



The Allan Gray Entrepreneurship Challenge

Module 3 Learner's pack

Module Video

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You've made it to the third module of the challenge!

Well done! In real life, you'd have reached the third year of successful trading.

This is an exciting time, and we're making it more exciting still by allowing you to focus on activities that bring you into contact with consumers for the first time. You'll have a chance to **open up your shop** for eight minutes to sell your product - but if you are to attract consumers to your store, you have to find a way to let them know what you're selling. **That's where marketing comes in.**



Let's reflect back on the previous module

Before we do that, though, let's take time to think about the major project from the previous module: developing your product.

- What did you think of this experience? Was it difficult?
- What did you enjoy?
- What challenged you?
- How long did it take?
- Did you test your product?



Let's talk about marketing



This module is all about marketing

Now that you have a product that you believe has the features to appeal to consumers, it's time to **think about how you'll market it**. Although you have been given a marketing budget, you'll find that it's not enough to market to all consumers. You have to narrow down who you want to reach: who is **most likely to buy** the product? **Where** do these people live? And **how will you find them** - in other words, what advertising channels are they most likely to take notice of?

To find the answers to these questions, you need to ask yourself even more questions.

1. What are you selling?
2. What are the product's features and limitations?
3. Which people would like to use this product?
4. Where in the country are these people most likely to live?
5. How should I market to them?
6. Are they most likely to respond to online media (like social media) or offline platforms, like billboards and pamphlets?

The answers to these questions will guide you when you have to prepare a marketing strategy. That's why the development of a marketing plan is known as **strategic marketing**. Another term you'll want to remember is **tactical marketing**. This means implementing the strategy.

Strategic marketing: 4Ps of marketing

Strategic marketing is guided by the 4Ps of marketing: price, product, people and place. All of these elements work together: for example, your product has certain features that will make it appealing for a specific group of people. These people all shop at a certain place, so you must make sure it is available at this place. You must also make sure the price suits their budget.



Important to note

Data

Your marketing campaign will be led by data. This is **information about the consumers you want to target**. You will gather this data by hiring a marketing agency that will ask possible buyers if they would actually purchase your product.

Graphs

The information that the agency gathers will be represented graphically, as a bar graph or pie chart. It is important that you feel comfortable reading and interpreting the information contained in these graphs, not only because this is a vital skill in business, but because it holds key clues for creating your marketing campaign. If you have any questions, ask your maths literacy or maths teacher for help.

Demographics

The data will tell you things like the consumers who are most likely to buy your product are aged between 25 and 35 and are mid-income earners who usually live in Provinces 1, 7 and 9. They respond best to offline marketing channels like pamphlets or billboards rather than online channels like social media. Use this information to draw up your marketing campaign - it will help you narrow down where you should be concentrating your efforts so that you don't waste any of your marketing budget.

Review

You'll be able to tell if your marketing campaign has been effective or not when you open up your shop: if you focused on the right people, you'll see sales grow almost instantly, making it easy to reach the targets set by your Board.



What's happening in Module 4?

We're sure you'll agree that this module was thrilling - even if it was a bit more challenging! Hang in there, because in the next module things get even more intense.

Competition

We'll be introducing you to the concept of competition. You'll be going up against companies that offer very similar products to your own, so you need to decide the best way of keeping up (or even growing) your market share - this refers to the number of people in your target market who buy your product.

Competitors

You could choose to grow your business organically, by decreasing your prices, stepping up your marketing activities, or adding new features to make your product more attractive. Or you could grow inorganically, by acquiring (buying) your competitor.

We'll explain all of these terms in greater detail during the next module but, until then, good luck and enjoy playing!

Enquiries

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