Marketing in the Twenty-First Century (Philip Kotler Chapter 1)

Form competition: A company sees its competitors as supplying the same service
Generic competition: A company sees its competitors as competing for the same dollars
Production Concept: Customers prefer products that are widely available and inexpensive
Product concept: Customers favor quality, performance and features
Selling concept: Customers do not buy enough, therefor aggressive selling
Marketing concept: More effective than competitors through more customer value
Integrated marketing: All departments work together to serve customer
Societal marketingconcept: needs, wants, intersts of target markets more effectively than competitors

Building Customer Satisfaction, Value an Retension (Chapter 2)

Customer delivered value = Total customer value - Total customer cost
Customer defection rate: Rate at which the company loses customers
Basic Marketing: Salesperson sells product
Reactive marketing: Salesperson sells product and encourages customer to call
Accountable marketing: Sales person contacts customer a short time after sale
Proactive marketing: Sales person contacts customer from time to time
Partnership marketing: Company works continuously with the customer to perform better all the time

	High Margin	**Medium Margin**	**Low Margin**
Many customers	Accountable marketing	Reactive marketing	Basic Marketing:
Medium number of customers	Proactive marketing	Accountable marketing	Reactive marketing
Few Customers	Partnership marketing	Proactive marketing	Accountable marketing

Frequency marketing programs: Are designed to to provide rewards to customers who buy frequently
Performance quality: product quality
Conformance quality: meet promised quality/specifications

Market-Oriented Strategic Planning (Chapter 3)

Corporate planning activities: Corporate mission;SBU's; resources SBU's;new Businesses mand Downsizing older businesses
Mission statements: limited number if goals; stress major policies and values; major competitive scopes
Levitt: A business is a customer satisfying process not a goods producing process
Assigning resources to SBU's
SBU's Business seperately planned; own set of competitors; own responsible manager
Portfolio BCG-matrix

	High Market share	**Low Market share**
High Growth rate	Stars	Question marks
Low Growth rate	Cash Cows	Dogs

Assigning to SBU's: Objective; Strategy; Budget
Three strategies:
- Build: increase market share (question marks)
- Hold: preserve marketshare (Strong Cash cows)
- Harvest: increase shorttime cashflows (Weak cash cows;question marks or dogs)
- Divest: sell or liquidate (Dogs and question marks)

Intensive growth: further growth of current business
Integrative growth: aquire business related opportunity's
Diversification growth: add attractive unrelated businesses

Gathering Information and Measuring Market Demand (Chapter 4)

Marketing Information System (MIS): Internal Records System**(**order to payment cycle;EDI;intranets); Sales Information System
Marketing Intelligence System: set of procedures and sources to obtain everyday information about environment
Marketing Research Syatem: systematic design, collection, analysis and reporting of data and findings relevant to a speciofic marketing situation
Marketing Research Process: Define problem and research objectives; develop plan; collect information; analyze information; present findings
Exploratory research: Explore nature of problem and give solution
Descriptive research: Gives magnitudes
Causal: Cause-effect-relationships
Secondary data: Data collected for another purpose
Primary data collection: observation; focus groups; surveys; behavioral data; expiriments
Marketing Decision Support System: coördinated collection by which an organization gathers and interprets relevant information into marketing action
Potential market: customers who profess a sufficient level of interest to an market offer
Available market: customers who have interest, income and access to an market offer
Qualified available market: Available market with qualifications (above 21)
Target: the part of the qualified available market the company decides to pursue
Penetrated Market: Customers that are buying the company's product

Scanning the Marketing Environment (Chapter 5)

Fad: Unpredictable , short-lived without social, economic and political significance
Trends: Predictable and durable
Megatrends: Large social, economic, political, an technological changes slow to form but in place they influence us for some time between six and ten years or longer

Analyzing Consumer Markets and Buying behavior (Chapter 6)

Consumer buying process: Problem recognition;information search;evaluation alternatives;purchase decision;postpurchase behaviour
Reference group: members that have direct (membership group) or indirect influences on a person's attitude/behaviour
Aspirational group: person hopes to join
Dissociative group: person rejects their values or behaviour
Opinionleader: person who informal offers advice or information about product or category
Selective attention: Marketeers have to work hard to attract customers notice
Selective distortion: Twist or interpret information into one's personal meanings and/or believes (nothing to do)
Selective retention: Remember (good points) information that supports your believes or attitude (drama and repetition)
Dissonance reducing buyer behaviour: marketing to reduce the or a dissonance after a buy

	High involvement	**Low Involvement**
Significant differences between brands	Complex buying behaviour	Variety seeking buying behaviour
Few differences between brands	Dissonance reducing buying behaviour	Habitual buying behaviour

Competition (Chapter 8)

Share of market:	Competitors share of market
Share of mind:	Customers who named the competitors name first
Share of heart:	Customers prefer buying from competitors name
Laid-back competitor:	does not react quickly
Selective competitor:	reacts only to certain types of attack
Tiger competitor:	reacts swiftly and strongly to any assault
Stochastic competitor:	No predictable reaction pattern
Key to Nichemanship:	Specialisation
Counterfeiter:	duplicate product on black market
Cloner:	imitation of product/name package with slight variations
Imitator:	copies some things like packaging,pricing etc
Adapter:	adapts or improves the leaders product

Identifying Market Segments and Selecting Target Markets (Chapter 9)

Niche:	narrowly defined group or small market whose needs are not well served
Undifferentiated marketing:	ignore marketing segments (low advertising costs)
Differentiated marketing:	marketingprograms are different for segments
Diffused preferences:	Market where customers preferences vary greatly
Gender segmentation:	segmentation by men or woman

Positioning the market offering through the product lifecycle (Chapter 10)

Underpositioning:	Customer has a vague idea of a brand
Overpositioning:	Customer has a too narrow image of a brand
Confused positioning:	Customer has a confused image of a brand
Doubtful positioning:	Customer finds it hard to believe what the brand claims
Product Life-Cycle:	Introduction (emerge in case of markets); growth; maturity; decline
Growth-slump-maturity LC:	kitchen appliances
Cycle-recycle pattern LC:	pharmaceutics
Scalloped pattern LC:	nylon sales

Managing Product Lines and Brands (Chapter 13)

Product hierarchy:	Need family; product family; product class; product line; product type; brand; item
Consumer goods:	Convenience; shopping; specialty; unsought goods
Product-mix width	how many product-lines in the mix
Product-mix length:	total number of items in the mix
Product-mix depth:	how many variants of each product in the line
Product-mix consistency:	how close is the relation of productlines
Downmarket stretch:	introduce a lower price line
Upmarket stretch:	enter the high end of the market
Two way stretch:	both upmarket and downmarket stretch (only if the company is in the middle)
Line filling:	Adding the product line ({if overdone than self-cannibalisation)
Line featuring:	draw customers attention to the product line by price or new product
Line pruning:	removing weak items in the product line
Consumer affluence:	the preference of the consumer to pay more for better

Designing pricing strategies and programs (Chapter 15)

	High Price	Medium Price	Low Price
High Quality	Premium strategy	High value strategy	Super value strategy
Medium Quality	Overcharging strategy	Medium value strategy	Good-value strategy
Low Quality	Rip-off strategy	False economy strategy	Economy strategy

Markup pricing: unitcost / (1- desired return on sales)
Target return pricing: [unitcost + (desired return*invested capital)]/unit sales
Value pricing: price should represent a high value offer to custoimer
Going-rate pricing: competitors prices
Sealed-Bid pricing: based on expectations of what competitors will do
Psychological pricing: price as indicator for quality
Discounts: Cash; Quantity; Functional (trade); Seasonal; allowances (trade-in)
Two-partpricing: fixed fee + variable usage fee (service)
By-productpricing: by-products of production
Product-bundling pricing: package at less than the separate parts cost
Low quality trap: assume that quality is poor
Fragile market share trap: low price buys market share but not market loyalty
Shallow pockets trap: competitors may have more cash reserves for cutting their price
Escalator clauses: Customer pays price inclusive inflation increase until delivery takes place
Unbundling: Maintain price but remove elements that were part of a former offer

Managing Marketing Channels (Chapter 16)

Zero-levelchannel: Manufacturer delivers directly to customer
One-level channel: Manufacturer ; retailer; consumer
Two-level channel: Manufacturer ; wholesaler; retailer; consumer
Three-level channel: Manufacturer ; wholesaler; jobber ;retailer; consumer
Desired service level: Lot size; waiting time; spatial convenience; variety; service
Exclusive distribution: limited number of intermediaries
Selective distribution: more than a few but less than all intermediaries
Intensive distribution: as many outlets as possible
Coercive power: manufacturer threatens to withdraw a resource or terminate a relation
Vertical marketing system: producer;wholesaler;retailer act as a unified system
Horizontal marketing system: min. Two company's put together resources (in-store banking)