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Today, marketing must be understood not in the old sense of making a sale—“telling and selling”—but in the new sense of *satisfying customer needs*. If the marketer engages consumers effectively, understands their needs, develops products that provide superior customer value, and prices, distributes, and promotes them well, these products will sell easily. In fact, according to management guru Peter Drucker, “The aim of marketing is to make selling unnecessary.”³ Selling and advertising are only part of a larger *marketing mix*—a set of marketing tools that work together to engage customers, satisfy customer needs, and build customer relationships.

Broadly defined, marketing is a social and managerial process by which individuals and organizations obtain what they need and want through creating and exchanging value with others. In a narrower business context, marketing involves building profitable, value-laden exchange relationships with customers. Hence, we define marketing as the process by which companies engage customers, build strong customer relationships, and create customer value in order to capture value from customers in return.⁴

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THE MARKETING PROCESS – ALL ASPECTS OF MARKETING AT ONE GLANCE

As explained in more detail in ‘What is Marketing?’, marketing can be defined as building profitable customer relationships by creating value for customers and capturing value in return. But what is involved in the Marketing Process? What steps allow a firm to fulfil the definition of marketing? Here is a complete overview at one glance.

Part 1 of the Marketing Process: Creating Value for Customers

The first step of the Marketing Process looks at who the customer is and what he needs and wants. Before any other marketing activities make sense, the company should gain a complete understanding of the marketplace. For that, it must research the marketplace, as well as customer needs and wants. Simultaneously, the information about the marketplace and customer data, which is to say marketing information, must be managed.

The second step of the process is to design a customer-driven marketing strategy. How does a company do that? It involves first of all market segmentation and targeting. The firm must segment the market and then target and focus on one or more of these identified segments. This answers the simple question: What customers do we want to serve? Answering this question and thereby carrying out a proper segmentation and targeting is necessary because a company cannot serve all customers in every way. On the contrary, the company should focus its resources on those customers it can serve best and most profitably. Segmentation and targeting determines who will be served. The next question is how the targeted customers can be served best, which involves differentiation and positioning. What is the company’s value proposition, what makes it more valuable for customers than other companies and which position does it want to achieve in customers’ minds? Doing that also involves to choose a Marketing Concept, also called Marketing Management Orientation.

When the marketing strategy is designed, the company can address **the third step**, which focuses on constructing an integrated marketing programme, which is the so-called marketing mix. The purpose of the marketing programme is to turn the marketing strategy into real value for the customers. Therefore, the marketing programme should deliver superior customer value. The

marketing programme is often called the 4 P's, consisting of the four marketing mix elements. The marketing mix consists of the Product, Price, Place, and Promotion. The Product is about designing a product (or service) which is desirable for the targeted customers and creating strong brands around these products. Then, they must be priced so as to make them attractive to customers, and distributed (Place), managing demand and supply chains, to make them available to the targeted customers. To round the marketing mix off, a promotion strategy must be set up to communicate the customer value and the value proposition to target customers and convince them to take on the company's offer.

The fourth step in the first part of the Marketing Process which aims to create value for customers is to build profitable customer relationships with target customers. The factor leading to success in this goes beyond satisfying customers. Instead, the orientation must be creating customer delight, meaning that the company's offers exceed customers' expectations. Then, customers will repeat the purchase action and stay loyal and profitable for the company. Therefore, this step may be the most important one in the first part of the Marketing Process. The process which leads to the creation and maintenance of customer relationships is CRM, Customer Relationship Management. However, the firm cannot do all of this alone. Creating customer value and maintaining strong customer relationships also requires strong relationships and collaboration with marketing partners, which leads to PRM, Partner Relationship Management.

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