

UNIT - IV FUNDAMENTALS OF MARKETING MIX

Unit Code	UNIT TITLE: Fundamentals of Marketing Mix			Marks: 12
Location: Class Room	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	Session I: Concept, importance of Marketing Mix			
	1. Introduction and Characteristics of Marketing Mix 2. Features of Marketing mix 3. Developing Marketing Mix 4. Importance of Marketing Mix	1. Understand concept and characteristics of marketing mix. 2. Identify the features of marketing mix 3. Steps in developing marketing 4. Significance of marketing mix	1. Identify different marketing mix of products/services 2. Specify steps in developing marketing mix.	Interactive Lecture: Discussing the concept and importance of marketing mix Activity: Visit different organisations and find the stages involved in developing marketing mix

UNIT TITLE: Fundamentals of Marketing Mix

Learning Objectives

After reading this unit, students will be able to:

- Explain the meaning, characteristics and features of marketing mix.
- Understand the stages in developing marketing mix
- Learn the importance of marketing mix
- Explain the meaning of certain keywords

Concept of Marketing Mix

Marketing is the process of identifying, anticipating, and satisfying customers' requirements with the purpose of making profits. This process involves the marketing managers and representatives take various marketing decisions to make the operations profitable. They are required to identify suitable combination of marketing policies and procedures so as to adopt and bring about desired behaviour of trade and consumers at minimum cost. They have to decide how elements of marketing, advertising, personal selling, pricing, packaging, channels, warehousing etc. be combined to make marketing operations profitable. More specifically, they have to decide a marketing mix - a decision making method in relation with the product, price, promotion, and distribution.

The term Marketing Mix was introduced by Neil H. Borden in his article - "The Concept of Marketing Mix". In this study he described the business executive as a "decider," an "artist" - a "mixer of ingredients," who sometimes follows a recipe prepared by others or prepares his own

recipe or adapts a recipe to the ingredients immediately available, and sometimes experiments with or invents ingredients no one else has tried.

Definitions of Marketing Mix



According to Philip Kotler, “ Marketing mix is the combination of four elements called the 4P’s- Product, Price, Promotion and Place that every company has the option of adding, subtracting or modifying in order to create a desired marketing strategy”.

According to Kotler and Armstrong, “Marketing mix is the set of tactical marketing tools that the firm blends to produce the response it wants in the target market”.

According to W. J. Stanton, “Marketing mix is the term used to describe the combination of the four inputs which constitute the core of a company’s marketing system: the product, the price structure, the promotional activities and the distribution system”

CHARACTERISTICS OF MARKETING MIX:

1. Marketing mix is the core of marketing process:

Marketing mix involves important decisions relating to each element of the mix. The impact of the mix is best when proper weightage is allotted to each element and they are combined for attaining best results.

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

The marketing manager has to constantly review the mix and the market scenario and make necessary changes in the marketing mix according to changes in the conditions and complexity of the market.

3. Changes in external environment facilitate alterations in the mix:

Changes keep on taking place in the external environment. For many industries, the customer is the most fluctuating variable of environment. Customers' tastes and preferences change very fast. Brand loyalty and purchasing power also change over a period. The marketing manager has to carry out market analysis constantly to make necessary changes in the marketing mix.

4. Changes taking place within the firm also necessitate changes in marketing mix:

Changes within the firm may take place due to technology or product line or in the size and scale of operation. All such changes call for corresponding changes in the marketing mix.

5. Applicable to business and non-business organization:

Marketing mix is applicable not only to business organizations but also to non-business organizations, such as clubs and educational institutions. For example, an educational institution is expected to provide the right course (product), charge the right fee (price), promote the institution and the courses, and provide the course at the right place.

6. Helps to achieve organizational goals:

An application of an appropriate marketing mix helps to achieve organizational goals like increased profits and market share.

7. Concentrates on customers:

A clear focus point of marketing mix is the customer, and the marketing mix is expected to provide maximum customer satisfaction

FEATURES OF MARKETING MIX

1. Interdependent variables

The marketing mix is made up of four unique variables product, price, place and promotion. These four variables are interdependent and need to be aligned.

2. Help Achieve Marketing Targets

The company aims to achieve its marketing targets such as sales, profits, customer retention and satisfaction through the use of these variables.

3. Flexible Concept

The marketing mix is a dynamic concept and the focus on any one variable may be either increased or decreased on the basis of existing marketing conditions and customer requirements.

4. Constant Monitoring

It is necessary to keep continuous watch on the changing trends and requirements, within the company as well as in the market to ensure that the marketing mix elements stay relevant and useful.

5. Customer as a focal point

The customer is the focal point of all marketing activity. The value of the product is determined by customer perception and the goal is to achieve a satisfied and loyal customer.

DEVELOPING A MARKETING MIX

Intuition and creative thinking are key requirements for a marketing manager. But relying only on these qualities is incorrect and can lead to inaccurate assumptions that may not provide the desired results. To ensure that marketing mix is based on research and combines facts with innovation, a manager should go through the following process:

Step 1

The first step on the marketing manager's list is to define the unique feature, the product offers, the customer surveys or focus groups and identify the importance of unique feature to consumers and whether they can increase the sales of the product.

Step 2

The second step is to understand the consumer that would purchase the product, what they need, what value they associate. All the other elements of the marketing mix will be designed in accordance with the customer. This understanding will enable the product offered be relevant and targeted.

Step 3

The next step is to understand the competition. The prices and related benefits such as discounts, warranties and special offers need to be assessed. An understanding of the subjective value of the product and a comparison with its actual manufacturing distribution cost will help set an ideal price point.

Step 4

At this point the marketing manager needs to evaluate the options of place to understand where the customer is most likely to make a purchase and the costs associated with using this channel. Multiple channels may help target a wider customer base and ensure easy access. A product which serves a niche market would concentrate distribution to a specific area or channel; hence value of the product is closely related with availability of the product.

Step 5

Based on the target audience and the price identified the communication strategy can be developed. The promotional methods need to appeal to the customers and ensure that the key features and benefits of the product are clearly communicated and understood.

Step 6

A last step needs to be taken at this point to see how all the elements identified and planned relate to each other. All marketing mix variables are interdependent and rely on each other for a strong strategy. It has to be seen whether the selling channels strengthen the perceived value of the product or the promotional material supports the selected distribution channels.

The marketing plan is finalized after ensuring that all four elements are in harmony and there are no conflicting messages, either direct indirect.

IMPORTANCE OF MARKETING MIX

Marketing Approach

It contributes towards the formation of an effective marketing strategy and its practical implementation. Integrates the essentials of effective marketing, marketing and allows to analyse and asses the feasibility and role of the product or service that the organization offers. Identifies appropriate distribution channel for the proper placement of the product, sets a suitable price for the value that is offered to the consumers and identifies and employs suitable promotional media. It provides the organization with an all-inclusive and holistic marketing approach and gives direction.

Value Creation

Marketing mix guides in identifying and assessing the diverse aspects of the products or services in relation to their importance and utility to customers and their preferences. Furthermore, it also provides direction for the selection of a suitable distribution channel, where the target consumer is more likely to look around for offered services or products. The platform may range from being a retail store to an online shop.

Marketing mix also includes directives for the allocation of a suitable price, which confers with priorities and limitations of the target consumers. It helps to promote and advertise the products and services effectively, so as to effectively deliver value to consumers.

Activity 1

Identify of 5 products to depict the concept of marketing mix by listing their products and prices.

Knowledge Assessment 1

State whether the statements are true/false

1. The process of marketing mix involves the marketing managers take various marketing decisions to make the operations profitable.
2. People are one of the components of 4P's of marketing mix.
3. Marketing mix helps the organization in achieving their goals.
4. Marketing mix has to be reviewed constantly in order to meet the changing requirements
5. Marketing mix is applicable to only non-business organization
6. Four P's of marketing mix are independent of each other.
7. The customer is the focal point of all marketing activity.
8. Multiple channels may help target a wider customer base and ensure easy access.
9. The marketing plan is finalized after ensuring that all four elements of marketing mix are in harmony.
10. Marketing mix is static.

Answers 1(T), 2. (F), 3. (T), 4. (T), 5. (F), 6. (F), 7. (T), 8. (T), 9. (T), 10. (F).

Session II: Marketing mix components – Service Sector and Consumer Goods

Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
5. Types of Marketing mix	1. Identify the various types of marketing mix.	1. Identify marketing mix of products/services	Interactive Lecture: Discussing the marketing mix components of service and consumer goods Activity: Prepare a list of 4P's and 7P's of prominent organizations
6. Marketing mix for Consumer goods	2. Marketing mix for consumer goods- 4P's and 4 C's models	2. Specify 4P's for consumer goods	
7. Marketing mix for Services	3. Marketing Mix for Services 7P,s	3. List the 7P,s for services	

TYPES OF MARKETING MIX

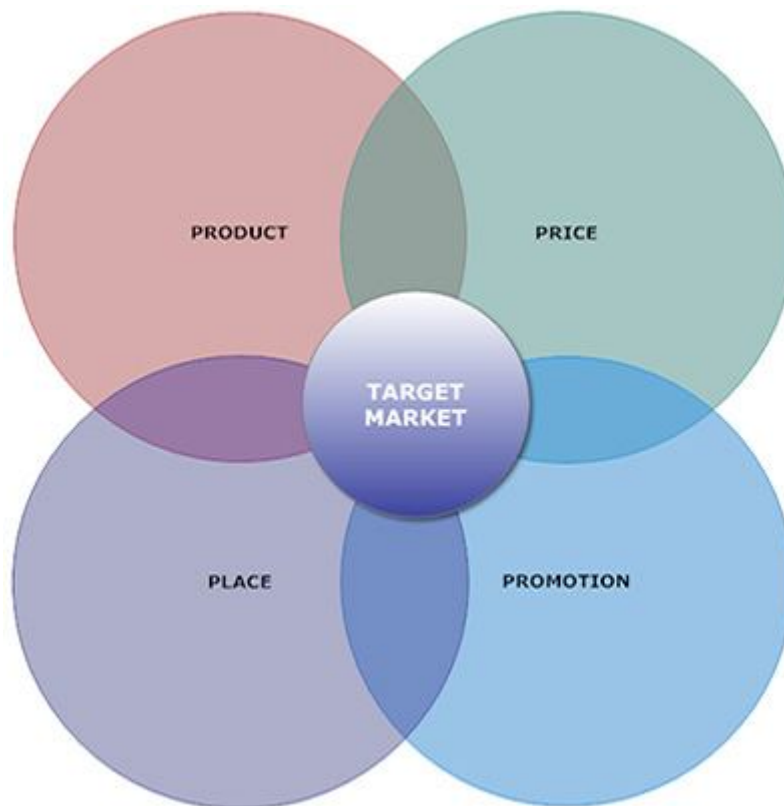
The Marketing Mix is a tool used by marketing professionals. It is often crucial when determining product or brand's offering, and it is also called as 4P's (Product, Price, Promotion, and Place) of marketing. However, in case of services the 4 P's have been expanded to 7P's or 8P's.

In recent times by giving more importance to customer a new concept has been introduced, i.e. Concept of 4C's. The Concept of 4C's is more customer-driven with a replacement of 4P's. According to Lauterborn's the 4C's are - Consumer, Cost, Communication, and Convenience. According to Shimizu's the 4C's are -Commodity, Cost, Communication, and Channel

Marketing mix is mainly of two types.

- 1) **Product marketing mix** – It comprises of Product, price, place and promotions and is mainly used in case of tangible goods.
- 2) **Service marketing mix** – The service marketing mix has three more variables included which are people, physical evidence and process.

.4P'S - PRODUCER-ORIENTED MODEL OF MARKETING MIX



Product - A product is an item that is built or produced to satisfy the needs of a certain group of people. Product can be tangible good or intangible service. It is defined as anything that can be offered to a market to satisfy a want. It not only includes physical objects and services but also the supporting services like packaging, installation, after sales services etc.

They can be categorized on the basis of

demand once it reaches the sales decline phase. Marketers must therefore, create the right product mix.



Ariel a high quality product popularized as a detergent that has enzymes for the removal of stain without hampering the clothes. Ariel has been able to meet this demand of the industry by introducing new and excellent products in the market at regular intervals. The company has also re launched their own products with various innovations in order to keep pace with the changing times. With its unique ingredients, Ariel assures its consumers of impeccable cleaning of clothes. The various products of this brand are:

- Ariel 3 in 1 Pods to work together in three capacities for lifting stains, cleaning and brightening the garments.
- Ariel Washing Liquid for doing the laundry and pre-treating the stains in one wash.
- Ariel Excel Washing Gel for excellent cleaning at low temperatures.
- Ariel washing powder for whites as well as coloured clothes and for direct cleaning in the washing machine.
- Ariel Washing Tablets for convenient and easy washing of garments.
- Ariel Super Soaker.

Activity 2

Prepare a list of 5 products in each of the of the categories on the basis of (i) Usage, (ii) Durability (iii) Tangibility.

Price - The price of the product is basically the amount that a customer pays for consuming it. Price is a very important component of the marketing mix definition. It is crucial in determining the organization's profit and survival. Changes in price affect the demand and sales of the product.

Pricing helps to shape the perception of a product in consumer's eyes as a low price is associated with inferior goods. While too high prices might make them value their money over the product. Hence, examining competitor's pricing while deciding prices becomes important. A new company which has not made a name for itself yet, is unlikely to have a target market which is willing to pay a high price. They might be able to charge higher prices once the product is acceptable in the markets.

When setting the product price, marketers should consider the perceived value that the product offers. Major pricing strategies followed are:

- **Market Penetration Pricing:** The objective of penetration price strategy is to gain a foothold in a highly competitive market. The firm prices its product lower than the others in competition to achieve an early breakeven point and to maximise profits in a shorter time span or seek profits from a niche.
- **Market Skimming Pricing:** Most commonly used strategy and refers to a firm's desire to skim the market by selling at a premium price.
- **Differential Pricing:** It involves in a firm differentiate its price across different market segments.
- **Geographic Pricing:** It seeks to exploit economies of scale by pricing the product below the competitor's in one market and adopting a penetration strategy in another.

- Product Line: These are a set of strategies which a multi-product forms usually adopt.



Sunfeast biscuits from ITC uses varied pricing policies. Some of the products are premium products while the other products are the regular ones. Hence it has been decided to keep the pricing policy variable as well as competitive. Discounts and other sales promotion schemes on high priced items like Sunfeast dark fantasy bring the prices down. Cost plus pricing is used for products like Sunfeast glucose and various other biscuits.

Promotion - Promotion represents the different methods of communication that are used by marketer to inform target audience about the product. It is an essential component of marketing as it can boost brand recognition and sales. Promotion is comprised of various elements like:

- Advertising
- Sales Promotion
- Personal Selling

- Public Relations

- Advertising typically covers communication methods that are paid for like television advertisements, radio commercials, print media, and internet advertisements. In contemporary times, there seems to be a shift in focus from offline to the online world.
- Sales Promotion comprises of tools used to promote sales in a given territory and time. They are short term in nature and aim at stimulating quick sales. Advertising aims at creating awareness and also provides a rationale to buy a product; sales promotion induces him/her to buy the products. They include discount coupons, price offs, prizes, lucky draws, free trials etc.
- Personal Selling is a direct display of the product to the consumers or prospective buyers. It refers to the use of salespersons to persuade the buyers to act favourably and buy the product.
- Public relations, on the other hand, are communications that are typically not paid for. This includes press releases, exhibitions, sponsorship deals, seminars, conferences, and events.
- Word of mouth is an informal communication about the benefits of the product by satisfied customers and ordinary individuals. Word of mouth can also circulate on the internet. When effectively used it has the potential to be one of the most valuable assets we have in boosting the profits online. An extremely good example of this is online social media and managing a firm's online social media presence.

In the year 2003, ITC stepped in the manufacturing of biscuits and introduced the 'Sunfeast' range that at first dealt with biscuits and later on with other food items also. In order to make its brand a household name it has launched exciting and innovative campaigns that denote the various qualities of its products like the flavour and exclusive taste. To promote its range of food products, famous actors and sports personalities were signed. Sachin Tendulkar, the cricket icon, Shahrukh Khan, the superstar, SaniaMirza, the tennis star have all been the brand ambassador's

at one time or other. Television, magazines, newspapers have proved to be an effective and influential medium for advertisements as they are able to spread awareness among every age group of people. The slogan 'Spread the Smile' has become the essence of the brand and the catchy and colourful advertisements have helped the company in acquiring a large share of the market.

Knowledge Assessment 2

Which element of the promotion mix is being referred to in the following statements?

- (a) A short term incentive to encourage trial or purchase of a new product.
- (b) It does not cost money but may involve huge amount of time and effort by the marketeer
- (c) It is an informal communication about the benefits of the product by satisfied customers and ordinary individuals
- (d) The tools include Press Conference, publications and news.
- (e) It is a paid form of non-personal communication by an identified sponsor.
- (f) It is done through popular audio visual and print media
- (g) A direct display of the product to the consumers or prospective buyers.

Answers: (a) Sales Promotion (b) Public Relations (c) Word of Mouth (d) Public Relations (e) Advertising (f) Advertising (g) Personal Selling

Place - Place or distribution refers to making the product available for customers at convenient and accessible places. We have to position and distribute the product in a place that is accessible to potential buyers. This comes with a complete knowledge of the target market. Understanding them inside out will help discover the most efficient positioning and also increase the market share. Reaching out to the market can be through planning distribution structure and

logistics. The distribution structure refers to the channel design and structure, and management of channels while logistics refers to the physical aspect of distribution. The distribution can be carried out through the channel members and they would comprise of manufacturer, distributor, wholesaler/dealer and retailer. The increase in length of the distribution channel increases the distance between the customer and manufacturer.

Organizations can employ distribution alternatives on the basis of their products and they, include:

- Intensive distribution: It involves making the product available at all possible outlets, example of soft drinks which are available through multiple outlets to ensure easy availability to the customer.
- Exclusive distribution: The firm decides to distribute through one or two major outlets, example of designer wear or high priced automobiles.
- Selective distribution: This is the middle path approach to distribution as the firm selects some outlets to distribute its products thereby enabling the manufacturer gain optimum market coverage and more control.

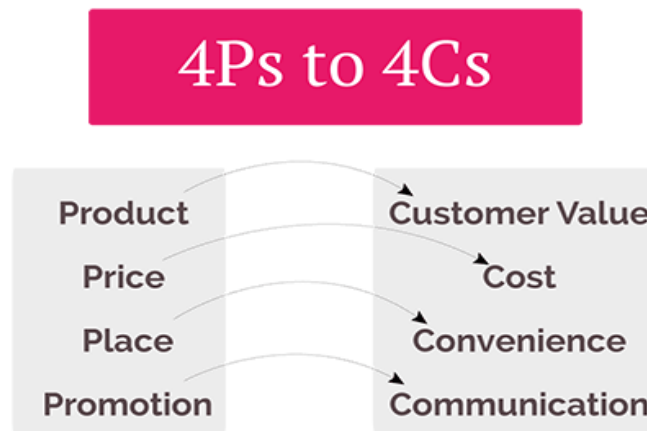


Maggi employs intensive distribution. Its channel partners include distributors, retailers and consumers. Nestle follows a twofold path for distribution. In the first, the product is available to

every local store and the second where the stock is made available in every mall and shopping centers.

4C'S - CONSUMER-ORIENTED MODEL OF MARKETING MIX

In the recent times, the customer has gained importance and the concept of 4C's has been seen as an extension of 4P's. According to Lauterborn, the 4C's are consumer, cost, communication and convenience.



Consumer - In this model the Product is replaced by Consumer. Marketers focus more on the needs, wants and demands of consumer. The product is designed and produced considering the requirements of consumer.

Cost - Price is replaced by Cost. The cost refers to the total cost of owning a product. It includes cost to use the product, cost to change the product, and cost of not choosing the competitor's product.

Communication - Promotion is replaced by Communication. According to Lauterborn promotion is manipulative while communication is cooperative. Communication includes advertising, public relation, personal selling, and any method that can be used to encourage proper, timely, and accurate communication between marketer and consumer.

Convenience - Place is replaced by Convenience. It focuses on the convenience in getting product information, convenience in reaching to the store/product, and ease of buying.

Marketing Mix for Service Sector

An expanded marketing mix for services was proposed by Booms and Bitner (1981), consisting of the 4 traditional elements—product, price, place, and promotion and three additional elements—physical evidence, participants, and process. These additional elements go beyond the conventional 4Ps and distinguish ‘customer service’ for service firms from that of manufacturing firms.

7 PS OF THE SERVICE MARKETING MIX

The customer service for a service firm cannot be distinctly divided into pre-purchase and post-purchase elements, because production and consumption of a service takes place at the same time. The service provided can prove to be effective in terms of satisfying the customer, only if the gap between which is expected service and offered service is decreased. More the wider gap more the number of disappointed customers; and disappointed customers may result in lowering that company’s image. Hence understanding the 7P’s of services mix becomes important.



1. Product

Most of the services are not visible because they are performances rather than objects, specific manufacturing procession concerning uniform quality can rarely be set. Because of this intangibility, the firm may find it difficult to understand how consumers perceive their services. To develop a good customer service, the service marketer should focus on tangible cues and also create a strong organisational image. This can be done by communicating clearly to the customers the features of the service being provided.



PRODUCT AND SERVICES

- Travelers Cheque
- Card (Credit Cards, Debit Cards, Travel Cards, Corporate Cards, Prepaid Cards, Business Cards)
- Loan (Home Loans, Personal Loans, Two Wheeler Loans, Car Loans)
- Investment
- Insurance
- NRI banking
- Deposit
- Business banking
- Personal banking



ICICI Bank provides a variety of banking products for all its customers. The major product of ICICI bank is its excellent customer service. The bank is known for its 12 hours operation and for its out of the box customer service initiatives. It has equal focus on retail customers as well as customers belonging to the corporate world. Their banking products include:

- **Consumer Banking** – It includes a number of deposits like Saving account, Recurring account, Fixed deposit account, special accounts for senior citizens and also teenagers.
- **Cards** – These cards include Credit card, Travel card and Debit cards.
- **Investment banking** – Various options like Tax Saving Bonds, Mutual Funds, Foreign Exchange Services and Pure Gold Investments are provided.
- **Loans** – This include Personal Loans, Medical Equipment loans, Farm Equipment Loans, Vehicle Loans and Loans against Securities.

- **Finance** – Channel Finance is one of the strong products which ICICI bank has in its kitty. Plus, there are numerous forms of Finance provided by the bank.
- **Corporate Banking**
- **Insurance** – ICICI bank is known for its large portfolio of Insurance options.
- **Wealth Management**
- **Private Banking**

2. Price

Due to the intangible nature of the service–price becomes an important quality indicator in conditions where other information is unavailable. It is essential that the service firm provide competitive pricing, thereby get an edge over competitors. In the case of services, like medical or legal services, price is the deciding factor because the customer makes a final choice among several competing service organizations on the basis of price at which the service is offered.



The pricing objective at Big Bazaar is to get “Maximum Market Share”. Pricing at Big Bazaar is based on the following techniques:

- **Value Pricing (EDLP – Every Day Low Pricing):** Big Bazaar promises consumers the lowest available price without coupon clipping, waiting for discount promotions, or comparison shopping.
- **Promotional Pricing:** The concept of psychological discounting (Rs.99, Rs.49, etc.) is used to attract customers. Big Bazaar also caters on Special Event Pricing (Close to Diwali, GudiPadva and DurgaPooja).

- Differentiated pricing i.e. difference in rate based on peak and non-peak hours or days of shopping is also a pricing technique used in Indian retail, which is aggressively used by Big Bazaar. Eg. Wednesday Bazaar.
- Bundling: it refers to selling combo-packs and offering discount to customers. The combo-packs add value to customer and lead to increased sales. Big Bazaar lays a lot of importance on bundling. E.g. 3 Good Day family pack at Rs.60 (Price of 1 pack = Rs.22)
5kg oil + 5kg rice + kg sugar for Rs.599

3. Place

Services are performances which cannot be stored; hence businesses offering services find it difficult to balance between the supply and demand. A service firm must make simultaneous adjustments in demand and capacity to achieve a closer match between the two. The firm could choose to use multisite locations to make the service more reachable to the users as a service regardless of the numerous advantages might not be selected if it is focused in far off places.



Domino's pizza has always maintained a direct channel with its customer base. The customers either call or send a message by telephone for the pizza delivery. Consumers can also place their order online through the official website of Dominos. In both the cases, the packaged food product is delivered and subsequently received by the buyer at

the mentioned address. If the order does not reach the buyer in allotted thirty minutes, then the buyer does not have to pay for it. The order is delivered free of charge. Dominos also has many dine out outlets in very good locations.

4. Promotion

The service marketer should constantly work towards developing word-of-mouth communications apart from using the regular advertising. In case the company's image in existing markets does not match with reality, traditional marketing techniques may be used to communicate affectively the real image. Communication involves informing the customers in a language they can best understand, especially in the case of services, post-purchase communication is very important, because retaining existing customers is as important, or even more important than attracting new customers.



Vodafone one of the world's greatest telecommunication brands frequently uses local recognition to reach and maintain trust of its local customers. To help promote its global appeal and to communicate its brand value, the telecommunication giant often uses popular sports stars like Mary Kom, David Beckham, Michael Schumacher and others. It also advertises its brand value and offers through billboards, TV commercials and other social media outlets in order to reach a large number of people. The most famous move by Vodafone worldwide was the use of Vodafone zoo zoos in India during the Indian

premier league(IPL). Vodafone zoo zoos are the most famous brand ambassadors for them and are recognized by one and all over the world. In addition, the company sends frequent press releases to keep their customers informed of new products and offers.

5. Physical Evidence

Physical evidence, like the environmental surroundings greatly affect the customer's expectations of the service. As services cannot be readily displayed, a conducive environment should be created so as to help the customers develop a positive opinion of the service. People would not like to wait if the surroundings of the place they are made to wait are unpleasant. Customers can be turned off by small changes in the design of the service facility or even the absence of clear signboards.



The leading coffee chain across the world, Café coffee day has several products which appeal to the Indian audience, the organization uses various elements of evidence:

Logo, images, brand: Café Coffee Day uses bright red in its logo. RED stands for leadership, vitality, passion for coffee. The current logo has a dialogue box and concentrates on coffee and conversations. Their current tag line “A lot can happen over coffee” supporting the same.

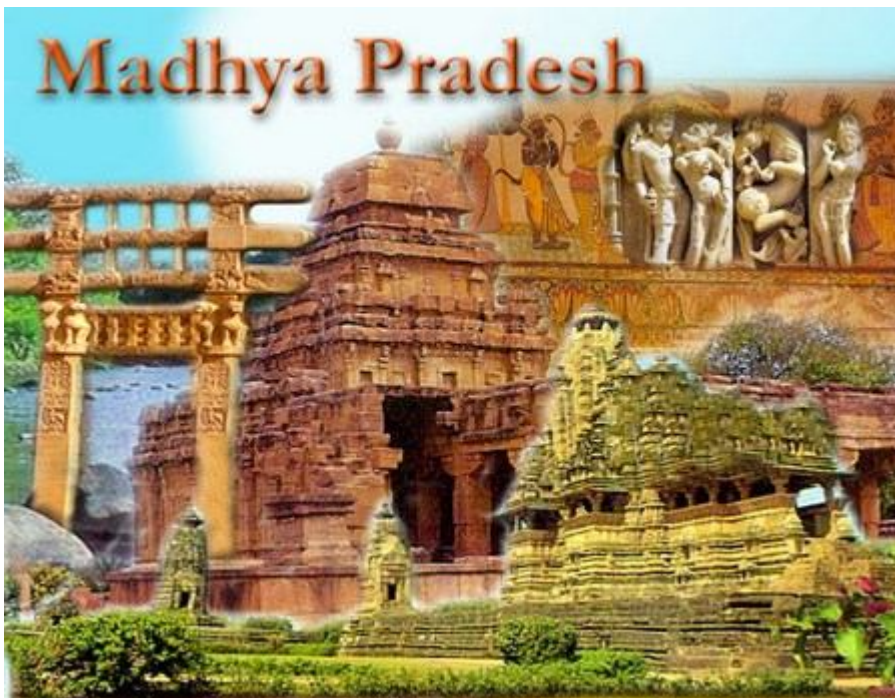
Architecture and Décor: Largely wood and granite based interior with young colours of today, like limegreen, yellow, orange, and purple predominate.

Literature: The literature provided by Café Coffee Day is indicative of its youthful image.

Themenus, posters, pamphlets are all designed to attract young and young at heart.

6. People

Most of the services are labour intensive; the behaviour of the staff providing the service and the customers involved in production (due to the inseparable nature of services), have an effect on providing efficient customer service. In order to focus on customer-oriented approach, the organization needs to hire the right people and train them to enhance their skills and reward them with adequate pay. There is a mutual dependence between the customers and employees. Dissatisfied customers affect employees and similarly untrained staff reduce customer satisfaction. This mutual dependence influences the customer's perception of the service.



The people in Madhya Pradesh tourism consists of Tour operators, Tourist transport operators, Hotel staff, Tourist guides as well as the main operations staff. Madhya Pradesh tourism board also has amazing ways of rewarding employees through awards such as

Tourism friendly forester (Whoever maintains forests)

Tourism friendly archeologist (Taking care of heritage)

Most frequent tourist visiting MP (Encouraging government to take part)

Thus employing its people flawlessly.

7. Process

The quality, or the 'how' of service delivery is more important in the case of service industries, as it is difficult to separate the technical quality, or the 'what' of service delivery. The past experience with a service also affects the expectations of the customer as in case a customer has a bad experience with the service on any previous occasion, it will influence his or her future perception of the service. Therefore, it is essential to train the front line employees, whose actions and behaviour influence the customer's opinions of the organisation and the actual service provided.



The process at Apollo Hospitals, one of the premium hospital chains in India involves very established procedures and documentation. It has been a major player in scripting the medical landscape of the nation. This is primarily because the group has

continuously been at the helm of several game changing innovations in Indian healthcare. Apollo hospitals in NABH, NABL accredited and also has ISO 9002 award.

The service which a customer actually gets and how he sees it may not always match, hence the customers evaluation of a service is an important factor on the delivery of the service. Controlling the service marketing mix variables will enable the marketers shape the perceptions of customer. Hence, organizations concentrating on employees and customers might increase both employee motivation and customer satisfaction.

KNOWLEDGE ASSESSMENT 3

- 1 The marketing mix consists of; -
 - (a) Product, physical evidence, place, process
 - (b) Process, price, place, packaging
 - (c) People, process, place, promotion
 - (d) Product, place, promotion, place

- 2 Increasing the features and quality you offer is a decision made by which marketing mix?
 - (a) Product
 - (b) Price
 - (c) Promotion
 - (d) Place

- 3 Design is a _____ decision
 - (a) Product
 - (b) Price
 - (c) Promotion
 - (d) Place

- 4 Giving retailer an incentive to sell your product/service is the responsibility of which marketing mix?
 - (a) Product
 - (b) Price
 - (c) Promotion
 - (d) Place

- 5 Public Relations is managed by which marketing mix?
- (a) Product
 - (b) Price
 - (c) Promotion
 - (d) Place
- 6 Branding is a _____ decision
- (a) Product
 - (b) Price
 - (c) Promotion
 - (d) Place
- 7 Which one of the 4Ps is responsible for direct mail?
- (a) Product
 - (b) Price
 - (c) Promotion
 - (d) Place
- 8 The term "marketing mix" describes:
- (a) A composite analysis of all environmental factors inside and outside the firm
 - (b) A series of business decisions that aid in selling a product
 - (c) The relationship between a firm's marketing strengths and its business weaknesses
 - (d) A blending of four strategic elements to satisfy specific target markets
- 9 Newsletters, catalogues, and invitations to organization-sponsored events are most closely associated with the marketing mix activity of:
- (a) Pricing
 - (b) Distribution
 - (c) Product development
 - (d) Promotion
- 10 The way in which the product is delivered to meet the customer's need refers to: -
- (a) New product concepts
 - (b) Selling
 - (c) Advertising
 - (d) Place or distribution decisions

Answers (1)(d) (2)(a), (3)(a), (4)(d), (5)(c), (6)(a), (7)(c), (8)(d), (9)(d), (10)(d),

KNOWLEDGE ASSESSMENT 4

QUESTIONS

1. How does marketing mix influence the organization's growth?
2. Discuss the importance of marketing mix in current times
3. Elucidate the characteristics of marketing mix.
4. What are the steps involved in developing a marketing mix?
5. What is meant by Marketing Mix? Describe the four components of marketing mix.
6. Explain the 4 C's of marketing mix.
7. State the various classifications of product .
8. Explain common pricing strategies with examples
9. 'Promotion includes four main tools'. Explain each of these tools.
10. Differentiate between the marketing mix of consumer goods and services with suitable example.

Activity 3

Prepare a detailed report of the marketing mix of a prominent consumer good and a service provider.