

The Marketing Mix for Services: An Analytical Look

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Abstract

Marketing mix is the most elementary concept of marketing which is a set of convenient marketing tools that an organization uses to create a craved reaction in the targeted market. This is the essential elements of a marketing strategy and as a way of translating marketing planning into practice. Conversely, while managing the services, 3 more P's namely process, people and physical evidence plays a vital role. Service Organization can take the benefit by adopting the 7 P's. The article assesses the current standing of the 4Ps Marketing Mix framework as the dominant marketing management paradigm followed by contemporary perspective of service marketing mix and its significance in retail industry. The article also attempts to develop an understanding on the traditional and extended elements of marketing mix. Lastly the article is concluded with the discussion on the strengths and weakness of 4ps' and 7ps'.

Keywords: - Marketing Mix, 4p's, 7p's, Retail Industry, Service Marketing

INTRODUCTION

A marketing mix is a collection of useful marketing tools used by a corporation to elicit a desired reaction in a certain market. These marketing mix elements or tools are the fundamental, tactical components of a marketing plan. McCarthy EJ was the first to propose the four P's: product, pricing,

distribution placement, and promotion (P-4). 25 Grönroos C was satisfied that the marketer devises diverse ways of competition and mixes them into a "marketing mix" in order to maximise a profit function. 15 The purpose of this research is to describe the components of the marketing mix through literature. The

Conventional Marketing Mix One of the most important marketing ideas is the marketing mix. 28 However, numerous services marketing researchers from varied viewpoints have criticised the classic 4Ps of the marketing mix. McDonald (2002, p. 1) The traditional marketing mix ingredients have been expanded from 4P's to 7P's by incorporating three additional P's: process, people, and physical evidence. 7 The structure of the 7Ps of the service marketing mix was absolutely approved by Cowell DW. 9 According to Magrath AJ, the 4Ps are insufficient for service marketing management. 24 Physical facilities, personnel, and process management are additional 3Ps that operate as strategic factors in creating a full marketing mix for a service.

The marketing mix hypothesis assumes that markets are homogeneous; in actuality, markets are diverse. Rafiq M. and Ahmed PK conducted an exploratory study among European and UK marketing scholars to get insight into the 7Ps as a standard framework for services marketing. 28 The following were the major outcomes:

- Insufficiency of the traditional 4P's of the marketing mix theory for services marketing.

- The respondents had strongly agreed and acknowledged the 7P's of the service marketing mix as a standard framework for services marketing.
- Though there was a common support for the 7P's, there was no consistent support for the new extended three variables. People were strongly accepted whereas process was accepted less and physical evidence produces the least support.

Beaven MH and Scotti DJ discovered that the 4Ps of the marketing mix theory are highly constrained and simple in the context of services marketing, and that services marketers should reflect in a customer (service) focused rather than a manufacturing based viewpoint. 6 Gummesson E censured traditional marketing mix theory and experimented with including supplemental factors to broaden the marketing mix to be appropriate within the setting of services marketing. 16 Harvey et al. (1996) expanded on the conventional marketing mix aspects by including extra 5Ps: performance, public relations, probability, politics, and planning. Hkansson H, Waluszewski A redefined the 4Ps by emphasising customer connection (promotion), a customer-oriented approach (product),

satisfaction (product and pricing), and value generation (place). 18 Zineldin M, Philipson S recently suggested that the classic marketing mix theory is an essential requirement for developing and maintaining client connections. 32

Contemporary Perspective of Service Marketing Mix

The classic four Ps of the marketing mix paradigm have been criticised, and numerous other approaches have emerged. Gombeski WR criticised the marketing mix components for being too limiting and oversimplifying marketing, despite the fact that most businesses operate in a complicated business environment, and traditional marketing mix components are too narrow to develop a services marketing campaign. 13 As a consequence, an alternate model was created that included benefit development, internal marketing, product development, differentiation, targeting, channels, selling, and positioning.

According to Ennew and Watkins, much empirical research on the service marketing mix has concentrated on issues associated with certain service attributes rather than the actual practise of marketing management.

11 Personalization was proposed by Goldsmith RE et al. as a new component to the 7Ps of the service marketing mix model.

12 Yelkur R argued that each component of the services marketing mix tools have a potential influence on consumer service impression. 31 According to the research of Lovelock and Wright, the service marketing mix should have eight P's. The eighth Ps are productivity and quality. According to McDonald (2002), the 4Ps should be recast to include other variables such as people, customer service, and protocol.

Akroush M et al. examine the effect of service marketing mix factors on customer satisfaction in Jordan's comprehensive vehicle insurance industry.

3 The study revealed (a) a positive and significant relationship between the components of the service marketing mix and customer contentment. (a) There was a significant and positive correlation between the new service marketing mix components, namely procedures, people tangible proof, and customer happiness. According to Gupta S et al., the traditional marketing mix contains technique, people, and physical proof since these components

are completely under the company's control. 17 These factors, alone or in combination, influence a customer's initial purchase decision for a service, as well as their level of satisfaction and repurchase decision.

Elements of the Services Marketing Mix used in Retail Industry

The service marketing mix is a critical component in the development of a service plan. The following are the components of the marketing mix in the context of the service retail industry.

Table 1. Summary of the studies on marketing mix

Concept investigated	Researchers
Product, Price, Promotion, Place	McCarthy EJ et al. ²⁵
Product, Services, Brand, Price, Packing, Advertising, Promotion, Personalsales, Communication, Distribution network, Marketing Research, Developing New Product	Frey (1961)
Price, Product, Place, Promotion, Physical Evidence, Process, Partnership	Booms BH et al. ⁷
Product, Price, Promotion, Place, Personnel, Physical Facilities and Process Management	Magrath AJ ²⁴
Product, Price, Promotion, Place, Political Power, Public Opinion	Kotler (1986)
Product, Price, Promotion, Place, People	Judd (1987)
Personnel, Product, Place, Price, Promotion	Heuvel (1993)
Price, Product, Place, Promotion, Services, Staff	Doyle (1994)
Price, Product, Place, Promotion, Physical Evidence, Process, people	Rafiq M, Ahmed PK ²⁸
Price, Product, Place, Promotion, Personalisation, Personnel, Physical, Assets, Procedures	Goldsmith RE et al. ¹²
Price and Other Cost of Service, Place and Time, Promotion and Education, Productivity and Quality, Process, Product Elements, People, Physical Evidence	Lovelock C, Wright L ²²
Product, Place, Price Promotion	Riaz and Tanveer (2011) and Goi(2011)
Product, Price, Place, Promotion, Personnel, Process and Physical Evidence	Al Muala A, Al Qurneh ⁴ M
Product, Place, Promotion, Price, Process, People, Physical Evidence	SabaAzeem and RK Sharma(2015)

Product

A product in the marketing mix is anything that satisfies a customer's desire or demand. A product might be a physical thing, a place, a service, a company, or even a concept or an idea. In the service marketing mix, the product is intangible. Service items include education, transportation, banking, and restaurants. According to Chaudhuri A and Ligas M, product value is positively related to purchasing behaviour and consumer loyalty in the retail industry.

Price

A price is the amount of money paid by a person or organisation for a product or service. According to Virvilaite R and Daubaraite U, price is the most important factor in influencing mining customers' satisfaction. 30 Customers usually evaluate the price when determining the value of a purchased service. Pricing, according to Nakhleh HM, is what is given up in order to receive a product/service. 26 Individuals' prices for the same service or product may differ.

Place

Place wants to provide the purchase convenience that consumers expect from traditional retail channels. 27 Many studies have shown that convenient store locations

increase patronage by lowering transaction costs. 5 Retail outlets in central locations, according to the central place concept, attract clients from vast distances. Aside from location, studies from an Indian context show that food shoppers prefer supermarkets with longer working hours, product availability, suitable parking, and accessibility. 5

Promotion

Retailers use promotion as a marketing approach to boost traffic into their stores and enhance sales by informing customers about current offerings. The four basic types of promotion are sales promotion, advertising, publicity, and personal selling. 10 Promotion may increase sales by encouraging customers to switch stores and increase consumption among current customers. 2

The following article will describe the extended service marketing mix:

People

Service professionals who design, interact with, and offer services and have a substantial effect on the customer's perception of service quality. Through interactions with targeted consumers, personnel appear to play a key role in offering a great retail shopping experience. 19 Because salespeople have direct contact

with clients, they may filter, advise, and persuade them to purchase goods or services. 10 Human touch has been identified as a strategic aspect that influences client purchasing behaviour and store sales. 29

Process

Al Muala A and Al Qurneh M both agreed that process is typically characterised as the execution of actions and activities that raise the perceived value of a product or service at a low cost and with a high benefit to the user, and that process is more significant for services than goods. 4 Process is essential in determining how a

service is delivered and producing value in the eyes of the consumer.

Physical Evidence

Physical evidence, according to Al Muala A and Al Qurneh M, refers to the context in which a service is performed or any tangible items that help in the delivery of the service. 4 This is an important aspect since the consumer typically assesses the quality of service based on concrete proof. This element also pertains to the setting in which the services are created. Other visible factors can also impact clients' views of service quality.

Table 2. Summary of 7P's

Revised Marketing Mix (4 P's)				Extended Service Marketing Mix (3 P's)		
Product	Price	Place	Promotion	People	Process	Physical Evidence
Core product features Tangible and Intangible	Selling Price	Delivery Decision	Advertising	Job Design	Design of activity flow	Landscaping
Bundle of supplementary element	Discount	Geographical location	Media element	Recruiting	Sequence of action	Interior
	Margin of channel partners	Physical channel	Sales Promotion	Selection	Degree of automation	Sound
	Credit terms	Channel Partner	Personal selling	Team work		Smell
			Publicity	Training		Staff grooming

CONCLUSION

According to a thorough review of the current literature, service marketing mix plays a vital role in today's retail business and is the best marketing tool for being an industry pioneer. With the rising relevance of the service marketing mix, the retail business is becoming more marketing focused. Consumers are fundamental to all aspects of the service marketing mix. After careful consideration, it is feasible to conclude that, Trevor W, Mike W (Eds.) Marketing Financial Services. Butterworth Heinemann, 1998.

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