

MARKETING & SERVICE MANAGEMENT

Mr. Rathesh J
Asst. Prof.
Dept. of Commerce
New Horizon College, kasturinagar



GOALS OF MARKETING

1. Creation of utility: It want to satisfy various wants of consumer by following ways
2. Creation of place utility (factory to shops)
3. Creation of time utility (available @ right time)
4. Possession utility (ownership transferred before sale)
5. Cost reduction
6. Price stability
7. Maximise consumption
8. Maximise consumer satisfaction
9. Maximise choice
10. Maximise life quality

FUNCTION OF MARKETING

Exchange functions

Supply chain
functions

Utility functions

EXCHANGE FUNCTIONS

- ❖ Buying
- ❖ What to buy, what quality, how much, from whom, when, what price.
- ❖ Selling
- ❖ Pricing
- ❖ Assembling (case study)

Harley-Davidson keen to assemble more models in India

May 2012

Following the good response to its bikes in the country, iconic bike-maker Harley-Davidson is keen on assembling more (bike) models in its India factory at Bawal. Of the 15 models it currently sells in India, five are assembled in Bawal, Haryana. Bawal is Harley-Davidson's second unit outside the US, the other being in Brazil. "We are keen to start assembling more models at Bawal. But such a decision will depend on customer feedback. If there is demand for a particular model we might explore the option of assembling more models here in the country," Mr Anoop Prakash, Managing Director, Harley-Davidson India, said. Mr Prakash was in the city to inaugurate the company's first showroom in Kolkata and its first in the eastern and north-eastern region.

COST SAVINGS

According to him, assembling units locally lead to cost savings. In one such instance, the price of an 800cc bike model that sold at nearly Rs 7 lakh when it was imported, came down to Rs 5.6 lakh after it was assembled locally. Harley-Davidson's bikes in India are priced between Rs 5.6 lakh and Rs 35 lakh.

GOOD RESPONSE

According to Mr Prakash, the company, which started operations in India in August 2009, has so far sold over 1,000 units here. "The response has been good and, in some places like Ahmedabad, we have sold more bikes than expected," he added. The company does not reveal India figures or break-up of its region-wise sales. In 2012 alone, the company is targeting sales of nearly 1,000 units across the country. It has over 1,000 customers in the country. Market sources said that the above 800cc bike category was nearly 1,600 units in India.

The company is also planning to shore up its footprint in the country. It has plans to open two more dealerships in Kochi and Goa this year. While the Kochi dealership is expected to come up by October this year, the Goa outlet will come up by December. Harley-Davidson currently has eight dealerships in India. Apart from Kolkata, the other dealerships are in Delhi, Mumbai, Chennai, Hyderabad, Bangalore, Ahmedabad and Chandigarh.

"Typically, 30 per cent of our sales are from the smaller metros. And we will look to expand in other smaller metros soon," Mr Prakash said.

Source: Business Line

Adapted from <http://www.thehindubusinessline.com/industry-and-economy/article3415637>.

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Inference: Thus assembling is an instrumental function in marketing that can facilitate marketers in achieving various objectives of marketing operations.

❑ Supply chain functions

- ❑ Transportation

- ❑ Storage

- ❑ Retailing

- ❑ Stock management

❑ Utility function

- ❑ Financing

- ❑ Customer service

- ❑ Marketing information

- ❑ promotion

E-BUSINESS

- ◉ Term e-business coined by IBM in October 1997.
- ◉ Generally e-business means buying & selling of goods & services through electronic devices & internet.
- ◉ In an broader perspective E-business means use of information & communication technologies to facilitate & support process of business.

FEATURES OF E-BUSINESS

1. Wider reach
2. Round the clock operation
3. Covers all the activities
4. Use of information & communication technologies
5. Attractive
6. Interactive
7. collaborative

IMPORTANCE & ADVANTAGES

- ◉ Provides adequate information
- ◉ Eliminates location
- ◉ Time saving
- ◉ Cost saving
- ◉ Online interactions
- ◉ 24/7 business
- ◉ Convenient
- ◉ Eliminates intermediaries

DISADVANTAGES

- ⦿ Security concern
- ⦿ Lack of personal touch
- ⦿ Lack of clear cyber laws
- ⦿ Not suitable for all products
- ⦿ Returning and replacement is problem.

E-BUSINESS MODELS

- ❑ Business -to-business
- ❑ Business-to-consumers
- ❑ Consumer-to-consumer
- ❑ Business-to-employee
- ❑ Business-to-government

TELE-MARKETING

- Tele-marketing is a process of persuading prospective customer to buy products or services using telecommunication technology.
- Use of tele-marketing methods depending on their business needs.

TELE-MARKETING METHODS

- ✚ Interactive voice response
- ✚ Voice chat
- ✚ Voice and message texting
- ✚ Tele shopping
- ✚ Call centres / BPOs
- ✚ Broadcast Fax

ADVANTAGES OF TELE-MARKETING

- Facilitates personalised contact
- Better influence
- Enhances marketing productivity
- Less expensive
- Used in different types of accounts

M-BUSINESS

- M-business is branch of e-commerce which buying & selling of goods & services wireless handheld devices such as cellular telephone & personal digital assistants.
- Features of M-business
 - Round the clock capability
 - Services through wireless devices
 - Wider reach
 - Attractive, interactive & collaborative
 - Provide adequate security

PROS & CONS

Pros	Cons
Access in remote location	Low bandwidth because of remote location
time saving	Expensive to set up mobile infrastructure
No geographical boundaries	Compatibility of mobile devices
Less expensive	Security of data & transactions

M-BUSINESS APPLICATIONS

- ⊕ Mobile banking
- ⊕ Mobile stock trading
- ⊕ Mobile ticketing
- ⊕ Mobile marketing
- ⊕ Mobile retailing
- ⊕ Mobile auctions
- ⊕ Information updates
 - ⊕ Weather updates
 - ⊕ Traffic info
 - ⊕ Local maps
 - ⊕ News services
 - ⊕ Learning & training

GREEN MARKETING

- According to American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe.
- Due to increase in global warming and other ecological disorder there is more demand for environment friendly product and service.

FEATURES OF GREEN MARKETING

- ◉ Naturally grown products
- ◉ Recyclable, reusable and biodegradable
- ◉ Natural ingredients
- ◉ Environmental friendly products
- ◉ Eco-friendly packaging

NEED, IMPORTANCE AND BENEFITS

- ◉ Growing interest
- ◉ Impact on quality of life
- ◉ Fulfil social responsibilities
- ◉ Supports to government policies
- ◉ Competitive edge
- ◉ Helps in recycling
- ◉ Optimum utilisation of natural resources
- ◉ Reduction in cost

CHALLENGES IN GREEN MARKETING

- ◉ False information
- ◉ Lack of education
- ◉ Lack of uniformity in policies
- ◉ Huge capital requirements
- ◉ Difficult to change in people mindset

RETAIL MARKETING

- ⦿ A retailer is an intermediary in the marketing channel who connects producer to consumer.
- ⦿ No intermediaries like wholesaler, distributor & retailer.
- ⦿ according to Philip kotler “Retailing includes all the activities involved in selling goods or services directly to final consumers for personal & non-business use.

CHARACTERISTICS

- Focuses customer relation
- Removes intermediaries
- Reduces cost
- Develops personal contact
- Easy interaction with customers

RELATIONSHIP MARKETING

- It includes a set of activities and strategies aimed at developing customer loyalty, interaction, managing trust & long term engagement with all the stake of holders of the business.

BENEFITS

- ◆ Builds trust & loyalty
- ◆ Regain lost customers
- ◆ Builds reputation & brand value
- ◆ Creates business opportunities
- ◆ Competitive edge

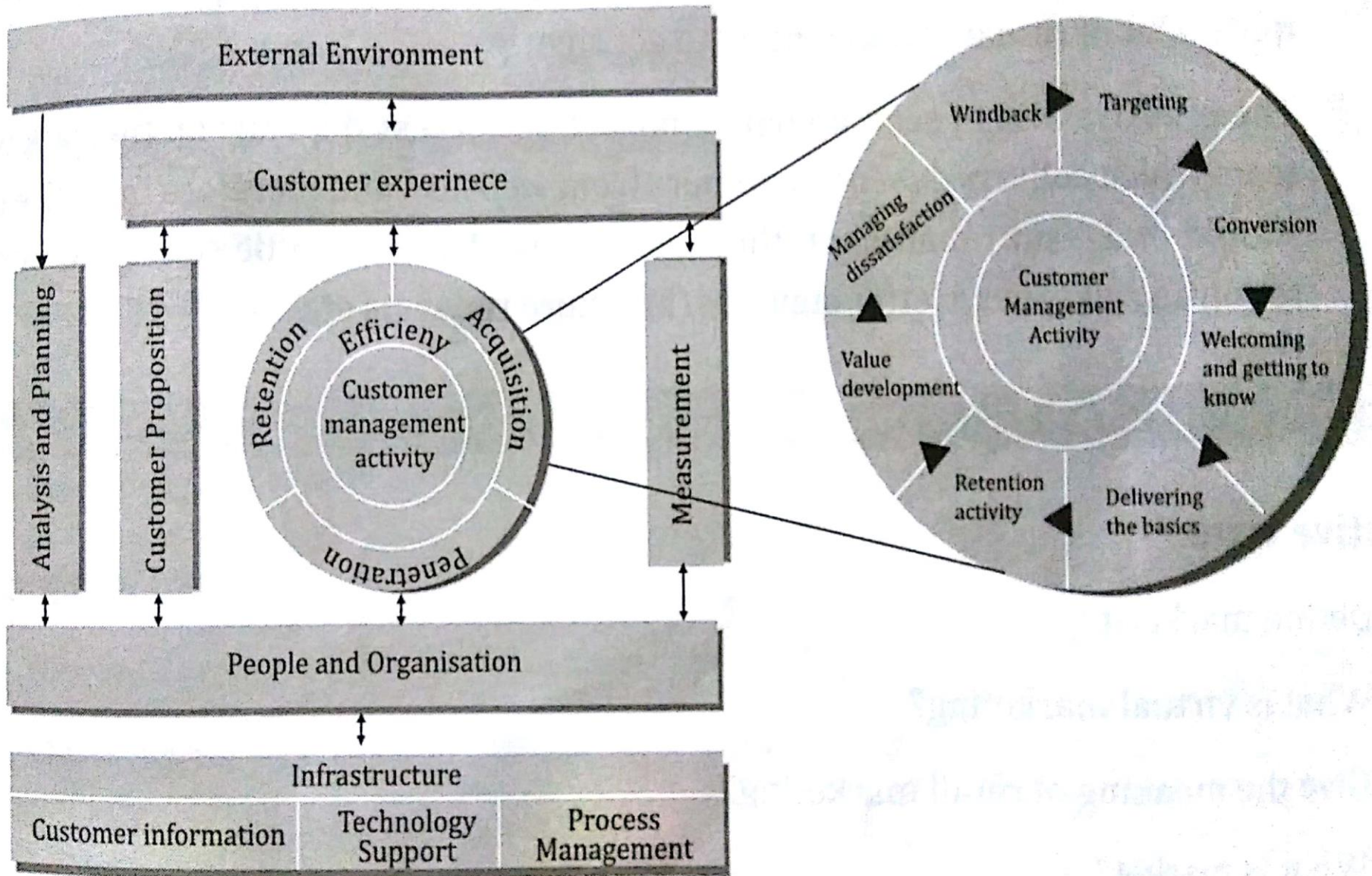
CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

- ◉ Business strategy indented towards understanding interacting anticipating & respond to the needs of current & potential customers using technology.
- ◉ It is strategy that a company uses to handle customer interactions.
- ◉ e- CRM concept is derived from e-commerce. To involves use of hardware & use of new web-based technologies to handle customer interactions

NEEDS OF CRM

- ◉ To facilitate marketing & sales process
- ◉ To provide better customer service
- ◉ To attract new customers
- ◉ To sell products effectively
- ◉ To reduce cost
- ◉ To understand customer needs & wants

SUBJECT MATTER OF CRM



IMPORTANCE

- Helps to increase customer loyalty
- Acquires customer needs & wants
- profiling of individual customer
- Develops communication channels
- Expands business operations
- Increase sales
- Increase efficiency