

A

Marketing

Marketing is the process of planning, designing, pricing, promoting and distributing ideas, goods and services, in order to satisfy customer needs, so as to make a profit.

Companies point out how the special characteristics or features of their products and services possess particular benefits that satisfy the needs of the people who buy them.

Non-profit organizations have other, social, goals, such as persuading people not to smoke, or to give money to people in poor countries, but these organizations also use the techniques of marketing.

In some places, even organizations such as government departments are starting to talk about, or at least think about their activities in terms of the **marketing** concept.

B

The four Ps

The four Ps are

product: deciding what to sell

price: deciding what prices to charge

place: deciding how it will be distributed and where people will buy it

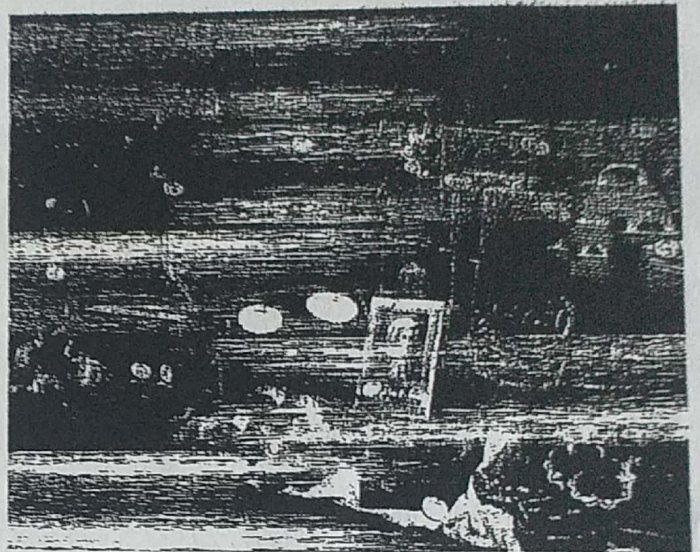
promotion: deciding how the product will be supported with advertising, special activities, etc.

A fifth P which is sometimes added is **packaging**: all the materials used to protect and present a product before it is sold.

The four Ps are a useful summary of the **marketing mix**, the activities that you have to combine successfully in order to sell. The next four units look at these activities in detail.

To **market** a product is to make a plan based on this combination and put it into action. A **marketer** or **marketeer** is someone who works in this area.

(**Marketer** can also be used to describe an organization that sells particular goods or services.)



Promotion

C

Market orientation

Marketers often talk about **market orientation**: the fact that everything they do is designed to meet the needs of the market. They may describe themselves as market-driven, market-led or market-oriented.

21.1 Look at A and B opposite. Read the article and answer the questions.

Most people and many managers do not understand the role of marketing in modern business.

Marketing is two things. First, it is a strategy and set of techniques to sell an organization's products or services. This involves choosing target customers and designing a persuasive marketing mix to get them to buy. The mix may include a range of brands, tempting prices, convenient sales outlets and a battery of advertising and promotions. This concept of marketing as selling and persuasion is by far the most popular idea among both managers and the public.

The second, and by far more important concept of marketing, focuses on improving the reality of what is on offer. It is based on understanding customers' needs and developing new solutions which are better than those currently available. Doing this is not a marketing department problem, but one which involves the whole organization.

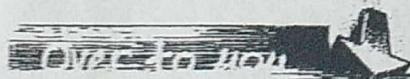
For example, for Rover to beat Mercedes for the consumer's choice involves engineering new models, developing lean manufacturing processes, and restructuring its dealer network.

Creating company-wide focus on the customer requires the continual acquisition of new skills and technology. Marketing is rarely effective as a business function. As the chief executive of Hewlett Packard put it: 'Marketing is too important to leave to the marketing department.' Such companies understand that everybody's task is marketing. This concept of marketing offering real customer value is what business is all about.

- 1 Which of the four Ps are mentioned here?
- 2 Does the author think the four Ps are a complete definition of marketing?
- 3 Does the author think that marketing is only for marketers?

21.2 Match the sentence beginnings (1-5) with the correct endings (a-e). The sentences all contain expressions from C opposite.

- | | |
|---|---|
| 1 Farms are now more market-oriented. | a such as Microsoft and Sony, are in several markets at once. |
| 2 Since the 1980s, Britain has had a much more market-led | b, and the audience decides the direction it takes. |
| 3 Many market-led growth businesses, | c led to falling sales and profits. |
| 4 Lack of investment and market orientation | d and less dependent on government money. |
| 5 American TV is a market-driven industry, | e approach to economics. |



Can you think of any examples?