

Dr. Kent Wolfe, Assistant Extension Specialist

The marketing mix or marketing tactics can be thought of as the specific methods used to implement a marketing strategy. Specifically, the marketing mix provides a means of describing the actions required to fully implement the strategy. The components of the marketing mix can normally be segmented into four categories which are generally thought of as the four “Ps” of marketing:

- **Product**
- **Price**
- **Promotion**
- **Place**

**Product** - refers to the actual physical product being introduced into the marketplace. The “product” can be thought of as the summation of the individual product’s physical and perceived attributes which would include packaging. The product needs to have desirable characteristics, appropriate packaging and a perceived image consistent with demands of the targeted market. For example, if a business decides to employ a new product development marketing strategy, the product component of the marketing mix should depict the type of product i.e., the quality of product, a branded product or even unique product packaging.

Packaging is a significant aspect of the product component. According to Larry Davenport with the International Jelly & Preserve Association, product packaging is essential to a product’s success because ninety percent of niche product purchases are based on product presentation. By limiting labeling, packaging and container size, you maybe excluding different segments of the population. For example, if you are currently producing a product for the East Tennessee Tourist market, you may want to position your product, through labeling and packaging, as a down-home, Appalachian hand- crafted product. However, this image may not be consistent with upscale retail outlets. By creating a secondary package and label that projects a more upscale image, the producer can market their product through both channels.

**Price** - Determining a product’s price is a critical marketing tactic. A product’s price has to be high enough to cover the total cost of producing the product yet not too high so that it discourages potential customers from purchasing the product. Also pricing can help position a product. For example, a high priced gourmet food may suggest a quality product. There are numerous methods of determining a product price. The following are two commonly used price determination methods:

- **Mark-Up Percentage Pricing** refers to the percent of total cost that is equal to profit. Mark-up percentage pricing allows the producer or retailer to specify a desired profit percentage they would like to obtain and then price their products accordingly. For example, if a profit equal to 30% of a product’s cost is desired, the total cost of getting the product to market would first need to be determined and then multiplied by 30%. The calculated figure is then added back to the product’s total cost. Thus, the product’s price would be set to ensure a 30% profit per unit sold.

- **Gross Margin Percent Pricing** is the percent of the selling price that is profit. Gross margin percentage pricing allows a certain profit margin (difference between selling price and total cost) to be specified.

**Promotion** - is a term used to describe the advertising, promotion, publicity and selling of a product or service. Promotion can be broken down into two distinct categories, 1) face-to-face selling and 2) advertising, promotion and publicity. Face-to-face selling involves a salesperson whether they are an employee or contract agent working on behalf of the business. This salesperson makes sales calls and promotes the product to potential customers.

Advertising, promotion and publicity are different methods of trying to convince consumers to purchase a product. Advertising, promotion and publicity are three distinctly different communication strategies that are frequently used together to increase sales. The goal of each of the three strategies is to influence purchasing decisions. It is important to remember, that advertising, promotion and publicity alone cannot generate significant demand for a product if consumers do not like the product or if it does not meet a specific need.

**Place** - refers to a general concept describing how the product will get to consumers. The place component of the marketing mix includes all of the targeted market outlets and distribution tactics needed to deliver the product for sale to consumers. The following are examples of “places” where a business might plan to sell its products:

- Direct marketing to customers (i.e., mail order or the Internet)
- Selling to retailers
- Wholesalers

The place tactic also needs to include how the product will be physically distributed and should address issues relating to what distribution services are needed, how the services should be provided and what resources are needed to distribute the product.

There are numerous marketing tactics that can be used to “pitch” products to consumers. However, there is no single formula for success or “silver bullet” marketing tactic which will guarantee success. Instead, developing a successful marketing strategy and implementing effective marketing tactics is more like an art than a science in that it is a creative process rather than an exact formula that should be followed in all situations.<sup>1</sup>

It is important to understand that marketing tactics that work for one business might not work for another. The demographics and psycho graphic composition of cities, counties, states and countries vary significantly. For example, at the 1999 Tennessee Fruit and Vegetable Growers Association Meeting, several different agri-entertainment business owners described their marketing tactics. One business owner indicated that they had great success advertising their business on a local Christian radio station. Another business owner indicated that the advertisement they aired on one of their local Christian radio stations was ineffective. These two businesses offered similar products and services and advertised on similar radio program formats, but were located in different geographic regions of the state. Thus reiterating the statement that what works for one business may not work for another.

It is important to understand that the ultimate function of developing a marketing mix is to sell more product. Because developing an effective and successful marketing mix is more like an art than a science, it takes experimentation and follow-up evaluation to determine the most effective method of marketing a product to consumers.

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<sup>1</sup>Creating a Marketing Plan; E.A. Estes and C.W. Coale, Jr., 1995 North American Farmers’ Direct Marketing Conference, Knoxville, TN