

# Introduction to Marketing

- Marketing is more than just advertising and promotion. It basically covers all the activities that are required to get a product/service from the source to the customer (see p16/17)

Research

Product development

Pricing

Packaging

Branding

Sales

Physical Distribution

Inventory management

Storage

Promotion

# Marketing Mix

Marketing can be summarized by the 4P's and 2C's.

- Product/service
- Price
- Promotion
- Place
- Customer
- Competition

# Market Research

- The systematic collection, analysis, and interpretation of information used to develop a marketing strategy or to solve a marketing problem.



# Why do we need it?

- Provides hard data
  - Information based on supportable facts
- Use information gathered to make marketing efforts more successful
- Allows companies to better understand the needs and wants of customers
  - Create new customer markets or better serve existing ones

# Types of Market Research

- Surveys
- Focus Groups
- Taste Tests
- Product Research
- Customer Analysis
- Competitor Analysis



Babies are tough customers. Sure, they smile a lot, but usually it's just gas.

# 4 P's - Product

- **Product/Service.** They come from human invention or innovation.
- Inventions are radically new products/service – never seen before.
- Innovation are improvements to existing products/service.

# 4 P's - Product

- Products (goods) are tangible. They are physical (see and touch them).  
Examples?
- Services are intangible. Example?
- However, both have value and are things that are **exchanged**.

# 4 P's - Product

- Products/services have a life cycle just like we do;
  - Introduction
  - growth
  - mature stage
  - decline/death stage



# Goods and Services

- Industrial goods – products used by other businesses to produce their products or to operate
- Consumer goods – products or services made for the general public (end user)

# 4P's - Price

- What price are you going to sell at?
- How do you determine the price?
- How will the price affect product sales and image?

# 4P's - Place

- Where are you going to sell your product?
- Direct sales or intermediaries?
- What purpose do intermediaries serve?
- What are the implications of your decision?

# 4P's - Promotion

- Promotion mix consists of advertising, sales promotion and publicity
- How are you going to convince people about your product?
- What, when, where, how are you going to promote your product.

# Activity #1

- I. Choose a product/service. Research it and identify when it was invented and what were the circumstances that brought it into existence.
- II. Identify (at least 3) innovations for your invention choice. How have these innovations made it better? Explain.
- III. Demonstrate that you understand the product life cycle by providing example of products that are in each of the different life cycles. Justify your choices.

## 2 C's – Customer (Target Market)

- The customer is the person who makes the purchase.
- The consumer is the person that consumes the product
- Are they the same person?

# 2 C's - Customer

- First you need to know what the customer wants and/or needs are?
- Therefore you must determine who your customer is/or is going to be.
- You must determine the common characteristics of your customer
- You must inform, persuade, and convince the customer with respect to your product/service.

# 2 C's - Competition

- What products/service exists already?
- Who/what is your competition?
- How do you compare/differentiate your product/service from the competition?
- How do you stay a step ahead of your competition?



# Marketing and Organizations

Companies can organize based on how they market

- Regional – West, central, Atlantic
- International – Asia, North America, Europe
- Brand – i.e. (Proctor and Gamble), Tide, Pringles, Folgers, Ivory soap
- Distribution – stores, hotels, airlines, vending machines

# Organizations

- There are two general types of organizations,
  - profit based (businesses) and
  - not-for-profit organizations

## Activity #2

- I. Give an example where the customer and customer are the same in a purchase of a product? Give an example where the customer and customer are different?
- II. What is an industrial customer?
- III. What is profit? Why is it important consideration when determining a selling price?
- IV. What is a wholesaler? What is a retailer?
- V. Give example of products/services that are sold directly to the customer.
- VI. Provide example of marketing promotion.

## Activity #3

Brainstorm and think what a world without advertising and marketing would be like. List how people (consumers) would benefit from a world without advertisements and marketing. Then, list all the benefits that people get from advertisements and marketing. Hand in one extremely neat copy to the teacher for evaluation.

# Activity #4

- Identify one consumer need. Identify one consumer want.
- Describe the marketing concepts by relating the 4P's and 2 C's to each one of your examples of a need and want.
- Recreate the table and providing at least 3 different points for each item. Hand in a neat copy for evaluation.

	Need	Want
Product Description		
Price		
Place		
Promotion		
Consumer		
Competition.		

# HISTORY - MARKETING

- Businesses are profit-orientated organizations. They seek to make money (profit) from the marketing of their products/services. This is vital for their existence.
- Not-for-profit organizations still need money to operate; however, they are not motivated to make profits. Typically they provide services. Examples of not-for-profit organization include government, Red Cross, United Appeal, Salvation Army, Canadian Cancer Association etc....

## Activity #5

- Working alone or in pairs comes up with an example of a not-for-profit organization. Marketing is just as important for these organizations. Come up with examples of how the 4P's and 2 C's are relevant for your organization. Submit a neat copy of your work for evaluation.