

Paper –Marketing Management

Dr. James Hussain

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Assistant Professor (Guest Faculty)

MBA, Sem-I

[Email.-mbajames123@gmail.com](mailto:mbajames123@gmail.com)

Topic- Marketing Orientations

Companies adopt different philosophies to market their products and services. An analysis of evolution of marketing thought over last several decades and reliance of marketing managers on specific marketing orientations, leads us to classify marketing concepts into several categories, these categories reflect the philosophies guiding the company's marketing efforts. The philosophy adopted by a company should strike a balance between the interests of the company, customers, society and public. There are five competing concepts and an organization can choose any one of them for conducting marketing activities.

1. The Production Concept - This is one of the oldest concepts of marketing and assumes that consumers will prefer those products and services that are easily available and affordable. Companies which adopt this philosophy for their marketing should focus on improving production and distribution efficiency.

Production concept is a useful philosophy under situations where demand is more than supply and the companies are trying to increase production and when production costs are high. Companies are trying to achieve economies of scale. Under such conditions, it is likely that quality of products is neglected and service to customers is very impersonal.

2. The Product Concept assumes that consumers will prefer those products that offer quality, performance or innovative features. Managers in such companies focus on developing superior products and improving the existing product lines by devoting time to innovations. The problem with this orientation is that managers forget to read the customer's mind and launch products based on their own technological research and scientific innovations. Very often it is observed that innovations enter the market before the market is ready for the product, or is aware or clear about its benefits.

3. This product-oriented management with excessive attention to product rather than customer to short-sightedness about business. This was termed as "Marketing Myopia" by Prof. Theodore Levitt of Harvard Business School. He recommended that companies should have a clearer and broader vision of business they are in and should adapt to the changes in the needs of the customers and in the environment. For example, a company like KODAK should not think they

are only in the business of selling cameras and photographic films. They should believe that they are in the business of preserving memories for customers and photography in general.

4. The Selling Concept - The Selling concept assumes that consumers generally, will not buy a company's products unless aggressive selling and promotion efforts are undertaken. It also holds that consumers typically do not think of buying these products which are non-essential goods without persuasion or aggressive selling action, Use of this concept leads people to believe that marketing is all about selling. The problem with this approach is the belief that the customer will certainly buy the product after persuasion and will not complain even if dissatisfied. In reality, this does not happen and companies pursuing this concept fail in business. This approach is applicable in the cases of unsought goods such as life insurance, vacuum cleaners that buyers normally do not think of buying.

5. The Marketing Concept The Marketing Concept proposes that a company's task is to create, communicate and deliver a better value proposition through its marketing offer, in comparison to its competitors; to its target segment and that this customer oriented approach only can lead to success in the market place.

Today, marketing function is seen as one of the most important function in the organization. Many marketers put the customers at the centre of the company and argue in favor of such a customer orientation where