

The Influence of Marketing Mix (4P) On Sales of In3Tree Product: A Study of Malaysia Market

‘AainaaMardhiah

*Corresponding Author: ‘AainaaMardhiahBinti Abdul Razak
Students of Master in Management, Faculty of Management and Information System,
Sultan Azlan Shah University, Kuala Kangsar, Perak, Malaysia*

ABSTRACT: *This paper aim to is to determine if marketing mix 4 P's (Product, Price, Promotion, People) strategy influence the sale of In3Tree product in Malaysia. In3Tree is a nutritional mind supplement brand In3Tree manufactured with sublingual technology. By adopts a case study approach using qualitative method in the collection of data via the use of structural interviews. The sampled populations were the parents, administration officers and students. The findings from the study show that by using different marketing mix (Products. Price, Promotional and People) strategies have a positive impact on the In3Tree product sales.*

KEY WORD: *In3Tree, Marketing mix, Product, Price, Promotional, People, Malaysia*

Date of Submission: 18-01-2020

Date of Acceptance: 06-02-2020

I. INTRODUCTION AND LITERATURE REVIEW

Global nutrition industry is growing every year. Over the last decade, the dietary supplement consumption in the population has been increased, particularly in the United States (US). According to Malaysian Dietary Supplement Association (MADSA) cognitive, mental and mood supplements were forecast to grow at a compounded annual growth rate (CAGR) of 17.9 per cent from 2018 to 2020, notwithstanding from a small revenue base of RM29 million in 2018. Healthy ageing or beauty supplements comprised the second biggest share of the Malaysian dietary supplements market last year at 16.7 per cent (RM378 million), followed by meal replacement at 16 per cent (RM363 million), and bone and joint health at 14.6 per cent (RM331 million). These three segments accounted for almost half (47.3 per cent) of the Malaysian dietary supplements market in 2018.

Nutritional mind health supplement market is predicted to show a double-digit growth in the nearest future. Asia Pacific is expected to be the most dominating market. The growing demand for nutritional mind health supplement in Asia Pacific is driven by specifically two demographic which includes old and the young population. The market growth for nutritional mind health supplements is boosted by rising public education for mind health supplements coupled with awareness among the people with the availability of mind development courses, Neuro-linguistic programming (NLP), brain fitness centres, brain fitness classes and programs. Dr. Richard Isaacson, Harvard-trained neurologist and author of the book, “Alzheimer’s Treatment, Alzheimer’s Prevention,” recommends several dietary supplements and vitamins are considered an important part of a brain-healthy diet for brain, including B Complex Vitamins, Fish Oil Supplements and Vitamin D. meanwhile, research shows that 20% of students use tonic to improve learning process during exam while 83% of adults say it is very important to maintain or improve brain health.

In3Tree is a nutritional mind health supplement containing ten top ingredients imported from abroad. It was the first nutritional mind health supplements with sublingual technology in Malaysia and approved by the Malaysia Ministry of Health and was certified HALAL by JabatanKemajuan Islam Malaysia (JAKIM). In3Tree adopted the concept of giving back 10% of the income earned to members of its business. In two years of its establishment, it now has more 10,000 distributors all around Malaysia.

In3tree unlike a typical nutritional mind supplement is the first and newer formulations of nutritional supplement that are digested differently and perhaps more efficiently, than the traditional tablet or capsule. Sublingual supplement, which are meant to be taken by dissolving the tab under the tongue, are growing in popularity. They work by the nutrient getting absorbed under the tongue and entering the bloodstream directly without having to go through the gastrointestinal tract. Sublingual supplement have many other benefits. Since they are absorbed through the tongue, they get quickly released into the body and their nutrients aren’t broken down by stomach acid. As a result, sublingual vitamins can be taken in smaller dosages, and they’re easier and more convenient to take than oral vitamins (some require having to take large pills, or multiple pills, to get a complete dose). In3tree is the answer to an increasing demand of the public to (1) improving memory, (2)

speeding up learning process, (3) stimulating concentration and focus and (4) maintaining high mood and sharp social skills.

In3Tree product can be segmented on the basis of distribution channel which includes vitamin and health stores, supermarkets, internets and other. Among all these distribution channel sell out of nutritional mind health supplements through drugstores is expected to account for the highest market share during the forecast period. Moreover, sell out through internet is expected to show a healthy double growth in the near future. The growth of online purchasing is supported by the increasing penetration of internet and rising concern for convenience among the consumers across the globe.

Meanwhile, businesses grow through the strategic use of marketing. Marketing is so basic to the business that it can hardly be looked at as a separate function (Drucker. P, 1964). Kotler defined marketing as a social and managerial process by which individuals and organizations obtain what they need and want through creating and exchanging value with others. Marketing is not only about marketing products and service it includes identifying consumer needs and wants as well as tailoring products or service to satisfy those needs and wants. Thus, marketing will play a vital role in the success of In3tree. In3tree build a brand around the products it offers by heavily promoting itself through local television, radio, company agents and print advertising. A strong emphasis are put on keeping the customer and building brand loyalty through program focused on experience, and customer satisfaction.

Health supplements have flooded in today marketplace. Thousands of dietary supplements, sports nutrition vitamins and other health products are fighting for the same sale. Therefore, marketing is an important key to business success. As result of supplements category entering maturity, supplements are becoming common to everyone. And consequently, differentiation is becoming increasingly difficult.

To know the influence of mix marketing 4P's (product, price, promotion, people) on sales of In3Tree in Malaysia market, I believe that the following sub objectives are to be tested: (1) What is the marketing mix strategy used by the company to sell In3Tree product; and (2) to examine the influence of 4P's product, price, promotion and people of marketing on sales of In3Tree; and;

II. MARKETING STRATEGY

Marketing is an essential component of a business. In fact, it is the heart of any business, serving the vital function of transforming production activities into financial performance, thus ensuring the survival of the business. Marketing is essential to any business regardless of the type of business. Many people define marketing as selling and advertising; however, marketing is much more than just selling and advertising. Marketing is about discovering and satisfying customers' needs and wants while earning a profit. This involves attracting and retaining customers. Business attract customers by promising and delivering better value than their competitors. Company retain customers by continuing to deliver satisfaction. Marketing is creating value for customers while extracting value from them. It is reported that In two years of its establishment, In3Tree now has more 10,000 distributors all around Malaysia, Based on the research, Int3tree is using the differentiation strategy where to differentiate from its competitors.

(i) Sublingual technology

Int3tree unlike a typical nutritional mind supplement is the first and newer formulations of nutritional supplement that are digested differently and perhaps more efficiently, than the traditional tablet or capsule.

(ii) Appeal to more than two target groups

Int3tree appeals to at least two market segments or target groups such as students, both male and female in a variety of age groups, health conscious groups: athletes, sportmen, office worker, nutritional deficient people like kids and old peoples.

(iii) Innovation of flavor variation

Originally Int3tree was produces with the most popular flavor in the world; chocolate. Recently the company decided flow in innovation into the flavor and to introduce new flavor that is vanilla.

(iv) Sachet Packaging

Comes in form of sachet, In3Tree is cost-efficient and allows consumers of any income to purchase the wanted product. Besides, the simple packaging allows the contents of the sachets to be used and the packet thrown easily. The sachets are sealed from three or four sides which makes them leak-proof and

customer can keep them safely anywhere without having worried about the contents getting leaked. The small sachets also have enhanced the elegance and are more presentable.

A SWOT analysis evaluates the internal strengths and weakness and the external opportunities and threats in business. The objectives of a SWOT analysis are to use knowledge a business has about its internal and external environments and to formulate strategy accordingly. Therefore, before formulated any marketing strategy, it is important to examine the internal strengths and weaknesses IN3Tree and also examine the opportunities presented to IN3Tree as well as potential threats as shown in Figure 1 below.

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> ○ The first nutritional mind supplement with sublingual technology Malaysia Awarded Honesty Product Asia Pacific 2018 ○ Portfolio of the product is very well built ○ Approved by the government as a nutritional mind health supplements. ○ Distribution channels are already intact therefore the product can reach the consumer effectively. ○ It is available in two different flavors therefore consumer can choose whatever they like. ○ Clinically tested approved by KKM and certified HALAL by JAKIM ○ Appear on TV Commercial, Billboard, Multiple Award, Online, Social Media 	<p style="text-align: center;">WEAKNESS</p> <ul style="list-style-type: none"> ○ Questionable scientific proof ○ Competition among dropshipper ○ The Company has no control over the price ○ Competitor easily can become agent ○ Perception of MLM business
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> ○ Costs can be decreased through economies of scale. ○ Growth of the market for nutritional mind supplements ○ Rising public education for mind health supplements ○ Awareness among the people with the availability of mind development courses, Neuro-linguistic programming (NLP), brain fitness centers, brain fitness classes and programs 	<p style="text-align: center;">THREAT</p> <ul style="list-style-type: none"> ○ Competitors will identify the opportunities and try to partic ○ ipate in the market. ○ Nutritional mind supplements price in the global market will rise due to the increase in demand. ○ Competition among agent

Figure 1 :The SWOT Analysis

III. MARKETING MIX

The concept of marketing mix originated with the 4P's product price, promotion and people in Malaysia market. The marketing mix refers to the set of actions, or tactics, that a company uses to promote its brand or product in the market. The 4Ps make up a typical marketing mix - Price, Product, Promotion and People. However, nowadays, the marketing mix increasingly includes several other Ps like Packaging, Positioning, People and even Politics as vital mix elements. The concept of marketing mix started in 1964 when Neil H. Borden highlighted it in an article. The term was in teaching since late 1940's when marketing manager was described by James Culliton as "mixer of ingredients" later McCarthy categorized them and is known today as 4Ps of marketing. Marketer's task is to devise marketing activities and assemble fully integrated marketing programs to create, communicate and deliver value for consumers. Therefore, 4 Ps helps marketers in making their task successful. 4 Ps represent the seller's view of the marketing tools available for influencing buyers. From a buyer's point of view each marketing tool is designed to deliver a customer benefit.

Product

Kotler defines product as something that can be offered to the market to get the attention to be bought, to be used to get the attention to be purchased, to be used or consumed that can fulfil the desires and needs. Product is often developed based on customers' needs and wants, captured through market research. Product must meet the need and satisfaction of the customer. Int3Tree for example was developed to help boost student focus in study and also injects elements of positive mood thinking into students to keep their minds in balance. Int3Tree helps the physical development especially students and children who are often fall sick and improve the immune system of children body. In addition to that, In3Tree reduce fatigue and help stabilize the metabolism in the student body thus improve health and intelligence. In3Tree also consist of the best ingredients

such as Cocoa, Dextrose, Omega-3, Skim Milk, Dark Chocolate, Acai Berry Extract , Lutein, Mint Powder, B-Complex and Stevia.

Price

One of the major influences in the marketing strategies is price. Most customers concern about the price of the product. The price of the product must be reasonable and in accordance with the condition of the product itself. A product requiring consumer cost is greater than the benefits received, the product is negative. Consumers probably will consider it as a bad value and then it will reduce the consumption of these products. In3tree is a bit pricing but indeed it is an attractive price for providing the nutritional mind health supplement.

Promotion

The promotion strategy is one of the most important sections of the marketing plan. This is where it can make or break a marketing program. Promotion is a kind of communication that gives a convincing explanation of prospective consumers of goods and services. They are many different tools and methods of promotion including direct selling, agent and dropshipper, advertising, public relations, personal and selling. Promotion is set of efforts undertaken by the companies to introduce their selves to the public through electronic media and print media. As the highlight, there are four kinds of promotional tools that can be used by In3Tree including advertising, sales promotion, publicity, and personal selling. Product promotion activity is a form of communication that is granted to customers.

People

People are the one of the element in marketing mix. In this context people refer to teacher, friend, current and former user or buyer of the product, agent, distributor and many more with whose service delivery a customer relationship is build. In this situation, the agent or the dropshipper, former buyers are the reference for the potential buyer to ask about their view of the products. Therefore it is undeniable that people are an important element of the marketing mix that can help influence a potential buyer. Like many other business, we need people to deliver the product or services to the customers. The people factor is related to promotion, and thus considered an important factor influencing the buyer to buy In3Tree product. A marketing mix, which includes people can greatly improve with well trained personnel. With well trained personnel can influence potential customers through communicating and explaining to the customer about the product and providing help and information to customers after they have bought a particular product.

IV. METHODOLOGY

Methodology is a philosophy and ideologies that underpin research (Clough and Nutbrown 2007) designed to structure how the researcher perceives and understands the topic and the knowledge created. Adopting a qualitative methodology is the appropriate method to conduct this study by analyzing both primary and secondary data. The primary data were gathered through interviewing group of parents, students, professional workers in university and prepare questionnaire for the current and potential buyer of In3tree taken from different state in Malaysia. The interview is an appropriate way to collect data when the aim is to get a deeper insight of the organizational experience. The second part that is comprising of literature review done by reviewing number of papers and other authentic materials as well as somedata from the industry to understand how marketing mix 4Ps influence on sales of In3tree product in Malaysia.

V. TARGET POPULATION

In3tree target population is very promising as everyone can benefit from enhanced mental activity. Students, seniors, athletes, old people and busy professionals can be particularly interested. Therefore the following were the basic characteristics of target population for this study :

1. Students from primary school to higher education
2. Family with kids
3. Family with monthly household income atleast RM4,000.00
4. Professional workers who at least work 8 hours per day
5. School personnel

BIBLIOGRAPHY

- [1]. <https://codeblue.galencentre.org/2019/07/16/poor-mental-health-boosting-mood-supplements-in-malaysia/>
- [2]. <https://www.alzheimers.net/what-experts-say-are-the-best-supplements-for-your-brain/>
- [3]. Nor AzianMohdZaki, MohdNaimRasidi, S Maria Awaluddin1, Tee GuatHiong, Hasimah Ismail & Noor Safiza Mohamad Nor (2014). Prevalence and Characteristic of Dietary Supplement Users in Malaysia: Data From the Malaysian Adult Nutrition Survey (MANS)
- [4]. Drucker.P (1964), Managing for Results
- [5]. Kotler, P. K. (2005). Marketing Management. Prentice Hall.

- [6]. YusuffiaNurAzizahIstiqomah (2015) The Influence of Marketing Mix (Product, Price, Place, and Promotion) and Service on Customer's Decision of Using BSM Saving Products
- [7]. Philip Kotler, HermawanKartajaya, IwanSetiawan. Marketing 4.0-Moving from Traditonal to Digital
- [8]. Brassington, F. (2006). Principles of Marketing, 4th Ed., Harlow, UK: FT Prentice Hall.
- [9]. Faridah Hassan, Mohamed Sulaiman. Strategic Marketing Practises of High Performing Malaysian Fims

AainaaMardhiah. "The Influence of Marketing Mix (4P) On Sales of In3Tree Product: A Study of Malaysia Market." *International Journal of Business and Management Invention (IJBMI)*, vol. 09(01), 2020, pp 51-55.