

MARKETING MANAGEMENT

UNIT-1

PART-V

Determining the Marketing Mix

The purpose of determining the marketing mix is to satisfy the needs and wants of the customers in the most effective and economical manner. As the needs of the customers and the environmental factors change, the marketing mix also changes and it cannot remain static. Marketing mix is, thus, a dynamic concept.

The process of determining the marketing m' (or marketing decision-making) consists of the following steps:

- i. **Identification.** First of all, the marketing department must identify the present and potential customers to whom the sales are to be made.
- ii. **Analysis.** Once the target market is identified, the next step is to discover and understand the needs and desires of the customers. Marketing research is used in locating and analysing the target market. It is necessary to know the number, location, buying power, needs and motives of customers. In

addition, the number, size, location, products, market share, strengths and weaknesses of rival firms must be analysed.

- iii. **Design.** On the basis of the knowledge obtained through identification and analysis, an appropriate mix of product, price, promotion and channel is designed. Design involves not only the determination of each component but the proper integration of individual variables so that they reinforce one another.
- iv. **Testing.** It is desirable to make a test run of the marketing mix designed by the marketing department. The designed mix may be used in a small group of customers. The reaction of customers will indicate the adjustments required in the mix.
- v. **Adoption.** After the necessary modifications, the marketing mix is adopted and put into use. The adopted mix should be evaluated from time to time and it must be adopted to changes in the marketing environment the firm.

Every market segment may require a different marketing mix. This is so because the needs requirements vary between segments. The same marketing mix may not appeal to all the segments target groups of customers.