

OLD AND NEW CONCEPTS OF MARKETING – MEANING AND DIFFERENCES

Marketing is a dynamic concept that has evolved over time according to changes in business environment, technology, competition, and consumer behavior. Earlier, marketing was viewed mainly as selling goods and earning profit. However, in the modern era, marketing focuses on customer satisfaction and long-term relationships.

The old concept and new concept of marketing differ significantly in philosophy, objectives, and approach. These are discussed clearly below.

I. OLD CONCEPT OF MARKETING

The old concept of marketing is also known as the **traditional concept** or **production-oriented and sales-oriented concept**. It developed during the early stages of industrialization when demand was greater than supply.

1. Production Concept

This concept assumes that consumers prefer products that are widely available and affordable. Therefore, the main focus of the firm is on large-scale production and cost reduction.

Example: During the early 20th century, companies like Ford Motor Company focused on mass production (e.g., Model T) to reduce costs and make cars affordable.

Main Features:

- Emphasis on production efficiency
 - Mass production
 - Low cost
 - Little attention to customer needs
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2. Product Concept

Under this concept, companies believe that customers prefer high-quality products with better features and performance. The focus is on product improvement and innovation rather than customer needs.

Main Features:

- Quality improvement
 - Technical superiority
 - Continuous product enhancement
 - Less focus on market research
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3. Selling Concept

This concept assumes that consumers will not buy enough products unless aggressive selling and promotional efforts are made. Therefore, heavy advertising and sales techniques are used to push products into the market.

Main Features:

- Strong emphasis on selling
- Short-term profit maximization
- Focus on increasing sales volume
- Little concern for customer satisfaction

Conclusion of Old Concept:

The old concept of marketing is product-oriented and seller-focused. The main objective is to maximize production and sales rather than satisfy customers.

II. NEW CONCEPT OF MARKETING

The new concept of marketing is known as the **modern marketing concept** or **customer-oriented concept**. It developed when markets became competitive and consumers had multiple choices.

The modern concept emphasizes understanding customer needs and satisfying them better than competitors.

1. Marketing Concept

This concept states that achieving organizational goals depends on identifying customer needs and delivering satisfaction effectively and efficiently.

Main Features:

- Customer orientation

- Market research
- Integrated marketing efforts
- Long-term customer satisfaction

Companies like Amazon focus heavily on customer satisfaction, personalized recommendations, and service excellence.

2. Societal Marketing Concept

This concept extends the marketing concept by considering social welfare and environmental protection along with customer satisfaction and profit.

Example: Companies like Tata Group emphasize ethical business practices and social responsibility.

Main Features:

- Balance between profit, consumer satisfaction, and social welfare
 - Environmental responsibility
 - Ethical marketing
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3. Relationship Marketing

Modern marketing also focuses on building long-term relationships with customers instead of one-time sales.

Main Features:

- Customer retention
 - Loyalty programs
 - Personalized communication
 - Long-term profitability
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III. DIFFERENCE BETWEEN OLD AND NEW CONCEPTS OF MARKETING

Basis of Difference

Old Concept

New Concept

Basis of Difference	Old Concept	New Concept
Orientation	Product-oriented	Customer-oriented
Focus	Production and selling	Customer satisfaction
Objective	Increase sales and profit	Long-term relationship and value creation
Approach	Push strategy	Pull strategy
Time Perspective	Short-term	Long-term
Market Research	Not important	Very important
Consumer Role	Passive buyer	King of the market
Social Responsibility	Ignored	Considered important

IV. Conclusion

The old concept of marketing focuses on production and selling, assuming that customers will buy what is produced. In contrast, the new concept of marketing begins with understanding customer needs and ends with customer satisfaction. Modern marketing emphasizes relationship building, social responsibility, and long-term value creation.

In today's competitive and dynamic business environment, companies must adopt the new marketing concept to survive and grow successfully. Customer satisfaction, innovation, and ethical practices are the foundation of modern marketing philosophy.

DISCUSS CLEARLY THE OLD AND NEW CONCEPTS OF MARKETING. HOW DO THEY DIFFER FROM EACH OTHER (LONG TYPE)

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Introduction

Marketing is one of the most important functions of business. Over time, the concept of marketing has undergone significant changes due to industrial development, increased competition, technological advancement, and changing consumer behavior. Earlier, marketing

mainly focused on production and selling. Today, marketing focuses on customer satisfaction, relationship building, and social responsibility.

The evolution of marketing can broadly be classified into two stages:

1. **Old Concept of Marketing**
2. **New (Modern) Concept of Marketing**

Both concepts differ in philosophy, objectives, and approach. These are discussed in detail below.

I. OLD CONCEPT OF MARKETING

The old concept of marketing is also known as the **traditional marketing concept**. It developed during the early period of industrialization when demand was more than supply. Producers were mainly concerned with manufacturing goods and selling them in large quantities.

The old concept includes the following approaches:

1. Production Concept

This concept assumes that consumers prefer products that are widely available and affordable. Therefore, companies concentrate on large-scale production and cost efficiency.

For example, in the early 20th century, Ford Motor Company focused on mass production of cars to reduce prices and make automobiles accessible to the masses.

Features:

- Emphasis on mass production
 - Cost minimization
 - Focus on efficiency
 - Little attention to customer preferences
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2. Product Concept

Under this concept, it is believed that consumers prefer products that offer the best quality, performance, and innovative features. Businesses focus on product improvement rather than understanding customer needs.

Features:

- Continuous product improvement
 - Emphasis on quality and innovation
 - Technical superiority
 - Limited focus on market demand
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3. Selling Concept

This concept assumes that consumers will not buy enough goods unless aggressive promotional and selling efforts are undertaken. The focus is on pushing products into the market.

Features:

- Heavy advertising and sales promotion
 - Short-term profit maximization
 - Sales volume as primary objective
 - Customer satisfaction is secondary
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The old concept is **producer-oriented**. It begins with the factory and ends with sales. The main objective is to increase production and maximize profit through higher sales, without giving much importance to customer satisfaction.