

MOHAMED KHIDER UNIVERSITY OF BISKRA
FACULTY OF ECONOMICS, COMMERCE AND MANAGERIAL SCIENCES
CLASS: 2ND YEAR COMMERCIAL SCIENCES

COURSE OF MARKETING

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Course one:

MARKETING
BASIC
CONCEPTS



COURSE OBJECTIVES

At the end of this lecture you will learn the following:

1. - what is marketing?
2. - Its Evolution
3. - Its importance
4. - what is Marketing mix?
5. - Marketing management?
6. - Marketing issues (Ethics, social responsibility)

WHAT IS MARKETING ?

Marketing has been viewed differently by different people. Everybody needs to know about marketing; consumers, practitioners, students, administrators...

Art?

Science?

Activity?

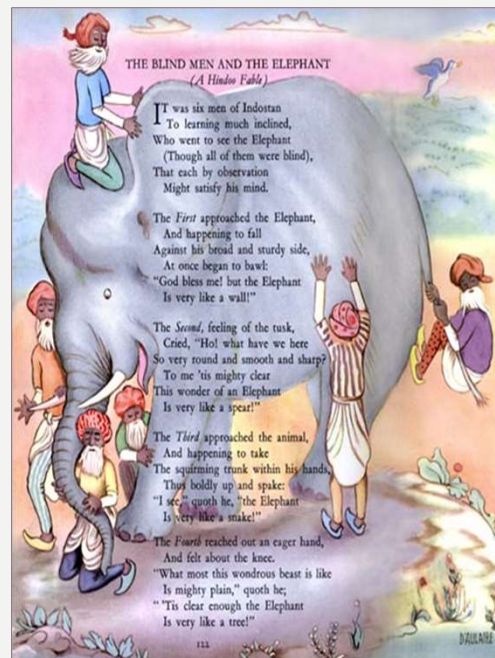
Function?

Process?

But:

Marketing ≠ selling

Marketing ≠ advertising



TRADITIONAL CONCEPT OF MARKETING :

Its main focus is on product and selling to make more profit and maximise sales.

Restricted in profit organizations.

MODERN CONCEPT OF MARKETING :

Its focus is studying customers' needs to coordinate them with marketing efforts; like product planning, pricing, distribution and sales ... to achieve better customer satisfaction that lead to maximise business profit.

It concerns

DEFINITION OF MARKETING

- “The science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential”.

Philip Kotler, 2012

- “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”.

AMA, 2017

- “Marketing is a *social* and *managerial* process by which individuals and groups obtain what they *need* and *want* through creating and *exchanging* products and *value* with other”.

• **Philip Kotler**

DEFINITION OF MARKETING

- "Marketing is a total **system** of business activities designed to plan, price, promote and distribute want-satisfying products to target markets to achieve organizational objectives."

William Stanton

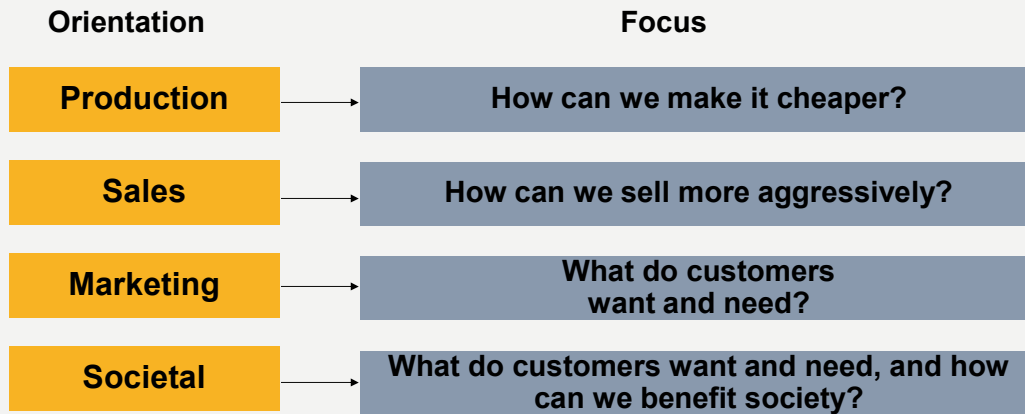
- "The aim of marketing is to make selling superfluous. The aim is to know and understand the customer so well that the product or service fits ... and sells itself".

Peter Drucker

CHARACTERISTICS OF MARKETING

- ▮ **Marketing is an exchange process:** "Marketing occurs when people decide to satisfy needs and wants through exchange. The latter is the act of obtaining a desired object from someone by offering something in return."
- ▮ **Marketing is a continuous process:** it starts before, during and after the production and consumption.
- ▮ **Marketing is an integrated function:** integrated at the level of marketing mix and with the other functions of the firm.
- ▮ **Marketing is function that creates value:** it satisfies customer needs and wants by providing form utility, place utility, time utility and possession utility.
- ▮ **Marketing tends to realize societal welfare:** by protecting customer from exploitation (consumerism) and preserving society through increasing welfare at long term, enhancing customers life and providing services.

EVOLUTION OF MARKETING



EVOLUTION OF MARKETING

- **The Production Concept**
 - Success depends on low production costs, highly efficient processes, and mass distribution.
 - **The Product Concept**
 - Success depends on creating the best, most innovative product for the lowest price
 - **The Sales Concept**
 - Success depends on a good sales team with the right tools and incentives.
- Marketing Myopia** : focuses on selling and not on customer needs
- **The Marketing Concept**
 - Success depends on doing better than competitors at understanding, creating, delivering, and communicating value to their target customers
 - **Societal marketing**
 - It is an approach used to develop activities aimed at changing or maintaining people's behaviour for the benefit of individuals and society as a whole.

IMPORTANCE OF MARKETING

Marketing is important to the business, consumer as well as the society:

- a) It helps business to keep pace with the changing tastes, fashions, preferences of the customers. Thus, it provides better products to improve standard of living.
- b) Making products available at all places and time.
- c) It develops the economy; it generates employment through its function and sub-functions to accelerate the growth of business.
- d) Increasing sales volume and ensure success in the long run.
- e) It helps business in meeting competition most effectively.

MARKETING MIX: 4 P's

THE MARKETING MIX



E. Jerome McCarthy, 1960,
book Basic Marketing

More „Ps“:

- Preparedness
- Personnel
- Packaging
- People...

- 4 „Cs“:
- customer solution,
- customer costs,
- customer convenience,
- communication with customer
(Kotler)

MARKETING MANAGEMENT

Marketing Management refers to implementing the process of management; planning, organizing, directing, and controlling, to the marketing mix and related activities

THE MARKETING PLANNING PROCESS



MARKETING ISSUES

- **Ethics** is the set of moral principles or values that guides behavior.
- If a company acts unethically, it risks damaging its reputation and its customers' trust—**worse**, it can face lawsuits and criminal prosecution.
- **Examples of ethical issues:** bribery, fairness, honesty, price, product, personnel, confidentiality, advertising, manipulation of data ,,,

- **Corporate social responsibility** is the ethical behavior of company toward society.
- It means acting responsibly toward the stakeholders—not just the shareholders—who have a legitimate interest in the business
- **Most social responsibility issues are about:** the natural environment, consumerism, and community relations.

*See
you
in
the next
lecture*

THANK YOU FOR ATTENTION