

DEFINING MARKETING: AMA (2007)

"Marketing is 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."

MARKETING MISCONCEPTIONS

- Catchy and entertaining advertisements.
- Pushy salespeople.
- Spam to your e-mail or smartphone.
- Famous brands and their celebrity spokespeople.
- Product claims that turn out to be overstated or just plain false.

BEHIND THE MISCONCEPTIONS

Marketing is highly visible by nature.

Marketing is more than buzzwords.

TOWARD THE REALITY OF MODERN MARKETING

- Marketing is a central function and set of processes essential to any enterprise.
- Leading and managing the facets of marketing is a core business activity.

CORE MARKETING CONCEPTS

- **Value** is the ratio of the bundle of benefits a customer receives from an offering compared to the costs incurred by the customer in acquiring that bundle of benefits.
- **Exchange** occurs when people give up something of value to them for something else they desire to have. Exchange usually is facilitated by money but can involve trade or barter of time, skill, expertise, intellectual capital.

A NEW AGENDA FOR MARKETING: AMA'S 7 BIG PROBLEMS

1. Effectively targeting high-value sources of growth.
2. The role of marketing in the firm and C-suite.
3. The digital transformation of the modern corporation.
4. Generating and using insight to shape marketing practice.
5. Dealing with an omni-channel world.
6. Competing in dynamic, global markets.
7. Balancing incremental and radical innovation.

CHAPTER 1: MARKETING IN TODAY'S BUSINESS MILIEU

MARKETING'S ROOTS AND EVOLUTION

1. Pre-Industrial revolution.
2. Focus on production and products
3. Focus on selling.
4. Advent of the marketing concept.
5. Post marketing concept approaches.

MILLENNIAL CHARACTERISTICS:

- Favor authenticity over content.
- Brand loyal.
- Highly connected through technology.
- Want to be part of the product development process.
- Want to be heard by marketers.
- Want to have responsibility at work but value work-life balance and time away from work.
- Look for ethical companies concerned about social responsibility.
- The best educated generation in history.
- Buying power will grow.

MARKETING MIX

Mid-1960s: The 4 Ps, or marketing mix
• Product, price, place, promotion.

Today: More sophisticated view of 4 Ps
• Products are offerings; focus is on solutions.
• Place is complex supply chains.
• Price is viewed as value; benefits/price.
• Promotion uses high-tech media.

