

The Markets – general terms

1	What is the Market	The place where buyers and sellers interact
2	Mass Market	a market for goods produced on a large scale for a significant number of end consumers.
3	Niche Market	a small, specialized market for a particular product or service
4	Dynamic Markets	A market is subject to constant change
5	Online Retailing/ Markets	Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser.

Market Segmentation Groups

1	Gender	Some goods are aimed at men and others at women. Some businesses target one particular gender group
2	Age	A business may well offer products that appeal to individuals of a certain age group
3	Income	An individual's income affects their buying habits. E.g. Those on larger incomes are more likely to buy expensive luxury goods.
4	Geographic	The Place where people live may effect their buying habits,
5	Lifestyle	Many businesses target individuals that have special interests which effect their buying habits

Innovation and Market Growth

Markets grow and change because of:

1	Economic Growth	Living standards generally rise over a period of time. This means the population have more disposable income.
2	Innovation	innovation is when an organisation introduces new processes, services , or products to affect positive change in their business
3	Social Change	Change in society will impact on the markets. For example the increase in single households.
4	Legislation	New laws can affect markets and products. E.g. Cigarettes.
5	Demographics	Changes in the structure of the population and on effect the size of the market.

Key Formula $\frac{\text{Sales of a business}}{\text{Total Sales in the market}} \times 100$

Innovation: Adapting and improving an existing product
Invention: Designing a new product

Five types of Market

Five types of Market		Examples
1	Consumer	Food, cosmetics, newspaper
2	Services	hairdressing, decorating
3	Housing	Buying and selling of property
4	Commodities	Raw materials e.g. oil
5	Financial	Currencies & financial products

Key Vocabulary

1	Marketing	A process in which a business in identifying and satisfying customer needs
2	Brand Name	A name or logo or design that allows customers to identify the goods and differentiate them from other competitors goods.
3	E Commerce	Conducting business transactions online
4	Market Share	The proportion of total sales in a particular market