3. The person/organization must be willing to buy the product.
4. The person/organization must have the authority to buy the product.
5. The total number of people/organizations meeting the previous criteria must be large enough to be profitable for the marketer.

All five criteria must be met for an aggregate group of people or organizations to equate to a market. Failure to achieve even one of the criteria may negate the viability of a market. An interesting example is the pharmaceutical industry. There are several serious human diseases that remain uncured only because they have not been contracted by a large enough number of people to warrant the necessary research. The excessive research costs required to develop these drugs necessitates that companies are assured a certain level of profitability. Even though the first four criteria may be met, a small potential customer base means no viable market exists.

The Market Is a Place

Thinking of the market as a place- "the marketplace"- is a common practice of the general public. Such locations do exist as geographical areas within which trading occurs. In this context, we can think of world markets, international markets, American markets, regions, states, cities, and parts of cities. A shapping center, a block, a portion of a block, and even the site of a single retail store can be called a market.

While not as pervasive as the "people" component of the market, the "place" description of a market is important too. Since goods must be delivered to and customers attracted toward particular places where transactions are made, this identification of markets is useful for marketing decision-making purposes. Factors such as product features, price, location of facilities, routing salespeople, and promotional design are all affected by the geographic market. Even in the case of unmeasurable fields, such as religion, a marketplace might be Yankee Stadium, where Billy Graham is holding a revival. Finally, a market may be somewhere other than a geographical region, such as a catalogue or ad that allows you to place an order without the assistance of a marketing intermediary or an 800 number.

The Market Is an Economic Entity

In most cases, a market is characterized by a dynamic system of economic forces. The four most salient economic forces are supply, demand; competition, and government intervention. The terms *buyer's market* and *seller's market* describe different conditions of bargaining strength. We also use terms such as *monopoly, oligopoly,* and *pure competition* to reflect the competitive situation in a particular market. Finally, the extent of personal freedom and government control produces free market systems, socialistic systems, and other systems of trade and commerce.

Again, placing these labels on markets allows the marketer to design strategies that match a particular economic situation. We know, for instance, that in a buyer's market, there is an abundance of product, prices are usually low, and customers dictate the terms of sale. U.S. firms find that they must make tremendous strategy adjustments when they sell their products in Third World markets. The interaction of these economic factors is what creates a market.

There is always the pressure of competition as new firms enter and old ones exit. Advertising and selling pressure, price and counterprice, claim and counterclaim, service and extra service are all weapons of competitive pressure that marketers use to achieve and protect market positions. Market composition is constantly changing.