

Marketing Fundamentals

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Introduction

The modern business environment has become immensely dynamic and competitive. Advanced technological development has enabled the use of artificial intelligence and other advanced technologies to promote innovation and informed decision making. Marketing has, therefore, become a crucial part of organisational success (Blythe, & Martin, 2019). Strategic marketing processes highly enable sales, revenues, and profits .it is, therefore, crucial to properly understand the processes of marketing and the importance of continuous market research and innovation. This paper examines the fundamentals of marketing and the role of marketing in the contemporary business environment. The paper thus explores the concept of marketing and the stages involved in the marketing process.

The concept of marketing

Marketing is a process that has undergone massive developments since the 1920s. Various pieces of literature and market researchers have developed various definitions of marketing. American Marketing Association defines marketing as a process that involves planning, pricing, promotion and distributing products and services to enables exchanges that

satisfy both organisational and individual goals (American Marketing Association, 2018).

According to the United Kingdom Chartered Institute of Marketing, marketing is the process of identifying, anticipating and satisfying the needs of consumers (Perreault, 2018). Marketing is, therefore, the process of enabling sales through meeting consumer needs. It consists of the process of creating awareness, developing consumer needs and facilitating exchanges for profits. In the contemporary business environment, marketing involves processes, from production to sale, that are customised to meet the needs of consumers, and meet the tastes and preferences of consumers.

Processes and stages of marketing

The process of marketing is a continuous and dynamic process that requires attention to details at every stage. Most small and medium-sized enterprises (SMEs) pursue marketing from the point of outdated processes such as awareness, consideration and purchase. In this customer-centred era, the process of marketing is more advanced.

Situational analysis

At this stage, extensive market research is carried out to collect all the relevant information regarding the needs, tastes and preference of consumers and the nature of competition to suitably customise the marketing strategies. It involves an examination of both the internal and the external environment of the firm (Blythe, & Martin, 2019). It seeks to determine the position of the firm in both the micro and macro-environments. It creates a proper understanding of the critical factors of the environment. The internal environment analysis involves an examination of factors and stakeholders such as;

Employees: this is one of the most crucial parts of the internal environment (Vasilev et al., 2017). They are responsible for the implementation of decisions and directions as given by the

management. A proper marketing process requires qualified, talented and committed employees to effectively adapt to the dynamics of the market to achieve desired goals (Armstrong et al., 2018).

Financial resources: every step in the marketing process requires funds. Financial resources are thus key to the success of the marketing process. A firm must seek to develop a robust financial position to enable sufficient funding of the marketing process. A proper situation analysis needs to adequately consider the number of financial resources available at the disposal of the process (Vasilevet al, 2017).

Organisational culture, politics and power: according to Perreault, 2018, culture refers to the beliefs and norms in a firm that guide interrelationships. According to Ferris (2018), owner refers to the control that people have to influence processes in the firm and politics refers to the organisation of groups, influences and collisions within the firm. These factors are vital in determining the smoothness of processes. It is essential that the marketing process, with the aid of the management, develops a healthy internal environment through development of an integrated, united and collaborative culture with healthy politics and power development (Oladosu & Nwaneka, 2014).

Leadership: this refers to the body responsible for the management, strategic planning and decision making in the firm. The process must understand the strategies used by the management, their objectives and their mission. Marketing process must strive to achieve these goals (Blythe & Martin, 2019).

External environment

This refers to the environment outside the organisation within which the business operates. It involved the broader macroeconomic environment. The business must strive to adequately respond to changes in this environment while at the same time, maintain control over the environment. An adequate understanding of the environment is, therefore, crucial. Various systems are used to study the external environment (Armstrong et al., 2018). PESTEL analysis provides a practical and directional study of the external environment. it is used in collaboration with other tools such as the SWOT analysis and Porter's Five Forces analysis. It involves studying the political, economic, social-cultural, technological, ecological and legal environments.

Political environment: these are factors that originate from the regime of the day. The ruling regime determines the policies and the stability of the political field in the country. They include factors such as tax policies, labour laws, corruption, foreign trade policies and political stability or instability (Yusop, 2018). For instance, the EU referendum in 2016 and the debate on Brexit caused a lot of uncertainties and instabilities slowing down businesses.

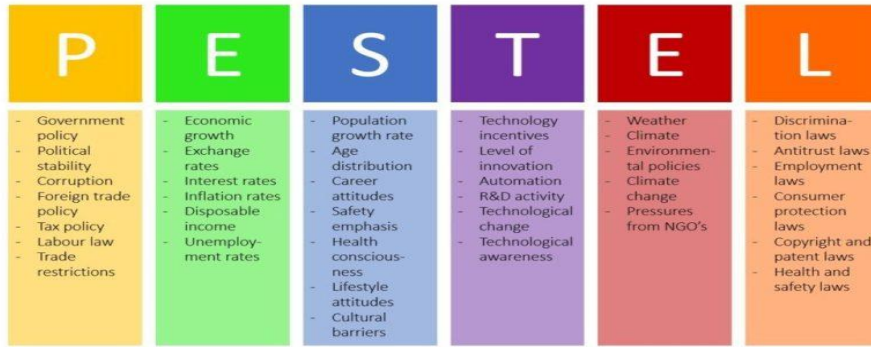
Economic environment: this refers to the macroeconomic factors within which the business operates. These are economic determinants such as unemployment levels, trade unions, inflation rates, interest rates, and the strength of credit facilities, exchange rates, disposable incomes and growth rates, among others. These factors massively affect the operations of the business and more importantly, marketing processes (Yusop, 2018). For instance, the current pandemic, the COVID-19 outbreak cuts created massive unemployment, lower disposable incomes and declining economic growth. It is predicted that many countries may fall into recession.

Social environment: this refers to the social factors such as culture, beliefs and norms of the community within which the business operates. They also include other factors such as demographic trends such as population growth rates, mortality rates, age distribution, and lifestyles, among others. These factors determine the tastes and preferences of consumers, thus very crucial to marketing planning (Armstrong et al., 2018).

Technological environment: these are factors that pertain to innovations and trends in technology that may affect the industry and the operations of the business. Innovation, automation, technological change and awareness and research and development (R&D) activities massively determine organisational success and marketing process (Perreault, 2018). Success is determined by ownership and use of the latest and most advanced technology in the marketing process. For instance, social media has become a vital part of modern marketing. Employment of best social media marketing strategies such as the use of Key Search Engines and visual aids in web development is vital (Chaffey, 2019).

Ecological environment: these refer to the factors pertaining to environmental protection within the ecological niche of the business. Various environments have different policies and requirements to adherence to the green environment campaigns. There are numerous campaigns and movements to protect the environment (Armstrong et al., 2018). Marketing processes must seek to adhere to these measures and requirements for ecological protection.

Legal environment: this pertains to the issue of the law. These factors have a close overlap with the political environment but include more specific laws such as antitrust laws, discrimination laws, employment laws, copyrights and consumer protection laws. Marketing processes must critically observe these legal requirements (Yusop, 2018).



source: (Armstrong et al., 2018)

Setting objectives

This involves the application of information collected in the situation analysis to set the scope of the marketing process. It involves setting goals to be achieved by the process. The objectives must seek to maximise the opportunities presented in the SWOT analysis and minimise the challenges identified (Blythe, & Martin, 2019). More importantly, the objectives must be set to increase organisational control of its environment, increase competitive advantages and maintain proper brand image. The objectives must aim to make achievements within a specific period.

Strategy and planning

At this stage, marketers and the management lay out ways and processes by which the objectives will be achieved (Perreault, 2018). In this process, marketers lay the specific activities within the stages of marketing. The firm must create strategies and plans that suitably seek to deal with the environmental factors as identified in the situation analysis stage (Armstrong et al., 2018). Plans must maximise objective while creating a baseline for further improvements in future processes.

The marketing mix (the 7Ps)

Product: this refers to the goods and services produced to be sold. Products must be customised to suit the specific needs of the customers, including their tastes and preferences (Wu, & Li, 2018).

Price: this refers to the buyer cost of a product. It is the value with which a product is sold. The firm must seek to create prices that are attractive to consumers depending on the objective and market situations (Blythe, & Martin, 2019). The various pricing strategies are penetration strategy, premium pricing, economy pricing, price skimming and psychology pricing, among others.

Place: this refers to the location where the product is sold. Products must be sold at convenient consumer places. It, therefore, needs to be as close to consumers as possible and as accessible as possible (Armstrong et al., 2018).

Packaging: this refers to the form in which the product is presented to consumers. It needs to be kept in a secure, easily retrievable and visually attractive way (Wu, & Li, 2018).

People: this refers to the people around the marketing process, such as employees. Proper marketing must seek to employ the most talented and committed employees; people who are creative and innovative (Wu, & Li, 2018).

Promotions: this refers to the means of product communication employed to persuade buyers. The aim is to create awareness, generate interest and generate sales (Wu & Li, 2018).

Physical evidence- this marketing mix component considers the material part linked with the product or service that acts as the evidence of the presence of the product in the market (Wu, & Li, 2018). The physical evidence associated with the product is the elements that generate the feel of the product to the potential customers (Perreault, 2018).

Positioning, targeting and segmentation: market positioning refers to the means used to influence consumer perception. Marketing processes seek to generate lasting positive perceptions about the firm and the product (Armstrong et al., 2018). Targeting refers to the process of choosing a target market to enable customised marketing strategies and distribution depending on their traits and interests. Market segmentation refers to dividing the market into various groups depending on similarities and differences such as tastes, interest, demographics and geographic locations. It is key in customising strategies to suit people with similar traits (Andaleeb, 2016).

Implementation

This is the stage of execution. It involves the practical process of carrying out the plan. This process has to be versatile, flexible and adaptable to the highly dynamic marketing process (Blythe, & Martin, 2019). It must be adaptable to the change in the field to suit changes in market structures. The firm must evaluate how to launch the marketing plan, reach out to customers, influence their perception and interest and make sales (Perreault, 2018). The implementation process has to stay disciplined to the marketing plan to cover all areas and time adequately.

Control stage

This stage is the last stage of the marketing process. It involves developing a system of monitoring and evaluation of the marketing process. An active control system must develop useful Key Performance Indicators (KPIs) such as monitoring sales, customer feedback, and expenses to adequately cover all areas of the process (Simonova, 2019). More importantly, these indicators must be able to communicate strengths and weaknesses to enable adjustments where necessary. Here, an organisation needs to regularly measure and evaluate the results of its

marketing plan to succeed. There is also a need to evaluate not only the performance of the product in terms of sales but also in the competitive market. The evaluation process must assess competition periodically to assess the success of the marketing process (Thabit & Raewf, 2018).

Conclusion

The contemporary business environment is very competitive and dynamic. Marketing strategies thus must seek to explore all the viable strategies, markets and opportunities to effectively compete. More importantly, it must be adaptable to changing environmental factors. For instance, modern marketing is extensively concentrated on the use of social media. Marketing must thus explore the platform through the use of most viable social media marketing tools. organisations need to evaluate a marketing program periodically to redirect processes towards goal achievement.

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