

Tutorial Notes

Class: B.Com (Hons.) Semester VI (DSE3)

Subject: New Venture Planning

Topic: New Venture marketing

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## **New Ventures Marketing**

On a basic level, **new venture marketing** is a set of unconventional practices that can help start-ups and younger firms emerge and have an edge in competitive markets. The main difference between these and traditional approaches is that new venture marketing tends to focus on satisfying the customer and building trust by providing innovative products and services that disrupt or appeal to a specific market provides an overview of differences between traditional and new venture marketing.

### **Traditional versus New venture Marketing**

<b>Traditional Marketing</b>	<b>New venture Marketing</b>
Greater amount of resources	Few to no resources; founder drives efforts (sweat equity)
Management of an established brand, reminder advertising	Must be ingenious, energetic, and persistent to develop story and brand; leads to trust
Financial and market share goals	Satisfaction and awareness goals
Manage existing customers	Capture first customers; develop a client base and long-term relationships
Manage existing products, promotion, pricing, placement, people, physical environment, and process (the “7 Ps”)	Develop new products, price points, channels (placement), communication, process, training, and design
Continue doing what works	Trial and error; market pilots
Communication with customers standardized, one-directional; more difficult to create one-on-one relationships	Communication with customers is more fluid and spontaneous; two-way relationships

## Marketing Mix

One of the biggest misconceptions people have about marketing is that it is all about promotion, or how a company sells or advertises something. But the truth is, promotion is just one facet of the **marketing mix**, which describes the basic set of strategies and approaches that marketers use to identify and reach their target market. A **target market** is the specific group of consumers for which a company seeks to provide a good or service.

One common way of understanding and remembering the components of the marketing mix for products and services is by thinking in terms of the “7 Ps.” While each of these can be part of a company’s marketing mix, the first four relate more to products: product, pricing, promotion, and place (and traditionally have been called “the 4 Ps of marketing”). The remaining three relate more to services: physical environment, process, and people. While the 7 Ps are conceptually the same for all businesses, how a company addresses each “P” will be specific to that company’s needs and goals.

For a better understanding of the marketing mix, look at how breaks down the 7 Ps into their related activities.

