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MARKETING

Selling Concept

With the passage of time, the marketing environment underwent further change. The increase in the scale of business further improved the position with respect to supply of goods, resulting in increased competition among sellers. The product quality and availability did not ensure the survival and growth of firms because of the large number of sellers selling quality products. This led to greater importance to attracting and persuading customers to buy the product. The business philosophy changed. It was assumed that the customers would not buy, or not buy enough, unless they are adequately convinced and motivated to do so. Therefore, firms must undertake aggressive selling and promotional efforts to make customers buy their products. The use of promotional techniques such as advertising, personal selling and sales promotion were considered essential for selling of products. Thus, the focus of business firms shifted to pushing the sale of products through aggressive selling techniques with a view to persuade, lure or coax the buyers to buy the products. Making sale through any means became important. It was assumed that buyers can be manipulated but what was forgotten was that in the long run what matters most is the customer satisfaction, rather than anything else.

Marketing Concept

Marketing orientation implies that focus on satisfaction of customer's needs is the key to the success of any organisation in the market. It assumes that in the long run an organisation can achieve its objective of maximisation of profit by identifying the needs of its present and prospective buyers and satisfying them in an effective way. All the decisions in a firm are taken from the point of view of the customers. In other words, customer's satisfaction become the focal point of all decision making in the organisation. For example, what product will be produced, with what features and at what price shall it be sold, or where shall it be made available for sale will depend on what do the customers want. If the customers want features like double door in a refrigerator or a separate provision for water cooler in it, the organisation would produce a refrigerator with these features, would price it at a level which the customers are willing to pay and so on. If all marketing decisions are taken with this prospective, selling will not be any problem. It will automatically follow. The basic role of a firm then is to 'identify a need and fill it'. The concept implies that products and services are bought not merely because of their quality, packing or brand name, but because they satisfy a specific need of a customer.

A pre-requisite for the success of any organisation, therefore, is to understand and respond to customer needs. To sum up, the marketing concept is based on the following pillars:

- (i) Identification of market or customer who are chosen as the target of marketing effort.
- (ii) Understanding needs and wants of customers in the target market.
- (iii) Development of products or services for satisfying needs of the target market.
- (iv) Satisfying needs of target market better than the competitors.
- (v) Doing all this at a profit. Thus, the focus of the marketing concept is on customer needs and the customer satisfaction becomes the means to achieving the firms' objective of maximising profit. The purpose of marketing is to generate customer value at a profit.

Differences in the Marketing Management Philosophies

Philosophies/ Bases	Production Concept	Product Concept	Selling Concept	Marketing Concept	Societal Concept
1. Starting Point	Factory	Factory	Factory	Market	Market, Society
2. Main Focus	Quantity of product	Quality, performance, features of product	Existing product	Customer needs	Customer needs and society's well being
3. Means	Availability and affordability of product	Product improvements	Selling and promoting	Integrated marketing	Integrated marketing
4. Ends	Profit through volume of production	Profit through product quality	Profit through sales volume	Profit through customer satisfaction	Profit through customer satisfaction and social welfare