UNIT 8

Marketing

'Marketing is the art of making something better than it really is.'
Suso Banderas (pen name of Mark Krenz), American writer

OVERVIEW

VOCABULARY
Word partnerships

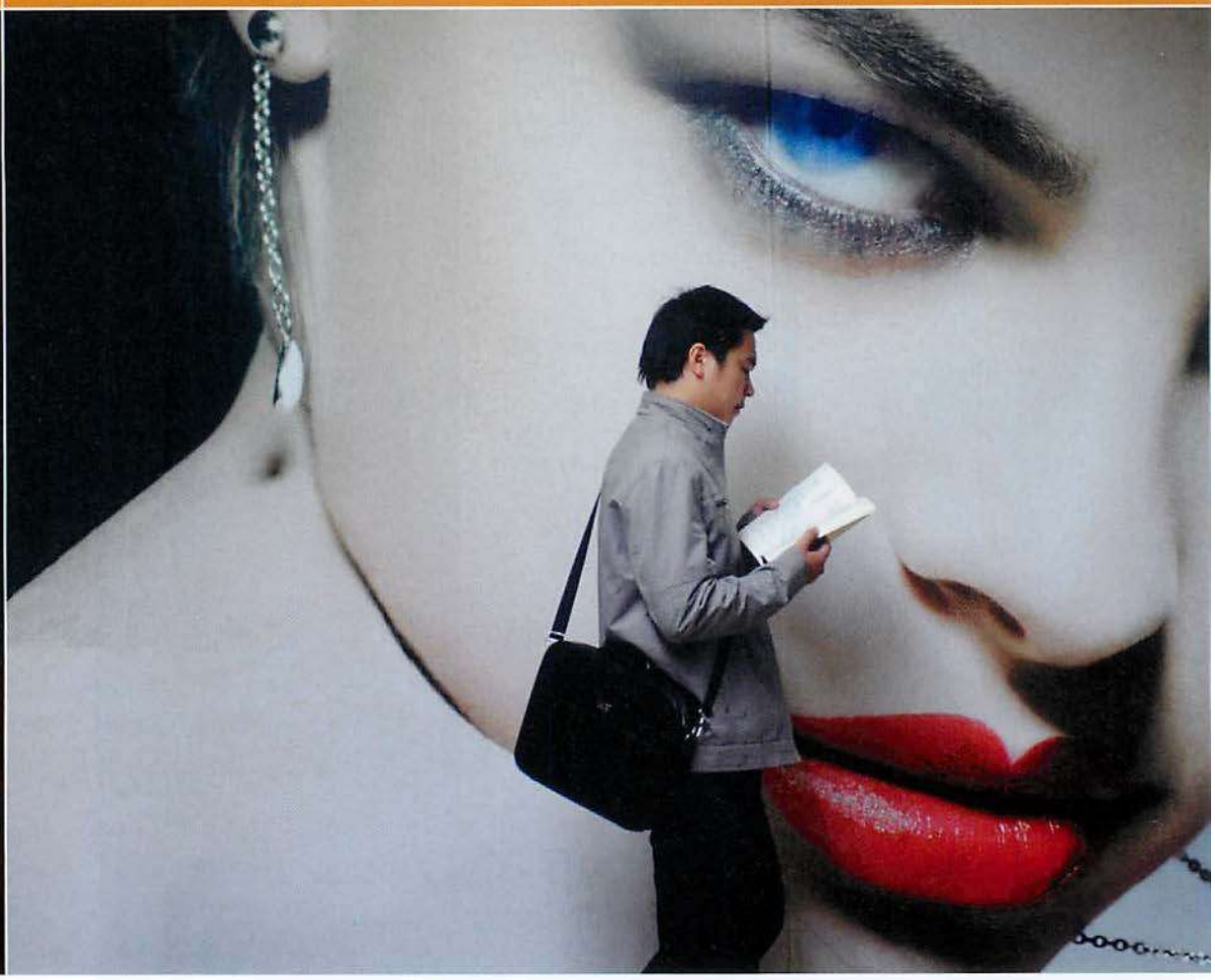
LISTENING
Marketing pharmaceuticals

READING
Adidas and the Chinese market

LANGUAGE REVIEW
Questions

SKILLS
Telephoning: exchanging information

CASE STUDY
Wincote International



STARTING UP

A **'The four Ps' form the basis of the 'marketing mix'. If you want to market a product successfully, you need to get this mix right. Match the Ps (1–4) to their definitions (a–d).**

1	product	a)	the cost to the buyer of goods or services
2	price	b)	informing customers about products and persuading them to buy them
3	promotion	c)	where goods or services are available
4	place	d)	goods or services that are sold

B CD2.11–2.14 **Listen to four consumers talking about different products. Decide which of the four Ps each speaker is discussing: product, price, promotion or place.**

C **Think of some products you have bought recently. Why did you buy them? Which of the four Ps influenced your decision to buy?**

D **Tell your partner about a marketing campaign that impressed you.**

www.pardistalk.ir/library

Scanned for Agus Suwanto

VOCABULARY

Word partnerships

A **For each group of words below (1–5):**

- fill in the missing vowels to complete the word partnerships;
- match each of the three word partnerships to the correct definition (a–c).

1	market	r e s e a r c h	a) the percentage of sales a company has
		s _ g m _ n t	b) information about what customers want and need
		s h _ r e	c) a group of customers of similar age, income level and social group
2	consumer	b _ h _ v _ _ _ r	a) description of a typical customer
		p r _ f _ l _	b) where and how people buy things
		g _ _ d s	c) things people buy for their own use
3	product	l _ _ n c h	a) introduction of a product to the market
		l _ f _ c y c l _	b) length of time people continue to buy a product
		r _ n g _	c) set of products made by a company
4	sales	f _ r _ c _ s t	a) how much a company wants to sell in a period
		f _ g _ r _ s	b) how much a company thinks it will sell in a period
		t _ r g _ t	c) numbers showing how much a company has sold in a period
5	advertising	c _ m p _ _ g n	a) a business which advises companies on advertising and makes ads
		b _ d g _ t	b) an amount of money available for advertising during a particular period
		_ g _ n c y	c) a programme of advertising activities over a period, with particular aims

B CD2.15 **Mark the stress on the word partnerships in Exercise A. Listen and check your answers.**

EXAMPLE: 'market re'search

C **Choose a well-known brand for each of these categories.**

- car/motorbike *Mercedes*
- mobile phone / camera
- clothing/perfume
- food/drink
- magazine/newspaper
- computer / electronic goods

For each brand, think about these questions.

1 What is the product range of the brand? *The range includes cars, vans and trucks.*
2 Which market segment is it aimed at in your country?
3 What is a typical consumer profile for the brand? Include the following:
• age • gender • job/profession • income level • interests/hobbies
• other products the consumer might buy

D **Work in pairs. Choose one of the brands you looked at in Exercise C. Discuss what sort of advertising campaign you could have for it in your country. How else could you try to increase the sales figures of the brand?**

*See the **DVD-ROM** for the i-Glossary.*

E **Exchange your ideas with another pair.**

www.pardistalk.ir/library

Scanned for Agus Suwanto

LISTENING

Marketing pharmaceuticals



Richard Turner

A CD2.16 **Richard Turner is the European Marketing Manager for a pharmaceutical company. Listen to the first part of the interview and answer these questions.**

1 What is very important when you market to doctors?
2 How much time do marketing people usually have with doctors?
3 What are 'rational' advantages?
4 What are 'emotional' advantages?

B CD2.17 **Richard talks about 'the regulatory environment'. This is where the authorities have official powers to control the production and safety of drugs. Listen to the second part and complete this audio-script extract.**

I think the biggest .....[1] for us is the regulatory environment. The laws that we need to follow are quite .....[2] – and quite rightly so. We in the pharmaceutical industry have the same interests as the doctor. We want to help .....[3] lead better lives.

We have to present the data in a .....[4] and balanced way, not to overstate the advantages of our .....[5]. Because we're trying to develop .....[6] which are consistent across many different countries across Europe ... it's often a challenge ...

C CD2.18 **Listen to the third part and say if these statements are true (T) or false (F). Correct the false ones.**

1 The key to good marketing is being able to speak directly to patients.
2 Marketing people are gaining from all the benefits of the Internet and new communication methods.
3 Companies are starting to look at using technology such as the iPad when presenting data to doctors.

Watch the interview on the ***DVD-ROM.***

D CD2.19 **Listen to the final part and put these stages in the correct order.**

a) Peak sales
b) Clinical trials
c) Present data to the doctor
d) Scientist comes up with an idea

E **What can you say about the different product lifecycles of these things?**

• pharmaceutical drugs • computer software • cars • English-language textbooks
• Rubik's cubes • skateboards • football shirts of a famous team

READING

Adidas and the Chinese market

A **Discuss these questions in pairs.**

1 Who do you think is the biggest manufacturer of sports goods in a) Europe, and b) China?
2 What do you know about Nike, Adidas and Li Ning?

B **Before you read, match these questions (1–6) to the answers (a–f).**

1 Why is Adidas expanding in China?
2 How many stores does Adidas have in China at the time of writing?
3 Who is Christophe Bezu?
4 How did Li Ning get its name?
5 What is Li Ning hoping to do?
6 Who is the market leader for sports goods in China?

a) 550
b) It is planning to focus on low prices.
c) Adidas
d) He is the Chief Executive of Adidas.
e) It comes from the President of the Beijing Olympics Committee.
f) Because it wants to become the market leader in China.

www.pardistalk.ir/library

Scanned for Agus Suwanto

C **Read the article below and correct all the answers (a–f) in Exercise B.**

FT

Adidas targets the Chinese interior

by Patti Waldmeir

Adidas, Europe's biggest sports-goods maker, will open 2,500 stores and expand its sales network to 1,400 Chinese cities, in an effort to regain market share lost to foreign and domestic competitors in one of the world's most rapidly growing retail markets.

The German company is one of many consumer-goods multinationals that have recently decided to shift their focus from near-saturated cities like Shanghai and Beijing to target smaller cities and less wealthy consumers, where they believe growth potential is higher for foreign brands.

Adidas plans to reach far into the Chinese interior to open the new stores. Initially, this will be in urban areas with as few as 500,000 people and then, by 2015, in cities with a population of just over 50,000, company officials said in Shanghai on Tuesday.

"We will be in much smaller cities by 2015," said Christophe Bezu, Adidas Managing Director for Greater China. At present, the company has 5,600 stores in 550 cities.

The product mix in smaller cities will be chosen so that the entry price for consumers would be 15 per cent less than in Adidas's existing shops in larger cities, he added. The company would be targeting consumers with an average disposable income of Rmb5,000 ($753) a month.

Herbert Hainer, Adidas Chief Executive, predicted that the strategy would allow the German group to regain the number-two market position that it recently lost to Li Ning, the Chinese sportswear manufacturer.

Li Ning, named after the Olympic gymnast who lit the flame at the opening ceremony of the 2008 Beijing Olympics, recently announced plans to take its brand upmarket to compete more directly with foreign brands like Adidas and the market leader, Nike.

Li Ning's move up to second position could prove a key moment. Retail analysts see it as one of the first signs in the retail field that Chinese products can rebrand themselves as not just cheap but desirable.

Li Ning has strong sales and distribution networks in the lower-tier cities that Adidas hopes to penetrate.

Mr Hainer dismissed Adidas's recent problems in China as temporary, related to overstocking in the run-up to the Olympics. Mr Hainer predicted double-digit sales growth in China over the next five years.



D **Match these words and phrases (1–7) to their definitions (a–g).**

1 market position
2 upmarket
3 product mix
4 penetrate
5 disposable income
6 rebrand
7 saturated

a) the combination of products that a company has to offer
b) a market filled so completely that no more products can be added
c) expensive compared to other products of the same type
d) alter a product or service to change the way that people think about it
e) start selling goods or services in a new market
f) money that is available to spend after paying for essentials like taxes, food and housing
g) the ranking of a company or brand against its competitors in terms of its sales

E **Complete these sentences with some of the words/phrases from Exercise D.**

1 The Beatles were able to ..... the US market.
2 During the economic crisis, people had less ..... .
3 Smaller banks are struggling to compete in an already ..... market.
4 We are trying to lose our cheap image and move ..... with more expensive products.
5 Coca-Cola decided to ..... Diet Fanta in the UK, to fit in with the rest of Europe.

www.pardistalk.ir/library

Scanned for Agus Suwanto

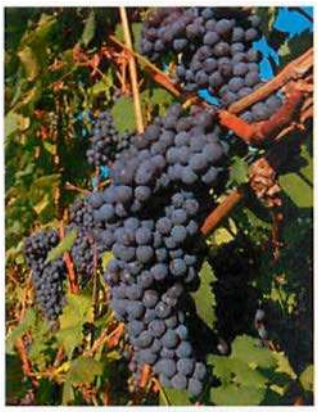
LANGUAGE REVIEW
Questions

- In questions which we can answer with either *yes* or *no*, we put an auxiliary verb before the subject.
  *'**Do** you trust this market-research survey?' 'No, the sample size wasn't large enough.'*
  *'**Is** the market going to crash again?' 'No, not in the near future.'*
  *'**Have** you finished the marketing report?' 'Yes, I printed it out earlier.'*
- To ask for more information, we use question words like *what*, *why*, *where*, *when* and *how*. We put the question word before the auxiliary verb.
  ***When do** you want the sales figures?*
  ***How should** we promote it?*
  ***How many are** we expecting to sell?*

→ *Grammar reference* page 148

A **Correct the grammatical mistakes in these sentences.**

1 What means *market position?* What does 'market position' mean?
2 How much it cost?
3 Why you don't sell it on eBay?
4 When the cars must be recalled?
5 Did you went to the farmers' market last week?
6 Is coming your boss tomorrow?



B **The letter below is part of an authentic consumer survey on wines.**

1 Write the words in the questions in the correct order.

EXAMPLE: 1 Which group do you belong to?

2 Answer the questions.

Dear Mr Paz-Andrade

We are conducting a consumer survey on international wines.
We place great value on your personal opinion and, therefore, request your support.

	QUESTION	ANSWER
1	group / you / do / belong / to / which / ?	self-employed ☐ employed ☐ retired ☐
2	you / old / how / are / ?	under 30 years ☐ 30–50 years ☐ over 50 years ☐
3	which / do / you / prefer / wines / ?	white ☐ red ☐ rosé ☐
4	how / do / you / drink / often / wine / ?	seldom ☐ occasionally ☐ once a week ☐ often ☐
5	do / you / spend / usually / how / much / of / wine / on / a / bottle / ?	up to €6 ☐ €6–€8.50 ☐ more than €8.50 ☐
6	do / have / you / a / cellar / at / personal / wine / home / ?	no ☐ yes: small ☐ yes: large ☐
7	many / bottles / of /wine / how / you / have / bought / during / the / last / year / ?	fewer than 36 bottles ☐ more than 36 bottles ☐
8	you / know / do / wine-growing / areas / which / ?	Chianti ☐ Nahe ☐ South Australia ☐ Rioja ☐ Burgundy ☐ Bordeaux ☐ Rheinhessen ☐
9	when selecting wine, / you / do / the various growing areas / take into account / ?	yes ☐ no ☐ occasionally ☐
10	taste / which / you / prefer / do / ?	white wine: dry ☐ medium dry ☐ sweet ☐ red wine ☐

C **Work in pairs. Ask each other the questions.**

D **Work in groups. Think of a product and prepare a similar consumer survey for it. Then form new groups. Use your consumer surveys to find out about each others' buying habits.**

www.pardistalk.ir/library

Scanned for Agus Suwanto

SKILLS

Telephoning: exchanging information



A CD2.20 **Listen to four people giving some numbers, phone numbers and addresses. Tick the correct ones.**

1 a) 30,456 b) 13,456
2 a) 0033 2399 0324 b) 0033 3299 0342
3 a) v.artin@sawlna.com b) v.altin@sawslan.com
4 a) 128/16 Rattanatibarth Road b) 128/60 Rattanatibeth Road

B **Write down some numbers and addresses you know. Dictate them to a partner. Check that your partner has written the numbers correctly.**

C **Work in pairs. Say the international spelling alphabet.**

Alpha, Bravo, Charlie, Delta, Echo, Foxtrot, Golf, Hotel, India, Juliet, Kilo, Lima, Mike, November, Oscar, Papa, Quebec, Romeo, Sierra, Tango, Uniform, Victor, Whisky, X-ray, Yankee, Zulu

CD2.21 **Check each other's pronunciation. Then listen to the recording.**

D **Choose an e-mail address and dictate it to your partner. Spell each word when you dictate, then check your partner's answer.**

E CD2.22 **Listen to the first part of a phone conversation between a sales director, Martin, and his manager, Fiona. Answer these questions.**

1 Did they meet their sales targets?
2 How has their market share changed?
3 What were their total sales?
4 How much did they spend on shampoo advertising?

F CD2.23 **Now listen to the second part and note down this information.**

1 customer's name
2 nationality
3 telephone number
4 e-mail address
5 meeting day and date

G CD2.22, 2.23 **Listen to the whole conversation again. Tick the phrases in the Useful language box below that Martin uses to check information, ask for information and finish the conversation.**

H **Role-play a telephone call between the Marketing Director and the European Sales Manager of a coffee-machine manufacturing company. They are talking about a focus group for the company's new range of coffee machines.**

Student A: Turn to page 140. Student B: Turn to page 139.

USEFUL LANGUAGE

CHECKING INFORMATION
Sorry, did you say ...?
Sorry, I didn't catch that.
Could you repeat that, please?
Let me read that back to you.

ASKING FOR INFORMATION
Could you give me a few details?
What about the new range?
Did she say when she'd like to meet?

FINISHING A CONVERSATION
OK, I think I've got all that.
Thanks very much. That was very helpful.
I should go now. Let's speak again soon.
Right, I think that's everything.

www.pardistalk.ir/library

Scanned for Agus Suwanto

8

Case study

Wincote International

An outdoor-clothing company's key product range has not achieved its sales target

Background

Wincote International is an outdoor-products company based in Colorado, US. Eighteen months ago, it launched a range of jackets and boots for men and women. The company believed that the market for these products was not saturated. The clothes were aimed at mountaineers, hikers, snowboarders and anyone participating in extreme sports or outdoor activities. The brand name of the range was XWS (Extreme Winter Sports).

The launch

Following the product launch, the boots sold well, but the jacket fell below its sales target. Few people seemed to know that there was a new jacket on sale made from a new all-weather material. This was very disappointing, as the jacket was considered to have great sales potential. The management decided therefore to relaunch the product and change their approach to marketing it.

Read the information below about the jacket and how it was marketed. Study the charts opposite. Why do you think sales have been so poor?

Product

- The two-layer jacket is for men and women. It is a versatile, all-weather garment.
- It is offered in two sizes: medium and large.
- Colours: black for men; black and red for women.
- The outer shell of the jacket is made from a special new material. As a result, it is lightweight, hard-wearing, very warm and weatherproof.
- The lining is removable, making the jacket suitable for all seasons.
- The jacket has a removable hood, 14 pockets, and a wide zipper down the centre.

Price

Men's and women's jacket: $110

Promotion

- Full-page advertisements in magazines for people with outdoor and sports interests
- Half-page advertisements in newspapers; posters and point-of-sale advertisements
- Product demonstrations at exhibitions
- Slogan: 'A jacket for all seasons'

Place

The jacket was sold in outdoor-product stores (e.g. camping-equipment shops), sports-goods outlets and upmarket department stores.



www.pardistalk.ir/library

Chart 1 Comparison of the price of the Wincote XWS with four other top-selling outdoor jackets

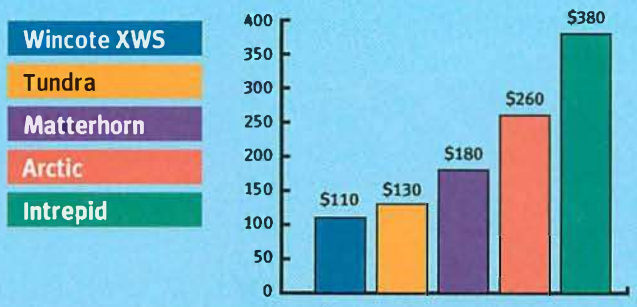
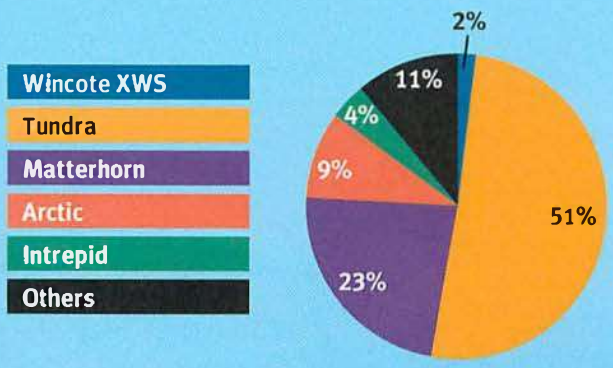


Chart 2 Market share of outdoor jacket brands



CD2.24–2.28 The Marketing Department did some research with focus groups to get opinions about the jacket. The group participants' ages ranged from 16 to 60. Listen to their comments and make notes.

Summary of a consultant's report on the Wincote XWS

The market for outdoor jackets is highly competitive. Because of its unique qualities, the Wincote XWS jacket could achieve its sales target with a new marketing approach. It needs to be relaunched as a stylish jacket for younger people in the 16–30 age group, and appeal to people living and working in cities as well as to outdoor enthusiasts. It should be promoted as a 'must-have' item of clothing for younger people.

Changes must be made to the product and its marketing. The jacket should be relaunched as soon as possible.

Task

1. Work in groups. Each group is a team in the marketing department. Hold a meeting to discuss what you should do to improve sales of the **Wincote XWS**. Use the questions in the box on the right as a guide.
2. Present your ideas to the other teams in the marketing department.
3. As a whole department, hold a meeting and decide what the company must do to improve the sales of the **Wincote XWS**.

Questions

- **Product:** How should the product be changed? Think about colour, sizes, changes to its design, specifications, etc.
- **Price:** Is the price correct? If not, what should it be? Should there be a different price for the men's and women's jackets?
- **Promotion:** Was it promoted the correct way? Is the Wincote XWS targeted at the right segment of the market? Does it need a new slogan? If so, what? What kind of advertising campaign should be used to relaunch the product?
- **Place:** Is it being sold in the right places?

Watch the Case study commentary on the ***DVD-ROM.***

Writing

As Marketing Director, write an e-mail to the Chief Executive Officer (CEO) of Wincote International, summarising the changes that you will make to the product and its marketing when the jacket is relaunched.

To: CEO

From: Marketing Director

At a meeting on … , we discussed the changes we want to make when relaunching the Wincote XWS. They are as follows:

- Product: …
- Price: …
- Promotion: …
- Place: …

Writing file page 126



www.pardistalk.ir/library

Scanned for Agus Suwanto