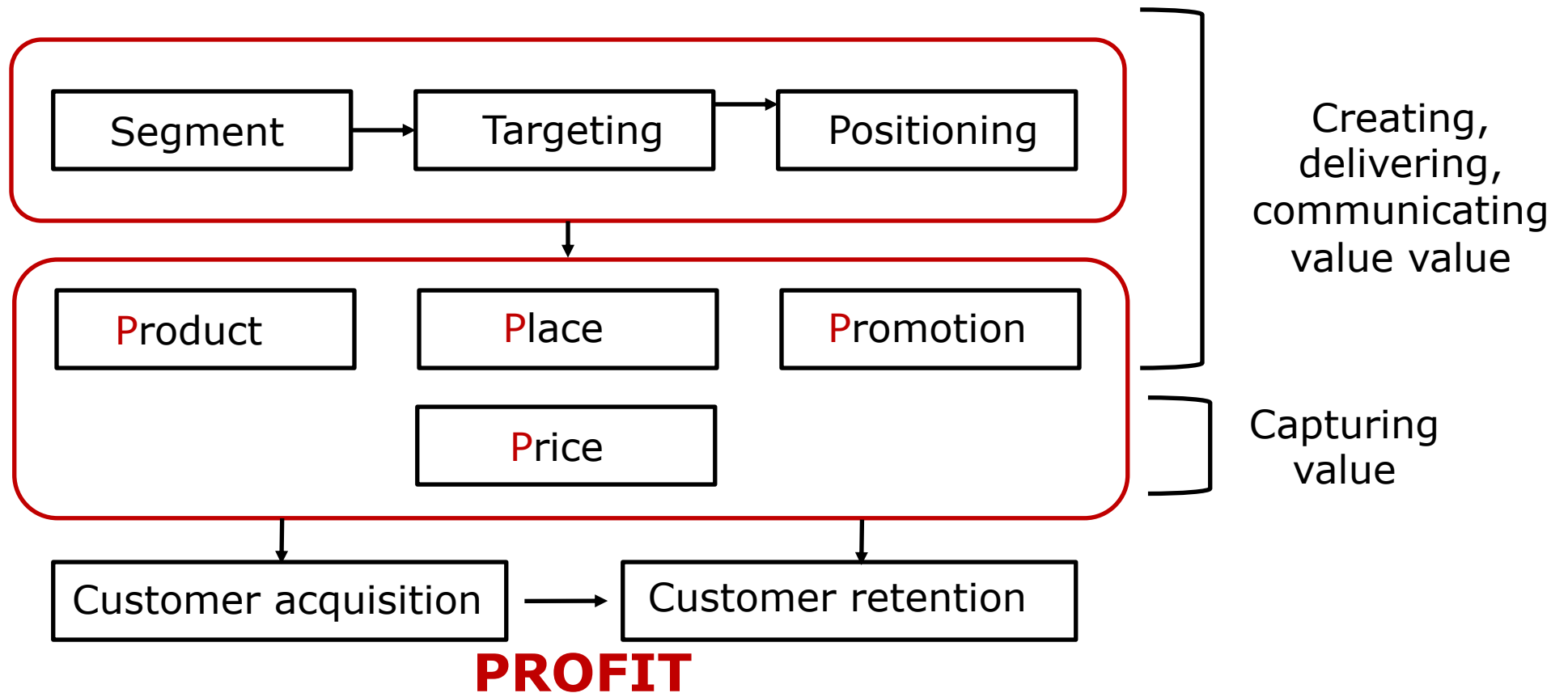


Chapter 5

Analyzing the marketing environment

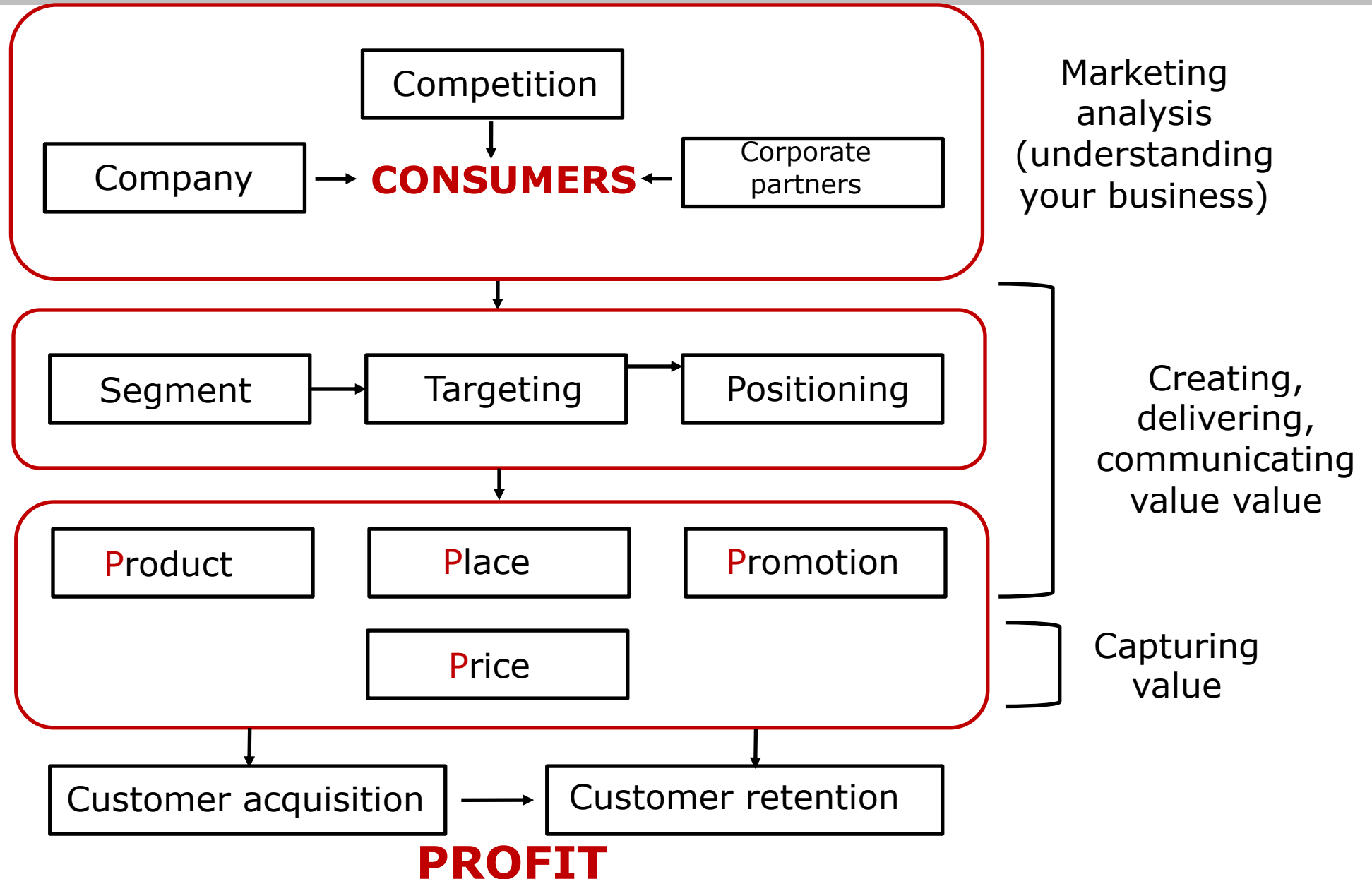
- Outline how the company, competitors, and corporate partners affect marketing strategy
- Explain why marketers must consider their macroenvironment when they make decisions
 - Identify various social trends that affect marketing
 - Examine the technological advances that are affecting marketing

The big picture



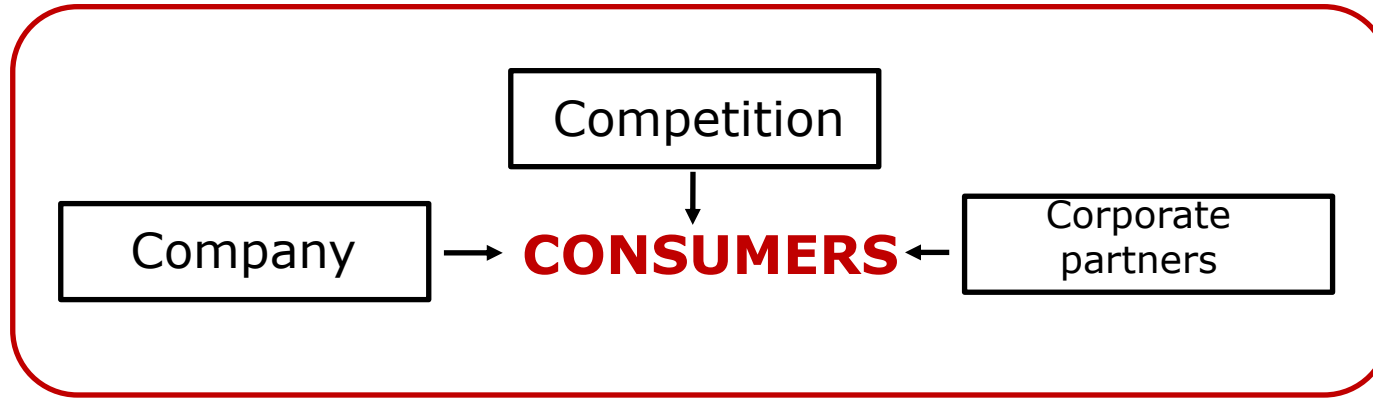
The big picture

Immediate environment



The big picture

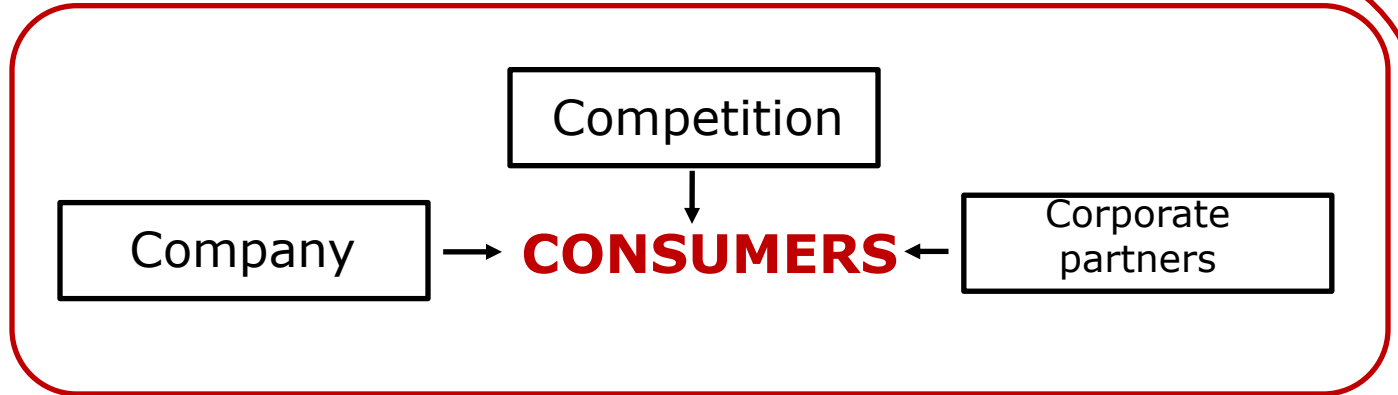
**Immediate
environment**



Marketing
analysis
(understanding
your business)

The big picture

Immediate environment



Marketing analysis
(understanding your business)

Macroenvironmental factors

Culture, demographics, social trends, tech. advances, economic situation, political/regulatory situation

- Successful firms focus on satisfying customer needs
- Successful firms adapt to changes and evolve
 - New markets, new products, improving existing offerings, maintaining your competitive advantage, etc.

Netflix revolutionized how we watch movies and TV shows

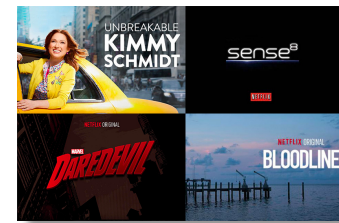
1997



2007



Today



- Identify your competitors
- You must know their strengths & weaknesses (SWOT can help)
- Proactive rather than reactive strategy
 - Gather publicly-available information about your competition
 - But avoid illegal actions!

Immediate environment: Corporate Partners

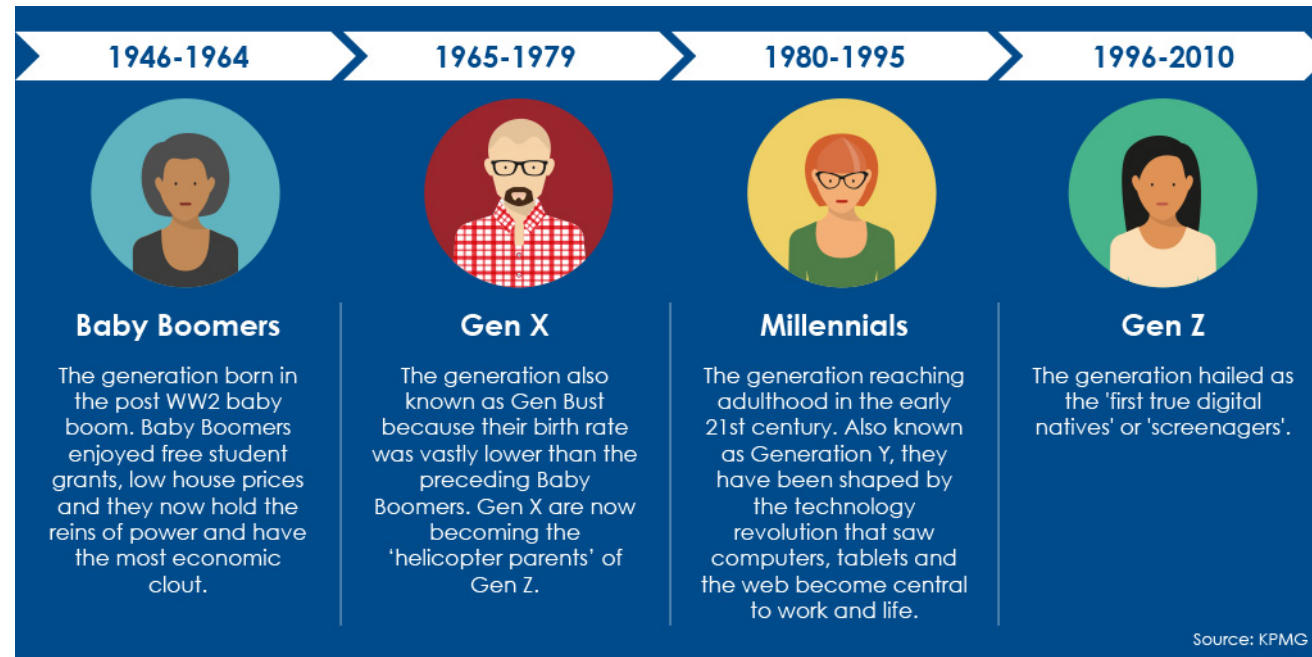
- Firms are part of alliances
- Align with competitors, suppliers, etc.
- For example: have you partnered with the right firms for effective management of your logistics systems?
 - E.g., have the right stock -- more about this in chapters 15-16



Macroenvironmental factors: Culture



Provides an easily understood snapshot of the typical consumer in a specific target market



How do these generations differ?

Health and Wellness
Concerns

Greener consumers

Privacy concerns

Health and Wellness Concerns

McDonald - <https://www.youtube.com/watch?v=-c-OTfRgJtY>

Greener consumers

<https://www.youtube.com/watch?v=dmSTIwCAO8M>

Consumers are becoming concerned about how firms use their data

- Firms are making a lot of effort to be as transparent as possible about data usage, e.g., Facebook or Apple

Privacy concerns



Technology has impacted every aspect of marketing

- New products
- New forms of communication
- New retail channels

Foreign currency
fluctuations



Combined with inflation
and interest rates affect
firms' ability to market
goods and services

Competitive practice and trade legislation

Lately we have seen many companies being targeted by policymakers

- Airbnb
- Uber & Lyft have just been banned in California
 - Lyft will suspend operations on August 20

Marketing analysis

- Immediate environment
 - Company, Competitors, and Corporate partners
- Affected by key macroenvironmental factors
 - Culture, demographics, social issues, technological advances, economic situation, and political/regulatory environment

Some social trends shaping consumer values and shopping behavior

- Health, Green, Privacy