

## The Four P's

Buying, selling, market research, transportation, storage, advertising – these are all part of the complex area of business known as marketing. In simple terms, marketing means the movement of goods and services from manufacturer to customer in order to satisfy the customer and to achieve the company's objectives. Marketing can be divided into four main elements that are popularly known as the four P's

- Product
- Price
- Placement
- Promotion

Each one plays a vital role in the success or failure of the marketing operation.

## عناصر التسويق الأربعة

يعد الشراء والبيع وأبحاث السوق والنقل والتخزين والإعلان جزءاً من مجال معقد من مجالات الأعمال يسمى التسويق. وبعبارة مبسطة يعرف التسويق بأنه حركة البضائع والخدمات من المصنع إلى العميل لإرضاء العميل وتحقيق أهداف الشركة. ويمكن تقسيم التسويق إلى أربعة عناصر رئيسية:

- منتج.
- سعر.
- توزيع.
- ترويج.

كل عنصر من هذه العناصر يؤدي دوراً حيوياً في نجاح وفشل عملية التسويق.

The product element of marketing refers to the good or service that a company wants to sell. This often involves research and development (R & D) of a new product, research of the potential market, testing of the product to ensure quality, then introduction to market.

A company next considers the price to charge for its product. There are three pricing options the company may take: *above, with or below* the prices that its competitors are charging. For example, if the average price of a pair of shoes is SR 47, a company that charge SR 43 has priced *below* the market; a company that charges SR 47 has priced *with* the market; and a company that that charged SR 53 has priced *above* the market. Most companies price with the market, selling their goods or services for average prices established by major producers in the industry. The producers who establish these prices are known as price leadings.

The third element of marketing process – placement – involves getting the product to the customer. This takes place through the channels of distribution. A common channel of distribution is:

Manufacturer  $\rightleftarrows$  wholesaler  $\rightleftarrows$  retailer  $\rightleftarrows$  customer

يشير عنصر المنتج من عناصر التسويق إلى البضائع والخدمات التي تريد الشركة بيعها. وغالباً ما يتضمن هذا العنصر البحوث والتطوير للمنتج الجديد، أبحاث الأسواق المحتملة، واختبار المنتج لضمان جودته ومن ثم تقديمه إلى السوق.

ثم يلي ذلك دراسة سعر المنتج. هناك ثلاثة خيارات تسعير يمكن أن تلجأ إليها الشركة: أعلى من أسعار منافسيها في السوق أو في مستوى أسعار السوق نفسه أو دون سعر السوق. على سبيل المثال إذا كان متوسط سعر الحذاء ٤٧ ريالاً، فإن الشركة التي تطلب ٤٣ ريالاً تسعر أقل من سعر السوق، والشركة التي تطلب ٤٧ ريالاً تسعر في مستوى السوق، والشركة التي تطلب ٥٣ ريالاً تسعر أعلى من السوق. ومعظم الشركات تحدد السعر في مستوى السوق، أي يبيع البضائع أو الخدمات بأسعار يقرها كبار المنتجين لصناعة ما. ويطلق على المنتجين الذين يقررون الأسعار بقيادة التسعير.

العنصر الثالث من عناصر عملية التسويق هو التوزيع، ويتضمن توصيل المنتج للمستهلك. وهذا يحدث من خلال قنوات التوزيع. وإحدى القنوات الشائعة من قنوات التوزيع هي:

المصنع  $\leftleftarrows$  تاجر الجملة  $\leftleftarrows$  تاجر التجزئة  $\leftleftarrows$  العميل

Wholesalers generally sell large quantities of a product to retailers, and retailers usually sell smaller quantities to customers.

Finally, communication about the product takes place between buyer and seller. This communication between buyers and sellers is known as promotion. There are two major ways promotion occurs: through personal selling, as in a department store; and through advertising, as in a newspaper or magazine.

The four elements of marketing – product, price, placement, and promotion - work together to develop a successful marketing operation that satisfies customers and achieves the company's objectives.

وبصورة عامة يقوم تجار الجملة ببيع كميات كبيرة من المنتجات لتجار التجزئة، وعادة ما يبيع تجار التجزئة كميات أصغر للزبائن.

أخيراً، يتم الاتصال بين المشتري والبائع حول المنتج. ويعرف هذا التواصل بين البائع والمشتري بالترويج. هناك طريقتان رئيسيتان للقيام بالترويج: من خلال البيع الشخصي كما هو في المتاجر أو من خلال الإعلان كما في الصحف والمجلات.

وتعمل العناصر الأربع من عناصر التسويق وهي المنتج والسعر والتوزيع والترويج معاً لتطوير عملية تسويق ناجحة ترضي العملاء بما يحقق أهداف الشركة.

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## Definitions:

**Marketing:** the movement of goods and services from manufacturer to customer in order to satisfy the customer and to achieve the company's objectives.

**Price leader:** A company that controls a large enough share or a market to be a major factor in the pricing of the goods or services in the market.

**Promotion:** Communication about a product or service initiated by the seller to influence potential buyers or clients.

## Lesson 8: Exercises

### The Four P's

1. What are the four main elements of marketing?
2. What are the three pricing options that a company may take?
3. What does placement involve?
4. Do you think Panda Hypermarket provides goods on a wholesale or retail basis?
5. How does communication about the product take place?

#### Choose the right answer:

1. Buying, selling, market research, transportation, storage, advertising are all part of the complex area of business known as (**marketing- promotion- wholesale**).
2. Marketing means the movement of goods and services from (**advertising- communication- manufacturer**) to customer in order to satisfy the customer and to achieve the company's (**market research- objectives- price**).
3. Marketing can be divided into (**three- four- five**) main elements.
4. The product element of marketing refers to the goods or service that a company wants to (**buy- manufacture- sell**).
5. A company next considers the price to charge for its (**competitor- product- market**).
6. Most companies price with the market, selling their goods or services for average prices established by (**minor- customer- major**) producers in the industry.
7. The producers who establish these (**prices- markets- goods**) are known as price leaders.

8. The third element of marketing process (**placement- promotion- price**) involves getting the product to the customer.
9. A common channel of (**promotion- price –distribution**) is Manufacturer, wholesaler, retailer and customer.
10. (**Retailers- Wholesalers- Customers**) generally sell large quantities of a product to (**Retailers- Wholesalers- Customers**).

**Define the following terms:**

1. Marketing
2. Price leader
3. Promotion

**Translate the following:**

1. In simple terms, marketing means the movement of goods and services from manufacturer to customer in order to satisfy the customer and to achieve the company's objectives.
2. Most companies price with the market, selling their goods or services for average prices established by major producers in the industry. The producers who establish these prices are known as price leadings.

