University Of Wales Trinity Saint David London

BA Business Management

Marketing Fundamentals LCBB4004
Assessment 1 - FEB 21- TERM 1 and TERM 2

Submitted To Mr. Ze Zook

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Introduction to marketing

I. The essence of business is profit. In a market economy, the company can provide profit through 5 approaches:
1. Production - the company provides profit by reducing production costs, and this is done through mechanization and automation of new technologies.
2. Product - the company provides profit through the active impact of the product (through packaging, brand, marking, and not only through quality)
3. Commercial - by increasing sales (used mainly by large companies, because the company has to invest a lot in communication and marketing). It is used most often in Bulgaria, but in Bulgarian.
4. Marketing - as a result of satisfying the demand of the clients - first what is sought is studied, and then it is produced / imported. It is related to the buyer's market.
5. Socio-ethical approach / marketing - it combines the three groups of interests: to make a profit, the customer to be satisfied, to ensure the interests of society (through environmentally friendly production, energy saving, oil, product production, which do not harm the health, safety of the goods, etc.)
II. Marketing deals with demand and, above all, with solvent demand. In recent years, as a result of the development of new technologies, substitute goods have appeared, some of which are not even needed.
Marketing also deals with supply - products that are new.
III. Marketing determines the behavior of companies in the market. It should be analyzed in 3 directions:
– As a business philosophy
– As a set of management functions
– As a set of operational activities - as a result the customer receives at the moment who wants the goods he wants at a reasonable price
IV. Marketing consists of:
1. Market analysis
2. Development of market programs
3. Satisfying customer demand
4. Modeling a new search - to make people buy something they do not want or are afraid of. Modeling a new search allows you to open a new marketing window / niche. It is effective but expensive. Large companies are constantly modeling new products along with current ones.
V. The practical role of marketing
Marketing serves business. It helps the business achieve its goals.
The goal of the business is the customers.

Marketing helps businesses find customers, retain customers, increase the number of customers with marketing tools.

VI. Marketing goals (correspond to the 5 approaches - which goal do they meet? - for the exam)
1. To maximally stimulate consumption (quantitative)
2. Marketing helps to achieve maximum consumer satisfaction (quality product) (the higher the quality, the higher the price)
3. Assists in providing the widest possible choice (variety of products or the product itself - color)
4. Assists in ensuring a high quality of life - customers to be well informed, transport insured (goods to reach customers), to have a market infrastructure (mall, chain stores, markets, etc.)
VII. Types of marketing:
1. According to the degree of detection and satisfaction of demand: – Responding - which company will react the fastest to the changed conditions – Predictive
2. According to the activity: – Active – Passive – Aggressive - mostly because of the competition (communication has the task of controlling customers)
3. According to supply - demand: – Demarketing - the company tries to limit excessive demand or there is not enough power, or the product contradicts human values. If it turns out that demarketing does not lead to a sufficient restriction, it is reached – Counter - marketing - to limit the supply, the state introduces higher taxes, quotas, etc.
VIII. Emergence and development of marketing: In the United States in the mid-19th, early 20th century. Sectoral distribution of marketing - appears in all countries in the framework of material production (packaged goods, durable goods ...), liberal professions, international marketing, intangible production, political marketing.
IX. Marketing concepts:
1. Desire - a feeling of lack of something in a person
2. Need - desire, acquiring a specific form according to the characteristics of the individual
3. Demand - a need supported by a solvency
4. Products - everything that satisfies a desire or need and is offered on the market for this purpose
5. Goods - a product exported to the market
6. Exchange - trade exchange goods - goods or goods - money – Self-sufficiency – Begging – Appropriation - theft
7. Transaction - in connection with the exchange, the conditions, time, and place are agreed
8. Market - the existing and potential customers of a product in a certain period of time
Marketing is a human activity related to the market, aiming to satisfy desires and needs

through exchange and bring profit. buyer - the consumer - client generalizing concept
buyer - the consumer - best match marketing - sales generalizing concept

Marketing information and marketing research

Marketing information - is divided according to the sources and purposes for which it is used into primary and secondary. The secondary information has already been collected and used on another occasion. It is processed, easily found by all companies and is often used for free. Internal company sources - all company documentation and external - internet, etc. Often research begins with secondary information. The primary one is more valuable, it is up-to-date, it is more expensive, not all companies can use it, it is collected on a specific occasion through three methods: observation, experimentation and survey. Primary information is collected by various means - survey, market test, trial market, focus group, mechanical and electronic devices. Regarding surveys from a marketing point of view:
a. What information is needed and where it is directed - number of questions - 7-8 maximum 15 depending on whether it is conducted by phone, in writing or in person
b. Form of questions - open or closed

Marketing environment

I. The marketing process goes through 4 stages:
1. Market analysis
A marketing environment is defined
Marketing information is collected for this environment
Based on this environment, market research is conducted
2. Marketing strategies
3. Marketing tools / elements through which the strategies are realized - marketing - mix
The four heels - product, price, placement, promotion
4. Planning and strategic planning and control
The marketing environment is divided into micro and macro. It covers in general subjects, processes and phenomena, most of which are outside the company and influence it. Criteria for the division of the marketing environment is whether the company can and to what extent can influence the elements (factors) of the micro and macro environment.

Marketing research

Process of collecting, processing, analyzing and evaluating marketing information about the main elements of marketing. They can be carried out by the company itself or assigned to specialized marketing companies. There are over 40 types of marketing research.
According to the information used
- Field, field research - primary information
- Cabinet - from a place
According to the time scope
- Permanent (over 20 years)
- Periodic - at regular intervals. They are episodic (from a few hours to 1 year), short-term - they do it themselves; medium-term, long-term (up to 20 years) - to external companies
According to the object
- Country study
- To a group of countries
- On the world market
- On the product market
- On the market by companies
- On the individual elements of the mix

Marketing - mix-product

1. Marketing - the mix can be standardized or individual. In the case of an individual mix, the company adapts, adapts the marketing tools to the specifics of the demand of each individual segment. The adaptation should start with the price, if this is not enough, the next element is the placement. If the placement turns out to be insufficient for the company to adapt to the market, communication follows. The product is the most difficult to adapt because the quality has to be changed, etc. Depending on the leading element in adaptation, there are two types of strategies:
• Pull - customers must request the product themselves. The leading element is communication
• Push - the leading element is the sales and sales staff of the company

Marketing mix: price

The difference between cost, value and price - cost is production costs, value is cost + profit, and price is value.
Production price - production costs + profit

Sales (delivery) - production price + taxes and fees paid by the manufacturer
Wholesale price - selling price + surcharges of the wholesaler, and they are three: profit of the wholesaler + additional costs + taxes and fees paid by the wholesaler
Retail price - wholesale price + surcharges at retail auctions (price, taxes, retail fees)

Marketing - mix: placement

The placement is related to the movement and distribution of the products. The movement includes:
a. choice of transport
b. providing transport packaging
c. product insurance
d. stockpiling
e. warehouse
The distribution covers
a. Selection of distribution channels,
b. ways of placement
c. forms of placement
d. service and others

Marketing - mix: communications

Communication = promotion - means communication in which information is exchanged - other than systems. Marketing is interested in:
1. Public communication system: company - client
a. Characteristics - in order to have communication there must be:
• Source (communicator)
• Information (message)
• Recipient of the information (addressee (
b. Features:
• The communicator and the recipient are people or a group
• In order to carry out the communication, two processes are performed:
1. Coding
2. Decoding
Through different symbols
c. In public communication there is always feedback, the addressee responds to the information
d. Personal and impersonal channels of communication.

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