

VIVEKANANDA COLLEGE
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NAAC ACCREDITED 'A' GRADE



Topic: INTRODUCTION

Course Title: B.Com (UNDER CBCS SYSTEM)

Paper: MARKETING MANAGEMENT

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MARKETING MANAGEMENT

Unit 1: Introduction:[No. of classes: 8 / Marks: 8] Nature, scope and importance of marketing; Selling vs Marketing; Marketing mix, Marketing Environment: concept, importance, and components (Economic, Demographic, Technological, Natural, Socio-Cultural and Legal).

REFERENCE BOOKS:

1. **MARKETING MANAGEMENT AND HUMAN RESOURCE MANAGEMENT** by Dr. Debraj Dutta, Dr. Siddhartha Roy, Prof. Dipanjan Basu and Soulina Banerjee- ABS PUBLISHING HOUSE
2. **MARKETING MANAGEMENT AND HUMAN RESOURCE MANAGEMENT** by Harsh Verma, Ekta Duggal, Uday Kumar Haldar and Juthika Sarkar- OXFORD UNIVERSITY PRESS

INTRODUCTION

Marketing management is the organizational discipline which focuses on the practical application of marketing orientation, techniques and methods inside enterprises and organizations and on the management of a firm's marketing resources and activities.

Nature

Customer Oriented - Marketing focuses on the study of customer preferences, needs and customer satisfactions. It is also concerned with creating awareness and attracting the customers.

Dynamic – The marketing techniques and methods should be dynamic. With changing and developing technology, taste and preferences of customers, the needs and wants are also changing thus, to understand these needs marketing should be a dynamic approach.

Network of relationship – Every business wants to know its customers better, marketing paves the way for this. Marketing activities link the marketers to the customers and helps the company or marketer to develop a sound and healthy relationship with the customers.

Scope

Marketing Research - it is a collection, analysis and interpretation of consumer behaviour. It is carried out to understand customer needs, preferences, interest etc.

Pricing – It is an extremely important factor, as it is directly related to sales and profits. Marketing helps to understand the right pricing strategy for the product.

Channels of Distribution – to make the goods available to the end users, the company needs to analyse the right kind of distribution channel so that the goods reach the end users in the right time.

Importance of Marketing

- i) Creating awareness about the product
- ii) Helps in building customer relationship

- iii) Helps in improving reputation of the company
- iv) Marketing helps in boosting the sales
- v) Understanding consumer needs

Selling vs Marketing

Selling	Marketing
Product Oriented	Consumer Oriented
The purpose is to achieve sales target and market share.	It is used to maintain long term relationship with the customers.
Aims at profit through sales volume.	Aims at profit through customer satisfaction.

Marketing mix

Product – refers to the items which are supplied by the company. A product can be a tangible item (goods) or an intangible item (service). Marketing is important in designing a product, branding, quality check etc.

Price – this refers to the amount of money for which the product is exchanged. Marketing is important to understand and apply various pricing strategies.

Place – it refers to the activities undertaken for transfer of ownership to end users through distribution channels.

Promotion – refers to the set of activities which are related to convincing or persuading the potential customers to buy the product. However, it is also concerned with educating the customers about the product.

MARKETING ENVIRONMENT

Concept

Marketing environment is the combination of all external and internal factors having a direct or indirect impact on business activities. The marketing environment is made up of the internal and external environment of the business. The internal environment can be controlled by the business but the business has negligible or no control over the external environment.

Importance

- i) The study of marketing environment is important to understand the customers better.
- ii) It is important for proper planning of business activities related to product design, features, price, utility etc.
- iii) The study of marketing environment helps the marketer and the business to understand and follow the new trends in the market.
- iv) It also creates awareness regarding the threats and challenges that the business shall face.
- v) Marketing Environment also helps in understanding the opportunities.

Components of Marketing Environment

Internal Environment – The internal environment includes the factors within the organisation which has an impact on the operations of the business. The internal environment can be controlled by the marketer and can be adjusted as per the external environment. The internal environment consists of manufacturing, human resource, sales and marketing departments.

External Environment – The external environment of the business is not under the control of the marketer. The external environment of the business is divided into two broad categories which are as follows:

Micro Environment – The micro-environment comprises of those external factors which are directly related to the business operations. The micro-environment includes suppliers, business intermediaries, business partners, customers and other stakeholders.

Macro Environment - The macro-environment comprises of those external factors which are not directly related to the business operations but influence the activity of business as well as the society. The following are the various macro-environment factors:

Economic – The economic environment highly influences the business and marketing environment. The GDP, interest rates, consumer credit, government funding and subsidies, inflation etc. has an impact on the purchasing capacity of the people

Demographic – The size and composition of the market plays an important role. The age, religion, education, economic status have an impact on the marketing environment.

Technological – The technological development has made life easier and fast. Technological advancement brings in new opportunities for the business as well as marketer.

Natural - The natural environment consisting of weather conditions, environmental challenges, drought, flood, earthquakes can hamper the business activity.

Socio-Cultural – The socio-cultural aspect is also an important factor as it consists of values, beliefs, attitude, lifestyle of people.

Legal – The political-legal scenario also has a role to play for the business and the marketer. The government rules, regulations and laws are to be followed by the business to run its operations.
