

CHAPTER - ONE

CHANGING CONCEPTS IN MARKETING

1. Marketing is controversial.
2. What is Marketing ?
3. Importance of Marketing.
4. Social Marketing.
5. Marketing and other Social Sciences.
6. Sociological techniques V/s
Social Marketing techniques.

Introduction :

Marketing touches everyone's life. From morning till night one may require a number of things which are made at different places. A variety of goods are ended up in our homes. Marketing system has made all this possible without effort on our part. Thus it has designed and delivered to us a standard of living.

Marketing affects everyone a buyer, a seller and also a citizen. A buyer may require to know, the brand, the brand features and price of the product. The seller may be interested in the consumer group, their product requirements, the price, and guarantee, as well as service to be given. A citizen needs safety reliability of the product and service from the seller.

1. Marketing is controversial :

Marketing affects so many people, in so many ways that it is inevitably controversial. Marketing practices have been both praised and criticised. Some persons intensely dislike modern marketing practices. They think that unnecessary wants are created, youngsters taught to be greedy, while some others vigorously defend marketing as being the 'Society's savior'. They support their statement by saying

that marketing is the creation and delivery of standard of living. Marketing is the balanced serving of the combined interests of buyers, sellers and citizens.

2. What is Marketing ? :

Marketing begins with the fundamental idea that most human behaviour is a purposeful quest for need satisfaction. Marketing is defined as -

- i) 'Marketing is the creation and delivery of standard of living'.
- ii) 'Marketing is the human activity directed at satisfying needs and wants through exchange process'¹.

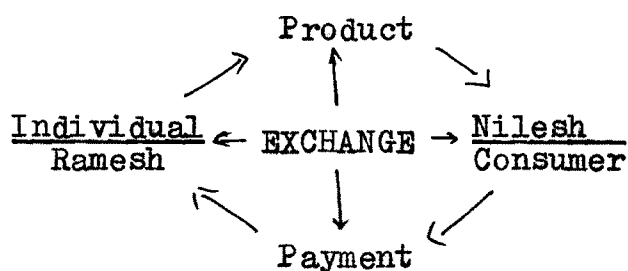
Marketing requires two or more persons having certain wants and also possessing certain products. Each believes that his total satisfaction will be increased if he exchanges some of the products that he possesses with some of the products of the other party satisfying human wants via trade i.e. barter, swap, purchase or lease. Each party is capable of communication and delivery and each party is free to accept or reject the offer of the other party. Each party believes that it is proper to deal with the other party in this way.

Essential requisites of exchange :

- 1) Possession of some products.

- 2) Some means of communication.
- 3) Motivation to satisfy wants.

Exchange activities develop as a result of four factors :



Exchange requires :

Two or more individuals having unsatisfied wants, products, and means of communication.

Exchange is facilitated by -

Basic exchange concept, - Market specialization of labour, Medium of exchange, and Marketing management.

Exchange results in, increased satisfaction through -

- 1) Time utility,
- 2) Form utility,
- 3) Place utility,
- 4) Possession utility.

Components of the Exchange function :

People have needs, wants, demands. There are products capable of satisfying them. "Exchange is the act of obtaining desired object for someone by offering something in return."

Marketing exists when people decide to satisfy needs and wants through exchange process.

It requires a better understanding of the following basic concepts : needs, wants, demand, product, transaction and markets.

Need : Human need is a state of felt deprivation in a person. Needs are plentiful and complex. If the need is not satisfied the person is unhappy. An unhappy person acts in two ways. He will try to obtain an object that will satisfy his need or he will try to extinguish his desire.

Want : Wants are the expression of needs as they are shaped by a person's culture and individual development. A thirsty person in a village may ask for water, in city he may ask for cold water or lemon syrup. Needs are many but wants are few. Marketeers do not create the need; it is there. A successful marketer can create a want.

Demand : One cannot satisfy all the wants for the sources are limited. A want becomes demand when the person is able and willing to buy the object desired.

Product : The existance of needs, wants and demand implies the concept of product. A product is something that is viewed as being capable of satisfying a need or a want.

Anything capable of satisfying a need can be called a product. Thus a product may be a person, a place, an organisation, an activity or an idea. Product is something of value to someone.

Marketing : The concept of market finally brings us full circle to the concept of marketing. Marketing means human activity that takes place in relation to markets. Marketing means working with market which means attempting to actualize potential exchanges for the purpose of satisfying human needs and wants.

Marketing has been described differently by different authorities and in different ways.

- 1) 'Marketing includes all activities involved in the creation of place, time, form and possession utilities'.² -
Converse, Hugesy and Mitchell.
- 2) Marketing includes these business activities which are involved in the flow of goods and services from production to consumption.
- 3) Marketing is the business process by which products are matched with markets and through which transfers of ownership are affected.³
- 4) Marketing is the creation and delivery of standard of living to society.⁴

It is finding out what the customers want, then planning and developing a product or a service that will satisfy the wants and then determining the best way to price, promote and distribute that product or service.

'Marketing is a total system of business activities designed to plan, promote, price and distribute want satisfying goods and services to the benefit of present and potential customers'⁵ - Stanton.

A number of definitions have been offered by experts in the field, none of which can be said to be wholly satisfactory. Some are very broad, others are too narrow. Some emphasize on traditional view while others equally emphasize on the modern view i.e. 'Marketing is the philosophy of customer service'. 'Marketing is consumer satisfaction engineering'. -

1) Marketing is a point of view, a concept, a way of thinking. It starts where production leaves off. It assumes a kind of flow of goods and services between raw materials and consumption with production embracing one part of this process and marketing the other.

2) Marketing concept assumes that the objective of all business enterprise is to make a return to those who have invested in it, that one must make sales in order to make profits and that the best means of making profitable sale

over the long run is to produce a service or a product which satisfies consumer needs.

3) Marketing is a total function of such activities as product planning, product development, product change, pricing, packaging, sales promotion and marketing research. It improves significantly a major part of the activity area of a modern economy.

4) Marketing places its primary emphasis on the profitable satisfaction of consumer need by tailoring products, distribution as a means of the and of satisfying needs.

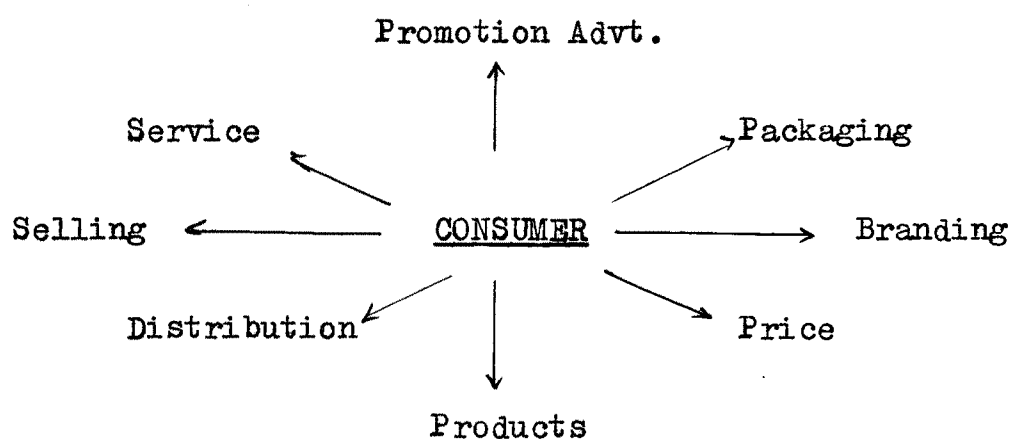
5) In the marketing concept consumer is at the top of the marketing chart. Present marketing tries to find out much more about what the consumer is willing to buy. It applies creativeness more intelligently to their wants and needs rather than to products.

Marketing does not refer to any single activity such as selling, advertising or distribution. It involves the inter action of several business activities where ultimate objective is the gratification of customer needs and desires. By satisfying the existing needs of the customers and creating new needs and wants for better and improved products marketing sets the pattern of consumption and improves the living standards of the people.⁶

Any organization is most directly and primarily concerned with three activities.

- 1) Recognition of the demand or potential demand.
- 2) Stimulation of demand through promotion and selling.
- 3) Satisfaction of demand - products, means of distribution.

Ways of satisfaction of consumer wants :



3. Importance of Marketing :

Marketing is the distinguishing unique function of business. A business is set apart from all the business organizations by the fact that it markets a product or a service. It is by marketing that we satisfy individuals and social values and wants, be it through producing goods, supplying service, fostering innovation for creating satisfaction.⁷

In this existing age of change marketing is the breaking heart of many operations. It must be considered a principal reason for corporate existence. The modern concept of marketing considers its role as a direct contributor to profits as well as sales volume.

Marketing tries to find out right type of production, that the firm should manufacture, the right place where it is to be made available for use, the right price at which it is to be made available, the right channel through which it is to be brought to the doors of the consumers. It is the father of innovation, and product development, promoter of entrepreneurial talent, developer of economy, stimulation of consumption and higher standard of living and guardian of price system.

It provides guiding policies regarding marketing procedures and implementation. It indicates the sources from which further information can be obtained concerning marketing problems. It supplies factual background and analytical judgement necessary for dealing with marketing problems.

It can change public opinion and create new norms of behaviour and standards of conduct and new ways of life.

It contributes to the development of entrepreneur and managerial class of people. It adds value to the services viz. medical, church, education. It helps in increasing living standards.

Development of marketing leads to the integration of various economic sectors of the nations. Marketing tools and technique can be used to implement national policy. It is essential for full or nearfull employment. It remedies the imbalance in the supply of goods. It provides a connecting link between production and consumption.

4. 'Social Marketing' :

A new concept -

The latest discipline in the American world which is being recognised worldwide, is the Marketing way of thinking. Experts and these who are, in daily marketing practice have grown now the thought that 'Professional approach be applied to achieve social objectives'⁸.

Philip Kotlar, Gerald Zaltman in 1971 invented the social marketing concept. "Social marketing is the design implementation and control of programmes seeking to increase the acceptability of a social idea, cause, or practice in one or more target groups". Social marketing utilizes the normal marketing tools as consumer research concept development, market segmentation and all kinds of marketing communications.

Schools, clubs, associations, museums can be called as third sector organisations. All these institutions have problems in financing, in defining and pricing their services

in stimulating public support and attendance. What entrance or annual fees a school or library, or a museum should charge is a problem of a very simple business nature as to what should be the price of a notebook or a pencil or any other similar consumer product. Here both the business and non-business organisations are interested in normal business activity and not in social marketing. The non-profit organisation takes up a cause, then it is interested in social marketing. When a business organisation takes up a cause or an idea it is interested in social marketing.

Here the concept of social marketing means that it has to do with an interest in changing the response to a particular idea, cause, or practice. Kotlar states that marketing is interested in the way in which response to an offering is brought. The offering itself may take the form of a product, a service; an idea, an ideology. Where the particular offering happens to be in the form of an idea the term social marketing is used. In selling any idea if there is any profit making objective is behind it, it won't be a social marketing problem. For instance, if one develops a campaign to inform and motivate public about dental hygiene in order to sell tooth-paste. It will not be the action of social marketing.⁹

The application of social marketing technique is now gaining worldwide importance. In Sweedon, the change over

of the driving roadside is considered as the most successfully solved social marketing problem, through selling the idea by Government machinery in Sweden. That campaign was successful.

Social marketing is a change technology rather than a response technology - 'Be a good neighbour, Help the red-cross', 'Dont be foolish' are the two campaigns. The former shows how change technology may be the objective.

There are four different types of campaigns and social marketing is most effective with certain ones and least effective with certain ones.

I) Cognitive Campaign - The most effective type of campaign is one which aims at simply the change of level of understanding that some one has of public issue. The limitation of this type of campaign is that there are always people who are not reachable, and some are not interested in the topic about a development.

II) Action Campaign - Which is one designed to produce one sharp behaviour. e.g. one's attitude towards a vaccine in the presence of an epidemic.

III) Behavioural change campaign - Such campaigns are difficult. For attempt to change behaviour, say drinking, smoking or finally drug abuse. Try to drop one habit and to move into another habit.

IV) Value change campaign - It is most difficult because here people are asked to adopt different ideology. Suppose people are consumption minded but it is likely to face permanent shortage of materials. Here we may not be ready to change our ideology or consumption and move towards an ideology of conservation.

Trying to get people not only to behave differently but to believe differently is the most important challenge faced by social marketers. It involves all kinds of processes that must be delivered into personally and almost in face to face workshops and so on before that educational change or reduction of values can take place.

The moral character of social marketing is the application of the marketing and advertising skill which is on hand by now, in the business world to a high degree for social purpose.

Social marketing offers itself as an alternative to the use of legal action or violent action to bring about behaviour that the society agrees for public. Positive behaviour can be encouraged and negative behaviour is discouraged. Properly designed concept is offered to the target population motivating at a low cost. The appeal could be used to supplement the motivation.

'If we don't have a concept of a Devil we couldn't have concept of God', Kotlar gave this in reply to the question, Is the same possible in dictator governed country where social change is expected? Social marketing can be used badly. It is the bad uses that helps us understand the good uses. Even China is also full of social marketing campaigns.

Society is full of marketing prospectus. The same society could solve the problems in harsh ways. Social marketing plays the role of providing an alternative to the ultimate requirement in fact the society cannot sustain itself without that kind of attitude behaviour. Social marketing and other social change strategies should be commonly compared against certain effectiveness criteria. Social marketing is usually not as effective in producing high incidence of adoption as is legal action and sometimes as is in short run centralization through economic action.

The speed of adoption is likely to show slower results than other methods. There is high rate of discontinuance of social behaviour with certain methods are trying to induce it. Social marketing is the most open method.

5. Marketing and other social sciences¹⁰ :

The discipline of marketing draws most of its concepts and techniques from other discipline and therefore it would be

correct to say that marketing is closely related to many of the social sciences.

i) Marketing & Economics : Economics studies production, distribution and consumption. In economics, four types of utilities are created that satisfy consumer/human needs. Marketeers are concerned with time, place and possession utility. Marketing is the vital part of the broad field of the Economics that directly helps through creating these four utilities the specification of human needs.

ii) Marketing and Psychology : In decision making the knowledge of human behaviour is essential. The psychological market survey can be used as a tool of market analysis. Marketing also takes help of anthropology. Cultural anthropology provides useful background for studying marketing in its total content. The difference in customer's demand preferences, diets, dress and social goals of various people; group relationship are understood which helps, for amending suitably the promotional programme.

iii) Marketing and Sociology : Sociology is another important social science from which marketing benefits and to which it is also related. Sociology is a scientific analysis of social institution as a functioning whole as they relate to the rest of the society. When marketing studies are made

in the context of society and its different groups the facts becomes clear. While issuing advertisements, messages, the marketers aim at appealing the different instincts of the target market whether children, adults, rural or urban people. For this the basic knowledge of sociology is a must for a marketer.

6. Sociological techniques V/s Social Marketing techniques :

Sociologists attempt to be interested in the pure understanding of how society works and how social institutions make up functioning society. They have not often drawn conclusions taken their finding into an action framework. This is true not only of sociologists but a number of pure disciplines in the social sciences. The marketers on the other hand have been more action oriented, more on the scene and have a set of concepts which can translate the findings of the social scientists or sociologists into the change programme.

Sociologists are not very effective planners of social change because they don't have the intermediate delivery concepts that would bridge up thought in action. Social marketing is a way to bridge^{up} the thought into action.

Social marketing and other social change strategies should be commonly compared with certain effectiveness

criterian. Social marketing is usually not as effective in producing high incidence of adoption as in legal action. The speed of adoption is likely to show slower results than other methods. There is high rate of discontinuance of social behaviour with certain methods of trying to induce if social marketing is the most open method.

"Social marketing is the design ⁱ ~~e~~ complementation and control of programmes calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution and market research".

Social marketing has emerged as a professional field out of some of the pioneering applications of management concepts and practices to problems of social significance. The early attempts of social significance of management emphasized the use of concepts approach and methods prevalent in management of business.

.

References

- 1 Kotlar Philip - Marketing Management Analysis Planning and Control. pp.11-12.
- 2 Converse Huges and Mitchell - Marketing.
- 3 Cundiff E.W. & Still R.S. - Basic Marketing. p.2
- 4 Mazur Paul - Dost Distribution, Cost Enough Fortune. November, 1947, p.48.
- 5 Stanton - Fundamentals of Marketing. p.16.
- 6 Mamoria C.B. and Mamoria Satish - Marketing Management. 1984, p.13.
- 7 Peter Druker - Practice of Management, 1954, pp.37-38.
- 8 Kotlar Philip and Zalman Gerald - Indian Journal of Marketing, Delhi. Vol.
- 9 Webster Fredrik E. - Social aspects of Marketing 1, 11.
- 10 Mamoria C.B. and Mamoria Satish - Marketing Management, pp.17-18.

