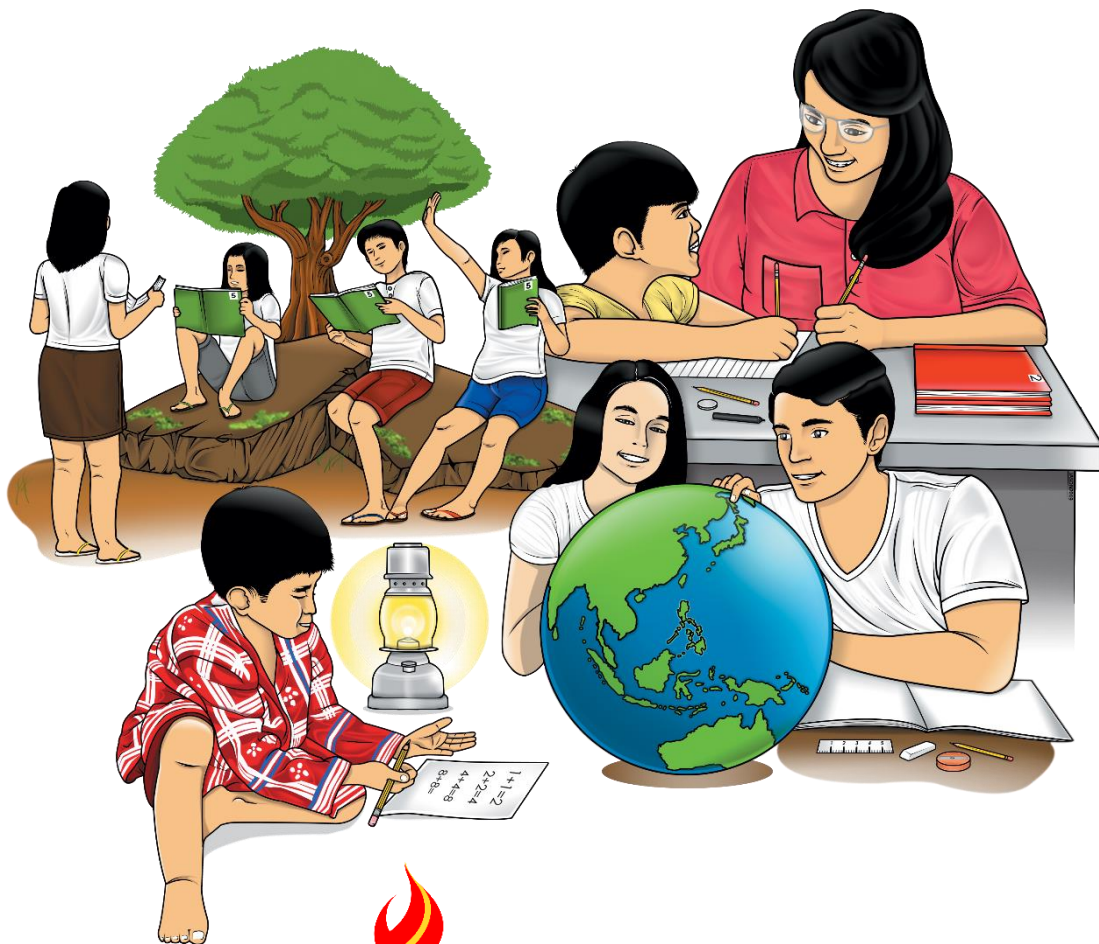


Entrepreneurship

Quarter 1 – Module 5 7 P's of Marketing and Branding



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Senior High School

Entrepreneurship

Quarter 1 - Module 5

7 P's of Marketing and Branding



Introductory Message

For the Learner

Have you ever dreamed of becoming the next multi-millionaire? If you're thinking that winning the lottery is the only way to become one, well, think again. It is not chance that gives you millions, instead being a millionaire is a result of hard work and determination. Starting your own business is a good beginning towards fulfilling your dreams. Entrepreneurship is the way! You may often hear the word entrepreneur and entrepreneurship. But what do these terms mean? You may refer to an entrepreneur as the person managing the business and entrepreneurship as the business venture. Some may say there is no difference. So, what does this module provide you towards reaching your dreams?

1. It outlines the concepts and basic principles, and processes of developing a business plan.
2. It helps you understand the environment and market in your locality as a factor in developing a business concept.
3. It allows you to experience starting and operating your own business.

Substantial knowledge of entrepreneurial principles and processes is important as this increases the chances of making your business successful.

In this module, you are guided with a set of learning parts that will help you understand the underlying principles of entrepreneurship.

1. What I Need to Do – the part used to introduce the learning objectives in this module.
2. What I Know – this is an assessment as to your level of knowledge to the subject matter at hand, meant specifically to gauge previous knowledge.
3. What's In – the part used to connect your previous learning with the new lesson.
4. What's New – the part used to introduce new lesson through a story, an activity, a poem, song, situation or activity.
5. What is It – the part that will help you discover and understand entrepreneurial concepts.
6. What's More – the part that will help enrich your learnings of entrepreneurial concepts.
7. What I Have Learned – the part that will help you process what you have learned in the lesson.
8. What I Can Do – the part that allows you to apply what you have learned into real life situations.
9. Assessment – the part that evaluates your level of mastery in achieving the learning objectives.
10. Additional Activities – the part that enhances your learning and improves your mastery of the lesson.



What I Need to Know

Congratulations! You have finished many assigned activities in the previous modules. Welcome to Module Five (5). This module introduces the Marketing Mix, more popularly referred to as the 7P's of Marketing. It is a set of controllable and interrelated variables composed of product, place, price and promotions that a company assembles to satisfy a target group better than its competitor. Marketing Mix strategy is selecting and applying the best potential means to achieve the organization's vision and gain competitive edge.

This module provides context and foundational knowledge. It is divided into two lessons.

- Lesson 1 The Marketing Mix (7P's) in Relation to the Business Opportunity
CS_EP11/12ENTREP-0h-j-10
- Lesson 2 Developing a Brand Name
CS_EP11/12ENTREP-0h-j-11

After reading this module, you should be able to:

1. describe the Concept of Marketing Mix;
2. identify the seven P's in the Marketing Mix;
3. appreciate the importance of Marketing Mix and Branding; and
4. developed a Brand Name.

You have started discovering a new world – the world of business. Who knows, one day you may grow into one of the successful entrepreneurs in our country that our country can be proud of. However, you have to:

- Read the texts carefully
- Follow the directions and/or instructions in the activities and exercises diligently
- Answer all the given test and exercises



What I Know

Before you start studying this module, take the following test to find out how much you already know about this topic. Let's check your prior knowledge, skills, and understanding of basic concepts related to the seven P's in the Marketing Mix and Branding. This will guide you in understanding the concept.

Now, are you ready? Before proceeding, let's see what you already know. This test is particularly prepared to determine your prior knowledge of the lessons you are about to encounter.

Multiple Choice

Direction: *Encircle the letter of the best answer. Write your answers in your activity notebook.*

- 1) It is a set of controllable and interrelated variables composed of product, place, price and promotions that a company assembles to satisfy a target group better than its competitor.
a. Price b. Marketing Mix c. Product d. Packaging
- 2) The amount that a customer pays for to enjoy it.
a. Price b. Marketing Mix c. Product d. Packaging
- 3) An item that is produced to satisfy the needs of a certain group of people.
a. Price b. Marketing Mix c. Product d. Packaging
- 4) It is a tangible product. Its example includes tires, MP3 players, clothing and etc.
a. Branding b. Positioning c. Goods d. Place
- 5) It can be intangible or tangible as it can be in the form of services or goods.
a. Price b. Marketing Mix c. Product d. Packaging
- 6) The way your product or service appears from the outside.
a. Price b. Marketing Mix c. Product d. Packaging
- 7) A marketing model that modifies the 4Ps model.
a. Packaging b. 7 P's Model c. Marketing Mix d. People
- 8) Responsible for every element of your sales, marketing strategies, and activities.
a. Packaging b. 7 P's Model c. Marketing Mix d. People
- 9) This refers to how a business creates awareness in the market.
a. Place b. Brand Name c. Services d. Promotion
- 10) It is intangible. Its example includes hair salons and accounting firms.
a. Place b. Brand Name c. Services d. Promotion
- 11) This is the ultimate marketing strategy.
a. 7 P's Model b. Marketing Mix c. People d. Branding
- 12) This is where your product or service is actually sold.
a. Place b. Brand Name c. Services d. Promotion
- 13) The place occupied by products in the heart and minds of the consumers.
a. Branding b. Positioning c. Goods d. Place
- 14) A name, symbol, or other feature that distinguishes a seller's goods or services in the marketplace.
a. Brand Name b. Positioning c. Branding d. Place
- 15) A powerful and sustainable high-level marketing strategy used to create or influence a brand.
a. Brand Name b. Positioning c. Branding d. Place

Lesson

1

The Marketing Mix (7P's) in Relation to the Business Opportunity



What's In

In the previous lesson, you already learned about data collection. It is an important factor of any research study. The three (3) ways of collecting data are Survey, Interview, and Focus Group Discussion (FGD). This will help entrepreneurs in gathering information about their target market. But, your entrepreneurial work, however, does not simply end there. You must design a certain marketing program or strategy that will convey the value of your product to the target customers. In the parlance of entrepreneurship, this program is theoretically called **marketing mix**.



What's New

Find the P's

Directions: *Think of words or terms related to the topic that starts with letter "P" and find the words in the grid horizontally, vertically, or diagonally. Write the Words or Terms on the space provided and write something about the term using your own words. Write your answers in your activity notebook.*

P	R	O	D	U	C	T	P	O	R	E
Q	U	P	L	A	C	E	E	P	I	E
P	O	S	I	T	I	O	N	I	N	G
R	O	P	E	P	R	I	C	E	O	P
G	O	P	R	O	M	O	T	I	O	N
P	A	L	P	E	O	P	L	E	A	N
A	P	A	C	K	A	G	I	N	G	Z
F	R	D	J	I	S	B	N	M	K	A

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____



What is It

Whatever you sell or offer you must outline your marketing mix. Marketing mix has been around as early as trade existed and that is quite long already. The only difference is that today everything is well outlined and keeps evolving even further. To get to the point, marketing mix is a business mechanism used for effective marketing of the products. There is no hesitation that anyone would benefit from a powerful 7Ps. Marketing Mix is a set of controllable and connected variables that a company gathers to satisfy a customer better than its competitor. It is also known as the “Ps” in marketing. Originally, there were only 4Ps but the model has been continually modified until it became 7P’s. The original 4 P’s stands for *product, place, price* and *promotion*. Eventually, three elements have been added, namely: *people, packaging* and *positioning* to comprise the 7 P’s.

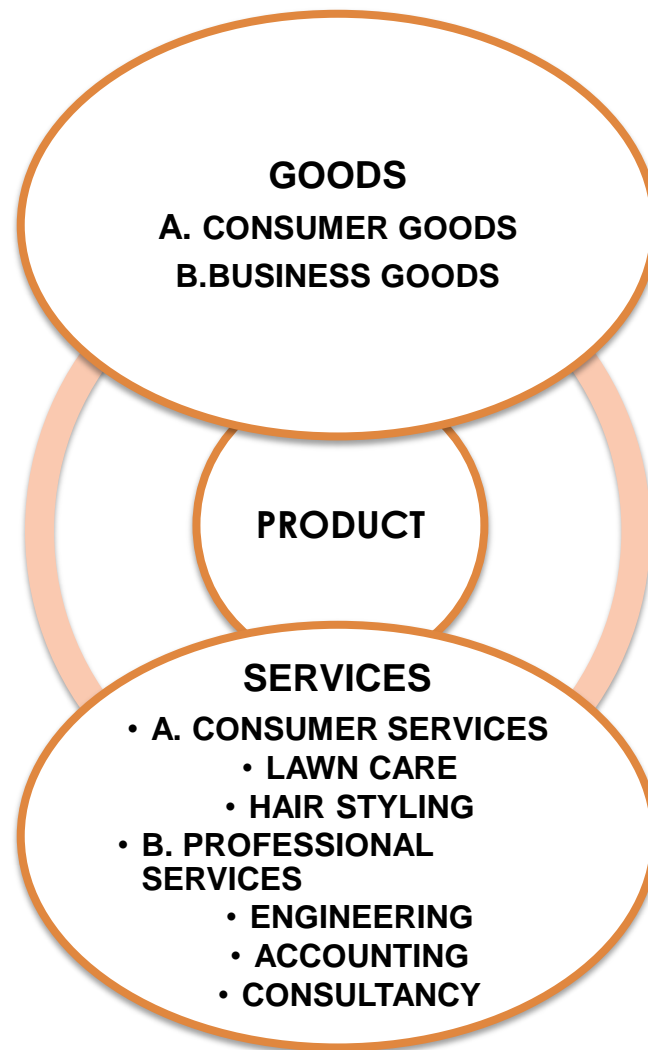
The 7 P’s of Marketing Mix

There are several important frameworks which you can utilize for the purpose of marketing your product and services. A very crucial structure among these is the “7 P’s of Marketing”. The framework of “7 Ps of marketing” includes product, place, price, promotion people, packaging and positioning. Realizing these P’s in the most ideal manner can turn out to be very profitable, however, you should totally see each description of the 7 P’s first.

1. PRODUCT

The first P in the Marketing Mix is the Product. Marketing strategy typically starts with the product. Marketers can’t plan a distribution system or set a price if they don’t know exactly what the product will be offered to the market.

Product refers to any goods or services that is produced to meet the consumers’ wants, tastes and preferences. Examples of goods include *tires, MP3 players, clothing and etc.* Goods can be categorized into *business goods* or *consumer goods*. A buyer of consumer goods may not have thorough knowledge of the goods he buys and uses. Examples of services include hair salons and accounting firms. Services can be divided into consumer services, such as hair styling or professional services, such as engineering and accounting.



The two (2) types of products

There are 2 types of goods. Consumer Goods and Business Goods. The table below shows the comparison between the 2 types of goods.

Consumer Goods	Business Goods
The demand for consumer goods is a 'direct demand'.	The demand for business goods is a 'derived demand'. It is derived from the demand for consumer goods, which are made using the business goods.
The number of buyers is great.	Business goods have only limited number of buyers.
The buyers are found scattered in different parts of the country / world.	The buyers are found to be concentrating in certain regions only.
Each purchase will generally be of small value.	Each purchase involves a very high amount (in money terms).
Buying is much influenced by emotions.	Buying cannot be influenced by emotions.

After-sale service is important in the case of consumer durables.	After-sale service is of paramount importance in the case of all business goods.
There are a number of middlemen in the market.	The manufacturers of industrial goods supply directly to their customers.
A buyer of consumer goods may not have thorough knowledge of the goods he buys and uses.	A buyer of industrial goods must have complete knowledge of the goods he buys and uses.
The reputation of the seller or manufacturer may not always be given importance in buying consumer goods.	The reputation of the manufacturer is always important in buying industrial goods.
Inducements to the buyers in the form of cash discounts, free gifts, etc. are made always by those marketing consumer goods.	Such inducements may not be common in the marketing of industrial goods.
The market for consumer goods is affected by fashion and style changes.	The market for industrial goods is affected by technological changes.

2. PLACE

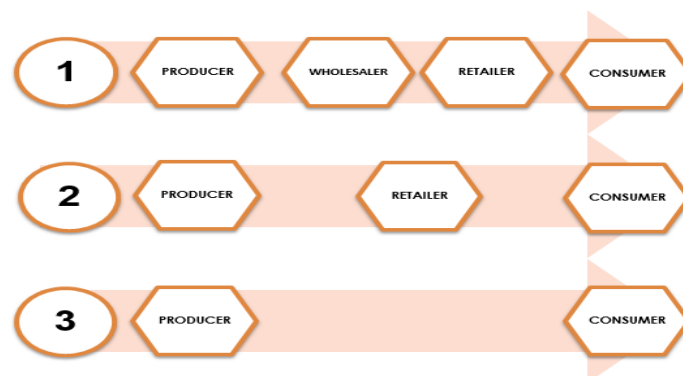
Place is the second P in the Marketing Mix. Place represents the location where the buyer and seller exchange goods or services. It is also called as the distribution channel. It can include any physical store as well as virtual stores or online shops on the Internet.

It is one thing having a great product, sold at an attractive price. But what if:

- Customers are not near a retailer that is selling the product?
- A competing product is stocked by a much wider range of outlets?
- A competitor is winning because it has a team of trained distributors or sales agents who are out there meeting customers and closing the sale?

Place matters for a business of any size. It is a crucial part of the marketing mix. The main function of a distribution channel is to provide a link between production and consumption.

STAGES OF DISTRIBUTION CHANNEL



Channel 1 contains two stages between producer and consumer - a wholesaler and a retailer. A wholesaler typically buys and stores large quantities of several producers' goods and then breaks into bulk deliveries to supply retailers with smaller quantities. For small retailers with limited order quantities, the use of wholesalers makes economic sense.

Channel 2 contains one intermediary. In consumer markets, this is typically a retailer. A retailer is a company that buys products from a manufacturer or wholesaler and sells them to end users or customers. In a sense, a retailer is an intermediary or middleman that customers use to get products from the manufacturers.

Channel 3 is called a "direct-marketing" channel, since it has no intermediary levels. In this case the manufacturer sells directly to customers.

3. PRICE

The third P in the Marketing Mix is price. The price is a serious component of the marketing mix. What do you think is the meaning of Price?

In the narrowest sense, *price* is the value of money in exchange for a product or service. Generally speaking, the *price* is the amount or value that a customer gives up to enjoy the benefits of having or using a product or service. Thus, customers exchange a certain value for having or using the product – a value we call price. In commerce, price is determined by what (1) a buyer is willing to pay, (2) a seller is willing to accept, and (3) the competition is allowing to be charged. With product, promotion, and place of marketing mix, it is one of the business variables over which organizations can exercise some degree of control. One example of a pricing strategy is the penetration pricing. It is when the price charged for products and services is set artificially low in order to gain market share. Once this is attained, the price can be higher than before. For example, if you are going to open a Beauty Salon, you need to set your prices lower than those of your competitors so that you can penetrate the market. If you already have a good number of market share then you can slowly increase your price.

There are several factors that affect a small business' revenue potential. One of the most important is the pricing strategy utilized by you as the owner of the business. A right pricing strategy helps you define the particular price at which you can maximize profits on sales of your product or service. You need to consider a wide range of factors when setting prices of your offerings. The different pricing strategies with its definition can be found in the table below.

The Different Pricing Strategies and Its Definition

Pricing Strategies	Definition
Penetration Pricing	The price charged for products and services is set artificially low in order to gain market share. Once this is achieved, the price is increased.
Skimming Pricing	A company charges a higher price then slowly lowers the price to make the product available to a wider market because it has a considerable competitive advantage. However, the advantage tends not to be sustainable. The high price attracts new competitors into the market, and the price inevitably falls due to increased supply.
Competition Pricing	A pricing method in which a seller uses prices of competing products as a benchmark instead of considering own costs or the customer demand. In reality a firm has three options and these are to price lower, price the same or price higher than competitors
Product Line Pricing	The practice of reviewing and setting prices for multiple products that a company offers in coordination with one another. Rather than looking at each product separately and setting its price, product-line pricing strategies aim to maximize the sales of different products by creating more complementary, rather than competitive, products. If you offer more than one product or service, consider the impact that one product's or service's price will have on the others.
Bundle Pricing	The act of placing several products or services together in a single package and selling for a lower price than would be charged if the items were sold separately.
Premium Pricing	Setting the price of a product higher than similar products. The goal is to create the perception that the products must have a higher value than competing products because the prices are higher.
Psychological Pricing	Psychological pricing is the practice of setting prices slightly lower than rounded numbers, in the belief that customers do not round up these prices, and so will treat them as lower prices than they really are. This practice is based on the belief that customers tend to process a price from the left-most digit to the right, and so will tend to ignore the last few digits of a price.
Optional Pricing	The company earns more through cross-selling products along with a basic core product. The main product does not have many features (and is priced low) which can be enhanced through optional or accessory products which are sold at premium by the same company.
Cost Plus Pricing	Cost plus pricing involves adding a markup to the cost of goods and services to arrive at a selling price. Under this approach, you add together the direct material cost, direct labor cost, and overhead costs for a product, and add to it a markup percentage in order to derive the price of the product.
Cost Based Pricing	A pricing method in which a fixed sum or a percentage of the total cost is added (as income or profit) to the cost of the product to arrive at its selling price.
Value Based Pricing	A price-setting strategy where prices are set primarily on consumers' perceived value of the product or service.

4. PROMOTION

Promotion is the fourth P in the Marketing Mix. Promotion refers to the complete set of activities, which communicate the product, brand or service to the user. The idea is to create an awareness, attract and induce the consumers to buy the product, in preference over others. The following are the most common medium in promoting a product and this is called promotional mix.

PROMOTIONAL MIX

1. ADVERTISING

- **Radio**

Advertising by means of radio gives the advantage of selecting the territory and audience to which the message is to be directed. It is also cheaper than TV advertising.

- **Television**

This is the latest and the fast-developing medium of advertising and is getting increased popularity these days. It is more effective as compared to radio as it has the advantages of sound and sight. On account of pictorial presentation, it is more effective and impressive and leaves a lasting impression on the mind of the viewer.

- **Print**

The print media carry their messages entirely through the visual mode. These media consist of newspapers, magazines and direct mail.

- **Electronic**

You can also advertise electronically through your company website and provide important and pertinent information to clients and customers. You can protect some parts of your website through passwords and give access to member customers. You can also send advertisements via direct e-mail as part of your promotional strategy.

- **Word of Mouth**

Word-of-mouth advertising is important for every business, as each happy customer can steer dozens of new ones your way. And it's one of the most credible forms of advertising because a person puts their reputation on the line every time they make a recommendation and that person has nothing to gain but the appreciation of those who are listening.

- **Generic**

The promotion of a particular commodity is without reference to a specific producer, brand name or manufacturer. Producers join together to expand total demand for the commodity, thereby helping their own sales. These activities are often self-funded through assessments on marketing called check-off programs.

2. PUBLIC RELATIONS OR PR

In public relations, the article that features your company is not paid for. The reporter, whether broadcast or print, writes about or films your company as a result of information he or she received and researched.

Many people use the term PR and advertising interchangeably, PR involves sharing information with the public using platforms that do not require a payment, such as social media or through press releases shared with magazines and newspapers. PR professionals package information and disseminate it in the hopes that it will be organically shared. The goal of public relations is to shape public perception of a business, presenting a positive image through various strategies to its various constituents.

3. PERSONAL SELLING

Personal selling occurs when an individual salesperson sells a product, service or solution to a client. Salespeople match the benefits of their offering to the specific needs of a client. Today, personal selling involves the development of longstanding client relationships.

Personal selling involves a selling process that is summarized in the following Five Stage Personal Selling Process. The five stages are:

- Prospecting
- Making first contact
- The sales call
- Objection handling
- Closing the sale

4. SALES PROMOTIONS

Sales promotion is any initiative undertaken by an organization to promote an increase in sales, usage or trial of a product or service (i.e., initiatives that are not covered by the other elements of the marketing communications or promotions mix).

Sales Promotion Technique

- **Free Gifts**

There are many ways to utilize this particular sales promotion technique. A newly opened store, for example, may offer the first 10 customers free items worth 100 pesos.

- **Free Samples**

Providing free samples is a technique used to introduce new products to the marketplace. Samples give the consumer a chance to see how well they like a product or try something they otherwise would not normally buy.

- **Free Trial**

A free trial is a way for a consumer to try a new product while eliminating risk. It may be used when a product is unique to the marketplace.

- **Customer Contests**

Contests offer the customer a chance to win prizes like cash or store merchandise.

- **Special Pricing**

Special pricing is used to offer consumers a lower price for a period of time or to purchase in multiple quantities. For example, a retailer may offer a product that normally costs 35 pesos at a price of 3-for-100-pesos during the promotional period.

5. DIRECT MARKETING

Direct marketing is a promotional method that involves presenting information about your company, product, or service to your target customer without the use of an advertising middleman. It is a targeted form of marketing that presents information of potential interest to a consumer that has been determined to be a likely buyer.

Forms of Direct Marketing

Brochure	Catalogs	Fliers	Newsletters	Post cards
Coupons	Email	Phone calls	Text messages	

5. PEOPLE

The fifth P in the Marketing mix is People. Your team, the staff that makes it happen for you, your audience, and your advertisers are the people in marketing. This consist of each person who is involved in the product or service whether directly or indirectly.

People are the ultimate marketing strategy. They sell and push the product. People are one of the most important elements of the marketing mix today. This is because of the remarkable rise of the services industry. Products are being sold through retail channels today. If the retail channels are not handled with the right people, the product will not be sold. Services must be first class nowadays. The people rendering the service must be competent and skilled enough so that that the clients will patronize your service. The marketing efforts of people are to create customer awareness, to arouse customer interest, to educate customers, to close the sale and to deliver the product.

Therefore, the right people are essential in marketing mix in the current marketing scenario.

6. PACKAGING

Packaging is the sixth P in the Marketing Mix. Packaging is a silent hero in the marketing world. *Packaging* refers to the outside appearance of a product and how it is presented to the customers. The best packaging should be attractive enough and

cost efficient for the customers. Packaging is highly functional. It is for protection, containment, information, utility of use and promotion.

Five Basic Functions of Packaging

1) Protection:

One of the major functions of packaging is to provide for the effects of time and environment for the natural and manufactured products. The protection function can be divided into some classes.

A. Natural deterioration:

It is caused by the interaction of products with water, gases and fumes, microbiologic organisms like bacteria, yeasts and molds, heat, cold, dryness, contaminants and insects and rodents.

B. Physical protection:

The packaging is also used for physical protection, which include improving shock protection, internal product protection and reducing shock damage caused from vibration, snagging, friction and impact.

C. Safety:

A special kind of protective packaging is required for products that are deemed harmful to those who transport them or use them. These products include extremely inflammable gas and liquid, radioactive elements, toxic materials etc. The packaging should also be done so that children could not easily use or dispose them.

D. Waste reduction:

Packaging also serves to reduce the amount of waste especially in case of food distribution.

2) Containment:

This involves merging of unit loads for shipping. It starts with spots of adhesives on the individual shippers that stick them together, straps of steel and plastic, entire coverings of shrinkable or stretchable plastic films and paper or corrugated wraps that surround an entire pallet of product.

There are some special bulk boxes or pallet bins made from unusually strong corrugated board or fabricated form plastics or metal, the method of which depends on the type and weight of product and its protective needs. The cargo containers made of aluminum used to hold many pallet loads of goods can be transferred to or from ships, trains and flatbed trucks by giant cranes.

3) Information:

The packaging conveys necessary information to the consumers. The common information that packaging provides include general features of the product, ingredients, net weight of the contents, name and address of the manufacturers, maximum retail price (MRP).

Packaging of medicine and some food products is required to provide information on methods of preparations, recipes and serving ideas, nutritional benefits, and date of manufacturing, date of expiry, warning messages and cautionary information. Sometimes, the color of the packaging itself provides some information.

4) Utility of use:

The convenience packaging has been devised for foods, household chemicals, drugs, adhesives, paints, cosmetics, paper goods and a host of other products. This type of packaging includes dispensing devices, prepackaged hot metals, and disposable medical packaging.

5) Promotion:

Companies use attractive colors, logos, symbols and captions to promote the product that can influence customer purchase decision.

Packaging Decisions:

i. Packaging concept:

This defines what the package should be or do for the particular product in terms of size, shape, materials, color, text, and brand mark and tamperproof ability

ii. Engineering tests:

This will ensure that the package stands up under normal conditions

iii. Visual tests:

This is to ensure that the script is legible and colors are harmonious

iv. Dealer tests:

This is to ensure that the dealers find the packages attractive and easy to handle

v. Consumer tests:

This is to ensure favorable consumer response

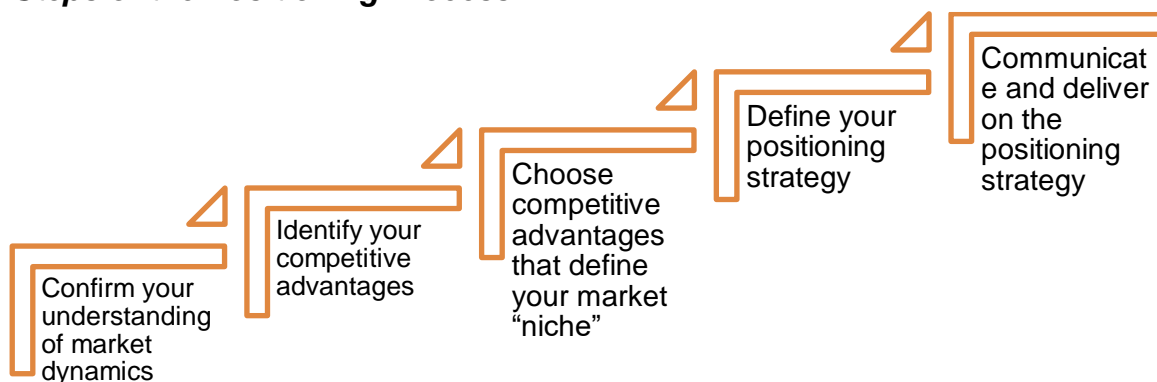
7. POSITIONING

Finally, the seventh P in the Marketing Mix is Positioning. When a company presents a product or service in a way that is different from the competitors, they are said to be “positioning” it. *Positioning* refers to a process used by marketers to create an image in the minds of a target market.

Solid positioning will allow a single product to attract different customers for not the same reasons. For example, two people are interested in buying a phone; one wants a phone that is cheaper in price and fashionable while the other buyer is looking for a phone that is durable and has longer battery life and yet they buy the same exact phone.

There are three basic concepts for positioning. These are Functional Positions, Symbolic Positions and Experiential Positions. Functional Positions deal with solving a problem, providing benefits and getting a favorable perception from investors, stockholders and consumers. Symbolic Positions deal with self-image enhancement, ego identification, belongingness, social meaningfulness and affective fulfilment and Experiential Positions deal with providing sensory or cognitive stimulation.

Steps of the Positioning Process



Step 1: Confirm Your Understanding of Market Dynamics

At the start of the positioning process, you need a firm understanding of your target market and answers to the following questions:

In which product, service, or market category (also called the “frame of reference”) do you plan to use this positioning?

Which target segment is your focus for the positioning you are developing?

What factors do these buyers evaluate when they make a purchasing decision?

How do these buyers view your competitors in the category?

If you don’t have answers to these questions, you should consider conducting formal or informal marketing research to reach a better understanding of your target market and the market dynamics around it.

Step 2: Identify Your Competitive Advantages

A competitive advantage is some trait, quality, or capability that allows you to outperform the competition. It gives your product, service, or brand an advantage over others in purchasing decisions. Competitive advantage may come from and or all of the following:

Price: Something in your production process or supply chain may make it possible for you to provide comparable value at a lower cost than competitors.

Features: You may provide tangible or intangible features that your competitors do not: for example, more colors, better taste, a more elegant design, quicker delivery, personalized service, etc.

Benefits: You may provide unique benefits to customers that your competitors cannot match. Benefits are intangible strengths or outcomes your customer gets when they use your offering. For example, time savings, convenience, increased control, enjoyment, relaxation, more choices, feeling better about oneself, being more attractive, etc.

Create a list of the things that make you different from competitors in positive ways. Then identify which of these factors are also competitive advantages: the influential factors that help you perform better in the marketplace and cause customers to choose your product, service, or brand over other options.

Step 3: Choose Competitive Advantages That Define Your Niche

Your list of competitive advantages represents a set of possible positioning strategies you could pursue for your product, service, or brand. The next step is to examine how these factors fit into customer perceptions of your broader competitive set. Your goal is to pick a positioning approach that gives you a unique and valued position in the market that competitors are not addressing.

How to Create an Effective Market Positioning Strategy?

Create a positioning statement that will serve to identify your business and how you want the brand to be perceived by consumers.

1. Determine company uniqueness by comparing to competitors

Compare and contrast differences between your company and competitors to identify opportunities. Focus on your strengths and how it can exploit these opportunities.

2. Identify current market position

Identify your existing market position and how the new positioning will be beneficial in setting you apart from competitors.

3. Competitor positioning analysis

Identify the conditions of the marketplace and the amount of influence each competitor can place on each other.

4. Develop a positioning strategy

Through the preceding steps, you should achieve an understanding of what your company is, how your company is different from competitors, the conditions of the marketplace, opportunities in the marketplace, and how your company can position itself.

Lesson

2

Developing a Brand Name

We are now in the second lesson of this module. After studying and understanding the framework of the Marketing Mix which is the 7 P's of Marketing, you are now ready to develop your Brand Name.

What comes to your mind when you hear the word “coffee”? How about “milk”? When you are asked to name a “toothpaste” or a “soft drinks, what will you think and say first?

Now as a future entrepreneur, how do you describe the sales of your product being displayed on the shelves of various malls and groceries beside the product with a brand name? Do you think the consumers will notice or remember it? Branding will ultimately reside(s) in the mind of every consumers, thus, it plays a significant role in every business.

Brand Name is a name, symbol, or other feature that distinguishes a seller's goods or services in the marketplace. Your *brand* is one of your greatest assets because your brand is your customers' over-all experience of your business. *Brand strategy* is a long-term design for the development of a popular brand in order to achieve the goals and objectives. A well-defined brand strategy shakes all parts of a

business and is directly linked to customer needs, wants, emotions, and competitive surroundings.

Experts believe that a good brand can result in better loyalty for its customers, a better corporate image and a more relevant identity.

As more customers continue to differentiate between emotional and experienced companies, a brand may be the first step forward in your competition instead of price points and product features. The question is, can you build a brand which truly talks to your audience?

Branding is a powerful and sustainable high-level marketing strategy used to create or influence a brand. Branding as a strategy to distinguish products and companies and to build economic value to both customers and to brand owners, is described by Pickton and Broderick in 2001.

Commonly Used Branding Strategies

1) Purpose

"Every brand makes a promise. But in a market in which customer confidence is little and budgetary observance is great, it's not just making a promise that separates one brand from another, but having a significant purpose," (Allen Adamson).

How can you define your business purpose? According to [Business Strategy Insider](#), purpose can be viewed in two ways:

- a. **Functional.** This way focuses on the assessments of success in terms of fast and profitable reasons. For example, the purpose of the business is to make money.
- b. **Intentional.** This way focuses on fulfillment as it relates to the capability to generate money and do well in the world.

2) Consistency

The significance of consistency is to avoid things that don't relate to or improve your brand. Consistency aids to brand recognition, which fuels customer loyalty.

3) Emotion

There should be an emotional voice, whispering "Buy me". This means you allow the customers to have the chance to feel that they are part of your brand.

You should find ways to connect more deeply and emotionally with your customers. Make them feel part of the family and use emotion to build relationships and promote brand loyalty.

4) Flexibility

Marketers should remain flexible too in this rapidly changing world. Consistency targets at setting the standard for your brand, flexibility allows you to adjust and differentiate your approach from your competition.

According to Kevin Budelmann, "Effective identity programs require sufficient consistency to be identifiable, but sufficient variation to keep things fresh and human," so if your old tactics don't work anymore, don't be afraid to change. It doesn't mean it worked in the past it may still work now.

5) Employee Involvement

It is equally important for your employees to be well versed in how they communicate with customers and represent the brand of your product.

6) Loyalty

Loyalty is an important part of brand strategy. At the end of the day, the emphasis on a positive relationship between you and your existing customers sets the tone for what potential customers can expect from doing business with you.

7) Competitive Awareness

Do not be frightened of competition. Take it as a challenge to improve your branding strategy and craft a better value in your brand.



What's More

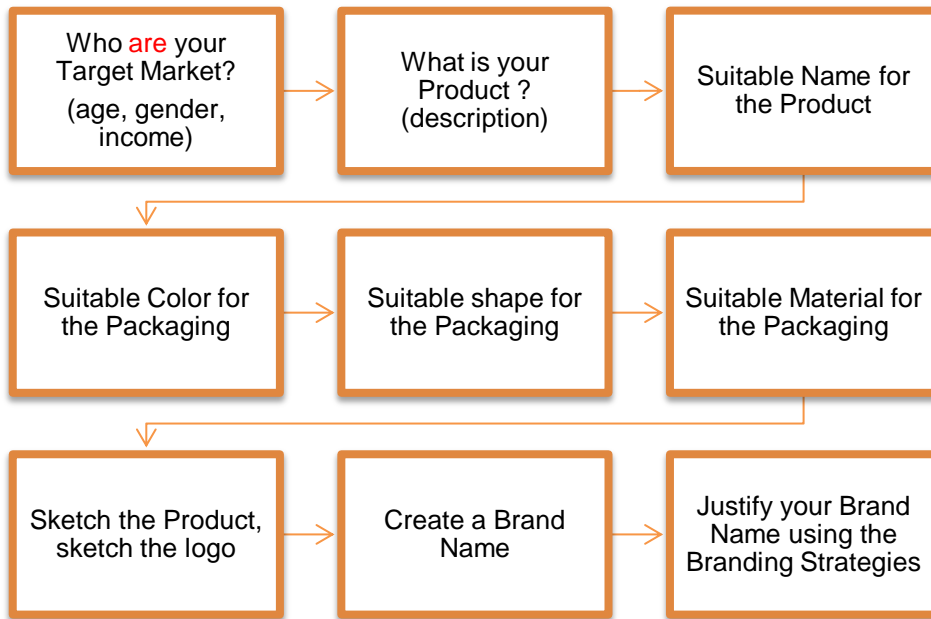
A. Draw to Survive

Direction: *Create a Concept Map for the 7 P's of Marketing Mix. Create your Concept Map in your activity notebook.*

Rubrics for Scoring	
Score	Description
15	The illustration of the concept map is clear and complete.
12	The illustration of the concept map is complete.
9	The illustration of the concept map is lacking 1.
6	The illustration of the concept map is lacking 2
3	The illustration of the concept map is lacking 3.

B. My Imaginary Product

Draw your product and give it a name. Follow the task guide below. Draw it in your activity notebook. Then, write a short explanation by describing the product and why you come up with its name.



Draw your product in your Activity Notebook.

Here are some useful phrases that may help you with your tasks and explanations:

My Target Market is/are _____,
that is why I choose this product.

I would like to introduce my new product _____.

I chose the name _____ because

_____.

You can use it to _____

_____.

I chose the Brand Name _____ because

_____.

Rubrics for Scoring	
Score	Description
15	The imaginary product is illustrated with a unique the brand name. There is an explanation describing the product and its name.
12	The imaginary product is illustrated with a brand name. There is an explanation describing the product and its name
9	The imaginary product is illustrated with a brand name. There is an explanation describing the product.
6	The imaginary product is illustrated with a brand name.
3	The imaginary product is illustrated.



Generalization

You have learned a lot from this module. You already understand all the concepts from the 7 Ps in the Marketing Mix to Developing a Brand Name.

Marketing mix constitutes of the 7P's in the case of products – product, price, place and promotion. In case of services, it constitutes of 3 more P's – people, packaging and positioning.

All P's should be compatible in the marketing mix. The price is compatible with the product's placement. The product must be consistent with the promotion. In general, all P 's are connected intrinsically.

As a result, when you make a marketing mix, it becomes a chain of strong bonds. Then these connections will lead you to lengthen the chain. Whenever you plan to add or change existing features, you need to see the general image which helps create a fresh product in the marketing mix.

Branding is absolutely critical to a business because of the overall impact it makes on your company. Branding can change how people percept your brand, it can drive new business further and increase brand awareness.

Am I Important?

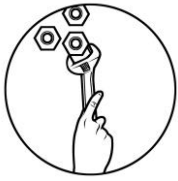
Let's go deeper! Write the importance of each lesson in your life as a future entrepreneur? Write your answers in your activity notebook.

Lesson 1: *The Marketing Mix (7P's) in Relation to the Business Opportunity*

What I want to say about the lesson:

Lesson 2: *Develop a Brand Name*

What I want to say about the lesson:



What I Can Do

Paste the P's

Look for newspapers or magazines. Find and identify pictures related to the P's in Marketing Mix. Cut out the pictures, sort and paste them on the box, then write a short description on the line next to the picture. Do it in your activity notebook.

PICTURE 1	
PICTURE 2	
PICTURE 3	
PICTURE 4	

Rubrics for Scoring	
Score	Description
15	The table is complete with pictures and the descriptions are correct.
12	The table is lacking one (1) picture and the descriptions are correct.
9	The table is lacking two (2) pictures and the descriptions are correct.
6	The table is lacking three (3) pictures and the descriptions are correct.
3	The table is lacking one (4) picture and the descriptions are correct.



Post Assessment

Identification

Write the word or phrase that is being described or completes the thought of each statement.

- _____ 1. It is a set of controllable and interrelated variables composed of product, place, price and promotions that a company assembles to satisfy a target group better than its competitor.
- _____ 2. The amount of money that a customer pays for to enjoy a product or service.
- _____ 3. It is any initiative undertaken by an organization to promote an increase in sales, usage or trial of a product or service
- _____ 4. It occurs when an individual salesperson sells a product, service or solution to a client.
- _____ 5. It can be intangible or tangible as it can be in the form of services or goods.
- _____ 6. The way your product or service appears from the outside.
- _____ 7. A marketing model that modifies the 4Ps model.
- _____ 8. It is responsible for every element of your sales, marketing strategies, and activities.
- _____ 9. It refers to how a business creates awareness in the market.
- _____ 10. It claims a new space in the mind of the customer different from the spaces occupied by existing products.
- _____ 11. The ultimate marketing strategy.
- _____ 12. This is where your product or service is actually sold.
- _____ 13. The place occupied by products in the hearts and minds of the consumers.
- _____ 14. A name, symbol, or other feature that distinguishes a seller's goods or services in the marketplace.
- _____ 15. A powerful and sustainable high-level marketing strategy used to create or influence a brand.



Additional Activities **The Power of Color!**

Below are different colors. Think of a particular product or company that you can identify with each color. Write your answers in the box beside each color.

	RED- ex.CHOWKING
	BLUE-
	BLACK-
	YELLOW-
	ORANGE-
	GREEN-

Rubrics for Scoring	
Score	Description
15	The diagram is complete with the right brand written in its corresponding color.
12	The diagram is lacking one (1) with the right brand written in its corresponding color.
9	The diagram is lacking two (2) with the right brand written in its corresponding color.
6	The diagram is lacking three (3) with the right brand written in its corresponding color.
3	The diagram is lacking four (4) with the right brand written in its corresponding color.

This is the end of Module five (5). You did a great job! It is Indeed an achievement. Congratulations!!! Hard work pays off and you really proved it!!! Try to learn more about Entrepreneurship in the next Modules. Thank you for being patient, honest, and committed.

QUARTER CHALLENGE 1

Instructions: *Recall what you learned. Shade or darken the letter that corresponds to the BEST answer. There is only one BEST answer for each question.*

1. The entrepreneurs who create new ideas are called
A. Innovative C. Fabian
B. Imitating D. Drone
2. The entrepreneur who lives on the labor of others is called
A. Drone C. Imitating
B. Fabian D. Innovative
3. These are entrepreneurs who are to follow the path shown by innovative entrepreneurs.
A. Innovative C. Social Entrepreneurs
B. Imitating D. Fabian
4. Which of the following is NOT a function of an entrepreneur?
A. Skills management C. Conduct research
B. Risk taking D. Make no changes with his product
5. Entrepreneur means:
A. Risk taker C. To research
B. To undertake D. To improve standard of living
6. It is a personality factor which means “doing things even before being told”
A. proactive C. persuasion
B. perseverance D. initiative
7. It is a personality factor which means convincing customers to buy the product
A. Proactive C. Self-confidence
B. Persuasion D. Risk taker
8. Which of the choices is NOT part of the environmental factors?
A. Political C. climate
B. Weather condition D. family background of the manager
9. All except one does NOT belong to the group, which one is it?
A. Unfair trade practices C. Political protest
B. Strikes D. Product
10. The entrepreneur who is skeptical about the changes in the company is called?
A. Fabian C. Drone
B. Social entrepreneur D. Imitating

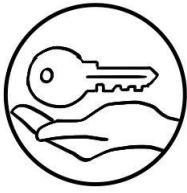
11. The following are the forces competing within the industry except one, which one is it?
 A. Potential new entrants and Substitute Products
 B. Buyers and Suppliers
 C. Rivalry among existing firms
 D. Needs and Wants
12. They are the ones that provide something that is needed or wanted.
 A. Buyers
 B. Competitors
 C. Buyers
 D. Sellers
13. It refers to the physical environment, societal environment, and industry environment where the business operates.
 A. Entrepreneurial mind frame
 B. External Environment
 C. Entrepreneurial heart flame
 D. Entrepreneurial heart frame
14. They are the ones who enter something.
 A. Buyers
 B. new entrants
 C. Suppliers
 D. Sellers

For questions 15 to 16 refer to the following statements:

- A. Substantial capital requirement
 B. Substitute products are not readily available in the market
 C. Difficulty in accessing distribution channels
 D. The product or service is unique
 E. Characteristics of the products or services
 F. Increased capacity
15. In Potential New Entrants the intensity of its threat will be affected by the presence of the following barriers.
 A. A and C
 B. A, B, C and D
 C. A only
 D. All of the above
16. In rivalry among existing firms, the industry is attributable to the following factors.
 A. E and F
 B. A, B, C and D
 C. A and B
 D. All of the above
17. Which of the following includes the industry environment of the business?
 A. Competitors
 B. Customers
 C. Creditors
 D. All of the above
18. It is the process of considering, evaluating, and pursuing market-based activities that are believed to be advantageous for the firm.
 A. Opportunity seeking
 B. Opportunity seizing
 C. Opportunity screening
 D. Sources of opportunity
19. This is essential to opportunity-seeking which allows the entrepreneur to see things in a positive and optimistic light in the midst of crisis or difficult situations.
 A. Entrepreneurial mind frame
 B. Entrepreneurial gut game
 C. Entrepreneurial heart flame
 D. Entrepreneurial heart frame

- 0 0 0 0 20.** It is the ability of entrepreneur that can sense without using the five senses, also known as intuition.
 A. Entrepreneurial mind frame C. Entrepreneurial heart flame
 B. Entrepreneurial gut game D. Entrepreneurial heart frame
- 0 0 0 0 21.** What is the function of Value Proposition?
 A. used to power up sales
 B. determine customers buying habits
 C. convince customer to purchase a particular product or services.
 D. provide value to your customers
- 0 0 0 0 22.** This is an example of promotion using Value Proposition and Unique Selling Proposition.
 A. fruit shake stand
 B. with the slogan “Langhap Sarap”
 C. ordinary sari-sari store
 D. multinational business
- 0 0 0 0 23.** These are the types of requirements, which one is a type of customer requirement?
 A. service responsibility C. service requirement
 B. service-oriented D. service fulfillment
- 0 0 0 0 24.** This is considered as favorable indicators for doing business in a particular location.
 A. structure of the segment C. size and growth of the segment
 B. capability of the business D. segmentation marketing
- 0 0 0 0 25.** What is market size?
 A. Tangible things that can be seen
 B. The most important part to the success of the company
 C. Size of arena where the entrepreneur will play their business
 D. Another variation of segmentation marketing
- 0 0 0 0 26.** This refers to how you sell your products or services to your customer.
 A. Value proposition C. Selling proposition
 B. Marketing concept D. Unique selling proposition
- 0 0 0 0 27.** Service requirement is a _____ thing or product that cannot be touched but the customer can feel the fulfillment of buying or using it.
 A. Intangible C. Service
 B. Tangible D. Output
- 0 0 0 0 28.** The following are tips for the entrepreneur on how to create an effective unique selling proposition to the target customers, except
 A. Completeness of proportion
 B. Identify and rank the uniqueness of the product or services characteristic.
 C. Be Very specific
 D. Keep it short and simple

- 46.** What is the advantage of Penetration Pricing?
- A firm has three options and these are to price lower, price the same or price higher than competitors
 - A firm can create the perception that the products must have a higher value than competing products because the prices are higher.
 - The company earns more through cross-selling products along with a basic core product.
 - The company will gain market share because the price charged for products and services is set artificially low.
- 47.** Promotions refer to the partial set of activities, which communicate the product, brand or service to the user. The idea is to make people aware, attract and induce to buy the product, in preference over others. Find the error.
- partial set of activities
 - which communicates the product
 - idea is to make people aware, attract and induce to buy the product
 - No error
- 48.** How would you promote a product?
- By offering Free Gifts, Free Samples, Free Trial, Customer Contests, Special Pricing
 - By offering Brochure, Catalogues, Fliers, Newsletters
 - By offering Post cards, Coupons, Email, Phone calls, Text messages
 - None of the above
- 49.** The following are interpretations of the word Brand except
- a legal instrument
 - a logo
 - a business
 - a vision
- 50.** How can you define your business's purpose?
- Purpose can be defined in two ways: Functional which focuses on the evaluations of success in terms of immediate and commercial reasons and Intentional which focuses on success as it relates to the ability to make money and do well in the world.
 - Purpose can be defined in two ways: National which focuses on the evaluations of success within the country for commercial reasons and International which focuses on success as it relates to other countries to make money and do well in the world.
 - All of the above
 - None of the above



Answer Key

- 15. A
- 14. B
- 13. B
- 12. C
- 11. D
- 10. A
- 9. D
- 8. D
- 7. B
- 6. D
- 5. B
- 4. D
- 3. B
- 2. A
- 1. A

Quarter Challenge 1

P	R	O	D	U	C	T	P	O	R	E
Q	U	P	L	A	C	E	E	P	I	E
P	O	S	I	T	I	O	N	I	N	G
R	O	P	E	P	R	I	C	E	O	P
G	O	P	R	O	M	O	T	I	O	N
P	A	L	P	E	O	P	L	E	A	N
A	P	A	C	K	A	G	I	N	G	Z
F	R	D	J	I	S	B	N	M	K	A

What's New-Find the P's

- 1 Marketing Mix
- 2 Price
- 3 Sales Promotion
- 4 Personal Selling
- 5 Product
- 6 Packaging
- 7 P's Model
- 8 People
- 9 Promotion
- 10 Services
- 11 People
- 12 Place
- 13 Positioning
- 14 Brand Name
- 15 Branding

Post Assessment-Identification

- 1 b
- 2 a
- 3 c
- 4 c
- 5 b
- 6 d
- 7 b
- 8 d
- 9 d
- 10 c
- 11 c
- 12 a
- 13 b
- 14 a
- 15 c

What I know



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