

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

Marketing: Managing Profitable
Customer Relationships



- I. What is Marketing?
- II. The Marketplace & Customer Needs
- III. Customer-Driven Marketing Strategy
- IV. Integrated Marketing Plan
- V. Customer Relationships
- VI. Value from Customers
- VII. The New Marketing Landscape

I. What is Marketing?

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- **Definition**
- **Role**
- **Process**



Definition

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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. 5)



What is Marketed?

1-7

Goods

Services

Events & Experiences

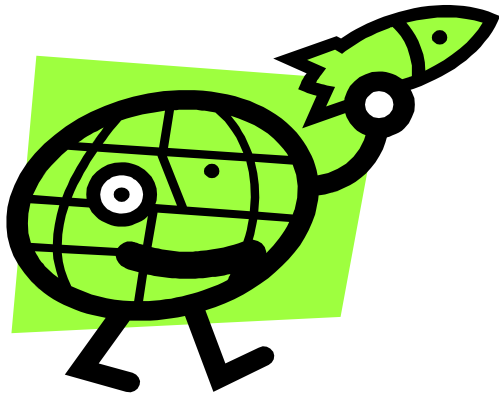
Persons

Places & Properties

Organizations

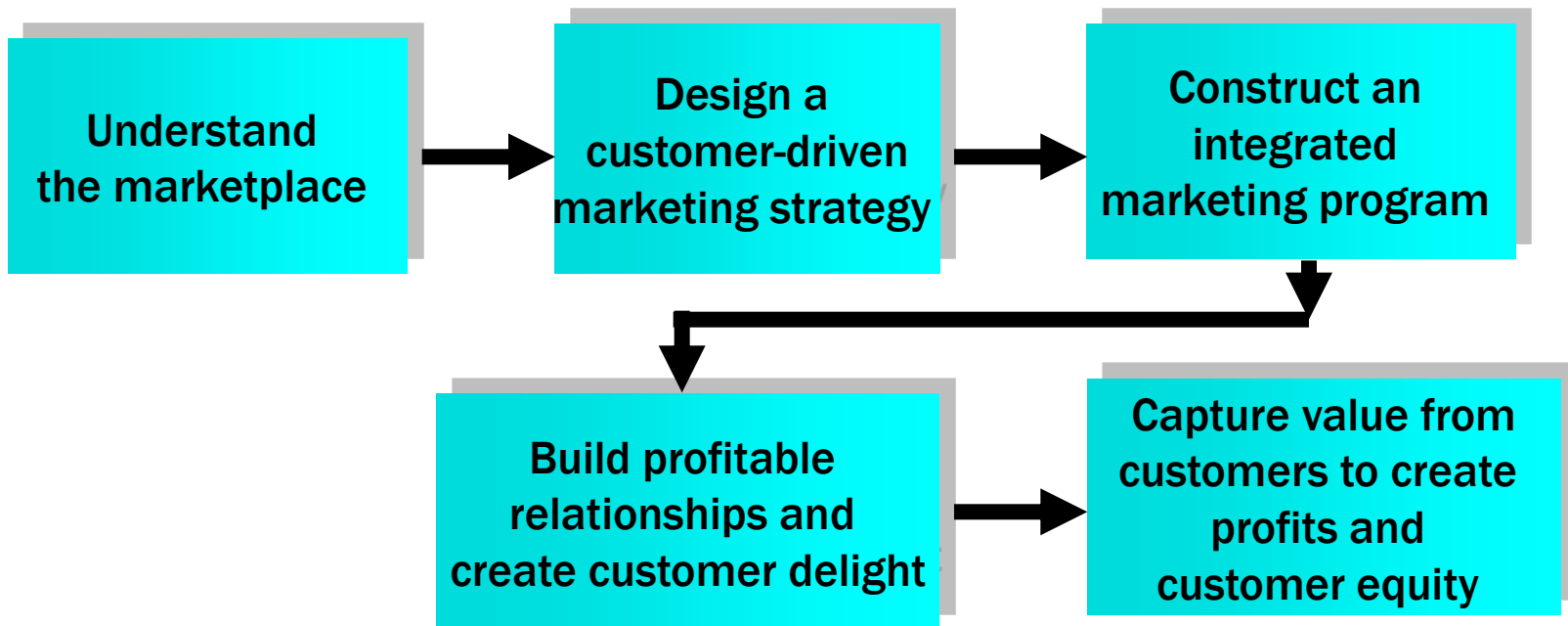
Information

Ideas



The Marketing Process

1-8



II. Understanding the Marketplace & Customer Needs

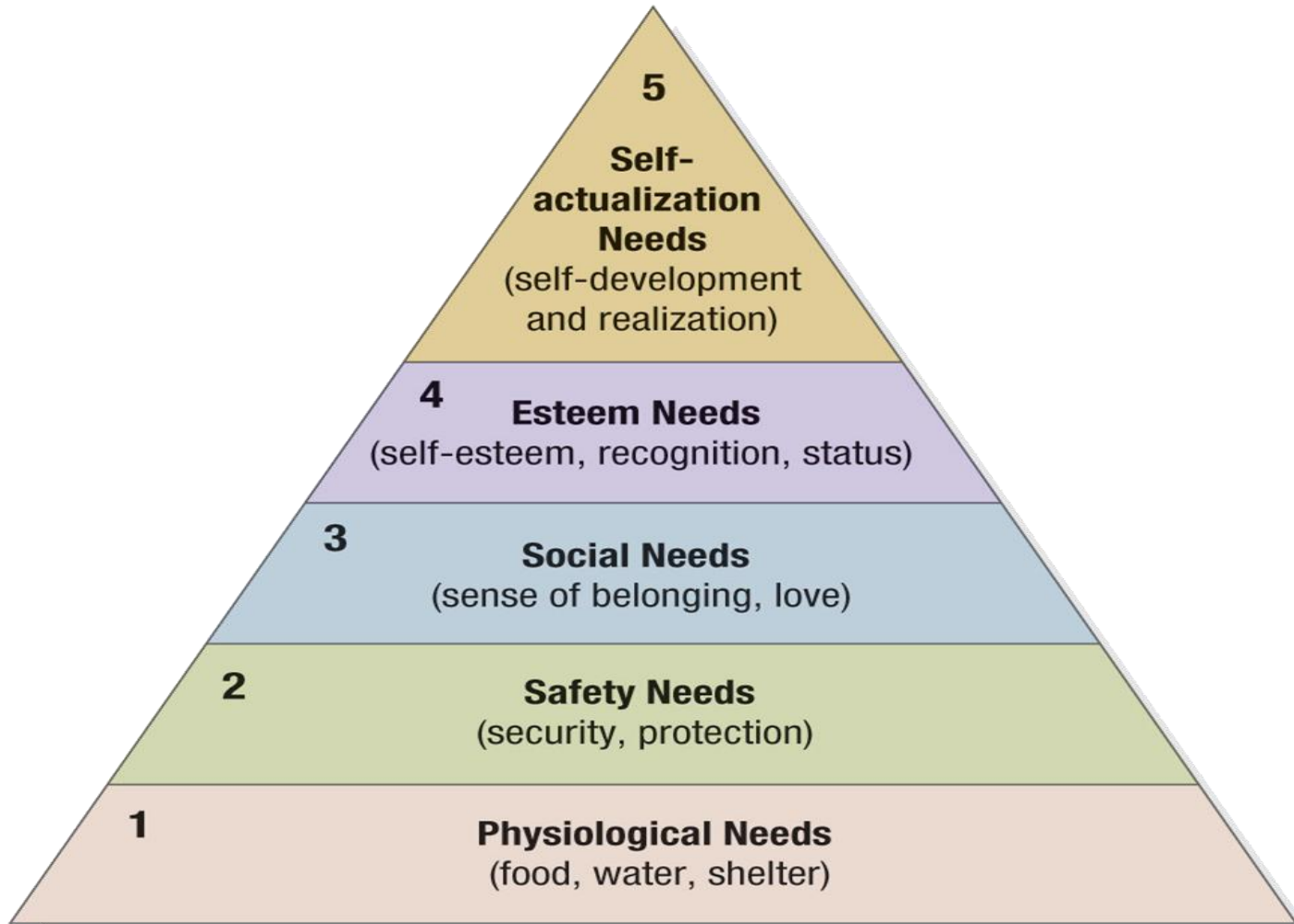
1-9

- **The core marketing concepts**
- **Modern Marketing System**



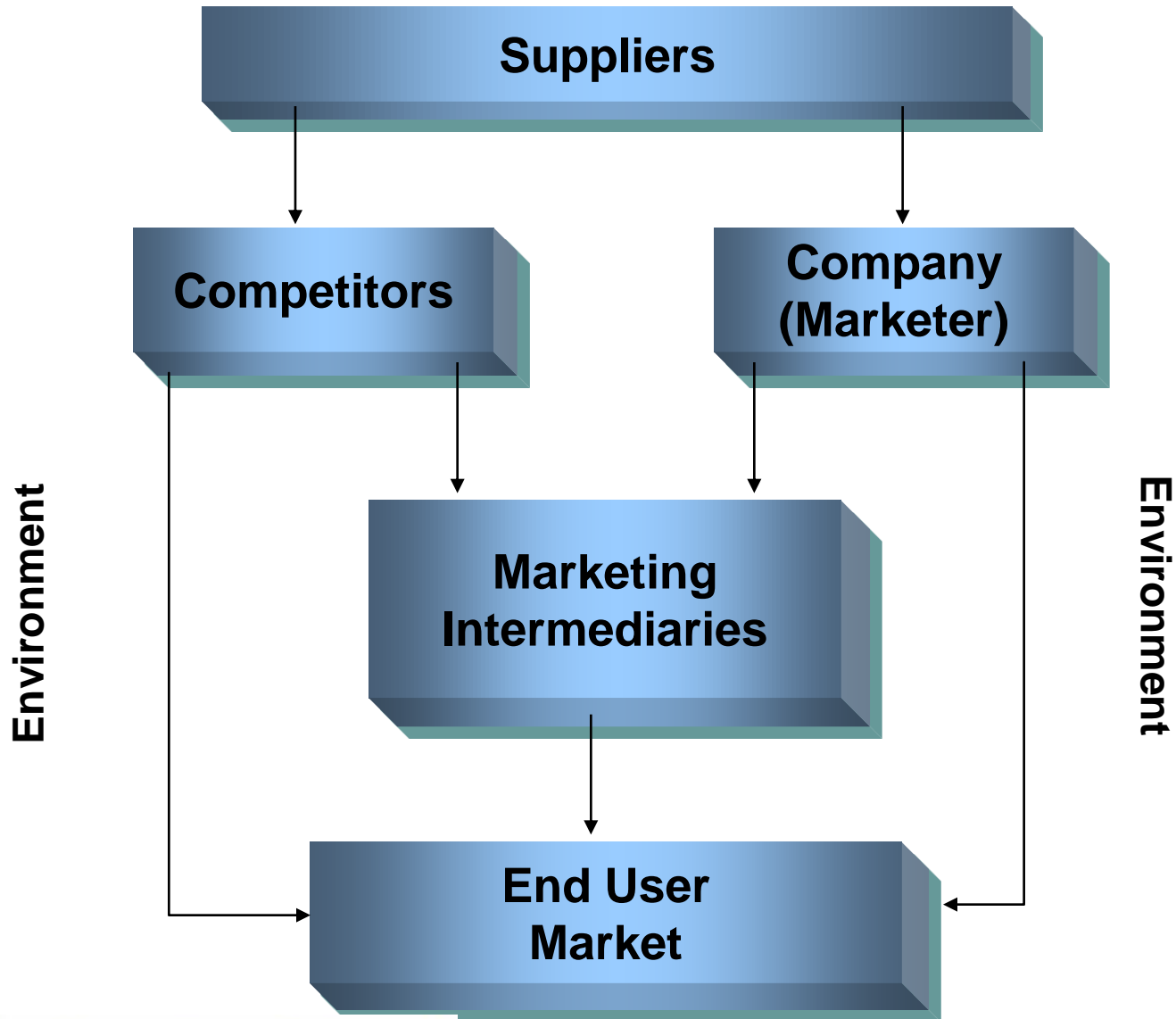
Maslow's Hierarchy of Needs

1-11



Elements of a Modern Marketing System

1-12



III. Designing Customer-Driven Marketing Strategy

1-13

1. **Selecting customers to serve**
(Demand management)
2. **Choosing a value proposition**
3. **Marketing Management Orientations**



1. Demand Management

1-14

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
- revitalize demand
- synchronize
- maintain demand
- reduce demand
- destroy demand
- is like licking the bottom of an ashtray

SOME ACTIONS

- changed attitudes?
- connect attributes & needs, AIOs
- develop product
- add blue beads..
- led spot specials
- measure performance
- demarketing
- Kissing a smoker



2. Choosing a Value Proposition

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(1) The Value Equation

(2) Value Proposition

(A set of desired benefits promised by a company)



(1) The Value Equation

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

Where:

V = Value

B = Perceived Value

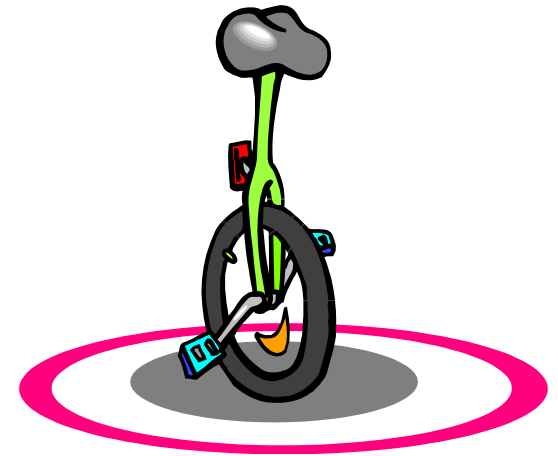
P = Price

Value is enhanced by increasing the numerator or reducing the denominator

3. Marketing Management Orientations

1-17

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



Marketing vs. Selling Concepts

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The Selling Concept

Starting Point

Focus

Means

Ends

Factory

Existing
Products

Selling
and
Promoting

Profits
through
Volume

The Marketing Concept

pull-through system

Market

Customer
needs

Intergrated
marketing

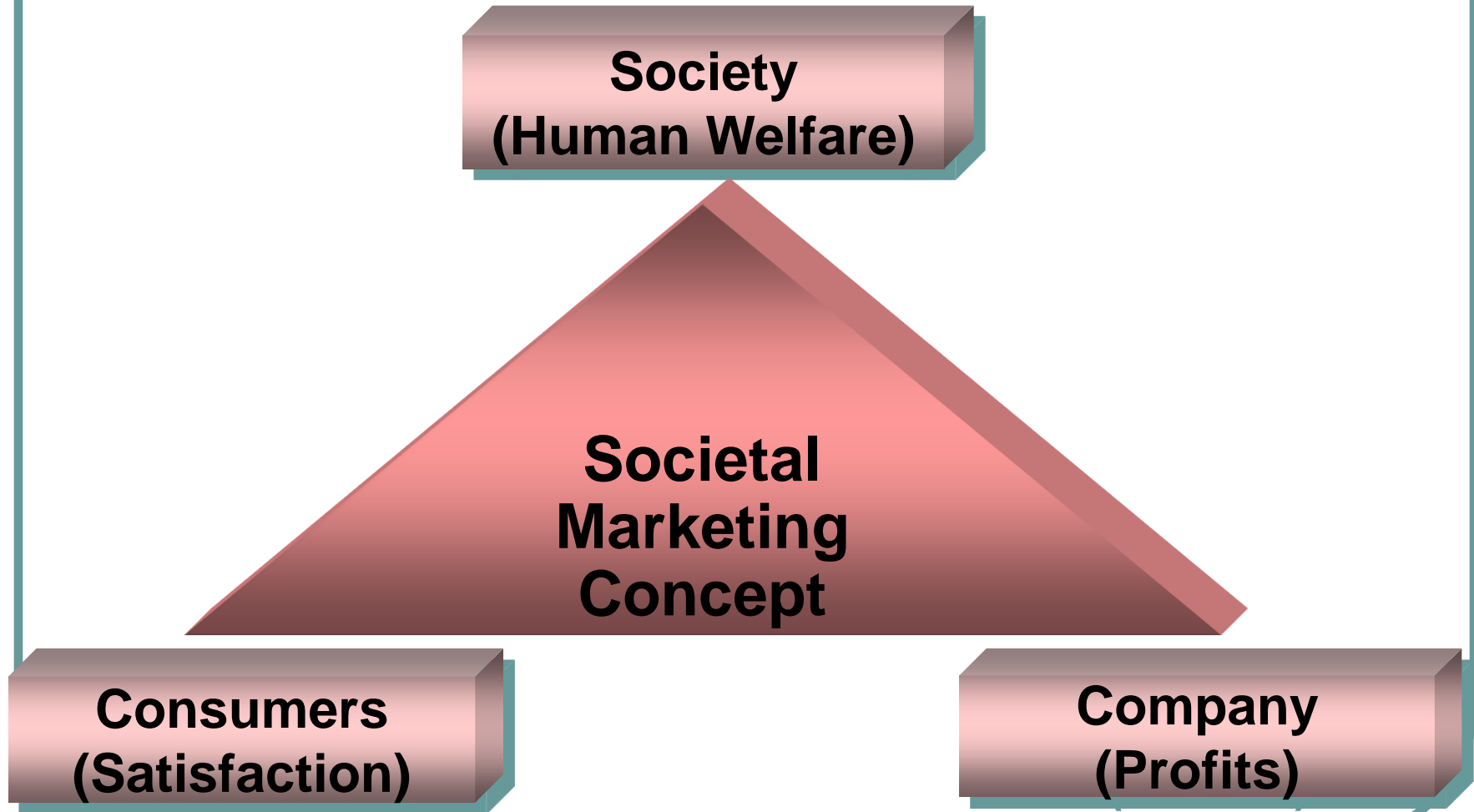
Profits through
Customer
Satisfaction

Notion of Customer Lifetime Value



The Societal Marketing Concept

1-19





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

IV. Preparing an Integrated Marketing Plan

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V. Building Customer Relationships

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1. Customer Relationship Management (CRM)
2. Customer Value & Satisfaction
3. Nature of Customer Relationships



VI. Capturing Value from Customers

1-23

➤ Creating customer loyalty



➤ Growing share of customer

➤ Building customer equity

(The total combined customer lifetime values of all customers.)



Major Development

Digital age

Rapid
globalization

Ethics and
social
responsibility

Not-for-profit
marketing



Questions

1-25

1. Which management orientation did the Qinchi (秦池) take when it made its fame? What was the consequence of it?

2. What lessons can you draw out of it?

- 《央视“标王”秦池：大起大落后的中庸》，

http://marketing.uibe.edu.cn/news/View_News.aspx?systemName=YXNewsInfo&NewsId=1209

3. What philosophy does Mr. Zhang Yong hold in managing 海底捞?

- 余楠，《海底捞为什么？》

商业评论网：<http://www.ebusinessreview.cn/articledetail-3097.html>，2009-11-07

