

# Examine the view that marketing theory and concepts

[Business](#), [Marketing](#)



Examine the view that marketing theory and concepts portrayed in the traditional marketing literature have only limited application in guiding small business marketing practice. By smartly 23 Every business wither it's small or big, aim to meet the needs of their actual and potential customers. In order for them to do this, they need to follow some sort of theory and concept. This assignment will be looking at the marketing theory and marketing concepts which are portrayed in the traditional marketing literature, and how they have limited application in guiding small business marketing practice.

Marketing plays a vital role not only In developing, producing, and selling products or services, but also in guiding recruiting labors and raising capital. Although it can be said that successful entrepreneurs undertake marketing in unusual ways. They mainly rely on interactive marketing methods, which is often communicated through word-of-mouth rather than a more traditional marketing mix. Entrepreneurs monitor the marketplace through Informal networks rather than formalized market research, and generally adopt more entrepreneurial approaches to marketing activities.

However, depending on the business model, a complex and formalized initial market research can be crucial for a successful market entry. There are many marketing theories that are used in traditional marketing literature such as Schumacher (1934) who said that entrepreneurs proactively 'created' opportunity, using 'innovative combinations' which often Included 'creative destruction' of passive or lethargic economic markets . According to

Schumacher the role of an entrepreneur is to innovate, and by doing this, you move the economy from one equilibrium to another.

This kind of innovation could come about from one or more Introduction of a new product; a new method of production: the development of a new market; the use of new sources of raw material, and the reorganization of a new industry or its processes. He also distinguished between the entrepreneur and the capitalist. Schumacher agreed with the fact, that in practice an innovator could also actually be a capitalist. Another well-known theorist next to Schumacher is Krieger (1973) who said that entrepreneurs should have a sense of 'alertness' to identify the opportunities in the market and exploit them accordingly .

He states 'The pure entrepreneur, on the other hand, proceeds by his alertness to discover and exploit situations in which he is able to sell for high prices that which he can buy for low prices. Pure entrepreneur profit FIFO means the discovery of something obtainable for nothing at all. No investment at all is required; the free ten-dollar bill is discovered to be already within one's grasp' (Krieger, 1973, 48). The marketing concept has changed significantly over time.

In today's business world the customer is at the forefront, not all businesses in the past followed this concept, as they placed other factors first rather than their customers this is shown as follows: production Oriented was the focus of the actual business and not the customer needs, as where this has now changed and we can see that it is more focused on customer needs.

Production Orientation is when the company believe that they have a superior product, based on quality and features. Due to this thinking the company assume the customers will like it to.

In today's market the customers decide as to what product they like. Sales Orientation is the focus where the company makes a product or provides a service, and then sells or offers it to the target market. This causes problems, as consumers may not like what is being offered to them, which is why companies are making sure that they test their services out, to a small group of the target audience. Market Orientation concept has not actually changed over time, it puts the customers first, as the companies try to understand the needs of the customers by using appropriate research methods.

These methods are then developed to make sure information from customers, are fed back to the company for them to see what the target audience are interested in. Seemingly who may adapt the marketing concept or APS do so fully rather than explicitly (Carson and Gilmore, 2000). Gasworts and Kohl', (1990) also commented on the limitations of the marketing concept (PI 5). Therefore, the SEEM approach is characterized by networking with stakeholders awareness to customer needs (Gilmore, Carson and Grant, 2001; & Hill and Wright, 2001).

Which is characterized by the size of these firms and their closeness to customers, (Gilmore, Carson, O'Donnell and Cummins, 1999) as well as inexpensive forms of marketing such as word of mouth (Gilmore 1999). It is vital for Seemingly to set the APS, target a market and position themselves, but

how this is done and planned is an important issue as it helps guiding a small business to success. Differences between traditional market literature and variants produced during the sass's were mainly attributable to the addition of concepts popularized during that decade.

For example, Cuning and Still covered an analysis of the 4 Up's of marketing with the concept that marketing is a subsystem of business. (Cuning, E. W. , Still, R. R. 1976)The basic principles of marketing are generally applicable to large and small genuineness. Marketing in Seems has been recognized as a problematic area for marketing in practice is considered to be mainly done though networking (Gilmore 2001) or a combination of transaction, relationship, interaction and network marketing (Broodier 1997).

Recently the use of Internet marketing (Chaffed 2000) or e- commerce (Rapport and Gasworks, 2001) has become popular in all types of businesses including Seems. Marketing in practice in small firms seem to rely mainly on personal contact networks (Hill and Wright, 2001; Gilmore 2001; Broodier 1997) and is often driven by the reticular way a manager does business. According to Gilmore (2001) marketing in Seems is likely to be chaotic, informal, loose, unstructured, spontaneous, and reactive and conform to industry norms.

Gilmore (2001) showed that as a result of networking there was a high level of communication between the SEEM manager and their competitors then what is usually reported in the marketing literature as well as competing

firms may be quite supportive of each other. Similarly, networking with customers usually involves building a relationship with one or two key individuals in those companies. If these individuals were to leave then the relationship the company would break (Gilmore 2001).

SEEM owners must recognize that building relationships are vital to a company's success and they invest a considerable amount of time and effort in maintaining good relations with regular clients (Gilmore 2001). The foundation and existence of an effective networking is concerned with maximizing marketing opportunities and ensuring the enterprise's survival and development (Gilmore 2001). Something, which is more important, in today's world, is having a foot in the business arena, which is constantly changing to meet customer needs.

The tables have been turned on the fortunes of many long-established firms. It's believed that a majority of firms that are in trouble, and those that have failed recently, have done so because they have been let down by their own marketing. Traditional marketing is now being turned. The ideas of marketing and branding strategy that passed for conventional wisdom before do not hold true today. A small but growing number of innovative firms have adopted completely new and differentiated approaches in marketing, reflecting a clear and unmistakable change in the global culture.

In this era of globalization and the Internet the consumer is behaving in a radically different way and is no longer vulnerable to the overworked ploys of marketing. The present times call for a new competition one that strays from

the prescriptions that traditional marketing theory holds, that sometimes works in a way that it is counter to it and that lays focus on network-building and "pulling the customer" above all else. Many experienced hands in corporate boardrooms are oblivious to these shifting sands and evolving trends, and are paying the price as a result.

In general the basic principles and concepts of marketing are as relevant to SMEs as it is to larger firms, but some theories, tools and techniques of marketing are not as relevant or useful to SMEs. The nature of SEEM marketing is the concept, which is mainly dominated by the inherent characteristics of the entrepreneur and the SEEM in to consideration, while carrying out some sort of market research they will have come across them. They may have limited application in today's marketing world but they do provide the basis for which a business can start their research on which helps guiding them in to the marketing practice.