Marketing Mix in the Context of Library & Information Products & Services

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Abstract

Marketing mix paradigm has emerged as one of the dominant frameworks in the discipline of marketing, both in its academic as well as practical approach, over the past half a century. The four mix elements, namely product, place, price, and promotion have emerged as the main set of marketing tools for planning and strategy formulation. Recently three more elements—people, physical evidence, and process—have been proposed as additional mix elements for marketing services. Application of these seven elements in the library and information context has been explored in the present paper. Viewing of the mix elements from the consumer's point of view is suggested. To facilitate this, introduction of 'seven Cs', namely consumer needs/wants, convenience for the consumer, cost to the consumer, communication with the consumer, company employees, concrete evidence, and course of action, is proposed.

1. GENESIS AND EVOLUTION OF MARKETING MIX

Marketing discipline has developed into an essential business function in the past forty years. During this period, concepts and insights have been applied not only for consumer goods and services but also have been extended to non-profit organisations, social development problems and so on. American Marketing Association (AMA) has defined marketing management as the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy individual or organisational objectives[1]. Another commonly used definition is 'marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others.'[2] It is interesting to note that both the definitions explain marketing as a process related to an exchange and marketing management is the set of activities that facilitate this exchange.

The use of apt and colourful term 'marketing mix' was started by Neil H Borden in 1964.[1] Borden, in fact derived the term 'marketing mix' from his associate, James Culliton, who depicted marketing executive as a 'decider', an 'artist', and a 'mixer of ingredients', who prepares plans to satisfy the target customer over and above the competitors. He may choose or adapt the recipe of others, or develop his own as he goes along. He may innovate or experiment with ingredients that no one has tried. Borden liked the idea of calling marketer as a 'mixer of ingredients'. What the marketing executive concocted was nothing but simply *marketing mix*.

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Culliton studied different types of organisations to understand the nature of relationship between marketing costs and performance.[3] He concluded that the forces faced by different organisations varied widely, and accordingly the marketing programmes differed widely. The logical conclusion is that the marketing manager can have a variety of marketing mixes, and he can develop a marketing plan which incorporates mix elements as well as the market forces. It is the problem raised by these market forces that leads marketing managers to exercise their judgement in devising mixes or programmes which they consider as profitable business operations. There are three important sets of elements that need to be understood for deciding the proper mix or programmes judicially, They are:

(i) elements of the marketing programme;

(ii) forces that have a bearing on the marketing operation of an organisation and to which the marketer decides the mix or programmes that succeed in the market; and

(iii) organisation—especially its resources, and objectives.

(Table 1 and table 2 provide a set of Borden's marketing mix elements) The industry consists of many players and the marketer is representing only one of them. It is competing with other organisations in many respects.

McCarthy has condensed Borden's twelve elements into four elements, namely product, price, promotion, and place (distribution).[4] Over a period of time, these four elements have been referred to as 'four Ps' and became synonymous with marketing elements. McCarthy defined marketing strategy with the following two integrated, but distinct components:

1. Target market: more or less homogenous set of consumers with whom the organisation is attempting to establish exchange relationship.

2. Marketing mix: the variables on which the organisation has control and are used in different combinations/mixes to satisfy the target market. A typical marketing mix consists of product or service offerings at a price, targeting a customer segment in certain place and a set of modalities to reach the target customer, and promotion to tell the potential customers about the availability of the offering.

The relationship has been pictorially depicted in figure 1. The whole exercise has to be carried out in the context of macroenvironmental variables which are beyond the control of the decision makers. These are: political, legal, technological, economic, social and cultural. The next step is to decide the target market segment, derive a set of feasible marketing mix alternatives and evaluate the same against the organisational

Table 1: Market Forces Bearing on the Marketing Mix

1. Consumers' Buying Behaviour—The factors that determined motivation in purchasing, buying habits, life style, purchasing power

2. The Trade's Behaviour—wholesalers' and retailers' behaviour, as influenced by—their motivations, structure, practices, and attitudes

3. Competitors' Position and Behaviour—Industry structure and the firm's relation thereto—size, strength, number of competitors, degree of industry-concentration. Supply and demand positions, competitve product offerings to consumers, trends in technological impact on the company products and processes

4. Governmental Behaviour - Regulations on the markets, products, advertising, pricing, competitions and so on

Source: Adapted from N Borden, The Concept of Marketing Mix, Journal of Advertising Research, 1964, 5

Table 2: Elements of the Marketing Mix

1.	**Product Planning**	Product lines to be offered - qualities, design, etc., Markets to sell: whom, where, when, and in what quantity, New product policy-research and development program
2.	**Branding**	Trade marks, Brand policy - individualised or family brand, Sale under private
3.	**Packaging**	Label, package design
4.	**Servicing**	Providing service, like installation, after sales service, etc
5.	**Channels of Distribution**	Channels to use between plant and consumer
6.	**Physical Handling**	Warehousing, Transportation, Inventories
7.	**Pricing**	Price level to adopt, Specific prices to adopt, price policy, margins to adopt - for Corporate image desired, Channel mix for advertising
8.	**Advertising**	Amount to spend on advertising, Copy playform to adopt, Product image desired, Corporate image desired, Channel mix for advertising
9.	**Promotions**	Sampling, trade promotion, gifts
10.	**Display**	
11.	**Personal Selling**	Importance for personal selling and the methods to be used
12.	**Fact Finding and Analysis**	Setting up a marketing information system

Source : Adapted from N Borden. The Concept of Marketing Mix. Journal of Advertising Research, 1964, 4. The original order has been changed to bring the elements together as used in McCarthy's 'four Ps' framework.

objectives, resources, capabilities, and so on. This includes comparison and finding out of better offerings to the consumers over and above the competitors.

Zeithaml and Bitner argue that 'four Ps' are inadequate for service marketing context. The main contention is that usually services are produced and consumed simultaneously. Service delivery personnel of the organisation and customers frequently encounter each other. Further due to intangible nature of services, customers look for additional clues for understanding the nature of service experience. These things logically lead to the conclusion that communication has a major impact in the service experience. The traditional 'four Ps' framework needs to be expanded by adding three more elements which can be controlled by the service organisation for satisfying the customer. The additional service marketing mix elements are: people, physical evidence and process. In the following sections all these 'seven Ps' are described and elaborated in the context of marketing of Library and Information Products and Services (LIPS) (Table 3).

2. PRODUCT—Consumer Needs and Wants

Products can be anything offered by the marketer to the customers for attention, acquisition, use or consumption that would lead to the satisfaction of want or need. Hence, product in a broader sense includes physical goods and services—may be a person or a place, or an organisation, or an idea, and so on.

Hence, product in a LIPS context might include physical goods, such as books, catalogues, compact disks, microforms, audio/video cassettes, periodicals, etc. Services can include provision of a photocopy of a document, information searching, indexing, reference service, document issue and return, etc. A product can be a person, like Kishore Kumar or Michael Jackson as their concerts or records can be marketed. We can look at
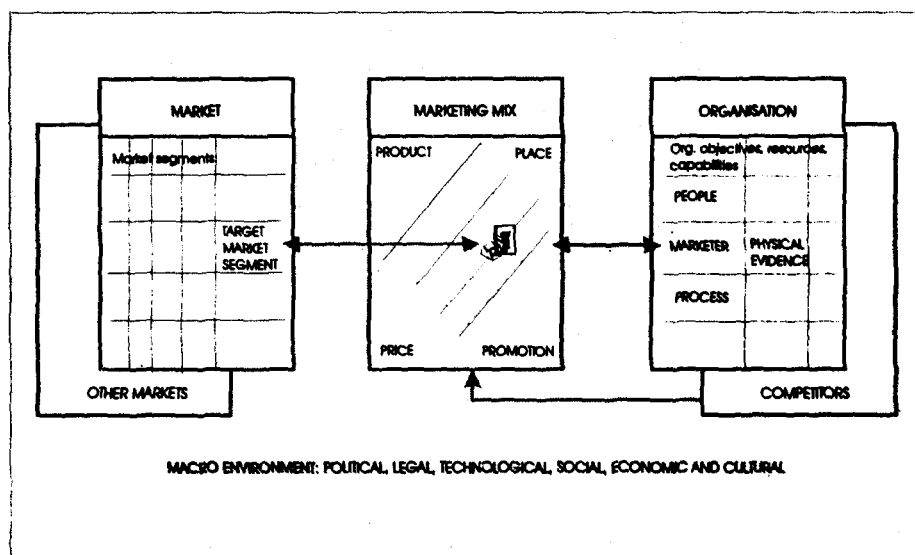
Figure 1: Relationship between target market and marketing mix variables.

places as products in the tourism business. Hence, product in a broad term refers to anything that can be marketed, like physical goods, services, persons, places, organisations, or ideas.

Kotler recommends that, while designing a product, the marketer has to consider product at three levels (Figure 2).[2] At the fundamental level it is the core benefit, which satisfies the basic want or need of the customer. In real terms, every product embodies a want satisfying service. In a library, the core product is the information content of the books. If we try to answer the question why one borrows a book, it would guide us to the core library product. In case of literary books it is the exciting experience, in chemistry handbook it would be the know-how of chemical synthesis, and in a library catalogue it is the guidance for reaching (a destination or a reference for) a book. Theodore Levitt clarified the meaning of core product by giving an example, 'purchasing agents do not buy quarter inch drills, they buy quarter-inch holes'.[6] It is clear from the example that the final benefit is core product, and it needs to be understood from the consumer perspective. The responsibility of marketing manager is to sell the benefits to satisfy the wants and needs of the consumers.

The second level of product which needs consideration of managers is tangible product.

Books, audio cassettes, video cassettes, micro films, floppies, compact disks are all tangible products. The immediate question is 'what about services which are intangible?'. In fact, there is no totally tangible product and totally intangible service, a product comes with a bundle of services and the physical product, itself. They exist on a continuum. For example, a cubicle in a library is a physical entity but is meant for a service of providing privacy while reading and writing.

On the other hand, if you consider an e-mail service provider, like VSNL, Telnet, RPG Sprint or Hotmail, these are intangible. What one can see is some screen frames, but they provide the electronic connectivity. Usually tangible products exhibit five characteristics, viz. quality level, features, styling, a brand name, and packaging.

Third level of product is expected product i.e. the set of attributes of the product normally a consumer expects. In a photocopying service, a wrinkle free and a clear photocopy on a white plain sheet may be an expected product. In an institutional library, the collection is expected to have a focus on the institutional objectives and the areas of interest. The fourth level of product is augmented product, which refers to the attributes that meet the desires of the consumer beyond their expectation. Provision of a

Table 3: Extended Marketing Mix Elements for Services

Product	Place	Price	Promotion	People	Physical Evidence	Process
Physical good	Channels	Consumer price	Advertising	Company employee	Interior design	Procedures
Servuces	Reach	Trade price	Communication Channels	Recruitment	Equipments	Activity flow
Features	Storage	Discount	Sale promotion	Selection	Aesthetics	Consumer involvement
Accessiries	Logistics	Credit policy	Personal selling	Training	Functionality	
Warrenty	Transportation	Payment policy	Publicity	Culture	Layout	
Brands	Inventory			Attitude		
Packages	Location of Outlets					
Pack size						
Design						

Source: V A Zeithaml, and M J Bitner. Services Marketing. McGraw-Hill Co, New York, 1996, p. 25.

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photocopy facility for the readers or installing an online access catalogue are some examples.

In most of the cases the augmentation differentiates the products from those offered by the competitors. Fifth level is potential product, which includes the augmentations and transformations that can happen in the product offerings in the future. To be successful over a period of time, organisation must continuously develop product by R&D, monitoring competitive offerings, technological changes, market dynamics, and so on.

3. PLACE—Convenience to the Consumers

In the marketing mix elements, place refers to the creation of special utility to the consumers. It comprises of management of distribution channel, physical distribution of products and logistics. In most of the services, both production and consumption are inseparable, so service providers must either be present themselves when the service is delivered to the customer or find alternative ways to deliver without affecting the quality of service. Services may be transportable, depending on the degree to which the service components are separated from their production. For example, an electronic data base can be accessed and used anywhere throughout the world, provided there is a network connectivity. On the other hand, a lending library is location-bounded physically, and branch libraries have to be located at different places to deliver the service. Some information services are distributed through franchises, for example e-mail service of Sprint is delivered through RPG-Sprint.

When comparing services with products in the context of distribution channels, the main difference is that the channels for services are almost direct. The primary functions of distribution channel members are, stocking and taking ownership of goods. In a service context the final benefit is intangible.

Further, service products are perishable. For example, in a library, if the books are on the stacks without borrowers, the unutilised
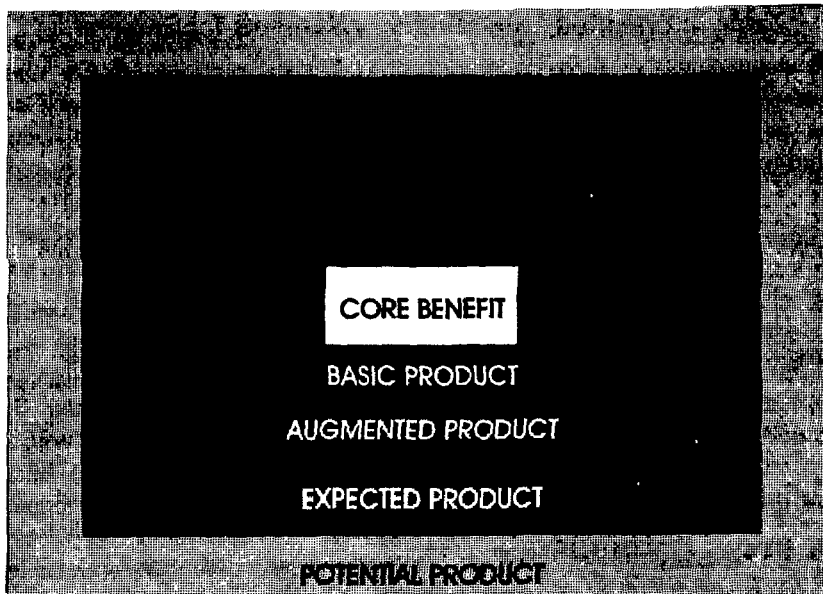
Figure 2: Levels for designing a product

time—may be days or months without readers can not be regained. The role played by the intermediaries gain importance because they have to perform duties on behalf of the company without any deviation from the quality standards set by the company. Hence, the distribution for services are more complex than physical goods.

4. PRICE—Cost to the Consumers

Price has various names in the society; fare for taxi, train travel; tuition fee for education, honorarium for a lecture, rent for a house, wage for a worker. From the customer point of view it is cost and is one of the major deterrent of consumption of the product. It is important to note that price is the only element in the marketing mix that generates revenue, and all other elements contribute towards cost for the organisation.

Some of the common decisions faced by the marketers are how to set prices for a new product, how to adopt prices over time and space to match the environmental forces, and how to act and respond in a competitive environment. The common basis used for pricing are primarily based on the pricing objectives set by the manager. The pricing objectives may vary from maximising current

profits, maximising current revenues, maximising sales growth, market skimming, establishing product - quality leadership, and so on.

One of the problems associated with pricing services is the difficulty in defining the service purchased. To overcome this difficulty, most of the services are priced based on the quantity of inputs rather than the service output. For example, professional services, such as management consulting, architecture and tutoring are priced on hourly basis, consulting doctors charge based on number of visits. Another problem associated with service pricing is related to the difficulties in estimating the cost of service, especially where multiple services are provided by the organisations.

Public service or non-profit orientation of the libraries also pose difficulties in pricing of their services mainly because of problems in defining pricing objectives. Very often trade-offs may be involved in pricing objectives and organisational objectives. Two compulsions really force the manager in the non-profit organisation to consider pricing as a strategic element. These are: (i) consumers wouldn't realise and recognise the value of the product/service unless they pay for the service; and (ii) more and more organisations are asked

by the government to become financially self-supporting. Hence, pricing has a crucial role to play in the context of LIPS in the future.

5. PROMOTION—Communication with the Consumers

One of the preconditions for exchange to materialise is communication between the players. The marketer has the necessity and responsibility to communicate with the clientele of the organisations about the following:

(i) products and services it can deliver;

(ii) quality of products;

(iii) what benefits the products/services can provide to the consumers; and

(iv) persuading the potential consumers to use the products/services of the organisation.

Managers use variety of promotion mix, which are categorised into four main tasks[2] namely:

(i) advertising;

(ii) sales promotion;

(iii) publicity; and

(iv) personal selling
(Table 4 provides a list of examples for promotion mix elements).

Most of the LIPS are highly intangible and the experience of the user is the prime motivator. The difficulties in conveying the intangible benefits to the consumers pose problems in designing promotion strategies.

Normally libraries are not involved in promotion activities directly, but they use 'publicity' and 'word of mouth references' by the existing users for expansion of their services.

However some leading libraries, for example ELOOR Lending Libraries, Chennai frequently advertise their services in newspapers with a view to bring in awareness among the target audience. On the other hand, the database products marketer like Center for Monitoring Indian Economy (CMIE) use demonstration (of its database packages) as its publicity mechanism as well as they promote sales by providing free trials.

In services, the quality perception among the consumer is created by the assurances and promises. Marketing communication mix plays a crucial role in the formation of consumer expectations.

Hence, it is important to integrate communication strategies with the service delivery.

6. PEOPLE—Company Employees

The front-line employees and the personnel supporting them from back stage have considerable influence on the success of service organisation. 'People' in the marketing mix elements refer to 'all of human actors who play a part in service delivery and thus influence the buyer's perception; namely the firm's personnel, the customer, and other

Table 4: List of Communication and Promotion Tools

Advertising	Sales Promotion	Publicity	Personal Selling
Print advertisements	Sampling	Press releases	Sales presentation
Radio jingles	Discount coupons	Seminars	Sales representatives
Pack covers	Gifts	Annual reports	Presentations in fairs
Inserts	Rebates	Community relation	
Movies	Demonstrations		
House magazines			
Booklets			
Logo and Trade marks			

Source: P Kotler. Marketing Management: Analysis, Planning, Implementation, and Control. Prentice-Hall of India, New Delhi, 1997, p. 605.

customers in the service environment'. Many times the person with whom the consumer is having an encounter with the organisation is the front-line employee, providing the service, i.e., 'the offering is the employee'. Hence, selection, training and motivation of employees to deliver service, are direct investments in the service development. These employees influence the consumer satisfaction greatly.

7. PHYSICAL EVIDENCE—Concrete Evidence and Experiences

Physical evidence (PE) is the environment in which the services are delivered and where the firm and the customers interact. PE also includes any tangible commodities that facilitate performance or communication of the service. PE is an important element that needs to be designed for effective marketing of services. PEs that over promise or inconsistent with the delivery of the services would create a dissonance in the minds of consumers and adversely affect the consumption and consumer satisfaction. For example, a well lighted reading hall, properly stacked book shelve, spacious layout of the reading rooms, stacks etc., would have a strong impact on the reader. There can be three types of usage of servicescape (physical environment where service delivery is taking place) based on the nature of delivery of service. There are: (i) self-service, (telephone booth, automatic teller machine counter); (ii) interpersonal services (library, bank, school); and (iii) remote service (electronic mail service, telephone company, electricity branch). The servicescape needs to be designed based on the nature of service. The environmental dimensions that make up the servicescape are ambient conditions, physical layout and functionality, and signs, symbols and artifacts. These dimensions influence the beliefs, emotions, and finally the consumers' response towards the facility.

8. PROCESS—Course of Action in Service Delivery

With the increasing awareness of total quality management, there is shift from just considering the outputs for evaluation to focus on the processes that produce the outputs. The philosophy is that if the processes are set right and followed correctly, the output will be automatically within the acceptable limits. This shift in thinking itself is difficult to implement, but organisations are slowly moving from output orientation to process orientation. Especially, in service organisation the output variability is higher and difficult to standardize. To make the service delivery uniform, managers in the service organisations started concentrating on the process control. In the marketing mix elements, "processes refer to the actual procedures, mechanisms, and flow of activities" used to deliver the service. Many times consumers experience not only the final service, but also several of the steps in the service delivery. These factors need to be designed carefully to provide evidence of quality rather than the otherwise of it.

9. CONCLUSION

Segmenting (selection of target market segment) and designing marketing mix strategies are closely interconnected. A decision maker cannot concentrate on one aspect and do away with the other component. These two steps have to be carried out simultaneously and evaluated against the LIC resources and objectives. Marketing mix of an organisation is an evolving phenomenon. In a given time, mix elements represent the marketing programme that the decision makers evolved to solve a problem which they constantly faced in an ever changing, and challenging market. In short term, there would be tactical decisions to mitigate small changes in the market or organisational goals and resources. However, the overall strategy in dividing marketing mix is the outcome of long term goals and plans of the organisation. To be successful, the managers should have foresight, and study the trends in various forces, like economic, social, technological, and natural environment. They must have ability to foresee the influence of these forces on the organisational elements. The managers should have capability to devise a set of marketing mixes to successfully navigate in the times of turbulence. All the seven Ps are important and

they are essential for marketing mix. *Prima facie* there is no element more important than the other, but the context would determine which one needs more attention. Further, all the marketing mix elements are interrelated and they have to be decided within the same timeframe. Three marketing mix elements,

people, physical evidence, and process suggested by Zeithaml and Bitner (Table 5). The 'seven Cs' should gain precedence over the conventional way of using marketing mix elements in future to really become a market oriented organisation.

Table 5: Consumer View of Marketing Mix Elements

Seven Ps	Corresponding Cs
Product	Consumer needs and wants
Place	Convenience to the consumers
Price	Cost to the consumer
Promotion	Communication with the *customer*
People	Company employees
Physical evidence	Concrete evidence and experiences
Process	Course of action

First 'four Cs' are from Lautenbom Robert. New Marketing Litancy: 4 P's Passe; C-Words Take Over. *Advertising Age*, October 1, 1990, p. 26. The remaining three Cs are added.

namely people, physical evidence, and process are included as additional elements because they can be controlled (may not be in a very short time) by the managers and they can have influence in the customer sales process.

Some marketing researchers do argue that the marketing mix elements framework, four Ps framework in particular, is over simplification of the marketing discipline. Nevertheless this concept has sustained and is in use for almost half a century, which itself demonstrates its usefulness. The marketing mix concept has evolved as marketing tools for the sellers, with the view to influencing the consumers. Robert Lautenborn[7] takes a view that these 'four Ps' have to be looked from the consumer angle, and based on that organisations should design their offerings as benefits to the consumers. He suggested 'four Cs' corresponding to the 'four Ps' of McCarthy, namely consumer needs and wants for product, convenience to the consumers for place, cost to the consumer for price, and communication with the consumer for promotion. Three more Cs, namely, company employees, concrete evidence and experiences, and course of action are proposed as corresponding consumer based elements for

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