

# The marketing mix

[Business](#), [Marketing](#)



For a product to sell, it must be in the right place at the right time for customers to buy. So place is very important in the marketing mix. The marketing mix is the combination of factors, which help the business sell a product, usually summarised as the four P's, which are price, product, promotion and place. There is a channel of distribution between the manufacturer of a product and the customer. This is the path taken to get the products from the manufacturer to the customer.

There are seven ways to get the product from the manufacturer to the customer. These ways are illustrated on the diagram below. The longer the channel of distribution, the greater the time the product will take to get to the customer and the greater the chance of the price increasing as each person wants to make a profit. If the product is perishable, the channel of distribution needs to be quick and efficient. Complex products are usually sold directly because the manufacturer needs to be able to deal with any installation and running problems. Heavy or odd sized products are also sold directly to customers because the producers provide specialist transport for delivery. Mass market products tend to be sold to wholesalers or large retailers.

Many businesses have little choice about the channel of distribution they use. Existing patterns of selling and buying determine what distribution channel is used. A wholesaler is a business, which buys in bulk quantities from a manufacturer, the wholesaler then has a choice of selling the stock in smaller quantities to retailers or to the customers. Agents are people or businesses who bring buyers and sellers together. Agents can also be used

to sell goods directly to the customers. The advantages of agents are that they can be useful for importing or exporting products.

The channel of distribution for my product does not need to be quick, as my product is not perishable. I don't want the channel of distribution to be long, as it would take a long time for my product to get to the customers and the knowledge of my product would be lost. I will not be selling through an agent because I don't feel that I need one and I don't want to export my product. Although a wholesaler would reduce distribution costs, customers may need to belong to a trade association. Selling my product through a wholesaler and then a retailer would increase mean that manufacturing orders would be less reliant on a few outlets; this would also increase customer base potential.

I have chosen to sell my product through a wholesaler and then a retailer, I feel that this channel of distribution would be most suitable for my product. Retailing A retailer is a business, which specialises in selling goods in small quantities to the consumer. Breaking of bulk is when a retailer buys a large quantity of a product from the producer and sells the products individually to customers; it is a very important service offered by retailers. The retailer must sell its products in easily accessible places. Retailers may offer associated products for sale.

The most common type of shop is the independent. This is a retail store, which is run by its owner. The owner is likely to own just one store. Retail businesses may grow into multiples. A multiple is a chain of shops owned by one business. There have been many changes in retailing, such as choice,

which has risen rapidly, retailers now allow greater choice and a wider range of goods. Costs have been lowered due to economies of scale, this is the fall in cost of production per unit as output increases. Certain multiple stores have gained a rapid reputation for certain things i. e. quality, price. Large retailers have changed the way they operate to cut costs and meet consumer needs. Out-of-town shopping developments have been created and designed for people with cars.

Specialised retail parks have been constructed where there are a few large stores. Local high streets find it difficult to compete with these retail parks. Use of technology has changed the way people buy. Transport Businesses receive raw materials and other supplies and send out goods. They need to decide how those goods should be sent, they have a choice of rail, road, sea or air. There are six factors, which depend on the transport they will use, these are cost, speed, reliability, safety, location and infrastructure and the type of good.

For a product to be sent by road, it would have to be of low cost. The product would require average reliability and wouldn't have to reach its location fast. It wouldn't be particularly dangerous. The product would have to be easy to put into transport from the manufacturer. This type of transport is ideal for my product as it is of low cost, requires average reliability and is not particularly dangerous. My product is not perishable so it would not have to reach its location fast.

A higher costing product needing to be delivered faster would be better off travelling by rail. The product would also require average reliability. The

location of the transport would not matter. The product could be quite dangerous. This type of transport is less suitable for my product as my product is not higher costing or dangerous. Products travelling by sea are usually mass produced and relatively cheap. These products don't require quick delivery but can be very dangerous so they are usually transported in containers. My product does not need to be transported abroad, so this way of transport would not be appropriate for my product.

An expensive product, needing to reach its location fast would have to be transported by air. The product would have a good chance of it being transported reliably. My product is not expensive and does not require intense reliability therefore it would not be appropriate to send my product by air. I have chosen for my product to be transported by road as is it the most suitable type of transport for my product.

Appendices A. Sample questionnaire. B. Completed questionnaires. C. Results.

Product Research

As part of my Business Studies coursework at Stratford School I am required to identify people's buying habits and what they would like to see in the market. Could you please fill in this questionnaire to help me research this product. Please tick the relevant boxes.