THE 7 P’s OF MARKETING: PEOPLE, PROCESSES & PHYSICAL EVIDENCE

The 7 P’s of marketing — Product, Price, Place, Promotion, People, Processes and Physical Evidence — is a foundation concept in marketing used by businesses and marketers to help determine a product or brand’s offering.

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In the previous two issues we looked at the first four elements of the 7 P’s of marketing. Now we shall deal with the last three elements — People, Processes and Physical evidence.

PEOPLE

Your people or staff are undoubtedly the lifeblood of your company. Employ the most competent people you can at the best remuneration you can afford and work to retain staff who have proven themselves and are loyal to the company — offer them incentives or a profit share and ensure that there are adequate career promotional opportunities within your company.

Encourage team members to work smartly, effectively and efficiently and to be meticulous in the execution of their duties. Make customer service a top priority and cultivate a sales-oriented approach amongst all staff members.

Engage in regular internal communication that is transparent and comprehensive and, where possible, include staff in decision-making.

PROCESSES

Effective, efficient, accurate and user-friendly business processes for ordering, delivery, IT and production, and communication are key. Your systems should allow you to measure everything of import and the information should be readily available.

PHYSICAL EVIDENCE

Because your business assets are effectively used to market your business, brand personality should be a pervasive consideration when choosing your furniture, fittings, computer equipment, stock, publications and brochures. Visible signage is important and so too is your website which should be modern, classy, easy to use and effective.

Ensure that your intellectual property (IP) is adequately protected. For most businesses, ownership of the rights to a brand name, slogans, designs, content, inventions and so forth are critically important to the success and value of the business and getting it wrong can be a very expensive mistake.

COMMON MISTAKES MADE BY SMALL BUSINESS OWNERS

• Inadequate research at the outset could cause business owners to not allocate sufficient budget for marketing or to overspend on costly and ineffective promotional campaigns.

• Engaging in erratic marketing or a shotgun approach to marketing that is devoid of a well-thought-out, specific and focused strategy. Advertising is expensive and unless done continuously, it will not generate the sales you expect — a single ad, whether flighted...
in a newspaper, magazine, on television or in the cinema, is not going to cut it, and neither will relying on word-of-mouth alone.

- **Complicated websites** that are difficult to navigate is a big no-no.
- **Not adequately promoting** their competitive advantages (CPAs), unique selling proposition (USP) and emotional selling proposition (ESP) will result in lacklustre sales. Poor pricing strategies will also make marketing and product uptake more difficult.
- **Neglecting to monitor their customer service delivery systems** and failing to appreciate the peculiarities and differences of their various market segments, could lead to unhappy customers and loss of repeat business.
- **Imprudent product design** that fails to capture the attention of the target market, and products/services that are not properly positioned in relation to their target market, will not generate the hoped-for turnovers.
- **Staff recruitment** is another area where you typically get what you pay for. If you employ cheaply, don't be surprised when the anticipated sales don't materialise.
- **Brand personality** is portrayed in your assets, people, brochures, price lists, office premises, furniture, fittings, etc. To keep your brand personality intact, all these aspects have to be managed accordingly.
- **Location, location, location.** When it comes to the location of a retail store you normally get what you pay for and getting it right will mean the difference between high and low turnovers.
- **Always remember, building a brand takes time.** You have to gain the customers' trust — they have to adopt your product as part of their purchasing lifestyle.

**MARKETING PLAN GUIDELINES**

While the marketing plan will typically form part of an overall business plan, if compiled separately it should follow the following guidelines —

**The cover page**

Include the name of the enterprise, the company/brand logo, marketing slogan, the title (e.g. Marketing Plan) and the year on the cover page.

**Contents page**

Consecutive numbering of the different sections, chapters or sub-sections should be indicated on the left with page numbers on the right-hand side. References, appendices, addenda and quotations should be included at the back of the document.

**Executive summary and introduction**

The executive summary is a brief summary of half a page or so that sets out the key marketing content. Use the introduction to outline the background to your marketing plan.

**Marketing objectives**

State the primary and secondary goals or objectives of your marketing plan.

**Environmental scan and SWOT analysis**

Analyse the effect of socio-cultural, technological, economic, and political/legal aspects, as well as competitors on your business. Also analyse the strengths, weaknesses, opportunities and threats to your business.

**Marketing mix strategy**

Explain your product design strategy in respect of the anatomy of the product, the brand personality, marketing slogan, USP, ESP and CPA. Also discuss your costing and pricing strategies and methods, your price-quality market positioning strategy and market segmentation. Review the marketing ratios in respect of mark-up percentage, gross profit percentage, breakeven turnover, breakeven number of units required, net profit percentage, maximum discount percentage, total real cost per product, and margin of safety. Outline your promotional mix strategy in respect of advertising, public relations, sales promotions, direct selling and personal sales. Include your marketing process strategy, location strategy, distribution channel strategy, employment strategy and physical evidence/asset strategy.

**Marketing budget**

Your budget should include such specifics as the number of units to be sold per month, the monthly turnover, and the marketing expenses per category, for example, overhead and promotional mix expenses.

**Conclusion**

Summarise the essence of your marketing plan.

We trust that this series of articles has been helpful in explaining what a marketing strategy is and the value of applying it in your everyday business dealings will bring to your business.