

Questions that every business has to ask

- What's unique about my product?
- Who is my target buyer?
- Who are my competitors?
- How do I position my product in the market?
- How do I distribute it?

Reading

Marketing

Sales

Special report

International business

Letters

How to market

It's not enough for a business to make a great product – they have to find customers and then sell it! That's where marketing comes in. Marketing is essential because it helps companies decide on their goals and strategies. Marketing is all about identifying and meeting customer needs.

The marketing mix – the 'four Ps'

Marketing concerns every aspect of a business and can be divided into four areas – the 'four Ps' (Product, Price, Promotion and Place). Every business achieves a different balance between them to make a marketing mix.

Product

A high quality product that is right for the market is the key to marketing success. If it is a mobile phone, it needs to look and feel right, be fashionable and easy to use, and offer the right services. It must reflect the end-user's needs and wants and offer something different from its competitors.

Price

Price is an important factor. A quality or luxury product can have a higher price. Organic food can be priced high because it offers customers guarantees of safety and taste. But if you are entering a new market you may set a low price to compete better. Low price may also be used by supermarkets for economy brands, and shopping sites such as Amazon promote with aggressive pricing strategies.



Promotion

This includes advertising, publicity and selling. Personal selling by sales representatives is an effective way to sell products such as cars. Advertising is essential and is used by most companies. It may be on the Internet, TV, radio, on posters or in newspapers and magazines and on mobile phones. Some companies target specific customer groups and send direct mail ads.



Place

It's no good having a perfect product if you can't get it to your customer. A business has to distribute its products effectively. They can be distributed directly to your customer, via a shop, or indirectly through a wholesaler. Wholesalers act as a link between a company and retailers. Direct selling is becoming increasingly important on the Internet.

- 1 Work in pairs. Think about a famous brand. Imagine you are the company that makes it. Answer the questions at the top of the page.
- 2 Read the article and summarize each of the 4 Ps.
EXAMPLE
Product: You must have a high quality product which meets your customers' needs.
- 3 Match the verbs with the words and phrases. Sometimes more than one combination is possible.

1 achieve	a customer needs
2 offer	b products
3 meet	c a new market
4 enter	d results
5 distribute	e services
- 4 Work in pairs. Discuss a product that you have with you today. Think about how effectively it has been marketed.
- 5 Work in groups. Think about a recent successful advertising campaign. Talk about:
 - the brand and the product
 - a typical consumer (children, parents, teenagers, young adults)
 - a description of the campaign
 - why you think it is successful

Present your ideas to the rest of the class.



What's money? A man is a success if he gets up in the morning and goes to bed at night and in between does what he wants to do.

Bob Dylan
singer



We live in an age where unnecessary things are our only necessities.

Oscar Wilde
writer

Reading



- 1 Look at the pictures above. What is being sold? Who are the sellers and the buyers?
- 2 Read the article and answer the questions.
 - 1 What are the different aims of buyers and sellers?
 - 2 When you are buying a new product, which of the buyer's questions do you ask? Do you ask any others?
 - 3 Why do sellers have to consider the price other sellers are charging?

- 4 What determines the price of goods and services?
- 5 Why will producers lower their prices?
- 6 Why will producers raise their prices?

- 3 Read the article again and make notes about the factors that affect buyers and sellers.

Buyers

what I can afford

Sellers

what it cost to produce

Market forces

You probably buy things every day of your life. Maybe you go to shops and supermarkets, get your magazines from a newsstand, or purchase things on the Internet. Or maybe you've bought an old bike from a friend. What all these situations have in common is that there is a buyer and a seller in a 'marketplace' and a business transaction takes place.

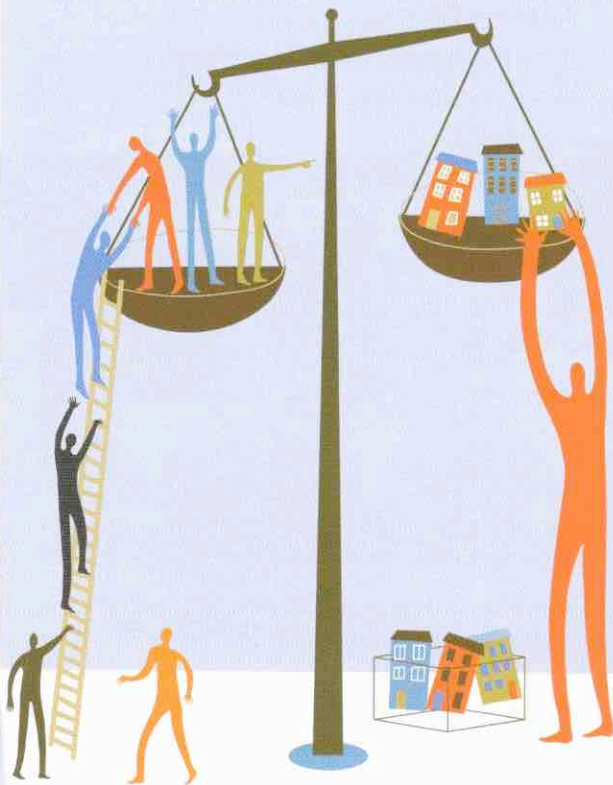
People who want to sell have different aims from those who want to buy. If you are selling your house, you will want the best price possible. But if you are buying, then you will look for the cheapest price.

You make many decisions when you want to buy something – some of them conscious and others unconscious. What products are available? How desperately do you need it? Is the price OK? Can you afford it? Is there a better bargain elsewhere? Have you got time to 'shop around'?

Sellers have to consider, among other things, the value of the goods and the price they are prepared to accept; what other sellers are charging for similar products; the profit they will make; what it cost to produce and the cost of selling and delivering the goods. They also have to be aware of the economy in general and know if people have enough money to spend.

Market forces influence the price of goods and services. Their price depends on the quantity available (supply) and how many buyers want them (demand). If the supply is greater than the demand, prices will fall. This often happens seasonally with fruit and vegetables. If the demand is greater than the supply, prices will go up and producers will increase production. This often happens with raw materials such as oil.

We can see these market forces at work in house sales. If there's no interest from potential buyers, then you will have to drop your price. But if there is a lot of interest, you can sit back and watch your profits rise.



In this unit

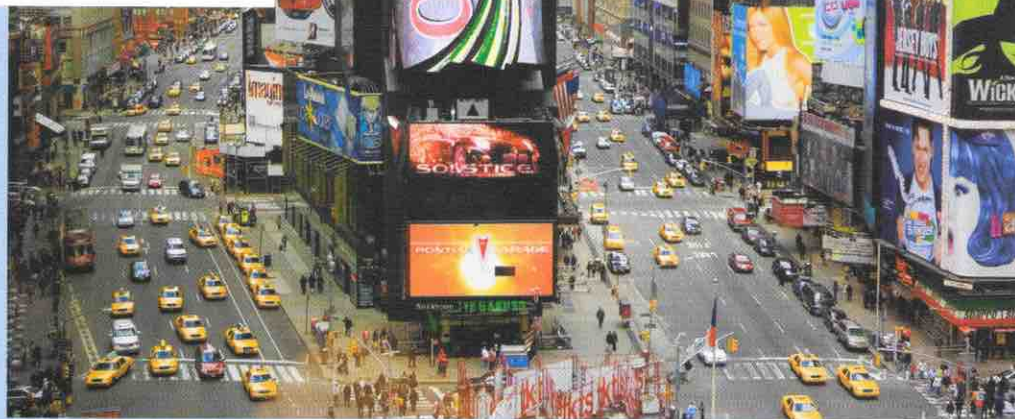
- Past Perfect
- core values
- sponsorship
- explaining
- asking for explanations

Reading

- 1 Write the names of a brand that you associate with the following:

sunglasses	mobile phones
computers	petrol
coffee	watches
perfume	shampoo
batteries	
- 2 Work in pairs. Compare your ideas and think of images and words you associate with the brands.
- 3 Read the article and match the questions with the paragraphs.
 - A What are the benefits of branding?
 - B What are the best ways to brand?
 - C What are the challenges of branding?
 - D What is branding?
 - E How do you create a brand?
 - F What are the different sorts of branding?
- 4 Work in pairs. Read the article again and discuss the questions.
 - What do you think the most successful brand in your country is?
 - How does it create brand loyalty?
 - What is its slogan?
 - What ideas and images do you associate with it?
 - In what way does the name suggest its qualities?
 - Is the brand message in harmony with the product?

Building Great Brands



- 1 A brand is a collection of images and ideas that represents a business. When we see a logo, slogan, or design and we know immediately what the product is, then the branding is successful. We instantly associate the product with ideas such as quality, reliability or performance.
- 2 Branding differentiates your product and it creates 'brand loyalty' in your customers. When a brand is widely known it has 'brand recognition' and 'brand equity', which is its financial value.
- 3 Companies have to identify the qualities associated with their product. They find a name linked to the identity and design a logo and slogan. Packaging is extremely important for communicating brand identity and they must create a marketing strategy and advertisements.
- 4 In many cases a brand is the same as a manufacturer, for example Gap or L'Oreal. In other cases the brand is the name of a product, e.g. Crest – not a manufacturer. The first case allows the company to promote different products. Some companies, such as Coca-Cola or McDonald's, have an international brand, built up over many years. Their message is the same for every product and in every market around the world.
- 5 Most branded goods are expensive, so stores' own brand goods can compete by offering a lower price. Smaller firms make clones of branded products such as computers and clothes. And there is an illegal global trade in pirated copies of branded goods such as DVDs. Negative information about a company, such as unethical behaviour, can have a devastating impact on the brand.
- 6 It is important to establish a brand in terms of its positive attributes rather than a desire to beat the competition. The slogan should be short, a maximum of six words, and easy to understand. Companies should aim at building a relationship with the public, and speak to consumers as individuals. The brand message must be in harmony with the product, so consumers have the experience promised by the message.