

Standard 1 – World of Marketing

1. Understand that marketing is all around us
2. Understand the concept of private enterprise
3. Understand the marketing mix or 4P's of marketing
4. Students will understand how DECA integrates into the marketing classroom

How does Marketing fit into

Students will learn:

- Understand that marketing is all around us
 - Define the term “marketing”
 - Identify the functions of marketing

What Is Marketing?

1. Defined:

The process of developing, promoting, and distributing products to satisfy customers' needs and wants.

Development + Promotion + Distribution = Happy Customer



Functions of Marketing

1. Activities that work together to get goods and services from producers to consumers
 - 1) Distribution
 - 2) Financing
 - 3) Marketing Information Management
 - 4) Pricing
 - 5) Product Service Management
 - 6) Promotion
 - 7) Selling

Distribution

1. Deciding where and to whom products need to be sold to reach the final users.



Financing

1. Getting the money necessary to operate a business



Marketing Information Management

1. Getting information to make sound business decisions. Usually obtained through marketing research





	High	5	Avg	3	2	Low	NA
1. Overall satisfaction with your stay at this hotel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. If in the area and it's your choice, would you return to this hotel or recommend us to a friend?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Overall value of experience for the price paid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Overall responsiveness of hotel staff to your needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Cleanliness of guest room at check-in	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Food & Beverage - overall restaurant experience	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Banquet Department's level of service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Please rate your welcome by the Doormen/Bellmen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="button" value="Save My Comments"/>			<input type="button" value="Cancel"/>		

For example, after a stay at a luxury hotel,

Pricing

1. How much to charge to maximize profits



Product Service Management

Obtaining, developing, maintaining, and improving a product or a product mix in response to market opportunities.



Promotion

1. Communicating with potential customers to inform, persuade, or remind them about a business's products



Selling

1. Planned, personalized communication that influences purchasing decisions



The Global Economy

1. Marketers are found at every level of business.
2. Nearly all business decisions have a Marketing element.
3. **Marketing changes the:**
 - A. **Number, (increased variety)**
 - B. **Quality, (better quality because of competition)**
 - C. **and Price (lower price because of competition)**

The Marketing Concept

1. Businesses must satisfy customers' needs and wants in order to make a profit.



When Henry Ford first created the Model T, he was the only one mass producing cars. He didn't have to think about "The Marketing Concept." But, as more and more producers started making cars, they had to think about what customers need and want in order to stay in business.



Click on the Model T Ford to see Henry Ford's thoughts about car color in the early 1900's.

"You can have any colour as long as it's black."

—Henry Ford

Imagine if, in today's world, you could only buy black. Many customers would not be very happy!



Today's buyer wants a choice!



The Marketing Concept

1. If automobile manufactures do not give their consumers a choice (what they want), they will not stay in business.
2. That concept is true for all businesses.
3. Companies sell what Customers want.



Standard 1 Day 2

Students will understand:

- Understand the concept of private enterprise
 - Explain the importance of marketing in a

Basic Principles – The free

1. Freedom of Ownership – We can own just about anything. The system encourages individuals to own businesses.



1. Competition – the struggle between companies for customers. Two kinds:

A. Price Competition – focuses on the price

A. Nonprice Competition – factors not related to price such as quality, service, location, reputation.



1. Profit – the money earned from conducting business after all costs and expenses are paid.
 - A. Profit is the motivation for taking a risk.
 - 1) Motivation - *the more people feel appreciated the harder they will work.*
 - B. Profits are high when sales are high and costs are low.



As the potential
for PROFIT



The Role of Government

1. 1) Provider of Services – military, police, fire, education, transportation, etc.
2. Regulator -- laws to protect safety, health, and welfare of individuals
3. Supporter of Businesses – SBA, trade alliances



Supporter of Business

1. Imports

A. Items coming into a Country

2. Exports

A. Items going out to a different Country

3. Trade Surplus

A. When a Country Exports more than it Imports

1) This is good, you're selling more than you are buying.

4. Trade Deficit

A. When a Country Imports more than it Exports

Economic Systems

1. Traditional

A. Barter system. Third World Countries. Products traded for Products. Gold (or precious metals) as currency. Property is viewed as communal for the good of the village.

2. Command

A. Government responsible for deciding who gets what resources. Products are rationed. From each according to ability to each according to need. Total Government control of trade. No private ownership of property.

Economic Systems Cont.

1. Market

- A. Complete freedom of trade. Products can easily be traded between people. Private ownership of property with no rules regarding the use of the property. Supply and Demand set prices.

2. Mixed

- A. A “mix” of Command and Market. Private ownership of property with Government regulation of what you can/cannot do with the property. Resources can be traded between people but there may be rules regarding how or when.

Forms of Ownership

1. Market/Mixed economies that allow for private ownership

2. Sole Proprietorship

A. One person owns the company. All the risk but also all the profits belong to the owner.

Forms of Ownership Cont.

1. Partnership

A. Two to three persons share ownership of the company. They share the risk but also share the profits.

2. Corporation

A. Legal separation from the company and the owners. Company is treated as an individual . If the company goes bankrupt the owners personal assets remain untouched.

Standard 1 Day 3

Students will be able to:

- Understand the marketing mix or 4P's of marketing
 - Identify the four elements of the marketing mix (4P's of marketing - Product, Price, Place, Promotion)

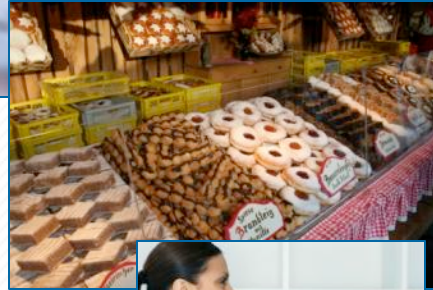
Marketing Mix

- Basic marketing strategies – the four P's

1. Product



2. Place



3. Price



4. Promotion



Product Strategies

1. What product to make



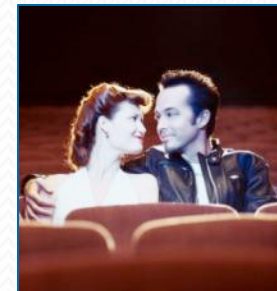
2. How to package it



3. What brand name to use



4. What image to project



Place Strategies

1. How and where a product will be distributed.



Price Strategies

1. Reflect what customers are willing and able to pay.



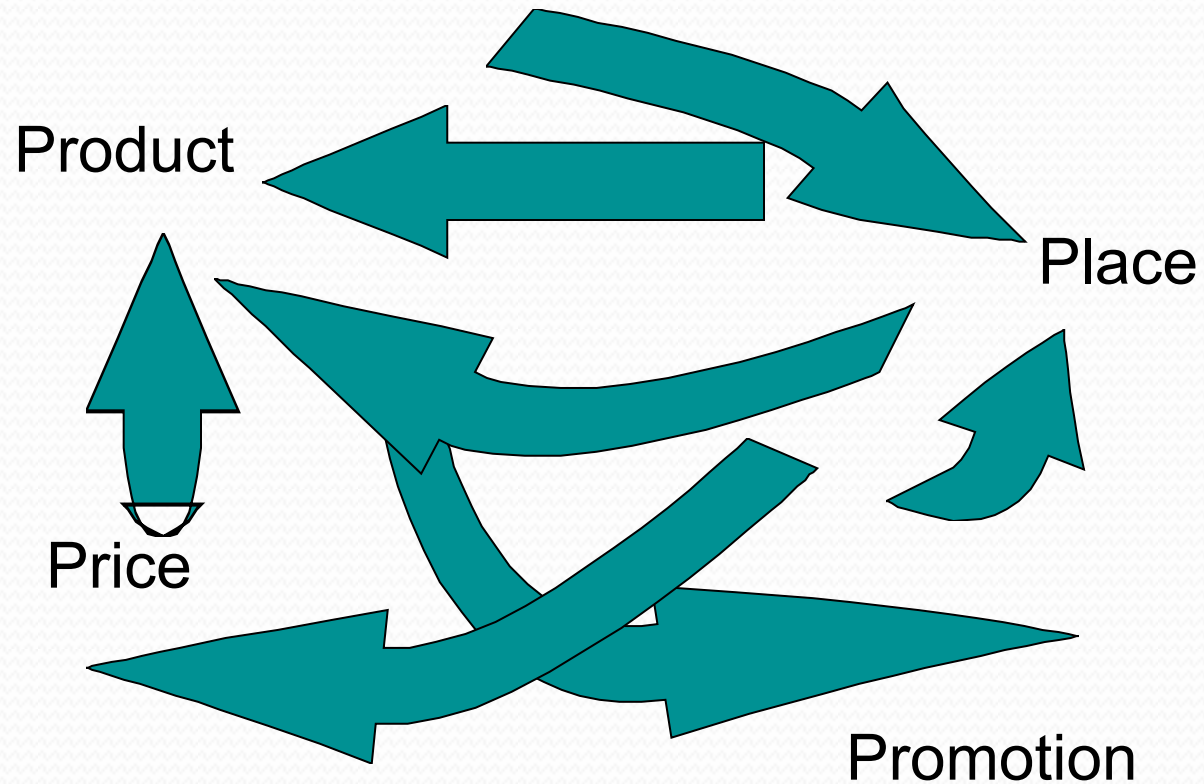
Promotion Strategies

1. How potential customers will be told about the new product
2. What the message will be
3. When and where it will be delivered
4. What inducements are there to purchase it



The Marketing Mix

1. The elements are interconnected



The Marketing Mix – The 4 P's

1. Contains countless alternatives.
2. Management must select a combination of marketing mix decisions that will satisfy target markets and achieve **organizational goals**.

Product & Place & Price & Promotion = Goals

