

Marketing

Global Marketing and Relationship Marketing

Global Marketing

- Why?
 - The **world** is a **small** village (communications)
 - Local market **saturation**
 - Economies of **scale** (larger customer base)

Global Marketing-The Environment

- INTERNAL
 - Cultural Environment [on customer and business levels]
 - Norms, rituals, etc.
 - Beliefs (e.g. religion)
 - Political/legal Environment
 - Governments' values
 - Political stability
 - Economic Environment
 - Income distribution
 - Economic structure (industrial/agricultural)
 - Employment levels



Global Marketing-The Environment

- EXTERNAL
 - International Trade systems
 - GATT
 - EU
 - NAFTA



The Global Marketing Mix

- Standardization v. Adaptation
- ↓
- Mass Customization

- Product (width-depth)
- Price (psycho-econ)
- Promotion (soft-hard)
- Place (distribution) (ECR)



RM v. TM



v.



Relationship Marketing (RM)

- Definition:**
 Marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by a mutual exchange and fulfillment of promises (Gronroos, 1994)
- Transaction marketing (TM):**
 Marketing is a social and managerial process whereby individuals and groups obtain what they need and want through creating and exchanging products and value with others. (Armstrong et al, 2004)

Paradigms operational differences

Strategy	RM-Human	TM-Mechanical
Approach	Networking	Transactions
Dominating marketing function	Interactive marketing (supported by the marketing mix)	Marketing Mix
Time perspective	Long term	Short term
Flexibility	Dynamic parts (multi way)	Static parts (one way)
Research	Qualitative-continuous-action [Understand & respond]	Quantitative-ad hoc-desk [inform & respond]
Objective	Retention (life-time value)	Acquisition (volume-customer unit value)
Internal marketing	Central focus: organization/s	Marginal focus: marketing department

TM-RM continuum

