
UNIT 1 INTRODUCTION TO MARKETING AND ITS CONCEPTS

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1.1 INTRODUCTION

In today's competitive environment a lot of emphasis is laid on the marketing, we find every organization carrying out a lot of marketing activities. Hence, it is important for you to understand what market is, what marketing is, and how is it different from selling. So in this lesson we shall discuss all the important concepts of marketing and lay down the foundation for explaining the marketing process. We will also discuss the development of marketing over a period of time.

Objectives

After studying this unit you should be able to:

- explain the meaning, definition and scope of marketing management;
- analyze and explain different concepts or philosophies of marketing management;
- identify key elements of marketing;
- explain the history and evolution of marketing as a management discipline; and
- explain the functions of marketers.

1.2 MARKETING IS A WONDERFUL THING

Welcome to the wonderful world of marketing! Marketing is not a new word but evokes feelings of freshness each time it is used. For there is so much happening in this field that even the oldies have something new to learn every day. In your class itself, I am sure that there are quite a few students opting for marketing than any other discipline. Surely, there must be something in this word marketing that everyone feels attracted to it. Let us move little deeper inside marketing. Marketing is ancient art but its emergence as a management discipline is of relatively recent origin. And within this relatively short period, it has gained a great deal of importance. In fact today marketing is regarded as most important of all management functions of business.

Now, let us see some definitions of marketing:

- Marketing originates with the recognition of a need on the part of a consumer and terminates with the satisfaction of that need by the delivery of a usable product at the right time, at the right place and at an acceptable price.
- Marketing is a viewpoint, which looks at the entire business process as a highly integrated effort to discover, create, arouse and satisfy consumer needs.
- Marketing is the delivery of a standard of living to society.
- *American Marketing Association*: "It is the process of planning & executing the conception, pricing, promotion & distribution of ideas, goods

& services to create exchange that satisfy individual & organizational goals”.

- The Chartered Institute of Marketing defines Marketing as: “Marketing is the management process for identifying, anticipating & satisfying customer requirements profitably.”

Quality production and efficient marketing are the key success factors in building sustainable competitive edge for ever Business Corporation. “Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others” – Philip Kotler.

1.3 CONCEPTS OF MARKETING

Studies reveal that different organizations have different perceptions of Marketing. These differing perceptions have led to the formation of different concepts of Marketing. There are six alternative concepts under which organizations conduct their marketing activities: the exchange concept, the production concept, the product concept, the sales concept, the marketing concept, and the societal marketing concept.

1.3.1 The Exchange Concept

The exchange concept of marketing, as the name suggests, holds that exchange of a product between the sellers and buyers is the central idea of marketing. While exchange does form a significant part of marketing, but considering marketing as simply exchange of product and services would amount to gross undermining of the essence of marketing. Marketing is much broader than exchange. Exchange, at best covers the distribution aspect and the price mechanism. The other important aspects of marketing, such as concern for customers, generation of value satisfactions, creative selling and integrative activity of serving the customers, get completely overshadowed in the exchange concept of marketing.

1.3.2 The Production Concept

The production concept holds that consumer will favour products that are available and highly affordable. Here, production and technology dominate the thinking process of key people. They believe that marketing can be managed by managing production. The concept holds that consumer would, as a rule, support those products that are produced in great volume at a low unit cost. Naturally in such organizations all efforts gets focused on production. Organizations favouring this concept are impelled by a drive to produce all they can. They do achieve efficiency in production but they do not get best of customer patronage. Customers after all are motivated by a variety of alternatives in their purchases.

However, production concept as a philosophy work undertow situations

1. When the demand for the product exceeds the supply, management should look for ways to increase production
2. When the products cost is too high, improved productivity is needed to bring it down.

1.3.3 The Product Concept

The product concept is somewhat different from production concept. Whereas the production concept seeks to win markets and profits via high volume of production and low unit costs, the product concept seeks to achieve the same result via product excellence – improved products, new products and ideally designed and engineered products. It also places emphases on the quality assurance. Organizations that are guided by product concept believe that consumers automatically go for products of high quality. They concentrate on achieving product excellence. They spend considerable amount of money and time on research and development activities in order to produce product of excellence. Yet, in many cases these organizations fail in the market because they do not study the market and the consumers in depth. They totally get engrossed with the product and almost forget the consumer, for whom the product is manufactured, they fail to find what the consumers actually need and would gladly accept.

1.3.4 The Sales Concept

The sales or selling concept says that consumers will not buy enough of the organizations product unless it undertakes the large scale selling and promotion effort. It cannot expect its products to get picked up automatically by the customers. The company has to consciously push its products. Aggressive promotion and advertising, price discounts and publicity and public relations are the tools that increase sales. However, sales without satisfaction of consumers may be counter productive in the long run.

1.3.5 The Marketing Concept

The marketing concept represents a radically new approach to business and is the most advanced of all the ideas of marketing that have emerged over years. Only marketing concept is capable of keeping the organization free from “marketing myopia”. All others viz. exchange concept, production concept, product concept and selling concept suffers from marketing myopia in one form or the other.

The marketing concept has four major distinguishing features

- a) **Consumer orientation:** An overwhelming emphasis on the consumer and his needs is the first distinguishing characteristic of marketing concept. It enables the firm to look at a business activity from the point of view of customer.
- b) **Integrated management action:** Integrated management action simply means that all the different management functions are tightly integrated

with one another, keeping marketing as the pivot. For example, marketing department may have identified that there is going to be increase in the demand of certain product with some modifications. This information is sent to the manufacturing department that in turn informs purchase, inventory and other related departments, so as to produce the best benefits and satisfaction to the consumers.

- c) **Consumer satisfaction:** Marketing concept is a means for fulfilling consumer's needs. It emphasizes that just consumer orientation of firm is not enough; it is essential that such an orientation lead to consumer satisfaction and no firm can afford to ignore it.
- d) **Realizing organizational goals including profits:** The marketing concept treats consumer satisfaction as pathway of attainment of other goals of the organization. The firm tries its maximum to control costs and simultaneously ensure quality, optimize productivity and maintain a good organization climate and profitability.

1.3.6 The Societal Marketing Concept

The societal marketing concept holds that the organization should determine the needs, wants and interests of target market. It should then deliver superior value to the consumers in a way that maintains and improves the consumers and society's well being. It questions whether the pure market concept is adequate in an age of environmental problems, resource shortages, rapid population growth, worldwide economic problems and neglected social services. Consider, for example, most of the industries are just garbaging the by-product in the soil or are drained away in the river causing water and soil pollution. This causes lot of health related problems to the people. Such concerns led to the emergence of societal marketing concept. The societal marketing concept calls on business people to balance three considerations in setting their marketing policies: company profits, consumer's wants and society's interests.

SAQ 1

Do you agree that marketing increases the standard of living of the society?

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SAQ 2

Differentiate between Marketing concept and Societal Marketing concept.

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SAQ 3

How is marketing different from selling?

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1.4 HISTORY AND EVOLUTION OF MARKETING MANAGEMENT

Marketing is a concept as old as the business itself, but as a subject it is still of recent origin and is evolving gradually. Below we take a synoptic view of history and evolution of marketing:

1.4.1 History of Marketing

It is hard for many to believe, but when compared to economics, production and operations, accounting and other business areas, marketing is a relatively young discipline having emerged in the early 1900s. Prior to this time most issues that are now commonly associated with marketing were either assumed to fall within basic concepts of economics (e.g., price setting was viewed as a simple supply/demand issue), advertising (well developed by 1900), or in most cases were simply not yet explored (e.g., customer purchase behaviour, importance of distribution partners).

Lead by marketing scholars from several major universities, the development of marketing was in large part motivated by the need to dissect in greater detail relationships and behaviours that existed between sellers and buyers. In particular, the study of marketing lead sellers to recognize that adopting certain strategies and tactics could significantly benefit the seller/buyer relationship. In the old days of marketing (before the 1950s) this often meant identifying strategies and tactics for simply selling more products and services with little regard for what customers really wanted. Often this led companies to embrace a “sell-as-much-as-we-can” philosophy with little concern for building relationships for the long term.

But starting in the 1950s, companies began to see that old ways of selling were wearing thin with customers. As competition grew stiffer across most industries, organizations looked to the buyer side of the transaction for ways to improve. What they found was an emerging philosophy suggesting that the key factor in successful marketing is to understanding the needs of customers. This now famous “marketing concept” suggests marketing decisions should flow from FIRST knowing the customer and what they want. Only then should an organization initiate the process of developing and marketing products and services. The marketing concept continues to be at the root of most marketing efforts, though the concept does have its own problems (e.g., doesn’t help much with marketing new technologies) a discussion of which is beyond the scope of this tutorial. But overall marketers have learned they can no longer limit their marketing effort to just getting customers to purchase more. They must have an in-depth understanding of who their customers are and what they want.

1.4.2 Evolution of Marketing

a) The Stage of Barter

The pre-industrial revolution world was characterized by an agricultural cum handicraft economy. The agriculturist, whether produce wheat or rice, or wool or cotton, exchange the surplus with other agriculturists because the products produced by one agriculturist is required by other who were not engaged in the same activity. In this way, they meet their requirement by exchanging the product of value with each other. There was no elaborate distribution system because the need and habit of the people and the technology did not demand such system.

b) The Stage of Money Economy

The next stage in the evolution of marketing was money economy. The fundamental change that took place in this period was the replacement of barter system by money economy. Money becomes the mechanism of exchanging goods and services.

c) The Stage of Industrial Revolution

Many fundamental changes took place at this stage. Industrial revolution gave the birth to new business system. It introduced new products, new

manufacturing system, new transportation mode and methods of communication, and also brings changes in the physical and economic environment of man. The concept of mass production was introduced and variety of low cost products is manufactured in abundance. The industrial revolution also gave birth to income revolution, giving a great deal of disposable income to large mass of people. And because of this disposable income only, mass production and mass distribution sustained during industrial revolution.

d) The Stage of Competition

The mass production and mass distribution brought by industrial revolution soon to the stage of competition. The ever-increasing size of the industrial firms leads to stiff competition among the producers. Earlier, during industrial revolution the main task of the industrial firms was to produce and distribute the products but now the main issue was to face the competition and sustain in the business. They started differentiating their products in order that their products are preferred over the competitor's product.

SAQ 4

What was the process of sales of medicines during the pre industrialized and non monetized era?

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SAQ 5

How the industrialization has changed the process of exchange of commodities and what are the benefits of modern exchange system?

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1.5 THE EMERGENCE OF MARKETING

After the Second World War, especially during the fifties and sixties, the size and characteristics of market changed drastically in most of the countries across the world. There was great increase in the disposable income of the average family, population increased substantially, the new variety of products and services were introduced that strengthened the consumer market, and selling of products and services became more difficult because of the stiff competition among the producers. Abundant choices were made available to the consumer and consumer began to occupy a place of unique importance. The firms realized that it was not enough to make one time sale to the consumer but they have to make their products so differentiated so that the consumers who once purchased their product, came back to them again and again whenever they needed the product. They also had to ensure that product is available at the place convenient to the consumers. In addition, price should be realistic and there should also be complaint/ grievance handling mechanism at the firm level. And that is how, the concept of marketing emerged.

1.5.1 Consumers

The guiding principle of marketing is that the central approach of any business organization should revolve around the needs and wants of consumer. The consumers taste and preference should be given more importance rather than focusing on cost and efficiency of production. In order to sustain the business and remain in market for longer period, it is important that business should focus on the consumer's preference. Because the longevity of the business depends on how consumer responds to the product. If they prefer one company's product over other than that company remains in business and other may shut down. The organization must therefore concern itself with clearly identifying its consumers. The consumers may be viewed as a single group or separate sub groups with distinctive needs and wants. The products that are produced should match the needs of the organizations consumers, in terms of the features and benefits offered, their availability and their price.

Five key dimensions of marketing

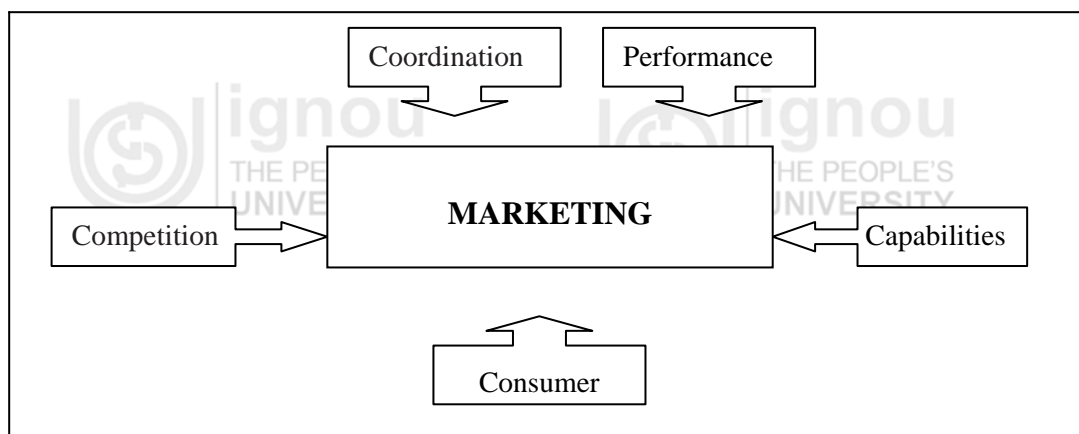


Fig.1.1: Key dimensions of marketing

Organizational Capabilities

As we know consumers demands change very frequently and it also differs from one consumer to other. If we start customizing the products according to the individual customers needs and wants than market will be flooded with diverse products. With such diversity, it is likely that production, inventory and marketing costs will be so high that the organization cannot then operate profitably. Thus, in reality, marketing approach involves analyzing consumers' needs and evaluating the organizations capacity to supply those needs and whether it is appropriate to do so given the nature of the environment of business. The ultimate aim is to ensure that the organization creates a match between what consumer wants and the type of product it is capable of supplying.

1.5.3 Competition

Organization that most effectively meets consumer's need is placed at relatively strong competitive position. In practice, in today's business what matters most is how effectively firms meets the consumer needs- nobody asks what type of product they are supplying, if consumers are satisfied than you remain in business otherwise you are out.

1.5.4 Coordination

Co-ordination is the interrelationship between marketing and other activities of the organization. In the current competitive environment, it is often suggested that marketing is far too important a function to be left solely to the marketing department; rather it should be seen as business philosophy and an orientation towards consumers that must permeate the entire structure of organization. it is also about ensuring that marketing plays a key role in organization development over time. To develop successfully, an organization must remain aware of its customers and competitors and all departments need to be responsive to changes in market.

1.5.5 Performance

Marketing should be viewed as an activity that consistently improves organization performance; certainly it will increase cost but successful marketing will also provide the means to increase sales and profits. Extra costs may be incurred in order to establish the nature of consumers demand and modify products in order to come as close as possible to matching this demand. In turn, this would result in an increase in sales on the ability to charge a higher price for a product that more closely matches consumer's needs, and thus generate higher revenue.

SAQ 6

Presuming that an Analgesic is to be introduced in the market, how are you going to use five dimensions of marketing to place your product in the market?

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SAQ 7

What do you mean by organizational capacity and how it is beneficial to meet organizational objectives?

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1.6 WHAT MARKETERS DO?

In order to reach the goal of creating a relationship that holds value for customers and for the organization, marketers use a diverse toolkit that includes (but is not limited to) making decisions regarding:

1.6.1 Target Markets

Those markets identified as possessing needs the marketer believes can be addressed by its marketing efforts.

1.6.2 Products/Services

A tangible or intangible solution to the market's needs.

1.6.3 Promotion

Promotion means for communicating information about the marketing organization's solution to the market.

1.6.4 Distribution

It means used to allow the market to obtain the solution.

1.6.5 Pricing

It ways for the marketer to adjust the cost to the market for the solution.

1.6.6 Services

Additional options that enhance the solution's value.

Each option within the marketer's toolkit is tightly integrated with all other options so that a decision in one area could and often does impact decisions in other areas. For instance, a change in the price of a product (e.g., lowering the price) could impact the distribution area (e.g., increases shipments, generates higher store traffic).

Additionally, options within the toolkit are affected by factors that are not controlled by the marketer. These factors include economic conditions, legal issues, technological developments, social/cultural changes, and many more. While not controllable, these external factors must be monitored and dealt with since these can potentially cause considerable harm to the organization. Ignoring outside elements also can lead to missed opportunities in the market especially if competitors are the first to take advantage of the opportunities. As part of the strategic and tactical planning process discussed above it would be wise for marketers to pay close attention to the environment outside the organization.

SAQ 8

What difference does a marketer make in achieving organizational goal?

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1.7 MARKETING IN THE NEW ECONOMY

What is new economy? Is it something different from the old economy? With the emergence of marketing, we also witness the emergence of new economy characterized by the following:

- A substantial increase in purchasing power.
- A greater variety of available goods and services.
- A great amount of information about everything.
- A great ease in interacting and placing orders.
- An ability to compare notes on products and services.

Today's companies also have new capabilities as given below:

- Ability to operate powerful information and sales channels.
- Ability to collect fuller and richer information about markets, customers, prospects, and competitors.
- Faster internal communication amongst employees.
- Two-way communication with customers and prospects.
- Send ads, coupons, samples, and information to customers.
- Customize offerings and services to individual customers.
- Improved, purchasing, recruiting, training.
- Improved external communication.
- Improved logistics and service quality.

The entire growth has been fuelled by the economic growth of the last half a century. The focus in the early fifties was on marketing of consumer goods, which shifted to industrial marketing. The latter development was largely due to increase in size and number of firms. With the growth in maturity of both the consumer and the supplier, a new school of marketing in the form of non-profit and societal marketing emerged in early seventies. The business realized that they have a larger role to perform than mere profit making.

With the changes in life style and enhanced standards of living, newer and newer services hit the market place. From education, communication, consultancy to medicare and health — all kinds of services were being offered in the market. The marketing of services had arrived. Marketing today knows no borders. From mere exporting, the firms had now acquired global orientation to herald the era of global marketing. For MNC's the entire world is a single huge market. It was time now that some of these MNC's like Toyota, Honda, Sony, Mercedes, and Phillips etc became household names. Customer with a wide choice and variety of products is virtually the king in the market today. It is for his satisfaction that the firms compete with each other. No wonder new dimensions to marketing like Customer Relationship Management have been added. Not only the firms want the customer to come to them but also retain him for future. Some of the firms want to reach the customer directly eliminating the middlemen — the concept of direct marketing. Yet another facet of marketing has emerged with the advent of internet and revolutionary changes in communication technology — the online one-to-one marketing. E-commerce and e-marketing are the future of the marketing. In fact the marketing of twenty first century will be greatly influenced by the new technologies in the field of communication.

1.8 SOME BASIC CONCEPTS OF MARKETING

There are some basic concepts pertaining to marketing that shall necessarily be understood by the students:

1.8.1 Value and Satisfaction

- **Customer value:** Difference between the values the customer gains from owning & using a product & the costs of obtaining the product.
- **Customer satisfaction:** With a purchase, how well the product's performance lives up to the customer's expectations. Customers' expectations must be set at the right level of expectations, neither too low nor too high. Customer Value & Satisfaction are key building blocks for developing & managing customer relationships.

1.8.2 Markets

“Set of all actual & potential buyers of a product or service”. They share a particular need or want that can be satisfied through exchange relationships.

1.8.3 Marketing

“Managing markets to bring about profitable exchange relationships by creating value & satisfying needs & wants”.

1.8.4 Core Marketing Activities

Product development, research, communication, sales and distribution, pricing and service.

1.8.5 Marketing Management

“Art & science of choosing target markets & building profitable relationships with them” involves getting, keeping & growing customers through creating, delivering and communicating superior customer value.

1.9 MARKETING MIX

Marketers use numerous tools to elicit desired responses from their target markets. These tools constitute a marketing mix.

Marketing mix is the set of marketing tools that the firm uses to pursue its marketing objectives in the target market.

The tools are classified into four broad groups called the “four Ps” of marketing. They are (also called the components of marketing mix):

1.9.1 Product

Variety, quality, design, features, brand name, packaging, sizes, warranties, etc.

1.9.2 Price

List price, discounts, allowances, credit terms, payment period, etc.

1.9.3 Place

Channels, Coverage, Locations, Transport, Inventory, etc.

1.9.4 Promotion

Sales promotion, advertising, sales force, public relations, direct marketing, etc.

Example

MARKETING MIX FOR A COMPANY (MAKING TOOTHPASTES)

Product: 3 varieties (regular, mint, gel), brand name extension (Anchor), 2 sizes (100 gms, 250gms), simple packaging (red and blue colours).

Price: List price (Rs. 30/100gms, Rs. 55/250gms), discounts (of 10% on 250 gms for one month).

Place: Channels (those serving existing retail outlets and medical stores), coverage (most parts of Chennai).

Promotion: Advertising (only on radio), direct marketing (occasional), sales force (20 salespersons to start with and watching the performance over time).

Note: It must be noted that every marketing mix is particular for a target market and it may change with changes in target markets.

There are “four Cs” corresponding to these “four Ps”. The Ps represents the sellers’ point of view. The Cs represents the buyers’ point of view.

Four Ps	Four Cs
Product	Customer Solution
Price	Customer Cost
Place	Convenience
Promotion	Communication

Note: Winning organizations would be those which can meet customer needs economically and conveniently and with effective communication.

Activity

1. “Marketing is hunting or harvesting”, discuss with suitable examples. Try to apply these concepts to the retail scenario.

SAQ 9

What is the role of a marketer?

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Briefly highlight the basic changing features of the economy that may help in building your marketing plan.



1.10 SUMMARY

The unit discussed the basic issues in marketing so that students can integrate it with real life situations. Marketing means “managing markets to bring about profitable exchange relationships by creating value & satisfying needs & wants”. The entire concept of marketing revolves around customer demands which are a result of their wants which themselves are the product of human needs. Needs are basic in nature and cannot be created. However, wants can be created and the entire success of marketing activity would depend upon the effective creation of wants and demands. A product is a solution to the customer’s problem and/or provides the customer an opportunity. The unit explained concepts of exchange and transaction. There was a brief discussion on customer value and satisfaction. The evolution of marketing and how marketing would look in the future were also addressed.

1.11 TERMINAL QUESTIONS

1. Fill in the blanks:

- Marketing is not a new phenomenon, its emergence, as a discipline, however, is of relatively recent origin.

- Marketing and selling are
 - The essence of marketing lies in creating lifetime
 - The exchange concept of marketing holds that of a product between the sellers and buyers is the central idea of marketing.
 - The production concept holds that consumer will products that are available and highly affordable.
 - A product is a customer
 - Value means
 - A market is a set of
 - The sales or selling concept says that will not buy enough of the organizations product under it undertakes the large scale selling and promotion effort.
 - The marketing concept was born out of the awareness that marketing starts with the determination of wants and ends with satisfaction of those wants.
 - Integrated management action simply means that all the different management functions are tightly integrated with one another, keeping as the pivot.
 - The societal marketing concept holds that the should determine the needs, wants and interests of target market.
 - The guiding principle of marketing is that the central approach of any business organization should revolve around the needs and wants of
2. What are the key dimensions of marketing? Discuss.
 3. Knowledge of marketing makes you a more sophisticated customer. Discuss in the light of your experience.
 4. “Marketing has evolved through a period of time”. Discuss.
 5. “Marketing improves the standard of living of the society”. Discuss.
 6. “The aim of marketing is not to sell but to create a pool of lifetime profitable customers”. Discuss.
 7. Explain the societal marketing concept.
 8. What suggestions can you give to modern marketers?
 9. Explain the concept of marketing mix. Give an example to illustrate your answer.

1.12 ANSWERS

Self Assessment Questions

1. Marketing inevitably increases in the standard of living as corporate try to satisfy customers by providing quality goods at competitive prices. Intense competition forces organizations to innovate and provide newer features, cut cost and operates at nominal profit margins. These strategies benefit the customer in terms of better purchasing power and quality goods.
2. Marketing concept necessarily focuses customer as the king and tries to provide everything that he demands. Cutting cost and quality at competitive prices is the crux of all the efforts. On the other side, societal marketing aims to prevent any potential harm to the environment and the society, while satisfying customers. This concept calls on business people to balance three considerations in setting their marketing policies: company profits, consumer's wants and society's interests.
3. Marketing is based on consumers need and wants. The organization tries to satisfy consumers by providing quality product at competitive prices at a place of convenience with after sales services. Attempts are made to make enhance the quality and features of the product to make it more acceptable in the market and hence profitable for the organisation. While sales focuses on selling of available products to the customers, without focusing on their satisfaction part. Various tactics are used like discount and promotional sales etc. to attract customers and they are convinced to buy the products even if they don't need it.
4. During non monetized pre industrialized era, the medicines like any other commodity were subject to barter exchange. Normally Hakims and Vaidis use to attend the sick person and prescribe medicines and in return use to get various types of commodities from the different households that they use to produce.
5. Mass production and distribution systems were evolved during the industrialized era. Disposable income of people and increasing competition has paved way to make customer as the focal point of all the business activities. Producers were forced to come out with best of products at competitive prices benefiting the consumers and the society at large.
6. Pages 12 to 15.
7. The modern concept of marketing focuses on consumers satisfaction. If we start customizing the products according to the individual customers needs and wants than market will be flooded with heterogeneous products leading to higher cost and eroding profitability. The capable organization synthesize all needs into common viable product of quality at affordable price and still maintain profitability. Thus, in reality, marketing approach involves analyzing consumers' needs and evaluating the organizations capacity to supply those needs and whether it is appropriate to do so given

the nature of the environment of business. The ultimate aim is to ensure that the organization creates a match between what consumer wants and the type of product it is capable of supplying.

8. The marketer tries to feel the market to trace the customer's specification and advise various departments of the organization accordingly. They keep track of competitors' strategies in terms of product features and prices so that the organization may act accordingly. The marketer has also to provide after sales service to the customers to build up goodwill of the organization in the long run.
9. To create value for customers and for the organization, marketers use various tools like identification of targets and needs, product development, distribution and promotional strategies so that the organization is able to attract and retain enough customers and also make good amount and profit and goodwill for the organization to meet all the short and long term profits of the organization. He is also a person responsible for after sales services and for consistent watch of the market to note the emerging changes in demands and strategies of competitors so that the organization may also respond accordingly.
10. The new economy has registered increasing income growth, awareness and availability of plenty of close substitute/competitors making the customer a king.

The organizations too are able to collect fuller and richer information about markets, customers, prospects, and competitors. Improved logistics and service quality and aggressive marketing strategies have resulted into more comprehensive strategy requirements. There is increasing instance of B to B business. For instance, Hospitals now urgently need to develop liaison with insurance companies. With the changes in life style and enhanced standards of living, newer and newer services hit the market place. From education, communication, consultancy to medicare and health — all kinds of services are being offered in the market. The marketing of services had arrived to a very mature stage and need careful handling.