

A

AIDA: Attention, Interest, Desire, Action. The cycle that a prospective customer goes through before they buy from you.

Above the line: Marketing which is clearly identified as being paid for by an interested party. For example, advertising in magazines and newspapers.

Adoption process: The series of steps, from first hearing about a new product or service, to trying it out and finally becoming a repeat customer.

Advertising: A paid for message which seeks to persuade or influence people. The two main cost elements are advertisement production and the cost of buying the space which the advert is seen in (e.g. newspaper page).

Advocate: Someone who recommends you to others. Treat them well!

B

Below the line: Non advertising spend, e.g. PR.

Benefit: The result which a product or service delivers. For example, a feature of a coffee mug is that has a handle. However, the benefit is that, besides making it easier to pick up, it stops your hand from being scorched. The only important benefits are those which are understood and valued by the prospective purchaser. (Someone may not care about handles because they have huge hands and they never drink hot drinks).

Brand: A company or product name, term, sign, symbol, design—or combination of these—that identifies the offerings of one company and differentiates them from those of competitors.

Brand image: A customer's perceptions of what a brand stands for. All companies strive to build a strong, favourable brand image.

Breakeven pricing: Planning to breakeven (i.e. not make a profit), having allowed for the costs of producing your product or delivering your service and your marketing costs. This is one way of breaking into a market.

Brief: The terms of understanding between you and, say your advertising agency on a particular job. My advice is to put it in writing. This process firstly imposes on you the discipline of thinking about what is required and actually writing it down; secondly, if there are problems - then you are covered by the brief.

Business-to-business (B2B) marketing: As its name implies, this is where one business is selling to another business. This type of marketing has grown enormously over the last few decades, as the economy has become more complex.

C

Channel: The intermediary layers of distribution between manufacturer and the final customer. This could be resellers, supermarkets, stockists, internet sites, sales teams – whatever gets your product into your customer's hand.

Client: Someone who buys from you regularly.

Closing: (or 'the close'): The point at which you ask for the order. For example, the 'alternative close': "Shall we deliver on Monday or Tuesday"; or: "Would you like to pay by card or cash."

C

Cognitive Dissonance: Buyer unease, following a purchase. This feeling is of course potentially much worse after a major purchase - hence the need for follow and reassurance.

Competition: All of the actual and potential rival offerings and substitutes that a buyer might consider.

Competitor: Any company that satisfies the same customer needs that another firm satisfies.

Competitor Analysis: Identifying your main competitors and researching their products, services, strategies, strengths and weaknesses. The key is to be objective!

Copy: This is the word which advertisers use for the words in a printed advertisement. Hence, 'Copywriter' and 'Cooperating'.

Corporate advertising: Awareness building of your company name, product range, values etc., which doesn't specifically sell any particular product or service. Not to be recommended for small businesses!

Corporate literature: Printed matter such as brochures, leaflets, flyers, printed case studies, etc.

Cost plus pricing: Where a standard mark-up is added to the cost of an item. This is a very simplistic approach - often used in small businesses. Doesn't take into account profit targets.

Culture: The assumed and shared set of values, beliefs, perceptions and behaviours within an organisation. May not be apparent to those within it!

Customer: Someone who has bought from you once (however, people usually refer to everybody as 'customers').

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D

Database: Computer software which stores information, such as customer details (see 'sales and marketing database').

Deadline: The date when the editor says your article must be in by. Usually three days before it actually has to be. Learn from this - and always give out deadlines yourself for material that you need.

Decision maker(s): The individual or group within an organisation which makes the final purchasing decision.

Demand: A want for a specific product that is backed by a customer's ability to pay. For example, you might *want* a specific model car, but your want becomes a *demand* only if you're willing and able to pay for it.

D

Demographics: Profiles of a country or market by age, gender, socio-economics, etc.

Differentiation: Deciding what is unique or different about your business - and hammering this message home through marketing.

Digital printing: The process of printing straight from a computerised digital media. No film or plates are involved. Rapid turnaround is possible. Ideal for testing a brochure or other printed item - and for the personalisation of text and images. However - for longer print runs, traditional off-set litho is cheaper.

Direct marketing: Communication with individuals (either in their role as consumer or as job holder within an organisation), seeking a direct response back to you (by fax, phone, reply paid card etc). Compare this approach with awareness building through 'corporate advertising'.

E

End users: Final customers who buy a product.

Exchange: The core of marketing, exchange entails obtaining something from someone else by offering something in return.

F

FMCG: Fast Moving Consumer Goods. Foodstuffs, toiletries, etc. Typically the products which you will find in any supermarket. The emphasis here is on low price and high volume of sales.

Feature (Sales): An aspect, part or function of a product or service. Features on their own don't sell anything - people are only really interested in benefits.

Feature (PR): A planned section of a magazine, newspaper or journal which is centred around a particular topic. Generally speaking, features are put together in order to attract advertising from relevant companies.

Four Ps: Product, Price, Place and Promotion.

G

Gatekeeper: Someone who controls access to others in an organisation (particularly 'decision makers').

I

Industry: A group of firms that offer a product or class of products that are close substitutes for each other.

Influencers: People who influence, but don't actually make, the buying decision. Can be a very important group to target.

I

Internal marketing: The use of professional marketing systems and techniques within an organisation, in order to facilitate communication and understanding. In-company newsletters are widely used internal marketing method. This method can be a good way of helping staff to communicate better with customers (as they know more about what is going on).

Internal customer: The manager or member of staff who you are supplying goods or services to.

L

Lifetime Value: The cumulative value of a client over the time that you do business with them. You should bear the potential lifetime value in mind when you make initial, small sales to a new customer - or just help them in some way.

Localisation: The process of adapting your marketing mix for another culture. For example - when you are establishing yourself in another country.

M

Marcoms (or 'marketing communications'): A business-to-business function whereby the Marcoms Manager takes care of sales support with corporate literature, PR, events, etc.

Market: All of the potential buyers of a product or service.

Market research: The collection and analysis of information concerning particular characteristics of a market.

Marketer: Someone who is seeking a response—attention, a purchase, a vote, a donation—from another party.

Marketing: The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals.

Marketing concept: The belief that a company can achieve its goals primarily by being more effective than its competitors at creating, delivering, and communicating value to its target markets. The marketing concept rests on four pillars: (1) identifying a *target market*, (2) focusing on *customer needs*, (3) coordinating all marketing functions from the *customer's point of view*, and (4) achieving *profitability*.

Marketing management: The process of analysing, planning, implementing and controlling the marketing programme.

Marketing mix: The combination of marketing techniques which you use to promote your product / service. Also known as the four Ps.

Media: Mass communication channels, including broadcast media (radio, television); print media (magazines, newspapers); display media (posters, signs).

N

NLP: Neuro Linguistic Programming, the study of human excellence, founded by Richard Bandler and John Grinder. NLP is a modern branch of psychology, with numerous marketing, sales and communication applications.

NPD (New Product Development): The process of systematically researching, testing and producing new products and product variations.

News value: The value that the editor will place on whatever you are trying to sell to him or her. Some things are newsworthy - but a lot aren't.

Niche marketing: Relatively small sections of the market with distinct characteristics. If you study a particular market - you can divide the products or services which are sold into it by price and functionality. If you spot a niche which isn't well served - this may well be a great opportunity for you.

P

Pipeline: A list of your best sales prospects, from which you can reasonably accurately forecast sales revenue over the coming months.

Positioning: The central benefit of a market offering in the minds of target buyers; for example, a car manufacturer that targets buyers for whom safety is a major concern would position its cars as the safest that customers can buy.

Price elasticity: The way in which demand changes to variations in price. You would expect demand to increase when the price goes down. However, in non-commodity goods, there are many examples of demand going up when the price goes up (due to the perception that high quality = high price).

Pricing: A key aspect of marketing. If your pricing is higher than your competition, demand (i.e. your sales) may well suffer. However, if you price too low – you may not generate sufficient profits to cover your costs. Ultimately, the only opinion that decides price is your customer's.

Procurement: The process by which a business buys materials or services from another business, with which it then creates products or services for its own customers.

Product concept: The belief that consumers favour products that offer the most quality, performance, or innovative features.

Product: Any offering that can satisfy a customer's need or want. Products come in 10 forms: goods, services, experiences, events, persons, places, properties, organizations, information, and ideas.

Production concept: The belief that customers prefer products that are widely available and inexpensive.

Product Life Cycle: The stages which a product goes through during its natural 'lifecycle', i.e.: product development; launch; growth; maturity; decline. Admittedly, some products never seem to reach the decline stage (e.g. some lucky chocolate bars).

Product set: A group of products which share characteristics and are marketed to the same market segment(s).

Profitable customer: An individual, household, or company that, over time, generates revenue for a marketer that exceeds, by an acceptable amount, the marketer's costs in attracting, selling to, and servicing that customer.

Prospect: A party from whom a marketer is seeking a response—whether it's attention, a purchase, a vote, and so forth.

R

Relationship marketing: Building long-term, mutually satisfying relations with key parties—such as customers, suppliers, and distributors—to earn and retain their long-term business.

S

Sales promotion: A collection of incentive tools, usually short term, designed to stimulate consumers to try a product or service, to buy it quickly, or to purchase more of it.

Satisfaction: A customer's feelings of pleasure or disappointment resulting from comparing a product's perceived performance with the customer's expectations of that performance.

Selling concept: The belief that companies must sell and promote their offerings aggressively because consumers will not buy enough of the offerings on their own.

Social responsibility: The belief that a company's task is to identify the needs, wants, and interests of target markets and to deliver the desired satisfactions better than competitors do—but in a way that preserves or enhances consumers' and society's wellbeing.

Supply chain: The long series of activities that result in the creation of raw materials, then components, and then final products that are carried to final buyers. A supply chain includes the marketing channels that bring products to customers.

Suspects: An individual, company, or organisation that fits your marketing criteria, with whom you would like to do business.

SWOT: Strengths, Weaknesses, Opportunities, Threats. A quick (or sometimes very time consuming) way of analysing your company, product or service.

T

Telemarketing: Using the telephone to promote your product or service. Can be used to generate literature requests. However - it is widely used in business to business marketing in order to generate appointments for salespeople.

Telesales: Using the telephone to try and make direct sales. Only (usually) works where the transaction price is low. However, the author has been subjected to two equity salesmen (i.e. stockbrokers) trying to sell him company shares by phone from New York (the author lives near London, in the UK).

Testing: Trying out a new marketing approach to see what happens (i.e. without 'betting the farm' on a great result from a huge initiative). Testing is something which the author strongly advocates.

Target marketing: The process of selecting particular individuals, groups or organisations which have similar profiles.

U

USP: Unique Selling Proposition. A feature/benefit of your product/service which is truly unique. Your USP should clearly differentiate you from your competition.

V

Value: The ratio between what a customer gets and what he or she gives in return.

W

Want: A desire that occurs when a need is directed to specific objects that might satisfy that need; for example, a hamburger is a *want* that might satisfy the *need* for food.