

The background features abstract, overlapping purple geometric shapes, primarily triangles and polygons, in various shades of purple, ranging from light lavender to dark, almost black, tones. The shapes are layered, creating a sense of depth and movement. The overall composition is modern and minimalist.

# Innovative Entrepreneurship Theory and Practice

# Lesson 20: Marketing

# 'P's of marketing

## Old 5 Ps

Product  
Place  
Promotion  
Price  
*People*



we have done  
a lot of this already!

## New 5 Ps

Personalized  
Pervasive  
Present  
Proprietary  
Predictive

# marketing

<https://www.youtube.com/watch?v=i1xz5Kv-7VY>

## Marketing includes activities such as ...

***Public relations***

***Sales promotion***

***Advertising***

***Social media***

***Pricing***

***Distribution***

***and many other functions***

# marketing

<https://www.youtube.com/watch?v=i1xz5Kv-7VY>

**Product** *Physical Product or Service*

**Place** *Where the product is purchased*

**Promotion** *Tools used to get the message out*

**Price** *The amount a consumer pays*

Product/service

## Product/Service

A well-written **mission statement** can be the guiding foundation  
for a business

**we have done this already!**



## Steps to understand how your idea compares to others:

1. Understand your product/service solution
2. Identify other companies that have the same or similar solution
3. Identify substitutes to your product or service solution.
4. Understand the features that differentiate you from your competitors and substitutes.
  - What is your focus that makes you unique as a product/service solution?
    - i.e. price, quality, distance, materials, etc.
5. Build a SWOT analysis to better communicate those differences.

## Product/service - understand the competition

### How does your idea compare with others?

- compare your position against the competition.
- SWOT & TOWS analysis will help you understand the opportunities you have to differentiate yourself as a business.

we have done this already!

<b>S</b> STRENGTHS	<b>W</b> WEAKNESSES	<b>O</b> OPPORTUNITIES	<b>T</b> THREATS
<ul style="list-style-type: none"><li>• Things your company does well</li><li>• Qualities that separate you from your competitors</li><li>• Internal resources such as skilled, knowledgeable staff</li><li>• Tangible assets such as intellectual property, capital, proprietary technologies etc.</li></ul>	<ul style="list-style-type: none"><li>• Things your company lacks</li><li>• Things your competitors do better than you</li><li>• Resource limitations</li><li>• Unclear unique selling proposition</li></ul>	<ul style="list-style-type: none"><li>• Underserved markets for specific products</li><li>• Few competitors in your area</li><li>• Emerging need for your products or services</li><li>• Press/media coverage of your company</li></ul>	<ul style="list-style-type: none"><li>• Emerging competitors</li><li>• Changing regulatory environment</li><li>• Negative press/media coverage</li><li>• Changing customer attitudes toward your company</li></ul>

## STRENGTHS

- Excellent, well-trafficked location
- Good reputation among local community
- Seasonal menu, locally sourced

## WEAKNESSES

- Higher costs than comparable chain restaurants
- Single location means limited reach
- Modest advertising budget
- Not currently using food delivery apps/technology

## OPPORTUNITIES

- Growing interest in/support for locally sourced ingredients
- Seasonal menu keeps things fresh and interesting
- Potential for growth via food delivery apps/technology

## THREATS

- Intensifying competition from established chain restaurants
- Uncertain economic environment
- Rising costs of ingredients

<https://corporatefinanceinstitute.com/resources/knowledge/other/5-ps-marketing/>

<https://dragonflymarketing.co.za/blog/5-ps-marketing/>

<https://www.investopedia.com/terms/f/four-ps.asp>

<https://education.stateuniversity.com/pages/cw1fnp7eau/An-Introduction-to-the-Principles-of-Marketing.html>

<https://www.oberlo.com/blog/marketing-principles>

<https://www.fool.com/the-blueprint/principles-of-marketing/>

<https://learn.marsdd.com/article/the-marketing-mix-in-marketing-strategy-product-price-place-and-promotion/>

<https://brandsfun.com/5-p-marketing/>

Place

# Place

- *Where* will your product be sold?
- *Where* will it be made?
- Is this the same place?

Customers might not be seeking your product at first, so you should choose a visible location when you first introduce your product.

we have done this already!

Business Model Canvas - channels

# Place

- what you know about your customers
- Know **who your customers are** and **where they spend their time**

# Promotion

# Promotion

**Promotion:** Advertising + Publicity

**Promotion** is the use of  
advertising and publicity to get your marketing message  
to your customers



# Promotion

- **Advertising** is **paid promotion** that is intended to generate increased sales of your product or service.
  - E.g. television commercials, billboards, and magazine ads.
- **Publicity** is free mention of a company, person, event, product, or service in media outlets, such as magazines, radio or television.

where are your customers?  
are social networks places for advertising or publicity?

Price

# Price

How much it will **cost** to build the product/service

Selling price = cost price + desired profit

Profit = Selling Price - Cost Price

# Price

**What your customers are willing to pay**

**What the competing prices are of similar products**

**The statement you want to make about the  
product/service**

a luxury item = pricing it at the higher range of other similar  
products

# Price

When entering a market, the following are some pricing strategies:

## Price Skimming

- **High** initial price for **higher initial margins**, and then
- lower prices over time

## Penetration Pricing

- **Low** price compared to competitors initially
- **gain quick market share** before competitors.

People

## People

- You can gather customer information from **interviews, observation, and market research.**
- It is critical to understand your target market as **the picture you have of them will guide all of your marketing strategy decisions** going forward.

**we have done this already!**  
**customer analysis (empathy / personas)**

## People

Who are the people that will benefit from your product or service idea?

- **Personal information:** Gender, income, age, occupation, education, family, life cycle, geographic region, lifestyle, attitudes
- **Problem:** Needs/benefits sought by them.
- **Purchasing process:** What does the decision making process involve? What sources of information are sought to make a decision? What is timeline of purchase? Who makes the purchase?
- **Product usage:** Who is using the product? Why do they use it? When do they use it? How is it used?



# new 'P's of marketing

Personalized  
Pervasive  
Present  
Proprietary  
Predictive

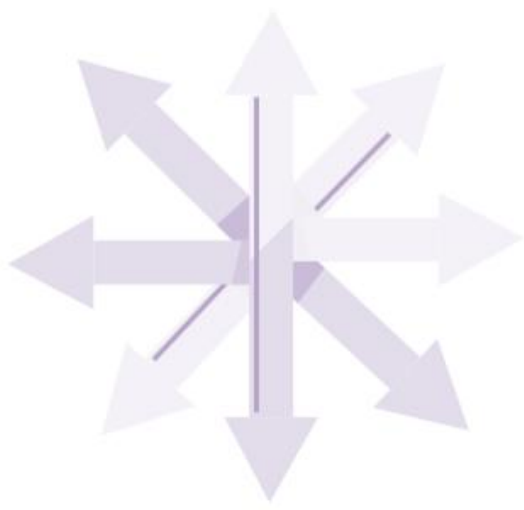


Personalized

**PERSONALIZED** at  
scale to connect with  
users on a 1:1 level.

## Personalized

- 73% of customers said they wanted **order tracking** across all touchpoints.
- 44% of customers said that a **personalized shopping experience** made them want to do business with that brand again.

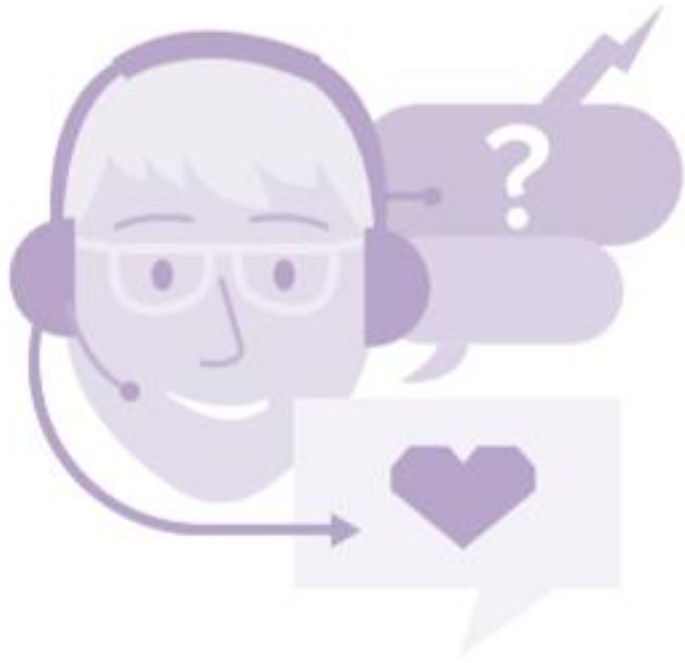


**PERVASIVE** across all channels and marketing touchpoints, giving customers a consistent experience no matter where and how they choose to connect with your brand.

## Pervasive

## Pervasive

- Brands with **multi-channel strategies** average 91% greater year-over-year **customer retention rates** than brands without.
- Pervasive, **cross-channel marketing** continues to be a huge challenge for brands
- because it relies heavily on a **connected customer experience** powered by the **right data at the right time**.



## Present

**PRESENT**, listening and reacting to customer needs in real time.

## Present

- to be available / in communication
- **online and offline** marketing
  - We want to be listened to. We want something that solves our problem. And we want it all to feel relevant and real time.
- In fact, **67%** of customers want brands to automatically adjust content based on their current, real-time context.



## Proprietary

**PROPRIETARY**, driven by first-party data that you know is correct and up-to-date.



# Proprietary

- Data-driven brands average 30% more growth than the competition.
- Brands and retailers have become skeptical of third-party data while 82% believe it's unreliable
- **Data moats**
  - collecting relevant data on their users
  - —what they click on, listen to, watch, abandon, purchase, add to wish lists, etc.—and they're collecting that data themselves.



## Predictive

**PREDICTIVE** of future customer needs, behaviors and the tactics that will influence them to buy.

# Predictive

- you need to **predict** future needs and behaviors of customers
- to tell you who your best customers are today, *and* who they might be tomorrow.
- what content or offers are most likely to get them to purchase.

## resources

[https://www.lytics.com/assets/documents/The-New-5-Ps-of-Marketing\\_White\\_Paper.pdf](https://www.lytics.com/assets/documents/The-New-5-Ps-of-Marketing_White_Paper.pdf)

<https://ecommerce-platforms.com/articles/50-unbeatable-ecommerce-marketing-tips>

<https://www.disruptiveadvertising.com/ppc/ecommerce/ecommerce-marketing-strategies/>

<https://optinmonster.com/ecommerce-marketing-strategies-to-explode-your-sales/>

<https://www.webfx.com/internet-marketing/marketing-your-ecommerce-website.html>

<https://blog.wishpond.com/post/115675437634/ecommerce-marketing-strategies>

<https://newbirddesign.com/8-successful-ecommerce-marketing-campaigns-can-learn/>

# why do marketing?

from ChatGPT

- **Clarity of Objectives:** It helps the business clearly define its marketing objectives, including target audience, positioning, and desired outcomes.
- **Strategic Direction:** A marketing plan outlines the strategies and tactics necessary to achieve the business goals, providing a roadmap for action.
- **Resource Allocation:** By identifying the most effective marketing channels and activities, a plan allows for efficient allocation of resources, including budget and manpower.
- **Consistency:** It ensures consistency in messaging and branding across all marketing efforts, enhancing brand recognition and customer loyalty.
- **Competitive Advantage:** A well-crafted plan helps the business differentiate itself from competitors by highlighting its unique value proposition and positioning in the market.
- **Risk Management:** It enables businesses to anticipate potential challenges and market fluctuations, allowing for proactive mitigation strategies.
- **Measurable Results:** A marketing plan typically includes metrics and key performance indicators (KPIs) to measure the effectiveness of marketing efforts, enabling data-driven decision-making and continuous improvement.
- **Customer Understanding:** Through market research and analysis, a marketing plan helps businesses gain a deeper understanding of their target audience's needs, preferences, and behavior.
- **Adaptability:** While providing a structured approach, a marketing plan should also allow for flexibility to adapt to changing market conditions and consumer trends.
- **Long-Term Growth:** By focusing on building brand equity and customer relationships, a marketing plan contributes to sustainable growth and profitability over the long term.

ChatGPT does not know your target customers

**X** not an exam answer

## meetings with groups

- I still need to talk to many groups
- so I will try to meet every group
- by the end of this week
  - today
  - Thursday

so, while I talk with groups, please work on your marketing strategy

# 3 Marketing Goals

Stage #1: Set a Goal - one sentence

Stage #2: Set a tactic (or tactics) to reach goal

Stage #3: Describe how you are going to do this.

Example:

**Goal #1** (company website developed in 6 months)

- **GOAL:** Increase traffic to company's website to 100 visitors per month in 12 months
- **TACTICS:** free social media marketing
- **HOW:** Use social media to promote our website. This will include posting three times a week on Instagram, YouTube and Twitter. The content will describe what we have done, what we are doing, and what we will be doing, that provides value to the customer.



**Thank you!**  
any questions?