

Department of Commerce (CA)

Principles of Marketing

18BCA 54c

Semester 5

III B.Com. (CA)

UNIT 1

Marketing - Definition of market and  
marketing - Importance of marketing - Modern  
marketing concepts - Global Marketing -  
Marketing ethics.

Reference Book

Modern Marketing

Principles and Practices

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## Department of Commerce (CA)

Sub. Code: 18BCA54C: Principles of Marketing

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### UNIT 1

#### Marketing

It refers to the activities a business man undertakes to promote the buying or selling of a product or service.

#### Market

It is derived from the Latin word 'Mercatus' meaning merchandise, wares, traffic, trade or place where business is conducted.

#### Importance of Marketing

① Connecting link between consumers and producers

② Increasing the standard of living

③ To increase nation's income

④ To create employment opportunities

⑤ To create modern cultivators

⑥ To remove the imbalance of supply and demand

⑦ To maintain economic stability

⑧ To create form, time, place and possession utilities.

## Modern marketing Concepts :

### Meaning :

The marketing concept is a consumer needs orientation backed by integrated marketing aimed at generating consumer satisfaction as the key to satisfying organisational goals

### Ideas of marketing concept

- a) consumer need orientation
- b) Integrated marketing
- c) consumer satisfaction

### Factors influencing marketing concept

1. Population growth
2. Increasing households
3. Disposal of income
4. Surplus income
5. Technological development
6. Mass communication media
7. Credit purchases

## Implementing the marketing concept

- ① Company policies and operations should be customer oriented.
- ② Profitable sales volume should be the goal of the firm
- ③ Marketing includes market research, product planning, producing, pricing selling and distribution.
- ④ All marketing functions should be brought together
- ⑤ Market research should be the base for all marketing functions.
- ⑥ Insists upon constant innovation.

## Benefits

- ① It is possible to enjoy long-term success.
- ② Enables to capitalise on market opportunities
- ③ Marketing risk can be avoided
- ④ Prominent importance to customers
- ⑤ Demand equalises supply position
- ⑥ Integration of different departments
- ⑦ Profit through service is emphasised
- ⑧ Market research is the tool for decisions

## Global Marketing

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It is a field of study in general business management that markets products solutions and services to customers locally, nationally and internationally.

International marketing is the application of marketing principles in more than one country, by companies overseas or across national borders.

## Global Marketing Strategy

It is a strategy that encompasses countries from several different regions in the world and aims at co-ordinating a company's marketing efforts in markets in these countries.

It consists of the following:

- 1) Uniform brand names
- 2) Identical packaging
- 3) Similar products
- 4) Standardised advertising messages
- 5) Synchronised pricing
- 6) Co-ordinated product launches and
- 7) Harmonious sales campaigns.

## Advantages of Global Marketing

- ① Global reach
- ② Lower cost
- ③ Global feedback
- ④ Overcoming time constraints

## Disadvantages of Global Marketing

- ① Cultural barriers
- ② Limited audience
- ③ Political and legal constraints
- ④ Inventory management is difficult

## DIGITAL MARKETING

Digital marketing is the use of internet to reach consumers. It is a broad field including attracting customers via e-mail, content marketing, search platforms, social media and whatsapp.

## Types of digital marketing

- ① Search engine optimisation
- ② Search engine marketing
- ③ Content marketing
- ④ Social media marketing
- ⑤ Pay-per click advertising
- ⑥ Affiliate marketing
- ⑦ e-mail marketing

## Advantages of digital marketing

- ① Global reaching
- ② Lower costs
- ③ Measurable results
- ④ Personalisation
- ⑤ opening new markets
- ⑥ Gain social currency
- ⑦ Conversion rates

## Disadvantages of digital marketing

- ① Skills and training
- ② Time Consuming
- ③ High competition
- ④ Complaints and feedback
- ⑤ Security and privacy issues

## Marketing ethics

Meaning It is an area applied ethics which deals with the moral principles behind the operation and regulation of marketing

## Principles of marketing ethics

- ① To be transparent
- ② To protect consumer data
- ③ To protect consumer privacy
- ④ To commit to sustainability and human rights
- ⑤ To respond meaningfully to consumer concerns
- ⑥ To maximise benefits
- ⑦ To minimise risks

## Five Don't's on ethical marketing

- ① Don't exaggerate
- ② Don't make false comparisons
- ③ Don't make unverified claims
- ④ Don't stereotype
- ⑤ Don't exploit emotions

## Importance of marketing ethics

- ① Customer loyalty
- ② Long-term gains
- ③ Builds credibility
- ④ Leadership
- ⑤ Satisfies basic human needs and wants
- ⑥ Displays rich culture
- ⑦ Attracts talents
- ⑧ Attains financial goals
- ⑨ Enhanced brand value

## Benefits of marketing ethics

- ① Builds customer loyalty
- ② Enhance company reputation
- ③ Retain efficient employees
- ④ Positive work environment
- ⑤ Avoiding legal problems

