

Marketing

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If you want to be successful in your business you have to know some important facts about "Marketing", a term that comes from business management and became representative for a consequent management which is accomplished to the sales market.

The American Marketing Association defines marketing as "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". Marketing your business depends on four interdependent on-going processes. The blend of these make up the marketing mix which is identified by marketing professionals as the four P's: Product, Price, Placement, Promotion. Each process is essential to business success and must be developed, implemented and monitored continually.

Marketing mix – the combination and matching of the marketing instruments:



Product policy (Produce a solution that "meets a need" or "solves a problem"): Develop your product / service / idea and identify a target market. What product will be chosen, depends not only on the cost but on the value consumers attribute to this product.

Price policy (Price your product competitively): Determine a price for your product that is acceptable to your target market.

Distribution (Place your product): Make your product available in the right place for your target market.

Communication policy (Promote your product):

Promotion includes making decisions about advertising, public relations, sales and sales promotion.

Marketing can't be successful if it isn't connected with corporate objectives.

Economical marketing objectives

- contribution margin
- market share
- increase of turnover and sales
- increase of cumulative penetration ratio resp. expansion of potential market

Psychographic marketing objectives

- to establish a product / product features
- to increase the awareness of a company / product
- to change / intensify attitudes or images
- increase the preferences for a product
- to intensify intention to purchase

To make the exchange process work you must adopt the seven core principles of marketing:

- **The Marketing Concept:** The belief that satisfying customer's needs and wants is first priority.
- **A Marketing Orientation:** Everyone from management to maintenance must accept and act according to the marketing concept.
- **Satisfying Customer's Needs and Wants:** You have to do everything to understand and satisfy your customer.
- **Market Segmentation:** There is no "average" consumer. You must identify and understand your different target markets.
- **Value and Exchange Process:** Your customers must perceive that they are exchanging something of value.
- **Product Life Cycle:** Every product goes through a life-cycle that you must understand.
- **Marketing Mix:** Every organization has a marketing mix.

You see, 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. The key issue of marketing is linking people, bringing them together.

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