Unit 2 Glossary

**Customer relationship management (CRM):** A companywide business strategy designed to optimize profitability, revenue, and customer satisfaction by focusing on highly defined and precise customer groups.

**Competitive advantage:** A set of unique features of a company and its products that are perceived by the target market as significant and superior to those of the competition convey a competitive advantage.

**Diversification:** A strategy of increasing sales by introducing new products into new markets.

**Environmental scanning:** Collection and interpretation of information about forces, events, and relationships in the external environment that may affect the future of the organization or the implementation of the marketing plan.

**Evaluation:** Gauging the extent to which the marketing objectives have been achieved during the specified time period.

**4 P's:** Also known as the marketing mix, the 4p’s are made up of product, place, promotion, and price.

**Implementation:** The process that turns a marketing plan into action assignments and ensures that these assignments are executed in a way that accomplishes the plan’s objectives.

**Market development:** A marketing strategy that entails attracting new customers to existing products.

**Market penetration:** A marketing strategy that tries to increase market share among existing customers.

**Marketing mix:** A unique blend of product, place (distribution), promotion, and pricing strategies designed to produce mutually satisfying exchanges with a target market.

**Marketing myopia:** Defining a business in terms of goods and services rather than in terms of the benefits customers seek.

**Marketing objective:** A statement of what is to be accomplished through marketing activities.

**Marketing plan:** A written document that acts as a guidebook of marketing activities for the marketing manager.

**Marketing planning:** Is the process of designing activities relating to marketing objectives and the changing marketing environment.

**Marketing strategy:** The activities of selecting and describing one or more target markets and developing and maintaining a marketing mix that will produce mutually satisfying exchanges with target markets.

**Mission statement:** A statement of the firms’ business purpose based on a careful analysis of
benefits sought by present and potential customers and an analysis of existing and anticipated environmental conditions.

**Niche competitive advantage:** The advantage achieved when a firm seeks to target and effectively serve a small segment of the market.

**Planning:** The process of anticipating future events and determining strategies to achieve organizational objectives in the future.

**Product development:** A marketing strategy that entails the creation of new products for present markets.

**Strategic planning:** The managerial process of creating and maintaining a fit between the organization’s objectives and resources and the evolving market opportunities sustainable competitive advantage: an advantage that cannot be copied by the competition.

**SWOT analysis:** Identifying internal strengths (S) and weaknesses (W) and also examining external opportunities (O) and threats (T).

References