

# Promotion of New Products- Marketing Mix

- **The Four P's:** *Putting the right product in the right place, at the right price, at the right time.*

- ✓ **Product:** The success of a new product depends greatly on a company having the right product to promote. This includes; ingredients, processing methods used, the appeal of the packaging, the image associated with the company and its brand name.



- ✓ **Price:** Setting the right price is important. Setting the price too high may reduce sales and setting the price too low may send out a message that the product is of low quality. It is important to set a price that is affordable for people within your target market. The formula to use when determining a product price is as follows;

$$\begin{array}{r} \text{Ingredient Costs} \\ + \\ \text{Production Costs} \\ + \\ \text{Packaging Costs} \\ + \\ \text{Marketing Costs} \\ = \\ \text{Total Cost} \end{array}$$



(The cost per product is the total cost divided by number of product units manufactured)

- ✓ **Promotion:** Deciding whether and how to inform and educate the consumer about the product. Will you be using media advertising? Personal selling sales promotions? Sponsorships? or a combination of these? Using your brand name and logo is a trademark that assists in promoting the product. For example; Coca-Cola.



- ✓ **Place:** This involves deciding on the avenues to distribute the product. Some food products may be sold at specialty shops or delicatessens, while others will be sold widely at supermarkets.

