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Marketing Organisation,

Meaning of marketing organization (MO) - A marketing organization is a system of relationships among the various functions to be performed as a means of co-ordinating among the marketing people who perform these functions.

It is a mechanism that pools the skills, talents and facilities to accomplish the marketing objectives.

The organisational Planning Process
Prof. Harold Stieglitz of New York states ~~that~~ the following

- (i) six steps -
Determination of objectives - for this there should be clear cut definition of c/s business, markets product & services
- (ii) Analyse the Existing organization - It involves in-depth analysis of personnel, functional relationship to determine where you are currently target organisation - formulation of long range future point of time.
- (iii) This defines objectives at future point of time.
It visualises the question of "where you want to be"

(iv) Prepare the Phase Plans - As a change over is not expected to be sudden so there should be phase plans. Intermediate changes in activities personnel & relationship should be planned.

(v) Implementation of Plan - Implementation is logically the last step but practically it goes hand in hand with planning. one ideal plan paves way to another in light of constant changes.

MARKETING ORGANISATION

The marketing organization may take any one of the following forms :

(i) Functional Organisation

In this form of marketing organisation, marketing vice president coordinates the activities of functional specialists. The group of functional specialists consist of sales manager, marketing research manager, marketing administration manager, advertising manager and new product manager. Few zonal and branch managers are supervised by these regional managers. The zonal and branch managers are supported by many sales officers and sales supervisors.

(ii) Geographical Organisation

A company which organises its marketing activities on geographical basis, is said to adopt geographic organisation. The regional managers work under the supervision of national manager. Few zonal and branch managers are supervised by these regional managers. The zonal and branch managers are supported by many sales officers and sales supervisors.

(iii) Product Management Organisation

Product management organisation is adopted by the companies which are involved in the production of wide varieties of product. The market is organised into different product categories by the firm. Product category managers are supervised by a product manager. These product category managers supervise and guide the activities of specific product and brand managers.

(iv) Market-Management Organisation

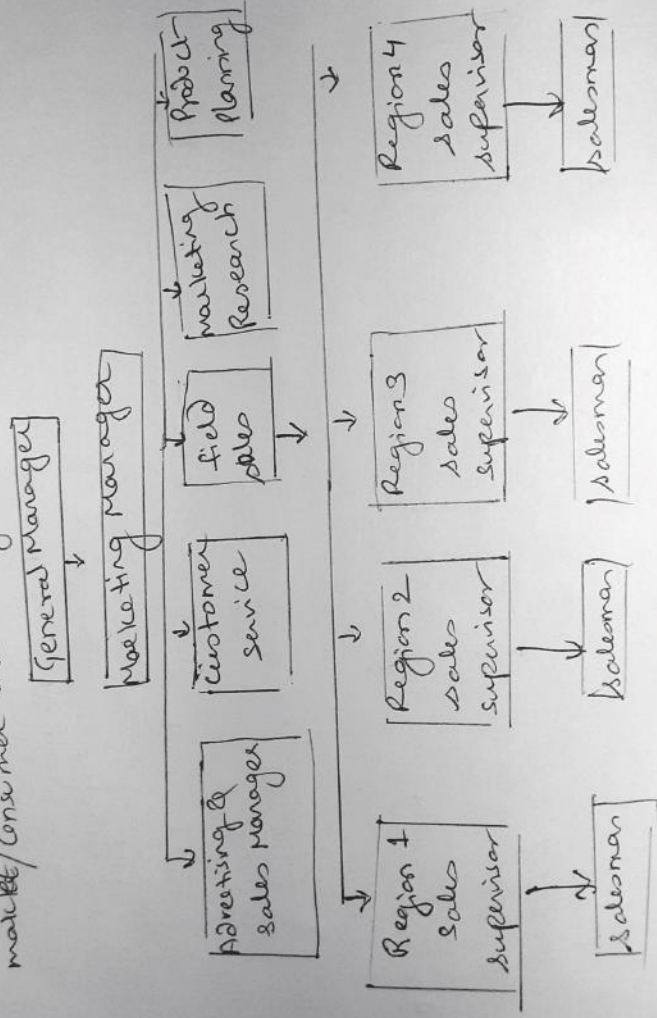
Many companies supply their products in different markets such as consumer, business, government and industrial markets. Such companies adopt market-management organisation. In this type of organisation, several subordinate market managers are supervised by a superior market manager.

(v) Corporate - Divisional Organisation

Larger product or market group of some companies are divided into various divisions. These divisions set up their own departments and different services are provided. Then marketing activities are organised for each division.

Types of Marketing Organisation.

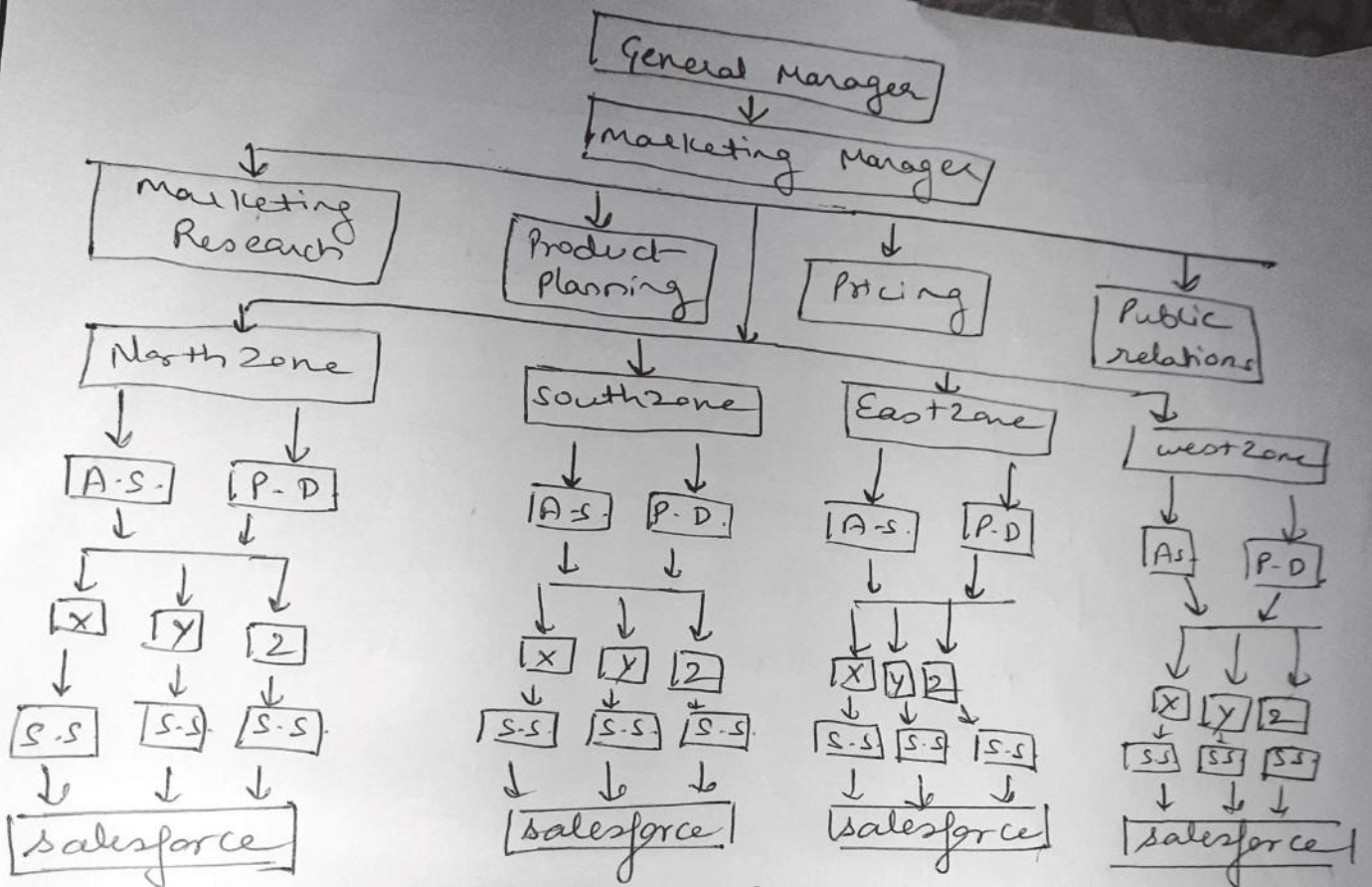
The organisational structure are classified as classical and modern schools of management. In classical approach structure is identified as line, line and staff, functional and committee. As per modern approach the organisational structure is identified as line, line and staff, functional and committee. As per modern approach it is identified as functional organisation, geographical organisation, product management organisation, geographical market/consumer based organisation and divisional organisation.



Functional Organisation

- merits - (i) encourages managerial & technical skills in each specialised function
- (ii) simplicity

Demerits - (i) Problems in integration for chief marketing executive
 (ii) Communication and control problems.



Note: A.S. = Advertising & sales Promotion,
 P.D. = Physical distribution S.S. = Sales supervisors.

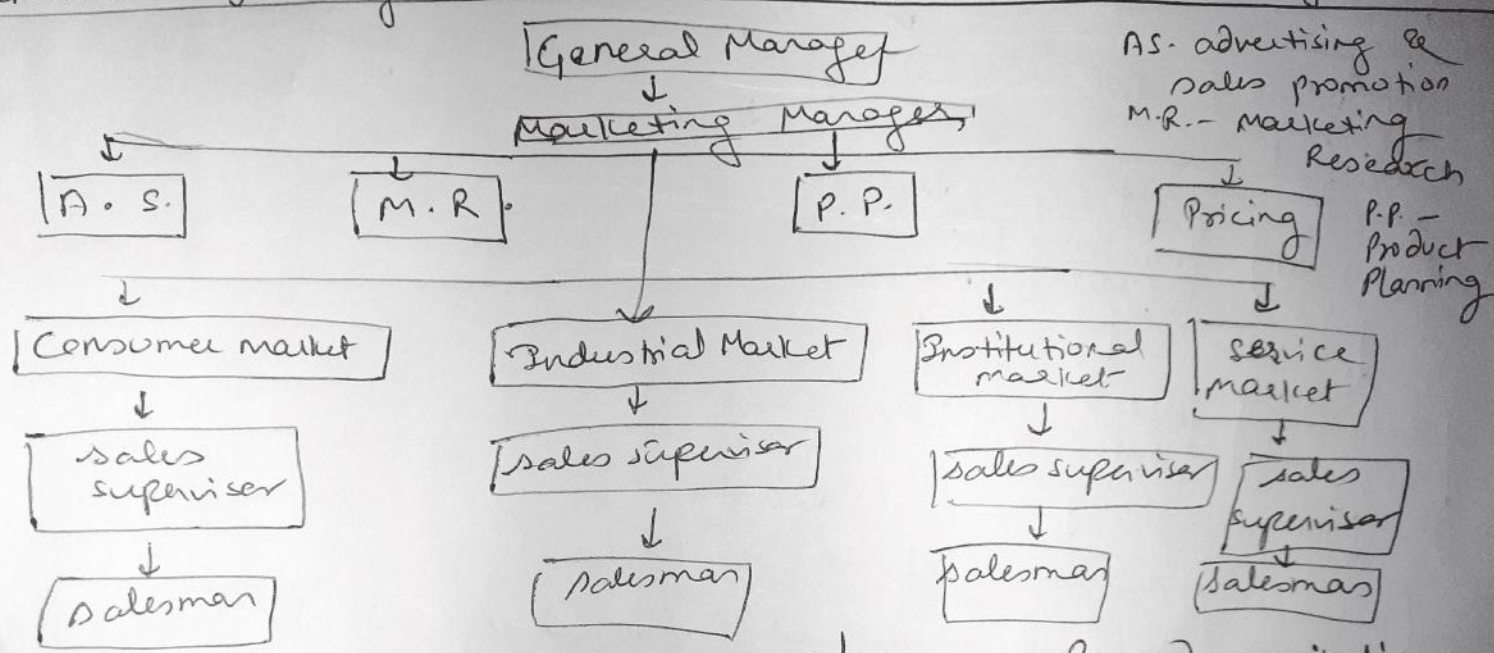
Geographical Organisation.

merits - consistent with customer based approach as different customer preferences exist in different regions and national & international markets.

Demerits - flow of communication is reduced over the regions.

as advertising &

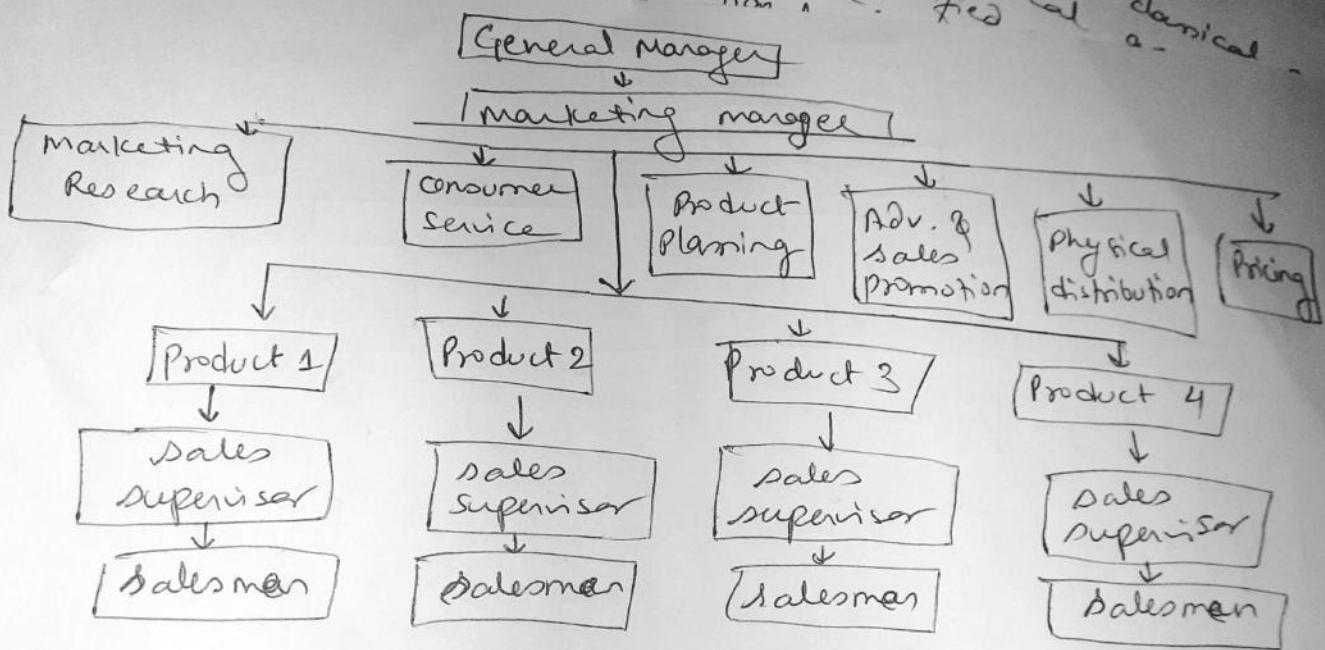
Demerits - flow of communication is reduced in this system.



Market Management / Consumer Based organisation

merits - focusses on consumer needs & marketing resources are integrated to serve consumer groups

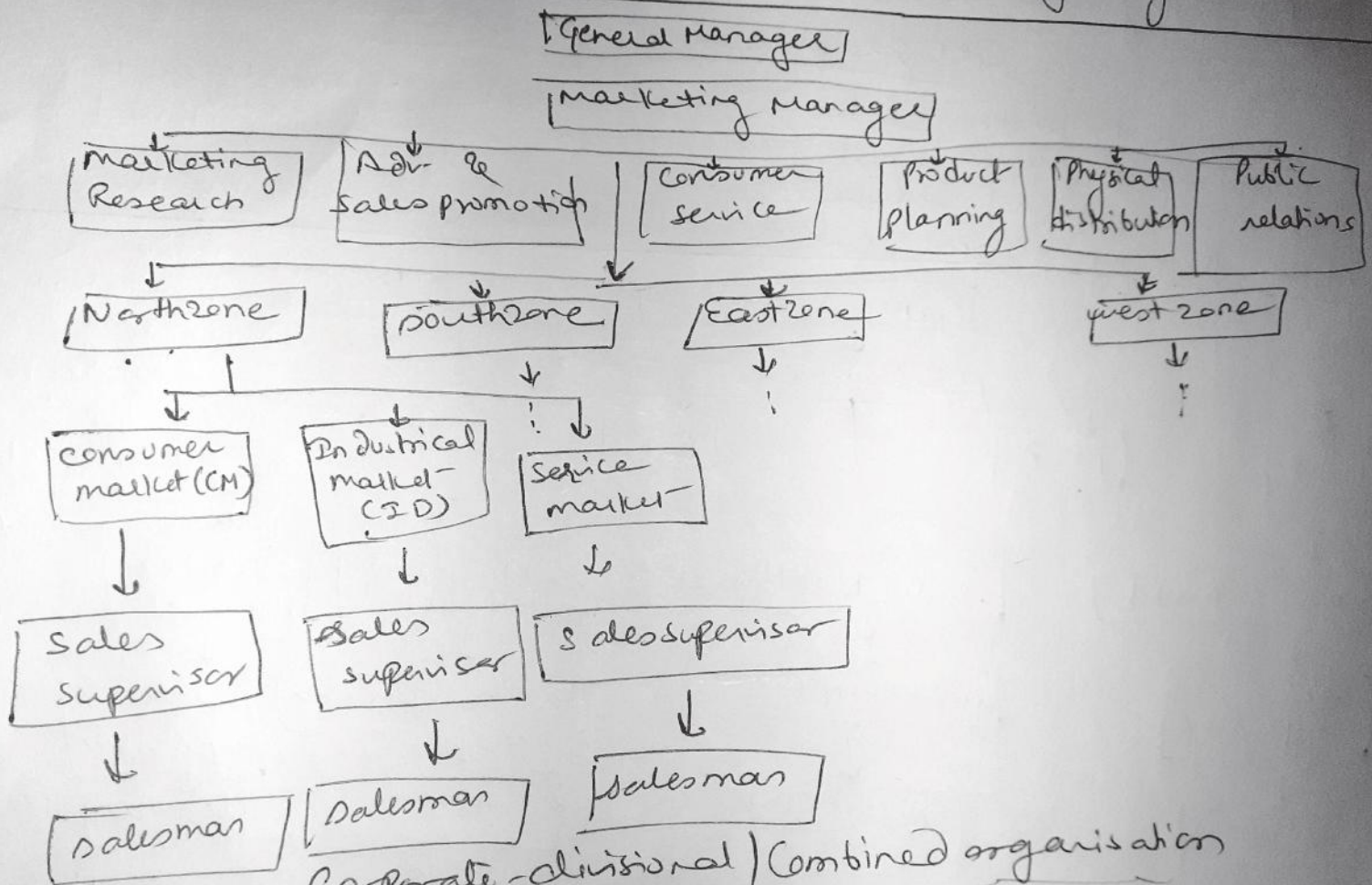
Demerits - Duplication of functions; More level of management.



Product Based Organisation.

merits → indepth knowledge of product
 advantageous when complete diversification is not
 feasible but marketing requirements are
 significantly different from each product

Demerits → too much emphasis on products. ignoring consumer needs.



Corporate-divisional / Combined organization

merits - Take full advantage of all types of organization.

Demerit - more complex, difficult to communicate & control.