

MARKETING MIX is about putting the 'Right Product'
in the 'Right Place'
at the 'Right Time'
at the 'Right Price'



inBusiness
www.in-business.org.uk

Marketing Mix 7Ps Example

This article is about '**marketing mix 7Ps example**' and has been written by Russell Bowyer. Marketing Mix has been defined as '[a set of marketing tools that the firm uses to pursue its marketing objectives in the target market](#)', as per Wikipedia.

Marketing Mix has been developed over time, but before it became 7Ps Marketing Mix, the original strategy revolved around the 4Ps. **These were: Product; Price; Place; and Promotion.**

The 4Ps strategy was originally masterminded up by E. Jerome McCarthy in 1960 and were later added to by Booms and Pitner.

The 4P's became the Marketing Mix 7Ps, which are: **Product; Price; Promotion; Place; People; Process; and Physical Evidence.**

Essentially Marketing Mix is about putting the 'Right Product' in the 'Right Place', at the 'Right Time', at the 'Right Price' to attract your target customers.

Whilst cash flow is the life blood of a business, without the correct marketing to your target audience, there wouldn't be any 'cash-flow' in the first place. A business without a steady flow of customers will die. So marketing is like the fuel for your business, the oxygen it breaths.

"The management process responsible for identifying, anticipating and satisfying customer requirements profitably." Marketing definition by The Chartered Institute of Marketing.

The Marketing Mix 4Ps explained in a bit more detail.



P1 - Product

The key to developing a product is to make sure there's a sufficiently large target audience. If there's no one to buy your product, then there's no point in making it. So market research is a must beforehand.

The most successful companies discover what customers want first. And then develop the products to meet the customer needs.

In today's world the first 'P' includes services too, but when the Marketing Mix was first devised, it was targeted at products only.

With product (or service), the company must focus on quality (but this doesn't always mean top quality, it depends on the target audience the product is destined for).

Also look at features and variants of the product or service, customer service to backup your product or service, warranties and guarantees, branding and image.

P2 - Price

A product or service is only worth what someone (which in this case is a customer), is willing to pay for it. However, being the cheapest is not always the way to go. See Marketing Mix 7Ps Example below.

With price you need to be aware of the competition, but this is not simply about the price level of competitors - see Marketing Mix 7Ps Example below. You can out-compete on service to justify a higher price. You can compete on a better service, better value added or simply better value for money.

When you price-up your products or services, you need to build-in a suitable profit within this price. If you're looking at [increasing prices of your products](#), review what number of customers you could lose as a result of the price increase.

Marketing Mix 7Ps Example - Competing on price gives you no where else to go, when your competitors reduce their prices too.

The price of your products or service positions you in the market place in relation to your competitors. So for example, if you price high, like Rolls Royce cars, you are going for expensive, quality and snob value. Customers are happy to pay more, but in exchange for a higher price, they expect a better product or service for their money.

The company image for expensive products, in the example of Rolls Royce, should be consistent, from letterheads right through to the quality of the leather used on the seats.

Whereas with 'value products', as for example supermarket value brands, the packaging is cheap and the product quality is less than perfect. But this 'low-quality' level is acceptable to the customers concerned. They are happy to pay a lower price for this 'low-quality.'

P3 - Place

We've all heard the expression '*being in the right place at the right time.*' Marketing Mix is the same. Your business needs to be where your customers expect it to be. This applies to physical locations as well as an online store or website.

You must advertise or make your product available in the right place. This might be having your shop on the high street, for example, and this is all about location, location, location. It is also important to have the right quantities available, as running out of stock on an order is never good for business.

Customers want convenience and with the Internet, speed is key. Customers want things now and at the cheapest price.

Place can be applied to placing your advert in the right place. Choosing the right advertising medium is key. It needs to be where your customers flock to. The key is finding out where this is.

P4 - Promotion

Promotion is an art. Promotion encompasses a whole range of activities, which includes advertising, PR, testimonials, special offers and discounts, exhibitions, Pay Per Click (PPC), social media, customer service and more.

Good promotion is about communicating the benefits of your products or services and not simply focusing on the features. Ask the questions '*What's in it for me?*' from the customers perspective.

It's highly probable that the first-time experience of customers with companies is via their website. Also, with the ever increasing in the use of mobiles, your website needs to be mobile friendly, as well as clearly laid out.

Always consider looking at other advertising avenues. Are you using all of the social media channels for example? Have you tried traditional print, as this still remains popular.

Headlines and images are key to grabbing customer attention. The advert content must follow on from a great headline. Focus on the benefits of your product or service.

So now that the Marketing Mix 4P's have been outlined, it's time to look at the three extra P's added by Brooms and Pitner.

MARKETING MIX 7Ps



inBusiness
www.in-business.org.uk

Marketing Mix 7Ps Example - three Extra P's

P5 - People

I always advise business owners to think of everyone they come into contact with as a potential customer. So ensure that each time your business comes into contact with **ANY** person, make sure it's always a great experience. This includes suppliers, the maintenance engineer, the passenger in the seat next to you on a flight etc.

People talk to other people. People love to complain, so if they've had a bad experience with your business, be it as a customer or not, they'll more than likely tell someone about it.

Choosing the right people also applies to your staff. Make sure your staff, especially those who are in direct contact with customers, leave a good impression with customers. But please re-read the above paragraph, as even staff who do not interact

with customers, must be aware of what effect they can have on anyone they make contact with.

In the age of social media this is especially true. Previously, a customer would share a bad experience with 7-10 people (much more than a great experience). However, with social media, if a bad experience is shared, this could be shared with hundreds, if not thousands of people.

Having great people in your business will ensure a great customer experience and will lead to referrals and testimonials.

P6 - Process

The process is the complete buying experience. From the first point of contact, usually the website, through to delivery of the product or service. However, the process doesn't stop there, as there's the after sales service, and fostering good relations with customers after they've purchased.

One of the keys to a good buying process is speed. This is especially true when it comes to delivery of products ordered on the Internet. Keeping customers informed along the way is a great way to improve on customer experience. I ordered an item off the Internet recently, and on the day of delivery I received a text to say they'd be with me in 15 minutes. Their delivery vehicle obviously had a tracking device, which is linked back to a central system. I was impressed.

If part of your buying process is via the telephone, make sure that this experience is a good one. Make sure the phone is answered promptly. Don't leave customers on hold and if you can avoid it, don't use automated phone systems. If you do, make sure you test it out, as if you were a customer. Is it easy to use, and what are the wait times?

Your business processes should be designed with the customer in mind, and not around your convenience.

P7 - Physical Evidence

Physical Evidence is also about the customer experience. When a customer first engages with a company for the first time, they are not familiar with the products or services. You need to provide customers with physical evidence that inspires confidence.

This could be as straight forward as a good clean website which has customer testimonials. Having a contact us page is important too, so that customers are able to make physical contact. If customers visit a physical location, a shop, a restaurant, an office etc., first impressions count.

Where appropriate offer the ability to speak with your customers. This will give the necessary reassurances about the company.

Review your services and products on a regular basis and obtain feedback. Consider doing a client advisory board too, as this will provide invaluable information on your company and its products and services.

Marketing Mix 7Ps Example...



I thought an live example of the Marketing Mix 7Ps would help to clarify this article.

The business is a care business (one that I previously part-owned and was MD), caring for the elderly in their own homes. The strategy was to grow the business from a position of £300,000 turnover and a break-even point to one of profitability. When I sold my shares back to the two brothers, the turnover had increased to over £1.1 million, with a profit in excess of £100,000.

P1 - Product - In this case a service of live in care

In this example the product is a service. The elderly care market is extremely competitive with many players vying for the business. The target market is huge and growing. The focus was on providing excellent care under the supervision of qualified nursing staff. In this case the target market was not actually the ultimate client.

The target audience for this business were the children of the client. Although I say children, most of them were in their mid to late 50's, with parents in their late 70's to 80's and 90's.

P2 - Price - Not the cheapest price on the market

It was decided not to be the cheapest. Instead it was agreed to provide a top-level service. The focus was on the marketing material. Key to winning the business was the client interview.

As already noted the audience wasn't actually the client, it was the children. So at the interview the company had to impress the children.

The MOTO was - *'To provide the level of care that we would want to see our parents receive.'*

This was borne out in the client questionnaire. This initial meeting with the client went into huge detail, from what time their parent(s) liked to wake up, to what they liked for breakfast and dinner and what medication they were on. Many times the price quoted was upwards of 50-100% higher than the competition, but such confidence was gained via this initial interview, the customer went for our company, with an 80% conversion rate.

P3 - Place - Visiting the clients home made the difference

In this example, the 'place' was the client's home. We made sure we visited the customer in their own home. Meeting the client, together with the children in the clients home was an important part of the information gathering. This would form a part of the initial questionnaire.

Making the effort to go to the right 'Place' made sure the business was won.

P4 - Promotion - Identifying the correct target audience was key

We identified that our target audience was not the client, but instead a relative to the client. We had to adjust our advertising placements to this audience. One example was Saga, which is the organisation for the over 50's, which was the age of the children of the elderly parent.

The marketing material, which included the adverts, the brochures etc. had to be geared towards the relative. The wording in any material (be it adverts or brochures) was directed at the relative. This material would use phrases like, *'your mother's care'* for example.

P5 - People - Having great carers was the key to great testimonials

The most important people in this business were the carers. We received so many recommendations and testimonials from happy customers as a result of the fantastic care given and the great carers we employed.

Of course the office and support staff were important too, which included employing a qualified nurse. Having a nurse provided a depth of knowledge to the business and gave clients extra confidence in the service the business provided.

P6 - Process - Bespoke software system

The business spent time on improving the various processes. This included a modern and up to date website, a good phone system and quality systems. Everyone and anyone would answer the telephone when it rang, making sure that it didn't ring more than 2-3 times before answering.

Each client would have a main carer, together with a secondary carer when the primary carer was on a break. This provided for consistent care and the client had familiarity.

Investing in a good bespoke software system was a key step to improving the business. This helped in the coordination of clients versus carers, to make sure of smooth running processes.

Regular contact with the client and the relatives was made to keep everyone information of what was happening.

P7 - Physical Evidence - good client brochures provided the initial confidence

Physical evidence was provided by having a good brochure initially, which was sent out with every inquiry.

Most clients didn't visit the offices, although when this did happen, clients were always made to feel very welcome and in lovely surroundings.

This Marketing Mix 7Ps Example I hope will have provided a live case study to clarify the 7 P's.

Grow your business using Marketing Mix 7Ps...

Focusing on the Marketing Mix of 7Ps will help you to grow your business. It will provide a solid foundation on which to build for the future.