

## The marketing mix – the 4Cs

*“Today's customers take functional features and benefits, product quality, and a positive brand image as a given. They want products, communications, and marketing campaigns that dazzle their senses, touch their hearts, and stimulate their minds.”*  
Bernd Schmitt

### The big idea

Traditionally the marketing mix has been thought of in terms of McCarthy's 4Ps: Price, Product, Promotion and Place. However, this approach originated in the 1960s when homogeneous mass marketing could be effective. Customers are now very savvy, post-consumerism consumers with many demands on their time and limited tolerance for interruption. The 4Cs model, proposed by Prof. Robert Lauterborn, recognises that a shift in emphasis is needed and places the focus firmly on the customer's perspective rather than your business.

### Purpose

The 4Cs model has a customer-centric focus and ensures you look at the marketing mix from the customer's point of view. The purpose of this approach is to encourage you to reset your perceptions around what you are creating and offering to the market. The 4Cs are:

- Customer value: it is the value that you provide that determines your position in the sector or market/s
- Cost: instead of thinking of price, think of what the customer has to pay
- Communication: customers are engaged in meaningful interactions
- Convenience: customers are busy and have many choices, so make it easy for them to choose you

### The tool

To implement a 4Cs approach, work through the following steps:

1. Look at the statements in the following table and decide whether it is true or false for your business:

	True	False
<b>Customer value:</b>		
Everyone involved in the business understands the perspective of your customers		
You have mechanisms in place that ensure you know you are providing the quality of product and/or service your customers expect		
You have appropriate resources to monitor demand for your products and/or services		

You regularly monitor your offer to ensure there are no confusions or contradictions in the products and/or services you provide		
You have allocated sufficient resources to ensure you know what your customers want		
You constantly monitor your competitors (direct and indirect) to ensure you offer distinct customer value in comparison		
<b>Cost:</b>		
You monitor the lifestyles of your customers to understand how they decide to spend their money		
You offer a comprehensive package of benefits to meet customer expectations		

Your pricing policy has been devised on the basis of understanding 'cost' to your customers		
You use your pricing to ensure we maximise value to your customers		
You have allocated resources to monitor your position on cost both in relation to customer expectations and your competitors (direct and indirect)		
<b>Communication:</b>		
You clearly communicate the product/service attributes the customer is looking for		
You have clearly identified the outcomes from your products and/or service and these are part of your communications strategy		
You use a variety of communication channels to have meaningful interactions with your customers		
You know your customers on an individual basis and communicate with them accordingly		
You have mechanisms in place to ask your customers how they would like to communicate with you		
You have committed resources to monitor the effectiveness of your communication with your customers		
<b>Convenience:</b>		
You have mechanisms in place to monitor how customers feel about where your products/services are offered		

You have allocated resources to running pilot schemes for more personalisation or interaction by your customers (as appropriate)		
You have allocated resources to testing different sites or channels of delivery		
You know how your customers feel about your sites or channels of delivery		
You monitor how and where your competitors (direct and indirect) are delivering their offer		

2. If you have answered mostly 'true' you are well on your way to implementing a customer-centric marketing mix. Ensure you have dedicated resources and have set up mechanisms to ensure it is successful
3. If you have marked some statements as 'false' think about how you might address those elements. Consider the impact they have on the other areas you are implementing. Does that cause confusion for your customers? Devise an action plan for addressing them
4. If you answered mainly 'false' you may want to start by getting to know your customers better

## Take the next step

Think of your own experience as a customer. How much do you shop online? When was the last time you went into a bank? What irritates you as a customer? What was the last thing you bought that you really needed (as opposed to wanted)?

## Top tips

- Ensure you really know what your customers/audiences want
- Talk to them on a regular basis and build relationships
- Consider the fact that they have chosen you to spend their limited resources on as a privilege
- Walk around your building or wherever you deliver your activity and look for 'moments of truth'. Those elements that may be contradictory to your customers'

expectations. The term 'moment of truth' was coined by Jan Carlzon, who managed the Scandinavian SAS Airlines. He used the term to mean those moments in which important brand impressions are formed, where there is significant opportunity for good or bad impressions to be made