

Analyzing The Marketing Environment

Objective Outline

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The Macroenvironment

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The Economic Environment

Objective Outline

3



The Natural Environment
The Technological Environment

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The Cultural Environment

Objective Outline

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Preview

Marketing Environment

- It is the actors and forces outside marketing that affect marketing management's ability to build and maintain successful relationships with target customers.

Microenvironment

- It consists of the actors close to the company that affect its ability to serve its customers, the company, suppliers, marketing intermediaries, customer markets, competitors, and publics.

Macroenvironment

- The macroenvironment consists of the larger societal forces that affect the microenvironment—demographic, economic, natural, technological, political, and cultural forces.

The Microenvironment

- Marketing success requires building relationships with other company departments, suppliers, marketing intermediaries, competitors, various publics, and customers, which combine to make



The Company

- With marketing taking the lead, all departments—from manufacturing and finance to legal and human resources—share the responsibility for understanding customer needs and creating customer value.





Apple's supplies in the world

Market



- Marketing research and market
- Financial companies that help with risks associated



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Competitors



- Marketers also must gain strategic advantage by positioning their offerings strongly against competitors' offerings in the minds of consumers.
- Each firm should consider its own



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WHY WE DO IT

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NEWS & EVENTS

ABOUT US

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LIFE CAN HURT
PLAY CAN HEAL

FIND OUT HOW



A PLAYMAKER IS
ANYONE WHO TAKES ACTION
TO MAKE GREAT THINGS HAPPEN IN THE LIVES OF KIDS



Citizen
action
public

Inter
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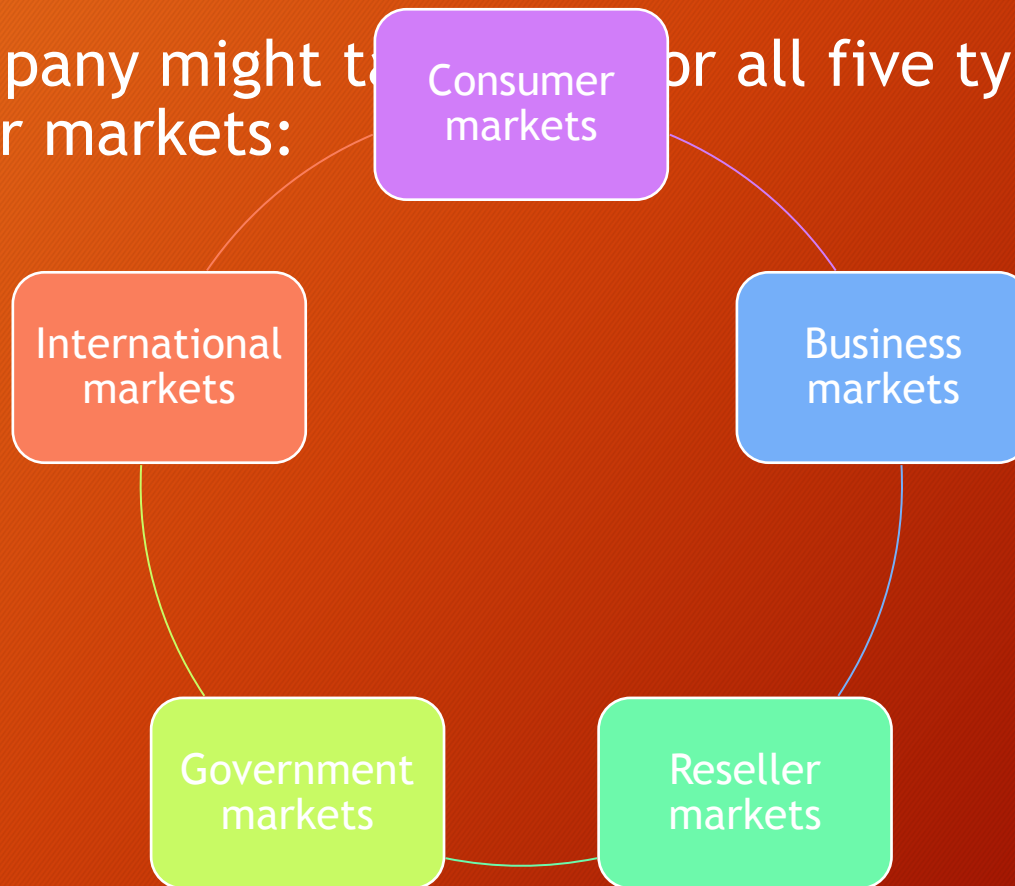
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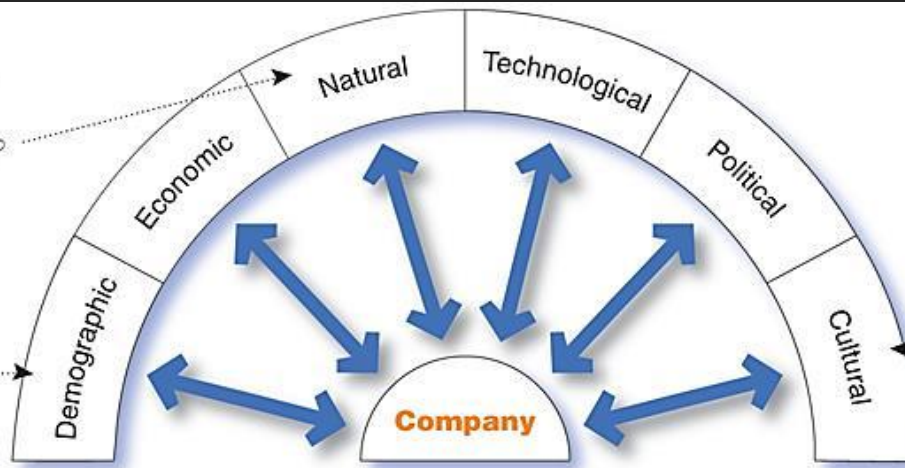
- The company might target for all five types of customer markets:



The Macroenvironment

Concern for the natural environment has spawned a so-called green movement. For example, last year HP recovered and recycled 800 jumbo jets worth of electronics globally.

Changing demographics mean changes in markets and marketing strategies. For example, Merrill Lynch targets aging baby boomers to help them overcome the hurdles to retirement planning.



Marketers also want to be socially responsible citizens in their markets and communities. For example, shoe brand TOMS was founded on a cause: "No complicated formulas. It's simple," says the company's founder. "You buy a pair of TOMS and I give a pair to a child on your behalf."



The Demographic Environment

- **Demography** is the study of human populations in terms of size, density, location, age, gender, race, occupation, and other statistics.



The Changing Age Structure of the Population

Generational Marketing

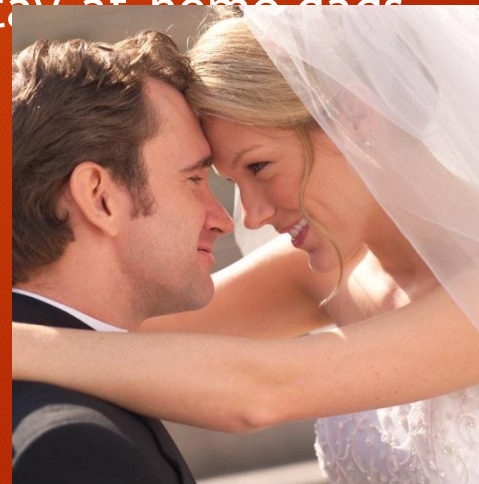
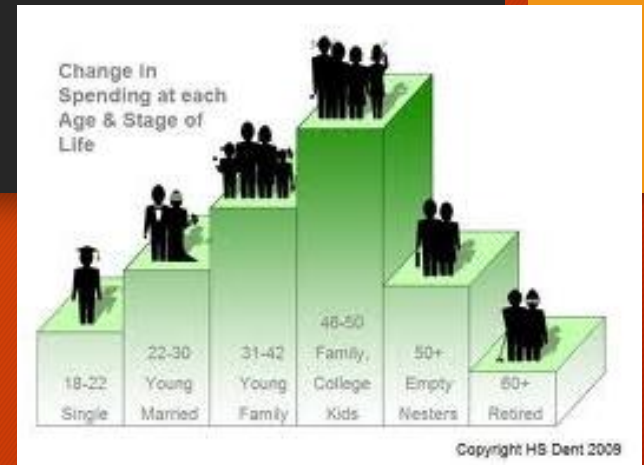
Marketers often split the baby boomers into three smaller groups—leading-edge boomers, core boomers, and trailing-edge boomers—each with its own beliefs and behaviors. Similarly, they split the Millennials into teens and young adults.

Thus, marketers need to form more precise age-specific segments within each group. More important, defining people by their birth date may be less effective than segmenting them by their lifestyle, life stage, or the common values they seek in the products they buy.

of the baby boomers.

The Changing American

- More people are:
 - Divorcing or separating
 - Choosing not to marry
 - Choosing to marry later
 - Marrying without intending to have children
 - Increasing number of working women
 - Increasing number of stay at home dads



Geographic Shifts Population

- The shift in where people live has also caused a shift in where they work.
- For example, the migration toward micropolitan and suburban areas has resulted in a rapid increase in the number of people who “telecommute”—work at home or in a remote office and conduct their business by phone or the Internet.



ated a
market



A Better-Educated, More White-Collar, More Professional Population

- Changes in the Workforce



Grind is a 22nd century platform that helps talent collaborate in a new way: outside the system.

A members-only workspace and community dedicated to taking all of the frustrations of working the old way and pulverizing them to a dust so fine it actually oils the wheels of the machine.



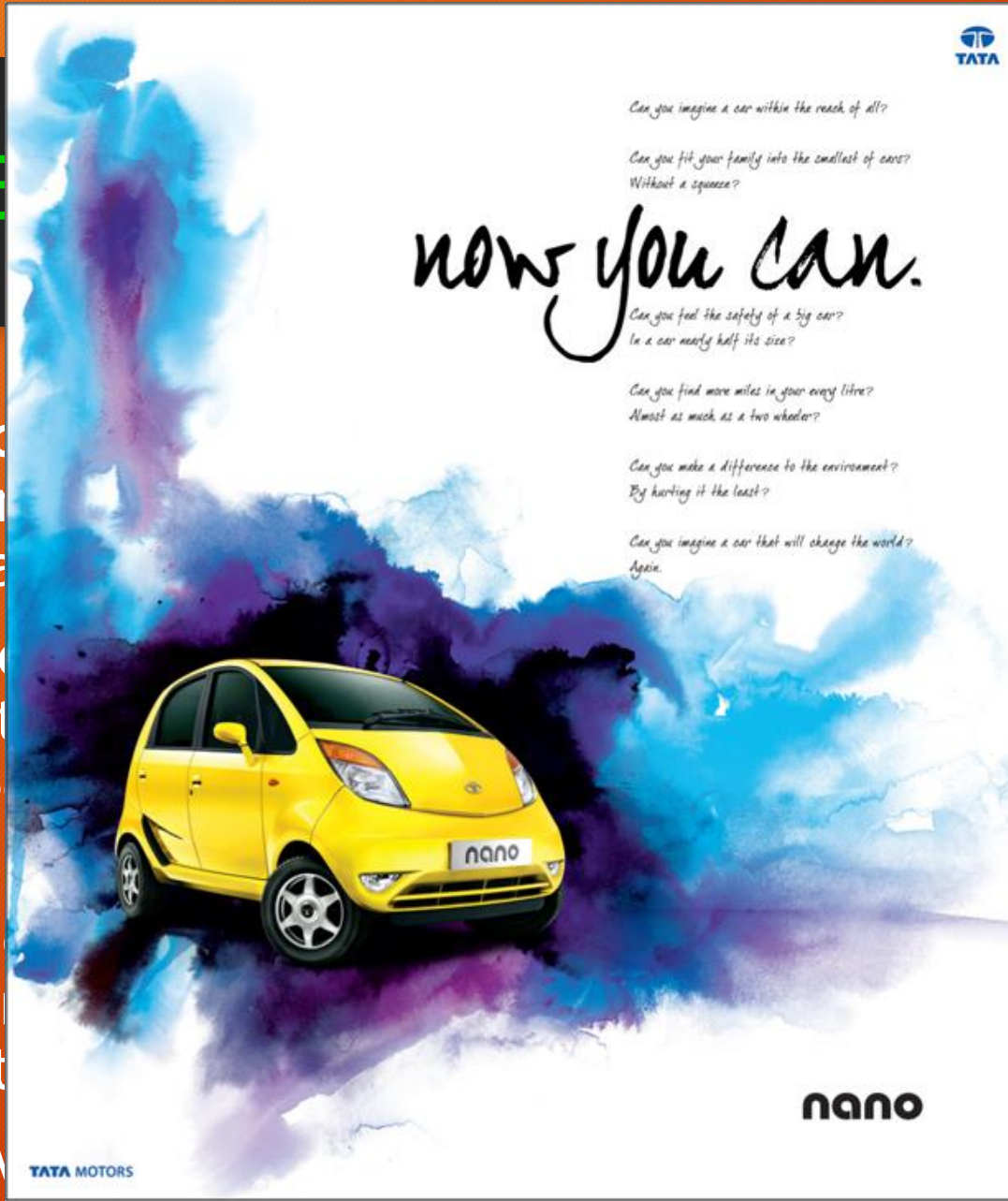
Increasing Diversity

- Markets are becoming more diverse
 - International
 - National
- Includes:
 - Ethnicity
 - Gay and lesbian
 - Disabled



The E

- The economic growth and purchasing power of the middle class in India is growing rapidly.
- Some of the key factors contributing to this growth are the increasing disposable income of the population, the rising demand for consumer goods, and the expanding services sector.
- At the same time, the Indian government has implemented various policies to support the growth of the economy, such as the introduction of the Goods and Services Tax (GST) and the demonetization of high-value banknotes.
- In between these two trends, there are several opportunities for businesses to grow and prosper.



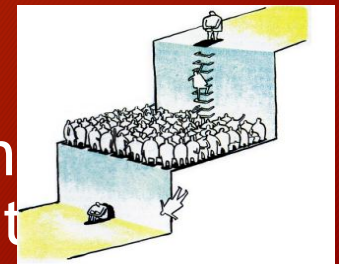
TATA

Can you imagine a car within the reach of all?
Can you fit your family into the smallest of cars?
Without a squeeze?
now you can.
Can you feel the safety of a big car?
In a car nearly half its size?
Can you find more miles in your every litre?
Almost as much as a two wheeler?
Can you make a difference to the environment?
By hurting it the least?
Can you imagine a car that will change the world?
Again.

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TATA MOTORS

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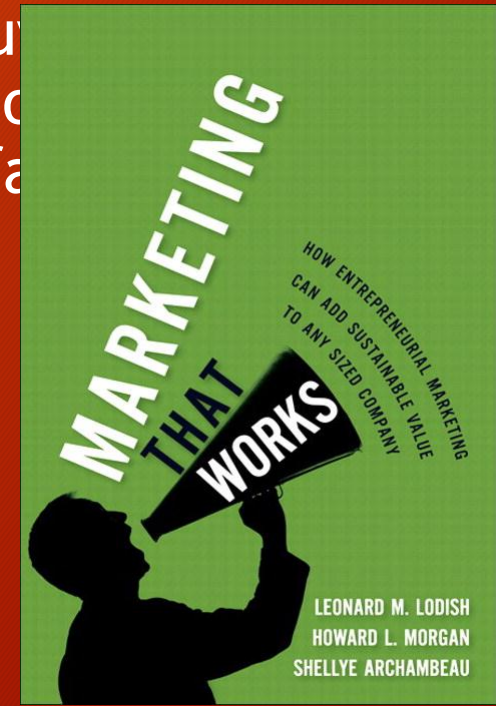
offer outstanding marketing opportunities for the right kinds of products

Changes in Consumer Spending

- In turn, *value marketing* has become the watchword for many marketers.
- Marketers in all industries are looking for ways to offer today's more financially frugal buyers more value for their money.



PHOTO: JUSTIN SULLIVAN/GETTY IMAGES



Income Distribution

- Marketers should pay attention to *income distribution* as well as income levels.
- Over the past several decades, the rich have grown richer, the middle class has stagnated, and the poor.



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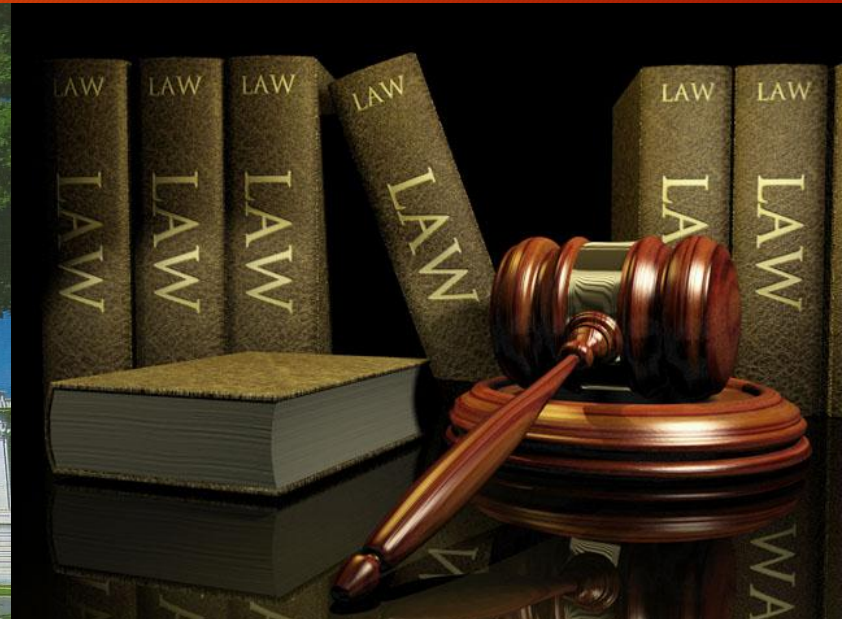


T-Shirt
Camiset



The Political and Social Environment

- The political environment consists of laws, government agencies, and pressure groups that influence or limit various organizations and individuals in a given society.



● Table 3.1 Major U.S. Legislation Affecting Marketing

Legislation	Purpose
Sherman Antitrust Act (1890)	Prohibits monopolies and activities (price-fixing, predatory pricing) that restrain trade or competition in interstate commerce.
Federal Food and Drug Act (1906)	Created the Food and Drug Administration (FDA). It forbids the manufacture or sale of adulterated or fraudulently labeled foods and drugs.
Clayton Act (1914)	Supplements the Sherman Act by prohibiting certain types of price discrimination, exclusive dealing, and tying clauses (which require a dealer to take additional products in a seller's line).
Federal Trade Commission Act (1914)	Established the Federal Trade Commission (FTC), which monitors and remedies unfair trade methods.
Robinson-Patman Act (1936)	Amends the Clayton Act to define price discrimination as unlawful. Empowers the FTC to establish limits on quantity discounts, forbid some brokerage allowances, and prohibit promotional allowances except when made available on proportionately equal terms.
Wheeler-Lea Act (1938)	Makes deceptive, misleading, and unfair practices illegal regardless of injury to competition. Places advertising of food and drugs under FTC jurisdiction.
Lanham Trademark Act (1946)	Protects and regulates distinctive brand names and trademarks.
National Traffic and Safety Act (1958)	Provides for the creation of compulsory safety standards for automobiles and tires.
Fair Packaging and Labeling Act (1966)	Provides for the regulation of the packaging and labeling of consumer goods. Requires that manufacturers state what the package contains, who made it, and how much it contains.
Child Protection Act (1966)	Bans the sale of hazardous toys and articles. Sets standards for child-resistant packaging.
Federal Cigarette Labeling and Advertising Act (1967)	Requires that cigarette packages contain the following statement: "Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health."
National Environmental Policy Act (1969)	Establishes a national policy on the environment. The 1970 Reorganization Plan established the Environmental Protection Agency (EPA).
Consumer Product Safety Act (1972)	Establishes the Consumer Product Safety Commission and authorizes it to set safety standards for consumer products as well as exact penalties for failing to uphold those standards.
Magnuson-Moss Warranty Act (1975)	Authorizes the FTC to determine rules and regulations for consumer warranties and provides consumer access to redress, such as the class action suit.
Children's Television Act (1990)	Limits the number of commercials aired during children's programs.
Nutrition Labeling and Education Act (1990)	Requires that food product labels provide detailed nutritional information.
Telephone Consumer Protection Act (1991)	Establishes procedures to avoid unwanted telephone solicitations. Limits marketers' use of automatic telephone dialing systems and artificial or prerecorded voices.
Americans with Disabilities Act (1991)	Makes discrimination against people with disabilities illegal in public accommodations, transportation, and telecommunications.
Children's Online Privacy Protection Act (2000)	Prohibits Web sites or online services operators from collecting personal information from children without obtaining consent from a parent and allowing parents to review information collected from their children.
Do-Not-Call Implementation Act (2003)	Authorizes the FTC to collect fees from sellers and telemarketers for the implementation and enforcement of a National Do-Not-Call Registry.
CAN-SPAM Act (2003)	Regulates the distribution and content of unsolicited commercial e-mail.
Financial Reform Law (2010)	Created the Bureau of Consumer Financial Protection, which writes and enforces rules for the marketing of financial products to consumers. It is also responsible for enforcement of the Truth-in-Lending Act, the Home Mortgage Disclosure Act, and other laws designed to protect consumers.

Legislation

- Business law covers a number of

- Protect consumers
- Protect businesses
- Protect property



Increased Emphasis on Ethics and Socially Responsible Actions

- *Socially Responsible Behavior:*
 - Enlightened companies encourage their managers to look beyond what the regulatory system allows and simply “do the right thing.”
 - These socially responsible firms actively seek out ways to protect the long-run interests of their



Increase
Responsi

ocially

- *Cause-Related Marketing*
 - Cause-related marketing is a form of marketing that is well beyond the traditional company's products and services. It is worthy of attention.
 - It has a direct relationship to the market than a general market.

POWERRELIEF

HELPING PEOPLE
**RECHARGE
RECONNECT
RECOVER**

Duracell, one of the most trusted sources of power, is there to help communities in times of need. When disaster strikes, it's important for families to have the right power for their critical devices. That's why we created the Power Relief program. It provides dependable power for families during these times of crisis, helping people recharge, reconnect, and recover.



COMMUNITIES WE'VE HELPED

Click on a location below to learn more about how Duracell's Power Relief Trailer has helped those in need.

- RECHARGE**
 - Flooding in Nashville, TN
 - Tornadoes in Tuscaloosa, AL
 - Tornadoes in Joplin, MO
- RECONNECT**
 - Hurricane in the Catskills, NY
 - Snowstorm in Avon, CT
- RECOVER**

THE POWER RELIEF TRAILER

The Duracell Power Relief Trailer is equipped for immediate response to areas affected by natural disasters. The trailer opens up to become a comfortable safe haven, offering information about local resources and distributing Relief Kits to those in need. Recharging stations, satellite phones and WiFi-enabled computers give people the opportunity to connect with friends and family during this emotional time.

SPREAD THE WORD ON



TRUS+ED EVERYWHERE

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The Benefits of
Cause-Related
Marketing

The Cultural Environment



- Cultural environment consists of institutions and other forces that affect a society's basic values, perceptions, preferences, and behaviors.



The Persistence of Cultural Values

- People in a given society hold many beliefs and values. Their core beliefs and values have a high degree of persistence.
- *Secondary* beliefs and values are more open to change. Believing in marriage is a core belief; believing that people should get married early in life is a secondary belief.



Shifts in Values

- People's
- People versus
- People of self-
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IT'S SOMEWHERE BETWEEN the **COLOR**
OF *Your Lips* WHEN YOU
GO OUTSIDE IN **DECEMBER**
WITH YOUR HAIR STILL WET
AND the *Color* of a **PUDDLE**
left BY A **MELTED GRAPE POPSICLE**
MIXED WITH THE **COLOR OF THAT**
COUGH SYRUP THAT USED TO
MAKE ME GAG
A LITTLE.

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Shifts in Secondary Cultural Values

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Shifts in Secondary Cultural Values



- **People's Views of Organizations.**
 - People vary in their attitudes toward corporations, government agencies, trade unions, universities, and other organizations.
 - The past two decades have seen a sharp decrease in confidence in and loyalty toward America's business and political organizations and institutions.
 - Many people today see work not as a source of satisfaction but as a required chore to earn money to enjoy their non-work hours.
 - This trend suggests that organizations need to find new ways to win consumer and employee confidence.



Shifts in Secondary Cultural Values

- *People's Views of Society.*
 - People vary in their attitudes toward their society—patriots defend it, reformers want to change it, and malcontents want to leave it.
 - People's orientation to their society influences their consumption patterns and attitudes toward the marketplace.



Shifts in Values

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- People world-harmon
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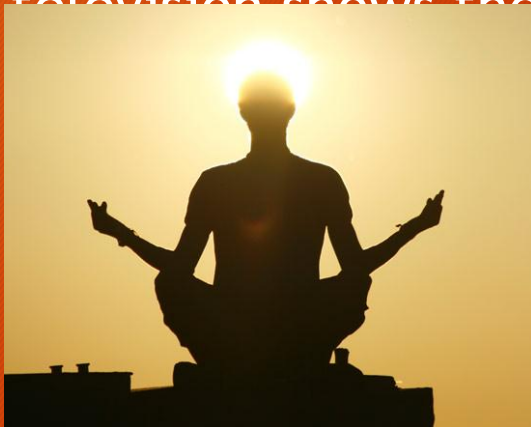
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Shifts in Secondary Cultural Values

- *People's Views of Universe.*

- People vary in their beliefs about the origin of the universe and their place in it.
- In recent years, some futurists have noted a renewed interest in spirituality, perhaps as a part of a broader search for a new inner purpose.
- This affects consumers in everything from television shows they watch to the cars and so



Responding to the Marketing Environment

Uncontrollable

- React and adapt to forces in the environment

Proactive

- Aggressive actions to affect forces in the environment

Reactive

- Watching and reacting to forces in the environment