M.COM PART-1

PAPER-VII

Prof.(Dr.)Reyazuddin

Chief Coordinator of Commerce & Management,

Nalanda Open University, Patna

Marketing Mix

The term "**marketing mix**" was coined in 1953 by Neil Borden. A prominent marketer, E. Jerome McCarthy, proposed a ***Four P*** classification in 1960, which has seen wide use.

Elements of the marketing mix are often referred to as the "*Four P's*".All these mixes help a marketer in making critical decisions before and after the launch of a product.

1. Product - It is a tangible object or an intangible service that is mass produced or manufactured on a large scale with a specific volume of units. Intangible products are service based like the tourism industry , hotel industry, etc.

2. Price – The price is the amount a customer pays for the product. The business may increase or decrease the price of product if other stores have the same product.

3. Place – Place represents the location where a product can be purchased. It is often referred to as the distribution channel. It can include any physical store as well as virtual stores on the Internet.

4. Promotion represents all of the communications that a marketer may use in the marketplace. Promotion has four distinct elements: advertising, public relations, personal selling and sales promotion.

EXTENDED MARKETING MIX (3Ps)

More recently, three more Ps have been added to the marketing mix namely People, Process and Physical Evidence. This M. Mix is exclusively used in service sector.

- **People:** All people involved with consumption of a service are important. For example workers, management, consumers etc. It also defines the market segmentation, mainly demographic segmentation. It addresses particular class of people for whom the product or service is made available.
- **Process:** Procedure, mechanism and flow of activities by which services are used. Also the 'Procedure' how the product will reach the end user.
- **Physical Evidence:** The marketing strategy should include effectively communicating their satisfaction to potential customers.

Factors affecting M. Mix

- **Finance:** The business should consider how much money is to be spent on marketing.
- **Needs of the market:** The business should continue to carry out market research as the business grows, as the needs of customers change over time.
- **Competitors:** The marketing mix can be used as a response the actions of actions of competitors in the market. This may include introducing a rival product or matching new prices.
- **Technology:** The business may change where goods are bought and sold, according to changes in technology. An example of this is the major source of business, the Internet.

MarketingMyopia

The marketing myopia theory was originally proposed by Theodore Levitt. The theory states that marketers should look towards the market and modify the company and products accordingly rather than looking towards your own company, its potential and then catering the market. The needs of the market should receive first priority.

Implications of the Marketing Myopia theory - Marketing myopia can be used by marketers as well as advertisers to determine whether or not they are catering the right market. Should they adapt their products to cater a larger market? What kind of advertising strategies should they use? How can they bring about synchronization between the production capabilities of companies and the demand in the market?