



UNIT V

ELEMENTS OF MARKETING



15 CHAPTER

RECENT TRENDS IN MARKETING

ஞாலம் கருதினுங் கைகூருங் காலம்
கருதி இடத்தாற் செயின்.

குறள் 484



COUPLET

Though (a man) should meditate (the conquest of) the world,
he may accomplish it if he acts in the right time, and at the
right place.



Learning Objectives

To enable the students to understand the

- Meaning and definition of E-Business and E-Commerce
- Objectives, advantage and disadvantages of E-Marketing
- Concept of Green, Niche, Ambush and Referral Marketing

Chapter Synopsis

- 15.01 Recent Trends in Marketing
- 15.02 E-Marketing
- 15.03 E-Tailing
- 15.04 Green Marketing
- 15.05 Social Marketing
- 15.06 Rural Marketing
- 15.07 Service Marketing

- 15.08 Commodity Exchanges
- 15.09 Niche Marketing
- 15.10 Viral Marketing
- 15.11 Ambush Marketing
- 15.12 Guerrilla Marketing
- 15.13 Multilevel Marketing
- 15.14 Referral Marketing
- 15.15 Content Marketing

15.01 Recent Trends in Marketing

The market scenario in the world today is changing very rapidly. The boundaries of nations are disappearing for exploiting the opportunities of business. Today's customers are global and exhibit international characteristics. Because of developments of information technology, rapid means of transportation, liberalization, and mobility of

people across the world, their buying habits are fast varying and so are the fortunes of various organisations. In the Globalised business environment, the marketer must move goods faster and quicker to satisfy the consumers' needs and wants by serving the best quality goods and services. Therefore marketers are shifting from transaction thinking to relationship building and also focusing on life long customers. So, marketer has given more emphasis on the notion, "offer more for less" and adopt different strategies to satisfy the consumers. It is possible to carry out all the business transactions over an electronic network, primarily through the internet. The number of internet users is increasing very rapidly. They use a variety of tools like computers, laptops, tablet and smart or android phone devices to access different websites. Besides the social media networks have opened new avenues of interacting with customers.

(i) Electronic Commerce (E-Commerce)

It is well known that business is a branch of commerce. It looks after the distribution aspect of the business and also is concerned with the exchange of goods and services. If all activities, which directly or indirectly facilitate that exchange of goods done through internet and other online environments is known as Electronic Commerce (EC) or simply as E-Commerce.



(ii) E-Business

The regular production or purchase and sale of goods undertaken with an objective of earning profit and acquiring wealth through the satisfaction of human wants is known as business. Electronic business (e-business) via, web, internet, intranets, extranets or some combination thereof to conduct business. In simple words, if all the business transaction carried out through internet and other online tools is called E-business



(iii) E-Commerce Vs E-Business

E-commerce simply refers to the buying and selling of products and services through online but E-business goes a way beyond the simple buying and selling, of goods and service and much wider range of business processes, such as supply chain management, electronic order processing and customer relationship management. E-Commerce and E-Business is used interchangeably in its broader meaning just as commerce and business.

15.02 E-Marketing

Electronic Marketing or E-Marketing is the process of marketing of products and services over internet and telecommunication networks. In simple terms, marketing strategies and techniques which are utilised to access target customers through online mode are

(v) E-Market Vs Traditional Market

E-Marketing	Traditional Marketing
It is very economical and faster way to promote the products.	It is very expensive and takes more time to promote product.
It is quiet easier for promoting product globally in the short time.	It is very expensive and time consuming to promote product/ service under traditional marketing.
E-Business enterprises can expand their operation with minimum manpower.	It needs more man power.
In this marketing product can be sold or bought 24 x 7, round the year with minimum manpower	That is not possible in traditional marketing.

15.03 E-Tailing

E-tailing or electronic retailing refers to selling of goods and services through a shopping website (internet) or through virtual store to the ultimate consumer. Just as a physical store displays its products in windows and attracts the customer towards it, the shopping website displays the images of the products and highlights features and benefits along with attractive offers and lures the customer to buy the product. The customer buys the product by paying through credit card or other methods mentioned at the shopping website. The customer receives the product at their preferred address through courier service. E-tailing is a business to consumer (B2C) transaction model. E-tailing is also called online retailing



15.04 Green Marketing

Green marketing implies marketing environmentally friendly products. Green marketing involves developing and promoting products and services which satisfy customers' wants and needs for quality, performance, affordable pricing and convenience – all without causing a detrimental impact on the environment. It refers to holistic marketing concept with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc. Green marketing is also known as environmental marketing, ecological marketing eco-friendly marketing and sustainable marketing. Consumers are beginning to recognize that competition in the market place should not be among companies harming the environment but among those making to save it



15.05 Social Marketing

Social marketing is a new marketing tool. It is the systematic application of marketing philosophy and techniques to achieve specific behavioural goals which ensure social good. For example, this may include asking people not to smoke in public areas, asking them to wear seat belts or persuading them to follow speed limits. The primary aim of social marketing is 'social good' such as anti-tobacco, anti-drug, anti-pollution, anti-dowry, road safety, protection of girl child, against the use of plastic bags. Social marketing promotes the consumption of socially desirable products and develops health consciousness. It helps to eradicate social evils that affect the society and quality of life



15.06 Rural Marketing

Rural marketing is a process of developing pricing, promoting and distributing rural specific goods and services leading to derived exchange with rural customers to satisfy their needs and wants. Rural marketing has got a lot of untapped potential improvement in infrastructure it is supposed to open great opportunities for rural market. Rural marketing is now a two-way marketing process. There is inflow of products into rural markets for production or consumption and there is also outflow of products to urban areas. The urban to rural flow consists of agricultural inputs, fast-moving consumer goods (FMCG) such as

soaps, detergents, cosmetics, textiles, and so on. The rural to urban flow consists of agricultural produce such as rice, wheat, sugar, and cotton. There is also a movement of rural products within rural areas for consumption



15.07 Service Marketing

A service is any activity or benefit that one party can offer to another which is essentially intangible and which does not result in the ownership of anything like business and professional services insurance, legal service, medical service etc. Service marketing is a specialized branch of marketing. Service marketing denotes the processing of selling service goods like telecommunication, banking, insurance, car rentals, healthcare, tourism, professional services, repairs etc., The service products are mostly intangible, inseparable from service provider and service variable depending on the mood swing of service providers perishable in quick time, unstandardisable and deliverable directly from service provider without inter-median. The unique characteristics of services marketing warrant different strategies compared with the marketing of physical goods

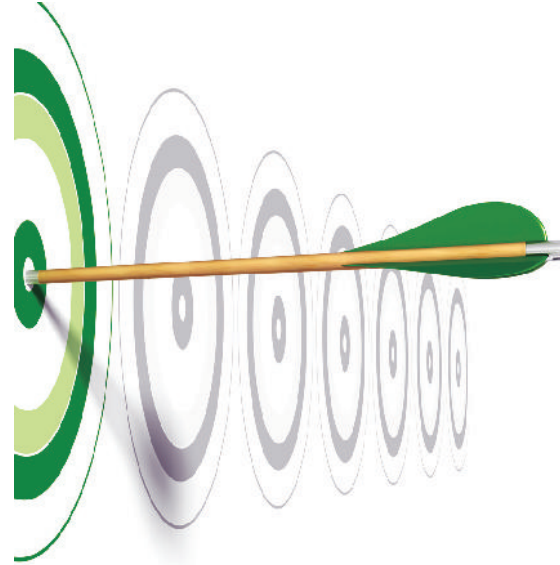


15.08 Commodity Exchanges

A commodity exchange is an organized and regulated market that facilitates the purchase and sale of contracts whose values are tied to the price of commodities (e.g. crude oil, natural gas, copper and gold). Typically, the buyers of these contracts agree to accept delivery of a commodity, and the sellers agree to deliver the commodity

15.09 Niche Marketing

Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population. Actually there is no market in niche market. It is found by company, by identifying the need of customers which are not served or under served by the competitors. The company which identified niche market develops solution to satisfy the needs of niche market. A niche market does not mean a small market, but it involves specific target audience with a specialized offering. It aimed at being a big fish in a small pond instead of being a small fish in a big pond. For example, there are various cinema halls across India, but there are few which have recliner seats to offer. Not everybody wants to watch a movie by paying 5x-6x times the cost of a normal ticket. The sports channels like STAR Sports, ESPN, STAR Cricket and Fox Sports target the niche market of sports enthusiasts.



15.10 Viral Marketing

Viral marketing is marketing technique that impels the users to pass on a marketing message to other users, creating a potentially exponential growth in the message's visibility and effect. Viral marketing is able to generate interest and the potential sale of a brand or product through messages that spread quickly like a virus from person to person. Messenger message and the environment are vital element indispensable in spreading message widely across various distance. Hotmail Company owned by Microsoft promote the services and advertisement message instantly. The most widespread example in recent times is the creation of moving, surprising or spectacular videos on YouTube, which are then shared on Facebook, Twitter and other channels.



15.11 Ambush Marketing

Ambush marketing technique is a new technique whereby a particular advertiser seeks to connect his product to the event in the mind of potential customer without paying sponsoring expenses to the event. In other words it is a method of building brands in covert ways. For example X has sponsored a football event to promote his brand. Every time camera zooms on reference, a group of people sitting on the bench wearing 'Y' company brand name imposed shirt comes into focuses. In this case 'Y' company promote its brand at X's companies expenses. Bigger companies engage in ambush marketing tactics to undermine official event sponsors.



15.12 Guerrilla Marketing

The concept of Guerrilla Marketing was invented as an unconventional system of promotions that relies on time, energy and imagination rather than a big marketing budget. Guerrilla marketing represents an advertisement strategy to promote products/services on streets or other public places with monkey like shopping malls, parks beach etc., Consumers/ customers are taken by surprise to make a big impression about the brand which in turn creates buzz about the brand on shirts it create a memorable experience in

the mind of target audience which triggers good responses to sales. It is suited to small companies which cannot set apart big advertisement budget.



15.13 Multilevel Marketing

Multilevel Marketing is the marketing strategy wherein the direct sales companies encourage its existing distributors to recruit new distributors to facilitate the sale of goods and services. The distributor is compensated not only for the sales generated by him but also gets a percentage on sales revenue of the other distributor he recruits, thus; a multilevel marketing is a type of direct selling wherein the distributor sells the product via relationship referrals and word-of-mouth marketing. The salespersons or distributor not only sell the products but also encourage others to join the company. The recruits are called as the participant's "Downline" or distributor's "Downline". Example, Tupperware, and Amway are the direct sales companies that use the multilevel marketing. The multilevel marketing is also called as a network marketing, referral marketing or pyramid selling. For instance 'A' sells to 'B' a product. In these sales 'A' gets commission on sale to 'B' who in turn sells to 'C', D, and E. A gets certain percentage commission on B's sales to C,D, and E.



15.14 Referral Marketing

Referral marketing is the method of promoting products or services to new customers through referrals. Referral marketing is refer to spreading the word about a product or service through existing customers of business enterprises rather than through traditional advertising. Word-of-mouth marketing, which occurs when others tell each other about a business, is also considered to be a form of referral marketing.



15.15 Content Marketing

Content marketing is said to be the art of communicating with customers and prospects without selling. The Content Marketing institute calls it non-interruption marketing. Under this concept products/ services are presented impressively to target market which respond to the content delivered in the form of good sales response and greater loyalty.



Key Words

Electronic Marketing	e-tailing
Green Marketing	Social Marketing
Rural Marketing	Services Marketing
Content Marketing	Niche market
Guerrilla Marketing	Referral Marketing



For own thinking (Green Practices)

1. Encourage family members, friends and relatives to use "real" mugs, glasses, dishes and cutlery rather than disposables.
2. Practice sourcing and purchasing the least or not environmentally damaging goods (green procurements).
3. Look for and purchase green products such as staple-less staplers and pens that can be refilled repeatedly rather than sent to a landfill.
4. Save paper by avoid unnecessary printing, by printing on both sides of a sheet of paper whenever possible.
5. Do not leave your home or school lights on overnight Turn the lights off in rooms when they're not in use. Replace bulbs with compact fluorescent lamps (CFLs) or LED bulbs wherever possible. These use 75 percent less energy.

WAYS TO REDUCE WATER USAGE IN SCHOOL/HOME PREMISES

Fixing dripping taps, plumbing leaks, and installing low-flow toilets and low-flow faucet aerators in washrooms. uses a sprinkling system converting to a drip system will dramatically reduce water usage

Toyota's marketing of the Prius hybrid. Volkswagen/Mercedes-Benz' marketing of its vehicles as "clean diesel" "Earth Friendly" vehicles.



Exercise



I. Choose the Correct Answers:

- Selling goods/ services through internet is**
 - Green marketing
 - E- business
 - Social marketing
 - Meta marketing
- Which is gateway to internet?**
 - Portal
 - CPU
 - Modem
 - Webnaire
- Social marketing deals with:**
 - Society
 - Social Class
 - Social change
 - Social evil
- Effective use of Social media marketing increase conversion rates of _____.**
 - Customer to buyers
 - Retailer to customers
 - One buyer to another buyer's
 - Direct contact of marketer

5. Pure play retailers are called

- Market creators
- Transaction brokers
- Merchants
- Agents

Answers:

1	b	2	c	3	b	4	a	5	b
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II. Very Short Answer Questions:

- What is service marketing?
- What is green marketing?
- What is Ambush marketing?
- What is Social marketing?

III. Short Answer Questions:

- What are the advantages of E-Marketing?
- Discuss the objectives E-Marketing. (Any 3)
- Explain in detail about Niche marketing.

IV. Long Answer Questions:

- Explain in detail how traditional marketing differ from E-marketing.
- Discuss any two new methods of marketing.

References:

- Essentials of Marketing –Dr.K.Sundar - Vijay Nicole publication
- Modern Marketing Principles and Practices- by Pillai R.S.N. and Bagavathi – S.Chand publication.