



**Module:** English

**Branch:** Marketing

**Level:** Third year Bachelor

**Lecture 04: Traditional and modern concept of marketing**

**Traditional concept of marketing**

According to the traditional concept, marketing means selling goods and services that have been produced. Thus, all those activities which are concerned with persuasion and sale of goods and services, are called marketing. This concept of marketing emphasises on promotion and sale of goods and services and little attention is paid to consumer satisfaction. This concept has the following implications:

- (a) The main focus of this concept is on product, i.e., we have a product and it has to be sold. So, we have to persuade the consumers to buy our product.
- (b) All efforts of the marketing people are concentrated on selling the product. They adopt all means like personal selling and sales promotion to boost the sales.
- (c) The ultimate goal of all marketing activity is to earn profit through maximisation of sales.

**Traditional Concept of Marketing**

Focus on Product →  
Means Selling →  
Ends Profits through maximisation of sales →

**Modern concept of marketing**

The modern concept of marketing considers the consumers' wants and needs as the guiding spirit and focuses on the delivery of such goods and services that can satisfy those needs most effectively. Thus, marketing starts with identifying consumer needs, then plan the production of goods and services accordingly to provide him the maximum satisfaction. In other words, the products and services are planned according to the needs of the customers

rather than according to the availability of materials and machinery. Not only that, all activities (manufacturing, research and development, quality control, distribution, selling etc.) are directed to satisfy the consumers. Thus, the main implications of the modern concepts are:

**a)** The focus of this concept is on customer orientation. The marketing activity starts with an assessment of the customers needs and plan the production of items that satisfy these needs most effectively. This also applies to all other marketing activities like pricing, packaging, distribution and sales promotion.

**b)** All marketing activities like product planning, pricing, packaging, distribution and sales promotion are combined into one as coordinated marketing efforts. This is called integrating marketing. It implies:

***(i) developing a product that can satisfy the needs of the consumers***

***(ii) taking promotional measures so that consumers come to know about the products, its features, quality, availability etc.***

***(iii) pricing the product keeping in mind the target consumers' purchasing power and willingness to pay***

***(iv) packaging and grading the product to make it more attractive and undertaking sales promotion measures to motivate consumers to buy the product***


***(v) taking various other measures (e.g., after sales service) to satisfy the consumers' needs.***

**c)** The main aim of all effort is to earn profit through maximisation of customer satisfaction. This implies that, if the customers are satisfied, they will continue to buy, and many new customers will be added. This will lead to increased sales and so also the profits.

### **Modern Concept of Marketing**

Focus on Customers' need 

Means Coordinated marketing efforts 

Ends Profits through customers' satisfaction 

It may be noted that with growing awareness of the social relevance of business, marketing has to take into account the social needs and ensure that while enhancing consumer satisfaction, it also aims at society's long-term interest.