

# Types of Marketing

1	<b>Green Marketing.....</b>	<b>3</b>
2	<b>e-Marketing .....</b>	<b>4</b>
3	<b>Service Marketing.....</b>	<b>6</b>
4	<b>Social Marketing .....</b>	<b>6</b>
5	<b>Direct Marketing.....</b>	<b>7</b>
6	<b>Relationship Marketing.....</b>	<b>10</b>

Everything you need to know about the types of marketing. Marketing as a discipline is constantly evolving.

The existing concepts are analyzed and updated to suit the current economic and social trends. Newer concepts also emerge as a result of technological innovations and marketing research.

The older marketing theories which were widely accepted a few decades ago are no longer relevant in today's scenario.

Marketing revolves round the needs of consumers. All marketing efforts are put to meet manifold needs of the customers.

Consumer is the king in modern marketing concept. Consumer needs are shaped by culture, society, family, work group or the like. Any change in surroundings will affect the need and consumption pattern of consumer.

Marketing as a discipline is constantly evolving. The existing concepts are analyzed and updated to suit the current economic and social trends. Newer concepts also emerge as a result of technological innovations and marketing research. The older marketing theories which were widely accepted a few decades ago are no longer relevant in today's scenario.

The requirements of the contemporary marketing environment necessitate the development of new practices and theories that will help organizations in successfully marketing themselves in modern times.

### **I. Green Marketing:**

Green marketing is the marketing of products in an environmental friendly way. It combines the satisfaction of consumer's wants and needs with the conservation and protection of the natural environment.

Green companies may produce goods that are environmentally friendly or adopt a production method that is least damaging to natural resources. Green marketing is also known as sustainable marketing.

The four elements of the marketing mix, i.e. product, price, place and promotion are combined to market products that are environmentally superior to available substitutes. The ecological benefits of green marketing may be in forms of reduced waste, decreased emissions of toxins, better energy efficiency, etc.

Marketing revolves round the needs of consumers. All marketing efforts are put to meet manifold needs of the customers. Consumer is the king in modern marketing concept. Consumer needs are shaped by culture, society, family, work group or the like. Any change in surroundings will affect the need and consumption pattern of consumer.

Recent time has been the era of change. Advent of technological innovations like internet has brought about radical change in marketing trends. Some of the important trends need special mention for the beginners.

#### **1. Definition of green marketing:**

a/ On retail perspective green marketing is the marketing of products that are presumed to be environmentally safe. On social perspective it is the development and marketing of products designed to minimize negative effects on the physical environment or to improve its quality.

b/ On environment perspective it is the efforts made by organizations to produce, promote, package, and reclaim products in a manner that is sensitive or responsive to ecological concerns. Green Marketing is also known as Environmental Marketing and Ecological Marketing.

c/ The American Marketing Association (AMA) held the first workshop on “Ecological Marketing” in 1975. The proceeding of this workshop resulted in one of the first books on green marketing entitled “Ecological Marketing”.

d/ Green Marketing, therefore, refers to holistic marketing concept wherein the production, marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about sustainability.

### **2/Importance of Green Marketing:**

a/ Green Marketing is inevitable in a market where resources are scarce and demands are infinite.

b/ Green marketing will prove to be indispensable and advantageous, cost-wise too, in the long run.

c/ People are concerned about the environment and are changing their behaviour pattern so as to be less hostile towards it.

d/ Most of the consumers, both individual and industrial, are becoming more concerned about environment-friendly products.

e/ As a result, green marketing has emerged, which aims at marketing sustainable and socially-responsible products and services.

### **3/Benefits of Green Marketing:**

a/It ensures sustained long-term growth along with profitability.

b/ It saves money in the long run, though initially the cost is more.

c/ It helps companies market their products and services keeping the environment aspects in mind. It helps in accessing the new markets and enjoying competitive advantage.

d/ Most of the employees also feel proud and responsible to be working for an environmental responsible company.

## **II. e-Marketing:**

### **1.Definition of e-Marketing:**

a/ Very simply put, e-Marketing or electronic marketing refers to the application of marketing principles and techniques via electronic media and more specifically the Internet. The terms e- Marketing, Internet marketing and online marketing, are frequently interchanged, and can often be considered synonymous.

b/ e-Marketing is the process of marketing a brand using the Internet. It includes both direct response marketing and indirect marketing elements and uses a range of technologies to help connect businesses to their customers.

c/ e-Marketing encompasses all the activities a business conducts via the worldwide web with the aim of attracting new business, retaining current business and developing its brand identity.

## 2.Importance of e-Marketing:

a/ When implemented correctly, the return on investment (ROI) from e-Marketing can far exceed that of traditional marketing strategies.

b/ Whether a “bricks and mortar” business or a concern operating purely online, the Internet is a force that cannot be ignored. It can be a means to reach literally millions of people every year. It’s at the forefront of a redefinition of way businesses interact with their customers.

## 3.Benefits of e-Marketing over Traditional Marketing:

**1/ Reach:** The nature of the internet means businesses now have a truly global reach. While traditional media costs limit this kind of reach to huge multinationals, e-Marketing opens up new avenues for smaller businesses, on a much smaller budget, to access potential consumers from all over the world.

**2/ Scope:** Internet marketing allows the marketer to reach consumers in a wide range of ways and enables them to offer a wide range of products and services. e-Marketing includes, among other things, information management, public relations, customer service and sales. With the range of new technologies becoming available all the time, this scope can only grow.

**3/ Cheaper:** Email Marketing is significantly cheaper and faster than traditional mail, mainly because of high cost and time required in a traditional mail campaign for producing the artwork, printing, addressing and mailing.

**4/ Interactivity:** Whereas traditional marketing is largely about getting a brand’s message out there, e-Marketing facilitates conversations between companies and consumers. With a two-way communication channel, companies can feed off of the responses of their consumers, making them more dynamic and adaptive.

**5/ Immediacy:** Internet marketing is able to, in ways never before imagined, provide an immediate impact. Effectively, Internet marketing makes business hours 24 hours per day, 7 days per week for every week of the year.

**6/ Demographics and Targeting:** Generally speaking, the demographics of the Internet are a marketer’s dream. Internet users, considered as a group, have greater buying power and could perhaps be considered as a population group skewed towards the middle-classes.

**7/ Adaptive and Closed Loop Marketing:** Closed Loop Marketing requires the constant measurement and analysis of the results of marketing initiatives. By continuously tracking the response and effectiveness of a campaign, the marketer can be far more dynamic in adapting to consumers' wants and needs.

### **III. Service Marketing:**

Services are intangible economic activities that fulfill certain needs of a customer. Some services are purely intangible in nature while some are associated with tangible goods. Production and delivery of services is simultaneous, i.e., services cannot be stored and are consumed at the point of sale. They cannot be seen or touched, but only experienced.

Examples of services are banking, insurance, hair dressing, catering, medical services, etc. Services are very different from products and as such they need different strategies to be successfully marketed.

### **IV. Social Marketing:**

#### **1. Definition of Social marketing:**

Social marketing is the application of commercial marketing principles to achieve a social good. It began as a formal discipline in the 1970s, when Philip Kotler and Gerald Zaltman published "social marketing- an approach to planned social change" in the journal of marketing.

They observed that the same marketing principles that were used by commercial marketers to sell products and services could also be used to sell ideas, attitudes and behaviour for the betterment of human life.

The main goal of social marketing is not to make financial gains, but to bring about behavioural change for societal benefit. It includes promoting the use of seatbelts while driving, promoting regular health checkups, persuading people to get their children vaccinated, asking people to give up tobacco use, etc.

Amitabh Bachchan campaigning for polio eradication, Zeenat Aman encouraging the patients to get treatment, boxer Virender Singh telling people to donate blood, etc. are examples of social marketing.

Kotler, along with Alan Andreasen defined social marketing as "differing from other areas of marketing only with respect to the objectives of the marketer and his or her organization. Social marketing seeks to influence social behaviours not to benefit the marketer, but to benefit the target audience and the general society." Social marketing concept has progressed well in developed countries like USA, UK, Australia and Germany.

**2.Principles of Social Marketing:**

1/ Efforts should be made to understand the customers, i.e. the people whose behaviour is sought to be changed. Their needs, motivations and fears should be analysed by questioning and listening to their viewpoints.

2/ The audience should be divided into sub groups to increase effectiveness of the social marketing programmes. People with shared needs and characteristics should be identified and targeted with specific policies. For example, for a polio eradication campaign, parents with young children below age of five would be the target group.

3/ The essence of social marketing is to bring about positive changes in people's behaviour. The social marketing group should interact with the people, get involved with them and encourage them to bring about changes in their beliefs and lifestyles. An effective communication policy is very vital for making the people adopt changes.

4/ The forces which motivate people to act should be recognized. Plans should be expressed to them in such a way that it makes sense to the people and helps them understand how this plan can benefit them or the society.

5/ A wide range of communication tools should be used to reach the people. Mass media like television, radio, newspapers, and outside advertising media like billboards, posters, etc. should be utilised to ensure wide coverage.

6/ The customers should be involved in planning and implementing the behaviour change programme. The views of the public should be taken into account while developing the policies and delivering the service.

7/ Collaborations should be formed with partners, stakeholders and other organizations sharing the same values and beliefs in order to improve communication and encourage effective engagement with audiences.

8/ Social marketers should be accountable in communication and marketing activities and demonstrate high ethical standards. They should adhere to values like integrity, honesty and impartiality.

**V. Direct Marketing:****1.Difinition of Direct marketing:**

Direct marketing is the method of selling goods and services directly to the customers rather than through retailers. Firms involved in direct marketing communicate directly with the target customers with specific promotional techniques. It helps the business to build better customer relations because the business connects to the prospective customers directly.

It is basically about building loyalty in existing customers and prospecting new ones. Direct marketing is superior to other forms of mass marketing as direct marketing allows the firm to reach particular target markets.

Mass media advertising may reach a larger audience, but it is possible that a major portion of that audience is not even interested in the product. Direct marketing scores an advantage here—only those people are contacted who would be genuinely interested in the product.

## **2.Channels of Direct Marketing:**

**a/ Direct Mail:** Direct mail can be an effective method of making sales if used properly. With direct mail marketers can target their customers based on demographics, education and profession or buying patterns. It refers to catalogues, advertisements and other unsolicited material delivered by mail to homes or offices of prospective customers.

### **b/ Channels of Direct Marketing:**

**1/ Direct Mail:** Direct mail can be an effective method of making sales if used properly. With direct mail marketers can target their customers based on demographics, education and profession or buying patterns. It refers to catalogues, advertisements and other unsolicited material delivered by mail to homes or offices of prospective customers.

Many companies promote their businesses by mailing in bulk to the chosen market segment. Databases of prospects are maintained and customers are divided into target groups based on certain criteria. For example, families having College going children will be targeted for educational loan schemes. Unaddressed direct mail can also be sent to whole neighbourhoods.

Direct mailing is used by all types of organizations though it is more likely to be used by political parties wishing to garner maximum votes. Non-profit organizations also use this method a great deal.

The concept of direct mail has been criticised for causing environmental damage as a majority of unsolicited mail is never even opened by the receiver and is just a mere waste of precious paper. It would be more beneficial if the companies send direct mails only to carefully chosen prospects instead of mailing them to everyone.

**2/ Email Marketing:** A method of direct marketing which uses email as a means to communicate with its audience. This is a very popular way of contacting potential buyers because it is relatively inexpensive to design, create and send an email to thousands of people at a time. It also enables marketers to measure and control the marketing efforts easily. Email marketing includes the following:

## Types of Marketing

- (1) Sending email to existing or previous customers to improve customer relationship and loyalty.
- (2) Emailing a chosen target audience with the intent of acquiring new customers.
- (3) Including advertisements of other companies in emails sent.

And Online Tools Used for Email Marketing:

**1/ Display Advertisements:** Interactive advertisements that the customers can click on to learn more about the company. These include static banners, pop ups, video and floating units.

**2/ Social Media Sites:** Marketers are increasingly making use of social networking sites like Twitter and Facebook for a two-way direct communication with customers.

**3/ Search Engine Optimisation (SEO):** Marketers use SEO to increase traffic to their site. Advertisers pay a lot to get prominent placement among listings in search engines whenever a potential customer enters a relevant search term. In this way advertisements are delivered to customers based upon their indicated search criteria.

**3/ Mobile Marketing:** It is the business of using mobile phones as a medium of marketing. It is a recent concept that has just begin to catch up over the past decade. Marketers connect with potential customers in an interactive manner through mobile devices such as mobile phones, iPhones, smartphones, etc. Types of mobile marketing:

**a/ Short Message Service (SMS):** Companies send text messages to their customers known as SMS. It is a very popular method of advertising in some parts of the world. The usage of mobile phones is increasing in developing countries and SMS marketing has become the most commonly used technique in mobile marketing industry.

**b/ Multimedia Message Service (MMS):** Multimedia messages have elements like audio, video and images. Newer mobile phones are equipped with a colour screen and technology for receiving and sharing multimedia messages.

**c/ Mobile Banner Advertisements:** These are web advertisements that are specially designed to fit on a mobile phone screen and run on mobile content network.

**d/ Mobile Applications:** There are various applications that are embedded in mobile phones. Interactive advertisements may appear inside mobile applications.

**e/Location Based Services (Lbs):** Some mobile phone networks offer LBS to send custom information to mobile phone subscribers based on their current location.

**f/ Telemarketing:** Telemarketing is one of the most common forms of direct marketing in which marketers contact customers by phone. Salespersons may personally call people and interact with them over the phone in order to make a sale or to get contacts of other prospects who might be interested. Telemarketing also includes recorded sales pitches that are played over the phone via automatic dialing.

## **VI. Relationship Marketing (RM):**

### **1. Definition of Relationship Marketing:**

RM is basically an offshoot of marketing function which emphasizes on customer retention and satisfaction. This aims at long-term relationship between buyer and seller with the goal of better services. According to Berry and Leonard (1983), relationship marketing can be applied when there are competitive product alternatives for customers to choose from; and when there is an ongoing and periodic desire for the product or service.

In the nutshell, we can say that relationship marketing is to build and maintain a base of committed customers who are profitable for the organization. Basic reason behind so much of stress on Relationship Marketing is that a long-term customer is less likely to switch over to other brand or product.

Also, long-term relationship with customers acts as free mouth publicity of the organization's products and services. This not only helps in smoother interaction between employees and customers but also makes employees' job easier.

Dawkins and Reichheld (1990) suggest that, relationship marketing focuses on four major activities – customer valuation, customer retention measurement, identifying reasons for defection and develop a corrective plan.

Christopher et al. (1991) look at relationship marketing as a “tool to turn current and new customers into regularly purchasing clients and then progressively move them through being strong supporters of the company and its products to finally being active and vocal advocates for the company”.

As mentioned in the book by Mohamed and Sagadecan (2002) an organization has to have a strategic approach towards relationship building programme. Such a strategy depends upon internal as well as external factors like nature of business, its size, and its market share, nature of product, product type, and volume of sale, geographic concentration, socioeconomic status and life style of customers.

Some of the strategic initiatives towards implementation of relationship management programme, generally used in combination are: People, Process, Product, Organization (top management), service standards, concentration on competitors, customer analysis, cost analysis, buying patterns, customized services, attention to changing requirements of the customers, training to service providers, incentive for customers, total care programme and building switching barriers.

Both the stakeholders, i.e. customers as well as the firms are in win- win situation through relationship marketing.

**2. Some of the benefits to customers are as follows:**

- 1/ Sense of confidence and trust in the supplier/service provider .
- 2/ Sense of personal relationship and familiarity .
- 3/ Special treatment by the suppliers/service providers.

On the other hand, the firms also get some benefits out of this long- term relationship.