

# Marketing: An Introduction



**Astt. Prof. sonam bais (commerce Dptt)**

**Durga college , Raipur chhattisgarh**

# Marketing: An Introduction

## MEANING OF MARKETING

The term 'marketing' has been derived from the word 'market'. Market is generally understood as the place or geographical area where buyers and sellers meet and enter into transactions involving transfer of ownership of goods, services, securities etc.

Marketing on the other hand is a comprehensive term which includes all resources and a set of activities necessary to direct and facilitate the flow of goods and services from producer to consumer in the process of distribution. Businessman regards marketing as a management function to plan, promote and deliver products to the clients or customers. Human efforts, finance and management constitute the primary resources in marketing.

Marketing is the essence of a business. The success of every business depends on the sale of products. Not only the sale but how much customers are satisfied, is also important. Every successful business organization conducts the research before introducing any new product into the market so that new and original ideas can be taken. Marketing starts from this point. Therefore, marketing is the initial and starting point for any business.

## DEFINITIONS OF MARKETING

Different authors and experts have given different definitions of marketing. To give a fair view, definitions of marketing may be studied under the two major heads:

(1) Traditional/Narrow/Product Oriented Approach.

(2) Modern/Broader/Consumer Oriented Approach.

**(1) Traditional/Narrow/Product Oriented Approach:** This approach is based on the assumption that the product, whatever it be, will be acceptable to the consumer. Only the producer knows as to which product is good for the consumer and which is bad. In this way, the producer is concerned only with the production of goods. In this process, they ignore their customer's choice. A few definitions supporting this view are:

"Marketing comprises both buying and selling activities.

– Pyle

"Marketing includes activities involved in the flow of goods and services from production to Consumption."

–Converse, Huegy and Michell

"Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user."

–American Marketing Association

“Marketing consists of those efforts which affect transfers in the ownership of goods and services and which provide for their physical distribution.”

-Tousley, Clark and Clark

Marketing is the economic process by means of which goods and services are exchanged and their values determined in terms of money price.”

-Edward

**Analysis: Thus, it can be concluded that:**

- (i) Marketing is transfer of ownership only.
- (ii) It is an exchange process in terms of money price.
- (iii) It is buying and selling activity.
- (iv) It is a process of selling what ever has been produced.
- (v) It performs activities related with physical distribution. Weaknesses: Above definitions of marketing are traditional, narrow and product-oriented because:
  - (a) They are product oriented not consumer oriented. They totally ignore consumer satisfaction.
  - (b) They ignore prior to production and after sale activities.
  - (c) They lay emphasis only on production, buying, selling activities.
  - (d) They ignore social responsibility side of marketing.
  - (e) These definitions focus on the need of producer.
  - (f) They ignore the market need and demand of the customers.
  - (g) These definitions believe in profit through more sale.

**(2) Modern/Broader/Customer Oriented Approach:** This approach lays emphasis on consumers’ needs and their satisfaction. Only those products are brought forward which can satisfy the want and taste of the consumers. Some important modern definitions are:

‘Marketing is the delivery of a standard of living.’

-Paul Mazur

“Marketing is the response of businessmen to the need to adjust production capabilities to the requirements of consumer demand.”

**-E. J. Mc. Carthy**

“Marketing is the process of discovering and translating consumer needs and wants into product and service specifications, creating demand for these products and services and in turn expanding this demand.”

**-H. L. Hansen**

“Marketing is the managerial process by which products are matched with markets and through which transfers of ownership are affected.”

**-Cundiff, Still & Govoni**

**Conclusion:** From above definitions, we can conclude that:

- (a) These are consumer oriented. Consumer is the focal point of all business decisions.
- (b) These definitions have social and human values.
- (c) These definitions focus on consumers feedback.
- (d) These definitions focus on profit through customer’s satisfaction.
- (e) These definitions focus on long term objective of the firm.
- (f) These definitions focus on proper marketing mix (4 P’s) for achieving goals.
- (g) ‘Consumer satisfaction’ is the mantra of these definitions.

## **OBJECTIVES OF MARKETING**

The basic objective of marketing is to satisfy the needs and wants of the customers. However the overall objectives can be summarized as follows:

1. To plan and develop the product on the basis of known customer demand.
2. To increase profits and goodwill of the enterprise.
3. To organize, direct and control all marketing activities.
4. To inform the customers and society about the markets.
5. To enable the successful distribution
6. To supply necessary information for marketing decisions.
7. To emphasise customer satisfaction at all levels.
8. To maintain regular supply of products.
9. To create new customers.
10. To develop new markets.

**Stanton** stated, “Just as marketing does not begin at the end of the production line, it does not end with the final sale.”

# IMPORTANCE OF MARKETING IN DEVELOPING ECONOMY OR INDIAN ECONOMY

Adoption of a system of marketing, helps a country like India to achieve the following:

1. Increase in employment opportunities.
2. Increase in per capita income.
3. Increase in profits.
4. Increase in sale of goods.
5. Development of new sources of finance.
6. Development of means of transportation and communication.
7. Increase in exports.
8. Increase in national income of country.
9. Development of banking industry.
10. Industrial progress.
11. Improvement in the standard of living.

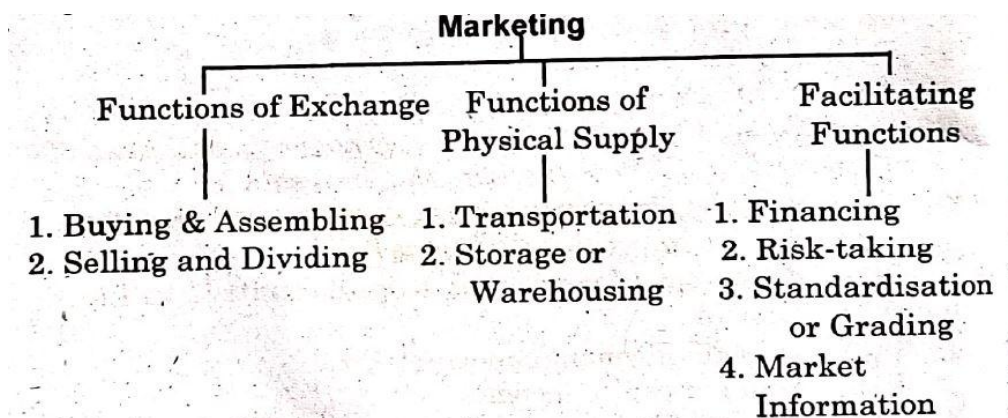
In short, marketing is helpful in providing right type of product at right places, in the right hands and at the right place. It is the father of innovation and product development, promoter of entrepreneurial talent, developer of economy, stimulator of consumption and higher standard of living and guardian of price system.

## SCOPE AND FUNCTIONS OF MARKETING

The scope of marketing may be narrow or wide. In the narrow or traditional sense marketing is the performance of business activities that direct the flow of goods and services from the producer to the consumer or user are included in the scope of marketing. It also includes business activities relating to the distribution of goods and services. In the wide or modern sense, the scope of marketing includes all those activities which are conducted before the production commences upto the satisfaction of the consumers. It also includes the guarantee of goods or services and after sale services.

Here the wide scope of marketing is being discussed which may be analysed in terms of marketing functions. A marketing function is defined as “an act or operation or service by which original producer and the final consumers are linked together.”

The most widely accepted classification of marketing functions is given by **Clark** and **Clark**.



## Difference between marketing and selling

|           | Marketing                    | selling                      |
|-----------|------------------------------|------------------------------|
| 1. Origin | Marketing is modern approach | 1. Selling is classical word |

|                                                 |                                                                                    |                                                                                         |
|-------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 2. Activities                                   | It includes the entire process of discovery and satisfaction of consumer needs.    | It includes only the physical distribution of goods and services.                       |
| 3. Scope                                        | It has wider scope. It includes all activities prior to production and after sale. | It has narrow scope. It includes activities of selling i.e. physical distribution only. |
| 4. Function                                     | Its function is to find and maintain customers.                                    | Its function is to sell the product only.                                               |
| 5. Relation                                     | Marketing is related with customer satisfaction.                                   | Selling is related with transfer of goods and services.                                 |
| 6. Nature                                       | Marketing has long-term objectives with certain philosophical implications.        | Selling is a routine activity with short term objectives.                               |
| 7. Approach to Profit                           | It stresses upon maximisation of profits through maximum social satisfaction.      | It stresses upon maximisation of profits through maximisation of sales.                 |
| 8. Target                                       | The aim of marketing is to satisfy the consumer needs.                             | The aim of sale is to earn the maximum profit.                                          |
| 9. Product Orientation Vs. Customer Orientation | Marketing is customer-oriented.                                                    | Selling is product-oriented.                                                            |

Thank you!