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Introduction

The principles of marketing refer to the various concepts or factors that provide a framework for developing a marketing strategy. The principles inform the process of formulating the marketing objectives and strategies of achieving such objectives. The main principles of marketing include " product, price, placement and promotion" (Harker 198, vol. 4, pp. 315-327).

These principles influence the marketing practitioner's view of the role of marketing in a business environment. This means that firms define the role of marketing based on these principles. This paper focuses on these principles by critically evaluating Doyle's definition of marketing. The application of Doyle's definition of marketing will be discussed in the context of Toyota Motor Corporation.

Definition of Marketing

According to Doyle (2002, p. 29), " marketing is the management process that seeks to maximize returns to shareholders by developing relationships with valued customers and creating a competitive advantage". This definition views marketing as a value addition process that helps in achieving the shareholders' growth objectives by establishing relationships with customers. This can be evaluated as follows.

The Evaluation

Management Process

The above definition perceives marketing as a management function that focuses on the customer. This implies that firms are redirecting their attention from production to the customer in order to improve their competitiveness. This means that identification and satisfaction of customers' needs is the most important aspect of marketing (Halstead, Jones & Lesseig 2008, vol. 13, pp.

183-192). Therefore, marketing being a management process relies on the use of scientific, mathematical and economics techniques to achieve its purposes. These techniques help in understanding the customers' needs and how to satisfy them. However, Doyle's definition ignores the fact that marketing is also associated with art and creativity.

For example, the design of adverts for a particular product is a work of art that is based on creativity (Srivastava, Fahey & Christensen 2001, vol. 29, pp. 771-802). Since many marketing managers lack the art skills, the advertising activities are usually done by an external agency. For example, Toyota outsources the advertising services.

Maximization of Returns

The second part of Doyle's definition, "…maximizing returns to shareholders…" (Doyle 2002, p. 29) implies that marketing involves exchanges that are beneficial to both the consumers and the firm's shareholders. The shareholders benefit from the revenue accruing from the sold goods.

The consumers on the other hand benefit from the satisfaction associated with the consumption of the bought goods. Thus according to Doyle, the main purpose of marking is to improve the profitability of the firm by increasing sales. This is based on the fact that the market is perfectly competitive.

Thus the customers must be influenced to buy the product through marketing activities such as advertising (Halstead, Jones & Lesseig 2008, vol. 13, pp. 183-192). This means that if Toyota's marketing plan is informed by Doyle's definition, then the main objective of the plan will be profit maximization. This can be achieved through low prices in order to increase revenue as the market share increases due to price reduction.

It can also be achieved through high prices especially if the demand for Toyota's cars is high. However, the application of this concept is usually limited by market inefficiencies such as the presence of monopolies. Monopolies for instance discourage competition and this undermines the ability of the marketing process to facilitate maximization of returns (Siomkos & Viechopoulos 2002, vol. 3, pp. 22-38).

Besides, various governments can introduce trade quotas in order to protect their local industries by limiting the sale of Toyota's cars in their economies. This means that marketing can not always lead to maximization of returns due to market inefficiencies and external environmental factors such as regulation. Therefore, in order to maximize returns, Toyota must evaluate the influence of the macro-environmental factors on its performance.

Customer Orientation

The third part of Doyle's definition, "…developing relationships with valued customers…" (Doyle 2002, p. 29) implies that the customer is the focus of the marketing process. This means that firms must understand the demand of their products in order to remain competitive.

This is based on the fact that the demand reflects the wants and needs of the customers (Halstead, Jones & Lesseig 2008, vol. 13, pp. 183-192). Thus all marketing decisions will be informed by the wants or needs of the consumers. For example, Toyota will be competitive if its pricing decisions are informed by the amount of cash that potential buyers are willing and able to spend on its cars. The implication of this concept is that only the marketing strategies that are inline with the needs or wants of the customers will be pursued. This calls for a mechanism for evaluating the suitability of each marketing strategy. Besides, formulation of the marketing strategy must begin with evaluation of the needs of the customers (Halstead, Jones & Lesseig 2008, vol.

13, pp. 183-192). The rational behind this concept is that producing goods without understanding customers' expectations can lead to wastage of resources since such goods might not be bought. Focusing on the customer helps in producing goods and services that meet the expectation of consumers. Thus the customers will be able to receive value for their money. Customers will tend to be loyal to a firm and its products if they receive value for their money (Halstead, Jones & Lesseig 2008, vol.

13, pp. 183-192). Hence the quality of Toyota's products must be aligned to the needs of the customers in order to ensure brand loyalty. The concept of customer orientation views the marketing mix from the supply side and this can be explained as follows. The product represents the solution to the needs or wants of the customers. Such products will only be accepted if they satisfy the needs of the customers (Halstead, Jones & Lesseig 2008, vol. 13, pp. 183-192).

Promotion represents the sources of information about the market condition. Promotional activities help the consumers to learn about the various goods and services being offered in the market. They also give the sellers an opportunity to engage the customers in conversations. Consequently, they obtain information about customers' wants.

The price represents the value that customers attach to the goods offered in the market. Customers will only pay for prices that correspond to the worth of the products especially if the market is competitive (Halstead, Jones & Lesseig 2008, vol. 13, pp. 183-192).

Finally, place denotes access to the produced goods. It determines the customers' ability to buy the produced goods. Thus Toyota can increase the sales of its cars if it embarks on an efficient distribution channel in the global market. This can be achieved through partnering with independent car dealerships in various markets in order to eliminate the cost of establishing branches in every country. While Doyle believed that focusing on the customer is the best way to maximize returns, the following views oppose his perspective. First, his perspective omits the role of internal efficiency in regard to marketing success. The marketing department must work together with other departments such as finance and research and development. This means that poor coordination of these departments will lead to a failure in the marketing process even if all the needs of the customers have been taken into account (Srivastava, Fahey & Christensen 2001, vol.

29, pp. 771-802). For example, the finance department can fail to fund the marketing strategy on the ground that it will interfere with the firm's cash flows. Thus Toyota’s marketing team must also focus on the role the firm as whole in the marketing process in order to succeed. Second, Doyle’s definition does not focus on the product and this can lead to failure. Customers’ feedback in regard to product development is sometimes unreliable.

This is based on the fact that customers can not predict the products that will be available to them in future (Srivastava, Fahey & Christensen 2001, vol. 29, pp. 771-802). This means that they can not inform the producers on the goods that they will buy in future. Consequently, a manufacturer like Toyota can focus on producing a product through its own research and development and then use the marketing process to create a market for the product.

Segmentation

According to Doyle’s definition, returns are maximized if the firm is able to establish relationships with valued customers. ‘ Valued customers’ in this case denotes the concept of segmentation.

Segmentation refers to the process of identifying the “ most suitable group of buyers to target with specific products” (Siomkos & Viechopoulos 2002, vol. 3, pp. 22-38). This helps a company to focus its resources on the section of the market that it can best serve at the existing level of competition. Thus Doyle believed that firms can realize high returns if they focus their marketing activities on particular segments of the market. For example, Toyota will be able to realize more sales if it continues to target the middle income earners who currently form the bulk of its customers. However, most market segments usually become saturated as competition intensifies and this causes price reduction (Srivastava, Fahey & Christensen 2001, vol.

29, pp. 771-802). Thus even the most valuable segments will not realize maximum returns. This implies that in addition to the existing segments, firms must identify and establish relationships with customers in new segments.

Competitive Advantage

This refers to the " strategic advantages that one business has over its rivals in a competitive industry" (Siomkos & Viechopoulos 2002, vol. 3, pp. 22-38). The last part of Doyle's definition relates to creation of competitive advantages in the market.

Competitive advantages are created if a firm is able to position itself as the best in the market. This is achieved if the consumers are able to identify with and remain loyal to the firm's brands in the market. Competitive advantages are created as follows. First, the firm must analyze the influence of macro-environmental factors on its performance. Such factors include " political, economic, social, technology, environment and legal factors" (Siomkos & Viechopoulos 2002, vol. 3, pp. 22-38).

The firm must be able to exploit the opportunities associated with these factors while reducing the threats resulting from them in order to create competitive advantages. Second, the firm must analyze the level of competition in order to formulate the best marketing strategy. Finally, the firm must understand the consumers' behavior in regard to consumption patterns. This helps in influencing the customers’ purchasing decisions (Siomkos & Viechopoulos 2002, vol. 3, pp.

22-38). Thus the firm will be able to increase its sales and market share as the customers become loyal to the brand.

Conclusion and Recommendations

Doyle’s definition of marketing focuses on the customer and the importance of maintaining relationships with customers. According to his definition, the main purpose of marketing is to add value by maximizing returns on investments. Even though his perspective can be used by a firm to maximize returns, his definition does not apply under all market conditions. Consequently, the following recommendations can be considered.

First, the marketing process should focus on the product and organizational efficiency in addition to the customer (Srivastava, Fahey & Christensen 2001, vol. 29, pp. 771-802). This will help in preventing failures associated with market inefficiencies and external environmental factors. Second, firms should always find new segments and establish new relationships with customers in order to avoid the negative effects of competition. Finally, the marking objectives should be informed by the firm’s vision and mission in addition to the need to maximize returns. The vision will help in realizing the overall goals of the organization.

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