

The history and the basis of marketing

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



Marketing is a subject which is always open to transitions for new ideas & new trends. The core or the basis of marketing remains the same based on which marketers can recognise the changes in trends of marketing practices. We cannot move forward until we dive through our prior knowledge in Marketing. The content of the journal highlights various phases of transitions in marketing practices, from Butler system till modern times marketers are embracing all the changes coming in the way. The history of marketing gives us the avenues to explore through questions which are yet to be answered & constructs the baseline to ask the right question in different marketing scenarios. The development of marketing as a subject or discipline has a history of 100 years, so we can assume all the practices are ancient but the organised structure that marketing should be studied in educational institutes is quite recent. In marketing, the role of evaluating history has its own value, prospects, individual & intellectual conventions, sense of legacy & origin. By integrating past learnings we can move forward to the future. The study of History of Marketing Practices have paved the way to understand what has caused the marginal changes in marketing trends & what has remained constant over the period of time in marketing discipline. The Study of history in any discipline prevents us from repeating the same mistakes committed by our forefathers and adapt with the changes according to new practices in marketing. The old practices become obsolete to innovate, renovate, & reincarnate the marketing practices in a whole new attire. Introduction History of marketing has evolved as a formal discipline provide meaningful framework for recognising the changes that forms the baseline of the changes & the ways to adapt to those changes. Through this

Journal we attempt to understand the core values of marketing through proper screening of marketing eras. History of marketing discusses about different arenas through which the concept has been evolved & moulded to the shape or structure it has now. Through this write up we believe that we will understand the turning points in marketing history which is amalgamation of different aspects of varied disciplines such as philosophy, mathematical statistics, psychology etc. The changes that are evident in the history of marketing marks through the evolution of philosophy.

The structural form of marketing study as discipline has been recognised quite recently around the turn of last century. For the purpose of integration of knowledge in marketing it is necessary to dive through the history to give the baseline to the future trends in marketing. The shape of the future in marketing is based on the historical practices & trends that has been followed in the past. In this Journal we have tried to understand various arenas of marketing history to implement in a practical point of view. History possesses its own underlying beauty & holds its own respective value that provides a storyline to understand the concepts that are responsible for the evolution in marketing. The write up gives an extensive review of historical research on marketing in an orderly manner based on the chronology starting from the medieval time to the era of industrial revolution.

The emergence of Marketing as a structural discipline has been marked with the publication of Wroe Alderson's "Marketing Behaviour & Executive Action" in 1957. In the final chapter of this journal we tend to summarise & reflect on diverse marketing branches which are the part of marketing

evolution. Literature Review The vast expanse of marketing aspects is beyond the scope of concrete notions as the theory of marketing & the practical implementation varies in terms of results quite evidently. As a marketer it is the duty of the scholars to evaluate the aspects to define a storyline by connecting all the dots. As suggested by Mark Twain, “ In marketing history may not repeat itself, but it often rhymes in a particular manner.” In order to understand the concepts of marketing we have to define what exactly is marketing, Marketing is defined to be any transaction which involves a buyer & seller. We cannot be sure exactly from when this concept of exchange has been developed, but archaeological evidence suggest that the history of exchange of goods is around 10, 000 years old (Dixon et al 1968). We can study the history of marketing through the study of different approaches in marketing as well as the concepts of marketing that has been developed by different marketers over the span of marketing era. In the year of 1930 there were three schools of marketing that has been evolved namely “ functional”, “ commodity”, & “ institutional”.

In the recent times that number of marketing school as grown to twelve which has been thoroughly evaluated by Sheth et al 1987. The number will likely to grow more with the advent of technological development. The history of marketing practices is quite ancient which takes us through the thoughts in marketing along with the transactions & marketing behaviour of marketers all comes under the scope of literature review in marketing. The Greek Philosopher Aristotle tells about the marketing “ ethos” & “ pathos” which shapes the modern identity of marketing practices & create Brand identity. Based on the Socratic philosophy we get to understand how to

create your identity in positioning your image in the mind of the targeted consumers. By this we can understand that the base of modern marketing has been developed through the ancient philosophy. The literature review has its own limitations as marketing is too vast a topic which is different in theory & different while practicing, the end result may vary as well based on the trends & behaviour of the consumers that we tend to understand. We derive some concepts of marketing by explaining different economic phenomena as well, for e. g. “ Giffen goods” which had been observed by evaluating the purchasing behaviour of the Victorian Labourers that forced them to violate the Law of Demand. Suddenly when the price of wheat increased the poor labourers had to reduce the consumption meat to compensate the staple requirement by buying even larger amount of bread although the law of demand was not followed. This tells us we can predict the future in marketing activities but we cannot be certain how the consumer will react to the change.

The Art of “ learning”, “ de-learning”, “ unlearning” & “ relearning” is quite a regular practice while evaluating marketing history. We will be able to see an irregular cycle where we do see the previous mentioned phenomena in different sectors such as fashion, technology etc. Some fashion or style is on trend & some becoming obsolete, again the obsolete becomes trendy & vice versa. The key challenge is to maintain a proper decorum in the study of history of marketing practices through chronological periodization of the marketing practices & give light to the future of marketing with proper integration of marketing knowledge, proper implementation of those knowledge in real world scenario & evaluate the result to predict the future

trends in marketing study. The real mystery of marketing is to adapt with the changes in a coherent manner to sustain in the market for which History of marketing practices is essential to understand & review. If we look through the systematic periodization of marketing practices we can divide the total duration of the discipline in different eras that can be illustrated in the following manner: “ Barter Era”- “ Production Era”- “ Product Era”- “ Sales Era”- “ Marketing Era”- “ Post Marketing Era” (Current) It is believed that during (fifth Century BC) the barter system was practiced & it was confined into smaller communities as noted by Herodotus de Selincourt, (1972: 336). During that point of time necessity of people had developed the Barter system of transaction for exchange purposes.

The Barter system was limited to necessity & choice of people. If a farmer required wool for making warm clothes for upcoming winter, he would approach the sheep merchant in return of some grain of rice. If the sheep merchant does not require the grain of rice, he would decline the approach. Here is where the major drawback of Barter system can be realised. To fill up this loophole in marketing practices & trading The “ Lydians” were the first ones who came up with the usage of gold & silver coins for exchange of materials somewhere around in Asian provinces. Barter system is in practice to some extent in some provinces in business point of view, such as in Japan, they import Steel & other crude material from other countries like Korea, Taiwan etc. & in return they trade of with High tech technology that is developed in Japan. So we can assume that marketing practices have dynamic orientation that changes as per situation & as per requirement. Followed by the evolution of transaction practices the impact of Industrial

Revolution had shifted the marketing practices to production based Marketing era. The knowledge of our ancestors & the advent of new technology paved the way towards production based marketing practices. If we take the example of a pin to explain the drawbacks of earlier traditional production period prior to industrial period, a pin-maker had to learn the art of manufacturing the pin from scratch from procurement of materials to manufacturing till the selling of the product which was time consumable, labour oriented, highly dependent on the maker, & less efficient. With the introduction of machines in manufacturing sector the production has turned into mass production which shifted the labour intensive activities into machine oriented processes. The marketing behaviour of individuals also changed with the advent of technology. The commodities were cost efficient, as mass production had enabled a new economical state in the society, the production era paved the way of varied societal concepts such as the advent of “ Capitalism” has been realised from the production era. This era had a societal point of view as it marks the beginning of colonisation as well.

Robert J. Keith in his book “ Revolution of Marketing”, highlights the shift of attention from production era to product era, where the manufacturing companies shifted their attention from the mass production to the products that are being produced. There were constant upgradation of technology to modify the commodities as per the requirements of customer & the demands of the consumers. The price factor still played a big role in this era. The product decisions played a big role for the customers had turned their attention toward the products of their choice. The Sales orientation era where the central problem was not the production of products but the selling

of the products to fulfil the market demands & to combat the competitors to survive in the market. The problem had shifted towards marketing of the products & the companies came up with different strategies to sustain in the market. As per the historical evaluation of marketing practices, this period was of great economic turmoil due WW2 & Great Depression, The wheel of Economy shifted from Europe to USA which was later recouped by Europe in 1960's. The development t of strategies were derived extensively during WW2, so the companies had to come up with different strategies to market their product during that period. If we take the example, of the 2nd largest EME Company “ Komatsu” which came up with varied marketing strategies, in terms of branding, R&D, expansion & globalisation to develop themselves at the market leader through redesigning of the destroyed Japan post WW2 & combat their biggest competitor Caterpillar.

The companies focused on increasing their profitability through new methods of communication, advertising to capture various consumer based target markets & increase their sales to meet their targets. The production era facilitated the mass production of product which were required to be sold to the customers for which the marketing practices turned towards the selling oriented era. The post WW2 phase, the markets became highly saturated, so the companies had to come up with marketing practices in a structural oriented manner, as a form of discipline to understand the market. The consumer behaviour & relationship marketing has been of great importance in this era. The customer relationship management, public relations played a great role to develop sustainable marketing practices for segmentation, targeting & positioning of the product in the market. The communication also

evolved into two way communication where the behaviour of the customers & the various patterns in their behaviour has been researched for successful marketing. Moreover, marketing evolved from sales based marketing to relationship based marketing as the companies had this urgency to differentiate themselves from the rest of the crowd. In this era the need of market research has been of great value to the companies to understand their customers to add value to their customers along with the fulfilment of their needs, Proper management oriented marketing personnel were into action within an organisation for their success in the long run. With increased number of competitors day by day the companies had to come up with different marketing tools to structuralise the marketing segment into a proper discipline in an institutional point of view. No two people think alike, even the twins as per the research says, so in marketing understanding the thought pattern of your targeted customer segment is of great use. The Current era that we refer to as the post marketing era comprises of the extensive research in consumer behaviour with the involvement of modern technologies, such as Data Science, Machine Learning, AI etc. Current era is the era of customisation with value added service.

To understand the thought process of your customer & to be able to differentiate what the customers would like to buy, & what they would dislike, so that the companies can influence their purchase behaviour is the biggest challenge of the era. The market gap analysis is based on the behaviour of the consumer mostly & make the customers want the product through various social media platforms. Current generation is quite tech savvy so the marketing practices has also become technology oriented. As it

is believed that the only constant factor about change is change only is no different in marketing practices as well. With new era will come new forms of marketing practices where the history of marketing practices will be evaluated to provide a proper structure to the marketing practice for future . The convenient of the customers play a very important role in the current marketing era . As we have mentioned earlier the change will bring forth new practices in a rhythmic manner with the old practices till the old ones become obsolete. Moreover, it is almost impossible to predict future market trends in a correct manner as the dimensions of marketing arena is beyond the scope of marketing itself. The scholars can only predict to a certain extent of what lies in the future & accordingly as per the trends.

Conclusion

Through this brief discussion we can conclude that marketing practices evolved tremendously in a systematic discipline. The marketing managers are responsible for the cash inflow in the organisation which is the only source of income for the company. Only manufacturing will be of no use if the products that are being manufactured are not being sold, this is where the study of history marketing practices come into view. Marketing practices starting from Butler system to Current scenario has grown from inside-out-inside strategy to outside-in-outside strategy which simply implies to scan the outward environment for realising the market gap, then scan within to audit the resources that the company has & that are required to be managed & lastly to scan through the external factors for threats or potential competitors. To be able to sustain in the market one has to adopt the upcoming marketing practices along with time. The organisations have to

focus on their goals of marketing orientation is one of the prerequisites. The companies have to focus on their targets in an adaptive manner to increase their profitability & gain higher market share, changing with the political, economic, societal, technological, environmental & legal changes. The companies & their marketing policies must be open to learning, relearning, de-learning & unlearning the processes in marketing management which is the trick to sustain in the market for a longer amount of time. To tap the untapped market one has to be clear in their marketing concepts & goals to gain maximum advantage of the changing environment. For example, In the Current economic trade war between USA & China will close many doors & on the other hand will pave the way for new opportunities in the marketing practices in this volatile situation. The scope of marketing practices are also very volatile, so the marketers must always remain alert in adopting changes in their marketing practices through proper evolution of the history.