

Marketing Mix

Marc S. Galli

Walden University

Professor Dr. Angela Au

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The Four P's of Marketing

In synthesizing Acutt (2020) and Mind Tools (2021), I assert that whether a company sells products or services, their success ultimately depends on four components, collectively termed, the marketing mix, to wit; product, place, price, and promotion (365 Careers, 2017). These four P's of marketing operate in tandem and adequate sales performance requires a measure of performance in each element. Colloquially, product, the first "P" or marketing refers to any good or service offered for sale by a company (Acutt, 2020). To get started, a firm ought to provide an answer to what specifically it is that the customer wants or has come to expect (Mind Tools, 2021). With a service offering, many factors can be measured to provide a general assessment of the viability and success of the offering in a given market, to wit; after-sales service, the quality of the service staff administering the amenity, and the proportion of quality and attentiveness which is offered in relation to what is accustomed in the given market with respect to the targeted and idealized customers. While most of the foregoing attributes apply to products as well specifically, for goods, characteristics such as the good's overall product quality, overall design aesthetic, the visual appeal of the packaging, and the general features of the product all come into consideration (Acutt, 2020).

The second "P" of marketing is place: Where do customers typically acquire this particular good or enlist the help or support provided by a given service offering. A business ought to know their target customer and make careful assessment with respect to their business location, specific product placement within their store (if applicable) and take care to address their methods of distribution and the specific method by which they present services or products to the customer and end user (Acutt, 2020). Countless examples abound, most specifically in relation to where products are placed within a store. Supermarkets undoubtedly come up in this conversation. A great example of careful consideration as to products' placement is seen in the decision most grocery stores make to place the meat, milk, and eggs along the back wall of their stores. This placement draws customers into the store and down aisles of goods before they ultimately retrieve these staples and have to work their way back through rows which undoubtedly display advertisement and promotional displays which lure the customer to add one more item to their cart. A second example is the products chosen to line the checkout aisles, to wit; tabloids with attention-getting covers and grab-and-go friendly snacks, drinks, and chewable sugary items.

Adequate marketing takes into consideration pricing. Overall value for a product is subjective and thus rated differently by each customer. However, generally, value takes into consideration the product's usefulness, visual appeal, the depth of need a customer has for the product, how innovative the product is, how scarce it is, the level of difficulty needed to use it, and all of this and more weighed against the cost to acquire the good (Mind Tools, 2021). When evaluating price and value for a service, the factors change slightly and give rise to additional factors and consideration for the quality and amount of customer service and interaction with service staff. Besides consideration of value, lastly elements weighing on the final price of a good or service need evaluating, including discounts, seller-financing/credit, handling charges, and other taxes and surcharges which may alter the final price (Mind Tools, 2021).

The last of the four P's of marketing is promotion: Where, when, and how will advertisement be disseminated (Mind Tools, 2021). The season and the time of year weigh heavily upon this decision typically. Additional variables which may attract consumers and alter price include direct marketing, sales promotions, discounts, stackable promotional discounts, and

either text or email coupons (Acutt, 2020). Promotion can be owner initiated or covered by a full-service marketing firm. Promotion can utilize a variety of mediums including television, radio, internet, and print. Promoting a product or service at the right time of year or during the right season is critical. Each “P” of marketing works together, in tandem, one with the other. If the marketing for any product or service is lacking in any one of the four areas then it will suffer.

Marketing Mix for Services Versus Products

After acquiring a foundational and working understanding of the marketing mix and its four P’s of marketing, a cursory review of the differences and similarities between marketing products and marketing services is in order. First, how marketing for a service is different: Perhaps the defining characteristic of a service is that it is not tangible (Lumen Learning, 2021). Intangibility differentiates the marketing mix for a service because the customer cannot easily or objectively assess what he or she will be receiving beforehand (Lumen Learning, 2021). Therefore, the challenge is greater to convince a prospective customer that the services offered will meet or exceed their expectations, and so begins the quest from the initial meeting with the customer to reassure him or her. For this reason, it is a lot harder to convert a client who may be using a comparable service to make the decision to switch to your brand. Secondly, services require people to deliver the service and this means that service-oriented companies need to invest significantly more in personnel with good people-skills, communication skills, and pleasing demeanors. Thirdly, services are seen as having a quality about them, best termed as perishability (Lumen Learning, 2021). The meaning behind this is that services cannot be saved, returned, resold, or stored as a product can. This exponentially increases the degree of complexity involved in successfully optimizing the marketing mix of product, place, price, and promotion, which can complicate the delicate balance between supply and demand; whereas, stockpiling product before an anticipated sale or season may not be near as challenging as the logistics involved in bringing in competent staff to service high demand periods.

Marketing service offerings can seem pretty unique, but marketing product offerings has its own set of unique challenges as well. Firstly, product offerings often come in a variety of colors, styles, and with varying feature sets, all at varying price points (Reilly, 2020). Each variant of the product offerings must be known by sales staff and the technical aspects of said products offered must be understood frontwards and backwards so sales staff can easily communicate differences and transition from selling products (read: communicating specifications) to selling solutions (read: matching products to customers’ needs), which is far more valuable. Secondly, services are performed as needed, whereas products are tangible and subject to warranty and return policies. Imagine how many product returns Walmart probably experiences in a day and a picture of the element of complexity which this adds to product offerings can be instantly understood. Dealing with product returns or warranties either involves taking your product back, refunding the purchase amount in full and then finding a way to evaluate, repair, and resell the product at a discount or dealing with warranties from the wholesaler or vendors. Thirdly, services, such as a carwash can be resold over and over to the same customer. Sadly, once a product is sold to a customer it can take years, a decade, or more, to get them to come back and buy the same product again, lowering the propensity for recurring income. There are certainly many more differences but this has been a few.

After reviewing the differences, it can be refreshing to know that the overall general approach to marketing can be fairly similar. Firstly, both products and services arise to meet consumer demand. Secondly, they each can have a target consumer group which they are

designed to meet the needs of, wherein the key to successful sales and marketing is appealing to said group. Third of all, both product and service offerings utilize the same three primary methods used to drive sales, to wit; promotions, advertising, and public relations events (Ingram, 2019). Promotions has to do with discounts offered to targeted consumers, coupons, in-store sales, and loyalty programs, while advertising is about communicating a specific message to the consumer to inform and persuade (Ingram, 2019). Lastly, public relations efforts is a juxtaposition of advertising and networking designed to get the brand and image out in front of the general public while maintaining the trimmings of goodwill and building rapport in the eyes of the public. In summary, marketing mixes for both product and service offerings share some similarities and some differences and knowing them can help one navigate the four P's of marketing and master the marketing mix.

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