Seminar 1.

Introduction to marketing. Marketing concepts. Pharmaceutical marketing: goals, functions. Categories of marketing. Marketing mix: 4P.

Questions discussed on the topic of the lesson:

- 1. Terms. Definitions. Basic categories of marketing.
- 2. Stages of marketing development.
- 3. Concepts of marketing.
- 4. Marketing of the XXI century.
- 5. Pharmaceutical marketing: goals, forms, principles, functions.
- 6. The concept of social and ethical marketing in pharmacy
- 7. The main functions of pharmaceutical marketing.
- 8. Principles of pharmaceutical marketing.
- 9. Types of pharmaceutical marketing.
- 10. Marketing mix including pharmaceutical

One of the features of the modern world economy is the increasingly deep specialization of both its areas and tools for creating market relations, including marketing.

What does the concept of "marketing" mean in the pharmaceutical business? Marketing from the English "market" - we immediately note the correctness of the emphasis on the first syllable - contrary to the widespread practice in Russia of using the word "marketing" and its derivatives). Often this concept is associated mainly with sales, because the external manifestations of marketing activity are usually observed at the points of sale (competitions and sales promotions among pharmacies and distributors). The same delusion should be considered the exclusive focus of marketing on external advertising: whether it be the media or the specialized press, as well as the production of various kinds of promotional products (brochures). In some cases, the concept of "marketing" is associated exclusively with the sale of drugs ("marketing is the art of selling goods") - in the event of a decrease in the level of sales, all the cones fall only on the marketing department and the product manager.

There are more than 200 definitions of the concept of "marketing" - the classics of the genre offer several of the most common interpretations:

"Marketing is looking at a business through the eyes of the consumer..." Peter Druker

"Marketing is a human activity aimed at satisfying desires and needs in a changing environment..." Philip Kotler

"Marketing is the conversion of society's needs into profitable business opportunities..." G. Anon.

A commonly used definition is the US Marketing Institute (1985), which states that " marketing is the planning and development of concepts for pricing, promoting and distributing goods and services to effectively satisfy individual and group customer needs for **profit**." In other words, all the work of a marketing employee should be subordinated to a single goal - to ensure the growth of sales and optimize costs for profit. This is precisely the first and, it is also the last goal of this type of activity. Therefore, marketing is a management process designed for a long period and aimed at reducing risks through the systematic use of methods for assessing the situation and developing the most optimal steps under the given conditions. Like any other management process, marketing is not limited to analysis, planning, or other management components. Peter Druker wrote that: "Marketing is such a universal concept that it cannot be defined as a single function. This is a general view of the business from the point of view of the end result, as well as from the point of view of the consumer ... ". G. Anon believed that "the task of marketing is the conversion (transformation) of the needs of society into profitable business opportunities ...".

Marketing is not just a set of specific tools and techniques, but also a psychology of action aimed at:

- \checkmark selling more product
- \checkmark sales at the highest profit-making price
- ✓ winning and retaining customers, creating loyalty on their part
- ✓ destruction of competitors

From all of the above, it follows that the main role of marketing is to build a bridge between the needs of customers (patients, hospitals, pharmacies, distributors, etc.). and capabilities of the manufacturing company. Properly planned and built, this bridge will provide profit, because, as P.Druker wrote, "the goal is to create a satisfied customer."

Main categories of marketing:

The main categories of marketing include: need, product, exchange, transaction, market.

Need is the basic idea behind marketing. It can be defined as the feeling of missing something. The needs of people are many figurative and complex. People need food, clothing, warmth, mutual understanding, and so on. If the need is not satisfied, the person experiences discomfort. This state can push a person to action in order to find the object of satisfying the need.

Unlike a need, **a need** is the same need, but having specific outlines that are determined by the culture and personality traits of a person. Marketing does not create a need because it already exists, but it can contribute to the formation of needs as a way to satisfy a need.

The next category of marketing is **product.** A product is a means of satisfying needs. It may be tangible, or it may not have a tangible form and act as a service. Goods are therefore, for example, transport services, information services, educational services, postal and electronic communication services, etc.

An important question in marketing is undoubtedly the question; What product is the consumer willing to pay for? Obviously, the one that most closely matches buyers' perceptions of utility, including: purpose utility, relevance utility, timeliness utility, and possession utility. Usefulness of destination goods; it is related to its ability to satisfy certain needs. The usefulness of relevance determines the convenience of the place of purchase of the goods. The usefulness of possession is associated with the possibility of making a purchase, the availability of information about the properties of the goods, the place and time of sale.

The consumer always puts forward his requirements for the product, its usefulness . In the conditions of the market, and hence, in the conditions of competition, age, the struggle for the consumer. This forces market actors to carefully and deeply study the requirements of potential consumers for the quality of the product, the organization of its sale. In order to most fully satisfy the consumer, marketing performs certain functions, which leads to a rise in the cost of goods. At the same time, marketing is too expensive for the buyer, and therefore for the manufacturer, only when the value added by him is higher than the utility he created.

The next category of marketing is **exchange.** Marketing takes place only when people decide to satisfy their wants and needs through exchange. An **exchange** is the act of receiving something with the offer of something in return. In the presence of money circulation, the exchange takes the form **of a transaction.** Unlike an exchange, **a transaction** also requires the - application of certain legal norms and methods of behavior. In general terms, a transaction is understood as a commercial exchange of values between the parties.

An important category in marketing is **the market**. Market - a set of buyers and sellers, the interaction of which leads eventually to the possibility of exchange. The market of an enterprise is always specific, its boundaries are determined by the sphere of commodity circulation, the sectoral affiliation of the goods, the geographical location and the circle of buyers for whom this product is intended.

The main stages of marketing development

The stages of development of marketing as a science are closely related to the stages of market development and the market orientation of the company.

Stage 1: 1860 - 1930. Associated with a focus on production, the company's activities are aimed at using production capabilities. So, at this time, demand far exceeds supply, and therefore any manufacturer can sell his product (the quantity of the product, not its quality, plays an important role). The change in the quality of goods and services was carried out without sufficient consideration of the needs, desires and tastes of consumers. There is competition between buyers. Another characteristic feature of this period of time is the monopoly market.

Stage 2: 1930-1950. The orientation of marketing is becoming sales, there has been an intensification of competition, which has intensified in the market. There was also a tendency for a significant amount of unsatisfactory demand, which was stimulated by various methods, including installment payments, in other words, credit sales. This stage is characterized by the expansion of advertising influences on the buyer, the introduction of sales stimulants.

Stage 3: 1950-1960. Market orientation, there is a selection of goods that are in active demand among consumers due to their high quality and attractive performance. As a result, a high level of sales was achieved. The main characteristic of the stage is the formation of the consumer market, the expansion of the range of product groups, the saturation of the market with goods. At the same time, the allocation of goods with high consumer value occurred, as a rule, without sufficient marketing research and demand analysis, mainly stochastically.

Stage 4: 1960-1990. Characteristic of this stage is the marketing management of production and sale of products, the transition to long-term plans for the activities of organizations, purposefulness and consistency in the study of the market and its elements, the use of complex methods of generating demand, the use of efforts to stimulate sales, reducing the life cycle of the product, focusing on the novelty of the goods, a more thorough analysis of consumer groups.

Stage 5: 1990–present "Serving" of the economy, expanding the scope of firms in the service market, the formation of an after-sales market.

Marketing concepts.

"Concept (from Latin conceptio - understanding, system), a certain way of understanding, interpreting an object, phenomenon, process, the main point of view on an object, etc., a guiding idea for their systematic coverage" - this is how the term Bolshaya Sovetskaya concept defines encyclopedia.

Since the appearance of the term "marketing" at the beginning of the last century, more than a hundred years have passed. Naturally, during the time when marketing was singled out as a direction in the science of management, the understanding of marketing and the interpretation of the tasks facing it changed.

Traditionally, in marketing theory, the following marketing concepts are distinguished, which developed as the economic situation changed.

- 1. Production concept
- 2. Commodity concept
- 3. Sales concept
- 4. Traditional Marketing Concept
- 5. The concept of social and ethical marketing
- 6. Interaction marketing concept

Each of the concepts focuses marketing activities on a certain aspect of marketing activities. The change in emphasis depends on changes in the external and internal environment of the company. Thus, the development of a company's marketing thinking depends on what aspects it focuses on in its activities.

Understanding the evolution of marketing concepts through which it, as a science of management, passed in its development, helps to realize at what stage the company's marketing thinking is. Obviously, in its development, marketing goes from focusing on the internal aspects of the business to external ones, including the interests of its other participants in the sphere of its attention.

The production concept of marketing focuses on increasing the production of an existing range of products.

The production concept of marketing assumes that demand exceeds supply. With the improvement of production, it becomes possible to increase the output of goods and reduce their cost, and hence the price for the consumer, which in turn will lead to an increase in demand.

The main goal that the manager who manages the enterprise is guided by is the improvement of production, which contributes to an increase in output and almost "automatically" leads to an increase in sales, and, consequently, to an increase in profits.

In this case, the management of the enterprise makes efforts to ensure a large series and sale of goods through a variety of sales points. This concept is applied, for example, in the following cases:

1. the main part of real and potential consumers in the market has a limited, small income;

2. the demand for this product exceeds the supply and a part of consumers who, although they do not like the offered product, buy it, thereby satisfying their needs for a short time;

3. in terms of production, especially new products, the cost is high and it is necessary to find a way to quickly reduce it in order to achieve the necessary market share.

This marketing concept is in demand in conditions of shortage of goods, which is observed with limited production.

"The production-oriented concept states that consumers prefer affordable and affordable products. The main task of the manager of a production-oriented organization is to achieve high production efficiency and its optimal distribution" F. Kotler.

| Leading idea of the concept: | Increasing the production of goods that are already being produced. |
|------------------------------|---|
| Main toolkit: | Product cost, productivity. |
| The main objective: | Improving production, which leads to increased sales and profit maximization. |

The basis of the product concept of marketing (product-oriented concept) is the assumption that the consumer will always favorably treat the product if it is of good quality and is sold at a reasonable price.

The emphasis is on the development of new models of goods, and the modernization of existing ones, in order to improve the quality characteristics of products. It is assumed that the consumer is interested in such goods, knows about the availability of similar products and makes his choice by comparing the quality and prices of similar products from other manufacturers.

This concept is applied, for example, in the following cases:

1. the income of the main part of real and potential consumers in the market is sufficient to ensure the possibility of purchasing the necessary goods;

2. the demand for goods of this group corresponds to the supply and consumers, when making a purchase, choose from a product with the best characteristics from several with approximately the same price;

3. when the improvement of individual characteristics of the product does not lead to an increase in its cost compared to the product included in this price group.

The concept corresponds to a situation where there is an approximate balance of supply and demand on the market, and the consumer is guided by the choice of the best offer from all existing ones.

"The product-oriented concept says that consumers prefer products that offer the highest quality, performance and characteristics, and therefore, managers must concentrate all efforts on the production of high-quality products and their continuous improvement." F. Kotler.

| Leading idea of the concept: | Development and production of quality goods |
|------------------------------|---|
| Main toolkit: | Commodity policy |
| The main objective: | Improvement of consumer properties of goods |

The concept of sales marketing (sales-oriented marketing) assumes that the consumer will buy any product if the company actively promotes them.

Promotion comes down to the use of aggressive marketing methods, an active advertising policy and the use of a set of sales promotion methods (discounts, markdowns, exhibitions, lotteries, etc.). An important role is played by packaging, which is used by the manufacturer to give its products distinctive features from competitors' products.

The emphasis is on the active marketing policy of the company. The concept assumes that the consumer can be forced to buy goods through various selling methods. It is assumed that the consumer has the opportunity to buy the product, but "does not want" to do so.

The application of this concept involves:

1. the income of the main part of real and potential consumers in the market is sufficient to ensure the possibility of buying the offered goods;

2. the supply of goods in this group slightly exceeds demand, and consumers are waiting for a better offer;

3. consumers do not think about the need to purchase this product.

The concept provides for situations where goods from different manufacturers are approximately the same in terms of characteristics and supply on the market slightly exceeds demand. At the same time, the consumer is guided by the choice of the best offer from all existing ones. In some cases, the consumer does not even consider these goods as necessary for him.

"The sales-oriented concept says that consumers, by their very nature, will never voluntarily buy all of the products. Therefore, the organization must pursue an aggressive sales policy and intensively market its products. F. Kotler.

| Leading idea of the concept: | Development of the sales network, distribution channels |
|------------------------------|--|
| Main toolkit: | Sales policy |
| The main objective: | Intensify sales of goods through marketing efforts to promote and sell goods |

The concept of traditional marketing took shape around the mid-1950s. The concept of traditional marketing focuses the company on customers. To meet the needs of the buyer, the company uses the means of operational marketing - the 4P Product Price Place Promotion complex, supplementing them with cross-functional coordination.

The emphasis is on integrated marketing activities aimed at meeting the needs of the target market.

The activity of the company, in accordance with the concept of traditional marketing, begins with the identification of real and potential buyers and their needs. According to the concept of traditional marketing, the goals of an enterprise, especially long-term ones, can only be achieved by studying the needs and desires of such consumer groups, to which the organization directs and offers products and services that satisfy the consumer in terms of quality and efficiency. Work within the framework of this concept involves the use of a set of marketing activities affecting the consumer, which allows for cost-effective production.

The concept assumes that by studying the consumer, it is possible to identify his existing unmet needs and, using the complex of operational marketing, develop and offer him a product that best satisfies the existing needs.

The application of this concept involves:

- 1. The supply on the market significantly exceeds the demand;
- 2. there are needs that are not satisfied by existing products;
- 3. consumers will pay a higher price for products that best meet their needs.

The concept provides for situations where goods from different manufacturers are approximately the same in terms of characteristics and supply on the market significantly exceeds demand. The competitive advantage is gained by the company whose offer best meets the needs of the buyer.

"The concept of marketing is that the key to achieving the goals of the organization is to determine the needs and requirements of target markets and satisfy consumers in more effective ways than competitors." F. Kotler.

Companies turned to the concept of socially responsible marketing in the third quarter of the twentieth century. The concept of socially responsible marketing was intended to replace the traditional concept of marketing, in order to rationalize consumption and protect society from undesirable production processes.

The emphasis is on integrated marketing activities aimed at meeting the needs of the target market and at the same time taking into account the social and ethical needs of society as a whole.

As part of the concept of socially responsible marketing, the company, along with the study of the needs of potential and real customers, identifies public interests and strives to meet them.

The application of the concept of social and ethical marketing involves:

1. Along with the needs of buyers, there are the interests of society, which are understood and accepted by buyers;

2. the success of an enterprise depends, among other things, on public opinion, which is formed on the basis of the attitude of the enterprise to the interests of society.

3. Consumers, other things being equal, prefer goods that are produced by a company that takes into account the interests of society.

The concept provides for situations where the efforts of various manufacturers in the field of marketing are on the same level and the competition in the market is very high. The competitive advantage is gained by the company whose offer best meets the needs of the buyer, while in its activities the company takes into account the interests of society and satisfies them.

"The concept of socially responsible marketing proclaims the task of the organization to establish the needs and interests of target markets and satisfy consumers in a more effective way than competitors, while maintaining or strengthening the well-being of the consumer and society as a whole." F. Kotler.

| Leading idea of the concept: | The production of goods that satisfy existing needs, taking into account the requirements and restrictions of society. |
|------------------------------|--|
| Main toolkit: | Marketing Complex. (4P - marketing mix) Consumer research. Study of social and environmental impacts from the production and consumption of manufactured goods and services. |
| The main objective: | Satisfying the needs and requirements of target markets, subject to the conservation of human, material, energy and other resources, environmental protection. |

The concept of relationship marketing is in demand by companies that cannot gain competitive advantage through the marketing mix alone. In this case, it is not so much the manufacturing companies that compete, but the interaction systems as a whole.

The emphasis is on communications aimed at establishing long-term relationships with customers and partners in the process of commercial and non-commercial interaction with them.

The main idea of interaction marketing is that the object of marketing management is not a cumulative solution, but relationships (communications) with the buyer and other participants in the buying and selling process.

Interaction marketing increases the importance of the individual, personal contacts in the system of effective communications. Moreover, it distributes the responsibility for making decisions in the field of marketing to the entire staff of the enterprise, since it requires the participation in marketing activities not only of marketing specialists, but also of employees of other business units, including top managers. It is the enterprise management apparatus that becomes responsible for the formation and development of long-term mutually beneficial relationships in the process of interaction between the organization and customers.

The concept of relationship marketing involves:

1. The needs of the target group can be satisfied by a large number of products of the same type;

2. The success of an enterprise depends on the number of repeat customers and stability in relationships with partners, which reduces transaction costs.

3. Consumers and partners are interested in long-term relationships, provided that their individual needs and conditions of interaction are taken into account.

The concept provides that the offer on the market is very large and the goods practically do not have significant differences for buyers. Long-term relationships of trust reduce transaction costs and shorten service time, leading to improved business efficiency and greater customer and partner satisfaction.

"Relationship marketing is the practice of building long-term mutually beneficial relationships with key partners interacting in the market: consumers, suppliers, distributors in order to establish long-term privileged relationships." F. Kotler.

| Leading idea of the concept: | The company's activity takes into account all the details of relationships with consumers and partners and focuses on building long-term relationships with them. |
|------------------------------|---|
| Main toolkit: | Marketing Complex. (4P - marketing mix). Methods of coordination, integration and network analysis. – Marketing interaction system. |
| The main objective: | Establishment of long-term mutually beneficial relationships with consumers and partners in the course of business activities. |

Marketing of the 21st century.

Given the ongoing changes, manufacturers are learning from the situation and are striving to eliminate emerging problems. The following trends are the most common.

• *Reengineering*. Reorganization of functional departments and creation of key business processes, each of which is managed by a multidisciplinary team.

• Outsourcing. Refusal of own production and expansion of the range of acquired

from external suppliers of goods and services (higher quality at relatively lower prices). *Virtual companies* operate exclusively on external sources, and since their own assets are very small, their profitability is extremely high.

• *Electronic commerce.* Establishing an online store instead of attracting customers to stores and hiring additional sellers. The sale of industrial goods is actively developing on the Web, and electronic personal sales can be significantly expanded.

• *Benchmarking*. The transition from self-improvement to the study and adaptation of the experience of world leaders in a certain field of activity.

• *Alliances.* Refusal of attempts to achieve victory in the competition alone and the transition to the formation of networks of partner firms.

• Suppliers-partners. Reducing the number of suppliers to a few, different

maximum reliability and established partnerships with the company.

• *Market orientation.* The transition from product orientation to focus on a selected market segment.

• *Globalization and localization*. Transition from local markets to global activities while maintaining local positions.

• *Decentralization*. Transition from a management system in which all decisions are made by top management to a more proactive and entrepreneurial management system.

Currently, most pharmaceutical companies adhere to the concept of socially responsible marketing, which involves identifying the needs, needs and interests of target markets and satisfying consumers in a more effective way than competitors, while maintaining and enhancing the well-being of the consumer and society as a whole.

Pharmaceutical marketing is an integral part of marketing and can be defined as the process by which pharmaceutical assistance is provided.

The emphasis in pharmaceutical marketing is on pharmaceutical care, not just medicines. Any product, service or idea that aims to provide pharmaceutical assistance can be the subject of pharmaceutical marketing. Pharmaceutical marketing is not synonymous with drug marketing, but includes the marketing of a range of services and programs related to pharmacy.

Marketing in pharmacy is not so much a business function as a broad view of the entire field of drug production and their implementation.

Marketing activity concerns tasks :

- \checkmark Formation of an assortment of goods;
- \checkmark pricing;
- \checkmark organization of sales;
- \checkmark promotion of goods;
- ✓ increasing customer satisfaction;
- \checkmark Formation of a permanent consumer audience.

These tasks correspond to the concept of social and ethical marketing, which currently dominates the world market.

Marketing functions.

Marketing performs the following **functions** :

I. Carrying out marketing research and collecting marketing information. All managerial decisions in marketing are made on the basis of the analysis of marketing information.

Marketing information is figures, facts, information, rumors, estimates and other data necessary for the analysis and forecasting of marketing activities.

There are a number of basic fundamental requirements for marketing information:

1) relevance: the presentation of real information at the right time;

2) reliability: adequacy of information to real events;

3) relevance: obtaining information in accordance with the tasks;

4) completeness: maximum use of indicators of the object of study;

5) purposefulness: compliance of information with the objectives of the study.

The following types of information are distinguished:

1) at the place of collection:

a) internal - any information obtained from the financial and economic reporting and documentation of a firm, enterprise, organization (balance sheets, accounts, contracts, sales volume statistics);

b) external - information collected outside the organization, incl. prepared by statistical agencies, state and public organizations; information published in the media; advertising and commercial information, price lists of suppliers, etc.

2) according to the method of obtaining:

a) Primary - studies conducted by the organization on its order (customer surveys, focus groups, observation of the service process, etc.);

b) Secondary - already existing information collected for various other purposes, but can be used for the specific marketing needs of the pharmaceutical organization.

3) by appointment:

a) reference;

b) normative;

c) analytical;

d) advisory (forecasts, etc.);

e) signal (short-term forecasts, etc.);

f) regulatory (deviations from the plan, etc.).

The collection of information about the market, goods and services, needs and their demand, competitors and prices is carried out in the audit process - this is the name of marketing research necessary for conducting a situational analysis of the external environment and the activities of the organization itself.

Marketing research (MI) is the systematic collection, documentation and analysis of data on various aspects of marketing activities.

This is a very important and responsible section of the work of a marketer. MI goes through four stages:

definition of the problem and formulation of the goal;

development of a research plan;

implementation of the planned plan;

· interpretation of the results and development of proposals for solving the problem.

Information in the MI process is obtained on the basis of data analysis, which can be:

secondary sources are contained in the internal documentary sources of the EA (balance sheets, accounts, contracts, sales volume statistics) and external sources (price lists of suppliers, special media, etc.);

The primary ones are collected by marketers in the course of MI to solve a specific problem (survey of consumers, focus groups, observation of the service process, etc.).

II. Planning a range of medicines.

It consists in the selection of products for production and bringing the technical, functional and aesthetic parameters of these products into full compliance with the requirements

of potential consumers. To do this, you need to have detailed information about the type of drug, about the degree of its novelty and distinctive features compared to analogue drugs, about the consumer and functional properties of this drug. It is also necessary to compare it with the products of competitors, information on price dynamics and sales volumes of this drug.

For a specific pharmacy organization, this is a systematic analysis of the range of medicines and medical products and the formation of their range, based on market requirements and their capabilities.

III. Development of a pricing policy for goods.

IV. Sale and sale of pharmaceutical products (distribution and distribution).

This is to ensure the delivery of manufactured pharmaceutical products in the required quantity to a place and at a time that most suits consumers, as well as drawing public attention to the company's products and every possible incentive to expand its sale to end consumers:

✓ Efficient transportation and warehousing;

✓ selection of distribution and distribution channels;

✓ availability of fast communication of all links (telephone, fax, E-mail, etc.);

Determination of optimal conditions for the sale of medicines, etc.

V. Advertising and sales promotion.

Activities aimed at personal or direct assistance to potential buyers in choosing and purchasing the products of firms, as well as encouraging them to purchase these products:

advertising with the use of mass media; development of communication links;

Participation in non-commercial prestigious events

(public relations - PR);

encouragement of buyers and stimulation of activity of intermediaries;

Formation of the image of pharmacy organizations, etc.

Thus, the functions of pharmaceutical marketing listed above - through the collection, processing and analysis of information - connect the management of pharmacies with the market, consumers, competitors, i.e. with all elements of the pharmaceutical marketing complex and its external environment.

Marketing mix is a concept that describes the elements that are important for marketing. It is an integral part of the marketing strategy.

Marketing is a basic business function. It is needed to send goods or services from the producer (supplier) to the consumer - final or intermediate. Therefore, all decisions made in marketing are related to the components of this promotion process: with the product, price, methods of acquisition, information about the product, and others.

All these components are called the marketing mix. Another name for the concept is the marketing mix.

Marketing mix is needed for an integrated approach to marketing activities. This approach allows you to take into account and work out all the elements that affect the company's success in the market. This means getting a complex effect from marketing tools and a multiple increase in sales.

There are several models that describe the elements of the marketing mix. The classic model is called the 4P, created by marketing professor Edmund Jerome McCarthy back in 1960. We will describe it in detail below.

What elements does the 4P model consist of?

The 4P marketing mix model has four components:

product - product. This is the product policy and all activities related to the product. For example, product development, design and layout, product quality, packaging, brand, after-sales customer service, warranty policy, product diversification, customization, assortment management.

Price - price. This is the pricing policy of the company. It includes the development of a pricing strategy, the choice of pricing methods, the creation of a system of discounts and bonuses, credit policy, financial terms of supply and other elements.

Place - place. "Place" refers to points of sale. Now this element is called "sales". It includes all issues related to the distribution of goods and its delivery to the recipient from the place of production. These are the definition of distribution channels, the construction of trade and branch networks, the training of salespeople, the formation of a sales system, as well as the conditions of transportation and storage, marketing logistics, inventory management and warehouse logistics.

Promotion - promotion. This is the communicative policy of the company, the task of which is to inform the buyer about the properties of the product, as well as to form and stimulate demand for it. This element of the marketing mix includes PR, sales promotion, personal selling, branding, direct marketing, sponsorship and other tools. Simply put, everything that allows the company to communicate with the target audience: consumers, suppliers, partners, competitors and employees.

The meaning of the marketing mix is that the elements are worked on in a complex way each of them is important for achieving the goal. That is, it is not enough to develop and manufacture a first-class product. You also need to justify its price, think about how the consumer learns about its properties and benefits, and where and how he can buy it.