

EVALUATION OF MARKET

The concept of marketing is as old as other professions of the world. Marketing is indeed an ancient art. It has been practiced in one form or the other. The traditional objective of marketing had been to make the goods available at places

where they are needed. This idea was later on changed by shifting the emphasis from "exchange" to "satisfaction of human wants" which is known as modern marketing. However in order to enrich the views of marketing it is better to trace out the evolution. The following are the stages of evolution:-

❖ *The Barter System:- At this stage, human beings were in nomadic hunter stage. In this primitive period, the human beings were nothing more than hunters or food gatherers. The human beings with his surplus products approached and tried to exchange his products by accepting the products he needed- exchange of products for products.*

❖ *The New Stone Age:- This stage is known as Agrarian period. In this stage human beings developed a sense of belongingness and developed family units. As time passed, the division of labour began to play its role and man started producing more than he needed and specialized in activities like carpenters, weavers, agriculturalist etc. To dispose of the excess producing, people assembled in places called local markets and later, it developed into shops, bazaars etc.*

❖ *The pre-industrial period:- The difficulties of barter system were removed by adopting common mediums of exchange like copper, iron etc and later this medium of exchange was changed to silver, gold etc. At this stage, producers began to produce the products in larger quantities, employed the services of labourer in their factories; and middlemen, through whom sales were conducted, appeared.*

☛ **The Industrial Period:-** In this stage, home production was replaced by factory system and hand operations were replaced by machines. Because of the introduction of new inventions along with the new machines, the production was on large scale. Mass productions were followed by large-scale consumption. In order that the products may reach the hands of the ultimate user, new methods of marketing appeared.

MEANING AND DEFINITION MARKETING



- ✓ *Marketing is referred to a process of creating or directing an organization to be successful in selling a product or service that people not only desire, but are willing to buy.*
- ✓ *The traditional meaning of marketing is clearly borne out by the definition given by Ralf S. Alexander and Others, "Marketing is the performance of business activities that*

direct the flow of goods and services from the producer to consumer or user”.

- ✓ *The modern concept of marketing was defined by E.F.L. Breach as, “Marketing is the process of determining consumer demand for a product or service, motivating its sales and distributing it into ultimate consumption at a profit”.*
- ✓ *By analyzing the above definition we can define the term marketing as a business process which creates and keep the customer.*

APPROACHES OF MARKETING

The following are the most significant approaches of marketing and are:-

1) Commodity Approach

In this approach the focus of study is on specific commodity. Under this approach the study focuses on the flow of a certain commodity and its journey from the original producer right upto the final customer and it includes conditions of supply, nature and extent of demand, the distribution channels used etc. Agricultural products like wheat, jute, cotton represent the commodity approach.

2) Institutional Approach

Under this approach, the interest of marketer centers around the marketing agencies i.e. transport and service agencies viz., wholesalers, retailers, banks, transport undertakings, insurance companies etc., who participate in discharging their marketing responsibilities during the movement of distribution of goods.

3) Functional Approach

Under this approach, marketer concentrates his attention on the specialized functions or activities like buying, selling, storage, risk bearing, transport, finance etc. These functions are also studied in relation to given commodities and marketing institutions in terms of their operational methods and systems.

4) Managerial Approach

This approach is also known as Decision-making approach. The focus of this approach is on the decision-making process. The study encompasses discussion on planning, organizing, controlling, directing etc. This approach is considered the most useful way of studying marketing activities.

5) Societal Approach

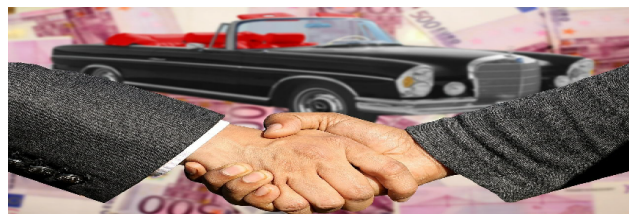
This approach focuses on the social contributions and costs created by various marketing activities and institutions. In this approach the focus of study will be on the interactions between the various environmental factors and their impact on the well-being of society.

6) System Approach

The approach recognizes the inter-relations and inter-connections among the components of a marketing system in which products, services, money, equipments and information flow from marketers to consumers. The focus of this approach will be on the analysis of marketing flows and communication.

DIFFERENCES BETWEEN SELLING AND MARKETING

S.NO.	SELLING	MARKETING
1.	<i>Selling is mere the exchange of goods for money between the seller & the buyer.</i>	<i>Marketing is more comprehensive term. It includes not only selling but also all other activities which help the movement of goods from the center of production to the center of consumption.</i>
2.	<i>Selling comes at the end of the manufacturing cycle.</i>	<i>Marketing comes at beginning of the manufacturing cycle.</i>
3.	<i>Selling is concerned with the creation of mere possession or ownership utility.</i>	<i>Marketing is concerned with creation of place, time and possession utility.</i>
4.	<i>Selling focuses on the production.</i>	<i>Marketing focuses on the customers.</i>
5.	<i>Selling is product-Oriented.</i>	<i>Marketing is Consumer-Oriented.</i>
6.	<i>It emphasis on the needs of Sellers.</i>	<i>It emphasis on the needs of Buyers.</i>



FUNCTIONS OF MARKETING

Functions

Functions of Exchange

- 1. BUYING**
 - a. Planning*
 - b. Contractual*
 - c. Assembling*
 - d. Negotiation*
- 2. SELLING**
 - a. Product Planning*
 - b. Contractual*
 - c. Demand Creation*
 - d. Negotiation*

Functions of Physical supply

- 1. Transportation**
- 2. Storage**

Facilitating Functions

- 1. Financing**
- 2. Risk Bearing**
- 3. Market Information**
- 4. Standardization**
- 5. Pricing**
- 6. Branding**
- 7. Packaging**
- 8. Salesmanship**
- 9. Advertising**



REQUISITIES OR CRITERIA FOR SOUND EFFECTIVE MARKET SEGMENTATION

The market segmentation to be worthwhile six criteria and are explained below:-

1) Identity: Identification is a process of defining the target population and also classifying an individual as being or not being a member of the segment. Members of such segments can be readily identified by common characteristics which display similar behaviour.

2) Accessibility: Organization must be able to focus its marketing efforts by accessing market in two different senses i.e. promotion and distribution. Firstly, the firms must be able to make them aware of products or services. Secondly, they must get these products to them through the distribution system at a reasonable cost.

3) Responsiveness: A clearly defined segment must react to changes in any of the elements of the marketing mix. For instance, if a particular segment is defined as being cost conscious, it should react negatively to price rises. If it does not, this is an indication that the segment needs to be refined.

4) Size: The segment must be reasonably large enough to be a profitable target. It depends upon the number of people in it and their purchasing power. For example, makers of luxury goods may appeal to small but wealthy target markets whereas makers of cheap consumption goods may sell a large number of persons who are relatively poor.

5) Nature of Demand: It refers to the different quantities

demanded by various segments. Segmentation is required only if there are marked differentiation in terms of demand.

6) Measurability: The purpose of segmentation is to measure the changing behaviour pattern of consumers. For example, the segment of a market for a car determined by a number of considerations, such as economy, status, quality, safety, comforts etc.



Marketing environment

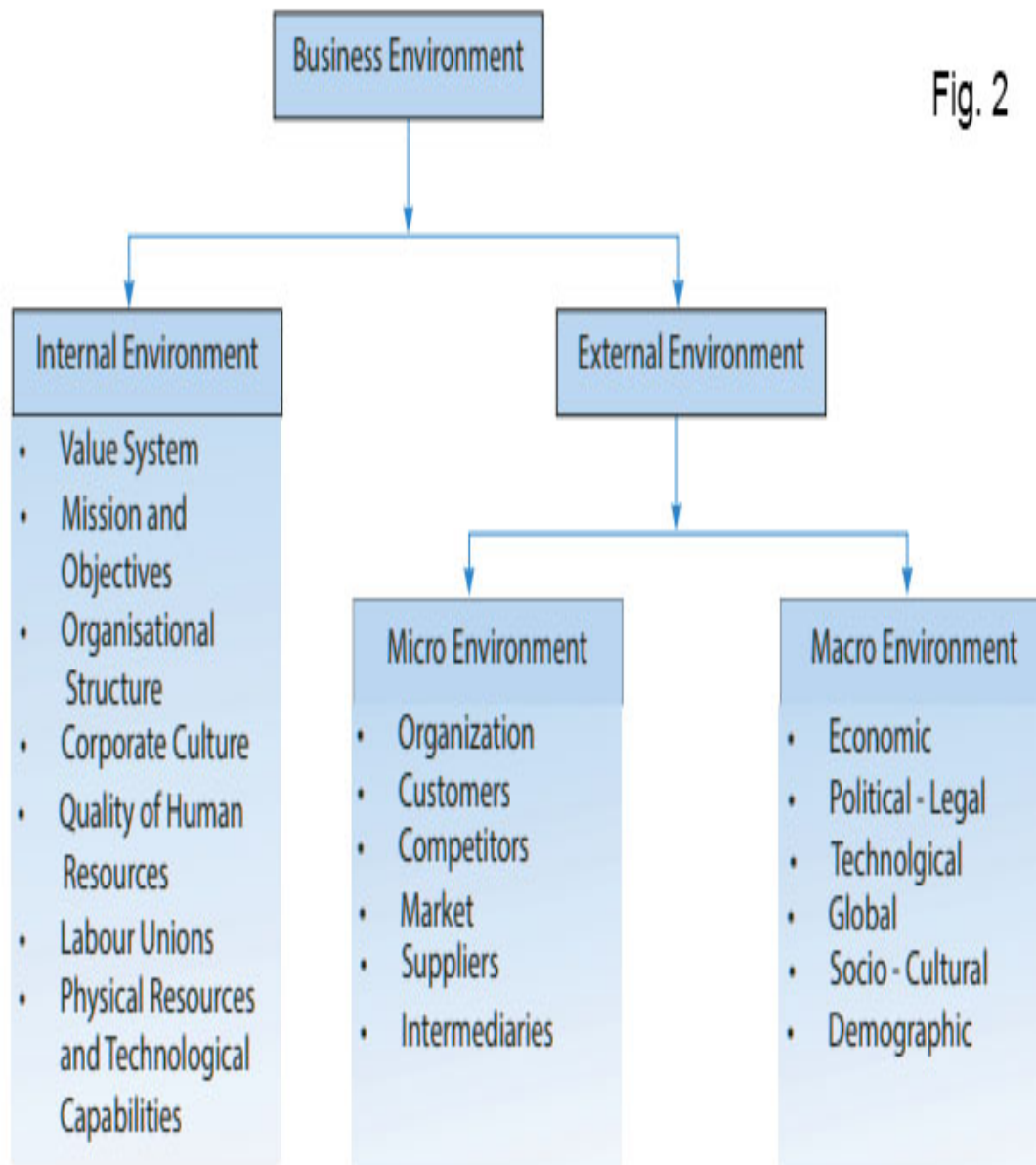


Fig. 2

CONCLUSION

Marketing management signifies an important functional area of business management responsible for the flow of goods and services from the producers to the consumers . it is accountable for planning , organising ,coordinating, motivating and controlling the marketing activities .the primary function of marketing management is to know the consumer so well the firm is able to offer him or her products and services to which the consumer remains loyal and the new new consumers keep on coming at increasing level.

