

SECTION I

01. TERMS IN MARKETING CONCEPTS

a) **NEEDS**: primary or basic requirements* that help a human being to survive and he/she cannot live without them². EX: Food, shelter, clothes, water etc. Se

b) **WANTS**: Secondary requirements* that help a human being to be comfortable but are not absolutely necessary to have them². EX: having a car, studying, leisure trip etc ✓

c) **DEMAND**: Total number of people who have willingness* and ability² to buy a product or service. 2

d) **BRAND**: A trademark or a name or a logo* identifying and distinguishing the product or service of a given company from others². It has a purpose of advertising the product and service of a company.
EX: AKANSI, INYANGE etc

02. WAYS OF INCREASING VALUE OF A PRODUCT/SERVICE TO CUSTOMER:

- use of promotional tools ~~EX~~: Sales promotion: bonus, free sample, discount,
- good service 1
- use good packaging of product 1
- selling product at high price ✓
- durable guarantee of product
- changing product features
- Recruitment of qualified employees
- Education trip

Q3. TYPES OF BUSINESS ORGANIZATION / LEGAL FORMS OF BUSINESS

a) **SOLE PROPRIETERSHIP**: A type of a business organisation owned by one individual who is at the same time the manager of the business.

8 / b) **PARTNERSHIP**: IS a business owned by different shareholders with different shares depending on individual interest. It involves two or more people but not more than twenty.

c) **COOPERATIVE**: IS a business owned by different people (at least five shareholders) with common interest and equal shares, equal voting right regardless of their level of involvement or participation.

d) **COMPANY**: IS a business organisation or an entity that has a separate legal existence from its owners. It is managed by outsiders and the loss is covered by the company not the members.

e) **FRANCHISE**: IS a business organisation given right to sell other company's products.

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partnership -

04. Tourism and Hospitality service is intangible because it can not be touched, tasted nor measured¹ ex: transportation service; guiding tourists, welcoming guest,¹
- Tourism and Hospitality product and service is perishable because it can not be stored for future use or consumption¹
ex: Unsold room, unsold flight seat, some food and drinks¹

05. ADVANTAGES OF REGISTERING A TRADING ACTIVITY OR COMPANY:

- Being recognized by the government¹
- Being supported by government financially¹
- Fulfilling the legal requirements¹
- Gives the business protection
- Taxes identification and payment
- access to bank loans
- Creating the credibility climate to stakeholders.
- Tourism and Hospitality business is easily ranked.
- Provision of employment legally

06. WHEN THE PRODUCT STARTS REFLECTING A DECLINING DEMAND; A MARKETER CAN DO THE FOLLOWING

- Analyse the causes of declining demand¹
- change the product features¹
- make creativity and innovation of a product¹
- put more effort in advertising
- reduce price and providing sales promotion to increase demand.
- change business structure, location, staff etc
- improve the customer care **and** customer service
- decrease the product currently produced
- change the target market

7. STUDYING, MARKETING HELPS IN THE FOLLOWING:

- a) To know how to create a business
- b) To know how to behave in business
- c) To know how to make a market research
- d) To know how to make a market segmentation
- e) To know how to make product positioning
- f) To know how to ~~use~~ pricing method
- g) To know how to market the product to achieve business objectives
- h) To know how to do the marketing plan
- i) To attract new customers and to keep ~~current~~ customers

8. THE 4 MARKETING CHANNELS ARE:

- a) PRODUCER → CUSTOMER: The consumers buy the product ^{or service} directly from the producer. Short channel
(Direct selling)
- b) PRODUCER → RETAILER → CUSTOMER: The product passes to the retailer before reaching the final consumer. Medium channel
(Intermediary or go. between)
- c) PRODUCER → WHOLESALER/DISTRIBUTER → CONSUMER: The customer buys product from wholesaler without any involvement of retailer. Medium channel
- d) PRODUCER → AGENT/BROKER → WHOLESALER OR RETAILER → CONSUMER: The customer buys product through agent and wholesaler or retailer. Long channel
(Dual distribution)
- e) PRODUCER → WHOLESALER → RETAILER → CONSUMER: The consumer buys product through retailer and wholesaler. Long channel
- f) REVERSE CHANNEL: from consumer to intermediary to beneficiary

09. DIFFERENCE BETWEEN PRODUCT AND SERVICE

PRODUCT	SERVICE
<ul style="list-style-type: none">• Tangible: Food, handcraft• Unperishable: handcraft• Variable: change of product size• Separable: take away	<ul style="list-style-type: none">• Intangible: smiling, guiding people• perishable: transportation• IN Variable: ^{can't} se <u>should</u> be always at the same standard• Inseparable: flight seat

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10. MARKETING MIX IN HOSPITALITY AND TOURISM:

- PRODUCT:** Tangible thing that is offered to the market place for consumption or use. The quality product attracts customers.
- PLACE:** where the business is located. It should be easily accessible to the customers.
- PRICE:** value of the product. It should be affordable to all customers, even low and high income people.
- PEOPLE:** target market (customers). People should be ^{foreigners} foreigners or local.
- PROMOTION:** technique used to create awareness of the product to the customers.
- PACKAGING:** putting the product in envelope. The way you pack your product should attract the customers.
- PROCESS:** mechanisms and procedures which help product to finally reach its target market
- PHYSICAL EVIDENCE:** with this, a marketer communicates the benefits of a product to the end users.

11. MARKETING AND SALES

- MARKETING: is a process of communicating your product/service to customers with the purpose of promoting and selling your product/service. 2
- SALES: Total amount of items sold in a given period of time. 2

- Mktg focuses on need, want and customer satisfaction
- Sales focuses on money, price

12. COOPERATIVE ENTERPRISE: is a business owned by different people (at least 5 shareholders) with common interest and equal shares and equal voting rights, regardless of their level of involvement. 4

13. MARKETING CONCEPTS

- a) MARKET SEGMENTATION: Act of dividing the large market into different small homogenous markets with similar characteristics, needs and wants. 1
- b) TARGET MARKET: People that you are expecting to be your future customers. 1
- c) POSITIONING MARKET: The act of creating the product image or good reputation in customer's mind. 1

14. * SOLE PROPRIETERSHIP: A type of business organisation owned by one individual who is at the same time the manager of the business.

It requires low capital bcoz it is small business. 2.5

* PARTNERSHIP: A business owned by different shareholders with different shares depending on individual interest. It involves two or more people but not more than twenty. 2.5

Physical Evidence: with this a marketer communicates the benefit of a product to the end users.

SECTION II

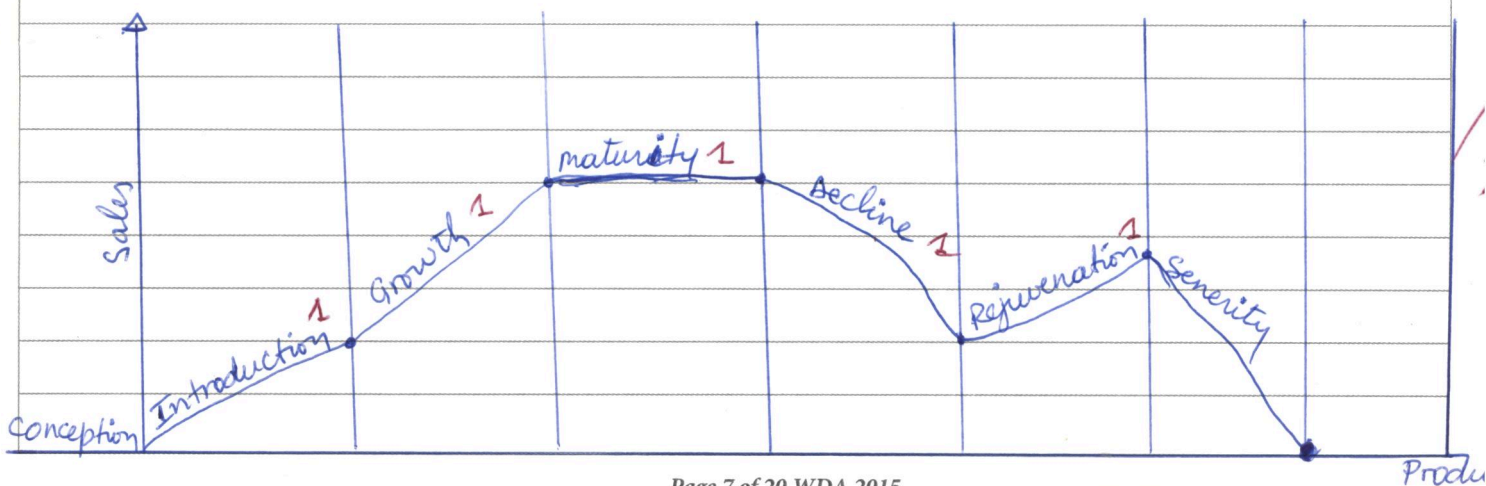
15. OBLIGATIONS OF EMPLOYERS AND EMPLOYEES

EMPLOYERS	EMPLOYEES
<ul style="list-style-type: none"> • To create good working environment ¹ • Suitable payment ¹ • To pay salary regularly ¹ • Induction program (introduction of new worker) • To respect the right of employee ¹ • To pay insurances for employees • To motivate employees • To protect employees • To give and pay leave • To give clear contract • To respect employees • To provide all necessary equipments, tools • To supervise employees • To issue a certificate when contract of employment expires • To recruit and dismiss employees 	<ul style="list-style-type: none"> • Time management ¹ • To fulfil the duties and responsibilities ¹ • To respect employer ¹ • To protect equipments and materials ¹ • To keep job secrecy ¹ • To sign job contract • To have teamwork spirit • To respect the Contract Content • To respect the rules and regulations • To participate in innovation • participation in negotiating contract

16. THE STEPS OF BUYING DECISION PROCESS

- a) Identification of the problem: ¹ To know the real needs and wants ¹
- b) Market determination: ² To know ^{Information research} where you can access the needs & wants ¹
- c) Evaluation of alternatives: ² To analyse the ability of buying ^{Information search} ¹
- d) Purchasing decision: ² to gain and pay the product ¹
- e) Post purchasing decision: ² Evaluation of satisfaction, criticism ¹ and appreciation.

17. DIAGRAM OF PRODUCT CYCLE AND MARKET STRATEGIES



i) CONCEPTION: A time to think about the product to be produced in terms of colour, size, brand, quantity, market.

ii) INTRODUCTION/BIRTH STAGE: The launch of product at the marketplace.
Strategy: increase advertising.

iii) GROWTH/DEVELOPMENT STAGE: The time when the product gets the popularity and the sales increase.
Strategy: - to maintain quality of product and reinforce innovation
- to reinforce advertisement.

iv) MATURITY/SATURATION STAGE: A time where the product stays long time at marketplace. enough sales.
Strategy: diversification of product and be aware about the competitors. Creativity and innovation.

v) DECLINE: A time when a product loses the popularity and the sales decrease.
Strategy: - to conduct a market research, improve quality of product
- innovation and substitute product and creativity.

vi) REJUVENATION/RECOVERY: The situation of reincreasing sales and popularity of product.
Strategy: - improve quality of the product
- change the business location
- innovation and creativity.

vii) SENESCENCE: In some cases the business can fail to recover the decline, then it closes the doors.
Strategy: - change the business

18. ADVANTAGES & DISADVANTAGE OF ENTERING INTERNATIONAL MARKET

a) ADVANTAGES

- Increasing the sales [↑]
- The product is known worldwide [↑]
- Expansion of business [↑]
- Awareness of exportation and importation rate [↑]
- To get different skills and experiences in business of \neq countries [↑]
- Increase in market size
- Increase the international cooperation
- Awareness of international taxes
- Getting more profits
- providing fashionable and quality product
- job opportunity to many people
- To get new customers

b) DISADVANTAGES

- Over importation [↑]
 - Economic inflation [↑]
 - Loss of properties during political instability [↑]
 - Facing the problem of hijacking and robbery / smuggling / terrorism [↑]
 - Increase of duplication / pilate [↑]
 - High competition
 - High taxation
 - Cross-culture barriers
 - Language barriers
 - Transportation problems
 - Problem of communication network
 - It is expensive (Expenses are increased)
 - Slow or lack of payment by buyers
 - Lack of trained personnel
- Difficult control of large business
- Unfavourable condition overseas

19. \neq CE BETWEEN INDUSTRIAL AND CONSUMER MARKETING

- * INDUSTRIAL MARKETING: A process in which one business sells or markets the goods and services of other business. ^{1/3}
- (Business to business) marketing
- It requires the legal agreement between those companies. ^{1/3}
 - They use franchising system
 - one business sells its products and service to another business. ¹⁵

5) *CONSUMER MARKETING: A process in which a business sells and markets its goods and services directly to consumers. / 1
- Business entity uses different marketing tools to sell and market its product to consumers. / 5
eg: Television, radio, exhibition etc

SECTION III

20. PROMOTIONAL TOOLS

- a) PUBLIC RELATION: IS a process of communicating the product to the target market or audience. 1
ex: Roadshow 1
- b) SALES PROMOTION: Involves in provision of additional product to sales. 1
ex: bonus 1
- c) DISCOUNT: IS the reduction of price to increase sales. 1
ex: Reduction of ^{100%}percentage to the normal price 1
- d) DIRECT MARKETING: A process of displaying a product on marketplace then the product market itself. 1
ex: Exhibition 1
- e) PERSONAL SELLING: A process of communicating to customers through telephone or face to face contact. 1
ex: Showing hotel rooms to customers 1
- f) ADVERTISING: A process of marketing a product or service through electronic media and press media.
ex: • Electronic media = television, radio, website
• Press media = newspaper, magazine.
- g) PUBLICITY: A process of informing product or service to people through audio or role play.
ex: A roleplay on radio

21. TO MAKE CUSTOMER FEEL SPECIAL YOU DO THE FOLLOWING:

- Welcoming the customer
- Respecting customer as important person
- Active listening of customer's request, needs, wants
- To value the customer's opinions
- Responding the customer's request politely
- Showing that you depending on him
- Active listening of customer's complaints
- Handling customer's complaints as soon as possible
- Recognizing the customer's expectation
- In case of complaint, remember to apologize
- Satisfying the customer's needs and wants
- Taking care the customer
- Providing good service
- Appreciate the customer by "Thank you" "Welcome again" etc
- Show empathy
- Smile
- Try and build rapport (friendship)

22. TECHNIQUES USED TO FIND OUT THE TOURISM OPPORTUNITY WHERE COMPANY CAN UNDERTAKE AND SUCCEED ARE:

- To carry out the tourism potentials in Rwanda
- To identify the gaps in tourism business in Rwanda
- Developing the tourism product needed at market place
- select the target market
- select the business location
- Launching the tourism product
- Application of marketing activities
- collaboration with other tourism product suppliers
- Analyse the strength of competitors in tourism business
- Analyse the weakness of competitors in tourism business
- Analyse the threats to be faced in tourism business
- To set up the goals, objectives, and strategies to achieve success.
- Do the market segmentation
- PEST analysis