

Marketing defined-

What marketing means

1. Two widely accepted definitions
2. Marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably (UK Chartered institute of marketing)
3. Marketing is the activity, set of institutions and processes for creating, communicating, delivering and exchange offerings that have value for customers, clients, partners, and society at large (American Marketing Association).

Marketing is:-

1. Marketing is about giving customers what they want.
2. If customers do not obtain what they want and need, then marketing has failed.
3. Thus, marketing needs to identify and anticipate customer requirements through market research

Pricing, promotion, distribution of ideas, goods and services

1. Marketing involves the conception, pricing, promotion, and distribution of ideas, goods and services
2. A proactive seller and willing buyer

Society

1. The AMA definition describes exchanges for society at large, Where ideas rather than money are exchanged

Criticisms

1. However, these may not reflect the realities and difficulties facing marketing
2. Such as social marketing and sustainability in a world of shrinking resources

Relationship marketing

1. The traditional definitions tend to reflect the transaction between buyer and seller is seller oriented, Lacking personal and long term relationships –each transaction is discrete. Sometimes these are complex webs of interactions between staff of organisations (especially in business to business markets).

Relationship focused

1. This describes a network of connections and contacts between buyer and seller and a series of exchanges over time.
2. Marketing is part of an interactive process between people, over time, where relationship creation, building and management are vital cornerstones throughout the supply chain.

Marketing

1. The internet and direct marketing are creating new opportunities for organisations in mass markets to become much closer to their customers.
2. Consumers often stay loyal to familiar brands, retailers and suppliers

3. With new technology, individual consumers can be identified and profiles developed, whether through loyalty schemes, monitoring internet shopping behaviour

Wider definition of marketing

1. Definitions of marketing are moving away from the single exchange, seller-focused perspective towards more socially relevant and relationship oriented definitions.
2. Relationship marketing over time focuses on customer needs and attitudes as points of concern and it can embrace social and ethical concerns as well as issues more directly related to the series of transactions.

Definition

1. A definition that includes the elements of CIM and AMA but includes the evolving relationship orientation is:-
2. Marketing is to establish, maintain and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by mutual exchange and fulfilment of promises (Gronroos, 2004).

Long term

1. Such relationships are usually long term. Marketing is about doing something with someone not doing something to them
2. Generally, however, marketing is increasingly about relationships in both consumer and business to business markets
3. The philosophy of marketing is moving from a focus on products and services to managing a portfolio of segments and markets
4. The idea of fulfilling promises is an important one, as marketing is all about making promises to potential buyers.

The Development of Marketing

Early days of marketing

1. Late 19th and early 20th centuries, goods were scarce and competition underdeveloped. Thus Producers didn't need marketing and they could sell whatever they produced.
2. As markets and technology developed, competition became more serious and companies began to produce more than they could easily sell.
3. This led to the sales era – into the 1950s and 1960s And more aggressive advertising approaches

Marketing mid to late 20th century

1. Around the 1960s and 1970s – marketing moved away from post-production selling and advertising to become part of corporate strategies, finding out what the customer wants and then we will make it type of market driven philosophy

2. Historically, marketing has not developed uniformly across all markets or products.

Product Orientations

1. This focuses on the product – being affordable and available
2. The market is price sensitive – customers are interested only in price
3. They will buy the cheapest
4. Customers are knowledgeable about the prices – this is the production era

Product orientation

1. Consumers may be interested in the product itself and buy on the basis of quality.
2. They want the highest level of quality for their money
3. The assumption is that consumers want the product but consumers do not want products – they want solutions to problems, and if the organisation's product does not solve a problem, they will not purchase it.

Sales orientation

1. The basis for the sales orientation way of thinking is that consumers are reluctant to purchase And need encouragement to purchase sufficient quantities.

Marketing orientation

1. When production and marketing activities focus on the needs and satisfaction of the buyer, it is marketing oriented
2. The motivation is to find wants and fill them rather than create products and sell them.
3. And the organisation can produce specifically targeted marketing package that suits one group, increasing loyalty.

Marketing orientation philosophy

1. A marketing orientation develops from an approach that places customers and their needs at the heart of what an organisation does.
2. There are internal and external factors at work which determine success, or not.

Emergent Marketing Philosophies

1. The marketing concept and the philosophy of a marketing orientation continue to evolve.
2. In increasingly global markets, organisations are striving to find ways of attracting and retaining customers

Corporate social responsibility: Societal and ethical marketing

1. Corporate social responsibility suggests that organisations should not only consider their customers and profitability
2. But also the wider communities, local and global, within which they exist

3. Consumers are looking for environmentally sensitive and ethically considerate products, and for businesses to demonstrate a wider set of ethical commitments to society

Definition

1. The European Commission's definition of Corporate Social Responsibility (CSR) is, the voluntary integration of social and environmental concerns in to business operations and in to their interaction with stakeholders. However, there is no widely accepted definition of how such voluntary integration takes place, nor how it feeds into business operations and how it can be used strategically.

CSR context

1. Marketing within a CSR context is about ensuring that organisations handle marketing responsibly in a way that contributes to the wellbeing of society
2. Consumers are increasingly aware of social and ethical issues in marketing – such as fair trade, ecological impacts etc.

Towards sustainable marketing

1. Sustainability is now important, concerned with social, economic, cultural development of society.
2. The wider softer agenda includes the fair distribution of economic benefits, human rights, community involvement and product responsibility
3. 'A business cannot be successful in the long term if it does not act responsibly toward the environment and society' (Brassington and Pettitt, 2013, p.18)

Marketing and Sustainability

1. Sustainable marketing is likely to become the next stage in the development of marketing
2. The challenge to marketing is to broaden the concept of exchange to incorporate longer term needs of society
3. But it is about what society can afford to allow markets to exploit over what timescale.

Sustainable marketing

1. Consumers today, cannot be allowed to destroy the opportunities for society tomorrow.
2. Impact on marketing – in internalisation of costs (making polluters pay), green taxes, legislation, support for cleaner technology, redesigned products to minimise resources and waste streams, reverse distribution channels to receive products for recycling and consumer education on sustainability
3. These are all part of the marketing agenda for the 21st century

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