**Needs: States of deprivation**

* 1. Physical—food, clothing, warmth, safety
  2. Social—belonging and affection
  3. Individual—knowledge and self-expression

**Value proposition** Set of benefits or values a company promises to deliver to customers to satisfy their needs

**Market segmentation:** Dividing a market into smaller segments with distinct needs, characteristics, or behavior that might require separate marketing strategies or mixes.

**Differentiation: d**ifferentiating the market offering to create superior customer value.

**Positioning:** Arranging for a market offering to occupy a clear, distinctive, and desirable place relative to competing products in the minds of target consumers.

**Target market**: consists of a set of buyers who share common needs or characteristics that the company decides to serve.

**Product:**  is anything that can be offered in a market for attention, acquisition, use, or consumption that might satisfy a need or want.

**Price** is the amount of money charged for a product or service

**Marketing channel:** consists of firms that have partnered for their common good with each member playing a specialized role.

**Promotion mix:**  is the specific blend of advertising, public relations, personal selling, and direct-marketing tools that the company uses to persuasively communicate customer value and build customer relationships.