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E-MARKETING

Marketing Mix

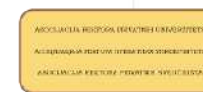
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Traditional Marketing Mix on the Internet

An effective strategy involves making the right choices because if a brand tries to offer all its products to everyone, it risks becoming unfocused or losing its true value. To make a smart choice, it's necessary to consider: what are the factors that affect the business? This includes the market, competition, customers, etc.

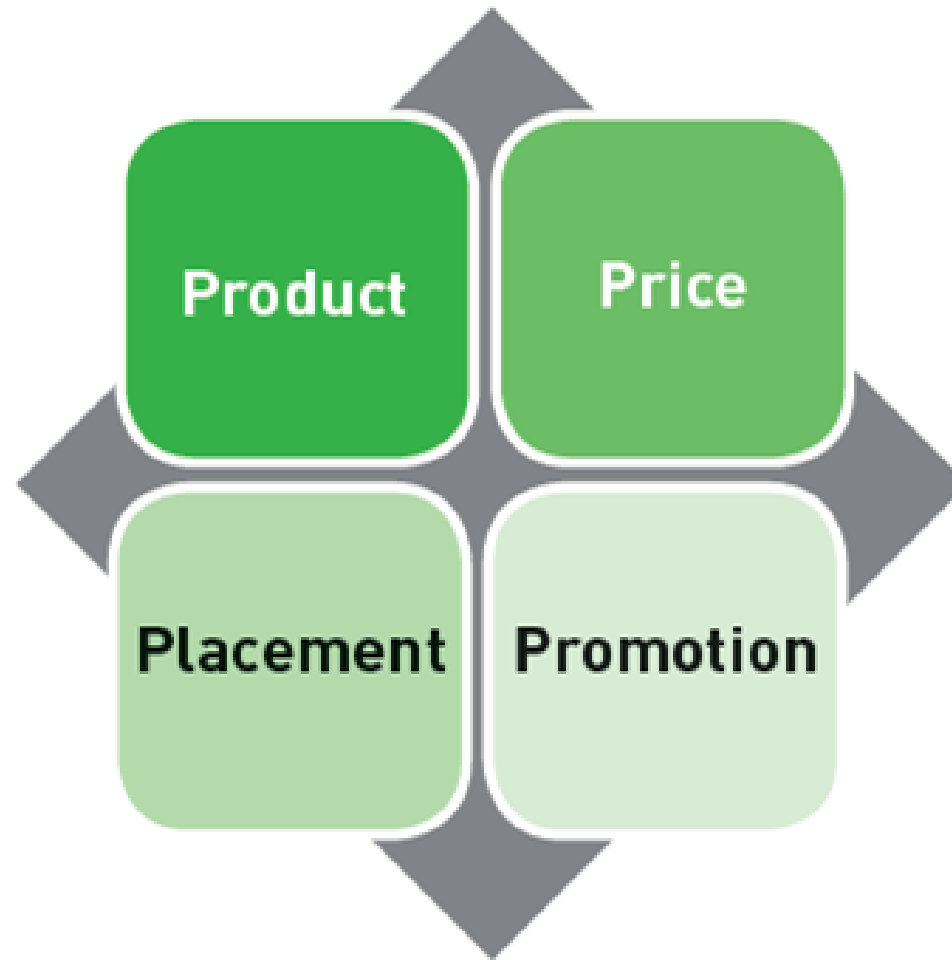
For example: A new airline, before launching, should consider whether it will offer domestic or international services; whether its customers will be budget travelers or international and business travelers; whether it will use smaller or larger airports, and so on. Each of these choices will result in an entirely different strategic direction.



There are different models used to assist in formulating business strategies. Two of the most well-known traditional models are The Four Ps (Product, Price, Place/Distribution, and Promotion) and Porter's Five Forces Analysis. However, the internet significantly impacts the use of these models, leading us to reconsider and adapt traditional models to changes in the market and shifts in consumer behavior.



THE FOUR PS



The Four Ps have been fundamentally changed by the advent of the Internet and the use of digital technologies, as well as shifts in consumer awareness.

Products and Services

Products and services are what a company sells. Technology enables mass customization of products, as online platforms allow businesses to track consumer behavior and needs much faster and influence the product before it is created.



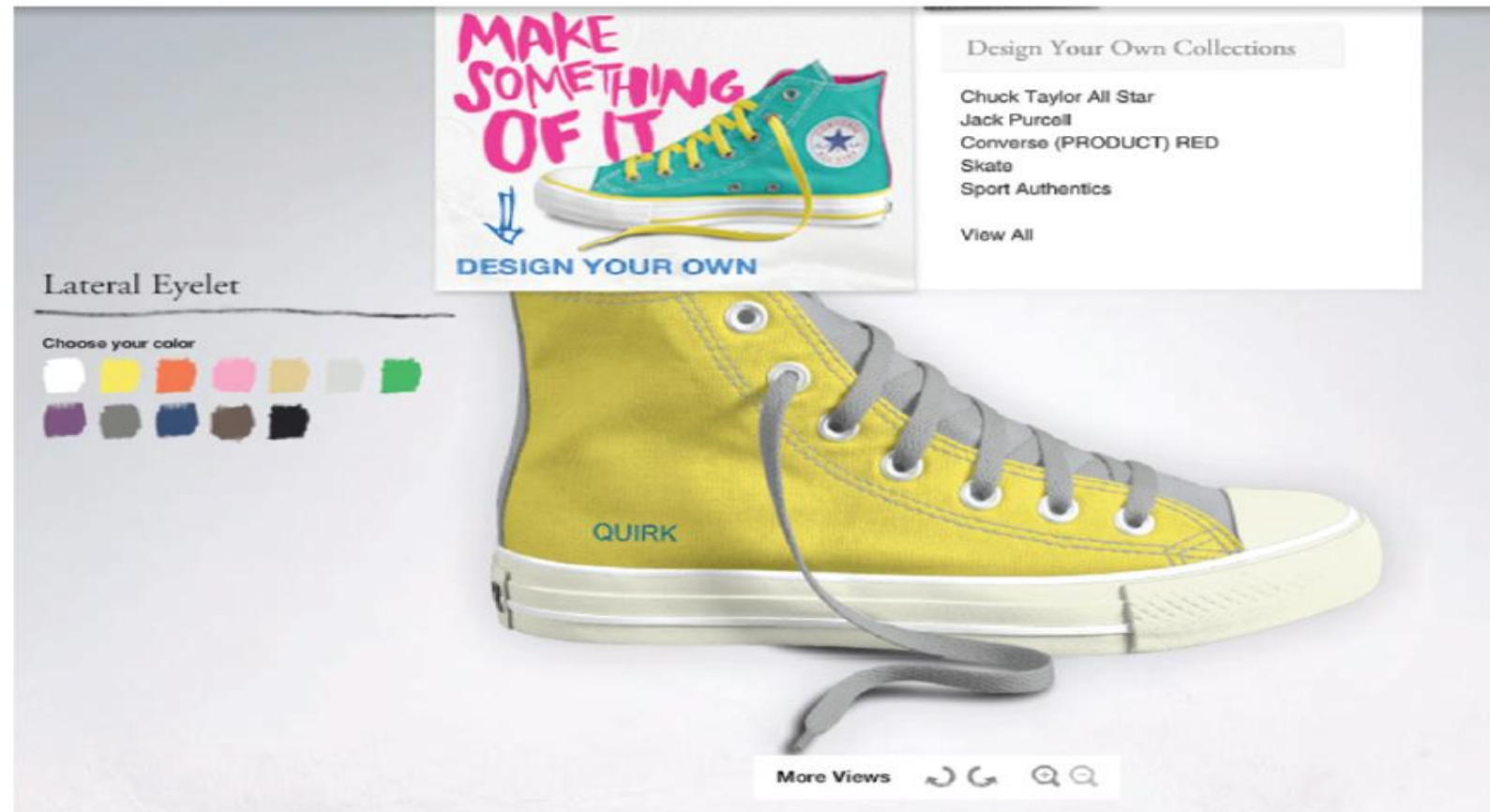


Figure 1.3 Converse.com allows for the personalisation of products. This involves customers and gives them a sense of ownership.



The internet has enabled the existence of digital products. It allows the distribution of products such as software and digital music, which characterizes the internet as a distribution medium.

Price

Online, customers can quickly receive offers with prices from multiple suppliers, increasing competition among them. There are also websites where prices from different companies can be easily compared. This has led to lower prices, as customers can influence prices and access information more quickly.

Price differentiation is particularly important for smaller players in the market, as they have the opportunity to prove their value. Value is a combination of service and price, where a customer may be willing to pay a higher price for better service or a product.



Place or Distribution

The internet has provided companies with access to the global market. The distribution of products and markets is no longer limited by location. With efficient delivery and transport channels, even non-digital products can benefit from a much broader market.

Promotion

The online promotional mix is an extension of offline promotion, but with significant differences. Online promotion can be tracked, measured, and targeted in a much more sophisticated way. Advertising, personal selling, market promotion, and public relations can all be conducted through online media.



New P: People

In addition to the existing Four Ps model, the internet has contributed to the consideration of a new P: People. The reason for this is that people can influence the entire brand narrative much more than before, as they can directly impact manufacturers through the internet.



Porter's Five Forces Analysis

This model helps determine competitive advantages and market attractiveness. The low barriers to entry on the internet have allowed businesses to expand into the online space, providing endless options for customers in terms of products and services.



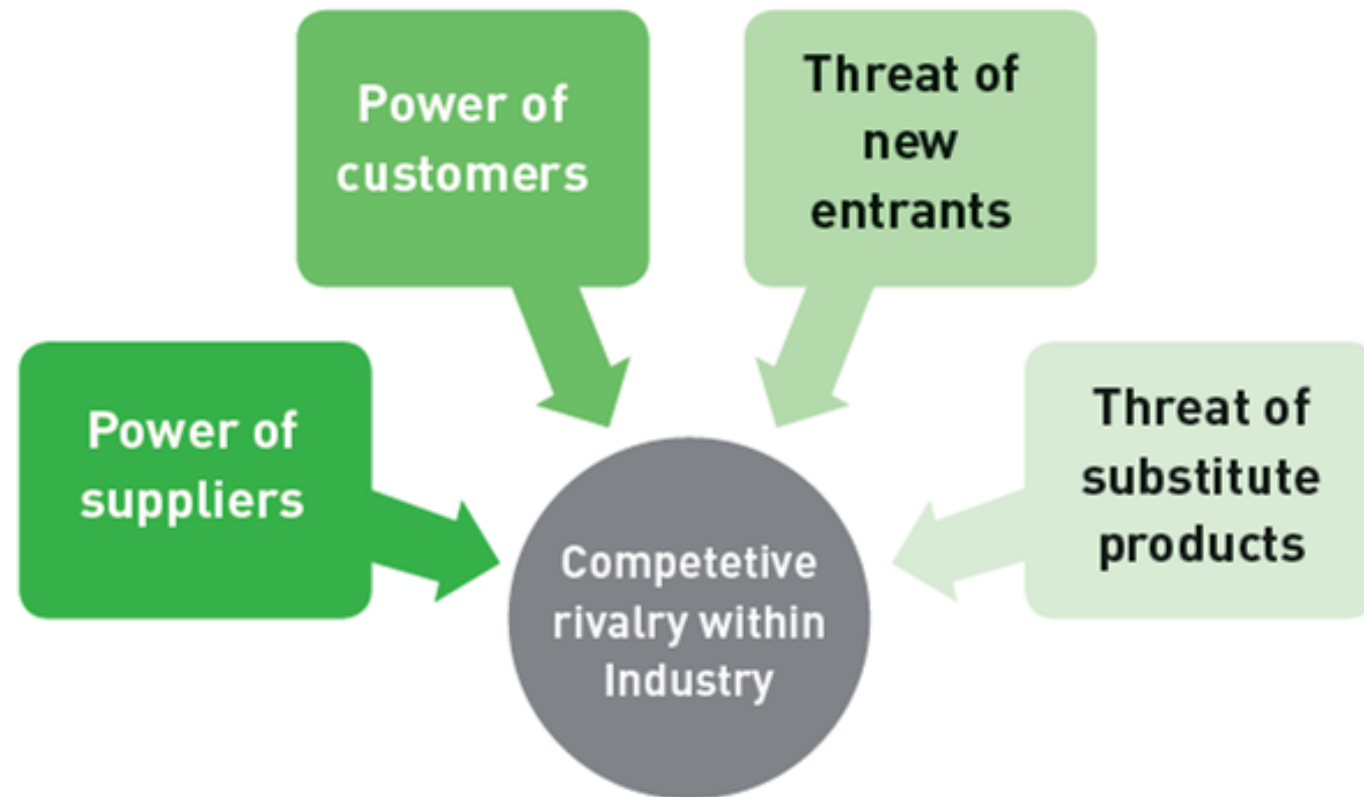


Figure 1.5 Porter's Five Forces. The Internet has allowed for an incredibly competitive market place.



World-renowned seller and best-selling author on business and marketing, Seth Godin, recommends five elements to consider for a digital marketing strategy:

Data: Raw facts about a product or service. Online advertisers use data to compare products and marketing campaigns, offering customers and other market participants the best opportunity to access the right information about a product or service.

Stories: Brands create stories, myths, and legends about their products and services. Ultimately, what people say about your product or service is the story, and today, more than ever, consumers help shape the stories that define organizations.

Products: Products are the physical manifestations of your story. If your story is that your products are simpler, faster, and better, your products must be that way, or your story will be rejected as a lie.



Interactions: Interactions are tactics used to connect with the consumer and encompass every touchpoint of the brand: from TV advertising to emails, SMS, and the way your staff communicates with customers.

Connection: This is the unofficial "fifth P" of the Four Ps. Connection is the nirvana of marketing strategy. It is the point where the successful application of the first four elements leads people to fall in love with your brand. Once an organization successfully connects with its customers, the real magic happens—customers connect with each other because they believe in the brand's story.



The strategy should answer the questions of who you are, what you offer, to whom, as well as why and how you do it. There are certain steps that need to be taken for an organization to create and implement a strategy that will achieve its goals.

The steps refer to:

- Context
- Objectives
- Market value
- Tactics and assessments
- Measurements
- Ongoing optimization



Thank you for your attention!





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Questions & Answers

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