

A Study on Effectiveness of Indian Marketing Information System (MIS)

Dr. M. Veeramuthu

Assistant Professor and Head, Department of commerce, Saraswathy College of Arts and Science, Olakkur, Tindivanam -604 307,

Abstract:

Marketing Information System (MIS), means to collect, analyze and supply information of marketing to the marketing managers. The marketing managers use this information to take accurate marketing decisions. MIS is an enduring and continuous process. Marketing information includes all facts, estimates, opinions, guidelines, policies and other data related to the market. This information is necessary for taking marketing decisions. This information is collected from both internal and external sources. It is collected from customers, competitors, company salesmen, government sources, specialized agencies and etc. Many authors have discussed the MIS in different ways. Particularly, in this paper, a conceptual analysis of emerging views of Marketing Information system (MIS) is discussed. In this paper, Marketing Information system (MIS), Benefits of MIS, Components of MIS, Features of MIS and are discussed. The related concepts which are Marketing Information, Marketing Environment and Environment Scanning are also discussed in this paper. It can be concluded that the Marketing information systems are being transformed as these new technologies are enabling the integration of marketing, sales and customer service activities. The adaptation of MIS in the Indian organization is enhancing the marketing activities and encouraging marketing people.

Keywords: Marketing Information System (MIS), Marketing Information, Marketing Research, Marketing Environment and Environment Scanning

Introduction

Marketing Information is critical one to the organisation that comprises the marketing development process. Good communication system and information system is required for the organizations. Industrial and information technology revolutions and information system were come to the existence to achieve the marketing activities of organisations. Information system is a process that transforms data into information. When this information is further refined it acts as a basis for decision-making leading to the development of decision support system. Hence, marketing information system is come to existence. In the development of the marketing information system, one of the most important and difficult stages is the critical analysis of the informational system of marketing with the identification of the informational sources, of the informational flows and links and the projection of the new informational system by defining the specific software instruments which may create and update continuously the data bases with pertinent, truthful and available information and which may serve optimally the requirements of the management informational system of marketing.

Marketing Information System (MIS)

Marketing Information System (MIS) means to collect, analyze and supply marketing information to the marketing managers. The marketing managers use this information to take marketing decisions. MIS is a permanent and continuous process. Marketing information includes all facts, estimates, opinions, guidelines, policies and other data. This information is necessary for taking marketing decisions. This information is collected from both internal and external sources. It is collected from customers, competitors, company salesmen, government sources, specialized agencies, and so on. MIS collects the marketing information from different sources. This information is analyzed. Then, it is supplied to the marketing managers. The marketing managers use this information for taking marketing decisions. MIS also evaluates and stores the information. MIS uses modern technology for collecting, analyzing, storing and supplying information.

Marketing Information System (MIS) is a management information system designed to support marketing decision making. It brings together many different kinds of data, people, equipment and procedures to help an organization make better decisions. American academic Philip Kotler has defined it more broadly as "people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers." Not to be confused for a management information system, marketing information systems are designed specifically for managing the marketing aspects of the business. Jobber (2007) defines it as a "system in which marketing data is formally gathered, stored, analyzed and distributed to managers in accordance with their informational needs on a regular basis."

Benefits of Marketing Information System

- It enables managers to share information and work together virtually.
- It helps marketers collaborate with customers on product designs and customer requirements.
- It addresses operational needs through customer management systems that focus on the day-to-day processing of customer transactions from the initial sale through customer service.
- The availability of the customer data and feedback can help the company align their business processes according to the needs of the customers. The effective management of customer data can help the company perform direct marketing and promotional activities.
- Information is considered to be an important asset for any company in the modern competitive world. The consumer buying trends and behaviors can be predicted by the analysis of sales and revenue reports from each operating region of the company.

Features of Marketing Information System MIS

1. **Continuous system:** MIS is a permanent and continuous system of collecting information. It collects information continuously.
2. **Basic objective:** The basic objective of MIS is to provide the right-information at the right-time to the right-people to help them take right decisions.
3. **Computer based system:** MIS is a computer-based system. It uses computers for storing, analyzing and supplying information. It also uses micro-films for storing information. Therefore, it is very quick and accurate.
4. **Future-oriented:** MIS is future-oriented. It provides information for solving future problems. It is not past-oriented.
5. **Used by all levels:** MIS is used by all three levels of management, i.e. top, middle and lower. It is used for making marketing plans, policies and strategies. This is used to solve marketing problems and to take advantage of business opportunities.
6. **Sources:** MIS collects information from both, internal and external sources. For example, information is collected from company records, publications, etc.
7. **Collects marketing information:** MIS collects all types of marketing information. It collects information about the consumer competition, marketing environment, government policies, etc. It supplies this information to the marketing managers.
8. **Helps in decision making:** MIS supplies up-to-date and accurate information. It helps marketing managers to take quick and right decisions.

Components of Marketing Information System MIS

The four main components of Marketing Information System (MIS) are:

1. **Internal records:** The first component of MIS is 'Internal Record'. Marketing managers get lots of information from the internal-records of the company. These records provide current information about sales, costs, inventories, cash flows and account receivable and payable.

Many companies maintain their computerized internal records. Inside records help marketing managers to gain faster access to reliable information.

2. Marketing intelligence :

a. The second component of MIS is 'Marketing Intelligence'. It collects information from external sources. It provides information about current marketing-environment and changing conditions in the market. This information can be easily gathered from external sources like; magazines, trade journals, commercial press, so on. This information cannot be collected from the Annual Reports of the Trade Association and Chambers of Commerce, Annual Report of Companies, etc. The salesmen's report also contains information about market trends.

b. The information which is collected from the external sources cannot be used directly. It must be first evaluated and arranged in a proper order. It can be then used by the marketing manager for taking decisions and making policies about marketing.

c. So, marketing intelligence is an important component of MIS.

3. Marketing research: The third important component of MIS is 'Marketing Research'. MR is conducted to solve specific marketing problems of the company. It collects data about the problem. This data is tabulated, analyzed and conclusions are drawn. Then the recommendations are given for solving the problem. Marketing research also provides information to the marketing managers. However, this information is specific information. It can be used only for a particular purpose. MIS and MR are not substitutes of each other. The scope of MIS is very wide. It includes 'MR'. However, the scope of MR is very narrow.

4. Marketing decision support system: The fourth component of MIS is 'Marketing Decision Support System'. These are the tools which help the marketing managers to analyze data and to take better marketing decisions. They include hardware, i.e. computer and software programs. Computer helps the marketing manager to analyze the marketing information. It also helps them to take better decisions. In fact, today marketing managers cannot work without computers. There are many software programs, which help the marketing manager to do market segmentation, price fixing, advertising budgets, etc.

Marketing Environment

The market environment refers to all of the forces outside of marketing that affect marketing management's ability to build and maintain successful relationships with target customers. It also entails to the factors in the market which impact business, like government policies, and competition intensity. The market environment consists of both the macro environment and the microenvironment.

Environmental Scanning

Environmental Scanning means observation and critical examination of changes in environment and understanding phenomena via point of view of incidents, decision-making, options and different kinds of future consequences. Tracking dynamics constitutes one of most important processes in futures studies. Often this phase of research process is combined to system thinking but it is especially important in scenario working, which is utilized in business world for example when identifying the futures of organisations.

Environmental Scanning is also a method that enables decision makers both to understand the external environment and the interconnections of its various sectors and to translate this understanding into the institution's planning and decision-making and strategic processes.

Conclusion

Now a day, management information system is established effectively and successfully by many organizations. Marketing information systems are being transformed as these new technologies are enabling the integration of marketing, sales and customer service activities. The primary drivers of this shift are the promises of delivering increased value to the customer

more rapidly and at less cost. Future implementations of MIS will increasingly involve the customer in the value creation process and work to more effectively.

Reference:

1. Rahul Hakhu et al. (2013), “Success of Marketing Information System Model for SMEs of Punjab: Validation of Survey Based Results and Case Study Analysis”, *Procedia - Social and Behavioral Sciences* 103, pp. 870 – 879.
2. Rahul Hakhu et al. (2013), “Role of marketing information system (MkIS) for the organizational culture and its effectiveness”, *African Journal of Business Management* Vol. 7(3), pp. 172-177.
3. Robert R. Harmon, (2003), “Marketing Information Systems”, *Encyclopedia of Information Systems*, Vol. 3, (2003) Elsevier Science (USA), 137-151.
4. <http://www.ask.com/question/what-is-a-market-environment>
5. http://www.futuresconference.fi/2003/what_is.htm
6. www.wikipedia.com