

# Principles of Marketing

## 营销学原理

University of International  
Business and Economics



# Course Organization

1-2

- **Part I - Understanding Marketing and the Marketing Process**
- **Part II - Developing Marketing Opportunities and Strategies**
- **Part III - Developing the Marketing Mix**



# Principles of Marketing

## Session 1

### Overview of Marketing



- I. What is Marketing?**
- II. Evolution of Marketing**
- III. Marketing Management**
- IV. Marketing Management Philosophies**

# I. What is Marketing?

1-5

- **Definition**
- **Role**
- **Core Concepts**



# Definition

1-6

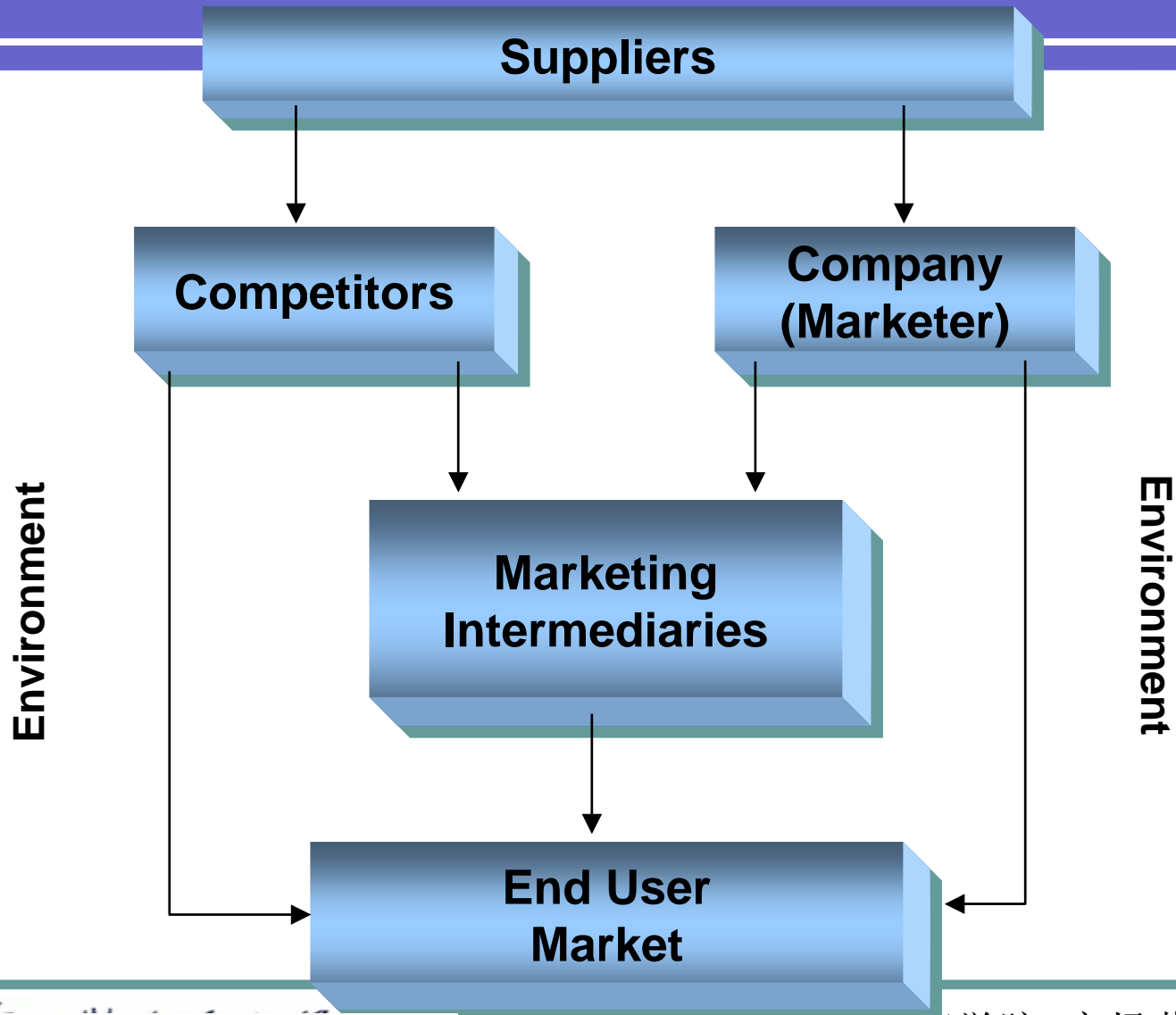
**Marketing is a societal process whereby individuals and groups obtain what they need and want through creating and exchanging products and value with others.**

**-- Kotler & Armstrong (p. 6)**



# The Role of Marketing

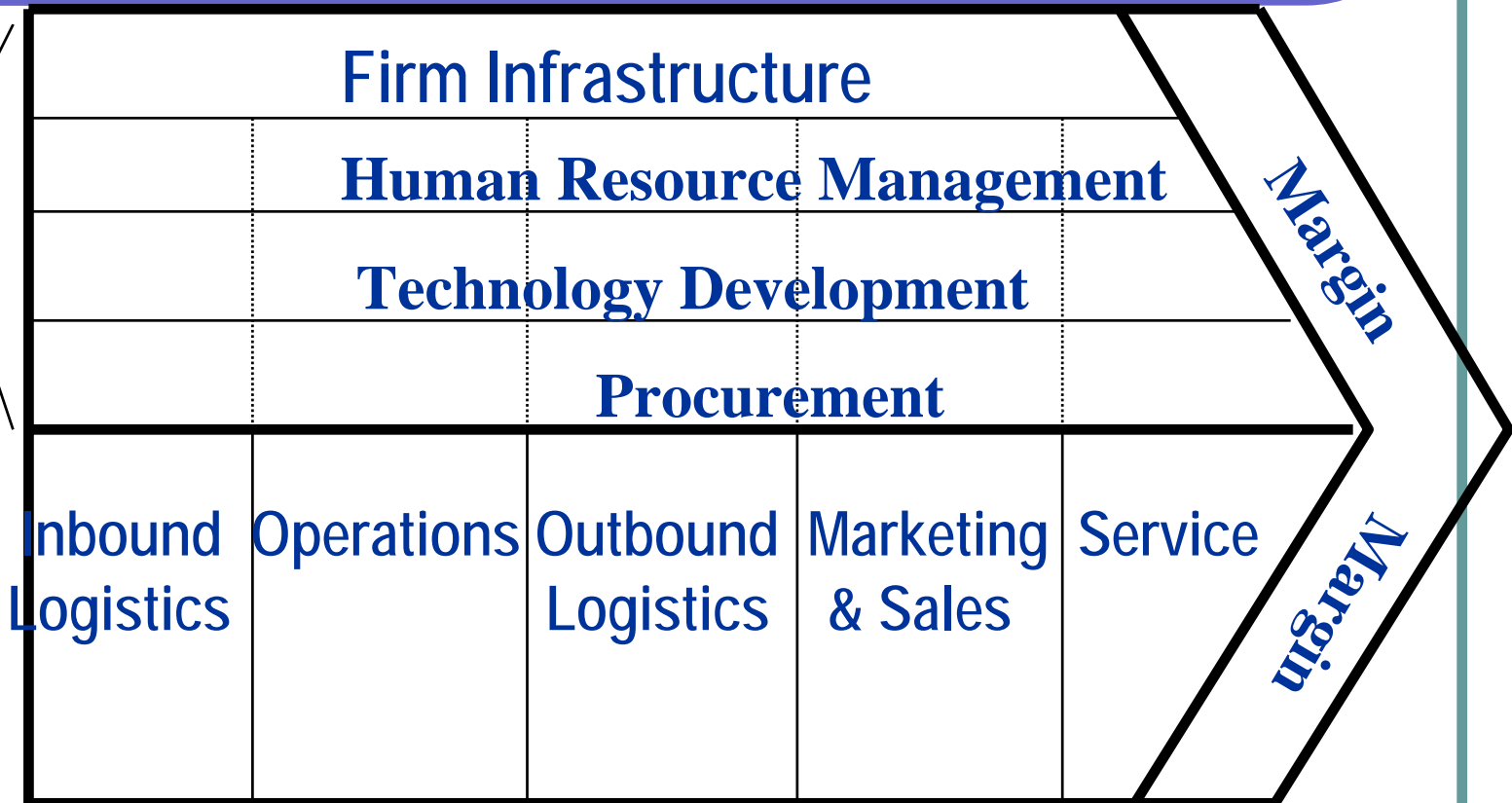
1-7



# The Generic Value Chain

1-8

Support  
Activities



Primary Activities

-- Michael E. Porter





# The Value Equation

1-9

$$V = \frac{B}{P}$$

Where:

**V = Value**

**B = Perceived Value**

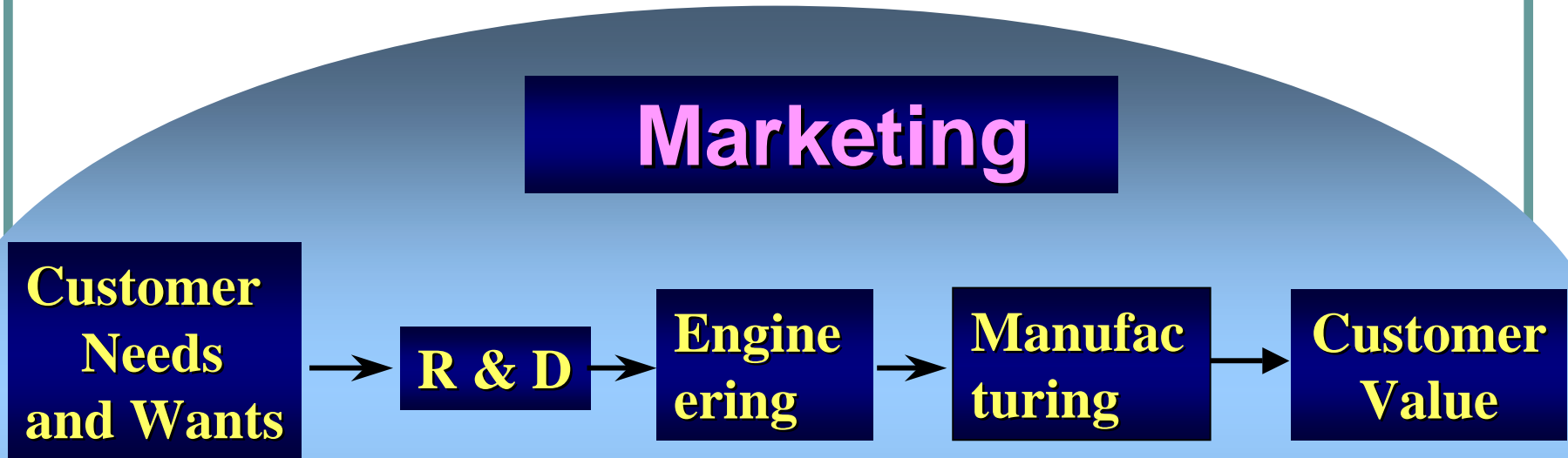
**P = Price**

Value is enhanced by increasing the numerator or reducing the denominator



# Value Chain Boundaryless Marketing

1-10



# Core Concepts

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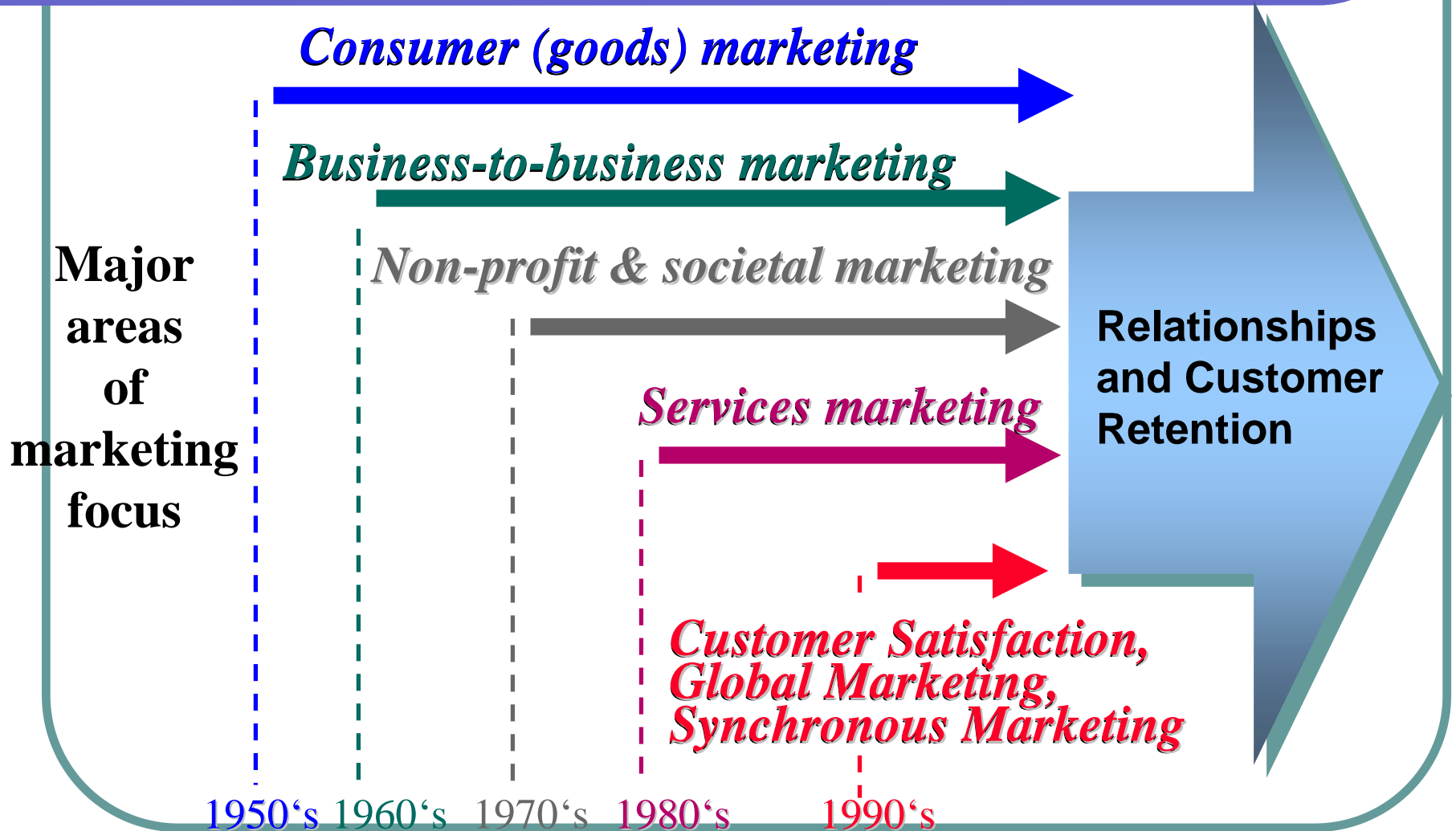


# II. Evolution of Marketing



# The Development of Marketing Science

1-13



# Evolution of Marketing Philosophies

1-14

	old	New	Strategic
<b>Era</b>	Pre-1960	1960—1990	1990年—
<b>Focus</b>	Product	Customer	Way of Doing Business
<b>Means</b>	Telling & Selling	Integrated Marketing mix	Knowledge & Experience
<b>End</b>	Profit	Value	Mutually Beneficial Relationship
<b>Marketing is ...</b>	Selling	A Function	Everything



# III. Marketing Management



- **Demand Management**
- **Customer Lifetime Value**
- **Marketing Management**



# Demand Management

1-17

## DEMAND STATE

- Negative demand
- No demand
- Latent demand
- Faltering demand
- Irregular demand
- Full demand
- Overfull demand
- Unwholesome demand

## MARKETING TASK

- disabuse demand
- create demand?
- develop demand
- revitalise demand
- synchronise
- maintain demand
- reduce demand
- destroy demand

## SOME ACTIONS

- changed attitudes?
- connect attributes & needs, AIOs
- develop product
- add blue beads..
- led spot specials
- measure performance
- demarketing
- Kissing a smoker is like licking the bottom of an ashtray



# IV. Marketing Management Philosophies



# Marketing System Goals

1-19

- **Maximize Quality of Life**
- **Maximize Consumption**
- **Maximize Satisfaction**
- **Maximize Choice**

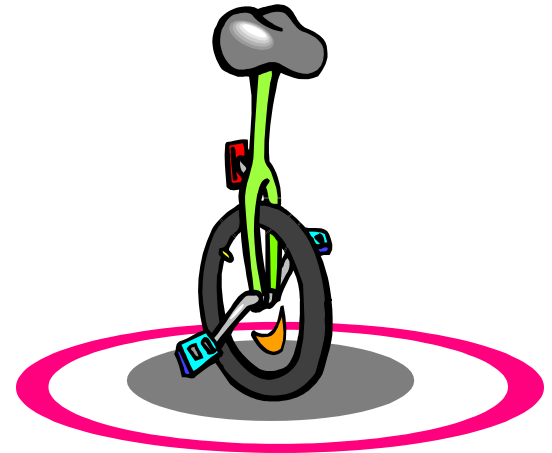


# 6. Marketing Philosophies

1-20

## Key Marketing Philosophies

- **Product Concept**
- **Production Concept**
- **Selling Concept**
- **Marketing Concept**
- **Societal Marketing Concept**
- **Relationship Marketing Concept**



# Marketing & Sales Concepts

1-21

## The Selling Concept

Starting Point

Focus

Means

Ends



## The Marketing Concept

pull-through system

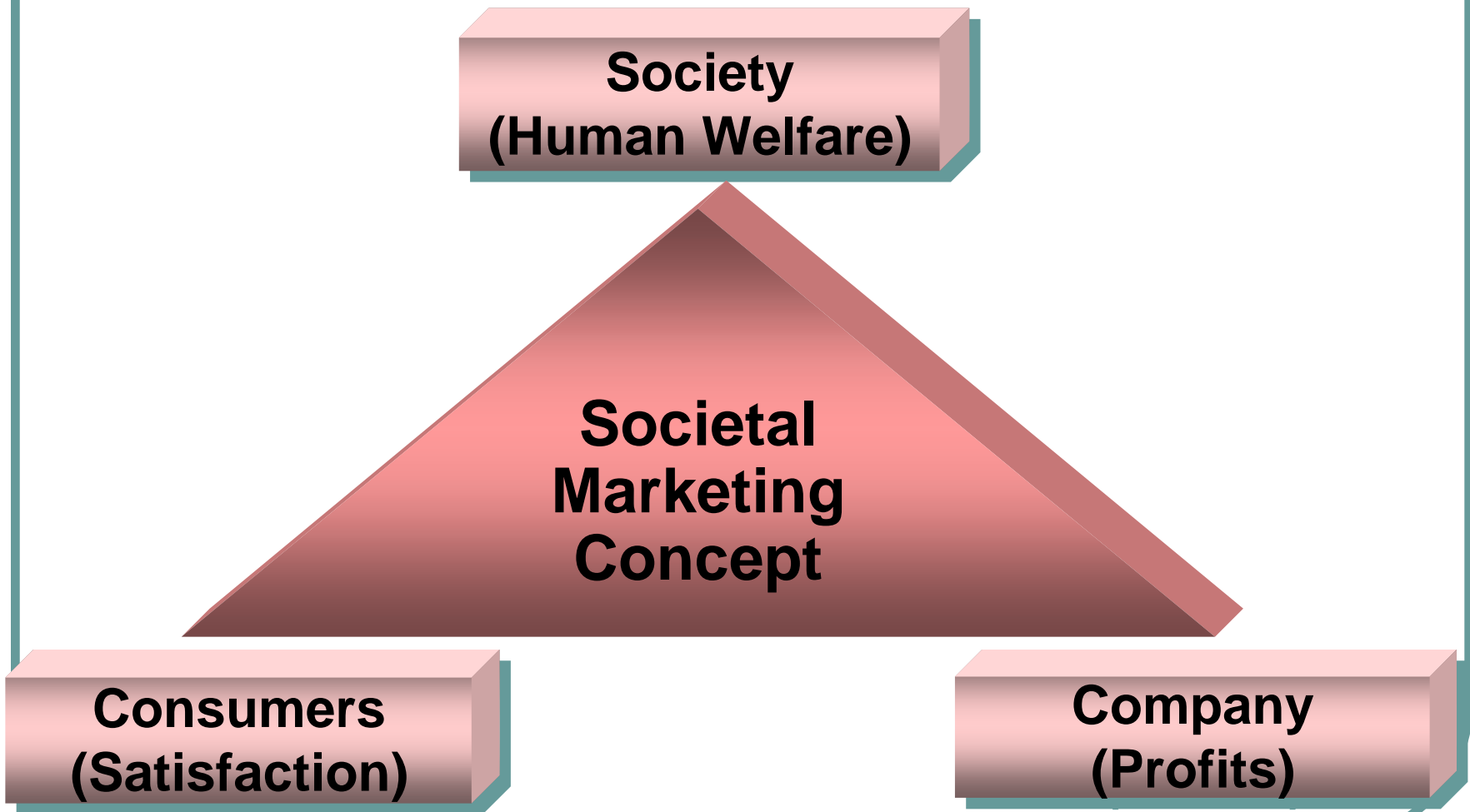


Notion of Customer Lifetime Value



# The Societal Marketing Concept

1-22





**Creating,  
Maintaining,  
Enhancing  
Strong, Value-Laden  
Relationships with  
Customers and Other  
Stakeholders**

## Emerging Challenges

- **New Marketing Landscape**
- **Nonprofit Marketing**
- **Globalization**
- **Changing World Economy**
- **Ethical Concerns**





# Questions

1-25

1. What has happened to Qinchi(秦池) in the following case?
  2. Which marketing philosophy did the management take when Qinchi made its fame? What was the consequence of it?
  3. What lessons can you draw out of it?
- 昔日广告“标王”盛名不再  
秦池酒厂要整体出售

