

SES'S L.S.RAHEJA COLLEGE OF ARTS AND COMMERCE

Course: Principles of Marketing

Unit: 1

Prepared by: Ms. Suvarna Raikar

➤ **MEANING AND DEFINITION OF MARKETING.**

“The process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.”

The American Marketing Association

Or

“Satisfying needs and wants through an exchange process”.

Philip Kotler

➤ **FEATURES OF MARKETING.**

Regular & continuous economic activity	Wider Socio-economic significance
Facilitates satisfaction of human wants	Precedes & follows production
Relates to goods & services	Core aspect of business
Brings transfer of ownership	Evolutionary concept
Creates utility	Wide in scope

➤ **ADVANTAGES OF MARKETING.**

Satisfies consumer wants	Facilitates price control
Provides profit & goodwill for enterprises	Creates utility
Facilitates specialisation & division of labour	Facilitates introduction of new items
Creates new norms of socio-economic behaviour	Develops social significance Facilitates stability to marketing firms
Improves standard of living of the society	Brings success in business
Brings economic growth	Provides channels of communication
Widens market	

➤ **SCOPE OF MARKETING.**

Marketing functions and activities covers all the following areas.



➤ **4P'S OF MARKETING MIX.**

Product: any offering by the company to its targeted customers which includes value added stuff.

Price: includes the pricing strategy of the company. The cost paid by the consumer in exchange of the benefit of the product.

Place: includes the place where the product is placed and made available to the targeted consumers.

Promotion: includes all communication and selling activities to persuade future prospects to buy the product.



➤ **4C'S OF MARKETING MIX.**

Customer Benefit: refers to the tangible & intangible benefits offered by the product to the customer.

Customer Cost: refers to the price paid by the customer to avail the benefit of the product.

Customer Convenience: refers to the place convenience offered by the marketer to make product available to the customers.

Customer Communication: refers to the communication tools used to persuade the customers.

➤ **DISTINGUISH BETWEEN SELLING & MARKETING.**

SELLING	MARKETING
It is a process of transferring a product or service to a buyer at a price	It is a process of transferring a product or service to a buyer at a competitive price in order to satisfy his or her needs.
Concentrates on selling & earning profits	Concentrates on satisfaction of consumers
It is production oriented	It is consumer oriented
It is based on the need to convert goods into cash	It is based on demand forecasting, product planning & research & development
Selling views consumer as the last link in the business	Marketing views the consumer as the purpose of the business
The cost of production and distribution determine the price	The cost of marketing, demand, consumer preference and competition determine the price
Selling pre-supposes that goods can be sold easily	Marketing pre-supposes that consumer is the king and goods should be made as per his needs and preferences
Profit is primary in selling	Profit is secondary in marketing
Selling gives less importance to marketing research	Marketing gives more importance to marketing research

Need of sellers are stressed	Wants of buyers/consumers are stressed
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➤ **VARIOUS CONCEPTS OF MARKETING.**

Needs: state of felt deprivation including physical, social, and individual needs.

Wants: Needs become wants when they are directed to specific objects that might satisfy the need.

Demands: Demand refers to willingness of the person backed by the ability to buy.

Exchange: The act of obtaining a desired object from someone by offering something in return.

Transaction: A trade between two parties that involves at least two things of value, agreed – upon conditions a time of agreement, and a place of agreement.

Transfer: Transfer is the physical means whereby goods are moved from the point of production to the place where they are required for consumption.

➤ **ORIENTATION OF A FIRM.**

Production Concept: Consumers prefer products that are widely available and inexpensive. Managers concentrate on achieving high production efficiency and wide distribution. It treats large scale production as the base of marketing.

Product concept: Consumers favor products that offer the most quality, performance, or innovative features. Managers in product-oriented organizations concentrate on making *superior products* and improving them over time. The stress is on product excellence.

Selling concept: Consumers will buy products only if the company aggressively promotes/sells these products. “Push the product somehow to the customer” is the buzzword of firms accepting selling concept.

Marketing concept: Focuses on needs/ wants of target markets & delivering value better than competitors. Consumer is put at the beginning & also at the end of the whole marketing process. This concept is consumer centered.

Societal concept: Focuses on needs/ wants of target markets & delivering superior value. Marketing managers should be concerned with *social responsibility*.

Relationship concept: It is the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction.

Holistic concept: Holistic marketing is a marketing philosophy that believes ‘*everything matters*’. This approach takes into consideration all the *various stakeholders* of a business including the customers, employees, suppliers, shareholders, the community and the environment also.

➤ **MARKETING IS AN ACTIVITY.**

- Marketing activity is a component of a marketing programme assigned to a manager to achieve sales target.
- More marketing personnels are required to execute marketing activity effectively and economically.
- Marketing activities center around products, geographical areas, individual customers, market segments, distribution channels and marketing personnels.

- Sales promotion programmes, clearance sales, ad campaigns, customer relationship management, relationship management and so on.
- Each manager can control well-defined portion of marketing activity.
- Marketing activity provides an orientation for conducting business, a way of thinking and a basic approach to business problems.
- “Marketing activity is always a customer-oriented philosophy that is implemented and integrated throughout an organization to serve customers better than competitors and achieve specific goals.”

➤ **MARKETING IS A FUNCTION.**

- Marketing is certainly a business function.
- Marketing is for supplying goods and services to consumers as per their needs and expectations.
- It is concerned with physical distribution of goods.
- However, there are many supplementary activities responsible for the smooth and orderly conduct of marketing activities called marketing functions/services.
- Marketing functions are the activities performed by the components/subsystems which are necessary for orderly operation of overall marketing system.
- All such functional activities are treated as a part of marketing process.
- They include packing and packaging of goods, storing and transporting them to markets, giving publicity to them, motivating the buyers to buy and finally selling goods to consumers.
- These activities are rightly treated as marketing functions.

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➤ MICRO ENVIRONMENT OF BUSINESS.

It refers to the factors that are close to the company. The factors of this environment are controllable in nature. Some of the important factors are:

Company: It refers to the rules & regulations, policies, organizational structure and relationships of the business.

Suppliers: Suppliers provide resources needed to produce goods and services. They are the important link in the "value delivery system." Most marketers treat suppliers like partners.

Marketing Intermediaries: The firm has to select and satisfy its dealers in order to push products in the market. These intermediaries help the company to promote, sell, and distribute its goods to final buyers.

Customers: The customers include consumers, industrial buyers, institutional buyers, resellers, government and other agencies. Most of the business decisions are influenced by the customers. The customer's needs, wants, preferences, buying behavior must be studied in order to take appropriate marketing decisions.

Competitors: Those who serve a target market with products and services that are viewed by consumers as being reasonable substitutes. Company must gain strategic advantage against these organizations.

Publics: Group that has an interest in or impact on an organization's ability to achieve its objectives. The public involves people who in future may become firm's employees, shareholders and customers etc.

➤ MACRO ENVIRONMENTAL FACTORS OF BUSINESS.

It refers to the factors that are external to the company and which are not controllable in nature, instead the company has to adopt to these environmental factors. Some of the factors are as follows:

Demographic Environment: The study of human populations in terms of size, density, location, age, gender, race, occupation, and other statistics. Marketers track changing age and family structures, geographic population shifts, educational characteristics, and population diversity.

Economic Environment: Economic environment is generally related to those external forces which have direct economic effects upon business. It is the most important environmental factors that affects business.

Natural Environment: Involves the natural resources that are needed as inputs by marketers or that are affected by marketing activities. Natural environment consists of natural resources like land, water, minerals, port facilities etc.

Technological Environment: Most dramatic force now shaping our destiny. The marketing manager must constantly monitor changes in the technological environment. A change in technology will have an impact on the firm's business.

Political Environment: Includes Laws, Government Agencies, and Pressure Groups that influence or limit various organizations and Individuals in a given society. Marketers need a good working knowledge of the major laws protecting competition, consumers and society.

Socio-Cultural Environment: The institutions and other forces that affect a society's basic values, perceptions, preference, and behaviors. The cultural elements influence the buying behavior of the members of a society. It includes social class, values traditions, and lifestyle of people.

➤ MARKETING RESEARCH.

Marketing research is the systematic design, collection, analysis, and reporting of data and findings relevant to a specific marketing situation facing the company.

Marketing research is the systematic and objective

- identification
- collection
- analysis
- dissemination
- and use of information

For the purpose of improving decision making related to the

- identification and
- solution of problems and opportunities in marketing.

➤ FEATURES OF MARKETING RESEARCH.

Systematic Process	Professional approach
Specific in Nature	Marketing mix decisions
Wide scope	Methods of data collection
Applied research	Sources of data collection
Bridges Company-Customer Gap	Company objectives
Continuous in nature	

➤ IMPORTANCE OF MARKETING RESEARCH.

Marketing mix decisions	Expansion of markets
Customer satisfaction	Dealer's relationship
Competitive advantage	Brand loyalty
Corporate image	Optimum use of resources
Forecasting sales	Organizational objectives

➤ TYPES OF RESEARCH

Consumer research: The consumer research covers the following areas:

- Studying the consumer profile
- Studying the likes, dislikes, tastes and preferences of consumers
- Studying the buying pattern
- Studying consumer reaction to company's products and competitors' products

Consumer related information provides marketer a feedback on customer's requirements & expectations. Accordingly, the company would design & distribute products to satisfy customer's requirements.

Product research: The product research covers the following areas:

- Testing new products
- Reviewing product quality and features
- Reviewing product line
- Study on the use of the product
- Analyzing competitor's products
- Study of packaging design & packaging material

Analyses of this information help the firm to improve product quality & features

Sales research: The sales research covers the following areas:

- Sales forecasting- short range and long range
- Sales analysis
- Establishment of sales quotas and territories
- Studying seasonal trends
- Studying overall business trends

Thus it helps enabling the firm to take wise decisions in improving its sales volume.

Promotion research: The promotion research covers the following areas:

- Studying competitors' sales promotion strategies
- Studying the impact of promotion-mix such as publicity, advertising, salesmanship, sales promotion etc.

The data collected on the above areas, enable the firm to design effective promotion-mix

➤ **MARKETING INFORMATION SYSTEM (MKIS):**

A **marketing information system (MKIS)** is a continuing and interacting structure of people, equipment and procedures to gather, sort, analyze, evaluate and distribute needed, timely and accurate information for use by marketing decision makers to improve their marketing planning, implementation, and control.

➤ **FEATURES OF MARKETING INFORMATION SYSTEM (MKIS):**

- Continuously operated system
- Operates with speed and accuracy
- Facilitates prompt and correct decision-making
- Future oriented
- Provides information regarding marketing developments
- Uses new technologies
- Conducts different functions
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➤ **IMPORTANCE OF MARKETING INFORMATION SYSTEM (MKIS):**

Helps to recognize trends	Tapping of business opportunities
Facilitates marketing planning and control	Provides marketing intelligence
Quick supply of information	Help managers to recognize change
Helps in Quality decision making	Integration of information

➤ **CONSUMER BEHAVIOUR:**

Consumer behavior is the mental and emotional processes and physical activities people engage in when they select, purchase, use, and dispose of products or services to satisfy particular needs and desires.

In other words those activities directly involved in obtaining, consuming and disposing of products and services, including the decision processes that precede and follow these actions is called as Consumer behavior.

➤ **FEATURES OF CONSUMER BEHAVIOUR:**

It a process	Reflects status
Influenced by various factors	Vital for marketers
Different for different customers	Results in spread-effect
Different for different products	Improves standard of living
Varies across regions	Dynamic in nature

➤ **IMPORTANCE OF CONSUMER BEHAVIOUR:**

Market opportunities	Media selection
Product development	Timing of Marketing efforts
Promotional-mix	Use of resources
Pricing of products	Better services to customers
Distribution strategies	Customer loyalty

➤ **FACTORS AFFECTING CONSUMER BEHAVIOUR:**

Marketing Factors: The marketing mix variables greatly influence the consumer buying behavior. The marketing variables include Product, Price, Place and Promotion

Personal Factors: The personal factors influence the purchasing decision of the consumers with respect to the product & service they choose to buy to fulfil their varied needs and wants.

Psychological Factors: These factors refer to the mental and emotional responses of the consumer that influence their decision making and also with the choice of product they buy and image they perceive. Some of the psychological factors are learning, attitude, motives, perception etc.

Situational Factors: Situational factors refer to the various situations and occasions faced by the consumers which influence their purchase decisions to great extent like physical surroundings, social surroundings, time factor, and momentary conditions.

Social-Cultural Factors: The social factors such as reference groups, family, role and social status affect the buying behavior of consumers. Culture factors include the race and religion, tradition, values, beliefs etc. that influence the buying behavior of consumers.

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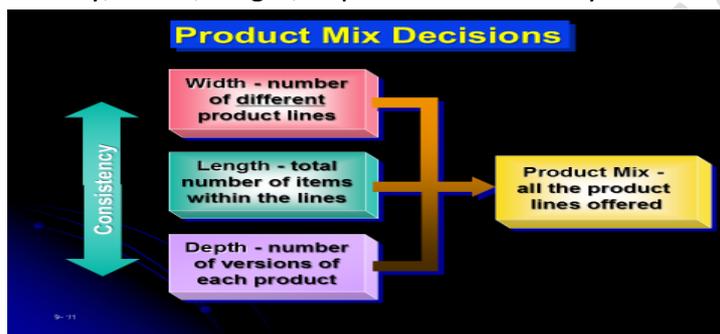
➤ **PRODUCT**

- Anything which can satisfy customers, made according to their needs, expectations & preferences can be called a product.
- A bundle of attributes that satisfies a customer demand can be termed as a product.
- **PRODUCT** – A combination of physical and symbolic attributes which yield satisfaction or benefits to the user or buyer.

➤ **PRODUCT MIX**

“Product mix (also called as product assortment is the set of all products and items a particular seller offers for sale”. *Philip Kotler*

Product mix pertains to the variety of products a company sells. It also refers to the total number of product lines that a company offers to its customers. There are four dimensions to product mix, namely, width, length, depth and consistency.



➤ **PRODUCT LIFE CYCLE**

Introduction Stage: In this stage the marketer introduces the basic product in the market. Stresses more on product awareness and advertising. Sales tend to be generally low and profits are negative in this stage. The marketer builds selective distribution using a cost plus pricing strategy.

Growth Stage: In this stage marketer offers product extensions, service and extended warranty on the products. Stress is on aggressive advertising and awareness. Sales and profits tend to rise rapidly. The marketer builds intensive distribution using penetration pricing strategy.

Maturity Stage: At this stage the marketer diversify into various brands & models. Stresses on brand differences & benefits. Sales are at its peak and profits higher. The marketer builds more intensive distribution, pricing the product to match or beat competitors.

Decline Stage: In this stage the marketer phases out weak items from its product line. Advertising is reduced to level needed to retain hard-core loyal customers. The stage observes declining sales and profits. The marketer phases out unprofitable outlets and reduces the prices of the product.

➤ **LEVELS OF PRODUCT**

1. **The Core Product:** It's the intangible benefit provided by a product. Indicates core benefit or service offered by the product.
2. **The Actual Product:** It's the tangible and physical benefit of a product. Ex: quality level, brand name, features, style, packaging, colour, size, weight, etc.

3. **The Augmented Product:** It's the extra add on value or service one gets out purchasing a product. Ex: after sale services, guarantees/ warranties, payment options, delivery points & systems, toll free numbers, replacement or return policy.

➤ **NEW PRODUCT DEVELOPMENT**

- **Idea Generation & Screening:** The NPD process starts with the search for ideas. Ideas may come from customers, dealers, salesmen, research staff & other workforce. The purpose of idea screening stage is to drop poor ideas as early as possible.
- **Concept Development & testing:** A concept is an elaborated version of a product idea expressed in meaningful consumer terms. Concept testing helps in removing vagueness in the original product idea. In brief, possible market response is estimated at this stage.
- **Business & Market Analysis:** This stage will decide whether from financial as well as marketing point of view, the project is beneficial or not. The projects overall impact on the organization's financial position with & without the new product are estimated & compared.
- **Product Development:** At this stage the company will determine whether the product idea can be translated into technically & commercially feasible product.
- **Market Test:** The product here is actually tested in the selected market segments. Based on the outcomes of the market testing, the marketer go for large scale manufacture of the new product.
- **Test Marketing:** Test Marketing is the Stage Where the Product and Marketing Program are Introduced into More Realistic Market Settings.
- **Commercialization:** Commercialization is the Introduction of the New Product into the Marketplace.

➤ **FAILURE OF A PRODUCT**

When the new product does not get adequate sales, consumer support or profits as expected or estimated, the product is said to be failure. It is undesirable as it brings financial loss to the company. Product failure may be due to introduction of substitutes, technological innovations, changes in the expectations of consumers and so on.

➤ **BRANDING**

A brand is a "name, term, sign, symbol, or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition." *American Marketing Association*

➤ **ROLE AND IMPORTANCE OF BRANDING TO CONSUMERS**

Identification of the market	Improves recognition
Legal Protection	Creates trust
Provides information	Supports advertising
Unique association	Inspires employees
High market share	Build financial value
Acts as an entry barrier to other brands	

➤ **ROLE AND IMPORTANCE OF BRANDING TO CONSUMERS**

Easy decision making	Helps habitual buyers
Reduces risk	Emotional attachments
Source of Information	Guides shopping behaviours

➤ **PRICE**

- Price means the expression of value or utility in terms of money.
- Price is the amount of money charged for a product or service. It is the sum of all the values that consumers give up in order to gain the benefits of having or using a product or service.

➤ **OBJECTIVES OF PRICING**

Profit Maximization	Meet/Prevent Competition
Target Return on Investment	Sales Promotion
Price Stabilization	Expedite cash collection
Paying capacity of consumers	

➤ **FACTORS INFLUENCING PRICING DECISIONS**

Internal Factors	External Factors
Objective of the company	Characteristics of customers
Characteristics of the product	Market situation
Cost of production & the margin of expected profit	Channel or distribution
Goodwill of the firm	Government control
Product life cycle	Demand position
Promotion of products	Degree of competition
Product line	Credit policy

➤ **PRICING STRATEGIES ADOPTED BY MARKETERS**

Mark-up price: This method is adopted by wholesalers & retailers in establishing a sale price.

The difference b/w the sale price & the cost is known as Mark-up price. **Price = Unit cost+Markup.**

Cost-based price: Adding a standard markup to cost. Average cost of production & marketing is calculated. **Total cost + % of profit =Price (per unit).**

Perceived value price: Pricing is done based on the customer's perception of its value. This method is adopted so that the products value & the customers' perception of product value can be matched.

Geographic Price: Under this method pricing is done based on the geographical region. The cost of transportation, carriage, storage and demand for the product is considered.

Market Skimming Price: Involves the use of a HIGH PRICE relative to competitive offerings. Often used by marketers of high-end products. Also used by firms introducing a distinctive good with little or no competition.

Market Penetration Price: This is exactly opposite of skimming. Price set to 'penetrate the market'. Price is 'Low' to secure high volumes as compared with competitive offerings. Offers low price to gain market share - then increases price. It is intended to capture the market ideally for the products with long anticipated life cycles.

Psychological Price: This pricing is based on the psychology of consumers. This method is used to play on consumer perceptions. Links with value pricing – high value goods priced according to what consumers THINK should be the price.

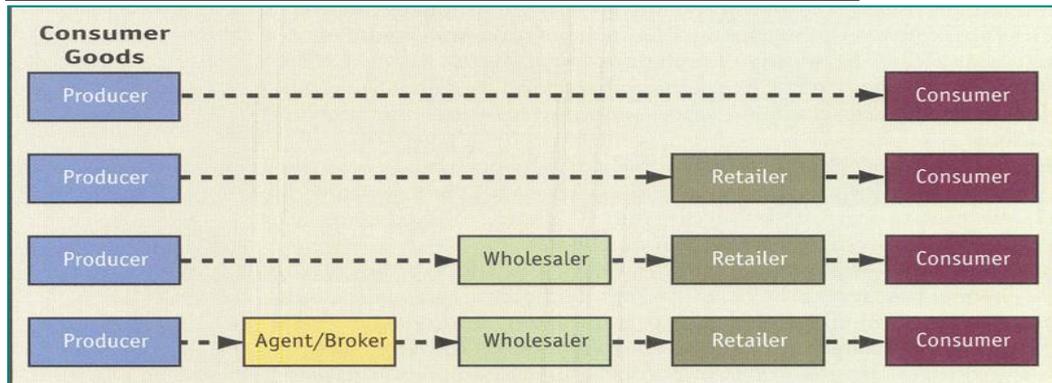
➤ **PHYSICAL DISTRIBUTION/DISTRIBUTION CHANNELS**

A distribution channel can be defined as "All the organizations through which a product must pass between its point of production and consumption". Intermediaries offer the firm more than it can achieve on its own through their contacts, experience, specialization, and scale of operations.

➤ IMPORTANCE OF DISTRIBUTION CHANNELS

Bridge the gap between producer & consumer	Helps collect customer feedback
Helps in distribution of products	Expansion of markets
Creates demand	Market knowledge and information
Helps in Advertising & Promotion	
Source of Customer Information	

➤ TYPES OF CHANNELS OF DISTRIBUTION FOR CONSUMER GOODS



➤ PROMOTION

Promotion is defined “as the element in an organization’s marketing mix that is used to inform, persuade and remind the market regarding the organization and its product.”

➤ SIGNIFICANCE OF PROMOTION

Creates awareness	Educates the consumers
Helps in changing attitudes about products	Helps in expansion of markets
Increases brand loyalty	Provides information to consumers
Enhances corporate and brand image	Helps in persuading the consumers
Help in countering competitors claims	Serves as reminder

➤ PROMOTIONAL TOOLS ADOPTED BY MARKETERS

Advertising: any paid form of nonpersonal communication by an identified sponsor.

Personal Selling: refers to personal presentations or demonstrations by firm’s sales force.

Sales Promotion: these are short term incentives given to consumers & intermediaries to boost or increase sales.

Publicity: non paid form of nonpersonal presentation which can be favourable or unfavourable.

Public Relations: Building cordial and long term relations with various publics by disseminating as well as collecting information.

Direct Marketing: Maintaining direct communications with Individuals to obtain an immediate response.

Packaging: Protects and delivers the product safely along with necessary information.

Internet/Interactive Marketing: Enables buyers & sellers to come in contact with each other through electronic media.

Trade Fairs & Exhibitions: Helps to attract large crowd personally through demonstrations & participations.

Sponsorships: Sponsor sports, cultural & social events in order to create a distinct image

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➤ **SEGMENTATION**

- “It is a process of identifying groups of buyers with different desires or requirements”. *Philip Kotlers*
- Market segmentation is the process of dividing the total, heterogeneous market for a product into several sub markets or segments, each of which tends to be homogeneous in all significant aspects.

➤ **IMPORTANCE OF SEGMENTATION**

Helps in determining market opportunities	Efficient use of resources
Developing marketing programs	Better service to customers
Adjustments in marketing appeals	Helps to fix prices
Designing product	Assist in distribution strategies
Media selection	Timing of marketing efforts

➤ **BASIS OF SEGMENTATION**

Geographic Segmentation: Under this method of segmentation the markets are divided into different geographic units based on region, urban/rural population and based on locality.

Demographic Segmentation: In this method the market is divided into groups based on variables such as age, gender, family size, income, occupation, education, religion, nationality etc.

Psychographic Segmentation: In this method the buyers are divided into different groups based on social class, lifestyle, personality etc.

Sociographic Segmentation: In this method the market is divided into sociological factors such as Cultural influences, Influence of Reference Groups, pressure groups etc.

Behavioural Segmentation: In this method the market is divided into groups based on variables such as occasions, benefits, user status, usage rate, loyalty status, readiness stage, attitude towards product etc.

➤ **TARGETING**

- “It involves evaluating each market segment’s attractiveness & selecting any one or more segments to enter”. *Philip Kotler*
- In other words choosing one or more segments for which to design your marketing operations.

➤ **TYPES OF TARGETING**

Undifferentiated (Mass) Marketing: An organization develops one strategy appropriate for all customers of the total market. A market coverage strategy in which a firm decides to ignore market segment differences & go after the whole market with one offer. The company designs a product & a marketing program that appeals to largest. Ex: Steel, silk, aluminium, vegetables & fruits etc.

Differentiated (Multi Segment) Marketing: An organization targets multiple market segments and develops segment specific mixes. A coverage strategy in which a firm decides to target several market segments & designs separate offers for each.

Ex: Coca-Cola (Coke, Sprite, Diet Coke, etc.)

Procter & Gamble (Tide, Surf, Ariel etc.)
 Toyota (Camry, Corolla, Prius, Scion, etc.)
 Nike shoes (running, aerobics, cycling, baseball, tennis etc)
 Concentrated (Niche) Marketing

- **Concentrated (Niche) Marketing:** When an organization concentrates its marketing efforts on a smaller segment of a larger market. Targets one or a couple small segments. Niches have very specialized interests.

Ex: M&M farm equipment division concentrates on tractors.

Zodiac concentrates on formal shirts

Hospitals for cancer care, heart surgery etc.

Restaurants (Chinese, Mughlai, Malvani etc)

- **Micromarketing (local/individual) Marketing:** Micromarketing is the practice of tailoring products and marketing programs to suit the tastes of specific individuals and locations:

- *Local marketing:* involves tailoring brands and promotion to the needs and wants of local customer groups such as cities, neighbourhoods, stores etc.
- *Individual marketing:* involves tailoring products and marketing programs to the needs and preferences of individual customers. Also known as one-to-one marketing, mass customization, marketing-of-one marketing.

Ex: Raymond, Aravind mill, Big Bazar, Insurance companies.

- **POSITIONING**

- “Positioning is the use of marketing to enable people to form a mental image of your product in their minds”.
- The place a product occupies in consumers’ minds relative to competing products.

- **POSITIONING STRATEGIES**

Positioning by Product features: Highlight specific product features that would benefit the customer.

- Colgate: Anti tooth decay
- Tata Motors: India’s most fuel efficient car

Positioning by Price and Quality: The marketer may position the product as quality product that is worth the money.

- Mercedes benz: Luxury cars

Positioning by Use: Product can be positioned by associating with a use or application.

- Maggi Noddles: 2 minutes
- Burnol: Burns
- Iodex: Sprains/ Muscle pain

Positioning by User Category: The brand may be associated with a user or a particular class of users.

- Rado, Rolex, Audi, Loreal

Positioning by Competitor: In some cases reference may be made directly or indirectly to one or more competitors.

- Yippe: we are safe

Positioning by Benefit: Some marketers positions their product on the basis of product benefits.

- Good night: good sleep (push karo....khush raho)

- Fortune oil: Healthiest

Positioning by Corporate Image: Some of the products or brands use their corporate names to position themselves.

- Health care, cosmetics, computers
- Intel: Intel inside
- Tata: Tata salt
- LG: Life's Good

Positioning by Emotional appeal: A firm may position its product by dramatizing emotions.

- Cabbury Dairy milk: Kuch meetha ho jaye, Shub Aarambh
- Tata: Tata salt (Desh Ka namak)
- Kurkure: Teda Hai par Mera hai

Positioning by Highlighting Social Values: The company may associate the brand with social values.

- Tata Tea: Jaago Re
- Dabur: Padhai wala magic hai

➤ **E-MARKETING**

E-marketing can be defined as “the art of crafting and delivering a message in the electronic form or over internet that will influence a recipient’s behaviour”.

➤ **FEATURES OF E-MARKETING**

➤ Global reach	➤ Richness of media
➤ Cost effective	➤ Customization
➤ Pull strategy	➤ Information availability

➤ **ADVANTAGES & DISADVANTAGES OF E-MARKETING**

Advantages	Disadvantages
Global reach	Limited appeal
Simple & easy	Doubtful medium
24/7 available	Lacks physical touch
Ocean of information	Fraudulent acts
Wider variety	Higher Investments
Customization possible	Trust & fear issues

➤ **INTERNET MARKETING**

Internet marketing or online marketing or also referred to as web marketing is the marketing of products or services over the internet. The form of marketing that use the web and email to drive direct sales via electronic medium, in addition to sales from websites or emails.

➤ **FEATURES OF INTERNET MARKETING**

➤ Economical	➤ Easier marketing
➤ Global accessibility	➤ Customization
➤ Wider choice	➤ Vast information
➤ 24/7 availability	➤ Interactivity

➤ **ADVANTAGES & DISADVANTAGES OF INTERNET MARKETING**

Advantages	Disadvantages
Global coverage	Limited appeal
Direct interaction	Doubtful medium
24/7 service	Limited use
Cash rich buyers	Fear factors
Ocean of information	Higher Investments
Facilitates attention	Junk mails

➤ MARKETING USING SOCIAL NETWORKS

Social networks are based on word of mouth. Different individuals enter into conversations on topics which are varied in nature. The topics can be about products & services, movies, sports, politics, travel & tourism, TV shows, publications, celebrities, events and so on.

➤ FORMS OF WORDS OF MOUTH OVER SOCIAL NETWORKS

- **Buzz Marketing:** involves cultivating opinion leaders and getting them to spread information about a product or service to others in their communities.
- **Viral Marketing:** is the internet version of word-of-mouth advertising via e-mail. It is a process of advertising to consumers over the internet through word-of-mouth transmitted through e-mails and electronic mailing lists.
- **Bloggng:** is a Web log. It is a personal diary like Web page created by an individual. Blogs are online journals where people post their thoughts.

➤ SOCIAL MARKETING

- Social marketing is an approach used to develop activities aimed at changing or maintaining people's behavior for the benefit of individuals and society as a whole.
- Ex: Pulse Polio Campaign, Tata Tea "Jaago Re", IDEA cellular "Use mobile Save Paper", Aircel in association with WWF India "Save our Tigers", Swach Bharat, P&G "Shiksha"

➤ RELATIONSHIP MARKETING

It is the process of creating, maintain, and enhancing strong long term trusting relationship with customers, distributors, dealers, and suppliers. Building mutually satisfying long term relationships with key parties, in order to earn and retain business.

Relationship with Consumers can improve through:

- Handling consumer objections effectively
- Providing reliable after sale services
- Regular communication
- Providing education and information to consumers
- Sales promotion

Relationship with channels can improve through:

- Attractive payments
- Healthy competition
- Participation
- Communication
- Incentives