

MARKETING MIX



BUSINESS
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Marketing Mix

The Marketing Mix helps you to think about the right place, price and promotion for your product. The way you offer your product should match the customers' expectations. With the marketing mix you create a strategy for your marketing your product. With a clear strategy you make sure that customers can find your product.

Template & example

Use the Marketing Mix Canvas template (page 4) and make a large printout to use during a brainstorm session. Get inspiration from the Marketing Mix example of Starbucks (page 5).

How to use

The marketing mix consist of four P's: product, price, place, and promotion. Always start by describing your product or service. Then describe the other P's, which revolve around that product or service. A marketing mix can be created for just one product at a time.

Step 1: describe your product or service

Explain what customer need or problem your product solves. Also describe the features, what it does, how it is different from competitors' products, etc. You can name the following elements: design, technology, typical usage, convenience of use, quality, packaging, and accessories.

Step 2: write down the price of your product

Reveal the price you will charge your customers for the product. You can determine your price by looking at the price of competitors, at what customers want to pay, at the cost of the product, or at other aspects. There are different pricing strategies. Mention your pricing strategy on the canvas and why you chose this strategy. Examples of pricing strategies are dynamic pricing, cost plus pricing, loss leader, penetration pricing, premium pricing, bundle pricing, and value based pricing. See also the Pricing Strategy Cards.

Step 3: outline in which place customers can buy your product

This place needs to be accessible to potential buyers. Think of where potential customers look for your product. What kind of stores do they visit? Describe what channel customers use for buying products. Do they buy products online or in physical shops? Possible channels are retail, wholesale, mail order, phone order, online shop, direct sales, or peer to peer.

Step 4: explain how you will promote your product

Promotion of your product or service encourages brand recognition and sales. Advertising, like television commercials or printed media, is an important form of promotion. With promotion you encourage your (potential) customers to buy your product. Describe through which form and channel you want to promote, and what content will appeal to your customers. A few examples of promotion forms are: video, image, event, game, goodie, slideshow, app, and infographic.

Tip: Create the marketing mix two times. One for how you currently sell your product. And one for what your customer would ideally want from your product. This will show how to improve the marketing of your product.

marketing mix

name _____

product	price
promotion	place

date _____

product

Coffee: more than 30 blends and single-origin premium coffees

Handcrafted beverages: fresh-brewed coffee, hot and iced espresso beverages, Frappuccino® coffee and non-coffee blended beverages, Starbucks Refreshers® beverages, smoothies and teas

Merchandise: coffee- and tea-brewing equipment, Verismo® System by Starbucks, mugs and accessories, packaged goods, books and gifts

Fresh food: baked pastries, sandwiches, salads, salad and grain bowls, oatmeal, yogurt parfaits and fruit cups

price

Increase in prices due to the increasing price of coffee beans, dairy and other raw materials

Maintain or lower the price of the most popular beverages

Raise prices of labour-intensive and larger-sized beverages

The price of tea is based on the number of tea bags

Community website "My Starbucks Idea" for customer feedback

Starbucks reward program to earn free drinks

The Starbucks Cards, a store-value card that can be used and reloaded

A Starbucks app for the quickest, easiest way to pay for your coffee – no wallet needed

Social media channels like Facebook, Twitter, Google+, Pinterest and Instagram

promotion

The Coffee Holding Company, Inc. is located in Staten Island, New York

Starbucks has more than 17.000 branches in 50 countries

Information on products, business partnerships and career opportunities is available on the website

place