



A company's success depends on the ability of the company in:

- · responding the changes in the environment,
- forecasting the direction and intensity of these changes
- Using the internal controllable resources (marketing mix) in adapting to the changes in the external environment.

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Marketing mix: mixture of the controllable marketing variables that the firm uses TO PERSUADE the customers in the target market in order to secure SALES.

- Basically, the marketing mix variables are referred to as the
 4 Ps: product, price place (distribution), and promotion,
- Traditional 4Ps extended to encompass growth of service industry -> 7Ps - Price, Product, Promotion, Place, People, Process, Physical Evidence/Environment



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PRODUCT

Product covers the shape or form of what is offered to prospective customers. Product components include:

- Basic design, such as the size and facilities of a hotel.
- Presentation, which is mainly the atmosphere and environment created on the property.
- The service element, which includes the number, training, attitudes and appearance of the staff who deliver the product to the consumer.
- Branding, which identifies particular products with a unique name and image. In other words, is the synthesis of all product elements. So that, it is the focus of the promotional activity.

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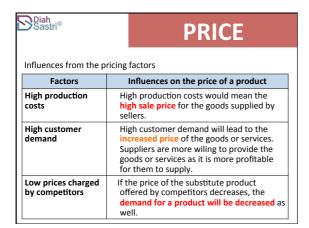
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- The pricing policy that a business chooses is often a reflection of the market at which it is aiming.
- The right price set must take into account of production costs, competitors' prices and consumers' purchase ability and demand level.

PRICE



Price indicates that the published or negotiated terms of the exchange transaction for a product between a producer (who aim to achieve predetermined sales volume and revenue objectives) and prospective customers (who aim to maximize the value for money in choices they make between alternative products).





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PLACE

Place refers to the means by which products can be distributed to the consumers. The product must get to the right place at the right time.

Decision making may be based on the following:

- 1. How the product is **distributed physically**, such as air, sea, rail, or road.
- 2. How the product is **sold**, such as through retailers, wholesalers, or direct mailing, etc.

∑ Diah Sastri [®]	BOOK on TripAdvisor

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For marketing purposes, place does not just mean the location of a tourist attraction or facility, but the location of all points of sale that provide access to tourist products.



PROMOTION

- Promotion refers to a number of promotional methods, such as advertising, sales promotion, competitions, and personal selling, etc.
- A business must choose a method of promotion which is the most effective in its particular market and for its own product.

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PROMOTION

- The most visible of the four Ps is the promotion which includes advertising, direct selling, sales promotion, direct promotion, public relations (PR).
- Promotional techniques, which will be examined in detail in the following chapters, are used to make prospective customers aware of products in order to sharpen the attractiveness and stimulate demand.
- In addition, they provide information to help customers decide, and generally provide incentives to purchase



Trump International Hotel &Tower Vancouver

Expanding the marketing mix

- The expanded marketing mix is offered by Booms and Bitner in the 1980s. They added;
 - People; participants in the service delivery
 - Process; of service delivery
 - Physical evidence; of service delivery
- There is overlap between them. In addition, they may be considered as part-product and part-communications mix.

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PEOPLE

- Regarding travel and tourism products, there is substantial human interaction as part of the service experience. Participants include;
 - Visitors; interaction with other customers
 - Employees; front-line and support staff interact with visitors
 - Host community; residents of a destination country interact with visitors

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PEOPLE

- · The attitudes of staff
- · Training of staff
- Internal relations
- · The observable behaviour of staff
- The level of service-mindedness in the organisation
- · The consistency of appearance of staff
- The accessibility of people
- Customer-customer contacts



Latest Rajasthan Tourism Anthem Music Video AD Mati Mange Paijani

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6. The service delivery / PROCESS

- The travel and tourism experience includes both process and outcome.
- Consumers move through a series of sevice delivery encounters during their experience.



- · The manner in which the service is delivered
- Degree of customer contact
- · Quality control standards
- · Quality assurance
- Payment methods (degree of convenience)
- · Queuing systems for customers
- Waiting times
- Moment of Truth
- Service recovery system

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IHG 2014 Trends Report - Creating moments of trust

7. Physical evidence and design

The "environment" or atmosphere in which the service is delivered

- Refers to the internal and external design of the built environment of the travel organization.
- Due to inseparability, physical setting in the service delivery process is an important part of the visitors' experience.
- In relation with intangibility, it is used to tangibilize the offer, especially important at the point of sale to influence purchase.

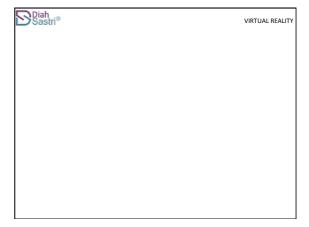
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Physical Evidence - ambience

- Buildings
- Furnishings/décor
- Layout
- Goods associated with the service e.g. carrier bags, tickets, brochures
- All the above can help shape customers' perceptions of the service







Factors for making choices of marketing mix:

- 1. The type of product sold,
- 2. The market sold to,
- 3. The degree of competition,
- 4. The position of the business in the industry,
- 5. The stage of product life cycle in which a product is