3 The role of marketing – Part 1 — Answers

Answers

3.1 Finding out what customers want, then making and selling products that meet those wants at a profit.

3.2 A product-orientated firm focuses on the product first; a market-orientated firm finds out what customers want first, then makes it (lower risk).

3.3 A mass market is large and aimed at most buyers (high sales, strong competition); a niche market is small with special needs (weaker competition, smaller sales). (Any clear difference.)

3.4 Splitting a market into groups of similar buyers; e.g. by age, income, gender, location or lifestyle.

3.5 Product, price, place and promotion.

3.6 The high *price* signals quality, the premium *product* delivers it, the exclusive *place* (a few smart shops) keeps it special, and selective *promotion* targets wealthy buyers. All four reinforce the luxury image —if one clashed (e.g. selling in cheap shops), the image would break.