

**ALLAMA IQBAL OPEN UNIVERSITY ISLAMABAD  
(Department of Business Administration)**

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**MARKETING THEORY & PRACTICE (5534)**

**CHECKLIST**

**SEMESTER: AUTUMN 2013**

This packet comprises the following material:

1. Text Book
2. Course Outline
3. Assignment No.1 and 2
4. Assignment Forms (two sets)
5. Tutorial Schedule

If you find anything missing, in this packet, out of the above mentioned material, please contact at the address given below:

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**WARNING**

- 1. PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
- 2. SUBMITTING ASSIGNMENTS BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

- Instructions:** To answer each question please pursue the following guidelines:
- Review the literature to develop your understanding about the topic.
  - Find the practical examples from authentic sources
  - Build up arguments to support your conclusion
  - Use Internet and Library sources to enrich your answers
  - To maintain your academic integrity and honesty please integrate source material. There are basically three ways to integrate source material into your writing. You may;
    - o Quote it.
    - o Paraphrase it.
    - o Summarize it.
  - Late assignments will not be entertained
  - All questions carry equal marks.

**Course: Marketing Theory and Practice (5534)**  
**Level: MBA**

**Semester: Autumn 2013**  
**Total Marks: 100**  
**Pass Marks: 50**

**ASSIGNMENT No. 1**  
**(Units: 1–5)**

- Q. 1 (a) Define and describe the holistic marketing concept and its components. For an organization of your choice, how can you provide that it has adopted the holistic marketing concept? Develop appropriate marketing objectives for this organization. **(10)**
- (b) Select a business organization and describe its competitive environment for the products or services. What are the implications of this for the selected organization? **(10)**
- Q. 2 (a) Explain what are the possible conflicts between marketing and other functional areas and why? How can these conflicts be reduced or avoided? **(10)**
- (b) What factors can be used to classify non-profit marketing? Select two organizations, a non-profit and a profit-oriented organization, and describe the similarities and differences in their marketing efforts. **(10)**
- Q. 3 (a) Select two organizations of your choice, and compare and contrast their new product planning process. **(10)**

- (b) Identify a product in the market that has been in existence for 20 or more years and explain why it has been successful for so long. (10)
- Q. 4 On the basis of your learning from this course develop a framework of evaluation of packaging. Evaluate recent package redesigns of three products of your choice using the framework. (20)
- Q. 5 (a) If demand determines the price ceiling and cost determines the price floor, what is the role of competition in pricing? (10)
- (b) What is the logic behind break-even analysis? Explain with examples the limitations of break-even analysis. (10)

## **ASSIGNMENT No. 2**

### **Total Marks: 100**

This assignment is a research activity. You are required to visit any business/ commercial organization and study their marketing system as a whole or marketing of a product and prepare a research report of about 15 to 20 pages on one of the topics given below. To avoid duplication, you are required to select the topic according to the last digit of your role number. For example, if your roll number is I-342718 then you will select topic # 8 from the list given below (last digit).

#### **Topics**

1. Marketing research
2. Market segmentation
3. Consumer behaviour
4. Product planning
5. Pricing strategies
6. Wholesaling
7. Retailing
8. Integrated marketing communication
9. Marketing of services
0. International marketing

The assignment should be developed on the following format:

- Introduction
- Review of literature
- The data collection
- Data analysis
- Conclusion and recommendations
- References
- Annexes

#### **Guidelines for the submission of assignments**

You are required to prepare two copies of 2<sup>nd</sup> assignment. Submit one copy to your tutor/ teacher for evaluation and the second copy for presentations in the workshop in the presence of the resource person and classmates, which will be held at the end of the semester prior to the final examination.

## **MARKETING THEORY & PRACTICE**

### **Code No. 5534**

**Course Title:** Marketing Theory & Practice  
**Code No.:** 5534  
**Level:** MBA  
**Prerequisite:** Student should have qualified Bachelors Degree in any discipline and have good communication skills in English language.  
**Credit:** Half credit (AIOU System) = 3 credits in formal system

#### **Introduction to the course**

Marketing helps organize the resources of an organization to meet the changing needs of customers on whom the organization depends. As a verb, marketing is all about how an organization addresses its markets? Marketing is more about a way of thinking than a series of prescriptive rules (Palmer, 2004). This course provides an introduction to the theory and practice of marketing beginning with the underlying theoretical bases which are often borrowed from the disciplines of economics, sociology, and psychology. The contents will cover concepts related to marketing planning, marketing information system, product development and management, pricing, distribution management and promotional strategies. Challenges posed by global marketing and developments in the information technology are also reflected in the course. The course will provide an opportunity to the students to relate marketing theory with practice. During the learning process students will be engaged in experiential learning and encouraged to use variety of sources to enrich their knowledge about the marketing discipline.

#### **Course objectives**

After completing this course, you should be able to:

- Define Marketing and differentiate between marketing and selling
- Explain how to identify the target markets?
- Describe the process of Marketing Mix
- Formulate marketing strategies
- Develop a plan for implementing marketing strategies
- Justify the need and importance of digital marketing

#### **Brief Outline**

Unit 1 Introduction to Marketing  
Unit 2 Understanding and Targeting Customers  
Unit 3 Product, Branding, Packaging and Service Decisions  
Unit 4 Pricing  
Unit 5 Distribution  
Unit 6 Promotion  
Unit 7 Competition and Marketing  
Unit 8 Marketing Implementation  
Unit 9 Digital Marketing

## **MARKETING THEORY & PRACTICE**

### **Course Outline (MBA-5534)**

#### **Unit 1 Introduction to Marketing**

- 1.1 The Field of Marketing
  - 1.1.1 The marketing concept
  - 1.1.2 The scope of marketing
  - 1.1.3 Philosophical foundations of marketing

- 1.1.4 Limitations of the marketing concept
- 1.1.5 Marketing process
- 1.1.6 Marketing challenges
- 1.2 The Marketing Environment
  - 1.2.1 Macro environment of the company
  - 1.2.2 Micro environment of the company
  - 1.2.3 An organization's internal environment
  - 1.2.4 Environmental scanning
- 1.3 Planning Marketing
  - 1.3.1 Nature and scope of planning
  - 1.3.2 Process of market planning
  - 1.3.3 Strategic company planning and marketing planning
- 1.4 Marketing Ethics and Corporate Social Responsibility
  - 1.4.1 Criticisms of marketing
  - 1.4.2 Responses to criticisms
  - 1.4.3 A Societal orientation in marketing

## **Unit 2 Understanding and Targeting Customers**

- 2.1 Consumer Markets and Consumer Buying Behavior
  - 2.1.1 Dimensions of buyer behaviour
  - 2.1.2 Influences on consumer behavior
  - 2.1.3 The buyer decision-making process
  - 2.1.4 Types of buying-decision behaviour
- 2.2 Business Markets and Business Buyer Behavior
  - 2.2.1 Types of business markets
  - 2.2.2 Dimensions of business buyer behavior
  - 2.2.3 Influences on business buyers
  - 2.2.4 Business buying process
  - 2.2.5 Institutional and government markets
- 2.3 Segmenting Markets, Targeting and Positioning
  - 2.3.1 Market segmentation and its role in developing marketing strategy
    - 2.3.1.1 Defining markets
    - 2.3.1.2 Why segment markets?
    - 2.3.1.3 Criteria for effective segmentation
    - 2.3.1.4 Bases for segmenting consumer and business markets
    - 2.3.1.5 Evaluating market segments
  - 2.3.2 Targeting strategies
  - 2.3.3 Positioning strategies
- 2.4 Marketing Research and Information Systems
  - 2.4.1 Importance of marketing research
  - 2.4.2 Approaches to conducting marketing research
  - 2.4.3 Marketing research process
  - 2.4.4 Role of marketing information systems
  - 2.4.5 Components of marketing information system

## **Unit 3 Product, Branding, Packaging and Service Decisions**

- 3.1 Product Planning and Development
  - 3.1.1 Defining a product
  - 3.1.2 Classification of goods
  - 3.1.3 Importance of product innovation and development of new products
  - 3.1.4 Organizing for product innovation
  - 3.1.5 New product development process
  - 3.1.6 Customer adoption process
  - 3.1.7 Strategic issues in expending the product range

- 3.2 Product-Mix Strategies
  - 3.2.1 Product line and product mix
  - 3.2.2 Product-mix strategies
  - 3.2.3 The concept of product life cycle
  - 3.2.4 Planned obsolescence and fashion
- 3.3 Brands, Packaging and other Product Features
  - 3.3.1 The benefits of brands
  - 3.3.2 Brand strategies
  - 3.3.3 Buying versus building brands
  - 3.3.4 Valuing brands
  - 3.3.5 Packaging and labeling
  - 3.3.6 Other image-building features
- 3.4 Services Marketing
  - 3.4.1 Nature and importance of services
  - 3.4.2 Classifying services
  - 3.4.3 Marketing mix for services
  - 3.4.4 Marketing in non-profit organization

#### **Unit 4 Pricing**

- 4.1 Pricing Objectives and Price Determination
  - 4.1.1 Nature and importance of price
  - 4.1.2 Pricing objectives
  - 4.1.3 Factors influencing price determination
  - 4.1.4 Assessing price competitiveness
- 4.2 Product Life Cycle Pricing
- 4.3 Psychological Pricing
- 4.4 Pricing Models
  - 4.4.1 Market-based pricing model
  - 4.4.2 The cost plus pricing model
  - 4.4.3 The value-based pricing model
- 4.5 Pricing Strategy and Break-Even Analysis
- 4.6 Pricing Strategy Decisions
  - 4.6.1 Discounts and allowances
  - 4.6.2 Geographic pricing strategies
  - 4.6.3 One price versus flexible prices strategy
  - 4.6.4 Skimming and penetration pricing
  - 4.6.5 Price and non-price competition
  - 4.6.6 Pricing for business buyers

#### **Unit 5 Distribution**

- 5.1 Retailing
  - 5.1.1 Role of intermediaries in a value chain
  - 5.1.2 Nature of retailing
  - 5.1.3 Retail locations
  - 5.1.4 Classification of retailers
  - 5.1.5 Issues and trends in retailing
- 5.2 Franchising
  - 5.2.1 Types of retail franchise
  - 5.2.2 Advantages and disadvantages of franchising
  - 5.2.3 Trends in franchising
- 5.3 Wholesaling
  - 5.3.1 Nature and importance of wholesaling
  - 5.3.2 Types of wholesalers
  - 5.3.3 Facilitating agencies

- 5.3.4 Trends in wholesaling
- 5.4 Channels of Distribution
  - 5.4.1 Types of distribution channels
  - 5.4.2 Selecting a channel of distribution
  - 5.4.3 Conflict and cooperation in distribution channel
  - 5.4.4 Legal issues in channel management
- 5.5 Management of Physical Distribution
  - 5.5.1 Nature and importance of physical distribution management
  - 5.5.2 The strategic use of physical distribution
  - 5.5.3 Major tasks in physical distribution management
  - 5.5.4 Ethical issues in distribution

## **Unit 6 Promotion**

- 6.1 The Promotional Programme
  - 6.1.1 Meaning and importance of promotion
  - 6.1.2 The communication process
  - 6.1.3 Determination of promotional mix
  - 6.1.4 Setting the total promotional budget
- 6.2 Managing Personal Selling
  - 6.2.1 Forces affecting sales
  - 6.2.2 Types of selling
  - 6.2.3 Nature and importance of personal selling
  - 6.2.4 Personal selling skills
  - 6.2.5 Sales management
  - 6.2.6 Evaluating a sales person's performance
- 6.3 Direct Marketing
  - 6.3.1 Defining direct marketing
  - 6.3.2 Reasons of growth in direct marketing activity
  - 6.3.3 Direct marketing tools
  - 6.3.4 The direct marketing process
  - 6.3.5 Nature and uses of database marketing
  - 6.3.6 Customer relationship management
  - 6.3.7 Media decision
  - 6.3.8 Ethical issues in direct marketing
- 6.4 Managing Advertising and Sales Promotion
  - 6.4.1 Nature and objectives of advertising
  - 6.4.2 Developing an advertising campaign
  - 6.4.3 Evaluating the advertising efforts
  - 6.4.4 Organizing for advertising
  - 6.4.5 Sales promotion
  - 6.4.6 Publicity and public relations

## **Unit 7 Competition and Marketing**

- 7.1 Competitive Forces in the Market Place
- 7.2 Competitors and Competitive Advantage
  - 7.2.1 Analyzing competitive industry structure
  - 7.2.2 Competitor analysis
  - 7.2.3 Competitive advantage
  - 7.2.4 Creating a differential advantage
  - 7.2.5 Creating cost leadership
- 7.3 Developing Competitive Marketing Strategy
- 7.4 The Nature of Competitive Behaviour
- 7.5 Developing Competitive Marketing Strategies
  - 7.5.1 Build strategy

- 7.5.2 Hold strategy
- 7.5.3 Niche strategy
- 7.5.4 Harvest strategy
- 7.5.5 Divest strategy

## **Unit 8 Marketing Implementation**

- 8.1 Implementation of Marketing Strategy and Performance Evaluation
  - 8.1.1 Internal marketing
  - 8.1.2 Developing implementation strategies
  - 8.1.3 Evaluating marketing performance
  - 8.1.4 Barriers to the implementation of the marketing concept
- 8.2 Marketing Organization
- 8.3 Marketing Control
  - 8.3.1 Principles of control
  - 8.3.2 Strategic control
  - 8.3.3 Operational control
  - 8.3.4 Benchmarking
- 8.4 International Marketing
  - 8.4.1 Domestic marketing and international marketing
  - 8.4.2 Deciding whether to go international
  - 8.4.3 Deciding which markets to enter
  - 8.4.4 Deciding how to enter a foreign market
  - 8.4.5 Developing international marketing strategy
  - 8.4.6 Organizing for international operations

## **Unit 9 Digital Marketing**

- 9.1 Defining Digital Marketing
- 9.2 Elements of the Digital Age
- 9.3 Digital Marketing and the Traditional Marketing Mix
- 9.4 Digital Marketing Planning
- 9.5 Digital Marketing Media
- 9.6 Organizational Competences for Digital Success
- 9.7 E-Commerce Domains
- 9.8 Conducting e-commerce
- 9.9 Challenges of e-commerce
- 9.10 Ethical Issues in Digital Marketing

### **Recommended Text Book**

Kotler, Philip and Armstrong, Gary (2005) *Principle of Marketing*, 11th Ed., Upper Saddle River, NJ: Pearson/Prentice Hall.

### **Additional Readings**

William J. Stanton, Charles Futrell, *Fundamentals of Marketing*, latest Ed.

Jobber, David (2007) *Principles and Practice of Marketing*, 5<sup>th</sup> Ed., Maidenhead: McGraw-Hill Education.

Ranchhod, Ashok (2007) *Marketing Strategies*, Financial Times Prentice Hall

Baker, M. J. (2006) *Marketing: An Introductory Text*, Helensburgh: WP

Jeromme E. McCarthy, William D. Perreault Jr. *Basic Marketing*, latest Ed.

