



# International Marketing

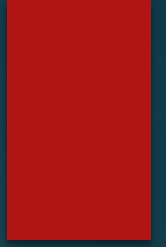
LECTURE 4

MARCH 25, 2026

# Contents

- I. The evolution of the Marketing theories
- II. Q&A and Quizzes

# 1. The evolution of the Marketing theories





# 1. Production Orientation (1900s–1930s)

## ◆ Core Idea

“Consumers prefer products that are widely available and affordable.”

## ◆ Key Theories

- Economies of scale
- Mass production (Fordism)

## ◆ Background (Why it emerged)

- Industrial Revolution → **supply shortage**
- Demand > Supply (people just wanted products)
- Limited competition
- Focus on efficiency, not customers

## ◆ Example

- Ford Motor Company – Model T mass production

👉 **Insight:** Firms didn't need marketing—everything produced was sold.



## 2. Product Orientation (1930s–1950s)

### ◆ Core Idea

“Consumers prefer the highest quality, performance, and innovative features.”

### ◆ Key Theories

- Product excellence hypothesis
- Innovation-driven competition

### ◆ Background

- Supply begins to catch up with demand
- Firms start competing on **quality differentiation**
- Technological advancement accelerates

### ◆ Problem

- “Marketing myopia” (focus on product, not customer)

### ◆ Example

- General Electric – engineering excellence focus

👉 **Insight:** Better product ≠ guaranteed success.



## 3. Selling Orientation (1950s–1960s)

### ◆ Core Idea

“Consumers need to be persuaded to buy.”

### ◆ Key Theories

- AIDA Model (Attention–Interest–Desire–Action)
- Hard-selling techniques

### ◆ Background

- Overproduction → **supply exceeds demand**
- Increased competition
- Rise of advertising & mass media (TV, radio)

### ◆ Example

- Door-to-door sales, aggressive advertising campaigns

👉 **Insight:** Firms pushed products rather than understanding customers.



## 4. Marketing Concept (1960s–1980s)

### ◆ Core Idea

“Identify and satisfy customer needs better than competitors.”

### ◆ Key Theories

- Segmentation–Targeting–Positioning (STP)
- 4Ps (Product, Price, Place, Promotion)
- Consumer behavior theory

### ◆ Background

- Saturated markets
- Consumers became **more powerful and selective**
- Rise of market research and data

### ◆ Example

- Procter & Gamble – brand segmentation strategy



**Insight:** Shift from **product-centered** → **customer-centered**

## 5. Societal Marketing Concept (1970s–1990s)

### ◆ Core Idea

“Deliver value while considering society’s long-term well-being.”

### ◆ Key Theories

- CSR (Corporate Social Responsibility)
- Stakeholder theory

### ◆ Background

- Environmental crises (pollution, oil shocks)
- Consumer awareness of ethics and sustainability
- Government regulations

### ◆ Example

- The Body Shop – ethical sourcing

👉 **Insight:** Profit alone is not enough → **ethics matter**



## 6. Relationship Marketing (1990s–2000s)

### ◆ Core Idea

“Build long-term relationships with customers.”

### ◆ Key Theories

- Customer Lifetime Value (CLV)
- CRM systems
- Loyalty programs

### ◆ Background

- Cost of acquiring customers ↑
- Database technology emergence
- Service economy expansion

### ◆ Example

- Amazon – personalized recommendations



**Insight:** Retention > acquisition



## 7. Digital Marketing (2000s–2010s)

### ◆ Core Idea

“Engage customers through digital channels and data.”

### ◆ Key Theories

- Search Engine Marketing (SEM)
- Social Media Marketing
- Big data analytics

### ◆ Background

- Internet revolution
- Mobile devices proliferation
- Real-time data availability

### ◆ Example

- Google – search advertising model



**Insight:** Marketing becomes **data-driven**



## 8. Experiential & Emotional Marketing (2010s)

### ◆ Core Idea

“Consumers seek experiences, not just products.”

### ◆ Key Theories

- Experiential marketing (Schmitt)
- Emotional branding

### ◆ Background

- Product commoditization
- Rising income levels
- Lifestyle-oriented consumption

### ◆ Example

- Apple – store experience design

👉 **Insight:** Emotional value > functional value



## 9. Marketing 4.0 & 5.0 (2010s–Present)

### ◆ Core Idea

“Human-centric + technology-driven marketing”

### ◆ Key Theories

- Marketing 4.0 (connected customers)
- Marketing 5.0 (AI, automation, predictive marketing)

### ◆ Background

- AI & big data explosion
- Social networks dominance
- Hyper-connected consumers

### ◆ Example

- Netflix – AI-based recommendation system



**Insight: Technology + human insight convergence**

## 10. Emerging Trend: Sustainable & Purpose-Driven Marketing (2020s– )

### ◆ Core Idea

“Brands must stand for purpose and sustainability.”

### ◆ Key Theories


- ESG marketing
- Purpose branding

### ◆ Background

- Climate change urgency
- Gen Z values (ethics, sustainability)
- Global crises (pandemic, inequality)

### ◆ Example

- Patagonia – environmental activism

 **Insight:** Consumers buy **values**, not just products

## Summary: Evolution Logic (Very Important for Teaching)

Stage	Market Condition	Firm Focus
Production	Demand > Supply	Efficiency
Product	Rising supply	Quality
Selling	Oversupply	Persuasion
Marketing	Competitive markets	Customer needs
Societal	Ethical concerns	Sustainability
Relationship	High competition	Retention
Digital	Tech revolution	Data
Experiential	Commoditization	Emotions
Modern (4.0/5.0)	Hyper-connectivity	AI + Human
Future	Sustainability crisis	Purpose

# IV. Q&A and Quizzes

