The Marketing Mix

According to Lamb, Hair, & McDaniel (2011):

“The term marketing mix refers to a unique combination of product strategies, place (distribution), promotion and pricing (often known as the four Ps) designed to produce mutually satisfactory exchanges with a target market. The marketing manager can control each component of the marketing mix, but the strategies of those components must be combined to achieve optimal results. Any marketing mix is as good as its weakest component”.

For example, the first pump toothpastes were distributed through the cosmetic shelves and failed. It wasn't until they were distributed in the same way as tube toothpastes that the products were successful. The best promotion and the lowest price cannot save a bad product. Similarly, excellent products but with poor distribution, prices or promotion are very likely to fail.

Successful marketing mixes are carefully designed to meet target markets. At first glance, it may seem like McDonald's and Wendy's have almost identical marketing mixes, because they're both in the fast food business with burgers.

However, McDonald's has been more successful in targeting parents of young children with food time products, while Wendy's addresses adults by offering lunch and dinner. McDonald's has games, the clown Ronald McDonald and the Happy Box for the kids. Wendy's offers salad bars, carpeted restaurants and no games.

The Marketing Mix

Variations in marketing mixes do not happen by chance. Clever marketing managers create marketing strategies to gain advantages over their competitors and better meet the needs and desires of a particular segment of the target market. By manipulating the elements of the marketing mix, managers can improve the offer for the customer and achieve competitive success.

Product Strategies

The marketing mix usually begins with the "P" product. The center of the marketing mix, the starting point, is the offering and strategy of the product. It is difficult to design a distribution strategy, decide on a promotional campaign or set a price without knowing the product to be marketed.

The product includes not only the physical unit, but also its packaging, warranty, after-sales service, brand name, company image, value and many other factors. A Godiva chocolate has several product elements: the chocolate itself, an elegant golden wrap, the guarantee of customer satisfaction and the prestige of the Godiva brand.

We buy things not only for what they do (benefits), but also for what they mean to us (status, quality or reputation). Products can be tangible goods, such as computers, ideas like those offered by a consultant, or services such as health care. Products must also offer value to the customer.

Place (Distribution) Strategies

The square or distribution strategies take care of placing the products at the customer's disposal at the time and place where they want them. Do you prefer to buy a kilogram of kiwis at the 24-hour supermarket where you can walk to or fly to Australia to get them? Part of this strategy is physical distribution, which encompasses all business activities that deal with storing and transporting raw materials or finished products. The goal is to ensure that products arrive under conditions of use at the assigned locations whenever they are needed

Promotion Strategies

The promotion includes advertising, public relations, sales promotion and personal sales. The role of promotion in marketing mixing is to achieve mutually satisfactory exchanges with target markets by informing, educating, convincing and reminding them of the benefits of an organization or product. A good promotion strategy, such as using the Dilbert character in an Office Depot national promotion strategy, can greatly increase sales.

Each element of the promotion coordinates and handles with the others to create a promotional combination or mix.

Pricing Strategies

The price is what the buyer must give to get a product. It is often the most flexible of the four elements of the marketing mix and the one that can change more quickly. Companies can increase or decrease prices more frequently and easily than other variables in the marketing mix can modify. Price is an important competitive weapon for the organization, because the price multiplied by the number of units sold is equal to the total revenue of the company. (p.48)

REFERENCE:

Lamb, C., Hair, J. and McDaniel, C. (2011). Marketing. Ohio: Cengage Learning.