

The extended marketing mix (7Ps)

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The marketing mix is the combination of marketing activities that an organisation engages in so as to best meet the needs of its targeted market. Traditionally the marketing mix consisted of just 4 Ps.

For example, a motor vehicle manufacturer like Audi:

- * Produces products that are of the highest quality and fit for the needs of different groups of consumers,
- * Offers a range of cars at value for money prices, depending on the market segmented they are targeted at,
- * Sells the cars through appropriate outlets such as dealerships and showrooms in prime locations, i.e. in the right places, and
- * Supports the marketing of the products through appropriate promotional and advertising activity.

The marketing mix thus consists of four main elements:

1. Product
2. Price
3. Place
4. Promotion.

Getting the mix of these elements right enables the organisation to meet its marketing objectives and to satisfy the requirements of customers.

In addition to the traditional four Ps it is now customary to add some more Ps to the mix to give us Seven Ps.

The additional Ps have been added because today marketing is far more customer oriented than ever before, and because the service sector of the economy has come to dominate economic activity in this country. These 3 extra Ps are particularly relevant to this new extended service mix.

The three extra Ps are:

1. Physical layout - in the days when manufacturing dominated the UK economy the physical layout of production units such as factories was not very important to the end consumer because they never went inside the factory. However, today consumers typically come into contact with products in retail units - and they expect a high level of presentation in modern shops - e.g. record stores, clothes shops etc. Not only do they need to easily find their way around the store, but they also often expect a good standard or presentation.

The importance of quality physical layout is important in a range of service providers, including:

- * Students going to college or university have far higher expectations about the quality of their accommodation and learning environment than in the past. As a result colleges and universities pay far more attention to creating attractive learning environments, student accommodation, shops, bars and other facilities.
- * Air passengers expect attractive and stimulating environments, such as interesting departure lounges, with activities for young children etc.

* Hair dressing salons are expected to provide pleasant waiting areas, with attractive reading materials, access to coffee for customers, etc.

* Physical layout is not only relevant to stores, which we visit, but also to the layout and structure of virtual stores, and websites.

2. Provision of customer service - customer service lies at the heart of modern service industries. Customers are likely to be loyal to organisations that serve them well - from the way in which a telephone query is handled, to direct face-to-face interactions. Although the 'have a nice day' approach is a bit corny, it is certainly better than a couldn't care less approach to customer relations. Call centre staff and customer interfacing personnel are the front line troops of any organisation and therefore need to be thoroughly familiar with good customer relation's practice.

3. Processes - associated with customer service are a number of processes involved in making marketing effective in an organisation e.g. processes for handling customer complaints, processes for identifying customer needs and requirements, processes for handling order etc

The 7 Ps - price, product, place, promotion, physical presence, provision of service, and processes comprise the modern marketing mix that is particularly relevant in service industry, but is also relevant to any form of business where meeting the needs of customers is given priority.