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WARWICK BUSINESS SCHOOL  
THE UNIVERSITY OF WARWICK

# For the Change Makers

Dr Scott Dacko

## Warwick Summer School Communications and Marketing

Session: Introduction

Dr Scott Dacko

# Module Leader



Dr Scott Dacko



Dr Simon Jones

# Module Structure

|                                       |   |       |
|---------------------------------------|---|-------|
| <u>Mon 15th July</u>                  | Introduction: What is Marketing?        | Scott |
| <u>Tues 16th July</u>                 | Marketing Environment                   | Scott |
| <u>Wed 17th July</u>                  | Consumer and Industrial Buyer Behaviour | Scott |
| <u>Thurs 18th July</u>                | Marketing Strategy, STP and Growth      | Scott |
| <u>Friday 19th July</u>               | Brand Strategy and SCAs                 | Scott |
| <u>Monday 22nd July</u>               | Products, Service and Innovation        | Simon |
| <u>Tues 23rd July</u>                 | Channels to Market                      | Simon |
| <u>Thurs 25th July</u>                | Communications                          | Simon |
| <u>Friday 26th July</u>               | Digital Marketing                       | Simon |
| <u>Monday 29<sup>th</sup> July</u>    | Customer Experience                     | Simon |
| <u>Tuesday 30<sup>th</sup> July</u>   | Pricing                                 | Simon |
| <u>Wednesday 31<sup>st</sup> July</u> | Market Entry Timing Strategy            | Scott |
| <u>Thursday 1st August</u>            | Planning, Implementation, and Roundup   | Scott |

# Principle Module Aims:

- Provide an appreciation of the concepts of marketing and customer value
- Provide an understanding of how customer value is created, offered and delivered by organisations, based on an assessment of customer needs and preferences
- Enable an understanding of the key elements of the marketing process including target market selection, positioning and product strategies, pricing decisions, integrated marketing communications, channel management, and services marketing

# Module Description

- This interactive and practical course will explore key marketing and communications concepts such as market analysis, customer value, branding and aspects of implementation of marketing strategies such as channels to market, delivering and pricing value and communication. In the current complex and fast-moving market context, emphasis will be placed on how to market in a networked, digital world of diverse, global stakeholders.
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- You will learn how to understand and research market contexts, analyse competitive market positions and how to design effective marketing strategies and tactics. In the communication topics of the module, you will learn about the ways in which communication has changed in the digital world and about how to communicate effectively to reach a range of different stakeholders. Digital communication tools and techniques will be explored and you will acquire skills and understanding which will help you to perform with greater confidence as a marketer and communicator.

# Optional Assessment

- **ASSESSMENT QUESTION**

- Prepare a marketing plan for ONE of the following brands:

- Amazon
- Apple
- BMW
- Disney
- Dyson
- Harley Davison
- Fenty Beauty
- Ferrari
- Gucci
- IKEA
- Luis Vuitton
- Lululemon
- Netflix

- Nike
- Nintendo
- Patagonia
- Red Bull
- Samsung
- Sephora
- Spotify
- Starbucks
- Tesla
- The North Face
- Under Armour
- Zara

# Optional Assessment

- You should create a Marketing Plan for your chosen brand. If the brand is part of a company that covers several product categories eg: Amazon retail, web services, Prime, focus your report on one of the product categories.

The target audience for this plan is the Board who will give you the resources to make your plan a success. Your document needs to be well presented and deliver a concise but compelling business case. It should include the following sections:

# Optional Assessment

- **Market Analysis:** Macro-environmental and micro-environmental analysis to highlight key trends, competitor analysis, segmentation, targeting and positioning

**Marketing Strategy:** Sources of Sustainable Competitive Advantage and Brand Strategy

**Marketing Implementation:** Marketing Mix, Resourcing, Monitoring, Evaluation and Control of the brand's performance.

**Recommendations:** Based upon your analysis and critical evaluation of the above you should propose recommendations for the future development of the brand.



# Optional Assessment

- **SUBMISSION**
- Please submit your assessment by 1pm on Friday 2nd August. Your assessment should be sent by e mail to [scott.Dacko@wbs.ac.uk](mailto:scott.Dacko@wbs.ac.uk)  
You will have time to work on your draft assessment during the module.

# Optional Assessment

- **ASSIGNMENT FORMAT**

- The format of the assignment document is a report which means that it does not need to be written in prose style; headings with bullet points are most acceptable.
- The word limit for the individual marketing plan is 3,000 words including any tables and figures. This word count will allow you sufficient space to present your marketing plan. You may find that you don't need to use the full word count and that is just fine.
- A reference list (using the Harvard system) should be used (author and year in the main body of the report, full reference in a bibliography at the end of the report).
- The reference list will typically include the sources of any secondary data you have used in order to determine market/segment size, customer profile and customer preferences, market trends, etc.
- You may wish to employ visuals (such as figures, tables, etc.) instead of lots of paragraphs. Ensure all figures and tables are labelled. For example, you might label a figure as: "Figure 1: Market Trends for the health-conscious segment". And the related in-text discussion might say: "...among the key trends impacting the health-conscious segment are..."
- If the report includes appendices, then these should be concise and relevant. Pay attention to navigation from the main report to appendices and be sure to help your reader through tidy use of in-text pointers to relevant appendices e.g. "See Appendix A, Section A.2 for survey results". Appendices will only be reviewed as part of the assessment if they are linked to from the main document in this way.

**Any Questions?**

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# For the Change Makers

Dr Scott Dacko

## Warwick Summer School Communications and Marketing

### Session: What is Marketing?

**Dr Scott Dacko**

# A Marketing is...

## A Business Function

Responsible for identifying what the customer wants, producing it, making it available, and informing the customer about it – captured in the Marketing Mix.

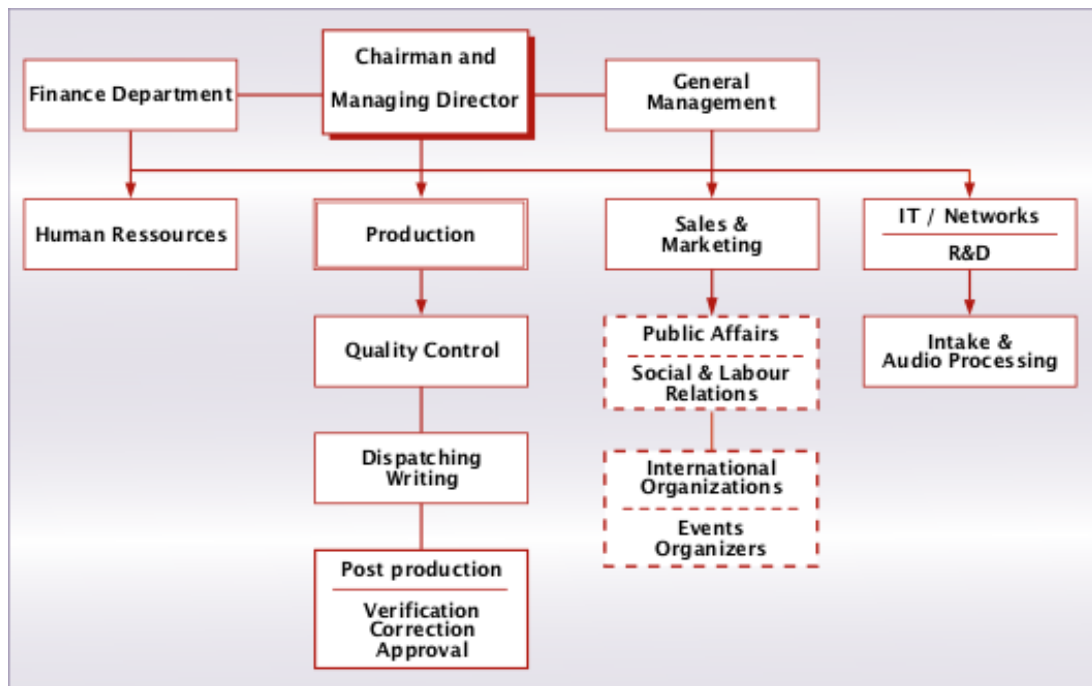


# Session Objectives

- ① **Understand what marketing is and isn't**
- ② **Appreciate the importance and value of marketing**
- ③ **Know how marketing has evolved over time**
- ④ **Recognise the challenges inherent in marketing**
- ⑤ **Understand the processes central to much of marketing**

# What is Marketing?

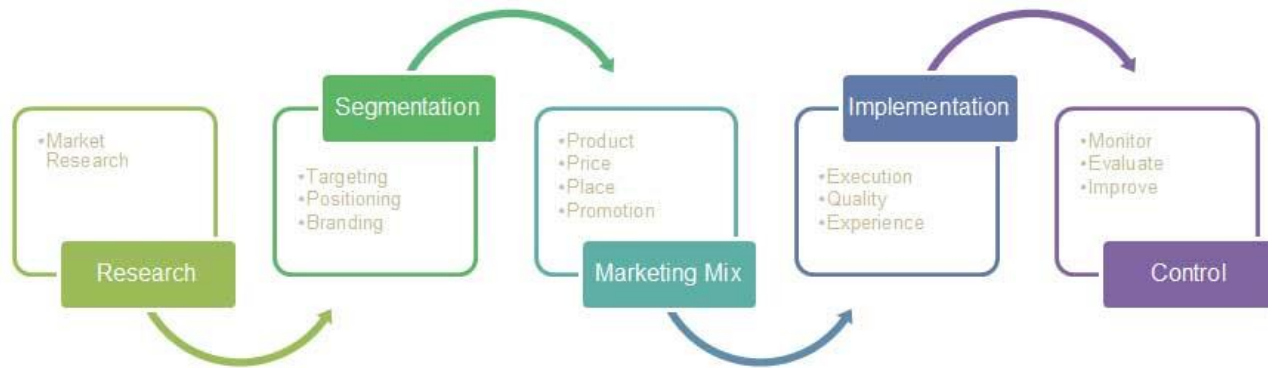
- ⦿ **An organisational function**
- ⦿ **A set of processes**
- ⦿ **A philosophy**





## What is Marketing?

- ❑ An organisational function
- ❑ A set of processes
- ❑ A philosophy



## What is Marketing?

- ▣ An organisational function
- ▣ A set of processes
- ▣ A philosophy



# What is Marketing?

**“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.”**

**-- American Marketing Association, 2013**

# What Marketing Used to Be

**2004: “An organisational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organisation and its stakeholders.”**

# What Marketing Used to Be

**1985: “The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organisational objectives.”**

**1935: “The performance of business activities that direct the flow of goods and services from producers to consumers.”**

# Marketing as a Philosophy

## ⦿ Encompasses principles

“...business performance is enhanced by satisfying customers.”

“...orientation towards the customer in particular and society in general...”



## ⦿ Encompasses law-like generalisations

“Make what people want to buy; don’t try to sell what you happen to make.”

“Take care of the customer and profits will take care of themselves.”



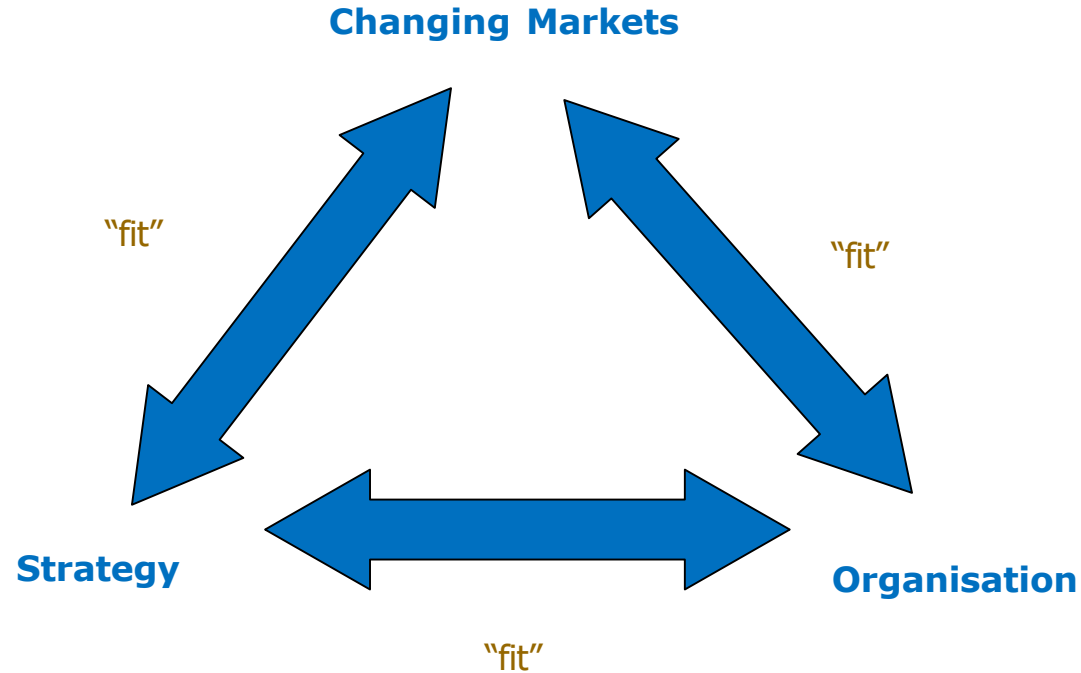
# Marketing is...

## A Business Philosophy

A way of seeing the world of business in which the customer becomes the centre of attention - encapsulated in the Marketing Concept



# The Basic Challenge



Source: Drucker

# Strategic Fit

- Drucker talks about the need for “fit” between external opportunities and internal strengths and capabilities
- Not every “gap” in the market is one that you could or should try to exploit...

# Discussion

- What kind of changes / trends can you think of that have changed the way that markets work or the things that customers value?
- For example: health consciousness, sustainability
- What might these mean for marketers trying to find opportunities?

# OK, But How Should Marketing be *Managed*?

**Marketing management orientation: an organisation's conceptualisation of the way marketing should be managed to achieve its organisational goals.**

Product concept – creating the best possible product

Production concept – making affordable and readily available products

Selling concept – using sales & promotion to motivate consumer purchases

Societal marketing concept – considers company, consumer, and societal interest; improving well-being

# Not Marketing Oriented

**“Build a better mousetrap and the world will beat a path to your door.”  
- Ralph Waldo Emerson**

**“In the factory we make lipstick; in the stores we sell hope.” - Charles Revlon**

**You can have any colour you want, as long as it's black.” - Henry Ford**

# Marketing Oriented



# Marketing Oriented



?



# Marketing Oriented



?



# Marketing Thinking Drives the Value Proposition

**Production Concept**

**Product Concept**

**Selling Concept**

**Marketing Concept**

**Societal Marketing Concept**

- Consumers favor products that are available and highly affordable
- Improve production and distribution
- Consumers favor products that offer the most quality, performance, and innovative features
- Consumers will buy products only if the company promotes/ sells these product
- Focuses on needs/ wants of target markets & delivering satisfaction better than competitors
- Focuses on needs/ wants of target markets & delivering superior value
- Society's well-being

# Discussion

- Can you think of examples of organisations who use the:
  - Production concept
  - Sales concept
- What examples can you think of for organisations who use the marketing concept or societal marketing concept?

# Are these organisations market-oriented?



# Core Value

Marketing is .... first a central dimension of the entire business. It is the whole business seen from the point of view of its final result, that is **from the customers' point of view** (Drucker, 1973).

# Who uses Marketing?

- Traditionally, large corporations marketing goods and services in return for profit
- Increasingly, a whole range of organisations and individuals may engage in marketing e.g.: not for profit, places, events, individuals

# Concepts Central to Marketing

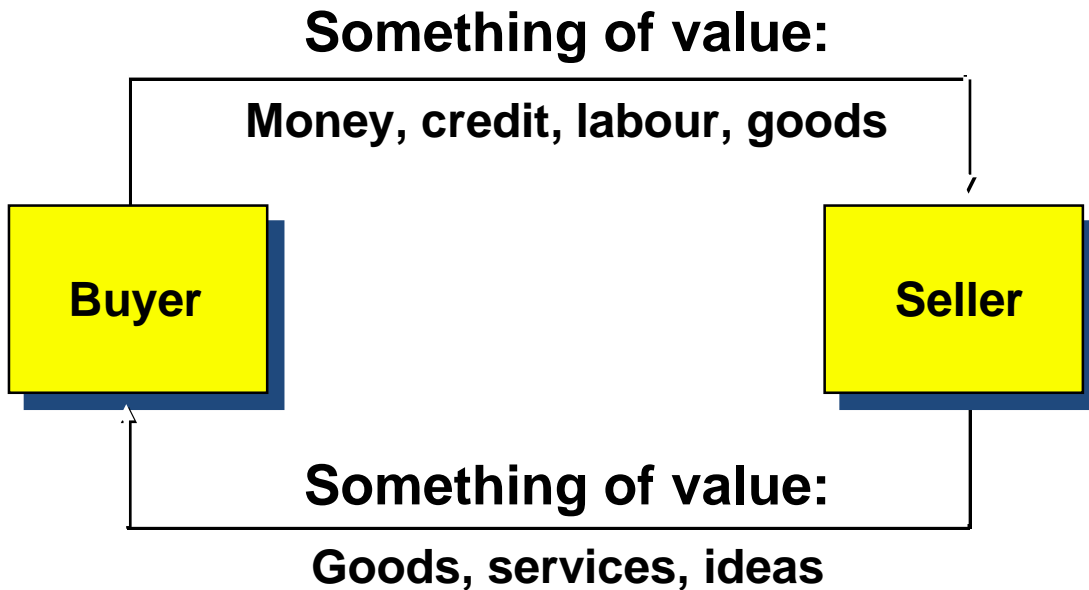
**Exchange – the process of giving something in return for something received**

Tangible entities exchanged

Intangible, indirect, symbolic exchange

Multiple parties in the exchange process

# Exchange between buyer and seller





# The Law of Exchange

## Exchange can take place between two entities under conditions where:

One entity holds assortment A and the other assortment B, with elements x and y within assortments A and B respectively, and when:

- (a) x is different than y
- (b) the potency of assortment A is increased by dropping x and adding y, and
- (c) the potency of assortment B is increased by dropping y and adding x

(Alderson and Miles, 1967)



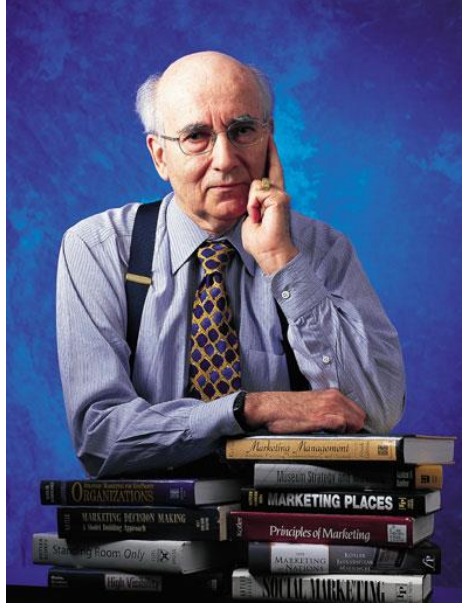
Exchange is often complicated

# **Concepts Central to Marketing, cont'd.**

**Value – what something is perceived to be worth**

**Utility – a satisfaction derived from acquisition and consumption of an offering**

# Kotler on Marketing: Marketing is “CCDVTP”



# What are Alternatives to Marketing?

**Antimarketing – behaviours or attitudes reflecting the view that a person or organisation rejects advocating or using any of an array of practices or principles perceived to be part of marketing**

**Intuition, common sense, learning by doing**

But we all have biases and blind spots

Beware the “Icarus paradox”

# Why Marketing Isn't Easy

- ① Do customers know what they want?
- ② How can marketers discover what they want?
- ③ Which customer wants are relevant?
- ④ How can we translate *their* knowledge into *our* knowledge?



Buyer Behaviour



Market Research

# Marketing – Not Easy But “Doable”

- ⦿ **Do customers know what they want?**  
→ Buyer behaviour
- ⦿ **How can marketers discover what they want?** → Market research
- ⦿ **Which customer wants are relevant?**  
→ Market segmentation and targeting
- ⦿ **How can we translate *their* knowledge into *our* knowledge?** → New product development



# Still...

**“I thought we were doing marketing. We have a Vice President for marketing, a top-notch sales force, a skilled advertising department and elaborate marketing planning procedures. These fooled us. When the crunch came I realised that we were not producing the cars that people wanted. We were not responding to new needs. Our marketing operation was nothing more than a glorified sales department.”**

**-- Lee Iacocca, Chrysler Corporation**

# Key Marketing Processes and Their Elements

## ⊙ Analyses → Strategising → Programmes (“A-S-P”)

### ⊙ Analyses:

External: Customer, Market, Competitor,  
Macroenvironment  
Internal  
Marketing Research

### ⊙ Strategising:

Segmentation → Targeting → Positioning  
Value proposition, assets & competencies, functional  
strategies  
Timing

### ⊙ Programmes:

The Four Ps: Price, Product, Promotion, Place  
(Distribution)  
Implementation

# Analyses: A Focus on External Analyses

- ① **Customer**
  - Motivations?
  - Unmet needs?
- ② **Market**
  - Size?
  - Growth rate?
- ③ **Competitor**
  - Current and future competitors
- ④ **Macro-environment**
  - Political, economic, social, technological forces



# Strategising: A Focus on Segmentation, Targeting, and Positioning

Segmentation – dividing a market into distinct groups of buyers who have relatively distinct behaviours, needs, or other characteristics

Targeting – the process of selecting one or more market segments that the firm decides to serve with its offerings

Positioning – the way a firm's offering is perceived by its target market in relation to that of competitor offerings

# Programmes: Focus on the Marketing Mix

◎ **The marketing concept requires managers to make decisions about each of the elements of the 'marketing mix'**

◎ **The basic mix consists of the 4P's:**

Product: what we offer

Price: how much we charge

Promotion: how we communicate with our customers

Place: where, how we distribute our offering

# Programmes: the Marketing Mix

## © The extended mix for services includes:

People: who will we employ, educate, motivate

Physical the ambience, ease of access, use,  
Evidence: layout, appearance, up-keep

Processes: operational aspects - transactions  
and customer service such as queuing  
and payment systems, information



Extended marketing mix



# Context Matters

- ◎ **Consumer or Industrial Buyers?**

E.g., is demand “primary” or “derived”?

- ◎ **Products**

E.g., is it a “convenience” or “specialty” product?

- ◎ **Services**

E.g., is it intangible and perishable?

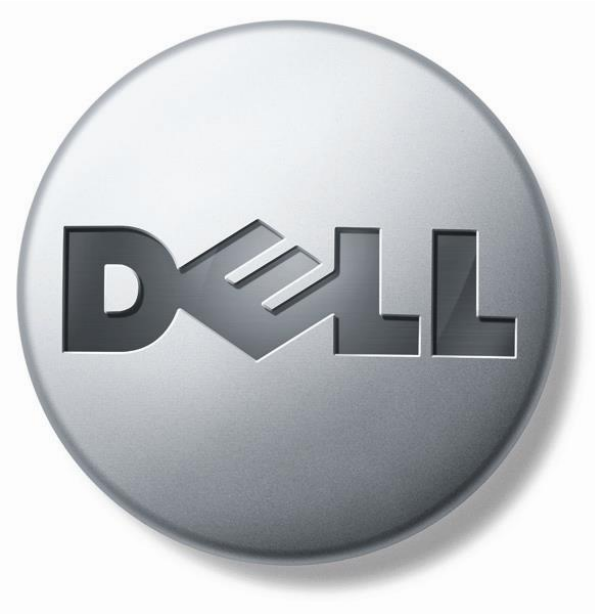
An “Extended Marketing Mix” is needed:

- People

- Physical evidence

- Processes





Consumer or industrial buyer?



Convenience or specialty product?

# OK, So What's the Role of Branding?

- ◎ **For any offering, branding provides the firm with opportunities to be:**

- more readily distinguishable from marketplace competitors – and other offerings of the firm identifiable in terms of a “personality” or style

- ◎ **This is accomplished by:**

- having a distinctive brand position
  - cultivating a sense of brand community among consumers

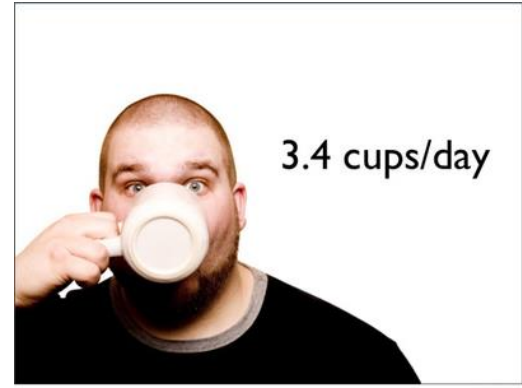
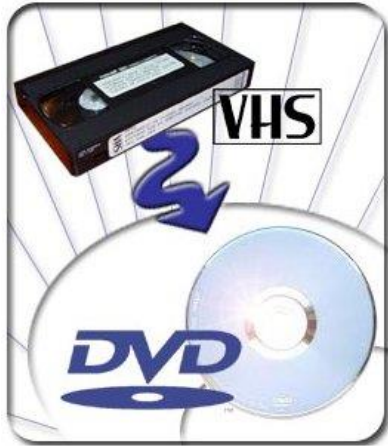
# Finally, Dynamic Considerations!

## ⦿ **The product lifecycle (PLC)**

Marketing must be appropriate to PLC stage  
Not easy to predict!

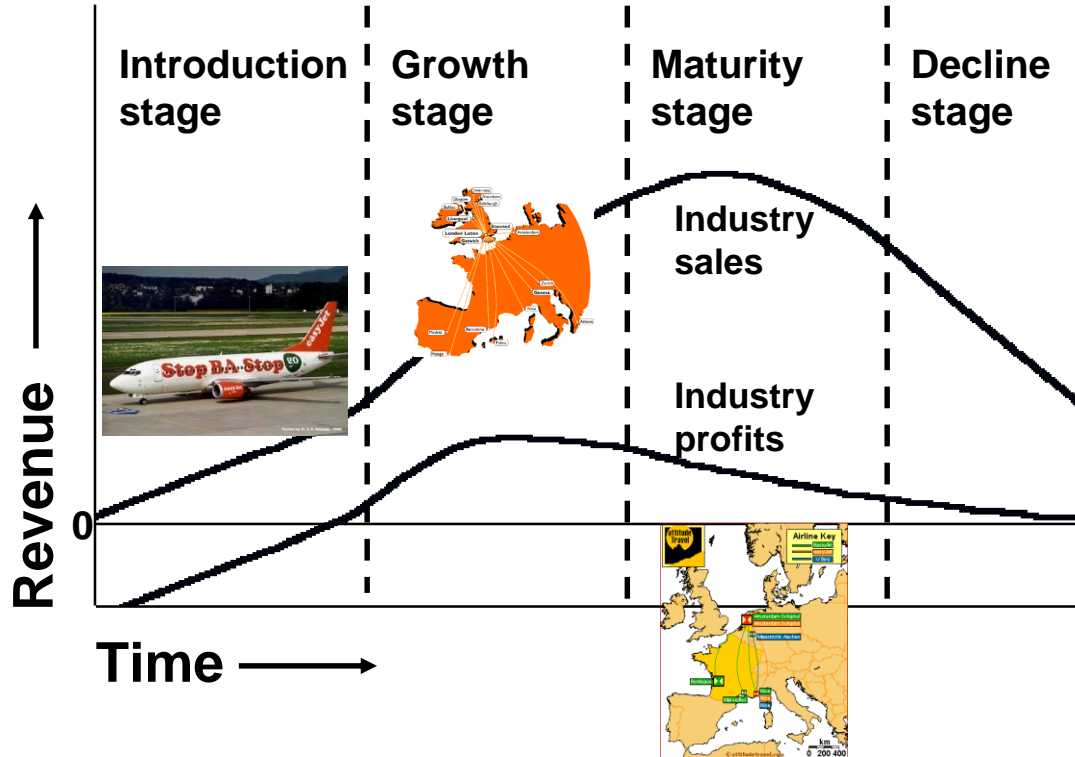
## ⦿ **Market evolution**

Consumer preferences are continually evolving  
Producer capabilities are constantly evolving



.ppt slide

# The four stages of the product life-cycle



# Market Analysis and Marketing Strategy

## External Analysis

- Customer Analysis
- Competitor Analysis
- Market/submarket Analysis
- Environmental Analysis

## Internal Analysis

- Performance Analysis
- Benchmarking Success
- Developing Distinctive Competencies
- Determinants of strategic options

```
graph TD; EA[External Analysis] --> MSO[Marketing Strategy Options]; IA[Internal Analysis] --> MSO; MSO --> PMS[Preferred Marketing Strategy and Implementation];
```

**Marketing Strategy Options**

**Preferred Marketing Strategy and Implementation**

# Conclusions

- ⦿ **Marketing is far more a process than a function**
- ⦿ **It is a philosophy but with different ways of implementing and managing it**
- ⦿ **Marketing is increasingly imperative in organisational success**
- ⦿ **Marketing necessarily involves exchange and the provision of value**
- ⦿ **In reality, it's far from easy**
- ⦿ **Mastery of the many different marketing concepts and processes is essential given today's marketplace dynamics**