How to use: Learn, cover, write and check

Topic 1.4.3 Marketing Mix

Key Vocabulary

Product – the actual specific item produced by the business

Price – what the customer will pay for the product

Promotion – the mix of methods that are used to persuade customers to buy

Place – how and where the product gets to the consumer from the supplier

Customer – person or business that buys the product

Consumer – the end user of the product

Retailer – a business that buys from the manufacturer and sells then onto the customer

Wholesaler – a business that **buys in bulk** from manufactures and sells in smaller quantities to retailers

e-tailer – an online retailer

USP – unique selling point; something that is unique to that product and makes it **stand out against the competition**

Target market – the specific group of customers a business is targeting in terms of gender, income, lifestyle, age

Core Knowledge

Also referred to as the 4Ps. All factors must work together to enable a product to be successful.

- **Product** – this must meet the customer needs and be developed based on market research. A business will need to consider its range, brand and USP. The design, aesthetics and function must all work together
- **Price** – what will be charged. This must be appropriate for the target market, and quality of the product. Usually high quality products have higher prices.
- **Promotion** – the combination of activities that create awareness, boost sales, build a brand and communicate features, including advertising, special offers, publicity and public relations
- **Place** – the methods that are used to get the product from the manufacturer to the consumer, for example through a specialist shop, the internet or a general retailer

Changing customer needs will impact on a marketing mix. For example, an increase in customers wanting plant-based food, will mean that food manufacturers will need to develop new products.

Changes in technology, have impacted on all aspects of the marketing mix: a business can use social media to conduct research to develop products; customers can compare prices more easily; promotion can be digital.

Be aware:



- Place is not the same as location
- Promotion is not just advertising
- Lower priced products do not always sell more; quality is also important

Wider Business World

Apple – price, place, product and promotion all link

Chanel – will not allow Superdrug of cheaper retailers to stock its perfume

RyanAir / EasyJet – their prices are much lower than other airlines. Consider how their product and promotion reflects this

Synoptic Links

Technological influences – the introduction of the internet has affected the place

Customer needs – the product needs to meet these

Market research – will need to be effective for the business to decide on each P

External influences – may affect customer income, affecting the price a business can charge