

A 3D rendering of a skyscraper with a sign that says "MARKETING". The sign is a dark blue rectangular block with the word "MARKETING" in white, bold, sans-serif capital letters. The skyscraper is a tall, slender building with many windows, rendered in a light blue and white color scheme. The background is a bright, clear sky. The overall style is modern and professional.

**MARKETING**

**TEXTBOOK**

**PRINCIPLES OF  
MARKETING**

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## Preface

Principles of Marketing textbook has been systematically compiled, covering the content of the course To be used as an important tool for undergraduate students to use in their teaching, and those who are interested in understanding the content

This textbook has divided the teaching content into 11 chapters, including basic knowledge of marketing. Marketing environment, products, prices, distribution channels promotion market segmentation target marketing and product positioning consumer behavior marketing strategy Marketing Ethics and online marketing. Contents compiled by the author are theoretical contents which aims to be the basis of undergraduate students in the science of business administration By trying to make it easy to read and understand able to understand by oneself in practice Should allow students to have the opportunity to gain direct experience from those who have direct experience or from study visits to create a concrete learning process

The author would like to thank the teachers for their efficiency in academic knowledge. Including all teachers who own documents, books, textbooks or other media that the author referred to This is for the sake of education. I hope that the textbook this marketing principle would be useful for teaching and learning as appropriate If you apply to have suggestions. The author welcomes comments and comments and would like to thank you for this opportunity.

**Assistant Professor Dr. Wiriya Boonmalert**

## Contents

	<b>Page</b>
Introduction	A
Contents	B
Table of contents	H
<b>Chapter 1    Fundamentals of Marketing</b>	<b>1</b>
The meaning of the market	1
Meaning of Marketing	2
The marketing concept	2
Green Marketing Concept	6
Electronic Marketing	8
Comparison of old - fashioned ideas	12
Marketing 1.0 2.0 3.0 4.0 and 5.0	16
The Importance of Marketing	20
Role of Marketing	21
Marketing Management	22
Marketing Activities	25
Factors in conducting marketing activities	26
Marketing Function	27
Marketing and adding value to products	35
Summarize	38
End of chapter questions	39
Reference	40
<b>Chapter 2    Marketing Environment</b>	<b>43</b>
Definition of Marketing Environment	43
The importance of the marketing environment	44
Components of the Marketing Environment	44
Marketing Analysis	50

## Contents

	<b>Page</b>
Opportunity Analysis SWOT Analysis	51
STP Step Analysis	52
Marketing Planning	53
Marketing Operations (Implementation)	53
Marketing Control	54
Summarize	56
End of chapter questions	57
Reference	58
<b>Chapter 3 Product</b>	<b>59</b>
Product Definition	59
Levels or components of the product	60
Type of product (Product classification)	61
Product Features	63
Product Mix	66
Brand	67
Label	69
Packaging	70
Product life cycle (PLC)	71
New Product Development	72
Summarize	76
End of chapter questions	77
Reference	78
<b>Chapter 4 Price</b>	<b>79</b>
Meaning of Price	79
General Characteristics of the Price	80
Price Setting Objectives	80

## Contents

	<b>Page</b>
Process of Setting the Price	81
Factors to consider when setting pricing	87
Factors affecting pricing	89
Pricing Policy and Strategy	89
Summarize	93
End of chapter questions	94
Reference	95
<b>Chapter 5    Distribution Channels</b>	<b>97</b>
Definition of distribution channel or Marketing Channel	97
Distribution Channel Functions	98
Components of a distribution channel	98
Types of distribution channels / Types of Marketing Channel	99
Number of Channel Levels	100
Number of Marketing Intermediaries	103
Retailing	104
Wholesale trade / Wholesaling	107
Physical Distribution or Logistics Management	109
Summarize	110
End of chapter questions	111
Reference	112
<b>Chapter 6    Promotion</b>	<b>113</b>
Definition of Promotion	113
Objectives of Promotion	114
Communication Process	114
Promotion Mix	115
Advertising	116

## Contents

		<b>Page</b>
	Sales Promotion	119
	Personal Selling	121
	Publicity and Public Relations	124
	Direct Marketing	128
	Summarize	134
	End of chapter questions	135
	Reference	136
<b>Chapter 7</b>	<b>Market Segmentation Target Marketing and Product Positioning</b>	<b>137</b>
	Definition of market segmentation target marketing and product positioning	137
	Market Segmentation	138
	Choosing a target market	142
	Market Segmentation Strategy	142
	Market Positioning	143
	Summarize	146
	End of chapter questions	147
	Reference	148
<b>Chapter 8</b>	<b>Consumer Behavior</b>	<b>149</b>
	Definition of Consumer Behavior	149
	Consumer Status	154
	The role of consumers	154
	Benefits of Studying Consumer Behavior	156
	Main characteristics of consumer behavior	156
	Analysis of Consumer Behavior	157
	Consumer Characteristics	160
	Factors that influence consumer decision making	162

## Contents

	<b>Page</b>
Model of Consumer Behavior	166
Consumer Decision Process	167
Summarize	169
End of chapter questions	170
Reference	171
<b>Chapter 9 Marketing Strategy</b>	<b>173</b>
Definition of Marketing Strategy	173
Elements of a marketing strategy	174
Application Marketing Strategy	178
Product Strategy	179
Pricing Strategy	179
Distribution Strategy / Place Strategy	180
Promotion Strategy	180
8Ps Marketing Strategy	180
Summarize	188
End of chapter questions	189
Reference	190
<b>Chapter 10 Marketing Ethics</b>	<b>191</b>
Meaning of ethics and ethics in marketing	191
Elements of Ethics	193
Marketer's Code of Conduct	193
Characteristics of desirable marketers	194
Marketing and building trust	196
Consumer Responsibility	202
Guidelines for Fair Market Practices	203
Summarize	208



---

## Contents

	<b>Page</b>
End of chapter questions	209
Reference	210
<b>Chapter 11 Online Marketing</b>	<b>211</b>
Definition of Online Marketing	211
The importance of online marketing	212
Benefits of Online Marketing	213
Online Marketing Strategy	214
Advantages and Disadvantages of Online Marketing	215
How to do Online Marketing	216
Online Marketing Channels	216
Online Marketing Tools	220
Techniques that help in online marketing	221
Summarize	223
End of chapter questions	224
Reference	225
<b>Bibliography</b>	<b>227</b>

---

## Table of contents

<b>Figure</b>	<b>page</b>
1.1 Show phones that have games to meet the needs of customers in the group of teenagers (Form Utility).	35
1.2 Displays the Galleries Lafayette department store that collects famous products from around the world.	36
1.3 shows a 24- hour convenience store.	36
1.4 show car down payment via credit card with various offers	37
3.1 product	60
3.2 product life cycle	71
3.3 New product development process	73
5.1 Types of distribution channels	100
5.2 Examples of marketing channels for consumer products	100
6.1 Components of the communication process.	114
7.1 Market Segmentation Targeting and Positioning	138
7.2 the level of market segmentation	139
8.1 Comparison of consumption process steps and purchase decision process steps	153
8.2 The role of a person in purchasing decisions	155
8.3 Factors determining consumer behavior	162
8.4 Demonstrate a model of consumer behavior based on SR theory	166
11.1 Paid Searching	217
11.2 SEO : Search Engine Optimization	218
11.3 Content Marketing	219
11.4 Email Marketing	220

---

**table of contents**

<b>table</b>	<b>page</b>
1.1 the difference between the green market and the traditional market	7
1.2 Comparison between old and modern marketing concepts	14
1.3 Marketing tools from the point of view of sellers and buyers.	24
5.1 number of marketing intermediaries	103
6.1 Consideration for selecting media for advertising.	117
6.2 type of promotion	120
6.3 Comparison of the objectives of the mass marketing funnel with the direct marketing funnel.	128
7.1 the key variables used in market segmentation	141

## Chapter 1

### Fundamentals of Marketing

Businesses that are successful today, no matter what type of industry or what size they are. But there is one thing in common. must focus on the customer as the main And focus on marketing seriously or the business will have to devote themselves to understanding And creating satisfaction in responding to the needs of customers, which businesses that operate in this way Incentivize employees in the organization to make them willing to create better value for customers. which will lead to the level of customer satisfaction Marketing has more functions than any other function in business . This is because the marketing duties must be related to customers whether they understand. creation communication delivery of value and customer satisfaction These are the hearts of thought. and practical guidelines for modern marketing

#### **The meaning of the market**

Lamb, Hair, Mcdaniel (2012) defined the market as Demand of buyers for a particular type of goods and services that are scattered both domestically and internationally means individuals or organizations that have needs, have needs (Wants) and have the power to purchase products (Demand) .

Kotler and Armstong (2015) defined the market as a group of real potential buyers. relating to the organizational and social processes by which an individual or a group obtains what is needed and want through actions and exchanging goods and values with others

From the definition of various scholars, the author summarizes the meaning of market as “a target group or a group of people who have a need or need for a product and have the potential to exchange products for satisfaction. or refers to a place that is a community or a gathering place to buy and sell goods both in the form of raw materials and finished products on a regular basis from time to time or on the scheduled date There may be only one market location. or several places located close to each other in an area with a suitable location ”

### Meaning of Marketing

Kotler and Armstrong (2015), a renowned American marketing professor. He defines marketing as marketing is a social and organized process that enables people to meet their needs and wants by creating products of value and exchanging them with individuals. another

Peter Drucker (2007) The meaning of marketing is an effort to make sales expand, and with the fastest

American Marketing Association (AMA: 2013) Define the term marketing as follows: "Marketing means planning and management processes in terms of concepts, pricing, marketing distribution of goods or services to achieve the exchange of goods or services Which makes consumers happy and satisfied and achieves the objectives of the organization.

Based on the meaning of various scholars, the author summarizes the meaning of marketing as "a business process established to plan product and/or service pricing. Promote marketing and distribution that creates value The exchange of goods between a buyer (consumer) and a seller (manufacturer) in which the buyer gets the greatest satisfaction, and the seller achieves the specified objectives of the business under the environment Varies according to the current of the competition "

### The marketing concept

The marketing concept is a concept that will affect the use of customer service efforts to create an exchange that each marketer can adhere to in any way that is appropriate (Somjai Boontanon , 2009 ; Kotler and Armstrong, 2015). Marketing concepts. are as follows

**1. The concept of focusing on production.** This concept focuses on improving production, and find ways to make distribution as effective as possible under the assumption that All consumers will have preferences. Or popular in products that are widely sold and easily available. This concept is effective in two situations:

a. There is more demand for the product than is offered. There is more demand than supply. Therefore, customers are ready to buy everything without choosing.

b. The cost of the product is very high and efforts must be made to lower the price through better production methods.

In both situations These 2 things can be seen that the business will be successful easily. Must be an almost monopoly business There are very few competitors, so the more production expansion, the lower the cost. There will be an increasing number of affordable buyers, such as quartz watches, computers , CDs, music cassettes, all kinds of utilities in Thailand. Or an example of food production for human consumption today. There was a widespread food shortage. Therefore, researching methods for producing cereals from agriculture is good. The synthesis of various processes produced in industrial plants is good. All of them will help to produce more at a lower cost so that most people will be able to buy and consume thoroughly.

even clothing products Changing the production method from sewing one by one Become an industrial sewing system making different types of clothes available for sale cheap People can buy and put together more.

residential house is another example of using production-oriented concept Allocate to build several villages one by one Or hundreds of houses with the same plan This makes the price per house lower than hiring the construction of one house at a time. This is good for most people being able to have their own homes to live more easily.

However, using the production-oriented concept It may not work today. Although there is a high demand , if the target market does not have enough purchasing power. resulting from economic conditions The production -oriented concept works well, possibly due to the lack of knowledge of the buyer that there are competitors with better products.

**2. The Product Concept** This concept is based on the assumption that Consumers will have a preference for products that offer the best value relative to price. There are many manufacturers and distributors who have ideas in this line, that is, products that are produced for sale. best quality Better than other competitors and sure to sell. True, every buyer wants a good quality product. But there are also other conditions that buyers want, such as services in various forms. convenience of purchasing and purchasing power that each person can afford to buy There are also situations that are conducive to using that product, such as bringing electric rice cookers to sell in rural areas without electricity. Or bring a well-coated rice cooker to preserve the value of food while cooking. to sell to poor rural consumers who do not have enough food to consume or depositing money at the Government Savings Bank have stable collateral but not popular because of the lack of flexibility in terms of providing convenience and speed

At present, Thailand is having social values of the new millionaires. And teenagers who want to buy products that have special conditions that are different from those used by other people without caring about the price as a symbol of social standing, such as buying a mobile phone, iPhone Purchasing Mercedes-Benz cars, clothing and personal items from famous brands from abroad or the value of Bangkok people about some educational institutions, etc.

**3. The Selling Concept or Sales Concept** This concept is based on the assumption that Consumers usually do not try to buy things that are not really necessary but can be easily persuaded. Therefore, businesses focus their efforts on using sales tools to help stimulate consumers' interest and desire in the product. one's Businesses based on this concept place the greatest importance on their sales team. This concept works quite well with hard-to-sell items. It may be a new product that just hit the market or an old product, but the buyer does not see the need to buy ( Unsought Goods ), such as life insurance. health insurance A cooking pot made of special metal costs tens of thousands of baht per set. various health supplements These are essential to focus on sales techniques. Salesperson's Qualifications Or in the traditional way of selling goods, drug peddlers who put on small shows. and then deceived himself to sell concoctions that had no properties whatsoever without caring about the consequences that will follow Because they sold once and then broke up. or even the nature of political campaigns with boasting the properties of various candidates Including various forms of contracts just to get the most votes When he was elected, he was already out of the state of sales.

oriented concepts is the basis for the development of marketing management in Thailand. Because many business owners have started to seek knowledge. Experience in business from being a salesperson before Therefore, based on the experience that he had been successful. used as a marketing concept

But in today's market conditions that have more information. Buyers are smarter, using a sales-oriented mindset. without basis of truth Will not be able to provide opportunities for future sales to that business.

**4. The marketing concept** It is a concept that is used a lot today. Based on the key principles that will help businesses achieve their marketing goals . It consists of an important condition that the organization must determine the actual needs of the target market. and must adapt themselves to create or satisfy according to those requirements efficiently. and by being

more effective than competitors There are many brands of home labor installment equipment available. close quality The benefits of use are the same. But consumers may have different retail needs. Some groups want convenience and speed in use. Some groups want to save energy. Some groups want the beauty of the form. Some groups want to be cheap, so businesses must target a particular group. Then can respond to the needs of that group to the level that the customer will be satisfied. which is not always the best quality of the product Manufacturing products in a different way different quality All to meet the different needs of the target market. The emergence of a ready-made food business More and more food is ready for consumption. is a requirement convenience of consumption As a result of the situation, there is no time to prepare food from having to work outside the home more. Fresh food arranged in a set ready to be eaten in the cooking pot. or frozen pre-cooked food that is heated in the microwave to save time on food preparation Products like this tend to sell more. because it meets the needs of the market

**5. Concept of social marketing ( The Social Marketing Concept )** It is the newest concept today. The key point of this concept is Business entities should not focus solely on meeting the needs of consumers. but must focus on preserving and adding values and welfare in the lives of both consumers and society as well It is a concept that focuses on the responsibility that business people should have to society. emphasis on morality More ethics, such as focusing on selecting certain products to meet the needs of consumers. But at the same time, it may be harmful to society as a whole later, such as the construction of packaging containers that are harmful to the environment. Or the prosperity of modern technology that is offered to sell to consumers in the form of various types of relaxation machines to destroy the development of brain and physical conditions little by little. The uneconomical use of natural resources has unfortunately destroyed the environment. even business travel or leisure Can also destroy ancient cultural sites as well The presentation of ready-to-eat food that lacks nutritional value has created a habit of unhygienic consumption among the people. Packaging in the form of One-way package is disposable. inevitably leads to the creation of pollution problems It increases the amount of solid waste.

Currently, there is more awareness in this concept. It can be seen from various business organizations. Many famous businessmen Has changed the tendency of behavior toward social work. or looking at the benefits of society as a whole more than ever



### Green Marketing Concept

The American Marketing Association (2011) states that green marketing is Marketing of products that are safe for the environment. Green marketing is a combination of activities, both product modifications step change production process and packaging changes linked to environmental conservation

Green marketing is a change that occurs to consumer behavior, which is in the direction that the number of green consumers around the world has continued to increase It is something that manufacturers need to adapt to keep up with such changes. The resulting change in consumer behavior has forced manufacturers to produce more environmentally friendly processes. (Olson, 2009 : P4-13 )

It can be said that the green market is a modern market that manufacturers need to consider the environment throughout the production process . Marketing for society ( Societal Marketing) , which this concept is based on the work of the organization. is to consider the necessity , the need and interest of the target market And creating satisfaction to happen efficiently and effectively over competitors By maintaining the well-being of consumers and society, such as not trading for excessive profits, not producing products that are harmful to the people . not create environmental problems, etc.

Adjusting the marketing mix to be green marketing must start from On the product side ( Product), the production process must be adjusted in every step so as not to affect the environment. There is elimination of waste caused by production. can be easily decomposed without damaging the environment, for example Biodegradable plastic bags Non-polluting laundry products unleaded oil \_ energy-saving electrical appliances, etc., which are called green products (Green Product) in terms of price ( Price) to create utility or value in the eyes of consumers by taking into account the cost of production and the cost of the environment Until it leads to pricing, which is the price that consumers are willing to pay more for the cost and added value . products to reach consumers , must take into account the impact on the environment as little as possible , such as using energy - saving trucks energy , packaging design for efficient transportation \_ \_ \_ to reduce energy consumption and cost savings, etc. Marketing promotion ( Promotion) must disseminate information about green marketing to consumers. and operators to understand and a serious awareness of the environment This will ultimately result in green product consumption behavior.

From the point of view of green marketing that is different from normal marketing, Veera Manarayusombat (25 5 4) has shown a table comparing the differences between conventional marketing and green marketing.

**Table 1.1** Shows the difference between the green market and the traditional market.

<b>component</b>	<b>conventional marketing</b>	<b>green marketing</b>
consumers	Focusing on the lifestyle of consumers	Emphasize the value of the lives of consumers.
product	<ul style="list-style-type: none"> <li>- becomes garbage and is disposed of</li> <li>- product focus</li> <li>- Sources of raw materials from all over the world.</li> <li>- There is only one model, but it is sold all over the world.</li> </ul>	<ul style="list-style-type: none"> <li>- recycled or remanufactured</li> <li>- service oriented</li> <li>- Source raw materials from local</li> <li>- There are specific formats for each locality .</li> </ul>
marketing	<ul style="list-style-type: none"> <li>- Focus on product performance</li> <li>- Focus on sales</li> <li>- one way communication</li> <li>- Focus on advertising through various media</li> </ul>	<ul style="list-style-type: none"> <li>- Emphasize the value of the product</li> <li>- educate</li> <li>- Create user groups or societies</li> <li>- word-of-mouth communication</li> </ul>
organization	<ul style="list-style-type: none"> <li>- keep secret</li> <li>- defensive response</li> <li>- Independent and blocked from the outside</li> <li>- Competitive and split view</li> <li>- Short-term focus, looking at maximum profit</li> </ul>	<ul style="list-style-type: none"> <li>- emphasis on transparency</li> <li>- proactive response</li> <li>- Rely on each other to be friends with stakeholders relevant</li> <li>- Collaborative and holistic view</li> <li>- Focus on the long term, creating a balance between Profit Society and Environment</li> </ul>

Source: Weera Mana Ruaysombat , 2011: 79

From the table it can be seen that that green marketing It is a marketing effort by entrepreneurs to create opportunities or make profits for businesses, coupled with practices that take into account the interests of the public and the environment more. For the development of green marketing, Peattie (2001) views that the development of green marketing strategies was developed in 3 levels: level one; Ecological Green Marketing gives importance to reducing the use or dependence on products that are not environmentally friendly. The second level is marketing for the environment ( Environmental Marketing) is a broader level of marketing that focuses on reducing environmental damage by bringing innovation . new or new technology is used By focusing on meeting the needs of consumers who are environmentally conscious in order to create competitive opportunities. And the last level, sustainable marketing ( Sustainable Marketing) means marketing related to the environmental costs of production and consumption, which will lead to a sustainable economic condition. Still, green marketing has its limitations as there are no academic studies that fully document the environment and business strategy. And in practice, there are many obstacles to marketing for environmental products. whether the product is produced It is not a product that truly benefits the environment as stated by the company. In addition, some environmental products have a short life cycle (Muntanaporn Phiphithirankan , 2011).

### **Electronic Marketing**

Electronic marketing refers to the strategic process of creating distribution, promotion, marketing, pricing of goods and services to target markets via the Internet and digital tools (Kurtz, 2012). Electronic marketing can be used as a channel for selling products and services . to increase the limit ability and create a competitive advantage . In addition , good management , marketing strategy and marketing activities It leads to business operations that generate benefits and returns in the form of profit ( Profitable) . If considering the current situation and future trends, it will be found that The economy affects the purchasing power of the people and the strength of the business sector. For the expansion of the business forward with economic growth as an insertion variable positively affecting the effectiveness of marketing (Nattawong Poonpol et al. , 2016). From the above reasons , small entrepreneurs Marketers should understand the origins of

philosophy, concepts or marketing evolution. as a guideline for management Determination of appropriate marketing strategies and marketing activities using electronic marketing. to create competitive advantage and affect the success success in business The evolution of marketing concepts in the 1990s will be one -to - one marketing such as Internet and E-Business Marketing (Kotler et al., 2010), which the Internet It is a very popular computer network public web site. Connect all types of users worldwide and provide large storage space ( Kotler et al., 2010)., electronic marketing is also part of modern marketing (Kaur et al., 2015). If referring to the concept of modern marketing will try Connecting businesses with customers through various methods (Sudaporn Kunthonbutr , 2014) Building long-term good relationships with customers is another objective of electronic marketing. As for the working model of electronic marketing, it takes a short time. and fast ( Kaur et al., 2015). Can summarize the meaning of electronic marketing or e- Marketing refers to modern marketing that is managed. marketing strategy formulation and marketing activities through the Internet This system can connect entrepreneurs or businesses with customers together by using technology , digital tools and electronic marketing methods to help in business Resulting in good effectiveness from management, strategy formulation and such marketing activities. when conducting a marketing analysis electronics Theoretical issues will be found. interesting information It brings to the conclusion of issues as well as opinions and suggestions, that is to say, electronic marketing has a beginning from a cause through a process and finally produces results. together with

1. The demands (Wants) of consumers that exist all the time. and there is no end to see that Human needs arise from culture and individual personality (Armstrong and Kotler, 2013). For this reason, small entrepreneurs and marketers need to learn and develop a model for selling products and services to be more effective. Convenience responds to consumers' shopping needs. By using the channel to sell products and services through electronic marketing.

2. Perception of consumers perception of information, products and services. Communicating with small entrepreneurs can use the distribution channels of goods and services through electronic marketing to promote marketing. In addition, such distribution channels of goods and services help operators to know and understand the differences of factors that influence consumer perception (Dehkordietal . , 2012). There is an interesting point, namely

2.1 Information about products and services of entrepreneurs will be searched for and selected by consumers. It starts from consumers searching for information (Information Search) of products and services that have interests or needs and make decisions to buy products and services through electronic marketing tools. When considering, it will be found that the business model and marketing activities will be different from the original where the entrepreneur will search for the needs of consumers.

2.2 Access to information perception News of products and services Using the services of consumers as well as communicating with operators through electronic marketing is convenient. It is quick to find out that Consumers can access information and news unlimitedly on demand 24 hours a day anywhere from every corner of the world.

2.3 The sale of products and services through electronic marketing is truly a market of buyers and sellers. When considered, it will be found that it can trade goods and services freely. It is also open to trade in response to the borderless marketing trend.

3. Purchasing decision or buyer decision process where consumers search for information that is interested in commercial sources or public sources when considering, will find that electronic marketing channels via websites are classified as commercial sources of information with forms of ordering processes for goods and services that can be Create interest and enthusiasm in buying and selling products and services to happen to consumers.

4. Credibility (Trust) The distribution channel of products and services through electronic marketing in the view of consumers is a matter of credibility or trust. Trust is the confidence that a person has in a contract or action of a person, brand or company. credibility is Trust because when people trust them, they expect others to follow. contract or can operate according to the model provided (Perreault et al. , 2014 ). Views of service users through technology systems electronic marketing tools and methods It is sensitive to the consumer's feelings of trust or trust. Therefore, small entrepreneurs Marketers should consider the role credibility and consumer satisfaction play. (Dehkordi et al., 2012)

5. Customer relationship management (CRM) by using channels to sell products and services through electronic marketing, that is, small entrepreneurs, marketers can know the needs of customers from customer databases. Electronic marketing also has an important goal in

maintaining and building long-term relationships with customers (Kaur, et al., 2015). serve Plays an important role in maintaining and building relationships with customers.

6. Technology is directly related to electronic marketing, marketing is classified as a factor or technological environment, scientific discoveries , inventions and innovations can be Yut used on the basis of market knowledge (Kurtz, 2012). and easier electronic marketing methods Increased utilization also has a positive effect on work efficiency.

7. Management or management process channels for selling products and services through effective electronic marketing related to Management process (Kaur et al., 2015), like market management, is both a science and an art of determining a target market. by trying to retain customers as well as increase the number customers through creation delivery and communication beyond customer value (Kotler and Keller, 2012). Marketers need to consider selecting appropriate marketing strategies and activities. and in line with the management process as well

8. Strategies and marketing activities (Marketing Strategies and Marketing Activities) small entrepreneurs, marketers. should choose to use distribution channels for products and services through electronic marketing that is suitable for current customer groups as well as developing interest Matching the target group or customer group in the future for strategic planning and marketing activities that match the target group will be able to create marketing potential for entrepreneurs. Retailers and Marketers

9. Competitive Advantage Electronic marketing is another channel for selling products and services that is important in creating competitive advantages for business organizations (Eid and El- Gohary, 2011). Competitive advantage is an important driver and support for business. In addition, several interesting competitive advantages were found as follows:

9.1 Businesses with outstanding potential for good quality products and services in terms of product distribution channels and services through electronic marketing. When considering , it will be found that electronic marketing is a part that can create a competitive advantage for with business

Sustainable Competitive Advantage A marketing mix that customers perceive to be better than a competitor's marketing mix . cannot be easily or quickly imitated ( Perreault et al., 2014), where the marketing mix or the 4 P 's and services ( Product or Service), price of the product ( Price) , place or distribution ( Place) , and Marketing promotion ( Promotion)

### Comparison of old - fashioned ideas

From the 5 concepts of marketing concepts For easier understanding for beginners studying in marketing principles It is divided into two approaches ( Joseph P. Cannon and William D. Perreault Jr.) which are 1) Production -Oriented Concept and 2) Marketing -Oriented Concept.)

**1. Production -Oriented Concept** During the new industrial revolution Consumer demand for products is huge. Consumers still lacked a lot of products , so there was not much problem in distribution. Manufacturers focus their efforts on increasing production to meet market demand. try to invent something new Find ways to reduce costs as low as possible. Trying to keep the production process running continuously all the time. and aiming to produce only products that are easy to process When the product is produced, it will focus on sales only. Regardless of coordinating with other forms of distribution promotion. or other agencies In the business, focus on making sales at the most convenient time, such as only selling during the day. Avoid selling at night or on holidays. Therefore, it can be considered that this era is the era when the market is a seller. Bargaining power is determined by the seller. It is an era that focuses only on production aiming to produce a large amount to reduce costs. At the same time, it pays great attention to the quality of the manufactured products. Try to produce what can be considered better quality than competitors.

In the later stages, each producer aimed to increase their output. As a result, there is an oversupply of products in the market. The business started experiencing a lack of customers instead of a shortage of goods. Each manufacturer produces more products. And then there are more and more new manufacturers. Individual business sales declined. Each manufacturer began to look at a wider distribution channel. Since the manufacturer has seen the importance of sales is an era in which businesses turn their attention to the middleman. What to do to make the middlemen try to sell their products as much as possible.

There are still many businesses today that use this old concept in their marketing operations. The long-established business has been successful in its career and its management is the same person. at the old-fashioned head This type of business will continue to use the old concept. Because the same executives used to be successful by selling a lot of products and resulting in huge profits. Due to a lot of sales, a lot of production, the cost is very low. Profits increase in shadow There are many retail businesses near all of us that use the old-fashioned

concept: grocery stores, restaurants, in alleys or in the countryside. If there is no competitor will show the characteristics of selling products that we call in the villagers' language that "play hard, don't reconcile customers "will try to sell only the products that they have the ability to produce Regardless of whether the customer wants or is satisfied or not. If the customer complains too much, they will not sell at all. Customers have no choice. Bargaining power rests with the seller. The truth may be compared to the nature of the old family. Children in low-income families have no right to appeal or refuse food and snacks made by their mothers even though they are bored because they want to eat the same food and snacks over and over again. Refusing would mean that I would have to starve myself of food, snacks, and no other choice.

**2. Marketing -Oriented Concept** Aiming to produce more products in order to reduce production costs together with the number of new manufacturers increasing The number of products offered for sale is greater than the market demand. And there is a lot of competition between manufacturers. Each manufacturer is trying to produce more exotic products. giving consumers more choices Therefore, the bargaining power has shifted to more consumers.

These changes have resulted in the concept of marketing operations shifting from focusing on production or sales to focusing on the importance of consumers or markets . To produce products for sale, must first study what is what consumers want, and produce to meet the needs of consumers that there are many competing manufacturers A manufacturer that can dominate the market must be an entity that understands the real needs of marketable consumers . and produce that thing for sale Consumers will buy only the products or services that best meet their needs. A company may envision a product of excellent quality. but may not be able to produce and sell because the cost is too high Consumers do not have enough purchasing power. Most used car buyers buy used Japanese cars rather than European or American cars because of their compact size. cost savings and importantly The price is low enough that middle -income earners can afford it. Buyers buy because they want. In fact, they have received responses and people ignore the strength, durability, and shorter service life. Causing European and American manufacturers to shift their focus to producing small cars. so-so quality But the price has come down as well. How many consumers would want a shirt at a price of 1,000 baht , which can be used for 10 years without breaking? There is no opportunity to change the shirt to be new and outdated. Therefore, it can be seen that the business will survive, must concentrate on producing



only what can be sold that customers want. The marketing landscape has changed from trying to sell products that they are good at producing. It's trying to produce something that can be sold to customers. customers only want so that profits will follow from repeated purchases when there is satisfaction from previous purchases because the demand has been met.

In the old idea Marketing operators will try to focus on the performance of sales very much. It is considered that there are salespeople who can persuade customers well, they will surely sell. This mindset has caused many executives to neglect to consider the actual coordination or coordination of the different departments in the venture. As a result, different departments in the same business perform their activities. By emphasizing the importance of one's own unit, for example, the research department only thinks about inventing new things , the engineering department only thinks about creating new products at a lower price, and the purchasing department thinks only about buying things . at a cheap price The production department will only think of making the most of the available production factors. The market will only think about reducing the risk by reducing credit. It can be seen that each party has their own ideas and practices with the same touch point, which is the customer. Customers will be treated by multiple divisions of the same business with conflicting policies or practices. Lack of cooperation is the cause of bankruptcy in many businesses. Customers don't know who to trust and become confused in their decisions until they can't make a decision. May abandon the idea of buying by default, thus creating coordination in the performance of various functions in the business to help promote marketing activities (Integrated Marketing) to achieve success more easily. Well-known marketer Phillip Kotler provides a brief comparison between the old and modern concepts:

**Table 1.2** Shows comparisons between old and modern marketing concepts.

<b>component</b>	<b>conventional marketing</b>	<b>new marketing</b>
consumers	Focusing on the lifestyle of consumers and good assurance that consumer tastes will not change rapidly .	Emphasis on building and maintaining good relationships with customers The objective is to provide our customers the best they can while building customer loyalty.

<b>component</b>	<b>conventional marketing</b>	<b>new marketing</b>
product	Emphasis on production with particular expertise in producing goods and services as much as possible by using raw materials from various sources, the product is not diverse because it is produced in large numbers. to keep production costs low	Emphasize the value of the brand or brand by reflecting the company's operating philosophy and marketing as a tool for brand building.
marketing	Emphasis on marketing that produces products to meet the tastes of new consumers by emphasizing product performance through the process of market research and product development to adapt to information. or other media that businesses want to publish Then use marketing promotion techniques.	Emphasize social benefits Marketing activities that reduce the dangers that will occur to society, both the product and the production process. and sales process
organization	Company information is kept confidential and not disclosed to consumers. The organization focuses on responding to the needs of consumers passively. and administration including problem solving split view Emphasis on short-term sales with the aim of maximizing profits .	Building and maintaining good relationships between organizations

Sources : Kotler, Philip & Keller, L. Kevin (2012) and Adcock, Dennis; Al Halborg, Caroline Ross ( 2001).

Kotler also pointed out at least four benefits that businesses should shift their marketing mindset from product-oriented or production-oriented, to the concept of marketing that focuses on the customer or the market as follows

1. The entity's management has realized that Customer Needs ( Customer Needs) are more fundamental than specific products, such as a newspaper may be determined to present the news honestly. What is news is what consumers are curious about. But our basic need for curiosity has no limits whatsoever. I'm curious about everything in every medium, even fake news or misrepresentation

2. Paying attention to customer needs will help marketing executives Spot opportunities to offer new products faster because they know their needs and produce only the products that buyers are looking for .

3. Better distribution operations Entrepreneurship that adheres to the original idea must already produce the product. So go try to find a group of people and try to create demand for that group of people to be sold. But businesses that use modern concepts already have a group of customers in mind ( Target Market), just trying to provide something that will satisfy the targeted customer. Operating procedures are abbreviated

4. The management of various businesses takes into account the appropriateness and harmony between the interests of the business and the interests of society. Business aims to maximize the use of resources in the form of profit. Society pays attention to the creation of happiness for all people. Therefore, the concept of modern marketing It indicates the future profitability of the business. On the basis of efforts to seek comfort Meet the needs of our human beings as much as possible.

### **Marketing 1.0 2.0 3.0 4.0 and 5.0**

Philip Kotler ( Philip Kotler ) has discussed the different eras of marketing from 1.0, 2.0, 3.0, 4.0 and 5.0 to review the history, and details that reflect the evolution of marketing resulting in an understanding of practical application, therefore, the details are summarized as follows:

**Marketing 1.0 (Product Centric)** is a product- centered marketing, that is, the quality and design of the product are important to the manufacturer. raw material Product quality control

must pass QC with the belief that Good things can still be sold. but in reality it is like that or not is an important question For example, if we produce a particular product very well very good quality No competitors can compare with us. Our products are what customers really want or not. because in fact Good quality products may not be sold. The price cannot be negotiated because it is too expensive for the buyer. important question Is the customer really having enough money to buy that quality product? The answer is not always certain. Therefore, the best quality products are not always the ones that will sell. Therefore, Marketing 1.0 is not the final answer in marketing. And from this point has led to the evolution of the market until today.

**Marketing 2.0 (Customer Centric)** is marketing that uses the customer as the center In other words, it does not put the product as the center, but instead puts the customer as the center. to visualize even more We do not just decide Customers want good or bad products. The important question is what do customers want?

Case 1 Sometimes the customer wants a medium quality product with a low price because they don't have enough money to buy the best quality product. Therefore, the product does not always have to be of the best quality.

Case 2 Sometimes customers don't want the best quality products. but want it as soon as possible

Case 3 Sometimes customers don't want very beautiful products. But he wanted a product at an affordable price.

Case 4 Sometimes customers don't want to pay right away. but want the product to arrive at hand first and then pay

**Marketing 3.0 (Human Centric)** Is marketing that gives importance to the whole society and takes care of human beings together, that is, businesses will not look at customers as just customers in hopes of earning money from them alone but must create happiness for customers and create a good society together It raises the market to another level and brings equal happiness to society if possible. Customer status becomes a fan who will buy and buy again. Automatically generate repeat purchases and referrals. including acting as a voice for business The key point is trying to understand the customer. understand more about humanity It's an expansion of the market. From taking care of customers only to taking care of more humanity

**Marketing 4.0 (Traditional to Digital)** is marketing by linking technology and digital, that is, technology is becoming increasingly important to marketing. If a business can exist in a world that is able to enter the digital age Will need to use technology to market more effectively.

**Marketing 5.0 (Technology for Humanity)** is marketing using technology to create an understanding of humanity. Able to develop humans and society for the better, that is, bringing Marketing 3.0 together with Marketing 4.0 , believing that it is an important concept that will allow marketing to create sustainability in society. Understanding human beings is becoming more and more difficult nowadays. Due to complex behaviors in conjunction with the emergence of a virtual society in the form of an online society In the past, customers may have only one behavior to express. But today, digital has created online social networks. that can allow one person to express feelings in a variety of ways in a variety of channels at the same time

For example, if you are on Facebook ( Facebook), there will be a kind of behavior . In Instagram, there is one type of comment posting behavior in Tik Tok ( Tiktok ), there is another type of posting behavior in YouTube. have another behavior Time in the line has another behavior that is expressed, so a human being can have a way of life. Multiple behaviors on each platform It depends on the time, context and environment. from this behavior This causes the flow of customer behavior data flowing back to enormous platforms and back to users in various marketing formats.

From this point, it is the importance of MarTech (Marketing Technology) that will help businesses understand humanity more. Not just understanding customers But you also need to be able to predict what is going to happen on the basis of real-time data. The emergence of new technology Making today's marketing more efficient, the important concepts needed in Marketing 5.0 are as follows.

1. Augmented Marketing use of technology to facilitate Create seamless and interactive customer experiences. By merging the real world with the virtual world in various ways. that will be linked together inseparably For example, from personal experience, for example, when we travel to a fashion store in Alibaba 's Hema department store, we walk to the actual store. But we can try on the dress on the screen. where we stand in front of the mirror Fr om the mirror, it will change to a screen to scan the face, height, proportion of our body. and we can scroll to find the set we want Change outfits just by sliding the screen right away. Rotate left and right as if We are

actually wearing that dress. If you like it, you can order and pay at the counter in the store. If the store has that product in stock able to receive that set back immediately If the product is not in stock The product will be delivered to the customer's house on the same day. This format creates an opportunity for businesses to see many new marketing channels and generates creativity in the development of marketing models that will happen in the future.

2. Agile Marketing It is a concept that focuses on responding quickly to marketing. by bringing feedback from consumers Or use the information tracked from Social Listening tools to improve marketing patterns. more satisfying to customers Able to meet the needs in a timely manner It helps create new business opportunities. Or find solutions to problems that arise in real time.

3. Data driven Marketing It is the use of information that occurs in business or surrounding information. to help make marketing decisions to create new business opportunities For example, the Target store ( Target ) in the United States. Able to use information from customer purchases to predict whether Which customer is pregnant? By knowing before the customer's husband knew that his wife was pregnant. And immediately recommend pregnancy-related products to customers Today, businesses shouldn't just try to sell the products they want to sell. But must collect information that happened. data link and can predict what customers are looking for Because today, customers may not know what they want. But businesses need to know what customers want.

4. Predictive Marketing It is predicting behavior in advance. Predict what your audience's behavior will happen with AI or Machine Learning by leveraging available data. to adjust business Marketing and responding to the needs of the target group as best as possible. Which way will have a chance to succeed or lose an opportunity? For example, if a customer searches for a plane ticket online for the first time, sees a certain price and hasn't booked one day later , the customer returns to buy it, but the price has already gone up. Because the system can capture the IP Address of the customer that This person is interested and has real needs. which forecasts demand and maximizes profits at the same time

#### 5. Contextual Marketing

It is a study of information or context surrounding the customer. Or creating a Buyer Persona to plan creative marketing models. by presenting content related to people that in various forms And

communicate to the target group to meet their needs as much as possible. All of which will lead to Personalization itself

As the global context changes, it's important that every business needs to create a better experience for your customers from every angle. and linking marketing technology to facilitate the most effective work It's not just people who work on one side like in the past. and not a new way of working Let emerging technologies do the work for people. But it's a perfect combination with each other.

### **The Importance of Marketing**

When social conditions have changed The importance of marketing varies according to social conditions. and the needs of economic conditions, for example, in the past, producing large quantities of goods in order to keep pace with market demands But in today's era, the demand of marketing lies in delivering impressive services to customers , etc. If the products and services produced do not have a marketing system to manage, those products and services will not be sold. The result is that the company will not be able to sell its products , there will be layoffs, leading to demonstrations to claim rights. Protest strike (Strike) resulting in a condition The economy is in decline , there is an increase in crime , therefore marketing is important to the society and economy of the country. as the following details

1. to make the economy grow Marketing makes the trading system convenient and fast. Buyers. and sellers contact each other at any time As a result, production expanded. People have jobs, income, trading of raw materials that are used to produce, causing transportation and other businesses to occur, resulting in the overall economy of the nation improving.

2. Make new products and services happen because the market causes competition between the company and the company that sells the same product. Make each company use a strategy to invent. and product development This allows people to use a variety of products at a lower price. and have better quality

3. Create more jobs. Activities related to the marketing system will expand according to the expansion of the industrial business, that is, when the economy is progressing, there will be an expansion of investment in the production of various goods and services . cause dependency between companies to companies For example, when producing a product,

one company has to rely on the production of the boxes to pack products or have to rely on other companies in terms of publishing documents and public relations to advertise products, etc.

4. Help raise the standard of living of the population in society to a higher level. both in terms of production and consumption

5. Enables efficient and effective use of various administrative resources. by using information on management, research and economic principles

### **Role of Marketing**

The emergence of marketing has resulted in changes in the behavior of people in society in many ways. Characteristics Whereas marketing has become closely connected in society, especially in situations Nowadays there are many social changes taking place. The details are as follows.

#### **The role of marketing in society**

1. Marketing creates behavioral change When marketing occurs, people in society begin to change, such as the current popularity. Eat more ready-to-eat meals In urban society, most people prefer to eat out more and more. There are many sales professionals. Distributor of ready meals In addition, consumers have less time due to way of life that requires more work And most importantly, there are food businesses from abroad that have expanded branches to open more services in Thailand. In addition to changing consumption behavior People's dress has changed. When marketing is introduced More and more new styles of costumes are on sale. Especially the costumes that are international, are imported to sell in the country. And consumers change from dressing from the national dress to the popular international dress.

2. Marketing weakens family relationships because each family member has different occupations Reduce the time spent meeting family members. Food consumption behavior within the family has changed. As a result, the relationship of family members decreased.

3. Marketing changes people's relationships in society. Society in the past was a society that depended on each other. shared help each other But when the marketing system comes in resulting in more clear business competition Sharing began to be replaced by trading systems. Business operations that focus on seeking profit result in the relationship of people in society to change.



### **The role of marketing in the economy**

An economic system is a system that deals with the management of production resources. Distribution, trade, and industry, which every country needs for economic stability and continuous growth, marketing is therefore an important mechanism that helps the economy expand. by helping to support in international trade for efficiency The role of the market in the economy is due to various reasons. as follows

1. Marketing makes consumers Manufacturers need to produce to meet those needs. To produce products, it is necessary to hire people to work. When the product is finished, it is necessary Moving goods to market creates a career in logistics. Sales may be hired by a salesperson. or use intermediaries to help sell products It can be seen that each activity that occurs generates total employment.

2. Marketing makes people with jobs earn money. when each person earns It shows a better economic position.

3. Marketing makes the factors of production circulate, causing the distribution of income. Farmers earn income from selling raw materials. Farmers use the money to buy seeds. buy fertilizer, buy agricultural equipment Distributor of seeds, fertilizers Or agricultural equipment, use these funds to buy products from manufacturers. It can be seen that there is a turnover about the financial factor. cause the distribution of income People have a better life.

### **Marketing Management**

Kotler and Armstrong (2015) define marketing management as decision-making process related to planning Implementation and control of marketing programs that will bring satisfaction from trading with target markets. to achieve the objectives of the company set Which emphasizes on meeting the needs of the target market. and satisfaction must be achieved by Effective pricing, assortment, and distribution to inform, motivate, and meet market demand.

From the definition of market management above, it can be said that Marketing management is about meeting the needs and wants of consumers. The most basic concept of marketing therefore starts from the idea that each consumer in society has a need. Needs and demands, both the same and different. where consumers choose products and/or services that can be used or consumed to meet their own needs

Choosing a particular product to use Consumers will consider the best interests in terms of value, quality and satisfaction compared to other products. There is a trade-off between buyers and sellers. And if you still want to exchange and trade because you are satisfied with the product will continue the relationship Therefore, this group of consumers is called “ market ” and all activities in this cycle are called “ marketing ” . And the company has long-term profits consisting of 5 steps as follows

1. Understanding market and customer needs Marketers need to understand marketing systems in order to design marketing strategies that are suitable for their customers.

2. Customer-focused marketing strategy design First of all, marketers must determine the customer group that will buy our products, such as teenagers aged 15 years and over who like challenging activities. After that, design products to meet the target group and manage according to the plan set.

3. Integrated Marketing Program Once the company has chosen a target, it develops an integrated marketing program to deliver value to customer satisfaction. using a marketing mix that is properly crafted to target audiences

Marketing mix is a set of controllable marketing operating tools to meet the needs of target markets as shown in Table 1.3

**Table 1.3** Marketing tools from the point of view of sellers and buyers.

4 P	4 C
Product ( Product )	Solving customer problems ( Customer solution )
Price ( Price )	Customer cost ( Customer cost )
Distribution ( Place )	Convenience _ _
Marketing promotion ( Promotion )	Communication ( Communication )

source : Kotler and Armstrong (2015)

#### 4. Build relationships and satisfaction which will lead to profit

relationship building and satisfaction that will lead to profit Companies focus on building relationships with different groups to create mutual trade benefits. The most important group is The group of customers that the company has to manage a close relationship with, known as Customer relationship management Customer relationship management (CRM) is defined as building customer relationships through ongoing marketing activities to customers, who may be customers, consumers or intermediaries in each distribution channel. By focusing on making customers understand, have a good perception as well as feel like the company and the products or services of the company. It focuses on two-way communication activities with the aim of developing a win -win strategy between the company and its customers ( Chunchit Jangjankit , 2014).

#### 5. Customer value creates profit and customer value.

Customer value creates profit and customer value. This is the last step that the company wants customers to come back and buy again. By creating customer value with products, brands, image, image, recognition, acceptance, service and creating new experiences for customers. By looking at the customer's purchase process before buying, during buying, and after buying, how to create value for customers according to the main strategy laid out by using PRISM Model (Product, Relationship, Image, Service, Management) (Neely et al., 2001 , 6-12) is to look at the product. Relationship Image, Service and administration In addition, it also looks at the marketing utility that customers will receive (Somjai Boontanon , 2009; Wanrak Mingmaneeakin, 2009)

gave the meaning of utility as Satisfaction that consumers receive from consuming any kind of goods or services for a certain period of time, consisting of

5.1 Time utility is a utility that allows consumers to consume products in all seasons and at any time they want, for example, they can consume rice and fruits throughout the year and can purchase products 24 hours a day according to their needs, etc.

5.2 Place utility is a utility that allows consumers to consume goods produced from various sources around the world as desired, such as banks expanding branches into department stores to provide consumers with convenient services.

5.3 Form utility is a utility that enables consumers to consume all forms of goods. All sizes and levels The quality corresponds to needs and necessities, such as producing a variety of watches suitable for gender, age, technology, fashion, etc.

5.4 Possession utility is a utility that enables consumers to consume goods that they do not have the ability to produce themselves. Through the process of exchanging or trading, for example, the advertisement for the sale of motorcycles states that only 999 baht down payment can buy and take possession of the motorcycle, etc.

5.5 Image utility Marketing will result in consumers becoming familiar, impressed, satisfied with the product or service. Until becoming loyal to the brand and using it on a regular basis, such as 7- Eleven can make consumers comfortable because it is open 24 hours a day and is also a well-known store. Consumers are well known because the section located in the community

### **Marketing Activities**

Marketing activities mean Any practical action to fulfill a marketing function, such as buying and selling functions, is to be accomplished through marketing activities, such as advertising, market research, to find demand. etc.

Marketing activities are a group of actions in various areas that enable marketing functions to effectively achieve their objectives. can meet the needs of consumers or business users can transfer ownership And can be moved to meet the needs of consumers. or business users who live widely scattered There are many types of marketing activities. Those in charge of marketing in each area need to choose the right marketing activities.

marketing activities are both science and art that require creativity. Because as soon as the first activity is organized, if it works, there will be competitors to follow immediately. Next event Marketers have to put in an effort to reach more consumers.

### **Factors in conducting marketing activities**

Successful marketing activities require many factors. Both about people budget nature of activities suitable place and time as the following details

1. People are the most important factor in organizing marketing activities. From executives down to lower-level employees involved in activities Marketing managers must take risks and take responsibility for making decisions in order to develop new activities. Don't get caught up in past successes. It can be seen that organizations that experience failure Most of them in the early days were so successful that they did not dare to adapt. In the end, it must become a disaster. When other businesses develop Or tear new patterns until they can snatch their target audience. However, in order to reduce mistakes, executives should know how to gather information, brainstorm, evaluate performance, and improve. Follow the news continuously Including finding new opportunities keep business

2. Budget for marketing activities Considered as part of the cost of the business. Some businesses use the percentage of sales. However, the use of budget for marketing activities. There must be a comparative study of the method. so that the use of the budget is appropriate and most effective, such as the cost of advertising media Booth design to showcase products Activities to be organized at the event but must focus on the value for customers to bring to tell

3. nature of activities money may not be important factor It is always said that spending more money is more successful than activities that use less budget. Many activities are made in the form of Nam Prik Thaw Nam Pham. It became the talk of the town, but no one remembered the name of the product brand. Customers want to support, not sure. Exactly which brands are the hilarious activities belonging to? Thinking of activities that make customers remember accurately was an activity he had never experienced before. Must have seen it and was impressed until wanting to know whose product it is. used to have an advertising company Go to raise funds in the stock market. On the day of launch, he only let the executives of the company. Abseiling from a building with a rope Just like this, it became a sensation for investors. It became the front page

of almost every business newspaper. without having to use a large budget Even though that event has passed for many years

4. suitable place and time Another important part of organizing activities Successful marketing is Venue selection and management Not only have to choose a location. that the target group is already convenient to travel There must also be a means of operation or public utilities to prepare for a sufficient reception . Imagine setting up a place with good weather, wind noise, fog, but no water flow, no electricity, and insufficient toilets. Instead, customers will be impressed. would definitely be afraid of the next invitation. In addition, time is an important variable. Both in terms of the weather. At that time, what happened? such as political problems Disaster, or at that time the place where we held the event, there was another event organized. How many days should be organized? These things affect all marketing activities that take place. Therefore, for the sake of prudence good marketing activities Therefore, there should always be an emergency plan to cope with changing situations.

### **Marketing Function**

marketing function Refers to various business actions that will cause the goods or Services that meet the needs have been moved. to meet the needs of consumers or business users by A change of ownership has occurred. movement of goods as well as facilitating and support activities in ordering products from manufacturers to consumers Including that businesses will receive information with consumers. To be used to improve operations and marketing to meet the needs of consumers ( Kriangkrai Kanjanaphokin , 2012) . Marketing functions can be divided as follows.

1. Duties regarding change of ownership It is the marketing function that makes the product or the service changes in ownership. As a result, the product or service There is a change from one person to another in order to satisfy the needs of both parties , the buyer and the seller . The duty in this article can be accomplished through duty. 2 things as follows

1.1 Obligation to purchase Buying is the exchange of money for a desired product or service. Which acts as a purchaser to achieve the objectives in accordance with the specified duties with efficiency By using the components of the marketing promotion mix consisting of

sub-activities, including Advertising, Sales Promotion, Public Relations (PR), and Direct Marketing to drive sales by creating demand. Information, news about products and services for customers to know. Sales activities include negotiating sales, determining the type and number of intermediaries used in sales, and financing.

2. Physical Distribution Functions: Distribution is a marketing function that consists of planning the infrastructure to meet demand, implementing and control of the movement of raw materials and products from the production source to the desired point of use in order to meet the needs of customers. The purpose of distribution is “to deliver goods from the right place to the right place at the right time with the lowest cost.” Activities that make goods move from producer to consumer include customer service, logistics, inventory management, order management, order information management, warehouse management, movement of goods and packaging. The details are as follows.

2.1 Customer Service is an operation by giving importance to customers to ensure customer satisfaction. By considering the necessities and needs of customers. Considering the customer's response to the service. Determining the level of customer service. Customer service is an activity that drives other activities, such as inventory decisions, and warehousing, etc. To create a competitive advantage by providing services that satisfy customers, by delivering the correct product to the correct recipient according to the correct location. Under the right conditions and time with the right cost, and the thing to be aware of is Different customers will require different levels of service.

2.2 Transportation is an activity that serves to move factors of production to factories and is an activity that allows goods to move from producers to consumers. In terms of time to deliver the goods to the destination at the desired time. And the utility of the location by moving goods from one place to another where there is a need for that product. Transportation activities are the selection of different modes of transportation, including road, rail, water, air and pipeline transportation. Choosing a carrier, vehicle schedule, shipping rate, check and complaint process.

2.3 Inventory Management Inventory in the sense of wholesalers and retailers means products purchased from manufacturers that are stored in warehouses for sale to customers of the manufacturer. Inventory includes

2.3.1 Raw materials used in production Means including raw materials and parts of production equipment purchased, and is in the process of being used in the production process

2.3.2 Goods in process are raw materials in various stages of the production process but not yet finished as a finished product

2.3.3 Finished goods are products that have been processed into finished products and waiting to be sold to customers .

Inventory is therefore what supports the customer service system. Both internal customers (Inbound Customers) is to support the production of factories and support marketing from factory to customers (Outbound Customers) Inventory management is the work that involves changing inventory levels in order to provide services to customers. Inventory expenses are as follows: Inventory retention costs cost of ordering and expenses arising from the shortage of goods

2.4 Order processing The process of ordering about receiving orders from customers. Starting from the date of receiving orders from customers until the day that customers receive the products, which affects service perception and customer satisfaction Currently, there is an ordering system developed by electronic data interchange, which means a computer system that exchanges information about trading transactions such as goods, distribution, receiving orders . Purchasing and ordering between multiple companies, etc., directly through the communication circuit, adopting an online ordering and receiving system to increase speed and efficiency in operations

2.5 Information Management Information obtained from the distribution system will affect the planning of other systems such as production systems, inventory control systems, delivery system and the ordering process, etc. Communication in the distribution system is essential and helps to create a competitive advantage. By communicating and transmitting information between related departments, resulting in coordination within the distribution system, the operation is efficient and effective. create satisfaction for customers In general, computers are often used to collect data and organize information systems, making data processing and searching fast, allowing executives to receive information that is fast enough to make decisions .

2.6 Warehouse management Warehousing and storage activities involve determining the required space. warehouse storage layout and automation



2.7 Movement of goods ( Material Handling) includes The movement of raw materials and finished goods between factories and warehouses, which causes costs such as labor costs, lost and damaged goods. etc.

2.8 Packaging is an activity about designing and creating packaging. Wrapping the product to keep the product in good condition Prevent breakage, damage, loss and deterioration of the product. An entity can mitigate such risks by packaging that is strong enough to withstand the conditions of movement and transportation. Packaging brings benefits or market value. by providing information to consumers Attractive packaging attracts customers and increases sales. Packaging protects products during storage and transportation. Increase the convenience of storing and moving products. as well as the use of tools for lifting hair and increase convenience in transportation.

3. Duties related to facilitation and marketing support. It consists of sub- task 5 things as follows

3.1 Responsibilities in product planning and development in marketing functions related to the provision of marketing information To improve or develop products to meet the needs of consumers or users. to satisfy the time

3.2 Duty of taking risks in marketing operations At present, it has expanded widely. The production is large (Mass production), the number of competitors is increasing. As well as the investment in various operations has a higher value, resulting in marketing operations. have to face more risks as well Risks affecting marketing operations There are several characteristics as follows.

3.2.1 Risks arising from changes in consumer or market demands

3.2.2 The risks arising from the nature of the product

3.3.3 Risks arising from operations

3.3.4 Risks arising from natural conditions

Different types of risks That said, it's a risk that marketers have to face. and inevitable Therefore, marketers need to find a way to prevent and fix various potential threats.

4. Duty to facilitate finance Marketing business operations at present , finance has played an important role in facilitating in the operation of the entrepreneur and in the supply of goods to consumers or buyers as follows

4.1 In terms of entrepreneurs, means business entrepreneurs. Or those who operate in the market need to use money for investment, such as buying or renting a building, and equipment that are necessary for the operation which entrepreneurs must have a good management method to make the financial liquidity of the business. It is necessary to raise funds from various funding sources, or the allocation of profits for maximum benefit to the operations of the business.

4.2 In terms of consumers or buyers. Nowadays, many consumers purchase goods or services via credit or installment rather than cash purchases. Because the social environment, economy, and current lifestyles have changed from the original. Financial institutions therefore play a more important role in facilitating life. It also helps to build purchasing power for consumers to be able to supply products or services as needed at all times.

5. Duty to provide marketing information. Marketing acts in providing information, to consumers or users for use in decision-making can choose to buy products or services that meet their needs, services that meet their needs, information about the properties of the products or services offered, the place of distribution of the products or services, the benefits to be obtained from the products or services, how. In presenting these information, marketers can do so by organizing marketing activities in the main and form called marketing promotion.

6. Duty to set standards (Standardization and Grading) is a function of marketing, related to the management of products or services to be appropriate in accordance with the needs of consumers in each group. Because consumers or buyers today have different needs. Because of the purchasing power and the purpose of purchasing the product or service, marketers need to manage the product or service in a consistent manner. According to the needs of consumers in each group, it is necessary to organize standards and divide the boundaries of products and services in accordance with the needs of consumers. Or the target market at each level before bringing the product to that market will make the trading of goods or services. It can be convenient, accurate, fast and sufficient quantity to meet the needs of more target groups in each group.

### **Information System for Marketing Management**

Information system for marketing management. It supports management work in product development, product distribution, pricing decisions. Effective product advertising and sales forecasting.

### **The use of management information systems in marketing**

The inputs into marketing management information systems are often obtained from external sources, including the Internet, competitors, customers, journals and magazines, and other publications. But information from internal sources is still important, including:

1. Strategic plan And the company's policy, including strategic plans in terms of goals and directions of desired sales. pricing of goods and services Product distribution channels, sales support items New Product Features And in the strategic plan, there may also be guidelines for analyzing marketing information. and marketing decisions.

2. Transaction Processing System In the transaction processing system, there will be data on Lots of sales and marketing, such as product information customer and sales, etc. In addition to the information obtained from the transaction processing system It may also be from electronic commerce ( E-Commerce) as well.

3. External sources Data from external sources include:

- 3.1 Information about competitors, such as information about new products and services pricing strategy strengths and weaknesses of existing product types packaging Marketing and distribution of products to competitors' existing customers in the market. This information can be obtained from marketing materials such as brochures. Sales plans obtained from competitors from the Internet network, etc.

- 3.2 Information about the market which usually comes from observing consumer behavior by agencies acting in market research, etc.

### **Processing Systems (TPS)**

Processing Systems (TPS) It is an information system related to recording and processing data arising from transactions or performing routine or basic tasks of an organization such as trading goods. recording the amount of inventory Whenever such a transaction or performance is performed, the relevant information will immediately arise, e.g. every time a product is sold. The information that comes up is the name of the customer, type of customer. Quantity and price of goods sold including the customer's payment method

The functions of TPS (Haag et al., 2000 : 50) are as follows:

1. Grouping of data is grouping similar data together.

2. Calculation using mathematical methods such as addition, subtraction, multiplication, and division to obtain useful results, such as calculating all sales taxes that must be paid during 3 years ago

3. Sorting data to make processing easier, such as sorting invoices. by postal code for faster delivery

4. Summary of data is reducing the size of the data to be smaller or more compact, such as calculating the sales of each type of product.

5. Storage Recording events that affect operations. It may be necessary to preserve the information. Especially certain types of information that are required to be retained by law. TPS involves work at all levels in an organization. But most of the work TPS will occur at a more operational level, although TPS is necessary to operate in each organization. TPS is not enough in support in executive decision making Therefore, organizations need to have other systems to help executives as well.

### **Marketing and operations of various types of organizations.**

Marketing is an administrative and management tool that is important for the operations of various types of organizations by using marketing intensively for the operations of organizations in departments or business organizations. and select only some so that the organization can successfully operate according to the specified goals, such as the operations of government agencies and various charitable organizations, etc. Marketing has become an inseparable part of the way of thinking and operation of all types of organizations . and the necessity of using marketing as a tool for managing those organizations as follows:

#### 1. Marketing and business operations

It can be concluded that marketing is important to the management of business organizations in the following areas:

1.1 Marketing is something that shareholders, entrepreneurs and executives of the organization Must be considered as a preliminary before investing in any business or industry. because if there is no good market to support appropriately enough with that business or industry would not be able to operate sustainably

1.2 Marketing is a tool to consider the feasibility of business plans in each project.

1.3 Marketing is a tool for running a business, to make a profit or a return that is worth the investment of the organization and shareholders

1.4 Marketing is a tool to create a good image for the products or services of the organization to be accepted by society, etc.

## 2. Marketing and administration in government agencies

formulation of any policy or measure for the administration and governance of the country, whose goal is to raise the quality of life of the Thai people to a higher level by creating stability and stability to the domestic economy This means trying to create employment and generate income from investing in business within the country, and export the products or services produced to the world market in order to generate income and circulate back to the domestic economy and resulted in elevating the quality of life of the people in the country to a higher order Management that will cause the success of such goals need to rely on knowledge Understanding the mechanism of marketing is fundamental.

3. Marketing with Charities The role of marketing with charitable organizations can be summarized as follows:

3.1 Marketing as a tool for selecting target groups in society

3.2 Marketing is a tool to disseminate objectives, roles and goals of the organization to target groups in society.

3.3 Marketing is a tool to create a good image for the organization. To be accepted by the general public, especially the target group of the organization

3.4 Marketing as a fundraising tool or cooperation in various fields for the operation of the organization according to the specified goals

3.5 Marketing is a tool to accomplish or achieve the desired objectives of the organization.

4. Marketing to political organizations Political organizations here refer to political parties and groups of organizations, with objectives for political movements such as the Northeastern Small Farmers Confederation various labor unions, etc. Marketing has played a greater role in these organizations and political groups. Since the world has stepped into the era of modern administration and management. Along with the knowledge of the new generation of

personnel in these organizations who understand and see the importance of marketing to the operations of political organizations like today.

Marketing plays a huge role for political organizations. especially in terms of creating an image politically appropriate positioning and dissemination of roles or missions of the organization in various situations Politics in each timing by relying on the progressive factors of the media affairs as the main component in operating together.

### **Marketing and adding value to products**

Marketers can use marketing activities to create value for their products so that consumers feel they are receiving a well-formatted product. get convenience fast in shopping have the opportunity to own the product even though there is not enough money to match the value of the product These acquisitions make consumers willing to pay for higher prices for goods or services. Marketing activities that can add value to products include:

1. Product design to suit the needs of customers ( Form Utility), including the development of product forms to look different from the original product. So that consumers feel satisfied and are willing to pay higher in exchange for a better model.



**Figure 1.1** Show phones that have games to meet the needs of customers in the group of teenagers (Form Utility).

2. Facilitating the place to sell products ( Place Utility) is the satisfaction that consumers will receive from moving. or transporting goods from various production sources to consumers which affects the value of the product to change Due to different places and distances, for

example, consumers buy products from department stores more expensive than buying from general stores. Because department stores have more facilities than general stores, etc.



**Figure 1.2** Displays the Galleries Lafayette department store that collects famous products from around the world .

3. The ability to sell products when customers want ( Time Utility) Nowadays, people's lifestyles have changed. Working hours are not only during the day. Many occupations have to work during the night. As a result, the needs of people are always there. day and night so the supplier Many try to open for sale 24 hours a day. In order to be able to meet the needs of customers at all times that customers have needs. Consumers would be willing to pay higher prices if the stores were open day and night.



**Figure 1.3** shows a 24- hour convenience store.

4. Actions to allow customers to own the product even though the customer does not have enough money to pay for the product Consumer demand for product ownership is desirable. Especially products with high unit prices. Many consumers are unable to pay the full price of the product. Therefore, giving credit, giving the opportunity to have installments in installments would create another value for customers Although buyers pay higher prices for goods, consumers are willing.



Figure 1.4 show car down payment via credit card with various offers



**Summarize**

Marketing is a business process established to plan product and/or service offerings, pricing, distribution, and marketing promotion that creates value. The exchange of goods between a buyer (consumer) and a seller (manufacturer) in which the buyer gets the greatest satisfaction, and the seller achieves the specified objectives of the business. Under the environment that changes according to the current of the competition. Marketing today is not an activity that is practiced only in business units. But it can also be applied to other types of non-profit organizations. Things to be traded are not limited to tangible goods and services. But has expanded the scope to the matter of information, ideas. Businesses will be able to market, must find a market or a group of people who will have a demand for what is being offered, with purchasing power. Various aspects of consumers, including consumption, housing, clothing, changes in family institution relationships, reducing stability and causing society to change from dependence to a more single society. Marketing management is a decision-making process. related to planning performance and regulate marketing programs that will bring satisfaction from exchanges with target markets. To achieve the objectives of the organization set, which focuses on meeting the needs of the target market. and must also be satisfied

**End of chapter questions**

1. Explain the meaning of marketing.
2. Make a comparison between the market, the market, and the market system.
3. Who can use marketing? Give 3 examples with clear explanations and examples.
4. State the benefits of marketing. Ready to comment on why you think so.
5. Explain the meaning of a marketing system.
6. Comparison between Marketing 1.0 2.0 3.0 4.0 and 5.0
7. Products from farmer products tend not to be popular with young people. Is there any way that can add value to such products?
8. Most consumers tend to buy products at a discount. Are those stores using marketing? Explain with comments.

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## Chapter 2

### Marketing Environment

Marketing environment consists of two main types: Internal Factors consisting of 1) internal environment which is a marketing factor (Marketing Mix) and 2) internal environment which is other factors. The internal factor that the company has over its competitors is regarded as the Company's strength, while the weakness or inferiority of the internal factor of the Company compared to its competitors or the industry average. It may be regarded as the weakness of the company. Another type of marketing environment is External factors that influence marketing management consist of 1) micro environment and 2) macro environment. This external environment may create market opportunities or advantages to businesses or create a relationship Restrictions or problems for businesses by analyzing this market environment. This is called SWOT Analysis and will be used in planning. Further formulate marketing policies and strategies.

#### Definition of Marketing Environment

Marketing environment refers to the external environment and the internal environment that affects the company's marketing program. The environment outside the business is an environment that the business cannot control, but the environment inside the business is an environment that the business can control (Sudaporn Kundalabutr , 2014).

Marketing environment refers to all kinds of factors that affect the operation of marketing and other aspects of the business. There are many factors that affect and factors can affect at the same time or at different times, causing the considered in terms of sums

It can be concluded that The marketing environment refers to the factors that influences or affects the maintenance of marketing especially in marketing planning creating opportunity Marketing limiting marketing scope and marketing decisions in various fields

### **The importance of the marketing environment**

Successful marketing operations Marketers must have the knowledge, understanding and ability to apply information about the external marketing environment . And to analyze and manage the internal market environment in line with the relevant external market environment. To determine the guidelines for the operation of marketing appropriate to the occasion and timing. Able to respond to marketing needs efficiently and successfully in accordance with the objectives and policies set by the business. The importance of the marketing environment can be summarized as follows :

1. It can be used to analyze opportunities and obstacles to study and forecast the impact on the business. To find ways to create success or prevent the impact that can happen to the business.
2. can use information to make decisions in order to formulate a marketing plan that is suitable for the situation at that time
3. Able to timely recognize the movement of situations in various fields resulting in information that can be managed efficiently and effectively
4. Able to modify the internal environment, see all forecasting conditions that the business or business has to achieve maximum efficiency.
5. able to discover new markets Therefore, the market can be expanded continuously, for example, from September to October of every year, it is a vegetarian festival (it is an external marketing environment) . called socio-cultural factors), marketers can use them as an opportunity to formulate marketing strategies for products and services. (It is a change in the internal environment regarding the product marketing mix) for use in planning to meet the needs of consumers who prefer vegetarianism and making merit during that time.

### **Components of the Marketing Environment**

The marketing environment consists of two important components: the external marketing environment contains various factors that the entity or business cannot control or it may be called external factors or uncontrollable factors. The internal marketing environment consists of Factors in the organization that can be adjusted or may also be called intrinsic or controllable factors. (Kotler, et al., 2005)

### External or Uncontrollable Factors

External factors or uncontrollable factors refer to factors that affect marketing operations in various fields. Factors that the entity cannot control or change to meet the needs of the entity. Businesses need to study various factors. These are used as basic information for planning decisions, or conducting marketing activities to be consistent with the changes of these factors. The external factors or uncontrollable factors consist of 8 important variables, which can be summarized as follows:

1. Cultural and Social Variables are factors that exist beyond the marketer's control. It is a factor that is related to the people in the society who are the target market. Businesses need to study these factors to be used as basic information for decision making, consisting of:

1.1 Culture Refers to beliefs, values, norms, concepts and practices of people in society. This is because large societies consist of many small societies with various occupations, multiracial religion. And in many societies, there will be the inheritance of the culture of the group of beliefs, or different values resulting in a variety of different cultures. Groups of people in the same society have the same cultural pattern and have similar behaviors and lifestyles.

1.2 Society refers to the elements of society that are most important including people and the smallest society is family society which will determine values, attitudes, opinions practices in that society. The study of the social environment will bring knowledge and understanding about the practices of people in each group of society as well, which can be considered from family or reference groups and social paths and bring information. Regarding the practice to determine the guidelines for marketing operations to suit the needs of that society, next

1.3 Population means the birth and migration rate of people in various societies. People are an important factor in the creation of various products and services. If the population changes in an increasing manner, the rate of growth or expansion of the market will likely increase accordingly. but on the contrary If, if the change in nature decreases, the rate of market expansion will decrease as well.

2. Political and legal variables Political and legal variables between agencies, both domestic and international, is a factor with Relationship with business and marketing activities. Because all types of businesses All sizes must operate under the laws, rules and regulations, adapted to the political situation of each country. Operations are within the scope specified by the



law, so the government has a duty to supervise, control, look after, support and facilitate to conduct business with consumers or between entrepreneurs or businesses or between business and society such as Establishment of the Consumer Control Board, Trade control laws in various ways, laws related to social welfare, copyright and patent law etc. Therefore, marketers must study about the law, access to political and country conditions. Learn how marketing operations are relevant. Before deciding on a marketing plan that will be implemented in order to make marketing activities consistent with political conditions, domination and can operate correctly.

3. Business-related variables (Economic Variables) Changes in economic conditions are another important variable. That affects market decisions and economic conditions. And has a direct impact on the purchasing power of consumers. That is, if the economy grows, the population will have high purchasing power. Marketing will expand. On the other hand, if the economy is in a recession, people's purchasing power will decrease. Marketing will also be sluggish, so marketers should keep an eye on changes in the economic situation.

4. Competition variables There are 3 types of competitors in the market: direct competitors, i.e. businesses that offer the same type of product or service. Indirect competitors are businesses that offer products or services that can be substituted in various forms. And the last type of competitors are competitors that have the opportunity to enter the industry. Competitor Studies Marketers or entrepreneurs should study and understand the severity of the competitive situation, number of competitors and size of competitors which can be assessed from investment size, sales volume or market share, number of employees and the proportion of production capacity or service capacity including important points about the number and position of competitors including the strengths of competitors. To be used in determining guidelines for product differentiation, and able to compete with competitors efficiently and effectively.

However, the study of competitors for efficiency. Entrepreneurs should determine methods to collect information about the movements of competitors at all times, both in terms of quality goods or services, changes in price levels. The form of marketing promotion adopted, in order to use the obtained information for planning and determining the business's marketing activities.

5. Technology Variables at present, technological advances play a very important role in production, marketing operations or all types of business operations. Because technological

advances can be used to facilitate and increase operational potential, such as manufacturing businesses used in production. This makes it possible to estimate products or services that are sufficient to meet the needs. more efficient production Marketing business is used in distribution. and provide services to consumers faster, more accurately Consumers will receive sufficient products to meet their needs at the right time. Resulting in a better life of the population in society, such as the production of modern machinery. has a high production capacity Resulting in more products in larger quantities, faster, responding to the needs of customers thoroughly and quickly. In terms of storing and analyzing various news information, it is more accurate and systematic, for example, using a cash register in conjunction with a bar code reader to calculate product prices in the retail business. make the service fast can make an account and control inventory at the same time Together, the operation is accurate and provides up-to-date information, making the operation accurate and fast. marketing planning And marketing activities can achieve the goals set. Technological trends have a direct influence or role in the production, distribution and presentation of products or services of an entity in general. Then the use of technology in business will play an important role in reducing operational procedures. and operational errors that enable the business to produce and distribute or services to consumers quickly and accurately And create more satisfaction. There is also a reduction in costs and operational errors.

6. Variables related to marketing middlemen. There are middlemen in the market that are important factors for distributing products to target markets. There are different types of marketers, each of which operates more or less independently. depending on the nature of operation size of the business marketing operations Entrepreneurs need to rely on different types of intermediaries. to use as a channel for distributing products or services The entrepreneur must offer returns and conditions that the middleman is satisfied with. The middleman is therefore willing to distribute products or services. But how much the entrepreneur chooses to use any kind of intermediaries can be determined from the nature of the products that the business will distribute, distribution channels. Competitors in the consumer market or market costs incurred and returns to be obtained etc.

7. Variables related to producers or distributors of raw materials and business networks (Suppliers Network Variables) Entrepreneurs must know organizations and agencies in both

government and private sectors. Able to support and help promote, support and business capability of the business in 4 areas as follows:

7. 1 Raw materials as well as production tools and equipment or hardware service namely Companies that produce, sell or import raw materials, machines, tools and equipment that It will help the production process or service to have a lower cost. More efficient and productive such as Manufacturers or distributors of agricultural products and processed agricultural products steel paper and aluminum as well as machine tools such as printers, soy milk production machines food mixers, photographic equipment, sound recording equipment surgical instruments etc. Knowing and building partnerships with these manufacturers and distributors is a source of cost reduction and the creation of new networks. business

7. 2 Methods or programs that help manage or provide software services. namely companies or government agencies that provide services or assistance in designing, inventing new production methods Increasing Quality Inspection Productivity Improving work standards such as Department of Internal Trade Ministry of Commerce provides services to small retailers. By providing knowledge and understanding about the changes in the current retail competitive situation. That makes small retailers severely affected by modern goods and services stores ( Modern Trade) makes small retailers have The need to change operations and management in order to remain competitive. and help in practice in order to see clear, concrete results

7.3 Personnel with production capability service management produce personnel for Peopleware , which means educational institutions and training agencies. Both the public and private sectors are responsible for producing qualified personnel to enter various industries. namely educational institutes in various career fields Institute of Small and Medium Enterprise Development skill development institute institutes for training personnel in production techniques or in the field of hotels and tourism, etc. as well as cooperation in managing and developing personnel to have knowledge competency by profession that various businesses want, for example, the establishment of a strong retail joint venture of the Ministry of Commerce To be a procurement center for small retailers to increase bargaining power on prices with manufacturers or Distributors, such as the Rak Ban Kerd Project etc.

8. Variables about marketing or consumers (Market or customer Variables) is a variable that is very important to decision making. to set guidelines for marketing operations Because

marketing or consumer variables are variables that marketers cannot control their needs. Therefore, marketers need to study the market or consumers as much as possible. To attract consumers or the market to be interested in the product or to be attributed to finding a strategic approach that meets the needs of the market effectively, which ultimately leads to the purchase decision of the consumer or the market. The study of markets or consumers is divided into two types: consumer markets and business markets.

### **Internal or Controllable Factors**

Internal factors or controllable factors refer to market factors that entrepreneurs can control or change to meet business needs. Because it is a factor that businesses or businesses allocate to use in various business operations. It contains important variables which are

**1. Marketing Mix** The elements implemented in marketing operations are known as 4 'ps. together with

1. 1 Product means the product or service that the business Manufactured or supplied to meet the needs of the target market. It is the first factor that is important to marketing operations. because the production or supply of products meets the needs of the target will make the product acceptable to consumers or users and the target market. Marketing factors must give importance to production. development, standardization product grouping and production line ups and downs to be consistent with the needs of the target market

1. 2 Price means information of goods or services that businesses produce or procure to meet demand. The value of the product or service must be consistent with the utility of the product that the consumer will receive. How a business determines its product price depends on its suitability to the nature of its target market. considering purchasing power Behavior includes actionable marketing activities such as advertising, promotions, as well as operational goals set by the business, such as returns or profits, expansion. market share or other goals

1. 3 Determination of distribution channels means Activities to make goods or services move from producers to consumers or users must be correct and appropriate. Product distribution lists must be done quickly. in time for consumers in the right place Otherwise, the product will be worthless.

1.4 Promotion refers to marketing promotion activities in addition to advertising, direct marketing Selling by Salesperson and public relations held from time to time to drive interest, trial, or purchase of final customers People in the marketing funnel or a salesperson of the business Promotion cannot be used by just one tool. It is generally used in conjunction with advertising, direct marketing or selling by using a salesperson For example, advertise to know that there is a discount, exchange, giveaway, or send salespeople to distribute sample products at home, etc.

The marketing mix or 4 'PS is classified as a controllable external factor because an entity can adjust these factors as appropriate. However, any direction adjustment must be in line with the external factors involved, for example, the business must produce or procure products that meet the needs of consumers and determine the price level that consumers can buy for consumers. Or the buyer can use it to make a purchase decision appropriately. and most importantly, the action on all 4 factors Must not go against the law regulations beautiful traditions thus making the operation of the business succeed and can stay in the market forever

**2. Policy of the business** It is a variable that the business can adjust as appropriate for the situation, such as Competition Policy Marketing Promotion Policy etc.

**3. Financial position** Financial planning is another important internal factor that an entity can adjust in accordance with external factors, both in terms of investment and operations to be able to operate under financial constraints

**4. Management** is a factor related to the use of resources that the organization has for maximum efficiency. Either human resources, capital, materials, equipment or operational processes.

### Marketing Analysis

Marketing Analysis refers to the study of the environment, influence on marketing operations and marketing elements in various fields to search for market opportunities that the organization can enter into action Then used to determine guidelines for marketing operations appropriately, in line with the situation at that time Successfully achieve the goals that the business has set. It is the method used by marketers to collect or analyze information about the marketing environment.

### Opportunity Analysis SWOT Analysis

Market opportunity analysis with SWOT Analysis is a tool used in marketing management. To analyze and assess the impact of the market environment in various aspects. that opens up opportunities or hinders the operation of the business and manage various factors that the organization has to be able to continue under the current situation and the future can be competitive The business can survive in that situation ( Ekachai Bunya Thitthan , 2010) consisting of

S stands for Strength , an analysis of advantages or outstanding advantages. or the strength of the business under the market environment or market situation at that time This is an analysis of the marketing mix and other internal environments business.

W stands for Weaknesses , an analysis of disadvantages. or the weaknesses of the business, which are often caused by the marketing mix and the internal environment knowing the weaknesses or disadvantages of the business It will be a tool to help businesses find ways to prevent or solve problems properly.

O stands for Opportunities. It is an analysis of advantages or factors that benefit the business in each situation. By analyzing the external environment that will help businesses can be used to formulate marketing strategies in accordance with that opportunity.

T stands for Threats , an analysis of threats. arising from changes in the external environment in each period and affecting the operations of the business in a negative way Activities must bring various information. let's analyze To be used for decision making in work or to improve the strategy of marketing operations to be successful . achieve objectives And it is useful as determined by the entity under the circumstances at that time.

From the elements of the analysis according to the four principles of SWOT Analysis mentioned above. Can be summarized as a principle of analyzing market situations with 2 important characteristics. The first characteristic is the analysis of various factors that entrepreneurs cannot control or modify to meet their needs. Because they are factors arising from the external market environment, called external analysis, it is an assessment of the market environment regarding factors over which the entity cannot control or change . can be converted, including trends that may change in the future for marketers to consider opportunities Opportunities and Threats in Future Market Operations The second part is an analysis of the

factors that the auditing entity controls or is capable of and the availability of the entity's resources in various areas. Including the policy of the business And most importantly, the marketing mix.

### **STP Step Analysis**

After the business has analyzed the market situation by using the SWOT analysis system analysis principles to study about the strengths, weaknesses, opportunities and threats of the business. before leading to the marketing planning process by using the STP step principle ( Panisa Meechinda and Siriwan Sereerat, 2011 ) which consists of

**S (Segmentation) Market Segmentation** Determining the market from the market share that the business is interested in meeting the needs. Determining marketing objectives to manage the marketing mix to be consistent with the characteristics of the needs of target consumers. and to differentiate between the Company's products and competitors' products in the eyes of consumers.

**T ( Targeting) Market targeting** when the business conducts market segmentation to study the characteristics, needs and behaviors of target consumers. To determine the nature of the products to be presented different from the products that are already on the market. The next step is to set the goals that the business will come in to respond to the needs in order to conduct marketing about the marketing mix to be appropriate.

**P (Product Positioning)** Determining the positioning of the products that the entity offers to the target market. It is a marketing activity that involves determining the distinctive value of products and services to differentiate them from the same type of products of major competitors. Distinctive characteristics or values of goods or services must be in line with the needs of consumers. And consumers can feel the difference in the practice of opportunity analysis . or analysis of the market situation in various areas that have been mentioned above Marketers start by analyzing various factors. about the external marketing environment first Because it is a factor that marketers cannot control or adjust to meet their needs, but it is an important factor. marketers must Understand and follow up closely to keep up with current situations and trends that will happen in the future in the marketing environment. Especially the external environment to bring information and understanding of external situations to be used to analyze internal situations. or the internal market environment to determine the potential ability and preparation of the business

in various fields and to be used to improve weaknesses able to take advantage of its full potential consistent with external situations at all times

### **Market Opportunity Analysis**

It is a very important activity. Because in the rapidly growing economy coupled with the change in communication technology and telecommunications without borders A large number of competitors have higher potential all the time. Businesses need to collect up-to-date information to analyze the right market opportunities. and select the type of business that is in demand in the market Study current and future market behavior. To determine guidelines for marketing operations that are appropriate to the capabilities of the business.

### **Marketing Planning**

marketing planning Means setting guidelines for practice regarding the 4 marketing mixes. Elements include products, pricing, distribution and marketing promotions; or 4 'ps business to be able to meet the needs of consumers or users and target groups until satisfaction And the business can achieve the objectives as set goals efficiently.

### **Marketing Operations (Implementation)**

It is a marketing operation process according to a defined marketing plan related to products, pricing, distribution. marketing promotion Including the assignment of duties and responsibilities to different people at each level. to be appropriate and consistent with knowledge individual ability In order to perform marketing operations according to the plan with efficiency and achieve the goals set, which is the practice of various marketing strategies (Siriwan Sereerat et al., 2017 ). As follows :

1. Product Strategies is a marketing practice related to the business's products that can meet the needs of consumers . positioning of products to suit goals by developing products to be different from competitors' products both in form superior quality It is outstanding, durable and interesting. In order to create incentives for the product



2. Price strategies are marketing practices that involve assigning information to a product so that it is appropriate to the ability to purchase a product or service in a target market. Profitable businesses can compete.

3. Distribution Strategies Marketing operations in this area are activities related to the determination of distribution channels for goods and services, transportation, storage. Defining the desired intermediaries, etc., so that the products can be distributed in different markets. thoroughly and efficiently

4. Strategies related to marketing promotion is a marketing operation involving the use of tools to promote marketing to be suitable for the nature of the product market. distribution channels, competitors, so that information about the product can be appropriately distributed to the target market. Able to stimulate, induce, persuade or induce user behavior in response to business goals

### **Marketing Control**

It is the final step in the process of formulating a marketing strategy. It is an operation related to auditing, and perform various marketing tasks To be in accordance with the defined marketing plan. Achieve the established marketing goals effectively Marketing control is an activity that must be carried out in a sequence of steps continuously. Market control can be implemented in a sequence of steps. as follows

1. Setting standards or goals of performance It is the criteria or objectives for the performance. To be a tool used to measure marketing performance that is higher or lower than the predetermined criteria. Such criteria can be set out in various ways. separated according to the ability of the nature of work

2. Performance measurement when performing various operations It has been going on for some time or when the marketing operations in each area are completed Businesses must measure performance in a way that is appropriate to the standards or objectives specified. by oral observation method or writing practice reports.

3. Performance Evaluation It is an activity related to the implementation of the performance that has been completed and compared with the specified standards. If the results of the work received are equal to the specified standards, it indicates that the performance is efficient.

But if the results of the work received are below the specified standards, it indicates that the marketing operations are inefficient. Marketing executives or those responsible for such work must study the cause, to determine guidelines for solving problems so that operations can proceed properly and achieve success according to the specified standards in the future

4. Corrective action After performing the performance evaluation, it was found that the marketing performance was below the specified standard, or unable to operate according to the target Marketing executives must find out why, in order to determine guidelines for remediation and to determine guidelines for the performance of duties to be able to achieve the next goal

**Summarize**

Environment refers to the things that affect business operations or marketing operations. There are both internal and external environments of the business. and the impact may be at the same time or at different times. The marketing environment can be divided into two main groups: Environment at the micro level is the environment that is closely related and influential to the business, including factors within the organization, consisting of marketing mix. financial management. The factors outside the organization consist of raw material suppliers Marketing intermediaries, customers , competitors and the public are controlled environments and macro environments consisting of External factors that the business cannot control , therefore, the business must adapt to the macro environment in order to operate the business well, consisting of demographics, economy, tradition, culture, politics, law, technology, natural resources.

**End of chapter questions**

1. Describe the marketing environment.
2. How many types are there in the marketing environment? What are they?
3. Which environment affects consumers the most? Why do you think so?
4. the marketing environment directly and indirectly affect businesses and consumers?
5. Explain the differences between marketing planning, and marketing control that there are similarities or differences?
6. Nowadays, consumer protection laws result in consumers having more confidence in purchasing products or services. consumer protection law How does it affect SMEs ?
7. Make a comparison between the internal and external environment, that there are similarities or differences?
8. Assume to be a business owner Which marketing environment do you need to think about the most? Why?

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## Chapter 3

### Product

Product is something that is offered for sale by a business to meet the needs or needs of consumers. to make consumers satisfied In which the consumer must pay money or other things of value in exchange. This offering can be a product, service, idea, place, organization, or person. But what is important for the product is Ability to respond to consumer needs In addition, within the same market, the company has to compete with other companies that are trying to offer the same type of product. Therefore, the company needs to continually improve and develop its products to be different and superior to its competitors. to be able to compete Including increasing sales for the company In this chapter, new products and new product developments are discussed. as well as the product life cycle Marketers must recognize the importance and conduct marketing in line with the product life cycle. This will result in operational efficiency. The details are as follows.

#### Product Definition

Product refers to many elements that combine together. presented to the market for recognition ownership use or consumption then can respond necessity and The needs of the buyer can be satisfied (Kotler and Armstrong. 1996: 429), such as a car consisting of machinery, equipment and parts. combined into a vehicle And can move people or things from one place to another. A pen, which consists of ink, plastic, steel, which together can be useful in writing or even a hotel It consists of a building with several rooms, each of which is equipped with facilities to accommodate the stay of visitors. Therefore, whether it is a car, a pen or a hotel, they are all products. so A product can therefore be anything that can satisfy a human need or need. which assumes that both parties are in the exchange process such as product serve expertise event person location Organization ownership information and thoughts (Kotler. 2004 : 429) The product contains

1. Tangible goods such as shoes, computers, cars, etc.
2. Intangible goods such as cruise ships consultation education etc.

### Levels or components of the product

Components of the product refers to the consideration of the properties of the product that can be The product composition guides the formulation of product policy , which must take into account the features , capabilities of the product . products to persuade the market, appearance and quality of the product. service mix and service quality , and at the same time setting the price based on customer perceived value (Kotler. 1997: 430) . Products can be divided into 5 levels or 5 elements together, which are



Figure 3.1 shows the product.

1. Core Product is the basic benefit for the product that consumers will receive from buying that product directly. which may be a matter of usability solving problems for customers sale of security convenience saving such as Key Benefits of Air Conditioning is cool

2. Product appearance The tangible part is the physical characteristics that consumers can touch or perceive. It is the part that completes the main product or is more inviting to use, consisting of

- 2.1 Quality level
- 2.2 Appearance (Features)
- 2.3 Design (Design)
- 2.4 Packaging (Packaging)
- 2.5 Brand name (Brand name)

For example, the appearance of the hotel namely Providing different levels of service is the quality of the hotel. The appearance of the room is in Thai style. Louis or Europe is hotel room layout room decoration is hotel packaging The name of the hotel is the brand of the hotel.

3. Expected Product (Expected Product ) is the properties or conditions that the buyer expects to receive from the purchase of the product. or as a purchase agreement Prospective product offerings are based on customer satisfaction.

4. Augmented Product is an additional benefit that the buyer will receive along with the purchase of that product . In addition to the main products and tangible products, for example

4.1 Installation service

4.2 Transportation

4.3 Warranty

4.4 Credit granting

for example car mount products Is selling installments, 1 year free repair (warranty) , car inspection (after-sales service)

5. Product potential is the part of the integrated product that has been changed or developed. To meet the needs of future customers, such as toothpaste mixed with bad breath. or cool with peppermint

### **Type of product (Product classification)**

Products can be divided into two main categories: consumer products and industrial products. as the following details

**1. Consumer Product means** a product purchased by the final consumer . For use in personal consumption, divided into 4 types:

1.1 Convenience Product has the following important characteristics:

1.1.1 Buy often

1.1.2 The purchase decision is instant. Spend less time planning your purchases.

1.1.3 There are few comparisons of product features of each brand.

1.1.4 It is a product that is not high in price.

1.1.5 Products are distributed thoroughly.

For example, products used in daily life such as rice, sugar, fish sauce, salt, detergent, soap, toothpaste, etc.

1.2 Shopping products have the following important characteristics:



1.2.1 Infrequent purchase

1.2.2 The purchase must be planned.

1.2.3 There is a comparison of products of each brand in various aspects such as price, quality, style.

1.2.4 It is a relatively high price product.

1.2.5 There is a selective distribution of products.

For example, clothes, bags, shoes, cars, mobile phones, etc.

1.3 Specialty Products have the following important characteristics:

1.3.1 It is a well-known brand. And consumers are loyal to the brand.

1.3.2 There are few comparisons of product features of each brand.

1.3.3 Consumers are less sensitive to price.

1.3.4 It is a product with a high price.

1.3.5 There is a specific distribution of products, namely There are only 1-2 available in each market.

For example, Benz cars, Rolex watches, Levi 's jeans, foreign apparel , expensive accessories, etc.

1.4 Unsought Products have the following important characteristics:

1.4.1 Consumers have little knowledge of the product. or not known before

1.4.2 There are different prices and distribution of products.

For example, life insurance, encyclopedias, etc.

**2. Industrial Products** Refers to products purchased by individuals or organizations. for use in the production process Or in doing business, can be divided into 3 types:

2.1 Materials and components is divided into 2 parts:

2.1.1 Raw materials are natural products. or agricultural products that have not been processed

2.1.2 Manufactured materials and parts are components for the production of finished goods. which has been processed

2.2 Capital items divided into 2 parts:

2.2.1 Installations, including factory buildings, large machines

2.2.2 Accessory equipment such as tools and equipment in the factory that can be moved or carried. Office equipment such as photocopiers Computers, tables, chairs, etc.

2.3 Supplies and services are divided into 2 parts:

2.3 .1 Consumables (Suppliers) are materials and equipment used for business operations or repairs. equipment maintenance other machine tools Which have a short lifespan, are used up, such as pens, pencils, paper, glue, staples, nails, brooms, cleaners, etc.

2.3.2 Services (Services) , including repair and maintenance services or business consulting services such as security services cleaning service advertising company legal consulting firms, etc.

### **Product Features**

The creation of goods and services involves determining the benefits to be offered. The business will communicate And deliver benefits to consumers through the properties of the product in terms of quality, appearance (Feature), including form (Style) and Design (Kotler. 1997: 431).

1. Product Quality is a measure of work. and measure the durability of the product The criterion for measuring quality is customer satisfaction. and superior quality than competitors If the product is of low quality, the buyer will not buy again. If high-quality products exceed the purchasing power of consumers Products can't be sold. such as microwave multitasking is set baking time Toast boiled stewed puff etc. But if the price is very high, the product will sell less. Marketers must consider what level of quality the product should have. And how much will it cost to satisfy consumers? Including product quality must be consistent and have standards in order to create acceptance Therefore, the manufacturer must always control the quality of the product.

2. Physical characteristics of goods is the shape characteristics that customers can see and can be perceived with all five senses , namely photo flavor smell sound touch such as shape nature type packaging brand

3. The reputation of the seller or brand name, word, symbol, design or a combination there of to identify the product and services of an individual vendor or group of vendors in order to distinguish them from competitors (Kotler and Armstrong. 2000: 404), such as a bank brand. together with Bank name and symbol Department store brands consist of department stores. and

symbols. A brand is a seller's promise to deliver features, benefits Service that meets the needs of buyers The best seal conveys a guarantee of quality. Brands have 6 meanings . including properties, benefits, values, culture, personality, user, consumers' purchasing decisions for certain products Depending on the reputation of the seller or brand, especially for specific products such as Louis Vuitton bags, Versace shirts, Rolex watches, Mercedes Benz cars. These are items that consumers make purchase decisions for psychological reasons, not for economic or useful reasons, such as They decide to buy because they want to be accepted in society. Because the product is an indicator of the user's status, which is considered a psychological need For this reason, marketers must develop brand equity, namely Must use marketing tools, whether products or various marketing communications to add value to the product.

4 . Design means Design related activities These factors will affect the purchasing behavior of consumers. so Design is therefore important for various products. Manufacturers with expertise in design must study the needs of consumers in order to design to meet the needs of consumers. It is also used as a criterion to make the product different (Product Differentiation) by taking into account the incentives for customers to buy the product rationally and emotionally.

5 . Packaging is a job related to the form of packaging and the production of encapsulated products (Etzel, Walker and Stanton. 2001: 298). awareness is product visibility when the customer accepts the packaging It will lead to an incentive to buy and consumption behavior so The packaging must stand out by showing the position of the product clearly. That is the packaging has to sell itself, right in the shelf.

6. Warranty and product or service warranty have different meanings as follows.

6.1 Warranty or warranty card is a document that contains a message indicating the product warranty, which the manufacturer or seller will compensate the buyer When the product fails to work within the specified period of time Warranty is an important competitive tool, especially car products home appliances and machinery because it reduces the risk of customers buying products Including building confidence Marketers therefore offer written or oral warranties. Generally, a warranty will address 3 key issues:

6.1.1 The warranty must provide complete information that Where should the buyer complain? With whom? how when the product has a problem

6.1.2 The warranty must be made known to the consumer in advance of purchase.

6.1.3 The warranty must specify the terms of the warranty period, scope of responsibility and other conditions

6.2 Warranty for products or services (Guarantee) is a statement that confirms that the product can work satisfactorily or guarantees that if the product is not sold, a refund is welcomed.

7. Color The color of the product is an invitation and an incentive to buy. Because it will cause psychological emotions such as advertising and sales promotions. Color is used to help create perception, making it stand out as a human psychological need that each product will have a decision to buy from color selection. such as car purchase decision the most important factor to decide is color European cars are meticulous in color, which is a modern color, not a single color. But it is a mixed color with color innovation (Color Innovation). In addition, the color also conveys the position of the product. Some products are environmentally conservative products. It is marketed for the environment (Green Marketing) will use green. etc.

8. Service Consumer purchase decision Sometimes it depends on the seller's customer service policy or manufacturer for example Consumers tend to shop with stores that offer good and satisfactory service. Nowadays, consumers tend to demand more services from sellers, such as credit services, delivery service repair service In the production of goods, manufacturers may provide services themselves, or through an intermediary It takes into account the balance between cost and controlling the level of customer satisfaction.

9. Raw materials or materials used in production Manufacturers have a choice, to use raw materials or many materials in production such as cloth may use silk Cotton, synthetics or cosmetics can use different raw materials. In making this decision, producers must take into account their ability to procure raw materials.

10. Product Safety It is a very important issue faced by businesses. It is also an issue of business and consumer ethics. An unsafe product imposes product liability on the manufacturer or seller, which in turn causes a business to require a Product Warranty.

11. Standard When new technologies arise, benefits must be taken into account and standards of that technology many products on the market such as data transmission network

radio television computer and telephone Must have a standardized design. these standards It is regulated by a professional association. and government agencies both at the national level and global , such as the use of mobile phones may be harmful to users, however , setting standards Production can help control quality and safety for users.

12 . Compatibility is the product design in accordance with customer expectation And can be used in practice without causing problems in use. For example, the headphone jack on a desktop or portable computer is the same size.

13. Product value is the return received from the use of the product, which consumers must compare between the value resulting from satisfaction in using the product . that is higher than the cost that consumers buy

14. Variety of products Most buyers are satisfied with purchasing products . with a wide variety to choose from in the form color smell flavor packing size The nature of the packaging and the quality of the product because consumers have different needs. so Distributors need to have a wide selection of products to better meet the needs of different consumers.

### **Product Mix**

Product Mix means a group of goods or products with similar characteristics that the business offers to customers or consumers with a target group distribution channel same market, but able to meet the specific needs of each sub-group

six key dimensions, consisting of:

1. Product line means grouping of products that are closely related in terms of characteristics duties (benefits) and distribution channels that are similar and have the same target customers

1.1 have similar characteristics

1.2 have similar uses

1.3 Selling to the same group of customers

1.4 have the same distribution channel

1.5 have similar prices

2. Product item means the characteristics of different units within the brand . or the same product line in terms of size, price, color, smell, shape or other properties

3. Product width means The total number of product lines of an entity offered for sale.
4. Product depth means The number of items in each product line offered by the business
5. Product length means The total number of products offered by the entity to its customers or consumers.
6. Product line consistency means The relationship between product groups in production distribution or other aspects of the product related They may be aligned in terms of manufacturing processes that are closer to their target audience and use similar distribution channels. For example, P&G companies are aligned in terms of consumer products. which can choose to buy using the same channel But they are inconsistent in terms of diverse buyer characteristics.

## **Brand**

Brand refers to the name, word, symbol, design or combination of such things that the manufacturer or seller applies to their products or services to distinguish them from competitors.

Brand name means words, letters or numbers that can be pronounced.

Manufacturer's mark or manufacturer's mark (House mark) or manufacturer's brand means the name, mark or symbol of the manufacturer or distributor, which is not a brand. This mark is useful in creating recognition of the quality and price of the product. This will affect the production or sale of new products of the business.

Trademark means a brand used by a seller and is protected by law .

Certification mark means a mark issued by government agencies or various standards offices to certify product quality.

Logos or symbols refer to anything that tells the personality of the product. which is related to the physical characteristics of the product Mainly used in advertising, mostly done in cartoon style.

Slogans refer to a group of words, phrases or statements that represent the personality or quality of the product.

Copyright Refers to the legal rights of literary and artistic creative works.

**Types of brands** Brands can be divided into two main categories:

1. Manufacturer's brand

- 1.1 Individual brand means naming the brand differently. for each product

UniLever company example Set a different brand name for each product, for example:

Soap : Lux , Dove

Shampoo : Sunsilk , Clinic Clear , Dove , Organics

Detergent : Breeze , Omo

Cosmetics : Pond 's

1.2 Family brand means using a collective brand name. for all kinds of products produced by the company

For example, Canon's electrical appliance manufacturing company, no matter what type of product they produce, will use the same brand name, Canon , such as cameras, printers, calculators, etc.

1.3 Separate family names for products mean the use of a separate brand name for each group of products.

For example, Johnson & Johnson.

Baby Products : Johnson & Johnson

Sanitary napkins : Modes

Sanitary pad : Carefree

Pang Yen: Shower to shower

1.4 Company trade name combined with individual product name means using the company name together with the specific product name.

For example, the car manufacturer Honda uses its company name along with a unique name for each car model, e.g.

Honda Accord

Honda Civic

Honda City

Honda CR-V

Honda Jazz

Honda Dream, Honda Wave

2. Middleman's brand refers to the name of the brand of the middleman who receives the product from the manufacturer to resell, by using their own brand name or may hire a factory to produce products for then use the seller's brand

for example

Top's supermarket : Top

Tesco Lotus : Super save

Big C : Leader price

### **Label**

The label is part of the packaging. as the informational part Details about the product are divided into 3 parts:

1. Brand label, for example, grape brand vegetable oil
2. Label showing the quality of the product ( Grade label), for example, grape brand vegetable oil, undiluted, genuine fish sauce, squid brand, etc.
3. Label showing product details ( Descriptive label), for example, how to use, ingredients, place of production, date, month, year of manufacture / expiration, etc.

### **Label strategy**

1. Clear, concise, easy-to-understand text
2. Provide important details to customers completely.
3. The information shown is factual. able to prove

### **Packaging**

Packaging is an activity related to design. and the production of packaging or encapsulating products for safety and usability It is a tool to define marketing programs to increase the chances of generating profits.

#### **nature of packaging**

1. Primary packaging refers to the packaging that encapsulates the product . in order to prevent the product from being damaged or for ease of use, for example, a toothpaste tube



2. Secondary packaging means the packaging that encapsulates the first stage packaging. to prevent the product from being damaged It also helps to add value to the product. It helps to sell products by attracting the attention of consumers, for example, toothpaste boxes.

3. Packaging for transport (Shipping packaging) means packaging that serves to store and transport goods, for example, crates, containers, etc.

### **Packaging design**

Packaging design means determining the form and structure of the packaging in relation to the function of the product. To protect products from damage and add psychological value to consumers. by relying on both science and art in creativity A good design should consider the functions of the packaging as follows:

1. Product protection Packaging must be able to prevent food from being exposed to the outside atmosphere. which may cause leakage, seepage, light, heat and cold

2. Maintain product quality The packaging must be able to maintain the quality of the product not to change Either smell or taste by choosing packaging that is suitable for the type or type of product

3. Extend product life Must be able to use sophisticated technology to help design the packaging. It can extend the shelf life of the product for a long life.

4. Convenient for use and storage. Must adhere to the principles of consumer behavior to apply. for easy use and storage but still retains its beauty

5. Save on transportation must use packaging design principles that are comparable to the size or standards of transportation with various equipment In order to be able to carry goods or products at full capacity of each device.

6. Beautiful and outstanding Must take into account the use of color for the beauty and distinctiveness of the product compared to competitors. Because part of choosing to buy a product in the first place comes from the beauty and uniqueness of the packaging. that attracts consumers to choose

### Product life cycle (PLC)

It represents the growth of sales and profits in the company's products. The PLC will help to plan marketing investments. And determine the expected profit, divided into 4 stages as shown in Figure 5.2.

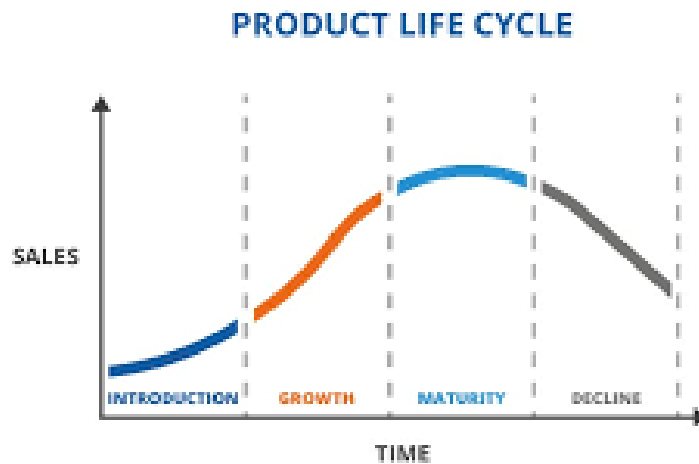


Figure 3.2 shows the product life cycle.

From Figure 3.2, the product life cycle consists of 4 stages consisting of

1. New product introduction stage has important characteristics. as follows
  - 1.1 High cost
  - 1.2 Low sales and profits
  - 1.3 Distribution is limited in scope.
  - 1.4 Focus on providing information about products. and encourage trials.
2. The growth stage has important characteristics. as follows
  - 2.1 Sales increase rapidly
  - 2.2 Higher Profits
  - 2.3 Start to have more competitors entering the market
  - 2.4 More products to choose from
  - 2.5 The price starts to decrease or stay stable.
  - 2.6 There are more intermediaries who receive products for distribution.
  - 2.7 Focus on promoting the company's brand.
3. The maturing stage has important characteristics. as follows
  - 3.1 Sales increase at a decreasing rate

- 3.2 Profits start to decline
  - 3.3 More intense competition
  - 3.4 Must start to improve or launch new products.
  - 3.5 Focus on setting prices that are different from competitors.
  - 3.6 More mediators
  - 3.7 Focus on marketing promotion to fight with competitors.
4. Decline Stage has important characteristics as follows
- 4.1 Decrease in sales and profits
  - 4.2 Decreased number of competitors
  - 4.3 Reduced product form
  - 4.4 Diminishing distribution channels
  - 4.5 Use less marketing promotion
  - 4.6 Products must be removed from the market. and looking for new markets

### **New Product Development**

New product development means a process of research, design thinking, modification and improvement in order to obtain a good product and may be a product that is new in any manner.

Divided as follows

1. Really innovative means new innovative products. that has never been seen before in the market
2. Improvement means a new improved product. by modification Modify existing products to be more novel.
3. Imitation means imitation products. by imitating competitors' products It is a new product for the company. but old in the market

product development process is divided into 8 steps as shown in Figure 3.3.



**Figure 3.3** shows the new product development process.

1. Creating concepts about new products (Idea generation) at this stage is creating concepts about new products. The sources of information that will be used in the invention of new products are divided into two sources:

1.1 Internal sources include:

1.1.1 Salespeople are people who are close to consumers, and know the needs of consumers the most

1.1.2 Research and development department (R&D Specialists) is a person who is close to the development of new technologies.

1.1.3 Top management is a person who knows weaknesses. Company strengths Therefore, it is like setting the direction of new product development.

1.2 External sources include:

1.2.1 Customers are a very important source of information. because the products that the company will offer for sale It is very important to meet the needs of the customers.

1.2.2 Members in distribution channels is another source of information that knows the needs of customers such as wholesalers, retailers, distributors, etc.

1.2.3 Competitors , competitive movements Including the strategy of competitors is another source of information that helps the company inventing new products.

2. Evaluation and selection of ideas (Idea screening) after the concept of new products. It will have to bring those ideas to evaluate the feasibility. and selecting the best and most appropriate ideas Let's continue to develop and test the concept.

3. Concept development and testing when the concept is good and most suitable from the second step. The next step is to bring the concepts that have been selected to be developed to be more clear. And to test with the target consumer group. to measure the feeling and acceptance of the new product

4. Development of marketing strategy at this stage is the development of marketing strategies, including the determination of objectives and marketing goals, STP Marketing ( market segmentation) target market selection and product positioning) and marketing mix strategy design (Marketing Mix: 4 P's).

5. Business analysis is the analysis of the situation and business possibilities in the release of products, such as forecasting demand. costs and profits to be gained, etc.

6. Product development Once the new product concept has passed through all five stages, it is at this stage that the concept is developed into a product that takes shape.

7. Market testing before the product is released for sale. There should be a market test first. This may be done in the form of selling the product to a limited extent. or allow consumers to try or consume new products to measure the acceptance of target customers know the good point Cons of the product in order to improve and improve and meet the needs of customers as much as possible

8. Business operations (Commercialization) when the product has passed the market test. In the end, it will be the actual release of new products according to the planned marketing plan. This step is therefore the introduction stage of the product life cycle (PLC).

**Summarize**

The product is the first factor that the business will offer for sale. It may be a tangible product, service, idea that will meet the needs. Product management will study the total product, which means the product plus with satisfaction and other benefits that consumers receive from purchasing that product Marketing executives must improve products or services in line with the needs of target groups. by creating satisfaction and meeting the needs of consumers in management The product must pay attention to the selection of the product. or product line increasing or decreasing the types of products in the product line product characteristics in terms of quality, performance, color, size, shape, service sales, warranty , etc. The products produced for sale meet the needs of any group of consumers. How long is the product cycle for each product cycle? How should marketing executives use marketing strategies? and when wanting to make progress for the business Businesses must plan to develop new products in line with market demands.

**End of chapter questions**

1. let the students explain product definition
2. What are the components of the product? Explain with examples.
3. What are the types of products ? Explain.
4. How useful are the features of the product?
5. product life cycle of everyday products What does it consist of ? Explain with examples.
6. new product development What components must be taken into account? explain in detail
7. the product life cycle important to the product or not ? Explain with examples.
8. to design products for the elderly with clear details



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## Chapter 4

### Price

The exchanges between goods and goods that are carried out during the undeveloped market often take place in order to solve such problems. Humans have therefore turned to exchange based on money as a medium. The use of money as an intermediary requires setting up an amount or price for each commodity as a standard of exchange. Price is therefore an important indicator of the economy. It's the idea of the consumer and is a business operation of the private sector. Prices are important to the economy as pricing is influenced by wages, rent, interest, and profit because the economic system depends on the factors of production: labor, land, and investment. Another thing to consider is that the price setting is not only the price setting of the product, but also the additional components or add-ons of the product must be taken into account in setting the price as well. Most vendors set their prices by putting together the product itself. Additional services and the product must benefit the needs for the satisfaction of the buyer.

#### Meaning of Price

Price means the amount or other things necessary to pay in order to obtain a product or service. Or the value in terms of money is the cost of the customer. Consumers will compare the value of the product or service with the price. If the value is higher than the price, consumers will decide to buy. Therefore, the seller must consider the perceived value in the eyes of the customer. Must consider the customer's acceptance of the value of the product as being higher than the price of that product. Including the cost of goods and related expenses from the purchase of goods and services and competition (Apsorn Sri Muangkong, 2009).

Price refers to the amount that must be paid to get the product / service or is the total value perceived by the customer in order to get the benefit from using the product/service worth the money paid (Armstrong and Kotler, 2009: 616) or refers to the value of the product in monetary terms. Occurs next to the Product, the price is the cost of the customer, consumers will compare between the value of the product and the price of that product. If the value is higher than the price, consumers will decide to buy. Therefore, the price strategy maker must take into account the

perceived value in the eyes of the customer which must be considered acceptance of customers in the value of the product that is higher than that product cost of goods and related expenses, competition and other factors

### **General Characteristics of the Price**

Price is the key to revenue, which is reflected back to the organization's profits. The price paid by the consumer multiplied by the number of units sold equals the company's revenue. Income will be paid for all activities of the company, both in terms of production, finance sale Distribution, etc. Anything left over is called Profit. Marketing Manager pay attention to setting a price that will earn a fair profit. In order to achieve the goal, a price must be chosen that is neither too high nor too low. In addition, the price must be equal to the perceived value of the target customer. If the price is set higher than the consumer's opinion The perceived value is lower than the overhead cost. And the opportunity to sell will be lost as well. Missing a sale implies a loss of income. On the other hand, if the price is relatively low, it may be perceived as a great value for consumers, may not be able to achieve the company's profit target (Ronnachai Tantrakul, 2010).

While consumers use price as a deciding factor in choosing a product because they accept and are satisfied with that product. Therefore, the price has no negative impact on the purchase decision. As for consumers who consider the high price of a product, it will be found that the customer judges on similar products as a criterion for purchasing decisions (Kumar and Steenkamp, 2007).

The exchanges between goods and goods that are carried out during the undeveloped market often take place. in order to resolve such problems. Humans have therefore turned to exchange based on money as a medium. The use of money as an intermediary requires setting up an amount or price for each commodity as a standard of exchange.

### **Price Setting Objectives**

1. setting prices for returns or profits
2. Pricing to get more sales

3. Pricing for other purposes consists of two cases: pricing to face competition and pricing to maintain the stability of pricing.

### **Process of Setting the Price**

Typically, those involved in pricing are Product or Marketing Managers or Owners. Because these people will have a relationship with the product from the beginning. Pricing a product is often questioned. on Which level will be the most suitable price? and to the satisfaction of all parties involved whether the owner Distributor including the final consumer The company has developed factors related to its pricing policy which generally involves 6 steps. (Ronachai Tantrakul , 2010) as follows:

1. Selecting the Price Objectives

Pricing objectives must reflect the company's hopes that the product will be successful in its target market. After the target market business strategy has been established. and the position of the product already The next step is setting objectives. and marketing mix policies, including pricing The company will have to decide where the product will be positioned. on Where is the market and consumer ? It depends on the objectives of the company. It exists for the following reasons:

- 1.1 Objectives for the survival of the company In some situations the company may be experiencing problems. Because of the mistakes in marketing strategies that make consumers disapprove of the product or the competitors are stronger, the company must be in a condition that must determine the objectives of setting the price to survive first. While changing strategy to set prices that are more attractive to the target market than competitors in order to bring the total income to be the cost of operations in various departments of the company

- 1.2 Objectives of pricing based on profit In addition to the survival of the company Profit-oriented pricing objectives include maximizing current profits based on return on investment targets and profit margins.

- 1.2.1 Maximize Current Profit It is an objective that every marketer aims to make as much profit as possible in any given period of time. which has 2 methods is

- 1.2.1.1 High price policy (Skimming Price Policy) to make the most profit in the short term. Mostly setting prices for new products to introduce to the market.

1.2.1.2 Harvesting Policy : Making the most profit in the short term before the product declines or is no longer popular with the target market.

1.2.2 Target return on investment (Target Return on Investment) is sometimes referred to as the return on all assets of the company. This is a measure of the overall efficiency of management in generating profits on existing assets. The greater the return on investment, the better for that company.

1.2.3 Satisfactory Profit Setting a price to be profitable at a satisfactory level rather than setting the objective to make the most profit in order to satisfy shareholders and executives. To make the most profits, the level of satisfaction must be determined in order to determine the amount of use of various resources. in relation to operations

1.3 Sales-Oriented Pricing Objectives : Sales-Oriented Pricing Objectives are sales - oriented pricing objectives related to market share, revenue or number of products sold . The objectives of pricing based on sales are as follows:

1.3.1 Maximize Sales Growth is a way to generate the most sales during the introduction of the product to the market. To reach the growth stage according to the product life cycle Most of the time, it's the pricing that attracts the most targeted customers. by setting prices low in order to occupy as much of the market segment as possible before more competition This low price strategy is called Penetration Pricing is suitable for situations where the market is a large market. And target customers are price sensitive. Cost of manufacturing that product of the company is low compared to its competitors. If production and distribution volumes increase, production costs and distribution costs must also decrease.

1.3.2 Maximize Market Share Market share is the sales of a company's products as a percentage of total sales in that industry. There are two approaches to determining the objectives of pricing in order to have the most market share is An increase in market share as a ratio of the volume sold or the volume bought and increasing market share as a ratio of money or income Either way, the price will affect the achievement of the objective. Either one approach or both approaches. To set a high price if there are no or few competitors and the products are accepted by the target market. Setting a high monetary value increases market share, while setting a low price increases sales volume and increases market share.

1.4 Leader of Quality Product Pricing Objective The objective of product pricing of quality product leaders is related to maintaining quality and reputation. Most often set a high price (Premium Price) by setting a high price in order to earn income for research, and product development marketing promotion The target audience is a group of potential customers who are willing to pay for a great presentation as well. This group of customers will focus on good quality or good service more than the price set.

## 2. Determine Marketing Demand

Under a liberal or capitalist economic system, the price mechanism is an important tool. To solve fundamental economic problems, namely the price of goods and services. It is an indication for business units to decide what products and services to produce, how, and in how much. In economics, the price is determined by the demand and supply of the market.

2.1 The concept of buying demand is The quantity of a product which will be sold in the market at various prices for a specified period of time. The quantity of the product that consumers will buy depends on the price of that product. setting each price will lead to a degree of difference in purchase demand. And will affect the marketing objectives of each company. Therefore, the company must consider the relationship between the alternative price from the current buying demand. Usually demand and price go in opposite directions.

2.2 The concept of supply demand or demand is related to the price per number or quantity that customers wish to buy. While demand for sales or supply is the quantity of products offered to the market by suppliers or sellers at various prices for a specified period of time. Usually demand, sell and price go in the same direction .

2.3 Demand and Supply Determine Prices is where demand and supply determine prices in order to be competitive in the market by finding an equilibrium price , i.e. a price level where quantity bought equals quantity sold, or demand equals supply but because the sales volume does not change in the same way. But it will change in the opposite way. Sales volume and price will change in the same way. Thus, the quantity bought equals the quantity sold at some point in time, at the price level that makes the consumer want to buy. and manufacturers have to sell

3. Estimated cost Pricing must consider the cost of deciding to set the product price to balance with income and the cost of pricing must be able to cover expenses in order to be

considered that the price will not cause the company to lose. For the cost here, including the cost of production, marketing expenses sale administration operation The costs that must be considered in setting the product price are as follows:

3.1 Fixed cost means Expenses or expenditures in production resulting from the use of constant factors. In other words, fixed costs are expenses or expenditures that do not depend on the quantity of output. Whether it is produced in large quantities, small quantities, or not produced at all. It will cost a fixed amount. Examples of fixed costs include the cost of investing in the purchase of land. The cost of construction of office buildings, factories, etc., which are fixed costs that do not change according to the production volume.

3.2 Variable cost means Expenses or expenditures in production resulting from the use of variable factors. In other words, variable costs are expenses or expenditures that depend on the quantity of output. If it is produced in large quantities, it will cost a lot. If it is produced in small quantities, it will cost less. And it won't pay at all if it's not produced. Examples of variable costs include labor costs, raw materials costs, transportation costs, water costs, electricity costs, etc.

3.3 Total Cost means all expenses incurred from production. and marketing for a product, in other words, integrating fixed costs. and variable costs for a defined level of production.

3.4 Marginal Cost means The change in total cost that results from production. and marketing of the product incrementally by one unit In most cases, the incremental cost of the final unit is equal to the variable cost of the product unit.

#### 4. Analyzing Competitors Cost Price and Offers

when knowing the market demand And the cost of expenses to help in setting the price is also necessary to bring information of competitors in the market for analysis. Whether it's cost. price and market presentation in order to be able to set a competitive price with the following considerations:

4.1 Price setting to match the competition is setting the price in a situation where there are more than two competitors. The company must be sure what the higher market price is. And after the middleman's price has been set, it is the selling price. Sometimes manufacturers face real pressure. If the cost increases but the price set in the market cannot be adjusted. Marketers must set prices to match the market level in a highly competitive situation and the company's products

do not stand out from competitors, especially in the consumer-facing market. and know the product well

4.2 Setting a price lower than competitors is setting a price in a situation where the company's products have a disadvantage than competitors by reducing prices to be lower than normal for the purpose of penetrating the market when the price is reduced, it will increase the demand of customers to buy more .

4.3 Pricing above competitors is setting the price in a situation where the company's products have outstanding characteristics over competitors. And has a unique appearance, is a price setting aimed at high-income target customers (Upper Class) The Company's products are products that customers have relatively high loyalty to the Company's brand, such as some specific products. The Company must create an image that the products are of high quality.

#### 5. Selecting a Pricing Method

Choosing a pricing method There are many ways to set prices, set prices by focusing on cost prices. Focus on consumers or demand or set prices by focusing on competitors Pricing methods are as follows:

5.1 Set the price according to the cost of the product. by cost plus profit The selling price per unit is equal to the cost per unit plus the desired profit margin.

5.2 Set prices according to customers based on market demand. Each market is different according to market characteristics, such as setting prices in a monopoly market. or setting prices in the market for a few or pricing in a perfectly competitive market.

5.3 Setting prices according to competitors, setting prices by focusing on competition. It is a way for marketers to see the importance of competitors rather than the importance of market needs and costs. Characteristics Such prices may occur over time in order to beat competitors. Price levels are not necessarily equal to those of competitors. May be higher or lower.

5.4 Odd Pricing Setting a price like this will make customers feel that Cheap stuff, ending with scrap looks like the seller has reduced the price. Especially in fractions before the next digit, for example, setting a price of 99 baht, the customer will feel that it is much cheaper than the price of 100 baht, although the price difference is only 1 baht .



5.5 Even Number Pricing It is set to end with an even number or a whole number. which provides knowledge of good quality products with a reputation, such as 100 baht, 1500 baht, 2000 baht, etc. This strategy is suitable for products that want to create an image. or expensive products Premium grade products.

5.5 Reputation Pricing (Prestige Pricing) is setting the price of the product according to the brand's reputation. organization or quality of the product

5.6 Price Lining is a price setting that is suitable for businesses that have the same type of product but have many styles, scents, or colors by setting a limited number of price levels. Only a few price levels for consumers to choose to buy

5.7 Setting a high price and setting a low price (Skimming and Penetration Pricing) This is the setting of high product prices in the early stages of introducing new products into the market. To want to get costs and profit back quickly or to set a low price in the early stages of bringing the product into the market. to motivate consumers to accept come to try and buy to use

5.8 Tempting Pricing It is setting the price of certain products that consumers want. The price is very low or may be lower than the cost. to motivate consumers to buy products in our store

5.9 Pricing during special events It is a special price reduction during various festivals. To encourage consumers to buy products according to the festival such as New Year, Songkran, during school starts. or organization of the organization's annual discount festival

## 6. Selecting the Final Price

Price setting in order to obtain the final price to satisfy producers, distributors and consumers. The final price selection to determine the selling price must take into account other factors as follows:

6.1 The influence of other marketing mix factors (Impact of Other Marketing Activities) For example, if a product has a popular brand, it may set a high price. Or products are advertised to let consumers know that good quality may set a high price. Or products that are sold in places that transport far. The price may set the price too high.

6.2 Company Pricing Policies Some companies that do not want to cause price competition. Therefore set a policy not to cut prices selling products to specific groups of consumers , etc.

### 6.3 Pricing with Contribution of Advantage and risk (Gain and Risk sharing Pricing)

Some products may be subject to warranties from the seller in order to give buyers confidence. Whether it's the insurance business life insurance business High-value machinery insurance to build confidence with the company's customers

6.4 Impact of Price on Other Parties Manufacturers must consider the reactions or feelings of other parties. involved in the market for setting the final price. Whether it is middlemen, salesmen, competitors, raw material suppliers and the government sector.

## Factors to consider when setting pricing

Factors that marketing executives must take into account in setting product prices are divided into internal factors and external factors. (Warunee Tantiwongwanich et al. 2011 ) as follows

### 1. Internal Factors

1.1 Marketing Objectives The Company has clear objectives for its operations. It will make it easier to set the price. Examples of objectives are:

1.1.1 Survival It's a short-term objective. It is setting the price of goods or services low. It hopes to increase consumer demand and sees profits as less important than a company's survival. The quoted price must cover variable and fixed costs.

1.1.2 Maximum profit (Current Profit Maximization ) This is the target of pricing. Which must have an estimate of demand and costs at different price levels. Then choose the price that gives profit, cash flow and the highest return on investment.

1.1.3 Market Share Leadership is setting the lowest possible price believing that the company with the highest market share will have the lowest cost and profit maximum long-term profit

1.1.4 Product Quality Leadership is a high price setting. To cover the cost of research and development of products to have the highest quality in work.

1.2 Marketing Mix Strategy decisions about the price. It must be related to product design decisions. Product distribution and marketing promotion In addition, decisions on other marketing mix variables It will have an impact on pricing decisions as well.

1.3 Cost will determine the lowest price level. that the company can sell that product  
The company wants to set a price that covers all costs involved. Whether it's the cost of production  
distribution marketing promotion Types of costs can be divided into 3 types:

1.3.1 Fixed Costs are the costs that do not change according to the level of  
production or sales.

1.3.2 Variable Costs are costs that change directly according to the level of  
production.

1.3.3 Total Costs is the sum of fixed costs and variable costs at nominal  
production level

1.4 Organizational Considerations Management must decide within the organization  
who will set the price of the product. In general, if it's a small company. Prices are set by senior  
management. Rather than being a marketing or sales manager. But if it's a large company Pricing  
is set by the product line manager. In general, people who influence pricing are sales managers,  
production, finance and accounting.

## **2. External Factors**

2.1 Market and Demand The nature of the market and demand or demand determines  
the maximum price level that consumers are able to purchase owner Therefore, before setting the  
price Marketers need to understand the relationship between price and demand for a product.

In addition, pricing is also different according to the type of market, which is divided  
into 4 types: perfectly competitive market. Semi-competitive, semi-monopoly market oligopoly  
market and monopoly market

2.2 Competitors ' Costs, Prices, and Offers will affect the company's pricing. The  
consumers will compare prices and quality. (received value) of each brand before making a  
purchase decision

2.3 Other external factors ( Other external factors) In setting prices, the Company must  
consider other external environmental factors as follows:

2.3.1 Economic conditions

2.3.2 Intermediaries ( Resellers)

2.3.3 Government (Government)

2.3.4 Society (Social Concerns)

**Factors affecting pricing**

1. Pricing based on production costs and marketing costs
2. Pricing taking into account the role of price
3. Pricing based on the characteristics of the type of products sold luxury goods Products that can be substituted for other products should set a lower price. Products used in conjunction with other products should be priced similar to that product.
4. Pricing based on other marketing mix of the business
5. Pricing based on economic conditions
6. Pricing by taking into account the product prices of competitors If competitors set a low price for their products, our business must set a low price too if we don't want to face a price war.
7. Pricing taking into account the product lifecycle In the growth stage, businesses may switch to new packaging with higher pricing, which may be as high as that of competitors in order to maintain price stability
8. product placement-based pricing Must be close to product quality and products in the same position
9. Pricing based on business objectives or goals Product pricing must be set in line with established objectives or goals.
10. Pricing by taking into account the price elasticity of demand ( Price Elasticity of Demand), which means the percentage change in quantity demand affected percentage change in price level.

**Pricing Policy and Strategy**

formulation of the pricing policy of the entity; It is the responsibility of marketing executives. It must clearly define pricing policies and strategies. Because it will affect the decision to determine the price of products and services of the entity. Including the opportunity to compete products and services of business in the market In addition, for various parties Related can be used

as a guideline for practice. Price policy determination is divided into ( Mallika Tonsorn. 2012) as follows:

1. Geographic Pricing is a price setting based on geographical areas. because consumers are spread across the country Bringing products to sell to different areas will have transportation costs, which is the cost of the product, which affects the price as follows:

1.1 FOB product pricing at the point of production is a price setting that does not include shipping costs.

1.2 Uniform delivered pricing is the same price for all buyers. Shipping costs are already included in the product price.

1.3 Setting prices by zone (Zone delivered pricing) is setting the price of goods differently according to geographical areas. If the product is in the same region same price if sold in a different region Product prices are different.

1.4 Set the price as the seller bears the shipping cost The seller will allow the customer to deduct the shipping cost from the receipt. to expand the market into new areas

1.5 Basing point pricing The company will set the base point. Mostly, this method of setting prices applies to products such as cement, wood, sugar, etc.

2. setting different prices (Discrimination pricing) is the setting of prices that differ according to the characteristics of customers or customer needs.

2.1 Pricing according to customer groups

2.2 Pricing by Product Model

2.3 Pricing according to image

2.4 Pricing by Location or location

2.5 Time-based pricing

3. Psychological Pricing is a pricing method that takes into account the feelings of the buyer.

3.1 Customary pricing

3.2 Odd or even pricing

3.3 Prestige goods pricing

4. New product pricing New products may be original products. or is a new improved product The Company has options for setting new product prices as follows:

4.1 Market skimming pricing is the initial price setting for a new product to be marketed. to take profit first

4.2 Declining product pricing is setting a new product price at a low level. which is the introduction of new products to the market Setting a low price will allow the market to try it out. and accept the product quickly

5. Declining product pricing. It is a product in the final life cycle. The company has an option to set a price that is deteriorated, that is, to maintain the original price level to stay in the market as long as possible. It may be sold with a giveaway to incentivize purchases, further lower the price, or reposition the brand and increase the price of the product.

6. Product mix pricing is the price setting at which the manufacturer has a variety of products. Which must be taken into account to have the highest total profit The company has options to set the price as follows.

6.1 Product line pricing is the setting of different prices for each product line.

6.2 Optional Feature Pricing. The Optional Feature Pricing provides the Customer with the opportunity to purchase the Product as required.

6.3 Setting the product price in two parts (Two part pricing) is the price setting for the service business.

6.4 Product - bundling pricing is setting the price of many products. or many pieces together at a special price which, if purchased separately, the price will be higher than the combination

6.5 Pricing of the assembled product at the manufacturer Made for use with captive product pricing, including razors with razor blades. Cameras have products that are photographic film.

7. Promotion pricing is the setting of prices to encourage consumers to buy more from retailers.

7.1 Loss – event pricing

7.2 Special – event pricing

7.3 Low-interest financing credit sales, which sell products in installments

7.4 Psychological discounts is the sale of goods at a further reduction in price. and ending with the number 9

7.5 Discount for promotional purposes (Cent-off promotion) is the price setting of retailers who sell at a further reduction in price. from the selling price set by the manufacturer

7.6 Cash rebates are promotional pricing tactics whereby the consumer receives a certain amount of cash back on purchases for a predetermined period of time.

8. Discount Policy and the allowance is discount from the price specified in the listing In order for the buyer to perform some marketing functions that are beneficial to the seller, such as volume discounts, trade discounts, cash discounts and seasonal discounts, etc., the quantity discount is the amount the seller allows the buyer to deduct from the price. defined with the purpose of encouraging buyers to in a greater approximate or buy from a single seller, the discount criteria can be based on the amount or quantity ordered. in setting product prices Unless the company will consider providing (Discount) is the amount that the seller reduces from the price. Defined in the list to incentivize the buyer to buy immediately and buy more allowance is the part where the seller compensates the buyer as if the buyer has reduced the price as well

9. Price level policy. Manufacturers will set the price of the product according to the product position of the business. If the following competitors

9.1 Pricing at Market Levels

9.2 Setting a price at a level above the market price.

9.3 Setting a price at a price level below the market price.

10. Single price policy with multi-price policy

10.1 One Price Policy is that the manufacturer charges one product for all buyers at the same price under the same circumstances. One price policy is not possible. This means that the price set can be changed. But the set price can be changed anytime you want. which when changing, must adhere to the same principle of thinking with all buyers

10.2 Multi-price policy (Variable Price Policy) is a way to set product prices that are not fixed. The product price charged to each buyer will not be the same. for the same product because it depends on the bargaining of each buyer

11. Price Lining Policy is a policy to produce the same type of product. But there are different levels of quality. Sell to buyers at different price levels

**Summarize**

At present, consumers Price is used as a measure of the value of the product compared to the perceived benefit of the product or service. That is, value is the ratio of the perceived benefit to the price of the product. The price is set by the management because the price directly influences the profit of the company. The pricing of a company's products is limited by the demand for the class of products. The product itself and the brand, the newness of the product, and stages in the product life cycle. same product list and product line production cost and the cost of marketing, the cost of change product price and the duration of product price changes. The process of setting prices has 6 steps as follows: assignment of objects The purpose of setting the price of the product; Determining the market demand. cost estimation Estimation of the relationship of costs, sales volumes and profits in the market and sales presentation of competitors. selection of price setting method and final price selection; brand purchase decision; Normally, there are 2 ways to determine the form of a reference price : 1) Internal reference price: Consumers will remember the price of the product purchased in the past. 2) External reference price occurs when consumers purchase the product. which consumers perceive from the normal price attached to the product Current price of previous purchases and the lowest price of the product at the point of purchase



**End of chapter questions**

1. Explain the meaning of price.
2. Give an example of pricing a product or service, that can create incentives to buy products
3. Does the objective of price setting affect the decision to purchase a product or service? Explain with examples.
4. Describe the pricing process. By assuming one product or service
5. Why is the clothing store in the youth source Often sets the selling price in front of the store as 99 199 299 baht. Explain in detail.
6. What pricing strategies are used by convenience stores?
7. Price strategy influences hotels. Or accommodation during the holidays? Explain.
8. What is the reason that different seafood stores set different selling prices? Please explain with examples.

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## Chapter 5

### Distribution Channels

Distribution Channels for products, goods or services in various forms (Channels or Distribution Channels) consist of intermediaries in the form of shops . Wholesale shop retail store Intermediaries in the form of agents Intermediaries in the form of facilities, warehouses, shipping companies bank, etc. distribution channel Therefore, it is a group of companies or independent organizations. which is involved in the process of bringing products or services to the market or to consumers or customers If compared to another marketing mix, then Decisions about distribution channels can be extremely complex. Because it is a decision that depends on an independent third party. As mentioned above, those organizations have different goals and methods of operation that are beyond the control of the manufacturer. Managing these intermediaries requires appropriate means of distributing products and services . to deliver products and services to consumers for differentiation and higher efficiency and also bring The survival of today's modern business and marketing is inevitable.

#### **Definition of distribution channel or Marketing Channel**

Distribution Channel or Marketing Channel means the dependence of a group of organizations involved in the production of goods and services to provide goods and services . meet consumer needs (Coughlan, Anderson et al., 2006).

Distribution channel refers to the route through which goods or The service continues after the manufacturing process, continuing until the purchase and use by the end user of the goods or services. ( Iacobucci and Kotler, 2008)

Therefore, the distribution channel is A group of organizations that rely on each other to work together to deliver products. and services to the final consumer. The distribution channels must be consistent with other marketing mixes. To promote the image of the brand

### **Distribution Channel Functions**

1. Store and collect marketing information.
2. Help manufacturers in promoting marketing to target consumers.
3. Communicate with producers and target consumers.
4. Matching between products or services with consumer needs.
5. Negotiation on product prices and offers.
6. Procurement and use of funds.
7. Take risks such as deteriorated, damaged or obsolete products.

### **Components of a distribution channel**

Distribution channel by another name Trade Channel or Marketing Channel is a group of independent organizations involved in the process to make the product and services to consumers appropriately. Deciding to choose a distribution channel that will make the product. The decision to choose a distribution channel is the most important decision. In addition, the decision to choose a distribution channel is a burden on the organization in the long run (Ratchanikon Utama , 2010). Distribution channels are divided into 3 parts as follows:

1. Mediator type Companies must determine the right type of intermediaries to perform key roles in the distribution channel. Companies need to create new distribution channels due to problems with the original distribution channel. Benefits of creating new distribution channels is that there is less competition.

2. The number of middlemen. There are 3 strategies for determining the number of middlemen (Ratchanikon Utama , 2010 ) as follows: selective distribution selective distribution and distribution throughout

- 2.1 Selective distribution by arranging the number of intermediaries This strategy is used when manufacturers want to control intermediaries in terms of service delivery and works of middlemen by providing distribution privileges to intermediaries with the expectation that intermediaries will be dedicated and work to their full potential. Until it may be a joint business partner.

2.2 Selective distribution is the selection of the appropriate number of distributors regardless of whether there are too many outlets but to be able to cover a wide market area in order to have better control at a lower cost compared to the universal distribution method.

2.3 Universal distribution Manufacturers can try to sell their products in as many stores as possible. Suitable for cigarettes, soaps, snacks, chewing gum, which consumers want convenience.

3. Intermediary conditions and responsibilities. The producer must clearly define the responsibility of the intermediary. Intermediaries must be treated with respect and provide an opportunity to generate profits together. Which is involved in pricing policy. Manufacturers of goods or services should prepare product price lists. List of appropriate and fair discounts directly to distributors. Terms of Sale as payment terms and collateral to the manufacturer. Most manufacturers offer distributors cash discount terms in exchange for faster payments on the other hand, the manufacturer must guarantee the defective product and a decrease in the price per distributor as well. To encourage distributors to buy more products at a time. Sales Territory Rights The manufacturer determines the sales territories and exclusive rights to sell to the distributor. Distributors expect to be licensed under their own sales territories.

### **Types of distribution channels / Types of Marketing Channel**

Since the type of goods is divided into 2 categories: consumer goods and industrial goods. Consumer goods are targeted at the consumer market or consumer while industrial goods are targeted at the industrial market or industrial user. Therefore in the study, it is classified as a distribution channel for consumer products and distribution channels for industrial products (2012), distribution channels can be divided as follows:

1. Direct Marketing Channel Means the distribution of products from manufacturers to consumers or industrial users without intermediaries

2. Indirect Marketing Channel Means the distribution of products from manufacturers to consumers or industrial users that must go through one or more intermediaries

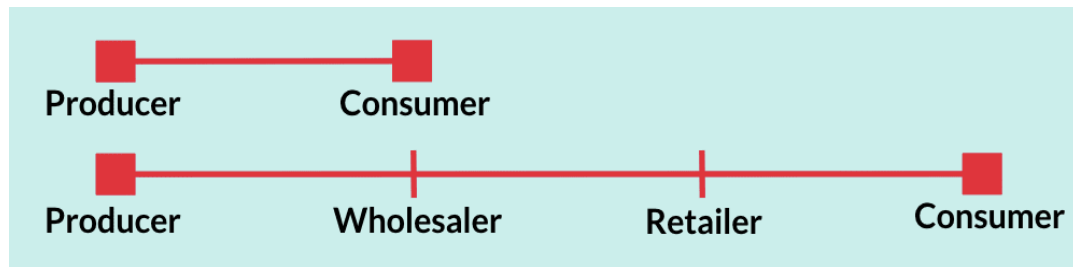


Figure 5.1 shows the types of distribution channels.

source : J. Paul Peter and James H. Donnelly , Jr. 1998

### Number of Channel Levels

The number of channel levels ( Number of Channel Levels) refers to the number of levels of intermediaries who perform certain functions in bringing the product, and title of ownership goes to the final consumer or industrial user.

Examples of Marketing Channels of Consumer Product

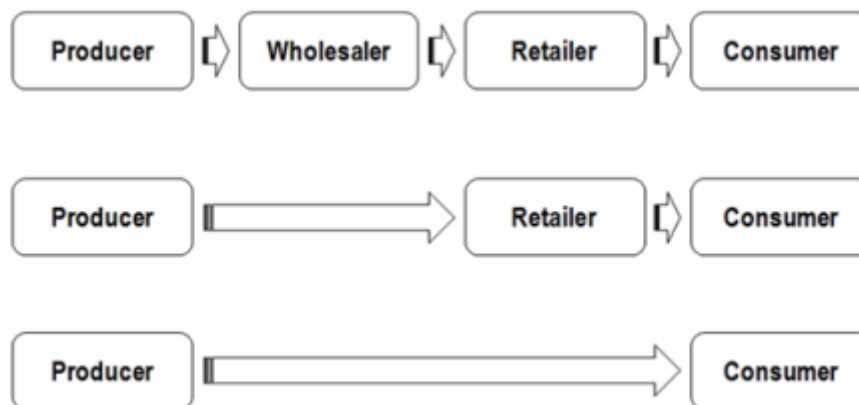


Figure 5.2 shows examples of marketing channels for consumer products.

Source : Source: J. Paul Peter and James H. Donnelly , Jr. 1998

From Figure 5.2, it can be explained as follows.

**0-level distribution channel** or direct distribution channel (Direct Channel) means distribution directly from the manufacturer to the consumer without any intermediary. A familiar pattern is to use a salesman to the door house (Door-to-Door Sales) or direct sales (Direct Sales) which leading companies such as Amway Avon Mesteen used effectively The method used to

communicate with customers is Using direct mail, Telemarketing, selling through the media, including the form of electronic stores via the Internet with the following characteristics and conditions

1. This channel can be done in many forms, such as sales by using salespeople. Opening a branch or sales office of a manufacturer Mail sales Telemarketing Sales using automated machines, etc.

2. Suitable for hard-to-sell items Customers don't see a need or need. or non-purchase products such as life insurance electric cutter, etc.

3. Suitable for finished products that must be consumed immediately, such as food and beverages.

4. Suitable for high value products and high-income customers and are geographically grouped together It's cost-effective to use salespeople to communicate directly with customers. and thoroughly

**Distribution Channel One Level** Distribution through only one level of the middleman, namely the retailer, where the manufacturer distributes products through retail stores for further distribution to consumers, consisting of Intermediaries in the distribution channels in the consumer market consist of producers, retailers and consumers with the following characteristics and conditions.

1. Suitable for products sold through large department stores or chain stores. which these department stores Buy directly from the manufacturer. This makes it possible to get a big discount because buying in bulk is better than buying from a wholesaler.

2. Suitable for perishable goods or obsolete goods and the customers are quite scattered therefore having to go through retailers to help distribute products such as fresh milk, ice cream, clothes, shoes, etc.

3. Suitable for product comparison, purchase and specific purchase . Because these products are easily outdated. and customers are scattered enough

4. Suitable for manufacturers with good financial status and can be distributed through retail stores



**Two level distribution channels** consists of middlemen in two distribution channels in the consumer market, consisting of wholesalers and retailers in the industrial market. The characteristics and conditions are as follows.

1. Suitable for products that need to live Selling through many and scattered retail outlets therefore having to rely on wholesalers to help sell to retailers because manufacturers can not make contact with retailers thoroughly, such as selling products in the provinces.

2. Suitable for non - perishable products or convenience products or products that do not change according to fashion There are many potential customers and scattered, such as soap, toothpaste, detergent, etc.

3. Suitable for small producers There are few products. And the financial position is not strong enough to deliver products to scattered retailers by themselves, so must rely on wholesalers.

**Three levels of distribution channels** The middleman called Jobber "Sapua" came to take over from the wholesale shop. Strengthen the distribution of products to retail stores to cover more areas, consisting of Three intermediaries in the consumer market It includes wholesalers, independent traders and retailers. Independent wholesalers buy products from wholesalers and resell them to small retailers with the following characteristics and conditions.

1. The reason through agents is because the manufacturer is not convenient to distribute themselves, such as in different countries. Not skilled or wanting to solve distribution problems Therefore appointed an agent to act as a distributor of products on behalf of the manufacturer.

2. Suitable for products that need to be sold through a large number of retail outlets, and scattered so had to rely on wholesalers to help sell to retailers because manufacturers can not make contact with retailers thoroughly, such as selling products in the provinces.

3. Suitable for non-perishable products or convenience products or products that do not change according to fashion There are many potential customers and scattered, such as soap, toothpaste, detergent, etc.

4. Suitable for small manufacturers There are few products and the financial position is not strong. Therefore, agents and wholesalers are required. Help relieve the burden of warehousing, transportation, product storage, finance and distribution.

**More than three levels of distribution channels** (Higher – three – level distribution channel) occurs when the product is brought through a wholesaler. Independent traders and resellers Each department has sub-groups to help carry out.

### Number of Marketing Intermediaries

It considers the number of intermediaries used at each level of the distribution channel divided into 3 types as follows.

**Table 5.1** Shows the number of marketing intermediaries.

Nature	Distribution thoroughly ( Intensive Distribution)	Distribution selective ( Selective Distribution)	Distribution monopoly ( Exclusive Distribution)
1. Meaning	A distribution system that tries to cover the market as much as possible. through many intermediaries	A distribution system that uses the method of selecting a few suitable middlemen in a particular district.	A distribution system that uses only one middleman in a particular region.
2. Number of middle people	Every item that customers will have to buy.	L i m i t e d q u a n t i t y considering	One store or one group with a suitable location
3. Purpose	want to cover the market as much as possible and sell a lot of products	want to cover the medium market and a reasonable amount of sales	want to create an image and brand loyalty
4. Product characteristics	convenience products ( Convenience goods)	compare purchase products ( Shopping goods)	specific products ( Specialty goods)
5. Number of Customers	There are many and scattered. want to buy convenience mainly	moderate number Moderate buying effort and mainly choose the brand to buy	There is a small amount, it takes a lot of effort to buy. and is very loyal to the brand

source : Siritwan Serirat and others , 2017

## **Retailing**

Thai retail trade has existed since the Sukhothai period. Use the method of exchanging objects between each other (Barter System) later, when the community expands and the population has a higher demand Therefore began to become a retail shop in the community and developed into a market system in the Ayutthaya period where Chinese merchants played a role in trade during the Thonburi period In the early Rattanakosin period, especially during the reign of King Rama IV, westerners began to open a large number of department stores . World War I and Chinese business grew in place. Therefore, the Thai retail business began in earnest after World War II (Niphon Puapongsakorn, 2002).

Retailing refers to all activities related to the sale of goods or services directly to the final consumer. for personal consumption Not for doing business

Retailer (Retailer ) means a business that performs the basic function of selling goods or services to the final consumer.

## **Types of Retailers**

The retail business in Thailand has continuously evolved from traditional retail stores to modern trade from small retail stores to large retail stores. From a single retail store to a network retailer (Chain Store Retailing) and from retail stores owned by Thai people managed by Thai people to retail stores owned and managed by foreigners. If categorizing retail stores that appear in Thailand Nowadays you will find many types of retail stores, both traditional and modern. (Warunee Tantiwongwanich, 2014) as follows

### **1. Divided by product line**

1.1 Specialty Store or Category Killer is a retail store that focuses on Sell a specific product Sell products in a specific product line. There are knowledgeable staff waiting to provide services such as Super Sport, Power Buy, Boot, Watson , etc.

1.2 department store (Department Store) A department store is a large retail organization. that sells many product lines especially clothing products home furnishings Household products, etc. Each product line is categorized into separate departments, such as Central, The Mall, Siam Paragon, Paradise Pub etc.

1.3 Supermarkets are large retail organizations with low costs, low gross margins, high sales, self-service customers, focusing on selling consumer products. Especially fresh food products such as meat, vegetables, fruits, ready meals, as well as various consumer products that are necessary for daily life such as Tops Supermarket, etc.

1.4 Convenience Store Convenience stores are small retail stores located in a residential community. Open every day. Have a long opening time. Emphasize convenience and speed in purchasing. Products sold have a limited product line. Most of them are convenience goods such as 7-Eleven, Family Mart, Mini Big C, Cj Express, etc.

1.5 Large retail stores (Super Center or Hypermarkets) is a combination of department stores and supermarkets together, that is, selling clothing, cosmetics, electrical appliances, sports equipment, fresh food, dry food, including household and daily life items such as Tesco Lotus, Big C, etc.

1.6 Stores that use catalogs (Catalog showroom) are stores that sell a large number of products by offering various products. via catalog. High turnover rate and selling famous products at discounted prices.

1.7 Minimart or small department store is a miniature of the department store, both in area, type and quantity of products sold. It still maintains the same method of operation and the type of products sold as the department stores. The location is suitable for the city and the suburbs where the community is not dense enough.

1.8 Grocery store or mom & pop store or provincial store is a traditional store that sells consumer goods, sized 1-2 booths. Administered by family members, friends.

## **2. Divided by price relations**

2.1 Discount Stores are retail stores that sell standard products at cheap prices, and sold in large quantities.

2.2 Retailers selling cheap products (Off-price Retailer) Retailers who buy products at prices below wholesale prices, and sold at a price lower than the general retail price.

2.3 Factory Outlets are discount retail outlets owned and operated by manufacturers. And selling products from manufacturers, both products that are in good condition and products that are damaged from production.

2.4 Warehouse store It is a discount retailer that sells limited branded items. It's cheap and sold to members only. The members must pay a membership fee annually.

### **3. Classified by Retail Organizations**

3.1 Chain Stores Chain stores are retail stores that consist of two or more stores, each owned and sold within the same product line. There is management from a central office such as Central The Mall , etc.

3.2 Voluntary Chains Voluntary Chains It is a collaboration between retailers to collectively purchase products. by receiving cooperation from wholesalers in supplying products

3.3 Retailer Cooperatives Cooperative Retailer It is a group of independent retailers that form a cooperative. that acts as a shopping center for member retailers The retailers will buy products through cooperatives.

3.4 Franchise business is a business that must consist of a person or juristic person who is involved with 2 parties , namely the party who owns the rights or the licensor (franchisor) and the buyer of the rights (franchisee). promise The Right Buyer proceeds to sell the Goods or Services. Under the trademark symbol, product name, technology and operating system of the licensor in the area agreed upon in the contract. The licensor determines the measures to operate under the same standardized regulations and conditions. through transmission, training Assistance and control in which the rights buyer must pay a fee to the rights owners. as a royalty fee for using the right in return

### **4. Non -store Retailing**

4.1 Direct Marketing is the sale of products through various media such as television, telephone, radio, newspapers, direct mail, etc. by communicating directly to target groups.

4.2 Direct Selling is a retail that has evolved from ordering using direct mail (Direct Mail) , but nowadays, direct marketing has used many other tools namely.

4.2.1 Direct Response Marketing by Phone

4.2.2 Television Direct Response Marketing such as TV Media

4.2.3 Radio direct response marketing

4.2.4 Cable Direct Response Marketing

4.2.5 Magazine Direct Response Marketing

4.2.6 Newspaper Directresponse Marketing

4.2.7 Marketing using catalogs

4.2.8 Choosing to buy by machine for customers to order (Kiosk Shopping)

4.2.9 Marketing using direct computers and the Internet (Online and Internet Marketing)

4.2.10 Marketing using fax machines

4.2.11 Marketing using electronic mail

4.3 Selling products through automatic machines (Automatic Vending) is a distribution through a machine without a shop. no salesperson The seller will bring the automatic machines to set up in various locations. and there will be examples or product images displayed along with prices such as soft drink vending machines, sanitary napkins, etc.

4.4 Businesses providing purchase services It's a retail without a store. but to serve specific customers especially customers who are sales representatives of large organizations such as school government agency hospital which must be a member of this business and have the right to purchase products with discounts

### **Wholesale trade / Wholesaling**

The traditional wholesale trade in Thailand called "Yee-Pua" is an important mechanism for a wide range of products to be distributed over a wide area. by relying on wholesale stores scattered throughout the country is an important tool The image of these wholesalers in the past was a powerful trader that would greatly affect the success of various products (Institute of Small and Medium Enterprises Development, 2015) .

Wholesale trade means the purchase of goods or raw materials for resale to industrial factories. other wholesalers or retailer It can be seen that wholesaler's customers are those who buy for production or for resale, not for consumption like retailer's customers. Therefore, it can be said that wholesalers play an important role in helping raw material producers or finished goods producers to distribute raw materials or finished goods to the market through other types of intermediaries.

Wholesaler means a business or organization that is involved in basic activities in wholesale trade.

## Types of Wholesalers

### 1. Manufacturers' sales branches and offices

1.1 Manufacturers' sales branches with merchandise It is a sales branch where manufacturers do their own wholesale trade. The producer must keep the products at that branch as well.

1.2 Manufacturers' sales offices without merchandise are manufacturers' sales offices. who takes orders from customers without keeping the products at the sales office

### 2. Agents and brokers

2.1 Manufacturer representative (Manufacturers' agent) The manufacturer's agent is an independent agent who acts as a wholesale intermediary. To sell some or all of the manufacturer's products. within a designated locality Able to sell related products of different manufacturers, but not competing products

2.2 Selling agents or distributors sales agent or distributor It is the middleman who is responsible for all marketing activities of the manufacturer. Not only doing sales duties Will sell all products of one manufacturer

2.3 Brokers Brokers are independent representatives who do not own ownership of the products being wholesaled. Its duty is to bring buyers and sellers together.

2.4 Commission merchants are independent representatives of wholesale intermediaries. Responsible for marketing agricultural products must hold the seller's goods Has the power to set prices and terms of sale.

2.5 Auction companies are independent agents acting as intermediaries in bringing buyers and sellers together as well as helping to provide venue facilities to showcase the vendor's products. and sold in the form of an auction

### 3. Merchant wholesalers

#### 3.1 Full service wholesaler

3.1.1 Wholesalers of general merchandise is a wholesaler that sells a variety of products that are not perishable

3.1.2 Single line wholesalers. A wholesaler who sells one product line or has a narrower product line than the average wholesaler.

3.1.3 Specialty wholesalers sell only one product.

### 3.2 Limited function wholesalers

3.2.1 Cash and carry wholesalers Suitable for products with very low profits such as Makro.

3.2.2 Drop shipper wholesalers Wholesalers don't pass through hands. Have ownership of the goods sold but do not have the goods on hand and do not have to carry the goods to the customer Responsible for sales only

3.2.3 Truck wholesalers wholesalers using trucks to sell There are various kinds of products for sale.

3.2.4 Rack jobbers Ready to manage wholesalers Acting in the sale of non-food products By procuring materials to decorate the shelves and taking care that the products are always on the shelves.

3.2.5 Mail order wholesalers Sell products by sending catalogs to retailers.

3.2.6 Producers' cooperatives It is a gathering between producers who are members of the cooperative. The profits will go to the producers who form the members of the cooperative in the form of dividends.

### **Physical Distribution or Logistics Management**

Physical Distribution or Logistics Management refers to work related to planning, implementation and control of the movement of materials, goods and related information. from the beginning to the point of consumption to meet the needs of customers for profit

#### **Main functions of product distribution (Major Logistics Functions)**

1. Operations on orders (Ordering Processing) The purchase of goods can be ordered through various means such as postal orders, telephone sales staff or via computer, etc.

2. Warehouse will have to decide on issues such as the number and type of warehouse required. warehouse location

3. Inventory management affects customer satisfaction. The most popular system used in inventory management is the Just-in-time logistics system (JIT).

4. Transportation Shipping will affect product pricing, delivery duty and the condition of the product when it reaches the customer There are many ways of transportation such as ship, train, airplane, truck and pipeline transportation.



**Summarize**

Although producers are free to sell their products directly to the final consumer. But it should not be overlooked. the benefit of the intermediary or Distribution channels because it can help reduce costs, time and items in contact. Manufacturers and consumers need to rely on intermediaries or distribution channels to make buying and selling easy and convenient. Reduce time and cost distribution channel It helps to sell products and services of manufacturers widely. The distribution channel will distribute the product. and services to places where consumers want to facilitate the purchase of goods and services. Help products reach consumers quickly at the right time and place. responsible for collecting and allocating products for proper distribution Because producers and consumers are often far from each other. Therefore, it is necessary to rely on intermediaries to collect products from various manufacturers and then try to allocate or distribute the right amount of products to consumers. or selling that product to customers distribution channel Helps to save time and money because it collects products. and allocate products for sale to where consumers want It helps both producers and consumers to be convenient. Save time and money in trading goods and services.

**End of chapter questions**

1. Explain the meaning of distribution channels.
2. What does the function of a distribution channel consist of?
3. How do the elements of a distribution channel affect a product or service? Explain.
4. What are the types of distribution channels?
5. Compare the levels of distribution channels of Level 2 and Level 3, with examples.
6. Make a comparison between retail and wholesale. that there are similarities or differences
7. Give examples of retail stores and wholesale stores both domestically and internationally, 3 examples each.
8. What factors contribute to the success of distribution?

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## Chapter 6

### Promotion

Operating in today's highly competitive business Marketing promotion therefore plays an important role in doing business in addition to products, prices and distribution . It is the method used by organizations to communicate information about their products and services and to persuade the market. This requires a communication process between the seller and the buyer. To create attitudes, provide information, persuade or reinforce about the products and brands, as well as to influence changes in the beliefs, attitudes, feelings and buying behavior of buyers. general marketing promotion will focus on making consumers more interested in the product Encourage customers to demand products and create an image. good for the business at that time

#### Definition of Promotion

Promotion means the process of marketing communications between buyers, sellers and those involved in the buying process.To provide information, persuade or reinforce about products and brands. Including to influence the change in beliefs, attitudes, feelings and behaviors of the target group.

Promotion means a tool used to communicate between sellers and consumers. With the objective of informing information, news, so that consumers get to know the information of the product. serve brand or organization and create satisfaction Create a good attitude towards the brand to induce demand or stimulate the memory (Remind) in the product by expecting that marketing communications will influence feelings, beliefs, attitudes and buying behavior (Lovelock, 2010)

Therefore, promotion is the coordination of sellers in creative endeavors. to inform and motivate to sell products and services or promote ideas promotion is one of the functions of marketing for communication with target groups. The news may be information about products, prices or intermediaries in the distribution channel.

### Objectives of Promotion

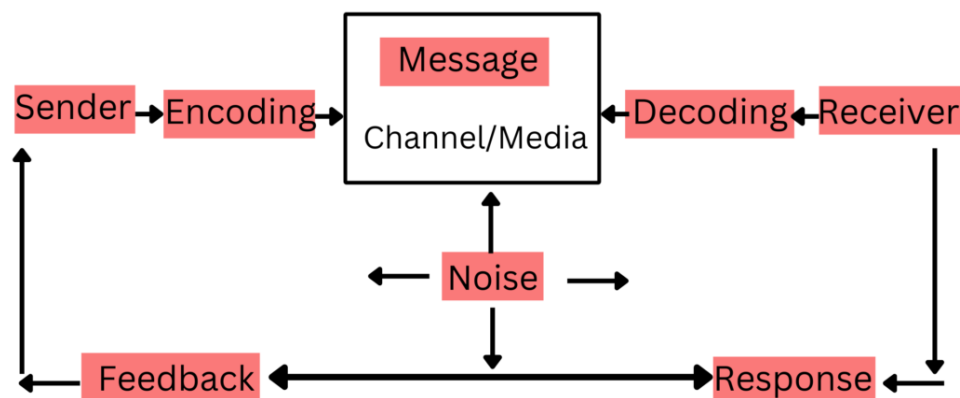
1. To notify news (To inform) is to provide information, facts, news to target customers. To achieve information about products or services.

2. To persuade is a communication to persuade target groups to want to buy products or services of the company.

3. To remind is a marketing communication to remind the target group to remember the brand of the product or service.

### Communication Process

Communication is a human activity used to convey ideas, exchange news, knowledge, experiences, attitudes values, etc. together in order to understand and influence human beings together. Thus, communication is a process in which ideas and information are transferred from one place to another for different purposes. In which communication can occur as a continuous process. The communication process therefore consists of various components as shown in Figure 6.1



**Figure 6.1** shows the components of the communication process.

From Figure 6.1, the components of the communication process can be explained as follows

1. **Communication Context** is the environment that stimulates or limits communication while communication occurs. This will make the communication stand out or ambiguous.

2. **News source / messenger (Source / Sender)** is the person who selects the various substances and then forwards them to the receiver. This could be a person, a group of people, or an organizational unit. And at the same time, it must be a receiver when communication occurs.

3. Encoding is the process of translating ideas into meaningful messages. to achieve understanding between the sender and the receiver Therefore, the sender of the message must think carefully about how it should be communicated so that the receiver will understand.

4. Message The encoding process leads to the development of "messages", in which messages contain information or meaning that the source wishes to transmit.

5. Channel of communication or media is the medium or method used to carry information from the sender to the receiver, such as television, radio, newspaper, telephone, movies, magazines, letters, etc.

6. Decoding is the receiver's process of translating information into a meaningful form that recipients can use The decoding is based on the experiences, perceptions, attitudes and values of the audience. In addition, the cultural, social, role and status environment is another factor that influences decoding.

7. Receiver or destination is the person who sends the news to receive the news, may be an individual, a group of people or an organization, the receiver must have the ability to listen and understand read about and thinking as to be able to receive the message and interpret the meaning of the message

8. Noise is the obstacle that arises during communication which affects the effectiveness of communication, such as the sound of cars running back and forth cultural differences Pronunciation is unclear, etc.

9. Response is the reaction of the receiver after receiving the news

10. Feedback is part of the response. Communication back to the messenger. This is a tool for evaluating the effectiveness of sent messages. to tell the sender how much the message the sender has understood the receiver

### **Promotion Mix**

Promotion mix. It is a basic tool used to achieve the objectives of the organization's marketing communications, including advertising . Sales promotion Sales by salespersons Providing news and public relations and direct marketing with details as follows:

## 1. Advertising

It is a non-personal, costly form of communication about an organization, product, service, or idea. And the patron is identified.

### **nature of advertising**

1. It is non-personal communication. (It is a communication using the media)
2. have to pay
3. Be able to identify patrons

### **type of advertising**

#### 1.1 Advertising for consumers (Target Audience)

1.1.1 consumer advertising Including advertising to send news to the final consumer.

1.1.2 Commercial advertising includes advertisements directed by manufacturers or distributors to convey information to retailers and wholesalers. in order to order their products to sell

1.1.3 Advertising for industrial groups, including advertising aimed at providing news to users of industrial products. especially industrial products

1.1.4 Advertising for professional groups, i.e. advertising aimed at providing information to people in various professions such as doctors, architects.

#### 1.2 Types of advertising by coverage scope

1.2.1 International advertising includes advertising that spreads news across many countries. through radio, satellite television and magazines published in many countries, etc.

1.2.2 National advertising includes advertising at manufacturers or wholesalers who have sales representatives across the country. To promote certain brands of products to be known through various media reach

1.2.3 Regional advertising includes advertising in which a manufacturer or distributor advertises through media that can be accessed only within a particular region.

1.2.4 Local advertising, including retail advertising Or companies, department stores, with the aim of getting customers to buy products at their stores or department stores that have products for sale.

### 1.3 Types of advertising divided by advertising media (Types of Media)

1.3.1 Print media include newspapers and magazines.

1.3.2 Broadcasting and broadcasting media include radio and television.

1.3.3 Outdoor advertising media, including outdoor billboards

1.3.4 Other types of advertising media include postal media, point of purchase media.

### Consideration in selecting media for advertising

An important function of an advertiser is deciding the best medium. To bring advertising to the target market, things that advertisers get the most is access (Reach), frequency, impact and continuity in the advertising budget set. In addition, advertisers should be aware of the media usage habits of their target markets. quality and cost of media as shown in Table 6.1.

**Table 6.1** Show consideration for selecting media for advertising.

media	strength	weakness
television (Television)	<ul style="list-style-type: none"> <li>- There are images, sounds and movements that can create high interest.</li> <li>- Can reach all groups of consumers</li> <li>- able to attract viewers to follow and watch the program continuously</li> <li>- The cost per capita when averaged per number of viewers is lower than other types of media.</li> <li>- Able to divide the audience into different groups. by day TV time and content</li> </ul>	<ul style="list-style-type: none"> <li>- very high cost</li> <li>- Unable to select the desired audience group.</li> <li>- short advertising life, easily forgotten by viewers</li> <li>- is a stationary medium Difficult to move</li> <li>- unstable audience numbers</li> </ul>
radio (Radio)	<ul style="list-style-type: none"> <li>- Low cost and effective coverage m high</li> <li>- able to select target groups</li> <li>- Able to send advertising news to a large number of listeners and quickly</li> <li>- Flexible, able to adjust and change the advertising text easily</li> <li>- Able to generate high frequency, repeated ads</li> <li>- create good incentives</li> </ul>	<ul style="list-style-type: none"> <li>- There is a limitation that cannot see images and movements.</li> <li>- The lifespan of news is very short if listened. Not able to come back to listen in time</li> <li>- There are not many listeners in each program</li> </ul>



media	strength	weakness
		<ul style="list-style-type: none"> <li>- Perceiving news continuously because listeners can do other activities along with listening to the radio</li> </ul>
Newspaper –	<ul style="list-style-type: none"> <li>- Able to reach a large number of people and quickly penetrate all groups of target groups</li> <li>- is a highly flexible medium You can choose the size and choose the page as needed.</li> <li>- able to provide a lot of details about the advertised product</li> <li>- Able to select geographical area boundaries according to the goals of each newspaper</li> <li>- Images can be shown to attract attention.</li> <li>- Fast and convenient advertising</li> </ul>	<ul style="list-style-type: none"> <li>- low production quality</li> <li>- The age of news is short.</li> <li>- Lack of selection of demographic target groups</li> </ul>
magazine (Magazine)	<ul style="list-style-type: none"> <li>- High production quality</li> <li>- Able to select target groups by selecting the appropriate magazine type</li> <li>- The lifespan of media is longer than that of newspapers.</li> <li>- Create a good image for the product</li> <li>- Advertising rates are not very expensive.</li> <li>- The number of readers per book is high.</li> <li>- Flexibility in creating advertisements both in form, size and position.</li> </ul>	<ul style="list-style-type: none"> <li>- high average cost per capita</li> <li>- Difficult to generate frequencies due to Available for a certain period of time</li> <li>- can't reach the target audience. multiple groups at a time Therefore, other media must be used to help.</li> <li>- Unable to distribute to rural readers</li> <li>- Long printing time</li> </ul>
Outdoor Advertising	<ul style="list-style-type: none"> <li>- Good local market coverage</li> <li>- High frequency</li> <li>- Geographical flexibility</li> <li>- Creative ability to attract attention</li> <li>- No time constraints</li> <li>- Good awareness and awareness</li> </ul>	<ul style="list-style-type: none"> <li>- There is wasted circulation</li> <li>- The capacity of information is limited</li> <li>- The audience is bored</li> <li>- The cost is high</li> <li>- There is a problem in measurement</li> </ul>
Mobile advertising media	<ul style="list-style-type: none"> <li>- Advertisers do not have to compete for ad space</li> <li>- News recipients have enough time to read the ad text on the go.</li> </ul>	<ul style="list-style-type: none"> <li>- may negatively affect the product image</li> <li>- low target audience</li> </ul>

media	strength	weakness
(Transit Advertising)	<ul style="list-style-type: none"> <li>- high frequency</li> <li>- able to select target groups according to geographical scope</li> <li>- low cost</li> </ul>	<ul style="list-style-type: none"> <li>- resulting in wasted advertising because the person who sees the ad May not be a potential customer</li> <li>- There are limitations in creative advertising</li> <li>- Limited news.</li> </ul>
Other types of advertising media and specific media	<ul style="list-style-type: none"> <li>- Good target selection</li> <li>- High flexibility</li> <li>- High frequency</li> <li>- Low cost</li> </ul>	<ul style="list-style-type: none"> <li>- If you choose to use inappropriate media, it may damage the image of the company and the product.</li> <li>- The market is saturated</li> </ul>
cinema media	<ul style="list-style-type: none"> <li>- have a large number of recipients</li> <li>- Create a good mood with images and colors sound and movement</li> <li>- High ad recall</li> <li>- reduce confusion</li> </ul>	

### Sales Promotion

Refers to an incentive that offers a special value. or incentives for products to consumers, intermediaries (distributors) or sales agencies with the purpose of generating sales immediately From this definition, it can be concluded that

1. Promotion is the provision of special incentives to encourage purchase (Extra Incentive to Buy) such as coupons, giveaways, sweepstakes, redemptions, etc.

2. Promotion as an incentive tool (Acceleration Tool) Promotional activities are intended to encourage more purchases and can make a purchase decision in an instant

3. Promotion is used to motivate 3 different groups :

3.1 Promotion aimed at consumers is a promotion aimed at the ultimate consumer to incentivize more purchases. Make purchasing decisions faster trial It is considered a pull strategy.

3.2 Promotion aimed at middlemen (Trade Promotion) is a promotion aimed at middlemen, distributors or sellers is considered a push strategy (Push Strategy).

3.3 Promotion aimed at salespeople is a promotion aimed at salespeople or sales agencies to use more sales efforts. It is considered a push strategy (Push Strategy).

### Type of Promotion

Promotion is a marketing activity that adds value or incentives to consumers, intermediaries, and salespeople. There are different forms of sales promotion as shown in Table 6.2.

Table 6.2 shows the types of promotions.

Promotion of sales aimed at consumers (Consumer Promotion)	Sales promotion aimed at middlemen (Trade Promotion)	Sales promotion geared towards salespeople (Sales-force Promotion)
<ul style="list-style-type: none"> <li>● distribution of samples</li> <li>● distribution of coupons</li> <li>● giveaway</li> <li>● competition</li> <li>● Sweepstakes</li> <li>● back guarantee</li> <li>● Additional packages</li> <li>● price reduction</li> <li>● organizing special events</li> <li>● Bringing product parts to exchange for purchase</li> <li>● free trial</li> <li>● Product warranty</li> <li>● Rewarding</li> <li>● Exhibiting at purchase point</li> <li>● trade stamps</li> <li>● Charitable donations</li> <li>● gifts</li> </ul>	<ul style="list-style-type: none"> <li>● discount</li> <li>● part allow</li> <li>● competition</li> <li>● sales training</li> <li>● Selling tools</li> <li>● Display and promotional materials at the point of purchase</li> <li>● product giveaway</li> <li>● Distributor Meeting</li> <li>● Publishing the name of the supplier</li> <li>● Trade show and exhibition</li> <li>● sales competition</li> <li>● documents for sale</li> </ul>	<ul style="list-style-type: none"> <li>● sales competition</li> <li>● sales training</li> <li>● sales meeting</li> <li>● providing equipment to help sell</li> <li>● sales reward</li> <li>● sales quota setting</li> <li>● Incentives for acquiring new customers</li> </ul>

### Promotion Objectives

The objectives of sales promotion are different, details are as follows:

1. Pulling new customers (Attract new users) is suitable for choosing to use the distribution of samples.

2. Keeping old customers (Hold current customer) is suitable for using rewards because of consumers or the intermediary is loyal to the brand is using that product It's back to repeat purchases. Or buy every time you have to use that product until it becomes a habit.

3. Encouraging current customers to buy products in large quantities (Load present user) suitable for choosing to use sweepstakes that may have a minimum quantity or focus on buying a whole box to have the right to send Sweepstakes or consumers have to increase the purchase volume to increase the sweepstakes rate that increases accordingly.

4. Increasing the product usage rate is suitable for choosing to display products at the point of purchase to focus on consumers or sales promotion at the point of purchase to focus on the middleman or reward sales to focus on salespeople. All three parts are aimed at increasing the rate of product utilization.

5. Sales promotion makes consumers raise the level (Trade up), such as organizing special events. To aim for consumers to feel the specialness of being invited to participate in such activities.

6. Reinforce brand advertising such as Charitable donations, that is, when consumers have used the product. Part of the proceeds from the product owner will be donated to charity or help according to the specified activities

### Personal Selling

Personal Selling. It is important to communicate effectively in sales marketing. The salesperson is necessary to help drive customers to use new products, increase sales, and let customers know the company's brand.

Therefore, it can be said that Personal selling is a form of person to person communication in which a salesperson attempts to persuade buyers to buy a company's products or services. It can be seen that sales by salespeople is a two - way communication process in which both salespeople and prospective customers can respond to each other instantly.

### Features of sales by salesperson

The basic objectives of a salesperson's sale include: 1) Educating customers on how to use the product and marketing assistance. 2) Provide after-sales service and support to buyers. The sale by the salesperson therefore has the strength that can create or encourage purchase. The salesperson is therefore an important variable in sales. Therefore, it can be summarized the characteristics of sales by salespersons as follows.

- 1) Sales by salespersons attracts a high level of customer interest. because it is a face-to-face retail situation. Face-to-face is a situation in which customers are difficult to avoid the message the salesperson intends to communicate.
- 2) Salespeople can tailor their message to the interests and needs of their customers.
- 3) Two-way communication features instantaneous feedback. Therefore, salespeople will be able to know whether their sales presentation is effective or not.
- 4) Salesperson sales enable salespeople to communicate more complex technical information than other marketing methods.
- 5) Sales by a salesperson will have the ability to demonstrate a lot of product functionality and features.
- 6) Selling by salespeople involves frequent interactions with customers. Makes it possible to develop a long-term relationship. This will result in brand loyalty .

### Selling Process

The sales process is a matter of one sales operation process that will cause the product or service to change the ownership rights. The objective is to operate as a stage of the sales process, which has 7 consecutive steps as follows

**1. Seeking potential customers (The Prospecting)** Refers to the method of obtaining a list of individuals or institutions with potential prospective customers.

**2. Preparations before meeting customers (The Pre-approach)** Refers to the process of collecting information about customers that has been filtered.

#### Benefits of Pre-Meeting Preparations

- It is to find information to support that the customers to meet are qualified enough to meet.

- It helps to formulate a more complete approach strategy.
- It helps to determine the topic of conversation and make a good pitch.
- Avoid mistakes that may occur accidentally.
- It helps the salesperson gain more self-confidence.
- It reflects that the salesperson has prepared well in advance.

**3. Customer visit (The Approach)** Means making an effort to have the opportunity to meet and chat with customers. with the purpose

- Get attention from customers
- make customers interested
- Leads to a tactful offering

**4. Offering and demonstration of sales (The Presentation and Demonstration)** An offering is an employee offering a product or service to a customer. with the aim of persuading the minds of customers to use the product Or use products that have been used and continue to be used forever, divided into 2 parts:

(1) Offering is informing customers about various features of products or services.

(2) Selling is informing customers about the benefits and advantages that customers will receive from that product or service.

**5. Dealing with arguments (The Objection)** Sales arguments are the behaviors that prospects show in opposition or disapproval. While employees are doing product demonstrations

**6. Closing the sale (The Closing)** It is a technique that is used to obtain purchase orders from customers. This technique must be brought out at the right time. That is when there is a signal that the customer is ready to buy. This may happen voluntarily of the customer. Or the salesperson can encourage it to happen.

**7. Customer follow-up and care (The Follow-Up)** It is a guarantee of customer satisfaction so that business contacts continue. Including occasional visits to customers who have already purchased the product. To check the level of customer satisfaction in consuming the company's products.

### **Publicity and Public Relations**

News (Publicity) means the dissemination of important business news about products or services. In order to get satisfactory presentations through the media free of cost. This is often included as part of public relations activities (Mark APDavies , 1998).

News release (Publicity) is a form of public relations about an organization, products or policies through the media without payment from the beneficiary organization.

Public relations means communicating opinions, news, and facts. to other groups of people It promotes good relations and understanding between agencies, organizations, institutions and groups. the target population and the people involved in hopes of cooperation public support as well as helping to enhance the image good for agencies, organizations, institutes as well, making the people popular, having faith in the agency as well as finding and eliminating sources of misunderstandings help to eliminate the problem to create success in the operation of that agency

Therefore, giving news is one of the tools of public relations.

Giving news (publicity) means giving news in the form of speeches. or interview or the dissemination of news and information that is both positive and negative through various media by the mass media, may or may not have to pay for it. organizations often set It's a short-term strategy. to create high credibility

Public relations is a planned effort by an organization to create positive attitudes towards the organization, its products, and its policies. Organizations are often defined as long-term strategy to build good relations with different groups

### **Objectives of news and public relations**

1) Use news and public relations to create an image that is superior to competitors. which other features unable to outperform competitors Features of products are equal to competitors Appearance will be the only thing that can differentiate a product well. When all else was equal, the image was the only thing left that could be used in battle. For example, a hotel with a long history. It has been in service for a long time. Other hotels can create, develop, choose to use comparable materials. But to say that it has a long history like Another hotel with a long history can't do it.

2) Press releases and public relations are used when providing information to a person. Some products will be successful. when people have knowledge of that brand Therefore, it is necessary to describe the product features such as air conditioners with different prices. because they are made from different materials Combined with saving electricity and maintenance costs, etc.

3) When there is a lot of information that will add value ( Values added) to the product and that news cannot be contained in the advertisement. Because the advertisement only lasts 30 seconds.

### **Selection of tools or media for public relations**

The selection of tools or media to be used in public relations in any case requires the determination of public relations objectives. What determines the tools or media that will be used include Target group or audience the news itself time element and the budget of the organization Normally, in public relations, more than one medium is often used. Types of tools or media may be divided into 2 main types:

1) Controlled Media is a medium that the organization can completely control in terms of content, form, production and method of dissemination to the public, target groups such as billboards. ( Billboard) , which the organization can fully control the content and appearance.

2) Uncontrolled media is the media that the organization cannot control. because the organization does not own these media Therefore, they cannot force these media to present the information that the organization wants. The nature of this type of media is a medium that can reach a large number of public, known as mass media , for example, radio, television, newspapers, etc.

In selecting tools or media that are suitable for the objectives of the organization's public relations, the media with the following characteristics should be considered.

- 1) It can reach the target audience and the target audience can understand it.
- 2) The target audience is familiar with it and can provide it with ease.
- 3) The media used should be consistent with the beliefs, attitudes and values of the target audience.



Therefore, in order to be able to select media appropriately. Those responsible for public relations should know the nature of different types of media. Pros and cons of each type of media. Coverage should also be considered. And the cost of each type of media in order to be able to achieve the organization's public relations objectives.

### **Type of tool or media**

Tools or media used in public relations are diverse. Which each type of tool consists of features suitability to the situation and different advantages and disadvantages The media used for public relations may be divided into

1) *Speech type media (Spoken word) or personal media* It is verbal or verbal communication. or gestures, voices, eyes, or facial expressions that lead to greater understanding. Speech or speech is one of the necessary mediums for public relations. which public relations workers must always use verbal communication or using public relations words can be used to communicate both inside and outside the organization. There are many forms of verbal use or verbal communication, including:

- *Verbal communication within the organization* It is a communication between people within the organization. such as communication between supervisors and subordinates Orientation for new employees conversations in departments, etc.

- *briefing* In which the briefing person will be knowledgeable about the subject matter to be said well in order to explain to the audience a broad understanding of any subject. during a limited period of time, such as viewing work of students in industrial plants

- *meeting* used in brainstorming exchange ideas consultation such as workshop round table meeting clarification meeting, etc.

- *Discussion* It is to suggest opinions from experts on a particular subject to the participants of the discussion. There is a moderator to control the debate to achieve its objectives. e.g. group discussion Discussions, questions and answers, etc.

- *Speech* It's a formal speech. on specific occasions

- *giving testimony* It's a speech to give ideas. Advice or prompting on important occasions such as giving His Majesty's testimony to the Cabinet on the occasion of taking office

- *speeches* It is a speech on various important occasions. of important people

- *Public speaking* It is a speech in front of a large number of people or in front of the public, such as a statement about the policy, objectives, operations or results of the organization. Including persuading or understanding with the public on any matter

2) *broadcast radio* It is a public relations medium that can reach a wide public both in the capital. and in different regions across the country Radio is a cheap medium, so people have the ability to have radio. Radio is therefore a medium that can reach the public thoroughly, extensively and quickly. drama song Radio is therefore suitable for public relations to target groups that are widely scattered.

3) *Television* It is a very popular media nowadays. because it can convey both images and sounds and can reach a large number of public groups Because nowadays, almost every household can own a television for a cheap price. People can watch news, knowledge, entertainment, including watching live events. comfortably within the residence

4) *Movies* It is both visual and audio communication. which helps the audience to know comprehension As well as creating an attitude for the audience. Promotional films may be shown in theaters. or shown on television

5) *Newspapers* It is a mass media that can reach a large number of people. and have a definite exit period on a regular basis It's also cheap and content can be changed as often as needed. Newspapers will contain news, entertainment, documentaries and stories. suitable for each group of people, for example Economic, political , sports, entertainment newspapers, etc. Public relations use newspapers as a medium for disseminating news to the public.

6) *Journal* is a publication published in the form of a book which the organization is prepared to disseminate news stories to the public with a definite and continuous release period Journals can contain many types of content according to the needs of the organization. Therefore, it is a tool or media that can be used for public relations effectively. directly aimed at the desired target group have interesting content interesting and able to disseminate a large amount of news

7) *Magazine* It is a type of publication that is important. The magazine has an interesting form because it is compact and beautiful. There is an elaborate printing system. Make magazines an engaging and motivating medium for readers. Can reach the target group well because there are many types of magazines that can be selected to meet the needs of each target group, such as

magazines for children, computers, sports, women, cars, medical, etc. The magazine is also scheduled to be released weekly, fortnightly or monthly.

*8) Other publications such as*

- Newsletters are in the form of news. have news headlines and contains details of newspaper news content

- Letters and Proclamations It is the preparation of detailed information that the organization wants to communicate to the target group by letter or statement. and send it to the relevant people.

- Leaflets and inserts It is a printed document that contains news or writings that the organization wants to publicize. It is usually a single piece of paper in the form of a flyer, which may be distributed by hand or inserted into newspapers or magazines.

- Posters and notice boards The purpose is to inform and disseminate knowledge to viewers. understanding and compliance Therefore, posters and notice boards must be eye-catching. attract attention

### **Direct Marketing**

Direct marketing is a communication tool that focuses on communicating to individuals, which have different needs. Refers to direct marketing to consumers by relying on any media that can reach consumers Or the audience gives the opportunity to respond. In addition, a customer database must be developed as well.

**Table 6.3** shows the comparison of the objectives of the mass marketing funnel with the direct marketing funnel.

<b>Mass market</b>	<b>Direct marketing model</b>
1. To communicate with a large number of general customers and respond to the needs of customers as a whole.	1. To communicate personally to each customer, taking into account the needs and preferences expressed by each person.
2. Create a memory or overall concept of the product, or brand only	2. Able to arouse the interest of individual customers and improve communication about a particular product or brand, properly suitable for the person

Mass market	Direct marketing model
3. Outgoing communications may cause customers to respond back, or not respond back	3. Expect a lot of response from direct customers, whether it is an interaction in the form of a phone call Ask for information or go to buy, exchange for goods and services
4. It is difficult to measure performance and accuracy.	4. It can present measurable performance and also give marketers access to information on the return on investment and the effectiveness of each strategy to be implemented . specifically It is also one-on-one marketing, between customers and marketers which can be easily measured and is correct

**Source:** Jirawan Deeprasert (2014) Direct Marketing : Marketing Tools that Reach Individual Consumers .

### Characteristics of direct marketing

1. A system of joint action (Interactive System) means a direct activity that works both ways ( Two-Way Communication) between marketers and target customers.
2. Give an opportunity to respond.
3. Can be done anywhere (Take Place at any Location). Buyers do not need to go to the store when purchasing products.
4. Can be measured (Measurable) by measuring the responses of customers.
5. It is a direct contact between the buyer and the seller, not through other people. It is one-to-one marketing.
6. There is a fixed target customer group (Precision Targeting).
7. A strategy that can not be seen (Invisible Strategies) makes competitors do not know what we are doing with who.

### Of direct marketing

1. Customer database Direct marketing is defined as database marketing, which means the process of creating, maintaining and using customer and other databases with the aim of communicating and trading A customer database is a systematic collection of information about a customer or prospect can be accessed and used for marketing purposes or to build good relationships with customers Customer information should therefore include

- (1) Customer details
- (2) the type of goods and services purchased by the customer both in terms of quantity and price
- (3) current contract

2. Media The media used in direct marketing must be Direct Response media, that is, must allow customers to easily contact back to the company, including:

- (1) Direct Mail ( Direct Mail)
- (2) Fax Machine ( Fax Mail)
- (3) Electronic mail ( E-Mail)
- (4) Telephone ( Telephone Direct Response Marketing)
- (5) Television ( Television Direct Response Marketing)
- (6) Radio ( Radio Direct Response Marketing)
- (7) Newspaper ( Newspaper Direct Response Marketing)
- (8) Magazine ( Magazine Direct Response Marketing)
- (9) Catalog ( Catalog Marketing)
- (10) Computers and Internet ( Online and Internet Marketing)
- (11 ) Billboard

### **Direct marketing using the internet**

Electronic commerce or E-Commerce occurred in the era New Economy, which has 3 forms according to the target group of activities that occur: Business to Business or B -to-B, Business to Customer B-to-C. Between customers and customers or C-to-C (Orachon Maneesong, 2006) can be added. There are two other types of online trading contacts: government to business or G-to-B and Government to Consumer or G-to-C

The use of the internet in business operations has become increasingly important. In the current economic condition, therefore, direct marketing through The Internet can be done in many ways, including:

- 1) Sale of goods and services It is a market that is open 24 hours a day.
- 2) Earn from Subscriptions suitable for information service business
- 3) Generate advertising revenue

- 4) Increase the value of the organization
- 5) Used to collect customer database or used in conducting research

may be said direct marketing using the internet It's a complete match. That is the owner of various businesses. It can be easily entered into the market and easily exited as well so the owner Businesses should consider how to make buyers get products that they like. That means Marketing that focuses on responding to consumers. Each individual is necessary. The next thing is instant service can respond as needed of consumers when ordering. However, direct marketing using the Internet has 3 main limitations :

1 ) Government restrictions Here we will discuss the following laws: protection for cross-border transactions which have different time electronic documents Or does an electronic signature have legal effect? Problems are caused by transactions such as delivering goods that do not match the advertisements on the Internet.

2) Business constraints such as short product cycles Quick copying of products, which makes it easy for competitors to compete in the market There is a chance of a bubble economy. Electronic cash causes money laundering.

3 ) Consumer restrictions Consumer constraints will be subject to consumer needs that change rapidly. This results in a short product life cycle, which encourages entrepreneurs to invest in research and product development continually. However, this limitation should be an opportunity for entrepreneurs in the end.

### **Direct marketing by direct mail**

Direct mail is a means of communication sent by direct mail and addressed to the addressee. There are many forms of direct mail, which are: Postcards or posters, letters, brochures, flyers, advertising and pamphlets, and have distinctive features as follows

- 1) can reach consumers directly
- 2) It is more likely to be seen and read.
- 3) The target recipient can be chosen freely.
- 4) Able to communicate at the right time

Therefore, when a direct letter has the distinctive features mentioned above Direct mail therefore has a special function as follows: 1) It is used for advertising and selling new products. and price products expensive

- 2) Used to induce and persuade the mind to achieve conformity
- 3) Used for offering as appropriate to the recipient
- 4) Assist sales staff in selling products .
- 5) Use it to follow up after sales.
- 6) Mixed with other advertising media
- 7) Used for surveying customer opinions in various aspects.

#### **Direct marketing by catalog**

Direct marketing by catalog Is that a business sends a product catalog to potential customers by mail or sometimes a product catalog may be placed in the store to attract customers and pick up the catalog themselves. Precautions for using direct marketing by catalog Is the time taken to make the target customers have a response, whether ordering or asking for more information business credibility Lead database and correctly selected target customers are important factors that will encourage target customers to respond Products that will be selected to be included in the catalog should have characteristics as follows

- 1) Difficult to find in general stores
- 2) can buy without touching or seeing the real thing Just looking at the pictures can decide to buy.
- 3) should have distinctive characteristics
- 4) The price is more affordable than buying from other places.
- 5) There is a detailed description of the product.

#### **Direct marketing by phone**

Telephony direct marketing refers to a method of communicating by telephone in conjunction with having a database. and private dialogue They will have expertise, have a plan, be able to measure results. use cost effective Including the use of creativity This method of communication is widely used today due to its low cost compared to other communication tools.

intense competitive conditions Businesses must seek competitive advantages that do not increase costs. The lifestyle of consumers who want to be fast and instant, able to control



**Summarize**

Marketing is the coordination of sellers in creative efforts to inform and persuade. To sell products and services through various marketing activities such as advertising, public relations and sales by salespeople with the objective of getting consumers to buy or increase sales of the business. Including to increase the efficiency of the middleman in distribution. by arranging and decorating the store product display Demo and other marketing efforts that is not a sales job that is practiced on a regular basis Marketing promotion is one of the functions of marketing. for communication with target groups The news may be information about products, prices or intermediaries in the distribution channel.

**End of chapter questions**

1. Describe marketing promotion, along with an example
2. promotion objectives What does it consist of?
3. to design a communication process by assuming what to communicate with a detailed explanation
4. Comparison between advertising and sales promotion that has advantages and disadvantages.
5. What forms of promotion influence the choice of products or services?
6. Press releases and public relations Are they similar or different? explain in detail
7. What form of direct marketing is appropriate in the current situation?
8. Give 3 examples of product sales promotion and explain.

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## Chapter 7

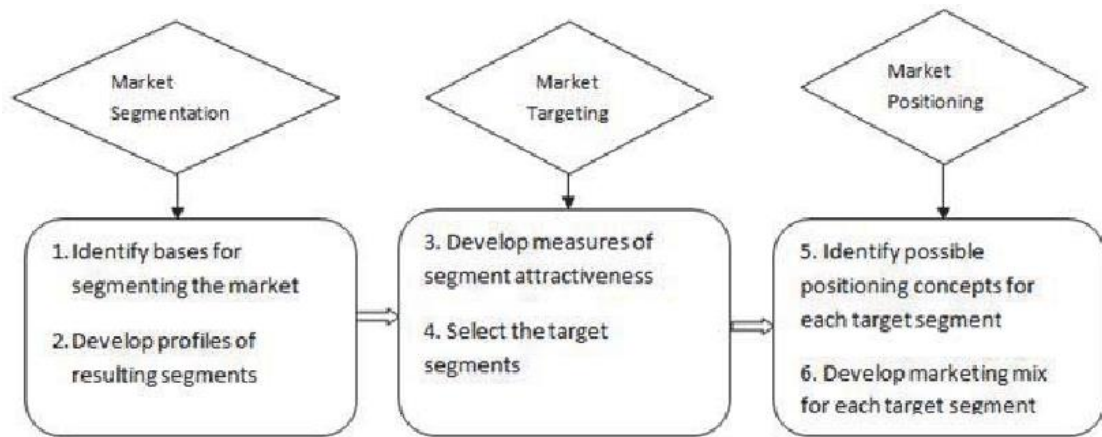
### Market Segmentation Target Marketing and Product Positioning

Decision to sell products in the market Whether the consumer market or industrial market It must always be remembered that In general, a company cannot produce products or services for customers in every market. Because there are many customers scattered. and have different needs The company therefore has to compete only in the market in which the company has the most expertise. in offering any product for sale to a group of buyers Business ventures have two main ways to choose from: trying to please the entire big market ( Total Market) , which is very difficult to do at present. all major markets It consists of a group of people with many sub- characteristics of different ages. have different education different purchasing power different social backgrounds different preferences In addition, the large population It is beyond the ability of any business to succeed. Therefore, many businesses have switched to the strategy of selecting target markets from market segmentation ( Market Segmentation).

#### Definition of market segmentation target marketing and product positioning

Alignment of different products and marketing mixes to meet market demands with different characteristics and needs which is divided into 3 parts together which is divided into 3 parts as follows

1. Market Segmentation
2. Market Targeting
3. Market Positioning



**Figure 7.1** Market Segmentation Targeting and Positioning

source : Kotler and Armstrong (2015)

Market targeting means evaluating each attractive market segment. It then selects just one market segment or multiple market segments to enter.

Market positioning means Determine the competitive position for the product and by creating or designing a detailed marketing mix at each of the following stages.

### Market Segmentation

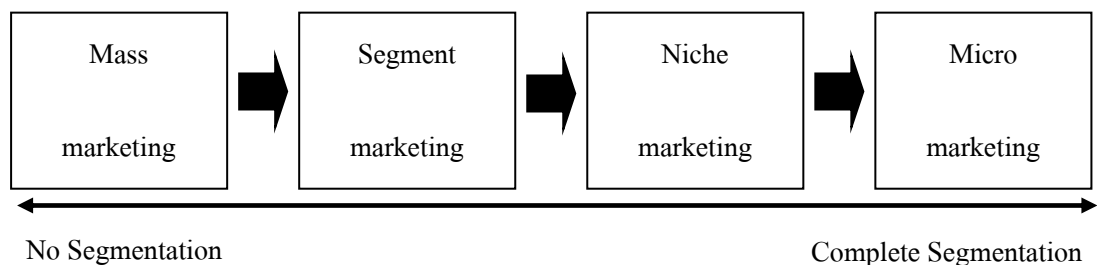
Market segmentation refers to the division of the overall market into smaller segments of the market. It consists of consumers with similar or identical covariates. Marketers will choose this area of marketing as a target in their marketing operations. using a marketing mix strategy tailored specifically for that target market (Kotler and Keller, 2011).

Market segmentation means dividing the market of any kind of product according to similar demand characteristics into sub-markets or market segments in order to select one or more markets. next target market Market segmentation doesn't start with product differentiation. But it's a segmentation of customers. and the needs of different customers So it can be said that Market segmentation is the division of customers into different sub -sections. In which the market sub-market will be selected as target market already used specific marketing mix in order to reach the selected target customers (Siriwan Sereerat and others, 2017)

From the above meaning Market Segmentation Means a big market share to be sub-market according to certain characteristics of the buyer group, based on the criteria that Not every consumer or buyer is the same. But there will be buyers who have similar preferences. according to some If a business tries to offer products and services that are pleasing to each customer. Entities must produce products to order. A seamstress who tailors a suit for each customer. but to save time Save some costs The principle of mass production would be more useful, so sewing dozens or dozens of ready-made garments at a time. hundreds of thousands Hence the idea that In many people, there must be something similar, such as shape, social values. living environment Have the same occupation, etc. This is the way businesses market consumer products by age groups, sharing preferences for spending leisure time into groups. And divide the type of sport that you like the same into groups, dividing the market into smaller sub-markets. Market segments with clear demand a market that is sized appropriately to the capabilities of the business Markets with fewer competitors, therefore , are more likely to succeed in the market . is a motorcycle or the car market, ISUZU is famous in the truck market, TOYOTA or BENZ is famous in the sedan car market, etc., and each brand of car has developed many forms For the market segments that differ in purchasing power, for example, TOYOTA has many models and levels of cars, etc.

Summary Market segmentation refers to the division of customers into distinct sub-groups. By using the criteria of needs, personality, or behavior, which consumers in each group of the same group. There will be demand for similar products or services. or different marketing mix

### Level of Market Segmentation



**Figure 7.2** shows the level of market segmentation

**Source :** Kotler, P. and Armstrong. (2015).

From Figure 7.2 , it can be seen that the level of market segmentation is divided into 4 levels. (Suebchart Antachai, 2013) is

1. Total Marketing (Mass marketing ) uses a strategy to produce products that are not different. Is focusing on mass production and sell to all customers the same It can be considered that there is no market segmentation at all, for example, Nanyang brand shoes. Produce one type of shoes for every group of customers.

2. Segment marketing is the division of the market into parts according to the needs of different consumers. to produce products or services that meet the needs of each group of consumers, for example, branded shoes Adidas makes shoes for different sports. Whether it's running, basketball, tennis, football, etc.

3. Niche marketing is the division of the market into smaller segments to meet the needs of specific consumer groups, for example producing shoes for mountaineering, golfing, etc.

4. Personalized Marketing Or the individual market (Micro marketing) is the most complete market segmentation. Is to divide the market into smaller segments to meet the needs of individual consumers, for example, a shop that tailors shoes for each customer, etc.

### **Characteristics of Good Market Segmentation**

1. Can be measured (Measurable) in each market segment must be able to be measured in quantitative terms.

2. Accessible (Accessible) can meet the needs of that market.

3. There is a large enough market size (substantial) in each market segment, there must be enough demand.

4. Actionable: able to use marketing programs to motivate

5. Differentiable: This is the segment of the market where customers see the difference in the product. and a different marketing mix from competitors

### **Benefits of Market Segmentation**

1. Know the needs and extent of satisfaction of each market segment.

2. Know the market opportunities or product placement that is suitable for the target market

3. Used as a criterion to select a target market that is suitable for the company's capabilities.

4. Make it possible to improve the product to meet the satisfaction of consumers better.

5. Make it possible to improve the marketing plan, and appropriate marketing budget

### Important variables used in market segmentation

Table 7.1 shows the key variables used in market segmentation .

variable	example
1. Geographic 1.1 Region 1.2 Urban/ Rural 1.3 Weather	South Central Northeast, North, Urban, Suburbs, Rural, Hot, Cold heavy rain
2. Demography (Demographic) 2.1 Age 2.2 Gender 2.3 Occupation 2.4 Religion 2.5 Education 2.6 Ethnicity 2.7 Income 2.8 Family Life Cycle	Under 15 years old , 15-20 years old , 21-30 years old , 31- 40 years old , 41 years old and older male female student Students, civil servants, private employees, tradesmen buddhist christ Islam Undergraduate Postgraduate Thai, Chinese, Japanese, American England Under 5,000 baht 5,000-10,000 baht Above 10,001 Baht Single Married Widowed Divorced
3. Psychographic 3.1 Social Class 3.2 Personality 3.3 Lifestyle	high middle Lower Self-confident, outgoing, aggressive love freedom, love to travel health conscious
4. Behavioral 4.1 Purchase opportunity 4.2 Exploitation	Regular purchase Occasional purchase Buy for a special occasion. Save. Good quality, easy to buy,



variable	example
4.3 Buyer status	never used, used to use, stopped using, use
4.4 Usage rate	regularly once in a while
4.5 Attitude toward the product	satisfied just not satisfied

**Source :** Kotler, P. and Armstrong (2015).

### Choosing a target market

Selecting a target market refers to the process of evaluating the attractiveness of each market segment. and choose to enter only one market or several market segments

The target market refers to the consumer group or market segment that marketers are interested in and choose to go into marketing activities. to meet the needs of those groups of consumers

**Market Segment Assessment** It is an assessment of market segment differences. By taking into account 3 different factors , namely

1. Size and growth of market segments
2. Attractiveness of market segments
3. Company Objectives and Resources

### Market Segmentation Strategy

After the company has assessed the appropriate market segment The company may select one market segment or several segments as a target. There are 3 strategies for selecting market segments ( Sudaporn Kulthonbutr , 2014 ). is

1. Undifferentiated Marketing Selecting a single target market as a single target market. assuming that the market is demanding similar or not different Just use the marketing mix. 1 set to meet the needs of many customers focus on production resulting in economies of scale production It is commonly used in market segmentation for products. or basic services for the living of consumers such as rice, salt, sugar, etc.

2. Marketing focusing on a specific segment (Concentrated Marketing) is the selection of a single target market from the overall market. Use one marketing mix that can meet the needs of the selected market segment.

3. Differentiated Marketing or marketing strategies aimed at many parts . It is the selection of two or more groups of customers with different needs. Develop different marketing mixes. to meet the needs of each targeted market segment

### **Market Positioning**

Market Positioning is to create unique features that will win the hearts of buyers. It creates an image for buyers to accept and remember. And always choose our products Positioning is the selling point of each business. or each product Or each product brand itself, for example, between Pepsi and Coke , there is a different positioning , although it is a black soda, Pepsi is more bland but more fizzy, while Coke is less fizzy. This represents the difference from the competitors.

Products or business ventures must establish their own position or position in the market For buyers to remember and select specific Not following the parade. Buyers accidentally choose The business will not have its own real market, for example

- Detergent market, each brand and product have different standpoints. It can be seen from advertisements that focus on different things, clean smell, lots of bubbles, fair price, concentration, fragrance, whiteness , softness that is suitable for the fabric that needs preservation.
- shampoo market have different hair styles different price levels Is a cosmetic, cleaning, maintaining hair roots, treating damaged hair, easy to style, preventing dandruff, can be used to wash your hair often. suitable for young children's hair
- communication tools Mobile phone, light weight, compact size, easy to carry, high performance, long distance transmission, all places, affordable price.
- service, speed, safety, quality of service, complete service Available 24 hours a day
- Machines and equipment are strong and durable. Service life, efficiency, energy efficiency ease of use maintenance savings ease of maintenance
- Each bank has a different motto. It represents different selling points or locations.

After determining the position of a product or business and success has already won the hearts of buyers, businesses cannot forget to always check whether Is the business still the number one favorite of the target customers at all times? Especially in today's rapid changes. Technology and Communication Causing new competitors to enter the market faster than before Buyers receive news and information quickly. Therefore, they may change their minds and prefer other branded products that look newer and better. and must be repositioned It is a product arrangement that is different, clear and meets the needs. By comparing the company's products with the products of competitors. to be in the minds of consumers At this stage, competitive advantages or differences must be identified in various fields.

**Identifying competitive advantages or differences in the following areas:**

1. Product Differences is the consideration of the distinctive features of the product that are superior to competitors. Which can be considered from the following features

- type
- feature
- durability
- feature
- price
- credibility
- quality

2. Service Differences is a market positioning for the product. By focusing on providing superior service than competitors Which can be considered from the following features

- fast
- warranty
- installation service
- delivery service
- Training or consulting for clients
- Maintenance and repair services

3. Personnel Differences is a market positioning based on the ability of personnel in the organization. Generally used with service products. Which can be considered from the following features

- knowledge of personnel
- experience and expertise
- credibility
- Honesty can be trusted
- customer care
- communication with customers

4. The difference in image is a market positioning. By bringing the image of the product or organization as a tool to differentiate the competition. Which can be considered from the following features

- symbol
- media
- atmosphere
- organizing special events
- product origin

**Summarize**

STP Marketing is a marketing tool for defining different products and marketing mixes. To meet the needs of markets with different characteristics and needs, including market segmentation is dividing one market into smaller groups of buyers according to needs. According to the market or according to the behavior of people who have different product needs or marketing mix. The entity will specify different approaches to the allocation. Criteria for segmenting target markets include geographical criteria. Demography Psychology and Behavioral Sciences Market targeting is an assessment of the attractiveness of each market segment. It then selects only one market segment or multiple market segments to enter, consisting of a total market strategy. specific marketing strategy and different marketing strategies Market positioning by determining the competitive position for a product and by creating or designing a detailed marketing mix at each stage, such as product positioning. focus on price and quality

**End of chapter questions**

1. market segmentation target market determination and what is product positioning?
2. Describe the market segmentation criteria for TOYOTA automobile products.
3. Give examples of targeting products using the STP concept.
4. What criteria do consumers use as criteria when choosing a home?
5. product positioning of SAMSUNG phones contribute to business success? Explain with reasons
6. Determining the target customers of the product or service. contribute to the success of that product or service or not Explain with examples.
7. Give an example of product positioning using image criteria.
8. Give one example of product positioning using the criteria of service.

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## Chapter 8

### Consumer Behavior

Daily life of all of us. There will be various consumptions all the time, whether they are both food things. or drinks Things that are used in daily life, such as cars, pens, clothes, shoes, watches, mobile phones, etc. Most of these things have to be acquired for consumption and consumption. Some products are worth buying. But some things feel not worth the money paid. Some were bought by mistake. Saw a friend bought it and bought it accordingly. Some people buy it because they see their favorite person buying it, so they buy it accordingly. Some people buy it because it's cheap. Some people buy it because of the quality of the product. It can be seen that these various reasons vary depending on the person's characteristics. and the purchase decision process as well as various factors that affects purchasing decisions

Studying consumer behavior is therefore necessary for businesses to help analyze behavior. purchase decision process and various factors influencing purchase Which can be used to plan marketing to respond to the behavior and needs of consumers appropriately. to create an advantage in business competition

#### Definition of Consumer Behavior

Consumer behavior has a variety of meanings or concepts and has many similarities as follows:

The American Marketing Association has defined consumer behavior as a reaction in a dynamic manner of feeling thinking behavior and environment as a person trades (Peter, Pual J. and Olson, Jerry C., 2001:6).

Consumer Behavior is the behavior in which consumers seek, purchase, use, evaluate, and use products and services that are expected to satisfy their needs ( Schiffman and Kanuk, 2004).

Consumer behavior is the study of participatory processes when individuals or groups choose, buy, use, or abandon goods, services, ideas, or experiences in order to satisfy needs and desires (Solomon, Michael R. ., 2013)



Therefore, it can be concluded that Buying behavior of consumers refers to the purchasing behavior of consumers in the end who buy goods and services for their own consumption, or for eating or for domestic use. All consumers who purchase goods and services for such purposes collectively are called the consumer market. consumers around the world. There are differences in demographic characteristics in many issues such as age, income, education level, religion, culture, tradition, values and tastes, etc., resulting in the behavior of eating, using, purchasing and the perceptions of consumers towards the products are different. go resulting in the purchase of many goods and services different types. In addition to the aforementioned population characteristics. There are other factors. another that makes consumption different.

### **The importance of studying consumer behavior**

The study of consumer behavior all stems from the fact that consumer behavior is related to the exchange that occurs between individuals or groups in society. Exchange means that two or more individuals or organizations are willing to sacrifice something in order to obtain something else of value. him (Solomon, Michael R., 2013), where business organizations play a vital role in facilitating and enabling the process of exchange by through marketing strategy planning and implementation of the marketing strategy plan that has been established.

Effective strategic planning relies on creativity and marketing ideas. In general, consumers can provide information to business organizations about what is important to them and what is their problem. experience in life, but consumers are often unable to clearly state what they want businesses to do about. Such things, marketing intelligence, try to find. Is there any problem that the consumer wants to be solved, and the marketing concept determines the way to solve the problem for the consumer, including. It is a tool for matching between consumer problems and various ways that can solve consumer problems. The focus of studying consumer behavior is not merely to acquire knowledge of current consumer behavior but the objective is to acquire knowledge of various environmental factors affecting the needs or preferences of consumers, both currently occurring and those that will occur in the future. Necessity of consumers in advance. The aforementioned issues are very important in the process of thinking and developing new products of business organizations.

### **Consumers Consumption process and the decision-making process of consumers**

Consumers are people who are aware of the need or need. There is a search for products that can meet their needs or requirements. Products are used to satisfy a need or need, and products are discarded after the need or need has been satisfied (Wells, William D. and Prensky, David, 1996).

Consumers are individuals who have a need or desire to purchase and then discard a product during the 3 stages of consumption process is Steps before purchase Purchase steps and steps after purchase (Solomon, Michael R., 2013)

From the definitions of the two meanings of consumers above, it can be said that consumers are people who have a need or need and have an effort to seek. products in response to the needs or needs of oneself or of existing families, consumers are therefore considered an important element of the study of consumer behavior. The first and foremost part of trying to understand consumer behavior is to understand the consumer and the events that occur during the process . The steps of the process of consuming products by consumers. There are 3 steps in the process of consumption : Pre - Purchase Procedures , Purchase Procedures and Post - Purchase Procedures as follows:

1. Procedure before purchase It is the stage when consumers realize the need for products. Searching for information about alternative products that can meet Demand that happened.
2. Purchase process It is the product acquisition stage . The positive and negative experiences that occur during the product acquisition process.
3. Procedures after purchase It is an experience that occurs with consumers after the product is acquired . The performance of the product is in line with expectations . or not Including abandoning the product after consumption.

### **The 5 - step buyer 's decision- making process is as follows :**

1. Recognition of needs or problems (problem/need recognition) In the first step, consumers are aware of the problem. or demand for products or services The need or problem arises from the necessity (needs) , which arises from

- 1.1 Internal stimuli such as feelings of hunger, thirst, etc.

1.2 External stimuli may be caused by the stimulation of the marketing mix (4 P's), such as seeing appetizing cakes, therefore feeling hungry, seeing advertisements on television. Marketing promotion activities therefore create the feeling of wanting to buy, wanting, seeing friends have a new car and wanting it, etc.

2. The search for information when consumers know the need for a product or service. The next step is the consumer. I will search for information. to use for decision making The data sources of consumers can be divided into

2.1 Personal sources , such as inquiries from friends, family, acquaintances who have experience in using that product or service.

2.2 commercial sources, such as finding information from advertisements in various media, salespeople, shops, packaging

2.3 public sources, such as inquiries from the media for product or service details or consumer protection organizations

2.4 Experience sources arise from personal experiences of consumers who have tried that product before.

3. Evaluation of alternatives after obtaining information from step 2, in the next step, consumers will evaluate alternatives. In evaluating that alternative Consumers must determine the criteria or qualifications that will be used in the evaluation. For example, if a consumer chooses to buy a car There will be criteria used in consideration such as brand, price, style, interior - exterior. After sales service, resale price, etc.

4. The purchase decision after evaluating alternatives. Consumers will enter the stage of purchasing decisions. Which requires decisions in various areas as follows

4.1 brand name purchased (brand decision)

4.2 Shop of purchase (vendor decision)

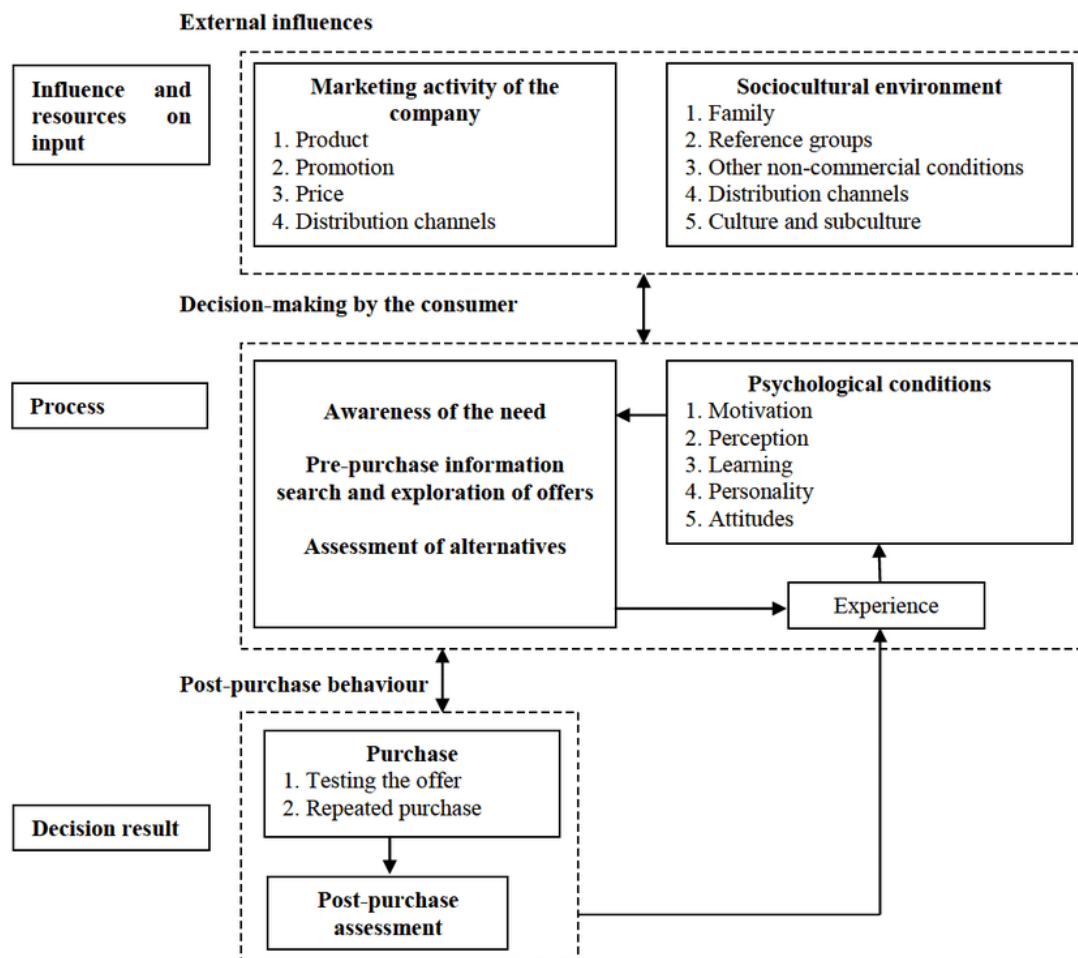
4.3 Purchased quantity (quantity decision)

4.4 Time of purchase (timing decision)

4.5 Method of payment (payment-method decision)

5. Post-purchase behavior after the customer has made a decision to buy the product or service. Marketers must perform post-purchase satisfaction checks. Satisfaction comes from customers comparing what actually happened. with what is expected if the value of the product or

service is actually received Meets expectations or exceeds expectations Customers will be satisfied with that product or service. If the customer is satisfied, there will be a repeat purchase behavior or word of mouth, etc., but whenever the actual value received is lower than expected. Customers will be dissatisfied. The subsequent behavior is Customers will switch to competitors' products. And this is also passed on to other consumers (Michael Solomon, 2013).



**Figure 8.1** Shows a comparison of the consumption process steps and the purchase decision process steps.

**source :** Solomon, Michael, 2013 ; Lancaster, Geoff and Reynolds, Paul, 2005 ; Kardes , Frank R. and et al., 2011)

### Consumer Status

From the above definition, consumers are all individuals who have a desire to use any product or service, but not all consumers are necessarily customers. Therefore, we must know the status of the consumer that he is in any state. which can divide the status of consumers into 3 levels (Chatyaporn Samerjai , 2007) which are

1. Non-consumer means a person who has no demand for the product that is currently available. And there is likely to be no demand for the foreseeable future too. Might be a group that can't afford to buy. which would be another group that is not the target of the business

2. Potential Consumer means a person who currently has not made a purchase. but who may later be influenced to buy. Potential consumers are the ones that marketers must try to capture. Because it is a group that is likely to be bought in the future and has the potential to buy.

3. Real consumers are aware of the importance and demand for products or services. and is the person who currently purchases or uses the product or service. Real consumers are the ones that marketers need to pay special attention to. To maintain the integrity of the brand in the future.

### The role of consumers

We generally tend to think of the personal buyer as the situation of the consumer making a purchase. with little or no influence from others but it is true that in some cases, a number of other people may be involved in their purchasing decisions, for example planning a weekend trip with a group of friends. A couple's decision to buy a house or the decision to buy a new car for the family, etc. The role of the person involved in the purchase decision can be divided into 5 characteristics:

1. Initiator means a person who buys a need or need and initiates an idea about the purchase and demand for a product or service, for example, a student needs a computer. for use in education researching and communicating, etc.

2. Influencer means a person who shows any behavior. It is a stimulus or incentive to another person, both intentionally and unintentionally. Which influences the decision to buy and/or use the goods or services from the example above. There may be a friend who already has a computer. or parents who go to help choose or staff giving advice or may consult from experts, etc.

3. Decider means a person who decides or participates in deciding whether to buy or not to buy, what to buy, how to buy, where to buy, when to buy, and how much to buy. Students may be able to decide for themselves. Or the parents can make the final decision.

4. Buyer refers to the person who actually made the purchase. may not be the payer But only doing purchasing duties, such as the purchasing department of various companies

5. User refers to a person who directly relates to the use of products or services. This may be the final consumer or end user in the industry. and will also assess the use of such products and services

FIVE ROLES IN BUYING DECISION	
INITIATOR	A person who first suggest the idea of buying the product
INFLUENCER	A person who's advice/ views influences the decision
DECIDER	A person who decides on any component of a buying decision
BUYER	The person who makes the actual purchase
USER	A person who consumes or uses the actual product

**Picture 8.2** Show the role of the person in the purchase decision.

**Source :** Consumer Behavior , Chatyaporn Samerjai , 2007

With each purchase, at least one person plays a particular role. For example, a wife may play the role of initiator and influencer by asking her husband, who plays the role of buyer Buying milk for the child acting as a user, etc. But in some cases, one person may have multiple roles at the same time. For example, Somchai wants to use the Internet and therefore subscribes to the Internet for himself. In this state, he acted as both an innovator and an innova tor. Buyers and users, etc. Therefore, in studying consumer behavior, it should not be a study of only one role.

**Benefits of Studying Consumer Behavior**

Marketers analyze and study consumer behavior. To get to know and understand consumers and to be able to use marketing tools as efficiently as possible, and find ways to solve various marketing problems to achieve the best results. The benefits of studying consumer behavior can be classified as follows.

1. Help marketers understand the factors that influence consumers' purchasing decisions and trends in consumer demand in the future to adjust marketing programs or marketing mix.
2. Helping relevant parties to find solutions to correct consumer purchasing behavior in society that are more accurate and more consistent with the ability of businesses to respond, which is good for economic development and investment
3. Facilitate market development and product development, by studying demand patterns Stimulating and meeting consumer needs
4. For the sake of market segmentation to meet the needs of consumers to match the type of product they want corresponds to the desired quantity Match the time and place you want, including other conditions.
5. It helps in improving the marketing strategies of businesses, for competitive advantage

**Main characteristics of consumer behavior**

1. Consumer behavior has changed Because it is a human action that is influenced by things that are not stable, such as the external environment and behavior, thoughts, understanding of consumers themselves Therefore, marketers should be aware that marketing strategies should also be adjusted to reflect changes in consumer behavior.
2. Consumer behavior involves the interaction between the feelings, thoughts, actions of the consumer and the external environment. That is, consumer behavior that occurs Not caused by the factor of the consumer alone, but will also be influenced by external factors surrounding consumers Therefore, marketers should understand that all marketing activities can affect consumer behavior in one way or another.
3. Consumer behavior involves exchange, that is, something of value is exchanged between human beings. Which may be redeemed by buying money and other things, to obtain

products, services, ideas or experiences and ultimately create satisfaction between the two exchangers.

4. Consumer behavior is related to the process of acquisition, consumption and disposal, which products, services, ideas and experiences can be seen that consumer behavior is related to 3 large periods, namely Search and purchase sessions to obtain a range of uses or consumption and periods of obsolescence or disposal. The careful marketer must implement a marketing strategy that can satisfy consumers in all 3 periods.

### **Analysis of Consumer Behavior**

Behavioral characteristics of consumers in each group have different characteristics. (Somchit Luanjamroen, 2003), which can be divided into groups of consumers as follows:

#### **1. Consumer groups by geography** divided into 2 characteristics as follows

1.1 Consumer groups in urban and non-urban areas which consumers in urban and non-urban areas have different buying behaviors. Urban consumers are more aware of the problem than those in rural areas. This is because Urban environments are more conducive to awareness of the problem. There are also differences in consumer resources such as income, time, motivation, knowledge, personality and lifestyle of urban consumers are more complex. The different psychological processes of urban consumers become more complex.

1.2 Consumer groups in Bangkok and other provinces. The consumer groups in Bangkok and other provinces have different buying behaviors. The consumers in Bangkok tend to be very cosmopolitan or fashionable. This is because Bangkok is a window to foreigners and the center of everything. The behavior of Bangkok people is therefore always alert or aware of the problem and calls for high fashion, but consumers in the provinces are still changing in accordance with the world society, only in the province but in the area. outside the province. Will there be conservation or slow change? Cultural adoption from the outside is at a slower rate than Bangkok.

#### **2. Demographic consumer groups** divided into 6 characteristics as follows

2.1 Age groups of consumers. Buying behavior of consumers varies according to age. The consumers aged 16-35 years will have behaviors in accepting new cultures and behaviors. This group of consumers will prefer trendy products, and behavior that changes very quickly and



overtly There is a thoughtless spending of money after spending extravagantly. But for consumers aged 36-55 years, this group of consumers has very high purchasing power. Because of the career that has been done will have a high position Therefore, there is a tendency to buy expensive products such as cars and houses. Retirement workers have behaviors to take care of their health and find happiness in the end of their lives. and are full of high demands

2.2 Consumer groups by sex Female consumers tend to have buying behavior based on emotional rather than rational motivations. While the male is the sex that doesn't use much emotion to buy. The buying style of males focuses on muscular body shapes. The size is large, colorful, simple, but the behavior of females in buying will focus on subtle shapes. Compact, soft feel, soft, bright colors.

2.3 Consumer groups by income Because high-income consumers tend to have a lot of spending habits. which high-income consumers The decision to buy a product is not taken into account too much. If you like it, you're willing to pay to buy it. But for consumers with high incomes, there will be jobs with high salaries, such as company presidents. Purchase decisions are not taken into account in any way. and most of the purchased goods are luxuries But if it is a group of consumers with high salaries, such as executive businessmen small businessman senior civil servant This group of consumers will spend money according to their salary or income. Purchasing decisions of this group will be based on buying reasons. and is a popular group Have good purchasing power Especially buying a car house, which is considered a success in work. but for a group of consumers who are general salespeople Employees working within the company middle level civil servant In this group, the purchase decision will take into account the cheap product price. And will find products that are ready made rather than special orders.

2.4 Consumer groups according to social status Family status usually has a high purchasing power. because there are members who are children The married people tend to want products that are used in the family. But for those who are single, there will be very little activity in home life. and often want to use products for personal use Therefore, purchasing behavior is determined based on that state.

2.5 Consumer groups by level of education This is because educated consumers tend to have behaviors that focus on rational, cost-effectiveness and want to raise their living standards. will use products that are beneficial to the body and find happiness towards yourself

2.6 Ethnic consumer groups There will be behaviors that depend largely on their ethnic group, for example, consumers with Chinese ethnicity will have buying behaviors that indicate wealth. such as buying red and gold items Western consumers will be popular with products that help preserve the world's resources Thai ethnic consumers tend to buy products from abroad.

### **3. Consumers according to their habits** divided into 2 characteristics as follows

3.1 Personality groups of consumers Personality traits can greatly affect purchasing behavior. It will be found that consumers will have 2 personality traits, namely

3.1.1 Personality that supports the purchase of products For the personality that supports the purchase of consumer products, there will be a modern personality that means Consumers will be influenced by their personality, causing them to like to shop for modern products. especially fashionable products But for consumers who have a personality that likes pomp, they will buy a car that is large and pompous. But consumers with a personality like nimble will look for a car that is agile.

3.1.2 Personality that does not support the purchase of products, that is, consumers do not want products that meet their personality, for example, consumers with a conservative personality. don't like change much There are not many purchases. Except for products that are necessary to buy for normal use

**4. Consumer groups according to lifestyle** Consumers with different lifestyles will have different behaviors. Nowadays, urban consumers have a fast-paced lifestyle. As a result, consumers have the behavior of using products that save time, namely Consumers prefer the convenience of living. Therefore, products that can respond to convenience and speed will be welcomed by consumers. But consumers with slower lifestyles don't want time-saving products.

**5. Behavioral consumer groups** It can be seen that consumers who have habits of using products on a regular basis tend to stick to the brand mainly. But if consumers with long-term behavior buy It may be caused by buying products for other people, there will be different criteria for choosing to buy. If buying for people of good standing, they use the criteria that mainly focus

on quality. or in the case where consumers have the behavior of buying products by considering the benefits of the product It mainly focuses on benefits. or in the event that the consumer has a buying behavior according to the marketer's marketing promotion It can be seen that any product that has a good promotion will have a buying behavior.

### **Consumer Characteristics**

Consumers are those who have a desire to buy. Needs, Purchasing power, Purchasing behavior and Using behavior (Seri Wongmontha, 2542 ) with the following details:

1. The consumer is a person who has a need to buy who is considered a consumer, that person must have a need for the product. But if the person has no need will not be a consumer

2. The consumer is a person with purchasing power. Consumers cannot have only needs, but they must also have purchasing power. If there is only need and there is no purchasing power, then he is not a consumer of that commodity. Therefore, analyzing consumer behavior must also analyze the consumer's money.

3. The occurrence of purchasing behavior when consumers have demand and purchasing power. Buying behavior will occur, for example, where consumers buy, when they buy, who buys them. What measures do you use to make a purchase decision? How much do you buy? For example, in most families, housewives are home buyers. or some families may separate purchases for personal belongings Some people buy their own products. Some parents bought it for me. Some people buy things one by one. Some people buy a dozen at a time. Some families will bring home purchases every 2 weeks, others will make purchases every day without having to wait for supplies to run out, for example.

4. Using behavior where to drink At home or at a restaurant, with whom, alone or with friends, how to drink, only liquor. or mixed with water or mixed with soda or mixed with soft drinks, wind, etc.

### **Factors determining consumer behavior**

Factors determining consumer behavior include internal factors and external factors briefly Both factors are factors (Chuchai Smittikrai , 2016 ). the following

Internal factors or psychological factors related to the personal characteristics of consumers are the following factors.

1. Perception means accepting, paying attention, and interpreting stimuli or information that a person receives through the five senses

2. Learning means that a person has a relatively permanent change in their behavior, as a result of the experiences gained

3. Needs and Motives refers to what makes a person desire. Awakening and energy to do things in order to achieve what you want

4. Personality refers to the characteristics of a person, which indicates the individuality, and it determines how a person interacts with the environment or situation.

5. Attitude means a summary of the assessment of something (such as a person, object, which indicates whether it is good or bad, satisfactory or dissatisfied like or dislike and is it helpful or harmful?

6. Values and Lifestyles Values are a form of belief that an individual takes as a benchmark for deciding what is bad or good, and influencing the behavior of individuals The way of life is The lifestyle of a person expressed in the form of activities, interests and opinions.

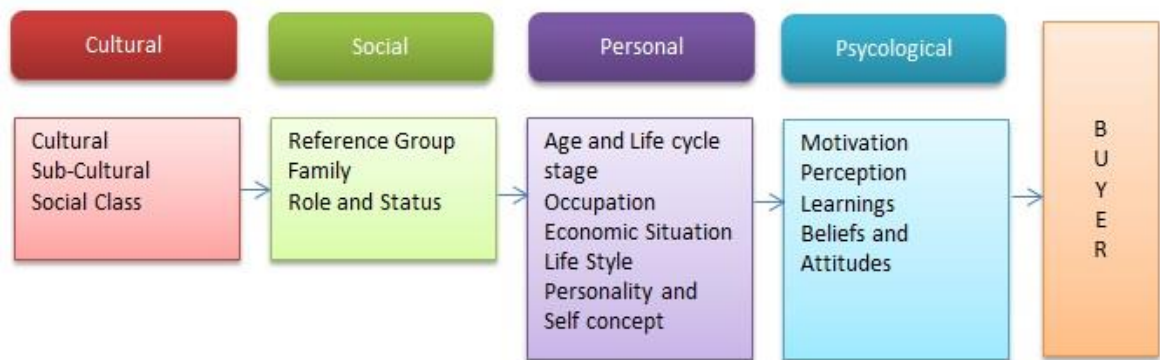
External factors are the external environment of the consumer, which influences consumption behavior Including the following factors

1. Family refers to two or more people who are related by blood, or marriage or raising people who come to live together

2. Reference group refers to a person or group that has a strong influence on the behavior of a person. The views or values of the reference group will be used as a guideline for the behavior of the individual.

3. Culture refers to the lifestyle of people in society, including things man-made which reflect the beliefs, values, attitudes and behavioral patterns held in that society and is passed on from one generation to another

4. Social Class refers to the classification of people in society into layers. People in the same class will have similar values, lifestyles, interests, behaviors, economic status and education.



**Figure 8.3** Show the factors that determine consumer behavior.

**Source:** Chuchai Smithikrai, 2016

### Factors that influence consumer decision making

Consumer behavior is determined by physical characteristics and physical characteristics are determined by psychological conditions. The psychological state is defined by family and family is defined by society. Including society will be determined by the culture of each locality. Therefore, when knowing these things, marketers have to consider things.

For this reason, marketers need to study buying behavior. and behavior that is Consumer behavior itself, because all consumers are living beings (Organic) human bodies. There are physics, biology and chemistry. Being tall, short, thin, fat is physical. Having a body with blood and flesh is a biological feature. At the same time we have salivary glands, sweat glands, tear glands. These are chemistry. which are collectively called Humans are organic, there is birth, old age, sickness and death, so there are inevitably various factors that influence consumers as follows.

1. Physical characteristics Physiology is the primary factor in determining the buying behavior and behavior of consumers, such as the consumer wearing glasses. It is caused by physiology, short-sighted or long-sighted. Having to go to the toilet It's caused by physiology. or being thirsty Had to find drinking water due to dry throat. It is caused by physiology. These are the preliminary factors to study consumer behavior to understand first. For example, a brand of shampoo imported from abroad has not been very successful. The reason is because the formula of the shampoo is suitable for western hair, which is different from the hair of Thai people. which

is a matter of physiology or, for example, a company that produces shirts for sale must have a change of shirt design. Because Thai children today have a changed physiology.

from the past as a small child But nowadays, children have taller, bigger physiques, and the shirt designs have to be changed to suit consumers, etc. Therefore, the first thing to analyze consumer behavior is An analysis of physiological changes is the first thing. Because it plays the greatest role in human decision-making, is inevitable Because these are the needs of the body, most of them are 4 factors , which include food, clothing, housing, medicine. That forces us to behave, for example, we need to eat because we are hungry. We have to take medicine because we are sick. etc. Therefore, the first thing that compels humans to create consumer behavior is physiological reasons It's the most basic thing.

2. Psychological condition is the nature of the needs that arise from the mental state, which is related to human behavior Details are discussed on the internal factors that influence human decision making. The nature of the need to respond to the same subject, but the mental state is different, for example, some people can eat food at a sidewalk restaurant But some people have to eat in air-conditioned restaurants. or shop in the hotel or such wearing eyeglasses Some people only wear them so they can read. But some people want to be cool too. Therefore, glasses frames will have different prices. which is a psychological state of human beings that are not the same, for example, some people are thrifty Some people are extravagant and extravagant. Some people care about other people's eyes. Some people don't care about others at all.

which from the psychological state of consumers Allows marketers to carry out marketing activities in the psychological state is something that plays a more important role than physiology. because physiology is the basis, such as hunger is the basis But what to eat and where to begin is not the basis. considered a psychological condition or have to dress up for a party There must be clothes that cover the body, which is the basis. But in order to dress in a simple, elegant way, there will be a matter of psychology involved.

3. Family is an elementary social group that a person belongs to. The family is a place for training and creating personal experiences, conveying habits and family values, thus influencing consumption behavior and other behaviors. The family is part of society and the family is considered a unit that has a role in terms of preparing consumers to enter society. Socialization is a process for preparing people to enter society. society There will be many units that go into this

process, such as families, schools, temples, political institutions, media institutions, etc. As each consumer grows, was taught by family, for example, some people were taught to pay homage to monks before going to bed. Some people were taught to drink milk before going to bed. Some people are taught to be frugal. Some people are taught to be extravagant. because parents made it look or someone doing beautician in the shop where mother used to work or fixing the car in the shop where father used to work etc. These are things that are inherited from the family. The most important thing that I get from my family is Various family habits and values to consider, such as their role in the family's purchasing decision process. Family life cycle

4. Society is what surrounds us. This will have the effect that we must act in accordance with the norm of society, the fact that consumers are upper-class, middle-class or low-class, each class will have different behaviors, for example, some people travel in Thailand. Some people like to travel abroad. But some people have to go to rest abroad. Class culture will determine the consumption behavior of consumers on what kind of clothing they will wear. what kind of food Where to travel These things will teach all consumers. Because human beings cannot escape being part of a class. However, there must be a class of their own, such as farmers, farmers, laborers, civil servants. Own a business, be a millionaire, be a banker. These things will always determine humanity. Another class war is a permanent war that never stops. Throughout the life of a human being, there will always be class wars. because the lower class will chase after the upper class As for the upper classes, they will escape from the lower classes, for example, using perfume. The lower class used to follow. When the lower class uses it to follow the upper class, they have to change the brand to a higher level . Jewels , sports, clothing, the same. which made life more and more expensive .

5. Culture, whether we are in any class in society There must be a culture that dominates. Culture is a way of life that people in society accept. Behave according to each other for the prosperity of society. The word Vadhana means prosperity. Good things that people in society accept to behave together. so that the society can proceed well Culture is a man- made product, not a god- made product. God-made and man-made are different in that they are natural laws. that cannot be changed, such as the sun rising in the east fall west things fall to the ground As for culture, it is a man-made thing, for example, when Thai people meet, they greet each other with respect. As for foreigners, greet each other with handshakes, etc.

two factors influencing the decision of consumers which are internal factors and external factors.

The internal factor is called Basic determinants, with various factors that will come into determining the decision-making behavior of consumers as follows:

1. Necessity
2. Motivation
3. Personality
4. Attitude
5. Perception
6. Learning

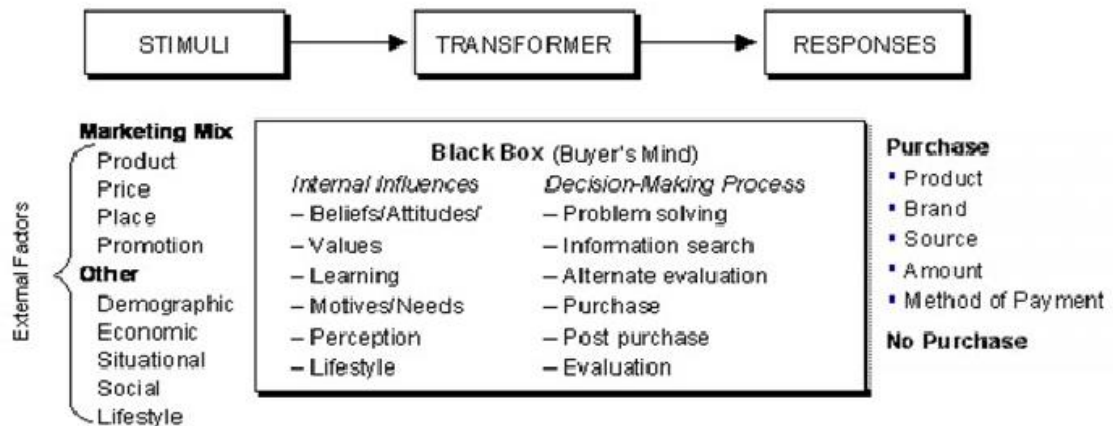
And external factors that influence the decision of consumers are as follows.

1. Economic condition
2. Family
3. Social
4. Culture
5. Business contacts



### Model of Consumer Behavior

The Stimuli and Response Theory, also known as the SR theory, is derived from the observations and experiments of psychologists such as Pavlov, John Watson, Clark Hull and Edward. Tolmen etc.



**Figure 8.4** Demonstrate a model of consumer behavior based on SR theory.

**Source:** Kotler, 1997 ( quoted in Jirapha Phuangpla , 2003).

Figure 8.4 shows a model of consumer behavior according to SR theory, which can be described in detail as follows.

1. stimuli in marketing We divide stimuli into two categories: marketing stimuli and other marketing environments. that influences the decisions and behaviors of consumers together with

1) Marketing stimuli are what we call The marketing mix, or the 4 'Ps, is product, price, distribution channel. and marketing promotion

2) Other marketing environments that surround consumers are economic, technological, social, political/legal and cultural, which influence consumer decision-making.

These stimuli are inputs to the consumer's black box. and results in the response being output

2. Black Box This word is abstract. Assuming that the black box is a combination of factors. This includes cultural, social, personal and psychological characteristics of each consumer. In addition, the black box also includes a purchase decision process . Such decoration, refined, transformed into a response. If the response is positive The purchase decision process works. until a subsequent purchase occurs. If the response is negative, the consumer will not buy.

3. Respons is the result of the influence of factors and mechanisms of the purchase decision process in the black box of consumers. If the response is positive Will notice consumers go to choose products to buy. Choose a brand to buy, choose a store to buy. Choose the timing to buy, and choose the amount to buy, etc.

### **Consumer Decision Process**

1. Problem recognition refers to the state that consumers know and clearly see that his desires and the reality that existed. There is also a difference, both the level of reality that exists is lower than the level of bad wishes as well, for example, a consumer who owns a car. There would be a desire for the engine to run every time it was started in the morning, to drive to work But if it turns out that in one week, the wheel must be pushed to keep the engine running for five days. That consumer clearly knows that There is a difference between the level of desire and the level of reality. That's accepting the problem itself. When consumers decide to find a solution This means that he must take the next step, seeking information on how to solve the problem.

2. Information search about solutions that consumers seek is A marketing mix developed by many marketers from many companies. These marketing mixes Consumers will seek from four sources together.

2.1 Personal Source

2.2 Commercial Source

2.3 Public source

2.4 Experience Source

results of seeking information will allow consumers to get a certain amount of marketing mix These marketing mixes are then analyzed and developed as alternatives for the particular consumer and alternatives are then evaluated.

3. Alternatives Evaluation At this stage, consumers set up criteria to measure and compare the value of the collected marketing mix. These criteria are the description of the marketing mix that is desirable or undesirable.

4. Purchase decision in the process of evaluating alternatives in the past The consumer has ordered the scores of the various choices, the purchase intent has been formed, and when it

comes to the purchase decision, one of the many options is selected. The criterion came with the best score.

5. Behavior after purchase (Postpurchase Behavior) after purchasing the product. and have consumed Consumers will learn whether the product really solves their problems. How satisfied is it when customers are satisfied or very satisfied from consuming the product? Customers tend to

5.1 Buy more products from the company Long Loyalty

5.2 Repurchase products when the Company releases new products or improves new products.

5.3 Say positively about the product and the company.

5.4 Less interest in competitor offers sensitive to price changes

5.5 Offer opinions about products to the company.

5.6 Be a regular customer of the company.

In case the consumer is dissatisfied with the product consumption Consumers may keep their dissatisfaction silent, or they may react. The object of retaliation can be either the product or the seller.

### **Decision Process for new product purchases**

New product acceptance process (Adoption Process) refers to the mental process that begins with learning about a new product. through various steps Until it is accepted, these steps are as follows:

1. Product Awareness (Awareness)
2. Interest in the product (Interest)
3. Product Evaluation (Evaluation )
4. Consumer Trial (Trial)
5. Product acceptance (Adoption)

five steps mentioned above, marketers need to think about how to facilitate consumers to get through those steps quickly, for example, while the consumer is in the process of being interested in a product. Exercise equipment companies may offer a one-month free trial. without obligation etc.

**Summarize**

Buying behavior of consumers refers to the purchasing behavior of consumers in the end who buy goods and services for their own consumption. or for eating or for domestic use All consumers who purchase goods and services for such purposes collectively are called the consumer market. consumers around the world There are many differences in demographic characteristics such as age, income, education level, religion, culture, traditions, values and tastes, etc., resulting in the behavior of eating, using, purchasing and the feelings of consumers towards the products are different. resulting in the purchase of many goods and services different types In addition to the aforementioned population characteristics There are other factors. another that makes consumption different Studying consumer behavior in order to get to know and understand consumers and be able to use marketing tools as efficiently as possible. and find ways to solve various marketing problems to achieve the best results.

**End of chapter questions**

1. Explain the meaning of consumer behavior.
2. How many levels can the status of consumers be divided into? Explain.
3. Compare the decision-making process for purchasing a new product and the decision-making process for purchasing a new product. that there are similarities or differences?
4. "black box" mean?
5. Factors that influence consumer decision making What does it consist of? explain in detail
6. What are the benefits and importance of studying consumer behavior?
7. Factors that determine consumer behavior in choosing to buy What are portable computers ? Explain with examples.
8. When friends in the group invite each other to swim at the condo's pool, most friends go swimming. and the other part doesn't go from such message What factors influence whether people want to go swimming and who don't?

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## Chapter 9

### Marketing Strategy

Marketing strategies are one of the most powerful weapons in business. which currently has various marketing strategies Many to choose from to be adapted to suit the business. But the strategy that must be regarded as a true marketing model would be inevitable from the 8 P marketing strategy because businessmen around the world are raised. Give it a marketing strategy that has been Acknowledgment that the effectiveness of marketing is quite high. can clearly see the result This strategy is also regarded as a role model for the development of various series strategies that follow. Therefore, entrepreneurs should really get to know and study the meaning of the 8 Ps strategy.

#### Definition of Marketing Strategy

Marketing strategy is a marketing tool as a guideline for the operation to meet the satisfaction of the target group, which consists of products. price, marketing promotion and distribution channels

- 1) Product has a meaning that includes products and services, concepts, individuals, organizations, etc., aiming to find products to meet consumer needs.
- 2) Price products that marketers have allocated to meet the needs of consumers must be under the control of the price level that consumers are satisfied and willing to pay Also, the importance of the distribution channel, which means to take action in order for the product to reach the consumer. Under the right time and place conditions are convenient to buy More importantly, the channels must be consistent with product management. And the price that has been set up as well
- 4) Promotion Even though the above 3 elements are an important part in meeting the needs and creating satisfaction in the product. To consumers, advertising and public relations, including sales promotions, play an important role. (Kotler, 1999)

Marketing strategy refers to the principles of marketing services of a business to meet its intended marketing objectives . There are various strategies, including the allocation of marketing resources. marketing mix and marketing expense decisions (Ratchanikorn Wongsang, 2010)



Therefore, the marketing strategy therefore means an important scheme concerning existing and planned objectives, as well as resource allocation and interaction between the company and its competitors and various factors in the environment or as a strategy or method chosen by the company to help create success in accordance with the objectives set by the company. Strategy is a tool for campaigning against opponents in an atmosphere of competition or controversy, or the criteria used by marketing management to achieve marketing objectives in the target market. This includes decisions on marketing costs, marketing mix and resource allocation.

### **Elements of a marketing strategy**

It has been developed to be successful in marketing, it consists of 5 The elements that have been defined (Walker, 2003) are as follows:

- 1) The extent of a marketing strategy's coverage is the extent or breadth in which the operation of the strategy is involved.
- 2) Is the goal and objective Strategies should define the degree of success of operations that are desired to be achieved in one or more areas, for example: sales growth increased profit or return on investment
- 3) It is a resource allocation. Which will need to make strategy and decision to allocate resources. Including human resources, money, how to allocate
- 4) Identifying Sustainable Competitive Advantages in Marketing Strategic Leaders How will the company compete?
- 5) is a reinforcing force That will happen when the company's business unit in the marketing of the product, resource allocation and the competitiveness of the company They promote, support and reinforce each other as one.

Elements of a developed strategy to be used in accordance with marketing strategies The essence of the strategy can be summarized as It consists of at least 2 key elements: 1) goals or objectives that are to be achieved and 2) guidelines or methods of practice, to lead to the achievement of the goals set by gaining an advantage or a standing competitive advantage Marketing strategies are designed by combining all efforts. Focus on the achievement of marketing objectives. This includes selecting one or more markets to target. Then develop the marketing mix (4 P's) to be consistent with that target market. By making the needs of customers

in that market to be met. to get satisfaction While a formulated marketing strategy involves selecting a target market, and development of marketing mix But both operations It must adhere to 3 key principles: 1) Must be consistent with the needs and aims of the target market 2) can be truly put into practice taking into account the available resources and the environment that happened at that time 3) Must be consistent with the mission, goals and objectives of the company as well. Therefore, the elements of marketing strategy (Kolter & Keller, 2011) have tools that are involved in marketing strategy 8 elements. together is

1. Duties or missions is the mission of the business is the basis for determining the order of strategy, plan and design work. In the beginning of the design of administrative tasks, nothing is simple in designing an administrative structure. Or it is obvious to know what the company's business is.

2. Marketing Objectives must be specific with a specific goal. Not specifying a broad nature and measurable can be measured as a quantitative number related to time Marketing plans are often defined in a clear time, such as within 1 year or next 6 months. pages, etc., focusing on the behavior of the target market, such as encouraging first-time purchases or repeat purchases or buy more How do we develop marketing objectives?

Step 1 Review sales because marketing objectives will affect marketing goals. to achieve sales objectives And marketing, business organizations must be something that can be measured. and numbers quantitatively defined It must be large enough to enable the business or organization to achieve its sales goals.

Step 2 Review the target market is the size and potential of the target market. As well as the basis of consumer information or current customers. It is something that an organization or company must be able to predict. This information is essential to the organization. Because each marketing objective All of them have an impact on the target marketing behavior almost at all. Therefore, a targeted marketing review will be done to determine the number or quantity of affected consumers or customers.

Step 3 Review of problems and opportunities in the market in order to solve problems. and respond to the market opportunities of business organizations as a basis for setting marketing objectives

Step 4 Determination of criteria or consistent principles is a criterion or principle that business organizations set in order to assess whether the marketing objectives are set. Able to achieve sales target or not To what extent is it consistent and rational? One of these objectives is consistent with or supports the other objectives of the business entity. or total goals?

3. Financial objectives are the objectives of financial statements in providing information about the financial position of a business entity or company. working capital And the results of the operations of the organization in the form of a company structure or business organization. These information will help support users of financial statements. To assemble the financial decision-making process easier. Basic purpose of financial statements is Giving a real representative to take care of the finances. To see the financial results and health of an organization, good numerical data must provide the full information of the organization. reflect economic facts and corporate finance and can be trusted And direct user needs and financial objectives of the structure of the organization's annual report, the structure of financial statements. It consists of the elements shown in the accounting chart. Including how the scope of the manual is limited to the balance sheet and income statement.

4. Target Markets from having a clearly defined target market. It is the main target group and the secondary target group. Organizations must consider how to reach or focus on these target markets.

5. Positioning is product positioning is the perception of consumers or customers in terms of feelings, thoughts or attitudes towards the products, goods or services of the company or organization when compared to the products or services of competitors or marketing process To create and maintain product-related concepts Corporate business services to be born in the minds of consumers or customers. compared to competitors' brands which requires marketing communication process By drawing on the unique strengths (Unique Selling Proposition: USP) used in marketing communications to emphasize the image that is memorable and outstanding. When consumers think of an organization's products, positioning must be important, distinctive, superior to competitors. have special privileges can communicate or a company in comparison with competitors' products by product positioning may be achieved by product positioning. by appearance such as The size and age of the brand according to the benefits that the customer will

receive. based on customer attributes, based on loyalty, or compared to competitors by product type and according to the properties, quality and price of the product

6. Strategy is a market creation that takes time, money and effort. It starts with the development of consumer needs or customers and makes an effort to purchase goods and services. A marketing strategy will detail the marketing objectives by defining specifics. Set boundaries clearly and related to consumer behavior. The marketing strategy has a broad meaning. It determines the direction of the marketing plan. Positioning of products and services. There is also a marketing mix. Businesses can set more than one strategy, namely (1) marketing strategies or competing for share (Build the Marketing or Steal Marketing Share) (2) Market Creation (3) Steal Market Share (4) National, regional and local strategies (5) Sales Season Strategies (6) Competitor Strategies (7) Strategies for target markets (8) Product Strategies (9) Brand Strategy (10) Packaging Strategies (11) Pricing Strategies (12) Distribution of Product Coverage Strategies (13) Marketing promotion strategies (14) Marketing spending strategies (15) Personal Selling Operation Strategies (16) Advertising Message Strategies (17) Service and product management strategies (18) news strategy (Publicity) and (19) research and development strategy (20) Marketing Research Strategies

7. Marketing Program/Plan is a marketing program after evaluating the appropriate market segment. An organization may choose one market segment or several market segments to target in the following ways: (1) Distinct markets or identical markets; (Undifferentiated Marketing) (2) different marketing or marketing that aims at different parts (3) integrated marketing Or marketing focusing on specific segments (Concentrated Marketing) is the selection of only one segment of the market (Single Segment). The implementation of the marketing program is the key to success, or the failure of business ventures. The basic principles of management will help in the operational process. Market managers must assess the progress of operations, and apply project management techniques to achieve organizational goals. The key to business is Do not run a business that does not understand how to run a business Or do not accept strategies that do not understand how to perform operations. The easiest part about strategy is Strategic planning which only requires basic knowledge of markets, ideas, market penetration, market segmentation, globalization and competitive advantage. The marketing plan is just an idea. There are dimensions that determine the success of the strategy. The strategy and the organization's

ability to perform marketing strategies (Bonoma 1984) should examine the strategies and effectiveness of management expertise in four types: (1) Success is a situation in which the strategy is suitable. And the organization has expertise in operational strategies (2) Chance is a situation where the strategy is not appropriate, but the organization has the expertise in operational strategies. (3) Problem is a situation in which the strategy is appropriate but the organization does not have the expertise to execute the strategy, and (4) Failure is a situation in which the strategy is inappropriate and the organization does not have the expertise to perform . strategic work

8. Market research is a process of collecting data, analyzing, interpreting and reporting academic results of marketing related to the sale of products or services. To be used in work planning and marketing decisions of manufacturers. This is to achieve the ultimate goal of making their products or services meet the needs. and create the greatest satisfaction for the target customers in today's fiercely competitive environment. fast all the time Conducting business with a structure or adopting a marketing strategy as a tool Make the work plan clear, appropriate, in line with the real trends of the market. And can compete in the business by taking into account various factors Economic, social, and political aspects enable the company to conduct marketing business efficiently and effectively, or to bring information to research for a solution to some specific marketing problems. At the same time, it often helps to increase the willingness to sell and achieve the objectives as well. This strategy is suitable for new products. Or improve new products under the old name. or changing new packaging or wanting to expand continuously To support the increasing sales, conducting research and development is one of the elements.

### **Application Marketing Strategy**

Marketing strategy is the application of marketing mix. In terms of products, goods or services ( Product Strategy), price (Price Strategy), distribution channels (Place Strategy), promotion (Promotion Strategy) used to achieve business objectives in marketing. By arranging the mixture (Mixture) of the main ingredients to be suitable Consistent with the objectives of the organization or company by looking at the target And the situation in bringing the tools out to be used at that time as to how suitable it is to provide marketing strategies used for efficiency and effectiveness and for the greatest benefit to the organization or company in bringing the marketing mix (Marketing Mix) in the form of 4 P's used as a guideline for creating or setting marketing

strategies for products and services. or strategies can be adapted for all matters in everyday life or in business organizations Because it sets both short-term and long-term goals. Then find a way to achieve the goals set. In strategic analysis, organizations need to know their strengths and weaknesses. Otherwise, the strategy given out may be wrong. The result will not be as intended. Therefore, the most important thing is knowing yourself and knowing your competitors. which will be optional Let marketers, companies or business organizations, products or services be able to apply marketing strategies (Panisa Meechinda and Siriwan Sereerat, 2011) in the following dimensions:

### **Product Strategy**

There are many approaches that can be chosen as appropriate for the business, such as the low-cost strategy. Having low costs in production will help with high competitiveness. Differentiation Strategy of products and services will help create business opportunities. and create added value for products and services Diversity strategy of products and services will help increase overall marketing efficiency.

### **Pricing Strategy**

Businesses can consider the use of pricing strategies in their own businesses in four ways: cost-effective strategies (Economy) set a low price for low-quality products. in order to be competitive in the market Penetration Price Strategy Set a low price for high quality products . to penetrate the market faster Selection price strategy (Skimming) The quality of products and services is not high but set a high price at the beginning. To be used as a promotion in the form of a price reduction later Pricing strategy Premium quality is setting a high price of high quality products and services for target customers in the high-end market. In terms of pricing principles, we can use pricing principles that reflect cost (Cost Base Pricing) and value pricing principles (Value Base Pricing) to consider as well. In the hotel business, the use of price strategies must also be considered (Product Life Cycle) because the value of products and services changes according to the product life cycle. which when presented to new markets always get attention and can be sold at a high price In the long run, there will be products and services from other

companies to compete. The condition of the room deteriorates and the selling price will have to decrease .

### **Distribution Strategy / Place Strategy**

There are a variety of features to choose from in the business as appropriate to the existing business environment, such as direct sales (Direct) without intermediaries. May be done by opening a storefront (Outlet) , opening a website for sale. The use of salespeople, etc. without going through an agent or middlemen Distribution through intermediaries may have only one level of intermediaries. Which is usually a retailer or multiple levels through a wholesaler ( Wholesaler) to be able to distribute products into the market and sell to target customers. or may choose to use both formats in the form of multiple channels.

### **Promotion Strategy**

The use of promotion strategies depends on the objectives set out to promote the market in any aspect, at any level, and then determine strategies to be used appropriately. This promotion may be divided into levels. Promotion among customers promotion of distribution channels and promotion within the organization itself to achieve the objectives of the promotion set Whether it's sales, income, image and other aspects in addition to this. The principles of integrated marketing communication (IMC) must be applied rather than promoting only one specific side (Wittawat Rungruengpol, 2013).

### **8Ps Marketing Strategy**

Modern marketing strategy, which is a marketing mix , also known as the 8 Ps , which must have a conceptual approach to marketing communications. IMC by means of Communicate with modern consumers who Divided into several additional extensions from the original both internal studies And outside the country, linked to modern business which focuses on maximizing profits based on consumer satisfaction, which is a long-term business along with the changing behavior of modern consumers, which has changed dramatically, especially the market segmentation which can no longer divide traditional marketing segments (Mallika Tonsorn , 2012)

Marketing Strategic Planning Concept Using 8 Ps Which consists of the marketing mix as follows:

### 1. Product Strategy

Product strategy involves a decision-making process about

- Product attributes ( Product attribute)
- Product mix
- Product lines

Product considerations

1) Product Concept It is an important feature of the product that can meet the needs of consumers. Must be clear on that product

2) Product attributes ( Product Attribute) must know what the product is produced from. What are the qualifications? Physical appearance, size, goodness, beauty, shape durability A form of product that exists on its own.

3) Product features ( Product Feature) to compare the company's products with competitors' products and have different features And must know what our products are more outstanding, for example, the distinctive feature of Dior is that it is a leading product from France .

4) Benefits of the product ( Product Benefit) Consider how the product has outstanding characteristics. And what benefits does the product provide to customers? During the contract with the customer with the proof of outstanding characteristics of the product

#### strategy example

1) expand new ways to use of our products for a new target group, namely adults aged 55 years and over

2) Discard products that have not been profitable since the product was introduced. It has been on the market for 5 years.

### 2. Price Strategy

It determines what kind of price we will set. high or low price strategy The thing to be aware of is that the prices are set competitively. Or is it consistent with the product position of that product? In formulating a pricing strategy, there are some key points to consider:



2.1 Set the price according to the market (On going price) or set the price according to satisfaction (Leading price).

2.2 Set the price according to the market (On going price) , suitable for products that are difficult to differentiate. therefore unable to set a price that is different from the competitor's market, that is, setting the price according to the competitor

2.3 Set the price according to satisfaction (Leading price) is setting the price according to satisfaction. regardless of competitors Suitable for different branded products Products with a personal identity have a good image, no matter how much the price is set, no one compares.

2.4 The product will be issued as a high price (Premium price) when ensuring superior quality and acceptance of the customer's price or standard price ( Standard) when using pricing based on competitors' prices. or brands for competition (Fighting brand) is a slightly inferior product than its competitors.

2.5 Setting the same price (One pricing) is many products that have prices attached to the box, meaning no matter where they are sold. Any season , the price is the same. or different prices ( Disriminate price) advantages are Can charge multiple prices But the disadvantage is We have to find reasons for setting prices for many things. so that people can accept

2.6 Line extension In this case, the product offering starts with a certain price. Then there is a strategy to spread popularity to the upper market or the lower market.

2.7 Buying up (Trading up) is a higher price adjustment, making more profit. Therefore trying to sell more quantity or move to buy lower ( Trading down) is the production of expensive products to have a slightly better quality than cheap products. but set a higher price in order for people to buy the inferior product

2.8 Using size strategies (Size) is not doing the same size as other manufacturers.

strategy example

- 1) Set a price 30% higher than competitors to show the image of the product's product position at a high level.
- 2) Set a low price for low sales seasons. and set a slightly lower price than the leaders during peak sales seasons.

### 3. Distribution Strategy / Place Strategy

distribution method must consider

3. 1 distribution channel (Channel of distribution) It is the path through which goods move from producers or sellers to consumers or users. which may be through the middleman or not the middleman

3. 2 types of stores (Outlets) Nowadays, you will find that the evolution of distribution is a very fast growing thing. There are so many types of stores that you can hardly keep up with. will ask to sort the types of stores from largest to smallest

3.2.1 Wholesale store is a store that sells products in large quantities. Most customers are intermediaries.

3.2.2 Cheap shops (Discount store) is a store that sells special products.

3.2.3 Department stores

3.2.4 A stand alone supermarket is a store that has a single location not attached to any stores.

3.2.5 Community shopping (Community mall) is a shop located in the community area.

3.2.6 Mini Mart can be seen from small shops. According to the high-rise buildings in the hospital where Hua Seng began to invade the mini-mart market.

3.2.7 Convenience store is a store that sells consumer products. or convenience products Some stores are open 24 hours.

3.2.8 Shops in gas stations

3.2.9 Kiosks is a store that is arranged as a sales kiosk. Sometimes classified as a booth

3.2.10 Automatic vending machine is the sale of products through automatic machines.

3.2.11 Selling by mail (Mail order) is the sale of products that use letters sent to customers. It has been published in newspapers and magazines. If satisfied, send a message to order by mail.

3.2.12 Selling by catalog

3.2.13 Selling on TV

3.2.14 Direct sales Sales using salespeople to sell to home

3.2.15 Welfare shop It is a store that was established to facilitate the employees of various government agencies of the company or various offices.

3.2.16 Cooperative shops It is a shop located in the university, and schools

3. 3 Number of intermediaries or density of intermediaries in the distribution channel

3.3.1 Considering who the target customers are

3.3.2 Buying behavior of the target group, such as buying cash or credit must be delivered or not how often to buy

3.3.3 Determining the customer's geographical location

3. 4 Supporting the distribution of goods into the market ( Market logistics) is an activity related to the movement of production factors, and the product from the source of production through the manufacturer's factory and then distributed to consumers.

#### 4. Promotion Strategy

Marketing promotion strategies must be coordinated with the overall marketing plan and specific marketing promotion plans should be defined.

##### strategy example

- 1) Use marketing promotion strategies to maximize the benefits of partners. for partners to support our brand
- 2) Make the most of marketing promotion strategies to encourage purchases of our products during the low sales of the year.

#### 5. Packaging Strategy

Decisions on packaging style and packaging material type are often applied to newly developed consumer products, or when changing new products packaging strategy There are the following principles for consideration:

1. Is the packaging appropriate to contain the product (Put in) or not?
2. When the product is placed on the shelf, does it have an outstanding advantage (Put up) or not?
3. When the product is used, is it convenient to store (Put away) or not?

4. Beautiful packaging (Prettiness) or can not be invited to use (Pleading) or not.
5. Can the packaging reflect the positioning of the product or not?
6. Can the packaging reflect the personality of the product or not?
7. Can the packaging protect the product (Protection) or not?
8. Is the packaging convenient to use (Practicality) ?
9. Is the selected packaging more profitable ?
10. That packaging can be used in marketing promotion (Promotion) or not.
11. It tells about how to use the product (Preaching) or not, can it take care of the environment (Preservation) or not?

If all these things are taken into account, it can be seen that in the design of the company's packaging, it will be logos , letters, characters, choosing packaging that is paper, foam, cork cap or various colorful marks, the company will get good packaging.

strategy example Change new packaging with bright colors so that consumers can clearly see it at the point of sale.

## 6. Personal Strategy

Employee sales not only expect results to increase sales. At the same time, it also creates a long-term relationship with customers. Strategic staffing does not imply sole sale But it also involves general management. such as hiring sales staff, including management offering preparation and after sales service in the online store salesperson strategy The method may be different from other businesses because it sells products where buyers and sellers interact online. Salespeople are the ones who primarily answer questions and provide product information to customers. Asking for product information, if the answer is too late, is another reason that causes customers to lose confidence in their purchase.

Selling by a salesperson is a form of face-to-face interaction between an entity and its customers. This is to look forward to orders with different sales patterns. Selling by a salesperson involves hiring a salesperson. General management of salespeople as well as inventory management Preparation of sales and after-sales service in the development of the sales department The business starts from setting objectives and operating. which must be clear and consistent with the type of business It could be a retail business. service business or manufacturing

business Sales and operational strategies are then formulated. Selling with a salesperson results in increasing sales and at the same time to build a long-term relationship with customers as well. In addition, selling using The salesperson also uses brochures , brochures, documents, flyers, various materials. to assist in sales presentations by employees As well as being a reference evidence and can be given to customers to learn more information.

strategy example

1. Determine sales ratio figures, such as the number of prospective customers ( Prospect) compared to the number of customers who ultimately purchase our products or the number of customers who buy products compared to the customers who enter the store. This is to check the performance of the salesperson.
2. Developed a new incentive program to reward salespeople who achieve sales targets.

## **7 . Public Relations Strategy**

Information dissemination is an important strategy and suitable for the era of borderless communication. The environment and the lives of people in society are all related to the Internet, making it possible to receive information quickly The form of strategy implementation, especially for selling products online. informing such as posting, posting, consignment announcements , selling products on the web, posting free ads which are available in many Or want to provide product news information that meets the target group such as selling teenage fashion products bed sheets for sale may choose webboards of various universities Free classifieds is a strategy that costs nothing.

Newsletters are a form of communication that is free to buy media. This is to create a positive attitude towards our products and business. But nowadays communication by such method may incur other expenses. Including indirect expenses related to media as well. Giving information to the public is a form of public relations. Providing information is considered to build a long-term image of an organization. and want this result to be positive for the organization

What we have to consider especially when providing news is Target groups who want to receive news and advertising media that will be used for news communication.

strategy example

1. Collaboration with some media to organize festivals on special occasions

2. Formulate a new business service launch program.

### **8 . Power Strategy**

Applied to online stores in many forms, for example: Using bargaining power to create a network. The person who wants to order products from the company to sell must apply to be an agent only. In order to order products at wholesale prices or have to apply for a group according to the type of product on the line in order to post pictures of each type of product that are updated every day for sale. In this case, it's wholesale. Retail sales to customers around the world. Go to Use Retail on the webpage. The power strategy model may set different selling prices, for example, ordering 3 items at a special price is a bargain to exchange benefits between buyers and sellers, resulting in more sales for online stores. Increase the customer's portion of the product at a lower price.

**Summarize**

8Ps marketing strategy is a basic tool that most businesses use as a norm in marketing. And accepting that the efficiency in marketing is quite high, the results can be seen clearly. which consists of product strategy price strategy distribution channel strategy marketing promotion strategy packaging strategy salesperson strategy news strategy and power strategy The 8 Ps marketing strategy is considered a framework for developing various strategies. Currently, the benefits of this strategy vary from company to company . The reason for that is because the company There was no success in using this strategy. Strategic elements of 8 Ps cannot be completed in a cycle. Therefore, entrepreneurs who are interested in using this 8 P strategy to market effectively Pay attention to every detail of each strategy. in order to create the eight P 's to be possible

**End of chapter questions**

1. What are the components of a marketing strategy? Explain .
2. marketing strategy What does it consist of? Explain.
3. When any organization has bad news Confused consumers Which strategy should that organization choose? Explain with reasons
4. certain products Consumers do not consider the benefits of using them. Which strategy should you choose and why?
5. The application of marketing strategies can be adapted in the COVID-19 situation. of the restaurant business? How?
6. Can pricing strategies be adapted to economic slowdown? Explain.
7. 8 Ps marketing strategy different from the 4 Ps strategy ? Explain.
8. If you want more consumers to see our company's products Which marketing strategy should you choose?



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## Chapter 10

### Marketing Ethics

Nowadays, the image of a marketer in the eyes of the general public may not be good. Because there are many marketers who use various tactics to motivate and urge customers to make purchases without considering the consequences. that will follow later or even encouraging consumers to overspend to the point of causing a large amount of debt Although marketing principles generally aim to motivate consumers to make purchase decisions, must be based on the principle that it does not cause trouble to the buyer as well

#### **Meaning of ethics and ethics in marketing.**

Ethics means It is a pattern of right action , or a guide to principles of moral conduct (Post, Lawrence and Weber. 2002: 609), or a concept of right conduct. This can help determine whether a behavior is moral or immoral. It also has to do with basic human relations, how an organization or individual thinks and treats others, and wants them to think and act . How are we? ( Post , Lawrence and Weber. 2002: 102) or means what we should do for peaceful coexistence in society or is a virtue that is It is a code of conduct to be in line with morality or a principle of good, appropriate, moral and moral conduct .

Ethics describes individuals, i.e. people are ethical but organizations are not. Ethical behavior varies from person to person. For example, it is normal for people to see money on the floor and put it in their pockets. while another saw that something was wrong Although ethical behavior depends on the viewpoint of the observer. But it generally refers to behavior that conforms to generally accepted social norms.

From the study of history, philosophy and religion to a code of values that are universal and unvarying at the heart of ethics (Michal Josephson, 1988). Ethics consists of :

1. Honesty: Speak the truth, sincerity, openness , straightforwardness, without bias do not deceive do not steal no lie not compromise.
2. Stability (Integrity) adheres to the principle Honest, honest, courageous and admitting wrongdoing, not duplicity

3. Promise-keeping: having the value of trust, abide by the agreement, adhere to the mind, do not interpret the agreement technically or legally without compromise. or an excuse to cancel the agreement

4. Loyalty (Fidelity) gives faith and loyalty to family, friends, employers and the nation. Do not use or disclose confidential information for personal gain. Be careful to avoid inducing or conflicting interests.

5. Fairness: being fair and open- minded, willing to accept mistakes caused by changing status and beliefs and propose fair agreements, treat people equally and openly to differences, not taking advantage or seeking benefits from mistakes or sufferings of others too

6. Caring for others Please share and help others in need and avoid causing harm to others

7. Respect for others Showing respect for individuals openly, respecting the privacy and right of decision-making of everyone, polite. Do not encourage, hinder or conduct the conduct of providing information about the lives of others.

8. Responsible citizenship: Obey the law. democratic rights and the right to participate Have social consciousness and public service when in leadership or authority positions Respect and respect democratic decision - making Avoid hiding secrets or information unnecessarily and provide information necessary to make reasonable and entitlement choices.

9. The pursuit of excellence seeks goodness in all matters. Have responsibility for oneself and career Diligent, Trustworthy, Effortless and Committed perform every task to the fullest capacity develop and maintain abilities Seek knowledge and be well prepared .

10. Responsibility (Accountability) gives reasons, accepts responsibility for decisions and results that occur both from actions and not actions and be a role model for others, parents, teachers, professional representatives and government officials. There is a special obligation to lead by example. Protect and build unity and trust to families, companies, professions and the government. Avoid inappropriate conduct and act as necessary to correct it. Prevent inappropriate behavior of others.

While there is no universally accepted standard of ethical behavior, ethical standards vary from society to society. each other It depends on the norms of each society. Although these standards are not a universal solution to ethical problems, they are A way to help people make more appropriate decisions on the ethical issues they face.

### Elements of Ethics

Ethics consists of components 3 parts (Net Panayawiraj, 2008 ) are

1. Components of knowledge, reasoning (Moral reasoning) means the understanding of correctness , namely Knows what is right , able to judge what is right and what is wrong \_

2. Emotional component, conscience Beliefs (Moral attitude and belief) are satisfaction, faith, devotion, feeling of joy popularity to be adopted as a practice

3. Components of expression behavior (Moral conduct) means behavior that. A person can decide whether to act right or wrong in various circumstances.

three components arise from the person, cultivated from the person's first institutional family arising from upbringing To be cultivated, to be inherited as a tradition culture and good morals. There is practice and practice on a regular basis until it becomes a good habit , which is called Virtue.

Marketing ethics are the ethics of our customers, especially when it comes to advertising, sales promotion, research market These activities are associated with ethics, namely honesty to customers, fairness in advertising. Is it exaggerated ? Is it misinformed or misleading ? The use of different sales strategies. This may also involve ethical conduct , including bribery or commission. Commission (Jintana Boonbongkan , 2001)

Marketing ethics is the application of general ethical principles in the marketing of a business, which are not different from general ethics. Incorrect, such as fraud, misrepresentation of information, etc. , must also be considered inaccurate by a business. Businesses should not impose themselves, what is right or wrong in terms of ethics when applied to business Business people must be bound by the same ethical concepts or principles that society accepts when considering the relationship between ethics and business. Therefore, it can be viewed from many angles, the important thing is to look at ethics as a stimulus for executives to pay more attention to social responsibility (Sitthi Theerasorn, 2008)

### Marketer's Code of Conduct

The Marketing Association of Thailand has set 7 codes of conduct for marketers as follows:

1. take responsibility for the consequences of their actions and make every effort to ensure that any decision or action Its aim is to identify, respond to and satisfy the relevant public groups as a whole.

2. Comply with laws and social regulations.

3. Adhere to honesty and fairness to consumers, buyers, sellers, employees, employees and the general public.

4. act as a good role model for other professionals and others

5. Encourage and support the conduct of oneself in accordance with the code of conduct.

6. Refraining from using authority for personal gain

7. willing to disseminate their professional knowledge for the public benefit

#### **Characteristics of desirable marketers**

1. Thai marketers must be aware of their duties and roles that will help strengthen and increase the competitiveness of Thai businesses and of Thailand in the global market.

2. Carry out marketing activities with integrity and responsibility for economic and social development with care not to have a negative impact on customs and traditions and the good culture of the Thai people and the Thai nation

3. take responsibility for their actions and make every effort to ensure that their decisions or actions are intended to indicate, respond to, and satisfy the public concerned as a whole.

4. Comply with the law and good social values.

5. Adhere to honesty and fairness to consumers. Buyers, sellers, employees, employees and the general public.

6. act as a good role model for colleagues and others

7. Encourage and encourage marketers to conduct themselves according to the code of conduct.

8. Refraining from using powers and duties for personal gain

9. willing to disseminate their professional knowledge for the public benefit

Marketing is important and can be considered as the heart of any business. Ethical issues in marketing therefore involve decision-making. And the company's operations in various fields, whether launching new products in the market. pricing advertising campaign sale Marketing

management in that era As well as marketing in international trade has been interesting to study. And check how ethical it is. Recently, there has been an ethical debate about how much information should be disclosed in marketing. Advertising is one way to convey information about various products, and services of the company to consumers But it's not the only way people can access information, about the products and services of the company Showing the status of the company in the form of an annual report, sales information and having various activities The company's social activities are another way for people to be aware of information, of the company

In business it is often accepted that business must respond to the needs of consumers or customers, is the king that the company must comply with, and good marketing must respond needs of customers especially in the market system, free trade The freedom of the customer or consumer should not be restricted by the state, but in practice it can be found. Customers or consumers have the freedom to choose to buy goods and services without limits. problems To what extent should the state be able to restrict the freedom of business?

ethical issues in marketing It is also about not disclosing sensitive information or providing accurate information. This includes exaggerating information or exaggerating the strength of the company. (Bluffing) ( Ibid., P462) , for example providing information to customers in way of stimulation to attract customers to buy their products and services Some companies may not disclose information about their operations, which may affect health and welfare of employees Providing inaccurate and complete information Artificial advertising can affect the freedom of choice of consumers . shareholder and even among company employees

In addition to the restriction of freedom as mentioned above, inaccurate advertising or Giving inaccurate or exaggerated information may cause harm. The fact that consumers have little knowledge of the benefits of products and products makes us unable to assess the true value and benefits of that product. Therefore, it should be the duty of marketers to create a correct understanding of consumers. Not only aiming to provide information to sell their products must accept that consumers cannot receive accurate information have insufficient knowledge, lack of skills to assess products and services accurately without the help of producers and sellers The seller must build trust with the buyer that the information is trustworthy. This type of trust can be considered an important matter of ethical marketing.

### Marketing and building trust

Marketing is about meeting the needs of consumers. If the consumer needs a product or service Organizations or companies can respond. will be able to sell that product or service Consequences of purchasing goods or services In addition to meeting their own needs then Part of that, consumers will begin to trust. This can affect loyalty to the product, service, organization or company. Marketers therefore need to learn and build trust to happen as follows.

1. Competition Marketing is the process of bringing a product to market and in the process of selling it. Marketers have to solve problems. Including having to do a survey or market research. to know the needs and tastes of consumers or customers Including obtaining information for yourself to sell effectively and profitably. In practice, it is often found that there is a way to manage the market in a manner that gives oneself an advantage and eliminates competitors from the organization by various methods. including illegal and immoral ways

Competition is an essential part of a free economy. Competition drives marketing efficiency. And benefit consumers in terms of price and quality of the product. Competition gives shoppers the opportunity to shop for the best quality products at the lowest prices. But competition can provide such advantages to buyers only if competition is fair. But fairness is rarely due to power. And the size of business firms are different. Larger firms with more capital have more power and influence. able to control the market While retail traders do not have such capabilities. It is necessary to intervene by the state to create justice. But the state can do it to the extent of the law, which is often inadequate. Fairness can only occur when competitors compete honestly and do not take advantage of each other. Matters of morality or ethics will come in to direct the competition to be truly fair.

Monopoly destroys competition and fairness. If the economic system provides an opportunity for certain companies to monopolize certain businesses or certain commodities, then Competition and fairness, there will be no monopolist can set the price of their products at will. As long as the consumer is willing to pay the price set by the monopolist. Eliminating competitors in order to lead to monopolies can be done in several ways. One way that large companies do it is Reducing the price of your own products below that of your competitors. Because big companies have efficient management. It can reduce a lot of costs, so the product price can be set lower than others. Profits can be reduced if such price reductions do not destroy competitors. It can be

considered fair and beneficial to consumers is You can choose the products you want at a low price. But if the big company other The price was reduced to a size below the cost. is Take a loss for a certain period of time to destroy your competitors. To occupy the market alone is considered unethical, because it destroys competition and leads to a monopoly Large corporations can afford to lose some of the businesses they want to monopolize. By reducing the price of the product below such cost, because it may generate profits in other businesses And use that profit to offset the loss that a small company with only one or two activities that cannot be done This is unethical. (Richard T. DeGeorge, 1998)

besides that Monopolies may be achieved by obtaining certain concessions from the state in many developing countries, including Thailand, where infrastructure and transportation are state-owned. When the flow of business transfers to private companies (Privateization) becomes more intense Therefore, the transportation business has been transferred, and some utilities for the private sector to do which the private sector will operate in the form of a monopoly without competition This can lead to pricing of goods and services too high and causing ethical problems.

When Monopolies Are Morally and Morally Wrong Therefore, it is necessary to put in place measures to prevent monopolies from occurring. Large companies often Buying or merging smaller companies or running into losses often leads to monopolies. Another method has been used to reduce competition so that one can control the market, which is considered inconsistent with ethics as well is Small companies cooperate without competition on some goods and services in order to share markets with each other, or make an agreement to set the same price ( Price fixing) Such cooperation is illegal in many countries, because it destroys the competitive system in the free market and concussion to the benefit of consumers and was considered immoral. Although the cooperating companies will act so carefully that the state cannot prosecute them. But this still exists, it can be considered unethical.

2. Pricing Setting or setting a price is an important aspect of marketing in sales. Sellers need to sell their products or services to make a profit, price And cost will be an indicator of profit. Sellers or manufacturers must control costs and in setting prices or setting prices. If the competition is fair, then the price set will be what it should be. Pricing is a matter of market forces, so how well sellers will sell their products. Set a reasonable price or not, he must know the market very well.



product pricing is too high (Overpricing) is unethical in a competitive free market system. Setting a price too high is impossible. In the case of a monopoly, setting prices above what they should be is impossible because there is no competition. But even in non-monopoly cases, excessively high prices may be set which would also resemble monopolies .

Setting product prices too high is setting a high price for a product in order to reduce the price of that product to the price it should be. Doing so to convince consumers that the price is lower than what it should be. The psychological effect is that it is a real price reduction. This approach is an ethical problem. because it is deceiving consumers. This is because selling at a discount must be a discount from the real price, not a discount. Selling at a discount , the price set is too high . is It is setting a high price in case the price is reduced later (Ibid., p. 465).

3. Building trust Trust is essential in marketing. Companies need to build the trust of their physical customers if their trust is high. in selling their products and services. Conveniently, how wide does such trust or trust mean? (George G. Brenkert, 2003 )

First of all This trust doesn't have to be mutual trust. Mutual confidence) when a company declares to its customers that Please trust a company that does not mean an exchange of mutual trust. But it's just asking customers to trust the company only. Customers do not have to act in return for trusting the company.

Second, this trust is not short-term. But it must be long enough. If it is a short-term trust, it is not a matter of trust or trust. It may take some time for the company to build customer trust. And that action must be directed towards building long-term trust.

Third, trust is about one thing only. But it's not all about trust. The company tends to give customers the confidence in certain products or services of the company. But there is no need to have confidence in other matters or other products of the Company.

To what extent does such trust building have to do with ethics or morality? The relationship between the seller and the customer is a key prerequisite for the success of sales. It is essential for sellers to build trust with their customers. Must try to make customers trust themselves whenever the seller can build credibility for customers. The seller becomes the influencer over the customer and the customer will buy according to the seller's wishes. Such a relationship seems appropriate, but if you look deeper, you will see that If it's the case that the

seller is trying to build a relationship, that's fine. Build trust with customers for the seller's own personal benefit. This may or may not be ethical, for the following reasons:

3.1 It is generally accepted that There are limitations on the seller's personal interest in their relationship with the customer. is If the personal benefit About deceiving buyers, counterfeiting, including coercion , coercion Such benefits do not apply to sales and are not valid. in other words Sellers cannot legitimize their own sales. If there is an attempt to take advantage of the customer's ignorance. Build credibility with customers to deceive customers into believing in buying their products. Deceiving customers for the seller's own benefit is not right. So it's a matter of the seller's personal interests. Therefore, there are limitations within themselves. Marketing does not allow sellers to consider their own interests in selling without restrictions.

3.2 Trust is already a limitation in itself. The one who builds trust must not take advantage of the person he wants him to trust. This is to avoid causing harm to those who will trust. The seller must build trust with the buyer without taking advantage of the buyer. If you take advantage of the buyer, it may lead to harm to the buyer. Hazard is therefore an important reason for ethical nonconformity.

4. Advertising has quite a few ethical problems. Advertising is the act of persuading customers or consumers to purchase their products or services. It is the dissemination of information about products or services. to convince consumers that it is suitable for the needs of consumers Ideally, promotional advertising. and does not cause the market to be limited to only certain products only certain brands It gives people the freedom to choose a wide range of products. But there have been criticisms of advertising as being a social destructive thing because it only serves companies with greed, but aims to generate enormous income for themselves by relying on professional advertisers to use art and psychology to exploit . from fear and consumer demand If advertising were the latter, there would certainly be ethical problems. Advertising with ethical problems is as follows :

4.1 Manipulative advertising Advertising has ethical issues . is Manipulative advertising It is advertising that limits consumers' freedom of choice. [Tom L. Beauchamp "Manipulating Advertising Business and Professional Ethics Journal 3 (Spring/Summer 1984) p . It is necessary to look at advertising that uses the principle of persuasion first .

Persuasion is an attempt by one person to encourage another to accept one's beliefs, attitude, value or actions of that person based on reason and without compulsion induce convince logically. Unlike non-rational persuasion, rational persuasion allows arguments to be made or may be expressed in the form of visual aids. The core of persuasive advertising lies in gaining consumer acceptance, from the credibility of reason.

As for the advertising that is managed, it's a matter of trying to fit a person's response to that person's needs. The operator of the effort is by changing the choice of the receiver. Advertising or changing the mindset of news recipients. Advertising about available alternatives. Managed advertising is an attempt by sellers or advertisers to get buyers of their products by making alternatives not appear, or appear unclear or a change in thinking. A customer's belief about another product that is unjustifiably in favor of an advertiser's product.

4.2 Advertising that is against culture and morality. Advertising that is contrary to culture and morality can be regarded as advertising that has ethical problems. But there are quite a few difficulties in assessing how counter-cultural advertising is, and morality in the age of globalization and progress in telecommunication and technology, the influence of western culture has spread to eastern countries including Thailand. Advertising that has its roots or forms in Western culture has spread. Conflict with the culture and morals of the Eastern countries to what extent.

An advertisement for a fast food restaurant where a woman walks past a man holding a bag of chips and the woman voluntarily picks up the chips and eats them. The purpose of the ad was to show that the fries were so appetizing that the woman couldn't resist. On the surface, it's not likely to be an ethical problem, but if this ad is repeatedly published, it may cause the misconception that other people's egoism is not hurting anything. This advertisement can be an ethical issue. Or advertising clothing has ethical problems as well, such as Advertising of women's and men's underwear that emphasizes body shapes so much that it is perceived as sexually provocative. So Advertising like this should not appear in media where it can easily be found, such as According to Billboard, Main Street.

It can be said that advertising that is managed or in a way that is culturally and morally offensive. Advertisers always claim that advertising must arouse the interest of consumers. However, it is accepted that advertising should not be exaggerated, intended to deceive consumers.

no honesty Use advertising methods or use advertising media that does not give consumers a choice. It only compels consumers to buy their own goods and services, not for persuading reasons. But using a way to provoke emotions is important. These can be considered unethical advertising.

5. Marketing and Disclosure Disclosure of information about products and services to customers or is the person being a consumer necessary in regards to disclosure? therefore in line with ethics Important principles to consider in this regard. is Mutual benefit rule: In sales, sellers should not consider their own interests. unilaterally but must take into account the interests of customers as much as possible And sellers can beat competitors by offering higher quality products at lower prices than their competitors (David M. Holley, 2009)

having such mutual interests The seller must provide information relevant to the decision of the consumer to purchase the product. Such information, including information used to compare the advantages and disadvantages of one's products with those of others, is to lead to rational consumer decisions. But the next problem is What is rational decision making? The answer to this problem lies in decisions made by decision makers who are satisfied with their wants or needs. and in the ability to buy is within the budget The information that sellers provide to consumers should be information that allows consumers to make decisions that satisfy their needs and budget. This informational principle is not always fully informative.

Disclosure as much as possible can be a good thing in that the seller does not hide anything that is not available in their product. But providing such information can be difficult for consumers. Because most consumers are not interested in information that is too technical. or information less relevant to one's needs. Obtaining too much information leads to Consumers can get bored can't decide Thus, disclosure leads to rational consumer decision making.

6. Promotion (Sales promotion) that is problematic and popular with marketers. and businessmen widely Whether it's green tea Instant noodles, snacks, soft drinks, canned fish, which are promotional tools. can arouse interest. The response triggered the trial. and making purchasing decisions faster It also makes sales increase in the short term. Because of the promotion of opening the lid and winning prizes Or open immediately, receive immediately (Instant win) with sending parts to draw prizes, sending lottery tickets (Lucky draw) Giving coupons or collecting coupons where customers have to buy high-value products and will receive 1 coupon or collecting

coupons to exchange things Causing the social trend to be suspicious and began to have resistance from government agencies related.

### **Consumer Responsibility**

Guidelines for consumer responsibility have an idea base From the rights of consumers, that is, businesses must produce products and services that are safe for life and health of consumers that can be trusted. There is an efficient consumer storage system. managed relationship with customers before and after the sale Providing accurate and adequate information to consumers Including providing knowledge for use in making decisions about purchasing products and services. Conduct research and development to create innovation of products and services by giving importance to processes and Activities that benefit society and the environment to lead to sustainable consumption

**Corporate Consumer Responsibility** Means responsibility for quality and qualifications. including information of products and services as well as methods of presentation and use of such products and services that it must be beneficial to health Is safe for consumers and society nature and environment There is an action that does not affect consumers in a way that violates or prejudices the rights of consumers. which is detrimental to good business ethics such as

- There is a reasonable protection to consumer information.
- Opinions are heard.
- Knowledge and fair information are provided to consumers.

In addition, when realizing that products and services will cause health impacts Including happiness and suffering or safety in any manner both for consumers, society, culture and the environment. must promptly disclose information and provide remedies in order to produce products And that service brings benefits to consumers. society and the environment truly lead to sustainable consumption. and business can Sustainable growth and progress as well

### **Principles and reasons that should be followed**

Important reasons why businesses should take responsibility towards consumers There are 8 concepts based on consumer rights as follows:

1. The right to meet basic needs These include water, food, air, clothing, housing, care, health and hygiene
2. Security Rights means safety from products and services including safe from the production process
3. Information Rights Consumers have the right to obtain information necessary to make decisions about choosing products and services. Such information must be true and not distorted, or cause misunderstandings
4. The right to choose Consumers have the right to make decisions in choosing products and services, which is at a reasonable price to compete in the market and is a quality product that causes satisfaction
5. The right to express opinions Consumers have the right to express their views on issues related to the formulation and implementation of these policies, including issues related to the improvement of goods and services.
6. Right to compensation Consumers have the right to make claims and to be treated fairly. Including receiving compensation from products or services that do not meet standards and from incorrect presentation which may cause damage to consumers
7. The right to education Consumers have the right to be educated and trained to acquire necessary skills. It is the decision to buy products and services. Including the awareness of the fundamental rights of consumers, and having appropriate behavior as a consumer as well
8. The right to a health-promoting environment Consumers should be able to live and do work under conditions that do not impair health including having a good quality of life

#### **Guidelines for Fair Market Practices**

1. Set reasonable prices for products and services.
2. Do not take any action that causes ambiguity or distortion. Information about products and services no hype or omission of important information which leads to misunderstanding
3. Product labels should contain accurate, complete and easy-to-understand information about the quality of products and services, including safety, health and well-being information How to use it correctly risks or dangers that may arise from misuse Including the life cycle and disposal of the product after use.

4. Clearly indicate when such information is for promotional or advertising purposes.
5. Information is disclosed upon request from consumers.
6. Include messages of concern for groups of people who need special attention, such as children and pregnant women.
7. In sales and advertising, it should be presented how the consumption of those goods and services will bring worthiness for real reasons. It should provide sufficient information to make a decision.

**Producing products and services that are safe and do not harm the health of consumers.**

1. Produce products and services that are safe for consumers and people around them, including property and environment
2. Entrepreneurs must comply with standards and regulations, national or international security. If possible, practice to be stricter than the minimum standards safety to reduce birth accidents arising from such goods and services
3. Design advanced products able to change consumer tastes and lifestyles to love oneself, society, nature and the environment. For humans to have a better quality of life, such as products that can reduce accidents or reduce the impact of natural disasters. Reduce the risk of life physical and mental health. Including product design taking into account risk groups such as children and pregnant women. Products that educate society and the natural environment which allows consumers to gain additional benefits over competitors' products in the market, etc.
4. Do not use chemicals that are harmful to consumers in the production process. Except for substances that have been approved for use and must be clearly labeled to the consumer.
5. Products or services that use new materials or technology. Health safety testing should be carried out before being marketed, and should provide documentation for consumers as well
6. Provide advice on proper use, and risks that may arise from use. Including setting measures to prevent harm that may occur from improper storage of consumers.
7. In addition to safety information. Internationally recognized marks or symbols should be affixed to the product in an appropriate position. To warn consumers of potential risks or dangers

**Secure storage of consumer data**

1. Not asking for or collecting consumer information without the consent of the consumer first.
2. Despite obtaining the consent of the consumer in accordance with the above Consumer inquiry or collection It must be done in a fair and legal way.
3. Identify and clarify the purposes of personal data collection and use to consumers before taking action.
4. Safely store consumer personal information Do not pass on consumer information to others. In addition to receiving the consent of the consumer first.
5. Give consumers the right to verify the accuracy of their data and to use their data within the framework of the law. And when any error or unfairness in the storage and use of the data is found, it must be deleted. or correct it.

**Customer relationship management before and after the sale.**

1. Require consumers to be able to return the received goods within a specified period in order to prevent complaints about goods and services.
2. The product warranty period is set in accordance with the legal framework and suitable for the useful life of the product or product.
3. When the product is brought to the market cause damage to consumers, unsafe or misinterpretation of information which leads to misuse, the operator will have to recall the product or stop providing service. At this stage, entrepreneurs must consider selecting media. or appropriate means of communication In order to reach consumers who buy the product to use, including paying compensation for damages incurred to consumers as well
4. Regularly review and improve the claim handling process and treatment with consumers by listening to the opinions of consumers as well.
5. Provide after sales service and a support system to assist in solving problems related to the use of products and services. and inform consumers how to obtain support and after-sales service.



6. Provide information to consumers on dispute resolution mechanisms, or problem arising from the use of goods or services After sales service The support system provides assistance in solving problems related to the use of products and services.

7. Provide a system for maintenance or repair of products for consumers at a reasonable price, and located in a place that consumers can access.

#### **Development of products and services of the Company for the benefit of society and environment**

1. Entrepreneurs should produce products or services that do not cause negative impacts on health and the environment. On the other hand, produce goods or services that are beneficial to health, society and environment By considering the useful life and life cycle of the product to achieve sustainable consumption .

2. Design products and packaging for ease of use. Can be biodegradable or can be recycled. Moreover, there should be a return service after use for recycling. Back to the recycling process

3. Produce high quality products and services Long service life and reasonable price.

4. Communicate clearly with logos on products to show that products and products are environmentally sustainable, and energy saving

5. Organize activities that are mutually beneficial, between entrepreneurs and consumers in order to lead the consumer society to be a society of good people with culture

#### **Giving knowledge and information necessary to make a purchase decision, and service**

1. Educate and train consumers to have the necessary skills to make decisions about purchasing products and services.

2. Provide complete information about the product in order to make a purchase decision, including Quality information, weight, price, after-sales service Including giving advice or operating instructions and storage.

3. Encourage consumers to see the importance of using products and services, that takes into account the environment and society more

4. Provide information to consumers on issues related to health effects Safety and energy saving, such as the source of the product. Key Ingredients Safety Tests How to Use that is safe , correct storage up to how to dispose of the carcass after use and recycling or reuse

5. Educate consumers on basic rights legal knowledge and regulations Related as well as providing information about the agency responsible for consumer protection. contact process access and making process work of these agencies

6. Provide information and clarification on finance and social investment of entrepreneurs. Including information, knowledge, intelligence and value in spend

**Summarize**

Ethics sustains the economy. And it is a factor that makes management efficient, effective and transparent. In addition to competition from Both domestically and internationally, the company must adjust and create a good culture within the organization for everyone at every level to have the mind to behave well, be ethical and moral, must be on the right side, which will create good things and lead the business grow Continuously and sustainably forever. Marketer's ethics is a guideline for people in business and marketing circles. To make a career as a marketer a profession with real honor and dignity know-how In terms of marketing, it is not to take advantage of consumers or cause damage to the national economic and social development, but it must be to create and raise the standards of the Thai market circle to be on par with civilized countries.

**End of chapter questions**

1. Explain the meaning of the word morality .
2. the components of ethics ? Explain in detail.
3. What is the marketer's ethics towards product development? Explain with examples.
4. A branded product is not a quality product. Any unethical conduct
5. Marketer's Code of Conduct for Pricing When entrepreneurs use it, what should be taken into account?
6. from the situation of COVID-19 What ethical things do marketers need to be aware of?
7. A marketer's ethics contribute to business success. Is this message true? Explain with clear justification.
8. Is there a need for ethics in every profession? Why? Why not?

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## Chapter 11

### Online Marketing

Online Marketing is a necessity for modern trade and services that rely on mobile platforms connected to the Internet. to facilitate online trading using various social media channels Help disseminate brand information before consumers decide to buy. In a highly competitive world And everything can be connected across borders in the blink of an eye. online marketing Therefore, it is a new alternative that helps in advertising and public relations because it can reach customers in a short time. Able to reach specific customer groups Able to reach customers all over the world, the important thing is the advertising price compared to other types of advertising. online marketing The price will be much cheaper. Compared to other types of marketing, online marketing can help sellers to save costs Both in terms of products, sales staff, and providing services 24 hours a day. The Internet network has more than 600 million users around the world, causing the trading volume to increase all the time. The seller must study the product. public relations channel as well as clearly specifying target groups In order to make the most effective use of this type of media

#### Definition of Online Marketing

Online Marketing is marketing in online media such as Facebook ads, Google ads, Youtube ads , Instagram ads with the main objective of making our products more known. using various methods in website advertising or advertise products that will bring our products to be published on online media. for others to be aware and interested Until finally come to use our service or buy our products Online marketing can be done in many ways as follows:

1. Social Marketing is an online marketing that focuses on reaching people on various social networks such as Facebook, Twitter, Instagram, etc. Social Marketing is often more popular than other channels.

2. Search Engine Marketing is marketing on Search Engine to make products on the first page of Google , also known as SEO (Search Engine Optimization) is to customize a website or

improve quality content. In order for the website or product to be on the first page of Google , giving customers the opportunity to click and access more products.

3. Email Marketing is marketing using email channels. to spread the news or offer various promotions To the target customers, it can be said that Email Marketing is the cheapest way to use marketing costs. when compared to marketing on other channels

4. Line Marketing is marketing through applications such as Line by disseminating news. Update various promotions. It can be said that it is an application that is very popular nowadays. By collecting data, it was found that in our country there are more than 83% of Line application users ever.

5. Banner Advertising using banners of various websites. It is another trend that is quite important. because it can reach customers in the right target group for example Food businesses that place advertisements on food websites or a website that collects restaurants restaurant review While the hotel business has placed advertising posters on travel websites, etc.

### **The importance of online marketing**

Digital growth counts. be in nature doubled the leap from the first generation The number of population using mobile phones or smartphones is increasing, the number of Internet users is increasing, and the use of Social Media is increasing, making the importance of online marketing came to play a huge role Thailand in 2020 has more than 52 million internet users. Including social media users, online marketing is therefore important in the following ways:

1. Doing various businesses online can be easy. and the cost is not very high Different from opening a business with a location or having a completely storefront by business that is necessary Must be ready with various factors. The main factor is the very high capital. But an online business doesn't have to cost a lot of money. Online business can be done easily and does not require high costs. Entrepreneurs or business people are now interested in business. in the form of online In doing business online, there will be many competitors. Therefore, to start an online business Entrepreneurs or business people must start studying the information. Or may hire a company that accepts online marketing. With the experience of such companies, online businesses will be easier to recognize by using tools that can effectively reach different groups of consumers.

2. Online marketing can be done through many channels, especially various online media that consumers are finally using such as Google, Facebook, Instagram , Twitter , etc.

3. Changes in consumer behavior popular in finding information, finding products, products and services, including ordering products online From consumer behavior, it can be seen that Marketing has played a role in the daily lives of consumers. However, from such behavior, entrepreneurs or businessmen can meet the needs of consumers. will be able to earn income from consumers as well

4. Make your business grow without needing to spend high amounts on general marketing Non-online marketing, such as television, requires a high investment to get one ad. This is only suitable for big companies because big companies have high capital in this era of digital age. Online marketing is therefore as important as television media. Doing just online marketing alone can make a business be able to succeed as well.

### **Benefits of Online Marketing**

Online marketing is very important. Whether it's marketing done through text, letters, images or videos that are currently popular. In addition to helping to reach consumers widely. It is also a cost saving. by the benefits of online marketing are as follows

1. reach a large number of customers In the online world is a world of communication without borders, therefore, online marketing will help to reach more people. It can also reach specific groups of customers. or being a customer in a target group for the distribution of products to the point or meet the needs of consumers

2. create a good image It creates a good image for the business. and help the product to be more memorable In addition, you can also use online channels to build a sales team. or dealer system to distribute products to make people more aware of the brand as well

3. use low cost Online marketing in addition to making people know the product. or buy more services already It can be said that it is a very low cost channel as well. On the contrary, it can be very profitable. And it's a very good result. For small businesses that do not have much capital



4. Marketing 24 hours a day. Another advantage of online marketing is Marketing can be done 24 hours a day, no holidays because the online world does not stop, everyone can access it all the time. Facilitates trading can be done 24 hours a day.

5. Easy to measure results Online marketing can be easily measured with tools that have been invented or developed specifically to support this service, for example, advertising on Google Ads with Analytics system that can show results from all forms of advertising on Google Ads, resulting in no waste. time to analyze Or plot the graph yourself to be difficult, etc.

6. build a good relationship Online marketing creates a strong relationship between buyers and sellers. Whether it is a consulting service after the sale. or service to inquire about usage problems in all forms Especially the AI technology that has added more articles by the Chabot system that talks to customers. Or able to deal with a large number of customers effectively

### **Online Marketing Strategy**

Online marketing strategy consists of two forms:

1. Inbound Marketing It is online marketing by creating content quality, benefit to send to customers or target groups who want to do online marketing as well Let the target audience know and feel that they are getting value from the content. Which good content will help create attraction, make target customers turn interested in products or services and ultimately return to us. Inbound Marketing and Content Marketing are very similar. because they are part of each other and cannot be separated Content creation is a message that is part of marketing using the Inbound Marketing model. This is the channel that allows the message to reach the target audience and can be measured. Most of the time, this form of marketing will be used as a means of communication. search engine optimization (SEO), Use social media to present good content, webboard, Email Marketing, word of mouth, etc. Inbound Marketing Online Marketing It takes more time but focuses on long-term results than focusing on speed. Outbound Marketing

2. Outbound Marketing Push Marketing is marketing by pushing brands to reach people or target groups to be aware In most cases, this form of marketing focuses on presenting the brand. What brands want their target audience to know about a product or service which focuses on Promotion to reach a large group of people is important. This format is easy in modern times. As the world of social media has increasingly influenced everyone's lives, the use of Outbound

Marketing Therefore, it is suitable for transmitting information to a large area in a short amount of time. But the disadvantage of this form of marketing is short-term effect Because very little content that is sent will help create emotional value for the receiver. But the good result is the speed and profit that follows. Outbound Marketing will use the channel. 2 The format is

2.1 Offline media is a marketing channel that does not involve the Internet. Each channel has a large number of people perceived, such as advertisements on TV screens , radio , billboards , product booths, etc.

2.2 Online media is a channel that uses the Internet as a medium. Can interact and communicate, such as using various social media Facebook , twitter, IG, Youtube , Google ads , etc.

Online marketing, no matter what form it is. All have the same aim, which is to make the audience turn their attention to the product or service. Online marketing therefore creates information awareness. As a result, recipients or target groups have feelings and confidence in the brand, which results in increased purchases of products and services.

### **Advantages and Disadvantages of Online Marketing**

Online marketing is marketing through the Internet. Able to reach customers quickly and reach customers all over the world. Or specifically according to the needs of customers. In addition, online marketing also saves expenses on sales staff, advertising, public relations in the form of media. and also cause the trading volume to increase all the time The seller must study the product and clearly define the target group. in order to use effective media However, online marketing still has disadvantages as follows:

#### Advantages of online marketing

– Get a lot of attention from internet users.

traditional marketing in other forms of advertising and public relations.

– Online marketing helps business owners save budget. and the cost of hiring sales staff

– Online marketing can work 24 hours a day, able to adjust new promotions at any time without having to wait.

### Disadvantages of online marketplaces

- Online marketing is low cost. causing more competition
- In order to make the business known, there must be a lot of connections in advertising that make people know. If not, it's difficult to make. succeed \_
- to make the store gain credibility from consumers take time Including reviews from customers that are important parts. Because selling products on the Internet Customers don't really see the product.

### **How to do Online Marketing**

job of online marketer that use digital channels to communicate with customers The following five interactions with customers must be taken into account.

1. Connections: Change the way you communicate from the storefront. To use digital channels such as live video to use internet channels to build connections with customers.

2. Interaction (Conversations) create interactions with consumers in target groups who use goods and services. By relying on large research tools (Focus Group) to learn consumer behavior.

Co-Creation: Sharing information about marketing concepts from various channels such as educational institutions, agencies, academics, and entrepreneurs in order to modernize online marketing techniques. meets the highest demands of consumers

4. Do E- Commerces create a basket system or ordering on the website Or place products on websites that support online trading through that channel, such as Amazon, Ebay , Lazada, Shopee , etc.

5. Build a community (Community) to connect brands through online social networks, including Facebook and other Social Media .

### **Online Marketing Channels**

When online marketing is a convenient channel for more organizations, but you need to choose the right channel. Currently, there are 6 channels that can be used to market online for brands as follows:

1. Paid Search is online marketing on the search channel, also known as PPC (Paid-Per-Click). We pay a seller's website or post to rank on the top of a search page or Search Engine Result Page. (SERP) After customers search for keywords that are related to the website or articles that we publish online on the Search Engine page, it will select the website that performs. Pay first (there will be the word ads or ads) where the Search Engine will charge advertisers according to the number of clicks added from online marketing here.

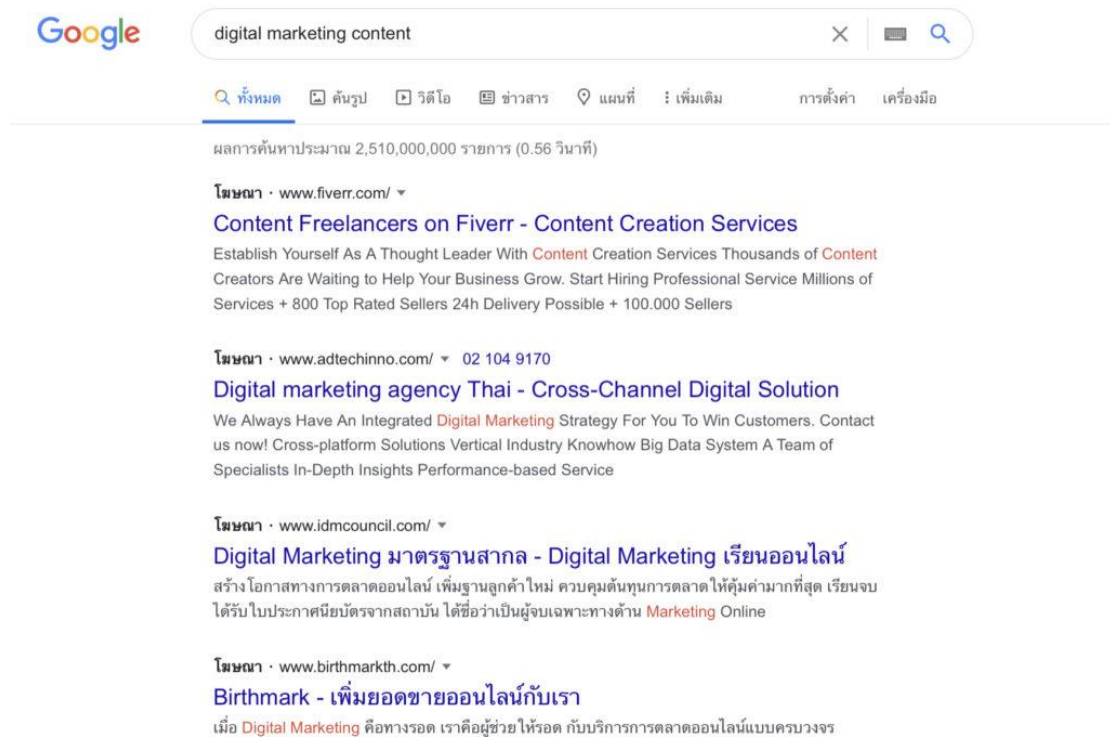
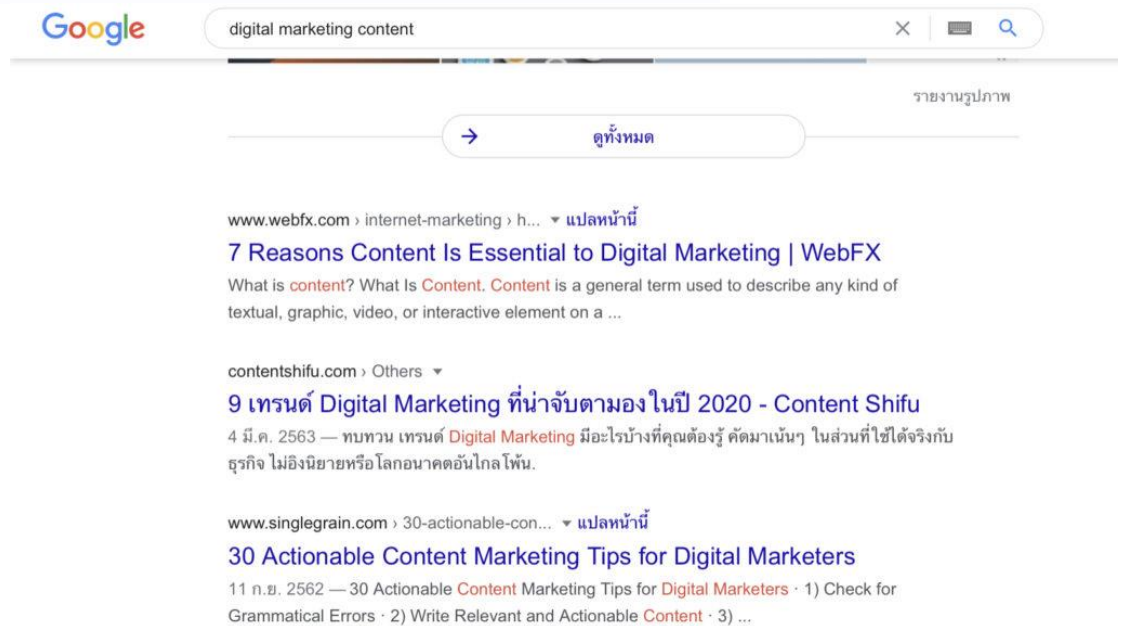


Figure 11.1 Show Paid Searching

2. SEO : Search Engine Optimization is online marketing that will push our website and articles of our products to the first page of Search Engine after searching for what The target group needs whether it is keywords or using Voice Search that matches the content on our website or articles. Optimization means improving the website, web page or content to have the quality required by the consumer group. Or the target group needs and is easy to find on the Search Engine, the more we do SEO, the better. The more websites will rank higher, the number of traffic of the website will increase accordingly. Websites that do good SEO will get the top rank

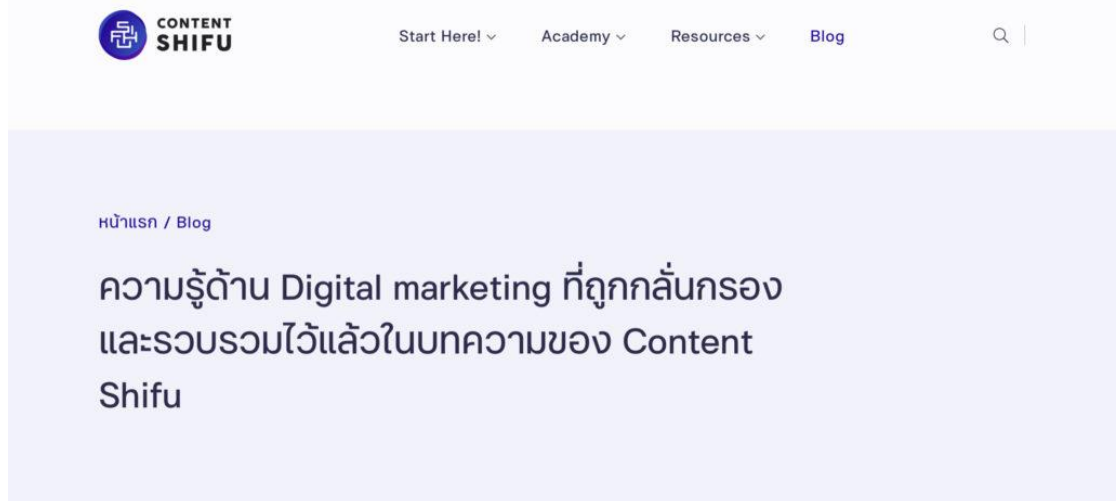
on the first page. The website can be found easily on Google or Search Engine. Others without paying for advertising. Search Engine Platform will keep track of algorithm updates . And most importantly, the website will not have the word Ad attached to it. Traffic that comes to the website in this way is called Organic Traffic or Organic Reach . It will also affect the ranking of our website on the Search Engine Platform even more.



**Figure 11.2** Show SEO : Search Engine Optimization

3. Content Marketing is the most important part of doing it. online marketing Because content is the “message” that businesses or brands will use to tell and interact with people. Whether it's blog posts, captions in Social Post, email messages. as well as other types of media such as videos, images, infographics , etc. should have a clear purpose Must be able to answer what we did this content for, for example, to educate, give inspiration. entertain or persuade For example, making content on the blog so people can search if our content matches the customer's search intent. That will increase more traffic. In addition, making good content is also the heart of communication through Online marketing in various ways, whether it is Social Media Marketing, E-mail Marketing or even the campaign itself, by making Content Marketing to hit the target audience. We need to take into account which of our Sales Funnels they belong to. If he is in the stage, knows the problem , knows the need (Awareness or ToFu ), we should deliver valuable content and benefit customers first. or if he is in the process of consideration (Consideration or

MoFo) or has already made a decision Need information to contact or buy (Decision / BoFu), we should shape the content to meet the needs and interests of each group of people. These Key Messages are what online marketers do. should not be overlooked



**Figure 11. 3** shows Content Marketing .

4. Social Media Marketing Social Media is a very big Hub to send messages to both new and existing customers. Using online marketing Digital Marketing on Social Media such as Facebook, Twitter, Instagram Or is it an application that is gaining immense popularity called Tiktok This greatly increases access to the brand's products and services. If we know which platforms our customers will be on , and we can also use the facilities on that social media to benefit.

5. Email Marketing Traditional and effective methods of online marketing. is to send letters via e-mail. This way of marketing is an Owned Channel where we own the customer's information and contact . And can do marketing automation as well even if it is Traditional but still active, especially in business circles. that require B2B (Business to Business) communications E - mail is a channel for communicating important information to customers. Whether advertising discounts or new products and services. or to increase traffic for Plaform other brands such as sharing articles, sharing blogs by attaching links but in order not to do onlne marketing on this channel If there is no outstanding or not receiving much attention will not be immediately thrown into the trash. Take into account the information to be included and the benefit of the recipient.



Cult Beauty

To: aksarapakgam@gmail.com &gt;

01:39

## Our gift list looks like this...

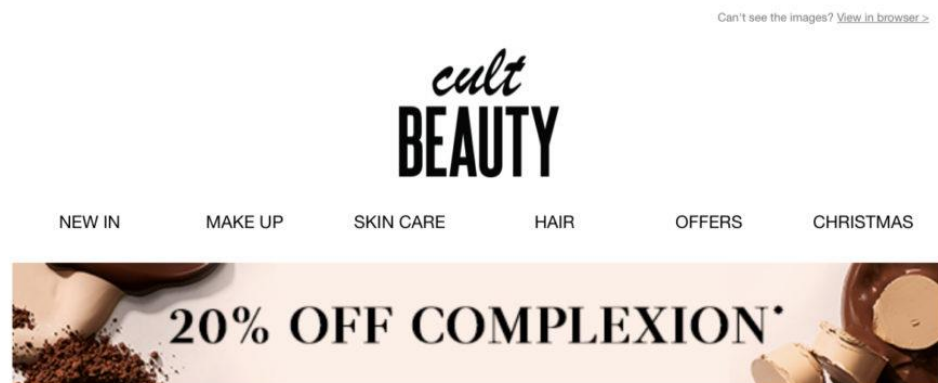


Figure 11. 4 shows Email Marketing .

6. Mobile Marketing is doing online marketing. via mobile phone or smartphone It is another method that is popular because Smartphone is a device of the technology era that It is used by many consumers and nowadays, the number of smartphone users around the world is increasing day by day. Online marketing through smartphones can be done by sending SMS or shooting advertisements in the brand's application. And attach links to other brands' platforms to allow consumers to find other content. ours or to increase traffic

### Online Marketing Tools

Online marketing requires marketing tools. Whether it is various platforms such as Website or Social Media , or whether it is a tool that helps promote better marketing in all aspects such as Email Automatio , CRM, Analytics Tools, SEO Tools , etc. These together are called " Martech " (Marketing Technology) or Martech marketing technology. Can be divided according to the purpose that we use to work, there are 6 types:

1. Advertising & Promotion or tools for making advertisements or for public relations
2. Social & Relationship or tools that help brands interact with people Most of them are communication channels such as websites, email or social media . etc.

3. Content & Experience or tools to create content, experiences, mostly media ( Media) , such as website and blog making programs , video making programs , game making programs , CMS , etc.

4. Commerce & Sales or tools that help sell things Is a tool to make an E-commerce sales website or a sales management system on the web or applications

5. Data & Analytics or tools to help manage and analyze data This is a very necessary tool in online marketing . Knowing what to do helps businesses know what to do more, what to do, or what to improve. To get better results, for example, Facebook Insight, Google Analytics , etc.

6. Management or tools for management It's another type of Martech. that is important because It will facilitate the work to be systematic, flexible and efficient. as well as reducing duplicate operations that require manual work, for example, Project Management Tools , etc.

Example Martech popular used to make online marketing

- HubSpot
- ActiveCampaign
- Google Tag Manager
- Canva
- WordPress
- Pipedrive
- Zapier
- Buffer
- Unbounce
- Similarweb

### **Techniques that help in online marketing**

Techniques that help in online marketing include:

– There are product keywords that are confusing and interesting, such as naming products that are different from other stores, etc.

– There should be a picture of the product. to call attention and attractiveness of the product



- Should add a video and explain the properties of that product in detail.
- There is an advertisement or product review by a well-known person in the internet world.

**Summarize**

The intense competition of online marketing makes Marketers need to focus and be aware of the role technology plays and influences consumers. Competition in the digital age Not competing with business competitors. But it's a race against yourself. and customer interest Or more consumers because in the online world there are a lot of media and there will be more and more. However , online marketing is still similar to traditional marketing. But what is clearly different is Physical characteristics, procedures, and target groups If marketers can apply online marketing to their own business By marketing in online media such as Facebook ads, Google ads , Youtube ads , Instagram ads with the main objective of making our products more known. using various methods in website advertising Or advertise products that will bring our products to be published on online media. for others to be aware and interested Until finally come to use our service or buy our products It will be another option to do business successfully.

**End of chapter questions**

1. Explain the meaning of online marketing.
2. Give examples of businesses/products/or services that are successful from online marketing.
3. Which products or services require online marketing ? Give 3 examples with clear explanations and examples.
4. “ Every business, product or service Must turn to online marketing ” Do you agree with this statement? Explain with comments.
5. me the benefits of online marketing.
6. Explain your online marketing strategy .
7. large domestic companies Often successful when adopting online marketing. Do you agree? Leave a comment.
8. non-profit organizations such as the Thai Red Cross Society use online marketing ?

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