

The Marketing Mix: Perspectives, Operational Uses and Management

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Introduction

The concept of marketing mix has arguably attracted more divergent views from authors in marketing literature than any other marketing concepts.

The degree of diversity of perspectives adopted by several authors on the concept of marketing mix has almost assumed an equal dimension vis-a-vis the plethora of definitions of marketing in the marketing literature.

Attempts will therefore be made in this paper to briefly examine the original contributions to knowledge as regards the study of marketing mix. Furthermore, the paper will also attempt to identify the gaps in the existing body of knowledge on marketing mix in pursuance of the operational uses of marketing mix to business organisations. In addition, the actual management of marketing mix shall be taken into cognisance in this regard.

What Exactly is Marketing Mix?

Borden (1864) conceives the idea of a "mix" of marketing functions as a schematic plan to guide analysis of marketing problems through utilisation of.

- (a) A list of the important forces emanating from the market which bear upon the marketing operations of an enterprise.
- (b) A list of the elements (procedures and policies) of marketing programmes.

In the opinion of Borden, the marketing mix refers to the apportionment of efforts, the combination, the designing, the integration of the elements of marketing into a programme or "mix" which on the basis of an appraisal of the market forces, will best achieve the objectives of an enterprise at a given time.

Historically, Borden credits the idea of marketing mix to an earlier article by Culliton (1948) who, in a report on marketing costs, describes the marketer as a mixer of ingredients. Borden therefore suggests that what the mixer of ingredients designed could best be described as the marketing mix. Nylen (1990) contends that marketing mix is the programme of marketing ingredients designed for a particular product or service in response to the marketing forces that bear on it.

Perspectives on Ingredients of the Marketing Mix

A review of the available literature on the components of marketing mix shows that there is a wide diversity among marketers on what elements constitute the marketing mix.

Several checklists as well as guides containing different elements of the marketing mix have been proposed since the concept first came into existence. These checklists, as Borden indicates, can be long or short depending on how far one wishes to go in the classification and sub-classification of the marketing procedures and policies with which marketing managements deal when designing marketing programmes (Baker, 1992)

A brief review of the literature suggests that there are several classifications of the marketing mix elements. The classifications range from the narrow one (the two-way classification) to the broadest type (the twelve-way classification).

Frey (1961) uses two dimensions namely, the offering (Product, package etc.) and the tools (e.g. advertising and personal selling etc.).

Nylen holds the view that the marketing mix concept has two components. The first is the ingredients or elements that make up the marketing programme for the product. These are termed controllable variables (e.g. product planning, pricing, branding, personal selling and so forth). The second components consist of the market forces that make up the environment in which the product is marketed. These are uncontrollable variables (e.g. consumer buying behaviour, the trade's behaviour etc.). The marketing manager's job is to find a combination of controllable variables, a marketing mix, that will respond to the uncontrollable variables, or environmental forces.

Lazer, Culley and Staudt (1973) and Lazer and Kelley (1975) make use of a three-way classification as follows:

1. The product and service mix, which includes many factors such as the number of product lines, as well as the product planning, product development, size, colour, price, packaging warranties and guarantees and so forth.
2. The distribution mix, which comprises two components, the channels of distribution, and the activities of physical distribution.
3. The communication mix, which pertains to the strategic combination of advertising, personal selling, sales promotion and other promotional tools used in communication with the marketplace.

McCarthy (1978), Stanton (1981), Schewe and Smith (1983), Assael

(1985), Kotler (1988), Lancaster and Massingham (1988), Lewis (1988), Kinsey (1988), Watson (1988) and Lovelock and Weinberg (1989) among others, use a four-fold classification, namely, product, price, place and promotion. Indeed, many marketing textwriters make use of an alliterative term known as 4-Ps comprising these major elements (product, price, place and promotion). Each of the 4-Ps represents a classification made up of additional marketing mix variables.

Handscombe (1989) uses an eight-way classification, the principal elements are product package, place/physical distribution, promotion, price, paternalistic finance, partnership and politics.

Borden (1975) highlights the important elements or ingredient that make up marketing programmes.

The princincipal elements are:

1. Merchandising - Product Planning
2. Pricing
3. Branding
4. Channels of Distribution
5. Personal Selling
6. Advertising
7. Promotions
8. Packaging
9. Display
10. Servicing
11. Physical Handling: Warehousing-Transport-Stock policy
12. Fact-finding and Analysis.

As regards the marketing forces bearing upon the marketing mix, Borden groups them into four categories namely, consumer attitudes and habits, trade attitudes and methods, competition and government control. These forces must be taken into consideration by the marketer in taking a decision on the appropriate blending of marketing mix elements. It is therefore obvious that Borden's classification of the marketing mix elements is indeed the broadest one.

Against this background, it can be argued that there is no widely accepted list of marketing mix components that can be used by marketing practitioners.

Operational Uses of Marketing Mix to Marketers

The concept of marketing mix is central to marketing because it represents major output of marketing managers-marketing programmes for product and services.

One vital aspect of the operational uses of marketing mix is the selection of right mix. In selecting the right mix, the marketer must realise that there are environments in which the mix elements should be adapted to the particular needs of the market place. For a cosmetic producer, advertising and packaging might be so important that they deserve classification as separate marketing activities, while the reverse may be the case with storage as it may be considered quite unimportant, hence it may not deserve separate classification. Every marketer should set up his own classification of marketing activities, emphasising those ones that are important to the operation's success and de-emphasising others (Baker 1992).

Majaro (1882) identifies three of the factors which can help the marketer to make decision as to whether a specific ingredient should be separately classified in the mix. Essentially these factors are listed below:

1. The level of expenditure spent on a given ingredient. Every ingredient involving a significant expenditure would normally earn its separate identity.
2. The perceived level of elasticity and consumer responsiveness. Where a marketer knows that a change in the level of expenditure of a given ingredient will affect results, it must be treated as a separate tool in the mix.
3. Allocation of responsibilities. A well-defined and well-structured marketing mix reflects a clear-cut allocation of responsibilities. Thus, where a firm requires the services of a specialist to help to develop or design new packaging as in the case of cosmetics firms, it is perfectly proper to say that packaging is an important part of the mix and deserves a separate existence therein.

So while the ingredients of the mix described above are valid in most situations, the mix elements and their relative importance may differ from one organisation to another, and quite often during the life of the product itself.

Furthermore, the marketing mix must take full cognisance of the major environmental dimensions that prevail in the market-place. The search of business in any instances is to find a mix that will prove profitable. To this end, the various ingredients must be combined in a logically integrated programme to conform to market forces bearing on the individual product (Baker 1992).

It has been suggested by some authors that much quantitative approaches can be adopted to design the optimum marketing mix for a particular firm at a given point in time. Such analysis is aimed at using the estimate of pay-offs from specific combinations to arrive at an optimum mix (Cannon 1992)

Managing the Marketing Mix.

The design and management of the marketing mix hinge on the firm's own perception of its strengths and weakness when compared with the threats and opportunities in the markets and environments in which it is to compete with other firms.

Two key decisions are central to marketing management, these are selection of target market which determines where the firm will compete and the design of the marketing mix which will determine its success in these markets.

Where a firm is practising undifferentiated or concentrated marketing it will have only a single marketing mix but, where it is practising differentiated marketing, it will have several mixes irrespective of whether it has one or several mixes, the objective is the same, that is to say, to develop and maintain a sustainable differential advantage (Baker 1992).

Marketing managers or product managers must realise that the application of marketing mix requires commercial creativity and judgement. In practise, the marketing managers or product managers may need to consider the following checklist of questions:

1. What marketing mix was used in the past? What degrees of success was achieved?
2. How successful is the recent marketing mix likely to be under market conditions anticipated for both new and existing products?
3. What would likely happen if nothing were changed?
4. How much would be required to change buyers behaviour significantly?
5. What are the new creative options that must be evaluated and tested before making major changes in the mix of the expenditure?
6. What changes would competitors find most difficult to emulate?
7. What components of the competitors' marketing mix are most difficult to match?
8. What changes are consumers really looking for and why?
9. What risks are closely linked with planned changes in the marketing mix?
10. Who in the organisation possesses the technical know-how- to contribute to the analysis and decisions required?
11. How can such people be best involved?
12. What are the ways by which impact of changes can be measured and monitored?
13. What marketing mix will best make for stimulation of profit and cost-effective improvements in the productivity of the sales force? The foregoing analysis coupled with subsequent decisions are

considered quite central to the development and implementation of a competitive and profitable marketing plan.

The actual management of marketing mix should be carried out in a business organisation by ensuring that it matches the needs of the intended target market and the life cycle of the product itself. For example, when a product is passing through the stage of introduction in its life-cycle, the marketer can increase the expenditure on promotional activity like advertising as well as charging a high price per unit of the product, the rationale behind this strategy is to make potential buyers aware of the existence of the product in the market and recover as much gross profit per unit as possible.

Conclusions

There is no gain saying the fact that marketing mix is more than a descriptive term, it is also a concept that provides criteria to guide many important decisions necessary for designing marketing programmes.

In the marketing literature, there is no single or definitive statement of the mix elements but a whole spectrum which reflects the diversity of perspectives adopted by different writers.

The marketer must select the elements which are most important to the product-market situation with which he is essentially concerned.

Lastly, the actual management of marketing mix must be carried out in a way that matches the needs of the target markets

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