

Marketing mix introduction and definition

The term '**marketing mix**' is a foundation model for businesses, historically centered around product, price, place, and promotion (also known as the "4 Ps"). The **marketing mix** has been defined as the "set of **marketing** tools that the firm uses to pursue its **marketing** objectives in the target **market**".



Applying **Marketing Mix** Modeling in the Apparel Business. ... Brands plan their **marketing** so as to create and maintain a long term relationship with the consumer. Various components are used in the **marketing** plans of a business; advertising, promotion, packaging, media weight level, sales force number etc.



The meaning of **marketing mix** can best be referred to as the combination of elements that are used to promote products or services. These elements vary and are based upon the analysis of the four main factors that influence **marketing**: product, price, place, and promotion (ie. the 4 P's of **marketing**).

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Product mix, also known as **product assortment** or **product portfolio**, refers to the complete set of **products** and/or services offered by a firm. A **product mix** consists of **product lines**, which are associated items that consumers.



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What is the importance of the marketing mix?

All the elements of the marketing mix influence each other. They make up the business plan for a company and handled right, can give it great success. But handled wrong and the business could take years to recover. The marketing mix needs a lot of understanding, market research and consultation with several people, from users to trade to manufacturing and several others.

What is the marketing mix?

The marketing mix is a key foundation on which most modern marketing strategies and business activities are based. But what *is* it? What are its components? And why is it so heavily relied upon?

The concept of the 'Marketing Mix' came about in the 1960s when **Neil H. Borden**, professor and academic, elaborated on **James Culliton's concept** of the marketing mix. Culliton described business executives as 'mixers of ingredients': the ingredients being different marketing concepts, aspects, and procedures.



marketing mix as we know it today; in the form of 'The 4Ps of Marketing': Product, Place, Price, & Promotion.



The 4Ps then paved the way for two modern academics, **Booms and Bitner**, who, in 1981, brought us the extended version of the marketing mix: the '7Ps'. **The 7Ps** comprise McCarthy's 4 original elements, and extend to include a further 3 factors: **Physical Evidence, People, & Processes**.



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For example

The marketing mix is like a cake recipe. Most cakes need the basic ingredients of eggs, flour, sugar and milk. However, a child's birthday cake will require a different recipe to a wedding cake. The key is to combine the ingredients to get the right cake for the right occasion. The marketing mix works in exactly the same way.



The key ingredients of product, price, promotion and place are all necessary for the appropriate marketing of the product. Ben Sherman chooses the right combination of each element to satisfy different customers' needs.



7 ps of marketing mix

- 1) product
- 2) price
- 3) promotion
- 4) place
- 5) packing
- 6) positioning
- 7) people



1. Product

Product

The 7Ps begins with 'product'. This could refer to a physical product, a service or an experience. Basically... anything that's being sold.

Let's face it, we've all been there - you buy a jacket from a dodgy website that looked amazing on-screen but, when it arrives, well, it's vastly different from what you expected. What do you do in this situation? Do you send it back and get a refund, complain online, order a different size in the hope that that's what the issue was, or simply accept this new item into your life, shove it to the back of your wardrobe and pretend it's all okay.

Either way, this inaccurately advertised item has caused you unnecessary hassle and left you feeling less than impressed. So no matter what your product or service is, it's important that it meets the demands of the market and satisfies, or exceeds, the expectations of the customer.



Product:

Product not only refers to tangible items but also to intangible attributes such as brand name and customer service. Earlier it was believed that a good product will sell itself. In today's competitive market, there is no such commodity as bad product. So, manufacturers must focus on creating a product or service that will satisfy the demands of the consumers. The product characteristics must be defined with functionality, quality, appearance, brand service, support and warranty.



Product

To begin with, develop the habit of looking at your product as though you were an outside marketing consultant brought in to help your company decide whether or not it's in the right business at this time. Ask critical questions such as, "Is your current product or service, or mix of products and services, appropriate and suitable for the market and the customers of today?"

Whenever you're having difficulty selling as much of your products or services as you'd like, you need to develop the habit of assessing your business honestly and asking, "Are these the right products or services for our customers today?"

Is there any product or service you're offering today that, knowing what you now know, you would not bring out again today? Compared to your competitors, is your product or service superior in some significant way to anything else available? If so, what is it? If not, could you develop an area of superiority? Should you be offering this product or service at all in the current marketplace?

Price

2) price

How much does your product or service cost? The price you set should reflect your customer's perceived value of your product and should correlate with your budget. If your customer thinks your price is too high, you jeopardise losing a market that's in it for a bargain, if your price is too low then you run the risk of losing that all-important profit.

Deciphering the right price for your product, which is most likely to benefit both your business and your customer, is generally achieved by businesses through **clever market segmentation**. Segmenting your audiences according to their **demographic, geographic, psychographic** or **behavioural** variables is a surefire way to discover and confirm that the prices



you set, and the people you're targeting, are the most appropriate, and the most likely to offer you optimal value in return.

Another key factor to take into account is market competition; what's the pricing strategy of your competitors? Is your price too low, high, or is it on-the-mark?

Ultimately, the price of your product will always impact a customer's perception of your brand and your market position. If you're looking to be the cheapest product on the market, make sure that you are by conducting meticulous research. If you want to be seen as an expensive, luxury brand, then ensure that your price and the quality of what you're selling reflects this.



Prices

The second P in the formula is price. Develop the habit of continually examining and reexamining the prices of the products and services you sell to make sure they're still appropriate to the realities of the current market. Sometimes you need to lower your prices. At other times, it may be appropriate to raise your prices. Many companies have found that the profitability of certain products or services doesn't justify the amount of effort and resources that go into producing them. By raising their prices, they may lose a percentage of their customers, but the remaining percentage generates a profit on every sale. Could this be appropriate for you?

Sometimes you need to change your terms and conditions of sale. Sometimes, by spreading your price over a series of months or years, you can sell far more than you are today, and the interest you can charge will more than make up for the delay in cash receipts. Sometimes you can combine products and services together with special offers and special promotions. Sometimes you can include free additional items that cost you very little to produce but make your prices appear far more attractive to your customers.



Price:

In case of apparels, especially in fashion, price is not of big importance. Gone are the times when companies competed on price. Service is the key today which will shift to focus on personality in the future. Innovative designs are no longer a competitive advantage. New sketches are transformed into garments and make their way in store shelves within a span of three weeks. New disposable fashion has shortened the product development cycle from 16 months to 20 days.



3) promotion

Promotion

The promotion of the product is how you are going to communicate to customers. A large part of this is done through advertising, where potential customers can get a sense of who you are and decide if they identify with your brand before ever seeing or touching the product. Your sales strategy is also key; it refers to how you plan to roll out the product. A fashion company may, for example, dress a celebrity in a dress and then sell a limited number of that same dress.



Promotion:



In integrated communication is as essential part of the marketing mix. This is even more important for clothing industry as communication is a critical tool in creating an impression in the minds of the consumers. An apparel, to become acceptable by public must first be adopted by a group which has acknowledged respect in the society. Celebrities are the most influential people who can influence public opinion. CPR (Consumer Personal Reference) marketing refers to the process of marketing where a customer publicizes a brand by

Promotion

The third habit in marketing and sales is to think in terms of promotion all the time. Promotion includes all the ways you tell your customers about your products or services and how you then market and sell to them.

Small changes in the way you promote and sell your products can lead to dramatic changes in your results. Even small changes in your advertising can lead immediately to higher sales. Experienced copywriters can often increase the response rate from advertising by 500 percent by simply changing the headline on an advertisement.

Large and small companies in every industry continually experiment with different ways of advertising, promoting, and selling their products and services. And here is the rule: Whatever method of marketing and sales you're using today will, sooner or later, stop working. Sometimes it will stop working for reasons you know, and sometimes it will be for reasons you don't know. In either case, your methods of marketing and sales will eventually stop working, and you'll have to develop new sales, marketing, and advertising approaches, offerings, and strategies.

Promotion

Promotion refers to your advertising, marketing, and sales techniques. This could mean traditional advertising, via TV, radio, billboards, etc., or more modern methods, like ads within web content, ads on a podcast, email marketing or push notifications.

The way that you choose to communicate with your audience and promote your offerings will have a direct impact on the success of your brand. Post a message in the wrong place, at the wrong time, or to the wrong person and you'll find yourself in a world of trouble. On the other hand, if you execute those aspects in the *right* way, your business success will undoubtedly skyrocket!



4) Place

Place

The place refers to where and how the product is distributed. Certain brands will sell exclusively through small, luxury boutiques to maintain an exclusive image. Others will sell in every mall across the U.S. This is an important consideration for fashion houses, because selling through the wrong distribution sources can cheapen the company's brand. Many luxury brands for example, don't even use social media to hype their products for fear of diluting their elite images.



Place:



Apart from price and quality, the place of distribution must also be taken into consideration while creating a right marketing mix, as the apparel industry is primarily based on perception. Store designs must be deployed to create an elegant atmosphere emphasizing a brand image and reflecting current trends. Focus must also be kept on the distribution processes and partners, without which even excellent products will fail. Big revolutions in business have come about by changing place. Location, logistics, channel, motivation, service levels, and channel members must be taken into consideration.



Place

The fourth P in the marketing mix is the place where your product or service is actually sold. Develop the habit of reviewing and reflecting upon the exact location where the customer meets the salesperson. Sometimes a change in place can lead to a rapid increase in sales.

You can sell your product in many different places. Some companies use direct selling, sending their salespeople out to personally meet and talk with the prospect. Some sell by telemarketing. Some sell through catalogs or mail order. Some sell at trade shows or in retail establishments. Some sell in joint ventures with other similar products or services. Some companies use manufacturers' representatives or distributors. Many companies use a combination of one or more of these methods.

In each case, the entrepreneur must make the right choice about the very best location or place for the customer to receive essential buying information on the product or service needed to make a buying decision. What is yours?  What way should you change it? Where else could you offer your products or services?

Place

'Place' signifies *where* you choose to distribute or allow access to your product or service. It could refer to anything from a warehouse or a high-street store to an e-commerce shop or cloud-based platform.



Ultimately, the place in which your business resides or affiliates has to be appropriate for your brand and accessible for your audience. Consider where your customers will look for your product (magazines, price-comparison sites),

(magazines, price-comparison sites), where they spend most of their time (supermarkets, online stores, regular brick-and-mortar stores), and your sales capacity. You should also take into consideration how and where your competitors are selling.

Where you choose to distribute your products can be dictated by many things, such as your product type or your budget. But, ultimately, the best way to determine the perfect place to sell your product is by really *knowing* your audience; their wants, needs and requirements.



5) packaging/ physical evidence

Packaging

The fifth element in the marketing mix is the packaging. Develop the habit of standing back and looking at every visual element in the packaging of your product or service through the eyes of a critical prospect. Remember, people form their first impression about you within the first 30 seconds of seeing you or some element of your company. Small improvements in the packaging or external appearance of your product or service can often lead to completely different reactions from your customers.

With regard to the packaging of your company, your product or service, you should think in terms of everything that the customer sees from the first moment of contact with your company all the way through the purchasing process.

Packaging refers to the way your product or service appears from the outside. Packaging also refers to your people and how they dress and groom. It refers to your offices, your waiting rooms, your brochures, your correspondence and every single visual element about your company. Everything counts. Everything helps or hurts. Everything affects your customer's confidence

Physical Evidence

When we get down to the brass tacks, it's important for consumers to know that the brand they're purchasing from or interacting with, are legitimate and, well, actually exist in real life. No Catfishing here, thank-you. That's where physical evidence comes in.

Physical evidence often takes two forms: evidence that a service or purchase took place and proof or confirmation of the existence of your brand.

For example, any services or products received count as physical evidence. As do the likes of your receipts, packaging, tracking information, invoices, brochures or PDFs, and so on.



6) positioning

Positioning

The next P is positioning. You should develop the habit of thinking continually about how you are positioned in the hearts and minds of your customers. How do people think and talk about you when you're not present? How do people think and talk about your company? What positioning do you have in your market, in terms of the specific words people use when they describe you and your offerings to others?

In the famous book by Al Reis and Jack Trout, *Positioning*, the authors point out that how you are seen and thought about by your customers is the critical determinant of your success in a competitive marketplace. Attribution theory says that most customers think of you in terms of a single attribute, either positive or negative. Sometimes it's "service." Sometimes it's "excellence." Sometimes it's "quality engineering," as with Mercedes Benz. Sometimes it's "the ultimate driving machine," as with BMW. In every case, how deeply entrenched that attribute is in the minds of your customers and prospective customers determines how readily they'll buy your product or service and how much they'll pay.

7) People

People

The final P of the marketing mix is people. Develop the habit of thinking in terms of the people inside and outside of your business who are responsible for every element of your sales and marketing strategy and activities.

It's amazing how many entrepreneurs and businesspeople will work extremely hard to think through every element of the marketing strategy and the marketing mix, and then pay little attention to the



People

Employees. Those people who are involved in selling a product or service, designing it, managing teams, representing customers... the list goes on. The 'people' element of the 7Ps involves anyone directly, or indirectly, involved in the business-side of the enterprise.

There's no use in creating a great brand, innovative product or amazing social media presence if you don't have the right people behind you. It's integral to the survival of your business that you make sure that all of your employees, no matter how behind-the-scenes or customer-facing they are, have fair training and a considerable understanding of their role and the impact that it has within the company.



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