

Marketing and market orientation

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.)

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.

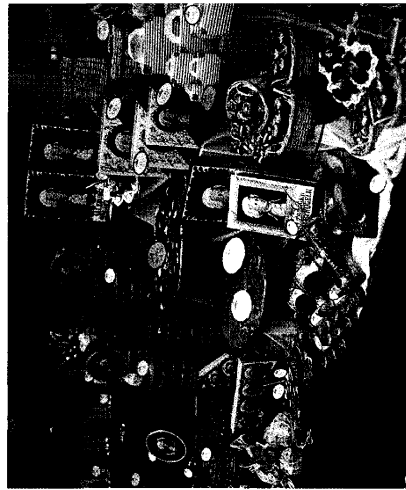
- 1 Which of the four Ps are mentioned here?
- 2 Does the author think the four Ps are a complete definition of marketing?
- 3 Does the author think that marketing is only for marketers?

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. |

Over to you

Can a poor product be made successful by clever marketing techniques? Can you think of any examples?

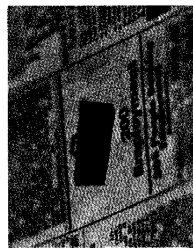


Promotion

A

Advertising

Each photo shows a different advertising medium.

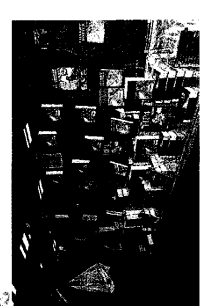
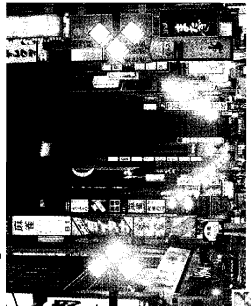


Classified advertisements



TV commercial

Neon signs



Special display

B

C

The sales force

A company's salespeople (its salesmen and saleswomen) visit customers and persuade them to buy its products. Each member of this salesforce may be responsible for a particular region: his or her sales area or sales territory.

The head of the sales force is the sales manager.

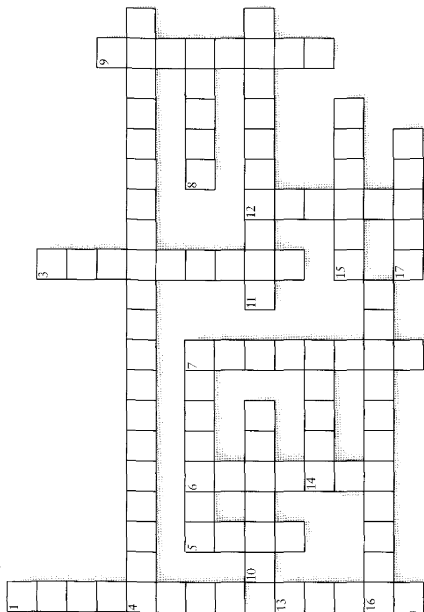
Promotional activities is all the activities supporting the sale of a product, including advertising. A promotion (countable) describes:

- a special offer such as a discount or reduced price. (See Unit 23)
- a free sample: a small amount of the product to try or taste.

Supermarkets and airlines give loyalty cards to customers: the more you spend, the more points you get, and you can exchange these points for free goods or flights.

Cross-promotion is where you buy one product, and you are recommended to buy another product that may go with it.

25.1 Complete the crossword using expressions from A, B and C opposite.



Across

- 4 Better than a classified one: (7,13)
- 5 Free (7)
- 8 All the salespeople: sales (5)
- 10 An advertising organizes ads. (6)
- 11 Offers, competitions, etc. (10)
- 14 Given away free as part of a promotion. (5)
- 15 You win these in competitions. (6)
- 16 People or organizations who advertise. (11)
- 17 Female members of the sales force: sales (5)

Down

- 1 BrE for 'billboard'. (8)
- 3 One salesperson's region for selling. (9)
- 5 Electric advertising: neon (4)
- 6 Head of the sales force: sales (7)
- 7 Male salespeople. (8)
- 9 A new advertising medium. (8)
- 12 Television is an example of a (6)
- 13 Another word for 3 down (plural). (5)

25.2

Match the sentence (1–3) to the correct words (a–c).

- 1 Many supermarkets run competitions and offers to encourage people to buy from them. a special offer
- 2 For example, yesterday I bought two kilos of oranges for half the usual price. b promotions
- 3 I also bought some coffee, which came with a free mug. c free gift

Over to you

What advertisements and promotional activities does your company or school use?

What advertising campaigns are famous in your country?

The Internet and e-commerce

A

B

Clicks-and-mortar
My name's John, and I own a chain of sports shops. Last year, I started an e-commerce operation, selling goods over the Internet. We've done well. Visitors don't have trouble finding what they want, adding items to their shopping cart and paying for them securely by credit card. Last year we had two million unique users (different individual visitors) who generated 35 million hits or page views. That means our web pages were viewed a total of 35 million times!

E-commerce or e-tailing has even acted as a form of advertising and increased levels of business in our traditional bricks-and-mortar shops! Pure Internet commerce operations are very difficult. To succeed, I think you need a combination of traditional retailing and e-commerce: clicks-and-mortar. In our case, this has also helped us solve the last mile problem, the physical delivery of goods to Internet customers: we just deliver from our local stores!

C

B2B, B2C and B2G
Selling to the public on the Internet is business-to-consumer or B2C e-commerce. Some experts think that the real future of e-commerce is going to be business-to-business or B2B, with firms ordering from suppliers over the Internet. This is e-procurement.

Businesses can also use the Internet to communicate with government departments, apply for government contracts and pay taxes: business-to-government or B2G.

26.1 Match the words you might see on a computer screen (1–6) with the activities you might be doing at that time (a–f).

- a using a search engine
- b logging on
- c registering with an ISP
- d typing an email address
- e automatic logging off
- f surfing and trying to enter a particular website

26.2 Find expressions in B opposite with the following meanings.

- 1 traditional shops (two possibilities)
- 2 selling on the Internet (two possibilities)
- 3 where you put your items before you purchase them
- 4 physical delivery of goods to Internet customers
- 5 how many times a web page is viewed

26.3 What type of e-commerce are the following? Choose from B2B, B2C, or B2G.

- 1 Private individuals can rent a car without going through a call centre.
- 2 The city is looking for construction companies to build a new airport. There are hundreds of pages of specifications you can obtain from the city authorities.
- 3 Car companies are getting together to buy components from suppliers in greater quantities, reducing prices.
- 4 Small businesses can get advice about wages, taxation, etc.
- 5 Members of the public can buy legal advice from law firms.
- 6 It can seem very convenient, but if you're out when the goods you ordered arrive at your house, you're in trouble!

Over to you

- Do you use email? Do you surf the Internet?
- Do you shop on the Internet? What are the advantages and disadvantages?
- Do you have any experience of B2B or B2G?