



## THE TIMES 100

### BUSINESS CASE STUDIES

#### Marketing mix – Infiniti

Infiniti, originally set up in the United States in 1989 by its Japanese parent Nissan Motor Company, produces luxury performance cars, coupés, crossovers and sport utility vehicles (SUVs). Its brand promise is ‘Inspired Performance’. A brand promise represents the benefits and experiences that a consumer can expect from a particular brand. The luxury car market is highly competitive. As Infiniti is a relatively new entrant into this market it required an innovative and creative marketing strategy to create global awareness of the brand and its brand promise. For Infiniti, Formula One is a key element of this creative strategy to build global brand awareness.



The marketing mix, often referred to as the ‘four Ps’, is a means for organisations to combine the four key elements of product, price, place and promotion to achieve its business objectives. Every business is different. Each must decide on its own marketing mix that balances the four Ps to suit its products. Infiniti’s marketing mix considers:

- Products - luxury cars with Japanese cutting edge design as a key differentiator.
- Price - a premium price in line with the premium quality of the product.
- Place - vehicles sold through state-of-the-art Infiniti Centres which are expanding globally.
- Promotion - with a focus on sports marketing using the Infiniti Red Bull Racing F1 team and World Champion Sebastian Vettel.

The elements of the marketing mix should be integrated. For example, Infiniti’s luxury cars are sold in state-of-the-art Infiniti Centres that complement the premium quality of the vehicles. Having the right marketing mix enables an organisation to achieve its business objectives. Infiniti’s business objectives include increasing brand awareness, international growth and meeting its brand promise.

The price of a product needs to reflect the costs associated with developing and constructing the product. At the same time the pricing strategy also needs to be in line with a product’s positioning in the market. Infiniti’s marketing activities reflect its premium position by associating the brand with the Formula One World Champion team and driver. The ‘place’ refers to the Infiniti Centres selling Infiniti cars. These distribution outlets support the brand promise of ‘Inspired Performance’. Infiniti Centres are known for their striking architecture, welcoming environment, state-of-the-art technology and high quality customer service.

Promotion covers a variety of techniques used by an organisation to communicate with its customers and potential customers. A distinction is often made between above-the-line and below-the-line promotion. Above-the-line promotion is paid-for advertising using a wide variety of mass media channels. These include:

- print adverts in magazines/newspapers (trade and consumer)
- television, radio and cinema advertising
- online advertising and websites (Infiniti’s websites are tailored for each geographic market)
- billboards by roadsides, in airports and similar high visibility areas.

Below-the-line promotion is a narrower, more targeted approach to communicating with consumers. These methods allow for more control and can be tailored to create deeper engagement with target audiences through specific initiatives. Examples of below-the-line promotion include:

- Public Relations
- Sponsorship
- Merchandising
- Social Media (Facebook and YouTube).



# THE TIMES 100

## BUSINESS CASE STUDIES

### Questions

1. What are the elements of the marketing mix?

---

---

2. Describe what is meant by below-the-line promotion?

---

---

---

3. Infiniti wants to increase its global brand awareness. Analyse the process it has been going through in order to do this.

---

---

---

---

4. Analyse the reasons why Infiniti may choose to use below-the-line methods of promotion in addition to mass-media advertising.

---

---

---

---

---

---

---

### Task

Draw up the basic marketing mix for two organisations. One should be a profit making business and the other a not-for-profit organisation. Now make a comparison between the two. Where are the similarities and where are the differences?

### What have you learned?

Write five short questions about below-the-line promotion that you can ask another member of your class. Make sure you know the answers yourself. Swap your questions with someone else. You have two minutes to answer the questions and return them to your partner for marking.