



# Marketing Management

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# Five approaches to Marketing

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- **Production Approach-** produce as much as possible at lowest possible cost
- **Product Approach-** produce high quality product and the world will beat a path to your door.
- **marketing Approach-** produce a product that fills a consumer need, price it correctly, make readily available and promote it properly and the marketing success will follow
- **Societal Marketing Approach-** extend the marketing approach to consumer's and society's well-being



# Nature of Marketing Management:

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- 1. Functional Area of Management
- 2. Goal – Oriented
- 3. Customer Satisfaction
- 4. Wide Scope
- 5. Integrated Approach



# Use of the Marketing Approach the new way

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- Give direction to production
- Identifying consumers, wants
- Involve all part of organizational levels



# What is Marketing

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- Marketing is the ability to identify and satisfy customer needs at a profit
- Marketing concentrates on customer/clients and what they need or want
  - customers are the essence of marketing - they are the source of sales and profits

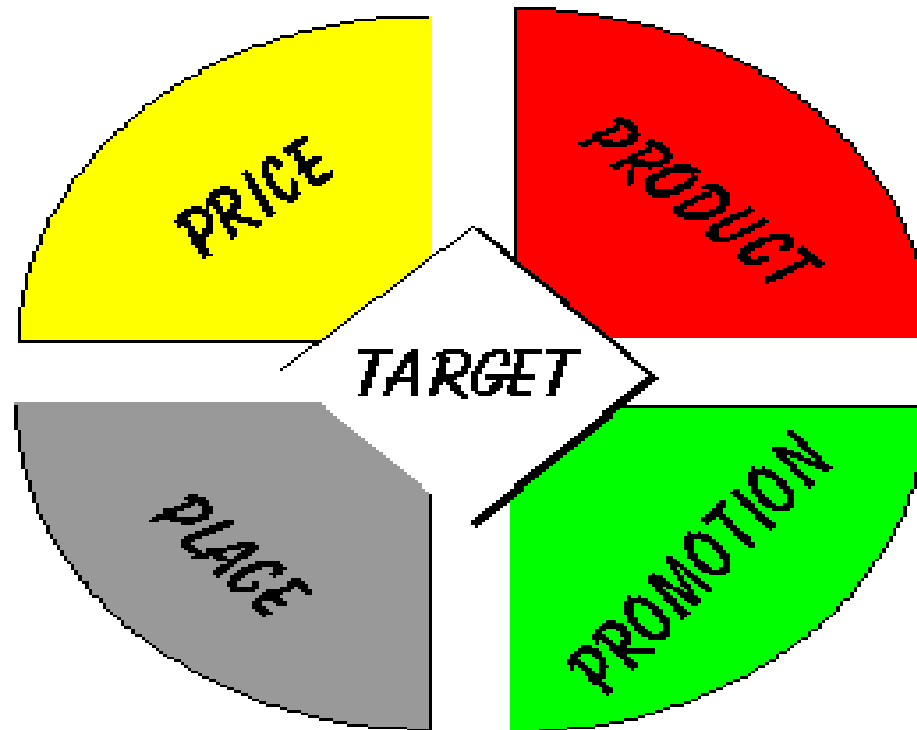


# Aim of Marketing

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- The aim of Marketing is to have:
  - the right product or service
  - at the right price
  - at the right place
  - at the right time

# Marketing Mix





# product

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- The first "P" of the marketing mix deals with the product.
- The positioning, packaging, etc.





# The Marketing Mix

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- PRODUCT - what is it that you are going to sell.
- Product Mix - range of PRODUCTS or SERVICES offered for sale
- Product Features- color, packaging, quality, brand name
- Product Support - maintenance, after-sales Service, pre-sale like advice and Quotations



# Price

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- The second "P" of the marketing mix is price.
- There are several options to consider regarding price:
  - 1) *price matching*, 2) *price making*, 3) *introductory penetration pricing*, and 4) *a competitive upgrade price strategy*.



# The Marketing Mix

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Pricing - not just how much you charge for a product but how the price fits your target market and the image you wish to develop.

- Pricing Methods you choose depends on:
  - competition in the market and your marketing strategies
  - demand for your product
  - controlled pricing
  - your costs
  - perceived value



# Place

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- The 3rd "P" of the marketing mix deals with product placement--the width of distribution



# The Marketing Mix

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- Distribution - how your products or services reach your customers
- Distribution Methods
  - Customers come to you
  - You take the product/service direct to the customer
  - You use an agent merchant franchise etc. to reach your customer



# The Marketing Mix

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- LOCATION - the place of the business  
"locate your business where the market is".
- Factors in Selecting an area:
  - Customer accessibility
  - Adequacy of transport/communication facilities
  - Supply of skilled labor
  - Population Trends



# Promotion

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- Our promotions are designed to create demand.
- PR, Online Marketing, Advertising, Direct Marketing and Event Marketing.



# The Marketing Mix

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- ADVERTISING and PROMOTION - are aimed at Making potential customers aware of the existence of your business, your product and services and to encourage them to buy from you.





# The Marketing Mix

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- Different Methods of promoting your product or service
  - Public Relations - establishing a favorable image
  - Publicity - feeding media of information that is Of public interest (free advertisement)
  - Sales Promotions
  - Merchandising - point-of-sale display



# The Marketing Mix

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- Advertising - purpose is to inform people how best they can satisfy their needs and wants and how they can benefit by buying your goods and services.



# The Marketing Mix

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- What advertising can do

## Principle of AIDA

A - Attention

I - Interest

D- Desire

A - Action



# Assignment:-

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- 1. Define Nature of Marketing Management?
- 2. What are the elements of Marketing Mix?



# Marketing Concept:-

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- Adoption of Customer Orientation
- Formulation of Objectives
- Integration of Enterprise operations



# The Marketing Mix

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- Advertising Options

- Local Press
- General Press
- Brochures
- Catalogues/Letterbox drops
- Direct Mail
- Trade Journals
- Magazines
- Directories

- Yellow Pages Directory
- Radio
- Television
- Cinema
- Telephone
- Outdoor Advertising
- Billboards
- Business Cards
- Internet

# The Business Plan

**The Values**



**Consumer Needs**

**The Firm's Purpose:**

What the firm is going to do

**The Firm's Objective:**

How the firm is going to accomplish its purpose

**The Marketing Plan**

- Establish the marketing mix
- Analyze the current market situation, the opportunities and issues, the implementation, finance, and the control



# Analyzing Market Potential

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- The transition from mass to target marketing
- Estimating market potential
  - The macroeconomic approach
  - The population approach
  - The consumption approach





# Discussion Questions

1. Explain why an agribusiness manager should be interested in having a clear purpose and objective.
2. Explain the relationship between marketing and the four functions of management.
3. Describe and explain how the role of marketing has changed the way agribusinesses operate.
4. Explain why it is important to adopt the marketing approach to be successful in agribusiness.



# Discussion Questions

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5. Describe the business planning process and explain the role of consumer needs in this process.
6. The unifying theme of this book is maximizing the long-term profits of the firm by profitably satisfying consumer needs. Explain this in your own words. Do you agree or disagree with it? Explain why you feel this way.



# Discussion Questions

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7. In this chapter you found the phrase “by meeting a consumer need the firm earns its right to make a profit.” Explain this in your words. Do you agree with this statement? Explain why you feel this way.



# Discussion Questions

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8. The use of the marketing approach in an agribusiness leads to greater economic efficiency and greater consumer satisfaction. Do you agree or disagree with this statement? Explain why you feel this way.
9. Identify the 4 P's of the marketing mix and explain why they are called controllable. Explain why you would want to control them.



# Discussion Questions

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10. What is the difference between business planning and strategic planning?
11. Describe how information technology has changed the marketing management process. Explain your answer.