



Marketing

Marketing

- It is the process of identifying customers' needs and then producing the right type of products that satisfy customers' needs in a profitable manner.

Marketing Mix

- Is the combination of 4P's which are as follows:

- **Product** – is the tangible / service sold by the business •

Price – is the amount the business charges for its products

- **Place** – is the distribution network used by the business like should the product be sold through a wholesaler or a retailer etc.

- **Promotion** – is the advertisement done to promote the product.

So basically marketing mix refers to selection of ideal combination of 4 Ps to ensure product success.

Market

1. Market is the *physical* or *virtual* place through which sellers and consumers interact to make transactions.
2. Market refers to potential customers of a business.

Marketing Approaches

- 1. Market Orientated Approach:** it is when a product is produced keeping in view consumers' preferences of the product. For instance the restaurant businesses, clothing business etc

2. *Product Oriented Approach*: it is when a business produces a product based on its expert knowledge like in the case of pharmaceutical companies etc.

3. *Asset-Led Approach*: it is when a business will produce a product that it has expertise in like BMW producing luxurious cars whereas Toyota produces more affordable and economical cars.

Marketing Strategies

Marketing Strategy is the course of action that business decides to choose to achieve its objectives.

1. Mass Marketing: is when a standardized product is being produced and the same standardized product is sold in every part of the world.

This is because consumers have similar preferences.

2. Niche Marketing: it is when customized products are being produced because consumers have different needs and preferences.

3. Market Segmentation: it is a mix of mass marketing and niche marketing. Market segmentation is producing products that are not completely standardized nor completely customized.

Business can benefit from economies of scale which refers to reduction in Average Total Cost due to production of large quantities.

Some consumers might have different tastes / preferences.

Can perhaps cater to more people with different preference like a restaurant can have customers who like more and less spicy food but this can't be the case for fast food businesses.

Cannot benefit from economies of scale since they are no producing on large scale.

Can relatively cater to much more people
as compared to niche marketing.

Can also benefit from economies of scale.