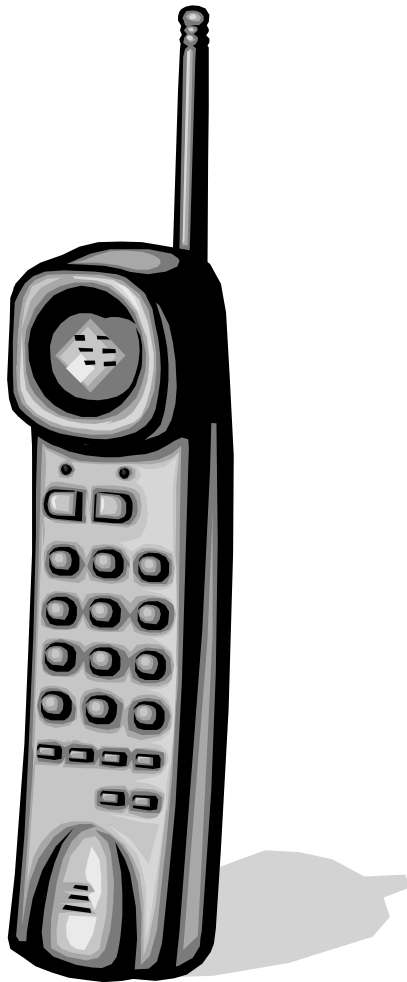
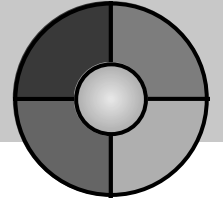
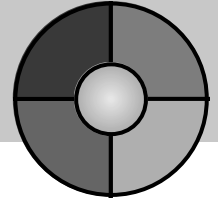


GOOD AFTERNOON!



**PLEASE SWITCH
OFF YOUR
MOBILE PHONES
OR PUT THEM
INTO A SILENT
MODE.
THANK YOU!**

Group Project Assignment



- form groups of 7-10 members; groups should have at least one foreigner involved
- select a product or a market segment to focus on
- provide a comparison of this product/market segment in the CZ and in a foreign country; focus namely on the product characteristic (targeting, positioning), profile of consumers & their preferences, market characteristic (size, growth/decline, dynamics), price, distribution, advertisement, etc.
- you have 3 weeks (deadline: March 17, 2005) to choose a particular product/segment and make a list of groups members (including their e-mails), the first name on the list will be the group leader
- you are supposed to submit your findings in a form of a .ppt presentation
- the group/selected speakers will give a short oral presentation (approx. 15-20 minutes) at the end of semester, discussion with tutor(s) will follow
- you are required to cite/quote source of information
- the group project may affect your final grading



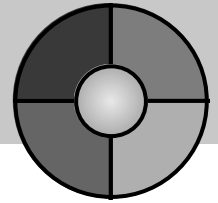
Basic Marketing

A Global-Managerial Approach

William D. Perreault, Jr.
E. Jerome McCarthy

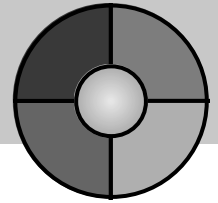
*For use only with Perreault and McCarthy texts.
© The McGraw-Hill Companies, Inc., 1999
Irwin/McGraw-Hill*

Course objectives



- to have a better understanding of marketing & use analytical approaches to tackle MKT problems
- to handle basic marketing terminology
- to identify the essential environmental and organizational factors
- to conduct essential marketing research
- to analyse consumer behaviour
- to be able to apply marketing tools (4P)
- to have sufficient knowledge of the elements of the marketing planning & strategy
- to understand international context of marketing issues

Misconceptions of Marketing



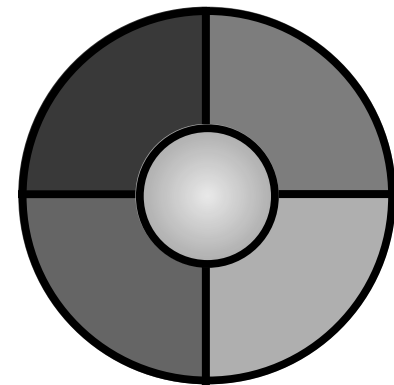
- Marketer create needs, manipulate people to buy something they don't want
- Marketing = selling = advertising
- Marketing = shoes polishing
- Customer will favour those products that offer the most quality, performance & innovative feature



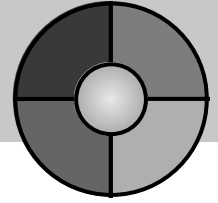
You don't have to be a genius to work successfully in marketing!

Chapter 1:

Marketing's Role in the Economy & Principles of MKT

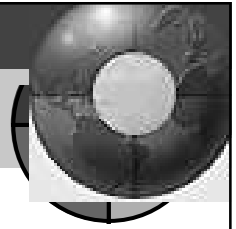


Chapter 1 Objectives



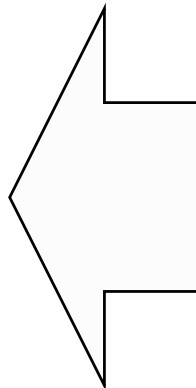
When you finish this chapter, you should

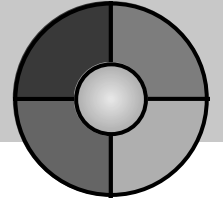
1. Know what marketing is and why you should learn about it.
2. Understand the difference between micro-marketing and macro-marketing.
3. Know why and how macro-marketing systems develop.
4. Understand why marketing is crucial to economic development and our global economy.
5. Know why marketing specialists—including middlemen and facilitators—develop.
6. Know the marketing functions and who performs them.
7. Understand the important new terms.



Alternative Views of Marketing Activities

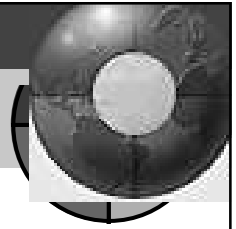
Micro-Marketing





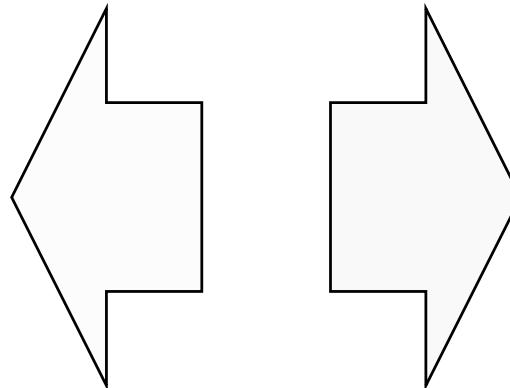
Micro-marketing

The performance of activities that seek to accomplish an organization's objectives by anticipating customer needs and directing the flow of need-satisfying goods and services.

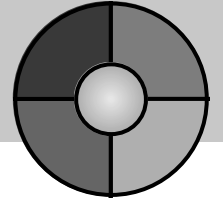


Alternative Views of Marketing Activities

**Micro-
Marketing**

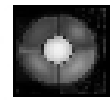
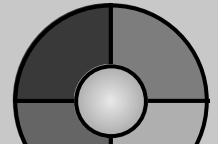


**Macro-
Marketing**



Macro-marketing

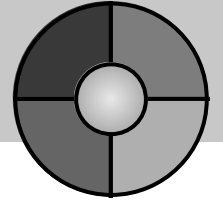
A social process that directs an economy's flow of goods and services to effectively match supply and demand and to meet society's objectives.



Micro-Macro Dilemma

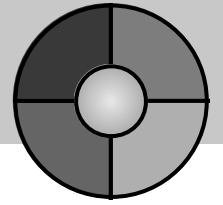
- **Micro-macro dilemma: what is "good" for some producers and consumers may not be good for society as a whole.**
- **Examples:**
 - ◆ some consumers want handguns, but guns can be dangerous
 - ◆ all terrain vehicles are fun for some people, but may result in injuries or damage to wilderness areas
 - ◆ non-returnable soft drink bottles are convenient, but sometimes result in litter and dangerous broken glass along highways.
 - ◆ repairing an old air-conditioning system might save the owner money, but might require continued use of ozone depleting fluorocarbons (used as coolant)

Implications of the Definition of Micro-Marketing



- Applies to profit and nonprofit organizations.
- NOT just persuading customers to buy.
- Begins with customer needs and focuses on customer satisfaction.
- Marketing activities --but it is a philosophy that guides the whole business.
- Seeks to builds a relationship with the customer.

Marketing Is Important!

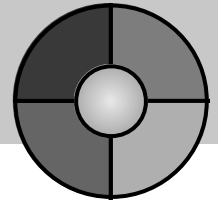


- Marketing impacts all of us in our lives as consumers
 - Gives us choices
 - Stimulates innovation and economic growth
- Regardless of what career path you take, no firm (or non-profit organization) survives for long if it can't satisfy some group of customers
- There are many good job opportunities in marketing

Applying for a job at IKEA

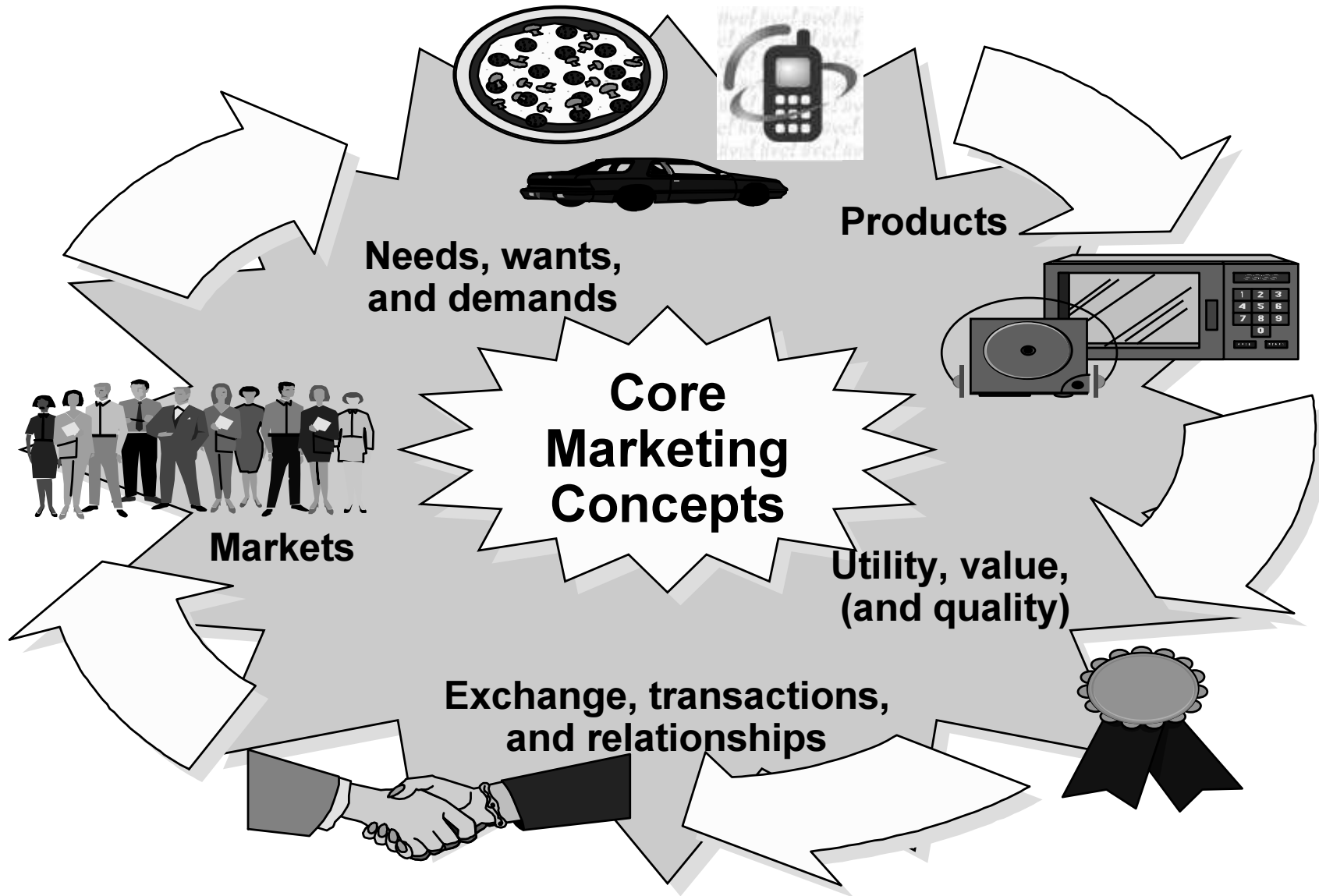
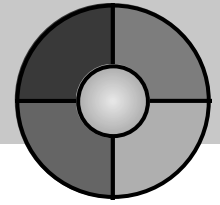


Definition of Marketing

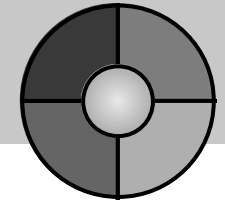


- *Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, services, organizations, and events to create and maintain relationships that will satisfy individual and organizational objectives. (Boone and Kurtz)*
- *Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering and exchanging products of value with others" (Philip Kotler)*

The Cycle



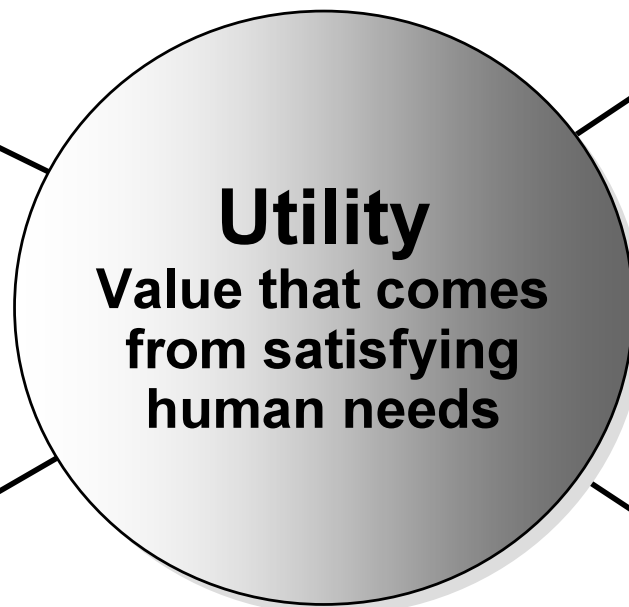
Utility and Marketing



From Production

**Form
(tangible)**

**Task
(service)**



Time

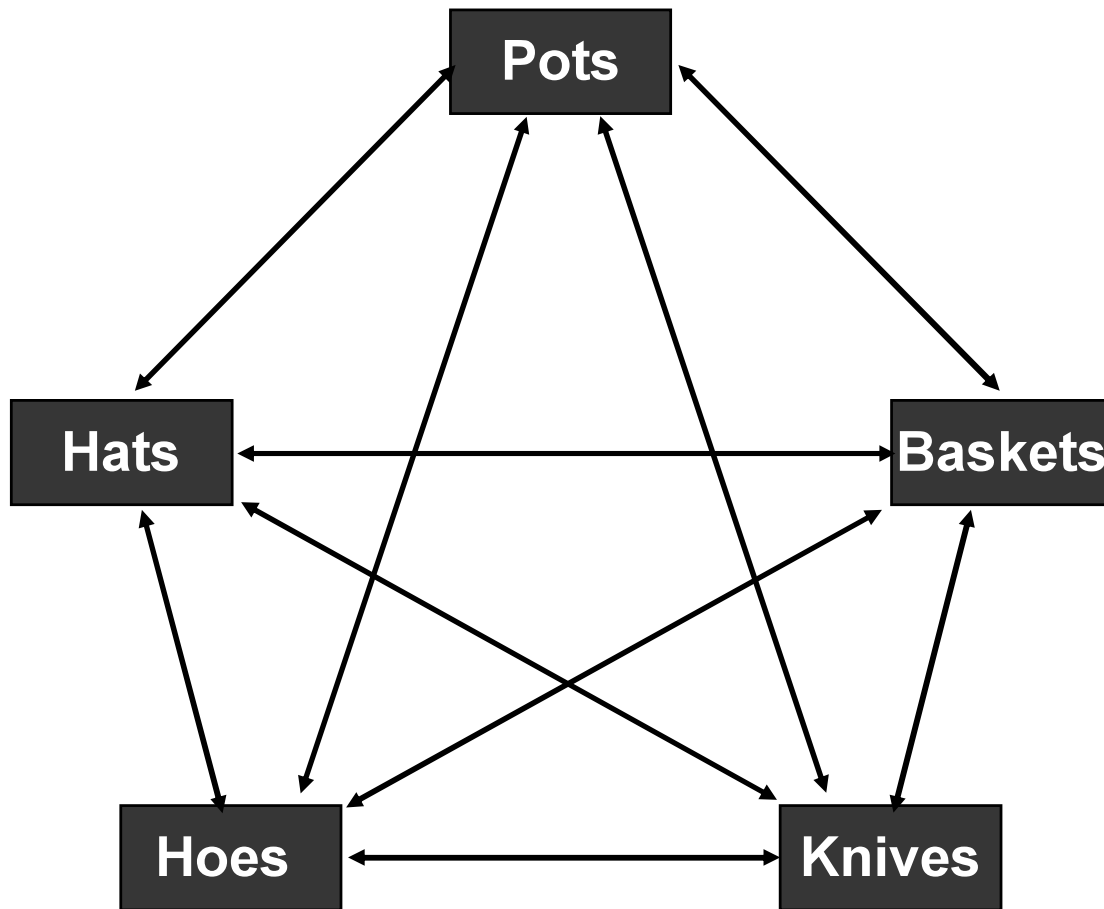
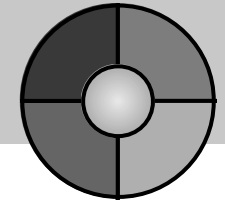
Place

Possession

From Marketing

Exhibit 1-1

Exchange and Marketing

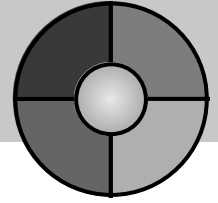


Ten exchanges required
without central market

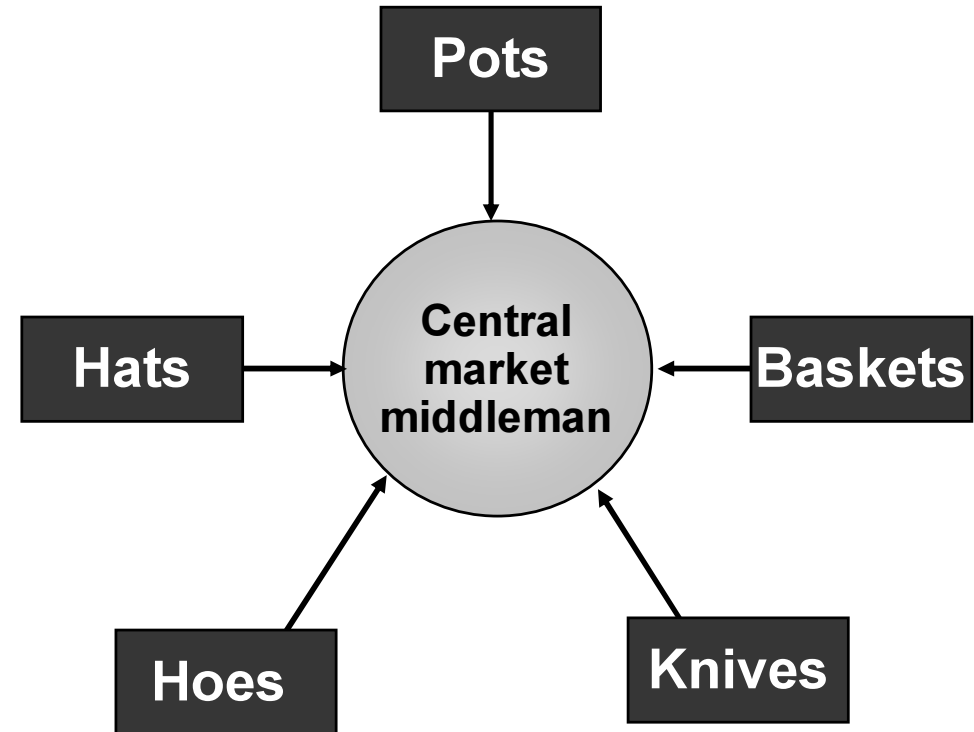
Exhibit 1-2A

In very basic economic systems, each seller must meet directly with each buyer in order to exchange something of value. As needs increase, the number of exchanges can soon become unmanageable for one person.

Exchange and Marketing



In a centralized market, a buyer can go to one location to find many different products from many different sellers. By reducing the time both buyers and sellers must spend to complete an exchange, prices can be lowered.

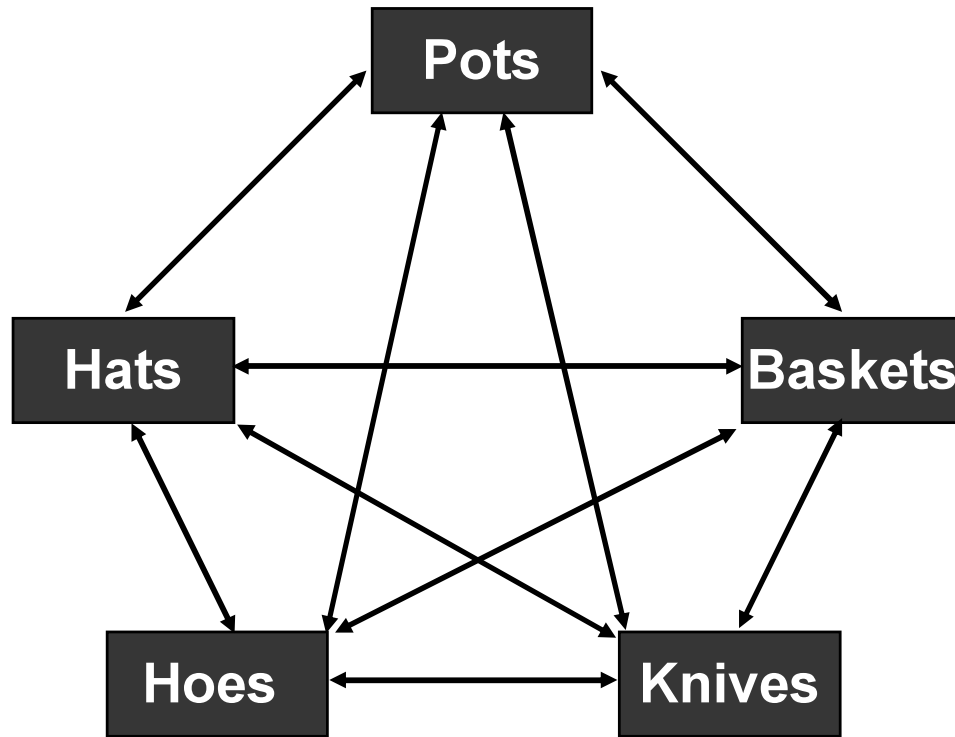
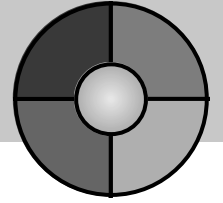


Five exchanges required with central market

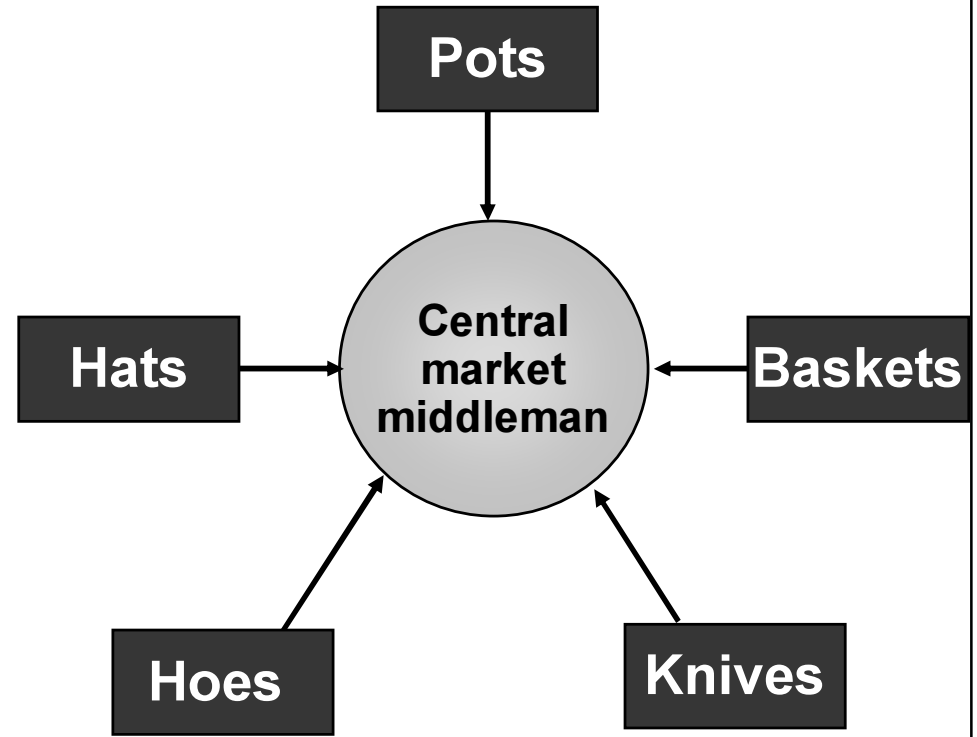
Exhibit 1-2B

1-8

Exchange and Marketing



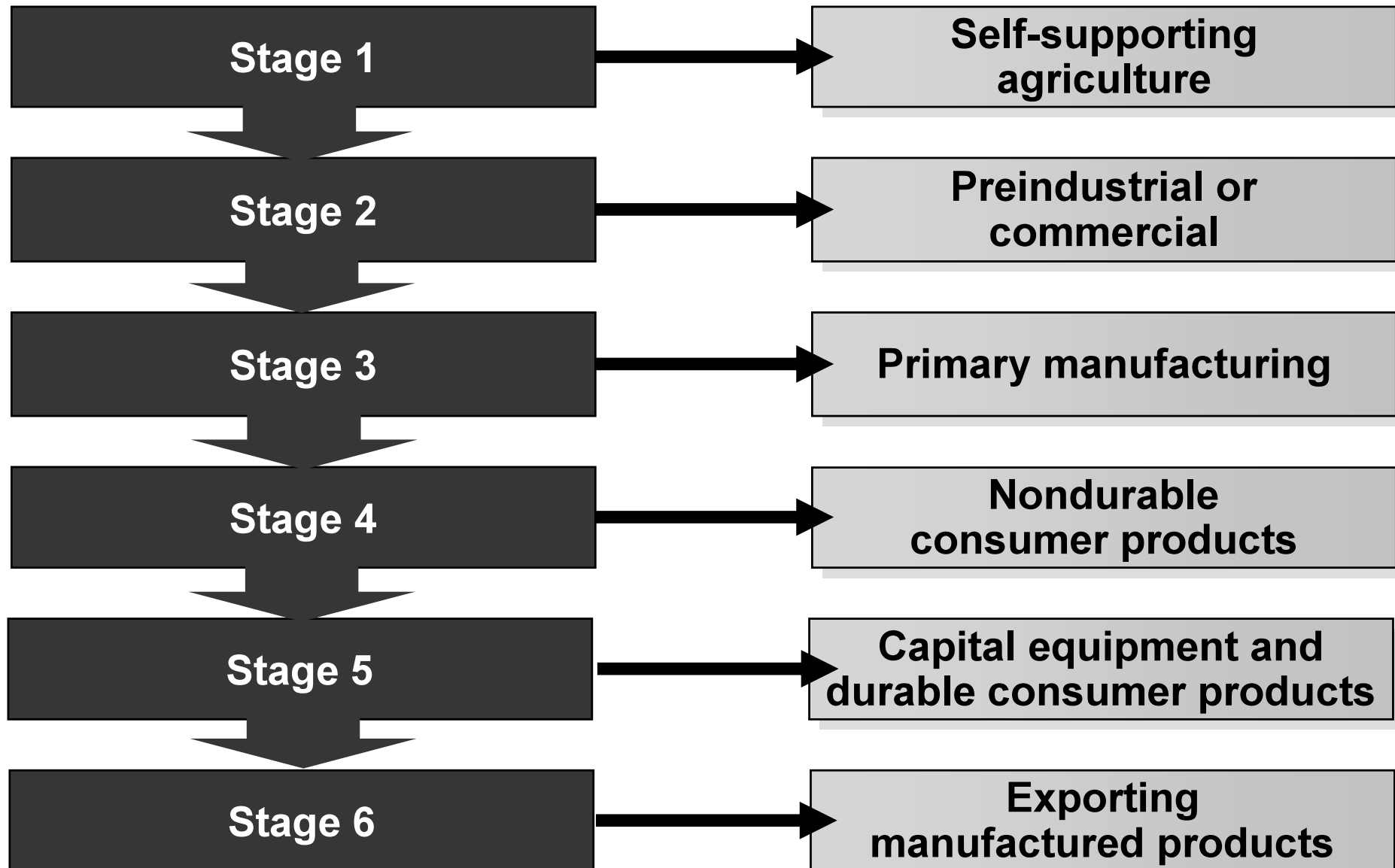
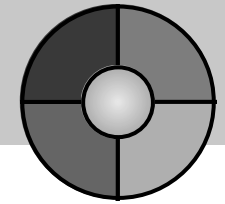
Ten exchanges required
without central market



Five exchanges required
with central market

Exhibit 1-2

Marketing in Economic Development



Marketing Facilitates Production and Consumption

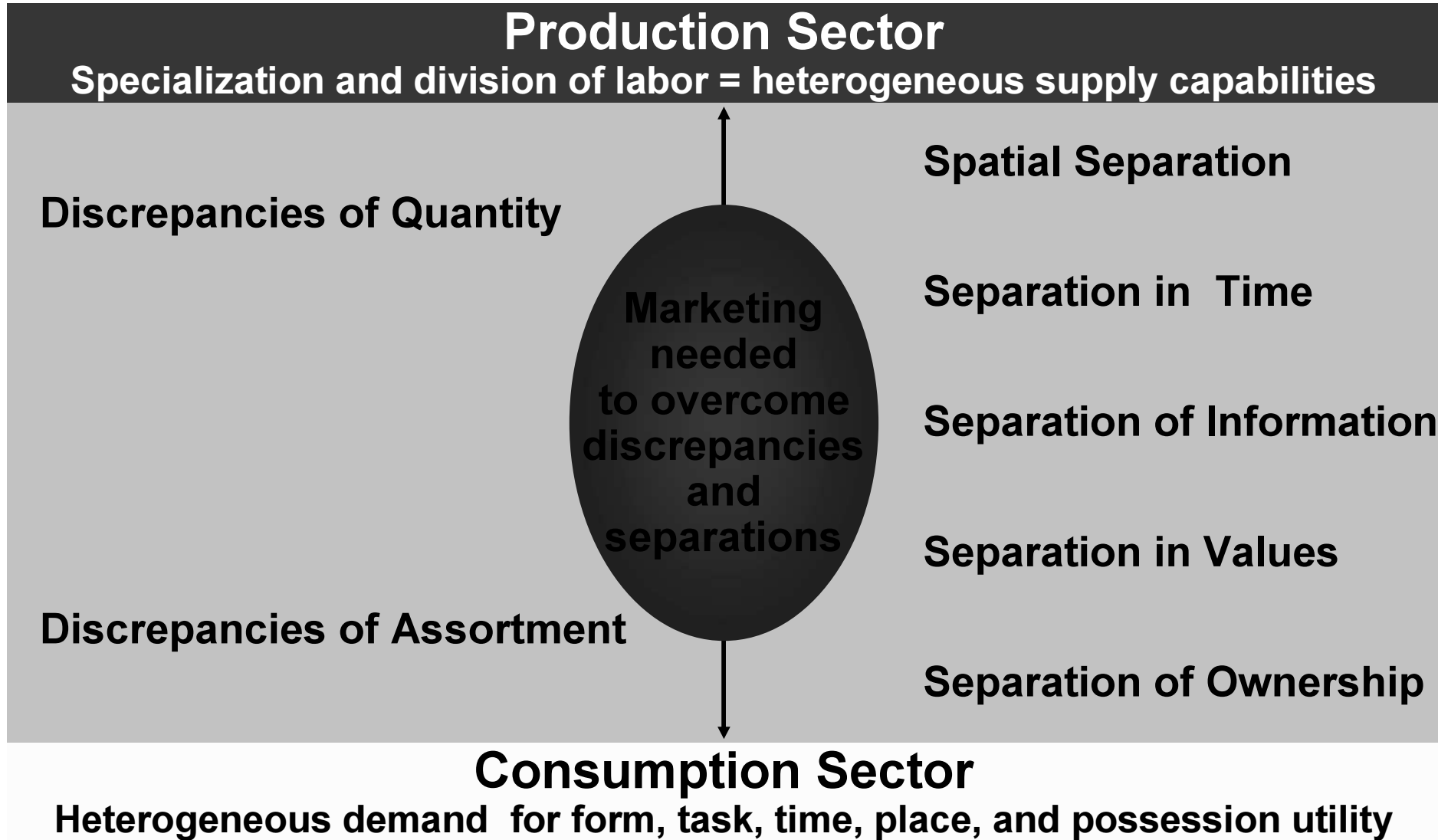
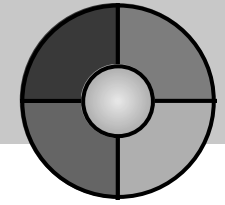


Exhibit 1-3

Model of Market-Directed Macro-Marketing System

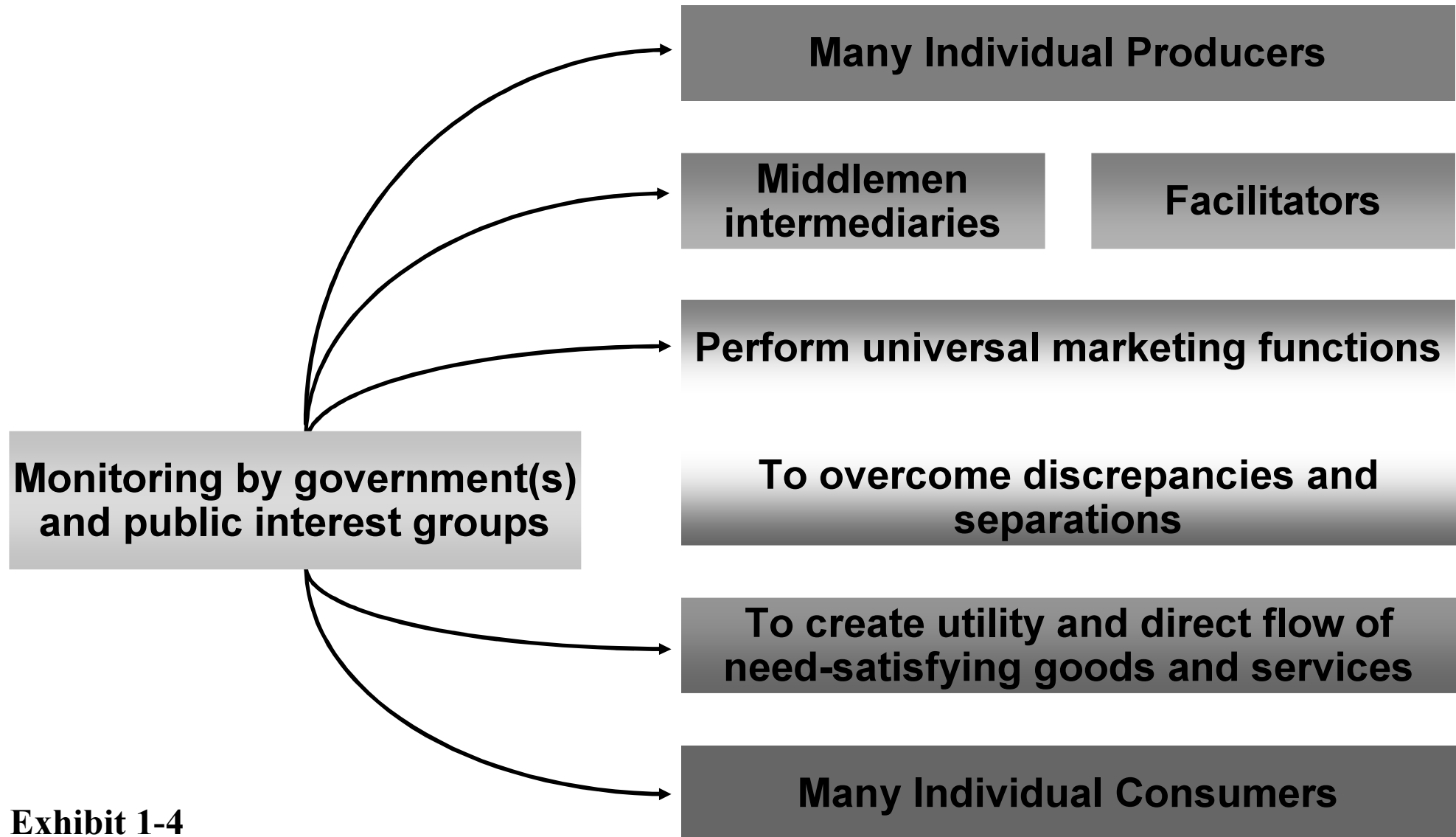
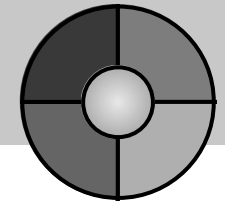
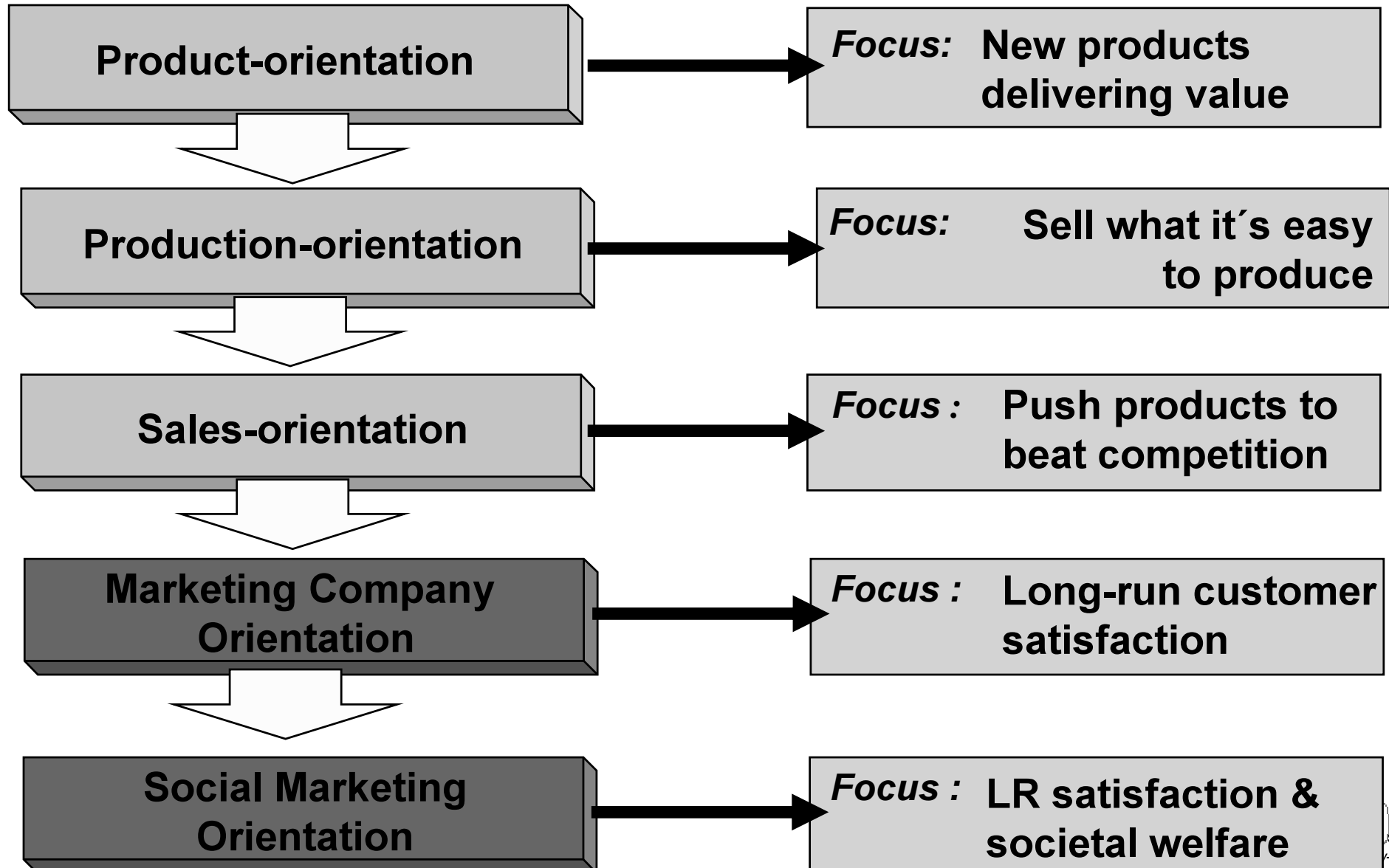
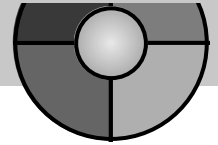
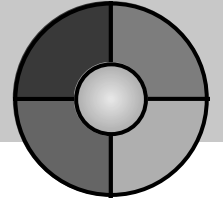


Exhibit 1-4

Marketing Historical Development



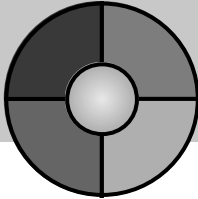
Production Orientation



Henry Ford: „You can have any colour as long as its black“

Ford Model „T“

Social Marketing



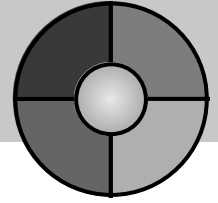
**Society
(Human Welfare)**

**Social
Marketing
Orientation**

**Consumers
(Satisfaction)**

**Company
(Profits)**

Key Terms



Production
Customer Satisfaction
Utility
Form
Task
Possession
Time
Place
Micro-Marketing
Macro-Marketing
Economic System
Planned Economy
Market-Directed Economy

Micro-Macro Dilemma
Pure Subsistence Economy
Market
Central Markets
Middleman
Intermediary

Universal Functions of Marketing
Buying
Selling
Transporting
Storing
Standardization and Grading
Financing
Risk-Taking
Market Information
Facilitators
Innovation
Marketing Ethics