

Marketing Essentials

■ Chapter 2 *Basic Marketing Concepts*

Section 2.1 The Marketing Concept

SECTION 2.1

The Marketing Concept

What You'll Learn

- = The marketing concept
- = The difference between customers and consumers
- = What a market is and how it can be described
- = The four Ps of the marketing mix

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The Marketing Concept

Why It's Important

In order to participate in the world of marketing, you'll want to understand how businesses focus on the needs and wants of their customers in order to improve their products, remain competitive, and increase sales.

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Key Terms

- = marketing concept
- = customer
- = consumer
- = market
- = target marketing
- = customer profile
- = marketing mix

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The Basic Concept

The **marketing concept** states that businesses must satisfy customers' needs and wants in order to make a profit.

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Customers vs. Consumers

Customers buy a product.

Consumers use the product.

- = **Example:** Parents who buy video games from retailers are customers. The kids who play the video games are the consumers.

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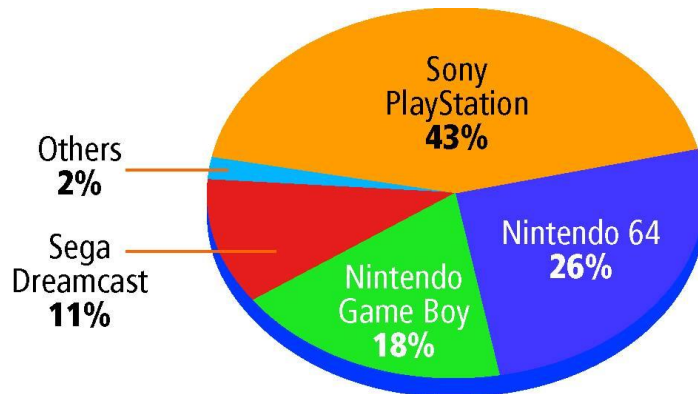
What is a Market?

A **market** is all potential customers who share common needs and wants and who have the ability and willingness to buy the product.

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U.S. Game Console Market



A market can be described as the people who are potential customers of a product, as well as by the classification of a product in a category. Would you be considered part of the market for game consoles? Why or why not? What other markets are you part of?

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The Marketing Mix

The **marketing mix** comprises four basic marketing strategies known as the four Ps:

- = Product
- = Place
- = Price
- = Promotion

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Product strategies include what product to make, how to package it, what brand name to use, and what image to project.

Place strategies deal with how and where a product will be distributed.

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Price strategies should reflect what customers are willing and able to pay.

Promotion strategies deal with how potential customers will be told about the new product, what the message will be, when and where it will be delivered, and with what inducements to buy.

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Target Marketing

Target marketing is focusing all marketing mix decisions on the specific group of people you want to reach.

2.1 ASSESSMENT

Reviewing Key Terms and Concepts

- 1.** What does the marketing concept state?
- 2.** Who are the customers of Sony Electronics and Hershey Chocolates? Who are their consumers?
- 3.** What is a market?
- 4.** What is target marketing?
- 5.** What are the four Ps of the marketing mix?

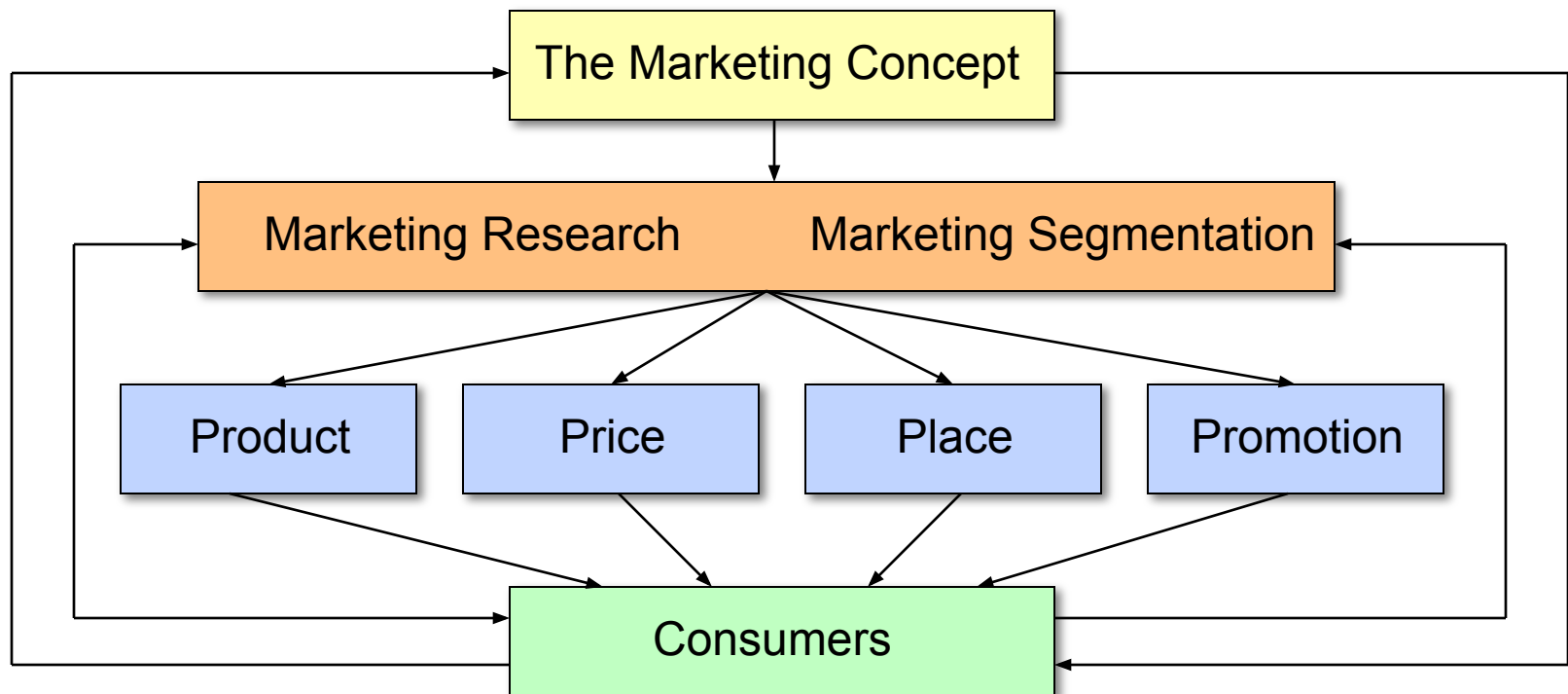
2.1 ASSESSMENT

Thinking Critically

Many women's magazines like *Glamour* and *Elle* publish advertisement for men's cologne. Explain the rationale for this practice.

2.1 Graphic Organizer

The Marketing Mix



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