

Liquidated – when items are sold (sometimes at a deep discount) to generate cash for the business.

Copy definition here.

Describe your opinion of one reason why a business might “Liquidate” its inventory

Logistics – the management of the flow of goods, information and other resources, including energy and people, between the point of origin and the point of consumption.

Copy definition here.

Logistics described further - In order to meet the requirements of consumers, logistics is the integration of information, transportation, inventory, warehousing, material-handling, and packaging, and moving goods.

Complete the words describing logistics processes here:

Integration of _____

Word beginning with “Tr” _____

Word beginning with “Inv” _____

Word beginning with “Wa” _____

Expression beginning with “Material” _____ - _____

Word beginning with “Pa” _____

Expression beginning with “Move” _____

Summarize "Logistics" in your own words ...

List three companies that require logistics processes

- 1.
- 2.
- 3.

Loss leader – An item priced at or below cost to draw customers into a store

Copy definition here.

Rephrase definition in your own words here.

Based on your understanding of "Loss Leader" ... why might grocery stores price a gallon of milk lower than the amount it pays for that same gallon of milk?

Luxury goods – the high quality expensive goods that people tend to buy when they get richer, or want to appear richer to others.

Copy definition here.

Rephrase definition in your own words here.

Give two examples of luxury goods:

Clothing or shoe brand ...

Car or transportation type/brand ...

Market position – The relative standing a competitor has in a given market in comparison to the other competitors.

Copy definition here.

Rephrase definition in your own words here.

Based on your understanding of “Market Position” describe the market position of Coca Cola compared to RC Cola:

Market segment – groups of customers with similar needs (for example, young unmarried people need different products than retired people).

Copy definition here.

Based on your understanding of "Market Segment" describe a few product or service needs for each group.

Young, unmarried people

Retired people ...

List one thing that BOTH groups need ...

Market segmentation– the process of classifying people who form given market in comparison to its other competitors

Copy definition here.

Rephrase definition in your own words here.

Market share – A company's percentage of the total sales volume generated by all companies that compete in a given market.

Copy definition here.

Rephrase definition in your own words here.

Based on your understanding of market share ... calculate the percentage market share in each example shown here:

The total number of households in a small town is 1,000. 400 of the household shoppers use an IGA grocery store on the edge of town. What is the market share of the IGA store?

_____ (%)

A lemonade stand is set up at the end of the street. 60 families live on the street. 15 of the families stop and purchase lemonade from the stand. What is the market share of the people living on that street for the lemonade stand?

_____ (%)

Why is it important to a business person to know the "market share" of their business?

Marketing – the activity of presenting the products a company produces to potential customers in the best possible way in order to make sales.

Copy definition here.

Rephrase definition in your own words here.

Marketing Plan – a formal, written document that directs a company's activities for a specific period of time

Copy definition here.

What is the difference between a marketing-plan and marketing?

Marketing Strategy – identifies target markets and sets marketing mix choices that focus on those markets

Copy definition here.

Markup – The difference between an item’s cost and sale price

Copy definition here.

Calculate the markup for each example:

A shoe store buys a pair of store for \$25. The same shoes are sold for \$40.

\$ _____

A car lot buys a used car from a wholesaler for \$1,500. The car lot prices the car for \$3,500.

\$ _____

An accounting firm pays its employees \$15 per hour. The firm charges customers \$35 per hour for its services.

\$ _____

Mass Marketing– using a single marketing strategy to reach all customers

Copy definition here.

List three companies or products that use “mass marketing” approaches:

- 1.
- 2.
- 3.

Packaging – “the science, art and technology of enclosing or protecting products for distribution, storage, sale, and use”

Copy definition here.

Describe the packaging of each example shown here:

1. Cereal for kids
2. Apple’s newest iPhone
3. A small desk requiring you to assemble the pieces at home

Penetration pricing – Setting the price for a new product very low to encourage as many as possible to purchase the product

Copy definition here.

Rephrase definition in your own words here.

Premium – an additional amount beyond the normal price.

Copy definition here.

Why would a company use Premium Pricing?

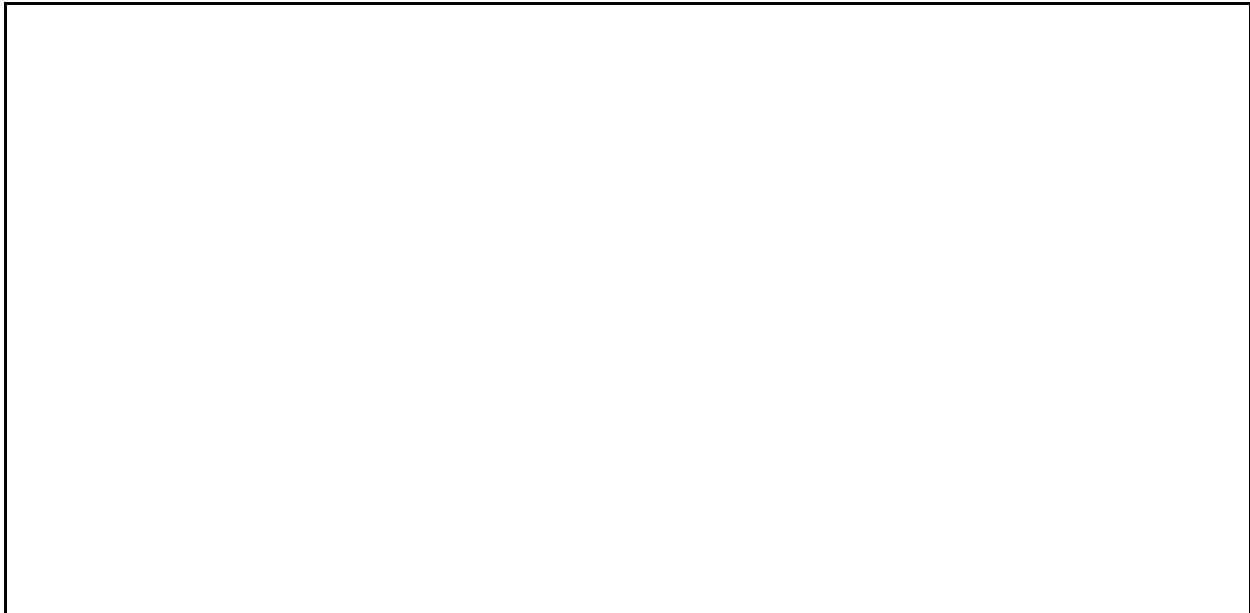
Why would a customer purchase something with Premium Pricing? Would the customer know they are paying a premium price?

Press release – articles (official statements, reports) about a new product or recent achievement that a company or organization gives to journalists with the hope that they will use it to publish a free article (thus getting free publicity)

Copy definition here.

Write a 20-40 word press release about a new variety of apples that tastes similar to a pear:

Write one-paragraph describing Business and Marketing using at least four of the vocabulary words (or expressions) presented above on this assignment. Underline the words chosen.

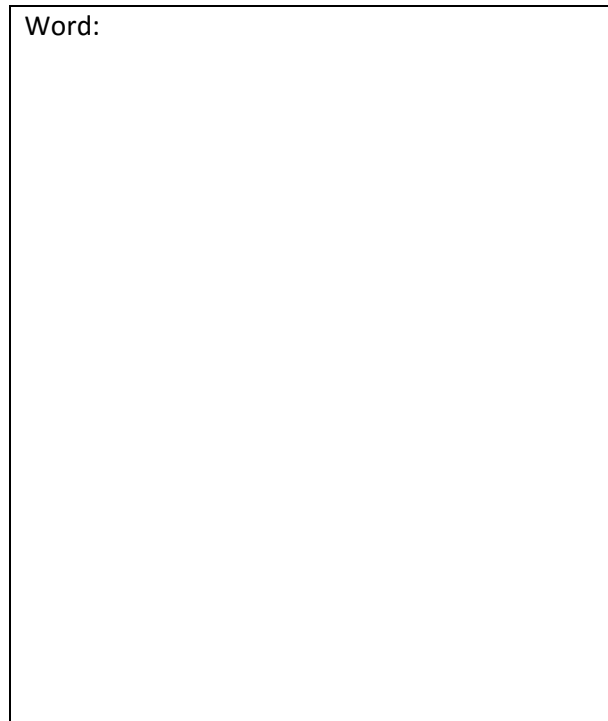


Choose two of the vocabulary words listed and draw an illustration or diagram of each.

Word:



Word:



Describe the top-three things you've learned or reinforced from this assignment.

1.

2.

3.

This ten document is adapted from content originating from:

- Boulder Valley School District Department of CTEC (June 2015)
- Provocative Business Change (ISBN 1419618741). (December 2005)
- Web Resources at www.honeycutt.biz (2017)