**LEARNER GUIDE**

**Instil in oneself a personal marketing culture**

Unit Standard 252209

Level 4 Credits 4

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# FORMATIVE ACTIVITIES

### Formative Assessment 1

#### In Your Groups

You, as a group, have been tasked by your organisation to convince another organisation of the benefits of marketing to their products. You may use any example of these products (or services), but you need to convince them that the marketing component in their organisation requires attention. This must be done by explaining to them how marketing will assist them and of what importance marketing is to their company.

Prepare your points for the other organisations’ delegates (who will be the rest of the class) and then present it to them. You have to give them time to ask questions to which you need to respond, as a group.

PERSONAL INFORMATION

|  |  |
| --- | --- |
| **NAME** |  |
| **CONTACT ADDRESS** |  |
|  |
| **Code** |  |
| **Telephone (H)** |  |
| **Telephone (W)** |  |
| **Cellular** |  |
| **Learner Number** |  |
| **Identity Number** |  |
|  | |
| **EMPLOYER** |  |
| **EMPLOYER CONTACT ADDRESS** |  |
|  |
| **Code** |  |
| **Supervisor Name** |  |
| **Supervisor Contact Address** |  |
|  |
| **Code** |  |
| **Telephone (H)** |  |
| **Telephone (W)** |  |
| **Cellular** |  |

INTRODUCTION

#### Welcome to the learning programme

Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take notes and share information with your colleagues. Important and relevant information and skills are transferred by sharing!



This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you!

Structure

### Programme methodology



The programme methodology includes facilitator presentations, readings, individual activities, group discussions and skill application exercises.

Know what you want to get out of the programme from the beginning and start applying your new skills immediately. Participate as much as possible so that the learning will be interactive and stimulating.

The following principles were applied in designing the course:

* Because the course is designed to maximise interactive learning, you are encouraged and required to participate fully during the group exercises
* As a learner you will be presented with numerous problems and will be required to fully apply your mind to finding solutions to problems before being presented with the course presenter’s solutions to the problems
* Through participation and interaction the learners can learn as much from each other as they do from the course presenter
* Although learners attending the course may have varied degrees of experience in the subject matter, the course is designed to ensure that all delegates complete the course with the same level of understanding
* Because reflection forms an important component of adult learning, some learning resources will be followed by a self-assessment which is designed so that the learner will reflect on the material just completed.

This approach to course construction will ensure that learners first apply their minds to finding solutions to problems before the answers are provided, which will then maximise the learning process which is further strengthened by reflecting on the material covered by means of the self-assessments.

#### Different role players in delivery process

* Learner
* Facilitator
* Assessor
* Moderator

### What Learning Material you should have

This learning material has also been designed to provide the learner with a comprehensive reference guide.

It is important that you take responsibility for your own learning process; this includes taking care of your learner material. You should at all times have the following material with you:

|  |  |
| --- | --- |
| **Learner Guide** | **This learner guide is your valuable possession:**  This is your textbook and reference material, which provides you with all the information you will require to meet the exit level outcomes.  During contact sessions, your facilitator will use this guide and will facilitate the learning process. During contact sessions a variety of activities will assist you to gain knowledge and skills.  Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take and share information with your colleagues. Important and relevant information and skills are transferred by sharing!  This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you! |
| **Formative Assessment Workbook** | The Formative Assessment Workbook supports the Learner Guide and assists you in applying what you have learnt.  The formative assessment workbook contains classroom activities that you have to complete in the classroom, during contact sessions either in groups or individually.  You are required to complete all activities in the Formative Assessment Workbook.  The facilitator will assist, lead and coach you through the process.  These activities ensure that you understand the content of the material and that you get an opportunity to test your understanding. |

### Different types of activities you can expect

To accommodate your learning preferences, a variety of different types of activities are included in the formative and summative assessments. They will assist you to achieve the outcomes (correct results) and should guide you through the learning process, making learning a positive and pleasant experience.



The table below provides you with more information related to the types of activities.

| **Types of Activities** | **Description** | **Purpose** |
| --- | --- | --- |
| **Knowledge Activities** | You are required to complete these activities on your own. | These activities normally test your understanding and ability to apply the information. |
| **Skills Application Activities** | You need to complete these activities in the workplace | These activities require you to apply the knowledge and skills gained in the workplace |
| **Natural Occurring Evidence** | You need to collect information and samples of documents from the workplace. | These activities ensure you get the opportunity to learn from experts in the industry.  Collecting examples demonstrates how to implement knowledge and skills in a practical way |

### Learner Administration



#### Attendance Register

You are required to sign the Attendance Register every day you attend training sessions facilitated by a facilitator.

#### Programme Evaluation Form

On completion you will be supplied with a “Learning programme Evaluation Form”. You are required to evaluate your experience in attending the programme.

Please complete the form at the end of the programme, as this will assist us in improving our service and programme material. Your assistance is highly appreciated.

### Assessments

The only way to establish whether a learner is competent and has accomplished the specific outcomes is through the assessment process. Assessment involves collecting and interpreting evidence about the learners’ ability to perform a task.

To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.

This programme has been aligned to registered unit standards. You will be assessed against the outcomes as stipulated in the unit standard by completing assessments and by compiling a portfolio of evidence that provides proof of your ability to apply the learning to your work situation.



**How will Assessments commence?**

#### Formative Assessments

The assessment process is easy to follow. You will be guided by the Facilitator. Your responsibility is to complete all the activities in the Formative Assessment Workbook and submit it to your facilitator.

#### Summative Assessments

You will be required to complete a series of summative assessments. The Summative Assessment Guide will assist you in identifying the evidence required for final assessment purposes. You will be required to complete these activities on your own time, using real life projects in your workplace or business environment in preparing evidence for your Portfolio of Evidence. Your Facilitator will provide more details in this regard.

To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.

### Learner Support

The responsibility of learning rests with you, so be proactive and ask questions and seek assistance and help from your facilitator, if required.



Please remember that this Skills Programme is based on outcomes based education principles which implies the following:

* You are responsible for your own learning – make sure you manage your study, research and workplace time effectively.
* Learning activities are learner driven – make sure you use the Learner Guide and Formative Assessment Workbook in the manner intended, and are familiar with the workplace requirements.
* The Facilitator is there to reasonably assist you during contact, practical and workplace time for this programme – make sure that you have his/her contact details.
* You are responsible for the safekeeping of your completed Formative Assessment Workbook and Workplace Guide
* If you need assistance please contact your facilitator who will gladly assist you.
* If you have any special needs please inform the facilitator

### Learner Expectations

Please prepare the following information. You will then be asked to introduce yourself to the instructor as well as your fellow learners



|  |
| --- |
| Your name: |
|  |
|  |
| The organisation you represent: |
|  |
|  |
| Your position in organisation: |
|  |
|  |
| What do you hope to achieve by attending this course / what are your course expectations? |
|  |
|  |
|  |
|  |
|  |

# UNIT STANDARD 252209

#### Unit Standard Title

Instil in oneself a personal marketing culture

#### NQF Level

4

#### Credits

4

#### Purpose

The person credited with this unit standard will be able to identify and explain what marketing is and identify and apply the concepts and principles of marketing, while instilling a marketing culture in themselves. They will also be able to convince others of the benefits the marketing culture will have.

The qualifying learner is capable of:

* Identifying and defining what is marketing.
* Identifying marketing principles and concepts.
* Explaining the benefits of instilling a marketing culture in myself.
* Persuading others of the benefits of marketing culture.

#### Learning Assumed To Be In Place And Recognition Of Prior Learning

Learners accessing this unit standard will have demonstrated competence in:

* Communication at NQF Level 3 or equivalent.
* Mathematical Literacy at NQF Level 3 or equivalent.

#### Unit Standard Range

* Stakeholders will include customers, suppliers, the public, employees, management, consumer councils, local government, shareholders, trade unions and financial institutions.
* Marketing including all forms of marketing communications direct marketing and relationship marketing, sponsorship, event marketing, sales promotions, public relations and alternative strategies.
* Media will include all electronic, print, outdoor, digital media, e-media and direct media.
* Marketing principles including marketing definition, marketing concepts, marketing planning, macro marketing, micro marketing, economic development, marketing mix.
* The product life cycle include but not limited to marketing promotion, selling, storing and buying.

#### Specific Outcomes and Assessment Criteria:

**Specific Outcome 1**

Identify and define what is marketing.

**Assessment Criteria**

* Key elements of marketing are identified and explained with examples.
* Marketing is put into context with other functions within organisation in a graphic example.
* Marketing is verbally explained in a given case study.

**Specific Outcome 2**

Identify marketing principles and concepts.

**Assessment Criteria**

* The components of the marketing concept are defined against accepted marketing definitions.
* Marketing principles are verbally defined against accepted marketing definitions.
* A commitment to marketing principles is demonstrated in the workplace.

**Specific Outcome 3**

Explain the benefits of instilling a marketing culture in myself.

**Assessment Criteria**

* People in the organisation are influenced towards marketing culture by applying the practices and concepts.
* How company competitiveness is ensured with all internal stakeholder involvement is described in given case studies.
* How job satisfaction levels are enhanced by applying marketing principles are explained.
* Benefits to both the organisation and customers are explained in given case studies.

**Specific Outcome 4**

Persuade others of the benefits of a marketing culture.

**Assessment Criteria**

* The level of customer orientation is identified and explained with examples.
* The value of customer orientation is explained verbally to interned co-workers.
* How marketing culture helps to meet interdepartmental objectives is explained in given case studies.

#### Unit Standard Accreditation And Moderation Options

* An individual wishing to be assessed (including through RPL) against this unit standard may apply to an assessment agency, assessor or provider institution accredited by the relevant ETQA.
* Anyone assessing a learner against this unit standard must be registered as an assessor with the relevant ETQA.
* Any institution offering learning that will enable achievement of this unit standard or assessing this unit standard must be accredited as a provider with the relevant ETQA.
* Moderation of assessment will be conducted by the relevant ETQA at its discretion.

#### Unit Standard Essential Embedded Knowledge

* An understanding of written, verbal and visual presentation skills.
* An understanding of communication principles and techniques.
* An understanding of marketing principals, methods and techniques.

#### Critical Cross-field Outcomes (CCFO):

**Unit Standard CCFO Working**

Work effectively with others as a member of a marketing team to improve output.

**Unit Standard CCFO Communicating**

Communicate effectively when persuading others of the benefits of a marketing culture.

**Unit Standard CCFO Science**

Use science and technology in the orientation and persuasion of computers in a marketing culture.

**Unit Standard CCFO Contributing**

* Being culturally sensitive across a range of social contexts so that all actions and decisions made pertaining to a marketing culture are acceptable to all stakeholders with broad cultural backgrounds.
* Contribute to the full personal development of each learner and the social economic development of society at large, by making it the underlying intention of any learning programme to make the individual aware of the importance of knowing that self improvement plays a key role in an individual's success.

# IDENTIFY AND DEFINE MARKETING

#### ***Specific Outcome 1***

Identify and define what is marketing.

#### ***Assessment Criteria***

* Key elements of marketing are identified and explained with examples.
* Marketing is put into context with other functions within organisation in a graphic example.
* Marketing is verbally explained in a given case study.

## The Key Elements Of Marketing

Any firm look for new ways to grow their practice and ensure their ongoing success, marketing has become an increasingly critical part of their business.

But what exactly is involved in marketing? What it means for a firm, is finding out what existing and potential clients really need, letting them know you have what they need, and ultimately, delivering those services to them.

Even if you don't have a formal marketing plan in place, chances are you are involved in some form of marketing that communicates a message to your clients. For example, even something as mundane as your business cards and letterhead conveys certain messages about your firm. While there are many different approaches to marketing, every successful marketing approach addresses four basic essentials: Product, Audience, Awareness and Delivery.

To determine the best marketing strategy for your firm, start with a detailed self-evaluation.

* What are your firm's strengths?
* What are your firm's weaknesses?
* How do clients perceive you?
* How does the competition perceive you?
* How do you perceive your competition?

As you contemplate these questions, also think about the future and the goals you want to set. What do you want to accomplish in the next six months?

* Twelve months?
* Five years?

Next, consider the four essentials:

#### Product

* What services do you offer?
* How are they different from your competitors?
* How are they better?

#### Audience

* Who is your target audience?
* How can you reach them?

#### Awareness

* What do people think of your services?
* How can you increase their awareness?

#### Delivery

* How are your services delivered?
* How responsive are you to clients?

Now that you have considered where you are and where you would like to be headed, it is time to put your marketing plan in writing. Putting your ideas in writing allows you to organise your thoughts into precisely formulated strategies.

### The Marketing Concept

The marketing concept is the philosophy that firms should analyze the needs of their customers and then make decisions to satisfy those needs, better than the competition.

Today most firms have adopted the marketing concept, but this has not always been the case. In 1776 in The Wealth of Nations, Adam Smith wrote that the needs of producers should be considered only with regard to meeting the needs of consumers. While this philosophy is consistent with the marketing concept, it would not be adopted widely until nearly 200 years later.

To better understand the marketing concept, it is worthwhile to put it in perspective by reviewing other philosophies that once were predominant. While these alternative concepts prevailed during different historical time frames, they are not restricted to those periods and are still practiced by some firms today.

#### The Production Concept

The production concept prevailed from the time of the industrial revolution until the early 1920's. The production concept was the idea that a firm should focus on those products that it could produce most efficiently and that the creation of a supply of low-cost products would in and of itself creates the demand for the products.

The key questions that a firm would ask before producing a product were:

* Can we produce the product?
* Can we produce enough of it?

At the time, the production concept worked fairly well because the goods that were produced were largely those of basic necessity and there was a relatively high level of unfulfilled demand.

Virtually everything that could be produced was sold easily by a sales team whose job it was simply to execute transactions at a price determined by the cost of production. The production concept prevailed into the late 1920's.

#### The Sales Concept

By the early 1930's however, mass production had become commonplace, competition had increased, and there was little unfulfilled demand. Around this time, firms began to practice the sales concept (or selling concept), under which companies not only would produce the products, but also would try to convince customers to buy them through advertising and personal selling.

Before producing a product, the key questions were:

* Can we sell the product?
* Can we charge enough for it?

The sales concept paid little attention to whether the product actually was needed; the goal simply was to beat the competition to the sale with little regard to customer satisfaction.

Marketing was a function that was performed after the product was developed and produced, and many people came to associate marketing with hard selling. Even today, many people use the word "marketing" when they really mean sales.

#### The Marketing Concept

After World War II, the variety of products increased and hard selling no longer could be relied upon to generate sales. With increased discretionary income, customers could afford to be selective and buy only those products that precisely met their changing needs, and these needs were not immediately obvious.

The key questions became:

* What do customers want?
* Can we develop it while they still want it?
* How can we keep our customers satisfied?

In response to these discerning customers, firms began to adopt the marketing concept, which involves:

* Focusing on customer needs before developing the product
* Aligning all functions of the company to focus on those needs
* Realizing a profit by successfully satisfying customer needs over the long-term

When firms first began to adopt the marketing concept, they typically set up separate marketing departments whose objective it was to satisfy customer needs.

Often these departments were sales departments with expanded responsibilities. While this expanded sales department structure can be found in some companies today, many firms have structured themselves into marketing organisations having a company-wide customer focus.

Since the entire organisation exists to satisfy customer needs, nobody can neglect a customer issue by declaring it a "marketing problem" - everybody must be concerned with customer satisfaction. The marketing concept relies upon marketing research to define market segments, their size, and their needs.

To satisfy those needs, the marketing team makes decisions about the controllable parameters of the marketing mix.

### Marketing In Concept With Other Business Functions

Being able to put marketing into context is the art and science of maximising what you have to offer, at any time.

It is an art because it requires creativity and self- expression; it is a science because one should monitor results, test and adapt.

The first priority is determining what you have going for you and maximising it. This means accurately and attractively describing what you are all about and justifying why the market should respond to you.

Your image should reflect the benefits of what you have to offer. After image, offering more (and this can be part of the image) then “Brand X” will increase sales and profitability.

Testing all parts of promotions, monitoring and adapting will maximise the stimulus. Networking and other forms of lead generation should be tested (as described later) to deliver mechanisms that can be called upon during slack seasons.

The intent of marketing is to be able to produce profit consistently. Peaks and valleys can cause commotion. Overworked or under-worked is not healthy.

Some naiveté of management consultants, who write columns or books stating that 90% of new businesses fail because of mismanagement by being undercapitalised, is totally incorrect.

Under-capitalisation means that you missed the sales projections! Someone put together sales projections before the business got started or else they financed it themselves.

Mismanagement was the cause, all right, because management must know how to market in order to generate constant profitability.

Marketing is maximising what is, testing to have a Plan B for when it is needed and continually letting the marketplace tell you what it wants by observing.

Break-even is the number one priority, but the fine tuning of profitability and developing alternate methods that work are major functions of management.

It’s planning and preparing, like in almost everything that is worthwhile, that allow the flexibility to be successful.

Market conditions will change! Large, regional or national companies are usually selling commodities.

That is products with a known value and price. These marketers have huge budgets and lots of time to adjust.

They are usually looking to accomplish positive public relations more than direct, immediate response to their advertising. This is not intended for that market.

This product is geared for small businesses that want and need a unique spin on their image; effective ads, and, predictable results!

### Marketing Case Studies

Developing your marketing plan is an essential part of your business planning process.

You need to know where you stand in the market right now, what the market is like, what you want to achieve, and how you are going to get there.

Let’s take a look at two examples of marketing in companies.

### Brand Marketing: Guinness

**By: Scott Kirsner April 30, 2002**

How do you refresh a 243-year-old brand? By brewing a modern experience that combines the power of history with the allure of contemporary design.

Guinness Storehouse, in Dublin, reimagines how a brand can perform for customers, employees, and the community.

***Who:*** Guinness

***Home Base:*** Dublin, Ireland

***Year Founded:*** 1759

When Guinness set out to replace its outmoded visitors' centre in Dublin, Ireland, the celebrated brewer knew that it wanted to build more than just a shrine to stout.

Sure, capturing the company's colourful 243-year history and serving the millions of thirsty pilgrims who travel to the holy mecca of Irish beer were important.



But it was even more important to set the stage for the future: to use an ultramodern facility to breathe life into an aging brand, to reconnect an old company with young (and sceptical) customers, and to use the past to prepare employees for what comes next.

That was the design brief behind Guinness Storehouse, which opened in late 2000. Storehouse features exhibits that recount the company's history and explain how the black stuff is made.

But the facility also has conference rooms and a training centre for employees, an art gallery, restaurants, cafés, bars, and event space.

Housed in an imposing seven-story brick building that was erected in 1904, Storehouse serves as a giant mixing bowl for tourists, Guinness employees, and thirsty Dubliners.

It represents best practice in the experience economy -- and a re-imagination of how a company can connect with its core constituencies.

"Guinness as a brand is all about community. It's about bringing people together and sharing stories," says Ralph Ardill, director of marketing and strategic planning at Imagination Ltd., the edgy London design firm that helped create the structure. "And Guinness stout is a great social catalyst."

In designing Storehouse, Imagination tried to re-create the magic of a pub full of strangers getting to know one another. "It isn't a corporate cathedral for worshiping Guinness," Ardill says.

"It's a place for interaction among tourists who are travelling around Ireland, for the people who live there, and for new Guinness employees who are undergoing training."

Talk about a mixed-use space. Bartenders from all across Ireland come to Storehouse's specially designed, pub-like classrooms to learn "how to pour the perfect pint," says Mary Clarke, the facility's head of sales and marketing.

Groups within the St. James's Gate Brewery complex, which Sir Arthur Guinness began building in 1759, use Storehouse for meetings and training. "We did a lot of sessions about how the changeover to the Euro would affect us," Clarke says.

Even genealogical researchers descend upon Storehouse's archives, looking for information about ancestors who once lived in Dublin. (The Guinness archives are a good place to start, since so many Dubliners have worked for the company over the years.)

Storehouse is also the physical manifestation of a serious marketing challenge: to reconnect Guinness with younger drinkers in Ireland.

While the brand has conquered the world (the stout is brewed in 50 countries and sells an estimated 10 million glasses a day), Guinness has gone a bit flat at home. In the second half of 2001, sales of Guinness in Ireland actually fell by 3%.

Why the slip? Simply because Guinness, like so many other well-loved but old-fashioned products, had come to be perceived as the choice of the senior set. Ireland's twenty-something’s were switching to lighter drinks: lagers such as Heineken or high-intensity cocktails such as vodka with Red Bull.

Part of the solution, Guinness executives felt, was to make Storehouse a magnet for the Dublin pub-and-club-crawling crowd. After dark, there are special events that attract both locals and executives: awards ceremonies, concerts, corporate parties, fashion shows, and gallery openings.

"We hung our first art show in December 2001," Clarke says proudly, "and 600 people turned up for the opening." The evening events make Storehouse a kind of community centre.

And by bringing people in their twenties and thirties to the brewery, the events help Guinness connect with the brand's future. "Guinness Storehouse is a way to get in touch with a new generation," says Ardill, "to help young people re-evaluate Guinness."

And to rediscover Guinness's history; Clive Brownlee, the company's assistant managing director for Guinness Ireland, worked closely with the designers to ensure that the facility's focus on the future also revelled in the past.

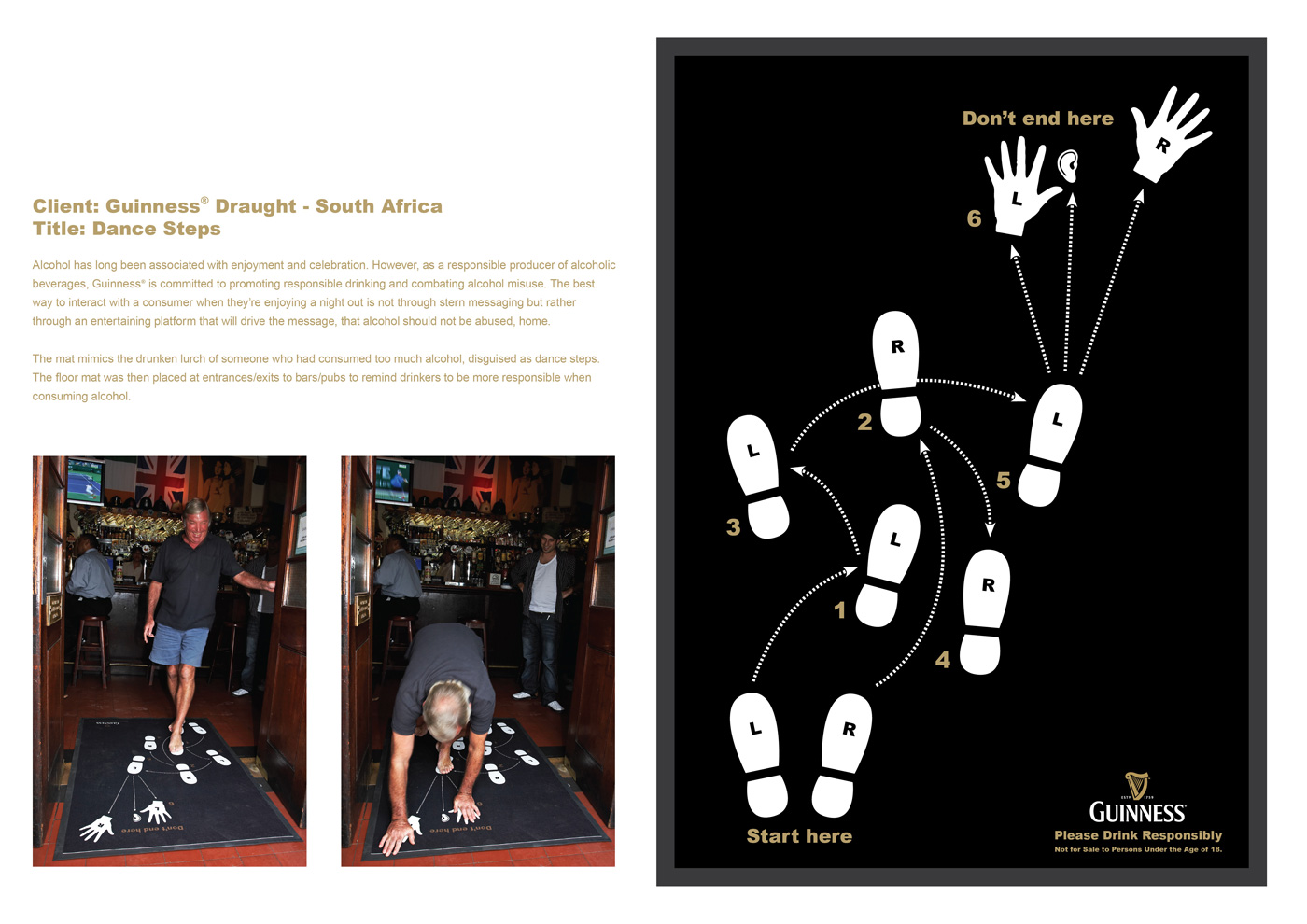
Guinness Storehouse is located in what had been an old abandoned fermentation plant within the main Guinness brewing complex in a gritty, industrial part of Dublin.

The building's design is like a candy with a chocolate shell and a creamy filling: It has tradition on the outside, tomorrow on the inside. A brick exterior gives way to a modern glass-and-steel interior that is illuminated by a dramatic combination of natural and artificial light.

When sightseers arrive, they climb a short, narrow set of stairs before emerging into a cavernous atrium. It's shaped roughly like a pint glass, with a circular pub, the Gravity Bar, at the top that glows white at night -- like the suds atop a freshly poured Guinness.

Set into the floor is the contract that Sir Arthur Guinness himself signed for the brewery site, a 9,000-year lease for the price of just 45 Irish punts a year.

After paying an entry fee of about R70, visitors receive "the pebble," a palm-sized Lucite token with a globule of Guinness stout inside. The pebble grants entry to Storehouse, its displays, and, of course, its well-stocked gift shop.

Once visitors have slowly risen to the top floor, like bubbles in a glass, the pebble acts as a drink ticket at the Gravity Bar, which boasts panoramic views of the city.

A bartender scans the pebble, deactivating a metal strip inside it, serves you a pint (cold or extra cold), and returns the pebble as a souvenir. "The pebble is important," says Ardill. "It's not just a ticket. It starts conversations."

Storehouse is already a top tourist destination in Ireland. It bumped off the Book of Kells at Trinity College in its inaugural year, during which it drew 570,000 tourists and hosted 45,000 people for special events and training.

The old visitors' centre, the Hopstore, drew 470,000 tourists annually before it began to burst at the seams. (Located about a hundred yards from Storehouse, the Hopstore has since been sold to the MIT Media Lab, which runs its European research centre there.)

But Guinness and Imagination aren't declaring victory yet. Clarke says that some visitors have been asking for guided tours, which aren't currently available. Brainstorming is under way regarding how to make one of the bars a bit "warmer and more exciting," in Clarke's words.

"The goal was for Storehouse to evolve, adapt, and grow up," Ardill says. "Places like Storehouse bring consumers and employees together and open the doors to the community. They're a way to make a company's vision tangible. But that doesn't mean everything should be set in stone."

### Cups For Votes Marketing - Wimpy

**Issued by: Hello World Agency**

Wimpy, one of South Africa's favourite family restaurants, well-known for its coffee and breakfasts, chose Wednesday the 22nd of April - Voting Day - to launch the latest marketing campaign called “Cups For Votes”.

**[](http://www.bizcommunity.com/f/0905/article/wimpy_cups_for_votes.mpg)**

The “Cups for Votes” campaign entailed giving away one free cup of Wimpy regular coffee to every patron who came to a Wimpy store after voting and showed the Wimpy staff their ink mark.

The rationale behind this simple yet effective campaign is that since Wimpy has been in South Africa since 1967, the franchisees and management have seen the people of our vibrant nation become more patriotic.

To celebrate this and to thank all South Africans who took the time to exercise their human right to vote and to convey pride in our nation, Wimpy chose to give away free coffee to all who voted.

The reason why Wimpy liked this idea was because it was a first for Wimpy and for the South African public. “Wimpy embarked on this innovative brand and nation building campaign to warm the hearts and bodies of South Africans.

On an important day such as Voting day, we joined forces as a group to be a part of the nation's bid to vote for the future of our democratic country,” said Nicky Correia, the Marketing Executive for Wimpy.

A TV commercial was developed by Metropolitan Republic, Wimpy's new advertising agency. The commercial was flighted on major TV stations from the 20th to the 22nd of April and gave the viewers the message about “Cups for Votes” in an encouraging manner.

When asked about the inspiration for the commercial, Sophie Mayer, Strategy Director at Metropolitan Republic elaborated, “We decided on an entirely novel approach when tasked with the rejuvenation of the Wimpy brand.

We immediately drew on the brand's rich heritage and saluted Wimpy's nationalistic legacy, setting out to ignite the latent patriotism in every South Africa.

Patriotism is universal, it is inspiring and it unites all people in a common cause and vision.

By aligning a South African icon like Wimpy with a nation's fervent devotion to democracy the result was a devoted and inspired country re-connecting and bonding with the brand.

Viva democracy, Viva Wimpy!”

Peter Khoury, Executive Creative Director for Metropolitan Republic added, “We found a value proposition and emotional connect to Wimpy with this campaign that linked into the holistic values of this rich family brand.

Wimpy for us has always meant family, good food and good memories."

Wimpy embarked on a publicity campaign that saw breakfasts and coffees being delivered to the morning show DJs of major regional radio stations across the country on the 21st of April with the aim of getting the teams to chat about “Cups for Votes” on air.

Vouchers were delivered to newsroom journalists that would be working on election stories as a thank you gift for the work that they were doing on the day.

A media release was sent to the national newspapers, radio and television newsrooms and relevant websites that encouraged the public to vote and then redeem the offer for a free cup of coffee.

Twitter and Facebook were used to spread the news virally, with www.zoopy.com and www.sarocks.co.za uploading the TV commercial for the public to view.

Twitter proved to be the most successful, with people constantly tweeting about the campaign and updating their profiles to say how they were going to enjoy their free Wimpy coffee after voting.

In addition, Wimpy executed a tactical activation in the form of a Peaceful Protest. Squads were hired to ‘protest' at busy intersections on the morning of the 21st of April.

Squads were dressed in red T-shirts that were branded with the slogan “How can a humble cup of coffee thank you for voting?” printed on the front.

Placards were made that stated “Vote and get a free regular coffee” were used by the squads to attract attention from drivers that were driving through the intersections.

On the 22nd of April, Wimpy stores across the country were extremely busy as people came into their nearest Wimpy to receive their free cup of coffee throughout the day.

In many stores, unprecedented sales figures were recorded due to the fact that customers enjoyed a meal with the coffee. “There was such a positive and friendly vibe in the store.

People were proud to show their ink mark and I personally received many compliments about Cups for Votes” said Fred McKenzie, the owner of Wimpy Arbour Crossing in KwaZulu Natal.

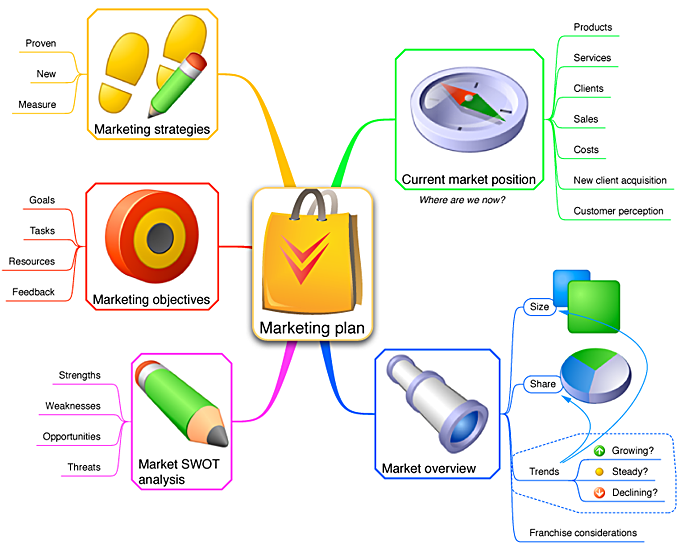
Franchisees were very excited by the campaign, as they had all seen the TV commercial and loved the concept and strong brand message.

There were a few sceptics, but when the day arrived, the franchisee network was overwhelmed by the positive spirit that it evoked from all customers.

Wimpy are proud to say that just over 150 000 free cups of coffee were given away on the day. Customers were very pleased to have taken part in the campaign as could be seen by blog mentions, Twitter updates, newspaper articles and the like.

The campaign has generated over R900 000 worth of media coverage to date excluding the Word Of Mouth coverage given in blogs and other web-based mediums. “The response from digital media was outstanding, most notably the Twitter feeds and various blogs.

People across South Africa were sharing their experiences about enjoying their free coffee and the blog mentions increased substantially during the course of Voting Day” commented Dominique Harmse, Publicity Director at Hello World Agency. “This further demonstrates the power and popularity of social networking sites”.



This campaign was simple and easy to execute with huge results. The use of Voting Day worked in Wimpy's favour and brought the brand to the forefront of the minds of the public.

As Jacqueline Crewe Brown, a customer who enjoyed a free coffee said, “It's on days like this that I want time to stand still. There has been so much good energy around the “filled with pride” advert, I am loving it, and loving the enthusiasm of all young South Africans.

Thank you.” Wimpy was confident that the campaign would be well-received and the intention was to demonstrate that Wimpy is a brand that cares about our nation.

The overwhelming positivity that was felt by all involved with the campaign was contagious and Wimpy is proud to have made Voting day even more special.

# IDENTIFY MARKETING PRINCIPLES AND CONCEPTS

#### ***Specific Outcome 2***

Identify marketing principles and concepts.

#### ***Assessment Criteria***

* The components of the marketing concept are defined against accepted marketing definitions.
* Marketing principles are verbally defined against accepted marketing definitions.
* A commitment to marketing principles is demonstrated in the workplace.

## The Components Of The Marketing Concept Defined Against Accepted Marketing Definitions

Our starting point for learning about marketing is to begin with the basics and that starts with defining marketing.

Since marketing has been an important part of business for a long time we could consult one of the many hundreds of books written on the subject to locate a definition.

Or, as is more the custom today, we could search the Internet to see how marketing is defined. Whether we search print or electronic form we will find that marketing is defined in many different ways.

Some definitions focus on marketing in terms of what it means to an organisation, such as being the key functional area for generating revenue, while other definitions lean more toward defining marketing in terms of its most visible tasks, such as advertising and creating new products.

There probably is no one best way to define marketing, however, whatever definition is used should have an orientation that focuses on the key to marketing success – customers.

For the purpose of this section we will define marketing as follows:

Marketing consists of the strategies and tactics used to identify, create and maintain satisfying relationships with customers that result in value for both the customer and the marketer.

### Marketing Definition Dissected

Let’s examine our definition of marketing in a little more detail by looking at the key terms.

**Strategies and Tactics** - Strategies are best explained as the direction the marketing effort takes over some period of time while tactics are actionable steps or decisions made in order to follow the strategies established.

For instance, if a company’s strategy is to begin selling its products in a new country, the tactics may involve the marketing decisions made to carry this out.

Performing strategic and tactical planning activities in advance of taking action is considered critical for long-term marketing success.

**Identify** - Arguably the most important marketing function involves efforts needed to gain knowledge of customers, competitors, and markets (i.e., where marketers do business). We will see throughout this tutorial how marketing research is utilized in all decision areas.

**Create** - Competition forces marketers to be creative people. When marketers begin new ventures, such as building a new company, it is often based around something that is new (e.g., a new product, a new way of getting products to customers, a new advertising approach, etc.).

But once something new is launched innovation does not end. Competitive pressure is continually felt by the marketer, who must respond by again devising new strategies and tactics that help the organisation remain successful. For marketers, the cycle of creating something new never ends.

**Maintain** - Today’s marketers work hard to insure their customers return to purchase from them again and again. Long gone (see our discussion of History of Marketing below) are the days when success for a marketer was measured simply in how many sales they made each day.

Now, in most marketing situations, marketing success is evaluated not only in terms of sales figures but also by how long a marketer retains good customers. Consequently, marketers’ efforts to attract customers do not end when a customer makes a purchase.

It continues in various ways for, hopefully, a long time after the initial purchase.

**Satisfying Relationships** - A key objective of marketing is to provide products and services that customers really want AND to make customers feel their contact with the marketer is helping build a good relationship between the two. In this way the customer becomes a partner in the transaction, not just a source of revenue for the marketer.

**Value for Both Customer and Marketer** - Value refers to the perception of benefits received for what someone must give up.

For customers, value is most often measured by how much benefit they feel they are getting for their money, though the value one customer feels may differ from what another customer feels even though they purchase the same product.

On the other side of the transaction, the marketer for a for-profit organisation may measure value in terms of how much profit they make for the marketing efforts and resources expended.

For a successful marketing effort to take place both the customer and the marketer must feel they are receiving something worthwhile in return for their efforts.

Without a strong perception of value it is unlikely a strong relationship can be built.

Throughout this tutorial we will emphasize value and show ways marketers build value into the products they offer.

#### ***The Marketing Concept***

The marketing concept holds that the key to achieving organisational goals consists of being more effective than competitors in integrating marketing activities toward determining and satisfying the needs and wants of target markets.

The marketing concept rests on four pillars: target market, customer needs, integrated marketing, and profitability.

#### ***The Basic Elements of Marketing***

About five decades ago, there were some tests conducted on marketing and the factors affecting it by the then known economic personalities.

The studies were mainly based upon what could make up the mind of the consumers to purchase the services provided by the company. Then after big deal of study, there came out to be four main reasons.

Each of them has been explained one by one below:

**1. Promote:** from promotion to advertisements, educating people about it to selling it by hand, it includes every possible step to get the product sold out, commonly known as branding.

**2. Distributing:** it is based upon the methodology of letting the product available in the hands of the consumers. It is the placement or distribution of the matter that influences the decision of the customers. There is not just a single way to do that.

The commodity could be retailed and sod via internet as well. And with all these factors come the location of selling your object. The location matters as much as production.

And it is to be thought of in the first place that what would be the targeted audience. Also considering the climate of selling can affect the sales big deal.

**3. Relations:** relating the products to the customers is of foremost priority. It is based upon how the needs of the consumers are met with the production of the company. Selling your product with a specific guaranty will give the consumers a reason to entrust your product and the brand as well.

**4. Setting up the price:** pricing up the product is a very important task since it includes the very thought of what the competitors are offering and at what prices. This very idea can help you sustain in the market. And moreover you need to think about the discounts that have to be offered to the consumers so as to attract them towards your product.

The method of setting the best possible price is very often the most painstaking work of all. It is the place where all your marketing skills could be brought to test.

These are the factors that are responsible for a good marketing as told by the ancestors of economics. These elements are thought of prior making a plan for marketing. But there is a point about this strategy that one should bear in his mind that this strategy sees consumers from company's point of view while in good marketing, one should see the firm from consumer's point of view.

### What Marketers Do

In order to reach the goal of creating a relationship that holds value for customers and for the organisation, marketers use a diverse toolkit that includes (but is not limited to) making decisions regarding:

**1. Target Markets** – markets consist of customers identified as possessing needs the marketer believes can be addressed by its marketing efforts

**2. Products** – consists of tangible (e.g., goods) or intangible (e.g., services) solution to the market’s needs

**3. Promotion** – a means for communicating information about the marketing organisation’s products to the market

**4. Distribution** – the methods used by the marketer that enable the market to obtain products

**5. Pricing** – ways for the marketer to set and adjust the cost paid by the market to obtain products

**6. Supporting Services** – additional options that enhance a product’s value

While these decisions are shown with a number, the order of decision-making does not necessarily follow this sequence.

However, as we will discuss, in almost all cases marketers should first identify target markets (#1) prior to making decisions #2 through #6 (commonly called the Marketing Mix) since these decisions are going to be directed toward satisfying the desired target markets.

Each option within the marketer’s toolkit is tightly integrated with all other options so that a decision in one area could, and often does, impact decisions in other areas.

For instance, a change in the price of a product (e.g., lowering the price) could impact the distribution area (e.g., requires increased product shipments to retail stores).

Additionally, options within the toolkit are affected by factors that are not controlled by the marketer.

These factors include economic conditions, legal issues, technological developments, social/cultural changes, and many more.

While not managed in the way marketers control their toolkit, these external factors must be monitored and dealt with since these can cause considerable harm to the organisation.

Ignoring outside elements also can lead to missed opportunities in the market especially if competitors are the first to take advantage of the opportunities.

As part of the strategic and tactical planning process discussed above it is wise for marketers to pay close attention to the environment outside the organisation.

### History Of Marketing

It is hard for many to believe, but when compared to economics, production and operations, accounting and other business areas, marketing is a relatively young discipline having emerged in the early 1900s.

Prior to this time most issues that are now commonly associated with marketing were either assumed to fall within basic concepts of economics (e.g., price setting was viewed as a simple supply/demand issue), advertising (well developed by 1900), or in most cases, simply not yet explored (e.g., customer purchase behaviour, importance of distribution partners).

Led by marketing scholars from several major universities, the development of marketing was in large part motivated by the need to dissect in greater detail relationships and behaviours that existed between sellers and buyers.

In particular, the study of marketing led sellers to recognize that adopting certain strategies and tactics could significantly benefit the seller/buyer relationship.

In the old days of marketing (before the 1950s) this often meant identifying strategies and tactics for simply selling more products and services with little regard for what customers really wanted.

Often this meant companies embraced a “sell-as-much-as-we-can” philosophy with little concern for building relationships for the long term.

But starting in the 1950s, companies began to see that old ways of selling were wearing thin with customers.

As competition grew stiffer across most industries, organizations looked to the buyer side of the transaction for ways to improve.

What they found was an emerging philosophy suggesting that the key factor in successful marketing is understanding the needs of customers.

This now famous Marketing Concept suggests marketing decisions should flow from FIRST knowing the customer and what they want.

Only then should an organization initiate the process of developing and marketing products and services.

The marketing concept continues to be at the root of most marketing efforts, though the concept does have its own problems (e.g., doesn’t help much with marketing new technologies) a discussion of which is beyond the scope of this tutorial.

But overall, marketers have learned they can no longer limit their marketing effort to just getting customers to purchase more.

They must have an in-depth understanding of who their customers are and what they want.

### The Principles Of Marketing

Marketing involves a range of processes concerned with finding out what consumers want, and then providing it for them. This involves four key elements, which are referred to as the 4Ps.

A useful starting point therefore is to carry out market research to find out about customer requirements in relation to the 4Ps.

There are two main types of market research - quantitative research involving collecting a lot of information by using techniques such as questionnaires and other forms of survey.

Qualitative research involves working with smaller samples of consumers, often asking them to discuss products and services while researchers take notes about what they have to say.

The marketing department will usually combine both forms of research.

The marketing department will seek to make sure that the company has a marketing focus in everything that it does.

It will work very closely with production to make sure that new and existing product development is tied in closely with the needs and expectations of customers.

Modern market focused organisations will seek to find out what their customers want.

For example, financial service organisations, will want to find out about what sort of accounts customers want to open and the standard of service they expect to get.

Retailers will seek to find out about customer preferences for store layouts and the range of goods on offer.

Airlines will find out about the levels of comfort that customers desire and the special treatment that they prefer to receive.

A useful definition of marketing is the anticipation and identification of customer needs and requirements so as to be able to meet them, make a profit or other key organisational objectives.

# THE BENEFITS OF INSTILLING A MARKETING CULTURE

#### ***Specific Outcome 3***

Explain the benefits of instilling a marketing culture in myself.

#### ***Assessment Criteria***

* People in the organisation are influenced towards marketing culture by applying the practices and concepts.
* How company competitiveness is ensured with all internal stakeholder involvement is described in given case studies.
* How job satisfaction levels are enhanced by applying marketing principles are explained.
* Benefits to both the organisation and customers are explained in given case studies.

## Social Responsibility In Marketing

Most marketing organizations do not intentionally work in isolation from the rest of society. Instead they find that greater opportunity exists if the organization is visibly accessible and involved with the public.

As we’ve seen, because marketing often operates as the “public face” of an organization, when issues arise between the public and the organization marketing is often at the center. In recent years the number and variety of issues raised by the public has increased.

One reason for the increase is the growing perception that marketing organizations are not just sellers of product but also have an inherent responsibility to be more socially responsible, including being more responsible for its actions and more responsive in addressing social concerns.

Being socially responsible means an organization shows concern for the people and environment in which it transacts business.

It also means that these values are communicated and enforced by everyone in the organization and, in some cases, with business partners, such as those who sell products to the company (e.g., supplier of raw material for product production) and those who help the company distribute and sell to other customers (e.g., retail stores).

In addition to insuring these values exist within the organization and its business partners, social responsibility may also manifest itself in the support of social causes that help society. For instance, marketers may sponsor charity events or produce cause-related advertising. Marketers who are pursuing a socially responsible agenda should bear in mind that such efforts do not automatically translate into increased revenue or even an improved public image.

However, organizations that consistently exhibit socially responsible tendencies may eventually gain a strong reputation that could pay dividends in the form of increased customer loyalty.

### Characteristics Of Modern Marketers

As we’ve seen, marketing is a critical business function that operates in an environment that is highly scrutinized and continually changing.

Today’s marketers undertake a variety of tasks as they attempt to build customer relationships and the knowledge and skill sets needed to perform these tasks successfully are also varied. So what does it take to be a successful marketer? Obviously, at the centre of a successful marketing career is an understanding of the important concepts of marketing.

But basic marketing knowledge is just the beginning, for today’s marketers must possess much more. Among the most important knowledge and skills needed to be successful are:

#### Basic Business Skills

Marketers are first and foremost business people who must perform necessary tasks required of all successful business people. These basic skills include problem analysis and decision-making, oral and written communication, basic quantitative skills, and working well with others.

#### Understanding Marketing’s Impact

Marketers must know how their decisions will impact other areas of the company and others business partners. They must realize that marketing decisions are not made in isolation and that decisions made by the marketing team could lead to problems for others.

For example, making a decision to run a special sale that significantly lowers the price of a product could present supply problems if the production area is not informed well in advance of the sale.

#### Technology Savvy

Today’s marketers must have a strong understanding of technology on two fronts. First, marketers must be skilled in using technology as part of their everyday activities.

Not only must they understand how basic computer software is used to build spreadsheets or create slide presentations, but in a world where information overload is a problem marketers must investigate additional technologies that can improve their effectiveness and efficiency, such as multifunction cell phones, GPS navigation services and web-based productivity applications.

Second, marketers must understand emerging technology and applications in order to spot potential business opportunities as well as potential threats. For instance, the rapid growth of search engines requires marketers to firmly understand how these fit within an overall marketing strategy.

#### The Need for a Global Perspective

Thanks in large part to the Internet, nearly any company can conduct business on a global scale. Yet, just having a website that is accessible to hundreds of millions of people worldwide does not guarantee success. Marketers selling internationally must understand the nuances of international trade and cultural differences that exist between markets.

#### Information Seeker

The field of marketing is dynamic. Changes occur continually and often quickly. Marketers must maintain close contact with these changes through a steady diet of information.

Let’s take a look at one of the most impressive marketing campaigns, the Google case study.

### Google Marketing Mix

Google is a search engine. Search engines are used to search the Internet. However Google is much more than a search engine - it's a global company that specializes in innovation and technology.

The business focuses on information made up mainly from web pages, although today all information is absorbed by the Google sponge including books, videos and music. Let's not take the search engine for granted - masses of information is available to everyone and we all have the potential to develop our own knowledge and learning.

Google's search engine indexes billions of pages and gives the search speedy results. The engine ranks websites organically regarding links into a page as a positive endorsement or vote.

So if people like your pages they will link to them and the page will get a better rank than sites with fewer in-links. Google was started in 1998 by Larry Page and Sergey Brin with an initial investment of R800, 000. The company went public in 2004 and both founders did very nicely thank you (and became billionaires overnight).

At that time the duo employed around 7000 people and grew at a tremendous rate, with some claiming that Google was the fastest growing internet company in the world. In 2008 revenues were more than R141 billion and net profit was R21 billion.

Larry and Sergey are now worth an estimated R42 billion. Their story is synonymous with Google's history. They were brilliant computer science students. They met when Sergey was helping out at a student open day and Larry was one of the prospective students.

They became good colleagues although rumour has that they used to debate quite a lot. Eventually they worked together to build some software that could be used to search the internet. They touted it around the early search engine companies of the time but none of them had the enthusiasm that matched that of Larry and Sergey. So they decided to start their own company called 'Google.' Their competitive advantage was that the search engine would give objective and useful results - quickly.

#### Product

Google's income is made through advertising. When a consumer types in a keyword such as 'contact lenses' the search engine will display natural or 'organic' results - as it would for any search term.

However you will notice that at the top and/or along the right hand side of the results, there are a series of advertisements. These advertisements are paid for by companies. The advertising program is called Google AdWords. See 'price' below.

Google has a relationship with a number of libraries around the world. One of its goals is to digitize as many books as possible and to include them in search result. This could mean that all books are available to everybody.

The key problem with this initiative (apart from the enormity of the task) is that Google does not own the rights to all books - the writers and the copyright owners do, and they are not happy. One of those participants is a famous American University.

Google is the world's most popular search engine.

Google Earth enables users to view the world from space. That's a real opportunity for you and me to experience something that our ancestors never did. However there could be security implications.

Like any information - it can be used for good or bad. Anyway you'll notice that the pictures are often dated and taken some time ago. Privacy is also an issue - do you want a satellite taking pictures of your home for the world to see? In 2009 they launched a revised version of Google Earth which includes the opportunity to view 3D oceans.

Critics argue that Google is a tool for plagiarism. Plagiarism is essentially cheating by passing off the work of others as your own when submitting assessments at school, college and university. It is the same as copying and is often punished.

Google Scholar - which supports a broad trawl of material such as peer reviewed journals, theses and other academic material.

#### iGoogle - a personalized Google page.

The ever evolving list of products includes Google finance, Google news, Google blog search, Google video, YouTube, Google sites, Blogger, Orkut, Google Reader, Google Groups, Google Calendar and Google Docs. In 2008 Google Chrome was launched. Google Chrome is an open source browser.

#### Price

How does Google make money? Through a special advertising program called AdWords. AdWords (see 'product' above) are keyword-based advertisements that are bought by companies. So if you have a company that distributes contact lenses, you would bid against other distributors of contact lenses for the highest place (or nearby).

By bidding for lucrative keywords this raises the price and Google make money. It's rather like selling a rare item on eBay; the rarer it is the more money you make; the more bidders that compete for the item the more money you make.

Hence the more valuable a keyword the more it will make. Advertisers are making more than their investment in advertising, and this makes it an appealing program for business. It is measurable using basic software so advertisers can work out how much they are making on their investment, which is more complex to do with traditional advertising media.

Click fraud is a potential problem with AdWords. Every time you click on an advert Google gets paid by the advertiser. Sometimes competitors will fraudulently click on your advert and this is theft, or fraud. Google has many ways of tackling this and click fraud is less of a problem today.

#### Place

The company is located at Mountain View in California. The site looks very much like a university campus with gyms and cafes. The environment enables employees to maximize their time. The Googleplex is the name given to its HQ. Another way of looking at place is that Google is an online business i.e. it distributes using an the internet as its channel.

#### Promotion

Google uses AdWords itself. Often you'll see adverts with a link to Google's own services. They include flyers inside business magazines. They use money off promotions to incentivize advertisers to use AdWords e.g. free R140 worth of advertising.

Google Chrome has its own TV advert. Google has a Public Relations function that it uses to proactively manage media. Google will sponsor a R210 million competition for an unmanned lunar landing.

The winner must land a rover on the moon; the rover should travel 500 metres, and then send back a video to Earth.

#### Process

Google retains your search term. It collects data on searches to help to refine the search algorithm. So don't think that you search anonymously.

Google keeps your search terms and can link them to the address of your computer, and then to you. Whilst Google may not wish to spy on you, governments may take an interest in searching habits and this is a civil liberties issue. If you use Google mail (Gmail) or Google calendar then you are giving even more information about yourself to Google.

Google co-operates with the Chinese government in its censorship of certain search terms and results. Is it becoming a political animal, or just maximizing a business opportunity?

#### Physical Evidence

The name Googol means a number followed by 100 zeros. However the founders mistakenly registered Google as their domain name.

The company is located at Mountain View in California, USA.

#### People

In 2008 Google employed 20,000 people. Many of the original employees of Google came from Stanford and other elite US universities.

It employs the top brains, and people like working together Google's innovative business culture. Employees are encouraged to take advantage of 20% time - that's one day every week working on their personal pet project.

They play sports at lunchtime, with Larry and Sergey enjoying roller hockey in the early days. Its motto is 'Don't be evil.' This comes from its informal, collegiate origins. Google can be a success without losing its integrity.

However search engines are based upon algorithms which are loaded with choices about what to value and what to include/exclude.

Google's mission is to organise the world's information and make it universally accessible and useful.

Let’s take a look at the personal requirements of a marketer:

### Lesson - Personal Selling

Personal selling occurs where an individual salesperson sells a product, service or solution to a client. Salespeople match the benefits of their offering to the specific needs of a client.

Today, personal selling involves the development of longstanding client relationships. In comparison to other marketing communications tools such as advertising, personal selling tends to:

Use fewer resources, pricing is often negotiated.

Products tend to be fairly complex (e.g. financial services or new cars).

There is some contact between buyer and seller after the sale so that an ongoing relationship is built.

Client/prospects need specific information.

The purchase tends to involve large sums of money.

There are exceptions of course, but most personal selling takes place in this way. Personal selling involves a selling process that is summarised in the following Five Stage Personal Selling Process.

The five stages are:

1. Prospecting.

2. Making first contact.

3. The sales call.

4. Objection handling.

5. Closing the sale.

#### A Five Stage Personal Selling Process

**Stage One - Prospecting**

Prospecting is all about finding prospects, or potential new customers. Prospects should be 'qualified,' which means that they need to be assessed to see if there is business potential, otherwise you could be wasting your time.

In order to qualify your prospects, one needs to:

* Plan a sales approach focused upon the needs of the customer.
* Determine which products or services best meet their needs.
* In order to save time, rank the prospects and leave out those that are least likely to buy.

**Stage Two - Making First Contact**

This is the preparation that a salesperson goes through before they meet with the client, for example via e-mail, telephone or letter. Preparation will make a call more focused.

**Make sure that you are on time**

Before meeting with the client, set some objectives for the sales call.

What is the purpose of the call?

What outcome is desirable before you leave?

Make sure that you've done some homework before meeting your prospect. This will show that you are committed in the eyes of your customer.

To save time, send some information before you visit. This will wet the prospect's appetite.

Keep a set of samples at hand, and make sure that they are in very good condition.

Within the first minute or two, state the purpose of your call so that time with the client is maximised, and also to demonstrate to the client that you are not wasting his or her time.

Humour is fine, but be sincere and friendly.

**Stage Three - The Sales Call (or Sales Presentation)**

It is best to be enthusiastic about your product or service. If you are not excited about it, don't expect your prospect to be excited.

Focus on the real benefits of the product or service to the specific needs of your client, rather than listing endless lists of features. Try to be relaxed during the call, and put your client at ease.

Let the client do at least 80% of the talking. This will give you invaluable information on your client's needs. Remember to ask plenty of questions. Use open questions, e.g. TED's, and closed questions i.e. questions that will only give the answer 'yes' or the answer 'no.'

This way you can dictate the direction of the conversation. Never be too afraid to ask for the business straight off.

**Stage Four - Objection Handling**

Objection handling is the way in which salespeople tackle obstacles put in their way by clients. Some objections may prove too difficult to handle, and sometimes the client may just take a dislike to you (aka the hidden objection). Here are some approaches for overcoming objections:

Firstly, try to anticipate them before they arise.

'Yes but' technique allows you to accept the objection and then to divert it.

For example, a client may say that they do not like a particular colour, to which the salesperson counters 'Yes but X is also available in many other colours.'

Ask 'why' the client feels the way that they do.

'Restate' the objection, and put it back into the client's lap. For example, the client may say, 'I don't like the taste of X,' to which the salesperson responds, 'You don't like the taste of X,' generating the response 'since I do not like garlic' from the client.

The salesperson could suggest that X is no longer made with garlic to meet the client's needs.

The sales person could also tactfully and respectfully contradict the client.

**Stage Five - Closing the Sale**

This is a very important stage. Often salespeople will leave without ever successfully closing a deal. Therefore it is vital to learn the skills of closing.

Just ask for the business! - 'Please may I take an order?' This really works well.

Look for buying signals (i.e. body language or comments made by the client that they want to place an order). For example, asking about availability, asking for details such as discounts, or asking for you to go over something again to clarify.

Just stop talking, and let the client say 'yes.' Again, this really works. The 'summary close' allows the salesperson to summarise everything that the client needs, based upon the discussions during the call. For example, 'You need product X in blue, by Friday, packaged accordingly, and delivered to your wife's office.' Then ask for the order.

The 'alternative close' does not give the client the opportunity to say no, but forces them towards a yes. For example 'Do you want product X in blue or red?' ; cheeky, but effective.

### Exercise - Personal Selling

You are the salesperson for Fishbourne Financial Services. You have worked hard recently on prospecting and have a meeting with Mr Boosh, regarding his personal finances.

You have sent some information to him prior to your call. You are about to begin your sales call, and your objective is to sell the client a pension scheme Complete the following Tasks:

(a) Mr Boosh raises the following objection - 'Your pension scheme seems very expensive' - How would you handle it? [There are 4 ways to handle this objection]

(b) You have reached the end of the sales call. How would you close the deal for the pension scheme with Mr Boosh? [There are 3 ways to close this deal]

### Answer - Personal Selling

(a) Mr Boosh raises the following objection - 'Your pension scheme seems very expensive' - How would you handle it?

Yes, but the final pension is much better in comparison with other schemes, when you actually retire. [i.e. 'yes but.']

Why do you think the pension scheme is expensive? [i.e. ask 'why?']

Our pension scheme is too expensive? [i.e. restate]

I appreciate your point. However, in comparison to the pension schemes offered by our competitors, this scheme is very reasonable [i.e. contradiction]

(b) You have reached the end of the sales call. How would you close the deal for the pension scheme with Mr Boosh?

Shall I arrange the pension for you? [i.e. ask for the business]

You like the easy monthly payments, the payment holiday if needed, the added bonus for remaining with us and not moving your pension to another provider, and the free travel clock, so shall I arrange the pension for you? [i.e. summary close ]

Would you like to pay by cash weekly or by regular monthly salary deductions?[ [i.e. alternative close.]

# PERSUADE OTHERS OF THE BENEFITS OF MARKETING

#### ***Specific Outcome 4***

Persuade others of the benefits of a marketing culture.

#### ***Assessment Criteria***

* The level of customer orientation is identified and explained with examples.
* The value of customer orientation is explained verbally to interned co-workers.
* How marketing culture helps to meet interdepartmental objectives is explained in given case studies.

## Customer Orientation In Marketing

Marketing concept and orientation

It is a fundamental idea of marketing that organisations survive and prosper through meeting the needs and wants of customers.

This important perspective is commonly known as the marketing concept.

The marketing concept is about matching a company's capabilities with customer wants. This matching process takes place in what is called the marketing environment.

Businesses do not undertake marketing activities alone. They face threats from competitors, and changes in the political, economic, social and technological environment.

All these factors have to be taken into account as a business tries to match its capabilities with the needs and wants of its target customers.

An organisation that adopts the marketing concept accepts the needs of potential customers as the basis for its operations.

Success is dependent on satisfying customer needs.

What are customer needs and wants?

A need is a basic requirement that an individual wishes to satisfy.

People have basic needs for food, shelter, affection, esteem and self-development. Many of these needs are created from human biology and the nature of social relationships. Customer needs are, therefore, very broad.

Whilst customer needs are broad, customer wants are usually quite narrow. A want is a desire for a specific product or service to satisfy the underlying need.

Consider this example:

Consumers need to eat when they are hungry.

What they want to eat and in what kind of environment will vary enormously.

For some, eating at McDonalds satisfies the need to meet hunger. For others a micro-waved ready-meal meets the need.

Some consumers are never satisfied unless their food comes served with a bottle of fine Chardonnay.

Consumer wants are shaped by social and cultural forces, the media and marketing activities of businesses.

This leads onto another important concept - that of customer demand:

Consumer demand is a want for a specific product supported by an ability and willingness to pay for it.

For example, many consumers around the globe want a Mercedes. But relatively few are able and willing to buy one.

Businesses therefore have not only to make products that consumers want, but they also have to make them affordable to a sufficient number to create profitable demand.

Businesses do not create customer needs or the social status in which customer needs are influenced. It is not McDonalds that make people hungry.

However, businesses do try to influence demand by designing products and services that are

* Attractive
* Work well
* Are affordable
* Are available

Businesses also try to communicate the relevant features of their products through advertising and other marketing promotion.

Which leads us finally to an important summary point; a marketing orientated business is one that which has adopted the marketing concept

### Formative Assessment 1