

MARKETING MANAGEMENT-ANALYSIS, PLANNING, IMPLEMENTATION AND CONTROL

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ABSTRACT

“Marketing is creation and delivery of standard of living1”. Well said Theodore Levitt. Indeed, the kinds of products which we have today to make our lives better are the creation of marketing. Marketing efforts of different companies have created so much of competition that it has become imperative for marketers to endeavor for a perennial betterment in products which match consumer needs and wants. The customer satisfaction is contingent upon the extent to which products are able to fix consumer needs and wants, and the shorter the products fall of meeting consumer needs and wants, higher the level of dissatisfaction.

Keywords: *Marketing, Planning, Control, Consumer, Mechanism*

INTRODUCTION

“Marketing is creation and delivery of standard of living1”. Well said Theodore Levitt. Indeed, the kinds of products which we have today to make our lives better are the creation of marketing. Marketing efforts of different companies have created so much of competition that it has become imperative for marketers to endeavour for a perennial betterment in products which match consumer needs and wants. The customer satisfaction is contingent upon the extent to which products are able to fix consumer needs and wants, and the shorter the products fall of meeting consumer needs and wants, higher the level of dissatisfaction.

The concept of marketing has evolved through different stages from production orientation to societal orientation. The modern concept of marketing highlights satisfaction of consumer needs and wants whereas the societal concept cares for the well-being of the consumer as well as that of the society.

But the scenario in marketing has not been the same as we see today. Therefore, it is imperative to go through the evolution of marketing.

LITERATURE REVIEW

Long before industrial revolution, when the world was in the practice of barter economy, it was felt by the people that there should be something that can be the prudent source of exchange, because those who were producing something extra were not getting anything for their hardships in return. Although no fundamental change was unearthed in this era regarding distribution of the goods and fulfillment of the needs of the consumers. This change was restricted to the replacement of the barter system. It was a big break-through, because now there was a common mechanism in the process of exchange in the form of money that facilitated exchange.

With the advent of money, lots of changes took place because the money which already bore the germ of hoarding became a source for grabbing more and more products, and as a result a new business system emerged. As people got engaged in producing more and new products, the system of manufacturing changed dramatically, new methods of communications emerged and brought key changes to the distribution system. Industrial revolution also generated the income revolution, giving a great deal of disposable income to a large mass of people. And it was with this income that people started demanding more and newer varieties of products which not only sustained the growth of mass production but also forced the businessmen to give something new.

This was not all of a sudden. In the beginning of the industrial revolution the firms were engaged in production and distribution of the goods and services irrespective of whether these products were really needed by the consumers or not. It was only when production exceeded supply; the marketers started looking for the cues. In the process and due to the emerging scenario of competition the world could see a new concept, and that was the emergence of the real „Marketing“.

It became evident that knowing consumer needs and desires is a road to success for the marketers, but the question is how? It is not a simple task. At the first instance we can feel that whatever consumer is telling may be perceived as correct but actually he may act otherwise. They may respond to your message but may be influenced at the last moment by their friends, family members or by their other reference groups. It may happen that they intend to seek products as their counterparts are using but their cultural setting may not allow them to use those products. They may not be in touch with their deeper motivational level and may not exactly know as to what they really need. Even after conducting survey and knowing their needs, while trying to convey a message, a marketer may entirely fail to make audience perceive the message as desired. A marketer, for the convenience of the consumers tries to make the goods available at their doorstep, while they actually may prefer going to market place. The marketers“ study finds varied types of personalities which require different sort of appeals to convince them according to their self-concepts. So, there are hundreds of questions, which come in the way of conducting research on consumers for knowing their deep-rooted needs and desires, but nevertheless marketers must study their target customers“ needs, wants, perceptions, preferences and buying behaviour.

So, the aspect of studying consumer behaviour is another paradigm in the field of marketing which requires a huge attention on the part of marketers. Although it needs a full life-span to study and understand a person's consumption decisions but for practical reasons marketers have to study consumer behaviour. The study of consumer psyche facilitates designing of more effective solutions to marketing problems². Therefore, a marketer's task is varied and much complicated than it actually seems to be. It's not only the need and wants the marketers have to look for. Rather, marketers' real task is looking for various satisfiers to satisfy these needs which are something like hallucination. These satisfiers are not mere tangible products and services but a complicated expression in terms of products and services of consumers' hidden desires and dreams, of consumers' personality make-up and its complicated relation with cultural and social values disseminating from socialization process and from onslaught of globalization of culture.

As it has already been discussed, the most crucial issue for the marketers is to identify the needs of the consumers. Only the identification of needs is of no value unless and until this is transformed into meaningful and appropriate satisfiers. For this whole process of converting needs into actual satisfaction one needs to understand the complete makeup of consumer's mind. And this whole process is known as consumer behaviour. So, it needs to be discussed in brief as to what determines consumer's action and reaction towards various marketing stimuli.

PERSONALITY

It's a dynamic organism of human being that determines one's responses towards surroundings. Further this organism is very complicated mix of genetics that one has acquired through parentage, various learning modes that one has been exposed to and the socialisation process through which one acquires attitudes, beliefs and the value system that helps to form distinct and meaningful picture of the world around individuals. So, evidently marketers have to understand the beliefs and value system and response pattern of targeted consumer.

REVIEW ON MARKETING

There is yet another scenario which is emerging very fast and that is the spread of Internet, TV and Media to all corners of the world, to all form of peoples, and to all cultures. And due to this, the whole world is coming closer and getting exposed to each and every culture and this situation has created a lot of questions in the minds of the people, especially of the coming generation. This scenario has created a kind of confusion in the minds of coming generation. They are either questioning their existing value system or are providing a new meaning and shape to it. In this changed scenario people have started enjoying different sorts of products without much caring for their suitability and compatibility in their native culture. This is a transitory phase that may eventually lead us to a new structure where, may be the whole world could be called a „Global Village“, and as regards this particular scenario, a marketer has to be very careful while studying the various issues relating to the consumer behaviour.

CHANGING MARKETING SCENARIO

he marketers while keeping the modern marketing philosophy in mind and applying the study of consumer behaviour and with the help of modern technology have capitalised every opportunity which has come up in their way in form of need for diverse varieties of products and services. This phenomenon continued unabated till mid eighties in all the developed nations. But from here onwards, the bigger companies witnessed a decline in their growth rates because their markets started saturating, reason being, the population was not growing at that faster pace; not much demographic transition was taking place.

Economic growth rate of these countries had already touched their peak and peoples' desire for the variety of the products had already been met and technologically there was not much space in terms of modifications. In order to grow, these companies started looking for new avenues. And the obvious choice was to venture into those markets which have just begun their journey towards the development, which were having huge potential. These companies started their journey in developing nations by targeting firstly the big cities and educated people because these people were already connected with various means of comforts like electricity, road and other necessary requirement to live, and moreover, these people were already reached by the local companies.

These big companies made their inroads in these varying markets of urban areas with the help of local companies first by having some joint ventures and lately on their own. Very soon they started tapping other cities of the country and by enjoying taste of success they started moving to the smaller towns, and even the Tehsils levels. In the last two decades or so, these markets are also on the verge of saturation especially in case of India. Because now in urban India there are few chances of growth especially in consumer durables, though it will take a long time to saturate urban Indian markets because people are in a transient phase from rural areas to urban areas. But still, the growth ratio which was envisaged by the biggies has started declining. At this juncture, the companies are looking for new opportunities and avenues. And they do have a huge, untouched and untapped rural Indian market.

RURAL MARKETING IN INDIA

India has been witnessing many changes in the field of marketing and perhaps the most formidable reason for this is the ongoing process of liberalization and globalization. There is a substantial increase in the purchasing power of the people, their life-style has changed remarkably due to their increased purchasing power and moreover they are influenced by different cultures. At present, Indian consumers demand almost all consumer goods both durable and non-durable. Earlier consumer durables like TV, two-wheeler or refrigerator were treated as luxuries but now these are being considered as necessities. However, the situation which we are talking about largely prevails only in urban areas till now. The urban market was given high attention until now due to the boom period in economy since 1991, but now it has almost been saturated forcing the marketers to shift their battlefields from urban markets to

rural markets. For the marketers of the new millennium, the rural market is quite an opportunity to tap. The beginnings will of course have to be made in form of relevant investments to understand the market first. Investments through research and large-scale studies, continuous ruling panels across demographic groups and a whole plethora of research exercise will need to precede the accurate understanding of these markets and the rural consumer at large. If India is a land of over 1 billion people, 73 per cent of these folks live in 5, 72,000 vastly spread villages of India located around the hills and dales of this country. The marketer is just beginning to see the potential in form of the numbers for a start. He has nothing much else to go by, in any case, except for myths. Myths that have made the mystery of great Indian rural market, much of the black hole in Indian market lore.

The upwardly mobile villager growing vegetables round the year, with milk distribution network to boot has emerged as the king of all consumers. „Rural Marketing“ is the name of the game and rural India is all set to be transformed into an extension of our large urban conglomerates. Liberalisation, riding the wings of satellite and cable television, has acted as a key catalyst⁴. Statistics compiled by the National Council of Applied Economic Research (NCAER) confirm that rapid life-style changes in our villages will see a shrinking of poverty levels. Village in India has become home to the good things of life, and why not? Dr. R.K. Shukla, of NCAER pulls out a vast array of statistics to back his assertions. “Between 1997-98 the percentage of low income households came down from 73 to 51 percent while the high income households in rural areas up from 0.3 to 2.3 percent. But by 2006, the rural consuming class will have risen to 75.5 percent of all households making this a population of 432 million wannables. Low-income homes, by contrast, will be down to a mere 16.5 percent of the population.

There is a big rural middle class in India, which is being watched continuously by the corporate world. The rural market with fast growth rate, improved transportation, ever-rising communication facilities and rising standard of ruralites as a logical corollary of their rising income offer tremendous potential to innovative marketers in India. The top business houses have started looking to the new destination: the “Rural India”. No one can think why people like Rupert Murdoch and Kerry Packer have come calling in such quick succession or why unilever chief, N. Fitzgerald, on a recent trip to Mumbai, decided to give the board room the go by and spend his precious time in rural areas of Dharwad to know the taste of consumers⁶.

The Indian rural market is larger when it is compared to the urban counterparts in many respects. The rural market consists of about 100 million households with a population of about 620 million⁷. The rural areas earlier used to be dominated by so many factors like low per-capita income, low level of infrastructure facilities, problem of metal-roads, low literacy level and slow progress on front of industrialization etc.

These factors were responsible for limiting the capacity for consumption of goods and services. And the irony is that marketers were hardly interested in these markets. In recent times, however, the scene has changed in agriculture and allied activities like horticulture, animal husbandry and rural industrialization etc. In rural areas, the scope for marketing of goods and services depends heavily on agriculture, as it is the main occupation of the rural people. Good monsoons leading to bumper harvests increase in procurement price for agricultural proceeds in the last decade, a fourfold increase in the outlay for rural development from seventh to the ninth plan and the change in life-style due to the proliferation of various media caused the rural boom. The market for agriculture inputs like fertilizers, tractors, irrigation equipments and use of hybrid seeds has been in the process for last decades and hence contributing a major break-through in the earning capacity of the farmers.

OBJECTIVES OF THE STUDY

The substantial attention accorded to agriculture during the successive five-year plans has helped in improving agricultural productivity. Adoption of new agronomic practices, selective mechanisation, multiple cropping, inclusion of cash crops and development of allied activities like dairy, fisheries and other commercial activities have helped in increasing disposable income of rural consumers. Over 75 percent villages in India have been electrified¹². This facility has been responsible for a shift from rain dependence to irrigation.

Farmers are getting high return for their cash and food crops. In the whole process, the dependence on seasonality has reduced, and in return there has been increasing disposable income. By observing this scenario, India's one of the biggest giant Hindustan Lever Ltd. has entered into rural market for more penetration through the operation „Bharat“. Since December 1999, HLL has reached out to 35,000 villages, 22 million households and spent Rs. 20 crore. This has been one of the largest sampling exercises in recent times conducted by a big business house.

Emerging Role of Bio-Tech. in Indian Agriculture Sector

It is evident from the facts that Indian agriculture is trailing in terms of yield when compared with leading countries of the world. Countries like USA, Canada, Israel and Germany have achieved high yield in agriculture production but countries like India, Brazil and Nigeria are having agriculture yield much lower than international average. The major difference created in this respect is the use of the applications of bio-technology. Bio-technology has vital role to play in so far as enhancement of agriculture yield is concerned. For instance the yield of wheat in USA per hectare is almost three times more than that of India and the yield of sugar cane is two and half times more if compared with the Indian yield of sugar cane per hectare.

These advanced countries have been making an extensive use of bio-technology whereas in developing countries the concept is not yet very popular. When we are living in the era of globalization everything is becoming globally competitive and therefore, we cannot live in isolation in terms of agriculture yield also. We have to make use of the applications of the bio-technology in an agriculture sector both in terms of generating quality seeds and cropping the same in compliance with the theories of biotechnology. Our farmers, who are normally not aware of this fact, have to be got educated and the responsibility lies on the shoulders of researchers, scientists, administrators and the policy makers of the country. It will provide more discretionary income in the hands of the rural farmers.

Rural communication

Around 50 percent of the villages are today connected by all weather roads and can be accessed throughout the year. But there are states, which are almost 100 percent connected with the metal roads¹⁴. Road networking besides enhancing the mobility of rural consumers has increased their exposure to products and services. By watching such a scenario in these areas Korean consumer durable companies have decided to look beyond their noses. They are now placing their bets on rural markets. Three giants namely LG, Samsung and Daewoo have already made their strategies for entering into rural India¹⁵. As per survey conducted by Indian Market Research Bureau (IMRB) 77 percent of the villages are covered by TV network¹⁶.

Now even villages are going for dish antennas and they have already been enjoying exposure to various products from advertisements. All the villages are about to be connected with telephone facilities in the near future and already there are some villages, which are connected with this facility. Apart from this, internet is not a distant reality. Recently Mr. Ram Vilas Paswan, the minister for communication has announced that in the coming days there would be 100 percent connectivity through telephones in the rural areas. Seeing these types of opportunities and interests of the ruralites, Tata cellular has already entered into rural India by making its first entry into Andhra Pradesh. Tata cellular has created India's largest cellular „corridor“ to provide connectivity to non-metro and rural centres¹⁷.

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Author would like to extend her heartfelt thanks to the academic and infrastructural support received from their respective Dept. /University.