The 7 ‘P’s of Marketing - taking the wider view

Product

As the product is the item being sold to the customer, the thing that will bring in money, its features and design need careful consideration. Whether the firm is manufacturing the product or purchasing the product for resale, they need to determine what product features will appeal to their target market. When an organisation is considering introducing a product into a market, they should ask themselves the following questions:

1. Who is the product aimed at
2. What benefit will customers expect from it
3. What will be its advantage over competitor products? Or its unique selling point?
4. How does the firm plan to Position the product within the market?

The answers to these questions will help a firm design, package and add value to its products. To learn more about product strategies within the marketing mix click on the following link: Marketing Mix and Product strategies

Price

There are lots of different pricing strategies but all most at least cover your costs unless the price is being used to attract customers to the business (loss leader). A product is worth as much as people are prepared to pay for it. The amount your target market are prepared to pay for your product depends on its features and the target market's budget. You will also need to consider Competitor Pricing and factors within your Marketing Environment. Effective pricing involves balancing a range of factors, to find out more, including example of pricing strategies click on the following link: Marketing Mix and Price Strategies

Promotion

A successful product or service means nothing unless the benefit of such a service can be communicated clearly to the target market. Promotion is any activity to raise awareness of a product or to encourage customers to purchase a product. Advertising is a form of promotion but not all promotions are advertisements.
Promotional activities for consumer sales will be different to promotional activities for business to business sales. The following things will influence how a firm chooses to promote its product:

- Promotional campaign purpose
- The budget for the promotional campaign
- Legal rules about what you can promote and how
- The target market for the product
- The marketing environment in which the firm operates

The following link provides further information on place: Marketing Mix and Promotion Strategies

**Place**

The Place element of the marketing place is about where the product is made, where it is stored and how it is transported to the customer. The place for each of these things should ensure that the product gets to the right place at the right time without damage or loss. The ideal place will be:

- Convenient for the customer and the business
- Accessible for the customer if it is the place where the product is sold
- Low cost or free for the customer if it is the place where the product is sold
- Reasonable cost to the business

The following link provides further information on place: Marketing Mix and Place Strategies

**People**

People are an essential ingredient in service provision; recruiting and training the right staff is required to create a competitive advantage. Customers make judgments about service provision and delivery based on the people representing your organisation. This is because people are one of the few elements of the service that customers can see and interact with. The praise received by the volunteers (games makers) for the London 2012 Olympics and Paralympics demonstrates the powerful effect people can create during service delivery.

Staff require appropriate interpersonal skills, aptitude, and service knowledge in order to deliver a quality service. In the UK many organisations apply for the
"Investors in People" Accreditation to demonstrate that they train their staff to prescribed standards and best practices.

Processes

This element of the marketing mix looks at the systems used to deliver the service. Imagine you walk into Burger King and order a Whopper Meal and you get it delivered within 2 minutes. What was the process that allowed you to obtain an efficient service delivery? Banks that send out Credit Cards automatically when their customers old one has expired again require an efficient process to identify expiry dates and renewal. An efficient service that replaces old credit cards will foster consumer loyalty and confidence in the company. All services need to be underpinned by clearly defined and efficient processes. This will avoid confusion and promote a consistent service. In other words processes mean that everybody knows what to do and how to do it.

Physical evidence

Physical evidence is about where the service is being delivered from. It is particularly relevant to retailers operating out of shops. This element of the marketing mix will distinguish a company from its competitors. Physical evidence can be used to charge a premium price for a service and establish a positive experience. For example all hotels provide a bed to sleep on but one of the things affecting the price charged, is the condition of the room (physical evidence) holding the bed. Customers will make judgments about the organisation based on the physical evidence. For example if you walk into a restaurant you expect a clean and friendly environment, if the restaurant is smelly or dirty, customers are likely to walk out. This is before they have even received the service.