

College Business
Lesson: 4/9/2020

Learning Target: Explain the nature of marketing and understand the 4 P's of Marketing.

Let's Get Started:
Watch Video: [4 P's of Marketing](#)

Vocabulary for this Lesson

ADVERTISING: Any paid form of nonpersonal presentation of ideas, goods, or services

FEATURE: A fact about or characteristic of a product

PERSONAL SELLING: The form of promotion that determines client needs and wants and responds through planned, personalized communication that influences purchase decisions and enhances future business opportunities

PLANNING: The management function of deciding what will be done and how it will be accomplished

Vocabulary for this Lesson

PRICING: A marketing function that involves determining and adjusting prices to maximize return and meet customers' perceptions of value

PRODUCT: Marketing element referring to what goods, services, or ideas a business will offer its customers

PUBLICITY: Any nonpersonal presentation of ideas, goods, or services that is not paid for by the company or individual that benefits from or is harmed by it

SALES PROMOTION: Promotional activities other than advertising, personal selling, and publicity that stimulate customer purchases

Marketing strategy is developed by addressing the four marketing mix elements, AKA the FOUR P's: **Product, Price, Place, Promotion.**

Product: The goal here is to make a product or provide a service that satisfies the needs or wants of the targeted customer. After researching who potential customers are and what they expect, marketers share what they've learned with others in the company. Staff in product development or operations would need to design and create the product, if it's new, while those in finance would determine whether it's a wise financial decision to offer the product. If so, marketers take the new product, or prototype, for a test drive to find out whether what has been created meets the needs of customers or whether changes still need to be made before the product is mass produced. In this way, marketers ensure that the company offers the products that customers want. Some companies buy goods from manufacturers to resell to customers. Marketers at these retail or wholesale stores need to make sure that they have the latest colors, styles, models, etc., in the right amounts to satisfy customer demand.

Price: The goal here is to determine how much to charge for the product or service. This is not a simple process as marketers must consider the customers' perception of value, as well as the business's objectives. For most companies, making a profit is the number one goal. The challenge for marketers is identifying an exchange price that buyers and sellers both see as giving them the best value. In other words, products must be priced low enough for customers to want and/or to buy them, yet high enough that sellers can make a profit.

Place: The objective here is getting products where they need to be and in the right condition. Also services need to be offered where customers can use them. What point would there be in finding out what customers want, developing products or services customers want, determining how much to charge, and communicating with customers if the customers don't have access to the products that they want to buy? Therefore, putting the product in the customer's hands is foremost in the marketer's mind. Marketers determine where customers are most likely to purchase the products/services that they want and then make sure that their products/services are available in those locations—whether online or off.

Promotion: This element addresses communicating with customers. To capture their customers' attention and generate demand for their goods and services, marketers conduct several activities, including advertising, personal selling, publicity, and sales promotion. Each activity involves contact with the customer, whether in person or not. You're exposed to advertising whenever you watch a television commercial, click on an Internet ad, or read a billboard. When you are asked to buy Girl Scout cookies, you're the target of personal selling. If you've ever participated in a charity event sponsored by a local business or in a contest to win free concert tickets, you've seen publicity and sales promotion in action. Outdoor advertisements can capture attention by adding creative, realistic, or interactive elements. All 4 of these elements (the 4 P's) MUST be addressed whenever any product or service is presented.

Here is an example of PROM as an event to consume:

Product - Social event for entertainment, **Price** - the cost of admission plus anything bought to attend such as a dress, tux, limo. **Place** - Where the dance occurs. **Promotion** - School announcements, school calendar, word of mouth, and social media. If any of these 4 are not addressed, prom will not happen!

ACTIVITY #4

1 - Reflect upon the example of prom and the presence of the 4 P's in making it happen. Use that as an example to help you answer the following two problems.

2 - In your Journal, pick any tangible product(something you can touch, hold, smell), and list how the 4 P's are addressed to make the product available to meet a customer's wants/needs.

3 - In another paragraph, pick any service or event, and list how the 4 P's are addressed to make the product available to meet a customer's wants/needs.