

What is Marketing?

Satisfying customer needs

‘ (a) process by which individuals and groups obtain what they want through creating and exchanging products and value with others’

(Principles of Marketing)

Needs

Wants

Demands

Needs

- Human needs are states of felt deprivation
- Physical - food, water, clothing, warmth, safety
- Education, insurance, pensions
- Products and service people always buy
- Social- belonging, affection
- Individual – knowledge, self-expression

Wants

- Shaped by culture and individual personality.
- Wants can change as time passes.
- Wants aren't essential for humans to survive, but it's associated with needs.
- Wants satisfy the needs.

Demands

- The difference between wants and demands is desire.
- If a customer is **willing** and **able to buy** a need or a want, it means that they have a **demand** for that want.
 - Eg. Luxury brands: Samsung vs Apple iPhone
 - Honda Civic vs Mercedes
- Buying Power.

Needs



- States of deprivation
- Physical - food, clothing, shelter, safety, water
- Social - belonging and affection
- Individual - knowledge and self-expression

Wants



A want is a product desired by a customer that is not required for us to survive. So, want is the complete opposite of need, which is essential for our survival.

Demands



If a customer is willing and able to buy a need or a want, it means that they have a demand for that need or a want.



CONSUMER
PRODUCTS



VALUE
SATISFACTION
QUALITY



EXCHANGE TRANSACTIONS
RELATIONSHIPS

**CORE
MARKETING
CONCEPTS**

MARKETS



What is a Consumer Product?

- ‘any tangible product for sale that is used by a person or household for non-business purposes’ (boundless.com) 2015.
- ‘merchandise or other item of common or daily use, originally bought by individuals or households for private consumption’ (businessdirectory.com) 2015

Gibbs SR Toothpaste 1955



JOHN BULL, August 28 1955

A woman with blonde hair, wearing a yellow top, is brushing her teeth with a red toothbrush. She has a bright, happy expression. In the background, there is a large block of ice. A tube of SR toothpaste is shown melting into the ice, with the words 'SR' and 'Gibbs' visible on the tube.

'TINGLING-FRESH'
-and that means healthy gums

Ice-fresh!
Tingling-fresh! Ice-fresh! SR means sparkling whiteness for your teeth... pure sweet breath. And for your gums, that tingling-freshness means even more... it's a tingle of health.

For SR does more
Yes, more than freshness. That tingle on your gums tells you that brushing with SR is doing them good. For the tingle comes from SR's Sodium Ricinoleate, a substance that has been proved beneficial to the gums. So brush with SR, and toughen them: up to resist infection.

No wonder everyone is turning to SR - the toothpaste that looks after both teeth and gums. 1/8 and 2/6

A tube of SR toothpaste is shown melting into a block of ice. The tube is blue and white with 'SR' and 'Gibbs' visible. The ice is melting, creating a pool of water around the tube.

Ice-fresh, tingling-fresh for teeth and gums

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Consumer Product Benefits

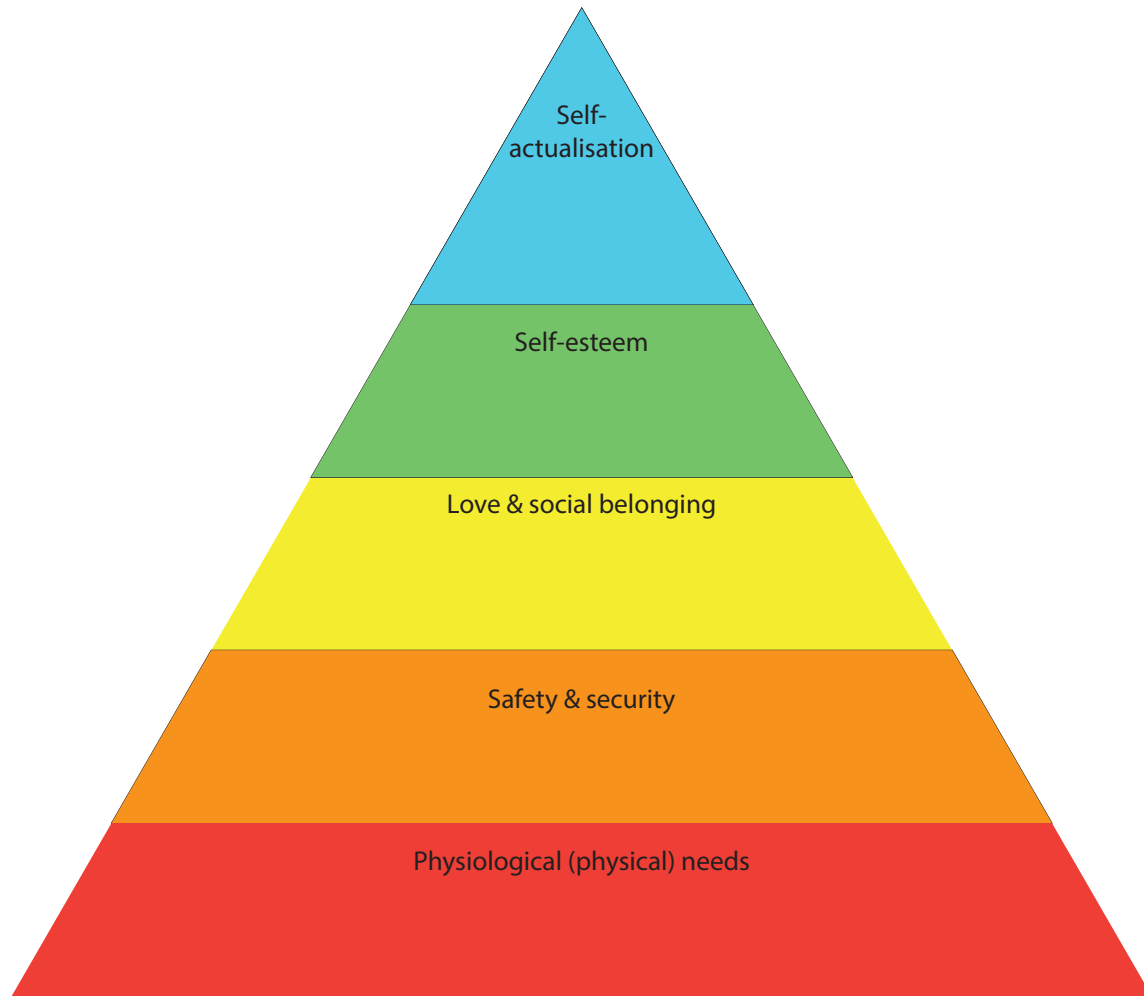
Tangible

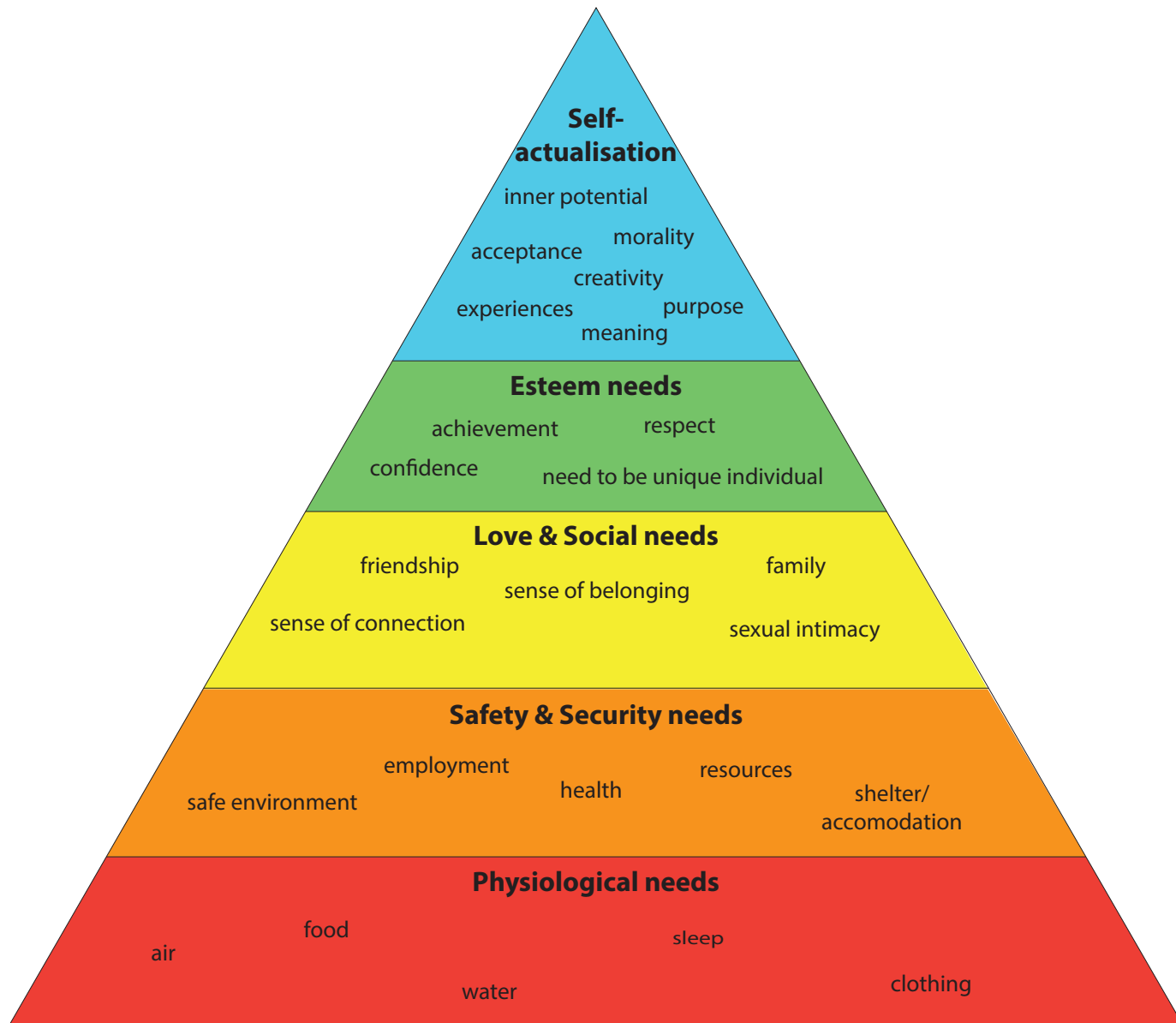
Facts: See, touch, smell

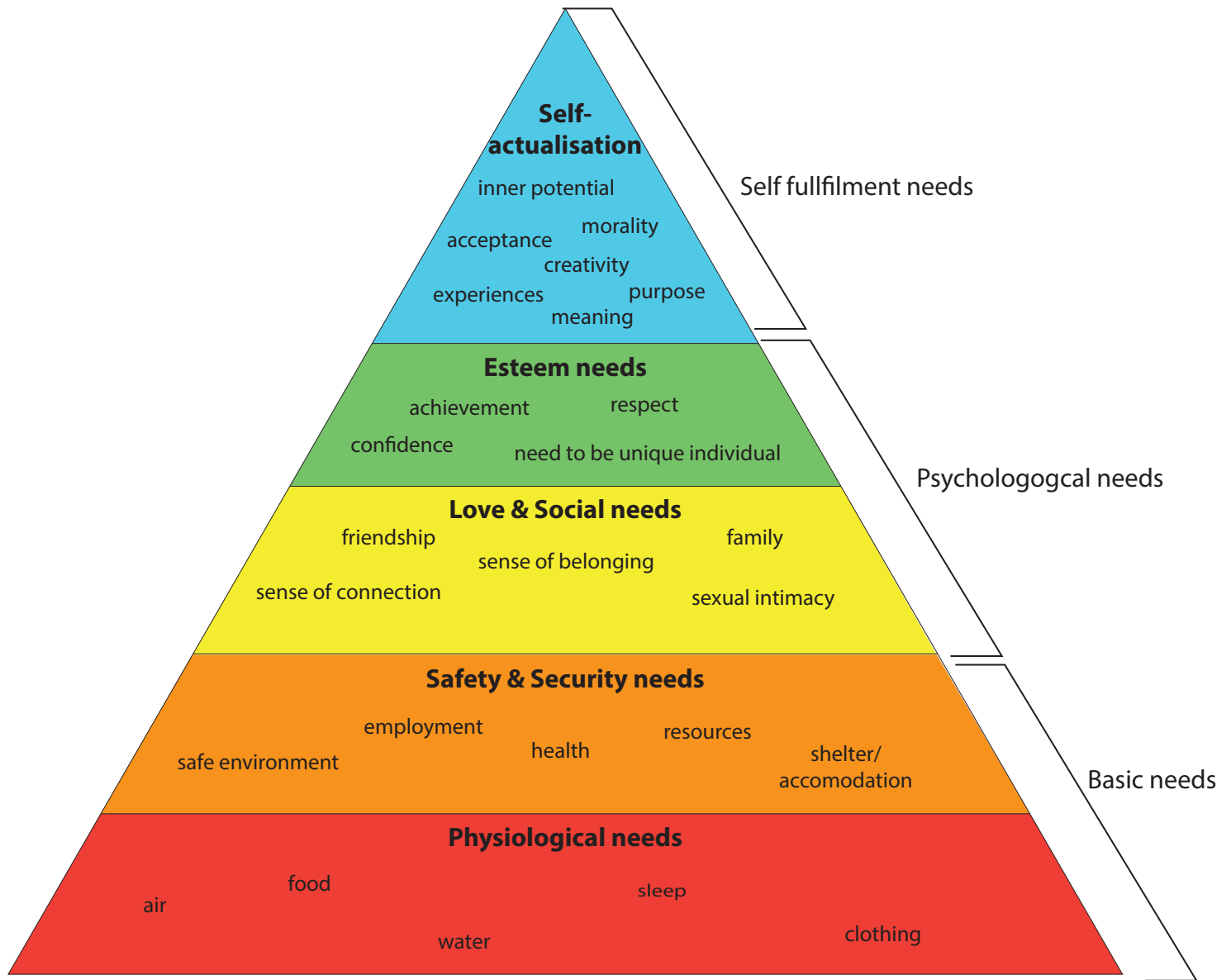
Intangible

Emotional: experiences, status, ideology

Maslow's Hierarchy of Needs







Maslow believed:

- One must satisfy lower level (depravation) needs before progressing on to meet higher level (growth) needs.
- Every person is capable and has the desire to move up the hierarchy toward a level of self-actualization.
- Progress is often disrupted by failure to meet lower level needs.

Unlimited wants

- People's wants are unlimited
- They are different depending on culture
- They are restricted by what you can afford
- People given their wants and basic resources, demand products that most satisfy their needs.
- Successful companies go to great lengths to learn about and understand customer Needs Wants and Demands.

Marketing Myopia

- Over emphasis on the product and not on the customer needs and wants.

Marketing Mix

Marketing Mix

Product

Price

Place

Promotion

4 P's breakdown

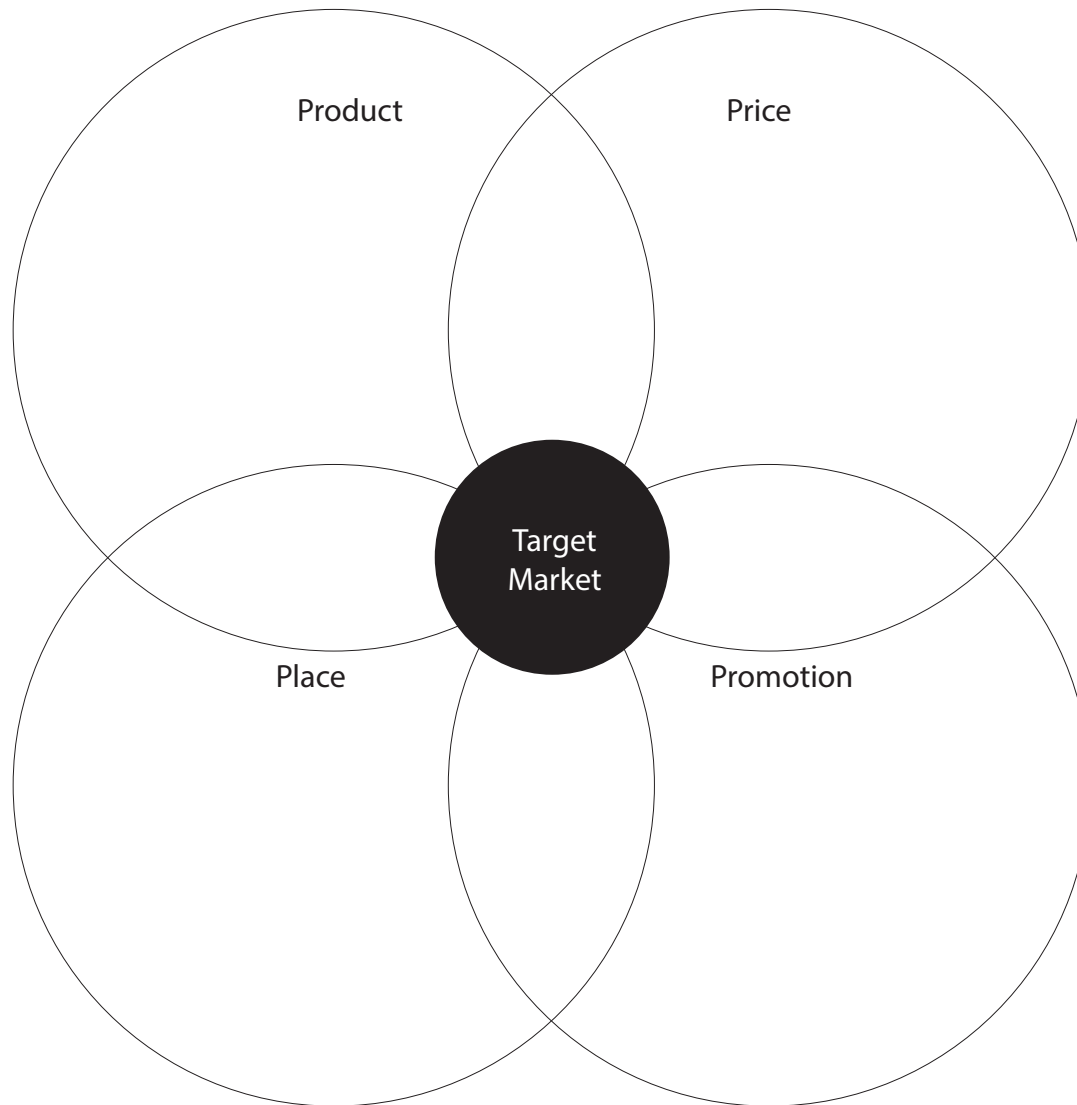
- **Product** - goods or services on offer
- **Price** - what the customers pay for the product
- **Place** - where the customer can buy the product
- **Promotion** - activities that communicate the merits of the product or service to the customer

Marketing Mix Four P's

Product	Price	Place	Promotion
Features	List Price	Supermarket	Traditional Advertising: TV, Radio, Print
Quality	Competition	Retail store	Billboards
Design	Availability	Website/ 3 rd party	Online banner ads
USP	Discounts	Manufacturer direct	Publicity
Branding	Credit Terms	Distribution	Social Media
Packaging			Influencers
Services			Sponsorship
Warranties			Ambient, DM



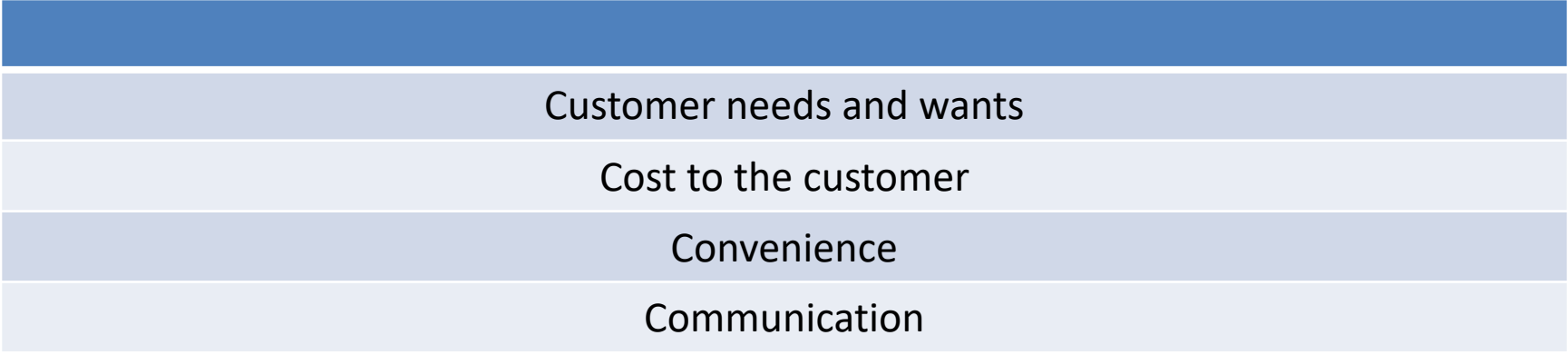
Target Market



7 Ps

- **Product**
- **Price**
- **Place**
- **Promotion**
- **People**
- **Process**
- **Physical Evidence**

Four C's



Customer needs and wants
Cost to the customer
Convenience
Communication

Customer needs and wants

Cost to the customer

Convenience

Communication

Essence of good Marketing

- Search for buyers
- Identify their Needs/Wants/Demands
- Design good products and services
- Promote them
- Deliver them

Homework for next week

Choose at least 2 consumer products
Research the products paying particular
attention to:

Tangibles and Intangibles

Needs Wants and Demands of Marketing

The Marketing Mix 4ps