

1.5 Marketing a business

Marketing is more than selling a product. It is the whole process of providing goods and services to satisfy the needs and wants of consumers at the right place and time, using the right promotions. A catchy definition of *marketing* is 'the right product, in the right place, at the right time, at the right price' — sometimes called the 4Ps, as shown below.

Sometimes marketing is called the 4Ps strategy —
Product, **P**rice, **P**lace, **P**romotion.

Successful marketing needs to involve the following elements:

- research — gathering information from potential customers about their wants and needs
- publicity — providing information about the new product or service
- promotions — assisting the launch of products and services (e.g. events)
- advertising — promoting new behaviours (e.g. anti-litter, Quit campaign, road safety programs)
- evaluation — finding out the success of the product or campaign.

The following extract is a set of guidelines for marketing a new product written by successful entrepreneur Janine Allis.

Advice from Janine for all business people:

- 1 Surround yourself with people who have done it before because you will save on mistakes and every mistake costs money.
- 2 Put a promise to the brand.
- 3 Question whether your company name tells people what you do.
- 4 Your company name should be something you are passionate about.
- 5 Your brand should crystallise your message.
- 6 Clearly identify and promote to your target market. Changing a brand name is costly and can bring angst and heartache.
- 7 Take what you've got but update it to reflect growth and expansion.



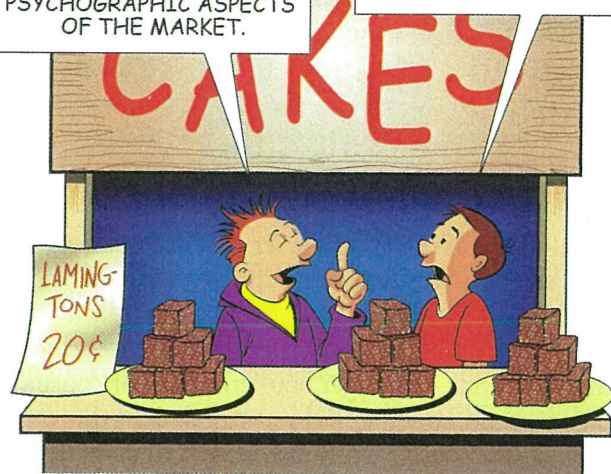
Target markets

Entrepreneurs aim their product at target markets. These **market segments** may be determined by age, gender, income, occupation, education or geographical location. Marketing analysts break down target markets further to show how the types of products and brands purchased reflect the personality and lifestyle of the user (psychographic segmentation). Through **market research** such as surveys and telephone marketing, information about products and users is gathered. Feedback may reveal information about brand loyalty, or how memorable a brand or advertisement is.

FIGURE 1

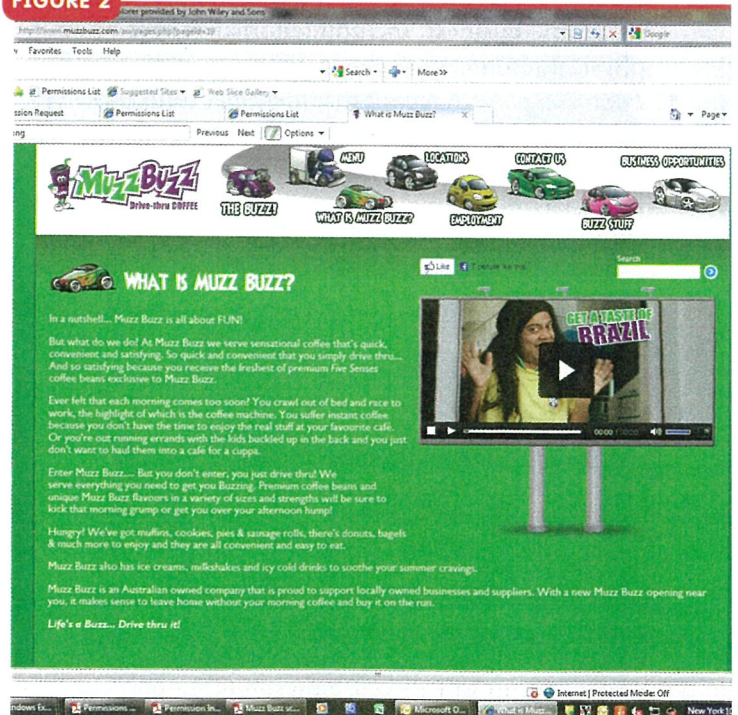
I'VE EXPLORED THE DEMOGRAPHICS AND THESE LAMINGTONS SHOULD SATISFY THE PSYCHOGRAPHIC ASPECTS OF THE MARKET.

AND I THOUGHT IT WAS JUST A CAKE STALL.



- ▶ Marketing is not necessarily selling something for a profit. You can run a marketing campaign for a free concert, cake stall or sausage sizzle, for example.

FIGURE 2



- ▶ The Muzz Buzz website is an example of marketing that promotes a product.

Promoting new behaviour

Governments use advertising campaigns to change behaviour.

\$53m campaign to tackle binge drinking

10 March 2008

[Former Prime Minister] Kevin Rudd has announced a \$53 million program as an initial attempt to put a cap on binge drinking among young Australians.

The program will contain a range of methods to tackle the problem in partnership with community and sporting clubs in particular... Mr Rudd said a survey had shown 168 000 Australians between 12 and 17 had reported binge drinking or drinking at risky levels.

The campaign would have three parts — codes of conduct, stronger powers for authorities and a national advertising program.

'A \$14.4 million investment in community initiatives (will) confront the culture of binge drinking, particularly in sporting organisations...' Mr Rudd said, '[by assisting them to develop] local codes of conduct in relation to binge drinking.'

The second part would confront the question of personal responsibility with \$19.1 million to support innovative early intervention and diversion programs for people under the age of 18.

'That is, where young people are found binge drinking, to provide funding and support to assist to turn those young people around,' Mr Rudd said.

'The possible initiatives there range from anything from requiring young people to participate in educational and/or diversionary activities, or even to allow the authorities to confiscate alcohol and to provide formal warnings.'...

The third part of the national binge drinking strategy is \$20 million funding over two years for a hard-hitting television, radio and internet campaign that confronts young people with the costs and consequences of binge drinking.

Excerpts from *The Australian*, 10 March 2008, © AAP



- 1 Former Prime Minister Kevin Rudd speaking during a press conference in Canberra, 10 March 2008, where he announced a national strategy to tackle binge drinking among young Australians

Activities



Student worksheet
1.4

REMEMBER

- 1 Define the following terms:
(a) market research
(b) marketing campaign
(c) demographics.
- 2 What is Muzz Buzz marketing?
- 3 Give three examples of marketing that does not sell a product for profit.

THINK

- 4 In your opinion, what is the most important message in Janine Allis's 7-point marketing guide? Give reasons for your answer.
- 5 Read the article '\$53m campaign to tackle binge drinking'.
(a) What are the three parts of the campaign?
(b) What is the target group for this campaign?
(c) Why are the sporting clubs being included in this campaign?
(d) What is the stated purpose of the 'hard hitting television, radio and internet campaign'?

ICT

- 6 Examine the Muzz Buzz website on the opposite page. At which market segment do you think this image is aimed? Give reasons for your answer.
- 7 Use a search engine to look at the marketing style used by Muzz Buzz. Make a list of the most outstanding characteristics of the marketing that is used.

demographics variables by which people can be grouped for the purpose of marketing campaigns, e.g. age, sex, income, occupation, education, geographical location
market research surveying the market to determine the views of consumers and their lifestyle choices
market segment a section of a market