

FIGURE 1.4

Marketing Functions

Marketing Function	Relation to Marketing Concept
Channel Management	
A small farming operation discovers its ideal channel management is to sell directly to customers so it creates a website where products can be purchased and maintains booths at local farmers markets.	By understanding the most equitable distribution methods, businesses can successfully fulfill customer needs by reaching them where they are at the right moments in time.
Marketing Information Management	
A video advertising production company conducts market research and learns that nonprofit businesses in the area of animal rescue and rehabilitation offers the most opportunity for business growth.	Market research not only informs customer needs, but it also helps achieve company goals of delivering a product or service to fulfill the wants and needs of the market.
Marketing Planning	
A medical device start-up plans for financial growth by borrowing funds to create a new product.	Marketing planning enables businesses to profit because a clear understanding of how, when, and where operational funds will come from is established.
Pricing	
Computers are often priced at varying levels to provide customers choice in product features. For instance, consumers can purchase computers with software and hardware already installed or buy basic models with minimal programming options.	Pricing helps support a company's ability to profit—too low of a price and a business will not recoup operational costs; too high a price and customers may not purchase. Marketers must strike an ideal balance of price to ensure profitability and customer satisfaction.
Product and Service Management	
A nail polish manufacturer discovers customers are dissatisfied with how quickly the product chips and reformulates its methods to create a longer lasting polish.	Product and service management ensures customers' needs are fully met. However, when adjusting product features and services, marketers must be aware of how the changes will impact profitability as additional features may also equate to increased expenses.
Promotion	
An advertisement for a food product shows people laughing, passing around the product, and spending time together. This may remind customers of their own treasured social time and elicit interest in a product. This type of promotion uses people's emotions to convince them to buy.	Promotional activities help businesses achieve their goals of drawing in new and returning customers.
Selling	
A pharmaceutical representative provides free samples to doctors during a sales presentation to build relationships and ultimately convince them of the product's quality.	Selling achieves all angles of the marketing concept by helping to deliver customers what they need and satisfying company goals of making a profit.