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introduction

Topics

- International business
- Marketing
- Organisational change
- Strategy
- Human resources
- Innovation
- Decision making
- Business ethics

What is business for?

- To manage the process of goods and services effectively
- To organise society
- To give roles to individuals
- To distribute excess goods to external parties
- To gain monetary goods
- Analysing the market and consumers and produce goods and services to the target market
- To make shareholders happy
- For people, profit

Business basics

What is business for?

- How do we think about the roles & responsibilities of businesses?

What is business?

- Any profit seeking organisation that provides goods and services designed to satisfy customer needs

Understanding what businesses do

- What does the word 'business' mean?
 - A label for the overall field of business concepts
 - A collective label for the activities of many companies
 - A way to indicate specific activities/efforts
 - A synonym for company
- Consider business as a system for satisfying customers by transforming lower-value inputs into higher value outputs
 - E.g. wheat --> bread
- *Revenue*: money a company brings in thru the sale of goods/services
- *Profit*: money left over after all the costs involved in doing business have been deducted from revenue
 - $P = R - C$

Major types of businesses

- Not-for-profit organisations
 - Organisations that provide goods/services without having profit as a primary motive
- Goods producing businesses
 - Companies that create value by making 'things', most of which are tangible
- Service businesses
 - Companies that create value by performing activities that deliver some benefit to customers

The services-goods continuum

- Not always clear-cut
- Products can be thought of as sitting on a continuum

- Clothing is a good
- Dentist is a service (intangible/cannot be returned)

A critical question to ask

- 'Who needs this and why?'

The importance of knowing who and why

- CB Insights- a 'big data' firm that analyses publically available data to learn about the health of 'privately owned' companies

Reasons for failure

- No market need for product
- Ran out of cash
- Not the right team

How do we satisfy customer needs?

- How do we know what they want?
 - We need marketing
 - The most well established marketing model is the 4 P's

MARKETING AND THE 4 P'S

- The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself
- Product, Price, Place, Promotion
 - 4 P's need to work together
 - Product
 - Variety, quality, design, package, brand
 - Price
 - Retail, discount, bonuses, payment plans, credit terms
 - Promotion
 - Advertising, personal selling, sales promotion, PR, sponsorship, sales calls, brochures, emails
 - Place
 - Distribution, delivery, retail locations, download, logistics

4 P's discussion