

# *Fertilizer Marketing Management for SABIC*

*18-20 June 2005  
Riyadh – Saudi Arabia*



*Definitions & Concepts of Marketing*

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# **Definitions & Content of Fundamental Marketing Concepts. The Role of Marketing in Achieving Company's Success .**

## **1.1 Marketing definitions**

Virtually, every writer, lecturer in marketing tried to develop his/her own definition of marketing. I will present some of the most famous ones.

- Marketing is the process of determining consumer demand for a product or service, motivating its sale and distributing it into ultimate consumption at a profit. (Brecht, 1953 ).
- Marketing is the distinguishing, the unique function of the business.(Drucker, 1954).

Several definitions have been presented, such as:

- Marketing is also the performance of business activities that direct the flow of goods and services from producer to consumer or user.
- Marketing is the creation of time, place and possession utilities.
- Marketing moves goods from place to place, stores them, and effects changes in ownership by buying and selling them.
- Marketing consists of the activities of buying, selling, transporting, and storing goods.

Marketing includes those business activities involved in the flow of goods and services between producers and consumers.

Peter Drucker, the famous management teacher, gave several definitions of marketing, such as: "Marketing is the whole business seen from the point of view of its final result, that is, from the customer's point of view."; or, "The aim of marketing is to make selling superfluous The aim is to know and understand the customer so well that the product or service fits him and sells itself".  
( Drucker, 1985, *name of book?* p. 65-66)

### **These several definitions could be classified into three major groups:**

1. Definitions which conceive of marketing as a process " enacted via the marketing channel connecting the producing company with its market", e. g. "The primary management function which organizes and directs the aggregate of business activities involved in converting customer purchasing power into effective demand for a specific product or service and in moving the product or service to the final customer or user, so as to achieve company - set profit or other objectives"

2. Definitions which see marketing as a concept or philosophy of business -"the idea that marketing is a social exchange process involving willing consumers and producers",e.g. "Selling is preoccupied with the seller's need to convert his product into cash; marketing with the idea of satisfying the needs of the customer by means of the product and the whole cluster of things associated with creating, delivering and finally consuming it" (T. Levitt, 1960).

3. Definitions which emphasize marketing as an orientation - " present to some degree in both consumers and producers: the phenomenon which makes the concept and the process possible ". Only one example is cited by Crosier (from the philosopher Erich Fromm ). My opinion it is that this example is an unconvincing argument in favor of a third category beyond the view of marketing as a function or as a concept.

However, I believe that marketing is a complex and confusing phenomenon that combines both the philosophy of business and its practice.

## **1.2 Working definitions**

- First, marketing is the management process responsible for identifying, anticipating and satisfying consumers' requirements profitably. This definition belongs to the U.K Chartered Institute of Marketing (CIM).

- Second, the American Marketing Association defines marketing as 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 goals.

- Third, marketing is the human activity directed at satisfying needs and wants through exchange processes.

The noteworthy features of these definitions are the major elements in marketing:

1. Marketing is operational. Managers or individuals must take action, since it will not emerge from a passive approach, or a passive attitude.
2. Marketing focuses the actions of a firm or of an individual towards the needs or requirements of others, which are the company's customers. It reminds managers to keep customers "on a pedestal" because they always have the "final say".
3. It highlights the need for exchange in order for both parties to achieve a profit; i. e. the needs of the customer are satisfied by the goods or services which the supplier has produced.
4. The idea of mutual profitability must be considered, since the long - term satisfaction of both parties is dependent upon obtaining a higher return over investment.

For the firm it means to sell at a price which allows it to achieve the desired profitability.

For the customer it means greater satisfaction that could not be achieved by refraining from the exchange process.

The idea that production should be based on the goal of satisfying consumer needs lies at the root of the " marketing revolution " in management thinking. The impact of this idea has been world wide.

## **1.3. Fundamental Concepts in Marketing**

### **1.3.1. Human needs and wants**

The core concept underlying marketing is the concept of human needs as a state of felt deprivation in a person. Human needs are largely diversified and numerous

In this respect, human wants are the form human needs take as shaped by their culture as part of the overall environment and by each individual person. The wants of people expand continuously due to the evolution of the overall society. Consequently, producers undertake specific actions in order to create and develop people's interest and desire for their products.

Their aim is to build a strong link between their products and peoples needs, the so-called "product-market couple". In order to do that, any producer needs to promote products as satisfying at least one particular human need. As Kotler (1991) points it: "The marketer does not create the need; it exists. Sellers often confuse wants and needs." Customers' needs represent the basis of customers' wants.

Even in today's business world, there are sellers that suffer from a chronic disease named "marketing myopia". They are so focused on their products that they consider only the perceived existing customers' wants. They forget about the underlying customer needs. A physical product is only a tool to solve a consumer problem. They tend to forget also that a customer buys a product for its perceived benefits. Consequently, such firms are vulnerable to successor and / or substitute products. Such products address the same need but are better and / or cheaper. Consequently, customers might have a new want for the competitor's product.

### **1.3.2. Demands**

People wants are almost unlimited. Usually, their financial resources are limited. They can buy only a limited range of products that satisfies only a part of their needs and wants. Consequently, they choose products which give them the highest satisfaction for the money they spend. Peoples wants become demands when backed by their purchasing power.

Consumers usually perceive each product as a package of benefits and choose products that give them the best package. for their money. Usually, people choose the product whose combined perceived attributes deliver the most satisfaction, given their wants, underlying needs and available resources. This is known as the "value for money" and is a customers' approach, too.

### **1.3.3. Products**

Product is "anything that can be offered to a market for attention, acquisition, use, or, consumption that might satisfy a want or a need".

All the product range that is capable of satisfying a specific need of a customer represents the "product choice set". Its components are not all equally desirable. Some of them, such as the more accessible and less expensive products, are likely to be purchased first. The order of purchasing depends on the personal specific buying criteria of each individual.

The concept of product must be seen to be a global one. It must not be limited to physical objects only. In a larger sense a product is anything capable of satisfying a need and it includes: goods, services, persons, places, organizations, activities, and ideas. Ideas include concepts, philosophies, images and issues.

### **1.3.4. Exchange and Transactions**

Exchange is the act of obtaining a desired object from someone by offering something of value in return. The provision or transfer of goods, services, and ideas in return for something of value. Exchange represents the essence of marketing. It is its final aim. Nevertheless, I do believe that even if finally an exchange doesn't take place, marketing activities still occurred. There has been a relationship between the company and the customer. The company still might be able to understand the reasons why the exchange didn't occur and undertake appropriate action to avoid repeating it. Also, marketing deals with potential customers with the aim of changing them into current customers. In my opinion, this occurs when the exchange process is done, when the deal is closed.

For a voluntary exchange to take place, five conditions must be satisfied:

1. There are at least two parties, such as individuals, groups, organizations.
2. Each party must possess something that may be of value to the other party.
3. Each party is capable of communication and delivery.
4. Each party is free to accept or reject the other party's offer
5. Each party believes it is appropriate or desirable to deal with the other party, that is that the exchange should be satisfying to both the buyer and the seller.

**Here lies the essence of the marketing concept that is creating and maintaining customer satisfaction as the way to achieve an exchange relationship.**

The above conditions set up only a potential for exchange. Whether exchange actually takes place depends upon the parties' negotiating and reaching an agreement on the exchange terms. Both parties usually agree only if the act of exchange leaves all of them better off (or at least not worse off). In this sense exchange is a value-creating process.

Therefore a transaction consists of:

- A trade of values between two parties.
- Involves two things of value.
- A mutually agreed condition
- A time and place of agreement
- A legal system support
- Enforce competence of the parties

The purpose of such is to avoid conflicts based on misinterpretation or malice and distrust between people.

### **1.3.5. Marketing**

Marketing means human activity that takes place in relation to markets. Therefore, marketing can be defined also as a human activity directed at satisfying needs and wants through exchange processes.

Marketing products requires many activities. Marketing includes only the organization's activities which are targeted towards facilitating and expediting exchange relationships in a dynamic environment. A not all-inclusive list of such activities is presented in (Table 1).

**The overall conclusion is that exchange processes involves a lot of work and includes activities such as product development, market research, promotion, communication, distribution, pricing, and service represent core marketing fuctions.**

Buyers carry on marketing activities, too A seller's market (demand is in excess of supply ) is one in which sellers have more bargaining power. Consequently, buyers have to be the more active "marketers". In a buyer's market, buyers have more bargaining power and sellers have to do intense marketing activities.

Marketing focuses on making the product available at:

- The **right** time
- The **right** place
- The **right** shape
- The **right** price acceptable to customer
- The **right** people
- **Right** physical environment
- **Right** process

These are the "seven Rs") of the modern marketing mix, evolved from the traditional "four Ps" of the marketing mix (see Table 1, the first four elements).

In achieving these targets, it is necessary to communicate with the customers. That is to transmit them the appropriate kind of information that might help them to determine whether the product will be able to satisfy their needs and wants, to identify which might be the benefits the product can give them.

# The Concept & Content of Marketing Management

## 2.1. The Concept and Content of Marketing Management

Marketing management is “the analysis, planning, implementation, and control of programs designed to create, build, and maintain beneficial exchanges with target buyers for the purpose of achieving organizational objectives”.

This means that marketing management is a process which takes the marketing manager through a logical sequence of activities as follows:

- (1) Organizing the marketing planning process.
- (2) Analyzing market opportunities.
- (3) Selecting target markets.
- (4) Developing the marketing mix.
- (5) Managing the marketing effort.

The execution of this process defines the marketing manager's area of responsibility of set limits to the nature of work. Managing the marketing effort consists of analysis of:

- The markets and of marketing environment
- Planning marketing strategies and programs to exploit opportunities and counter threats.
- Implementing them through an effective marketing organization.
- Controlling marketing efforts to ensure the smooth functioning of the company and the achievement of its objectives.

My opinion, based on (Dibh et al. , 1994, p. 21) and on the management functions approach, is that marketing management is a process of planning, organizing, implementing and controlling marketing activities aimed towards facilitating and expediting exchanges in an effective and efficient manner.

Effectiveness is usually defined as the degree to which an exchange helps achieve the objectives of an organization. Efficiency is the minimization of resources an organization must spend to achieve a specific level of desired exchanges with its customers.

The planning function of marketing management consists of a systematic process of assessing the existing opportunities and resources of the firm, determining marketing objectives, developing a marketing strategy and developing plans for implementing and controlling it.

Organizing marketing activities focuses on the development of the internal structure of the marketing unit of the company. The structure represents the key element to directing marketing activities.

Implementing marketing plans is influenced by the co-ordination of marketing activities, motivating of marketing personnel, effective communication within the unit and with the other departments of the company.

Integrate marketing people activities also with the marketing efforts of people in other areas/departments/functions of the company, other external organizations, including industrial customers, advertising companies or market research companies.

The communication system should allow information to flow freely and quickly where it is needed.

Controlling is another function of marketing management. It consists of establishing performance standards, monitoring and evaluating actual performance by comparing it with pre-set standards, and reducing the difference between the actual and desired performance, if any.

## **2.2. View about the content of the marketing management work**

Management is the key human resource (Mintzberg, 1989). There is a general agreement about the value of managerial skills. Yet, in marketing management the technical problems of marketing overshadowed for the last thirty years the problems associated with the managerial and organizational aspects of marketing. This was corrected by the influential work of Kotler and those whose work builds on his ideas. Different studies, notably Bonoma (1984), Deshpande and Webster (1989) and Piercy (1986) pointed out that most of the studies related to marketing management focused on the technical, and/or the decision-making content of the job, while neglecting the broader managerial components.

The conclusion is that the view about the content of the marketing management work is biased towards strategy-making, analysis and planning. The marketing manager, according to Kotler, in addition to the above, should plan and execute the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.

The marketing manager's job involves managing particular management resources (human, material, financial, informational) with well-defined tasks and responsibilities in the areas of market research, product development, sales promotion, advertising, distribution and logistics, pricing.

Kotler neglected for a long period of time the concept of organization. He promoted a view of marketing management process as one that is driven by marketing planning. He has been stating in his works that the marketing plan is the essential tool (not directing and coordinating the marketing effort of a company). Consequently, an organization which wants to improve its marketing effectiveness must learn how to develop and implement sound marketing plans. My opinion is that it is not enough for achieving it. My experience within JPMC indicates that in addition to the above management of a company and also marketing management needs to dedicate a lot of time and effort to successfully implement plans. For marketing managers, it is even more difficult due to the fact that they need to make plans happen both within and outside the company.

The marketing manager is seen as a decision-maker who needs to spend most of his time in analysis and planning duties in support of his decision-making. This approach is based on the classical school of management thought. Abstracted from the context of management, his model of marketing management presumes that marketing managers act rationally in their decision making. They collect adequate and appropriate information, then process it logically, coming to a choice of the option that promises the best result.

Consequently, there is a strong belief that better marketing decision-making needs better analytical tools and methods.

Despite the fact that he recognizes that marketing thinking and action involves processes which are difficult to analyze and plan, Kotler (1988) recommends a further development of strategy theory and sharper tools of analysis. Focusing on these issues, though very important but not enough, Kotler seems to neglect that formulation and implementation of strategy are inextricably intertwined. Bonoma (1984) argues that the key to managerial effectiveness is the ability to put strategies into practice. A company's top management needs from marketing management an "increased attention to marketing practice and to the signposts of effective marketing management." (Bonoma, 1984)

These arguments are based on the works of Herbert Simon related to the inability of an individual to be completely rational even in the situation when he wants to be and to the fact that the rationality of any individual is strictly bounded. Any model of management is influenced by the important role of individual rationality or judgment. Defining the role and the responsibilities of the marketing manager in terms of analysis, planning and decision making, Kotler overlooks the part played by judgment in marketing decision-making.

I personally agree with King (1985) when he writes that in marketing judgment will be always more important than technique. That is because the data on which marketing decisions are based are always unreliable: consumers are irrational, rules are broken, competitors confound cause-effects models, market research has its methodological limitations. McKenna (1988) stresses that managers should wake up every morning uncertain about the market place, because it is invariably changing. The business environment is rapidly altering, it becomes more complex, more competitive; national and international order is rapidly changing; the technology-information revolution and technological change are speeding up; the increasing complexity of peoples needs and wants.

Kotler (1977) had developed a metrology for testing marketing management related to marketing audit. He prescribes universal benchmarks against which to judge marketing practices of a company. He developed (1988) marketing audit prescriptions, a kind of "off-the-shelf benchmarks". The danger and the temptations of a marketing audit are that without a metrology with which to measure good practice, the audit becomes a self-fulfilling prophecy.

Authors, such as Bonoma (1984) point out that Kotler's audit methodology is missing an important step related to asking specific questions about the nature of the management job in marketing, in the organization and about the kind of person likely to be effective in marketing management. Answers to such questions can provide useful insights for decisions such as the selection of the marketing staff, the appraisal of their performance, their promotion, their compensation and motivation, the design and assignment to different marketing management development activities.

### **2.3. The Marketing Managers**

Kotler (1991) defines marketing managers as the "company personnel who are involved in marketing analysis, planning, implementation, or control activities". The group includes at least sales managers and salespeople, advertising executives, sales promotion specialists, marketing researchers, product managers, and pricing specialists. Its composition is influenced by the degree of integration within the company of marketing activities and the degree of direct control of the distribution chain to the end-consumers.

An important issue is related to the skills and qualities marketing managers need to possess in order to successfully accomplish their duties and responsibilities. The results of some researches, Piercy (1986), Cowell (1987), (Table 2) presents marketing executive

responsibilities and (Table 3) the skills and abilities needed by marketing managers, Such types of lists can be arranged according to different criteria such as the elements of the marketing mix that is the content of the marketing managers job; or the analysis, planning, control and implementation which specifies the marketing management process. Among different firms there are significant variations of the emphasis on the activities of marketing managers, and consequently the skills and qualities they employ to do them properly.

Effective marketing management is determined by the skills and competencies of management. Their behavior is influenced by the organizational setting of their company. Consequently, as companies adapt to new circumstances they change their structures, systems, practices and cultures. This influences the job of the manager and the skills and competencies he needs to perform his work.

New corporate cultures, organizational structures, strategies are emerging as a result of major changes in the overall environment.

### **Marketing Management is Demand Management**

Marketing managers are concerned with creating, expanding, modifying and occasionally reducing demand.

Marketing management seeks to influence the level, timing, and character of demand in a way that will help the organization achieve its objectives .

An organization establishes its own target of a desired level of transactions with its targeted market. At any point in time, the actual demand level for its products may be below, equal to, or above the desired demand level Consequently, the company faces a no demand, weak demand, adequate demand, Or- excessive demand situation for each of its products. Marketing management has to cope with these particular situations in order to achieve company's planned objectives.

It is obvious that marketing management deals with a large array of situations, if we only consider the relation between offer and demand for a companys products. There are also several other factors that influence the objectives, strategies, tasks, role and responsibilities of marketing management in a company.

#### **2.4. Attitudes Towards Technology**

Attitudes towards technology are ambiguous among marketing gurus such as Levitt and McKenna. First, they acknowledge the role and importance of technology as starting point for technological change, as a source of change in the market place. They have to do this under the pressure of the real life in the market, despite the fact that marketing is arguing for a logic based on demand, while technology is supporting the supply logic. Nevertheless, they argue against too much focus on research and development activities. McKenna (199 1) put it very clearly when he wrote: " Companies can become so fixated on pursuing their R&D agendas that they forget about the customer, the market, the competition".

They addressed the implementation problems generated by the interaction between the need for developing technology and the need for taking into consideration customers' needs and wants. They have identified the following solutions:

- (a) the product or brand manager should have total responsibility for selecting the appropriate solution from the large number of proposals for new products and /or product development;
- (b) top management of the company should combine in the most appropriate manner innovation, usually people from R&D department (in my opinion innovation belongs to all people in the company) provided top management is able to create the appropriate environment through creating and developing the appropriate organizational culture, involving people from the marketing department.

My opinion about it is that it is necessary and vital for any company to involve all the people in the organization and the end consumers, too. My experience indicates that in industrial marketing it is essential for a company to interact and to join forces with its customers. This solution has been developed by McKenna (1991) who called it "market-driven companies", as different from "sales-driven companies" and "customer-driven companies". A market-driven company is using the "let's figure out together whether and how any characteristic of the product matters to your larger goal" marketing approach.

The conclusion is that a company's production process and its marketing strategies are interdependent. It is a conclusion that is obvious when you analyze a company using the systematic approach

## **2.5. The Goals of a Marketing System**

The issue of which is or are the main goals of a marketing system is a controversial one, mainly because of the different interests involved and the need to harmonize them. Four alternative goals have been suggested (Kotler, 1991); these are: maximize consumption, maximize consumer satisfaction, maximize choice, and maximize life quality.

1. maximize consumption. Top managers assume that marketing's job should be that of facilitating and stimulating maximum consumption, which will in turn create maximum production, employment, and wealth. This approach is characteristic for companies adopting a production concept, or a selling one, and to a certain extent, for companies which have adopted a product concept. Their motto "big is better" is characteristic for American culture heavily biased towards individualism and masculinity.

2. maximize consumer satisfaction. Another type of goal of the marketing system is to maximize consumer satisfaction. Unfortunately, consumer satisfaction is difficult to measure. Therefore, a marketing system can not be evaluated easily in terms of how much satisfaction it delivers to individual, direct consumers. This kind of objective is characteristic to a limited extent for companies which have adopted the product concept while it is an essential characteristic of companies which have adopted a marketing concept.

3. maximize consumer choice. Some marketing managers consider that the goal of a marketing system should be to maximize consumer choice through increasing product variety. They adopt a diversification strategy based on differentiation. According to Michael Porter a differentiation strategy comes at a higher cost and therefore promotes premium prices. The system would enable consumers to find those goods that precisely satisfy their tastes. Consumers would be able to maximize their life styles and, therefore, their satisfaction.

There are several drawbacks, such as brand proliferation without real choice for consumers; confusion for individual consumers faced with too much choice. It is characteristic for companies that have adopted either a product or a marketing concept.

4. maximize life quality. This type of goal is strongly related to the societal marketing concept and it is based on the idea of improving the "quality of life" that is "the quality, quantity, range, accessibility, and cost of goods; the quality of the physical environment; and the quality of the cultural environment" (Kotler, 1991). It is difficult to measure and monitor objective and is subject to conflicting interpretations. Therefore, such type of objective for marketing activity is not practical to use in day to day managerial practice. A marketing objective should be linked to an essential characteristic of consumers, easy to measure as precision in, speed and accuracy, possible to be formulated in quantitative terms.

My opinion is that by definition a company cannot survive without clients in a market economy. Also, achieving customers' satisfaction is a necessary condition, a prerequisite to ensure the competitiveness of a company. My opinion is that, besides the difficulty to measure and evaluate 'relative satisfaction of customers' criteria, there are several other equally important factors such as: technological capabilities based on mastering of technology; creating and developing networks with suppliers, distributors, all types of other stakeholders; establishing strategic alliances even with competitors; regulatory capabilities, such as: patents, standards, regulations.

At first glance, it seems as a different field from marketing management. Looking closer, my opinion is that it is the result of pressures and need for improving relationship between different parts of the company's "value chain", in spite of the existing functional barriers and boundaries. A deeper analysis, based on considering the whole value added chain from suppliers to producer and towards end consumer through all the distribution chain, will indicate that, the most difficult to copy are the links between all the companies involved in the overall value chain. This is based on the value added chain concept of Michael Porter (1985).

Sales orientation uses the idea that the volume needed to sustain production efficiencies can be achieved only by concerted, heavyweight promotional efforts. It is the approach adopted by the firm which attempts to buy its way out of trouble. A decaying product being overtaken by technology or consumer taste will be heavily promoted to extend its life. A new product which has not achieved its targets will have large sums invested in it in an attempt to "make it" lift off"

The strength of the marketing approach is that it tackles the firm's approach to its customers from a different perspective. Buyer needs become the starting point for the production process. Out of the understanding of these, the firm defines its products bearing in mind its own resources and available current technology in itself.

The role of Marketing in the firm is related to several characteristics of the firm, too. In any company, large or small, manufacturing or service, those formally responsible for marketing must work with their colleagues. Even in the small, entrepreneurial firm where the marketing decision-maker may be also be the owner, the external responsibilities for promotion, pricing, channel management and product management are matched with internal responsibilities.

A clear understanding of objectives and responsibilities is vital. It must be recognized here that clear, actionable objectives geared to customer needs lie at the core of the operations

of the marketing - oriented firm. In developing these, a clear view of total corporate capabilities must be wedded to a marketing audit.

The marketing concept is still less embraced by companies that are targeting industrial markets. In business-to-business marketing, even marketing people are more concerned with the specifications of products than with to what extent and how these products match their customers needs and wants.

The allocation of responsibilities within the marketing effort varies enormously between firms. Besides the differences at any particular point in time, the dynamic nature of the market place has led to the emergence of new offices and areas of responsibility.

In conclusion, on one hand marketing management must seek to improve profitability of the company by focusing its efforts on influencing the major customers and finding more cost-effective ways of servicing the rest. On the other hand, marketing people need to be aware of the inter-relationships and implications of apparently separate decisions, such as the following sequence of basic marketing ones:

- First, the answer to the question "What is our company's market?".
- Second, "How many customers do we want to serve directly?".
- Third, the key question on "how do we maximize profit?"

Marketing Management is concerned with the essential matter of investigating the most profitable direction for any business.

The underlying concept of marketing is that profit can only be created from satisfying customer needs.

***The work of marketing people is to study their market continuously, to identify its actual needs and wants, level and structure of demand, and their future evolution. Being constantly close to the customer is the only way to achieve business success.***

***In order to do it properly, marketing people need also to continually understand what the company is doing, why and what the consequences might be now and in the future.***

**Table 1. Marketing activities grouped according to the “seven Ps approach “ to modern marketing mix**

MARKETING MIX VARIABLES	RELATED MARKETING ACTIVITIES
1. Product	Do market research related to identify Consumers needs; develop and test new products; modify and test existing products; terminate products that do not satisfy anymore customers requirements and desires; develop appropriate service; formulate brand names and branding policies; create product guarantees and establish procedures for fulfilling them; develop packages.
2. Price	Identify demand determinants through market research; establish price policies; determine methods for setting prices; set prices; identify and analyze competitor's prices; establish condition and terms of sales; determine discounts for various conditions; develop procedures for competitive bidding; develop lease arrangements;
3. Promotion	Set promotional objectives; establish what type of promotion to use; select and plan advertising media; develop advertising message; measure and evaluate advertising effectiveness; recruit and train sales force; establish sales territories; develop appropriate payment methods and schemes for sales people; -
4. Place (Distribution)	Establish the structure of the distribution channel; establish the channel goals; analyze channel activities; specify channel alternatives; select channel members; develop procedures for selecting intermediaries; motivate them to achieve the desired performance; mediate conflict among channel members; evaluate performance; design and manage the logistics of the distribution processes related to order processing, logistics communications, transportation, inventory control, warehousing, packaging, materials handling
5. People	Provide a market for products influenced by their attitudes, values and numbers (end consumers); establish and adjust the marketing mix elements (done by marketing people); make products and services available to consumers at the right time and the right place (intermediaries); provide additional service for customers(front-line employees)
6. Processes	Create and run marketing processing activities based on efficient procedures and policies aimed towards improving customer satisfaction through increasing speed and accuracy, accessibility, avoiding queuing.
7. Physical evidence	Specific activities aimed towards creating a pleasant environment for customers (furnishings, colours, layout, noise, levels, smells) , including facilities(equipment) tools, personnel uniforms) and tangible evidence (logos, tickets, packaging)

**Table 2. Chief marketing executive responsibilities**

**Marketing mix**

Market research  
Advertising  
Marketing staffing  
Marketing training  
Marketing planning  
Sales promotion  
New product development  
Sales forecasting  
Product planning  
Pricing  
Packaging  
Field sales force  
Price discounts  
product design  
Distributor negotiations  
Warehousing  
Transport

Corporate strategy  
Corporate/strategic planning  
R&D strategy  
Diversification studies  
Investment appraisal

Source: Piercy, Nigel (1986)

**Table 3. Skills and abilities needed by marketing managers**

Planning skills  
Environmental awareness  
Organizational ability  
Segmentation- product development skills  
Behaviour analysis skills  
Market research commissioning skills  
Information analysis skills  
Innovation management skills  
Strategic thinking skills  
Sales and advertising management and productivity  
Management skills  
Marketing mix Optimization skills  
Interdepartmental co-operation and conflict resolution skills  
Financial management skills  
Systems-thinking skills  
The ability to comprehend the long-term interests of the company  
The ability to "market" marketing enthusiastically

Source: Thomas (1984)

**Table 4. The relationship between the state of demand and the tasks of the marketing management**

States of demand	Characteristics	Marketing management tasks
1. Negative	-a large part of the market dislikes the product	- analyze the reasons identify the possibilities to change market beliefs and attitudes using a different mix
2. No demand	- end consumers are indifferent or not interested about the product	- identify solutions to link product benefits to customer's needs and wants
3. Latest	- existing products cannot satisfy a strong desire of consumers	- evaluate the size and needs of the potential market - participate to the development of new products suited to the potential demand
4. Falling	- decline sales volume	- identify the causes - establish ii decline can be reversed - develop a new product - market couple and br a new mix
5. Irregular	- seasonal, daily variations of demand volume	- identify ways to modify the tine pattern of demand using a new mix
6. Full	- volume of demand equal to the desired level (planned objectives)	- maintain actual level of demand by Continuously adjusting the marketing mix to the Changing environment (consumers and competitors) - monitor consumer satisfaction
7. Overfull	volume of actual demand higher than the desired level	- reduce level of demand from less profitable and/or less willing segments of the market
8. Unwholesome	demand for hamrfull products	- unsealing campaigns aimed towards convincing people to reduce consumption .