

# Marketing

## *The 4Ps and* **Mix**

### *the 4Cs*

You've done your market research. You've learned about the history and life-cycle of products like yours and the trends and key drivers that determine where your products or services "fit in the industry." Now it's time to distill your research findings into a concentrated effort to generate a product that reflects your business goals and objectives while providing solutions (price, packaging, convenience) for the customer.

Under the old marketing model, we sold what we made or produced. Under the new model, we must sell what the customer wants. The old Marketing Mix looked at the 4Ps of marketing - product, price, place and promotion. Whether you are thinking of setting up, starting or expanding your business or selling any product or service, these four elements should be top-of-mind all the time:

**THE PRODUCT:** Exactly what product or service are you going to sell to this market? Define it in terms of what it does for your customer. How does it help your customer to achieve, avoid or preserve something? You must be clear about the benefit you offer and how the customer's life or work will be improved if he or she buys what you sell.

**THE PRICE:** Exactly how much are you going to charge for your product or service, and on what basis? How are you going to price it to sell at retail? How are you going to price it at wholesale? How are you going to charge for volume discounts? Is your price correct based on your costs and the prices of your competitors?

**THE PLACE:** Where are you going to sell this product at this price? Are you going to sell directly from your own company or through wholesalers, retailers, direct mail, catalogs or the Internet?

**THE PROMOTION:** Promotion includes every aspect of advertising, brochures, packaging, salespeople and sales methodology. How are you going to promote, advertise and sell this product at this price at this location? What will be the process from the first contact with a prospect through to the completed sale?

Everyone who has studied marketing in the last 50 years has been introduced to the 4Ps. It was E. Jerome McCarthy

who originally developed the mnemonic, the 4Ps of marketing, which serves as a neat and memorable classification system of the various elements of marketing. Originally, McCarthy defined the marketing mix as a combination of controllable factors at a marketer's command to satisfy a target market.

Creative marketing with the 4Ps dictates constantly questioning existing situations and looking for ways to enhance your marketing mix - deleting existing products or services, selling them at a different price, offering them in different places or promoting them differently. However, it does not require abandoning your core marketing concepts.



In recent years, there have been attempts to develop a package (mix) that will not only satisfy the needs of the customer, but simultaneously maximize the performance of the organization. This model suggests the expansion of the marketing mix to 5Ps to include People or Personnel. However, this mix does nothing to address the “uncontrollable” factors affecting your marketing.

## *Controllable factors vs. uncontrollable facts can be defined as:*

**CONTROLLABLE:** The 4Ps representing the elements of marketing we can control internally. They depend upon such “givens” as your budget, personnel, creativity, etc.

**UNCONTROLLABLE:** The current economic environment including such elements as consumer confidence, degree of unemployment, new technologies, the threat of displacement, competitors, government regulations or changing consumer preferences.

Many marketing specialists are now seeing the 4Ps as too product-oriented and have adopted the 4Cs marketing mix. This model looks at the marketing from the customer’s point of view.

**PLACE** *becomes* **CONVENIENCE**

**PRICE** *becomes* **COST TO THE USER**

**PROMOTION** *becomes* **COMMUNICATION**

**PRODUCT** *becomes* **CUSTOMER NEEDS AND WANTS**

These C’s reflect a more client-oriented marketing philosophy. They provide useful reminders - for example that you need to bear in mind the convenience of the client when deciding where to offer a service. To apply the 4Cs approach to marketing you must consider the impact of the “uncontrollable” elements on your marketing mix. The 4Cs explicitly require you to think like a customer.