Review

Developing marketing orientation: Challenges and prospects

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The prospect and future for any business in its marketing effort is the utilization of up-to-date technology and processes to have and retain more customers. This paper considers some definitions of marketing, marketing philosophies, and what it takes to develop marketing orientation. The paper further examines the various problems militating against developing a well articulated and coordinated marketing orientation. To sustain marketing orientation in any organization, the paper concludes that the organization should be able to convince the hearts and minds.

Key words: Marketing, marketing philosophy, marketing orientation, customer satisfaction, customer sovereignty.

INTRODUCTION

Tim Hannagan (1995) posited that organisational objectives have moved on from an overriding concern with technical excellence, costs and price to a consideration of instance service, quality and employee development. The development of the customer oriented organization has made marketing a central activity in most companies and public sector institutions.

It has been argued that contemporary managerial discourse has been dominated by the notion of customer sovereignty. Mansfield and Poole (1991) argued that customer has become paramount and that the satisfaction of customer needs viewed as the leitmotif of the organization.

Customer satisfaction has been defined as the difference between the customer’s perceptions of the experience and his or her expectation, which is many times based on past experience (Davis and Heinetes, 1994).

The wave of the future for any business in its marketing efforts is the utilization of up to date technology and processes to gain more information prospects and customers. Marketing is therefore predicted upon exchange relationships that are mutually beneficial. It is a process through which both sellers and consumers are brought together for the exchange of goods and services.

In a monetized economic, such goods and services are exchanged for money. Marketing embraces all activities of assessing public wants, tailoring and package a product to satisfy those wants, pricing and distributing it and encouraging it purchase by informing potential buyers of its availability by use of personal selling advertising, sales promotion and other marketing communications.

It is obvious that the nature and structure of business today has become more complex and dynamics. This situation poses serious challenge for management of various business organizations to come up with adequate strategies to ensure the realization of their corporate objectives.

To make the task of management easier however, a number of business concepts have been developed. In order words, management concepts generally guide the management towards planning and implementation.

The key to marketing success lies in locating unsatisfied customers. These unsatisfied segments should constitute the market targets for customer oriented firms. Managers, however pay more of lip services than action to the concept.

Many organizations in Nigeria are opportunists. They operate on the fact that, Nigeria is a seller’s market where consumers have no choice, and where they have choice, they do not know their rights. The fact that some organizations have been witnessing rapid growth should not be an excuse for looking down on customers. Rather,
they should be consumer oriented and not depend on the presumptive longevity of their services. The objectives of this paper specifically are:

i. To examine the evolution of marketing philosophies

ii. To discuss the challenges and prospects in developing marketing orientation.

iii. To suggest what is required in order to sustain marketing orientation.

CONCEPTUAL FRAMEWORK

There is no single definition of marketing. There are as many definitions as there are authors. Various marketing definitions have appeared over time among marketing scholars with hardly any of them commanding universal acceptance.

Testifying to the fact that there is no universal agreement on what marketing is, a marketing staff of the Ohio State University in 1965 once stated that there is no lack of divergent viewpoints concerning the nature of marketing. It has been described by one person or another as a business activity; as a trade phenomenon; as a frame of mind; as a coordinative; as a sense of business purpose; as an economic process, as a structure of institutions; as the process of concentration, acquisition, and dispersion; as the creation of time, place and possession utilities; as a process of demand and supply adjustment, and many other things.

The American Marketing Association Committee (1960) on definition of marketing terms defines it as the performance of business activities that direct goods and services from production to consumption.

Marketing could also be defined as the process whereby society attempts to supply its consumption needs, evolve distributive systems composed of participants who create the transactions on flow which resolve exchange consumption (Bartels 1968).

To Beckman et al. (1967), marketing is the process in a society by which the demand structure for economic goals and services is anticipated or enlarged and satisfied through the conception, promotion, exchange and physical distribution of such goods and services. Kotler (1984) summarizes these two last definitions simply into yet another broad one. He defines marketing as the activity of human beings which is directed at satisfying human needs and wants through an exchange process.

Marketing according to Stanton (1983) originates from the need of man to adapt to his economic environment. It relates that marketing became prominent with the growth of industrialization. This implies that marketing developed with the coming of an economy in which specialized production, increased productivity, money and market places become the order of the day.

Kotler (2000) defines marketing as a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others.

Drucker (1993) has defined marketing as the whole business seen from the point of view of its final result that is from the customer’s point of view.

Eldridge (1967) made an interesting combination of the standard of living and revenue when he said, marketing is ascertaining, creating, and satisfying the wants of the people, and doing it at profit.

Implicit in these definitions is the fact that marketing as human activity is directed at satisfying human needs and wants through exchange processes. The question now is how do we determine human needs? One method by which we can determine human needs is to use Maslow hierarchy of needs. These needs include physiological needs, satisfying needs, esteem needs, social needs, and self actualization needs. The purpose of marketing is to be able to identify these needs and move towards satisfying them.

Exchange is the other thing that is common to human needs. Kotler (2000) considers exchange as the core concept of marketing which involves obtaining a desired product from some one by offering something in return. He went further to say that for exchange potential to exist; five conditions must be satisfied;

(a) There are at least two parties.

(b) Each party has something that might be of value to the other party.

(c) Each party is capable of communicating and delivery.

(d) Each party is free to accept or reject the exchange offer.

(e) Each party believes it is appropriate or desirable to deal with the other party.

Mazurer (1952) opined that marketing was the delivery of a standard of living to society. The definition has much to recommend because it is consumer oriented. It stresses marketing’s major task of satisfying society’s desire for goods and services. Product planning falls within this definition because it is a vital factor in delivering to society its desired standard of living.

Marketing philosophies

Now that we have defined marketing, it is important to examine the evolution of marketing philosophies that guide organization, Kayode (1989) opined that business concepts are tangible ideas which seek to influence the ways organizations are managed for the realization of their goals and objectives. They constitute the framework in which corporate decisions are made. In order words, management concepts generally guide the manager towards planning and implementation. Most business firms and non-profit organisations did not immediately embrace marketing but rather progressed through several phases before they become marketing oriented.
Arowomole (1997) pointed out that some organisations have not yet reached the stage of a true marketing orientation. The contention is that while some managers have found it possible to adopt and implement the concept, others have simply failed to accord with any recognition.

The origin of the marketing concept can be traced to the period following the Industrial Revolution when, for the first time, there were indications that the means of production were capable of catching up with the demand for goods. As competition became stronger, companies were obliged to undertake some critical appraisal of the fundamental reason why they were in business. It becomes apparent that if their business was to be sustained and to grow, research and development could no longer be confined to the field of production, but it must also be directed towards a study of the needs of the consumer.

The concept has been variously defined. Foxall (1981) describes it as a philosophy founded on the beliefs that profitable sales and satisfactory returns on investment can only be achieved by identifying, anticipating and satisfying customer’s needs and desires. Felton (1959) sees the concept as corporate frame of mind that insists on the integration and co-operation of all the marketing functions, which in turn are welded with all other corporate functions. Levitt (1971) sees it as an idea that business success requires that the organization be consumer-oriented; and that a business concern ought to view itself not as selling goods or services but rather as buying customers.

The central focus of all the various definitions is the identification of customers and satisfaction of their needs.

The marketing concept is a modern philosophy for dynamic business growth. The marketing concept asserts to find a need and fill, love the customer and not the product, have it your way. You are the boss, no dissatisfied customer. The key to marketing success lies in locating unsatisfied customers.

Kotler (2000) stated that marketing activities should be carried out under a well-thought-out philosophy of efficient, effective, and socially responsible marketing. He identified five competing concepts under which organisations conduct marketing activities: the production concept, product concept, selling concept, marketing concept and societal marketing concept.

**The production concept**

The production concept is one of the oldest concepts in business. The concept holds that consumer will prefer products that are widely available and in expensive. Managers of production oriented businesses concentrate on achieving high production efficiency, low costs, and mass distribution. They assume that consumers are primarily interested in product availability and low prices.

This orientation makes sense in developing countries, where consumers are more interested in the product than in its features. It is also used when a company wants to expand the market.

**The product concept**

This is based on the belief that consumer will favour those products that offer the most quality performance, or innovative features. Managers in these organisations focus on making superior products and improving them over time. They assume that buyers admire well-made products and can appraise quality and performance. Managers who are product oriented are sometimes caught up in a love affair with their product and do not realise what the market needs. The product concept can lead to marketing myopia.

**The selling concept**

The belief here is that consumers and businesses, if left alone, will ordinarily not buy enough of the organization’s products. It is therefore held that the organization must undertake an aggressive selling and promotion effort.

The concept assumes that consumers typically show buying inertia or resistance and must be coaxed into buying. It also assumes that the company has a whole battery of effective selling and promotion tools to stimulate more buying.

Most firms practice the selling concept when they have over capacity. Their aim is to sell what they make rather than make what the market wants.

**The marketing concept**

The marketing concept holds that the key to achieving its organisational goals consists of the company being more effective than competitors in creating, delivering, and communicating customer value to its chosen target market.

The marketing concept has been expressed in many colourful ways: "meeting needs profitably", "Find wants and fills them", "Have it your way", "You are the boss", "Putting people first", "Partners for profit".

Kotler (2000) identifies four elements or pillars on which marketing concept rests on. These are target market, customer needs, integrated marketing, and profitability.

**Societal marketing concept**

This calls upon markets to build social and ethical considerations into their marketing practices. They must
strike a balance between the conflicting criteria of company profits, consumers want satisfaction and public interest.

What it takes to develop marketing orientation

Nerver and Slatter (1990) defined market orientation as the organisational culture that most effectively and efficiently creates the necessary behaviors for the creation of superior value for buyers and, thus, continuous superior performance for the business.

Romer and Van Doven (1993) contend that the successful development of market orientation is dependent upon the ability of the organization to internally market its strategies and plans.

Developing marketing orientation is one thing, "sustaining it is even more important. It is in the light of this that Jeworski, and Kohlhi (1993) proposed that sustaining high levels of market orientation is related to the continuance of organisational member belief, understanding and commitment to market orientation which is determined by effective measurement - driven internal marketing.

The followings have been identified as other requirements for developing marketing orientation:

i. Ability to convince the hearts and minds.
ii. Installation of appropriate structure, system and processes.
iii. Right management, skill and experience.
iv. Top management support and commitment.
v. Clearly stated organisational objective.
vi. Proper coordination between functions.
vii. Effective control of both the part - time marketer and full - time marketer.
viii. Effective communication of organisational goals.
ix. Creation of an organisational climate which focuses on the market.
x. Good understanding of the true meaning of market orientation by the entire organisational members as an organisational priority.
xi. Good decision making.
xii. Creating a marketing community.

Challenges of developing marketing orientation

In marketing literatures, several challenges have been identified as militating against developing marketing orientation. In the early 1950s, the initial glorification of the marketing concept and the perceived importance of consumer sovereignty is being considered a challenge. Anon (1950) posited that most of the early marketing concept literature concentrated on explaining the need for companies to devote more time and effort to the requirements of their customers. There are some flows in that logic. Management can look at the market and misinterpret what it sees." It is a most difficult undertaking to discover what the consumer really wants as contrasted to what he says he wants. Again, management can study the consumer, not with the idea in mind to accommodate him, but rather as a basis for manipulating him.

The marketing concept contained a basic conflict of interest that was based on the assumption that the firm's interest and those of the consumer were identical. These were not. The firm's objective is to make money though this is against the management theorists that to do so it must render a service demanded by society.

Another challenge of developing marketing orientation is the impossibilities posed by market segmentation. The market is so complex that it is impossible to satisfy all of its segments.

Felton (1959) identified four main groupings of potential pitfalls in developing market orientation. These were: executive inexperience, incomplete integration of organisational functions; lack of management ability; and finally; misuse of hierarchical position. He went further to argue that such potential problems were caused by the underlying influence of irrational employee behaviour.

Chaganti and Sambharya (1987) highlighted manager as the main challenge to market orientation. Their position was that the orientation of organisations is highly dependent upon the commitment and abilities of top management. The few businessmen that have accepted the concept are yet to adopt it due to lack of management ability. "Speaking in the same vein, Kelley (1990) was of the view that employees at all levels gain benefits from market orientation but also are prone to resist new orientation strategies, tactics and plans.

Gummensson (1991) argued that the main challenge to market orientation was not necessarily only top managers but rather employees of all levels. He contended that market orientation is only likely to be developed when all member of an organization have asked themselves how do I contribute to excellence in customer relations and to revenue.

Messikomer (1987) considers corporate culture as the major obstacle to market orientation. He contends that the difficulty is not so much in getting management to accept this vision, but rather in overcoming the inertia bred of individual corporate cultures, because creating a marketing community involves changing the fundamental way in which a company and its employees see themselves, their business environment, and the future. He argued further that the principal obstacle to market orientation development is the value, beliefs and assumptions of the organization. Slater and Nerver (1975) extended Messikomer argument by claiming that the key challenge facing organisations was the creation of a culture and climate which maximizes organisational learning on how to create superior customer value.

Organisational processes have been identified as
constituting a challenge to developing marketing orientation. Ruekert (1992) contends that the degree to which an organization can increase its market orientation is inextricably linked to the organisational structures, systems-and processes created to sustain them. He concluded that there was a link between recruiting, training and reward processes and market orientation. Another challenge in developing market orientation has to do with the top management emphasis, reward system, centralization and connectedness.

Prospects

It is generally agreed that Nigerian economy is relatively under-developed from the marketing point of view because marketing activities are not fully developed. The country is faced with inability to make effective use of the little resources that are available. In Nigeria, marketing profits are characteristically low but cost outrageously high. The waste in distribution and marketing agricultural product for example is justifiably high. The development of marketing orientation might go along way in changing the entire economic tune of Nigeria. It will make producers capable of producing marketable product by providing them with standards with quality demands and with specialization for their products. It would make the product capable of being brought to the market instead of perishing in case of agricultural products.

Effective marketing development of marketing activities makes the consumers capable of discrimination i.e. making decisions in the market. This will enable them to obtain the greatest value to maintain their purchasing power. For the Nigeria economy to be fully developed, an effective marketing system is needed. That is a system of physical distribution, a financial system to make possible the distribution of goods and actual system of integrating wants, needs and purchasing power of the consumer with capacity and resources of production. It is marketing that can produce catalyst for the transformation of latent resources into actual resources of desires into accomplishment and the development of responsible economic leaders and informed economic citizen.

In Nigeria there is this problem of inadequate managers and entrepreneur. The development of marketing orientation and marketing activities will make possible for such development of managers and entrepreneur. Economic development is not a force of nature. It is the result of the action, the purposeful responsible risk—taking action of men as entrepreneur and manager.

The significance of marketing cannot be over emphasized in economic development. No economic can be better developed without understanding the basic needs of the people. No economic today can reach the height which satisfies present population needs (whose anticipations are high and growing) on the basis of crude production and exchange process of trade by barter. For the teeming population to survive and grow, production of good must be in large quantity and the exchange process must be effective. The question is how do we identify the goods that the society needs? It is only the marketing concept that can enable the society to identify what to produce.

Marketing is a dynamic process through which business enterprise is integrated productively with society purposes and human values. It is in marketing as we now understand it that individual and social values needs and wants are satisfied. It may be through producing goods, supplying services, fostering innovation or creating satisfaction. Marketing is the process through which the economy is integrated into society.

As long as no economy will want to be underdeveloped and as every economy will want to do everything possible to attain the status of developed economy, so there will be need to encourage and sustain marketing concept.

CONCLUSION AND RECOMMENDATIONS

The survival of any business organization depends to a very large extent on the patronage that it enjoys from those who are supposed to consume its products, thus the importance of consumer must be emphasized. In a highly competitive marketing environment, competitors are expected to influence as many consumers as possible to choose their products whenever they purchase since marketing depends upon consumers, the ability to understand consumer motivation and predict consumer’s behaviour is an essential ingredients for marketing successes. When customers are satisfied with the service providers, they tend to make repeat call, and embark on words of mouth advertising.

The challenges of economic liberalization and global competitions lie with the recognition of the consumer as King. The ongoing transformation programme has been having profound impact on the Nigerian business sector. As a result, many businesses have been casting doubt on the capability of their existing methods of doing business under the rapidly changing conditions and have been professing the adoption of marketing concept. Values and respect for customers.

The development of marketing orientation is very crucial to the survival of any organization be it a profit or non-profit making. It requires a collective effort of both the top management and the entire organisational staff.

Appropriate structure, system and processes need to be put in place. The effort, time and energy spent in developing marketing orientation will amount to waste without appropriate organisational strategy, culture and climate. Therefore, to sustain marketing orientation in any organization, it is very important that the organization
should be able to convince the hearts and minds.

REFERENCES


