

**Marketing: Product Positioning and the
Marketing Mix
(Product, Price, Place and Promotion)
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2006**

- **Objectives:**

At the completion of this unit, students will be able to:

1. Define the concept of “position.”
2. Define the elements of the marketing mix
 - a. Product
 - b. Price
 - c. Place
 - d. Promotion
3. Describe the process by which a position statement and action plan based upon the four P’s of marketing are developed.
4. Demonstrate how the product mix can be used to create a favorable position for the product or service that they are marketing.

- **Background:**

- This lesson plan is part of a larger unit on agricultural marketing. At this stage, students have already identified a product or service for which they are developing a marketing plan, and they have conducted market research to identify the physical characteristics of their product, the nature of the competition in the market, as well as tastes and preferences of consumers. Students have already developed marketing objectives for their plans (e.g., to increase sales by 100 percent, increase market awareness by 50 percent, etc.) based upon their marketing analysis. Students have already developed marketing “teams” to market those products/services.

The following conventions have been used to make the lesson plans easier to follow: Information from overheads is typed in **red ink**. Discussion or dialogue in black ink and parenthetical information or description is *in italics*.

- Key terms



- Position
 - Marketing Mix
 - Product
 - Price
 - Place
 - Promotion
 - Action Plan
- Logistical Information
 - Time: 100 Minutes
 - Tools, Equipment, Supplies
 - Variety of hats, costumes for each student
 - Transparency masters: TM1. TM2. TM3. TM4.
 - Copies of TM4 for each marketing team.
 - Resources:
 - Chris G. Yorke, [Agrimarketing Project](#).
 - FFA, [Marketing Plan Career Development Event, Rules and Format](#).
- Interest Approach.

Before students arrive, place the box of costumes in the center of the room. These can include any costume props – sports jerseys, welding helmets, lab coats, cowboy hats – that will help students make a judgment about the occupation of other students. Ask students to select a costume as they enter the room. Once everyone has their costume, ask students to develop their first impression of the people in the room.

Look around at your new classmates. What do you think of them? Take a few seconds and look at each person. What can you tell me about the person in the ... *here elicit plausible first impressions of students.*

Very good! We have seen how the outward appearance of a person affects how we perceive them. If we need beef products, will we approach the person with the sports jersey? (*Probable answer: no, we will ask the person with the cowboy hat.*) If we need medical services, we will search out the person with the lab coat and stethoscope, and so forth. This is because the outward appearance of these persons affects our perceptions of what they do and what they can do for us.

When you hear the word “Impressions,” return the costumes to their box and quietly get into your marketing teams. Ready, “Impressions!”



Marketers have several tools with which to establish perceptions of their products/services in the minds of consumers that make those products/services more compelling to potential customers. Let's get out our marketing notebooks and see how we can accomplish this important marketing function for the products/services we are marketing.

Summary of Content, Instructional Sequences, Activities and Strategies:

- Objective I. Define the concept of "Position"

Ask students to capture in their notes the following definition of product positioning from a writing surface or TMI. Include explanations and the examples in your discussion.

POSITION. THAT IMAGE OR PERCEPTION WHICH EXISTS IN THE MINDS OF CONSUMERS THAT RELATES TO YOUR PRODUCT AND/OR SERVICE.

Position is how we make our product/service more compelling to target customers than products already on the market. It answers the question, "What, after my marketing campaign is over, will the customer think of my product?"

An example position for ABC Widgets might be "the most dependable, most inexpensive and easiest-to-acquire widget on the market today...the one that Wally-the-Widget sells on those cool commercials after the 10:00 news."

Use a Choral Response Moment to reinforce the definition of position.

What is Position? "That image or perception which exists in the minds of consumers that relates to your product and/or service."

Activity: Let's see how this works. All of you have been consumers or the target market for marketers. Work with your marketing team to brainstorm examples of "positioning" – both good and bad – for products with which you are familiar.

I have given each group at their table an 8½x11-inch sheet of paper. Please fold it in half lengthwise (*demonstrate*). On the top of the left half, write the words "Good Position" and on the top of the right half write the words "Poor Position."

(*Demonstrate*) Please elect a scribe for each group to record your responses. When I say "At your positions, ready, set, go!," please brainstorm factors that create good and bad positions for products that you are familiar with – and ask your scribe to record those factors that create good position on the left-hand side of your paper and those



that create poor position on the right-hand side of your paper. For example, good position is created when you perceive a product to be inexpensive, easy to use, that is easy to find and that has catchy commercials. Poor positioning may result when you perceive a product to be too costly, difficult to use, never in the stores when you want one, or if you have never heard of that product before. There are many more examples of good and poor positioning – brainstorm these and write them down. You will have 5 minutes to complete this activity, and you will be asked to share your answers with the class. I will say “Stop” when your time is up. What questions are there? “At your positions, ready, set, go!”

Walk around and lead students through the brainstorming process. It is important that they understand the concept of positioning and that they get a preview of how each of the four P’s (product, price, place and promotion) affect product position. A few leading questions should help steer them in the right direction and make the necessary connections.

Stop! OK, as I call your name, please present a factor that creates either good or bad position and give us an example.

Great! Let’s become marketing wizards and see how marketers use what’s called the “marketing mix” to create favorable product position.

- Objective II. Define the elements of the marketing mix: product, price, place and promotion.

Use a Donald Trump/Warren Buffett Moment (aka Little Professor Moment) and TM2 to define each of the P’s in the marketing mix. Ask students to capture these definitions in their notes along with relevant explanations and examples.

Marketers create favorable position for their products/services using what is called the “Marketing Mix” or the “Four P’s of Marketing: Product, Place, Price and Promotion.” These are actually strategies that are used to create the position we desire in the minds of consumers. Let’s use a Donald Trump/Warren Buffett Moment to explore these strategies.

For this activity, select Trumps and Buffetts in any convenient manner. Explain to students that for each element of the mix, the students will take turns teaching and learning – but that both must come up with examples. For the “product” component, the Trumps will take notes and discuss with the teacher the concept of product. They will then have two minutes to teach that concept to the Buffetts – making sure that the Buffetts take notes and learn the key information. The Trumps and Buffetts can then work



together to come up with some examples of product strategies that will create a desired position, and the Buffetts will report those examples to the class. The students will alternate roles for the remaining components of the marketing mix. TM2 (definitions in red) can remain on the overhead to help students with note taking. The teacher's explanations and examples to assist students follow the definitions from TM2.

Will the Trumps please come forward and discuss the “Product” component of the marketing mix with me; Buffetts, please remain quietly at your seats and clean up your notes.

PRODUCT – THE PHYSICAL CHARACTERISTICS OF THE PRODUCT/SERVICE THAT WE KNOW TO BE IMPORTANT TO CONSUMERS.

Will our product last longer, be more convenient, work better or just be prettier than our competitors? We have conducted extensive competitive and market analysis for our products – what features or benefits are important to our customers? Which features are our competitors not providing?

Some examples that you can share with students: made of metal, more durable; small packages, more convenient; pink dye, prettier product; etc. Have students do a features/benefit analysis: what benefits do customers want that the features of our product provide?

Trumps, please return to your Buffetts and teach them about the “Product” component, making sure that the Buffetts take notes and learn all the key information. When I say the word “Teach,” you will have two minutes to teach the concept. When you hear the words “Examples Now,” work together to develop some creative examples of product strategies. At the end of two more minutes, I will say “Stop” and ask each Buffett to share your example of a product strategy with the class. Any questions?

Teach!

Examples Now! Work together to create some examples of product strategies and the position they will promote.

Stop! Will each Buffett give me an example of a product strategy and how that strategy might create a favorable position?

Will the Buffetts please come forward and discuss the “Place” component of the marketing mix with me; Trumps, please remain quietly at your seats and clean up your notes.



PLACE – HOW WILL THE PRODUCT/SERVICE BE MADE AVAILABLE TO YOUR TARGET MARKET?

This includes where consumers who might be interested in your product and service can find it and, once it is purchased, how it will be transported, delivered and made ready for use. Your marketing analysis showed you where your customers are likely to look for your product; how can you make purchase and use of that product more compelling than your competitors?

Some examples that you can share with students: Available at local retailers makes the product easy to acquire; Internet access may make the product more accessible to the market you want to reach; do our customers value home delivery or service calls? Again, have students do a features/benefit analysis and come up with personal examples of place strategies.

Buffetts, please return to your Trumps and teach them about the “Place” component, making sure that the Trumps take notes and learn all the key information. When I say the word “Teach,” you will have two minutes to teach the concept. When you hear the words “Examples Now,” work together to develop some creative examples of place strategies. At the end of two more minutes, I will say “Stop” and ask each Trump to share your example of a place strategy with the class. Any questions?

Teach!

Examples Now! Work together to create some examples of place strategies and the position they will promote.

Stop! Will each Trump give me an example of a place strategy and explain how that strategy might create a favorable position?

Will the Trumps please come forward and discuss the “Price” component of the marketing mix with me; Buffetts, please remain quietly at your seats and clean up your notes.

PRICE – WHAT WILL THE PRODUCT/SERVICE COST? HOW WILL THAT PRICE BE PERCEIVED BY YOUR TARGET MARKET?

How will the price of your product be determined and how will that price affect how it is perceived by consumers? Is price considered important by consumers, or do other features offered by your product make it a better “value” even though the price is higher? What are your competitors charging; is your price similar-more-or-less? Does your target market (e.g., wholesalers) expect a volume discount? Will you sell at below cost just to get customers to try your product? You will



need to explain your pricing schedule based upon what your market and competitive analysis has taught you.

Some examples you can share with students: More expensive, but worth the money; the most inexpensive on the market; volume discounts to wholesale buyers; etc. Again, have students do a features/benefit analysis from what their marketing research tells them that customers consider important.

Trumps, please return to your Buffetts and teach them about the “Price” component, making sure that the Buffetts take notes and learn all the key information. When I say the word “Teach,” you will have two minutes to teach the concept. When you hear the words “Examples Now,” work together to develop some creative examples of price strategies. At the end of two more minutes, I will say “Stop” and ask each Buffett to share your example of a price strategy with the class. Any questions?

Teach!

Examples Now! Work together to create some examples of price strategies that might create a favorable position.

Stop! Will each Buffett give me an example of a price strategy and how that strategy might create a favorable position?

Will the Buffetts please come forward and discuss the “Promotion” component of the marketing mix with me; Trumps, please remain quietly at your seats and clean up your notes.

PROMOTION - HOW WILL WE SELL, PROMOTE OR ADVERTISE YOUR PRODUCT/SERVICE?

What types of promotion or advertising will reach our target market in the most cost-effective way? Will we use point-of-purchase signs, radio or television advertising, brochures, direct selling, public relations? What will reach and appeal to our target market and what can we afford? What are our competitors doing right or wrong?

Some examples you can share with your students: will radio ads reach our target and can we afford it; does our target market attend trade shows, read trade magazines; can we use public service (free) advertising? Can we come up with a catchy logo, phrase or slogan that will make our product memorable to customers? Direct students using leading questions to encourage them to come up with personal examples of promotional strategies that are suitable for their marketing situation.



Buffetts, please return to your Trumps and teach them about the “Promotion” component, making sure that the Trumps take notes and learn all the key information. When I say the word “Teach,” you will have two minutes to teach the concept. When you hear the words “Examples Now,” work together to develop some creative examples of promotion strategies. At the end of two more minutes, I will say “Stop” and ask each Trump to share your example of a promotion strategy with the class. Any questions?

Teach!

Examples Now! Please work together to develop some examples of effective promotion strategies.

Stop! Will each Trump give me an example of a promotion strategy and how that strategy might create a favorable position?

Great Work! From your examples, it is obvious that you understand the strategies of the marketing mix.

Use a Hieroglyphics Moment to reinforce student learning of the four P’s of marketing.

Let’s develop some pictures that will help us to remember the four P’s of marketing.

What symbols can you think of that will help you to remember the four P’s? *Brainstorm ideas and collect them on the overhead or writing surface. Try to elicit at least one response from each student – then erase them when you have a representative sample.*

Divide a sheet of your notebook paper into four quadrants and label each quadrant with one of the four P’s (product, price, place and promotion). When I say “Cleopatra,” you will have five minutes to draw a symbol for each P that will help you to remember the word and its meaning. When I say “Stop,” you may be asked to share your creations and explain them to your classmates. Any questions?

Cleopatra! Roam to keep students on task. At the end of five minutes, say “Stop,” and ask students to share their work and explain the visual connections they have made.

At the end of the first hour of this lesson and the beginning of the next, review the concept of position and the four P’s with students using a Choral Response Moment. At the beginning of Day 2, review TM1 and TM2 with students before proceeding. A Choral Response Moment may help them to review these concepts.



- **Objective III:** Describe the process by which a position statement and action plan based upon the four P's of marketing are developed.

Today we will apply what we have learned about position and how to use the marketing mix to create an action plan that promotes a favorable position for the product/service that you are marketing in your teams.

Use a Donald Trump/Warren Buffett Moment (aka Little Professor Moment) and TM3 to describe the steps in creating a position statement and action plan. Ask students to capture these definitions in their notes along with relevant explanations and examples.

A marketing “Action Plan” is your plan for achieving your marketing objectives by developing a “position statement” and marketing mix which supports that position. Let’s use a Donald Trump/Warren Buffett Moment to explore the steps for developing an action plan.

For this activity, ask students to get into the Trump/Buffett pairs they used in the last such activity. Explain to students that for each step of the action plan, the students will take turns teaching and learning – but that both must come up with examples. For step one, the Trumps will take notes and discuss with the teacher the concept of creating a position statement. They will then have two minutes to teach that concept to the Buffetts – making sure that the Buffetts take notes and learn the key information. The Trumps and Buffetts can then work together to come up with an example of an appropriate position statement, and the Buffetts will report those examples to the class. The students will alternate roles for step two. TM3 (definitions in red) can remain on the overhead to help students with note taking. The teacher’s explanations and examples to assist students follow the definitions from TM3.

Let’s use the Trump/Buffett pairs from yesterday. Will the Trumps please come forward to discuss the first step in developing an action plan? Buffetts, please remain quietly at your seats and review your notes.

Steps in Developing an Action Plan

1. Clearly state the position statement that you want to achieve for your product/service. What position has your research shown you to be necessary in order to achieve your marketing objectives?

This statement must:



- a. Support your marketing objectives.
- b. Be based upon the factors that your research has told you is important to consumers.

This position statement must support the marketing objectives you have already determined for your product and be based upon sound marketing research. If, for example, your objective is to increase sales, what perceptions of your product must you create in order to make your product/service attractive to consumers – a must-buy situation? If, for example, your objective is to improve market share, what consumer perceptions must you reinforce about your product to make it more compelling to customers than your competitors? If your objective is to increase market awareness, what perceptions must you create in the minds of consumers to remind them that your product is available?

This statement must also be firmly grounded with those factors that your marketing analysis has told you are important to consumers and your competitive situation. If, for example, your market analysis told you that customers prefer blue fertilizer and that your major competitor's product is light azure, your position statement would want to emphasize your product as the bluest on the market. A good example of a position statement for this product might be "We will increase market share of True Blue Fertilizer by using strategies that position our product as the bluest fertilizer available on the market today."

Please give me an example of a position statement for a hypothetical product based upon marketing objectives and marketing objectives. (*Help students formulate examples if needed.*)

Trumps, please return to your Buffetts and teach them the first step in the development of an action plan, making sure that they take notes and learn all of the key information. You will have two minutes to complete this task; please begin.

Once the Trumps have completed teaching, ask the pair to work together to develop a simple position statement for their product, which the Buffetts will share with the class.

OK. Let's create a simple position statement for the products that you are marketing. You will have an opportunity to work with your team later; for now, each pair of Trumps and Buffetts is to write a simple position statement based upon your marketing objectives and marketing research so that I can determine if we are all on the same page. When I say, "On your mark, Go!," take one minute to write a position statement. Be sure that statement clearly reflects the goal you



are trying to promote and at least one factor that marketing research has shown you to be necessary to achieve that goal. For example, we want to increase sales of ABC Widgets and our research has shown us that consumers consider durability to be important when purchasing widgets. Our position statement could be “We will position ABC Widgets as the most durable widget on the market today.” When I say “Stop,” please give me your attention and become attentive learners again.

Any questions? “On your mark, Go!” (*Roam to help struggling students and to keep students on track.*)

Stop! Will the Buffetts please share and explain their position statements to the rest of the class? Great!

Will the Buffetts please come to the front of the room to discuss step two for creating an action plan. Trumps, please sit quietly and clean up your notes.

Step two in developing an action plan is to...

2. Develop strategies, based upon each of the four P's, that will help you achieve that position statement. How might marketing campaign strategies from each of the P's help you to attain the position that you want?

For example, if you want to position your product as the best value, you might want to use effective television “promotions emphasizing low price” that stress the giant economy size of your “product,” which can be purchased at several convenient “places” without the need to pay for shipping and handling.

Please give me an example of a simple position statement and a list of strategies that might help to promote that position. (*Help students formulate examples if needed.*)

Buffetts, please return to your Trumps and teach them the second step in the development of an action plan, making sure that they take notes and learn all of the key information. You will have two minutes to complete this task; please begin.

Once the Buffetts have completed teaching, ask the pair to work together to develop a strategy statement for their product, which the Trumps will share with the class.

Let's create a simple strategy statement for the products that you are marketing. You will have an opportunity to work with your team later; for now, each pair of Trumps and Buffetts is to write a simple strategy statement based upon your position statement so that I can determine if we are all on the same page. When I



say, “On your mark, Go!,” take two minutes to write a strategy statement. Be sure that statement clearly reflects the position you are trying to create. For example, using our ABC Widget example, “Our marketing strategies will emphasize the all-steel construction of ABC Widgets, making them the most durable widget on the market today.” When I say “Stop,” we will share our strategy statements with the rest of the class. Any questions? Good. “On your mark, Go!”

(Roam to help struggling students and to keep students on track. Ask students to share, and guide any who require more help in grasping this concept.) After two minutes, say Stop.

Stop! Will the Trumps please share and explain their strategy statements to the rest of the class? Great!

Activity: Use a Cartographer Moment to have students create a diagram that represents this process. Regardless of what type of “map” they choose to use, it should show that the position statement is derived from marketing objectives and marketing research, and is supported by a strategy statement that includes each of the four P’s. (See e.g. TM4.) Ask students to share and explain their maps to the class.

- **Objective 4:** Demonstrate how the product mix can be used to create a favorable position for the product or service they are marketing.

Activity: Let’s get into our marketing teams and apply what we have learned in the last two days. *(Give students time to get into their teams.)* Using the process outlined in your notes, create a position statement and action plan for the product/service that you are marketing. I will show you how to use these worksheets I am passing out to help draft your own action plans.

Use transparency master 4 to help students visualize this process. Develop a hypothetical action plan using TM4 on the overhead to guide students through this process. Hand out copies of TM4 to each team to help them create a rough draft of an action plan for their product/service.

1. Develop a position statement based upon your marketing objectives and marketing research. Be ready to explain how your statement will achieve your objectives, and how you selected the factors in your position statement from your marketing research.

For example, I am marketing Sandia watermelons to New Mexico residents. Sandia melons are small watermelons with excellent flavor grown in New Mexico. My research tells me that consumers consider flavor the most important



factor in selecting melons, but also prefer homegrown products and often find the size of larger melons troublesome and wasteful.

My position statement would be: “We will increase sales of Sandia melons by utilizing marketing strategies in which Sandia melons will be positioned as the tastier homegrown melon that grows small enough to fit in most refrigerators with less waste.” (*Write this statement in the appropriate box of TM4.*)

2. Explain, using the four P’s, the strategies by which you will achieve that position statement. Be ready to justify how each strategy will achieve the factors that you consider necessary to create a favorable market position.
 - a. In the Place Box of TM4, include such strategies as: Use the New Mexico Homegrown Label. Sell in New Mexico Franchise Grocery Stores. Sell at local Farmers Markets.
 - b. In the Price Box, include such strategies as: emphasize value – not price. Even though Sandias are more per pound, less waste means better value.
 - c. In the Product Box, include such notes as: stress small convenient size; taste tests show Sandias are sweeter.
 - d. In the Promotion Box, discuss the possibility of TV ads around the dinner hour; ads in New Mexico magazines; booths at county and state fairs; etc.

OK, it’s your turn. Use TM4 to help develop your own action plan. You will have the rest of the hour to complete this assignment.

Roam to assist students with the formulation of their own action plans. This is a peer-taught activity, and students should be able to help each other. A few leading questions may be needed to keep students on track and to help them see necessary connections.

- **Review.**

Review each objective of this lesson using objectives 1-3 and related transparency masters as necessary. Specific content can be reviewed with students struggling to complete their action plans.

- **Assessment.**

The draft of the action plan will be the assessment for this lesson. It will be corrected with recommendations for improvement, which can be incorporated into the student’s final marketing plan.





Lesson plan 2: TM1

POSITION. THAT IMAGE OR PERCEPTION WHICH EXISTS IN THE MINDS OF CONSUMERS THAT RELATES TO YOUR PRODUCT AND/OR SERVICE.



Product Mix – the Four P’s of Marketing

PRODUCT – THE PHYSICAL CHARACTERISTICS OF THE PRODUCT/SERVICE THAT WE KNOW TO BE IMPORTANT TO CONSUMERS.

PLACE – HOW WILL THE PRODUCT/SERVICE BE MADE AVAILABLE TO YOUR TARGET MARKET?

PRICE – WHAT WILL YOUR PRODUCT/SERVICE COST? HOW WILL THAT PRICE BE PERCEIVED BY YOUR TARGET MARKET?



PROMOTION - HOW WILL WE SELL, PROMOTE OR ADVERTISE OUR PRODUCT/SERVICE?

Lesson Plan 2: TM3

Steps in Developing an Action Plan

1. Clearly state the position that you want to achieve for your product/service. What position has your research shown you to be necessary in order to achieve your marketing objectives?

This statement must:

- a. Support your marketing objectives.
- b. Be based upon the factors which your research has told you is important to consumers.

2. Develop strategies, based upon each of the four P's, that will help you achieve that position statement. How might marketing campaign strategies from each of the P's help you to attain the position that you want?

- a. Price – what will be the price structure?

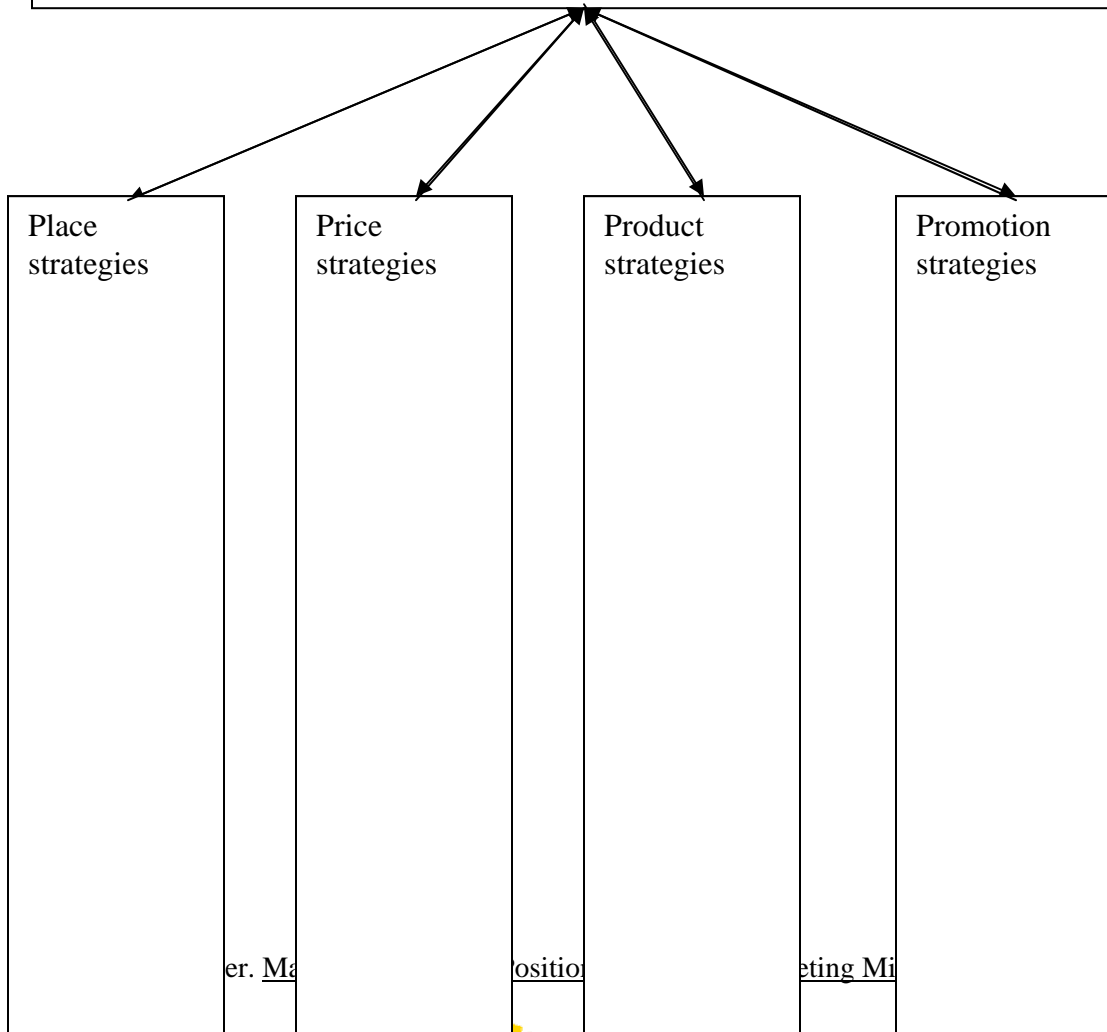


- b. Product – what are the product’s attributes?
- c. Place – how will you distribute and sell?
- d. Promotion – which promotional activities are appropriate for your product/service?



Action Plan Worksheet

Your position statement that supports your objectives and is based upon your marketing research.



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