

MARKETING MANAGEMENT

UNIT-1

PART-XVII

THE MARKETING ENVIROMENT-II

Marketing environment can also be classified into controllable forces, and uncontrollable forces.

Controllable Forces

These consist of marketing policies and marketing strategies. Marketing policies are framed by the firm depending on its marketing philosophy. The top management is responsible for framing the broad policies-taking into consideration the line of business and integrating all business functions (production, finance, personnel, etc.) to marketing, overall objectives and the firm's own culture. Marketing strategies are developed by middle-level management who are having rich experience in the field.

The selection of target market involves two considerations: whether a product is intended for all market (Mass Marketing Concept) or for a selected market only (Market Segmentation Concept). In addition, the marketer should also be familiar with problems posed by changing qualitative factors of the target market, viz, children-grownups, male-female, affluent-middle class, etc. All these factors create impacts on the controllable elements and a firm has to be adaptive to such factors. Marketing objectives should aim at creating a differential advantage over competing products. "Me too" philosophy offers no reason for consumers to select a particular product offering over a competitor. Similarly, marketing organisation has to be shaped in such a way that objectives of the firm in the market place could be shaped in such a way that objectives of the firm in the market place could be satisfied. Marketing mix elements are the tools often used to harmonize the internal variables with that of external variables. For instance, the packaging revolution has found innovative a product

to capture rural markets where the disposal income is comparatively low compared to urban counterparts. Shampoos in sachet for one time use proves this point. The controllable forces are well within the grip of the firm and comparably easy to adjust them to suit the changes. These factors are combined into what we have referred to earlier as Marketing Mix. For example, if the price appears to be on the higher side a decision to reduce it for a short-term or even a long-term is possible and could be implemented as quickly as possible. 'Off-season prices' or discounts are examples in this connection.

Uncontrollable Force

Various elements called uncontrollable variables affect an organisation and its marketing efforts. It is now recognised by all that even a well-conceived marketing plan may fail if adversely influenced by uncontrollable factors. Therefore, the external environment must be continually monitored and its effects incorporated into marketing plans. This may call for even preparing contingency plans. The uncontrollable factors are not that vulnerable to easy adjustments. One reason is that there are numerous factors involved and they exert pressure for change individually and jointly to provide the frame of reference within which marketing decisions are to be made. Secondly the controllable variables (marketing mix elements) will have to be filtered through various uncontrollable environmental factors before they reach the consumers. As afforested, these factors and their effective composition is decided and determined by the firm in general and by the top management in particular. (Technically, these processes are called Marketing Planning, Strategy Formulation, etc.) Contributions of these factors result in an overall marketing strategy or offering. But the acceptance of the offering depends on the intensity of impact caused by uncontrollable factors on the offering. The offering of the firm and the impact of the uncontrollable environment interact to determine the firm's level of success or failure in reaching its objectives.