



MARKETING MANAGEMENT

ARMAAN SALIK JAIN ALAUDEEN
Assistant Professor
Jamal Institute Of Management

An Introduction to Marketing Management

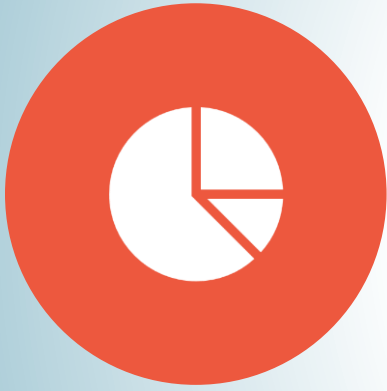


What is Marketing?

Dr. Philip Kotler defines marketing as

- “the science and art of exploring, creating and delivering value to satisfy the needs of a target market at a profit.
- Marketing identifies unfulfilled needs and desires.
- It defines, measures and quantifies the size of the identified market and the profit potential.
- It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.”

How Products are



CREATED



PROMOTED



SOLD

TRADITIONAL CONCEPT vs. MODERN CONCEPT

1. Traditional marketing starts from production and ends with sale but modern marketing includes planning, product, price, promotion, place, people, after sale service etc.
2. Traditional marketing concentrate on favorable products, but modern marketing concentrates on customer needs, wants and satisfaction.
3. In traditional marketing, only those products are sold which the producer produces. No focus is laid on consumer preference. On the other hand, modern marketing indulge in production only after analyzing consumer demands.

TRADITIONAL CONCEPT vs. MODERN CONCEPT

4. Traditional marketing is product and production oriented while modern marketing is consumer oriented.
5. The target of traditional marketers was to earn maximum profit by maximizing sales. But, the main motive of modern marketers is to earn profits through satisfaction of consumer needs.
6. The principle of traditional market was “caveat emptor” i.e., “let the buyer beware”. Whereas, the principle followed by modern market is “caveat venditor” i.e., “let the vendor beware”.

Nature of Marketing

- 1. Managerial Function**
- 2. Human Activity**
- 3. Economic Function**
- 4. Marketing is both Art and Science**
- 5. Consumer Centric**
- 6. Market Research**
- 7. Goal Oriented**
- 8. Dynamic Process**

1) Managerial function

Marketing is identifying and satisfying consumers needs and wants profitably. It requires **managerial skills** to identify needs with the help of many techniques, research and satisfy them effectively by proper planning and implementation. Therefore Marketing is a managerial function.

2) Human activity

As we saw in above point, marketing is a need/ want satisfying function profitably, it requires organizing skills, professional knowledge, resource optimization and leadership ability to efficiently operating. And this requires **competent, qualified, skilled human resource**, therefore marketing is a human activity.

3) Economic function

Effective Marketing leads to economic development in the country. Marketers optimize the opportunities and provide needs satisfying products and services to consumer for a **price or fees**. Economic development leads to growth in employment. Thus, it is a economic function too.

4) Marketing is both Art & science

Marketing is a science, as it collects data about consumers, analyzing them with many techniques, forecasting, testing the results of analyzing, etc.

Marketing is also an art, as leading workforce, creativity, innovation, effective promotion ideas, consumer relations are not related to science, but related to manager's ability, his/ her art.

5) Consumer centric

Modern marketing is consumer centric in nature. All strategies and activities in marketing are directed towards the consumer. Organizations are giving importance to concepts such as customer satisfaction, relationship marketing, customer experience.

6) Market research

Successfully conducting Marketing activities require research about consumers, their characteristics, needs, thinking. Nowadays, environment is changing so quickly, just like in a snap.

So, companies should keep doing research about business environment to survive & be successful in this ever changing environment.

7) Goal oriented

Marketing is a goal oriented process. Organizations try to satisfy consumer needs by offering them products and services in exchange of a amount to earn profit. Every organization wants to be successful in long term, and effective marketing helps to achieve the goals.

8) Dynamic process

Marketing activities are affected by many environmental factors such as consumer, supplier, economy, political, technological, social etc. All these factors **keep change from time to time.** Marketers should evolve with these changes. So, Marketing is a dynamic process.

Importance of Marketing

1. Need/ Want satisfaction
2. Economic growth
3. Generates employment
4. Enhance standard of living
5. Attain Goals
6. Development of new products
7. Enhanced product quality

1) Need/ Want satisfaction

Marketing is all about identifying consumer's needs and wants either unfilled or new, and utilizing those opportunities and satisfying them effectively and profitably.

2) Economic growth

Marketing leads to economic growth as it creates business opportunities which provides want satisfying products or services through distribution system. All these activities helps in **continue flow of money in the economy.**

3) Generates employment

As we saw in above point, marketing leads to economic growth, this continue growth creates new business opportunities, which leads to growth in employment opportunities.

4) Enhance standard of living

We saw above marketing leads to economic growth and generates employment, so, it improves the standard of living of all those people who earn from marketing activities.

5) Attain Goals

Every organization have some goals to achieve in long term. Effective marketing strategy aids the management to earn good amount of profit continuously, which leads to attaining long term goals.

6) Development of new products

Marketing is a continuous activity, and to be successful in long term, companies have to continuously modify their products, bring new ideas & products.

7) Enhanced product quality

Modern marketing tries to get **customer feedback** about the product, which helps companies to regularly monitor product performance and it's quality.

Functions of Marketing

- 1. Market Research**
- 2. Planning about product/service design**
- 3. Organizing Resources**
- 4. Packaging & labelling**
- 5. Branding**
- 6. Pricing of product**
- 7. Promotion of product**
- 8. Selling & distribution**
- 9. After sales services & customer relations**

1) Market Research

Market research is a systematic collection, analyzing, interpreting data about market components such as consumers, competitors, price prevailing, opportunities, threats etc.

2) Planning about product/service design

It consists of planning about how we are going to satisfy consumers. Design of product will be decided in this plan. Its materials, size, features etc. are vital factors while performing in the market.

3) Organizing Resources

This function is about gathering all resources in a proper structure to perform all activities. There are resources such as Financial resource, Material resource, Human resource, Physical resource.

4) Packaging & labeling

Packaging and labeling is vital for the product to be safe, more attractive, able to appeal, informative to customers.

5) Branding

A brand is a name, sign, logo, symbol, mark etc. to **differentiate** the product from competitors and other related ones in the market. An effective branding strategy will lead to more customer attraction, increased sales, enhanced image, customer loyalty etc.

6) Pricing of product

Price is the exchange value which the marketer gets against his offerings. Proper research should be done before taking pricing decisions.

7) Promotion of product

Promotion consists of communication between company and consumers regarding the products. The objective is to **spread awareness** of product and to **persuade** the people to buy their offering. Nowadays, online promotion is growing in a rapid speed.

8) Selling & distribution

After all the hard work, selling the product is most vital task, isn't it? It gives the company earnings and profit for which they are putting efforts.

9) After sales services & customer relations

This point is important for customer retention. Increasing new customers is tougher task than **retaining present** customers, it leads to customer loyalty, which indirectly attract perspectives to actual customers.



1) Exchange concept

It is an old concept, I think oldest concept, yeah. In this, there exchange of **things between seller and buyer**. It is an outdated concept.

2) ProductION concept

This concept thinks that, customers will consume those products which are **cheap and widely available**. Organization try to increase their scale of production and try to reduce cost. It doesn't consider customer's point of view, their needs, satisfaction etc.



3) Product concept

In this concept, organizations stress on **product quality and performance**. In this, it is assumed that quality products will be easily sold to customers. This concept believes in improving products quality, it doesn't consider consumers choice, needs, customization etc.



Product Concept

4) Selling concept

This concept also doesn't consider consumer's needs, wants, customer loyalty etc. In this, organization assume that any product will not be sold **until we push them to consumers**. It assumes company should use promotion techniques like heavy advertising, personal selling, push & pull strategy etc.



Selling Concept

5) Marketing concept

Marketing concept came in mid 1950s. It starts considering consumers needs, wants, satisfaction. This concept believes that marketer should **identify consumer needs and try to satisfy** them. That means it should start with consumers and end with consumers. It believes in "we should sell what can be sold, not what is made"



Marketing Concept

6) Societal concept

The societal concept is more recent concept which came in 1980s. It considers **society** as its target. It is society oriented. This concept thinks that marketing activities should be done for the **society as a whole**. It shifts the focus from consumers to society.



Societal Marketing Concept