

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

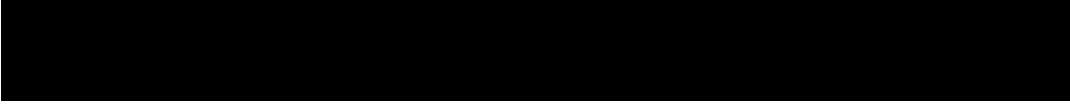
- What price are you going to sell at?
- How do you determine the price?
- How will the price affect product sales and image?

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.



- 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?

