

COMPONENTS OF MARKETING STRATEGY: AN OVERVIEW

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ABSTRACT

Before launching a new product, an organization must make four choices in its marketing mix. An organization needs to select an appropriate strategy for these four distinct aspects: promotion, price, location, and product. These factors will assist the firm settle on essential choices that will give them an upper hand. Neil H. Borden published "The Concept of Marketing Mix." A great deal of information has been collected from optional sources, similar to diaries, books, and old examination papers. After reading this article, you will have a better understanding of how the relationships between the various parts of the marketing mix are crucial to gaining a market advantage.

Keywords: Marketing Mix, Product, Price, Positioning, Promotion, Competitive Advantage.

Introduction

Several focus areas are included in a marketing mix as part of an all-encompassing marketing strategy. The next stage after identifying the market and gathering the necessary data is marketing programming, which involves choosing the tools and approach to address the demands of consumers and the obstacles faced by rivals. It provides the best possible mix of all marketing components to help businesses achieve objectives like profit, sales volume, market share, etc. Four components make up the marketing mix: product, pricing, place, and promotion.

Objects of the Study

- To study different components of marketing mix and their interrelationships.
- To study impact of marketing mix on product's market performance.
- To study different life stages of product from inception to end.
- To study appropriate marketing mix as competitive advantage.

Literature Review

The marketing mix refers to the appropriate combination of different variables that company uses to gain edge in competitive market. It directly target towards product's consumers. The marketing mix parts are the fundamental, tactical components of a marketing strategy. **Borden, N. H. (1964).** Borden was the first to introduce the idea of a "marketing mix" that includes certain factors and variables that companies use to influence consumer purchasing patterns. His work laid the foundation for the modern 4Ps framework.

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McCarthy (1960) was the first to propose the four P's (price, promotion, product, and place of distribution) as the essential components of a marketing strategy, serving as a way to implement marketing planning in real-world scenarios.

According to Cengiz &Yayla (2007) and Wolfe & Crotts (2011), citing some studies. Cooperatives can better address the requirements of their members and extend their sales in nonmember markets by utilising the marketing mix.

Ulrich, K. T., & Eppinger, S. D. (2016) explores how product design and branding contribute to differentiation in the marketplace.

Levitt, T. (1965) Discusses the different stages of a product's life cycle and how marketing strategies should adapt at each stage to maintain competitive advantage.

Kotler, P., & Keller, K. L. (2012) This book provides insights into how firms can leverage the 4Ps strategically to gain a competitive advantage by creating customer value and differentiation.

Research Methodology

The research method used for conducting this research is primarily based on secondary sources. Extensive secondary sources such as different companies market trends reports, comparison between product lines are available for further research that is used in current study of market components and marketing mix.

Marketing decisions are categorized in Table No.1 below:

Table 1: Elements of 4 Ps

Product	Price	Promotion	Place
Design	Retail	Strategies	Special offers
Technology	Whole sale Internet	Skimming	Endorsement
Usefulness	Direct sales	Penetration	Advertising
Value Convenience	Peer-peer	Psychological	Product Placement
Quality Packaging	Multichannel	Cost-plus	Telephonic reach
Branding		Loss leader	Banners
Warranties			Storage & Godowns Transportation

Table 1, explains "marketing mix" that was 1st introduced by Neil H .Borden. This is the blend of the market and competitor's information that include whole marketing element for eg. Price, place, promotion, place etc.



Figure 1: The Marketing Mix Cycle Current Trend

In the market, a variety of factors are constantly at play when it comes to building solid client relationships. Strong customer relationships and importance of client interactions are the focus of organizations these days. A paradigm exists that proposes many levels of interrelationships among the marketing mix variables.

Product

It refers to product or service made to meet the requirements and desires of customers. Finding the unique selling point of a product or service might help you promote it more successfully than your competition. It includes material possessions like clothing, furniture, and groceries, among others.

Product Life Cycle

A product's life is divided into various phases using the product's information from beginning to end. It comprises of four stages the introduction stage, growth stage, maturity and decline stage. A product expands its consumer base from the moment it hits the market. The product matures and the market steadily stabilizes, after that, it starts to decline, as the figure illustrates.



Price

The price of a product refers to the amount buyers are willing to pay for a certain product that gives them desired level of satisfaction. The product's price is determined by several factors. As a result, the pricing should be dynamic to accommodate these variations. Before making any kind of price

Adjustment in the market, it is important to determine the product's cost, the marketing plan, and the costs associated with distribution and advertising.

Promotion

Promotion refers to showing best features of product as compared to competitor's product. It includes activities like advertisement, campaign by celebrities, using banners and pamphlets, publicity, giving free trials and giving discounts to customers. It is most important element in marketing mix as it increase reach of product to the target consumers. We have some successful promotional case studies of product that highlights importance of promotional activities in marketing mix.

For eg.- BournVita's promotional strategy of including sports person .

Place

Place is the consideration of where the product should be available in brick-and-mortars for display. It should be easily accessible by target consumers.

Marketing Mix of the 4ps For Competitive Advantage: A Challenge

The marketing mix refers to the mixture of four elements, i.e., product, place, promotion and price. An appropriate marketing mix have potential of gaining competitive advantage but it has certain challenges too, it is the duty of marketing manager to consider these Factors while deciding marketing elements in his mix.

Theoretical Approach

Under theoretical approach emphasis is given on concepts rather than practical experimentation of marketing mix. It cannot replace an individual's strategy because it does not specify the amount of

attention that should be given to product planning along with price, or the amount of physical distribution and promotional effort that would yield the best results.

Lack of Uniformity

Regarding the makeup of the marketing mix's factors, there is no consensus. Different companies follow different combination of marketing mix components for eg. Company A give high weightage to price over other components, on the other hand company B gives weightage to promotion over other components. It has caused misunderstandings and made it harder to comprehend the four elements of components.

Changing Environment

It is showcasing blend of dynamic and adaptable idea. In this manner, it changes with the progressions in the requirements and inclinations of the clients and market influences like contests, government strategies, and promoting circumstances.

Strategies for the Marketing Mix of 4Ps for Competitive Advantage

The 4 Ps marketing mix is a fabrication that can only be executed by marketing managers. The most effective way for any business to get a competitive edge is through the marketing mix.

Product Mix

Every marketing activity begins with a product or service. A product is a conglomeration of several characteristics. It includes both non-physical elements like value and quality as well as physical elements like color, design, features, and performance. Product planning entails making a number of definite decisions in order to launch the product. In order to attract attention and sway a customer's choice to buy a product, decisions are made about its design.

Price Mix

A product's pricing is determined by a number of factors, such as the cost of materials, product differentiation, market share, competition, and the customer's perception of the product's worth. The following are the price-related decisions:

- Pricing strategies are crucial choices for a business because there is a chance to set the product's price competitively. Here, a marketer chooses a competitive price approach in an effort to compete on the basis of better distribution, attractive ads, and a number of other considerations.
- Skimming involves putting the product's price relatively high compared to comparable goods and then lowering it gradually. By increasing sales income, the skimming method enables the company to rapidly recover its expenses.
- Penetration pricing is setting the product's price relatively cheap in relation to similar items in the hopes that it would attract a large market, which will enable the business to increase the product's price.

Penetration Pricing vs. Skimming Pricing

Characteristics		Penetration Pricing Strategy	Skimming Pricing Strategy
Definition		A valuing system where a low cost is set at first to draw in client and steadily increments Over the long run.	A pricing strategy where a high price is set initially and gradually reduced over time.
Purpose		To acquire a portion of the overall industry and draw in a Huge client base rapidly.	To recover costs and maximize profits from early adopters.
Product Cycle	Life	Reasonable for new items or Markets.	Suitable for mature products or Markets.
Customer Segment		Cost-delicate clients who are drawn in by low costs.	Early adopters and premium Customers who are willing to pay a premium price.
Competition		Low contest because of low Costs.	High Prices. competition due to high

Place

The location is typically mentioned as the channel of propagation. Any physical store or online store might serve as a location. Actual distribution is the process used to get goods from the manufacturer to the consumer. The following are the options related to the spot:

- Retailers will have a much more grounded relationship with the clients and provide them choices from various brands. This will prompt the customer to be presented with numerous items.
- Wholesalers frequently cut down on the cost of an item in contrast with retail dealers. Subsequently, the clients are for the most part fulfilled to purchase the item from them. Wholesalers print their leaflets to advance the deals of makers. Yet, they ought to be given some commission on the absolute deal income.
- Direct deals in any showcasing are embraced without a merchant or middle person. As far as advancement, it implies that the showcasing organization has a direct correspondence with the client.

Promotion Mix

The goal of promotional efforts is to inform and persuade the target market to buy the company's products. The company chooses the product to satisfy the specific requirements of the target segment. The product is made available through the appropriate dispersion channel, and the company welcomes intriguing advancement. These advancement-related decisions are related to the following:

- Extraordinary offers resemble getting one and getting one for nothing, or perhaps coupons, limits, free frills (like free cutting edges with another razor), initial offers (like purchasing an LCD and getting a free set-top box, etc.
- Support is significant for advancement since buyers follow their good examples and big names, and subsequently, support has an impact on their mentality.

Criticism of Marketing Mix

The 4Ps delineate four separate, clearly defined, and independent management processes. Although many physical businesses consistently strive to manage the 4Ps in a cohesive manner, the creation and especially the execution of the marketing mix policies largely remain the responsibility of various units and individuals inside the organization. More importantly, customers generally perceive the distinct impacts of each of the 4Ps at different times, locations, and circumstances, even when some companies make significant efforts to fully harmonize their marketing activities internally (Constantinides, 2002; Wang, Wang and Yao, 2005). Nevertheless, research conducted by Rafiq and Ahmed (1995) indicated a significant level of dissatisfaction with the 4Ps framework. Overall, these findings lend considerable support to the idea that Booms and Bitner's (1981) 7P framework should supplant McCarthy's 4Ps framework as the standard marketing mix. The development of the marketing mix has garnered substantial attention from both academics and industry professionals. Various alterations to the 4Ps framework have been proposed, with the most significant critiques arising from the field of services marketing (Rafiq and Ahmed, 1995).

Conclusion

This report is an overview of the past, present, and future marketing mix of the 4Ps for competitive advantage. It considers a wide view of the marketing mix of the 4Ps, as the biggest challenge faced by marketing professionals in today's world to design an optimum marketing mix that takes care of both customer satisfaction and organizational goals. All marketing mix elements need careful alteration and minutes study with complete concentration. Promotional tools depend upon the type of product, the price that will be charged for the product, and the procedure through which it will reach the customer. Furthermore, while deciding the product's price, the important things to consider are the product's manufacturing cost, the promotion cost, and the amount incurred on distribution channels.

The marketing manager should be an expert in deciding marketing mix strategy by the 4 Ps, as marketing mix has a very important role in attaining a competitive advantage for the organization. The marketing managers should meet the demand from different markets and also match the competition in the market by delivering satisfaction to the customer. This is only possible with an accurate blend of all the 4Ps of the marketing mix, as it helps in achieving organizational goals.

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