Marketing: A Historical Perspective

SUBMITTED BY: Leya Matthew

SUBJECT(S): Marketing

GRADE LEVEL(S): 9, 10, 11, 12

OVERVIEW:

This lesson introduces the various marketing orientations and explores the history of marketing through a personal history format. The basic assumption made in this lesson is that students already know these concepts, in some form, from their family histories. The challenge then is to identify such experiences and clarify them from a marketing perspective. To do so, this lesson begins by asking students to record the socio-cultural-economic histories of their families in a simple personal format (For example, the teacher touches on her details growing up in India). From these histories, we explore the history of marketing.

\equiv NBEA STANDARD(S):

Marketing, I. Foundations of Marketing

RELATED ARTICLES:

- "Comic-Con and 'The World's First Hyperreality Spy Experience'"
- "Americus Reed on Marketing, Brands and the Cadence of Business and Creativity"

Common Core Standard(s):

1. CCR Standard for Reading: Read closely to determine what the text says explicitly and make logical inferences from it.

- 2. CCR Standards for Listening: Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on each other's ideas and expressing their own clearly and persuasively. Evaluate a speaker's point of view, reasoning, and use of evidence and rhetoric.
- 3. CCR Standards for Speaking: Present information, findings and supporting evidence in such a way that listeners can follow the line of reasoning, and the organization, development and style are appropriate to the task, purpose and audience.

Objectives/Purposes:

Students will identify the marketing orientations of various brands/products.

Knowledge@Wharton Article:

Staying Close, But Not Too Close to the Customer

Other Resources/Materials:

Internet Access

Chart paper

Activity:

1. Introduction to concepts (10 mins):

The teacher introduces the lesson by looking at history through a marketing lens. For example, human civilization developed urban living when mankind began producing surplus food. This led to trade, and the history of trade helps us understand the history of human civilization too.

The teacher now explains the various marketing orientations by connecting them to the history of marketing and by giving examples.

a. Production Orientation:

The company orients its existence around mass production in order to achieve low costs. The underlying belief is that customers prefer products that are widely available and inexpensive. This orientation can be related to the industrial revolution, the beginning of mass production, and how that period in history revolutionized business for all time. An example you could talk about is the Ford T automobile, which was the first automobile to be mass-produced using an assembly line model. For more details on the Ford T automobile, you can look at http://en.wikipedia.org/wiki/Ford_Model_T

b. Sales Orientation:

The company's mission is to sell as many products as possible. It believes that aggressive sales is the only way to maximize profit. As a result customers are insistently courted. You may want to clarify that sales promotion is a part of marketing, and is part of the 4Ps. This should not be confused with a sales orientation. When a company has a sales orientation, the product design and the other Ps of the marketing mix are not designed around an understanding of the customer or to fulfill a customer's need.

c. Product Orientation:

The company's mission is to create products that offer the most quality, performance and features. Customer input is not sought. *To explain this orientation you could read out the section from the Knowledge@Wharton article that talks about how Ford moved towards a product orientation.*

"Customers sometimes can't tell you what they want. For example, when Ford asked customers if they wanted a second sliding door on the Windstar in 1995, they didn't appear to be interested. So Ford, as a customer-focused (or, perhaps, customer-compelled) company, took them at their word. Chrysler looked a little deeper and correctly anticipated that customers would want the extra door. Chysler was right, and it cost Ford \$560 million to rectify the mistake... After seeing the weaknesses of following customers, some managers advocate, "ignoring the customer." This can cause companies to focus on the product at the cost of ignoring the customer. This orientation may need to be clarified with the next orientation — the marketing orientation.

d. Marketing Orientation:

The company orients its production, product and sales around its understanding of customer needs, and aims to create maximum value for customers. This is the age of marketing we are currently in. The marketing mix of the company is designed around a target customer segment. However, this is not as easy as it sounds. The example of Ford from the Knowledge@Wharton

article referenced earlier shows how companies struggle to maintain a genuine marketing orientation and how they may move between orientations as they struggle with this demand.

e. Societal Marketing Orientation:

Along with consumer value, societal well being is also a crucial concern. This is the age we are moving into. As customers are becoming more aware of social issues and more concerned about sustainability, companies are beginning to align marketing and other business processes around such concerns. For example, companies highlight that they are fair trade certified or that they use organic raw materials for their production chain.

2. Individual Activity (10-15 mins):

The teacher now explains the activity required of the students. The easiest way to do it is to explain your own personal, socio-cultural history from a marketing perspective. For example, I grew up in a village in India and during my grandparents' time, they mostly grew their own food and purchased very few items. Money was not a common commodity. During their time, things were not mass-produced, so things were expensive. Production Orientation was not common. Some stores like "Star Bakery" adopted a product orientation by focusing on producing the best "puffs", but they were not very concerned about the customers. Sales orientations were uncommon too. Some stores adopted a marketing orientation by building relationships with their customers and by aligning their business around the customers' needs. Societal marketing would have been a strange concept then. Things changed drastically during my parents' time. Many products began to be mass-produced. This made items more available and inexpensive. However, there were still many government restrictions that controlled the economy and interfered with a free economy. This changed with the liberalization policies, after which availability of products became better and prices became more reasonable. In my time (now) we live in a consumerist culture. Most companies design their products by extensive research into customer needs. For example, the iphone is designed around the need of customers for smartphones to have a simpler interface.

Students are then asked to work individually on their own histories in a similar manner. They are asked to identify examples of various orientations from their personal family histories.

3. Group Activity (10 mins):

Students are asked to randomly group together, discuss their examples and consolidate them in a chart presentation.

4. Group Discussion, Presentation (10 mins):

Students present their charts and the teacher facilitates a group discussion around the presentations.

Tying It All Together:

The history of marketing, like any history, is lived by the people who participate in the process. In this lesson, my focus is to validate student experience and personal histories from the perspective of marketing history and marketing orientations.

Practice Outside of the Classroom:

Whichever phase of marketing history the culture is currently in, there is potential for a richer understanding and appreciation of our culture and history. If students are interested, they could be asked to conduct projects on marketing history by researching their family history — using family photographs, scraps, interviews with family members/neighbors/shopkeepers, product labels, newspaper clippings, etc.

What Worked and What I Would Do Differently:

This lesson assumes that the students already know the marketing mix and understand the basic concepts of marketing. If your students do not know the marketing mix, you may want to briefly explain it to them before you begin this lesson.

Students may confuse the various orientations with marketing processes. Please anticipate and correct such confusions.

This lesson will work best in cultures where families live together and students have a rich family experience to draw on. If the students you teach do not live with or visit their grandparents frequently, or do not have exposure to their family histories, you will have to modify the activities to help students access the information they require to understand the concepts of this lesson.

You may want to note the various orientations and their basic characteristics on the black board for the students before they begin their individual activity.