

1.2: Who Does Marketing?

Learning Objective

1. Describe how the various institutions and entities that engage in marketing use marketing to deliver value.

The short answer to the question of who does marketing is “everybody!” But that answer is a bit glib and not too useful. Let’s take a moment and consider how different types of organizations engage in marketing.

For-Profit Companies

The obvious answer to the question, “Who does marketing?” is for-profit companies like McDonald’s, Procter & Gamble (the makers of Tide detergent and Crest toothpaste), and Walmart. For example, McDonald’s creates a new breakfast chicken sandwich for \$1.99 (the offering), launches a television campaign (communicating), makes the sandwiches available on certain dates (delivering), and then sells them in its stores (exchanging). When Procter & Gamble (or P&G for short) creates a new Crest tartar control toothpaste, it launches a direct mail campaign in which it sends information and samples to dentists to offer to their patients. P&G then sells the toothpaste through retailers like Walmart, which has a panel of consumers sample the product and provide feedback through an online community. These are all examples of marketing activities.

For-profit companies can be defined by the nature of their customers. A B2C (business-to-consumer) company like P&G sells products to be used by consumers like you, while a B2B (business-to-business) company sells products to be used within another company’s operations, as well as by government agencies and entities. To be sure, P&G sells toothpaste to other companies like Walmart (and probably to the army, prisons, and other government agencies), but the end user is an individual person.

Other ways to categorize companies that engage in marketing is by the functions they fulfill. P&G is a manufacturer, Walmart is a retailer, and [Grocery Supply Company](#) is a wholesaler of grocery items and buys from companies like P&G in order to sell to small convenience store chains. Though they have different functions, all these types of for-profit companies engage in marketing activities. Walmart, for example, advertises to consumers. Grocery Supply Company salespeople will call on convenience store owners and take orders, as well as build in-store displays. P&G might help Walmart or Grocery Supply Company with templates for advertising or special cartons to use in an in-store display, but all the companies are using marketing to help sell P&G’s toothpaste.

Similarly, all the companies engage in dialogues with their customers in order to understand what to sell. For Walmart and Grocery Supply, the dialogue may result in changing what they buy and sell; for P&G, such customer feedback may yield a new product or a change in pricing strategy.

Nonprofit Organizations

Nonprofit organizations also engage in marketing. When the American Heart Association (AHA) created a heart-healthy diet for people with high blood pressure, it bound the diet into a small book, along with access to a special Web site that people can use to plan their meals and record their health-related activities. The AHA then sent copies of the diet to doctors to give to patients. When does an exchange take place, you might be wondering? And what does the AHA get out of the transaction?

From a monetary standpoint, the AHA does not directly benefit. Nonetheless, the organization is meeting its mission, or purpose, of getting people to live heart-healthy lives and considers the campaign a success when doctors give the books to their patients. The point is that the AHA is engaged in the marketing activities of creating, communicating, delivering, and exchanging. This won’t involve the same kind of exchange as a for-profit company, but it is marketing. When a nonprofit organization engages in marketing activities, this is called nonprofit marketing. Some schools offer specific courses in nonprofit marketing, and many marketing majors begin their careers with nonprofit organizations.

Government entities also engage in marketing activities. For example, when the U.S. Army advertises to parents of prospective recruits, sends brochures to high schools, or brings a Bradley Fighting Vehicle to a state fair, the army is engaging in marketing. The U.S. Army also listens to its constituencies, as evidenced by recent research aimed at understanding how to serve military families more effectively. One result was advertising aimed at parents and improving their response to their children’s interest in joining the army; another was a program aimed at encouraging spouses of military personnel to access counseling services when their spouse is serving overseas.

Similarly, the Environmental Protection Agency (EPA) runs a number of advertising campaigns designed to promote environmentally friendly activities. One such campaign promoted the responsible disposal of motor oil instead of simply pouring it on the ground or into a storm sewer.

There is a difference between these two types of activities. When the army is promoting the benefits of enlisting, it hopes young men and women will join the army. By contrast, when the EPA runs commercials about how to properly dispose of motor oil, it hopes to change people's attitudes and behaviors so that social change occurs. Marketing conducted in an effort to achieve certain social objectives can be done by government agencies, nonprofit institutions, religious organizations, and others and is called social marketing. Convincing people that global warming is a real threat via advertisements and commercials is social marketing, as is the example regarding the EPA's campaign to promote responsible disposal of motor oil.

Individuals

If you create a résumé, are you using marketing to communicate the value you have to offer prospective employers? If you sell yourself in an interview, is that marketing? When you work for a wage, you are delivering value in exchange for pay. Is this marketing, too?

Some people argue that these are not marketing activities and that individuals do not necessarily engage in marketing. (Some people also argue that social marketing really isn't marketing either.) Can individuals market themselves and their ideas?

In some respects, the question is a rhetorical one, designed for academics to argue about in class. Our point is that in the end, it may not matter. If, as a result of completing this book, you can learn how to more effectively create value, communicate and deliver that value to the receiver, and receive something in exchange, then we've achieved our purpose.

Key Takeaway

Marketing can be thought of as a set of business practices that for-profit organizations, nonprofit organizations, government entities, and individuals can utilize. When a nonprofit organization engages in marketing activities, this is called *nonprofit marketing*. Marketing conducted in an effort to achieve certain social objectives is called *social marketing*.

Review Questions

1. What types of companies engage in marketing?
2. What is the difference between nonprofit marketing and social marketing?
3. What can individuals do for themselves that would be considered marketing?

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