



# The four Ps and the four Cs

## A

### The four Ps

Susanna Chang is marketing manager at the Vermilion mobile phone company:

'Of course, marketing is often defined in terms of:

- **product:** deciding what products and/or services to sell. The word 'product' for us can refer to a product or a service, or a combination of these
- **price:** setting prices that are attractive to customers and that are profitable for the company
- **place:** finding suitable distribution channels and outlets to reach these customer groups
- **promotion:** all the activities, not just advertising, used to support the product – everything from pre-sales information to after-sales service.



These are the **four Ps** of the **marketing mix**, the factors that we use in different combinations for different products and different potential buyers.

So my job is much more than organizing advertising campaigns. I work with engineers, finance people and other senior managers to find offerings – products, services and combinations of these – that will appeal to customers.'

## B

### The four Cs

'But I find it helps us more to look at the marketing effort from the point of view of customers, rather than the company, when we consider the four Cs:

- **customer solution:** we aim to find a solution to a customer 'problem' by offering the right combination of products and services to satisfy particular customer needs. Pay-as-you-go was a dream solution for parents worried about children running up big phone bills
- **customer cost:** the price paid by the customer for the product. It includes the 'price' related to not buying another product of the same or another type. For example, someone who buys a sophisticated mobile may not then have the money to buy a laptop computer that they wanted
- **convenience:** distributing our products in the way that is most convenient for each type of customer. We have to decide, for instance, how many new shops to open and where they should be
- **communication with the customer:** customers are informed about products through advertising and so on, but the communication is two-way because customers also communicate with us, for example through telephone helplines. This is a good way for us to find out more about what our customers want, and to change or improve our offering, and to get ideas for new offerings.



Thinking of the marketing mix in these terms helps us maintain a true **customer orientation** or **customer focus**.'

1 Susanna Chang continues to talk about her organization. Find which 'P' of the marketing mix in A opposite she is referring to in each of her statements.

1 We want to offer calls at a lower cost than our competitors.

2 We don't put our own brand on mobile phones, but we sell phones for use on different call plans: both pre-paid and monthly-billed customers.

3 We advertise heavily on television and in the national press.

4 We have our own high-street outlets, and we also sell through the big electrical goods stores.

5 We phone existing customers to try to persuade them to buy more sophisticated phones which have a higher profit margin.

6 We sponsor classical music concerts.

2 A mobile phone customer is talking about a recent mobile phone purchase. Find which 'C' in B opposite he is referring to in each of his statements.

1 I was looking for a phone that gives me Internet access.

2 I wanted the phone to be delivered to my door.

3 I had some questions about how to use the phone, so I phoned the customer helpline. They were very helpful.

4 My budget's limited - I had the money to buy a phone or a computer, but not both.

5 I love the modern design of the phone. I was looking for something that looks fashionable and up-to-date.

6 I like the TV advertisements - I only noticed them after I bought the phone, but they persuaded me that I'd made the right choice.

3 Look at the expressions in A and B opposite and say if these statements are true or false.

- 1 Another word for a shop is a 'let-out'.
- 2 Distribution channels are used to get goods from producers to consumers.
- 3 A product or service, or a combination of these sold together, is an offering.
- 4 The four Ps are also referred to as the marketing mixture.
- 5 Sellers with a customer focus are only concerned with the technical excellence of their products as an end in itself.