Lecture 1: Introduction to Marketing Management

Topics Covered

In today's lecture, we shall discuss:

- Meaning and concept of marketing
- Definitions of marketing
- Important marketing terminology
- Marketing process
- Evolution of marketing concepts
- Marketing mix (The 4Ps)

By the end of this lecture, you will have a clear understanding of the basic concepts of marketing management.

Meaning of Marketing

The word **marketing** is often misunderstood as simply selling products. However, modern marketing is much broader than selling.

Marketing is the process of identifying customer needs, creating products or services that satisfy those needs, delivering value to customers, and building long-term relationships that benefit both customers and organizations.

Thus, marketing is customer-oriented rather than product-oriented.

Definitions of Marketing

Let us now understand two important definitions that are frequently asked in the UGC NET examination.

Philip Kotler

Philip Kotler, who is widely known as the **Father of Modern Marketing**, defines marketing as:

"Marketing is the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value."

The important keywords to remember are:

- Target market
- Creating value
- Delivering value
- Communicating value
- Customer satisfaction

According to Kotler, marketing is not merely selling a product. It is about creating value for customers and building long-term relationships.

Peter F. Drucker

Peter Drucker stated:

"The aim of marketing is to know and understand the customer so well that the product or service fits the customer and sells itself."

The important keywords are:

- Understand customer needs
- Customer-oriented approach
- Product sells itself
- Selling becomes almost unnecessary

Drucker emphasized that if marketers truly understand customer needs, aggressive selling is no longer required.

Important Marketing Terminology

Before studying marketing further, let us understand some important terms.

Buyer

A buyer is the person who purchases or pays for a product or service.

Consumer

A consumer is the person who actually uses or consumes the product.

Sometimes the buyer and consumer are the same person, while in other situations they may be different.

Seller

A seller is the individual or organization that offers goods or services in exchange for money or value.

Market

A market is a system where buyers and sellers interact to exchange goods, services, or ideas. A market may be:

- Physical, such as a shopping mall or retail store.
- Digital, such as Amazon, Flipkart, or other e-commerce platforms.

Marketer

A marketer is an individual or organization that identifies customer needs, develops products or services, promotes them, and delivers value to customers.

Marketing Process

Now let us understand the marketing process.

The marketing process generally consists of the following steps:

Step 1: Identifying Customer Needs

Every marketing activity begins with understanding customer needs, wants, and expectations through market research.

Step 2: Selecting the Target Market

After understanding customer needs, the organization identifies the specific group of customers it wants to serve.

Step 3: Developing the Marketing Mix

The organization designs an appropriate combination of Product, Price, Place, and Promotion to satisfy customer needs.

Step 4: Promotion and Customer Awareness

Marketing communication such as advertising, digital marketing, sales promotion, and personal selling creates awareness among customers.

Step 5: Purchase

Customers evaluate alternatives and purchase the product or service that provides the greatest value.

Step 6: After-Sales Service and Customer Relationship

Modern marketing does not end with the sale. Organizations provide after-sales service, collect customer feedback, resolve complaints, and build long-term customer relationships.

Customer satisfaction is one of the primary objectives of modern marketing.

Evolution of Marketing Concepts

Marketing has evolved over time according to changes in business environments and customer expectations.

There are five important marketing concepts.

1. Production Concept

This concept assumes that customers prefer products that are widely available and affordable.

Therefore, organizations focus on:

- Large-scale production
- Lower production cost
- Wider distribution

2. Product Concept

This concept believes that customers prefer products offering the best quality, features, and performance.

Organizations therefore concentrate on improving product quality and innovation.

3. Selling Concept

This concept assumes that customers will not purchase enough products unless organizations undertake aggressive selling and promotional efforts.

Examples include insurance, real estate, and certain financial products.

4. Marketing Concept

The marketing concept represents a customer-oriented philosophy.

Organizations first identify customer needs and then develop products that satisfy those needs better than competitors.

Customer satisfaction becomes the primary objective.

5. Societal Marketing Concept

The societal marketing concept extends the marketing concept by considering the long-term welfare of society.

Organizations seek to balance:

- Customer satisfaction
- Company profits
- Social welfare

Examples include environmentally friendly products, sustainability initiatives, and campaigns promoting responsible consumption.

Marketing Concepts	**Main Focus**	**Assumption**	**Objective**
Production Concept	Mass production, efficiency, and low cost	Customers prefer products that are widely available and affordable.	Increase production efficiency and reduce costs.
Product Concept	Product quality, features, and innovation	Customers prefer products offering the best quality, performance, and features.	Improve product quality and continuously innovate.
Selling Concept	Selling and promotion	Customers will not buy enough products unless they are persuaded through aggressive selling and promotion.	Increase sales volume through promotional efforts.
Marketing Concept	Customer needs and satisfaction	Organizational success depends on understanding and satisfying customer needs better than competitors.	Achieve customer satisfaction and build long-term relationships.
Socital Marketing	Customer satisfaction, social welfare, and sustainability	Organizations should satisfy customer needs while protecting the long-term interests of society.	Balance customer satisfaction, organizational profit, and societal well-being.

Memory Map for Marketing Concepts

Marketing Mix (The Four Ps)

One of the most important concepts in marketing is the **Marketing Mix**, developed by **E. Jerome McCarthy**.

It consists of four elements.

Product

The goods or services offered to satisfy customer needs.

Price

The amount customers pay for the product.

Place

The distribution channels through which products reach customers.

Promotion

The communication activities used to inform, persuade, and remind customers about products.

These four elements work together to create customer value and achieve organizational objectives.

Summary

Let us quickly revise today's lecture.

Today we learned:

- Meaning of marketing
- Definitions given by Philip Kotler and Peter Drucker
- Buyer, consumer, seller, market, and marketer
- Marketing process
- Evolution of marketing concepts
- Marketing Mix (4Ps)

These concepts form the foundation of marketing management and are extremely important from the perspective of the UGC NET examination as well as BBA and MBA courses.

Thank you for attending today's lecture.

In our next lecture, we shall discuss **Consumer Behaviour**, including its meaning, process, factors affecting consumer behaviour, and important models.

Thank you, and have a great day.