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BOOK REVIEW

Marketing Management. Analysis, Planning and Control (second edition), Philip Kotler. Englewood Cliffs, N. J.: Prentice-Hall, 1972. Pp. xiv, 885, xviii. \$13.50.

In the preface of this book, Kotler sets the scene by stating that despite the difficulties of quantification in marketing, which might seem to favour an intuitive approach, he strongly supports the case for more theory to be applied to marketing decision making in the business environment. In addition, he places emphasis on a decision orientation, an analytical approach, and a reliance on the basic disciplines of economics, behavioural science and mathematics.

The twenty-four chapters in this book are divided into six sections. Part I considers the concepts of marketing, while parts II, III, IV and V respectively deal with the administrative processes of analysis, organization, planning, and control in marketing, while part VI looks at the future role of marketing in societal and international spheres.

Chapter 1 of part I, "The Concept of Marketing" distinguishes and develops the important concepts of marketing, marketing management, and the marketing concept. Chapter 2, "The Marketing System", applies systems theory to a firm's relations to its markets and marketing environment.

In part II, "Analysing Marketing Opportunities", chapter 3 endeavours to clarify the nature of the marketing environment. Chapter 4 considers the objects, objectives, organization, and operations of the consumer market. Chapter 5 continues this analysis together with three other important markets, producer, reseller and government. Chapter 6 states that markets are heterogeneous and each segment can be studied individually thus facilitating effective planning and action. Chapter 7 discusses major measures for quantifying current and future market limitations and opportunities.

Part III, "Organizing for Marketing", considers how the firm can plan its objectives in marketing environment and take full advantage of its opportunities. Chapter 8 looks at the firm's development of objectives and how it should achieve these aims, compatible with growth and competitive strategies. Chapter 9 views marketing as a separate business performance and sees how marketing dovetails with other functions of the firm. This chapter also looks inside the marketing function and considers the gradual development of corporate marketing and major marketing infrastructures. Chapter 10 emphasises that historically the firm has been primarily concerned with effectively managing money, materials, machines, and men, but has paid scant regard to the fifth important resource of the firm—information. This chapter considers the needs of collecting and using information, which is required for effective marketing action. Chapter 11 studies the various

kinds, concepts and tools of marketing planning within the structure of enterprise planning. Specifications of major types of planning and associated benefits are listed and five types of planning activity within the enterprise are detailed—long range, annual, product, venture, and activity planning.

In part IV, chapter 12, “Product-Policy Decisions” introduces important notions about product and brand and examines decisions to exclude or alter products in the mix. Chapter 13, “New-Product Decisions” discusses the introduction of new products, while factors relative to price changes are looked at in the next chapter. Chapter 15, “Channel Decisions” examines problems associated with providing suitable outlets, while chapter 16, “Physical-Distribution Decisions” is concerned with transportation, warehousing and inventory to reduce costs and/or improve service. Chapter 17 “Communication-Promotion Decisions” looks at the various facets of developing an integrated communication and promotion programme—made up of advertising, personal selling, publicity and sales promotion. Advertising efforts are considered in chapter 18, while the next chapter “Sales-Force Decisions” examines problems connected with developing an effective sales team and suitable territories.

Part V, “Controlling the Marketing Effort”, consists of two chapters, 20 and 21. The former, “Marketing Control”, considers the nature and significance of the control process of the firm, types of control problems related to the marketing system, efficiency control, annual plan control and long term control in marketing. The latter chapter “Sales, Cost, and Profit Analysis”, considers the firm’s profitability of the various marketing units—selection and elimination of the “dead wood” in relation to products, customers, and territories. This chapter also discusses cost and profit analysis and looks at a new position—that of marketing controller—as a measure which could provide a solution to achieving better control and efficiency in marketing.

Part VI, “Broadening Marketing”, examines the wider applications and repercussion effects of marketing activity. Chapter 22 highlights various criticisms of marketing’s impact on society, competition, and consumer welfare. Chapter 23, describes the impressive challenging opportunities facing the marketer, when he ventures from his country into the international marketing arena. Chapter 24, entitled “Meta Marketing”, describes how marketing philosophies can be extended beyond the confines of the firm to persons, places and ideas.

Marketing Management provides a sophisticated approach to the problems of marketing and marketing management within the context of a changing environment. In Australia, this book is used as a basic text and reference by universities and colleges of advanced education in undergraduate and postgraduate courses in marketing. It is highly recommended for managers, marketing executives, and business decision makers generally, while economists with an interest in marketing will derive considerable benefit from this book.

N. R. BAKER

Department of Agriculture, Sydney