

four principles of the marketing mix



characteristics

author:	McCarthy, Jerome E.
country:	United States
period:	1960
type:	model
role:	consultant and manager
activity:	analyse and design
topic:	marketing & sales and communication
abstr. level:	environment
perspective:	rational
status:	final
module:	classics I
comments:	4

description:

In the early 1950s, Neil Borden redefined the position of the marketing manager by introducing "marketing mix" as an integrated set of marketing "tactics" to realise organisational objectives and create a closer, higher value relationship with customers. In the late 1950s, Jerome McCarthy condensed the number of variables in a marketing mix into four principal categories:

1. *product*: select the tangible and intangible benefits of the product;
2. *price*: determine an appropriate product pricing structure;
3. *promotion*: create awareness of the product among the target audience;
4. *place*: make the product available to the customer.

It is important to the Four P's that they be regularly reviewed to take into account changes in customer needs and other external influences and that marketing managers adapt their set of controllable variables to face the new conditions. Promotion and price can be adjusted in the short term, not the product itself nor its distribution channels (4. place).

Decisions involving the marketing mix reinforce one another and strengthen the overall product's position if they are internally consistent and pursued over a longer period of time. The following two metrics express this process:





1. Mix coherency

Refers to how well the components of the mix blend together. For example, a strategy of selling expensive luxury products at discount stores creates a poor coherency between distribution and product offering.

2. Mix dynamics

Refers to how the mix must be adapted to a changing business environment, to changes in the organisation's resources, and to changes in the product life cycle.

assets:

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pros:

- At the time, the model created a greater awareness of marketing as an important discipline for organisations.
- The model's simplicity allowed fast adoption. At the same time, its scope is wide enough to help coordinate key decisions for product introduction, positioning and interaction with target markets.
- The model stressed the importance of combining long term planning with short term planning and control cycle in order to service a target market on an ongoing basis.

cons:

- The model is biased toward consumer markets and physical goods and works less well with industrial products and services where interaction and relationships are more important.
- Borden started with thirteen factors in his marketing mix. McCarthy condensed this number to four principal categories. Others have expanded the number of principles and changed the order.

references:

- Basic Marketing: a Managerial Approach
<http://www.amazon.com/gp/product/0072941820?ie=UTF8&tag=provenmodels-20&linkCode=as2&camp=1789&creative=9325&creativeASIN=0072941820>
 Jerome E. McCarthy • 1960 • McGraw Hill • United States • ISBN 0072947039