

Marketing Basics: The 8Ps, Positioning Statements, and SMART Objectives

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Marketing is a fundamental aspect of business strategy that involves creating, delivering, and communicating value to customers. Traditionally, marketers focused on the "4 Ps" of marketing: Product, Price, Place, and Promotion. However, as the business landscape evolved, additional Ps were introduced to provide a more comprehensive framework for marketing strategy. Other important concepts to understand are the value of effective and concise positioning statements, and the importance of thorough, SMART objectives to guide a marketing effort.

Traditional 4Ps

The 4Ps of marketing (Product, Price, Place, Promotion) are not outdated, but they have evolved and expanded to accommodate the changing dynamics of the business landscape. While the 4Ps provide a foundational framework for marketing, they may be considered somewhat simplistic in today's complex and digital-driven marketplace. Here's why:

- **Emergence of Additional Ps:** Over time, marketing scholars and practitioners have recognized the need to include additional Ps to address various aspects of marketing comprehensively. Such updates often include: People, Process, Physical Evidence, and Partnerships.
- **Service-Centric Approach:** The original 4Ps were primarily designed for tangible products. However, many businesses today, especially in the service industry, require a more nuanced approach. The extended Ps, such as People and Process, are particularly relevant in the context of service marketing.
- **Digital Transformation:** The advent of the internet and digital technologies has transformed how businesses reach and engage with customers. Concepts like online presence, e-commerce, and social media marketing have become critical components of marketing strategy, which may not be fully addressed by the traditional 4Ps.
- **Customer-Centricity:** Modern marketing increasingly focuses on understanding and meeting customer needs. Concepts such as Customer Relationship Management (CRM) and Customer Experience (CX) management have gained prominence, going beyond the original 4Ps' scope.
- **Globalization:** As businesses expand globally, factors such as cultural differences, market entry strategies, and international pricing strategies become essential considerations, expanding the scope of marketing beyond the traditional 4Ps.
- **Sustainability and Ethics:** Today's consumers are more concerned about sustainability and ethical practices. Concepts like Corporate Social Responsibility (CSR) and ethical marketing strategies are crucial aspects of modern marketing that may not fit neatly within the original 4Ps.

Introducing the 8Ps

While the 4Ps remain a useful starting point for marketing strategy, they are often considered a simplified model that needs to be adapted and expanded upon to meet the diverse and complex challenges of

contemporary marketing. Many businesses now use a combination of the 4Ps and additional Ps to create a more comprehensive and customer-centric marketing strategy that aligns with their specific industry and objectives.

In this handout, we will explore what we'll now call the "8 Ps of Marketing." We will summarize the concept, describing each P, and illustrating each with an example of marketing a high-impact waterproof cell phone case.

1. **Product:** This is the core of a product offering. It encompasses the physical product, its features, quality, design, and packaging. In addition, services and intangible benefits associated with the product are crucial. Organizational leadership should know how to analyze how product attributes align with customer needs and preferences.
 - Example: Our high-impact waterproof cell phone case is designed to fit various smartphone models, offering superior protection against water damage, shocks, and scratches. It includes features such as a secure locking mechanism, clear touch-sensitive screen cover, and durable, recycled materials.
2. **Price:** Setting the right price is vital. Consider factors like cost, competition, customer willingness to pay, and perceived value. It is important to understand various pricing strategies and their implications on profitability and market positioning.
 - Example: The pricing strategy for our cell phone case involves a premium pricing approach. Priced at \$39.99, it reflects the product's high-quality materials, advanced technology, and superior protection compared to competitors. It also factors in the brand name, as we intend to position our entire brand as high-end and having intrinsic value.
3. **Place:** This refers to distribution channels and the locations where customers can access a product or service. It is important to analyze the best distribution channels to reach the target market efficiently. It is important to explore the role of intermediaries and the impact of channel management on sales and customer experience.
 - Example: Our cell phone cases are available both online through our e-commerce website and in select online and brick-and-mortar retail stores in urban areas, providing customers with convenient access to our product.
4. **Promotion:** Promotion involves the communication of your product's value to customers. It includes advertising, public relations, sales promotions, and other promotional activities. Business leaders, even those who are not necessarily marketing professionals, should understand how to develop effective communication strategies and campaigns.
 - Example: Our promotional efforts include social media advertising showcasing the case's durability through videos of it being submerged in water or dropped from heights. We also collaborate with tech influencers to review and recommend our product.
5. **People:** The people within an organization play a crucial role in delivering a positive customer experience. This includes employees, customer service representatives, and any other individuals who interact with customers. Leaders should understand the importance of employee training, motivation, and customer-centric culture in promoting their products.
 - Example: Our customer service representatives are trained to assist customers with inquiries and provide guidance on selecting the right case for their specific phone model, ensuring a

positive and informed purchasing experience. In addition, our website has a chat feature that, during business hours, links to a live, knowledgeable and friendly customer service team.

6. **Process:** The processes and systems that govern organizational operations can impact efficiency and customer satisfaction. A leader must continually analyze and optimize processes to streamline operations and enhance the customer experience. As leaders, we must consider how process improvements can lead to a competitive advantage.
 - Example: We've streamlined our order processing and shipping procedures to ensure that customers receive their cases quickly and without damage. In addition, our products are available through Amazon Prime, allow for quick shipping to millions of Amazon users. These efficient processes enhance customer satisfaction.
7. **Physical Evidence:** For physical products, this might include branding, materials, and packaging. For service-based businesses, physical evidence refers to the tangible elements that customers encounter during service delivery, such as facilities, equipment, or branding. Effective leaders explore how physical evidence influences customer perceptions and trust, and make necessary changes.
 - Example: The physical evidence of our brand includes our logo, packaging, and the quality of materials used in the cell phone case itself. This physical evidence communicates trust and reliability to customers.
8. **Partnerships:** Collaborations and strategic alliances with other organizations can expand a product's reach and capabilities. It is important to identify potential partners and evaluate the benefits of partnerships in achieving marketing objectives.
 - Example: We've partnered with a renowned smartphone manufacturer to offer our cases as official accessories for their latest phone models. This partnership enhances our credibility and extends our reach to their customer base.

Product Positioning

Let's go a bit further now and talk about product positioning statements. A product positioning statement is a concise statement that communicates the unique value and positioning of a product or service within the marketplace. This statement defines the product's target audience, highlights its differentiating features, and clarifies how it meets customer needs in a way that sets it apart from competitors. A well-crafted product positioning statement guides marketing and communication efforts to create a consistent and compelling brand image.

Example Product Positioning Statement:

For a company that creates extreme, waterproof, impact-resistant cell phone cases, a product positioning statement might look like this:

For outdoor enthusiasts and adventurers seeking unrivaled protection for their smartphones, our extreme cell phone cases stand as the ultimate choice. With cutting-edge technology, these cases offer waterproof, impact-resistant, and rugged durability, ensuring your device survives the harshest environments. Unlike competitors, our cases combine military-grade protection with sleek design, guaranteeing both performance and style on your adventures.

In this example:

- **Target Audience:** Outdoor enthusiasts and adventurers
- **Unique Selling Proposition (USP):** Extreme protection (waterproof and impact-resistant)
- **Competitive Differentiation:** Combining rugged durability with a sleek design
- **Customer Benefit:** Assurance that the smartphone will survive harsh environments
- **Overall Positioning:** The ultimate choice for those seeking both performance and style in extreme conditions

This positioning statement succinctly conveys what makes the product unique and why it appeals to a specific target market. It serves as a foundation for marketing strategies and helps the company maintain a consistent and compelling brand identity in the marketplace.

SMART Marketing Objectives

Setting clear and well-defined marketing objectives is a crucial step in developing effective marketing strategies. SMART marketing objectives provide a framework that helps businesses articulate specific goals, measure progress, and ultimately achieve success. SMART goals are:

- **Specific:** Goals should be clear and precise, defining exactly what needs to be achieved. They avoid ambiguity and answer the questions of "what," "why," and "how."
- **Measurable:** Goals should include quantifiable criteria for success. They provide a way to track progress and determine when the goal has been achieved.
- **Achievable:** Goals should be realistic and attainable. They should challenge individuals or organizations but still be within reach, given available resources and capabilities.
- **Relevant:** Goals should align with broader objectives and be meaningful. They should contribute to the overall mission and purpose, ensuring that efforts are focused on what truly matters.
- **Time-bound:** Goals should have a defined timeframe or deadline. They create a sense of urgency and help individuals or teams stay accountable by setting a specific date for completion.

SMART objectives offer the following benefits:

- **Clarity and Focus:** SMART objectives are Specific, Measurable, Achievable, Relevant, and Time-bound. By adhering to these criteria, businesses can clearly define what they want to achieve and ensure that everyone involved understands the objectives. This clarity and focus prevent ambiguity and misalignment within the organization.
- **Measurement and Evaluation:** SMART objectives include measurable components, which allow for tracking progress and assessing the success of marketing efforts. They provide a basis for evaluating whether the marketing strategies are delivering the desired outcomes and, if not, enable adjustments to be made in real-time.
- **Motivation and Accountability:** Specific and challenging objectives motivate teams to strive for excellence. When marketing objectives are SMART, employees are more likely to take ownership of their roles and responsibilities, knowing that their efforts are contributing to a clear and meaningful goal.

- **Resource Allocation:** SMART objectives help businesses allocate resources effectively. When objectives are achievable and relevant, organizations can allocate budget, time, and manpower to the right initiatives, optimizing their chances of success.

Example of SMART Marketing Objectives for a Cell Phone Case Company

Let's look at three example SMART goals that our company might create to market that new rugged cell phone case:

Company: Alpha Omega Phone Accessories

- **Objective 1:**
 - **Specific:** Increase market share in the rugged, waterproof cell phone case segment.
 - **Measurable:** Achieve a 15% market share within the first 12 months of product launch.
 - **Achievable:** This objective is attainable based on market research and the quality of our products.
 - **Relevant:** It aligns with our goal to expand in the high-end protective case market.
 - **Time-bound:** To be accomplished within the first 12 months of launching the new product line.
- **Objective 2:**
 - **Specific:** Establish brand recognition as a leader in rugged and waterproof phone cases.
 - **Measurable:** Attain a 20% increase in brand recognition, as measured by customer surveys.
 - **Achievable:** Our innovative product design and marketing campaigns support this goal.
 - **Relevant:** It supports the objective of market leadership in the rugged case segment.
 - **Time-bound:** To be achieved within the first 18 months of product launch.
- **Objective 3:**
 - **Specific:** Drive online sales for the new product line.
 - **Measurable:** Achieve a 30% increase in online sales revenue compared to the previous year.
 - **Achievable:** Given our existing e-commerce infrastructure and the demand for such products, this is a realistic objective.
 - **Relevant:** Online sales are a strategic focus for our company's growth.
 - **Time-bound:** To be realized within the first 24 months of product launch.

Summary

In today's dynamic and competitive business environment, marketing plays a pivotal role in the success of any organization. It is important for business leaders to understand the significance of various aspects of marketing, including the transition from the traditional 4Ps to the more comprehensive 8Ps framework, the importance of crafting effective product positioning statements, and the necessity of setting SMART marketing objectives.

The evolution of marketing from the classic 4Ps to the 8Ps acknowledges the need to adapt to changing consumer behaviors, technological advancements, and a globalized marketplace.

Businesses must consider not only the product itself but also the broader aspects such as customer experience, partnerships, and ethical considerations. By embracing this expanded framework, companies can better position themselves for success.

Additionally, the creation of a compelling product positioning statement allows organizations to communicate their unique value proposition clearly and resonate with their target audience.

This statement serves as a foundation for marketing strategies and helps establish a consistent brand image.

Furthermore, the implementation of SMART marketing objectives is essential for any marketing effort. These objectives provide clarity, measurement, motivation, accountability, and resource allocation. They ensure that marketing strategies are well-defined, attainable, and aligned with the organization's goals.

As businesses navigate the ever-evolving landscape of marketing, understanding these fundamental concepts is crucial. By embracing the 8Ps, crafting effective product positioning statements, and setting SMART marketing objectives, companies can position themselves for success and effectively communicate their value to customers in today's competitive market.