

## Definition of Marketing

- **Traditional Concept:** The term 'traditional marketing' can be expressed as the business activity through which goods and services directly move from producers to consumers or users.
- **Modern Concept:** The term 'modern marketing' can be expressed as the achievement of corporate goals through meeting and exceeding customer needs better than the competition.

According to Philip Kotler, the term 'marketing' is a social and managerial process by which individual groups obtain what they need and want through creating, offering and freely exchanging product and services of value with others.

## Nature of Marketing

The Nature of Marketing (or Modern marketing) may be studied under the following points:

1. Human activity: Originally, the term marketing is a human activity under which human needs are satisfied by human efforts. It's a human action for human satisfaction.
2. Consumer-oriented: A business exist to satisfy human needs, hence business must find out what the desire of customer (or consumer) and thereby produce goods & services as per the needs of the customer. Thus, only those goods should be produce that satisfy consumer needs and at a reasonable profit to the manufacturer (or producer).
3. Art as well as science: In the technological arena, marketing is the art and science of choosing target markets and satisfying customers through creating, delivering, and communicating superior customer value. It is a technique of making the goods available at right time, right place, into right hands, right quality, in the right form and at right price.

4. Exchange Process: All marketing activities revolve around commercial exchange process. The exchange process implies transactions between buyer and seller. It also involves exchange of technology, exchange of information and exchange of ideas.
5. Starts and ends with customers: Marketing is consumer oriented and it is crucial to know what the actual demand of consumer is. This is possible only when required information related to the goods and services is collected from the customer. Thus, it is the starting of marketing and the marketing end as soon as those goods and services reach into the safe hands of the customer.
6. Creation of Utilities: Marketing creates four components of utilities viz. time, place, possession and form. The form utility refers to the product or service a company offers to their customers. The place utility refers to the availability of a product or service in a location i.e. Easier for customers. By time utility, a company can ensure that products and services are available when customers need them. The possession utility gives customers ownership of a product or service and enables them to derive benefits in their own business.
7. Goal oriented: Marketing seeks to achieve benefits for both buyers and sellers by satisfying human needs. The ultimate goal of marketing is to generate profits through the satisfaction of the customer.
8. Guiding element of business: Modern Marketing is the heart of industrial activity that tells what, when, how to produce. It is capable of guiding and controlling business.
9. System of Interacting Business Activities: Marketing is the system through which a business enterprise, institution or organization interacts with the customers with the objective to earn profit, satisfy customers and manage relationship. It is the performance of business activities that direct the flow of goods and services from producer to consumer or user.

10. Marketing is a dynamic processe. series of interrelated functions: Marketing is a complex, continuous and interrelated process. It involves continuous planning, implementation and control.

### **Scope/Functions of Marketing**

The term scope of marketing can be understood in terms of the functions of the marketing manager. The major purpose of marketing manager is to generate revenue for the business by selling goods and services to the consumers. It lies in insuring the customer needs and converting them into product or services and moving the product and services to the final user or customer, to satisfy the wants and needs of specific segment of customers with emphasis on profitability and ensuring the optimum use of resources available with the organization. The marketing manager has to perform the research functions and exchange functions. They are discussed below:

### **Functions of Research**

The modern marketing activities start with consumer research. It is referred with the analysis of consumer attitudes, tastes, habits, reactions and preferences to the company's product so that the products may be produced according to the needs of the consumers. The major functions of research are as follows:

**Marketing Research:** The marketing research is helpful in analyzing the customer's behavior, popularity of product, effectiveness of advertising, pricing policy, etc. In other words, it is the systematic gathering, recording and analyzing of data about problems relating to the marketing of goods and services. For making correct and timely decisions, the marketing manager analyses all the available opportunities, threats, strengths and weaknesses of the organization and determine the best opportunity to be pursue for it.

**Product planning and development:** Under modern marketing activities, product planning is determined before the start of actual production. It is the process in which

Shape, size, color, weight, design, packing, etc. of the product is determined on the basis of information gathered with the help of market research. Product development involves decisions regarding shape, size, color, weight, design, quality, brand, label, etc. as per the needs of the consumer, which will give maximum satisfaction to the consumer and reasonable profit to the manufacturer.