

Lesson Plan – Competing for Market Segments

Course Title: Marketing

Session Title: Competing for Market Segments

Performance Objective:

- Upon completion of this lesson, the student will explain strategies to compete for different market segments.

Specific Objectives:

- Students will explain direct vs. indirect competition.
- Students will explain price vs. nonprice competition.
- Students will describe the benefits of competition to consumers

Preparation

TEKS Correlations:

This lesson, as published, correlates to the following TEKS. Any changes/alterations to the activities may result in the elimination of any or all of the TEKS listed.

- **124.32(c)(1)(A)**
...categorize business activities as production, marketing, management, or finance.
- **124.32(c)(1)(B)**
...explain the interdependence each business activity has with marketing.
- **124.32(c)(3)(A)**
...explain the marketing concept.
- **124.32(c)(13)(A)**
...describe characteristics of economic goods and services.
- **124.32(c)(14)(A)**
...compare and contrast how economics answer the basic economic questions
- **124.32(c)(14)(B)**
...explain why most economies are mixed.
- **124.32(c)(15)(A)**
...describe characteristics of a private enterprise system.
- **124.32(c)(15)(B)**
...explain advantages and disadvantages of private enterprise.
- **124.32(c)(15)(C)**
...describe the role profit plays in a market economy.
- **124.32(c)(15)(D)**
...list examples of competitive business situations.
- **124.32(c)(14)(E)**
...identify examples of competitive business situations as price or non-price competition.
- **124.33(c)(4)(A)**

...explain the importance of the U.S. free enterprise system in encouraging opportunities for entrepreneurial ventures.

Interdisciplinary Correlations:

English:

110.42(b)(6)(A) – Vocabulary Development

...expand vocabulary through wide reading, listening, and discussing.

110.42(b)(6)(B) – Vocabulary Development

...rely on context to determine meanings of words and phrases such as figurative language, idioms, multiple meaning words, and technical vocabulary.

110.42(b)(7)(F) – Reading/comprehension

...identify main ideas and their supporting details.

110.42(b)(7)(G) – Reading/comprehension

... summarize texts.

110.42(7)(J) – Reading/comprehension

... read silently with comprehension for a sustained period of time.

113.34 (c)6(C) – Economics

...compare the role of government in the U.S. free enterprise system and other economic systems.

Accommodations for Learning Differences:

For ED, ESL, LD, Special Ed, at Risk, 504, etc. allow the following:

1. Allow students less than best responses to vocabulary and assignment sheets.
2. Allow students more errors on research and PowerPoint presentations.
3. Allow students more time on internet research.

Teacher Preparation:

References:

1. Marketing Yourself, Cengage South-Western Publishing Learning
2. Marketing, Third Edition, James L. Burrow, Southwestern Cengage Learning
3. Marketing Essential, McGraw Hill
4. USA Today and local newspaper

Instructional Aids:

1. Competing for Market Segments PowerPoint presentation
2. Financial Struggles for State Fairs and Amusement Parks Assignments
3. Financial Struggles for State Fairs and Amusement Parks Rubric
4. Marketing to the Generations Part Three
5. Marketing to the Generations Rubric
6. Internet

Materials Needed:

1. Construction paper
2. Scissors and glue
3. Poster board
4. Newspapers

Equipment Needed:

1. Computers for students to complete projects
2. Projector for PowerPoint presentation.

Learner Preparation:

1. Students will list a favorite restaurant and the competitors for the restaurant. Then students will evaluate how their restaurant compares to the competition when considering quality of food, service, and cleanliness of restaurant, prices, menu, and convenience.
2. Students will list their top alternative entertainment choices. They will list the pros/cons for each choice. Then students will list how each entertainment venue will successfully compete for their teenager market segment.

Lesson Plan**Introduction (LSI Quadrant I):**

1. List the following categories on the board: gas stations, hotels, full-service restaurants, fast-food restaurants, airlines, clothing stores, and universities. Students must list five competitors for each classification. Then the class discusses student responses and what each competing business has to offer.
2. Brand Bingo: Prepare a Bingo card that asks students to list favorite brands for each square. Categories may include soda, potato chips, fast food restaurants, brand of automobile, gas stations, hotels, airlines, clothing store, full-service restaurant, college, etc. Students fill out their cards and then walk around the room to get signatures of students who have the same answer. Students can only get another student's signature once. The first student who gets BINGO wins the game.
3. Pictionary: Split the class into two teams. Each team will select a person to go to the board to draw a picture representing the popular brand that the teacher has shown drawers from both teams. The team that stands first and gets the correct answer, earns the point. Then new drawers go to the board for rounds 2, 3, etc.


Important Terms for this Lesson:


- direct competition-competition in a market with businesses that offer the same type of product or service
- indirect competition-occurs when a business competes with other companies offering products that are not in the same product category but that satisfy similar customer needs
- price competition-rivalry among businesses on the basis of price and value
- non-price competition-competition by emphasizing factors of the marketing mix other than price.

Outline










Outline (LSI Quadrant II):

Instructors can use the PowerPoint presentation, slides, handouts, current events, the Internet, and note pages in conjunction with the following outline.

MI	Outline	Notes to Instructor
	<ul style="list-style-type: none">I. Types of Competition for Positioning Decisions<ul style="list-style-type: none">A. Direct competition-competition in a market with businesses that offer the same type of product or service (McDonalds vs. Burger King)B. Indirect competition-business competes with other companies offering products that are not in the same product category but that satisfy similar customer needs (movie theaters vs. video rental stores)C. Price competition-rivalry among businesses on the basis of price and value (Southwest Airlines \$79 ticket)D. Non-price competition-businesses emphasize factors of their marketing mix other than price<ul style="list-style-type: none">1. product quality2. brand name3. location4. special customer service	<ul style="list-style-type: none">A. Explain how BMW competing against GM is an example of direct competition B. List McDonald's and Starbucks on the eboard. Ask students to compare and contrast the companies. Then ask students which company's coffee won in a taster's test. McDonald beat the much more expensive Starbucks. Then discuss reasons why Starbuck has lines of people waiting in the drive-thru to purchase a very expensive product. C. Ask students if they shop around for the best price. What are their strategies when making a major purchase? D. Ask students what their expectations are for a clothing store and the sales associates. Then ask students to explain how sales associates have

		contributed to and blocked their purchase decisions. Special treatments of VIP customers or follow-up communications after the sale are examples of non-price competition.
	<p>II. Benefits of Competition</p> <p>A. Consumer receives the best price</p> <p>B. Wide variety of products</p> <p>C. Encourages improvements in products with the addition of unique features and benefits</p> <p>D. New product ideas</p>	Ask students to describe strategies about how companies gather information about competitors. Then ask students if companies must always sell merchandise for a smaller price than the competition (why/why not?)

Copy and paste Multiple Intelligences Graphic in appropriate place in left column.

								
Verbal Linguistic	Logical Mathematical	Visual Spatial	Musical Rhythmic	Bodily Kinesthetic	Intra-personal	Inter-personal	Naturalist	Existentialist

Application

Guided Practice (LSI Quadrant III):

1. Ask students what entertainment venues can do to get their business. Students must take into consideration that organizations have budgets to follow.
2. Ask students to write down factors they consider when making purchases of popular items such as lunch, vending machine food, and clothing. The responses to this question will be a good icebreaker for the lesson.

Independent Practice (LSI Quadrant III):

1. Students will complete Part Three of the "Marketing to Generations" project. Use the Marketing to Generations Rubric to evaluate the project.

2. Use Financial Struggles for State Fairs and Amusement Parks Assignment and have students write a paragraph to explain why State Fairs and Amusement Parks such as Six Flags are struggling for business. The paper should list major national amusement parks such as Disney and Universal Studios. The paper should also explain that amusement parks are no longer a novelty with many young people having initial experiences at very young ages. Then students should list suggestions to help the parks market their product more effectively to a been there/done that generation. Use Financial Struggles for State Fairs and Amusement Parks Rubric as an evaluation tool for this project.

Summary

Review (LSI Quadrants I and IV):

Q: How is a supermarket indirect competition for a fast food restaurant?

A: The supermarket offers “meals to go” from the deli that compete with the fast food meals.

Q: What type of competition are weekly newspaper advertisements for supermarkets?

A: price competition

Q: List three advantages of competition for consumers.

A: more selection, better prices, new products, product improvements

Q: List three ways that competition affects businesses.

A: search for new product ideas, improve product quality and customer service, identify additional market segments

Evaluation

Informal Assessment (LSI Quadrant III):

1. Instructor will observe students during Independent Practice assignments, class discussion, and PowerPoint discussions.
2. Instructor will assist individual students as needed.

Formal Assessment (LSI Quadrant III, IV):

Use Marketing to the Generations Rubric to evaluate the third part of the “Marketing to the Generations” project. The amusement park marketing project will be evaluated using the Financial Struggles for State Fairs and Amusement Park Assignment Rubric for completeness and meeting the teacher’s assigned guidelines.

Extension/Enrichment (LSI Quadrant IV):

1. Ask students to use the Internet to view streaming video from John Stossel’s 20/20 Give Me a Break Series. Students select four videos that deal with consumer issues and write 10-sentence summary for each video.
2. Ask students to research product recalls. The assignment requires students to define the recall, what the company has done to solve the problem, the consumer perception of the product since the recall, and future advertising to overcome the negative publicity of the recall.
3. Video Link www.abcnews.go.com/2020/stossel/

Marketing to the Generations Project

Name_____

Goal: To learn about four target markets that have different backgrounds, needs, and spending habits.

Part 1: Conduct Internet research for the following four generations: Silent (Mature) Generation, Babyboomers, Generation X, and Generation Y. Print two sheets of information for each group and highlight the main points. Make sure that you locate the most useful marketing information about each group.

Part 2: Design a poster with pictures from a magazine or newspaper to represent each generation. Divide the poster into quadrants—one for each generation. Each quadrant should include pictures of people to represent each generation and 20 facts about each generation.

Part 3: Prepare 20-bulleted list for each generation. The list should include descriptive characteristics, needs, and buying habits.

Part 4: Write four paragraphs to describe five goods/services that each generation will purchase and why. Each paragraph should be at least five sentences and printed.

Part 5: Prepare a PowerPoint presentation about the four generations, using the information from assignments #1-4. Each generation should have at least four slides.

Marketing to Generation X, Generation Y, Baby Boomers, and the Silent Generation

Marketing to the Generations Rubric

Student Name: _____

CATEGORY	20	15	10	5
Research for Each Generation	Thorough research printed and highlighted for each generation	Thorough research printed/not highlighted for each generation	Adequate research printed/highlighted for each generation	Incomplete information for the 4 generations
Poster Representing the 4 Generations	Appealing poster that accurately illustrates people for each generation	Appealing poster that does not accurately illustrate people for each generation	Acceptable poster with inaccurate pictures	Poorly constructed poster with incomplete information (pictures)
Bulleted List for Each Generation	20 Solid Facts for Each Generation	20 Less than Solid Facts for Each Generation	15-19 Facts for Each Generation	Less than 15 Facts for Each Generation
Paragraphs Describing Purchases for Each Generation	High quality paragraphs with at least 5 purchase needs and explanations for each generation	High quality paragraph with less than 5 purchase needs and explanations for each generation	Acceptable paragraph with 5 purchase needs for each generation. Lacking explanations for the purchases	Incomplete information about purchase needs and rationale for each group
PowerPoint Presentation	At least three high quality, informative slides for each generation	Less than three high quality, informative slides for each generation	Adequate number of slides, slide content inadequate	Incomplete slide show with inadequate information for each generation

Total Score _____

Maximum Score 100 pts.

Financial Struggles for State Fairs and Amusement Parks
Name _____

The Financial Struggles for State Fairs and Amusement Parks

- Conduct research about the financial struggles for State Fairs and amusement parks.
- Write a paragraph to explain why State Fairs and Amusement Parks such as Six Flags are struggling for business.
- The paper should list major national amusement parks such as Disney and Universal Studios.
- The paper should also explain that amusement parks are no longer a novelty with many young people having initial experiences at very young ages.
- Then provide suggestions to help the parks market their product more effectively to a been there/done that generation.

**Financial Struggles for
State Fairs and Amusement Parks
Rubric**

Student Name: _____

CATEGORY	25	20	15	10 or less
Description of Theme Park and Target Markets	Excellent—Thorough information adequate for decision making	Good-75% of needed information covered	Fair-50% of needed information covered	Poor-less than 50% of needed information covered
Description of Successful National Competition and Their Marketing Strategies	Well organized plan backed by facts	Good plan that lacks facts	Fair plan that needs more research and details	Poor plan that has an inadequate strategy based upon inadequate information
Marketing Strategies to Increase Sales	Excellent, realistic strategy based upon facts	Good strategy needing more facts	Fair strategy with very few facts	Inadequate strategy backed by no facts
Presentation of Information	Well-organized, convincing presentation	Good presentation that could be enhance with more information	Fair presentation needing much more information	Poor presentation with no information to back up the plan of action

Total Points _____
Maximum Score 100 pts.