

WHAT IS MARKETING?

Marketing is defined as the process of determining the consumers' needs and wants and being able to deliver products that satisfy their wants and needs. Marketing includes all necessary activities to move products from the producer to the customers. Marketing can be submitted as a bridge from the producer to the customer.

Marketing starts with a learning process, market research, in which marketers get to know everything they can about the wants and needs of customers, and it ends when they buy something. All companies know that services provided to consumers after the purchase are also an important part of marketing. All of these enterprises - production, advertising, transportation, processing, packaging, and selling - are included in the marketing process.

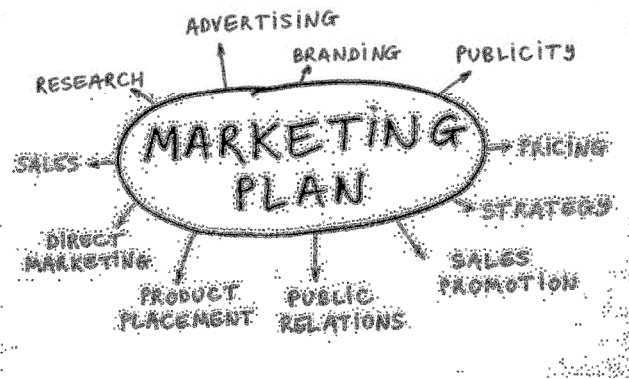


Fig. 1. The nine functions of marketing

In order for the marketing bridge to work correctly - providing consumers with opportunities to purchase the services and products that they need, the marketing process must accomplish nine important functions.

The functions are:

Buying - people have the opportunity to buy products they want and need.

Selling - producers function within a free market to sell the products to the consumers. Direct, personal communications with prospective consumers in order to assess needs and satisfy those needs with appropriate products and services.

Financing

Budgeting for marketing activities, obtaining the necessary financing, and providing financial assistance to customers to assist them with purchasing the organization's products and services.

Storage - products must be protected and stored until they are needed. This function is especially important for perishable products such as vegetables and fruits.

Transportation - products must be relocated physically to the locations where consumers can purchase them. This is a very important function. Transportation includes ship, rail road, airplane, telecommunications and truck, for non-tangible products such as market information.

Processing - processing involves turning a raw product, like wheat, into something that consumer can use, for example, bread.

Risk-Taking - insurance companies provide coverage to protect marketers and producers from loss due to theft, natural disasters or fire.

Market Information - information from around the world about weather, market conditions, political changes and price movements can affect the process of marketing. Market information is provided by all forms of telecommunication, such as the internet, phone and television.

Grading and Standardizing - The products are graded in order to conform to previously determined standards of quality. For example, when you buy potatoes, you know you are buying the best potatoes on the market.