

Introduction to Marketing and Marketing Metrics:

IMC for MA.EMA Sem 2 | Module 1





What is Marketing?

Marketing refers to activities a company undertakes to promote the buying or selling of a product, service, or good. It is one of the primary components of business management and commerce. Marketers can direct their product to other businesses or directly to consumers.





What is a Market?

A market is a composition of systems, institutions, procedures, social relations or infrastructures whereby parties engage in exchange. While parties may exchange goods and services by barter, most markets rely on sellers offering their goods or services to buyers in exchange for money.





Types of Market Systems

In market economies, there are a variety of different market systems that exist, depending on the industry and the companies within that industry. It is important for small business owners to understand what type of market system they are operating in when making pricing and production decisions, or when determining whether to enter or leave a particular industry.



1. Monopoly

Monopoly with One Producer

A monopoly is the exact opposite form of a market system as perfect competition. In a pure monopoly, there is only one producer of a particular good or service, and generally no reasonable substitute. In such a market system, the monopolist is able to charge whatever price they wish due to the absence of competition, but their overall revenue will be limited by the ability or willingness of customers to pay their price.



2. Oligopoly

Oligopoly with a Handful of Producers

An oligopoly is similar in many ways to a monopoly. The primary difference is that rather than having only one producer of a good or service, there are a handful of producers, or at least a handful of producers that make up a dominant majority of the production in the market system. While oligopolists do not have the same pricing power as monopolists, it is possible, without diligent government regulation, that oligopolists will collide with one another to set prices in the same way a monopolist would.



3. Perfect Competition

Perfect Competition with Infinite Buyers and Sellers

Perfect competition is a market system characterized by many different buyers and sellers. In the classic theoretical definition of perfect competition, there is an infinite number of buyers and sellers. With so many market players, it is impossible for anyone participant to alter the prevailing price in the market. If they attempt to do so, buyers and sellers have infinite alternatives to pursue.



4. Monopolistic Competition

Monopolistic competition is a type of imperfect competition such that there are many producers competing against each other, but selling products that are differentiated from one another and hence are not perfect substitutes.



Marketing Strategy & Metrix

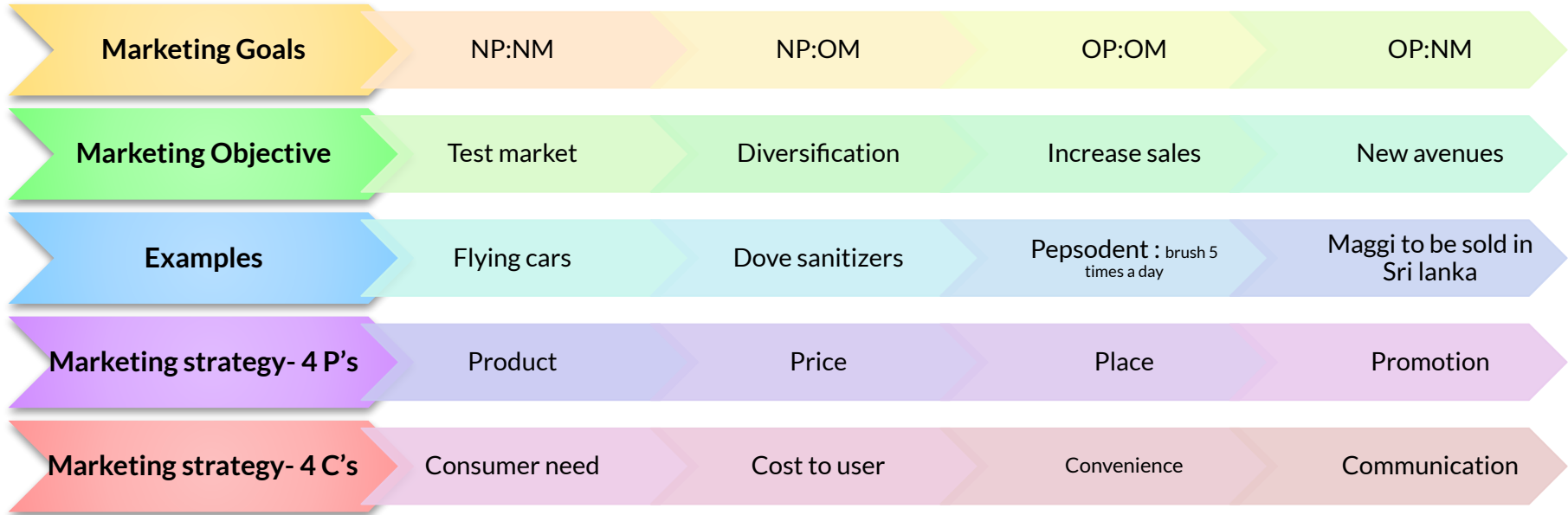
A marketing strategy refers to a business's overall game plan for reaching prospective consumers and turning them into customers of their products or services. A marketing strategy contains the company's value proposition, key brand messaging, data on target customer demographics, and other high-level elements.

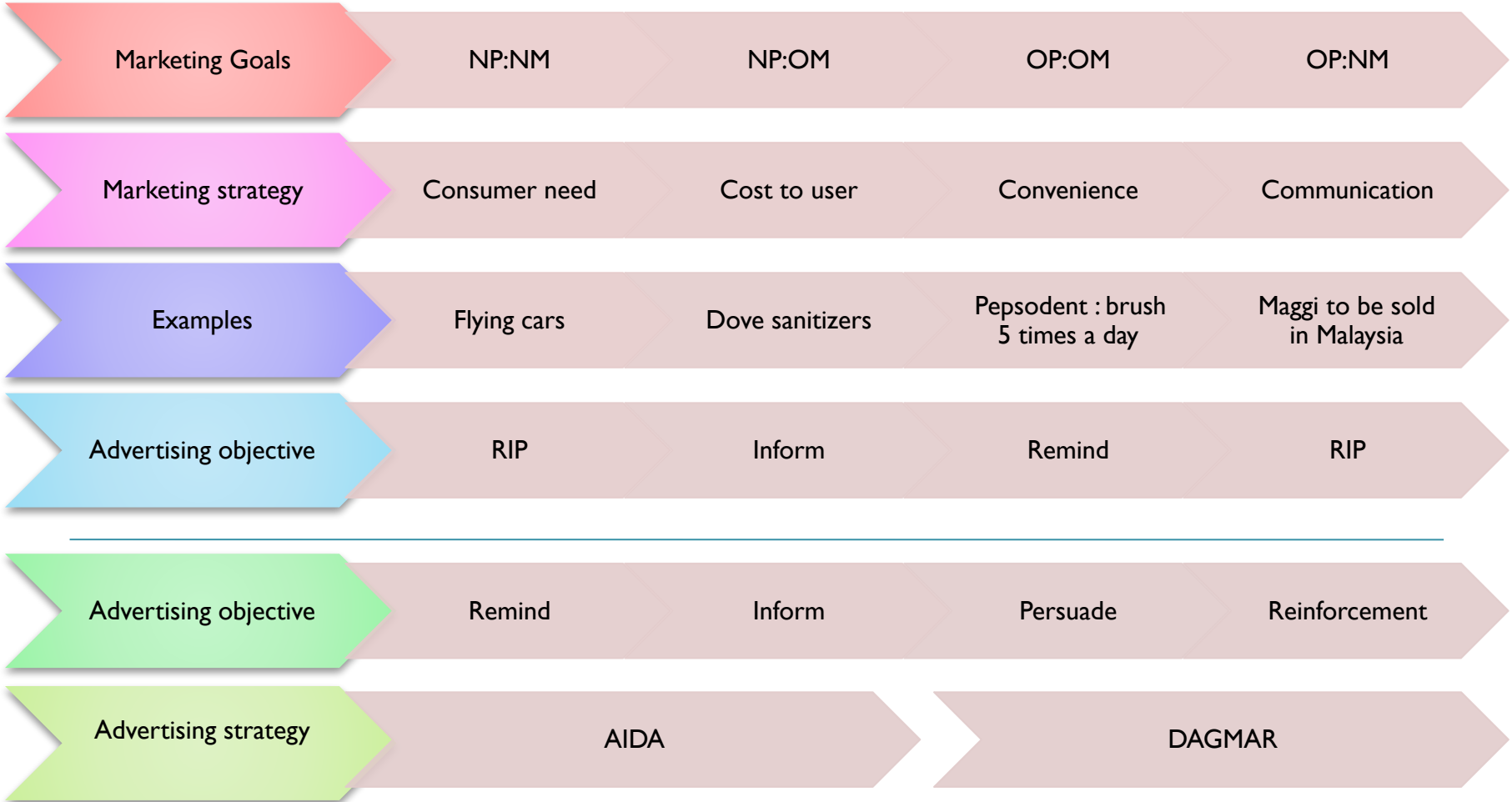


NP: NEW PRODUCT
NM: NEW MARKET
OP: OLD PRODUCT
OM: OLD MARKET



Setting Marketing objectives





Target Audience

A target audience is the intended audience or readership of a publication, advertisement, or other message catered specifically to said intended audience.

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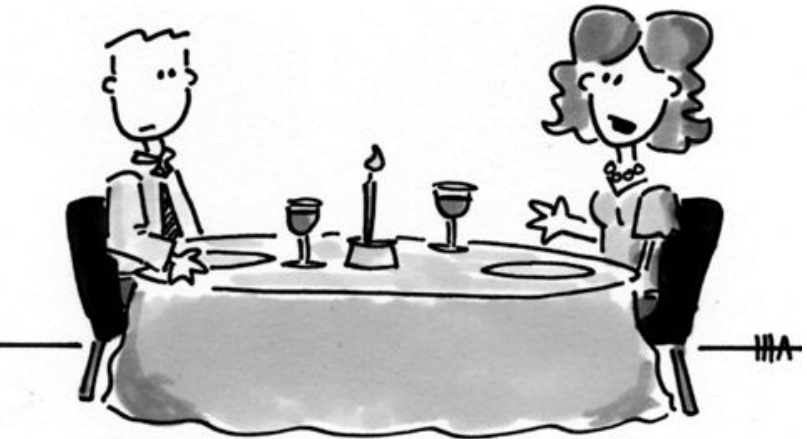
"It's not that I don't like you, Ted, you just don't fit my target demographic."

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Marketing Functions

IMC for MA.EMA Sem 2 | Module 2



Topics

- Product,
- Physical Distribution and Pricing: Diffusion and Product Research, Channels of Distribution,
- Vendor Management,
- Wholesaling,
- Retailing and Logistics,
- Penetration Vs Skimming



What is a Product?

In marketing, a product is an object or system made available for consumer use; it is anything that can be offered to a market to satisfy the desire or need of a customer.






What is Physical Distribution?

Physical distribution (P.D) is an important marketing function describing the marketing activities relating to the flow of raw materials from the suppliers to the factory and the movement of finished goods from the end of production line to the final consumer or user.

Physical distribution is the science of Business Logistics where by the proper amount of the right kind of product is made available at the place where demand for its exists. Viewed in this light, physical distribution is key link between manufacturing and demand creation.




4 Important Elements Of Physical Distribution Of Products





1. Transportation



Transportation is that activity through which products are moved from one place to another. By making the products reach a desirable place can increase the importance and value of those products.

For example:

Himachal Pradesh and Kashmir grow apples in large quantities and their demand is throughout the country. These apples are moved to their desired places by means of transportation. Many means of transportation are available, like road, railway, air, water, pipeline etc.

While choosing the means of transportation, the following elements should be kept in consideration:

(i) Cost, (ii) Speed, (iii) Dependability, (iv) Frequency, (v) Power, (vi) Safety.

Examples:

- For FMCG goods or Perishable Goods high-speed transport system should be used.
- For Gas and Petroleum the use of Pipeline is advisable.



2. Inventory



By inventory we mean the stock of raw material, semi-finished goods and finished goods held in anticipation of sales or use. How much inventory should be kept for various items? This is an important decision in Physical Distribution.

The main reason as to why this decision is important is that if the inventory is either more or less than required, both the situations have their advantages and limitations.

Like: (i) Low quantity of Stock:

If the quantity of inventory is kept low, then less amount of money is blocked and as a result of this investment is small. On the other hand, with the slight increase in demand because of the scarcity of inventory the consumers will turn to the rival companies.



(ii) Excessive Quantity of Stock:

If the stock is available in excessive quantity, then any demand can be met. So the risk that consumers will desert drops to zero. On the other hand, investing more in inventory will block the money unnecessarily and investments will increase. In short, after analysing the pros and cons of both the situations the decision about the adequate quantity of stock should be taken.

3. Warehousing:





Often it is noticed that it takes some time between purchasing/ manufacturing and selling. For this time period material has to be kept in stock. Under warehousing activity the following decisions regarding the inventory of material are taken:

- Which is a better option? (To own or to rent a warehouse)
- Which is the right location for a warehouse? (Nearer the factory or nearer the market).
- Which decision is more appropriate? (To locate the warehouse at one place or at different places) by taking warehousing facility at different places, the advantage of meeting the demand of material expeditiously is gained.

Here the thing to be kept in mind is that warehousing requires investment. So after analyzing its advantages and usefulness desirable decision should be taken.



4. Order Processing



Order Processing means the process which is followed to fulfill the material order of the customer. Different steps of order processing are as follows:

- Orders placed by consumers to a salesperson.
- Transmission of order by a salesperson to the company.
- Entry of order in the Company Office.
- Evaluating the reputation of the customer.
- Checking inventory and preparing the schedule.
- Shipment of material in accordance with the order.
- Receiving Payment

The customer service level is judged from the fact as to how expeditiously the shipment reaches the consumer. Customer satisfaction and speed of shipment are directly interrelated.

Hence, faster the pace of shipment, higher the rate of customer satisfaction will be. Keeping this thing into consideration companies are nowadays using system based on Information Technology so that by delivering shipment expeditiously customer service level can be improved.



Channels of Distribution



What Is a Distribution Channel?

A distribution channel is a chain of businesses or intermediaries through which a good or service passes until it reaches the final buyer or the end consumer. Distribution channels can include wholesalers, retailers, distributors, and even the Internet.

Distribution channels are part of the downstream process, answering the question "How do we get our product to the consumer?" This is in contrast to the upstream process, also known as the supply chain, which answers the question "Who are our suppliers?"

A distribution channel, also known as placement, is part of a company's marketing strategy, which also includes the product, promotion, and price.



Understanding Distribution Channels

A distribution channel is a path by which all goods and services must travel to arrive at the intended consumer. Conversely, it also describes the pathway payments make from the end consumer to the original vendor. Distribution channels can be short or long, and depend on the number of intermediaries required to deliver a product or service.

Goods and services sometimes make their way to consumers through multiple channels—a combination of short and long. Increasing the number of ways a consumer is able to find a good can increase sales. But it can also create a complex system that sometimes makes distribution management difficult. Longer distribution channels can also mean less profit each intermediary charges a manufacturer for its service.



Direct and Indirect Channels

Channels are broken into two different forms—direct and indirect. A direct channel allows the consumer to make purchases from the manufacturer while an indirect channel allows the consumer to buy the goods from a wholesaler or retailer. Indirect channels are typical for goods that are sold in traditional brick-and-mortar stores.

Eg: D-Mart, Big Bazar, Hyper City, Any Retail Store

Generally, if there are more intermediaries involved in the distribution channel, the price for a good may increase. Conversely, a direct or short channel may mean lower costs for consumers because they are buying directly from the manufacturer.



Direct and Indirect Channels

The second channel cuts out the wholesaler—where the producer sells directly to a retailer who sells the product to the end consumer. This means the second channel contains only one intermediary. Dell, for example, is large enough to sell its products directly to reputable retailers such as Best Buy.

The third and final channel is a direct-to-consumer model where the producer sells its product directly to the end consumer.

Amazon, which uses its own platform to sell Kindles to its customers, is an example of a direct model. This is the shortest distribution channel possible, cutting out both the wholesaler and the retailer.

Ikea



Direct and Indirect Channels

KEY TAKEAWAYS

A distribution channel represents a chain of **businesses or intermediaries through which the final buyer purchases a good or service.**

Distribution channels include **wholesalers, retailers, distributors, and the Internet.**

In a direct distribution channel, the manufacturer sells directly to the consumer. Indirect channels involve multiple intermediaries before the product ends up in the hands of the consumer.



Choosing the Right Distribution Channel

Not all distribution channels work for all products, so it's important for companies to choose the right one. The channel should align with the firm's overall mission and strategic vision including its sales goals.

The method of distribution should add value to the consumer. Do consumers want to speak to a salesperson? Will they want to handle the product before they make a purchase? Or do they want to purchase it online with no hassles? Answering these questions can help companies determine which channel they choose.

Secondly, the company should consider how quickly it wants its product(s) to reach the buyer. Certain products are best served by a direct distribution channel such as meat or produce, while others may benefit from an indirect channel.

If a company chooses multiple distribution channels, such as selling products online and through a retailer, the channels should not conflict with one another. Companies should strategize so one channel doesn't overpower the other.



Logistics

Logistics is coordinating the flow of goods, services, and information among members of the supply chain. A major focus of logistics is physical distribution or marketing logistics, the tasks involved in planning, implementing, and controlling the physical flow of materials, final goods, and related information from points of origin to points of consumption to meet customer requirements at a profit.



Vendor Management

Vendor management is a discipline that enables organizations to control costs, drive service excellence and mitigate risks to gain increased value from their vendors throughout the deal life cycle.

Vendor management research helps clients select the right vendors; categorize vendors to ensure the right contract, metrics, and relationship; determine the ideal number of vendors; mitigate risk when using vendors, and establish a vendor management organization that best fits the enterprise.

This enables organizations to optimally develop, manage and control vendor contracts, relationships and performance for the efficient delivery of contracted products and services. This can help clients meet business objectives, minimize potential business disruption, avoid deal and delivery failure, and ensure more sustainable multisourcing while driving the most value from their vendors.



Wholesaling

Wholesaling is the act of buying goods in bulk from a manufacturer at a discounted price and selling to a retailer for a higher price, for them to repackage and in turn resell in smaller quantities at an even higher price to consumers. Due to the large quantities purchased from the manufacturer at a discounted price, the wholesaler can also pass on this discount to retailers. The retailer sells at a price that reflects the overall cost of doing business.






Retailing

The activities involved in the selling of goods to ultimate consumers for personal or household consumption.

Retailing is defined as a set of activities or steps used to sell a product or a service to consumers for their personal or family use. It is responsible for matching individual demands of the consumer with supplies of all the manufacturers.






Penetration Vs Skimming

Penetration Pricing is a pricing technique in which the price set by the firm is low initially, so as to attract more and more customers.

Skimming Pricing means a pricing strategy wherein the firm sets a high price for the product at its introduction stage so as to receive maximum profit.

Eg: Jio Fiber // Jio Data

BASIS FOR COMPARISON	PENETRATION PRICING	SKIMMING PRICING
Meaning	Penetration Pricing is a pricing technique in which the price set by the firm is low initially, so as to attract more and more customers.	Skimming Pricing means a pricing strategy wherein the firm set high price for the product at its introduction stage so as to receive maximum profit.
Object	Penetrate the market.	Skim the cream
Margin	Low	High
Demand	Price Elastic	Price Inelastic
Sales	Bulk quantities is sold because of low price.	Small quantity is sold due to high price.



Penetration Vs Skimming

Eg:

Technology companies creating the phones employ this strategy too. Android phones are often priced low so customers build brand loyalty and Android achieves greater market penetration. Apple, on the other hand, practices price skimming. They charge as high a price as customers will pay and slowly lower it.

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Definition of Penetration Pricing

Penetration Pricing implies a pricing technique in which new product is offered at low price, by adding a nominal markup to its cost of production, to penetrate the market as early as possible. It aims at maximizing the market share of the product, and once it is achieved, i.e. when the demand picks up, the firm can increase the price of the product.

Penetration pricing results in lower profits in the short run, however, in the long run, it results in higher profits because it increases the market base. The reasons behind adopting penetration pricing are as under:

New product offered by the firm is already provided by other well-established brands. The low price will lure customers to switch to the new product, who are already familiar with other brands.

It can help in increasing sales of the product in short period. It restricts new entrants from entering the market.



Definition of Skimming Pricing

The pricing strategy in which high markup is charged for the new product, leading to the high price, so as to skim the cream from the market, is known as Skimming Pricing. It entails fixing a high price for the new product before other competitors step into the market.

This technique is used in case of new product, which faces no to little competition in the market, and have a great extent of consumer acceptability. Market skimming pricing is adopted by the company, due to the following reasons:

In the early stages, the demand for the product is inelastic, till the product occupies a good position in the market. In the initial phase, the demand for the product is not known, and high price helps in covering the cost of production.

In the beginning, there is a huge requirement of capital for producing the product, resulting in high production cost. Further, a huge amount is invested in the promotional activities, that also adds to its cost. When the product is charged high, it will cover the cost of production and promotion expenses easily.




Conclusion

When a new product enters a market having no to little product differentiation, penetration pricing strategy is used. On the contrary, skimming pricing strategy is when a new product is launched in the market for which there is no competition.



**STUDY TILL HERE
FOR INTERNALS**



Brand Equity, Brand Management and Understanding Strategy:

IMC for MA.EMA Sem 2 | Module 3





What is a Brand?

A brand is a name given to a product and/or service such that it takes on an identity by itself. ... A brand name can create and stand for loyalty, trust, faith, premium ness or mass-market appeal, depending on how the brand is marketed, advertised and promoted.





Brand Management

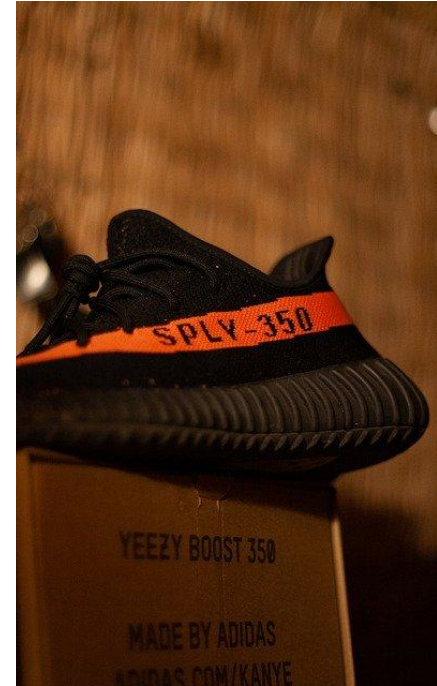
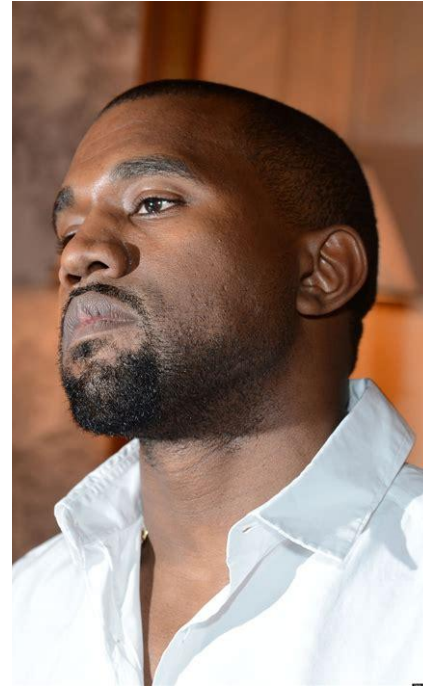
Brand management is a function of marketing that uses techniques to increase the perceived value of a product line or brand over time. Effective brand management enables the price of products to go up and builds loyal customers through positive brand associations and images or a strong awareness of the brand.





Brand Equity

Brand equity, in marketing, is the worth of a brand in and of itself — i.e., the social value of a well-known brand name. The owner of a well-known brand name can generate more revenue simply from brand recognition, as consumers perceive the products of well-known brands as better than those of lesser-known brands.







Why is brand management important?

Brands should convey a consistent tone and feel in every brand touchpoint. Brand managers work to ensure that both aesthetic and intangible aspects of a brand align. This includes packaging, product or service quality, marketing campaigns, and the customers' emotional experience of interacting with your brand.

EG. (Show videos)



Cadbury



Brand Identity

Brand identity is the visible elements of a **brand**, such as color, design, and logo, that identify and distinguish the **brand** in consumers' minds. **Brand identity** is distinct from **brand image**. ... Designs its logo. Uses colors, shapes, and other **visual** elements in its products and promotions.

EG: Half a Circle full a circle, half a circle a. Remind you of anything?



Brand awareness

Eg: Burger King with its “buy from McDonalds”
when





Creating Brand Positioning

How To Create Strong Brand Positioning In Your Market





What is Brand Positioning?

Put simply, brand positioning is the process of positioning your brand in the mind of your customers. Brand positioning is also referred to as a positioning strategy, brand strategy, or a brand positioning statement.

The idea is to identify and attempt to “own” a marketing niche for a brand, product, or service using various strategies including pricing, promotions, distribution, packaging, and competition. The goal is to create a unique impression in the customer’s mind so that the customer associates something specific and desirable with your brand that is distinct from rest of the marketplace.

Ries and Trout define positioning as “an organized system for finding a window in the mind. It is based on the concept that communication can only take place at the right time and under the right circumstances.”

Brand positioning occurs whether or not a company is proactive in developing a position, however, if management takes an intelligent, forward-looking approach, it can positively influence its brand positioning in the eyes of its target customers.



Positioning Statements versus Taglines

Positioning is not something you do, but rather, is the result of your customer’s perception of what you do. Positioning is not something we can create in a vacuum—the act of positioning is a co-authored experience with the customers.

Brand positioning statements are often confused with company taglines or slogans. Positioning statements are for internal use. These statements guide the marketing and operating decisions of your business. A positioning statement helps you make key decisions that affect your customer’s perception of your brand.

A tag line is an external statement used in your marketing efforts. Insights from your positioning statement can be turned into a tagline, but it is important to distinguish between the two. (See examples of brand positioning statements and taglines below.)

EG: The Positioning statement of Nike is “For serious athletes, Nike gives confidence that provides the perfect shoe for every sport”. Nike positions itself with, “Just do it.” Nike has waved the just do it banner for over 20 years. Just do it belongs to the customer—people love that.



7-Step Brand Positioning Strategy Process

In order to create a position strategy, you must first identify your brand's uniqueness and determine what differentiates you from your competition.

There are 7 key steps to effectively clarify your positioning in the marketplace:

- Determine how your brand is currently **positioning** itself
- Identify your direct **competitors**
- Understand how each **competitor is positioning** their brand
- Compare your positioning to your competitors to **identify your uniqueness**
- **Develop** a distinct and value-based positioning **idea**
- Craft a brand positioning **statement**
- **Test the efficacy** of your brand positioning statement



How to Create a Brand Positioning Statement

There are four essential elements of a best-in-class positioning statement:

Target Customer: What is a concise summary of the attitudinal and demographic description of your brand's target group of customers is attempting to appeal to and attract?

Market Definition: What category is your brand competing in and in what context does your brand have relevance to your customers?

Brand Promise: What is the most compelling (emotional/rational) benefit to your target customers that your brand can own relative to your competition?

Reason to Believe: What is the most compelling evidence that your brand delivers on its brand promise?

After thoughtfully answering these four questions, you can craft your positioning statement:

For [target customers], [company name] is the [market definition] that delivers [brand promise] because only [company name] is [reason to believe].



Examples of Taglines

Once you have a strong brand positioning statement you can create a tagline or slogan that helps establish the position you're looking to own

Mercedes-Benz: Engineered like no other car in the world

BMW: The ultimate driving machine

Avis: We are only Number 2, but we try harder

Miller Lite: The only beer with superior taste and low caloric content

Reliance Jio: Jio jee bharke

L'Oreal: Because you're worth it.

Walmart: Always low prices. Always.

Nike: Just do it

Coca-Cola: The real thing

Target: Expect more. Pay less.

Volvo: For life.

LIC Jeevan Anand: zindagi ke saath bhi zindagi ke baad bhi



Criteria for checking your brand positioning:

Does it differentiate your brand?

Does it match customer perceptions of your brand?

Does it enable growth?

Does it identify your brand's unique value to your customers?

Does it produce a clear picture in your mind that's different from your competitors?

Is it focused on your core customers?

Is it memorable and motivating?

Is it consistent in all areas of your business?

Is it easy to understand?

Is it difficult to copy?

Is it positioned for long-term success?

Is your brand promise believable and credible?

Can your brand own it?

Will it withstand counterattacks from your competitors?

Will it help you make more effective marketing and branding decisions?



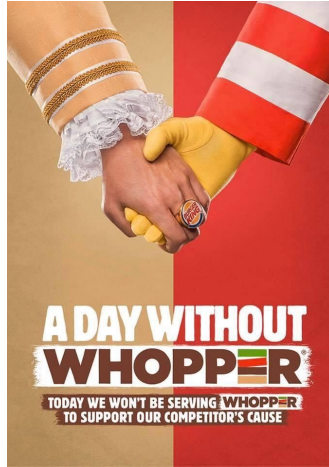
Co- Marketing

Co-marketing is about two companies coming together to undertake joint promotional efforts as a team. Partnering in this way results in high-quality content or products that promote both businesses. The results can range from special packaging to completely new products.

EG:

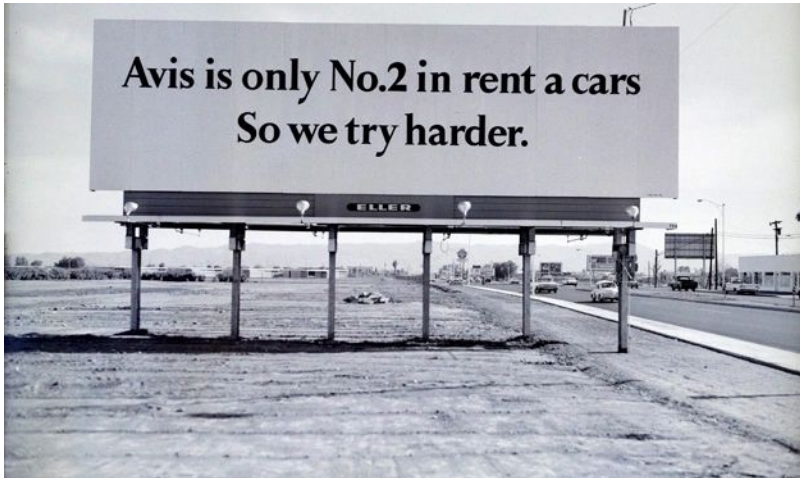
The Uber and Spotify partnership is an example of co-marketing. With this partnership, Uber passengers have the ability to create their own Spotify playlist for their ride. There is no new product involved, but together, their services offer added value to the customer.

McDonalds: Mc Flurry Oreo, Disney Happy Meal, iPhone with Jio, BTS with McDonalds, Kanye and Adidas, GoPro & Red Bull, Burger King & McDonald's



Check this link out for more details:

<https://blog.hubspot.com/marketing/best-cobranding-partnerships>





Benefits of Co-Marketing

The benefits of co-marketing include: Being more cost-effective by pooling together resources like marketing budgets and talent. Sharing audiences of similar people who are already qualified as potential customers. Creating and fostering a positive long-term relationship between brands as they help each other out.



BTS 
5.26.2021



Marketing Strategy

Marketing strategy is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage.

Product, Price, Promotion, Place, and People – are key marketing elements used to position a business strategically.



B2B Effective Marketing Strategies

- Content Marketing
- Inbound Marketing
- Social Media Marketing
- Search Engine Optimization
- Search Engine Marketing/PPC
- Account-Based Marketing (ABM) and Retargeting
- Earned Media and PR
- Referral Programs
- Industry Events
- Conversational Marketing

Refer the below link for indetail explainatgion

<https://www.weidert.com/blog/top-10-most-effective-marketing-strategies>



B2C Marketing Strategies

- Social Networks And Viral Marketing
- Paid Media Advertising
- Internet Marketing
- Email Marketing
- Direct Selling
- Point-of-purchase (Pop) Marketing
- Co-branding, Affinity, And Cause Marketing
- Conversational Marketing
- Earned Media/pr
- Storytelling





Analyzing Business Markets & Behaviours

Lifebuoy makes a moving appeal with Muthu's story

Credits Client: HUL (Lifebuoy) Creative agency: Lowe Lintas and Partners Chief creative officer: R Balki National creative director: Amer Jaleel

Read more at:

<https://www.campaignindia.in/video/lifebuoy-makes-a-moving-appeal-with-muthus-story/418215>

<https://www.slideshare.net/NishantAgrawal14/analyzing-business-markets-59920334>





Analyzing Business Markets & Behaviours

Link to the ad on Youtube:

https://www.youtube.com/watch?v=UF7oU_YsBBQ&ab_channel=LifebuoyGlobal

<https://www.slideshare.net/NishantAgrawal14/analyzing-business-markets-59920334>





Thank you.

