**Marketing** is the process of planning and executing the pricing, promotion and distribution of ideas, goods, and services to create exchanges between buyers and sellers.

Exchange occurs when two parties each have something of value to the other: A buyer buys clothes from a department store. The "value" acquired by the store is profit and the customer acquired clothes - both gaining something to accomplish their goal.

The Marketing Mix (4 P's)
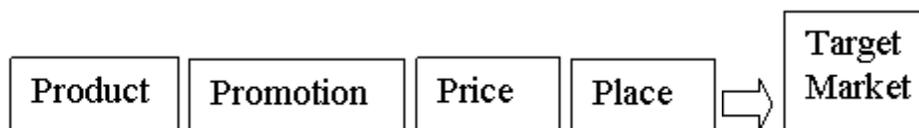
The **marketing mix** is the unique combination of pricing, promotion, product offerings and distribution system (place) to reach a specific group of consumers (the target market).

Target Market - the customers who are most likely to buy the firm's products. Also called *target audience.*

The Right Principle: companies try to get the right goods to the right people at the right place at the right time at the right price using the right promotional strategies.

"The 4 P's"
Product - is the firm's goods or services they are selling. This includes not only physical unit, also package, warranty, and brand and company image.

Price - price is determined by demand for the goods and the cost of the goods. Examples of various pricing strategies: introductory prices, sale prices, odd pricing ($9.99 vs. $10.00).

Place/Distribution: How a product flows from producer to customer. Wholesalers link the producer of the goods to the customer.

Promotion: different elements that help increase the sale of the product.
Examples: advertising, sales, public relations.

In-class Assignment

1. Marketing 11 students choose a <u>local BC company</u> and identify that company's target market and marketing mix.
2. Marketing 12 students choose a <u>local BC company involved in global trade</u> and identify that company's target market and marketing mix.

   - Your target market (the specific group of people you hope your product will appeal to)
   - The marketing mix (the controllable factors that you put together to satisfy your targeted group)

   ** Always be sure to justify your answer (be able to answer "why" and "how")**