

TOPIC:- MARKETING MANAGEMENT PHILOSOPHIES-

Philosophies of Marketing Management :-

Marketing Management Philosophies are the philosophies used by the businesses to guide their marketing efforts. Basically, marketing concepts relate to the philosophy a business use to identify and fulfil the needs of its customers, benefiting both the customer and the company. Same philosophy cannot result in a gain for every business, hence different businesses use different marketing concepts (also called marketing management philosophies).

There are five main marketing concepts. A company should choose the right one according to their company and customers' needs.

1. Production Concept
2. Product Concept
3. Selling Concept
4. Marketing Concept
5. Societal Marketing Concept
6. Social Marketing Concept
7. Holistic Marketing Concept

MARKETING MANAGEMENT

Marketing Management Philosophies



1. Production Concept:-

Production concept is the oldest concept and expresses that customers will favour those products that are widely available and at low cost. Achieving high efficiency in production, low cost as well as distribution on a mass scale is the usual focus of the managers. This sort of business orientation is efficient in developing nations where buyers are more attracted in getting the product than its attributes. For instance, the local mobile handset producing organizations produce them at a lower cost.

Applications of Production Concept

- Companies whose product market is spread all over the world may use this approach.
- Any other company whose product's demand is more than its supply.

2) Product Concept

This concept holds that customer will prefer those products that are best in quality, design, durability and innovative features. Since the main focus of the marketers is the product quality, they often lose or fail to appeal to customers whose demands are driven by other factors like price, availability, usability, etc.

Applications of Product Concept

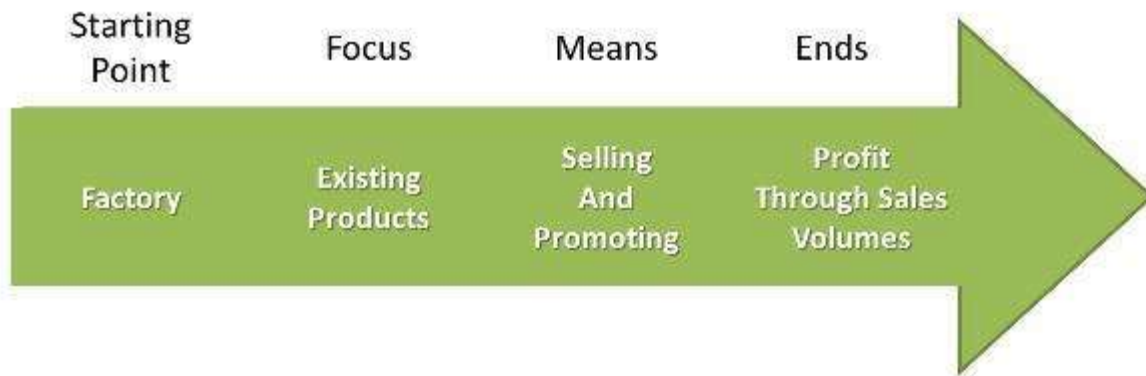
- Companies in the technology industry.
- Competition is stiff
- Companies having an advantage of monopoly.
- When technology is changing.

Demerits of Product Concept

This concept leads towards "Marketing Myopia". Prof. Theodore Levitt describes this as manufacturer's obsession with their existing products that they never think about other alternatives. If an organization is only focused in producing best desktop computers for customer without keeping in mind that customer is willing for portable solution such as laptop and PDA.

3) Selling Concept

The selling concept basically reflects the possibility that customers won't buy enough of the organization's products unless comprehensive promotional as well as selling endeavours are undertaken by it. E.g. Political party sells its candidates to voters, they create fantasy with aim to get votes and do not think about post-purchase satisfaction.



Assumptions of Selling Concept:-

- Customers show buying resistance and must be motivated to buy the product by making balance between product and price.
- Company has a whole battery of effective selling and promotional tools to stimulate more buying.

Applications of Selling Concept:-

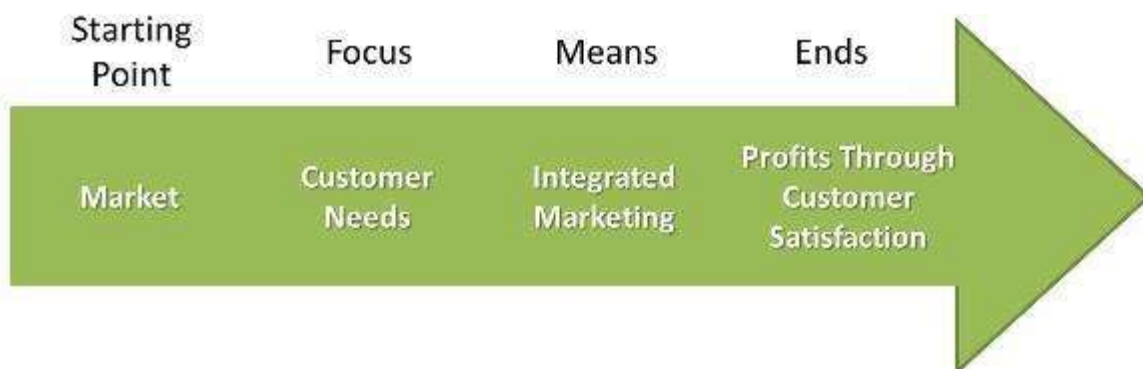
- When there is latent demand.
- Utilization of excess capacity.
- This concept is utilized for merchandise which consumers do not normally purchase, unsought products like insurance, funeral plots etc.

4) Marketing Concept

Marketing concept has developed over time, it emphasizes on that the key to achieve organizational goals consist in determining the needs and wants of target market and delivering them satisfaction more effectively and efficiently than those of the competitors.

Features of Marketing Concept:-

1. Consumer Orientation
2. Integrated Management Action
3. Society Orientation



Applications of Marketing Concept:-

1) Benefits to Organisation:-

- To keep up with changes in the environment and help it to respond to these changes resulting in better profit.
- Helps in survival of firm by adapting the product as per customer's needs.
- Profit becomes more and more certain because the company knows in advance that the product is going to be in demand and proper strategy can be chalked out.

2. Benefits to Customers:-

- Low price product
- Better Quality
- Variety Choices
- Improved and updated products

3. Benefits to Society:-

- Employment Opportunities
- Improved Standard of Living
- Welfare of Society
- Quality product at reasonable prices.

5) Societal Marketing Concept

Adding to the marketing concept, this philosophy focuses on society's well-being as well. The business focuses on how to fulfil the needs of the customer without affecting the environment, natural resources and focusing on society's well-being. This philosophy believes that the business is a part of the society and hence should take part in social services like the elimination of poverty, illiteracy, and controlling explosive population growth etc. Many of the big companies have included **corporate social responsibility** as a part of their marketing activities.



6) Social Marketing Concept:- This concept deals with design, implementation and control of programs, seeking to increase the acceptability of a social idea, cause or practise among target group. Example:- Public health campaigns to reduce smoking, alcoholism etc; environmental campaigns to promote clean air and conservation; and other campaigns such as family planning, human rights etc.

7) Holistic Marketing Concept

Holistic marketing is a new addition to the business marketing management philosophies which considers business and all its parts as one single entity and gives a shared purpose to every activity and person related to that business. A business, like a human body, has different parts, but it's only able to function properly when all those parts work together towards the same objective. Holistic marketing concept enforces this interrelatedness and believes that a broad and integrated perspective is essential to attain the best results.



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