

## Pick A Card

Your team have a set of question-cards to answer.

- 1) Person 1 - ask Person 2 to "Pick a card".
- 2) Person 2 - pick a card and read it to Person 3.
- 3) Person 3 - answer the question.
- 4) Person 4 - praise Person 3 for their answer.  
Re-cap it and say if it is right or wrong.  
Mentor Person 3 if they are not correct.
- 5) Everyone praise Person 3.  
Person 1 - give the cards to Person 2  
and everyone change roles.



## Describe the 'marketing mix'.



The combination of factors which help a business to take into account customer needs when selling a product - usually summarised as the 4 Ps, which are product, price, place and promotion.



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## Question and Swap

- 1) You are given one question card with an answer on the back - stand up and raise your hand.
- 2) Walk around the room until you find someone else with their hand up - partner up and put your hand down.
- 3) Ask your partner your question.  
Praise their answer and coach them if needed.
- 4) Your partner will then do the same to you, using their question.
- 5) Thank each other, swap cards and raise your hand - find a new partner.



## What is the 'price' element of the marketing mix?



The amount of money customers have to give up to buy the product.



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What is the 'product' element of the marketing mix?



A good or service produced by a business that is made available for consumption to customers.



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What is the 'place' element of the marketing mix?



The way in which the product is distributed. I.e. how the product gets from the business to the consumer.



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What is the 'promotion' element of the marketing mix?



Communication between the business and the customer which involves making the customer aware that the product exists and persuading them to buy it for the first time or again.

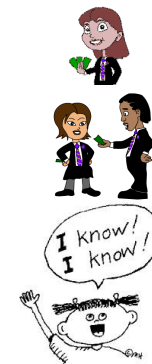


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What is 'repeat purchase'?



Orders that come from loyal customers who are buying the product or service again and not for the first time.



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### What is meant by the term 'customer satisfaction'?



A measurement of how much products meet or exceed customers' expectations.



### What is 'market research'?



The process of gaining information about customers, competitors and market trends through collecting primary and secondary data.



### What is meant by the term 'marketing'?



The management process of anticipating, identifying and meeting customers needs profitably.



### What is the 'primary data'?



Information that has been gathered for a specific purpose through direct investigation such as observations, surveys and experiments.



### What is the 'secondary data'?



Information that already exists such as accounts and sales records, government statistics, newspaper and internet articles and reports from advertising agencies.



### What is the 'qualitative data'?



Data about opinions, judgements and attitudes.



### What is the 'quantitative data'?



Data that can be expressed as numbers and can be statistically analysed.



### What is a 'survey'?



Research involving asking questions to people or organisations.



## What is a 'market segment'?



Part of a market that contains a group of buyers with similar buying habits.



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## What is a 'questionnaire'?



A list of questions to be answered by respondents, designed to give information about consumers' tastes.



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## What is a 'sample'?



A small group of the total population which is selected to take part in a survey. This sample will hopefully represent the attitudes of the total population.



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## What is a 'penetration pricing'?



Setting an initial low price for a new product so that it is attractive to customers. The price is likely to be raised later as the product gains popularity and market share.



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What is meant by the term 'customer loyalty'?

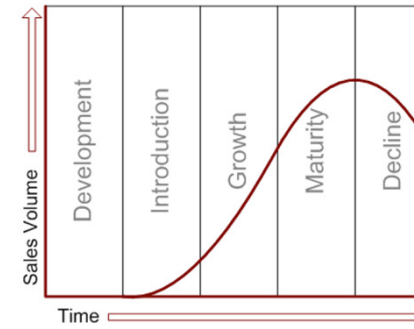


The willingness of buyers to make repeated purchases of a product or service from a business



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What are the main stages of the product life cycle?



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What is the 'product life cycle'?



The stages a product goes through in its life mapped by the number of sales over time.

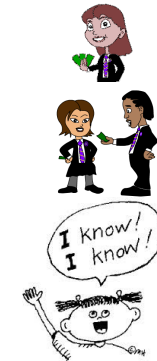


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Describe what happens in the 'research & development' stage of the product life cycle?



This is the process of scientific or technical research - therefore costs are high in this period of time and sales are low. This is because the product isn't ready for sale yet.



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Describe what happens in the 'introduction' stage of the product life cycle?



The product is ready to be sold but lots of money needs to be spent on advertising to increase customer awareness and to capture market share. Pricing strategies might be used to attract new customers too.



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Describe what happens in the 'maturity' stage of the product life cycle?



The product has reached its peak in terms of sales. The company has a decision to make - to expect the inevitable decline in popularity, or to do something about it!



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Describe what happens in the 'growth' stage of the product life cycle?



The product is growing in popularity and taking more market share. The company sees sales increasing over time as more and more people are aware of the product. They will still need to advertise and make people aware it's still there!



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Describe what happens in the 'decline' stage of the product life cycle?



Bad news! Sales are falling over time, possibly due to the product not being seen as *cool*/as other companies are bringing out better products. What should/could they do?



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## What is an 'extension strategy'?



Method used to increase the life of a product and prevent it falling into/further into decline.



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## What is the 'Boston Matrix'?



A model which analyses a product portfolio according to the growth rate of the market and the relative market share of a product within a market. A product is then placed in one of four categories - star, cash cow, problem child or dog.



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## What is a 'product portfolio'?



The range of products that a business sells.



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## Describe a 'Cash Cow' product in the Boston Matrix.



This product has a **high market share** in a market that isn't growing very fast (low growth).

These products tend to give good levels of profit and as they have high market share they tend to be popular.



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## Describe a 'Star' product in the Boston Matrix.



This product has a **high market share** in a market that has **high growth**.

Sales and profits will be growing and they are more likely to be ahead of the competition as they have a high market share - this could be because they are have the new product on the scene!



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## Describe a 'Dog' product in the Boston Matrix.



This product has relatively low market share in a market that isn't growing. Not only is this product not very popular in the market, but the market itself doesn't have much promise as it isn't growing (i.e. customer numbers aren't increasing very much).

However, don't write these products off - they may still generate some profit, and therefore should stay on sale! E.g. The Cadbury's Whole Nut chocolate bar. This market has low growth and the chocolate bar isn't that popular compared to Dairy Milk - but it still brings Cadbury's profit!



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## Describe a 'Problem Child' product in the Boston Matrix.



This product has **low market share** in a **fast growing market**.

It is called a problem child as the business has a *problem* in terms of deciding what to do with this product.

It may have a low market share because it is new - and therefore the company may have to decide to invest in it to turn it into a star. Or should the business get rid of the product?



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## Describe what is meant by the term 'brand'.



A named product which consumers see as being different from other products and which they can associate and identify with.



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### What is meant by the term 'generic product'?



A product made by a number of different companies. Customers see little or no difference between the product of one business compared to the product of another business.



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### What is meant by the term 'product differentiation'?



Making one product different from another in some way.

This could be through the quality of the product, its design, packaging or advertising.



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### What is meant by the term 'own brand'?



A product which is sold under the brand name of a supermarket chain or other retailer rather than under the name of the business that manufactures them.

E.g. Fred Foods might make cornflakes. Instead of selling these as Fred's Cornflakes they sell them to ASDA who then sell them as ASDA's own cornflakes.



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### What is meant by the term 'Premium Price'?



A price which is above the average for products of a particular type.

E.g. Green & Black's sell their chocolate bars at a premium price as compared to Cadbury's.



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### What is an advantage of using 'secondary research'?



- It's relatively cheap.
- It's quick to access/get.



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### What is an advantage of using 'primary research'?



- It is specific to your needs.
- Only you have it - giving you a competitive advantage.
- It's up to date.
- It's reliable as you've done it.



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### What is a disadvantage of using 'secondary research'?



- It could be outdated.
- It might not be reliable as you might not know who wrote it.
- It might not be exactly what you are after or need.
- If it's available to you, then it's available to others - meaning it might not give you a competitive advantage as others also have access to it.



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### What is a disadvantage of using 'primary research'?



- It's expensive to do as you have to pay people to do it.
- It can take time - meaning more costs.



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