**●Producer;**

An individual or organization that creates goods and services

The central problem of producer is that what to produce how to produce and for whom to produce.

**●What to produce;**

Let us consider the first question which commodities are produce and in which quantity? The commodities which do not command positive prices in the market would not produce. Therefore only those commodities with positive prices are to be produced.

**Quantity;**

The quantity in which commodity is to be produced is set according to demand and supply. If quantity produced more or less than equilibrium than there would be disturbance.hence,to maintain stable equilibrium price it becomes necessary to make demand and supply equal. This rule is applicable for each commodity. In this way first central problem is solved.

**●How to produce;**

Which technique are to be adopted? Technology means the correct proportion on which the different factors of production are to be employed.

There are two types of technique’s.

**A labour – intensive**

Technique would employ relatively more labour and less capital.

**Capital intensive**

Mean more capital and less labour .

The choice of technique depends on the prices of the factors of production. The prices of labour and capital are determined by the demand for and supply of labour and capital respectively in this way second problem will be solved.

**●For whom to produce**

The solution of this problem is very simple commodity can be consumed only by people who have more purchasing power. When the price of every commodity and every factor of production are determined the third problem will be solved.

**●Consumer;**

Someone who trades money for goods and services as an individual.

The study of consumer help firm's and organization improve their marketing strategies by understanding issues such as how.

**▪ psychology impact**

▪The psychology of how consumer think,feel, reason and select between tow alternative

▪**Consumer behaviour;**

The study of individual ‘s group or organization and the processes they use to select , secure , use and dispose of products , services experiences or ideas to satisfy needs and the impacts that processes have on the consumer and society.

Exmaple#

Brand's ,products and retailer

Culture ,family ,media

Friends influenced by jobs

i)The psychology how consumer is influenced by his or her environment.

ii)Limitation in consumer knowledge or information processing.

How marketers can adopted and improve marketing campaigns and market strategies to more effectively reach the consumer.

Behavior occurs either for the individual or in the context of a group.

iii) Friends influenced what kind of clothes a person wears .people on the job make decisions as to which product's the firm should use.

**●Decision Making**

**Decision:**Making a choice from tow or more alternatives.

▪Decision Making is the process of making a choice between a number of options and committing to a future course of actions.

•Following steps include;

 i)Identify a problem

ii)Gather information

iii)Analyze the situation

iv)Develop option

v)Evaluate alternative

vi)Select a preferred alternative

vii)Act on decision ;

**1)Identify a problem**

The first step is recognized a problem or to see opportunities that may be worthwhile.

Will it really make a difference to our customers

How worthwhile will it be to solve this problem.

**2)Gather information**

What is relevent or what is irrelevant to the decision.

What do you need to know before you can make a decision.

Who knows who can help who has the power to make this happen or to stop it.

**3)Analyze the situation**

What alternative courses of action may be available to you?

What different interpretations of data may be possible ?

**4)Develop options**

Generate several possible options.

Be creative and positive.

How would you like you situation to be.

**5)Evaluate alternatives**

What criteria should you use to evaluate?

Which alternative is best achieve your objectives.

**6)Select a preferred alternative**

Explore the provisional preferredalternative for future possible adverse consequences

What are the risk of making this decision.

**7)Act on decision**

Put a plan to implement the decision

Is the decision accepted and supported by colleagues.

Finally implement on plan.

 **Thank you:**