪 can you measure?
* Substance: number of potential customers
* Accessibility: how to reach the customer
* Separability: heterogeneity to other segments
* Economic viability: benefit>cost
* Durability: target exists more than a year
* Problem of hybrid customers: buys cheap stuff but also expensive🡪 hard to segment

Marketing Mix



* Product:
	+ Customer doesn’t buy a product but a benefit
	+ Product Life Cycle: use variations of a product to extend life cycle and increase sales
	+ Core product: show the core benefits
	+ Formal product: brand name, features, design, packaging
	+ Extended product: After-sales experience, delivery, warranty
* Promotion:
	+ Customer decision journey



* + PESO Model:
		- P: Paid media🡪 digital advertising: YT ads, banners, Remarketing
		- E: Earned: Online PR🡪 media relations, influencer,
		- S: Shared: Social Media, Partnerships
		- O: Owned: Digital Properties: Apps, Catalogues
	+ Marketing Concept:
		- Mission, Money, Message, Media, Measurement
	+ Advertising Messages:

 

* Place:
	+ Distributions channels
	+ Single Channel: one contact point, eg. Small corner shop
	+ Multi Channel: numerous contact points (internet, shops)
	+ Cross Channel : channels work together (eg. Click&collect)
	+ Omni Channel: merging of channels, switching between channels, consistenst info and identification of customers🡪 Netflix
* Price:
	+ Customer oriented prices: demand response to price changes
		- Temporal: eg. Day and night
		- Spatial: domestic and international
		- Group of buyers: student rates, discounts
		- Purchase quantity: volume discounts
		- Skimming: high launch prices for new technologies
		- Penetration: low introductory prices: food, printer
		- 19.95 instead of 20.00
		- Free offers: apps
		- Usage behaviour: cheaper the longer the subscription
	+ Cost oriented: determination of the lower price limit🡪 break-even analysis
	+ Competition oriented: competitive reactions

From 4 P to 7 P:

* Physical Facilities: nice smell, wifi, couches in Starbucks
* People: person is relevant, eg. Hairdresser
* Processes: making burgers, checking into a Hotel

Control/Evaluation:

* PDCA: Plan, Do, Check, Act
* Monitoring activities to ensure that results are in line with a plan
* Quantitative parameters: sales, market share
* Qualitative: customer satisfaction, image