The Services Marketing Mix Paradigm: Is It Still Appropriate for Today's Service Businesses?

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Abstract

This paper aims to reveal theoretical gaps that have emerged from the services marketing mixed literature review that need more investigation and empirical evidence in modern service businesses. The methodology used in this paper is desk-based in which a critical examination on the services marketing literature is carried out to achieve the paper objectives. A critical examination on the services marketing literature indicates that service businesses need the modified and extended services marketing mix paradigm as a general framework for the marketing of services. One of the crucial conclusions come out of this paper is that the 7Ps of the services marketing mix is the most accepted paradigm among services marketing authors; however, there is no significant empirical evidence that has validated this paradigm components ***together***, even though it has been accepted and supported from a theoretical perspective. Empirical evidence is required to validate this paradigm in service businesses.

Further research is required in order to test if theories, models and concepts developed in the U.S and Western businesse environments are generalisable and applicable to other business environments or there is a need to develop new theories, model and concepts. Consequently, itwould be a very fruitful area of research to investigate the services marketing mixed paradigm in several business industries in the Jordanian business environment.

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نموذج المزيج التسويقي للخدمات:
هل ما زال ملائماً للمنظمات الخدمية في العصر الحديث؟

ملخص

تهدف هذه الدراسة الى اجراء مراجعة شاملة لادبيات نموذج المزيج التسويقي للخدمات وذلك من أجل بيان ومناقشة الفجوات النظرية التي برزت من هذه المراجعة والتي بحاجة الى المزيد من البحث والاستقصاء. ان المنهجية المعتمدة لاجراء هذه الدراسة هي اجراء دراسة عميقة وناقدة لادبيات نموذج المزيج التسويقي للخدمات لمعرفة مدى ملائمة وصلاحية هذا النموذج كأطار عام لتسويق الخدمات في المؤسسات الخدمية في العصر الحديث.

تشير ادبيات تسويق الخدمات الى ان المنظمات الخدمية بحاجة الى نموذج المزيج التسويقي المعدل والمطور او (7Ps) وجودة الخدمة كاطار عام لتسويق الخدمات. ان أحد الاستنتاجات الرئيسية من هذه الدراسة هي ان نموذج (7Ps) يعتبر أكثر النماذج قبولاً من قبل كتاب وباحثي التسويق في مجال تسويق الخدمات ولكن لا يوجد لغاية الآن دليل قاطع او دراسات عملية استطاعت ان تثبت صلاحية هذا النموذج ومكوناتة مجتمعة على ارض الواقع على الرغم من الدعم والقبول الهائل لهذا النموذج من الناحية النظرية.

وهناك استنتاج هام وهو ان من أحد التحديات التي تواجه باحثي التسويق والممارسين هي معرفة مدى امكانية تعميمم نظريات ومفاهيم ونماذج التسويق لبيئات الاعمال غير الغربية. حيث اشارت العديد من الدراسات الى ان النماذج

والنظريات والمفاهيم التسويقية التي تم تطويرها واختبارها في بيئات الاعمال الغربية بحاجة الى دراسة وبحث في بيئات الاعمال غير الغربية مثل الدول النامية وذلك لمعرفة مدى صلاحية هذه النظريات وامكانية تعميمها ام اننا بحاجة الى تطوير نظريات جديدة لتناسب مع بيئات الاعمال في الدول غير غربية. وأحد هذه النماذج بحث واختبار امكانية تعميم نموذج المزيج التسويقي للخدمات في قطاعات الاعمال الخدمية في الأردن.

Introduction

Marketing literature reveals that marketing strategy should include consideration of market segmentation, positioning and, fully-integrated marketing mix strategies (Donnelly 1976; Wind and Roberston 1983; Cook 1983; Jain and Punj 1987; Greenely 1989; Collier 1991; Webster 1992; Ennew and Watkins 1992; Hooley et al 1998; Cravens 2000; Baker 2000; Kotler 2000; McDonald 2002; Doyle 2003). However, the above literature advocates that fully-integrated and coherent marketing mix strategies form the major part of the marketing strategy. Furthermore, the marketing mix components are not just a series of tactical responses to changing market conditions rather they are a core component of any marketing strategy (Ennew and Watkins 1992).

A significant body of literature has revealed that the 4Ps of the marketing mix model have come under criticism by many services and goods marketing scholars (Booms and Bitner 1981; Kent 1986; Magrath 1986; Judd 1987; Marr 1987; Gronroos 1989; Gummesson 1991; Collier 1991; Smith and Saker 1992; Gronroos 1994; Low and Tan 1995; Gronroos 1996; Harvey et al 1996; Webster 1998; Balmer 1998; Gombeski Jr 1998; O`Malley and Patterson 1998; Kotler 1999; Schultz 1999; Zeithaml and Bitner 2000; Yelkur 2000; Schultz 2001; McDonald 2002). Based on this significant body of literature this research paper argues that, for services marketing, the marketing mix framework should include the other three Ps as strategic elements. These three elements affect companies' performance. In addition, service quality can be added to the 7Ps of the services marketing mix because of its crucial importance on company's success (Lovelock 2001).

The Paper's Objectives

The objectives of this paper are:

- To review literature on the subjects of the traditional marketing mix paradigm which is known as the 4Ps (product, price, promotion and place), and the services marketing mix paradigm, which is known as the 7Ps, that includes, in addition to the 4Ps, people (participants), process and physical evidence.
- To reveal theoretical gaps that have emerged from the services marketing mix paradigm as a general marketing framework for service businesses.

The Original Marketing Mix

It is known that Borden (1964) introduced the marketing mix concept when describing a marketer as a mixer of ingredients in performing a company's activities. Borden identified 12 elements in the marketing mix. These elements are product planning, pricing, branding, channels of distribution, personal selling, advertising, promotions, packaging, display, servicing, physical handling and fact finding and analysis. These elements were proposed to distinguish the different company activities by which the company can influence buyer behaviour (Borden 1964). However, the formal use of the marketing mix model in the marketing context was presented by McCarthy (1964) who proposed the four Ps of the marketing mix ingredients model, as product, price, promotion and place. Each of these Ps includes several activities. A marketer should make a combination of these elements to create a distinctive marketing mix by which a company may achieve its objectives. All four variables must be blended together into one marketing mix, and the customer must be the focal point of all marketing activities (McCarthy 1964). McCarthy`s model has since become one of the most popular frameworks in marketing theory (Cowell 1984; Van Waterschoot and Van den Bulte 1992; Kotler 1999).

However, there has been much criticism of the marketing mix model. Some marketing authors argue that the marketing mix concept may go well with the relationship marketing approach (Gummesson 1991; Gronroos 1991; Van Waterschoot 1999; Doyle 1999; Baker 2000; Doyle 2003). The interactions between the marketing mix fit with the idea of exchange relationship (Van Waterschoot 1999). Baker (2000) has argued that despite much criticism of the marketing mix concept, it is intended as a useful generalisation for academic purposes and as a help to managers thinking about marketing, rather than as a "theory" of marketing. Therefore, this concept does not claim the idea that it is a marketing theory, and if there is any failure in the marketing theory this concept cannot be blamed for this failure (Van Waterschoot 1999; Baker 2000). Moreover, Borden in his original model, when he conceptualised the twelve marketing mix variables, did not claim that it was either a comprehensive or exhaustive list. Furthermore, McCarthy, when he had reduced the original Borden model to four variables, was more concerned with memorability rather than completeness (Baker 2000).

The Traditional Marketing Mix Debate and Criticism

The literature of the marketing mix has indicated that the marketing mix is considered one of the core concepts of marketing (Gronroos 1989; Rafiq and Ahmed 1995; Van Waterschoot 1999; Ziethaml and Bitner 2000). However, the four Ps; product, price, promotion and place, of the marketing mix elements have been criticised by several marketing scholars (Booms and Bitner 1981; Kent 1986; Magrath 1986; Judd 1987; Marr 1987; Gronroos 1989; 1990; 1991; Gummesson 1991; Collier 1991; Smith and Saker 1992; Gronroos 1994; Low and Tan 1995; Gronroos 1996; Harvey et al 1996; Balmer 1998; Gombeski Jr 1998; O`Malley and Patterson 1998; Kotler 1999; Schultz 1999; Zeithaml and Bitner 2000; Yelkur 2000; Schultz 2001; McDonald 2002). Furthermore, the traditional 4Ps model is

considered to be a handy mnemonic model making it easy to remember (O`Malley and Patterson 1998).

There has been much debate and discussion concerning the traditional marketing mix and services marketing mix paradigms. A critical examination on both paradigms literature review has revealed that there are two research streams that discussed them. The first research stream has come from marketing authors who have explicitly or implicitly supported the 4Ps paradigm. The second research stream has come from marketing authors who have explicitly supported the 7Ps and argued for the inadequacy of the traditional marketing mix for service businesses.

The Traditional Marketing Mix Paradigm Debate, 4Ps.

There are a number of marketing authors who have supported the traditional 4Ps and argued that they are still valid for today's organizations. McCarthy (1964) is thought to be one of the first marketing authors who have supported the 4Ps paradigm. He argued that a marketer should make a combination of these elements to create a distinctive marketing mix by which a company may achieve its objectives. Cowell (1984) has implicitly supported the 4Ps paradigm when he argues that the additional 3Ps of the service marketing mix paradigm can be included in the traditional paradigm. He argued that the additional three Ps can be incorporated within the existing framework of product, price, promotion, and place, especially if the importance of the augmented product, rather than the generic or core product is recognised. The physical evidence can be incorporated within the product and promotion, meanwhile, the process can be incorporated within the place (distribution) element (Cowell 1984).

Some point's of views say that the other three Ps of the services marketing mix can be incorporated within the traditional marketing mix model and, within the financial services industry they can be considered as special themes to deal with the unique characteristics of financial services (Cowell 1984; Ennew and Watkins 1992; Ennew

and Watkins 1998). Consequently, the current research paper argues that recognising the importance of the unique characteristics of services and the pivotal role of the other 3Ps of the services marketing mix paradigm in the marketing strategy they should be represented as distinct and strategic elements (Booms and Bitner 1981; Cowell 1984; Magrath 1986; Judd 1987; Collier 1991; Smith and Saker 1992; Low and Lan 1995; Rafiq and Ahmed 1995; Kotler 2000; Lovelock 2001). The discussion or debate concerning the traditional 4Ps is still going on, this is evidenced when Baker (2000) comments that while the debate on the application of the marketing mix is to be welcomed one should be careful not to discard it prematurely because of perceived weaknesses. McDonald (2002) argued that some reformulation of the four Ps should take place to include other elements such as the provision of customer service, people and process. He argued that every aspect of customer interaction including the involvement of people and processes should be planned. People and processes are recognised as arising from the consideration of the customer-focus four Ps by enquiring what changes to these elements are necessary in order to achieve the desired product offering, price, place or promotion. More recently, Doyle (2003) argues that the main aim of developing a marketing mix is to develop and maintain a sustainable differential advantage (Baker 2000; Doyle 2003). Doyle argues that the marketing mix elements are product, price, advertising, service, distribution and guarantees. According to Doyle (2003) a competitive advantage holds that a company, in tailoring its marketing mix, seeks to offer a marketing mix, which target customers will see as superior to that offered by competition. It means that offering a distinguished marketing mix that seems superior to competition may achieve a differential advantage. In addition, differential advantages may be achieved by any element of the marketing mix (Doyle 2003).

The Services Marketing Mix Paradigm Debate, 7Ps.

The marketing authors in this stream of research have criticised the traditional marketing mix paradigm from a number of different perspectives. The most intense criticism has come primarily from the services marketing scholars and relationship marketing scholars. Donnelly (1976) argues that because of the unique characteristics of services describing the distribution of services using a framework developed for goods has severely limited thinking concerning services distribution. He argues that the sum total of the marketing mix elements model represents the total impact of the company's marketing strategy. Booms and Bitner (1981) argue that the traditional marketing mix model is inadequate in the services marketing context, especially with the existence of the unique characteristics of services. Booms and Bitner (1981) had modified and expanded the traditional marketing mix elements from 4Ps to 7Ps by adding three new Ps which are people, process and physical evidence. These new marketing variables are of crucial importance as fundamental marketing variables for the success of any service company (Booms and Bitner 1981).

Magrath (1986) argued that the four Ps are not enough for the marketing of services. There are another three Ps, which are personnel, physical facilities and process management, to be considered as strategic elements about which management should pay attention. These must be included in the marketing mix. Failure to focus adequately upon the 3Ps can spell disaster for service companies (Magrath 1986). Wind (1987) presented a guideline in order to increase marketing productivity within financial service organisations. One of the important guidelines for increasing marketing productivity was to focus on creativity in developing and executing the different marketing mix strategies. For instance, it does not mean that when a rival company increases advertising expenditure it has got to increase its own advertising expenditure. Creativity in developing and executing marketing mix strategies means focusing on the quality of

marketing efforts in terms of reducing the cost of operations, more effective advertising messages, and more effective sales force allocation (Wind 1987).

Judd (1987) argues managing people as a distinct element of the marketing mix can gain a competitive advantage for the organisation. Furthermore, differentiation of an organisation, potentially, can be achieved by differentiating the manner in which any one or more of the elements of the marketing mix are perceived in the marketplace (Judd 1987). However, the importance of people to an organisation should be recognised both as a resource and as the essence of total organisational commitment to the customer, so that, the people should be treated as a separate element or variable in the marketing mix model. In any organisation people are involved in the creation and implementation of the marketing mix elements that are involved in designing, producing, pricing, financing, promoting, distributing, and servicing the product or service (Judd 1987).

Gummesson (1987) had criticised the traditional 4Ps of the marketing mix model on the basis that they are not enough to deal with industrial and services marketing. The main criticism was that the traditional 4Ps are concerned with consumer goods marketing and are concerned with departments of marketing that have limited marketing thinking, meanwhile the marketing function should spread throughout the organisation. He argues that recognising the importance of both the unique characteristics of services marketing and establishing relationships with customers, marketing can be seen as relationship management, which is concerned with creating, developing and maintaining a network of relationships with customers (Gummesson 1987).

Lane (1988) argues that people have been neglected as an element of the marketing mix model. He argues that in recognising the importance of the unique characteristics of services, people should be treated as a central point in the marketing mix model. Each employee

should get involved in the marketing function and management has got to make investments in its people as a distinguished part of the marketing mix because it is people who distinguish one company from another (Lane 1988). This study supported some previous studies (Booms and Bitner 1981; Magrath 1986; Judd 1987) related to the pivotal role of people in the services marketing mix paradigm.

Further criticism of the traditional 4Ps marketing model was put forward by Gronroos (1989) based on these elements having been found to have very limited use in industrial and services marketing industries, while they were found beneficial to the consumer goods marketing. Moreover, he also criticised adding new Ps to the traditional model because the original 4Ps model is considered too limited to redefine the core of marketing. Gronroos supported Gummesson (1987) redefining marketing by focusing on establishing, building and enhancing relationships with customers (Gronroos 1989).

Another criticism of the traditional 4Ps of the marketing mix model was by Bruner (1989). He criticised this model as not being adequate enough to describe the breadth of marketing applications in the 1990s and beyond. He suggested an alternative model, which he named as the four Cs: concept; channels; costs and communications. Bruner (1989) argued that these 4Cs could be viewed as more customer oriented than the past model. However, this model does not explain how the uncontrollable variables (costs and communications) fit with the marketing mix variables (Rafiq and Ahmed 1995). Furthermore, there was no empirical evidence to support this model which was wholly theoretical. In addition, this model did not explain how these 4Cs could fit within the services marketing context.

Beaven and Scotti (1990) argued that the traditional 4Ps of the marketing mix model are considered very narrow and simple within the services marketing context and services marketers should think in service-oriented philosophy not the manufacturing. By this they meant that service processes come with outcomes (customer experiences, discrete outcomes, every customer evaluates the perceived service

from different aspect), meanwhile, manufacturing processes come with outputs (relatively unified outputs for all customers in a group of customers). However, they argued that the 4Ps marketing mix framework is an inappropriate conceptual tool for guiding the implementation of an effective marketing mix for services (Beaven and Scotti 1990). This argument supported previous studies by (Booms and Bitner 1981; Kent 1986; Magrath 1986; Gummesson 1987; Lane 1988; Gronroos 1989), which argued for the inadequacy of the 4Ps of the marketing mix in services marketing.

Gummesson (1991) criticised the traditional marketing mix model and trials to incorporate additional variables to extend it to be appropriate to the services marketing context. Gummesson suggested the concept of "part-time" marketers and their crucial role in creating a market-oriented company. By "part-time" marketers he means all people who are considered non-marketers but who interact and influence customer relations, customer satisfaction, customer perceived quality, and company's revenues. His main argument is that a company becomes a market-oriented company when its customers` note the difference between the service now and previously. The service now should be better (Gummesson 1991).

Another criticism of the traditional 4Ps was by Collier (1991) who criticised the traditional 4Ps of the marketing mix model in terms of how these elements offer a narrow view, and they should be expanded toward the services marketing context. He argues that the 4Ps traditional model should be expanded to become the 7Ps services management paradigm. These 7Ps can be used to formulate a marketing strategy by which a service company can achieve a competitive advantage. This is evidenced when Collier argues that the 7Ps of service management can formulate a powerful management paradigm to help a company gain and sustain competitive advantage. Many leading service companies around the world such as Federal Express, Marriott Hotels, Wal-Mart, have been successful and

formulated competitive strategies which belong to the 7Ps service management paradigm and they understand and manage this paradigm fully in every detail. Each of the seven Ps of the service management paradigm can be viewed as an opportunity to gain competitive advantage and define business strategy (Collier 1991).

Smith and Saker (1992) argued that the marketing mix elements are considered an essential element of any marketing strategy. They argue that the traditional 4Ps model should be extended to include the other 3Ps. These three Ps are considered very important and they affect the perceived quality of service. People are often seen as a main part of the perceived quality of service, and are even seen as the service itself from the customer point of view (Smith and Saker 1992). This supported the previous literature (Booms and Bitner 1981; Magrath 1986; Judd 1987; Collier 1991).

Gronroos (1994) put forward further criticism of the 4Ps marketing mix model as it is restrictive and its elements constitute a production-oriented approach for marketing rather than a market-oriented or a customer-oriented approach. Moreover, it does not include all relevant variables and it does not suit every business situation. Moreover, the 4Ps of the marketing mix model were easy to manage, organise and to handle. Practising its activities within the department of marketing has separated this function from other functions and activities of the company and delegated these activities to a number of specialists, within the department of marketing, who usually practice the analysis, planning and implementation of various marketing tasks and activities. Gronroos emphasises that even the marketing mix paradigm that has dominated marketing for a long time is declining; this does not mean that the marketing mix elements themselves are less important than before. Even with this explanation for the marketing mix elements he forwarded another criticism, which is that the marketing mix model focuses on the seller side by considering him as active and does not focus on the buyer by considering him as passive. The marketing mix model supposes that the markets are homogenous,

meanwhile, the markets are in reality heterogeneous. Consequently, he suggested the relationship paradigm as an alternative paradigm for the 4Ps (Gronroos 1994).

Low and Tan (1995) viewed the marketing strategy as developing the marketing mix elements, which aim to satisfy the needs of selected markets and to achieve specific marketing objectives. They supported the 7Ps paradigm and added public relations to the 7Ps. Low and Tan argue that the marketing mix elements should be eight, which are product, price, promotion, place, process management, personnel, physical evidence, and public relations. They claimed that the suggested elements would affect organizations' performance better than the 4Ps (Low and Tan 1995). However, this study did not put forward empirical evidence to explain how these elements might or might not affect companies' performance.

Rafiq and Ahmed (1995) conducted an exploratory survey among the UK and European marketing academics to generate insights regarding the 7Ps as a generic framework for services marketing. The most important results to come out of this study were:

- The inadequacy of the traditional 4Ps of the marketing mix model for services marketing.
- The study sample strongly agreed and accepted the 7Ps of the services marketing mix as a generic framework for services marketing.
- While there was a general support for the 7Ps generic marketing mix framework there was no uniform support for the new three variables. People was strongly accepted, process was accepted but less than accepting people, physical evidence generated the least support among the other six variables.
- The study shows the strengths and weaknesses of the 4Ps and 7Ps marketing mixes models. The most important strength in the 7Ps model was its comprehensiveness and mentioning the people element as an essential part of it. However, this

comprehensiveness was seen as a source of weakness because it adds some complexity to the model.

However, Rafiq and Ahmed (1995) stated that it was expected that there would be a great degree of dissatisfaction with the 4Ps framework, it was not expected that the Booms and Bitner's framework as a general framework for marketing would be accepted as this study showed. They argued that there has not been any empirical research that has been conducted in this area to validate this model or not (Rafiq and Ahmed 1995). Rafiq and Ahmed study recommended conducting empirical research among different business environments in order to test and validate the 7Ps paradigm as it is strongly accepted from a theoretical standpoint.

While Gronroos (1996) criticised the traditional marketing mix he emphasised the importance of the 4Ps model "as marketing variables" and criticised the philosophical foundation of the marketing mix model. The four Ps of the marketing mix model does not fit very well with some competitive situations that have recently emerged in services and industrial marketing (Gronroos 1996).

The Service Marketing Mix Recent Debate

While there has been much criticism of the traditional 4Ps of the marketing mix model, a number of recent views have joined this debate. Balmer (1998) argues that the basic four Ps of marketing need to be extended to ten Ps by adding another six Ps that are philosophy and ethos, personality, people, performance, perception, and positioning (Balmer 1998).

Gombeski Jr (1998) criticises the marketing mix elements, as they are too restrictive. The marketing mix approach oversimplifies marketing while most organisations face a complex business environment, and being too narrow to develop a service marketing programme. As a consequence, he suggests an alternative marketing mix model, which includes eight elements: internal marketing; benefit development; product development; targeting; channels; differentiation; selling and

positioning. These elements can formulate marketing strategy components and they should be superior to the elements in 4Ps (Gombeski Jr 1998).

However, while some marketing scholars who have extensively criticised the traditional marketing mix models as well as sometimes criticising the services marketing mix model, Ennew and Watkins (1998) argue that much of the empirical research on the services marketing mix has focused on a specific problem or has focused on problems which are related to the unique characteristics of services, not on the real practice of marketing management. This is evidenced when the authors state that much of the empirical work in the service area has tended to be service specific or problem oriented. As a consequence, studies of the services marketing mix have tended to concentrate attention on the conceptual development of the mix as a response to service features rather than as a result of extensive empirical observation of the practice of marketing management (Ennew and Watkins 1998).

Van Waterschoot (1999) put forward another criticism of the 4Ps of the marketing mix model; namely that: (a) it is concerned with the external market and ignores the internal market; (b) it focuses on the microeconomic point of view that is concerned with the seller side rather than the buyer side of the exchange process (Gronroos 1994; Kotler 1999); (c) it focuses on short-term transactional exchange processes rather than an establishing long-term relationships with customers; (d) it is concerned with what marketers do "to" customers rather than what to do "for" them; (e) it does not give an idea about how the marketing mix elements interact with each other; (f) it takes a mechanistic approach to dealing with markets, which is concerned with dealing with entire markets by building on the entire marketing mix; (g) it lacks market orientation because it does not pay attention to the internal tasks of the marketing function, such as disseminating

information among other functions which are being affected by the marketing activities (Van Waterschoot 1999).

Deshpande (1999) while discussing the contribution of marketing to the organisational performance has focussed on the customer as a central point for marketing and the core element of the organisation. Deshpande` has suggested an agenda for increasing use of marketing knowledge. He suggested four basic research agenda that are customercentric focus, cross-functional focus, cross-cultural focus, and cross-disciplinary focus. He called these research agenda the "4Cs". Related to the traditional 4Ps of the marketing mix model, Deshpande argues that the 4Ps are not the top research problems that are facing the marketing discipline but what he calls the "4Cs" problems, which are customercentric focus, cross-functional focus, cross-cultural focus, and cross-disciplinary focus. More importantly, Deshpande argues that the generalisability of marketing concepts, models, and theories has been limited in non-U.S/ Western contexts, even though such concepts and models might be theoretically inappropriate for emerging markets and transactional economies.

Goldsmith (1999) suggested another element to the 7Ps of the services marketing mix concept, which is personalisation. He argues that personalisation should become a standard part of marketing strategy and that the elements of the marketing mix should be personalised. However, the personalisation may increase the costs of products or services treated in this way and that may affect the company position in it's market. In addition, it may require organisations to gather more personal information from customers which proposes that there will be customer collaboration, and ignores other players in the market e.g. competitors, distributors (Goldsmith 1999).

Yelkur (2000) has developed a model that suggested the possible effect of each element of the services marketing mix model on the customer's perception of the service. He argues that the customer experiences the service through the critical elements of the service marketing mix that influence customer expectations. These elements,

according to Yelkur, are place, physical evidence, participants, and process. Yelkur (2000) argues that these elements alongside the product, price and distribution elements have a potential to affect customer satisfaction. Although this model adopts and supports the 7Ps of the services marketing model, it was theoretical; it did not present empirical evidence.

Baker (2000) argues that despite some criticisms of the 4Ps of the marketing mix model it should be extended to include a fifth P-people. Baker (2000) argues that adding the people element to this model may be appropriate because putting people into marketing is essential as the basis of differentiation between competing suppliers on which buyers make their choice. Companies must recognise that their long-term success depends on building relationships with their customers rather than getting involved in making short-term transactions. In essence, there is a crucial role for internal marketing and, people are seen as the organisation's greatest asset.

In the same context, Zeithaml and Bitner (2000) have argued that another way to address the challenges of services marketing is to think creatively about an expanded marketing mix for the future. They argue that the new marketing mix elements, people, process, and physical evidence, are included in the marketing mix as separate elements because they are within the control of a company and any or all of these elements may influence the customer's initial decision to purchase a service, as well as, the customer's level of satisfaction and repurchase decisions (Zeithaml and Bitner 2000). Lovelock (2001) argues that the services marketing mix paradigm should be eight Ps. The eighth P is productivity and quality.

Conclusions and Future Research

The literature indicates that the traditional 4Ps of the marketing mix model has come under criticism from many marketing scholars who propose that these elements are inadequate for either goods or services

marketing. The conclusion can be drawn from the evidence that the traditional marketing mix paradigm is inadequate for the marketing of services, which must be modified and expanded. The literature shows that there has been significant support for the new expanded elements, people, process, and physical evidence, of the services marketing mix paradigm as distinct and strategic elements. Consequently, **the author of this paper supports the argument that the 4Ps paradigm is inadequate for either goods or services marketing, and there is a need to modify this paradigm for service businesses.**

The discussed literature indicates that the 7Ps paradigm, and service quality should be used as main components to formulate a marketing strategy in service businesses. Moreover, there is general agreement among marketing authors that service organisations do need the expanded services marketing mix model as a generic services marketing framework, but there is no agreement on whether these elements should be represented as separate elements in the model or should be incorporated within the traditional 4Ps of the marketing mix model.

The author of this paper argues that there is a critical need to conduct more research in the area of the services marketing mix paradigm among service businesses in order to present empirical evidence to reveal if the new or expanded elements of the services marketing mix should be strategic and distinct elements or incorporated within the traditional marketing mix elements, 4Ps. The author argues that the 3Ps should be distinct and strategic elements for services in order to deal with the unique characteristics of services. This would require using advanced statistical techniques that enable researchers to reveal the use of the 7Ps components among services businesses.

Service quality should be a main element in the services marketing mix paradigm (Lovelock 2001). The literature review in this paper seems to implicitly recognise that service quality is just part of the product or service element. The author of this paper supports the

argument that service quality should be a distinct element in the services marketing mix paradigm. The rationale for this argument is twofold; (a) service quality has a strategic role to play on any service business performance (Gronroos 1982; Parasuraman et al 1988; Lewis 1993; Anderson et al 1994; Ennew and Binks 1996; Chang and Chen 1998; McDougall and Levesque 2000; Lasser et al 2000; Lee et al 2000; Newman 2001). (b) Services have a number of unique characteristics that differentiate them from goods and make service quality a fundamental element in the services marketing mix.

Consequently, the author of this paper argues that service quality must be a major component in the services marketing mix paradigm alongside the 7Ps in order to formulate a marketing strategy for service businesses. This is to argue that the marketing strategy components for service businesses are suggested to be eight. Therefore, empirical evidence is required to examine if the components of service marketing strategy are eight or less.

Another fundamental finding that has emerged from the literature is that there has not been any empirical research study which has investigated the 7Ps of the services marketing mix together, or validated this paradigm, especially its impact on companies' performance. Rafiq et al (1995) study pointed out that this paradigm had been strongly accepted and supported by those academic people as a generic framework for services marketing but there has not been empirical evidence that has investigated the 7Ps together.

Therefore, the author of this paper supports the 7Ps paradigm and argues that there is a critical need to investigate this paradigm, 7Ps, among service businesses in order to examine if this paradigm is valid as a generic framework for the marketing of services.

A number of authors in the marketing strategy field argue that one of the challenges facing academic marketing research (Deshpande` 1999 and Day and Montgomery 1999; Varadarajan and Jayachandran 1999)

is that the generalisability of the marketing models, theories and concepts, which have been developed in the U.S. and Western environments, need to be validated within other business cultures and countries (cross-cultural). Moreover, the extent to which strategy-performance relationships, observed in the context of U.S. businesses, are generalisable in the larger international context, and/or in other market contexts remains under researched.

Based on the above calls the author of this paper supports the idea that there is a critical need to conduct marketing research projects in business environments in developing countries in order to examine these marketing theories, models and concepts if they are generalisable and applicable to the business environment in developing countries.

The Author's Standpoint and the 7Ps Paradigm

Based on a critical examination and discussion of the current status of the services marketing mix literature review the author of this paper has formulated thoughts on the subject of services marketing mix. The author's thoughts are:

A. The author supports the panel of marketing researchers who argue that the 4Ps paradigm is inadequate for the marketing of services. The rationale for this argument is that this paradigm has several shortcomings and is unable to handle the problems created by the unique characteristics of services.
B. The author supports the adoption of the 7Ps marketing mix paradigm and service quality as a comprehensive framework for the marketing of services. The 7Ps of service management is a powerful management paradigm that would help service companies to gain and sustain a competitive advantage.
C. The author supports the argument that the new elements of the 7Ps paradigm, namely; people, process and physical evidence, and service quality should be strategic and distinct in the paradigm because of their crucial importance as fundamental marketing

variables for the success of today's service organizations and they affect the quality of service.

D. Although the author supports the 3Ps and service quality to be strategic and distinct marketing variables in the 7Ps paradigm, it must be emphasised that the 3Ps have interactions and interrelations with the other 4Ps of the paradigm. The rationale for this argument is that fully-integrated and coherent marketing mix strategies form the major part of the marketing strategy. Furthermore, the marketing mix components are not just a series of tactical responses to changing market conditions, rather they are a core component of any marketing strategy. For example, people in a service organization have a critical role to play in the quality of service, promotion, distribution and service delivery process.

E. The author strongly supports the argument that the marketing mix paradigm for service businesses must be different from the marketing mix for goods businesses, and there would be a high risk of applying the traditional marketing mix to service businesses situations. Moreover, the service marketing mix paradigm may be different among service industries depending on the nature and classification of a service industry.

F. The author strongly supports the idea of conducting research projects among several service industries in Jordan to reveal if the service marketing mix paradigm is different among them and to examine if this paradigm can be generalized in the Jordanian business environment.

G. The author strongly supports the idea of conducting research projects to examine the relationship between the 7Ps paradigm and service quality, and service organizations performance measured by financial and non-financial criteria. Another fruitful area of research is to examine the most influential elements of the paradigm on service organizations performance among several service industries in Jordan.

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