

# Summary of Step 9 : Customising the Marketing Mix

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## 1. Implications for Marketing Mix Decisions

### Historical Perspective

- Marketing evolved from a toolbox of techniques aimed at increasing sales to a strategic framework incorporating 4Ps: Product, Price, Promotion, and Place (McCarthy, 1960).
- Initially identified by Borden (1964) with 12 ingredients, these 4Ps became the foundation of the marketing mix.

### Integration with Strategic Marketing

- Market segmentation is crucial for strategic marketing, particularly for positioning products relative to competitors.
- The segmentation-targeting-positioning (STP) approach:
  1. **Segment Extraction and Profiling:** Identifying distinct groups within a market.
  2. **Segment Targeting:** Selecting the most viable segments.
  3. **Product Positioning:** Tailoring product offerings to match segment preferences and stand out from competitors.

## 2. Product

### Product-Related Decisions

- Customizing the product to meet the specific needs of the target segment involves adjustments in design, features, quality, and branding.
- Focus on creating a product that aligns with the preferences and expectations of the target group.

## 3. Price

### Price-Related Decisions

- Setting a pricing strategy that reflects the value perception of the target segment.
- Considerations include competitive pricing, segment-specific price sensitivity, and ensuring prices are attractive to the target market while maintaining profitability.

## 4. Place

### Distribution (Place) Decisions

- Ensuring the product is available through channels preferred by the target segment.
- Includes choosing the right distribution methods and locations to enhance accessibility and convenience for the segment.
- Example: Providing online booking options for segments that prefer digital transactions.

## 5. Promotion

### Promotion-Related Decisions

- Developing promotional strategies that resonate with the target segment.
- Choosing the most effective communication channels, such as advertising, public relations, personal selling, and sponsorships, to reach the target audience.
- Tailoring messages and materials to appeal to the specific needs and preferences of the segment.

## 6. Checklist

1. **Segmentation Team Meeting:** Review the target segment's profile and detailed description.
2. **Product Customization:** Modify product aspects to serve the target segment effectively.
3. **Price Adjustment:** Adjust pricing strategies to align with the segment's value perception and price sensitivity.
4. **Distribution Strategy:** Choose distribution channels and locations that best serve the target segment.
5. **Promotion Plan:** Design promotional activities and materials tailored to the target segment.
6. **Review Marketing Mix:** Ensure coherence and effectiveness of the entire marketing mix.
7. **Multiple Segments:** If targeting multiple segments, repeat the steps for each segment, ensuring compatibility and avoiding conflicts.
8. **Advisory Committee Presentation:** Present the proposed marketing mix to an advisory committee for feedback and potential modifications.