



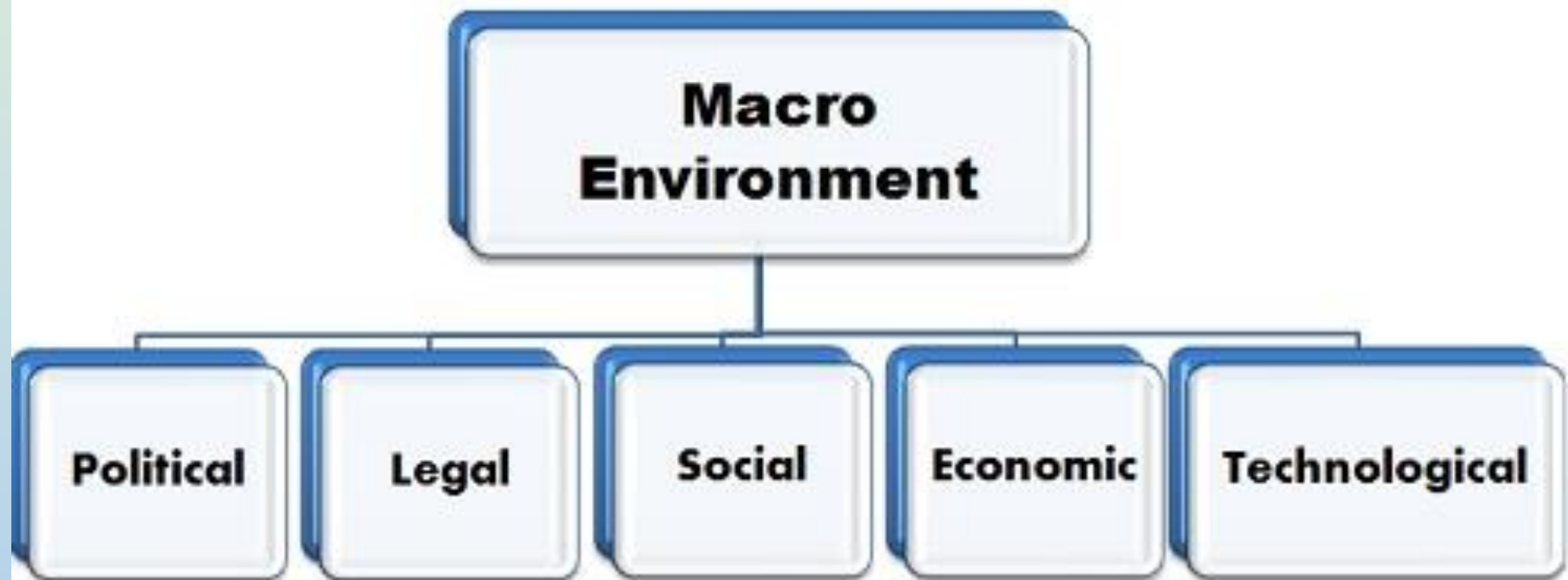
**B Com Computer Application**

**Semester - 3**

**Course Title: MARKETING MANAGEMENT**

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***MARKETING ENVIRONMENT-PART II***



# 1. Demography

The marketing management is directly interested in demography, i.e., scientific study of human population and its distribution structure. Demographic analysis deals with quantitative elements such as age, sex, education, occupation income, geographic concentration etc. These elements influence the market segmentation and targeting. Products can be designed according to the specific requirements of the people.

# Economic environment

- : Economic conditions like employment, income, purchasing power etc. influence the marketing decision. Marketing plans and programs are also influenced by many other elements such as interest rates, money supply, price level, consumer credit etc.
- Every business operates in the economy and is affected by the different phases it is undergoing. In the case of recession, the marketing practices should be different as what are followed during the inflation period.

# Social and cultural environment

- Changes in social and cultural environment influence the marketing decision substantially. Consumerism, changing role of women, emphasis on quality of goods instead of quantity, greater preference to recreational activities, breaking down of joint family system and rise of nuclear family, increase in women employment etc. have all contributed to change in social and cultural environment.
- since business operates in a society and has some responsibility towards it must follow the marketing practices that do not harm the sentiments of people. Also, the companies are required to invest in the welfare of general people by constructing public conveniences, parks, sponsoring education, etc.

# Political and legal forces

- With the change in political parties, several changes are seen in the market in terms of trade, taxes, and duties, codes and practices, market regulations, etc. So the firm has to comply with all these changes and the violation of which could penalize its business operations.
- Political and legal forces are gaining considerable importance in marketing activities of business enterprises. Marketing systems are affected by government's monetary and fiscal policies, import-export policies, industrial licensing policies, trade policies etc. The economic and industrial environment of India has undergone a significant change as a result of liberalization measures introduced by the government in recent years.
- Legal forces like consumer legislation, competition laws, anti-pollution laws etc. influence marketing plans and policies. Consumer legislation tries to protect consumer interests.

# Science and technology

- Unprecedented development of science and technology since 1940 has created a phenomenal impact on our lives. We have witnessed change in life style and consumption pattern as a result of technological change. The nation is attaching a great degree of importance to technological upgradation of all segments of industry.
- As technology is advancing day by day, the firms have to keep themselves updated so that customers needs can be met with more precision.

# Competition

- Although price competition is still present particularly in the retail market, non-price competition is of paramount importance to the manufacturer. No marketing decision of major importance can be made without assessing competition in a free market economy. Competitors considerably influence the company's choice of marketing strategies in relation to product mix, price mix and promotion mix.



# The Distribution environment

- The distribution environment in India is changing rapidly. The distribution channels have been getting shorter. The gap between the producer and the consumer is becoming narrower. As the channel is getting shorter, the retail dealer in the distributive trade is getting a better deal. Many factors have been responsible for these changes in the distribution environment. Increased competition, rising inflation and rising costs of marketing and distribution are the major factors.

# Ecology

- In the wider concept of marketing, ecological environment has assumed a unique importance. Environmental experts are vigorously advocating the preservation and survival of our entire ecological systems. It is said that pollution is an inevitable by-product of high consumption economies of advanced countries. Companies should take measures to conserve and allocate the scarce resources properly. Prevention of all types of pollution and efficient use of our scarce resources can restore the balance in our ecological environment.

# Conclusion

- Therefore, marketing environment plays a crucial role in the operations of a business and must be reviewed on a regular basis to avoid any difficulty.
- Thus, when a marketing manager is considering putting forward a marketing plan, then he has to consider both the internal and external marketing environments and see both opportunities and threats to the business; only then he/she would be able to take the correct decisions regarding the business.

# References

- <https://businessjargons.com/marketing-environment.html>
- <https://www.feedough.com/marketing-environment/>