

ECONOMICS AND MARKETING: CONNECTIVITY, SIMILARITIES AND DIFFERENCES

ABSTRACT: *Marketing is a management process responsible for identifying, anticipating and meeting consumer demands so as to generate profits (CIM, 2015: 2). Thus the very definition of marketing identifies profits as the economic goal. The study of economics examines how societies use scarce resources in order to produce valuable goods and distribute them to people (Samuelson & Nordhaus, 2009: 4). Marketing activities are therefore providing the right product, at the right price, available in the right place and communicated in the right way. Marketing theory and practice have been shaped by both economics and psychology. The psychological aspect is concerned with consumer behavior, communication, social networks, affirmative impact on consumer awareness, etc., while the economic aspect deals with the analysis of marketing functioning in the context of profit making, measuring marketing costs and returns in relation to the marketing activities. The aim of the paper is to point out the interactions between economy and marketing, their connection, similarities and differences. The main conclusion is that economic aspects influence most marketing activities since they directly affect the purchasing power and patterns of behaviour. However, marketing also has a significant impact on economy by improving living standards, reducing distribution costs, creating jobs and overcoming economic cycles.*

KEY WORDS: *economy, economics, principles, marketing, concept, economic process.*