3.3 Marketing mix

Name: ____________ Class: ________ Date: __________ **Total: 16 marks**

Objective

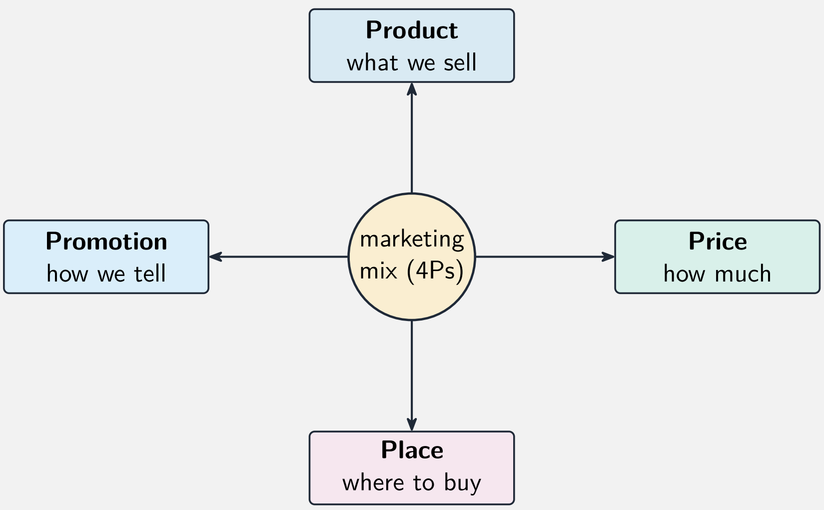
Build the skills to answer exam questions on the **marketing mix** 营销组合—the **four Ps** (**product, price, place, promotion** 产品、价格、地点、推广), the **product life cycle** 产品生命周期, **pricing methods** 定价方法, and **distribution channels** 分销渠道.

You must be able to:

- name the four Ps and explain how they work together
- describe the product life cycle and extension strategies
- compare pricing methods and distribution channels

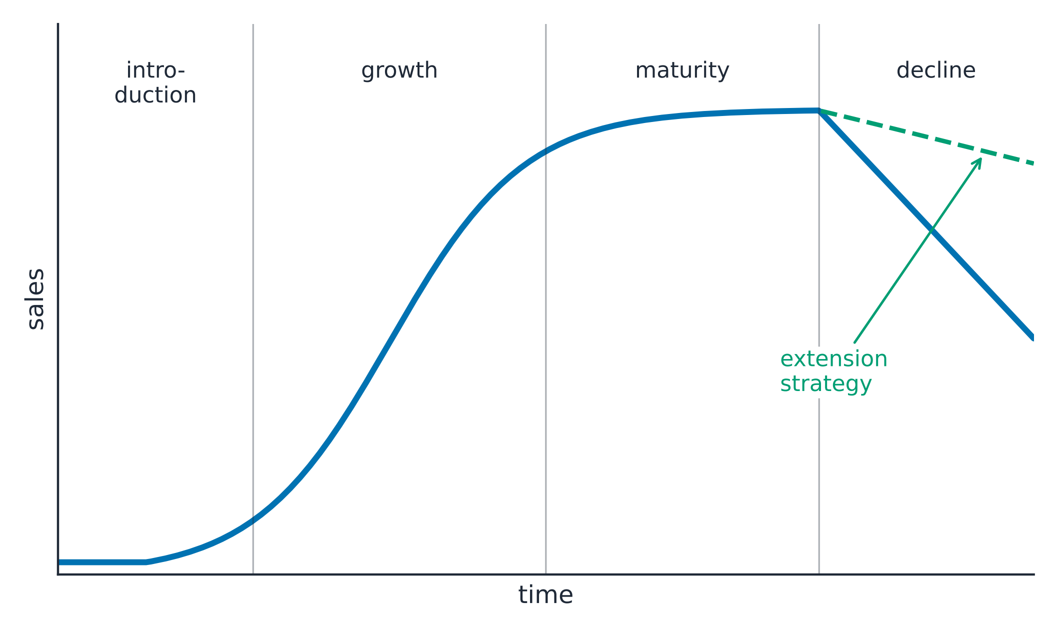
1 Worked examples

■ The four Ps



Product, Price, Place and Promotion must fit each other

- **Product** 产品: the **product life cycle** 产品生命周期 (introduction → growth → maturity → decline); **extension strategies** 延长策略 hold up sales.



The product life cycle —the Product P in detail, with extension strategies to delay decline

- **Price** 价格: **cost-plus** 成本加成, **penetration** 渗透 (low to enter), **skimming** 撇脂 (high for a new product), competitive.
- **Place** 地点: the **channel of distribution** 分销渠道 (direct, or via a **wholesaler** 批发商 and **retailer** 零售商).
- **Promotion** 推广: advertising and **sales promotion** 促销 (discounts, free gifts).

Answer shapes: K + App + An + Ev (a justified judgement, for "do you think" questions).

2 Practice

2.1 State what the **four Ps** of the marketing mix stand for. [2]

2.2 State the four stages of the product life cycle. [2]

2.3 Define the term *penetration pricing.* [2]

3 Exam-style questions

3.1 Identify two extension strategies a business could use. [2]

3.2 Explain two factors a business should consider when setting the price of a product. [6]

3.3 A business is launching a new chocolate bar. Do you think promotion is the most important part of its marketing mix? Justify your answer. [6]

4 Go further

You are now ready for the real exam questions on this subtopic. Open the **3.3 Marketing mix** past-paper sheet in the Library, or try these in **Practice mode**:

- 0450/11 N25 —Q4 (marketing mix)
- 0450/12 N25 —Q2 (the four Ps)
- 0450/13 N25 —Q2 (pricing / product)

Solutions

IGCSE Business answers are marked by **level of response**: award **K** knowledge, **App** application, **An** analysis and **Ev** a justified judgement.

2.1 Product, Price, Place, Promotion (2 for all four; 1 for two or three).

2.2 introduction, growth, maturity, decline (2 for all four in order; 1 for a partial list).

2.3 setting a low price to enter a market and win customers quickly (2 for a clear definition; 1 for a partial idea).

3.1 any two of: a new design; a new advert; new packaging; selling in a new market; a lower price (1 + 1).

3.2 *[6]* For **each** of two factors: K 1 + An up to 2 —e.g. *cost*: the price must cover the cost of making the item plus a profit → or the firm makes a loss. *Competitors' prices*: a price far above rivals' → customers buy elsewhere, so the price must be competitive. Maximum 3 each.

3.3 *[6]* Both sides + judgement. **For promotion:** a new product is unknown, so advertising is needed to make customers aware and want it. **Against:** the product must be good, the price right, and it must be easy to buy —all four Ps must fit. **Judgement (Ev):** promotion is very important at launch to build awareness, but it fails if the product, price or place are wrong —the four Ps must work together, so it is *one* key part, not always *the* most important.