



Lecture 1

The Changing World of Marketing





| Module | Lecture topic |
|--------|---|
| 1 | Introduction to Marketing |
| 2 | Marketing environments |
| 3 | Marketing research |
| 4 | Consumer behaviour |
| 5 | Segmentation, targeting and positioning |
| 6 | Product & Services Strategy |
| 7 | Pricing Strategy |
| 8 | Place Strategy |
| 9 | Promotion - IMC |
| 10 | Marketing mix review |
| 11 | International Market Entry |
| 12 | Marketing Plan |
| 13 | Start Your Business |
| 14 | Course review and exam preparation |









Learning Objectives

After learning this chapter, you should be able to:

- define marketing and discuss its core concepts;
- understand basic concepts of marketing;
- trace the evolution of marketing;
- understand the importance of studying marketing;
- present a real case of marketing activities.



Activity Icon

| Icon | Meaning | Activity |
|---|---------------------|---|
|  | Take notes | These are important points and you should take notes. You will be required to know this information. |
|  | Individual Activity | Students complete an individual task. |
|  | Group Activity | Students discuss/ complete activities in groups and report back to the class. |
|  | Research required | You will need to research this and do some reading before the next class. |
|  | Important Concept | You MUST understand this concept to successfully complete the subject. Seek help if you don't understand. |
|  | Practice Questions | Students will complete these questions as practice. |



Perceptions of Marketing

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

•See American Marketing Association, <<http://www.marketingpower.com/AboutAMA/Pages/DefinitionofMarketing.aspx>>, accessed January 2014



What is Marketing?

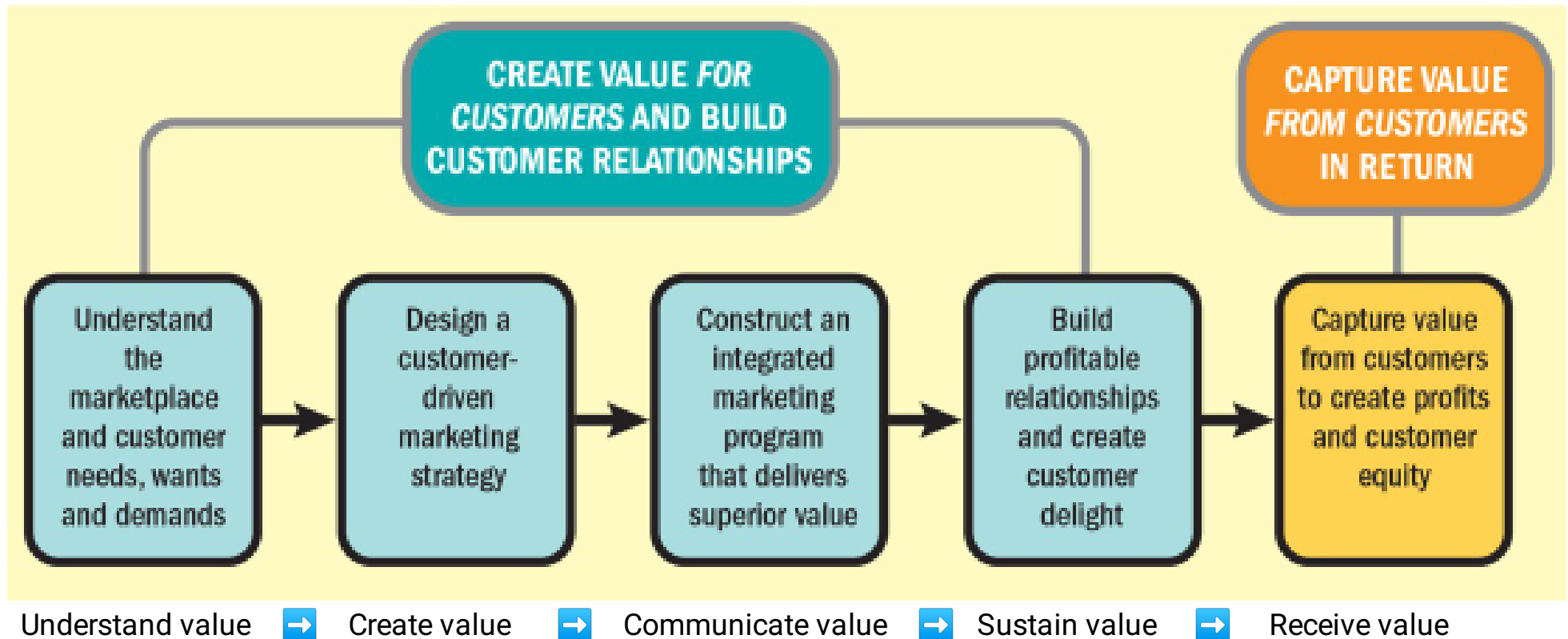
- **Marketing** is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products of value with others.
- — Philip Kotler (the *Father* of Modern Marketing)

市场营销是个人和集体通过创造、提供、出售，并同别人交换产品和价值，以获得其所需所欲之物的一种社会和管理过程。

——菲利普·科特勒



The marketing process





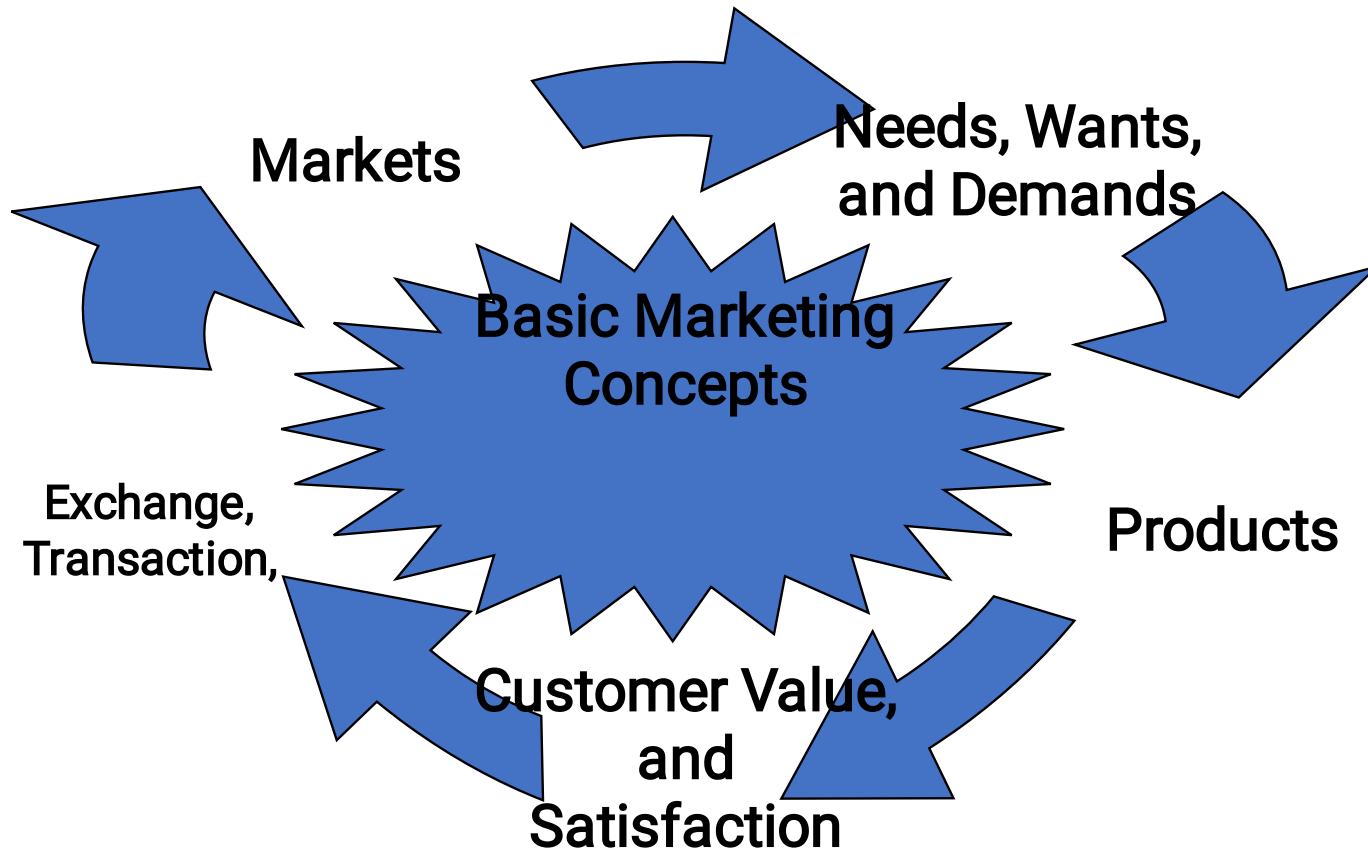
Brainstorming: Challenge

- What cannot be marketed?
 - Discuss with those around you for the next minute and see if you can identify something which cannot be marketed.
 - Share with class





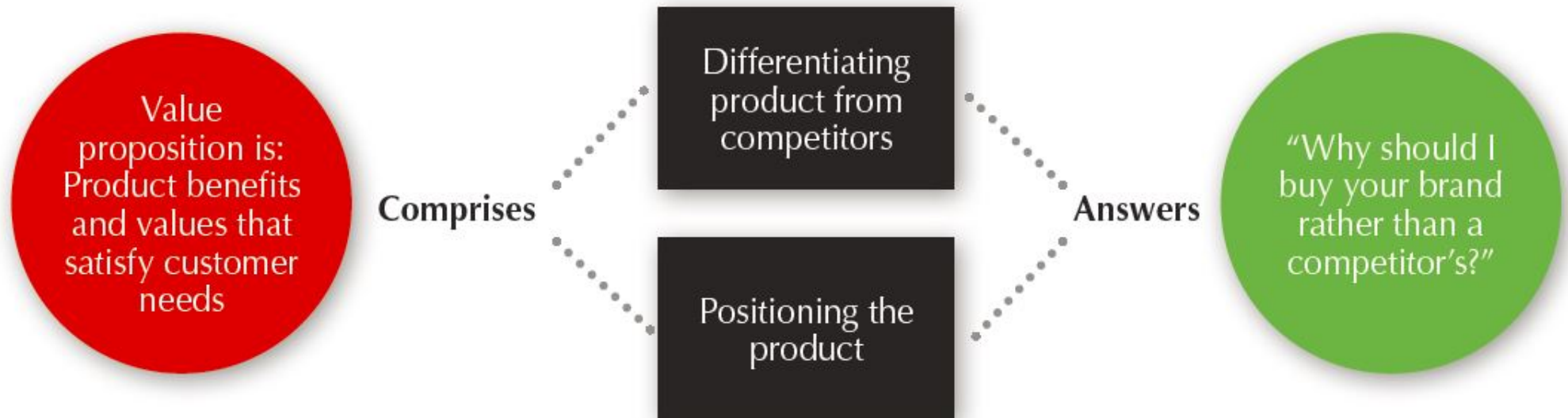
Some Basic Concepts in Marketing





Creating value

- A brand's value proposition is the set of benefits or values it promises to deliver to customers to satisfy their needs.





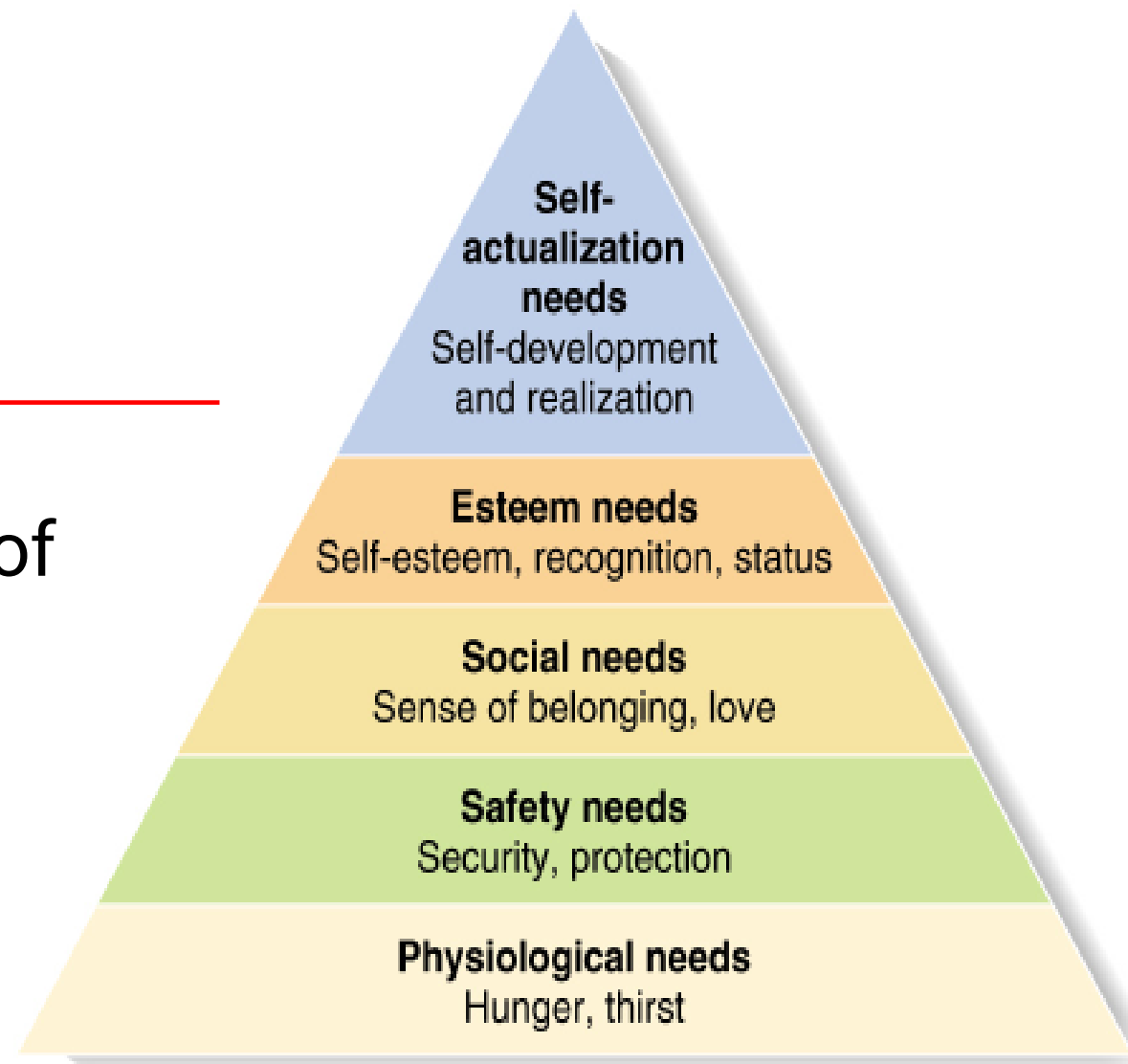
Contexts

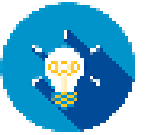
- Goods
- Services
- NFP
- B2B
- Individuals
- Places/Cities/Countries
- Social marketing – behaviour change



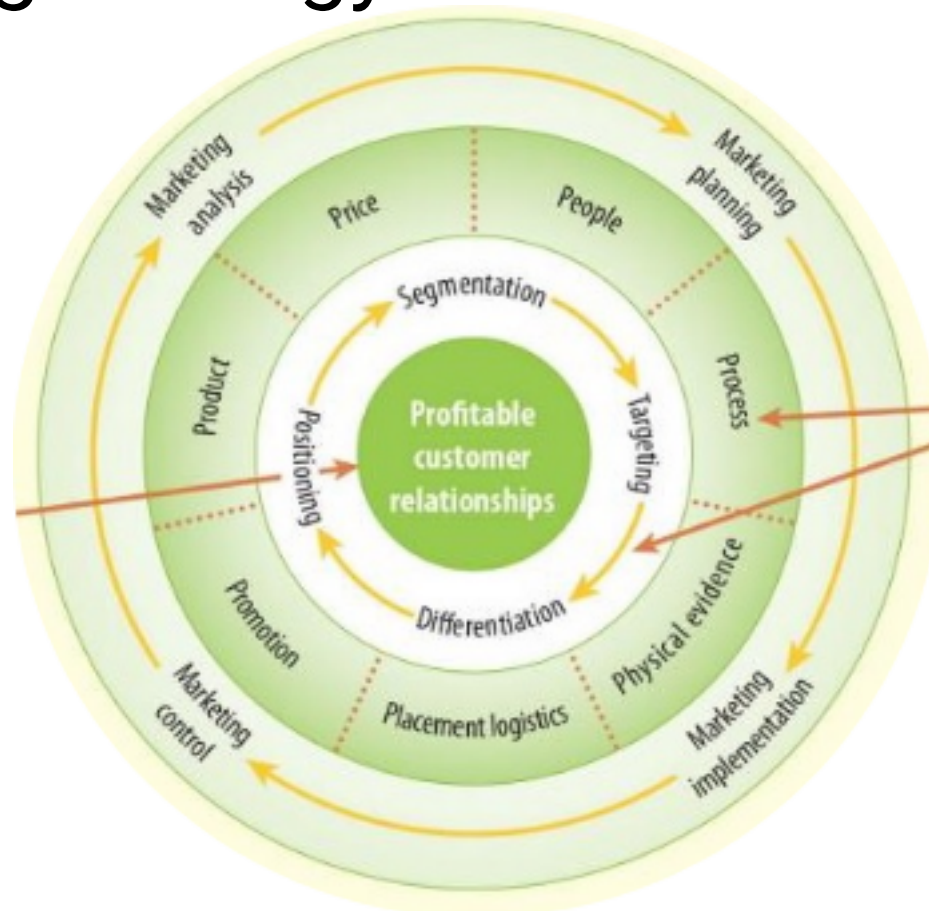


Maslow's Hierarchy of Needs



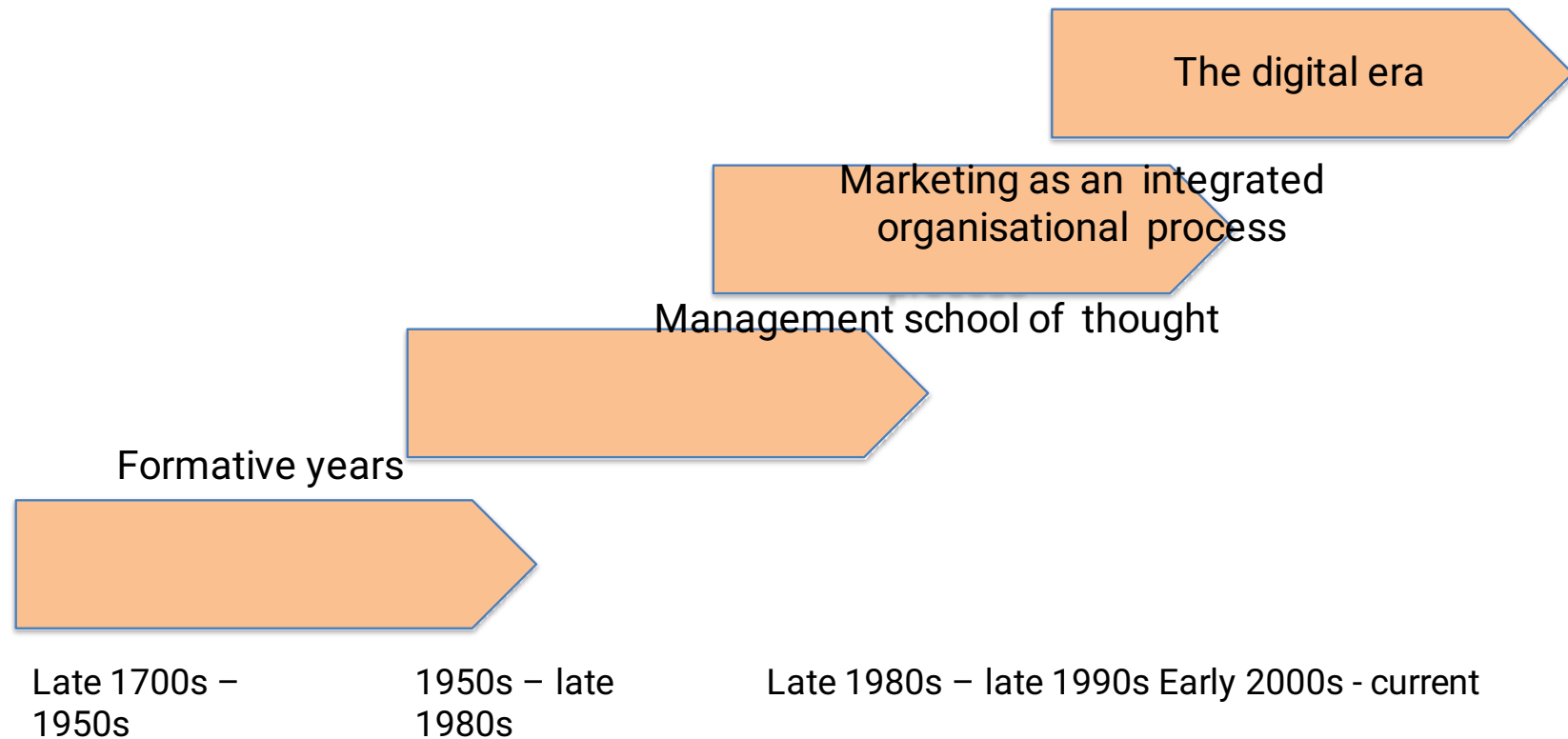


Marketing strategy and the marketing mix





Evolution of Marketing Thought and Practice





The 5 Marketing Philosophies



- *Philip Kotler mentions that ultimately each company will manage its strategy and marketing through 5 philosophies that suit their business.*

- Published on 20 May 2012
- Kotler's 5 Marketing Philosophies Defined
- <https://www.youtube.com/watch?v=n18OaaTk6m8>



<http://studiousguy.com/marketing-management-philosophies/>



Marketing Philosophies

(~1920s seller market)

- The Production Concept 生产观念
 - Consumer
 - Prefer products that are available and inexpensive
 - Managers
 - Improve production and distribution efficiency
 - Achieve economies of scale



Marketing Philosophies

- The Product concept
 - Consumer
 - High quality, performance, or innovative features
 - Managers focus on
 - Making superior products
- Marketing myopia
 - Trust in engineers but consumers



Marketing Philosophies (1920s~1945 buyer market)

- The Selling Concept 推销观念
 - Consumer
 - not buy enough of the organization's products
 - Marketing manger
 - Heavy selling and promotion to obtain profitable sales
 - Their aim is to sell what they make rather than make what the market wants

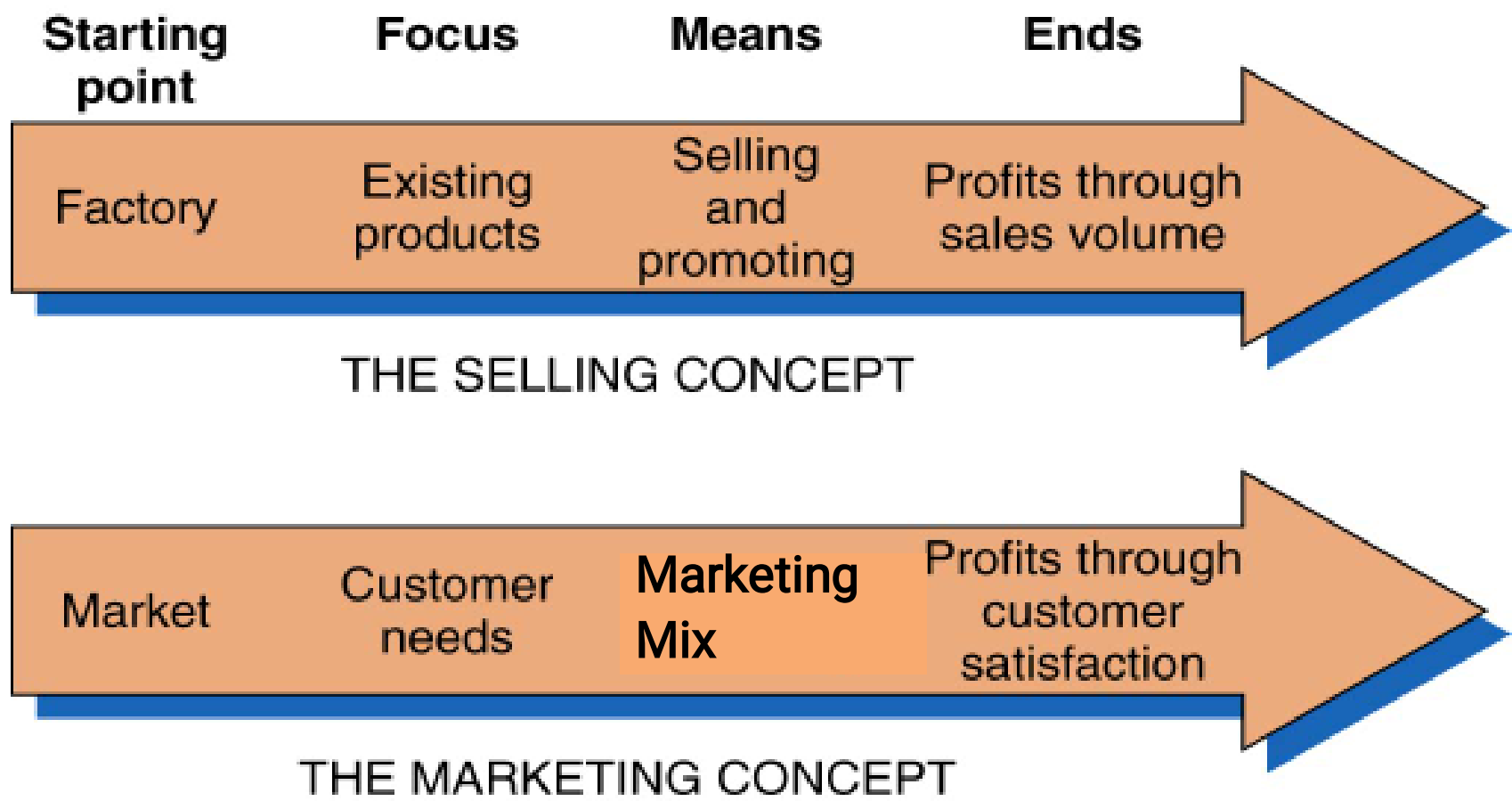


Marketing Philosophies (1950s~)

- The Marketing Concept 营销观念
 - Concept
 - Achieving organizational goals requires that company be more effective than competitors in creating, delivering, and communicating customer value.
 - Selling focuses on the needs of the seller; marketing, on the needs of the buyers.



Marketing and Selling Concepts Contrasted





Marketing Philosophies

(1970s~)

- The Societal Marketing Concept
- 社会市场营销观念
 - Determine the needs, wants and interests of target markets
 - Deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumers and the society' well-being。

MARKETING

The Changing Landscape of Marketing

- Marketing focus has shifted towards a value creation paradigm since the 1990s.
- Much more from a customer centric standpoint.



Image source: <http://www.isanimate.com/infographics/>



Think, Pair and Share



- From your past experience and research from your digital devices, find one example each of an organization that represent/ed following philosophies.

| Philosophy | Example | Reason |
|-------------------|---------|--------|
| Production | | |
| Product | | |
| Sales | | |
| Marketing | | |
| Social Marketing | | |
| Digital Marketing | | |



MARKETING

Marketing Management Philosophies

Production Concept

Consumers prefer products that are widely available and inexpensive

Product Concept

Consumers favor products that offer the most quality, performance, or innovative features

Selling Concept

Consumers will buy products only if the company aggressively promotes/sells these products

Marketing Concept

Focuses on needs/ wants of target markets & delivering value better than competitors

Societal Marketing Concept

Balances company profits, consumer wants, and society's interests in setting strategies



The Digital Era



- Early 2000s – current
- From Web-as-an-information source (Web 1.0) to Web-as-a participatory platform (Web 2.0)
- A catalyst for disruptive innovation
- From customer satisfaction to enhancing customer experience and engagement.
- Identifying customer touchpoints.
- Shift from desktops to mobile devices and cloud storage.

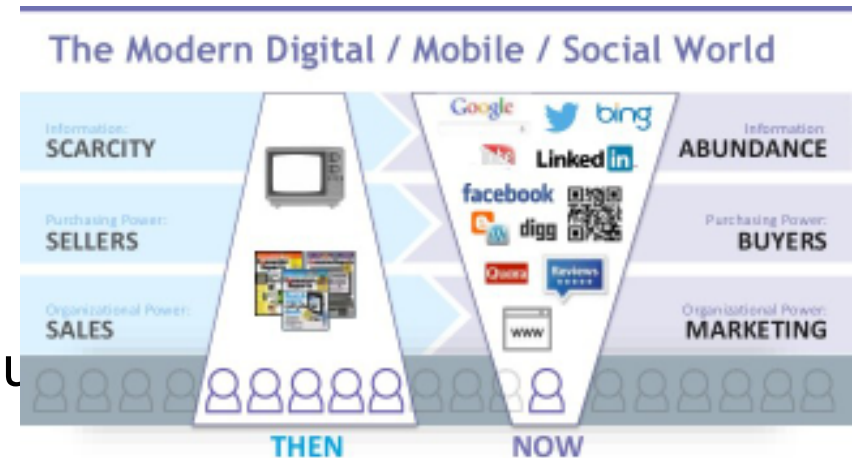


Image source: <https://www.slideshare.net/Conductormarketing/gensess-philfernandez>



Marketing Practice

- Bank of China wants to practice the societal marketing. Suggest three ways for it to do so.





Tutorial next week

- Lecture activities
- Workshop activities

Lecture next week

- Marketing Environment



• See You in the
Tutorials & Workshops



Thank You.

