

Digital Marketing

Lecture N1.

“Defining marketing”

“The task of marketing - to get to know and to understand client is so good so that the product accurately would approach to client and it sold itself... The purpose of business is creation and retention of client”.

Peter Drucker.



Content

- 1. The theoretical bases of marketing.
- 2. The core concepts of marketing .
- 3. Historical concepts of marketing
- 4. Functions, goals and principles of marketing.
- 5. Process of Marketing Management
- 6. Integrated marketing approach of company.



Definitions of marketing

- **The American Marketing Association** states that *“marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for manager’s customer relationship in ways that benefit the organization and its stakeholders”*.
- **Professor Philip Kotler** (is one of the worlds leading authorities on marketing) define *marketing as a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging value with others.*



The core concepts of marketing

- **The core concepts of marketing are *needs, wants, demands, products and services, value, transactions, markets.***

The core concepts of marketing



- **Need**- when a person feels of basic necessity (food, clothing, etc)
- **Want**- is a need that is shaped by a person's knowledge, culture and personality.
- **Demands**- human wants that are backed by buying power.
- **Product** is anything that can be offered to a market. It includes goods, services, persons, places, organizations and ideas.
- **Value**- buyer's benefits including quality, price, convenience, on-time delivery, and before- and after-sale service.
- **Transaction** is a trade between parties that involves a time and a place of agreement.
- **Market** is all actual and potential buyers of a product.



Historical concepts of marketing

The production concept

- prevailed from the time of the industrial revolution until the early 1920's.
- this concept holds that managers focusing on this concept concentrate on achieving high production efficiency, low costs and mass distribution.



Production concept

- *"Any customer can have a car painted any color that he wants so long as it is black «(Henry Ford, 1918).*



Historical concepts of marketing

The product concept(1920-1930)

- this orientation holds that consumers will favor those products that offer most quality, performance or innovative features.



Historical concepts of marketing

Selling concept(1930-1950)

- It holds that the organization must undertake an aggressive selling and promotion effort.



Historical concepts of marketing

Marketing concept(1960-1980)

- ***this is a business philosophy that challenges the above three business orientations.***
- ***the marketing concept is the philosophy that firms should analyze the needs of their customers and then make decision to satisfy those needs, better than the competition.***

Historical concepts of marketing



Societal- ethical marketing(1980- present time)

- *"the concept of societal-ethical marketing proclaims a problem of the organization an establishments of needs, requirements and interests of the target markets and satisfaction of consumers more effective, than at competitors, ways at presentation or strengthening of well- being of the consumer and society as a whole"*



Historical concepts of marketing

Partners relations concept(1995-present time)

- *partners relations- practice of construction of long-term mutually advantageous relations with the key partners cooperating in the market: consumers, suppliers, distributors with a view of an establishment of long exclusive relations.*



Functions of marketing

- Analytic functions
- Complex market research
- Analyses of production and sales possibilities of company
- Creation of marketing strategy
- Planning.
 - Planning of marketing mix
 - Creation of marketing program
- Production and sale.
 - Product policy
 - Sale
 - Price
 - Communication
 - Personnel
- Control during the process of realization of marketing program.



Marketing goals:

- Achievement of maximum level of consumption
- Achievement of maximum satisfaction of consumer's needs and wants

Giving consumers the maximum choice



Principles of marketing

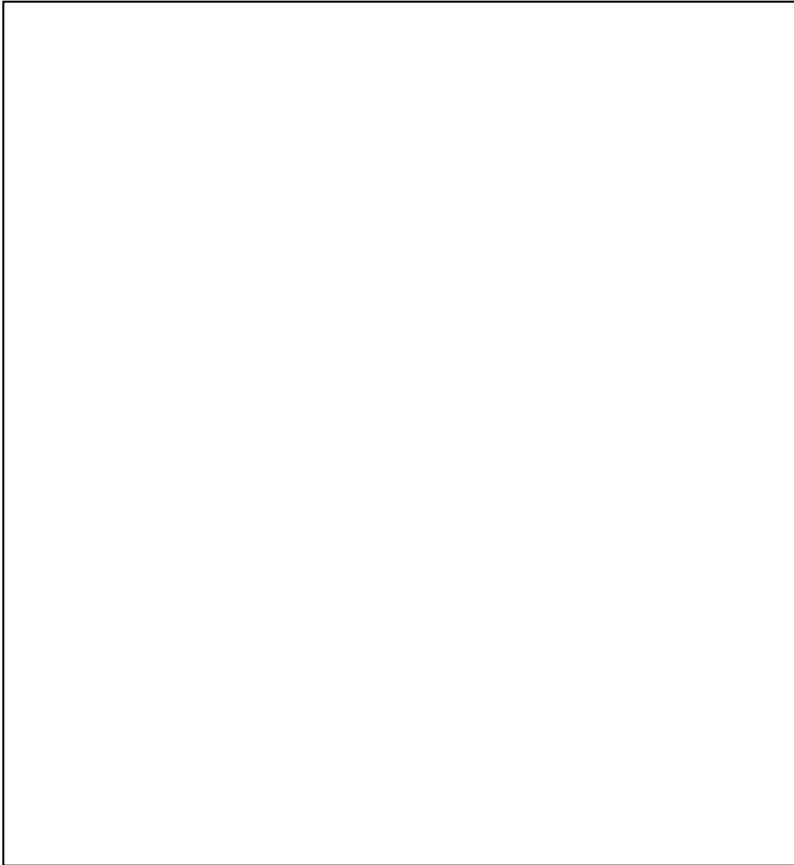
- Necessity of orientation of all research and scientific work, production and sales activity to market
- Paying attention to the market's requirements
- Orientation to innovation
- Permanent and purposeful influence on market
- Orientation to a long-term period
- Effective management, necessity of a creative, new approach to management
- Necessity of marketing thinking for all staff of the company.



Process of Marketing Management

- 1 step- Analysis of a market possibilities
- 2 step- Targeting and positioning
- 3 step - Creation of a marketing mix
- 4 step - Strategic planning of the marketing

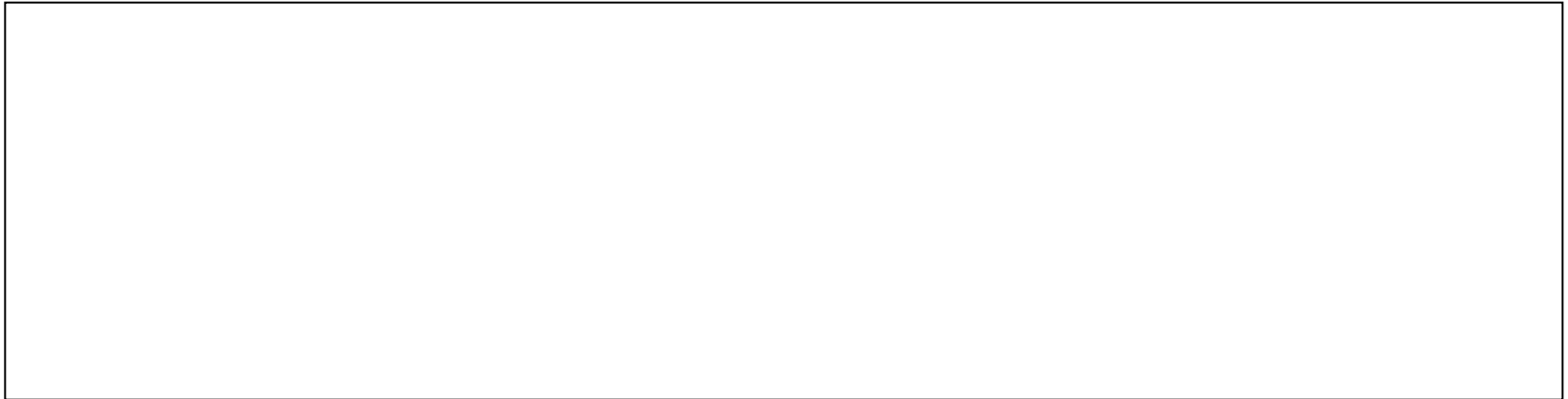
1. Analysis of a market possibilities



- Marketing research and marketing information systems
- Marketing environment
- Consumers and organizations ` markets

2. Targeting

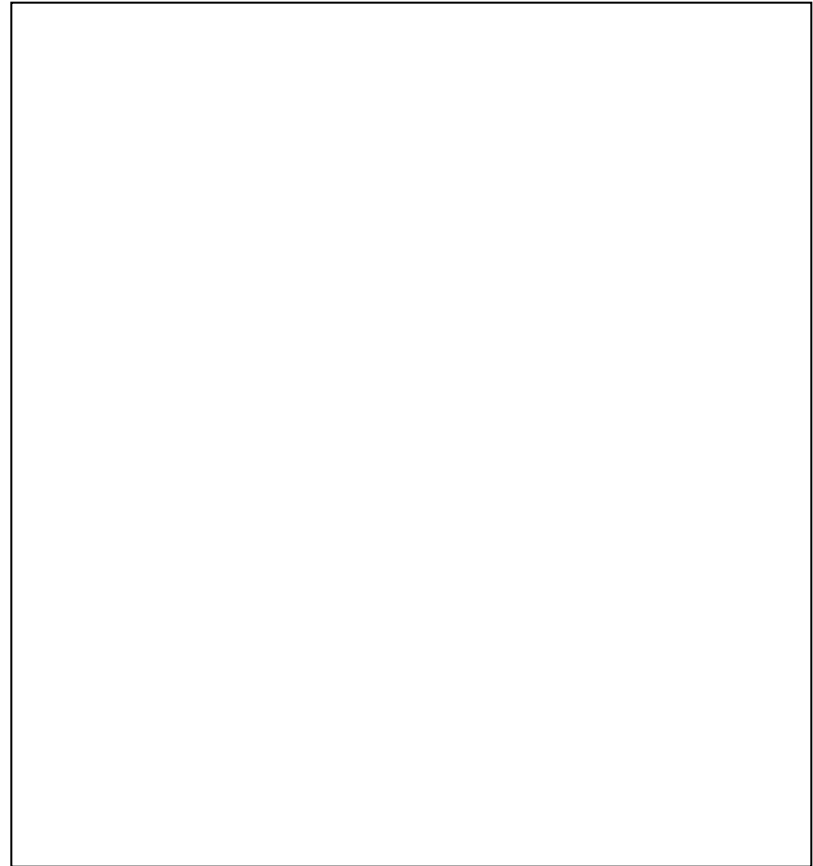
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- Segmentation, targeting and positioning



3. Marketing complex creation.

4 «P» in Marketing:

- - Product
(service)
- - Price (policy,
methods, objectives)
- - Promotion
(advertising,
promotion, PR,
personal sales)
- - Distribution
(policy, channels ...)





Integrated marketing approach of company.

- *Marketing and strategic growth of company*
- *Marketing and revenue of company.*
- *Marketing and developing of management of company*
- *Marketing and production*
- *Marketing and sale*
- *Marketing and finance*
- *Marketing and personal*
- *Marketing and information technology*