

By: Kathy Short

Survey the Market: Do Consumers Want Your Product?



FOCUS:

Overview:

Part 1 of this lesson focuses on the need to define, evaluate, and gain information about your target market. Entrepreneurs may have some great ideas for goods or services but if there is not a demand for their product then they can't stay in business. In this lesson the young entrepreneurs question themselves and their possible customers. They use the idea of goods or services for the pet industry as they learn the market survey process.

Part 2 will help students understand how to create a demand for their product using basic marketing and advertising techniques.

Objectives:

- Establish the need to define, evaluate, and gain information about your target market.
- Determine if customers will want the product you plan to produce.
- Make a list of questions to ask potential customers ranging from price to preference.
- Understand how to create a demand for their product using basic marketing and advertising techniques.

Background Information:

Once an entrepreneur has an idea for a good or service she must decide if this is something consumers are willing and able to buy. She must determine what color or shape is appealing to people. She must determine how many consumers will buy at each price. This is done through a market survey. Interviewing prospective consumers helps entrepreneurs to determine if their product is desired by others and what modifications might make more people willing and able to purchase it. Students practice surveying consumers about the care industry.

Curriculum Multi-tasking:

- Economics
- Entrepreneurship
- Language Arts

Materials:

Visual 8.1 Dog Photo

Handout 8.2 Pet Care Yellow Pages – one per each group of 4

Handout 8.3 Pet Market Survey – one per each group of 4

Handout 8.4 Market Survey – one per each group of 4

Handout 8.5 Marketing Plan - one per each group of 4
Visual 8.6 Advertising Strategies
Scissors for each student
Magazine for each student

Construct:

Make copies indicated above

TEACH:

Introduction:

1. Explain to students that an entrepreneur recognizes market needs and creates goods or services to fulfill these needs. They recognize things that would make life better or that solve problems for people.
2. Tell students that to understand how entrepreneurs survey the market to see if their product idea is good they will be researching pet support businesses.
3. Tell students that you recently adopted a puppy from a local animal shelter. You searched Petfinder.com until you found the dog for you! Show photo of the dog (Visual 8.1 Dog Photo).
4. Tell students you were simply amazed when you went to the store to buy things for your dog. You found beds, crates, toys, food, beds, food storage containers, brushes, treats, flea treatments, leashes and so many things. As you began to prepare for the arrival of your new pet you realized that there are many things that a pet owners needs.
5. Brainstorm as a class ideas of goods or services that a pet owner might need. Encourage students to think out of the box and not to judge the ideas at this stage. The objective is to generate a lot of ideas. Evaluating these ideas comes later.
6. Distribute Handout 8.2 – Pet Care Yellow Pages. Have students work in groups to generate or select five ideas of goods or services they might provide to the market.
7. Discuss who will participate in the market? Who are the consumers? (In this case it is pet owners.)

Activities:**Part 1:**

1. Pass out a copy of Handout 8.3 Pet Market Survey to each team of four students.
2. Ask the students to spend five minutes brainstorming possible goods and services they might provide for pets or pet owners.
3. Once they have a list of ideas they should choose the one they think is the best business idea. Have them consider their competition from the Yellow Pages and what makes their good or service different.
4. Have students review the questions on the survey. As a group they should answer the questions. These will help them to fine tune their idea or to select a different product.



5. Now they must see if other students would buy the product they have in mind. Instruct them to use Handout 8.4 - Market Survey to create questions based on the product they are considering. Advise them that the questions should tell them if customers will buy their product.
6. A second step is to determine how much they will pay for each unit of the product. They should ask several students how many they would buy at varied prices. For example, ask how many days of doggie day care a month would you buy if it cost \$10 per day; \$15 per day; \$20 per day, etc. Lines are included on Handout 8.4 for this.
7. If consumers will not pay enough for the product to make it worth producing, then you may want to reconsider what you produce.
8. In Lesson 6 students learned about creating the financial section of the business plan. There they learned to analyze industry growth patterns that would affect their business.

Part 2:

1. Once students have finalized their product selection, have them consider marketing and advertising.
2. Explain that you might have a really great product idea but without people knowing about it you will never be able to sell it.
3. Brainstorm advertisements that are appealing to students by discussing their favorites. With each example discuss what they like about it and when and where they see it. Explain that this is part of the marketing plan. Businesses must decide when and where to advertise and what message they want the customer to see or hear.
4. Discuss ways to communicate with their customers which are pet owners.
5. Explain that they will need to choose what type of media will reach their target market of pet owners and what information will create a demand for their product.
6. Brainstorm and list all the media they can think of that advertises to them. Have them consider what types of advertising would be most effective for the pet care industry.
7. Tell them that they will now develop a marketing plan and create an advertising strategy using Handout 8.5 - Marketing Plan.
8. Display Visual 8.6 - Advertising Strategies and discuss.
9. Go over each type of strategy and site examples they students can think of that fit under each type.
10. Tell students to look through magazines and find ads that are examples of these types of advertising techniques.
11. Ask some students to share their advertisements and explain why they think that particular ad fits an advertising strategy.
12. Share these with the class.

Closure:

Review with the class that opportunities are all around them. To be a successful entrepreneur, they must identify an opportunity that they are interested in and that they feel they can make successful. They must then assess that opportunity by

surveying the market. Feedback and answers to their survey questions should be honest and direct.

You may have a great idea, but if it doesn't address an opportunity in the market, it may not be a successful business. Surveying the market is the entrepreneur's chance to evaluate an idea and assess its opportunity in the marketplace. Explain that for any product to be successful people must know that it is available. Advertising is very costly. Finding the most cost effective way to advertise is a challenge for all entrepreneurs.

Review types of media students may use to create a demand for their product. Review advertising techniques. Students may want to create a bulletin board by posting their magazine ads (labeled with advertising strategy).

Standards:

Voluntary National Content Standards in Economics:

Content Standard 14: Profit and the Entrepreneur

Students will understand that entrepreneurs are people who take the risks of organizing productive resources to make goods and services. Profit is an important incentive that leads entrepreneurs to accept the risks of business failure.

Grade 4 – Benchmark 3: At the **completion of Grade 4, students will know that** Entrepreneurs often are innovative. They attempt to solve problems by developing and marketing new or improved products. At the completion of Grade 4, students will use this knowledge to solve a problem by creating a new use for an existing product such as a wire coat hanger, thimble, or shoulder pads. Also develop an advertising campaign for their new product.

Visual 8.1 – Dog Photo



Handout 8.2 – Pet Care Yellow Pages

2007



BESSIE MOORE CENTER FOR
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YELLOW PAGE ACTIVITY

PET BOARDING

Cat Cottage 3111 Cotswold Ln246-0700
 Doggie Heaven Daycare & Boarding.....721-7833
 Highfill K-9 Center 14500 Hwy12.....736-8993
 Pet Emporium273-1275
 Puppy paws 221 Commercial St795-8969

PET GROOMING

A-Able Pet Salon
 All Breeds Professional Grooming790-6260
 Bow Wow Pet Styling636-6057
 Country Canine Clippin 417-845-3892
 Dana’s Dog Grooming
 Corner of 43 Hwy & Iris Rd417-776-1993
 Dogs Best Friend – Hwy 412238-1920
 Dog Watch Doggie Day Care – FYVL582-3647
 Dog Watch Doggie Day Care – BTVL464-9364
 Farmington Grooming Salon267-3273
 4 Paws Grooming Salon – FYVL575-0282
 Marcy’s Dog Grooming – GNTR736-5140
 Noah’s Ark Veterinary – WFRK839-2328
 Parks Corner Dog Grooming824-5096
 Pet Parlor – Siloam Springs524-6694
 Petco 4013 W Walnut – RGRS636-4214
 Pretty Pets Grooming - Huntsville Ave ...750-2468
 Puppy Paws 221 Commercial St795-8969
 The Crystal Parlor – BVST876-1222
 Urban Tails E Brown Rd – LWEL531-7996

PET SERVICES

Abundant Light Photography631-5915
 Cat Cottage -
 Pampered Cat & Bird Boarding 246-0700
 Furry Friends Grooming 621-7989
 Kathy’s Pet Grooming Services 444-6283
 Ozark Obedience School 643-2322
 Poop Fairy Dog Waste Removal 361-9261
 Scoop-Dee Doo 872-6622

STUDIO 55 PHOTOGRAPHY STUDIO &
 GALLERY

Family Pet Portraits – Pet Frames 845-0055
 Teacher’s Pet 810 NW 3rd 464-9100

PET SHOPS

Bird Cage The Rt 2 Seligman MO..... 417-662-3900
JUST FISH – Saltwater & Fresh water
 Large Selection of Corals & Invertebrates
 7320 Rogers Ave – Ft Smith 478-7000
 Petco 4132 N College Ave 443-0504

Pets Plus 2300 N College Ave 442-6401
 Speckled Pup Center – SISP 524-8141
 Teacup Puppies R Us – CVSP 248-1808
 Worlds Under Water – FYVL 521-7258

PET SUPPLIES

All Pets Animal Hospital 273-9299
 Country Feed and Farm Supply 824-3262
 Farm Store The – LNCN 824-3289
 Feed Seed & More 756-9337
 Halbert Veterinary & Pet Shop 521-3852
 New Hope Animal Hospital 631-0880
 PetsMart 571-4697
 Phillips Animal Health Supply 582-5512
 Quality Pet Supplies 631-9688
 Reef Ready 870-404-4069
 Rose Animal Clinic
 State-of-the-Art Boarding Facility 273-0622

PET TRAINING

Every Dog Can 925-3000
 Pet Emporium 273-1275



Handout 8.3 – Pet Market Survey

Part 1: Questions for you to consider:

1. Do people spend money on pets?
2. What goods and services do pet owners want?
3. Has this particular pet care idea been tried before? If not, why?
4. If it has been tried, was it successful? Review the current business and decide if you can improve on the idea.
5. Will this pet care business allow me to compete successfully?
6. Will people want to buy my service instead of a competitor's service? Why?
7. Do I really know about the pet care business and how important is experience?
8. What are the most likely problems I will face if I try to start a pet care business?
9. Do I have enough time to create and run a pet care business?
10. Other: Create questions of your own.

Handout 8.4 – Market Survey

Part 2: Questions to ask potential customers:

Business Idea: (describe here)

List questions that are important to find out from your customers. These should include asking if they would buy your good or service and how many units they would buy at each price.

1)

2)

3)

4)

5)

Product:

Price:

Number of Units Demanded:

Handout 8.5 – Marketing Plan

1. Marketing Plan for _____

2. Target Market:

3. Message to Send:

4. When to Advertise:

5. Where to Advertise:

6. Advertising Strategy Your Company Will Use:

7. The message you want your prospective customers to remember:

Visual 8.6 – Advertising Strategies

Are You Cool Enough? – Advertisers are trying to convince you that if you don't use their products, you aren't cool or "with it". One way to do this is to show someone who isn't cool trying a product and then suddenly becoming popular and hip!

Cartoon Characters – The energizer bunny advertises batteries. The duck advertises AFLAX insurance. Kids identify with these characters.

Emotional Appeal – These ads make you feel good.

Star Power – Get a favorite celebrity, sports star, or other famous figure to endorse your product.

Excitement – Make using your product fun and exciting! One drink of Mountain Dew and you are surfing the ocean on a giant wave.

Family Fun – Make your product fun for the whole family, it brings them together, or makes the whole family smile.

Facts and Figures – Use facts and statistics to enhance the credibility of the product you are trying to promote.

Bandwagon- Everyone else is using the product; you need to join the crowd!