Marketing Mix Strategies

A Proper Marketing Mix Strategy Helps In Establishing a Niche in the Market

Marketing is the action taken by businesses to sell the products or services that make a contribution to their turnover. It is important for every business, small or big, to understand and implement the right marketing mix strategy, which can help them in the sales of the items they make or sell.

There are four areas of marketing that contribute to the marketing mix and are considered the four Ps of marketing. They are:

- Product
- Price
- Place
- Promotion
Each of these factors has its own variables, and once they are correctly defined, they give you an outline for marketing of your product or service. The product or service that you are selling needs to be correctly defined. Its features, how it is packaged must be clear, and then the benefits that can accrue to customers from their use must be built on. At this stage you must decide on all aspects of your marketable product or products, whether it is style, the quality, the packaging or whether you intend to provide warranties.

Pricing is the next aspect of your marketing mix strategy that needs to be defined, as it has a very important role in the image that your product will have and the branding it will create. This can be quite difficult and needs to take into consideration a lot of factors, and this becomes all the more difficult if there are a lot of variables, in the industry you are in business in. You need to have a strategy on pricing, both for wholesale and retail, bulk sale and whether you are in a position to offer discounts to ensure customer loyalty.
The distribution of the product is determined by how you plan to distribute your product. Can you set up a system to sell directly to customers, or do you need to deal with retail stores? Is your product only conducive to wholesale methods of marketing? These decisions affect the need for warehousing, and can affect your marketing mix, when costs get added on, because of this decision. You also have to decide at this time how you will store your inventory, process orders and the avenues you will use to ensure that your product is available in the regions that have a market for it.

These three items, product, pricing and place have to be decided completely, before you move on to the aspect of promotion in your marketing mix strategy. Each of these, including the promotion has to be coordinated with the other, and can influence it, in its own contribution to the marketing effort. Promotion of a product has to be undertaken, so that prospective customers learn about the availability of the item from your business. This may require a number of strategies and the use of various media, and the strategies which can be used for this aspect of marketing are so varied and wide, that it requires a constant awareness of the effect of any strategy adapted, on the final sales figures.
All these four aspects of a marketing mix need to be constantly reviewed and improved upon, as all of them can make a substantial contribution to final sales figures and bottom lines. A product can always be improved on to give it a USP that other competitors find it hard to match. Pricing can be aggressive and offer advantages to customers that allow the business to capture a bigger share of the market. Proper and new methods of placing the product so that delivery times are reduced, or made more reliable can improve the image of the business. Promotional activities can be constantly changed and every approach to promote the product must concentrate on different aspects of the product, which feedback from customers can help to pinpoint.

Proper research into potential markets and the purchasing power of various sections of society, who have need for your product, can help to concentrate marketing efforts so that it has the correct mix to enable growth and expansion of the business.
Marketing Mix Strategies with special reference to credit card

OPERATIONAL STRATEGY

• Member of both major payment system: Visa and Master card.

• Relationship Cards: An umbrella Strategy for a number of card related services which eventually offers consumers access to funds through domestic and international credit and debit function payments.

• Focusing each credit card offer on a distinct consumer need, we garner both the ability to present more effective value propositions to consumers that behaves as predictably as possible.

• making it easier to forecast card profitability as well as adjust marketing strategies based on early returns.
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<th><strong>Social Class</strong></th>
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<tr>
<td>Upper Social Class</td>
<td>Young Adults aged 18-25</td>
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<td>Middle Social Class</td>
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TARGET MARKET: YOUNG ADULTS AGED 18-25

- It is known that people develop their first brand loyalties when they are between the ages of 18 and 25. Accordingly, college students as an important part of the youth market offer great opportunities for credit card companies.

- Less credit history/experience
- Small credit limit  ▶ Cash back as incentive
- Extra cash, or points for paying on time
- No extra membership fees or annual charges
- 5% cash back on up to purchase of 5000 INR in particular categories
TARGET MARKET: ADULTS AGED 25-30

• Uses cards more regularly for everything: Groceries, Entertainment, Gas, Luxury goods
• Rewards programs, usually offered for an annual fee
• Value of rewards only exceeds fee if card is used enough, arousing consumers’ loyalty
• Given the cost of maintaining the programs, these cards are generally reserved for users with better credit

POSITIONING

“Premium Services for Young”
MARKETING STRATEGY

• Appeal to former debit card users
• Leave no customer empty handed
• Secured Cards
• Selling credit-based products to consumers, such as credit insurance or credit monitoring
• Contracts with Hotels, Restaurants and other merchants for special offers.
• Distribution of Card Readers to small retailers, Groceries, Luxury good shops having permanent.
• Customers could use their existing card instead of having to apply for and carry another card.
PROMOTIONAL STRATEGY
• A welcome pack to every customer.
• Theme Song or tune for the Brand.
• Television campaign and advertising in the national press.
• Card reader plays notes from the theme song: creates a sense of an upbeat shopping experience.
• Loyalty Scheme

PRICING STRATEGY
• Temporary low interest rate, frequent-flier miles or free balance transfers.
• No annual fee, low rates, with grace period, free air time for cell phones, free fuel for car & bikes and cash back are some of the competitive advantages that can be provided depending on the target group.
• Effortless rewards – which were easier to earn, easier to use and easier to redeem
• Rewards to be featured in rupees and dollars rather than in points, to make it easier for the customer to see the value of what they had earned.
Marketing mix strategies with special reference to home loans

1. Choose Your Target Audience

Every digital marketing campaign must target a primary audience. Having too broad of an audience will negatively impact your campaign.

You must choose to either target new homebuyers or refinance customers. If you want to go after both types of customers, you will have create two separate campaigns.

Wondering about the difference between the two? Here is an overview:

**Refinance Shoppers:**

- Rate-sensitive
- Willing to shop around for quotes
- Know what they are doing
New Homebuyers:
Looking for someone to guide them through the process
Willing to pay more for helpful advice
Referral driven

2. Take Advantage of Content Marketing

Creating and distributing valuable content targeting your primary audience is a great way to increase leads and referrals.

Content marketing is an important component of any digital marketing strategy. It serves several purposes for your business:

- Positions you as an authority in the mortgage industry
- Assists in lead generation from social media
- Provides prospects with valuable information
- Increases brand awareness
3. Start Using Facebook Advertising

In Spring 2015, Facebook reported that it has 1.44 billion active monthly users. People who are thinking about refinancing their home, and people who are about to move are on Facebook. Facebook’s advertising platform allows you to directly target these people and place highly relevant ads straight into their newsfeed.

4. Don’t Be Afraid of Pay-Per-Click Advertising

Who doesn’t want to be ranked on the first page of Google? Did you know that 93% of business decisions begin by consulting a search engine?

This means if you don’t appear as one of the top results, you are only selling to 7% of your market.

Using Google Ad Words can help your company reach its full market.
5. Set Up Remarketing

For most websites, only 2% of web traffic converts readers on the first visit. Retargeting keeps track of people who have visited your website and displays your ads to them as they browse online.

This brings back 98% of users who don’t convert right away by keeping your brand at the top of their mind.

Setting up a remarketing tracking code on your website will allow you to target past visitors who did not convert or take the desired action on your site.

In online marketing, we consider this group of people warm traffic.

After people have been to your website and are familiar with your brand, you can market more aggressively to them.
6. Mortgage Marketing Strategies

All of the strategies above work great on their own, but they are extremely powerful when they are part of a cohesive digital marketing strategy. You need to take each component above and put it into an online marketing strategy that effortlessly moves traffic through each stage of the sales cycle. You can do this by creating a digital marketing campaign strategy.
Marketing Mix strategies with special reference to Banking and Insurance

1. PRODUCT MIX

The banks primarily deal in services and therefore, the formulation of product mix is required to be in the face of changing business environment conditions. Of course the public sector commercial banks have launched a number of policies and programs for the development of backward regions and welfare of the weaker sections of the society but at the same time it is also right to mention that their development-oriented welfare programs are not optimal to the national socio-economic requirements. A proportional contraction in the number of customers is found affecting the business of public sector commercial banks. The changing psychology, the increasing expectation, the rising income, the changing lifestyles, the increasing domination of foreign bans and the changing needs and requirements of the customers at large make it essential that they innovate their service mix and make them of worked class.

The development of new generic product, especially when the business environment is regulated is found a difficult task. However, it is
2. PROMOTIONAL MIX:

Promotion mix includes advertising, publicity, sales promotion, word – of – mouth promotion, personal selling and telemarketing. Each of these services needs to be applied in different degree. These components can be useful in the banking business in the following ways:

- Advertising
- Finalizing the budget
- Selecting a suitable vehicle
- Making possible creative
- Testing the effectiveness
- Instrumentality of branch managers
- Characters and themes
Public relations
Telemarketing
Word-Of- Mouth

3. PRICE MIX:
In the formulation of marketing mix, the pricing decisions occupy a place of outstanding significance. The pricing decisions include the decisions related to interest and fee or commission charged by banks. Pricing decisions are found instrumental in motivating or influencing the target market. The RBI regulates the rate of interest and the Indian Banks’ Association controls other charges. In our country, the price mix is more important because the banking organizations are also supposed to sub serve the interests of the weaker sections and the backward regions. Also in making the pricing decisions, the Government Of India instrumentalists or commands everything as a shadow policy maker. This also complicates the price mix for banking sector.
Pricing policy of a bank is considered important for raising the number of customers vis-à-vis the accretion of deposits. Also the quality of service provided has direct relationship with the fees charged. Thus while deciding the price mix customer services rank the top position. Banks also have to take the value satisfaction variable in to consideration. The value and satisfaction cannot be quantified in terms of money since it differs from person to person. Keeping in view the level of satisfaction of a particular segment, the banks have to frame the pricing strategies.

The banking organizations are required to frame two- fold strategies. First, the strategy is concerned with interest and fee charged and the second strategy is related to the interest paid. Since both the strategies throw a vice- versa impact, it is important that banks attempt to establish a correlation between two. It is essential that both the buyers as well as the sellers have feeling of winning.
4. THE PEOPLE

Sophisticated technologies no doubt, inject life and strength to our efficiency but the instrumentality of sophisticated technologies start turning sour id the human resources are not managed in a right fashion. We can’t deny the fact that if foreign banks are performing fantastically; it is not only due to the sophisticated information technologies they use but the result of a fair synchronization of new information technologies and a team of personally committed employees. The moment they witness lack of productive human resources even the new generation of information technologies would hardly produce the desired results. In addition to the professional excellence, the employees working in the foreign banks are generally value-based. Thus we accept the fact that generation of efficiency is substantially influenced by the quality of human resources. The quality for banking sector is an aggregation of all the properties, which are found essential for generating the efficiency and projecting a fair image. Even efficiency essentially is supported by ethical dimension, humanity and humanism. The development of human resources makes the ways for the formation of human capital. Human resources can be developed through education, training and by psychological tests. Even incentives can inject efficiency and can motivate people for productive and qualitative work.
5. THE PROCESS

- **Flow of activities**: all the major activities of banks follow RBI guidelines. There has to be adherence to certain rules and principles in the banking operations. The activities have been segregated into various departments accordingly.

- **Standardization**: banks have got standardized procedures for typical transactions. In fact, not only all the branches of a single bank, but all the banks have some standardization in them. This is because of the rules they are subject to. Besides this, each of the banks has its standard forms, documentations, etc. Standardization saves a lot of time behind individual transactions.

- **Customization**: There are specialty counters at each branch to deal with customers of a particular scheme. Besides this, the customers can select their deposit period among the available alternatives.

- **Number of stores**: numbers of steps are usually specified and a specific pattern is followed to minimize time taken.
• **Simplicity:** in banks various functions are segregated. Separate counters exist with clear indication. Thus a customer wanting to deposit money goes to ‘deposits’ counter and does not mingle elsewhere. This makes procedures not only simple but consume less time. Besides instruction boards in national boards in national and regional language help the customers further.
• **Customer involvement:** ATM does not involve any bank employees. Besides, during usual bank transactions, there is definite customer involvement at some or the other place because of the money matters and signature requires.

6. **THE PHYSICAL EVIDENCE**

The physical evidences include signage, reports, punch lines, other tangibles, employee’s dress code etc. The company’s financial reports are issued to the customers to emphasis or credibility. Even some of the banks follow a dress code for their internal customers. This helps the customers to feel the ease and comfort.
Marketing of telecom/insurance services

Email Marketing

• Many peoples check their emails every day. That is why telecom and insurance companies use email marketing to maximize their effort in promoting brand awareness. Email marketing is a good way to connect, build a relationship and nurture your prospects.

Online Marketing

• Consumers spend most of their time online to research products before they make a decision to purchase. So promoting your products and services online is a good marketing strategy to create brand awareness and drive the attention of your prospects back to you.

Relationship Marketing

• Relationship marketing is a good way to establish, build and maintain your relationship with your prospects and customers. Customers who love your services are more likely to become loyal customers who are willing to spend more money and would refer your products and services to their family and friends.
Referral Marketing

- Word-of-mouth Marketing is an old fashion yet the best way of having new customers. A customer who is satisfied with your products and services is more likely to recommend you to their family and friends. Many marketers find this type of marketing very effective because customers who love your product are always excited to share stories verbally or through social media about their experience.

CTA Marketing

- Call-to-Action such as “Subscribe now”, “Call us”, “Know more”, etc. found on your site or at the end of your blog posts is a good way to drive traffic and convert visitors into leads. However, you have to make your website and contents interesting or this type of marketing won’t work.

Event Marketing

- Hosting or participating in an event is one way to show your prospects what your products can do. Letting them experience your product is a great way to drive more sales.
Outbound Marketing

• One way of letting your prospects know that you exist is through outbound marketing. By having your own list of prospects and begin reaching out to them is a good way to gain new customers. For example, software companies such as Microsoft and Sage use outbound marketing – telemarketing or appointment setting to reach out and look for potential customers before calling or meeting them in person.