The Chartered Institute of Marketing

THE OFFICIAL CIM COURSEBOOK

Marketing Essentials

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Professional Certificate in Marketing

ROUTLEDGE

Marketing Essentials

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Contents

CHAPTER 1

The Nature and Scope of Marketing

Learning objectives

After working through this module and reading around the subject, you should be able to:

- Explain the evolution of marketing orientation.
- Describe the contribution of marketing as a means of creating customer value and competitive advantage.
- Describe the factors which contribute to a marketing-oriented approach to run the organisation.
- Be aware of the difficulties which might be encountered in developing a marketing orientation within the firm.
- Explain the cross-functional role of marketing.
- Explain the impact of marketing activities on consumers, society and the environment: marketing ethics.
- Be aware of the role of relationship marketing.

STUDY TIP

This section accounts for 25% of the whole course, so it should take around 10 hours of study time for the average student. Some of this will consist of reading through this course book and working the examples and case studies, some will consist of reading around the subject and some may be class time with a tutor or with a correspondence course. Clearly, though, if you have studied for less than 10 hours, you either are exceptionally bright or have missed something – experience shows that it is often the latter case. At this level, the examiner will be expecting you to be able to apply your learning, not just quote it: when you are reading case studies or examples, try to develop the habit of asking yourself 'What would I have done in those circumstances?' Do not assume that the marketers involved came up with the perfect answer simply because they are working for a large company.

It is a good idea to give yourself plenty of time away from studying, so that your subconscious can absorb the materials better. Cramming at the last minute might get you through the exam, but remember you are doing this course because the knowledge and thought patterns you gain from it will help you in your career – the piece of paper is of no use if your boss finds out you actually do not know anything!

WHAT IS A MARKETER?

Marketers tend to think differently from other people in the organisation. This is because they are much more concerned with people, and especially people outside the organisation, than are (say) the finance manager or the production manager. Marketers tend to be risk-takers: they are more prepared to try something new, because this is usually the only way to establish a competitive advantage over other firms – following a standard, tried-and-tested approach means simply copying what other people have done, which will not generate any advantage. For this reason, marketers tend to be creative and innovative.

Marketers often think of themselves as having common sense: after all, if the company does not look after its customers, the customers will soon find someone who will and will spend their money elsewhere. To a marketer, this seems obvious, yet to many managers from other disciplines, it does not – they see the marketers as someone who is paid to go out and find customers for products which the company already supplies.

If the finance managers of two companies in the same industry were exchanged, they would almost certainly be able to carry on with their jobs without pause: the same would be true of company lawyers or administrators. If the marketers were exchanged, though, they would be completely lost in each others' firms because each marketer should be following a completely different programme of new product development, promotion, pricing and so forth. This is because each marketer seeks to differentiate his or her company from all the others in the market, as a way of reducing (or at least circumventing) the competition.

THE EVOLUTION OF MARKETING ORIENTATION

Marketing is a relatively young discipline and is thought to have evolved from previous business paradigms as follows:

1. Production orientation. In this paradigm, the key to success in business is to produce as cheaply as possible and keep prices low. This paradigm was typical in the 19th century, when mechanised production could out-compete hand production in cost terms. The basis of production orientation is that people will buy anything as long as it is cheap enough. The drawback, of course, is that consumers are expected to accept a standardised product which is unlikely to meet their needs exactly: only a very few products are acceptable on a one-size-fits-all basis. Many firms still operate this way, but people have come to expect (and can afford) more customised products, and global production runs mean that economies of scale can still be generated. The drawback from a manufacturing viewpoint is that the company is competing on price, which invariably cuts profit margins: there is always someone somewhere in the world who is able to produce more cheaply or is desperate enough (or naïve enough) to sell below the costs of production.

2. Product orientation. In order to compete effectively, the product needs to have features which appeal to individual consumers. In a product-oriented firm, the products are designed to incorporate a large number of features in order to meet the needs of a large number of consumers. Such products can become extremely complex, since people's needs vary considerably, even for basic, everyday products such as biscuits and cleaning materials. Unfortunately, the cost of a 'state of the art, all the bells and whistles' product becomes too high for most people, and of course consumers do not want to pay for features which they are unlikely ever to use.

3. Sales orientation. As mass production developed to the point where there was an over-supply of goods, firms supposedly switched to a sales orientation. Sales-oriented firms believe that people will only buy if they are subjected to a high-pressure sales pitch: the assumption is that people do not want to buy things and will only do so if persuaded. Furthermore, sales orientation assumes that people will not mind being persuaded and will be happy for the salesperson to call again: from the producer's viewpoint, success is thought to come through using aggressive promotional techniques. In effect, sales orientation aims to change customers in order to meet the needs of the organisation. The major problem from a producer's viewpoint is

that salespeople are an expensive item, so much so that it is almost always cheaper simply to produce things that people want to buy. Sales orientation has little or nothing to do with the practice of selling, of course: high-pressure techniques simply result in cancelled orders once the sales rep has left.

4. Market orientation. Here the firm looks at what the market (i.e. consumers) actually needs and acts accordingly. For the market-oriented firm, the customer's needs and wants are at the centre of everything the firm seeks to achieve, and the aim of the firm is to fit the firm to the customers rather than try to fit the customers to the firm. One key element in market orientation is that consumers can be grouped according to their needs, so that quite large subsections (or segments) of the market can be identified and targeted accordingly. Different products can be offered to each group, which enables the firm to compete by differentiation rather than competing on price: provided the cost of making changes is less than the additional premium people are prepared to pay for a more 'customised' product, the firm will make a greater profit and will also shut out competition, at least for a while. Market orientation means that customer needs become the driving force throughout the supplying organisation: a truly market-oriented firm will use customer need as the 'touchstone' for setting policy, for resolving differences between different departments within the firm and for considering competitive responses. Customer orientation is the degree to which the company understands its customers: the better understanding the firm has of their needs, the better it will be able to make more attractive offers, for which the firm can charge a premium price. Competitor orientation is the degree to which the firm understands the other offers in the marketplace: other firms may offer radically different solutions to the customer's needs, but each firm needs to consider whether the alternatives represent better value from the customer's viewpoint. Identifying who the competition is can be a major problem in itself – bus companies compete not only with each other, but also with trains, cars, bicycles, aeroplanes and even, in some cases, with the Internet. Some people have managed to cut out commuting by working from home, but most bus companies would not recognise this as competition.

STUDY TIP

These business paradigms need to be learned by heart, unfortunately! There is a strong possibility that you might have to list them and explain them in an exam question, as well as identify which one a particular company is using. Although they are often presented as stages of an evolutionary process, examples of each of them are easy to find in any country and you are likely to see examples in examinations.

A more recent addition to the evolution of marketing debate is the concept of societal marketing. This is the view that marketers should take some responsibility for the welfare of society as a whole and for the long-term sustainability of their activities. This need not necessarily conflict with meeting the everyday needs of consumers, but it does add another dimension of decision-making. For example, Kotler et al. (2001) have developed a classification of products according to their immediate satisfaction potential and their long-term benefits or disadvantages. Products which are highly satisfying and also have high long-term benefits are classified as desirable products: a natural fruit juice which is high in vitamins and also tastes good would fit this category. Products which are not immediately satisfying but which have high long-term benefits (such as a household smoke alarm) are categorised as salutary products. Products which are bad for people in the long run, but are satisfying in the short term (such as alcohol or confectionery) are called pleasing products. Finally, products which are neither good for people nor satisfying are called deficient products: for example, slimming products which do not work or toys which have no educational value and are boring to play with. In theory, firms should aim to produce desirable products, but consumers often choose pleasing products instead, for example, eating unhealthy foods when they feel unhappy (Garg et al. 2006).

There is considerable academic debate about whether the marketing concept actually evolved in a linear manner. In other words, there may not have been the kind of orderly move from production orientation to market orientation that is implied by the model: however, there is little doubt that the different orientations do exist and companies do operate under the various paradigms to this day. In fact, the company you work for may well not be market oriented – you may want to consider the implications of this.

The orientations themselves can still be seen in daily life: some companies are sales-orientated, employing high-pressure salespeople to persuade people to buy. This might be typical of a home improvements company, because there is unlikely to be much repeat business: selling someone a new kitchen or a fitted bedroom is usually a one-off process, as is selling timeshare properties or even cars. Production orientation exists in many Far Eastern countries, where, for example, T-shirts or baseball caps are produced in their millions, with only a few sizes being available. Product orientation is staging something of a renaissance with the advent of iPhones: people are moving towards the idea of one piece of equipment that functions as a GPS set, as a camera, as Internet access, as a word processor, as a music system and so forth. Many teenagers no longer wear watches, because their telephones will tell them the time.

MARKETING IN PRACTICE: The Kirby Cleaner

This example shows how a company with a product orientation (and, to some extent, a sales orientation) can still be successful. However, we might ask ourselves whether the company would do better if it were customer oriented.

Jim Kirby produced his first cleaning system in 1906, using water to separate the dirt from carpets and soft furnishings. This product was not a great success, since it left everything wet and also required the owner to clean out dirty water from the machine. In 1907, Kirby produced the first of his vacuum cleaners, using air to force the dirt into a cloth bag, but it was in 1925 that he launched the first multi-attachment vacuum cleaner.

Right from the start Kirby used door-to-door salespeople to sell the vacuum cleaners. As time went on, the product became steadily more sophisticated, with special attachments for cleaning bedding, curtains, linoleum, sofas and chairs and indeed almost anything else in the house which needed a clean now and then. The Kirby Cleaner could even be configured either as a cylinder model or as an upright model, as these competing designs came into the market in the 1930s and 1940s. The latest version has a multi-speed motor allowing it to be used to buff floors, and it has a carpet shampooing function, a special pet-hair removing attachment, and even a headlight for cleaning under furniture.

In fact, the Kirby Cleaner solves all the cleaning problems any normal householder will ever encounter, and does it extraordinarily well. So how come it is not the biggest selling vacuum cleaner in the world?

First is the price. With all the attachments, it costs over £1200 – which is quite a lot of money for a vacuum cleaner. Second, it is complex to use, and most people soon get tired of fitting each different attachment – once the novelty has worn off, most people only use it for basic carpet cleaning. Third, some people do not like the sales pitch. The salesperson comes to the customer's house and vacuums various items (the bed being one – people are amazed at how much dirt comes out of their mattresses). Almost everybody finds this embarrassing, and many find it intrusive – but equally, many find it hard then not to buy the cleaner, when this appears to be an admission that they do not mind living in a dirty house and sleeping in a dirty bed.

The Kirby Cleaner provides us with a prime example of a product-oriented company and, to a large extent, a sales-oriented company. The product has all the features anyone could want, but of course most people will only want two or three of the features and will not want to pay £1200-plus for a lot of features they do not need and will never use. Since the product would be unlikely to sell in a normal electrical retail outlet, the company has resorted to home demonstrations and powerful sales pitches – to be fair, the cleaner's amazing cleaning power would not be evident without a demonstration, but the cost of sending sales people out to people's homes is obviously extremely high.

The company has been selling vacuum cleaners for over 90 years now and operates in 70 countries with millions of satisfied customers. They must be doing something right! The question remains: Does Kirby's approach to the competitive world of vacuum cleaner marketing remain effective in the 21st century?

Equally, many companies are not truly marketing oriented. Some only say that they are customer-centred, without actually having a very clear idea of their customers' needs: it is very common for managers to guess what their customers might need rather than find out through market research or by careful analysis of the market.

EXAM HINT

It is not unusual for a case study to concern a company which is not market oriented, and in fact of the last five case studies used in the Chartered Institute of Marketing (CIM) exams, only two were about customer-oriented companies. If you think the company is operating under one of the other business paradigms, say so – you will gain marks. You might also be able to make suggestions for bringing the company closer to a market orientation.

Remember, too, that marketing orientation and customer centrality do not mean that we simply give the customer everything he or she wants – what we aim to do, as marketers, is SELL the customer everything he or she wants, for the best price we can get.

THE CONTRIBUTION OF MARKETING

Marketing operates on the basis of adding value for customers. Marketers always begin by considering customer needs, whatever the business problem: customers are at the centre of everything they do, whether developing a new product which will make life easier and more convenient for consumers or designing an advertising campaign that will entertain, inform and catch the attention of the target audience. Creating customer value means that people are more likely to be prepared to give them their money, and they are more likely to return to them when they need something new: it has been said that marketing is about selling products that do not come back to customers that do.

EXAM HINT

In any question of marketing, always begin with the customer. If you are asked to develop a marketing communications campaign, always relate it to the target audience: What media do they use? What type of communication will appeal to them most? What do they want from the product, and from the advertisement? Likewise, if you are discussing new product development, you need to consider: What needs the product is intended to address? What price range will consumers be prepared to pay? Which type of person will the product appeal to? Many candidates lose sight of this basic consideration and only think about problems from the company's viewpoint: in addition, there is a tendency to talk about 'the consumer' as if referring to one person. People differ in their needs and wants, as companies differ in their capabilities to meet those needs and wants.

This is basic to marketing thinking: if you take nothing else away from the course, take this!

Customer value is a key concept in marketing because it gives importance to the idea that we should always be looking for ways to improve the customers' experience of dealing with us and with our products. Customer value can be increased by adding something that our competitors do not have – although care should be taken not to slide into product orientation by providing everything that any customer could possibly want. The value should only be added if either it costs us nothing to do it or the cost will add less to the price we sell for than the value gained by the customer. If this were not the case, the customer would not see the product as continuing to offer value for money and would simply shop elsewhere. Customer value should not be confused with customer lifetime value, which is the value of the customer to the firm and is a key concept in relationship marketing.

Of course, marketers are not looking after the customer out of altruism. Meeting customer need effectively is the easiest way of creating an exchange (usually financial) and therefore is the most effective way for the firm to meet its own objectives. Marketing is not, therefore, about persuasion or fooling people: it is about providing useful, desirable products and services at a price that people regard as reasonable (or good) value for money.

If we are better at recruiting and retaining customers than our competitors, it seems likely that we will be able to compete more effectively in general. Customer retention has become even more important in recent years, and this has led to the development of relationship marketing, in which long-term relationships are established with customers so that an income stream is generated rather than a one-off transaction. There is a great deal more about relationship marketing throughout the course, since it is seen as the logical next stage in customer centrality.

CASE STUDY: Tesco

This case study shows how customer orientation works in practice. Tesco supermarkets are to be seen in every town throughout the United Kingdom and have become hugely successful through considering the needs of customers first. In less than 100 years, the company has gone from a market stall to a giant retailer, meeting the needs of widely differing groups of customers, despite strong competition from other supermarket chains.

In 1919, a young Londoner called Jack Cohen used his First World War Army gratuity to start a business selling groceries from a market stall in the East End of London. His fledgling business went well enough for him to start his own tea company, in partnership with a man by the name of T.E. Stockwell. Stockwell's initials plus the first part of Cohen's name provided Tesco with its brand name.

In 1929, Cohen opened his first grocery shop in Burnt Oak, Edgware. His motto was always 'Pile it high, sell it cheap' and during the depression-hit 1930s this proved to be a winning formula. During the 1930s, Cohen opened many more stores, but it was not until after the Second World War that supermarket methods came to Britain. Tesco's first self-service store was opened in 1948, and their first true supermarket was opened in 1956, in a converted cinema in Maldon. Because staff costs are much lower in supermarkets, and because Cohen was able to buy in bulk, prices should have been much lower at Tesco stores than in other stores, but until 1964 manufacturers were allowed by law to fix the retail prices of their goods. In other words, all retailers had to sell at the same price, so price competition was impossible. Tesco attacked this problem in two ways – first, the company gave out trading stamps which loyal customers could collect and redeem against gifts of household goods, and second, Jack Cohen was active in lobbying Parliament for a change in the law. In 1964, the Resale Price Maintenance law was repealed and Cohen was able to pursue a vigorous price-cutting approach to business (although trading stamps continued until 1977).

During the 1960s the United Kingdom experienced a rapid rise in prosperity. More people owned cars, more people owned freezers (and so were able to bulk-buy their food) and credit cards were just beginning to be used. In 1967, Tesco introduced the concept of the edge-of-town superstore when the company opened a 90,000-square-foot store at Westbury in Wiltshire. This store was intended to be used by car drivers – ample parking, large trolleys for bulk-buying and a much greater range of goods in the store meant that car owners could shop much more easily. The edge-of-town location meant lower costs for the store, which could be passed on to customers. This policy proved hugely successful, so through the 1970s Tesco gradually closed down its town-centre stores (with their high overheads) and concentrated on out-of-town superstores. In 1974, the company began selling petrol at discounted prices, again encouraging motorists to come to the store. By 1991 Tesco was Britain's biggest independent petrol retailer.

In the 1990s Tesco returned to the city centre by opening Tesco Metro stores, smaller supermarkets with a smaller range of goods and smaller pack sizes, designed to meet the needs of the local community and inner city dwellers. In 1997, the first Tesco's Extra superstore was opened, offering a range of non-food goods, household appliances and clothing, as well as the traditional groceries available in all Tesco's stores. Altogether, Tesco operates six different store formats: Tesco Extra, Tesco Superstore (standard-sized supermarkets), Tesco Metro, Tesco Express (neighbourhood convenience stores, mainly stocking high-value convenience products) and One Stop, which is a hangover from the company's purchase of T&S Stores in 2002. This is the only format without Tesco in the title and will probably be incorporated into the Tesco Express format eventually.

In 1995, Tesco was the first retailer to offer a loyalty card. Customers present the card at the checkout, and the Tesco central computer records their purchases. Every 3 months the customer receives a mailing containing vouchers which are redeemable at Tesco stores for groceries or other products; customers also receive special discount vouchers for specific products. Other retailers followed suit, offering their own loyalty cards, but by then Tesco had already seized a substantial market share. A spin-off from the loyalty scheme was that Tesco now had very detailed information about each customer's purchasing behaviour – how often they shop, where they live and what products they buy. This has proved invaluable for future planning and for fine-tuning the service to meet customer needs more effectively and was reported as having been used to thwart Wal-Mart's entry into the UK supermarket business through its Asda subsidiary.

Tesco's customer focus has moved ahead of Jack Cohen's 'Pile it high, sell it cheap' price competition focus. Being cheap is no longer enough – because every other supermarket chain operates on the same basis. Tesco found that most people object to queuing in supermarkets – so they introduced the 'one in front' system. If the queue is such that there is more than one person in front of the customer, the store opens more tills until either all the tills are open or the queue has subsided. The system is monitored centrally – every 15 minutes the tills freeze and can only be released by the cashier entering the number of people in the queue. The figure is fed through to Tesco's main computer, and if there are more than two people in the queues for more than 5% of the times the number is entered, the store manager is asked for an explanation.

Tesco has three own-brand ranges: the 'Value' range, which consists of cheap basic products; the 'Tesco' range, which aims to compete head-on with mainstream brands; and the 'Tesco's Finest' range of upmarket, luxurious products. Each brand meets the needs of a different group of Tesco customers. These now represent about half of all Tesco sales. The company also offers a range of organic products and is now Britain's biggest retailer of organic products. In 2000 the company launched Tesco.com, its online retailing system, which is the biggest online grocery outlet in the world. The online system owes its success to the fact that it is based in the stores themselves, not in a central warehouse, so that staff have local knowledge and the delivery routes are shorter.

Tesco's advertising uses the strapline 'Every little helps' and usually consists of products photographed against a white background, with a voice-over explaining the latest offers. The voice-overs use various well-known British actors such as Jane Horrocks, Martin Clunes, Terry Wogan and Dawn French: in 2007, the company's Christmas campaign featured The Spice Girls. Tesco also takes the lead in new product development: in 2009, they announced that they had developed a new type of tomato which is less juicy, so that it does not make sandwiches soggy. The company has also extended the brand hugely, offering mobile phones (using the O2 network), financial services such as insurance and savings accounts and even loans and credit cards. On the PR front, Tesco sponsors The Tesco Cup, a football competition for young players throughout the United Kingdom, and continues to offer its Computers for Schools programme, in which shoppers can collect vouchers to give to local schools which can redeem them against computer equipment. This scheme has been hugely successful: it encourages a sense that Tesco cares about the local community, while giving customers the chance to be generous towards local schools. It encourages people to shop in the stores rather than elsewhere, of course, but it also has a less obvious spin-off: Tesco has created a generation of computer literate people who feel positive towards the company and would make good employees.

Tesco's customer orientation has certainly paid off. It is now the United Kingdom's leading supermarket chain with 17% of the market. It operates in 10 countries overseas and is the market leader in 6 of those: 45% of the company's retail space is outside the United Kingdom. The company now offers personal finance products (insurance, credit cards, loans) at the checkout and has many other innovations on the way – customer champions, innovative buying policies and so forth.

All of which is a very far cry from a market stall in the East End.

Questions

1. Having low costs coupled with high prices must have made Tesco very profitable in the 1950s and the early 1960s. Why would Jack Cohen have lobbied for the abolition of Resale Price Maintenance?
2. Presumably Tesco's various customer-focused innovations cost money. Why not simply cut prices even further?
3. Why have three separate own-brand labels?
4. What is the difference between the trading-stamp system and the loyalty-card system? What advantages do loyalty cards have for customers and for Tesco's?
5. Why stock a range of organic products as well as ordinary products?

ASPECTS OF THE MARKET-ORIENTED APPROACH

STUDY TIP

Consider the organisation you work for (or one you are familiar with in some other way) and decide which of these aspects of the market-oriented approach come into play. Consider how you might be able to change things, if you were put in charge.

The purpose of doing this is to help you practise relating theory to real-world situations. Examiners will often ask you to comment on your own firm, and even if they do not, you will be expected to carry out this type of thinking on a case study.

Marketing can be viewed in several different ways, according to its role and status within the organisation:

1. **As a process of managing exchange.** Many academics define marketing as the process of managing exchange, and from a practitioner viewpoint this is not at all a bad definition. Managing the exchange process means that each party will be better off than they were before: if this were not the case, trade would be impossible. One of the problems with the definition is that many exchanges would not, by most observers, be regarded as marketing: an offer to help a friend with his car maintenance in exchange for help with the garden is certainly an exchange, but most people would not regard it as marketing. The key issues with this definition are that it is the marketers who manage the exchange process, and the exchange itself makes both parties better off – therefore, marketers seek to make it as easy as possible for the exchanges to happen (e.g. by ensuring that the products are readily available or that financing packages are available). The more exchanges that happen, the better off will the company be.

2. **As a driving philosophy of the business.** This means that the firm devotes all its efforts to meet customer needs, and every decision at every level of the firm is taken with the customer in mind. Note that customers and consumers might not be the same people – the purchase may be a gift or it may be a family purchase where one person makes the buying decision, with the needs of the other family members in mind. In such cases, the customer (the person doing the buying) has needs even if the product is for someone else, for example, a need for a convenient location from where to buy the product or perhaps for sales assistance in choosing the most appropriate product. Customers may be professional buyers buying on behalf of a company, in which case they will have very specific needs in terms of career aspirations and so forth. Astute marketers consider the needs of everyone involved in buying and consuming their products. If marketing is the driving philosophy, it acts as a coordinating force within the firm: everyone in the company will be aiming for the same end goal, customer satisfaction, and the marketers will have the role of ensuring that everyone is aware of customer needs and their own role in meeting those needs.

3. **As a managerial function.** If marketing is viewed as a managerial function only, the company will take marketing decisions on the basis that they will move the company nearer to its objectives, which may be shareholder value, growth, survival, profit or any one of many possible objectives. This moves marketing to a somewhat lower

position than it would otherwise occupy if it were regarded as the driving philosophy of the business, but marketers will still occupy a position of importance with regard to the other business functions of production, finance and personnel management. This role is probably typical of many successful companies – it is certainly possible to be successful without being entirely customer-centred.

4. **As a dynamic operation, requiring analysis, planning and action.** This view of marketing implies that marketers need to think on their feet and be prepared to change course very rapidly as circumstances dictate. Because customer needs change, and of course new customers are recruited and old ones defect to the competition, marketers will need to be dynamic in their approaches to markets. Equally, competitive responses can force changes on marketers: whatever one firm does, others will either follow or retaliate, so the dynamics of the game are constantly shifting.

5. **As a catalyst for change.** Because marketers operate at the interface between the company and its customers, they frequently act as advocates of the customer's viewpoint, thus making changes within the firm based on customer needs. This means that marketers are expected to be working on behalf of customers to improve the firm's offer and will often find themselves in the position of advising (or seeking to influence) changes within the organisation. Much depends on the position of marketing within the organisation: if marketing is seen as a managerial function rather than the driving force within the organisation, marketers will be one voice among several, supporting the needs of one group of stakeholders (customers) in negotiations with representatives of other groups of stakeholders (employees, shareholders, management and so forth). Internal marketing (the use of marketing techniques to change attitudes and behaviour within the organisation) is linked to this view of marketers as advocates for the customers.

These ways of looking at marketing are not necessarily mutually exclusive. It is possible to view marketing as both an exchange management process and a catalyst for change, for example. Change is managed (for marketers) through a process of advocating an improvement in what is being offered for exchange with customers. Having said that, the idea of marketing as the driving philosophy of the organisation does not sit well with the idea of it being only a managerial function – the 'driving philosophy' view moves marketing to a strategic level, rather than simply a tactical level.