Chapter 1

THE DIMENSION OF MARKETING

-- SOLVED QUESTIONS --

1. **What are the two perspectives of marketing?**

   Marketing is as much a philosophy as a technique. As a philosophy, it is a mental stance, an attitude, a way of conceiving relationships in the exchange on the part of the enterprise or entity which offers its products to a market. This concept originates in the needs and desires of the consumer and has as its aim the satisfaction of these in the most beneficial way, both for the consumer or buyer, as for the seller. As a technique, marketing is the specific way of executing or carrying out of the exchange relationship, which consists in identifying, creating, developing and attending a demand.

2. **Who first mentioned the concept of marketing-mix?**

   In 1960, Neil Borden, professor at the Harvard Business School, identified a set of actions carried out by companies which can have an influence on a consumer's decision to buy and which could be termed as "marketing mix". Soon after E. Jerome McCarthy, at the same University, specified these actions into four basic ones: the very product offered (any material good, service or idea), the price attached to it, the system of distribution used to get it to the market (channels used, supplies, delivery, etc.) and the promotion or communication of the merits or benefits of the product (personal sales, advertising, public relations and sales promotions).

3. **What is the current concept of marketing?**

   The current marketing concept arises from the consumer's or user's needs which is what guides production. This concept of the exchange process is, in

fact, not so new. Traditional economists already thought that economic activity should be centered on consumption.

4. Do all companies are marketing oriented?

No, not at all. In spite of the noted advances in the application of marketing, the orientation towards the product or the sales is still very present in enterprises. Offering a good product is necessary, but not enough. A good product can be a sales failure if it is not adequately distributed, its benefits are not well expressed or its price is high. Neither is it enough to carry out intense advertising campaigns and promotions to stimulate sales if the product offered is not what the market needs or desires. One must be market oriented and find out what the consumers need.

5. What is the difference between the four "p" and the "four c's."

The "four P's" arise from the perspective of the manufacturer, while the "four C's" focus on the customer.

6. What decisions includes sales management?

Includes one hand, strategic decisions such as setting sales team, determining its size, design sales territories, the allocation to the same vendors, setting sales quotas and planning visits. But it also includes, on the other hand, everyday decisions such as selection, training, motivation, supervision and compensation of sales team.

7. What is relationship marketing?

The setting up of relationship marketing in contrast to one of transactions, introduces a long-term relationship that benefits all parties involved in the exchange relationship. Its development is dependent upon the degree of commitment and trust between buyer and seller. The commitment and the trust directly lead to cooperative behavior which leads to the success of relationship marketing.

8. **What is the current organization of a marketing department?**

By product (or homogeneous lines of products) or markets, defined these in different ways: in a geographical sense, as distribution channels, when selling through middlemen and product consumer or end user groups.