Paper –Marketing Management | Dr. James Hussain
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Topic- Core Concepts of Marketing

There are certain fundamental concepts and tasks which one needs to know to fully understand the marketing function. These concepts provide foundation for a marketing orientation and to manage the marketing function.

Needs and Wants

The marketer's task lies in satisfying human needs and wants through the exchange process. It is alleged that "marketing creates needs" and makes people buy things they do not actually need. In reality, marketing or marketers do not create "needs", but they create "wants". Needs are the basic human requirements of food, clothing shelter water and air. When we desire certain specific objects or items to fulfill these needs, they are called wants. For example, when a person is hungry, he can satisfy his hunger by taking a simple meal at home. Instead, if he wants to eat a Pizza or a Hamburger or a 5-Star Hotel meal, it is not a 'need' but a 'want.

Demand

Human wants are unlimited, but their resources are limited. When a want for an object is backed or supported by buying ability, willingness to spend and desire to acquire a product/service, It becomes a potential demand. The task of assessing or estimating demand is very crucial for a marketer. He should understand the relationship of the demand for his product with its price Demand forecasting is essential for allocation of resources in a company.

Product and Services

Product is a generic term used to describe what is being offered by a seller or marketer. It may be a good, a service or idea, which can be marketed by offering a set of benefits it offers to customers to satisfy their needs. However, there is a distinction between products and services. When we say 'product' we mean a physical or a tangible product such as a tooth paste, a refrigerator or a mobile phone, whereas 'service' refers to an act, performance, a benefit and indicates intangibility and absence of ownership or possession. Services can include banking service, hospitality service, airlines service, health service, entertainment service etc.

Target Market

Very few products can satisfy everyone in the market. Therefore, marketers divide the market into distinct groups of buyers who have similar preferences. These groups are called segments with their own specific demographic, psychographic and behavioral characteristics. The marketer decides as to which of these segment or segments offer highest opportunity for his company. For each of these target markets, the firm develops a product/service suited to their needs. TATA group has recently designed an economy car called 'NANO' is priced around Rs.1 Lakh. The target market for this car is all aspirants who dream of owning a car but cannot afford cars which are now available for minimum Rs 2.5 Lakh. A Target Market is the group of people at whom a marketer targets his marketing efforts to sell his goods and services.

5. Marketing Management

Marketing Management which is also the title of this course refers to all the activities which the marketing managers, executives and personnel have to undertake to carry out the marketing function of the firm. It involves (1) analyzing the market opportunities by under taking consumer needs and changes taking place in the marketing environment, (ii) planning the marketing activities, and (iii) implementing marketing plans and settings control mechanism to ensure smooth and successful accomplishment of the organizations goals. Marketing Management is a critical function, especially in highly competitive markets. It provides competitive edge to an organization through strategic analysis and planning.

6. Values and Satisfaction

In developed and developing economies, consumers have several products or nds to choose to satisfy his/her need. Consumers' perceptions about value that they can expect from different products or services depend upon several factors. Sources that build the customer expectations include own experience with products, friends, family members, consumers' reports and marketing communications. Customer value is the difference between total benefits received and total costs incurred by him in acquiring the product