20.10. Does Marketing Create or Satisfy Needs?

Marketing has often been defined in terms of satisfying customers’ needs and wants. Critics, however, maintain that marketing does much more than that, marketing creates needs and wants that did not exist before. According to these critics, marketers encourage consumers to spend more money than they should on goods and services they really do not need.

Take a position: Marketing shapes consumer needs and wants versus marketing merely reflects the needs and wants of consumers.

Suggested Response
Pro: With the vast amount of information available to marketers today and the emphasis on relational marketing, marketers are in more of a position to suggest needs and wants to the public. Certainly, not all consumers have all the needs and wants suggested by society today. However, with the vast amount of exposure to these societal needs and wants via the media, a substantial amount of consumers will, through mere exposure, decide that they “have” the same needs and wants of others. Marketers by their efforts increase peer pressure, and group thinking, by showing examples of what others may have that they do not. An individual’s freedom to choose is substantially weakened by constant and consistent exposure to a range of needs and wants of others. Marketers should understand that when it comes to resisting the pressure to conform, that individuals are and can be weak in their resolve. Marketers must take an ethical position to only market to those consumers able to purchase their products.

Con: Marketing merely reflects societal needs and wants. The perception that marketers influence consumers’ purchasing decisions discounts an individual’s freedom of choice and their individual responsibility. With the advent of the Internet, consumers have greater freedom of choice and more evaluative criteria than ever before. Consumers can and do make more informed decisions than previous generations. Marketers can be rightly accused of influencing wants, along with societal factors such as power, influence, peer pressure, and social status. These societal factors pre-exist marketing and would continue to exist if there was no marketing efforts expended.

27. 10. Is Consumer Behavior More of a Function of a Person’s Age or Generation?

One of the widely debated issues in developing marketing programs that target certain age groups is how much consumers change over time. Some marketers maintain that age differences are critical and that the needs and wants of a 25-year-old in 2002 are not that different from those of a 25-year-old in 1972. Others dispute that contention and argue that cohort and generational effects are critical and that marketing programs must therefore suit the times.

Take a position: Age differences are fundamentally more important than cohort effects versus cohort effects can dominate age differences.

Suggested Response
Pro: People are the “age” they think they are. We have experienced some fundamental changes in consumer lifestyles and the definition of “family.” These changes suggest that people are and can adapt to different products regardless of their chronological age. Today a vast number of aging baby boomers, for example, do not think of themselves as approaching middle age; as a result represent a growing market for age defeating products. This is true with other age groups, as the advances in medicine, technology, and income have redefined what the “age” number really means to people. In marketing today, the marketing of a product or service can be designed to fit
differing age groups by its positioning and advertising. Key examples include cruise line advertising and marketing to “active adults” encompassing a wide range of activities and locations previously thought of for the “youth” market.

Conversely, with the delay in child bearing and child rearing by some generations, activities that were once thought of as for middle age or empty nesters can be remarketed to appeal to these groups as well. Some generations have decided to explore the world before settling down with children and a mortgage. All of these changes open up vast amounts of marketing opportunities to enterprising firms and individuals. Marketing to one’s perception of “age” rather than to the physical definition of age is an exciting new arena for marketers.

Con: Age and cohorts are more important than age differences. People still pass through life as part of a “group” and experience the newness of life through cohort experiences and relate to others within their identifiable group. Marketing to cohorts extends the ability of the marketer to capitalize on share emotions, experiences, trends, and fads that have or had made lasting impressions on the cohort. Technology has changed so much in the last few decades and has influenced subsequent generations about expectations and potential, that one must market to the cohorts in order to identify with their experiences. People within a particular cohort seek information for purchase decisions from influencers within their cohort. Marketers must identify these influencers and tailor messages that affect their review of products and gain favor with them.

03.11. Is Target Marketing Ever Bad?

As marketers increasingly develop marketing programs tailored to certain target market segments, some critics have denounced these efforts as exploitative. For example, the preponderance of billboards advertising cigarettes, alcohol, and other voices in low-income urban areas is seen as taking advantage of a vulnerable market segment. Critics can be especially harsh in evaluation marketing programs that target African Americans and other minority groups, claiming that they often employ clichéd stereotypes and inappropriate depictions. Others counter with the point of view that targeting and positioning is critical to marketing and that these marketing programs are an attempt to be relevant to a certain consumer group.

Take a position: Targeting minorities is exploitative versus targeting minorities is a sound business practice.

Suggested Responses:

Pro: When marketers use their advance knowledge of specific target markets, such as minorities that preys upon the target market’s weaknesses and lack of information, then marketing can be said to be exploiting the said target market for gains. Marketers should always be aware that information is a powerful tool that has to be used responsibly and prudently. Products and services that cater to minorities that cause adverse health effects or pejorative social action(s) because of their usage need to be marketed in a socially responsible way. Just because a marketer has information on the buying habits, social styles, motivation, perception, and purchase criteria specific to a target market does not automatically permit the marketer to use this information freely.

Con: Marketers do not create social systems nor does marketing create social ills. Marketers cannot assume the responsibility for lack of personal choice, lack of information or knowledge, and the lack of personal responsibility. It is the role of marketing to deliver to the target market the goods and services they want and need. Marketing is “amoral” in its delivery of information to target markets and the target markets must decide for themselves the use or non-use of the
products marketed. Using advanced research methods to uncover motivation, purchase intent, post-purchase usage, and the like is sound business practice and the marketer owes its stakeholders the responsibility to use this information that increases sales.

17.11. - Is Mass Marketing Dead?

With marketers, increasingly adopting more and more refined market segmentations schemes fueled by the Internet and other customization efforts—some critics claim that mass marketing is dead. Others counter that there will always be room for large brands that employ marketing programs targeting the mass market.

Take a position: Mass marketing is dead versus mass marketing is still a viable way to build a profitable brand.

Pro: People are consumers and people have a number of basic personal and societal needs that transcends individuality. Certain basic human physical needs (food, clothing, and shelter, for example) can be best met through mass marketing. In addition, consumers desire low prices and functionality in some of their basic products and services. Mass marketing allows the firm to foster the lowest price through economies of production, distribution, and marketing. Additionally, people like to have some degree of un-complications in their daily life that is best served through mass produced products. Asking the consumer to make too many choices, can backfire on marketers as it can overly complicate and stress consumers—for example, the design of a new home can be both a rewarding and stressful experience; the intended owner(s) is(are) asked to make literally hundreds of decisions about size, floor plans, colors, and options throughout the process. Not complicating a consumer’s life, through mass production and mass marketing of products can create a viable marketing niche for companies.

Con: People are consumers and with the plethora of product and service choices available to solve their problems today, a firm must produce individual and customized products to compete. Basic human needs and wants can be delivered to the consumer by a wide range of choices. Technology has given the consumer the power and ability to interact with manufacturers in producing the exact product, with the exact features, and at the target price desired. Consumers are better educated and better informed than previous generations. Consumers are also more sophisticated than ever before. These increases in information, technology, and sophistication are causing firms to respond to the consumers’ wishes for individuality. Accepting the concept of “individuality” in the production of goods and services is the only option for many firms. Individuality and the service that that concept demands can lead to a “supplier-consumer” relationship that can and will build strong brand preferences. Those firms who choose not to compete or fail to compete in these arenas run the risk of falling behind competition and in experiencing the subsequent losses in market share and profits.

24.11. - Are Brand Extensions Good or Bad?

Some critics vigorously denounce the practice of brand extensions, as they feel that too often companies lose focus and consumer become confused. Other experts maintain that brand extensions are a critical growth strategy and source of revenue for the firm.

Take a position: Brand extensions can endanger brands versus brand extensions are an important brand growth strategy.
Pro: In today’s crowded world of products and services, the choices available to consumers can sometimes be overwhelming. Marketers with strong brand identities and positions can help consumers narrow their choices by the use of brand extensions. Brand extensions help marketers quickly gain retailer acceptance of their new products and provide the consumer with the “confidence and familiarity” of the parent brand. From the production, distribution, manufacturing, and marketing communications side of the equations, brand extensions allow the marketer to maximize economies of scale in these areas. Additionally, brand extensions can benefit the parent brand by catering to new markets, new users, or previous users that had “dropped” using the product for various reasons—creating incremental sales to the parent brand. Finally, the cost of developing a new brand from scratch, in terms of dollar and time, has become so high that it is virtually impossible for many firms to consider such an option.

Con: The proliferation of brand extensions can cause the parent brand to lose its identity and individuality with the consumer thus eroding brand equity for the parent brand over the long haul. When brand extensions fail, the failures of the extensions could impact the parent brand simply by association. Cannibalization of the parent brand for the extension if not pre-emptive could erode profits as consumers switch to a less profitable line extension. Finally, a marketer loses the opportunity to build a new brand with a new image and equity by the use of brand extensions. The cost of time and money needed to develop a new brand can, if done correctly, pays off in the end for both the consumer and the firm.

01.12. - Do Brands Have Finite Lives?

Often, after a brand begins to slip in the marketplace or disappears altogether, commentators observe, “all brands have their day.” Their rationale is that all brands, in some sense, have a finite life and cannot be expected to be leaders forever. Other experts contend, however, that brands can live forever, and long-term success depends as much on the skill and insight of the marketers involved.

Take a position: Brands cannot be expected to last forever versus there is no reason for a brand to ever become obsolete.

Pro: Brands can last forever as evidenced by a number of brands that are entering their one hundredth year of existence. For a brand to have immortality, it must continue to have a competitive advantage in its product differentiation dimensions (product, services, personnel, channel, and symbols). The management of the brand, how well brand management monitors changes in the environment, customer preferences, strategies, and technology to continue to equip the brand with point-of-differences and/or points-of-parity is the key to the brands ongoing success in the marketplace.

Con: Brands meet specific consumer needs and wants and provide specifics for these needs and wants. As consumer needs and wants change, evolve, or disappear, brands must also change, evolve, and finally expire. The loss of the brands point-of-difference in the marketplace or its lack of point-of-parity with other brands will cause its demise. Firms can be best served to understand and accept the inevitability of brand declines and plan for the creation of and marketing of newer brands to replace declining brands quickly. If a brand is designed to perform a specific function, the change in technologies may render that brand obsolete and see its market decline. Consider the case of the IBM Selectric® typewriter as an example where the new technology of computers rendered this brand obsolete. Every manufacturer or service provider must be on the lookout for
threats to their brand’s ongoing effectiveness and applicability and develop appropriate replacement strategies.