



# MARKETING

Marketing is just sales with a college education.

# *What is marketing?*

product price target customers promotion place marketing mix

Marketing is about having the right product available in the right place at the right time at a price that people are willing to pay and that is communicated with the most attractive promotion message for this group of target customers. All these elements, combined together, are known as the marketing mix or the 4Ps.

# *Market – word formation*

- **MARKET (n.)**

green/ farmers'/ meat / international / stock market

- **TO MARKET (v.)**

to sell something or make it available for sale in a market

- **MARKETEER (n.)**

a person who sells goods or services in or to a market

- **MARKETER (n.)**

a person or company that advertises or promotes something

Direct marketer / mass marketer / niche marketer

# in / on / at the market?

- **in the market** – trade in goods of a particular kind

*Costa Coffee is again **in the coffee market** in Serbia!*

- **on the market** – available for buying and selling

*We put our house **on the market** as soon as house prices started to rise.*

- **at the market** – at the store, be physically present

*Tom's **at the market** right now. Call him if you need anything from the store.*

*Vocabulary*

**A** Complete these statements with suitable expressions from the box.

buying habits	economic situation
government bureaucracy	income distribution
monetary regulations	political stability

- 1 Because of tight ..... **monetary regulations** ..... company profits could not be taken out of the country.
- 2 Red tape and other examples of ..... **government bureaucracy** ..... hinder a company's entry into a market.
- 3 The country is attractive to exporters because it has enjoyed ..... **political stability** ..... for the last 50 years.
- 4 The purchasing behaviour of consumers can be described as their ..... **buying habits** .....
- 5 The ..... **economic situation** ..... is improving leading to a rise in employment.
- 6 ..... **Income distribution** ..... is a term used by economists to describe how wealth is shared in a country.

**C** Look at the words and phrases below. Underline the odd one out.

- |   |                              |                            |
|---|------------------------------|----------------------------|
| 1 | a) growing market            | c) expanding market        |
|   | b) developing market         | d) <u>declining market</u> |
| 2 | a) questionnaire             | c) <u>promotion</u>        |
|   | b) focus group               | d) survey                  |
| 3 | a) market sector             | c) market segment          |
|   | b) <u>market research</u>    | d) market niche            |
| 4 | a) international market      | c) <u>domestic market</u>  |
|   | b) overseas market           | d) worldwide market        |
| 5 | a) launch a product          | c) bring out a product     |
|   | b) <u>withdraw a product</u> | d) introduce a product     |
| 6 | a) <u>slogan</u>             | c) discount                |
|   | b) free sample               | d) special offer           |
| 7 | a) retailer                  | c) wholesaler              |
|   | b) distributor               | d) <u>manufacturer</u>     |

# *International Marketing*



# Discuss these questions.

**Think of one brand in each of these categories that is marketed internationally.**

**Food**

**Drink**

**Electrical equipment**

**Clothing**

**Construction**

1. What are the advantages for a company that's expanding beyond its domestic market?
2. What kinds of problems do companies face when they go international?
3. What methods can companies use to enter overseas markets?

Think of goods/services provided in your country.

(a local brand of **drink, food, electrical equipment, clothing, a place of entertainment, well-known products**)

1. What competition does the product face?
2. What is the image of the company that produces it?
3. How strongly or weakly is the product marketed?
4. Where is it advertised and how?
5. Which opportunities/threats does the firm face?

# *Starbucks*

1. When you see the Starbucks logo, what do you think of?
2. Who is the target market?
3. What values are associated with the brand?
4. Which marketing strategies does Starbucks use?

As you listen, look for answers to the following questions

- 1) What was Howard's idea and philosophy?
- 2) How do they define the company culture?



Insert the following words in the appropriate place in the text.

original    advantage    logo    however    after all  
culture    former    slogan    philosophy    brands

It all started when a former employee called Howard Schultz asked the original founders if they would sell the chain to him. They said he would, and the rest is history. A recent survey said Starbucks was one of the best global brands in business, and its iconic logo is instantly recognizable to people across the planet. However, some people say that Starbucks have become too big and have an unfair advantage over smaller local cafés. Even Howard Schultz admitted that it might become a problem. He said he didn't want growth to change the company's culture. After all, this culture is an important part of the company's success. Starbucks don't have a slogan, but they do promote a philosophy. They don't just sell coffee; they try to offer customers a complete experience.

Use the word in the brackets to complete the sentence. You may need to use a suffix and/or a prefix.

- a) The company's growth (GROW) has been remarkable (REMARK), and thanks to its innovative (INNOVATION) advertising campaign and aggressive (AGGRESSION) marketing strategy, it now dominates the industry.
- b) Starbucks is one of the best global brands in business and its iconic logo is instantly (INSTANT) recognizable (RECOGNIZE) to people across the planet.
- c) By 1986, there were six Starbucks cafés in Seattle in 1987 a former employee (EMPLOY) called Howard Schultz asked the original founders (FOUND) if they would sell the chain to him.
- d) They want people to enjoy each store's welcoming atmosphere, friendly staff and ethically (ETHIC) sourced ingredients.
- e) There have been criticisms (CRITICIZE) of Starbucks's rapid expansion (EXPAND). Some say that Starbucks have become too big and have an unfair advantage over smaller local cafés.

# *Reading comprehension*

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# Answer these questions.

1. Which hot drinks other than coffee are popular in Serbia?  
How about abroad?
2. What is your favorite hot drink?
3. Which five words do you associate with coffee?

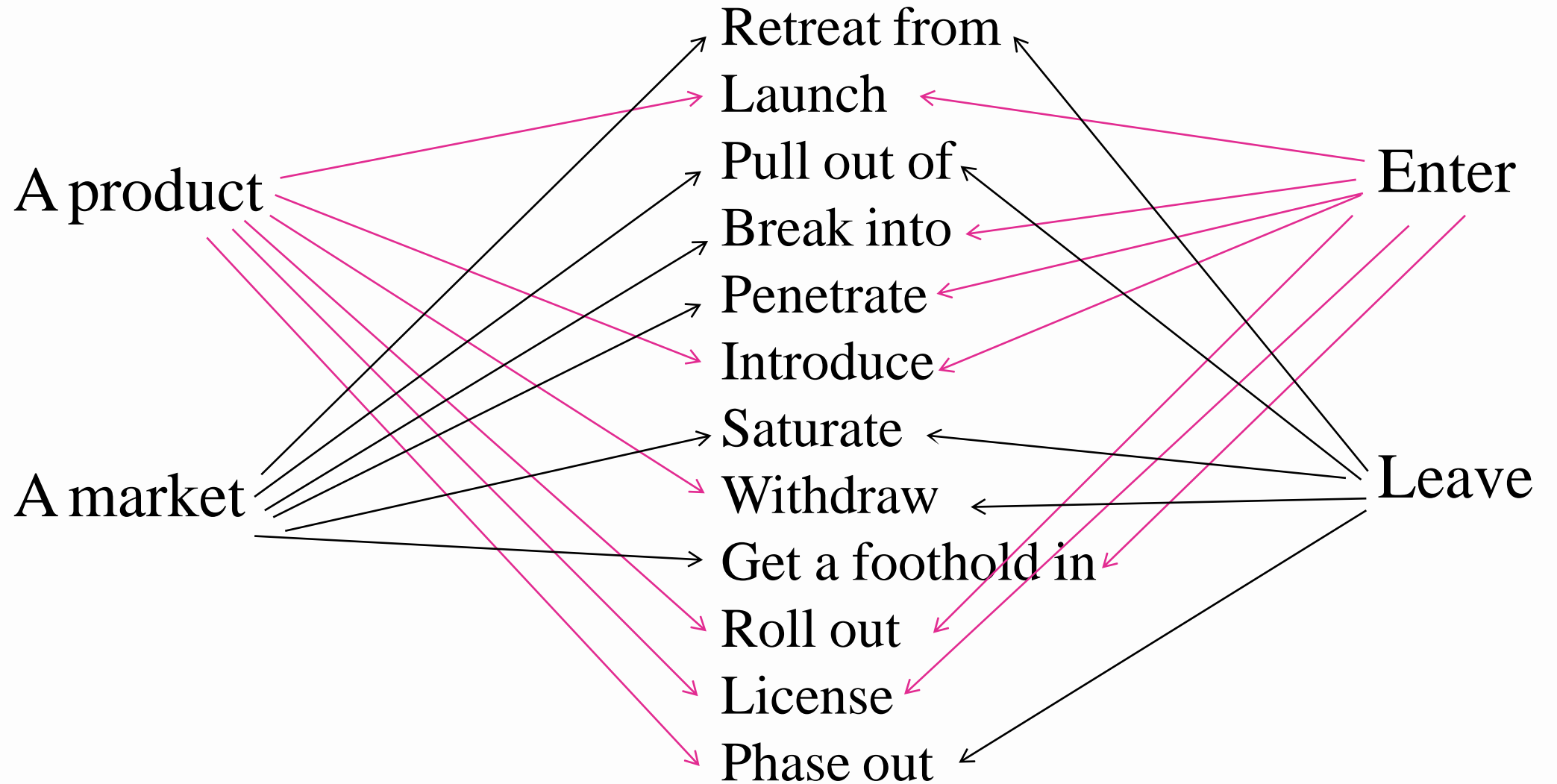
Read the text and find the synonyms for the following words:

- *to add boiling water to coffee (line 4)* – **To brew**
- *foamy, full of small bubbles (l.5)* – **Frothy**
- *fine, nice, small (l.15)* – **Subtle**
- *appear, arise (l. 37)* – **To spring up**
  
- *exclusive , high-end, upscale (l.38)* – **Upmarket**
- *per person (l. 53)* – **Per capita**
- *growth, spread (l. 71)* – **Expansion**
- *market, shop, n. (l. 80)* – **Outlet**



- *to give official permission for someone to do or produce something* **To license**
- *formal permission given by a company to somebody who wants to sell its goods or services in a particular area* (l. 90) – **franchise**
- *imitator* (l. 107) – **copy-cat**
- *to appear* (l. 109) – **to emerge**
- *blend, combine, assimilate* (l. 110) – **to merge**
- *to provide more of a product or service than people want to buy* (l. 118) –  
–  
*drop-dead list (list of victims)* (l. 127) – **hit list**
- *eager, striving, ambitious* (l. 128) – **aspiring**
- *originality, newness* (l. 132) – **novelty**
- *develop, enlarge, broaden, open* (l. 139) – **to roll out**

Which of the verbs below can form a word partnership with a product and a market?



Before entering the marketplace it is essential to carry out...

exploit  
build on ← *S* TRENGTHS

address  
deal with  
minimize ← *W* EAKNESSES

seize  
create ← *O* OPPORTUNITIES

anticipate  
pose ← *T* HREATS

*ANALYSIS*

# Coca-Cola - SWOT

## • Strengths

Strong brand identity  
Extended global reach  
Strong image and branding  
Customer loyalty  
Dominant market share

## • Weaknesses

Aggressive competition with Pepsi  
Health concerns  
Environmentally destructive packaging  
Intention to discontinue some products

## • Opportunities

Introducing new products  
Increasing presence in emerging markets in African countries  
Bringing more healthy drinks such as packaged drinking water

## • Threats

Increasing health-consciousness can cause a drop in Cola's sales  
Starbucks, Costa Coffee and Nescafe can also threaten its market position  
Threat of pollution lawsuit

*More Exam Practice*

Fill in the blanks with the most appropriate words.

1. The company has made losses in both its **domestic** and international operations.
2. Several U.S. companies have teamed up with Mexican retailers to get a **foothold** in the huge Mexican market.
3. We need less **bureaucracy** in the school system - teachers should be allowed to make more decisions.
4. There was a decline in sales in the late 1980s, possibly due to global market **saturation** and the dominance of repetitive, unimaginative designs.
5. I was surprised when I saw her apartment - I'd have expected a lawyer to have something a little more **upmarket**.

Circle the correct word.

1. *The distributors / wholesalers / **retailers*** are the end of the channel in the supply chain. They sell goods and commodities directly to the customers.
2. The product has been *withdrew / **withdrawn** / withdrew* from the market for further tests.
3. The country's ***economic** / economical / economy* crisis continues to deepen as workers demonstrated against rising food prices.
4. The manufacturers say the device will be in / at / **on** the market by May.

Homework – pp. 67 & 68



# Vocabulary

- ... a new curriculum that enables **marketers** (1) worldwide to have the latest **practices** (2), the latest **knowledge** (3) and **techniques** (4), to enable them to become **international** (5) marketers.
- So our students are asked to write a **report** (6), develop a **business plan** (7), develop a **presentation** (8), write a **webcast** (9), present an **international briefing paper** (10) - just as they would do in the workplace. Because we know in talking to employers **worldwide** (11) that they want marketing professionals that have the **capabilities** (12) and skills required of today's demanding **global business** (13) environment.

# Homework – key

3.1.

1. threats, 2. weaknesses, 3. opportunities, 4. strengths

3.2.

*noun:* strength, threat, weakness

*adjective:* strong, threatening, weak

3.3.

1. The brand is very strong.

2. Today, the consumer ...

3. ... will weaken...

4. .. a gap...

5. ..may be threatened..

6. A price war..

# Page 66 – exercise C

1. Pike Place Market, Seattle, 1971.
2. A) 3,907                      B) 437
3. A) 1,378                      B) 1,180
4. Japan
5. Airline offices, sports stadiums, hotels, bookshops
6. Home market saturation, bad experience in Japan, security problems in Israel, opposition from the anti-globalization movement