Principles of Marketing

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**Introduction**

Management of a business is not an easy task. No matter what kind of business you are running, whether it is a manufacturing business or a services one, you need to make the customers aware of your business so that your sales may increase and your enterprise may earn a valuable profit. Being a business person, you not only need to sell your product or services but also satisfy the customer and develop positive exchange relationships with the customer or the end consumer. This practice is known as marketing (Armstrong et al., 2014). Every business needs intelligent marketing strategies in order to make it business grow and prosper. The following piece of writing discusses various functions of the marketing process and multiple steps that are included in it.

**Discussion**

**New-Product Development Process**

The term “New Product Development Process” refers to the procedure of bringing any new idea into the market. This idea may consist of any new product, service or both. Although the nature of products or services differs according to the industry, every new-product development process consists of the following components: ideation, research, planning, prototyping, sourcing, and costing.

**Steps in a New-Product Development Process**

The process of development of a new product or idea consists of the following steps:

**Idea Generation**

This stage refers to the sessions of brainstorming and bringing new ideas, as to what kind of product or service is needed in the market.

**Idea Screening**

Idea screening refers to the stage of analyzing the idea and accepting or rejecting it.

**Concept Testing**

This stage determines whether the consumers need this product and will they accept it or not?

**Business Analysis**

Being one of the most important steps of the new product development process, this stage determines whether the new idea is commercially profitable or not.

**Product Development**

At this stage, the product is finally developed and distributed by the company.

**Test Marketing**

This refers to the distribution or introduction of the product at a very small scale in a market.

**Commercialization**

After the successful completion of the test market stage, the product is launched on a large scale with proper advertisement and marketing.

**Review of Market Performance**

The last step of the new product development cycle consists of the analysis that whether the new product has been accepted by the customers or not, what is the income or profit garnered by the product, and if the manufacturers should keep producing it or not.

**Product Life Cycle**

Product life cycle refers to the age or life cycle of a product or service. It helps the manufacturers and management professionals in deciding what step to take next regarding their business product.

**Stages of Product Life Cycle**

The life cycle of any product usually consists of the following four stages:

**Introduction**

It is the stage when the new product or idea is launched in the market.

**Growth/ Boom**

The stage when the product is growing and making progress in the market.

**Maturity**

It is the stage at which the general public has gained complete awareness about the product and it is almost impossible to gain new customers.

**Decline**

The stage where the popularity of the product starts decreasing and hence, the product or idea stops generating profits.

**Crowdsourcing**

Crowdsourcing is comparatively a new term in the dictionary of marketing. It refers to the practice of obtaining information or providing input in a particular task or project. The process of crowdsourcing consists of collecting information about a large number of people through a number of sources, most commonly from the internet.

**Conclusion**

Hence, it can be concluded that marketing is a very vital component of the business cycle of any company or organization. A company develops a new product or service through new product development cycle. After the development of this idea, the product or service goes through the product life cycle. The marketing strategies of various companies also include crowdsourcing in their policies, which has greatly benefitted these companies.

References

Armstrong, G., Adam, S., Denize, S., & Kotler, P. (2014). *Principles of marketing*. Pearson Australia.