Chapter 1
Defining Marketing for the 21st Century

Chapter Questions
- Why is marketing important?
- What is the scope of marketing?
- What are some fundamental marketing concepts and new marketing realities?
- What are the tasks necessary for successful marketing management?

What Is Marketing?
Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.
What Is Marketing Management?

Marketing management is the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value.

What is Marketed?

- Goods
- Services
- Events
- Experiences
- Persons
- Places
- Properties
- Organizations
- Information
- Ideas

What is a Market?

A market is a grouping of customers:
- Need markets
- Product markets
- Demographic markets
- Geographic markets

Who Markets?

A marketer is someone who seeks a response from another party, called a prospect.
Key Functions of the CMO
- Strengthening the brands
- Measuring marketing effectiveness
- Driving new product development based on customer needs
- Gathering meaningful customer insights
- Utilizing new marketing technology

Marketing Process
- Analyze marketing opportunities
- Select target markets
- Design marketing strategies
- Develop marketing programs
- Manage the marketing effort

Core Marketing Concepts
- Needs, wants, and demands
- Segmentation, Target markets, and positioning
- Offerings and brands
- Value and satisfaction
- Marketing channels
- Supply chain
- Competition
- Marketing environment
Marketing Environment

- **Task environment** includes the immediate actors involved in producing, distributing, and promoting the offering.

- **Broad environment** includes six environments:
  - Demographic
  - Economic
  - Physical
  - Technological
  - Political-legal
  - Social-cultural

New Marketing Realities

- Major societal forces
- New consumer capabilities
- New company capabilities

Company Orientations

- Production concept
- Product concept
- Selling concept
- Marketing concept
- Holistic marketing concept

Holistic Marketing Concept

- **Premise:** “everything matters” with marketing.
- **Focus on:**
  - Relationship marketing
  - Integrated marketing
  - Internal marketing
  - Performance marketing
The *Four Ps* of the Marketing Mix

- Product
- Price
- Place
- Promotion

Performance Marketing

- Financial accountability
- Social responsibility marketing
- **Societal marketing concept**—following the marketing concept while preserving or enhancing customers’ and society’s long-term well-being.

Marketing Management Tasks

- Developing marketing strategies and plans
- Capturing marketing insights
- Connecting with customers
- Building strong brands
- Shaping market offerings
- Delivering value
- Communicating value
- Creating long-term growth