



Meeting Standards – Processing & Marketing Standards

Day One – Marketing Opportunities

David Lamb



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NIRAS

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Marketing is:



- An organisational philosophy
- a functional area within the organisation

Marketing is NOT:

- selling
- advertising
- public relations
- promotion



Marketing is...



- Central to business success, winning and keeping customers.
- About creating value to increase profit to create more value.
- About building relationships to generate loyalty to continue the value cycle.
- Necessary to attract new customers by creating added value, by being better than the competition.



1.What You Need To Know



- **Identify** potential customers

You may have an instinctive idea of who your customers could be:

☐ Who could be potential customers in the following businesses?

- Market Stall
 - Restaurant
 - Supermarket
-
- If you do not have a clear idea of the market for your business, the more broad-ranging your research will have to be in order to find one
 - A potential business without a defined customer base is a failure waiting to happen



Market Research



Considering why something is produced - demand v supply

We undertake research:

- To understand who your competitors are
- To know and evaluate your competition

When operating a business

- Researching your potential market is essential



The Market Environment



- **Uncontrollable Factors**

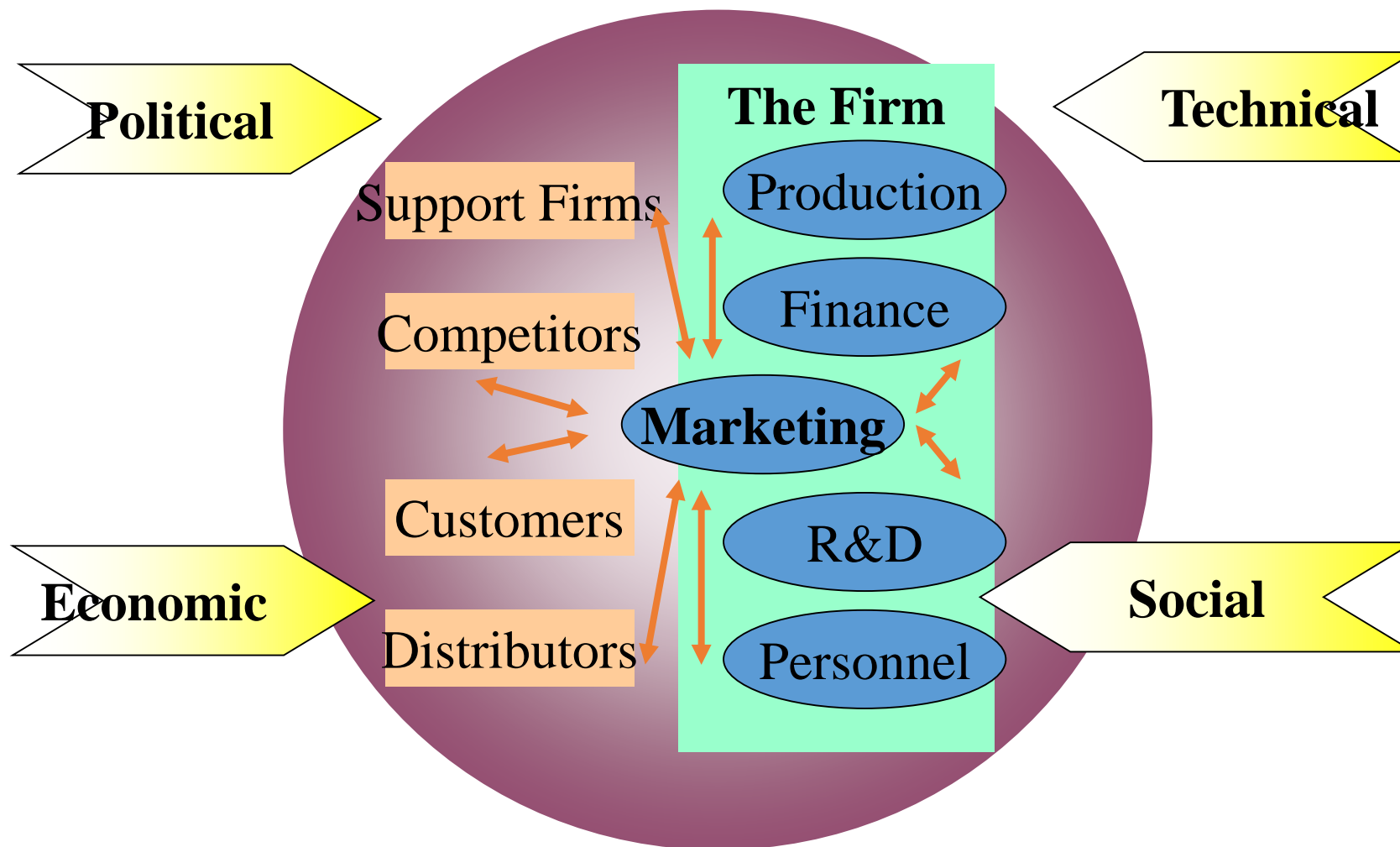
- Competitors
- Social
- Legal
- Economic
- Political
- Technical

- **Controllable Factors**

- Product
- Price
- Place
- Promotion



Market Environment





1.What You Need To Know



- The 5 WH's

1.Who

2.What

3.When

4.Where

5.Why

- and then HOW



1.What You Need To Know



1.Who - Your potential customers are

- If you will be selling to individuals, you need to know their gender, age, marital status, occupation, income and lifestyle
- If you will be selling to businesses, you need to know their size, industry type, product-buying patterns and service requirements
- You also need to know what characteristics are common to all your customers and who makes or influences the buying decision



1.What You Need To Know



2.What - They buy and in what quantities

- A printing firm should understand if its customer base will want a thousand postcards or a million brochures
- A successful sandwich shop will predict its top-selling sandwiches and how many of each they expect to sell each day



1.What You Need To Know



3.When - They will buy

- Customers of a toy manufacturer will buy more towards the end of the year so that they are fully stocked for the pre-Christmas trading period
- A taxi firm will usually expect more business on Saturday evening than Monday evening



1.What You Need To Know



4.Where - Customers prefer to buy

- A bookseller will know that while many customers like visiting a shop, some also buy books through the internet
- Do a hairdresser's customers want to come to the salon, or would they rather have their hair cut at home?
- You also need to make a decision on a specific location – in terms of access, or passing trade or cost, for instance



1.What You Need To Know



5.Why - They will buy your product or service

- Unique selling proposition - Every business has to know why customers will buy from them and not the competition
- Your research should test how effective this is
 - If you are starting a sandwich shop, are you sure your potential customers will prefer the taste of your sandwiches to those sold in supermarkets?



1.What You Need To Know



How - Customers buy

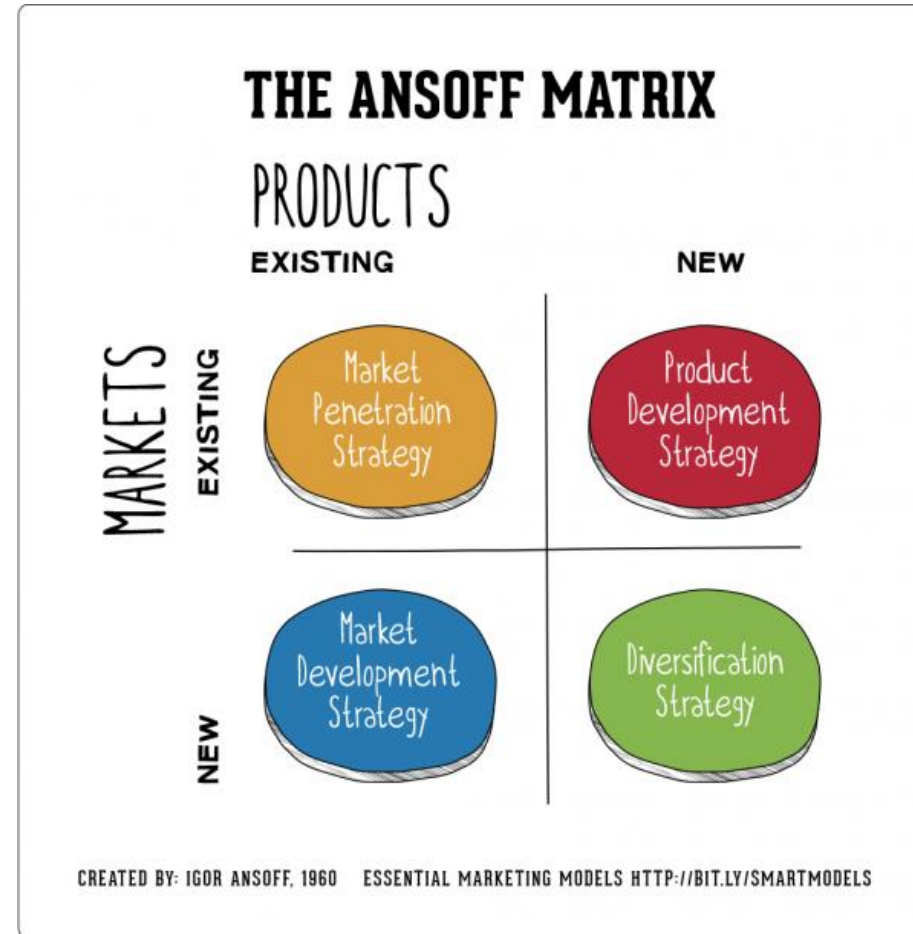
- You have to understand the needs of your customers and the position of the market you are going into
- If you are going to manufacture office furniture:
 - You need to know how often your target customers will want to renovate their offices, and how regularly they need replacement equipment
 - You also need to know about the health of the business/property sector – if the economy were shrinking and businesses giving up property, you may find your customers have no need to buy from you



Objective



- What is it that needs to be done?
- What market are we aiming for?





Added Value



“The increase in worth of a product or service as a result of a particular activity.”

Chartered Institute of Marketing

“Value is the benefit for which consumers are willing to sacrifice price.”

- $\text{Benefits} > \text{sacrifice} = \text{Good value}$
- $\text{Sacrifice} > \text{benefits} = \text{poor value}$



Added Value



Why do it?

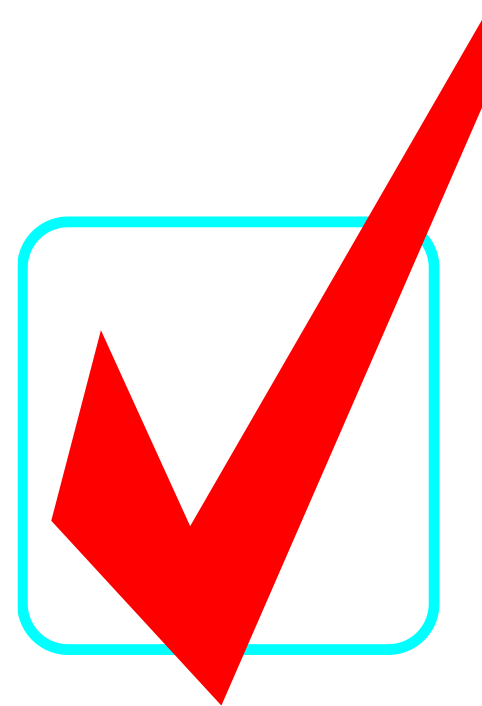
- Meet customer needs
- Gain competitive advantage – unique
- Enter a new market / market segment
- To gain a bigger value added share
- Increase profit



What Value Can Food Have?



- Texture, taste and aroma
- Convenience
- Shape, size and flexibility
- Packaging
- Service
- Information and advice
- Reassurance and traceability
- Local production
- Storability (e.g. shelf life, freezability)
- Animal welfare
- Nutritional content





Questions and Discussions