



For the Change Makers

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The 'Four Ps'

Session objectives

By the end of this session you will :

1. Understand the concept of the 'marketing mix'
2. Have reflected upon three elements: product, place and promotion
 1. Their role within the wider product concept
 2. The relationship between each of the elements
3. Considered the relationship between these three elements

The Marketing Mix, or 4Ps (McCarthy 1964)



- Product
- Place (distribution)
- Promotion
- Price



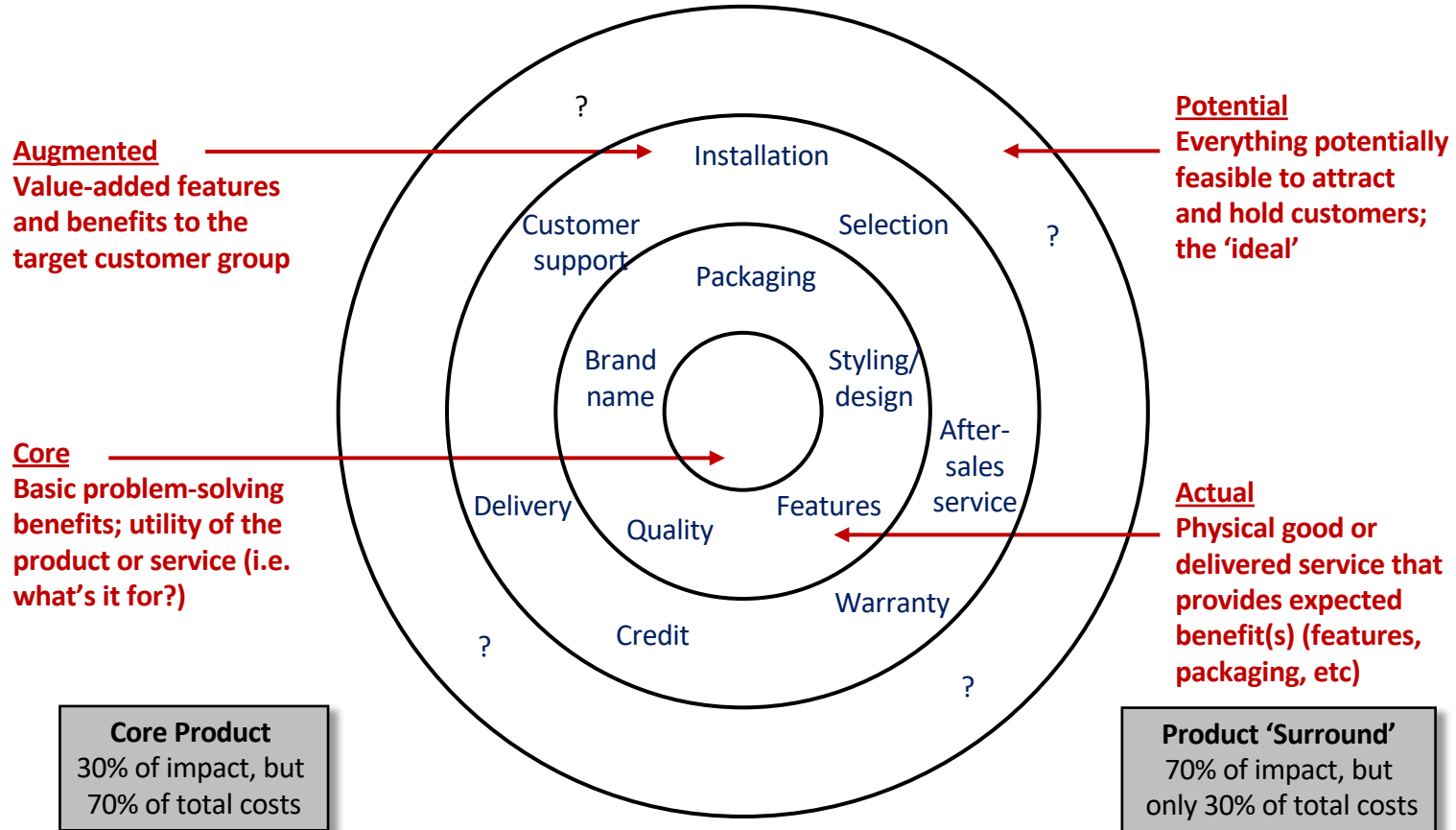
'P' No. 1:
'product'

What is a product?

- ‘Anything that is offered to a market for attention, acquisition, use or consumption, and includes physical objects, services, persons, places, organisations and ideas or mixes of these entities.’ (Kotler et al. 2008: 561)
- ... anything that is capable of satisfying customer needs.’ (Jobber and Ellis-Chadwick 2013: 308)
 - Can include organisations, persons, places and ideas, too (e.g. politicians, celebrities, destinations and social marketing campaigns)

The total product offer (anatomy)

adapted from Kotler et al. (1999: 562)



The total product offer (anatomy)

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- **Core:** Transport from A to B
- **Actual:** Car bodywork, technology, engine, technology
- **Augmented:** After sales service, Mini Owners Club
- **Potential:** Classic car value, kudos attached to having a cute car

Types of products

- FMCG – Fast moving consumer goods
- Services
- Consumer durables



What is the difference between a 'product' and a 'brand'?



‘A product is something with a functional purpose. A brand offers something in addition to its functional purpose. All brands are products... but not all products are brands.’ (Jones 1986, p. 29)



What is a brand?



A name, term, symbol, design or a combination of these, which is used to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. (Kotler *et al* 2001)

A brand is a set of associations linked to a name, mark or symbol associated with a product or service. The difference between a name and a brand is a name that doesn't have associations; it is simply a name. A name becomes a brand when people link it to other things. (Calkins 2005)

Powerful brands communicate their values through every point of contact they have with consumers (White & de Chernatony, 2002)

Product decisions (Kotler et al 2009)

Determine the total 'product offer' ...

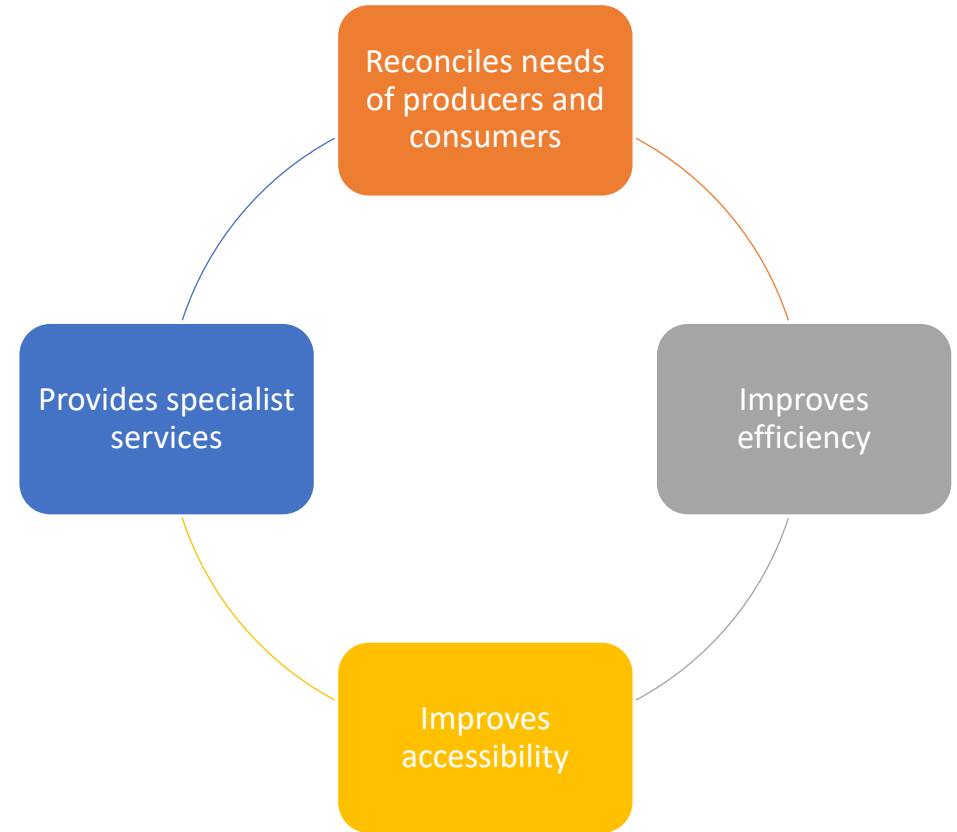
- ... product quality and features, style and design, branding, packaging and labelling, support services
- Identify not only the functional benefits delivered by the product, but also the emotional and psychological benefits delivered by the brand.
- Think about the stage of the product in its life-cycle (introduction, growth, maturity and decline)
 - different mix tactics are appropriate at different stages
- Product decisions are inseparable from other mix decisions
 - Impact upon pricing, promotion and place...and what about the 'service' elements?



'p' No. 2:
'place'

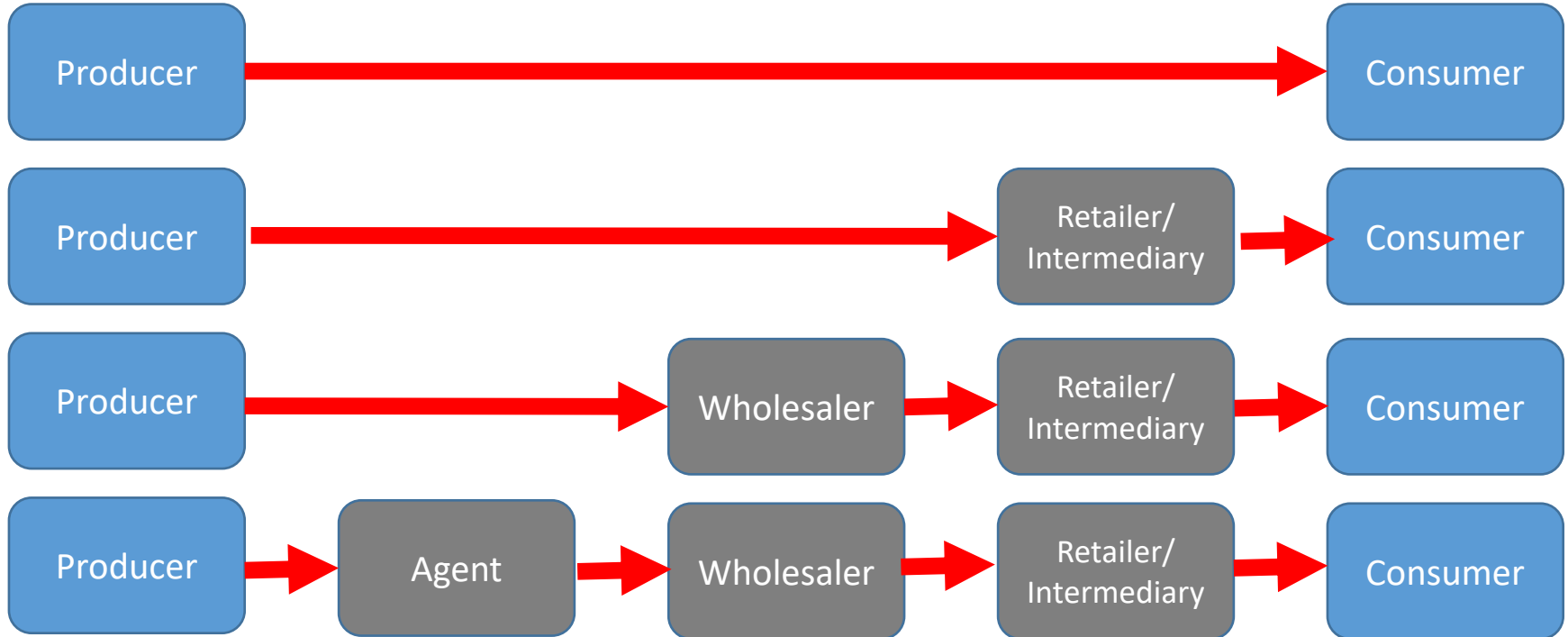
'Place': where, when, in the right form and in the right quantities...

- How the product gets from supplier to the customer/consumer.
- Often referred to as the 'channel of distribution', 'route to market' or 'supply chain'.
- Takes into account the needs of the ultimate consumer but also the channel intermediaries.



(Jobber and Ellis-Chadwick 2013)

Distribution channels



(Jobber and Ellis-Chadwick 2013)c

Types of distribution

- Intensive
- Selective
- Exclusive

Distribution choices create powerful communication touchpoints

...and incur cost and pricing implications



(Jobber and Ellis-Chadwick 2013)

Why it's important to get your choice of distributor right...



Consider...



Consider...



Consider...





'P' No. 3:
'Promotion'

Promotion

- Increasingly referred to as 'integrated marketing communications' or 'omnichannel' (i.e. no longer just about promoting and persuading)
- A planned and integrated set of activities for communicating with each of an organisation's stakeholder groups
- The creation of a set of 'touchpoints' that will raise awareness, shape attitudes and change behaviour.





Defining marketing communications

'Is used to communicate elements of an organisation's offering to its target audience'

Fill (2009)

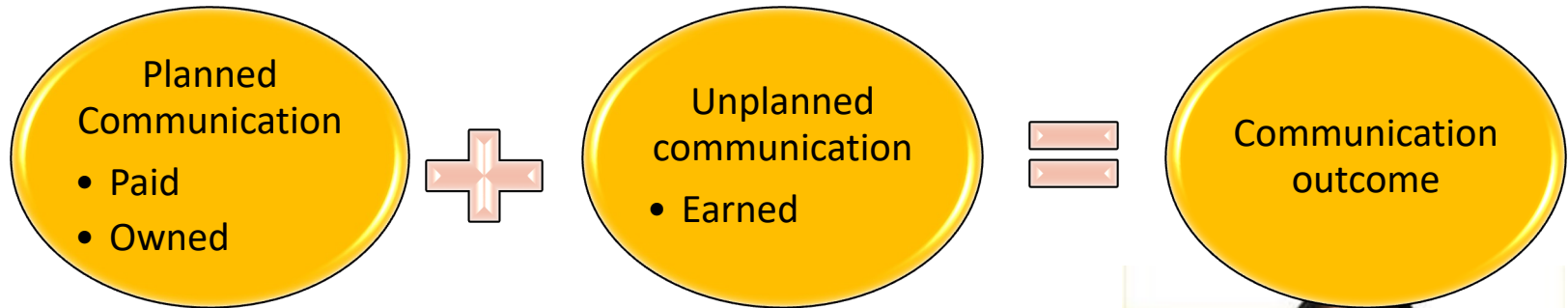
'Is a management process through which an organisation engages with its various target audiences'

Fill (2009)

Marketing communications is concerned with engagement: the planned, integrated and controlled dialogues with key target audiences to help achieve mutually beneficial objectives.

Dahlen, Lange and Smith (2010)

The challenge of communication strategy...

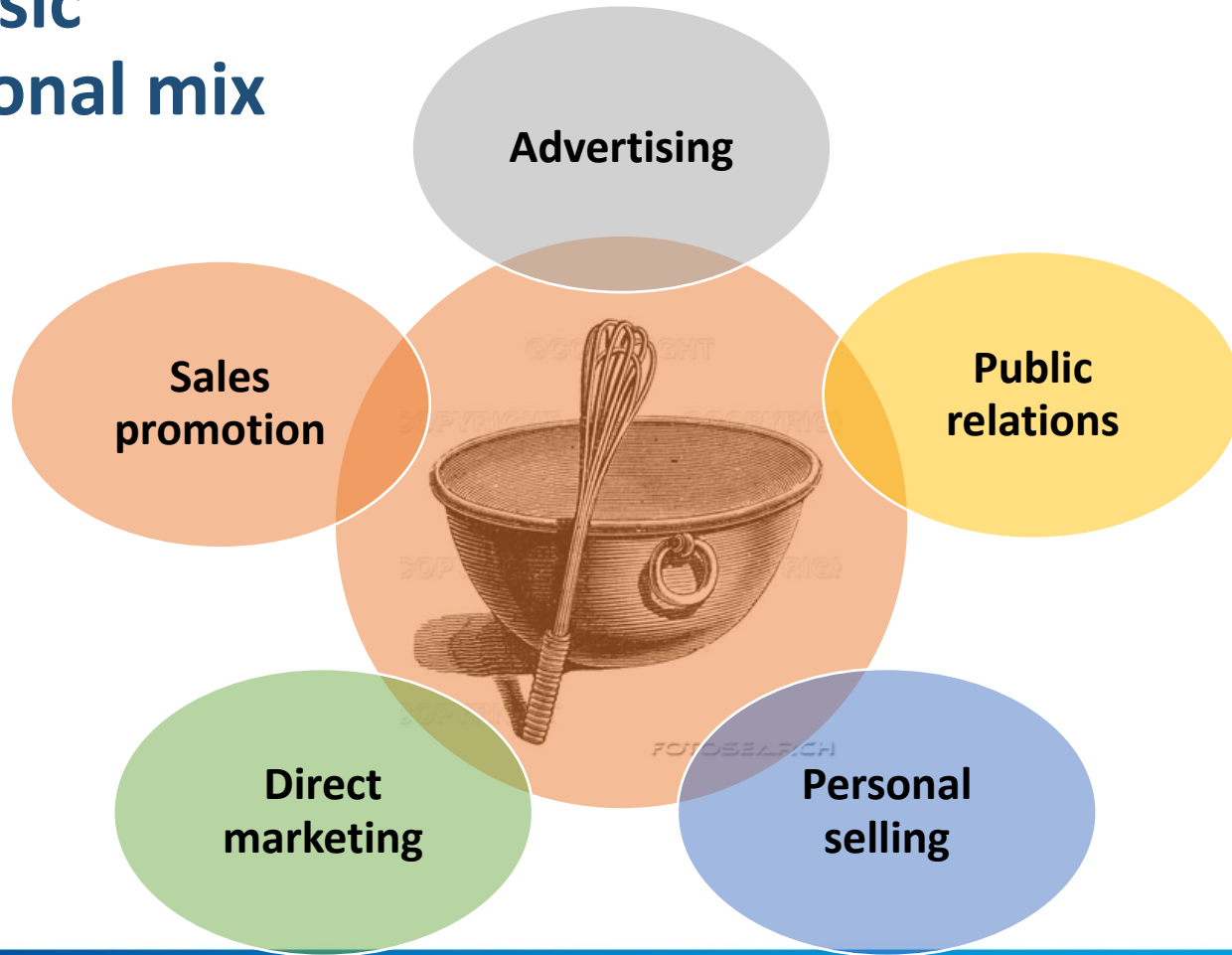


Marcoms can be used to achieve a number of cognitive and behavioural changes

- Brand repositioning
- Changing misunderstanding
- Building credibility
- Changing performance beliefs
- Changing attribute priorities
- Introducing a new attribute
- Changing the perception of a competitor's product
- Changing/introducing new brand associations
- Using corporate branding to extend credibility

Dahlen, Lange and Smith (2010)

The 'classic' promotional mix



Promotional tools

- **Advertising** – **non-personal** form of communication, where a sponsor pays for a message to be transferred through media; capable of reaching a large audience; aims to raise awareness and position product in consumers' minds
- **Sales promotion** – direct inducements or incentives to buy a product or service; concerned with **offering additional value** in return for a(n immediate) sale (e.g. sampling, coupons, deals)
- **Public relations (PR)** – influences stakeholders' perceptions of an organisation; doesn't require the purchase of airtime or advertising space, therefore low-cost and perceived to be **more credible** (e.g. press releases, shows, networking, lobbying, etc)



Promotional tools

- **Direct marketing** – drives a response and shapes behaviour by **sending personalised and customised messages**; used to create and sustain personal, intermediary-free communication with (would-be) customers and significant stakeholders
- **Personal selling** – **interpersonal communication** that provides information, develops positive feelings and stimulates required behaviour; undertaken by individuals or, collectively, a salesforce; very potent (if biased), but reach is limited
- **Sponsorship** – ‘a commercial activity whereby one party permits another to exploit an association with a target audience in return for funds, services or resources’

Fill (2002)



The media

Baines et al. (2011)

- **Broadcast** – TV and radio
- **Print** – newspapers, consumer magazines, trade press
- **Outdoor** – billboards, street furniture, transit (e.g. on public transport)
- **Digital** – websites, social media (e.g. YouTube, Facebook, Instagram, Tiktok Twitter, Mastodon), etc
- **In-store** – point of purchase (bins, signs, displays), packaging
- **Other** – cinema, exhibitions, product placement (e.g. in films), 'ambient' (e.g. on petrol pumps), 'guerrilla' (e.g. flyposting)

An omnichannel/ integrated marketing communications approach....

- involves bringing together the tools, the media and ideas about how messages should be developed ...
- ... so that audiences perceive a single, consistent and unified message (even though individual messages will be encoded in different ways, emphasising different types of appeal and using different media)
- More effective and efficient than using any one tool or medium in isolation

...to be developed in the Integrated Marketing Communications lecture later in the term

Summary

- Whilst the 'product' is the basic element that is constructed to satisfy needs and wants of consumers, other elements of the marketing mix determine the extent to which consumers recognise the benefit of the product and gain access to it.
- Every aspect of the marketing mix acts a 'touchpoint' that communicates product attributes.
- Therefore it is important that the marketing mix is constructed carefully and coherently to appeal to the target market.
- One of the most powerful is price which we will cover in the asynchronous session and develop next week in the seminar.