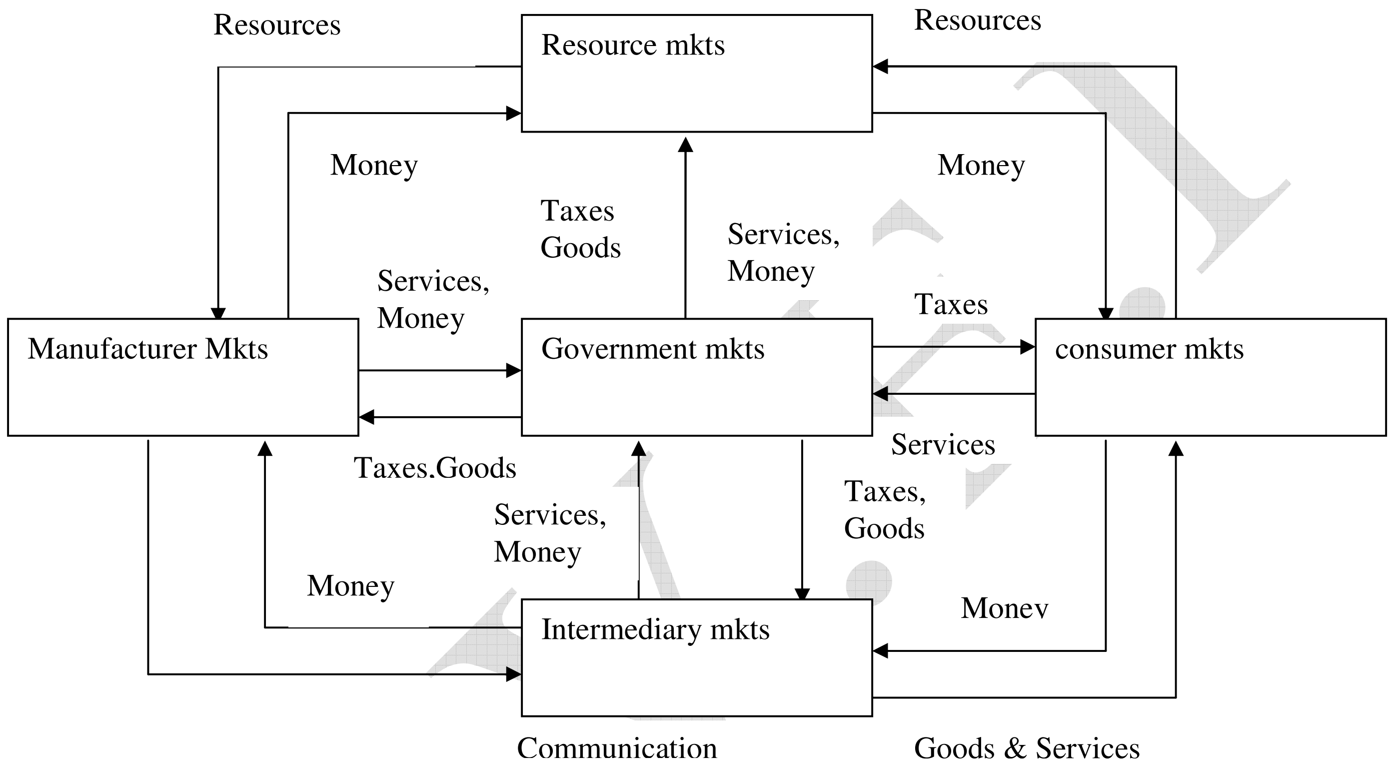
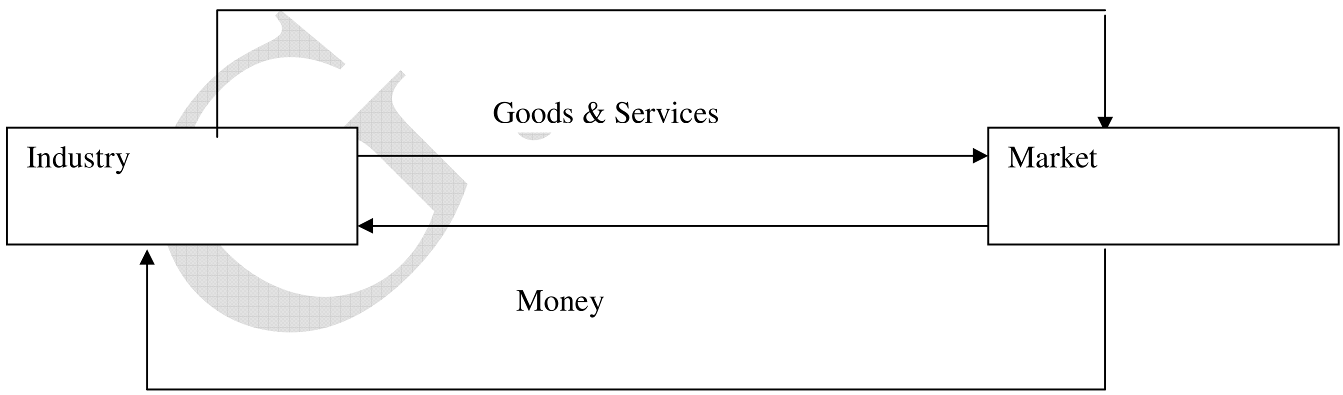
MARKET

Market:- A market is a physical place where buyers and sellers are gathered to buy and sell goods. Economists describe a market as a collection of buyers or sellers who transact over a particular product or product class.

Marketer:- A marketer is someone who seeks a response attention (on a purchase, a vote, a donation) from another party, called the 'Prospect'. If two parties are seeking to sell something to each other, we call them both marketers.





Structure of Flows in a Modern Exchange Economy

TYPES OF CUSTOMER MARKET

1. **Consumer Markets:** companies selling mass consumer goods and services such as soft drinks, cosmetics, air travel and athletic shoes.
2. **Business Markets:** companies selling business goods and services often face well-informed professional buyers who are skilled in evaluating competitive offerings. Business buyers buy goods in order to make or resell a product to others at a profit.
3. **Global markets:** companies selling goods and services in the global market place face additional decisions and changes. They must decide which countries to enter, how to enter each country, how to adapt their products and services features to each country.
4. **Non-profit and Government Markets:** Companies selling their goods to non-profit organization such as churches, universities, charitable organizations or govt. agencies need to price carefully because these organizations have limited purchasing power.

Define:-

a) **Market Place: -** it is physical, as when we shop in a store.
b) **Meta Market: -** is a cluster of complementary products and services that are closely related in the minds of consumers but are spread across a diverse set of industries.
c) **Market Space: -** it is digital, without any physical appearance, it is same as we shop on the internet.

Marketing: - As per "American Marketing Association", marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationship in ways that benefit the organization and its stakeholders.

Define: ---

a) **Exchange: -** is the core concept of marketing, it is the process of obtaining a desired product from someone by offering something in return.
b) **Transaction: -** it is the trade of values between two or more parties. A transaction involves at least two things of value, agreed- upon conditions, a time of agreement and place of agreement.
c) **Transfer:-** in a transfer, A gives X to B but does not receive anything tangible in return. Transfer behavior can also be understood through the concept of exchange.

SWOT ANALYSIS

External Environment (opportunity And Threat)-:

A Business unit has to monitor key macro environment forces (demographic economic, natural, technological, political, legal and social cultural) and significant microenvironment actors (customers, competitors, suppliers, distributors, delears) that affect its ability to earn profits.

For each trend or developments, management needs to identify the associated opportunities and threats.

A marketing opportunity is an area of buyer need and interest in which there is a high profitability satisfy that need. There are three main sources of market opportunities.

- First is to supply something that is in short supply.
- Second is to supply an existing product or service improvements.
- Third source often leads to a totally new product or service.

  To evaluate opportunities, companies can use "Market Opportunities Analysis" to determine the attractiveness and probability of success.

An environment threat is a challenge posed by an unfavorable trend or development that would lead in the absence of defensive marketing action, to lower sales or profit.

Threats should be classified according to seriousness and probability of occurrence.

Internal environment (strength/weakness) Analysis:-

It is one thing to find attractive opportunities and another to be able to take advantage of them.

The business should limit itself to those opportunities where it possesses the required strengths or whether it should consider opportunities that it might have acquire or develop certain strengths.

OPPOPTUNITY MATRIX

Success - Probability →

Attractiveness ↑	High	Low
High	1	2
Low	3	4

1. Company Develops more powerful lightning system.
2. Co Develops device to measure energy efficiency.
3. Co Develops device to measure illumination level.
4. Co Develops Software programme to teach lighting fundamentals to TV studio personnel.

Threat Matrix

Probability of occurrence →

Seriousness ↑	High	low
High	1	2
Low	3	4

1. Competitor develops superior lighting system.
2. Major prolonged economic depression.
3. Higher costs.
4. Legislation to reduce no.of TV studio-licenses.

<u>Goal formulation</u>:

Once a Co has performed a swot analysis, it can proceed to develop specific goals for the planning period .this stage of the process is called goal formulation.

Most business units pursue a set of objective including profitability, sales, growth, market share, improvement, risk containment, innovation and reputation. The business unit sets these objectives and then manages by objectives (MBO).

1. Goals must be arranged hierarchically, from the most important to the least
2. Objective should be stated quantitatively whenever possible.

3. Goals should be realistic.
4. Objectives must be consistent.

Copyright:-It is granted by the federal govt. or by international agreement. A copyright gives its owner the exclusive right to publish and sell a musical, literary or artistic work during the life of composer, author, or artist and for 50 years thereafter. Most copyrights have value for a much shorter time and their casts should be amortized over the shorter period. Often the only identifiable cost of a copyright is the fee paid to the copyright office. If this fee is not material it may be charged, directly to an expense account.

Trademarks/Trade name:-

Cos often adopt unique symbols or select unique names that they use in marketing their products. Sometimes, the ownership and excessive right to use such a trademark can be established simply by demonstrating that one company has used the trademark before other businesses. However Ownership generally can be established more definitely by registering the trademark at the patent office. The cost of developing maintaining or enhancing the value of a trademark, perhaps through advertising should be charged to expense in the period or periods incurred.

Patents:- Exclusive right granted by a federal govt. to manufacture and sell a patented machine or ,device or to use a process for 17 years. When patent rights are purchased the cost of acquiring the rights is debited to an account called “patents”.