**Chapter 1**

**overview of marketing**

Tools for Instructors

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Chapter Overview

In this chapter, the goal is to provide an overview of marketing and encourage students to think about the specific aspects of the marketing mix.

Brief Chapter Outline

What Is Marketing?

The Importance of Marketing over Time

How Does Marketing Create Value, and How Do Firms Become More Value Driven?

Learning Objectives

LO1-1 Define the role of marketing.

Marketing is the activity, set of institutions, and processes for creating, capturing, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing strives to create value in many ways. If marketers are to succeed, their customers must believe that the firm’s products and services are valuable; that is, they are worth more to the customers than they cost. Another important and closely related marketing role is to capture value of a product or service based on potential buyers’ beliefs about its value. Marketers also enhance the value of products and services through various forms of communication, such as advertising and personal selling. Through communications, marketers educate and inform customers about the benefits of their products and services and thereby increase their perceived value. Marketers facilitate the delivery of value by making sure the right products and services are available when, where, and in the quantities their customers want. Better marketers are not concerned about just one transaction with their customers. They recognize the value of loyal customers and strive to develop long-term relationships with them.

LO1-2 Detail the evolution of marketing over time.

Marketing has evolved from a production or sales-oriented approach, in which firms told people what they could and should buy, to a market- and value- oriented perspective. In this more recent view, firms look to their markets to tell them what they need to product and provide, in a way that creates value for them and their customers.

LO1-3 Describe how marketers create value for a product or service.

Value stems from at least four main activities that value-driven marketers undertake and are reinforced throughout the book:

* Adding value, such that they leverage various elements of marketing and work to build relationships with partners and customers to ensure that they introduce their product, service, or idea to the marketplace at just the place and time that customers want it.
* Marketing analytics, which companies use to gather vast amounts of information about customers and competitors, then analyze it and share it across their own organization and with partner firms.
* Social and mobile marketing, to take advantage of new technologies and connect with customers using the latest social media channels.
* Ethical and societal dilemmas, such that firms engage in conscious marketing that takes into account the benefits and costs of their actions for all stakeholders.

Extended Chapter Outline

# What Is Marketing? *(PPT 1-4)*

## Marketing Is About Satisfying Customer Needs and Wants *(PPT 1-6)*

## Marketing Entails an Exchange (*PPT 1-7)*

## Marketing Creates Value through Product, Price, Place, and Promotion Decisions *(PPT 1-9)*

### Product: Creating Value *(PPT 1-10)*

**Adding Value 1.1: The Baby Dove Product Line Extension and Its Content** discusses the company’s extension into baby products. While the move is consistent with other recent extensions from the women’s to men’s, it would also be that Dove is creating advantage in the struggling baby care market. Companies with strong reputations in the baby industry struggle when trying to introduce baby care. Do your students think that Dove will have an advantage because of its reputation in moisturizing products?

### Price: Capturing Value *(PPT 1-11)*

### Place: Delivering the Value Proposition *(PPT 1-12)*

### Promotion: Communicating the Value Proposition *(PPT 1-13)*

## Marketing Can Be Performed by Individuals and Organizations *(PPT 1-14)*

**Adding Value 1.2: The Kids Are Marketing All Right: Recycling and selling on E-Commerce Platforms** gives examples of how teenagers are getting entrepreneurial through apps, such as Poshmark, to buy and sell unique styles of clothing instead of waiting for retailers to introduce what they want. Many of the systems work off points so the teens don’t have to wait for their parents to give them the money to buy. The buying and selling aspect gives these young entrepreneurs the ability to earn substantial income while expressing their creativity. This can lead to a class discussion about how these teens are effectively using the marketing mix.

* 1. Marketing Affects Various Stakeholders *(PPT 1-15)*

**ethical & societal dilemma: Making a Family Business Valuable by Addressing Gender Inequality in the Coffee Market** highlights the fact that while the coffee industry primarily shows men working coffee fields, the reality is that women do 70 percent of the farming. However, women farmers are underpaid and are frequently excluded from negotiations. A Minnesota farmer discovered this when she took over her family farm. She developed a new brand, City Girl Coffee, dedicated to empowering and employing women throughout the supply chain.

***✓ Progress Check:*** Several questions are offered for students to check their understanding of core concepts. *(PPT 1-16)*

1. What is the definition of marketing?

Answer: Marketing is the activity, set of institutions, and processes for creating, capturing, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large

1. Marketing is about satisfying \_\_\_\_\_ and \_\_\_\_\_.

Answer: Marketing is about satisfying needs and wants.

1. What are the four components of the marketing mix?

Answer: The four components of the marketing mix are product, place, price, and promotion.

1. Who can perform marketing?

Answer: Both individuals and organizations can perform marketing as marketing can entail B2C, B2B, and C2C.

## The Importance of Marketing Over Time *(PPT 1-17)*

### Production-Oriented Era

* 1. Sales-Oriented Era

### Market-Oriented Era

### Value-Based Marketing Era *(PPT 1-18 and PPT 1-19)*

**Adding Value 1.3: Whole Foods’ Value- and Purpose-Based Marketing** discusses Whole Foods’ philosophy that value means far more than pricing. This could lead to a discussion on what “value” means to students.

***✓ Progress Check:*** Several questions are offered for students to check their understanding of core concepts. *(PPT 1-20)*

* + 1. What are the various eras of marketing?

Answer: The eras of marketing include the production era, sales era, market era, and value-based era.

1. **How Does Marketing Create Value, and How Do Firms Become More Value Driven?** *(PPT 1-21)*
	1. **Adding Value (***PPT 1-22)*
	2. **Marketing Analytics** *(PPT 1-23)*
	3. **Social and Mobile Marketing** *(PPT 1-24)*

**Adding Value 1.4: Is There Cash Value in No Cash? Amazon Thinks So** highlights the technological advances in Amazon’s Go store. Shoppers scan their phone when entering the store and technology does the rest. It monitors the customers moves, determines when items are placed in the cart, and charges their accounts as they leave the store…all cashless. The company is moving more toward having stores where employees aren’t needed. For now, it still needs people to verify identity for things like products that have an age requirement to purchase.

**Marketing Analytics 1.1: Location, Location, Analytics: Starbucks’ Use of Data to Place New Stores** discusses the company’s use of geographic information systems (GIS) to determine the best locations of new stores. With more than 22,000 stores in 66 countries the company has had successes and failures in determining locations. The problem was those who make location decisions had too much information to process. Starbucks has use GIS since 1990, but more recently has been able to determine the best locations based on demographics and location information along with pertinent criteria.

**Social and Mobile Marketing 1.1: What Comes Around: Marketing Today** discusses the rapid growth of mobile advertising. Mobile Internet advertising represents more than one-third of advertising world-wide. Consumers’ abilities to block ads is causing advertisers to expand and improve their mobile marketing to avoid the barriers.

**Ethical and Societal Dilemma 1.2: After Axing Straws, Starbucks Still Faces Criticism for Single-Use Plastic** because it is replacing the plastic straws it is phasing out with polypropylene lids that cannot be recycled in the United States. China, the leading market for polypropylene recycling has recently banned further imports leaving only countries with limited abilities as an outlet. Starbucks will likely need to reevaluate its practices to find ways it can make more meaningful changes.

***✓ Progress Check:*** Several questions are offered for students to check their understanding of core concepts. *(PP 1-26)*

1. Does providing a good value mean selling at a low price?

Answer: Value-based marketing isn’t just about low price; it is also about creating strong products and services.

1. How are marketers connecting with customers using social and mobile media?

Answer: Marketers are steadily embracing new technologies, such as social and mobile media, to allow them to connect better with their customers and thereby serve their needs.

Additional Resources

*Place* is one of the most difficult concepts for students because it is largely invisible to them as consumers. They touch hard goods, experience services, view and hear promotions, and pay for what they buy, but it can seem that products almost appear magically. One recent trend among environmentally conscious consumers is to seek out products produced within a 100-mile radius of their hometowns. Buying these products reduces costs and detrimental environmental effects by reducing emissions associated with transportation and storage. Students should visit local grocery markets, identify goods, and investigate how far the products traveled (and by what means) to reach the store’s shelves. From this experience, a rich discussion of both distribution decisions and marketing’s impact on society can evolve.

To make the *eras of marketing* clear to students, divide the class into groups with each group assigned to a specific era. Ask the students to identify a business that adheres to their assigned era in terms of its business philosophy and approach. They should present the business to the class with evidence of the business’s philosophy. Each brief presentation should include an assessment of whether the orientation is appropriate to the business given its competitive environment, target audience, and positioning strategy and if not, what orientation would be best.

# Connect Application Exercises

# This section summarizes each Application Exercise available with this chapter. Each summary comprises an introduction to the exercise, concept review, and follow-up activity. Associated details related to the learning objectives, activity type, AASCB category, and difficulty levels are also included. These summaries are intended to guide your course planning; perhaps you want to assign these exercises as homework or practice, before or after class. For best practices on how and when to assign these exercises, see the IM Implementation Guide at the beginning of this chapter.

|  |  |  |
| --- | --- | --- |
| **Application Exercise** | **Type** | **Learning Objectives 01-** |
|  |  | **01** | **02** | **03** |
| Zipcar: Creating Value in the Marketplace | Case Analysis | X | X | X |
| The Marketing Mix: Travel Goods and Services | Click & Drag | X |  |  |
| The Marketing Mix: Travel Goods and Services | Keyboard Navigable | X |  |  |
| Jeans | Video Case | X | X |  |
| Value: The Bottled Water Industry | Video Case | X | X |  |
| Delivering Value at Red Mango | Video Case | X | X |  |
| Dunkin’ Donuts: Delivering on the Brand Promise | Video Case | X | X |  |
| From Beans to Pralines: The Global Chocolate Market | Case Analysis | X | X | X |
| Making a Market: Vosges Haut-Chocolat | Video Case | X | X |  |
| ISeeIt Video Case: Value Creation Through the Marketing Mix | Video Case | X |  |  |
| KIND Bars for a Kinder World | Case Analysis | X | X | X |
| Marketing at The Gluten Free Bar (GFB) | Video Case | X | X | X |

## ZipCar: Creating Value in the Marketplace

* **Activity Type:** Case Analysis
* **Learning Objectives:** 01-01, 01-02, 01-03
* **Difficulty:** Medium
* **Activity Summary:** This case describes Zipcar’s operations, focusing on how it creates value. Students answer questions relating the case to chapter concepts.

### Activity

* **Introduction:** Nearly a decade ago, the founders of Zipcar decided to bring the car-sharing experience to the United States. Since then, Zipcar has developed the gold standard by offering its members 24/7 access to thousands of cars around the world and creating a revolution in the way many people think about alternate transportation.
* **Concept Review:** Understanding the marketplace, and especially consumers’ needs and wants, is fundamental to marketing success. Marketing focuses on creating value for customers, clients, partners, and society at large.

### Follow-up Activity

Zipcar has a special program targeted at universities. Ask the students the following questions:

* How might students’ wants and needs differ from those of Zipcar customers in general?
* What kind of marketing (B2C, B2B, C2C) is Zipcar engaging in when it works with universities to get Zipcar locations approved on campus?
* How can Zipcar create value for university administrators, such that they would be interested in having Zipcar locations on campus?

After discussing these points, visit the Zipcar website and look at the “for universities” tab. Note the two columns addressing how Zipcar creates value for two different audiences: university administrators and students.

## The Marketing Mix: Travel Goods and Services

* **Activity Type:** Click & Drag
* **Learning Objectives**: 01-01
* **Difficulty:** Medium
* **Activity Summary:** The student is presented with eight marketing activities performed by two travel companies—one that manufactures products, and one that offers services. Students are asked to classify the activities according to both the marketing mix element and the product type (goods or services) it represents.

### Activity

* **Introduction:** Two travel-oriented companies—one a producer of goods, the other a service provider—have different marketing mixes. In this activity, you categorize a set of statements about each company's marketing activities according to the four Ps (product, price, place, and promotion).
* **Concept Review:** Marketing traditionally has been divided into a set of four interrelated decisions known as the marketing mix, or four Ps: product, price, place, and promotion.

A sentence of explanation is offered for each of the rectangles to the left when the student rolls the mouse pointer over it.

### Follow-Up Activity

* In small groups, have students select a company/brand from which they buy products or services. Then, have them fill in examples of marketing activities that fit into each of the four Ps.

## The Marketing Mix: Travel Goods and Services - Alternative

* **Activity Type:** Keyboard Navigable Version of the Drag and Drop Above
* **Learning Objectives:** 01-01
* **Difficulty:** Medium
* **Activity Summary:** The student is presented with eight marketing activities performed by two travel companies—one that manufactures products, and one that offers services. Students are asked to classify the activities according to both the marketing mix element and the product type (goods or services) it represents.

### Activity

* **Introduction:** Two travel-oriented companies—one a producer of goods, the other a service provider—have different marketing mixes. In this activity, you categorize a set of statements about each company's marketing activities according to the four Ps (product, price, place, and promotion).
* **Concept Review:** Marketing traditionally has been divided into a set of four interrelated decisions known as the marketing mix, or four Ps: product, price, place, and promotion.

A sentence of explanation is offered for each of the rectangles to the left when the student rolls the mouse pointer over it.

### Follow-Up Activity

* In small groups, have students select a company/brand from which they buy products or services. Then, have them fill in examples of marketing activities that fit into each of the four Ps.

## Jeans

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01, 01-02
* **Difficulty:** Medium
* **Activity Summary:** This video case discusses the market for blue jeans, with its wide price range and many different sets of customer needs and wants. After the video ends, students are asked questions about the video and related course concepts.

## Activity

* **Introduction:** Marketing involves satisfying the needs and wants of consumers. However, not all consumers have the same needs and wants. The marketing of blue jeans is a good example of how marketers develop a different marketing mix to suit the needs of different consumers.
* **Concept Review:** First invented in the United States, blue jeans represent everything American. How blue jeans went from their humble beginnings to the height of high fashion is a marketing success story. There are dozens of brands, ranging from the $10 pair to the $1,000 pair, with numerous offerings between the two extremes to meet the needs of every type of consumer. Marketers must understand what consumers value in order to manage the marketing mix to deliver the right set of benefits to different consumers.
* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

### Follow-Up Activity

In groups or individually, ask students to:

1. List all the brands of jeans they can think of, from basic discount brands to the hip designer brands.
2. Use the Internet to find typical prices for a pair of jeans in each brand.
3. Enter the prices into a spreadsheet and generate a scattergram of the prices. (You can use options to have each point labeled by its brand name.)

Then discuss: How could this scattergram be useful to marketers of each brand? Possible answers:

* It shows the overall price range so a brand can tell if its price is unusually high or low.
* It MIGHT indicate which brands are competing head-to-head (the ones whose dots on the scattergram are closest together), though it’s important to note that pricing is only one dimension on which brands can be similar or different. They may be targeting different age or size ranges, or aiming to establish different brand images.

## Value: The Bottled Water Industry

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01, 01-02
* **Difficulty:** Medium
* **Activity Summary:** This video case traces the evolution of the bottled water industry. After the video ends, students are asked questions about the video and related course concepts.

### Activity

* **Introduction:** Bottled water companies create value for customers even though they sell a natural resource that is free and abundant. Water was first positioned as a premium product that indicated status and sophistication. Since then, soft drink companies with large distribution networks, such as PepsiCo and Coca-Cola, have marketed bottled water at lower prices.
* **Concept Review:** The American Marketing Association states that marketing is “an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.” Although marketing is a multi-faceted function, its fundamental purpose is to create value by developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs.
* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

Hold a group discussion—or a structured debate, with students assigned to argue a particular position—on the ethics of the bottled water industry. Some potential sources:

#### Summary of the issues from environmental and clean water advocacy groups:

* <http://www.nrdc.org/water/drinking/qbw.asp> - Natural Resources Defense Council. Addresses both water safety and environmental impact
* <http://thewaterproject.org/bottled_water_wasteful> - from The Water Project

#### How bottled water brands are trying to address concerns:

* <http://www.prnewswire.com/news-releases/pepsicos-aquafina-launches-the-eco-fina-bottletm-the-lightest-weight-bottle-in-the-market-61940397.html> - a press release from Pepsi about the Aquafina Eco-Fina® bottle.
* [http://www.dasani.com/dasani-water/index.html - twist](http://www.dasani.com/dasani-water/index.html#twist) - discusses Dasani’s recycling initiatives.
* <http://www.evian.com/en-us> - Evian’s website contains several sections addressing concerns (“Evian and your health” discusses water quality; “Evian and the environment” discusses various initiatives related to environmental protection). Also, show one of the Evian Babies ads, which relate to its “Live Young” slogan. <https://www.youtube.com/watch?v=hE3HdcdZAxQ> is probably Evian’s best-known ad, featuring the Roller Babies. How might this ad, with its use of babies, help to combat the view of bottled water as an unhealthy and environmentally undesirable product?
* [http://blogs.ei.columbia.edu/2009/08/11/“ethical”-bottled-water-companies](http://blogs.ei.columbia.edu/2009/08/11/%E2%80%9Cethical%E2%80%9D-bottled-water-companies) - Discusses strategies of Ethos water and others selling “ethical” bottled water.

## Delivering Value at Red Mango

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01, 01-02
* **Difficulty:** Medium
* **Activity Summary:** This video reviews Red Mango’s marketing mix and its approaches to value creation. After the video ends, students are asked questions about the video and related course concepts.

### Activity

* **Introduction:** Founder Dan Kim opened the first U.S.- based Red Mango in Los Angeles in 2007. He quickly expanded, and there are currently more than 200 locations in 27 states, plus a few locations outside the U.S. Red Mango has successfully combined a healthy product (frozen yogurt) with cool, fun shops to hang out in. Red Mango uses 100% all natural, non-fat or low-fat kosher, and gluten-free frozen yogurt fortified with probiotics. It has expanded its menu to include fresh fruit smoothies, parfaits, and probiotic iced teas. Red Mango was named the number one smoothie and frozen yogurt chain in America in Zagat’s 2011 National Chain Restaurants Survey. The following video illustrates how Red Mango delivers superior value to customers.
* **Concept Review:** Marketing strives to create value in many ways. If marketers are to succeed, their customers must believe that the firm’s products and services are valuable—that is, they are worth more than they cost. Value represents the relationship of benefits to costs. Marketers deliver value through the marketing mix (the 4 Ps): product, price, place, and promotion. Firms become value driven by sharing information, balancing customer benefits and costs, concentrating on building long-term relations with loyal customers, and creating connections with customers by using social and mobile media. To achieve this, marketers must understand customers' needs and wants. Successful marketing also requires thoughtful planning, with an emphasis on the ethical implications of any of those decisions on society in general.
* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

## Dunkin’ Donuts: Delivering on the Brand Promise

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01, 01-02
* **Difficulty:** Medium
* **Activity Summary:** This video case discusses the overall strategy Dunkin’ Donuts uses to build its brand and create value for customers. After the video ends, students are asked questions about the video and related course concepts.

### Activity

* **Introduction:** Dunkin’ Donuts has been known for its donuts for over 60 years, but the company has increased its focus on coffee, responding to the growing popularity of coffee drinks in the United States. Dunkin’ Donuts has developed a strategy using the four Ps to help to differentiate it from its many competitors. The company seeks to offer great products at a reasonable price, available at convenient locations. Their goal is to “get you running in the morning and keep you running all day.”
* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

### Follow-Up Activity

* Discuss how Dunkin’ Donuts uses its strategy to differentiate itself from its major competitors in the Coffee and Breakfast marketplace. Some points to consider:
	+ Dunkin’ Donuts focuses on good value at a reasonable price, mixing coffee and food.
	+ Starbucks focuses more on quality to justify its high price, and has a stronger focus on coffee drinks, with food available but not a primary focus.
	+ McDonald’s offers food at all times of the day in addition to its McCafé offerings. It has thousands of locations, and keeps a strong focus on low price and fast service.

## From Beans to Pralines: The Global Chocolate Market

* **Activity Type:** Case Analysis
* **Learning Objectives:** 01-01, 01-02, 01-03
* **Difficulty:** Medium
* **Activity Summary:** Students read a case reviewing strategies adopted by different chocolate brands, and then answer questions requiring them to apply the six core aspects of marketing to what they have read.

### Activity

* **Introduction:** The worldwide chocolate market is huge, with cocoa bean growers spanning three continents, processors located all over the world, and multiple chocolate brands serving the preferences of different consumers. This activity is important because it gives you a solid “big picture” view of the scope of marketing via the chocolate industry.

### Follow-Up Activity

Students might enjoy learning about Dr. Dan Ariely’s “Hershey Kiss Experiment,” in which students were offered a Lindt truffle or a Hershey kiss. When the truffle cost 26 cents and the kiss cost 1 cent, equal numbers of students chose each; when the truffle cost 25 cents and the kiss was free, the vast majority chose the kiss. It illustrates the power of “FREE!”, and is discussed further in this article: <http://danariely.com/2009/08/10/the-nuances-of-the-free-experiment/>.

## Making a Market: Vosges Haut-Chocolat

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01, 01-02
* **Difficulty:** Medium
* **Activity Summary:** This video case presents a marketing mix for a small brand that seeks to differentiate itself through luxury and innovation. After the video ends, students are asked questions about the video and related course concepts.

### Activity

* **Introduction:** Vosges Haut-Chocolat is a chocolate brand seeking to make consumption of their chocolate a luxury experience which has grown along with the market for high-end chocolate. The video discusses how Vosges has created a cohesive marketing strategy focused on luxury and innovation. This activity is important because successful marketing requires an understanding of the full range of marketing activities, and of the importance of ensuring that all these activities serve a common strategy. The goal of this exercise is to test your understanding of the basic concepts of marketing.
* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

### Follow-Up Activity

* Compare Vosges to Godiva, which is probably the best-known luxury chocolate brand in the USA. What advantages does Godiva have over Vosges? How can Vosges compete successfully with Godiva (both in terms of its current activities and other things it might do)? Points to consider:
	+ Godiva has far more brand recognition, more of its own stores, and a wider distribution network.
	+ Vosges has its innovative flavors; in addition, the very fact that it is not as well-known might allow the brand to create a more exclusive, super-premium image.

## iSeeIt Video Case: Value Creation Through the Marketing Mix

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01
* **Difficulty:** Easy
* **Activity Summary:** The iSeeIt video cases available for most chapters introduce key concepts through examples that are familiar to students from their own lives. This short activity uses different consumer preferences for coffee shops to illustrate how marketing creates value.

### Activity

* **Introduction:** Value is when a customer receives more than they give up, such as when a customer pays for a product or service. The definition of value often shifts based upon what each customer is looking for in the product or service they are purchasing. Take for instance the Hernandez family and their search for the perfect cup of coffee. Mom, Dad and Gabbie each place value on different aspects of the coffee drinking experience. Gabbie looks for a unique experience, often provided by independent coffee shops, and is willing to pay more for that experience. Mom, on the other hand, wants the consistency and convenience provided by chains, while Dad is not interested in anything fancy but is simply looking for a cheap cup of coffee. Before organizations can effectively market their coffee to this family with such diverse needs, they need to understand where each consumer places value and meet their needs using the marketing mix.
* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

### Follow-Up Activity

Discuss some of the places around your university where people can go for a cup of coffee. How do they differ in the value they offer?

## KIND Bars for a Kinder World

* **Activity Type:** Case Analysis
* **Learning Objectives:** 01-01, 01-02, 01-03
* **Difficulty:** Medium
* **Activity Summary:** Students read a case reviewing how KIND Bars plans and recognizes the implications of its marketing decisions and how they affect society. Student will demonstrate their understanding how marketing is defined, its role in creating value, and why it is important.

### Activity

**Introduction:** KIND (www.kindsnacks.com) stands out for its largely successful efforts to apply nearly every aspect of good marketing presented in this chapter. This activity is important because organizations must understand what marketing really means. To be successful good marketing needs to be planned with a recognition of how the implications of those decisions affect society. Included in this planning is how the product or service will be conceived or designed, how much it should cost, where and how it will be promoted, and how it will get to the consumer. Ultimately, marketing involves an exchange in which both parties should be satisfied at the conclusion of the transaction.

### Follow-Up Activity

Students might enjoy learning about how the Kind Foundation partnered with the Harvard Graduate School of Education’s Making Caring Common project to get secondary education students involved in the way they treat each other in and away from school. <https://www.kindsnacks.com/foundation/kindschoolschallenge.html>

Points to consider when reviewing this challenge are how this creates value for KIND and its customers as well as how KIND is creating a better world through this type of activity. What are other ideas KIND can use to make a Kinder World.

##  Marketing at The Gluten Free Bar (GFB)

* **Activity Type:** Video Case
* **Learning Objectives:** 01-01, 01-02, 01-03
* **Difficulty:** Easy, Medium
* **Activity Summary:** Students watch a video that addresses how the marketplace is divided into groups of potential customers who are important to Gluten Free Bar (GFB) for different reasons.

### Activity

**Introduction:** Marketing creates value in organizations. This video shows that marketing is a core part of everyone’s life regardless of the time of day. From early morning until late at night buyers and sellers trade things of value so that each is better off. Understanding the needs and wants is essential to marketing success.

* **Video:** The video is presented to the student below the introductory information. The video plays embedded on the page, after which questions are presented.

### Follow-Up Activity

Discuss the criteria for segmenting a market. Depending on the size of the city or town in which your school is located, have students think of products that can successfully be marketed in your location and others that might not. If the city is large, consider products that succeed there but might not in a smaller town. If school is in a small college town, consider products that are available in larger areas but not yours. Lead the students in a discussion of why those products can succeed or why they can’t based on the criteria required for segmenting a market.