

An Overview on the 'Value of Marketing' And 'the Marketing of Value'

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ABSTRACT: *It has been clearer over the past quarter-century that the conventional production-based perspective of the value-adding process is no longer feasible. The growing significance of services in the economic and commercial environment indicates that value may be generated via consumption as well. The nature of the process and the value produced by it must be studied for marketers to utilize the value adding potential of consumption to fulfill the marketing idea. The changing corporate environment and its consequences for our understanding of the notion of value are discussed in this article. It analyzes the growing interest in the literature in the notion of experience value, highlighting the difficulties posed by its highly personal, unique, and situational character; and it proposes a conceptual model for organizing research into the subject. Finally, it proposes a study technique that would provide light on the reasons that lead consumers' judgments of experience value to differ so widely.*

KEYWORDS: *Experiential Value, Consumption, New Marketing, New Economy, Individualism.*

1. INTRODUCTION

“According to the marketing idea, attaining organizational objectives requires identifying target market requirements and desires, as well as providing required satisfactions more effectively and efficiently than competitors.” To accomplish so, a company must provide a greater value to its customers than its competitors. “The total of the advantages minus the expenses spent in obtaining the product or service” is how customer value is defined. The method by which a business does this is the topic of marketing. There was a lot of discussion regarding the status of the discipline in the 1990s. Some others thought it had a too narrow focus and made unreasonable assumptions. Some said that marketing as we know it was on its way out. By 1997, for example, it was said that: “The discipline seemed to be in crisis.” There was a sense that a “new marketing manifesto” was required. Simultaneously, a flood of literature defining new marketing techniques started to emerge, including “postmodern marketing” and “retro marketing,” “relationship marketing,” “one-to-one marketing,” “lifestyle marketing” and “experiential marketing,” and “tribe marketing.” This prompted a number of important concerns regarding the conventional marketing perspective's applicability in today's corporate climate[1].

The many modifications made to the conventional marketing mix framework throughout time reflect marketers' unhappiness with the assumptions of the traditional approach to marketing. Traditional marketing has a fundamental flaw in its understanding of the nature of customer/consumer value and the sources of value generation. As a result, “one important element of customer value theory that has yet to be completely established concerns the sources from which customers may draw value,” as well as a “richer customer value theory.” The Marketing Science Institute, however, emphasized the need of looking at “value from a customer/consumer viewpoint.” Furthermore, the issue of comprehending “the philosophical and empirical foundations of a term... [consumer value]... that plays such a crucial role” in the marketing discipline has received “remarkably little attention.” Most academics, he said, have “failed to explore the nature and kinds of consumer value with anything approaching the degree of comprehensiveness and systemization required to make significant conceptual inroads into the problems of concern[2]”.

The variables that may influence the kind and amount of value that consumers get from their consuming experience are among the topics of concern. This is the topic of discussion in this paper. The article provides a review of the literature that explains the flaws in conventional marketers' views of value and why they are no longer sufficient. After that, a discussion of how and why new insights into the nature of consumption and the value that may be gained from it have emerged is presented. New definitions of consumer value are offered, as well as an examination of its key characteristics[3]. It's experiencing character, as well as the value-creating potential of customers' inherent emotional reactions to the event, rather than value generated from external product features, are particularly relevant. Personal, individual, and situational intrinsic value has been discovered, making it not only changeable, but also challenging for marketing managers to utilize in any logical and systematic manner. As a result, this article offers a conceptual model for future research in this

field, as well as an overview of the variables that are thought to be important to the problem and some techniques that might be utilized to solve it. Hopefully, the findings will contribute to a better understanding of the nature of the experience value of consuming and offer the body of information around it more coherence[4].

1.1 The Traditional View Of Value:

Marketing has its origins in classical economic theory, which was established during the nineteenth century at the height of industrialization. As a result, conventional marketing has two significant flaws. For starters, it sees customers as passive recipients of marketing messages who react to them in a cost-effective manner. Second, it has a poor understanding of value and value production. Value is usually measured in terms of costs and benefits, as well as the output-to-input ratio, or O/I. As a result, it has traditionally focused on the manufacturing process as the primary source of value generation. Consumption is seen as a post-purchase activity that has no effect on the product's value and therefore is of little interest to marketers[5]. These flaws have had a detrimental effect on how businesses assess the requirements and desires of their target audiences, as well as their views of what constitutes customer value. Marketers considered value creation to be a consequence of supply and demand. Value was generated on the demand side by a product's scarcity, and it was obtained on the supply side by the utilization of capital and the expenditure of labor time and effort in the manufacturing process. At each step of the supply chain, value was added. The usefulness of a product, its physical characteristics, and the trade-offs that consumers are willing to make between quality and price have all been emphasized as a consequence of this economically determined explanation of the source of value.

The belief that customers make purchases based on rational choice choices and preference judgments "perceived quality that is adjusted for the relative price of the goods" is implicit in this instrumental view of value[6]. This perspective on value implies that consuming an offering has no value-creating potential. Because of these flaws in the traditional instrumental view of value, Piercy claims that traditional marketing "assumes and relies on the existence of a world that is alien and unrecognizable to many of the executives who have to manage marketing for real"; and that traditional marketers' conceptualizations of consumers, products, and competition are largely based on utmost. As a result, it is nothing more than "pure rhetoric" and fails to offer "a suitable starting point for the construction of a comprehensive theory in any manner." The historic propensity to overlook consumption's value-adding potential is a result of the industrialization process, in which manufacturing moved from the house to the factory, separating it from the rest of people's lives.

Production and consumption have been regarded as a unified activity from the days of simple barter through the industrial revolution. Work was not separated from play, creativity from leisure, or function from ritual as a result of this[7]. "Pure consuming or recreational activity had a social, ceremonial, or utilitarian purpose," according to the study. Harvest celebrations and rain prayers, for example, were rituals that also had significant social and economic purposes. The process of production and consuming was one and the same. The gap between Western and Eastern ideologies may be likened to this point of view. Western philosophers believe that the mind and body are two distinct things rather than a single entity. "The idea that mind and substance were distinct and had nothing to do with one another, may have been a role in the development of the principle of objectivity, which was thought to be Western in nature, while Easterners believed both mind and body to be one and the same." The focus on objectivity has only just begun to be questioned in the West, with the arrival of the postindustrial era.

1.2 The New Economy's Impact:

Over the past quarter-century, Western civilization has progressed from the industrial to the post-industrial period, with increasing income levels allowing people to buy what they desire rather than what they need. As a consequence, customers are being inundated with an ever-increasing variety of products and services from which to select. As a result, customers are finding it more difficult to distinguish between offers, making marketing based on the conventional instrumental understanding of value more useless. Another characteristic of the new economy that exacerbates the marketing problem is the fact that consumer spending on services is considerably greater than it was before. As a result, in Western culture, the provision of services has surpassed manufacturing as the main method of wealth generation. As a result of this evolution, a lot of marketing experts have concluded that in the past, customers' opinions on services were mostly disregarded.

There are four different ways in which services vary from goods[8]. They are immeasurable, changeable, perishable, and inextricably linked. Because the value of a service can only be generated during use, inseparability has arguably had the most effect on how people think about value creation. The inseparability of production and consumption in services has created a blurring of "the subject-object divide" between

products and their consumption, prompting marketers to actively evaluate the potential of consumption as a meaningful and valued experience. When consuming a service, the customer must be engaged in the value generating process in some manner. If consuming adds value to the supply of services, it may do so for all offerings: "all goods provide services in their ability to generate need-or-want fulfilling experiences." Accepting the notion that value may be generated via consumption as well as production means that marketers' responsibilities should extend beyond transaction and product acquisition to use and disposal. To see how this could be accomplished, marketers must first comprehend the nature of consuming[9].

1.2 The Nature Of Consumption:

Consumption is the primary topic of consumer research by definition. Consumer researchers are interested in clarifying the function of symbolism, imagery, and metaphor, the significance of rituals, ceremonies, and traditions, and the effect of emotions and sentiments such as nostalgia on the process in order to get a better understanding of it. Few have attempted to analyze it at its most fundamental level, instead focusing on issues such as retail buying, gift giving, reasoned action and consumer (mis)behavior, consumer aesthetics, and aggregate expenditure. One of the main reasons for this is that analyzing the consuming process is very difficult for a variety of reasons. To begin with, consuming is usually a personal experience that the consumer has alone and frequently in secret. Second, consumers may find it difficult to define or explain certain elements of the process; and third, "the act of consuming is a diverse and effortful achievement that is unaffected by the qualities of the item." Different groups of consumers usually consume a particular consumption item in a variety of ways."

1.3 Experience and Experiential Worth:

This example of hedonic consumption demonstrates that, in many cases, the full value of a thing may only be realized via its use. It is the pleasurable sensation of consuming that is most important. "An event or incident that makes an impact on someone" is how an experience is defined. For an incident to have this kind of effect, it must be significant to the person involved. This importance arises from the event's impact on the individual's emotions. These emotions are triggered by the stimulation of one or more of a person's five senses, rather than by logical thinking. The source of the stimulation is often subconscious, stemming from the person's social and cultural upbringing. As a result, individuals infuse emotions with symbolic meaning in an attempt to make sense of them. This symbolic significance associated with the customers' experiences is what makes them valuable. The burned items serve as "vessels of significance" when viewed "from a symbolic viewpoint." As a result, "people frequently purchase goods not for what they do, but for what they mean"; and, "constantly embedded in the experience of consumers." As a result, marketers are increasingly focusing on providing positively memorable everyday consumption experiences, with the "driving experience," "cooking experience," "shopping experience," "cleaning experience," "clothing-wearing experience," "dining experience," and "on-line experience" all being investigated as potential sources of value. Advertisers, for example, are now more likely to depict a product as part of a holistic experience rather than focusing on the qualities of the product that make it worthy of purchase by the consumer. As a result, toothpaste and shampoo, which were formerly marketed only on the basis of their product characteristics and advantages, are now more likely to be promoted as part of a "grooming in the bathroom" experience[10].

2. DISCUSSION

In conclusion, this paper has demonstrated that, as the economic and business environment has transitioned from an industrial to a post-industrial state, the traditional views of value previously accepted by marketers, which focused solely on value created through the manufacturing process, are no longer tenable by marketers seeking to adequately fulfill the marketing concept. Consumers may get substantial value from the buying and consuming experience, according to recent study, and this value is mainly derived from their positive symbolically meaningful emotional reaction to the event. Intrinsic or psychological value are terms used to describe this kind of worth. Value, in conventional economic terms, is what remains after the experience's expenses have been subtracted. When a client has a negative experience, the costs (such as monetary, cognitive, emotional, and physiological) may sometimes outweigh the benefits. Furthermore, the research indicates that the fundamental, psychological value and costs of consumers are situational, personal (or shared) and unique in character. Given the broad scope of marketing management, this information is of limited use in its current form. Rather, it indicates that additional study is needed in this area in order to make it more comprehensible and therefore useful.

According to the Marketing Science Institute, one of two major problems that "deserve intense study focus" at the moment is "understanding the consumer experience." This kind of study is the only way to develop a

codified, generalizable knowledge set on the variables that influence customers' perceptions of experiential value/costs. However, given the claims made by those who have attempted to determine the nature and types of consumer value that exist that such research would be a monumental task, and the emerging insights into the limitations of exploring use value in the context of mere subject-object interaction, one might wonder whether this is a feasible exercise. Furthermore, some marketers with post-modern ideology and skepticism of meta-narratives have argued that research aimed at gaining a comprehensive knowledge of any phenomena is a useless exercise, has a modernist tone, and is therefore unsuitable or inappropriate for current times. This contains Holbrook's "Typology of Consumer Value," which is generally recognized.

3. CONCLUSION

The separation of production and consumption during industrialization, which is frequently associated with the modern period by proponents of post-modern marketing, caused marketers to overlook the value-adding potential of the consuming experience in the past. In this post-industrial, information or sign economy, however, marketers are more conscious that they are both part of the entire value-adding process, just as the body and mind are one thing. However, just as the body and mind operate differently inside this organism, the value-added elements of production and consumption do as well. Consumption has intrinsic, psychological, personal (or personally shared) and situational value-adding potential. This is in contrast to the cognitive and instrumental extrinsic value created throughout the manufacturing process. Despite the fact that there is a lack of consistency in knowledge on the manifestation of intrinsic value, there is evidence that certain companies' customers are aware of it.

Nike, Apple Macintosh, Hard Rock Café, Starbucks, Virgin, and Singapore Airlines are examples of successful firms/brands that have devoted cult followers and maximize the intrinsic experience value of their brands through retail outlets and flagship stores that are regarded as cult places by subcultural groups. However, it could be argued that they would be even more successful if they had access to a systematic body of knowledge about experiential value to draw on, particularly knowledge that extends beyond subject-object interaction to the consumer-consumer interaction, which includes product consumption. If companies want to go beyond creating cognitive forms of client loyalty (such as loyalty programs), they must first grasp the micro and macro contexts of consumption, as well as the importance of consumption in contributing to wellbeing. They must also comprehend, in addition to individual-level consumption, the microsocial level of consumption, to which sub-cultural groups belong, since customers may make repeat purchases as a result of their social group's allegiance, not necessarily the brand. The above-mentioned study may be the initial step in this direction.

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