



University of Teramo
Master in "Food Science and Technology"

Marketing and agri-food business

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Academic Year 2024-2025



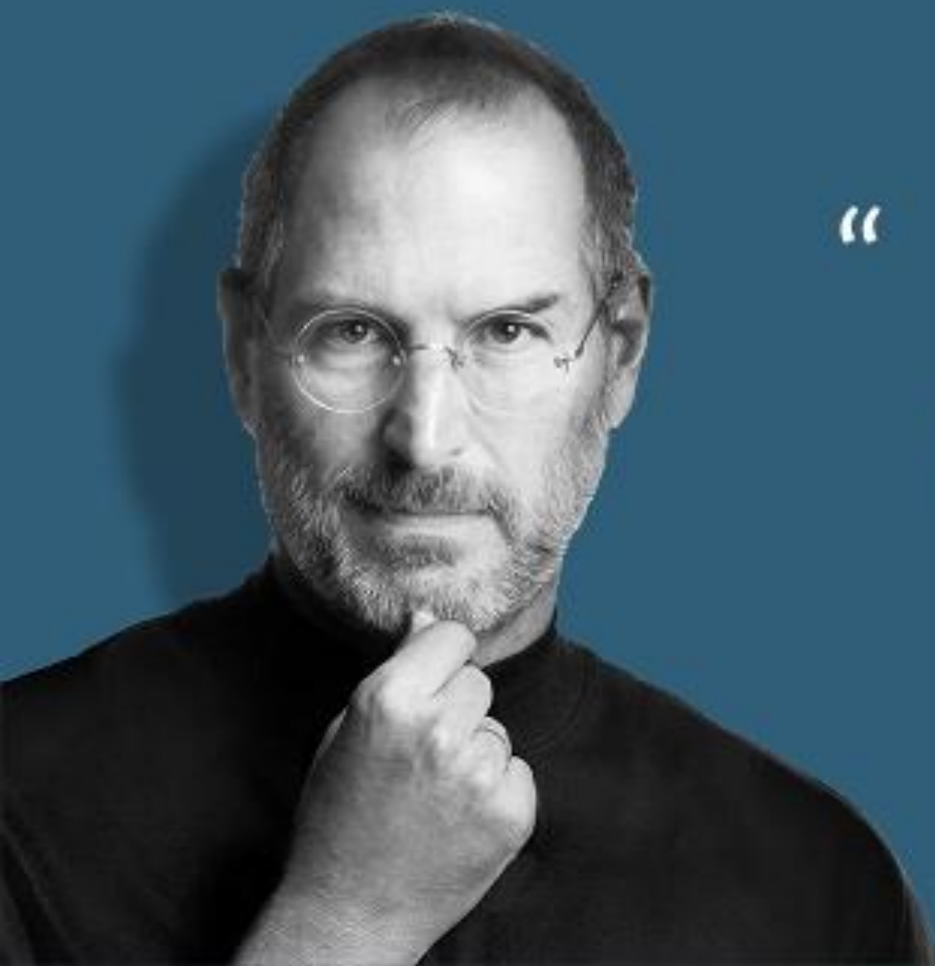
Learning outcomes

- Students will know the **marketing principles** and their application to **agri-food companies**, in the framework of **sustainable agri-food chains** and **markets**.
- They will demonstrate a critical understanding of the approach to the market,
 - both from a **company organization** point of view and
 - from a **self-entrepreneurial** one
- Understand agri-food companies **marketing and management strategies**
- Develop **sustainable business models for new products / customers**, taking into consideration the different aspects of a business approach: value proposition, customer segmentation and relationships, organisational aspects, cost and revenues analysis.
- Read, understand and elaborate primary and secondary marketing sources of information (market research).
- Understand business opportunities and elaborate their own business ideas.
- Publically present and discuss the results of their project works.



“ IF I HAD ASKED PEOPLE
WHAT THEY WANTED,
THEY WOULD HAVE SAID:
FASTER HORSES... ”

Henry Ford



“ You've got to start with the customer experience and work backwards to the technology - not the other way around” - Steve Jobs ”





Course structure

- **Section 1:** Marketing: introductory concepts.
- **Section 2:** Strategic planning. Mission and vision statements.
- **Section 4:** The marketing environment. Macro / Micro environment
- **Section 5:** Consumer behavior. The decision-making process.
- **Section 6:** Segmentation, targeting and positioning. The marketing mix.
- **Section 7:** Market research: objectives and methods
- **Section 8:** Product. Product mix. Product Life Cycle. Branding.
- **Section 9:** Product quality. The EU quality system. Geographical Indications
- **Section 10:** Price. Cost analysis. Break-even point analysis.
- **Section 11:** Distribution. The agri-food supply chains.
- **Section 12:** Promotion. Communication mix.

- **Project work**
- Sustainable entrepreneurship
- Business model using the Sustainable Business Canvas



Course assessment structure

- **Exercises:**

- **Section 2:** Vision and Mission statements
 - Exercise: food companies missions (2 slides ppt)
- **Section 4:** Macro environment / Micro environment
 - Insights: the main drivers of the food systems
 - Exercise: Food chain analysis (power point presentation)
- **Section 5:** Consumer behavior
 - Readings on consumer preferences
- **Section 6:** Segmentation, targeting and positioning.
 - Interviews: Consumer profiling (consumer behaviors and needs: ppt pres.)
- **Section 9:** Product quality.
 - Exercise: Environmental sustainability strategies (good practices: certifications, labels, etc.) ppt
- **Section 10:** Price. Cost analysis.
 - Calculate: Murk-up; Contribution margin; Break-even point.

- **2 Intermediate Tests**

- **1 Final Project work**

Report and Power point presentation of a business idea and a business model using Sustainable Business Canvas



Marketing: an introduction

- Marketing: to market (*literally: put up for sale*)
- Marketing is not: “*persuading people to buy things that they do not need or want*”
- But is “*about creating values, not creating needs, and is concerned with creating and retaining customers*”
- Starting point: the satisfaction of the needs and wants of actual and potential (groups of) customers
- Satisfaction of the company objectives (profit)
- The idea of customer centrality is the key concept in marketing
- The marketing is the interface between the company (the organisation) and its customers



Marketing: definition

A definition of marketing:

- “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (Approved 2017).

(American Marketing Association, www.ama.org, 2019)



Marketing: definition

Another definition of marketing:

- “Marketing is the process of achieving corporate goals through meeting and exceeding customer needs better than the competition”

(Jobber, 2003)



Societal marketing

- Societal marketing includes the concept that companies have a responsibility for the needs of society as a whole (including environmental impacts and impact of their products on non-users)
- => Corporate Social Responsibility
- => *Sustainability* as a key issue



The marketing concept

The *marketing concept* :

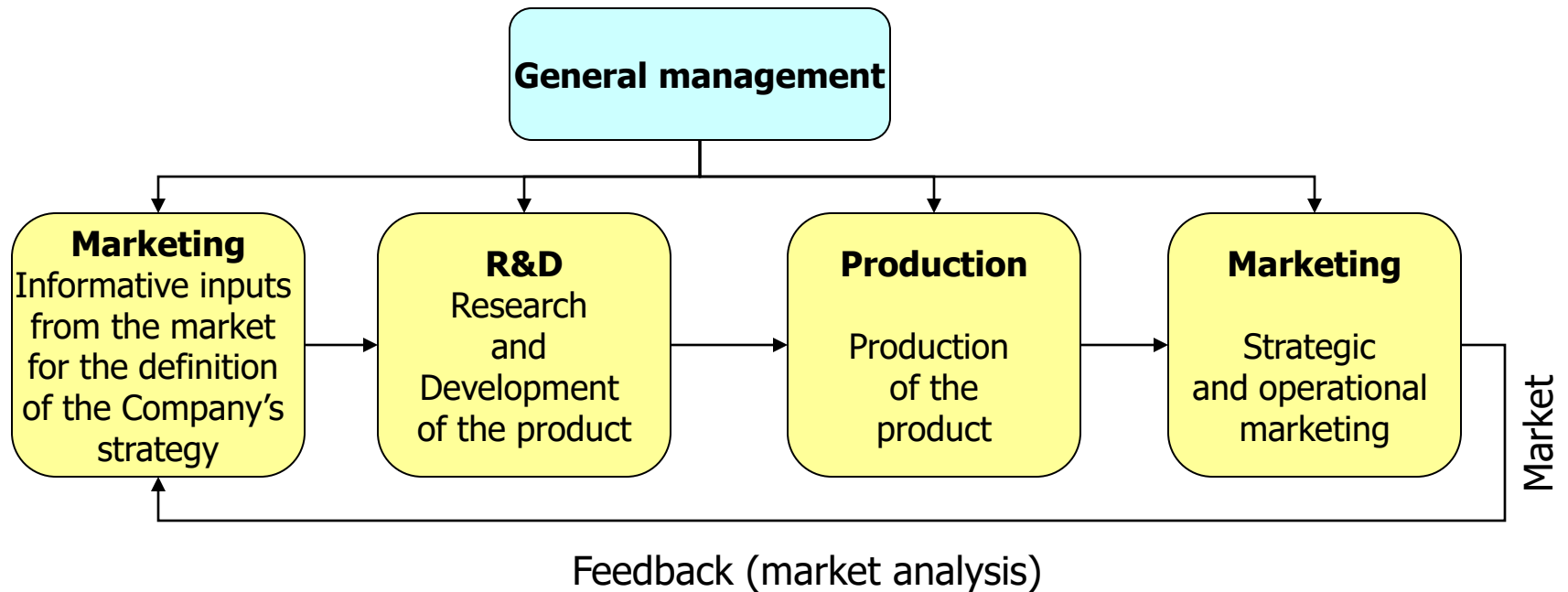
- The marketing concept is a management philosophy that finds in the satisfaction of customers' needs the economic and social reason for the existence of a company.
- Corporate success comes from satisfying customer needs: placing customers at the centre of everything the company does.



The marketing concept

- A Marketing oriented company:
 - Is marketing oriented
 - Undertakes marketing activities:
 - plans marketing activities for managing in an effective way the market relationships
 - undertakes research and development programs of new products for implementing the long term competitiveness
 - The marketing activity is developed in the *downstream* of the productive process for managing the selling activities.
 - The marketing activity is developed in the *upstream* of the productive process for defining the company's strategies and assure their coherence with the market opportunities.

The marketing concept





The marketing management

The Marketing Management (managing marketing activities)

- The process of marketing management is a continuous sequence of activities, managed by specific bodies, aimed at producing marketing decisions (outputs) starting from marketing information (inputs).
- Three fundamental steps / areas / competences:
 - Analytic Marketing
(data / information / knowledge => decisions)
 - Strategic Marketing
(positioning decisions)
 - Operational Marketing
(decisions for the positioning: 4P => product, price, place, promotion)



The marketing concept

Orientation	Attention to:	Starting point:	Tools
Production	Product availability at the lowest price	Product	Technology
Product	Product quality	Product	Technology
Sales	Pressure on the market	Product	Sales and promotion
Marketing	Needs	Needs	Marketing mix



The marketing concept

- Conceptual changes in business orientation:
 - The production era
 - The product era
 - The sales era
 - The marketing era
 - Societal marketing era



The marketing concept

Production Era

One of the earliest strategies now recognized as "marketing" followed what Kotler calls the production concept: Products should be inexpensive and available everywhere. **Companies stressed mass production and efficiency -- producing as much as possible at as low a cost as possible -- and marketing efforts were based on securing the widest possible distribution.** Today, companies still use this strategy when trying to expand the market for a product.



The marketing concept

Product Era

In the product era, marketing was less about establishing cost leadership and universal distribution and more about **relying on the attributes of the product itself to attract consumers**. Companies built marketing efforts around quality, performance and innovative product features. The concepts of the product era remain important in marketing today, but producers must be aware that a good product by itself usually isn't enough. It has to be appropriately priced and adequately promoted, and consumers have to be able to find it, which means securing distribution.



The marketing concept

Selling Era

In the selling era, companies viewed **aggressive promotion as the key to success**. Any product can succeed, the thinking went, if a company just pushed it hard enough. Kotler refers to this as businesses "selling what they make, rather than making what the market wants to buy." This strain of marketing continues in the modern era, particularly with "unsought goods" -- things people may need but don't normally think of without prompting, such as life insurance. Selling-era tactics can be risky for companies, as the hard sell can turn off consumers, perhaps even push them into the arms of a competitor.



The marketing concept

Marketing Era

The marketing era, which Kotler says started around the mid-1950s, saw a fundamental shift. Instead of just trying to persuade consumers to buy the products they were making, **companies focused on making products that customers wanted to buy.** Deciding which products to make and market went from being a case of "filling a hole in the factory" to one of "filling a hole in the market." It was in this era that the field of market research really took off.



The marketing concept

Holistic Marketing Era

In the modern, "holistic" marketing era, Kotler says, "everything matters." Marketing is integrated with all aspects of a company's operations -- production, distribution, advertising -- so that the company can quickly and effectively respond to changes or opportunities in the marketplace.

Marketing is not only directed outward, toward the customer, but also inward, so that everyone in the organization is fully aware of the company's goals and its strategy for attaining them. Finally, holistic marketing isn't just about maximizing a company's financial return. It also takes into account whether the company is acting in society's broader interest.

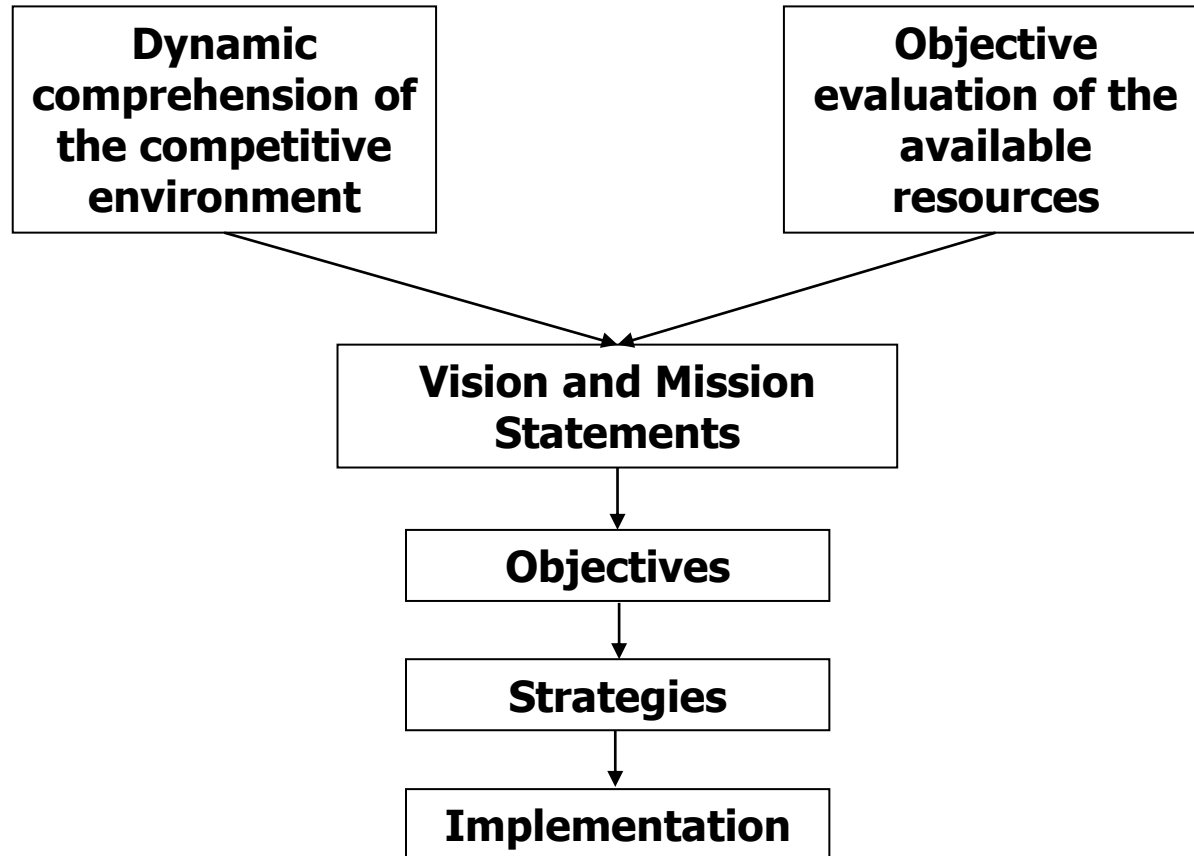


Strategic planning

Strategic planning:

- The managerial process that combines the available resources with the market opportunities, in a long term perspective:
 - Definition of the *vision* and of the *mission* of the company
 - Definition of the objectives
 - Selection of the strategies and tactics best suited to achieving the objectives

Strategic planning





The vision and the mission statements

The **vision** statement of a company (organisation):

- Defines few but important **basic objectives** for organizing the company resources, **inspires the team** and forges the company **identity**, incorporate the company **values**, defines the **aim** and what the company will look like in the **future**
 - The organisation's reason for existing
 - The long term vision of what the company wants to be
 - The distinctive aim that differentiates the company from the others and the set of the characteristics that represent this differentiation
 - The direction in which guide the company

The vision and the mission statements

Example:

Barilla: *Bringing people closer to the joy of good food and making quality the choice for a better life, from each individual to the planet. Because this is how we are nurturing the future, today.*





The vision and the mission statements

The **mission** statement:

- The company **mission**, as the vision, should be **inspirational**, but, unlike the vision, should be **operational**.
- It is the plan that guides the management and the team in their choices and can periodically change.
- Defines why a business exists and helps a company respond to change and make decisions that align with its vision
- Identify its role in the market and in the society in a perspective of development of its activity.
 - VISION (where we want to be)
 - MISSION (what is our role)
 - Not focused on the products (that could change) but on needs that the products could satisfy.

The vision and the mission statements

Example:

Barilla: *Our mission: to provide the world with tasty and healthy food, inspired by the Italian lifestyle and the Mediterranean diet, all supplied by mindful industries.*

"Good for you, good for the planet"





The vision and the mission statements

Constellation Brands

(<http://www.cbrands.com/about-us/our-vision-and-values>)

Our Vision

To elevate life with every glass raised.

We're proud that our beer, wine and spirit brands help people enjoy life a little more; celebrate small moments; and make big occasions even more special.

Our Mission

To build brands that people love.

What unites us and makes Constellation Brands such an exciting place to work is our collective passion for building brands that people love. We are all brand builders – regardless of our position in the company.



The vision and the mission statements

Caviro (<https://www.caviro.com/en/>)

Caviro ed i suoi Valori: passione e ragione

Together we cultivate values, from the roots up

We believe in the growth of the area and in ethical development, in the innovation that passes through the protection of the environment, the support of workers and the sustainability of decisions and processes.

We are economically sustainable because our financial statements reflect solidity and allow long-term projects.

We are sustainable from a social point of view because the effects of our work have a positive effect on the entire supply chain and on the community around us.

We are sustainable from an environmental point of view because our concrete circular economy model determines clear benefits for our territory.

We have chosen and built a new business model: our goal is to both enhance and preserve every resource to guarantee an eco-sustainable future.

The vision and the mission statements

Donnafugata (<https://www.donnafugata.it/en/>)

Our values

Donnafugata is wine craftsmanship.
We produce a range of eclectic and consistent
wines with respect for the environment.
Wines that represent an innovative and
forward thinking Sicily.

