An Empirical Study on Role of Marketing Mix in the Positioning of Brands

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Abstract

The marketing mix encompasses a key aspect in marketing due to which companies and various senior level managers are able to produce the response it wants in the target market. As its four components i.e. Product, Price, Place and Promotion play a significant role along with this in today scenario others 3P's i.e. people, process and physical evidence are also playing an important role. Despite the currency of this topic in the media, the concepts and tools of marketing mix date back at least 30 to 40 years. The concept is of growing interest partly because of the corporate world's interest in growing topline revenue, and the proliferation of new media (i.e., new ways to spend the marketing budget), including the Internet, online communities, search engines, event marketing, sports marketing, viral marketing, cell phones, and text messaging, etc. The marketing mix is widely used and applied indiscriminately to a broad range of marketing models used to evaluate different components of marketing plans, such as advertising, promotion, packaging, media weight levels, sales force numbers etc. This study examines the perceived association between marketing mix and positioning of brands and effectiveness of its 7p's in the marketing of its product. The survey shows that the perceived valuation of marketing mix has a deep impact in brand image as well as in the positioning. The present study has conducted by analyzing the data by chi square test wherein the result shows that calculated chi value is less than table chi value due to which null hypothesis is accepted. This study contributes to the literature on the relationship between marketing mix and positioning of brands.

Keywords: Marketing; Marketing Mix; Chi square test; Product; Price; Place; promotion.

Introduction

In the technological and competitive age of today "Marketing mix is not a scientific theory, but merely a conceptual framework that identifies the principal decision making managers make in configuring their offerings to suit consumers'

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E-mail: dmeena522@gmail.com Received on 04.06.2018, Accepted on 17.06.2019 needs" (Goi, 2009, p.2) When the disruption will occur at any pace of time in this competitive age, can be overcome by producing profitable and productive strategies and effective marketing mix in the businesses as these businesses are facing unprecedented social and technological upheaval which has introduced new levels of competition for all kinds of organization. In the current scenario businesses are becoming global; customers are more demanding many mature markets offer little room for growth, brand valuation is recognized on financial balance sheets and environmental pressures growing. Compounding every other difficulty, the pace of change is quickening all the time, speed of market introduction and acceptance are important factors where effective marketing and balanced marketing mix consisting 7p's mainly 4p's gives a platform to the companies, businesses and various brands in the strong positioning as well as in the era ofdisruptions.

A proper and strong marketing mix focuses on the fundamental aspect i.e. their customers, their needs and preferences, their expectations which require a strategy that is coordinated, considered and realistic in terms of making the most effective use of the resources and budget available. According to Goi (2009) marketing mix became a powerful and popular concept due to the following three reasons:

Firstly, marketing mix makes marketing easy in theoretical and practical levels. Generally, the concept of marketing might seem to be vague and complicated to the general audience. However, the explanation of marketing through the concept of marketing mix makes the whole concept of marketing easy to understand also assists in practical application of marketing concepts by various parties in order to obtain competitive edge. Secondly, marketing mix provides a framework in order to separate marketing activities of a business from various other business activities. In today's complicated business environment new business concepts and theories are evolving that are aimed at helping companies to get effectiveness at various levels. However, it is not always clear which category of business activities a new concept relates to. Marketing mix can be used in such occasions as a tool that enables to distinguish marketing aspect of the business from other business practices. Thirdly, marketing mix allows the delegation of marketing tasks to various specialists. Marketing is a broad concept and involves the cooperation of a wide range of specialists in order to be successful. The application of marketing mix concept into practice allows the opportunity for delegating tasks in an efficient manner through assigning activities associated with product, place, price and promotion aspects of the business to professionals with relevant skills and qualifications. By adopting effective strategy, effective utilization of resources is possible. Marketing mix deals with what a company is going to produce, how much it is going to charge, how it is going to deliver products and services. "Marketing Mix is the collection of controllable tools-Product, price, Place and Promotion that the firm blends to produce the response it wants in the target market. Hence planning a strong marketing mix starts with a detailed and ongoing investigation of the market and its submarkets or segments. Companies look at the social, political, economic, cultural and technological trends which are helpful in shaping the market, their own position within it and the resources they can marshal to change or influence it. Planning an effective mix is intimately bound up with the planning process for the entire business because it is linked to overall corporate strategy and requires

endorsement from the top. Therefore collaboration between marketing and other corporate activities such as finance, research, development and production is important to effectively implementing the marketing strategy and marketing mix.

Literature review

Kitchen (2010) informs that the theory of marketing mix has evolved from a notion of 'mixer of ingredients' a term introduced by James Culliton (1948) during the study of marketing costs conducted in 1947 and 1948. The principle of 'mixer of ingredients' consisted of analysing various business processes and marketing efforts looked at as 'ingredients' individually in order to find the best combination for the improvement of the business. The concept of 'marketing mix' itself was introduced by Neil Borden during 1950s an initially implied different means of cooperation (Borden, 1964). Initially there were 12 elements within the marketing mix concept introduced by Borden: product planning; pricing; branding; channels of distribution; personal selling; advertising; promotions; packaging; display; servicing; physical handling; and fact finding and analysis (Goi, 2009). Suggestion was made by Frey (1961) to divide these elements into two groups: offering and methods and tools. Accordingly, offering group contained product, packaging, brand, price and service, whereas the elements of methods and tools group were distribution channels, personal selling, advertising, sales promotion and publicity.

Around this time new theories of such a nature started to be introduced by other researchers as well with Lazer and Kelly (1962) introducing three components of marketing mix, namely the goods and services mix, the distribution mix and the communication mix.

However, the most popular form of marketing mix belongs to McCarthy (1964) which is a re-groped version of Borden's marketing mix and consists of four elements: product, price, promotion, and place. Most of the theoretical and practical researches that have focused on various aspects of marketing mix have been based on this specific classification of marketing mix.

From then on the number of 'P's have been increasing with Judd (1987) introducing fifth 'P' (people), and three more 'P's (participants, physical evidence and process) being introduced by Booms and Bitner (1980). Moreover, one of the most respected marketing theorists Kotler (1986)

introduced two more 'P's that are political power and public opinion. Another substantial contribution to the theory was initiated by Goldsmith (1999), who added the element of personalization.

In order to explain the level of implementation of marketing mix strategy in a more effective way it is a good idea to provide the explanation of the concept as suggested by some respected scholars in the field of marketing, and also provide critical analysis of some of their contributions. Kumar (2010) maintains that following marketing variables should be defined and analyzed in order to undertake the marketing mix strategies in the most efficient manner: Firstly, the ways design and packaging are going to add value to the products. This should be done taking into account the nature of the product and the expectations of a target market, the product is aimed at. This specific point directly relates to the research in a way that the impact of design and packaging in retail industries operate in a more significant manner compared to many other industries.

Secondly, finding the most appropriate pricing strategy. Specifically, selection should be made by the companyfrom the available pricing strategies of market-led pricing, skimming, destruction, price wars, penetration, and cost-based pricing. This advice suggested by Kumar (2010) has already been adopted by M & S as well as most of its major competitors such as Waitrose, Tesco, Sainsbury's and others, and each of these retail companies have formulated their position in the market mainly according to their pricingstrategy.

Thirdly, decisions related to the location of the company and its various business processes. Pride and Ferrell (2008) emphasize the importance of location in retail industry, and inform about bitter 'war' between major retailers in terms of opening stores in most populous locations and city centres. From this perspective it can be stated that the importance of location in terms of profit maximization is fully recognized as well as by most of its competitors.

Fourthly, ways in which the company is going to promote its products. According to Belch and Belch (2003) the role of promotion has increased significantly because of increasing level of competition.

The above discussions prove the point that Kumar's (2010) contribution to the subject of marketing mix as well as the contribution of many other contemporary marketing writers (Goi, 2009, Bootwala et al., 2009, Kitchen, 2010) only discuss the aspects of marketing mix that already have been acknowledged by businesses and widely used in order to get competitive edge in the market place. Moreover, they mainly focus on four traditional components of marketing mix (product, price, promotion and place) not giving due importance to the other Ps such as people, process and physical evidence.

The practical application of marketing mix concept can be explained in a way that "a firm can vary its marketing mix by changing any one or more of these ingredients. Thus, a firm may use one marketing mix to reach to one target market and a second, somehow different marketing mix to reach to another target market" (Pride et al., 2009, p.348). This statement reveals the flexibility of marketing mix components in a way that marketing mix strategy adopted by companies such as do not have to be universal and rigid, and they have to be adapted to different markets, taking into account the characteristics of each individual market.

Marketing mix 4P's Product Product design - features, Promotion quality Promotional mix-Place Price Product assortment appropriate balance of Market coverage Price strategy product range, product advertising, PR, direct Channel member selection mix, product lines marketing and sales Price tactics and channel member promotion **Branding** Price-setting relationships Message strategy - what is Allowances - e.g. rebates Packaging and labeling Assortment Services (complementary for distributors to be communicated Location decisions Channel/media strategy services, after-sales service, Discounts - for customers Inventory service level) - how to reach the target Payment terms - credit, Transport, warehousing audience Guarantees and warranties payment methods and logistics Returns Message Frequency - how often to communicate Managing products through the life-cycle

Objectives of study

- To examine the aspects relating to marketing mix.
- To assess the role of marketing mix mainly in positioning of brands.
- To assess the impact of marketing mix on the brands.
- To explore the advantages relating to marketing mix in the marketing.
- To assess the practicability and importance of marketing mix in achieving the profitability situation of the brands and various Companies.

Hypothesis

Following hypothesis are given which is tested by using primary data:

Hypothesis 1

H0=Marketing Mix has a direct impact on positioning of brand.

H1=Marketing Mix has no direct impact on positioning of brands.

Hypothesis 2

H0=7 P's have an effective role in the marketing products.

H1=4p's rather than 7p's have an effective

role in the marketing products

Research Methodology

The research methodology adopted in this paper can be explained under following heads:

Research Design: The primary data was collected by using survey research method wherein I have collected data by conducting a survey among subject experts and companies personnel from the age group of above 30 years.

Sampling Frame: The data was collected from a small sample say only 15 respondents relating to Jaipur city of Rajasthan wherein I have used a well-known survey method i.e. questionnaire which was based on likert scale questions for collecting data. The questionnaire divided into two parts. The first part consists of demographic details which consist of seven questions i.e. gender, age, income, occupation etc. and the second part consisting 15 questions based on marketing mix aspects, rely mainly on objectives of study.

Techniques and Tools: In order to analyse data I have applied the non-parametric test i.e. chi square test to study the above mentioned hypothesis and obviously to test the significance of values.

Chi square (actual) χ 2 =

Data analysis

• The data for the Hypothesis 1 is given below:

Table 1: Hypothesis 1 Analysis

No of Respondents	Subject Experts observed fo	Expected fe	observed-Expected	(observed- Expected)2	(observed - expected)2/ Expected
1	39	41.533	-2.53	6.4	0.16
2	40	41.533	-1.53	2.34	0.05
3	39	41.533	-2.53	6.4	0.15
4	44	41.533	2.47	6.1	0.14
5	41	41.533	-1.53	2.34	0.05
6	41	41.533	-1.53	2.34	0.05
7	41	41.533	-1.53	2.34	0.05
8	40	41.533	-1.53	2.34	0.05
9	45	41.533	3.47	12.04	0.28
10	35	41.533	-6.53	42.64	1.02
11	38	41.533	-3.53	12.46	0.3
12	49	41.533	7.47	55.8	1.34
13	50	41.533	8.47	71.74	1.72
14	40	41.533	-1.53	2.34	0.05
15	41	41.533	-0.53	0.28	0.01

Research results for Hypothesis 1

The null hypothesis is:

H0=Marketing mix has a direct impact on positioning of Brands

H1= Marketing Mix has no direct impact on positioning of brands

 χ^2 (Calculated) =5.46

 χ 2 (Critical) = 23.68 at 0.05 alpha level with degree of freedom = 14

Since χ^2 calculated χ^2 critical value and falls in the acceptance region. Hence the null hypothesis is accepted and the alternate hypothesis is rejected.

Table 2: Analysis of Data (Table 1)

chi squarecalculated (Actual) value	5.46
chi square critical value	23.68
Degree of Freedom	14
Alpha value	0.05
Probability value	0.98051781

The data for the hypothesis 2 is given below in Table 3.

Research results for Hypothesis 2

The null hypothesis is:

H0 = 7 P's have an effective role in the marketingmix of products.

H1 = 4p's rather than 7p's have an effective role in the marketing mix of products.

 χ 2 (Calculated) = 7.71

 χ^2 (Critical) = 23.68 at 0.05 alpha level with degree of freedom = 14

Since χ 2 calculated $<\chi$ 2 critical value and falls in the acceptance region. Hence the null hypothesis is accepted and the alternate hypothesis is rejected.

Table 4: Analysis of Data (Table 2)

chi square calculated (Actual) value	7.77			
chi square critical value	23.68			
Degree of Freedom	14			
Alpha value	0.05			
Probability value	0.90039533			

Research findings

- On the basis of 1st hypothesis it was found that null hypothesis is accepted and alternate hypothesis is rejected i.e. marketing mix has a direct impact on positioning on brands as it occupies a major component whose importance cannot bedenied.
- On the basis of 2^{nd} hypothesis it was found that null hypothesis is accepted and again alternate hypothesis is rejected i.e. 7 ps along with 4p's have an effective role in the marketing mix of products.
- After conducting chi square test it was analyzed tat marketing mix elements if blends with an effective marketing program, significantly achieving the company's marketing objectives by delivering value to

No of Respondents	Companies Personnel observed fo	Expected fe	Observed-Expected	(Observed- Expected)2	(Observed- Expected)2/Expected
1	50	41.86	8.14	66.26	1.58
2	40	41.86	-1.86	3.46	0.08
3	30	41.86	-11.86	140.66	3.36
4	41	41.86	-0.86	0.74	0.02
5	40	41.86	-1.86	3.46	0.08
6	43	41.86	1.14	1.3	0.03
7	41	41.86	-0.86	0.74	0.02
8	39	41.86	-2.86	8.18	0.19
9	40	41.86	-1.86	3.46	0.08
10	45	41.86	3.14	9.86	0.24
11	40	41.86	-1.86	3.46	0.08
12	50	41.86	8.14	66.26	1.58
13	40	41.86	-1.86	3.46	0.08
14	44	41.86	2.14	4.58	0.11
15	45	41.86	3.14	9.86	0.24

consumers.

 Marketing mix constitutes the company's tactical tool kit for establishing strong positioning in the market.

Conclusions and suggestions

Marketing Mix is the most important theoretical framework in marketing which has been widely used by various brands and companies in order to make their decision productive, effective and efficient. Due to this concern various brands and companies have concentrated on all the P's of marketing mix as a source of competitive edge. In order to achieve long term goals and target management at senior level in the companies adopted numerous strategies not only for marketing but also for the effective implementation of marketing mix. Therefore it is noteworthy that marketing is not only a crucial concept but also a demanding concept as it fulfill the customer expectation by providing right product at right place at right place at right cost. Regardless of various method marketing mix model is a marketing model which caters the needs of customer after considering all the p's variable as well as 4c's. If accurate and highly specific are not available then it will create a more problem Hence it is required that in order to make effective and efficient marketing mix model exact data should be available and therefore it becomes a greatest barrier in successful implementation of marketing

mix. The key research limitation lies within it that the data gathered only from the small sample say only 15 respondents which was not opinion of whole society hence the nature of the qualitative and quantitative research requires further research at a large level but as marketing mix is the crucial aspect and as per the expectation it created a same result as perexpectation.

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