

1.5 MARKETING ENVIRONMENT

A company's *marketing environment* consist of the actors and forces outside marketing that affect marketing management's ability to develop and maintain successful relationships with its target customers. The marketing environment offers both opportunities and threats. Successful companies know the vital importance of constantly watching and adapting to the changing environment.

As we enter the new millennium, both consumers and marketers wonder what the future will bring. The environment continues to change at a rapid pace, for example, think about how you buy groceries today. How will your grocery buying change during the next few decades? What challenges will these changes present for marketers?

A company's marketers take the major responsibility for identifying and predicting significant changes in the environment. More than any other group in the company, marketers must be the trend trackers and opportunity seekers. Although every managers in an organization needs to observe the outside environment, marketers have two special aptitudes. They have disciplined methods – marketing intelligence and marketing research, for collecting information about the marketing environment. They also spend more time in the customer and competitor environment. By conducting systematic environmental scanning, marketers are able to revise and adapt marketing strategies to meet new challenges and opportunities in the marketplace.

The marketing environment is made up of a *microenvironment* and a *macroenvironment*. The microenvironment consists of the forces close to the company that