

Marketing mix – dell incorporation

[Business](#), [Company](#)



The organization that I have chosen to highlight is Dell Incorporation. This organization falls in the category of computers, and related products and services. It is a huge technological corporation founded by Michael Dell. Dell from the start is famous for its innovative and high quality products. In this paper I will be analyzing the marketing mix being implemented by Dell Incorporation which is helping them grow and develop their business at a global level.

Marketing mix is also referred as the “ Four Ps”, Marketing mix or Four Ps involves everything that is needed to attract the attention of the customer towards the product or the service. The four Ps denote Product, Price, Place and Promotion. Now I will discuss how these four Ps are put into practice by Dell Incorporation.

1) Product

Product can be defined as any physical object or intangible service that is being offered for usage and consumption. While preparing a product there are several factors that are needed to be taken into account.

These factors include name, functionality, quality, safety, and accessories etc. These factors largely depend on the market to which the product is being offered. Dell Incorporation offers a variety of hi tech computer products to its customers. Dell has always been known to bring innovative and high quality products in the market; it has been one of the key strengths of Dell. Dell's products range from laptops, desktop computer, mobile devices, digital cameras, printers to storage and recording media, and batteries and charger.

Dell Incorporation has managed to cater almost all major computer related sectors, whether one is deciding to buy a laptop or thinking to purchase a digital camera, LCD, computer monitor, or a desktop computer Dell definitely pops in his or her mind. The reason for this successful “ share of mind” is the high quality of products they offer to their consumers. Whoever buys from Dell is sure of one thing that he or she is buying the best. Other than physical products Dell also offers service and support brands to its customer.

These services include Dell on call, Dell support center, Dell Business support, Dell Everdream desktop management, and Your Tech team. These services are to be used by Dell’s customers, both business and home users, when they have trouble with their computer systems and have difficulty managing the operations of it.

2) Price

Price is the amount that the customer pays in return of the product or service purchased, it is usually in terms of monetary units. Price is dependent on a number of factors. These factors involve market share, material cost, quality and customer’s perceived value of the product. Learn about Dell Marketing Strategy

The manufacturer can set the price of the product higher or lower keeping in mind the factors given above. Pricing decisions are made in consultation with marketing team. The marketing team keeps an eye on the competitors in the market and then suggests relevant pricing strategy to be followed. Dell has always charged lower prices for its high quality products as compare to those of its competitors’ products. Dell’s sales analysts have been successfully

able to predict the correct number of demand and supply for their products; this is one of the reasons why Dell has competitive pricing strategy.

Dell also saves the cost as they have no middlemen factor involved, the computers are directly delivered to customers. The money that Dell saves from directly delivering the computers is invested in bringing new innovations and improving things which are not liked by customers. Dell offer different prices to different markets, for home users the prices are different and for businesses prices are different. Prices of Dell's products tend to vary as product category changes. For home users Dell is always coming up with different discount offers, hence offering them promotional pricing.

3) Place

Place can be defined as the location or site from where the product or service can be purchased. It is not necessary that the place has to be a physical store; it can also be a virtual store on the internet. Place can also be referred to the distributing channel that product undertake to reach the customers. While making decisions regarding the Place, the manufacturer has to make sure that the product is available in sufficient quantity wherever the customers are expected to shop for them.

It is the nature of the product that determines whether the firm should go for exclusive, selective or wide spread network of distributor. Place plays an important role in the development of business of any firm because if the firm fails to provide customer with the adequate amount of product then it is natural for the customers to switch to substitute products, hence the firm will end up losing everything. Dell is carrying out direct distribution of its

products; whatever product is ordered is made at Dell's plant and is sent directly to the customer's desired place.

Direct distribution enables Dell to eliminate the requirement of support from vast network of wholesalers and retailers. Dell uses Just in Time approach; they only make the required computer system when it is ordered. This Just in time approach by Dell helps them keeping the inventory cost lower and saving the space from being piled up. Dell has chosen telephone lines and internet as their main communication channel with the customers. These channels put Dell one on one with its customers.

It helps them understand what their customers want from them, by employing these channels Dell also tends to receive direct feedback from its customers. The customers just have to call Dell or place an order online for their desired computer and it will be delivered at their doorstep. This direct distribution has been one of Dell's competitive edges over the years.

4) Promotion

Promotion can be defined as the communication that the marketing team exercises to attract customers to use their products. Promotion has four distinct elements; these elements are advertisement, personal selling, sales promotion and public relations.

Promotion is done to create awareness among the customers that how the respective product can satisfy their needs. It also highlights product's features and specifications. Promotion can be highly beneficial in influencing any customer's perception towards any particular product or service. Taking advertisements into consideration, we can clearly see that Dell has always

been using Pull strategy for its products. Dell uses Pull promotional strategy to lure its customer into buying its products. Dell spends a sizeable amount of money on advertisements for its various products.

We can occasionally see advertisements of Dell products on TV, Magazines, Newspapers, and on the internet etc. In order to boost the sales of its products Dell also indulges in Sales promotions. Sales promotions are incentives in form of free gifts, discounts, rebates and early bird prizes etc that are offered to customer in order to draw customer's attention. Dell round the year offers lower prices to its customers; you can always see Dell coming up with new Offers through which customers can save a big amount of money.

Dell also offers free gifts like Printers and Cameras etc with selected set of computers, and sometimes even offers free shipping of its products. Several other Sales promotion activities are also being employed by Dell to benefit its customers. These sales promotions help Dell to a great extent in maintaining its existing customers and attracting new potential customers. (Butod, 2009)

References Butod, M. (2009). Thinking Made Easy. Retrieved August 7, 2010 From http://ivythesis.typepad.com/term_paper_topics/2009/08/the-marketing-mix-of-dell-inc.html /