

Introduction to 5Ps of business

There are 5 words beginning with P that help to understand how businesses and social enterprises work:

PRODUCT (or service) – what do people need that you can provide for them? For example: food items, transport, cleaning, repairs, clothes or entertainment.

PEOPLE – who is going to want your product or service? How will it make a difference. Don't think about 'everybody' – is yours an idea for young people, sports people, busy working people, people who can't afford certain things, people who need help with mobility or travel?

PRICE – what is the product or service you provide going to cost you to make or buy? What are you going to sell it for? Can your target customers afford it? Will it be good value for them?

PLACE – where is your product or service provided or sold? Local to you? Worldwide via the internet? Sold in shops or on a market stall? Sold to friends and friends of friends?

PROMOTION – how do new customers know about your product or service? How do you tell people? Think about ways companies do their advertising – can you name five ways you find out about cool things you want to buy?

