

2. Importance of Marketing as a Business function to the firm or Manufacturer

- Marketing is very important for the successful operation of a business firm.
- Marketing Section of a firm is the source of information to the top management.
- The importance of marketing to a business firm may be summarised under the following heads :
 - (i) Helpful in Planning :
 - Marketing is helpful in business planning.
 - In today's economy, production is planned according to the demand of the firm. A firm produces what it can sell and not on the basis of what and how much it can produce.

(ii) Helpful in ~~Dec~~ Decision :

- It is very risky to take decision in respect of production only on the basis of production capacity of an enterprise, especially in the light of increasing competition and changing circumstances.
- Therefore, it become ~~a~~ necessary for a firm to decide what can be sold before deciding what can be produced.

(iii) Helpful in Income Creation :

- Maximization of profits can be possible only through the successful operation of the activity of marketing department and not through the production or finance department.
- Marketing department with the help of other departments discharges its duties successfully.
- Ultimate liability of ~~in~~ introducing a product in the market and income creation lies with the marketing department.

(ii) Helpful of communication :

- Marketing also provides information to the firm of the competitor's price policies, production policies, advertising and sales promotion policies and distribution policies.
- It helps the firm in framing its own policies.
- Business collects various information regarding consumer's behaviour and change therein from time to time through marketing.