

Know your tactics

Planning an effective marketing mix





Planning an effective marketing mix

The 'Marketing Mix', also known as the 4 P's, are the different areas that need to be considered when planning your marketing.

The 4 P's are an essential part of bringing a product or service to market and each area should be carefully considered:

- Product
- Price
- Placement
- Promotions

The fact that it's called a 'mix' reminds us that there needs to be a balance between the different elements for a product/service to be a success.

Product

This is the physical offering to the consumer, be it a product or service. Product decisions include aspects such as function, appearance, packaging, service, warranty, etc.

Price

When making decisions to do with price remember to take into account profit margins and the probable pricing response of competitors. Pricing includes not only the list price, but also discounts, financing, and other options such as leasing.

Placement

Placement decisions are focused around the channels of distribution that serve as the means for getting the product to service to the target customers. Distribution decisions include market coverage, channel member selection, logistics, and levels of service.

Promotion

Promotion decisions encompass communicating and selling to potential consumers. Since these costs can be large in proportion to the product/service price, a break-even analysis should be performed when making promotion decisions. It is useful to know the value of a customer in order to determine whether additional customers are worth the cost of acquiring them. Promotion decisions involve advertising, public relations, media types, etc.

If one element of the mix is wrong it can be easy to mistake it for another, but it is important to look at all areas before jumping to conclusions. For example, if a company has a newly priced service and the take-up is poor, one might assume that this is down to price. However the answer might be to change the service (Product), or to deliver it in a way that is more convenient to the user (Placement), or to improve the quality of the Promotion.

These days the 4 P's can be extended to include the following, making it the 7 P's:

People

Processes

Physical Evidence

Read our other guides in the range:

- **Creating you marketing plan**
- **How effective are your communications**
- **Determining your market**
- **SWOT up on your marketing**
- **Raise your profile**

Horizonworks Marketing is a strategic marketing company based in the North East of England specialising in the science, technology, healthcare and manufacturing sectors. We provide a range of services to clients including:

- Marketing strategy
- Marketing planning
- Communications
- Branding
- Public Relations
- Events management
- Sales and marketing campaigns
- Mentoring



Horizonworks Marketing

Collingwood Buildings
38 Collingwood Street
Newcastle upon Tyne
NE1 1JF

T: 0191 269 6919

E: info@horizonworks-marketing.co.uk

horizonworks-marketing.co.uk