Marketing
What’s it all about?
What I will be talking about today

• What is marketing really?
• 5 Step Process
  – Research
  – Segmentation
  – Marketing Mix
  – Implementation
  – Control
What is Marketing Really?
Marketing is all of these things & more

- Advertising
- Direct Mail
- Merchandising
- Branding
- Promotions
- Research
- Surveys
- Email
- Websites
- Questionnaires
- Public Relations (PR)
- Product Development
- Event Management
- Personal selling
- Brochures
- Sponsorship

Marketing
Marketing is...
The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.

- American Marketing Association Definition
5 Step Process

1. Research
   - Market Research
   - Needs
   - Wants
   - Demands

2. Segmentation
   - Targeting
   - Positioning
   - Branding

3. Marketing Mix
   - Product
   - Price
   - Place
   - Promotion

4. Implementation
   - Execution
   - Quality
   - Experience

5. Control
   - Monitor
   - Evaluate
   - Improve
   - Customer Relationship

3. Marketing Mix
1. Research
2. Segmentation
4. Implementation
5. Control
Research

• What are your customer’s needs, wants, and demands?

• Market offerings
  – Combination of products, services, information or experiences offered to a market to satisfy their need

• Customer value and satisfaction expectations
  – Marketers set the right level of expectations, to meet the customer’s level of value and satisfaction (not too high or low)

• Exchanges and relationships
  – What does it take for customers to exchange money for the desired object in return and establish a continuous relationship?

• Markets
  – Who is your actual and potential buyer of your products/services?
What would your customer’s needs, wants and demands be?

Questions?
Segmentation: Targeting

- Select the customers you want to serve
  - Market segmentation refers to dividing the markets into segments of customers
  - Your target market refers to the market segments that you want to address
- i.e. Cosmetic manufactures based in the USA
Segmentation: Positioning

• Choose a value proposition
  – The value proposition is the set of benefits or values a company promises to deliver to customers in order to satisfy their needs
• i.e. Internet Marketing Company:
  – Our products help people leverage the internet to triple their market reach and cut marketing costs in half when launching new products.
Segmentation: Branding

• How do you brand your business to effectively market to your audience?

• Establish your purpose...
  – Why did you build this business?
  – Why do you want to help out this specific group of people?
  – Why does it matter to you that these things get done?
Segmentation: Branding

- Choose your personality and voice
  - What kind of voice do I want to use for my brand?
  - How do you want to be perceived – do you want to be approachable and casual, corporate and formal, etc.?
  - Will you be able to stay true to this identity throughout the existence of this brand?

- Outline your values

- Define your culture
  - Google’s culture encourages creativity and innovation by giving their employees time and resources to explore new things.

- Communicate Your Brand to Your Audience
Who will your customers be?
How will you position yourself and your brand?

Questions?
Marketing Mix: The 4 Ps of Marketing

• Product (or service)
  – Your offer to your customers (how you deliver value to your customers)
  – Strategies include what product to make, how to package it, what brand name to use, and what image to project.

• Place
  – Where you sell and distribute your product or service
    • i.e. Retail, wholesale, mail order, internet, direct sales, etc.
Marketing Mix: The 4 Ps of Marketing

- **Price**
  - What a buyer must give up in exchange for your products or services
  - Understand how to price your offerings. Consider the market, elasticity and competitive landscape.

- **Promotion**
  - Communication to get your customers to know, like, trust, and buy
  - Strategies to make the consumer aware of the existence of your product or services
  - Not just advertising
What are your 4Ps in Marketing?

Questions?
Implementation

• Put the marketing design, execution and scheduling into development
  - Coordinate who does what and by when
  - Focus on the tasks and where your time is best spent
  - Attention to detail – the devil is in the detail
  - Over-deliver and under-promise
  - Gather the necessary resources to execute the marketing program and release the organization’s product or service to the public
Implementation

At the implementation stage, the key questions to be addressed are:

- "What needs to be done?" (defining appropriate action)
- "When will it be done?" (scheduling and timing)
- "Who will do it?" (designating clear areas of responsibility)
- "How much will it cost?" (budget planning)
How would you implement your marketing plan?

Questions?
Control

- Establish a system for tracking and monitoring how effective the implementation was
- Reach out to new customers and have them evaluate your services/products
  - i.e. send out surveys
- Improve your services/products where required
Control

• Build Customer Relationships
  – Customer Relationship Management (CRM)
• Relate with more carefully selected customers to target fewer, more profitable customers
• Relate more deeply and interactively by using two way relationships through blogs, websites, online communities and social media
• Build the right relationships with the right customers, which involves treating customers as assets that should be managed and maximized
• Different types of customers require different relationship management strategies
  – Build the right relationship with the right customers
### Right Relationship vs. Right Customers

<table>
<thead>
<tr>
<th>Short Term Customers</th>
<th>Long Term Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Profitability</strong></td>
<td><strong>Low Profitability</strong></td>
</tr>
<tr>
<td><strong>Good fit between company’s offerings and customer’s needs</strong></td>
<td><strong>Little fit between company’s offerings and customer’s needs</strong></td>
</tr>
<tr>
<td><strong>Highest profit potential</strong></td>
<td><strong>Lowest profit potential</strong></td>
</tr>
<tr>
<td><strong>ACTION:</strong> Deliver well. When they move on, you need to too.</td>
<td><strong>ACTION:</strong> Make money every transaction, don’t invest</td>
</tr>
<tr>
<td><strong>Butterflies</strong></td>
<td><strong>True Friends</strong></td>
</tr>
<tr>
<td><strong>Good fit between company’s offerings and customer’s needs</strong></td>
<td><strong>Good fit between company’s offerings and customer’s needs</strong></td>
</tr>
<tr>
<td><strong>High profit potential</strong></td>
<td><strong>Highest profit potential</strong></td>
</tr>
<tr>
<td><strong>ACTION:</strong> Communicate consistently, delight them</td>
<td><strong>ACTION:</strong> Make money every transaction, don’t invest</td>
</tr>
<tr>
<td><strong>Strangers</strong></td>
<td><strong>Barnacles</strong></td>
</tr>
<tr>
<td><strong>Little fit between company’s offerings and customer’s needs</strong></td>
<td><strong>Little fit between company’s offerings and customer’s needs</strong></td>
</tr>
<tr>
<td><strong>Lowest profit potential</strong></td>
<td><strong>Low profit potential</strong></td>
</tr>
<tr>
<td><strong>ACTION:</strong> If wallet-share is small, upsell. Otherwise, control costs</td>
<td><strong>ACTION:</strong> Make money every transaction, don’t invest</td>
</tr>
</tbody>
</table>
Questions?
Thank You

Stephanie Reimers
Principal, Reimers Design Studio

Teaching this semester @ MICA
Introduction to the Business of Art & Design
1.26.15 – 5.7.15 on Monday & Thursday from 7:30pm to 8:30pm