



The marketing mix

7 Ps of the marketing mix...

...a framework for complete marketing

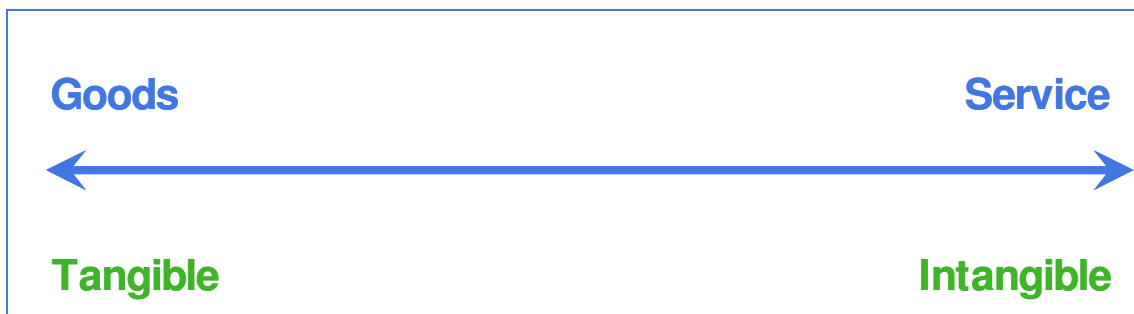
Why is a framework for *marketing* important?

When you are developing your marketing plan, there are many factors that need to be considered. So many, that it could be easy to miss an important element. And since all these elements are interlinked, overlooking one factor could mean that the decisions you make about the others are not fully informed.

So why 7 Ps?

Traditionally, the marketing mix was developed for the fast moving consumer goods sector, and there were 4 Ps: Product, Price, Promotion, and Place (or distribution). As service sectors have become more aware of marketing, this marketing mix has been developed to also include: People, Process and Physical Evidence.

Even if you think you only sell a product, so the original 4 Ps will suffice, it can be useful to think how much of a service element there is to your business. Indeed, the goods-service continuum demonstrates that very few products are purely goods and very few purely service.



Most of us sell either products with a surrounding service element (for example, a customer care help-line for a software retailer) or services with a tangible element (the skill of a hair stylist is a service but tangible products are required to deliver it).

So it could be wise, even for product manufacturers, to consider all 7 Ps in their marketing mix.

The 7 Ps of the marketing mix

Product

As seen in the goods-service continuum, your product can have both tangible and intangible aspects, and is the thing you offer to satisfy your customers' wants and needs.

Within this element, you need to consider such things as your product range; its quality and design; its features and the benefits it offers; sizing and packaging; and any add-on guarantees and customer service offerings.

Price

Sound pricing decisions are crucial to a successful business and should be considered at both long-term strategic and short-term tactical levels.

Within this element of the mix you should consider list price and discount price; terms and conditions of payment; and the price sensitivity of your market. Worth remembering is the connection of price to your position in the marketing – specifically that only one operator in any market can be the cheapest. Jostling between competitors for this position is rarely wise.

Promotion

This is the element of the marketing mix that most people mean when they talk about 'marketing'. But jumping straight into decisions about what promotional tools to use without considering their relationship to the rest of the mix can be a sure-fire way to waste money.

There are many different promotional techniques, each with their own strengths but essentially they can be broken down into four broad categories: Advertising; Public Relations; Sales Promotions; and Direct Selling. These techniques are used to communicate the specific benefits of your product to your customers.

Place

Marketers love models that explain the way they work; they love it even more when elements of each model begin with the same letter – hence the use of the word 'Place' to describe distribution channels.

Your choice of such channels is important, as is the variety of channels you use. For example, a common issue for businesses beginning to trade on-line is how that will affect their off-line business, for example selling directly through the web could alienate retail outlets that have been the mainstay of your business in the past.

People

The impact that your people can have on your marketing cannot be underestimated. At its most obvious, this element covers your front line sales and customer service staff who will have a direct impact on how your product is perceived.

You need to consider the knowledge and skills of your staff; their motivation and investment in supporting your brand. Any element of the marketing mix will also have its impact on other elements of your business, but the people element is one where the importance of regarding marketing as an integral part of the way you do business is crystal clear.

Process

The process part of the mix is about being 'easy to do business with'. If you've ever become frustrated at call centres that can't answer your questions, or annoyed when you can't buy something in a shop because the computerised till doesn't recognise that it exists, even when you can see it on the shelves, you'll know how important this element can be.

The more 'high contact' your product, and the more intangible, the more important it is to get your processes right. Remember to look at this from your customers' point of view. The process problems that are most annoying to a customer are those that are designed for the provider's convenience, not the customer.

Physical Evidence

When you sell tangible goods, you can offer your customer the chance to 'try before they buy', or at least see, touch or smell. With services, unless you offer a free trial, your customer will often be buying on trust. And to help them do so you need to provide as much evidence of the quality you will be providing as possible.

So physical evidence refers to all the tangible, visible touchpoints that your customer will encounter before they buy, from your reception area and signage, to your staff's clothing and the images you include in your corporate brochure.

Think about how all the elements of your marketing mix hang together. Does your pricing reflect the quality of your product? Does your choice of promotional tools reinforce your choice of distribution channel? Do your people understand how to implement your process?

Clarity Marketing Ltd. provides marketing planning services to small and medium sized businesses. If you would like some help developing your marketing plan, contact us on 0115 964 8222 or enquiries@clarity-in-communication.com.