

Definition of Marketing management

1.Philip kotler: “Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering and exchanging products of value with others.

2.American Marketing Association :”Marketing is concerned with the people and activities involved in the flow of goods and services from the producer to the consumer”.

3.Hughey & Mitchell: ”Marketing includes all activities involved in the creation of place,time & possession utilities.

4.Hansen: ”Marketing is the process of discovering and translating consumer wants and needs into product and product specifications, creating demand for these products and services and then in turn expanding the demand”.

5.Cundiff: ”Marketing is the business process by which products are matched with market and through which transfers of ownership are effected”

Meaning of Market

The word ‘Market’ is derived from the Latin word ‘Marcatus’ meaning merchandise, wares, traffic, trade or a place where business is conducted. The common usage of market means a place where goods are bought or sold. In its strict meaning market does not necessarily mean a place of exchange. Market has been defined by different authorities in the following ways:

1.”Market includes both place and region in which buyers and sellers are in free competition with one another.”-Pyle.

2.”The term market refers not to a place, but to a commodity or commodities and buyers and sellers who are in direct competition with one another.”-Chapman

3."By market is meant not any particular place in which things are bought and sold, but the whole of any region in which the buyers and the sellers are in such free relationship with one another, that the price of the same goods tend to equality easily and quickly."- **Cornot.**

4."Market for most commodities, may be thought of not as a geographical meeting place but as getting together of buyers and sellers in person, by mail, telephone, telegrapher any other means of communications."-**Mitchell.**

5."A market is a center about which or an area in which the forces leading to exchange of title to a particular product operate and towards which the actual goods tend to travel."-**Clark and Clark.**

To summaries

1. Markets may mean a, where buying and selling take place.
2. Buyers and sellers come together for transactions.
3. An organization through which exchange of goods take place.
4. The act of buying and selling of goods to satisfy human wants.
5. An area of operation of commercial demand for commodities.

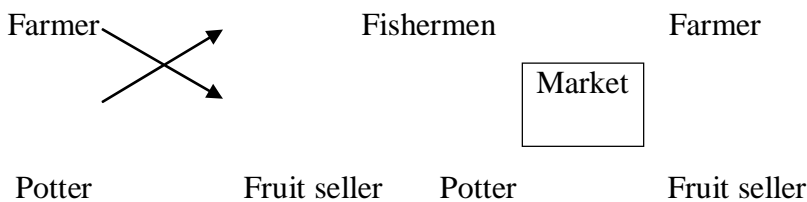
Scope of Marketing management

The barter system existed in the initial stage of marketing. At that time, human beings were in the nomadic hunters stage. In this primitive stage, the human beings were nothing more than hunters or food gatherers. Then new stone age developed. In this stage of backward economy, human beings were self sufficient. In such an agrarian period, family units were self sufficient making needed clothes, food and shelter, tools etc. As time passed, division of labour, began to play its role and man started producing more than what he needed. The surplus was exchanged in terms of commodities needed They in possession of surplus goods searched for those who had a surplus to be exchanged. Searching for others who needed the surplus

Product became a tedious job as time and energy had to be wasted. Therefore, the people assembled in places called local markets where goods are disposed off..And later it developed into shops, bazaars etc. Specialists like carpenter, weavers etc developed at this stage. This developed the idea of marketing.

Decentralized exchange

Centralised exchange



In the pre industrial period ,the difficulties of the barter system were removed by adopting common mediums of exchange like cows, pigs, slaves, shells, sheep’s etc.,

Then they were replaced by metals like copper, iron etc and later the medium of exchange changed to silver and gold.

At this stage producers began to produce the products in larger quantities, employed the services of labourers in their factories and middlemen through whom sales were conducted.

In the industrial period, handicraft operations appeared in factories. Similarly, many factories came up and rural areas were developed into urban areas, hand operations were replaced by machines, home production replaced by factory system. With the advent of industrial revolution, there arose mass production. In order to make the products reach the customers hands, marketing methods appeared. So industrial revolution is the cause for the modern marketing system.

Scope of Marketing

(1) Developing a plan on the basis of needs, wants, tastes and preferences of the customers.

(2) Executing the plan so developed.

(3) Lastly evaluating the results.

I. Merchandising:

Merchandising is only product planning. It aims at the internal planning relating to the products/services for marketing at the right time, right price and in proper color, qualities and sizes.

II. Selling:

This is the last process of marketing. It is the need of the sellers. It is an internal aim of a business. Marketing is much wider than selling and much more dynamic. Selling revolves around the needs and interests of the seller and marketing revolves around the needs and interest of the buyer. Selling seeks profit by pushing the products to the buyers. Marketing too seek profits but not by aggressive pushing of the products but by meeting the needs of the customers and by creating value satisfactions for them.

III. Distribution:

It means the physical transfer of goods. It is one of the process of marketing. It is concerned with the physical movement of goods from producer –wholesaler –retailer-consume

Nature of marketing management

1.Barter system:

The goods are exchanged against goods, without any other medium of exchange, like money.

2.Production orientation:

This was a stage where producers, instead of being concerned with the consumer preferences, concentrated on the mass production of goods for the purpose of profit. They cared little about the customers.

3.Sales orientation:

This stage witnessed major changes in all the spheres of economic life. The selling activity becomes the dominant factor , without any efforts for the satisfaction of the consumer needs.

4.Marketing orientation:

Customer's importance was realized but only as a means of disposing of goods produced. Competition became more stiff. Aggressive advertising, personal selling ,large scale sales promotion etc .are used as tools to boost sales.

5.Consumer orientation:

Under this stage only such products are bought forward to the market which are capable of satisfying the tastes, preferences and expectations of the consumers –consumer satisfaction.

6.Management orientation:

The marketing function assumes a managerial role to co-ordinate all interacting business activities with the objective of planning, promoting and distributing want satisfying products and services to the present and potential customers.

IMPORTANCE OF MARKETING MANAGEMENT

Primary : Satisfaction of the human needs.

Profit maximization and wide distribution of products are the other main objectives of marketing.

Barker and Anshen say: "The end of all marketing activities is the satisfaction of human wants." Through the satisfaction of human wants, profits are rewarded to the business and the reward is the inducement for marketing.

1. Intelligent and capable application of modern marketing policies.
2. To develop the marketing field.
3. To develop guiding policies and their implementation for a good result.
4. To suggest solutions by studying the problems relating to marketing.
5. To find sources for further information concerning the market problems.
6. To revive existing marketing functions if shortcomings are found.
7. To take appropriate actions in all kinds of situations/problems.

PROBLEMS OF MARKETING MANAGEMENT

S. Carter defines marketing as:

"The process of building lasting relationships through planning, executing and controlling the conception, pricing, promotion and distribution of ideas, goods and services to create mutual exchange that satisfy individual and organizational needs and objectives".

The long held tenants of marketing are "customer value", "competitive advantage" and "focus". This means that organizations have to study the market, develop products or services that satisfy customer needs and wants, develop the "correct" marketing mix and satisfy its own objectives as well as giving customer satisfaction on a continuing basis. However, it became clear in the 1980s that this definition of marketing was too narrow. Preoccupation with the tactical workings of the marketing mix led to neglect of long term product development, so "Strategic Marketing" was born. The focus was shifted from knowing everything about the customer, to knowing the customer in a context which includes the competition, government policy and regulations, and the broader economic, social and political macro forces that shape the evolution of markets. In global marketing terms this means forging alliances (relationships) or developing networks, working closely with home country government officials and industry competitors to gain access to a target market. Also the marketing objective has changed from one of satisfying organizational objectives to one of "stakeholder" benefits - including employees, society, government and so on. Profit is still essential but not an end in itself.

Strategic marketing according to Wensley (1982) has been defined as:

"Initiating, negotiating and managing acceptable exchange relationships with key interest groups or constituencies, in the pursuit of sustainable competitive advantage within specific markets, on the basis of long run consumer, channel and other stakeholder franchise".

1. *Stage one*: domestic in focus, with all activity concentrated in the home market. Whilst many organizations can survive like this, for example raw milk marketing, solely domestically oriented organizations are probably doomed to long term failure.

2. *Stage two*: home focus, but with exports (ethnocentric). Probably believes only in home values, but creates an export division. Usually ripe for the taking by stage four organizations.
3. *Stage three*: stage two organizations which realize that they must adapt their marketing mixes to overseas operations. The focus switches to multinational (polycentric) and adaption becomes paramount.
4. *Stage four*: global organizations which create value by extending products and programmers and focus on serving emerging global markets (geocentric). This involves recognizing that markets around the world consist of similarities and differences and that it is possible to develop a global strategy based on similarities to obtain scale economies, but also recognizes and responds to cost effective differences. Its strategies are a combination of extension, adaptation and creation. It is unpredictable in behavior and always alert to opportunities.

There is no time limit on the evolution process. In some industries, like horticulture, the process can be very quick.

Business-to-business telemarketing is essentially marketing conducted via the medium of the telephone.

"Marketing" in itself is the act of bringing a service or product (or combination thereof) to the intended market or target group and creating a need for it among those we want as clients.

Some people rather indiscriminately call ANY outbound calling "telemarketing" but in reality there are other forms of telephone work which cannot exactly be included in the concept of telemarketing.

Telesales is sales, not marketing. Client-satisfaction interviews conducted by phone are equally not specifically marketing... although both activities are definitely RELATED to telemarketing.

Personally, I would exclude "cold calling" from telemarketing also, specifically if it's executed without a cleverly planned approach AND a unique message.

While such cold calling can produce leads, it is extremely inefficient and can promote a negative image of your company inadvertently.

Telemarketing should be a carefully planned activity whose strategy and tactics are spot-on. It should be effective so that telemarketers succeed and your company secures an edge over the competition.

Telemarketing can be an effective tool for your business and it can be an easy and effective way to increase your profits and promote your product or service. However, it does have some disadvantages that you should also consider.

SALES MANAGEMENT

The main benefit of using telemarketing to promote your business is that it allows you to immediately gauge your customer's level of interest in your product or service. Additionally it allows you to do the following:

- provide a more interactive and personal sale service
- create an immediate rapport with your customers
- explain technical issues more clearly
- generate leads and appointments
- sell from a distance to increase your sales territory
- reach more customers than with in-person sales calls
- sell to both existing and new customers
- achieve results that are measurable

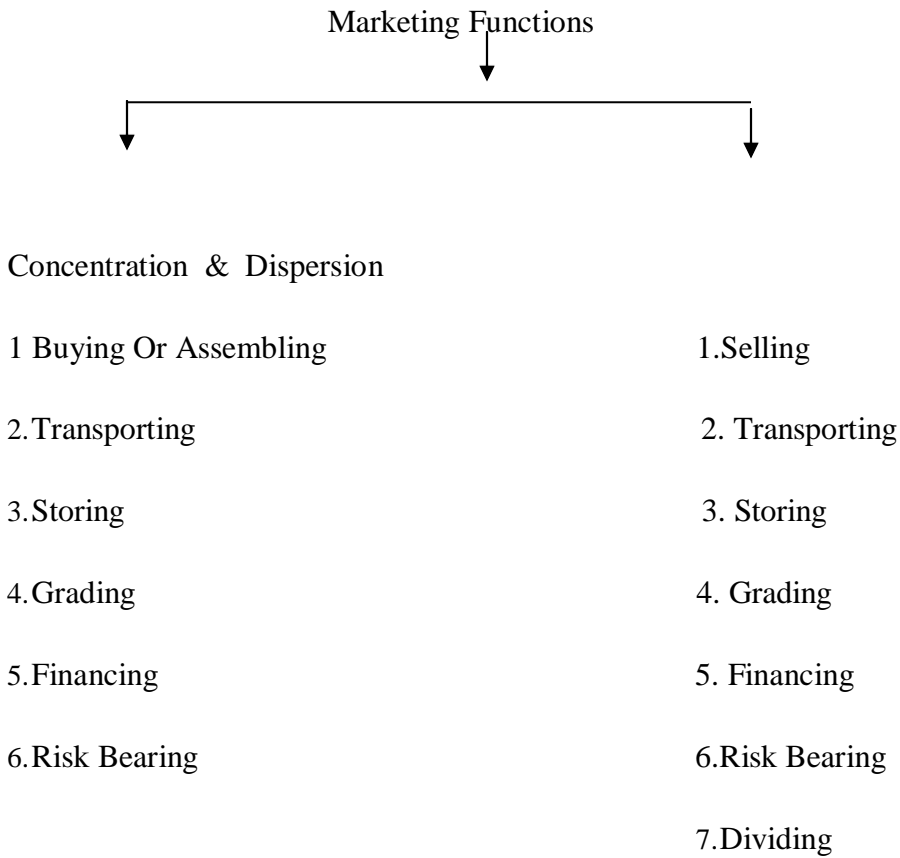
There can be as many negatives using telemarketing as there are positives. In particular, you need to consider that:

- telemarketing can be resented - particularly when dealing with business-to-consumer customers, and when calls are made in the evenings
- customer lists may not always be clean and opted-out - this leaves you with a potential risk of breaking the law
- customer lists can be very costly
- telemarketing has a negative image that could damage your business' reputation - if carried out poorly
- telemarketing has the potential to replace a sales team and this could lead to negative feelings among employees
- training staff can be time-consuming and costly
- you may need to prepare a script
- an outside service provider can result in your losing control over your sales processes because the people doing the work aren't your employees

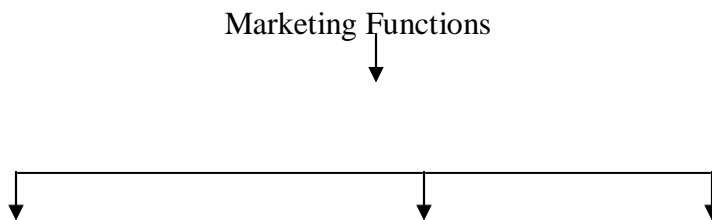
MARKETING MANAGEMENT FUNCTIONS

Marketing involves certain activities to make the goods start the journey from the place of production to the place of consumption. The act, operation and service which are concerned with the marketing activities are called marketing functions.

According To Pyle



According To Huegy And Mitchell:



Physical Movement

Movement Of Ownership

Market Management

1.transportation

1.determining needs

1.formulating policies

2.storing

2.creating demand

2.financing

3. packing

3.finding buyers & sellers
3.providing organizational equipment.

4.dividing

4.negotiating

4.supervising

5.grading

5.giving advice

5.accounting

6.order assembly

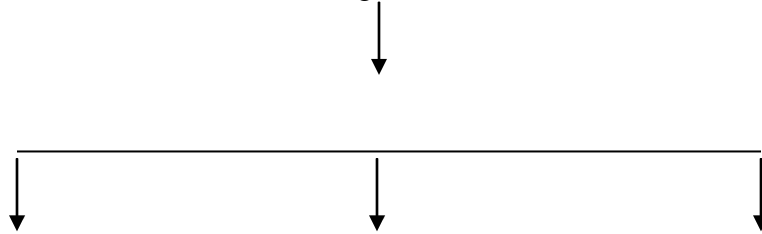
6.transporting title

6.securing information especially by research

7.risking

III Clark And Clark

Marketing Functions



Functions of exchange

Functions of physical supply

Facilitating functions

1.Selling

1.Transportation

1.Financing

2.Assembling

2.Storage

2.Risk-Bearing

(Buying)

3.Standardisation

4. Market Formation

5. Promotion

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FUNCTIONS OF EXCHANGE

Exchange brings about changes in the ownership of products. In the process of changes, the two important functions are buying and selling.

(a) Buying: It is needless to say that buying is the first step off marketing functions. It is carried out by all marketers, the manufacturers, the wholesalers, the retailers etc. Buying and selling are inseparable and both happen at the same time. When the buying function is over, the buyer gets the title of the goods.

(b) Assembling: It is concerned with the collection and concentration of goods of the same type from different sources at a place for further movement. The main aim is assembling is to bring the products at a central place in order to disperse them either for production or consumption purposes. The job of assembling is carried out by middlemen, manufacturers etc.

Selling: Selling and buying are complement to each other. Marketing efforts evolve

Around the buying and selling functions. The primary objective of marketing is to sell products at a profit. Sales are concerned with the activities, which convert the desire into demand. Creation of demand, its maintenance, expansion etc are the soul of sales efforts.

Functions of physical supply:

(a) Transportation: As the distance between the production place and the consumption place increases, the importance of transport expands. The goods from a place where they are not needed are transferred to place where they are needed..The function of transport can be as that of a nerve system, through which the blood circulates and keeps the body of work at ease. Goods are sent to the market through land, sea and air. The cost of transport is created by place utility.

(b)Storage: Storage creates time utility. Products are preserved from the time of production to the time of consumption. Production may be during a particular season, but demand is regular. In the same way, production may be regular, but demand may be only in seasonal time. In the both the cases, products are to be stored. Storage function is important both in concentration and in dispersion. The function is done by the manufacturers, wholesalers, and professional warehouse keepers. Marketers can easily adjust the supply with demand through warehousing and transportation.