



SNS B-SPINE

Coimbatore-35
An Autonomous Institution

DEPARTMENT OF MANAGEMENT STUDIES

19BAE752 - AGRICULTURE MARKETING MANAGEMENT
II YEAR III SEM

UNIT 1 - INTRODUCTION TO AGRICULTURE MARKETING

TOPIC 7 – DESIGN OF MARKETING MIX

Introduction

- The marketing mix, often referred to as the 4Ps (Product, Price, Place, Promotion), is a fundamental concept in marketing that outlines the key elements involved in successfully marketing a product or service.

Purpose:

- The marketing mix helps businesses make strategic decisions to meet customer needs, create a competitive advantage, and achieve marketing objectives.



Product



Product

A product encompasses everything a customer receives in exchange for their money, including physical goods, services, or intangible offerings.

Product Elements:

- Core Product: The core benefit or service a product provides.
- Actual Product: The tangible features, design, and quality.
- Augmented Product: Additional benefits like warranties, customer support, and packaging.

Product Development and Differentiation:

- Businesses must continuously innovate and differentiate their products to stay competitive and meet evolving customer demands.

Product

- **Product Variety:** Farmers and agricultural businesses must decide on the types and varieties of agricultural products they want to produce and market. For example, a fruit farm might choose to grow multiple apple varieties, each targeting a different market segment.
- **Product Quality:** Maintaining product quality is crucial. Farmers need to ensure their products meet quality standards and certifications, such as organic, to cater to specific consumer preferences.

Price

Price represents the amount of money customers pay for a product or service. It's a crucial element in the marketing mix.

Pricing Strategies:

- Cost-Based Pricing
- Value-Based Pricing
- Competitive Pricing
- Dynamic Pricing
- Psychological Pricing

Price

- Pricing Considerations: Factors influencing pricing decisions, including cost structure, demand elasticity, market competition, and perceived value.
- Price Flexibility: Farmers should also consider price flexibility based on market conditions, demand fluctuations, and competition.

Place (Distribution)

Place refers to how and where a product or service is made available to customers. It includes distribution channels, logistics, and location strategy.

Distribution Channels:

- Direct Distribution (Manufacturer → Consumer)
- Indirect Distribution (Manufacturer → Retailer → Consumer)
- Online vs. Brick-and-Mortar

Logistics and Supply Chain Management:

Efficient supply chain management is crucial for timely and cost-effective product delivery.

Place (Distribution)

- Deciding how and where to sell agricultural products is critical. This may include choosing between direct-to-consumer sales through farm stands, farmers' markets, or selling through intermediaries like wholesalers or retailers.
- Geographic Reach: Farmers must determine their target markets and the geographical areas they want to serve. For instance, a local farmer might focus on selling within their region, while a large agricultural business may target national or international markets.



Promotion

- Promotion involves all activities aimed at communicating and persuading customers to buy a product or service.
- Marketing and Advertising: Promoting agricultural products involves creating awareness through various marketing channels. This could include online advertising, social media marketing, or traditional methods like flyers and local events.
- Promotion Mix:
 - Advertising (TV, radio, online)
 - Public Relations (media coverage, press releases)
 - Sales Promotion (discounts, coupons, loyalty programs)
 - Personal Selling (direct sales, relationship building)

Promotion

- Integrated Marketing Communication (IMC):
IMC ensures that all promotional efforts work together harmoniously to convey a consistent brand message.
- Educational Initiatives: Farmers can also engage in educational initiatives to inform consumers about the benefits of their products. For example, conducting workshops on the health benefits of organic produce.

Application of 4Ps

