

# SERVICES MARKETING MIX – THE 7 P's FRAMEWORK OF BOOMS AND BITNER

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**Abstract :** The marketing mix concept is one of the core concepts of marketing theory. The services marketing mix strategy extends the original marketing mix model from four to seven elements. This service marketing mix is also called the 7Ps Model or the 7Ps of Booms and Bitner. The traditional marketing mix (4Ps) was devised by the American Marketing professor Jerome Mc Cathy. In the year 1981 Booms & Bitner extended the 4Ps framework which included process, physical evidence and people, which gained widespread acceptance on the services marketing literature this paper throws light on the 7Ps of Marketing Mix.

**IndexTerms - Services marketing, Marketing Mix, Framework, 4Ps, 7Ps.**

## I. INTRODUCTION

The essence of the marketing mix concept is the idea of a set of controllable variable or a tool kit at the disposal of marketing management which can be used to influence customers. (Shapiro, 1985). McCathey defines "the marketing mix as a combination of all of the factors at a marketing manager's command to satisfy the target market".

Booms and Bitner defines "The 7P's are considered as a tool for marketing strategy by Boom and Bitner which is also called s extended marketing mix. This strategy increases the number of control variable form four to seven, which is an extension with three P's in the existing marketing mix model (Boom and Bitner)"

Service Marketing Mix (7 P's) by Boomer and Bitner



## 2. THE ELEMENTS OF MARKETING MIX:

In Boom's and Bitner's services marketing mix three important factors have been added: people, process and physical evidence, this model goes beyond the four basics marketing mix for product marketing. Service has unique characteristics, for example intangibility, heterogeneity, inseparability, and perishable. Their insight in relation to physical products and services lead to an extension of the traditional marketing mix. The elements of traditional marketing mix constitute the product, place and promotion – 4P's marketing model of Jerome McCathey.

The Traditional Marketing Mix (4 P's)

The four basic elements from the concept marketing mix that have been devised by the American marketing professor Jerome McCathey are:

### **Product**

This element is an object or service an organization produces on a large scale in a specific volume of units. An example of a material product is the wrist watches.

**Price**

This is the price the customer pays for a service or product. The price is the most important factor for marketing. The price of a product or service is determined by all factors that an organization invests during the preparation of the product. For instance material costs, market share, product identity etc. The price of a product may go up or go down depending on time and the price of a certain product may vary because of market developments.

**Place**

This element represents the location where the product is available for the customers. It is possible that the product is not available in all locations but only in a certain selection of locations.

**Promotion**

This element comprises all the efforts the company or organization makes to stimulate the popularity of their product in the market, for instance by advertising, promotional programmes, etc. Jerome McCarthy's 4Ps marketing model is the world's most famous product marketing model. It gives a picture of a product/price mix of an organization, in combination with a promotion plan so it can approach and serve customers on the basis of well-considered distribution and customer contact channels. Jerome McCarthy's 4Ps marketing model offer marketing managers focus areas with respect to objectives and the resources to achieve those objectives.

**The 7 P's of Booms and Bitner**

The 7 Ps models, also known as the services marketing mix, go beyond the four basic marketing principles for product marketing. Services have unique characteristics, for example intangibility, heterogeneity, inseparability and perish-ability. Bernard H. Booms and Mary J. Bitner's insight in relation to physical products and services led to an extension of the traditional marketing mix. In addition to the four traditional factors, THREE important factors have been added: People, Process and Physical Evidence, that make the services marketing mix.

In 1981 this service marketing mix approach was seen as very valuable and it provided new insights as a result of which the extension gained widespread acceptance in the science of services marketing. These added elements within the service marketing mix represent a service and provide intangibility by physical evidence, the result. Below the new elements is briefly explained one by one.

**People**

In Booms and Bitner's service marketing mix, 'people' include people who are directly or indirectly involved in the trade of the product or service. These are mainly customer contact employees (contact centre employees, representatives, account managers, etc.), customers, personnel and management. It is mainly the customer contact employees who are the face of the organization and they translate the quality into a service. They are the 'service' providers on account of their occupation or entrepreneurship. They include for instance stylists, hair dressers, coaches, trainers, gardeners, lawyers, contact centre employees, etc. They deliver a physical service with a visible result.

Service companies are thoroughly aware that they must effectively manage the customer contact employees in order to monitor the quality of the service with respect to attitudes and behaviour. This is very important in service companies because there might be a large variable in the performance of the customer contact employees in relation to the results of the services delivered. The quality of a service between service companies and customers (hospital intake, having a meal in a restaurant or accountancy or management consultancy services) can vary very strongly in addition to other important factors. The lack of homogeneity in services creates difficulties for service companies. Delivery of services often occurs during an interaction between a customer and contact employees. Attitude and behaviour of an employee create a perception of the service as experienced by the customer (customer perception). This perception may be either positive or negative. It is even more important because it can influence customer satisfaction and in turn the customer's purchase intentions.

**Physical Evidence**

The physical evidence within the service marketing mix refers to an environment in which a service comes about from an interaction between an employee and a customer which is combined with a tangible commodity. The physical evidence includes a representation of a service for instance brochures, company stationery, business cards, reports, company website, etc. A good example is a hotel. The design, furnishing, lighting and decoration of a hotel as well as the appearance and the attitudes of the employees have a certain influence on the quality of the service and customer experience. For example for a theme park, restaurant, or school, its 'service scape' or the environment in which the service takes places (service setting) is of crucial importance when it concerns communicating about the service and the positive influencing of customer experience.

This service scape includes three physical environment dimensions that represent the relation between services and environment, namely:

Environmental conditions such as temperature, sound, smell, etc.

Space and functions such as map, equipment, decoration, etc.

Signs, symbols and artifacts such as signature, decoration style, personal touch, etc.

As services are intangible, customers are continuously looking for concrete clues to help them understand the nature of the service company. The more intangible the service the more important it is to make the service around it tangible. Credit cards are a good example of tangible proof compared to the provision of (intangible) credit facilities by credit card companies and banks. In conclusion, the physical evidence serves as a visual metaphor of what the company represents, what services it facilitates and the relations between customers and employees.

Another important point for consideration: satisfied customers. Satisfied customers are the best publicity for the services or products to be delivered. The marketing strategy must be effective, in which satisfaction of existing customers can be communicated

to potential customers. Social marketing is a useful tool in this respect. It is not tangible but it supplies physical evidence with the aid of for instance a written recommendation by a customer or user.

### Process

The element 'Process' of the service marketing mix represents the activities, procedures, protocols and more by which the service in question is eventually delivered to the customer. As services are results of actions for or with customers, a process involves a sequence of steps and activities to get there.

This element comprises all activities and services in which the people involved play an important role. As a service is made up of a chain of activities, it is important to take the possible waiting period between the activities into consideration. That is why it is important that marketers take care of the communication about possible delivery times and by doing so the management of customer expectations. Creating and managing effective service processes are for the existence of service companies. Managing the process factor is mainly due to the perish-ability of services which means that the services cannot be inventoried, stored for reuse or returned. For instance, airline seats that are not booked cannot be reclaimed. It is therefore important that the service companies manage demand as well as they possibly can.

Another distinguishing characteristic of a process in relation to a service is the evidence to be provided to the customer and this is often a standardized or customized approach based on the customer's needs and expectations. Feedback from the customer will see to the required tightening in the process with the aim to meet the customers' needs. The delivery system and the flexibility of the employees are two other key factors in the successful delivery of a service. As services are dynamic and experiential, service companies also use a blue print method called 'Service Blue Printing'. This process-based method provides a better management of the service in the area of internal and external interaction makes this transparent and ultimately this is implemented in practice.

Jerome McCathy Vs The Boom's and Bitner's framework:

Table I. The marketing mix

Product	Price	Place	Promotion	Participants	Physical evidence	Process
Traditional Quality	Level	Distribution channels	Advertising			
Features and options	Discounts and allowances	Distribution coverage	Personal selling			
Style	Payment terms	Outlet locations	Sales Promotion			
Brand name		Sales territories	Publicity			
Packaging						
Product line		Transport carriers				
Warranty						
Service level						
Other services						

Source: Kotler (1976)

Modified and expanded for services

Product	Price	Place	Promotion	Participants	Physical evidence	Process
Quality	Level	Location	Advertising	Personnel:	Environment:	Policies
Brand name	Discounts and allowance	Accessibility	Personal selling	Training	Furnishing	Procedures
Service line	Payment terms	Distribution channels	Sales promotion	Discretion	Colour	Mechanization
Warranty	Customer's own perceived value	Distribution coverage	Publicity	Commitment	Layout	Employee discretion
Capabilities	Quality / price interaction		Personnel	Incentives	Noise level	Customer involvement
Facilitation	Differentiation		Physical	Appearance	Facilitation	Customer

g goods	on		environment	e	ng googs	direction
Tangible clues			Facilitating goods	Interperson al behavior	Tangible clues	Flow of activities
Price			Tangible clues	Attitudes		
Personnel			Process of service delivery	Other customers:		
Physical environment				Behaviour		
Process of service delivery				Degree of involvement		
				Customer / customer contact		

Source: Books and Bitner (1981)

### 3. CONCLUSION

In short, the unique 3 P's those are part of the service marketing mix: People, Physical Evidence and Process determine the success and the existence of a service company. They influence the buying needs, customer satisfaction and customer experience. Within the service companies quality and feedback are always at the top of the list so that they can serve their customers well, retain them and improve the necessary service processes and service scope.

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