

UNIT 16: Explain the role of marketing and how it interrelates with other functional areas of a travel and tourism organization

UNIT 2: Explain the role of marketing and how it interrelates with other functional areas of an organisation

L02. Compare ways in which travel and tourism organisations use elements of the marketing mix (7Ps) to achieve overall business objectives

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The Extended Marketing Mix; History

In 1981, Bernard H. Booms and Mary J. Bitner developed the traditional marketing mix that was originally created by the American Professor of Marketing Jerome McCarthy into the extended marketing mix or services marketing mix.

The Extended Marketing Mix; History

There are several expansions to the Marketing Mix:

1. The 5ps Model (1987)
2. The 6Ps Model (1987)
3. The 7Ps Model (1981)
4. The 15Ps Model (1991)

The Extended Marketing Mix; 5Ps

- ▶ Product
- ▶ Price
- ▶ Place
- ▶ Promotion
- ▶ People

The Extended Marketing Mix; 6Ps

- ▶ Product
- ▶ Price
- ▶ Place
- ▶ Promotion
- ▶ Public Opinion Formation
- ▶ Political Power

The Extended Marketing Mix; 15Ps

- ▶ Product
- ▶ Price
- ▶ Place
- ▶ Promotion
- ▶ Public Relations
- ▶ Politics
- ▶ Probe
- ▶ Profit
- ▶ Performance
- ▶ Positive Implementation
- ▶ Position
- ▶ Plan
- ▶ Prioritize
- ▶ People
- ▶ Partition

Service Marketing; What is

Services marketing is the design of strategy to address the provision of services, both in a business to consumer context and the business to business scenario.

Service Marketing; Characteristics

1. Intangible
2. Heterogeneous
3. Production and Consumption
4. Perishable
5. Lack of Ownership

The Extended Marketing Mix; Design

Questions to ask:

- ▶ How can we develop our '*product*'?
- ▶ How can we *price* fairly?
- ▶ How can we provide the right *place* for the customer to access and experience our product?
- ▶ How can we *promote* our product to create an impact, differentiate from competitors and further brand image?
- ▶ What is the *process* we will use to deliver our service to the customer?
- ▶ Who are the *people* who represent us and what are the skills that they need?
- ▶ How can we provide *physical evidence* of the superior nature of our product?

The Extended Marketing Mix; Elements

- ▶ People
- ▶ Processes
- ▶ Physical Evidence

The Extended Marketing Mix; People

Having the right people is crucial because they are as much a part of business offering as the products/services offered by the organization. The three main tasks for employee engagement are: culture, managing style, and hiring.

The Extended Marketing Mix; People

1. Business Culture
2. Recruitment
3. Training
4. Assessment
5. Involvement
6. Control
7. Support

The Extended Marketing Mix; Processes

The delivery of a product or service is usually done with the best of management practice. The thumb rule for success of any product is that when the customer pays for the product/service he should feel satisfied.

The Extended Marketing Mix; Processes

1. Organizational Core Service
2. Support

The Extended Marketing Mix; Physical Evidence

This refers to the way a product, service, and everything about the company, appears from the outside, or is perceived by the customer. The physical evidence is about packaging. It is about the presentation of an organization, person or thing in an advantageous way.

The Extended Marketing Mix; Physical Evidence

1. Exterior/Interior Design
2. Cleanisiness
3. Style
4. Decoration
5. Acoustic
6. Smell
7. Employee Appearance

Case Study

- ▶ file:///C:/Users/Chris-Ann%20Hunter/Downloads/Marriott_Hotel_Case_Study_-_Talent_Development.pdf

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