

Marketing Mix

# CHECKLIST

By CLEVERISM.COM

Marketing is simplistically  
defined as:

'putting the right **product**

in the right **place**

at the right **price**

using the right **promotion.**'

Marketing Mix

# PRODUCT

The product is either a tangible good or an intangible service that is seen to meet a specific customer need or demand.

All products follow a logical product life cycle and it is vital for marketers to understand and plan for the various stages and their unique challenges. It is key to understand those problems that the product is attempting to solve.

The benefits offered by the product and all its features need to be understood and the unique selling proposition of the product needs to be studied. In addition, the potential buyers of the product need to be identified and understood.

## PRODUCT

Product Lifecycle Phases	Design Options	Best suitable option for my product / service
Product Introduction	Define your target group (region, demographics, etc.)	<input type="checkbox"/>
	Define brand name and image	<input type="checkbox"/>
	Developing added value	<input type="checkbox"/>
	Define marketing aspects <b>for your Product</b> depending on: <ul style="list-style-type: none"> <li>Product functionality &amp; features</li> <li>Appearance</li> <li>Quality standard</li> <li>Packaging &amp; delivery</li> <li>Warranties &amp; services</li> </ul>	<input type="checkbox"/>
	Define marketing aspects <b>for your Service</b> you plan to offer: <ul style="list-style-type: none"> <li>Scope</li> <li>Price points / range</li> <li>Self-offered / third-party service</li> <li>Availability</li> </ul>	<input type="checkbox"/>
Product Growth	Increase awareness	<input type="checkbox"/>
	Re-assess amount	<input type="checkbox"/>
	Fine tune product variations	<input type="checkbox"/>
Product Maturity	Increase sales	<input type="checkbox"/>
	Develop new markets, attract new customers	<input type="checkbox"/>
Product Decline	Re-assess product / service portfolio (product variation)	<input type="checkbox"/>

# Marketing Mix

# PRICE

Price covers the actual amount the end user is expected to pay for a product. How a product is priced will directly affect how it sells. This is linked to what the perceived value of the product is to the customer rather than an objective costing of the product on offer. If a product is priced higher or lower than its perceived value, then it will not sell. This is why it is imperative to understand how a customer sees what you are selling.

If there is a positive customer value, then a product may be successfully priced higher than its objective monetary value. Conversely, if a product has little value in the eyes of the consumer, then it may need to be underpriced to sell.

Price may also be affected by distribution plans, value chain costs and markups and how competitors price a rival product.

## PRICE

	Design Options	Best suitable option for my product / service
Price types	<b>Cost-Based pricing</b> - A company may determine the exact cost of producing and selling an objective, add a markup that may be desirable for profits and price accordingly.	<input type="checkbox"/>
	<b>Competition pricing</b> - When trying to go head to head with competitors offering similar benefits, a company may decide to: <ul style="list-style-type: none"> <li>price higher to create a higher quality perception or to target a niche market;</li> <li>price the same to show more benefits for the same price;</li> <li>price lower to try to gain a wider customer base.</li> </ul>	<input type="checkbox"/>
	<b>Bundle pricing</b> - A group of products may be bundled together and sold at a reduced price. Supermarkets often use this method through their 'buy one get one free' offers.	<input type="checkbox"/>
	<b>Premium pricing</b> - A high price is set to establish an exclusive product of high quality. Designer cars and premium brand stores are a good example of this type of pricing.	<input type="checkbox"/>
	<b>Penetration pricing</b> - A low price is set by the company to build up sales and market share. This may be done to establish position in a market with preexisting similar products on offer. Once a position is created, the prices may be raised.	<input type="checkbox"/>
	<b>Skimming pricing</b> - Here, the initial price is set high and may slowly be brought down. This will allow the company to introduce the product step by step to different layers of the market. Electronic and tech gadgets often start at a very high price which is subsequently lowered with the lowest point reached right before a new model is launched.	<input type="checkbox"/>
	<b>Product line pricing</b> - Here, different products in the same range may be set at different prices. Television sets are priced differently depending on whether they are HD or not, whether they have WiFi features or not and whether they are 3D or not.	<input type="checkbox"/>
	<b>Psychological pricing</b> - Often a company will make small changes to prices to make a customer think the item is priced lower than it is. This is often seen in prices ending in 99. For example, an item marked 199 will be perceived as closer in price to 100 than 200.	<input type="checkbox"/>
Special conditions	You can choose to provide special conditions for certain customers / customer segments depending on: <ul style="list-style-type: none"> <li>individually defined;</li> <li>defined based on industry average;</li> <li>defined based on amount purchased product / service.</li> </ul>	<input type="checkbox"/>

Place or placement has to do with how the product will be provided to the customer. Distribution is a key element of placement.

The placement strategy will help assess what channel is the most suited to a product.

How a product is accessed by the end user also needs to compliment the rest of the product strategy.

## Marketing Mix

# PLACE

## PLACE

	Design Options	Best suitable option for my product / service
Types of distribution channels	<b>Direct</b> - In this channel, the manufacturer directly provides the product to the consumer. In this instance, the business may own all elements of its distribution channel or sell through a specific retail location. Internet sales and one on one meetings are also ways to sell directly to the consumer.	<input type="checkbox"/>
	<b>Indirect</b> - In this channel, a company will use an intermediary to sell a product to the consumer. The company may sell to a wholesaler who further distributes to retail outlets. This may raise product costs since each intermediary will get their percentage of the profits.	<input type="checkbox"/>
	<b>Dual distribution</b> - In this type of channel, a company may use a combination of direct and indirect selling. The product may be sold directly to a consumer, while in other cases it may be sold through intermediaries. The user experience may vary and an inconsistent image for the product and a related service may begin to take hold.	<input type="checkbox"/>
	<b>Reverse channels</b> - Most non traditional channel allows for the consumer to send a product to the producer. This reverse flow is what distinguishes this method from the others. An example of this is when a consumer recycles and makes money from this activity.	<input type="checkbox"/>
Types of intermediaries	<b>Agents</b> - The agent is an independent entity who acts as an extension of the producer by representing them to the user. An agent usually make money from commissions and fees paid for their services.	<input type="checkbox"/>
	<b>Wholesalers</b> - Wholesalers are also independent entities. But they actually purchase goods from a producer in bulk and store them in warehouses. Wholesalers seldom sell directly to an end user. Their customers are usually another intermediary such as a retailer.	<input type="checkbox"/>
	<b>Distributors</b> - Similar to wholesalers, distributors differ in one regard. A wholesaler may carry a variety of competition brands and product types. A distributor however, will only carry products from a single brand or company.	<input type="checkbox"/>
	<b>Retailers</b> - Wholesalers and distributors will sell the products that they have acquired to the retailer at a profit. Retailers will then stock the goods and sell them to the ultimate end user at a profit.	<input type="checkbox"/>

The marketing communication strategies and techniques all fall under the promotion heading. These may include advertising, sales promotions, special offers and public relations.

Whatever the channel used, it is necessary for it to be suitable for the product, the price and the end user it is being marketed to.

It is important to differentiate between marketing and promotion.

Promotion is just the communication aspect of the entire marketing function.

## Marketing Mix

# PROMOTION



## PROMOTION

	Design Options	Best suitable option for my product / service
<b>Advertising</b> - It happens when companies make expenditures to promote their product through such things as media and the internet. The main advantage of this type of marketing is it's a one-way conversation that helps the customer focus on the benefits of your product or service for them. As mentioned, its biggest drawback is establishing trust because of its impersonal nature. Examples of advertising are television commercials and pop-up ads on websites.	Short- / long-term advertising	<input type="checkbox"/>
	Informative / purchase triggering	<input type="checkbox"/>
	Advertising through different channels: display, radio, TV, flyer, etc.	<input type="checkbox"/>
	Image advertising	<input type="checkbox"/>
	Brand advertising	<input type="checkbox"/>
	Product advertising	<input type="checkbox"/>
<b>Direct marketing</b> - This type of marketing tries to narrow the focus to a selected group of people who would be more interested in your product or service than others.	Email marketing	<input type="checkbox"/>
	Social media marketing	<input type="checkbox"/>
<b>PR</b> - This type of promotion has to do with creating a favorable image for your company as opposed to supplying direct information about a particular product or service. The advantage of public relations is that it can raise the appeal and image of your company for future purchasing decisions in a cost effective way.	Sponsoring diverse events	<input type="checkbox"/>
	Press releases	<input type="checkbox"/>
<b>Sales promotions</b> - This is actually a catch-all term that covers any type of promotions other than the ones that are specifically mentioned here. The advantage of them is that they can induce traffic and sales by changing a buyer's perception of a product or service value. The disadvantage of sales promotions is the short-term nature of them often overshadows your company's long-term sales goals.	Coupons and discounts	<input type="checkbox"/>
	Contests	<input type="checkbox"/>
<b>Personal selling</b> - Direct selling connects company representatives with the consumer. These interactions can be in person, over the phone and over email or chat.	Salesman on the floor of a home improvement company	<input type="checkbox"/>