



THE FOUR PS OF MARKETING

The goal of our marketing activities is to have:

- The right product
- In the right place
- At the right price
- With the right promotion

The Four Ps of marketing:

- Product
- Price
- Promotion
- Place

These four categories make your promotional plan. A promotional plan specifies how much attention to pay to each of the four categories, and how much money to budget for each.

A promotional plan can have a wide range of objectives, including:

- Sales increases
- New product acceptance
- Creation of brand equity
- Positioning
- Competitive retaliations
- Creation of a corporate image.

Product

The actual goods or service, and how they relate to the end-user's needs and wants. It is the complete bundle of benefits or satisfactions that buyers perceive they will obtain if they purchase the product or service.

There are three aspects to any product or service:

- Problem solving benefits
- Psychological benefits
- Attributes and features

There is a special nature to services. It is a process of delivering a:

- Skill



- Ingenuity
- Experience

The delivery of a service typically involves finding your niche after considering these five factors:

- Other similar service providers
- Equipment used to provide the service
- The physical facilities
- The client
- Other customers at the service delivery location

Pricing

How much do you charge for a product or service? This is the way most businesses think about pricing because it focuses on what the business sells. The real question is how much do customers value what they are buying.

What are the pricing objectives? A well-chosen price should do three things:

- Achieve the financial goals of the firm
- Fit the realities of the marketplace
- Support a product's positioning and be consistent with the other variables in the promotional plan

Price can be determined in many ways, using very different perimeters.

- Competition based pricing:
- Cost plus pricing:
- Creaming or skimming:
- Loss leader
- Market oriented pricing
- Penetration pricing:
- Price discrimination
- Predatory pricing:

Promotion

Promotion is communicating information between seller and potential buyer to influence attitudes and behavior.

Promotion comprises four subcategories:

- Advertising
- Sales promotion
- Publicity



- Personal selling

Each of these subcategories works to advance the product, service, brand, or company in the mind of the target audience.

Advertising:

Frequently viewed as all forms of promotional communication, it is paid communications, by an identified sponsor, conveyed by a mass medium.

Sales Promotion:

Sales promotions are designed to have an immediate impact on sales.

Examples include:

- Coupons
- Discounts and sales
- Contests
- Point of purchase displays
- Rebates
- Gifts and incentive items
- Free travel or entertainment

Publicity and Public Relations:

Publicity is a subset of Public Relations.

Publicity is a deliberate attempt to manage the public's perception. A basic tool of the publicist is the press release.

Other techniques include:

- Telephone press conferences
- In-studio media tours
- Multi-component video news releases (VNR's)
- Newswire stories
- Internet releases.

Customize them to match the media vehicle that they are being sent to.

A publicist must also try to create their own news or events.

Examples of this include:

- Contests
- Walkathons
- Art exhibitions



- Event sponsorship
- Arrange a speech or talk
- Make an analysis or prediction
- Conduct a poll or survey
- Issue a report
- Take a stand on a controversial subject
- Arrange for a testimonial
- Announce an appointment
- Celebrate an anniversary
- Invent then present an award
- Issue a commendation
- Stage a debate
- Organize a tour of your business or projects

The advantage of publicity is low cost in order to gain exposure and credibility.

Public Relations:

The management of ALL communication between the company and selected target audiences. It is primarily an informative activity, as opposed to a persuasive one, like publicity.

It's ultimate goal is to build relationships, enhancing the corporation's branding, and developing a strong and ongoing market.

Personal Selling:

Selling is the practical implementation of marketing.

The primary function of professional sales is to:

- Close leads
- Educate prospects
- Fill the needs and satisfy the wants of consumers - APPROPRIATELY

Thereby turning prospective customers into actual ones.

Placement

Placement, or distribution, means having goods and services available in the right quantities, at the right locations - when customers want them.

It's also how the product gets to the right customer.



Placement depends on demographics:

- Geographic region
- Type of industry
- Age and sex segments or other types of group perimeters

Demographics help refine your target audience and determine your best channels for marketing..