

Paper
MARKETING OF SERVICES

MBA IV SEMESTER (CBCS)

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Lecture on

Marketing Mix of Services

Faculty

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Marketing Mix

The marketing mix refers to the set of actions, or tactics, that a company uses to promote its product/ service in the market. The 4Ps make up a typical marketing mix - Product, Price, Place and Promotion for product while for services 3 more P's – Process, People and Physical Evidence.

Nature of Marketing Mix

Marketing mix is the crux of marketing process

Changes in external environment necessitate alterations in the mix

Also achieve marketing as well as organizational goals

Changes taking place within the firm also necessitate changes in mix

Marketing mix has to be reviewed constantly in order to meet the changing requirements

Applicable to business and non-business organization

Concentrates on customers

Advantages of Marketing Mix

- Simplifies and brings different concepts of marketing into one
- Making marketing strategies easier to do and manage.
- Allows separation of marketing from other company activities
- Delegation of marketing tasks to specialists
- Enables a company to vary its marketing activities according to its resources, market conditions and customer needs

Disadvantages of Marketing Mix

- The Marketing Mix does not consider client behavior, but it is internally oriented.
- The Marketing Mix considers clients as passive; does not allow interaction and can not capture relationships.
- The Marketing Mix does not take into account the unique elements of service marketing.
- Product is indicated in the singular, but most companies do not sell a product in isolation.
- Sellers sell services or brands, all interconnected in the mind of the consumer.

Service Marketing Mix – 7 P's



Product in Services

- Service concept
- Customer benefit concepts
- Service offer
- Service delivery system
- Core products
- Total service products
- Service forms
- Supplementary services
- Facilitating services
- Supporting services
- Technology services
- After sale service

Price in Services

- Cost based
- Demand based
- Operation based
- Competition based
- Value based
- Relationship based
- Skimming Price
- Penetration Price
- Flexibility Price
- Discounts
- Allowances
- Commission

Place in Services

- Location
- Coverage
- Accessibility
- Channel Exposure
- Managing channels
- Channel type
- Multi channels
- Intermediaries
- Wholesaler
- Retail
- Direct sales
- Storage
- Transportation
- Delivery services
- Internet services
- Mail-order
- Electronic delivery

Promotion in Services

- Marketing communications
- Advertising - Branding
- Sales promotion - Special offers
- Publicity - Targets
- Personal selling - Incentive
- Direct marketing - User trials
- Media types
- Campaigns
- Endorsements

Process in Service

- Flow of activities – Standardized or Customized
- Steps of activities – Simple or complex
- Level of customer Involvement
- Service design
- Design features
- Uniformity of offerings
- Customer focus
- Service delivery
- Service consumption
- Research & development
- Operational efficiency
- IT supported business led

People in Services

- Individuals on marketing activities
- Individuals on customer contact
- Relationships marketing
- Social interactions
- Customer service Orientation
- Communicating organization culture and values
- Employees research
- Training and skills
- Employee Attitude
- Customer education

Physical Evidence in Services

- Sales /staff contact
- Experience of services brand
- Service Facilities
- Infrastructure for service delivery
- Online service experience
- Service delivery equipment
- Signage
- Employee uniform
- Brochures
- Business cards
- Statements
- Report

Thank you

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