

The Changing Role of Marketing in Contemporary Organization

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Abstract: *Marketing is rising as the most vital function in operating any organization. Marketing is expanded subject and requires thorough study of its various aspects for proper understanding. Here we would discuss the changing role of marketing in contemporary organization. As we know that for last three decades, the marketing practices are emerging and progressing. The basic principle of marketing still remains same. It revolves around matching companies offering with customer's need. But the ways in which companies' offerings are matched to customer's needs and motivations and also constantly change with the help of digital marketing.*

Keywords: *Marketing, Changing role, Contemporary Organization, Digital marketing.*

1. INTRODUCTION

The institutional and functional prominence started changing in 1948 and the marketing was defined by the American Marketing Association as: "The performance of business activities directed toward, and incident to, the flow of goods and services from producer to consumer or user".

Before 1960 the marketing functions were thought limited to social or economic processes but after research on marketing activities such description of marketing was customized and marketing functions were also accepted as basic business functions and activities rather just treating marketing as social or economic process. The marketing managers by the time realized the importance of marketing practices for making their business successful. They further emphasized on market related issues and their resolutions from planning step to implementation of business projects for ensuring competitive marketplaces. The study on marketing functions also revealed marketing functions are not limited to advertisements but also include the understanding, learning of customers' basic needs and fulfillments of their demands. The research work on marketing practices has provided the friendly business environment to the stakeholders including the firms, businessmen and end users. As such, the marketing has developed its value in business communities and earned high level of contentment of business communities.

The American Marketing Association in 1985 defined marketing as: "Marketing is the process of planning and executing activities that satisfy individual, ecological and social needs ethically and sincerely, while also satisfying organizational objectives."

The marketing objectives are not always financial in nature. Ecological and social needs are becoming increasingly imperative in the framework of marketing strategies. Marketing strategies are defined and reflected by the overall corporate vision of an organization and comprise the action taken to satisfy clients and their needs. When developing and executing marketing strategies, it is important that an organization understand the spirited situation, common environment, as well as its role and obligations within it.

Therefore, on 15 September 2005, American Marketing Association changed the Marketing definition as: "Marketing is an organizational function and a set of process for creating, communicating and delivering value to customers and for managing customer relationship in ways that benefits the organization and its stakeholders."

2. DEVELOPMENT OF MARKETING CONCEPTS

Production Emphasis: 1900-1920

Production and distribution of new products were given importance. Production processes were made easier and trouble-free. Limited product choices were noticed enhanced and brought in the local markets for common consumers as well. Reasonable prices were fixed considering the low buying power of common consumer. Businessmen enjoyed business opportunities and believed in quality production resulting better sell.

Sales Emphasis: 1930-1950 (plus)

Production became more efficient resulting in a large numbers of products at lower costs (assembly lines and transportation systems used). American standard of living improving companies begin to rely on salespeople to represent their products and convince potential customers their product was better than the competition.

Marketing Department Emphasis: Post WWII

Expanded economy following WWII, wage level increased, amount of work hours decreased. Begin to use advertising to inform the consumer of products, reasons to buy the products, and where the products were located and catalogs, credit, use of airlines for distribution were got introduced.

Marketing Concept Emphasis:

Marketing departments did not always mean more profits (in fact marketing can be expensive!) and sometimes unethical activities changing paradigm from what the business produces to what the customer wants. Marketing more than the just the work of one department requires the interaction of all the departments within a business with marketing personnel working closely with others throughout the organization. Marketing proved a key to success of business. Marketing seen as only a tool to be used if sales were low or lagging, but not needed in times of good sales.

3. TODAY'S MARKETING

In the present time, the marketing deals with demand, supply and price control of goods and services. It also looks after the customers' needs. Marketing is also a source of information for the both stakeholders the firms and consumers. It provides basic related information regarding demand, supply, and competition of products besides successes and failures of product in the market. Based on that the businesses activities are planned in better way. Marketing personnel serves the clients in professional way and take care of them by providing services through distribution, pricing, credit, customer services resultantly add up to customer satisfaction. The businesses earn more profits because of better marketing strategies. The marketing strategies also ensure smooth coordination of business activities at marketplace.

The comprehensive Marketing Activities (Marketing Mix):

The combination of marketing activities is generally known as the marketing mix. The firms use marketing activities for getting their business targets. The marketing mix is traditionally consisted of four Ps (also covers four Cs), i.e. Product (customer value), Price (Cost), Place (Convenience) and Promotion (Communication) and in addition to this three more Ps have been accepted in market businesses i.e People, Process and Physical Evidence. The marketing mix has been further elaborated as follows:

Product (Customer-value)

The product encompasses value customers will pay for. The Product (customer value) has been explained as an attachment of experiences, add-ons, privileges, information, partnerships etc. Infact, the definition of product is still same that

Price (Cost)

The price (cost) is enclosure of *value, accompaniments, partnerships* that *satisfy customer needs against finite resources.*

Place (Convenience)

Place has been defined in marketing mix as a platform wherefrom business operation is carried out. Place is just not a physical place. In the current time business places have been limited nowadays because business operations including making purchase orders, delivery orders, and manufacturing orders through the online systems by internet/intranet for the convenience of businesses and consumers considering the demanding, manufacturing, ordering, supplying, selling, buying, paying and consuming a product factors of businesses.

Promotion (Communication)

The promotion in marketing means generally an introduction of product and highlighting its merits to let the customers know that why your product is better than the rest in markets and promotion is to attract the business. Promotion is also realized as “what *makes a customer to value your product*”. Infact, it is not enough to produce the good product and hope for sale but it is only the promotion factor which gives your product an edge over others in the markets. Interaction with business stakeholder can help in promotion of product.

Physical layout

Physical layout is generally known as product’s layout or presentation. As the end users are also attracted with a good standards and presentation of products in outlets / general stores wherefrom they buy the products.

Provision of customer service

Infact, the customer service is to facilitate the customer. It is general philosophy that customers are king and the producers are the service providers as such the customers are loyal to the businesses. The customer service relationship works like a bridge between the seller and buyer.

Processes

Generally, various processes are taken into action to ensure effective marketing i.e identifying the needs of customers, getting business orders, quality productions, timely supply of products and feedback and redressal of grievances of stakeholders.

Changing Marketing Environment

Under the changing market environment the marketing manager does the challenging job which requires various information from different sources and business fields including demand & supply chain, quality production, successful launching of product, market environment, market competitors, consumer response/feedback, customer’s buying power etc and also needs procedures for screening and assessing opportunities. Changing marketing environment is also a challenge for the Marketing personnel.

The marketing environment is consisted of marketing activities. Marketing environment has been bifurcated into two classes;

- (a) the direct market environment (broad); it includes customers, company, and competitors.
- (b) the external market environment (broader); it has been further classified into four areas i.e economic environment, technological environment, political & legal environment, cultural & social environment.

Business operations and marketing environment are correlated and inter-reliant. When any change is occurred in market environment it directly or indirectly affects the business of any kind in general. And the market environment is base on market variables and therefore every business manger takes care of market variables while making the decisions. The success of businesses depends on market environment. The investors invest subject to market stability. The changing marketing environment affects the choice of strategies. The marketing managers plan, execute and act in accordance with the economic, technological, political, legal, cultural and social changes in the market, which may ultimately cause change in market environment.

The marketing personnel also take care of political climate and legal issues to keep the market environment stable and to promote the business upturn and to avoid recession/downturn and

inflation. The cultural and social changes also leave effects on market environment that what product user need, how does he act and what marketing policy will be doing well.

Strategies for adapting to a Changing Market Environment

The strategies for adapting to a changing market environment include the changing behavior of following factors i.e from secular bull market conditions to secular bear market conditions; from crazy high expectations to fear; from investment management to wealth management; from depression babies and war babies controlling the wealth managed by advisors to baby boomers; from abdication to delegation to collaboration; from transactional to fee-based; from inability to access information to the overload of information; from high interest rates to zero interest rates; from paper-based to technological-based; from selling to collaboration; from advisors managing investments to outsourcing investment management; from accumulation to distribution; from a solo advisor model to a team or ensemble model; from one-on-one business development approach to technology; from managing client relationships to staging client experiences; from advisor growth to advisor maturity; the aging of the financial advisor community; increase in financial literacy of clients and the decline in financial literacy in advisors; the development of the family office approach.

The changing Role of Digital Marketing

The marketing management has got many new ideas to make marketing more compact and easier for quality service best possible business in different terms including placement of work orders, manufacturing of products, supply, quality assurance and feedback etc. It is said the marketing has entered in a new era and is mostly done by using computer software and information technology. The business stakeholders have been very fast to connect themselves by internet and intranet facilities, whereby, they get in touch with rest of world business communities. Nowadays almost every person has access to communication devices including cellular phones and computers etc.

A research study reveals that businessmen across the world had more digitally intense marketing strategies in 2013 than ever in the past. The responders also shared that they added to spending on Email Marketing, Social Media, Mobile campaigns.

The Globalization and Marketing:

Infact, the world has become global village and therefore, the globalization has augmented the world businesses which may cause influence over both international and domestic markets. Due to globalization the businesses situation of various countries is becoming viable in terms of market factors including competition, product offering and customer's demand. The international marketing approach is more complicated than that of local marketing because mostly the foreign essentials are unknown and unfamiliar as they are difficult to understand and forecast.

Future perspective of marketing:

The future marketing would end up to exaggerated publicity / claims and emphasis on true and applicable claims depend on information technology based approaches for getting verifiable data / information and feedback from real customers online through extensive social networks. The future of marketing is subjected to consistent online presence of business and the response of potential customers to be interested in your communication, who recognize it as constructive, not merely as advertising.

4. CONCLUSION

Marketing management skills have helped in developing long term strategic relationship of both the manufacturer and end user for the success of businesses. The trained marketing personnel are asset to the organizations because they are the business representatives in markets-international or domestic markets. The skilled marketing staff bridges the gaps between the vendors and customers to keep sustainable relationship of firm and customer. Marketing management is therefore treated as part of core management of business firms. The marketing management also focuses on customer value and relationship sothat proper marketing functions and procurement management may be ensured for the satisfaction of manufacturing firms and retailing firms and product end users.

The information technology has provided many more opportunities to the marketing world likewise access to the world communities to interact with one another for making business transactions, seeking information of firms' human resources, financial resources, marketing strategies, firms market reputation, market environment, businesses failure and success stories, learning minimizing losses & maximizing profits tools, customers feedback, customers relationship etc without any loss of time. No doubt, the internet and intranet have tied up the company and customer in strategic relationship as such the information technology has helped in changing the role of marketing from limited scope to broader scope i.e from traditional marketing to ever growing information technology based marketing.

5. RECOMMENDATIONS

For getting better business results the marketing activities must be paid proper heed. Therefore, some recommendations are taken into consideration as follows:

1. Marketing managers should keep vigilant eye over the international and domestic markets for profit-loss factors, observing the business changes occurring the world business communities so that proper decision making may be done by the businessmen.
2. Marketing managers should define marketing strategies considering the ground realities of markets for getting better output from the markets and also ensure that marketing targets are realistic and achievable and in consonance with the firm's profit targets and compromising on firms policies.
3. Marketing must guide the firms on the demands and wants of the customer. The firms may replace the traditional marketing practices with information technology based marketing for making business dealings easier, faster and economical.
4. The firms should never forget that they are service providers and the customers are the buyers therefore the firms should always value customer demands, needs, feedback and while making their profits.
5. The firms should listen to the voice of customer, which is leading business development tool that exists-bar none. It will help to identify the gaps between customer's demand and produced goods. This will help achieving sustainable company-customer relationship.
6. Marketing practices should also include the element of accountability because it is the key to trustworthiness. It is a hard metrics to demonstrate impact in the businesses. No doubt, the accountability is driver of business performance.

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