

## 1.10: Key Terms

---

**5Ms of marketing** | internal elements of a marketing plan that need to be resolved if the plan is successful

**buyer** | a person or institution that purchases goods or services

**consumer** | the final user of a purchased product or service

**customer** | a person who purchases a product or service

**customer equity** | total combined customer lifetime values of all the company's customers

**customer loyalty** | an ongoing positive relationship between a customer and a business

**customer relationship management (CRM)** | all strategies, techniques, tools, and technologies used by companies to develop, acquire, and retain customers

**customer retention** | the ability of a company to turn customers into repeat buyers and prevent them from switching to a competitor

**customer value** | the ratio of the perceived benefits relative to the costs incurred by the customer in acquiring the product or service

**customer-driven marketing strategy** | a marketing strategy that shifts the focus from the product or service to its users

**delight needs** | an added value that a customer might receive from a seller without prior expectation or request for the same

**desired object** | a physical good, service, or experience that consumers expect will satisfy their wants and/or needs

**ethical marketing** | process that emphasizes trustworthy, transparent, social, and culturally sensitive marketing policies

**exchange process** | the process of satisfying a need or want by giving something of value in exchange

**external interested parties** | a person or organization that does not have a direct relationship with a company but is affected by the operations of the business

**form utility** | the value given to a product by virtue of the fact that the materials and components that comprise it have been combined to make the finished product

**interested parties** | a group that has an interest in a company or organization and can either affect or be affected by it; often referred to as "stakeholders"

**internal interested parties** | those persons whose interest in a company comes through a direct relationship such as employment, ownership, or investment

**internal marketing** | the promotion of a company's objectives, products, and services to internal parties, such as employees, owners, managers, and shareholders

**internet advertising** | a set of tools for delivering promotional messages to people worldwide, using the internet as a global marketing platform

**macroenvironment** | the set of external factors and forces, not controlled by the company, that influence its operations

**marketing** | the activities a company undertakes to promote the buying or selling of a product or service

**marketing concept** | marketing philosophy that firms should analyze the needs of their customers and then make decisions to satisfy those needs better than the competition

**marketing environment** | all of the internal and external factors that drive and influence an organization's marketing activities

**marketing mix** | the set of actions or tactics that a company uses to promote its brand or product in the market

**marketing process** | the series of steps that assist businesses in planning, analyzing, implementing, and adjusting their marketing strategy

**marketing strategy** | a plan of action designed to promote or sell a product or service

**microenvironment** | those factors or elements in a firm's immediate environment that affect its performance and decision-making

**organizational culture** | beliefs and behaviors that determine how a company's employees and management interact and handle customer relationships

**PESTLE analysis** | a strategic framework used to assess the political, economic, social, technological, legal, and environmental factors affecting an organization

**place** | the geographical location in which the company sells its products and/or provides its services

**place utility** | making goods and/or services physically available or accessible to potential customers

**possession utility** | the amount of usefulness or perceived value from owning a product

**price** | the cost that consumers pay in order to acquire a product or service

**product** | anything that can be offered to a market that might satisfy a want or need

**product concept** | the orientation that consumers will favor those products that offer the most quality, performance, or innovative features

**production concept** | the orientation that consumers will always acquire products that are cheaper and more readily available

**promotion** | any type of marketing communication used to inform audiences of the relative merits of a product, service, or brand

**real needs** | the value the customer is going to derive from the stated good or service

**retailers** | companies that purchase large quantities of goods from producers and then sell smaller quantities to end customers for personal use or consumption

**sales concept** | orientation that analyzes buying and selling effects to place the focus primarily on generating sales transactions

**secret needs** | the needs that the consumer feels reluctant to admit

**seller** | the individual or organization that supplies the need-satisfying product, service, or experience

**societal marketing concept** | philosophy that a company should make marketing decisions by considering not only consumers' wants and the company's capabilities but also society's long-term interests

**stated needs** | those product or service needs that are clearly specified by the customer

**suppliers** | sometimes also called *vendors*, these are partners from whom we receive the parts and products necessary for our business

**time utility** | adding value to the consumer by having the product or service available when the consumer needs it

**unstated needs** | those needs that are not obvious but are expected by the customer

**utility** | how a product can be useful to customers in a way that convinces them to make a purchase

**value** | the difference between a customer's evaluation of the benefits and costs of one product when compared with others

**value proposition** | a promise of value to be delivered, communicated, and acknowledged

**wholesalers** | companies that purchase large quantities of products from producers and then sell to smaller businesses, such as retail stores

---

This page titled [1.10: Key Terms](#) is shared under a [CC BY 4.0](#) license and was authored, remixed, and/or curated by [Elisabeth Dellegrazie](#) via [source content](#) that was edited to the style and standards of the LibreTexts platform.