



GOVERNMENT COLLEGE FOR GIRLS, LDH

ISSUES IN MARKETING IN DEVELOPING ECONOMY

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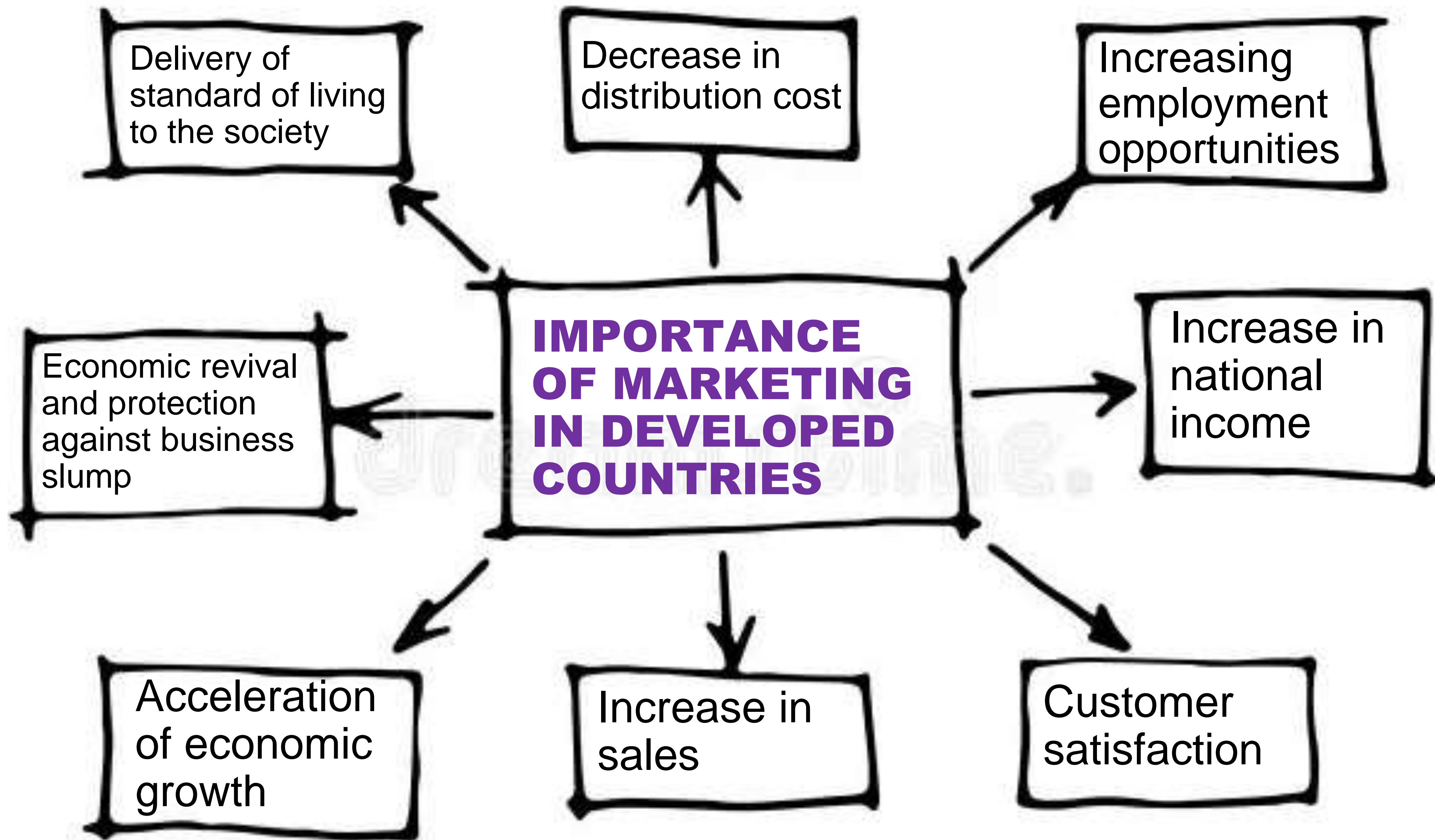
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INTRODUCTION

- Marketing is pivotal to the developing countries as it helps to maintain economic stability in such countries by maintaining a stability between production and consumption. There is need for trust value and product transparency. Emerging trends such as big data, social media, social com, provide new opportunities to attract customers. The new technologies leverage these innovations to create personalised consumer experiences as part of communication strategies. It also creates a sustainable competitive edge for their business . The developed countries have benefited from the performance of their marketing activities which in turn helped to boost the economy.

DEFINITION: “marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products and services of value freely with others.”





Delivery of standard of living to the society

Decrease in distribution cost

Increasing employment opportunities

IMPORTANCE OF MARKETING IN DEVELOPED COUNTRIES

Increase in national income

Economic revival and protection against business slump

Customer satisfaction

Increase in sales

Acceleration of economic growth

PROBLEMS OF MARKETING IN DEVELOPING COUNTRIES

Low
marketing
education

Preferences
for foreign
products

Low patronage for
non essential
products and
services

High cost of
production

Inadequate
infrastructure

Few competitive
opportunities

Over
regulation of
business by
government

PROSPECTS

OF MARKETING IN DEVELOPING ECONOMIES

- GROWING POPULATION
- ABSENCE OF COMPETITION AND UNEXPLORED MARKETS
- ATTRACTIVE GOVERNMENT INCENTIVES
- GROWING AFFLUENCE
- AVAILABILITY OF CHEAPER PRODUCTION INPUTS
- RAPID ECONOMIC DEVELOPMENT

Emerging issues in marketing

New technologies are continuously emerging and it becomes difficult for marketers to choose the appropriate technique. Today marketers address people's needs in the near future they will anticipate it. There are many trends like green marketing, direct marketing, online marketing etc and all these have different issues and there are some ethical issues too.

Green marketing

INTRODUCTION

The idea of Green Marketing came into existence during the 1980's as a result of environment degradation. Today the need for Green Marketing has heightened as environmental issues facing the world has become more pronounced.

Green Marketing is helpful in educating customers about the benefit of using natural and organic products which is good for them and environment.

Some common examples: use of natural resources, use recycling, reduce plastic etc.



What is Green Marketing?

MEANING :Green marketing refers to the practice of promoting products or services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced and/or packaged in an eco-friendly way. For eg. LED bulbs (uses less electricity).Green marketing uses the 4 elements of marketing mix to sell products and services offering superior environmental benefits in form of reduced waste, increased energy efficiency etc.



Eco- Friendly Products

Offering products that are environmentally friendly and sustainable is an effective green marketing strategy.



Biodegradable Packaging

Using biodegradable packaging materials, such as paper or plant-based plastic can help reduce waste .

Importance of Green Marketing

01

Helping the Environment

- Promoting eco-friendly products and practices to reduce environmental impact. For eg. Using reusable bottles instead of single use plastic

02

Meeting Consumer Demand

There is a growing demand for eco-friendly products and services. It's all about giving people what they want while also being kind to the planet

03

Building a Positive Brand Image

Enhancing reputation by showcasing commitment to sustainability.

04

Differentiating from competitors

Standing out by offering unique eco-friendly solutions

05

Cost Savings

Implementing eco-friendly practices can lead to cost savings in the long run. For example, a company may invest in energy-efficient technologies and equipment

Green Products

The products those are manufactured through green technology and that cause no environmental hazards are called Green Products. Promotion of green technology and green Products is necessary for conservation of natural resources and sustainable development.

CHARACTERISTICS:

- Products those are originally grown.
- Products those are recyclable, reusable, and biodegradable
- Products with natural ingredients.
- Products that will not be tested on animal
- Products that do not harm or pollute environment.

Five golden rules of green marketing

01

To know who your customers are

If you want to sell a greener product to consumers, you need to make sure that the consumer is aware of and concerned about the issues that your product attempts to address.

02

Educate and empower

Educate consumers about the importance of sustainable choices and provide them with resources to make informed decisions. For example, A clothing brand sharing tips on how to care for and extend the lifespan of garments

03

Use eco-friendly packaging

For example, a company could use biodegradable packaging for their products to reduce waste and make a positive impact on the environment

04

Being Transparent

Customers have the right to know about the product and its environmental impact. It's important to educate them about the reasons and benefits of going eco-friendly.

05

Green pricing

Eco-friendly products can be more expensive, but it's important to make them affordable and ensure customers believe in their value.

Marketing P's In Green Marketing

1. Product

In green marketing, the focus is on creating and promoting eco-friendly products, such as organic food, biodegradable packaging, etc.

2. Price

Price is important in green marketing. Eco-friendly products may cost more, but their environmental benefits and long-term value justify a premium price.

3. Place

Make eco-friendly products accessible through sustainable channels and locations where environmentally conscious consumers shop.

4. Promotion

Companies can use various marketing strategies to promote their green products. This can be done through social media, eco-influencers, and by emphasizing the environmental benefits in ads.

Examples of Green Marketing

1. *Starbucks:*

Starbucks has been a sustainability champion since the early 2000s. They donate millions to renewable energy development and environmental programs. They use disposable cups, plastic-free packaging, and green materials to reduce waste. They're also working on more eco-friendly procedures to save water and energy.



2. *The Body Shop:*

The Body Shop is a cosmetics company that has transformed its marketing strategy around its commitment to cruelty-free testing and environmental initiatives. They also address important social concerns like farmers' rights, human rights, women's rights, and domestic violence. Additionally, The Body Shop is working towards a future powered by 100% renewable energy. They've made significant efforts to create green and sustainable products.



Challenges Of Green Marketing

1. Need for Standardization

2. It is found that only 5% of Green campaigns are entirely true and there is lack of standardization to authenticate these claims. Some regulatory bodies or a standard control board need to be in place for such labelling and licencing

2. New concept

Literates and urban consumers are getting aware about the merits of green Products, but still it is a new concept for masses. By India's Ayurvedic Heritage, Indian consumer do appreciate the importance of using natural and herbal beauty products.

3. Patience and Preservance

The investors and corporate need to view the Environment as a major long term Investment opportunity, the marketers need to look at the long-term benefits from this new green movement. It will require a lot of patience and no immediate results.

4. Avoiding Green Myopia

The first rule of green marketing is focusing on customer benefits. It is not going to help if a product is developed fully green in various aspects but doesn't pass the customer satisfaction criteria. This will lead to Green Myopia.

DIRECT MARKETING

Direct marketing is a type of marketing that involves communicating directly with customers and potential customers in order to promote products and services. Direct marketing can be conducted in various ways, including email, text messages, catalogs, phone calls, and direct mail. Direct marketing works best for products that have a wide appeal and may be interesting to the general public.

DEFINITION: According to direct marketing association, “Direct marketing is an interactive marketing system that uses one or more advertising media to effect measurable response and transaction at any location.”



GROWTH OF DIRECT MARKETING

Several factors had contributed to the rapid growth of direct marketing in the recent past. **First**, changing lifestyle is an important factor is the acceptance of direct marketing among consumers. The number of women working outside the home increased. **Another factor** contributing to the growth of direct marketing was increased cost associated with personal sales calls. The growth of technology in general and of computer based technology in particular have also played an important role in many areas of direct marketing. **External factors** include the rising cost of gasoline, at home shoppers use less gasoline and reduce environmental pollution, the availability of toll- free telephone number, the expanded use of credit cards, the low cost of data processing and the widespread availability of mailing lists.

CHANNELS FOR DIRECT MARKETING



ESSENTIALS OF DIRECT MARKETING



Target
your ideal
customers

Create
new
business

Improve
customers
loyalty

Increase
sales to
current
and lapsed
customers

Market on
a budget

TRADITIONAL MARKETING DIFFERENT FROM DIRECT MARKETING

TRADITIONAL MARKETING

- Traditional marketing is mass marketing.
- It deals with the customers indirectly.
- It's a one way activity.
- It's relies heavily on marketing channels.
- It's relies heavily on advertising.
- Sells a product or service in future.
- Creates potential awareness.

DIRECT MARKETING

- DM is de-massified marketing, it deals with customers one-to-one.
- It deals with customers directly.
- DM is interactive marketing, with two way communication between the firm and each one of the customers.
- It's channel less.
- DM does not involve advertisement.
- Sells a product or service now.
- Highly functional message with the immediate impulse response as its end goal.

Introduction to Online Marketing

Also Known as

- Digital marketing
- Web Marketing
- Search Marketing
- E Marketing
- I marketing (Internet marketing)

Marketing of Products or Services
Over internet in Online Marketing

INTRODUCTION

Online marketing /internet marketing is a form of marketing and advertisement which uses the internet to deliver promotional marketing messages to consumers. The internet marketing enables to carry out marketing activities that range market research to improving customer services

DEFINITION

- An online marketing channel is one that a person can reach via computer and modem

~PHILLIP KOTLER

Online marketing refers to a set of powerful tools and methodologies used for promoting products and services through the internet .
Internet marketing refers to advertising and marketing efforts that use the web and email to drive direct sales via electronic commerce, in addition to sales leads from web sites and emails

CHARACTERISTICS

PROCESS

ONLINE

RELATIONSHIP
BUILDING

EXCHANGE

GOAL
SATISFACTION

BENEFITS OF ON-LINE MARKETING

Some of the benefits of online marketing and advertising are highlighted as under :-

1. Broad and global reach
2. Highly adaptable to multitasking
3. Residual and continuity effect
4. All hour based marketing
5. Internet marketing is cost-effective
6. Internet marketing is time-effective
7. Convenient, easy and quick service delivery
8. Follow up and after sales relationship
9. Advertising to target market
10. Instant transaction execution with digital payment service
11. Customers data collection and personalization



ONLINE MARKETING CHANNELS

- **DISPLAY ADVERTISING:** Display advertising conveys its advertising message visually using texts, logos, animation, videos, photographs or other graphics. Display advertise frequently target users with particular traits to increase the ads effect. Online advertise (typically through their ad serves) often use cookies, which are unique identifiers of specific computers, to decide which ads to serve to a particular consumers. Cookies can track whether a user left a page without buying anything, so the advertiser can later retarget the user with ads from the site the user visited
- **WEB BANNER ADVERTISING:** Web banners or banner ads typically are graphical ads displayed within a web page. Many banner ads are delivered by a central ad server . Banner ads can use rich media to incorporate video, audio , animation, buttons , forms or other interactive elements using java applets, HTML5 , adobe flash, and other programs
- **NEWS FEED ADS:** “News feed ads” , also called “sponsored stories”, “boosted posts” , typically exist on social media platforms that offer a steady stream of information updates (news feed) in regulated formats (i.e. in similar sized small boxes with a uniform style) for ex: facebook’s “sponsored stories” , linkedin’s “sponsored updates” and twitter’s “promoted tweets”

- **TEXT ADS:** A text ad displays a text-based hyperlinks. Text based ads may display separately from a web pages's primary content , or they can be embedded by hyperlinking individual words or phrases to advertiser's websites. Text ads may also be delivered through email marketing or text message marketing
- **SEARCH ENGINE MARKETING(SEM):** Search engine marketing or SEM , is designed to increase a websites's visibility in search engine results pages (SERPs) . Search engines provide sponsored results and organic (non-sponsored) results based on a web searcher's query.
- **SPONSORED SEARCH:** Sponsored search (also called sponsored links,search ads,or paid search) allows advertise to be included in the sponsored results of a search for selected keywords. Search ads are often sold via real-time auctions, where advertisers bid on keywords.in addition to setting a maximum price per keyword,bids may include time, language , geographical, and other constraints.
- **SOCIAL MEDIA MARKETING:** Social media marketing is the use of social media platforms to connect with the audience to build the brand, increase sales and drive website traffic . This involves publishing great content on the social media profiles, listening to and engaging the followers, analyzing the results and running social media advertisements. The major social media platforms are facebook, Instagram , twitter, linkedin , pinterest, youtube and snapchat. Many companiens promote their products by posting frequent updates and providing special offers through their social media profiles

I. STARTERGY

II PLANNING AND PUBLISHING

III. LISTENING & PUBLISHING

IV. ANALYTICS & REPORTING

v. ADVERTISING

MOBILE ADVERTISING: Mobile advertising is ad copy delivered through wireless mobile devices such as smartphones , feature phones, or tablet computers . Mobile advertising may take the form of static or rich media display ads, SMS or MMS ads, mobile search ads, advertising within mobile websites or ads within mobile applications or games. The interactive advertising Bureau predicts continues growth in mobile advertising with the adaptation of location based targeting and other technological features not available or relevant on pc in July 2014 facebook advertising revenue for the June 2014 quarter of 2.68 billion, and increase of 67 percent , an increase of 41 percent on the previous year.



EMAIL ADVERTISING: Email advertising is ad copy comprising an entire email or a portion of an email message . Email marketing may be unsolicited , in which case the sender may give the recipient an option to opt out of future emails or it may be sent with the recipient's prior consent (opt-in)

CHAT ADVERTISING: AS opposed to static messaging , chat advertising refers to real time messages dropped to users on certain sites. This is done by the usage of live – chat software or tracking application installed within certain websites with the operating personnel behind the site often dropping adverts on the traffic surfing around the sites . In reality this is a subset of the email advertising.

ONLINE MARKETTING PROCESS

- 1. DESIGNING THE WEB MARKETING TOOL BOX:** This decision is concerned with the designing of the website of the company for the purpose of marketing
- 2. DESIGNING THE WEB ADDRESS:** The address of the web page or web site must be carefully set. It must not be too long nor too short.
- 3. PRESENSE IN SEARCH ENGINES:** The web must be entered to search engine to that the web visitors can find to access the company
- 4. ADVERTISING THE WEBSITE:** In order to make the website know to all, it must be properly advertised to make it popular to the people
- 5. MONITORING AND UPDATING:** Once the website is successfully launched on the internet then it must be observed and monitored regularly to meet the changing needs of the company

CONCERNS OF ONLINE MARKETING

- **SECURITY CONCERNS:** According to a US Senate investigation ,the current state of online advertising endangers the security and privacy of users
- **FRAUD ON THE ADVERTISER :** There are numerous ways that advertisers can be overcharged for their advertising for eg:click fraud can occur when a competitor clicks on ads to deplete its rival's advertising budget or when publishers attempt to manufacture revenue.
- **AD-BLOCKING:** AD-blocking or ad filtering means the ads do not appear to the user because the user uses technology or screen out ads. Approximately 9% of all online page views come from browsers with ad-blocking software installed, and some publishers have 40% plus of their visitors using ad-blockers .
- **PRIVACY CONCERNS :** The collection of user information by publishers and advertisers has raised consumers concerns about their privacy. 60% of internet users would use DO NOT track technology to block all collection of information if given an opportunity . Over half of all GOOGLE and FACEBOOK users are concerned about their privacy when using google and facebook

- **TRUSTWORTHINESS OF ADVERTISERS:** Scammers can take advantage of consumers' difficulties verifying an online persona's identity, leading to artifices like phishing (where scam emails look identical to those from a well-known brand owner)
- **REGULATION:** In general, consumer protection laws apply equally to online and offline activities. However, there are questions over which jurisdiction's laws apply and which regulatory agencies have enforcement authority over trans-border activity. As with offline advertising, industry participants have undertaken numerous efforts to self-regulate and develop industry standards or codes of conduct.

SOCIAL MARKETING AND BUSINESS ETHICS

MEANING:- It is an approach used to develop activities aimed at changing people's behaviour for the benefit of individuals and society as a whole. The PRIMARY AIM of social marketing is "SOCIAL GOOD."

DEFINITION:- SOCIAL MARKETING is the use of commercial marketing principles and techniques to improve the welfare of people and the physical, social and economic environment in which they live. It is a carefully planned, long-term approach to changing human behaviour.

Social Marketing



DIFFERENCE BETWEEN SOCIAL AND COMMERCIAL MARKETING

	Commercial marketing	Social marketing
Type of product	Selling goods and services	Selling behaviour change
Motivation	Organisational goals (usually financial goals)	Social good
Returns are to?	Benefits are to the shareholder	It is the society that benefits
Level of involvement of consumer	Usually much lower	Much higher
Competition	Organizations with same business are competitors	Organizations with similar goals are generally potential allies Audience's current or preferred behaviour and associated benefits
Time frames	Short	Much longer
Nature of offering	Positive	Sometimes negative
Research	No need of intensive research	Intensive research needed

Though challenges exist, social marketing is a tested effective tool in bringing about a planned social change.²¹

The aim of this article is to discuss social marketing its benchmarks and implementation wheel, scope in

ETHICS IN MARKETING

Ethics are the moral principles and values that govern the actions and decisions of an individual or group. In a business setting ,being ethical means applying principles of honesty and fairness to relationships with co-workers and customers.

“ETHICAL MARKETING IS ABOUT MAKING MARKETING DECISIONS THAT ARE MORALLY RIGHT.”

MAIN ASPECTS OF ETHICAL MARKETING

SAFETY

HONESTY

TRANSPARENCY

**ETHICAL
PRICING**

**RESPECTING
CUSTOMER
PRIVACY**

THE VARIOUS UNETHICAL MARKETING PRACTICES ARE:-

MAKING FALSE,
EXAGGERATED,
OR UNVERIFIED
CLAIM

DISTORTION OF
FACTS TO
MISLEAD
POTENTIAL
BUYERS

CONCEALING
SIDE EFFECTS OF
PRODUCTS OR
SERVICES

CRITICISING
RIVAL PRODUCTS

USING FEAR
TACTICS

PLAGIARISM OF
MARKETING
MESSAGES

EXPLOITATION

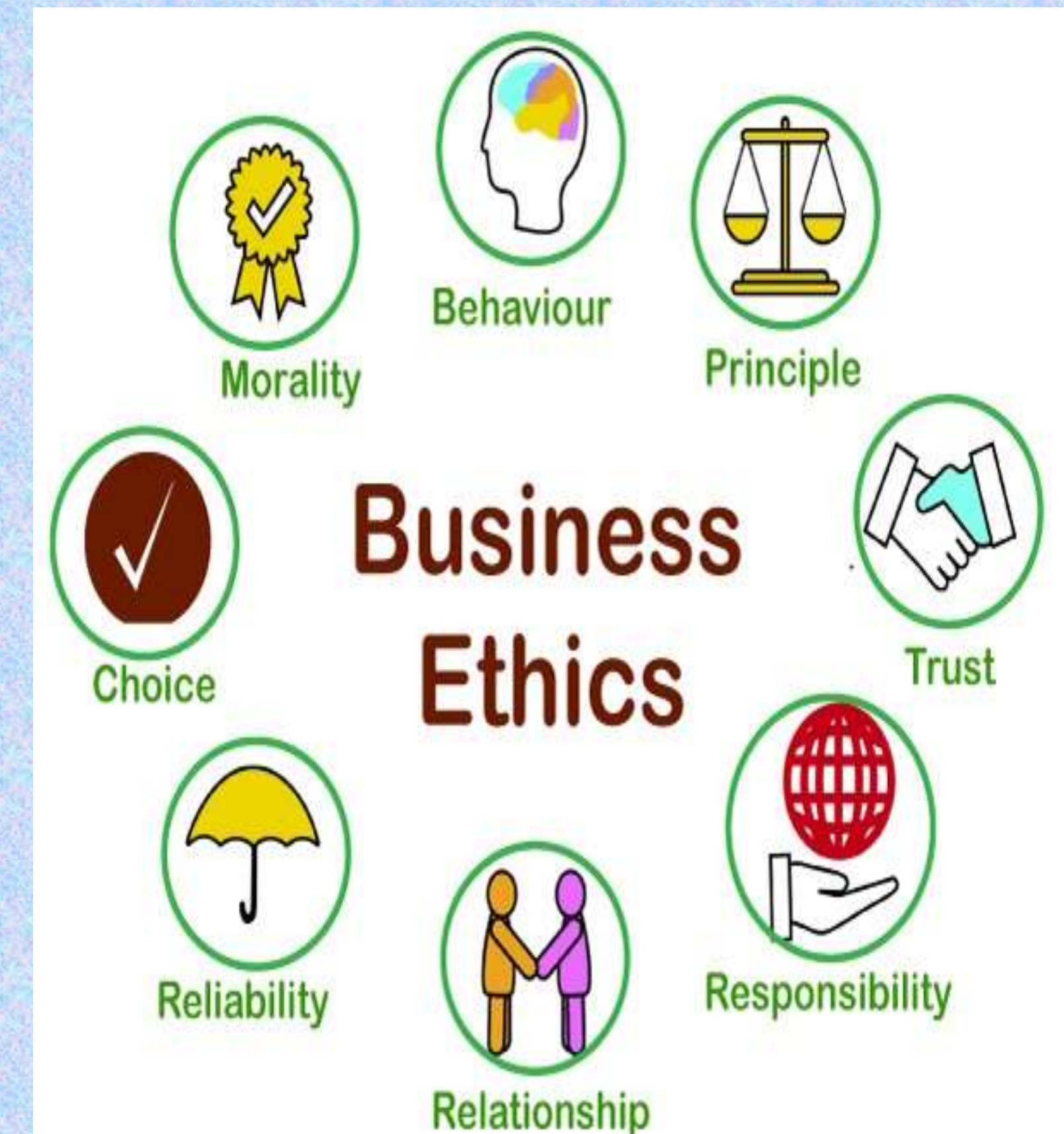
DISCRIMINATING
PEOPLE OF
DIFFERENT
RACES,AGE,SEX

SPAMMING

SHOWING
GESTURES FOR
MAINTAINING
PUBLIC
RELATIONS

IMPROVING ETHICAL BEHAVIOUR IN MARKETING

- ❑ *Providing employees with ethics training and follow up support throughout the organisation.*
- ❑ *Imposing penalties and punishment for those who violate codes of conduct.*
- ❑ *Conducting of programmes to encourage ethical decisions.*
- ❑ *Improving the organisations ethical standards.*
- ❑ *Appointing ethics officers to review and modify the code of conduct.*



THANK

YOU