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PRINCIPLES OF MARKETING



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PRINCIPLES OF MARKETING

BY

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NORTHWESTERN UNIVERSITY SCHOOL OF COMMERCE

New York

THE MACMILLAN COMPANY

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PREFACE

The purpose of this book is to treat of the nature of the marketing process, viewing the market structure as a whole and analyzing marketing problems and the devices used in solving them. In doing this I have tried to discuss the most fundamental of the problems and principles involved. Descriptive material has been used when it seemed essential to the illustration of principles, and economic theory has been introduced wherever it would promote the discussion of particular points.

The form of treatment is functional. But sufficient informational material has been introduced, early in the book, to give a background from which to develop the functional approach. With this in view the first two chapters discuss the general nature of marketing and introduce the marketing functions. Chapters III-V discuss the problems, methods, and machinery used in marketing farm products. Chapter VI treats of the marketing of raw materials. Since many of the problems found in marketing raw materials are similar to those involved in marketing farm products, the treatment here is from the buying rather more than from the selling point of view. In the four chapters which follow, the marketing of manufactured products is discussed. Two chapters are then devoted to retailing and one to coöperative distribution. Chapter XIV serves a double purpose. In it is discussed the general topic of the elimination of middlemen, and at the same time it serves indirectly as a convenient summary of previous chapters. This summarization prepares the reader for the discussion of the specific functions and problems which comprises the remainder of the book.

This method of presentation is a development of several years' experience in teaching marketing. First used as lecture notes, these chapters have been revised from time to time and

for the past four years have been used in mimeographed form in my own classes and by instructors in a few other large universities. Because the conditions under which marketing courses are given in colleges and universities are so various that no one form of presentation is likely to prove adapted to all needs, ample cross references are used and some repetition is indulged in. The rather copious footnote references of the earlier mimeographed editions have been largely retained. Such specific references seem to serve better as a basis for collateral reading and class reports, and as a source for lecture material, than do more general bibliographies.

The names of the business men and of others who have helped me from time to time—in conference, and by letter, and with access to confidential information or to information not in published form—are too numerous to give. There are, however, a few to whom I am particularly indebted. All students of marketing are under obligation to the early analyses of market problems made by A. W. Shaw in his "Some Problems of Market Distribution" and by L. D. H. Weld in his article, "Marketing Functions and Mercantile Organization" (*American Economic Review*, June, 1917). I am personally indebted to Mr. Weld for constructive criticism of parts of my manuscript. I wish, also, to acknowledge the help of several others who have rendered special assistance of one kind or another: K. W. Colgrove, R. S. Forsythe, C. E. Griffin, C. O. Hardy, O. B. Jesness, E. D. Jones, W. E. Lagerquist, W. H. Moorhouse, E. G. Nourse, V. H. Pelz, F. A. Russell, and W. K. Smart. My colleague, Professor H. B. Vanderblue, read the entire manuscript in its earlier stages of development, at a time when his careful criticism was most helpful. My greatest indebtedness is to my wife, Carrie Patton Clark, who has assisted at all stages in the preparation of the manuscript and in getting the book through the press.

FRED E. CLARK.

August 2, 1922.

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