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Marketing

Definition

This is the process of identifying and satisfying customer needs and wants while making a profit

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Marketing Segmentation

Definition

1. This is when a business divides its market into different parts (segments).
2. This means that they can target each of these parts meeting the customers' needs and wants
3. For example Gender, Age, ...

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Market Research

Definition

This is used to gather information about the consumer needs and wants. There are 2 types - Desk and Field

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Target Market

Definition

These are the customers in a market that the business is hoping will buy their product or services

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Marketing Mix

Definition

This is also known as the 4Ps of marketing. It is made up of the product, price, place and promotion

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Product

Definition

1. This is the item that the business is selling to meet the needs of the consumer
2. The product has the following features - Design, Product Life Cycle, Branding and USP

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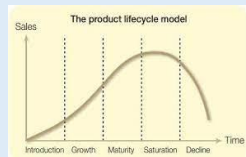
Design

Definition

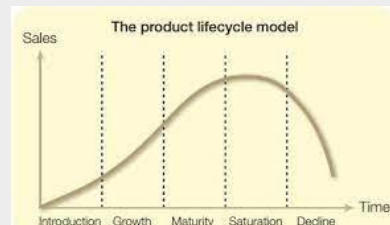
This is how the product will look like, how it feels and used to attract the consumer to buy it

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Product life cycle



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A product life cycle can be expanded by

1. Improving the existing product
2. Changing the price of the product
3. Selling the product in new markets
4. Promoting the product again
launched an advertising campaign

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Brand

Definition

This is a logo name or symbol that makes a product stand out from its competitors and easy to recognise by the consumer.

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Unique Selling Point

Definition

1. This is what makes your product/service different from the competition.
2. It is what makes your product/service stand out from what is already on the market

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Price

Definition

1. This is the amount the supplier will charge for the product/service.
2. It is the amount of money the customer will pay

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Factors when setting the price of a product

1. The cost of making the product
2. The profits the business wants to make
3. The stage the product is at in the product life cycle
4. What are competitors charging for the product
5. Who is our target market?

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Pricing strategies

1. Premium Pricing
2. Penetration Pricing
3. Loss leaders
4. Discriminatory Pricing
5. Cost-plus Pricing

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Premium Pricing

Definition

1. This is when a business charges a high price for the product.
2. This will give the product an image of quality and a status. For example, Hugo Boss clothes

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Penetration Pricing

Definition

1. This is when the business charges a low price to enter a new market.
 2. Once the product is known they will increase the price.
- For example, Disney

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Loss leaders

Definition

1. This is when a business sells a product below cost to attract customer into the shop in a hope they will buy goods that are at a higher price.
- For example, petrol stations

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Discriminatory Pricing

Definition

This is charging people different prices for the same product or service

For example - Cinema Tickets

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Cost-plus Pricing

Definition

1. This is when the business adds on a percentage to the cost of making the product.
2. This percentage is the profit they will make

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Place

Definition

This is where the customer will buy the product and how the business will get it to that location

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Channels of distribution

Definition

This is how the product will get from the manufacture to the consumer

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Channel A (Corner Shop)

Manufacture - Wholesaler - Retailer - Consumer

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Channel B (Argos)

Manufacture - Wholesaler - Consumer

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Channel C (Supermarkets)

Manufacture - Retailer - Consumer

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Channel D (Online Shopping)

Manufacture - Consumer

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Selecting a channel of Distribution

1. The product - how long will the product last - fruit and veg
2. Legal requirements - You have to sell certain products in shop and not over the internet. Medicines
3. Image - Some business will only want here product sold in certain shops. Brown Thomas

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Promotion

Definition

1. This is how a business informs customer about their product.
2. This will help to increase sales and brand recognition.

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Reason for promotion

Business use promotion for the following reasons

1. To help launch a new product
2. To remind customer of their product to increase sales
3. To help customer recognise their product over competitors' products

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Promotional Mix

Definition

This is the use of different promotional activities to inform customer about their product

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Example of promotion activities

1. Advertising
2. Sales promotion
3. Public relations
4. Sponsorship
5. Personal Selling
6. Social Media
7. Celebrity Endorsement
8. Product Placement

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Advertising

Definition

This is communicating with the public to let them know about a product and to get them to buy it

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Informative advertising

Definition

1. This is information the public about the product.
2. It provides information about the product to potential customers

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ASAI

Definition

1. This is the Advertising Standards Authority of Ireland (ASAI).
2. They make sure that all advertising is legal, honest and truthful

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Examples of different types of advertising

1. Informative advertising
2. Persuasive advertising
3. Competitive advertising
4. Reminder Advertising
5. Generic advertising

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Informative advertising

Definition

1. This is information the public about the product.
2. It provides information about the product to potential customers

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Persuasive advertising

Definition

1. This tries to get the customer to buy the product.
2. It gets them to believe that they need the product

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Competitive advertising

Definition

This is when the business tells customer that their product is better than the competition

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Reminder Advertising

Definition

1. This is used to remind customer that the product is still available.
2. It is used towards the end of the product life cycle to try and increase sales

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Generic advertising

Definition

1. Business in the same industry come together to try and persuade customer to buy a particular type of product
For example an Bord Bia - pork products

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Sales promotion

Definition

These are offers to customer to try and persuade them to buy your product

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Examples of Sales Promotion

1. Buy one get one free
2. Free Samples
3. Loyalty cards
4. 50% Free
5. Competitions
6. Gift with purchase

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Public Relations

Definition

1. Their role is to give a positive image of the business.
2. This is usually achieved by organising events in the local area, reacting to negative publicity quickly and making it a positive

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Press Release

Definition

1. This is when a business gets in contact with a local paper to print an article about a new product, they are releasing

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Sponsorship

Definition

1. This is when a business gives financial support to an event or team in return for promotion of the business

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Social Media

Definition

1. This is where businesses advertise online in a quick, cheap and easy way to promote their product.
2. They can get in touch with a global market.

For example, Facebook Instagram

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Celebrity Endorsement

Definition

1. This is when business used famous people to promote their product.
2. In return the famous person will get free samples or a money reward

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Product Placement

Definition

1. This is when business pay to have their product seen on TV programmes.
2. The presence is enough to bring attention to the product.

For example Audi in captain America

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