

**DEPARTMENT OF COMMERCE (CA)**  
**NON MAJOR ELECTIVE II - MARKETING (Semester-VI)**  
**III-UG** **Sub Code-18BCA6EL**

**UNIT – 1**

**Definition and meaning of Marketing – Modern concept of Marketing – Marketing and Selling – Marketing functions – E – Marketing – Meaning and Objectives.**

**Marketing**

Marketing refers to activities a company undertakes to promote the buying or selling of a product or service. Marketing includes advertising, selling, and delivering products to consumers or other businesses. Some marketing is done by affiliates on behalf of a company.

**Definition**

Marketing, the sum of activities involved in directing the flow of goods and services from producers to consumers.

**Modern Marketing Concepts**

**1. The production concept**

Before a business can offer a product to consumers, they must manufacture or produce said product first. This concept is based on the philosophy of the more something is produced, the less it costs for consumers and if a business can figure out how to produce a product on a mass scale (factories), it lessens the costs for them as well. If this concept could be described in 4 words it would be: Increase profits, reduce costs.

**2. The product concept**

No matter how high quality a product is, the consumer essentially weighs the cost, accessibility, and efficiency before deciding to purchase a product. If a business produces luxury goods that are pricey, then the number of consumers willing to, but the product will possibly be low, making it a niche product.

**3. The sales concept**

Dealing with the process of actually selling a product, this concept emphasizes the importance of selling as much of the product as possible no matter if the needs of the consumer are met or the quality of the product/service. Following this concept alone does not lead to long-term consumer relationships, satisfaction, or consistent sales of a product.

**4. The marketing concept**

The marketing concept places the consumer as the main priority for business operations. All motivations for creating a product and creating a marketing strategy to reach potential consumers is all for meeting their wants and needs to increase their

satisfaction. This can lead to a business being the preferred choice among its competitors due to putting the consumers' needs first.

## **5. Societal marketing concept**

While similar to the marketing concept in prioritizing the needs of the consumer, the concept also urges businesses to put in mind the overall welfare of the consumer and society as a whole. An example of this might be a business considering an eco-friendly way of producing its products in order to reduce carbon emissions, making the air healthier and improving breathing conditions for consumers.

## **Characteristics of Marketing Concept**

### **1. Customer orientation**

The marketing process begins with knowing the customers' desires until a business can create a product or offer a service that can meet and satisfy them. Happier customers lead to higher profits.

### **2. Integrated approach**

Coordinated collaboration between various departments within a business (marketing, production, finance, etc.) is crucial to meeting the customers' needs.

### **3. Long-term perspective**

Creating long-lasting relationships with consumers with consistent service and quality that they can trust ensures profits, retaining customers, and attracting new customers over a long period of time. This makes a business into a trusted and well-known brand.

### **4. Profitable sales volume**

Earning a profit over a long period of time is a tell-tale sign of whether a business's marketing efforts were a success. Not only does a business want to increase profits, but they want it to happen consistently long-term.

## **Benefits of marketing concepts**

### **1. Increased employment opportunities**

As a business grows, thanks to acquiring customers based on professional services satisfying their needs, they will need to hire more employees to accommodate expanding operations.

### **2. Awareness and acknowledge of consumer and social well-being**

When consumers are doing well then that leads to society as a whole doing well. A business can make sure that this is happening by prioritizing needs outside of what services it can offer to its consumers by improving production and operations.

### **3. Focus on the scientific frame of thought**

In order for a business to strategically find a way to be beneficial to society as a whole, it must be based, not only on market research but on scientific research as well.

### **4. Increased quality of production**

Knowing what the consumer needs can allow for a business to meld their products in the production process to meet expectations, thus increasing the quality of what they have to offer.

### **5. Creates an environment for healthy competition**

Different people want/need different things. This allows for multiple businesses (no matter the size) to thrive in the same marketing by catering to those various needs.

### **6. Increasing consumer status**

The more a consumer is happy with a business' products/services, the more they will buy. New consumers become and the more they buy, they eventually become a business' targeted and loyal demographic.

### **7. Streamlining business and societal goals**

The collaborative effort in a business attempting to align their goals with societal wants leads to more satisfaction across the board.

### **8. Marketing career**

Creating effective marketing strategies based on consumer wants is a sure way to lead a long and successful career in the marketing field.

### **9. A balancing force in society**

Good business makes people happy. When more people are happy, the better society becomes.

### **Marketing and Selling**

Marketing and selling are seen as analogues; however, there is a huge distinction between marketing and selling. Both create precise adjustments to the business; thus, the manager is anticipated to follow a various distinctive class of strategies for the success of their business.

### **Difference between Marketing and Selling**

<b>Basis of difference</b>	<b>Marketing</b>	<b>Selling</b>
<b>Source</b>	Marketing is a new means of arriving.	Selling is a humanistic word

<b>Actions</b>	It involves the integrated procedure of determining and fulfilling the customer needs	It involves only the material distribution of goods and services
<b>Extent</b>	Marketing involves the conducts of many associated actions also	Selling is restricted only to the substantial dispersion
<b>Product/Customer orientation</b>	It is customer aligned	It is product aligned
<b>Goals</b>	The goal of marketing is to fulfil the customer wants	The goal of selling is to draw the utmost profit.
<b>Way to profit</b>	It emphasizes on the escalation of gains by highest social contentment	It emphasizes on the escalation of gains by the expansion of sale
<b>Essence</b>	Marketing has continuing goals with certain rational suggestions	Selling is a day-to-day periodic activity with interim goals
<b>Product assurance</b>	What shall be provided as a "product." Is resolved by the consumer	The seller decides what "product." Is to be presented
<b>Perspective</b>	Marketing considers business as a "Consumer gratifying procedure."	Selling consider business as a "product manufacturing procedure."
<b>Perseverance of cost</b>	In marketing customer regulates price and price ascertain the cost	In selling cost ascertains price
<b>Consumer's importance</b>	Marketing perceives the consumer as the "king."	Selling consider the consumer as the determinant channel in the business

## **Functions of marketing**

### **1. Gathering and Analysing Market Information:**

Gathering and analysing market information is an important function of marketing. Under it, an effort is made to understand the consumer thoroughly in the following ways.

### **2. Marketing Planning:**

In order to achieve the objectives of an organisation with regard to its marketing, the marketer chalks out his marketing plan. For example, a company has a 25% market share of a particular product.

The company wants to raise it to 40%. In order to achieve this objective, the marketer has to prepare a plan in respect of the level of production and promotion efforts. It will also be decided as to who will do what, when and how. To do this is known as marketing planning.

### **3. Product Designing and Development:**

Product designing plays an important role in product selling. The company whose product is better and attractively designed sells more than the product of a company whose design happens to be weak and unattractive.

### **4. Standardisation and Grading:**

Standardization refers to determining of standard regarding size, quality, design, weight, colour, raw material to be used, etc., in respect of a particular product. By doing so, it is ascertained that the given product will have some peculiarities.

### **5. Packaging and Labelling:**

Packaging aims at avoiding breakage, damage, destruction, etc., of the goods during transit and storage. Packaging facilitates handling, lifting, conveying of the goods. Many a time, customers demand goods in different quantities. It necessitates special packaging. Packing material includes bottles, canister, plastic bags, tin or wooden boxes, jute bags etc.

Label is a slip which is found on the product itself or on the package providing all the information regarding the product and its producer. This can either be in the form of a cover or a seal.

### **6. Branding:**

Every producer/seller wants that his product should have special identity in the market. In order to realise his wish, he has to give a name to his product which has to be distinct from other competitors.

Giving of distinct name to one's product is called branding. Thus, the objective of branding is to show that the products of a given company are different from that of the competitors, so that it has its own identity.

## **7. Customer Support Service:**

Customer is the king of market. Therefore, it is one of the chief functions of marketer to offer every possible help to the customers. A marketer offers primarily the following services to the customers.

## **8.Pricing of Products:**

It is the most important function of a marketing manager to fix price of a product. The price of a product is affected by its cost, rate of profit, price of competing product, policy of the government, etc. The price of a product should be fixed in a manner that it should not appear to be too high and at the same time it should earn enough profit for the organisation.

## **9. Promotion:**

Promotion means informing the consumers about the products of the company and encouraging them to buy these products. There are four methods of promotion: (I) Advertising, (ii) Personal selling, (iii) Sales promotion and (iv) Publicity. Every decision taken by the marketer in this respect affects the sales. These decisions are taken keeping in view the budget of the company.

## **10. Physical Distribution:**

Under this function of marketing the decision about carrying things from the place of production to the place of consumption is taken into account. To accomplish this task, decision about four factors is taken. They are: (I) Transportation, (ii) Inventory, (iii) Warehousing and (iv) Order Processing. Physical distribution, by taking things, at the right place and at the right time creates time and place utility.

## **11.Transportation:**

Production, sale and consumption-all the three activities need not be at one place. Had it been so, transportation of goods for physical distribution would have become irrelevant. But generally, it is not possible. Production is carried out at one place, sale at another place and consumption at yet another place.

## **E-Marketing**

E-Marketing (a.k.a. electronic marketing) refers to the marketing conducted over the Internet. Two synonyms of E-Marketing are Internet Marketing and Online Marketing which are frequently interchanged. E-Marketing is the process of marketing a brand (company, product, or service) using the Internet through computers and mobile devices mediums. By such a definition, eMarketing encompasses all the activities a business conducts via the worldwide web with the aim of attracting new business, retaining current business and developing its brand identity.

### **Advantages of E-Marketing**

- Ability to target your customers faster and cheaper
- Reduction of marketing costs through automation of electronic media
- Near real-time interaction between the marketer and the end user
- Ability to quantify and collect user data
- One-to-one marketing experience

- Increased interactivity
- Ability to implement marketing strategies in a short time-frame
- Ability to scale with the market
- Appeal to specific interests
- Geo-targeting

## **Types of E-Marketing**

- Search Engine Optimization (SEO)
- Paid Advertising (PPC)
- Email Marketing
- Social Media Marketing
- Mobile Marketing

## **Main Objectives of E-Marketing**

### **1. Increase revenue**

The primary goal of any marketing strategy is ultimately to increase revenue, and Internet marketing is no exception. Thankfully, the Internet provides plenty of opportunities for every business to improve their bottom line.

By combining search engine optimization, or SEO, with pay-per-click ads, or PPC, your company can improve the chances that potential customers find you online.

### **2. Build a brand**

Internet marketing objectives often include building a brand. This means not only establishing your logo and company name in the minds of consumers, but also what your company stands for.

### **3. Improve local SEO**

Many small businesses, as well as companies focused on increasing sales in specific geographic region, focus much of their marketing efforts on improving their local SEO. This means optimizing various elements on their sites in order to attract local customers who are looking for the services they provide.

### **4. Increase qualified traffic**

Every business owner wants to see numbers rise in terms of visitors to their site and landing pages. However, those numbers are meaningless if they aren't the right kinds of traffic.

By targeting your marketing to specific personas and aiming to attract specific, qualified people, you can increase the ROI of your marketing efforts—as well as your bottom line.

## **5. Manage online reputation**

In an age when anyone with a computer or smartphone can post their opinions about companies, products, and services for the whole world to see, it's important for businesses to maintain a solid online reputation. This means monitoring your company's name, maintaining social profiles, and responding to bad reviews accordingly.

## **6. Become an influencer in your field**

Every industry has a few well-known individuals or companies that others look to as thought leaders. They stay at the forefront of new technologies and ideas, and are often the first to share new information. Unfortunately, every industry only has a particular amount of room at the top.

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