

The role of service marketing mix in retail Industry case study of Carrefour in Erbil

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Abstract:

Marketing mix plays an important role in the effort of organization which aims to enhance the marketing activities to sustain the business and create revenue. This study investigates the role of the marketing mix in the retail industry that it is one of the main industries which have a great attention and effort towards marketing and deals with a considerable number of consumers. The study used secondary data collected from books, journals and other resources to shed some light over the concept of the marketing mix and furthermore the service marketing mix as well. The primary data was collected using a survey covered both the product and the service mix plus some demographic insights. The sample of the study was 92 employees in Carrefour hypermarket which represent the biggest hypermarket in Erbil city. The data collected was processed by the SPSS programs and the results answered the main research questions and showed a positive attitude towards the application of the marketing mix in the selected retailer.

Key word: marketing mix, retail industry, retailers, service mix, 4ps

1.Introduction:

The traditional components of the marketing mix included four elements. Borden was first introduced in 1960 as a model of the elements of the marketing mix consisting of product, price, promotion and place, 4P's which he called and developed a lot of after him and considered the basic elements (Al-Debi & waelly, 2015)

But these four elements are no longer sufficient to form the marketing mix as a result of the emergence of new trends in contemporary marketing thought, especially in the provision of services, which requires the need to add three other elements to the four elements to contain the mix of seven elements known 7P's the three elements that have

been added from individuals producing products and service performance are the physical evidence of service that represents the components and the concrete aspects affecting the service delivery environment that achieve excellence (Dacko, 2008).

Moreover, service delivery processes which are all the activities that lead to service delivery. This trend emphasizes that ignoring the three elements in developing the organization's marketing strategy can lead to unexpected results because the organization's customers are affected by these elements (Al-Debi & waely, 2015).

2.Literature review :

2.1 Concept Mix Marketing:

Marketing Mix is a set of interrelated, integrated marketing activities to implement marketing function according to the planned approach. The marketing mix is defined as the marketing tools used by the company to continue to reach marketing objectives in the target market. These tools are named as marketing mix elements (Abedi, 2014). The marketing mix is one of the basic concepts of modern marketing. The main principles of this mix are written back to (1948 by James Colton). He suggested that marketing decisions be defined according to a prescription. In 1953, the president of the United States Association of Marketers, Neil Borden, Marketing Mix) on the recipe, and in 1960 put the elements of the mix, and start all the words in English with the letter (P) (Ahmad, 2013).

2.2 The seven marketing mix elements

After the end of the various companies and institutions to develop their marketing strategies, it is necessary to pay attention to the elements of the marketing mix, which contribute to the evaluation of the special activities in the work environment on an ongoing basis. These seven elements are the right way to achieve the best results for the work In the market, the following information about these elements: (Sreenivas, 2013)

2.3 Product

is something that is produced by mechanical, human or natural effort, and employers have to pay attention to their own products in order to make the right decision about whether their work is right at this time or not; Such as is the current service or product suitable for customers and market? Whenever an employer has difficulty selling his services or products, he needs to develop interest in his products (Yaghoubi, 2011).

2.4 Price

The price is based on the constant search for prices for the services and goods sold by the employer. In order to ensure that they are commensurate with the current market, these prices may sometimes need to be reduced or increased at other times and in various businesses when faced with The employer's frustration as a result of his marketing plan should be revisited for this plan with a view to restructuring pricing, especially if it is not ideal, suitable for the market at the moment (Anagre, 2012).

2.5 Promotion

Promotion is all the methods used to inform customers about the services or goods and the means used to sell them, and the various companies are trying to experience many different ways of promoting their services and products, and whatever the method of promotion used in the work environment, be careful to develop sales, Presentations, and strategies used in advertising (Gopinath, 2015).

2.6 Place

Place is the location where goods and services are sold, and it is important to develop this element by thinking about the right place for a salesperson or merchant to meet customers. Changing the place of sale often helps to increase sales quickly so it is possible to sell products in places the majority of companies use direct sales, and others may sell their products by telemarketing, selling by retail establishments, trade fairs, or other means (Hasan gholipour, 2014).

2.7 people

Individuals are people who interact with services and goods, such as employees, corporate employees, and other human components involved in marketing, and providing services to clients that include the definition of the nature of the product or service provided to them. The appearance and behavior of these people Individuals to influence customer perceptions about the company's services and commodities (Horwitz, 2011).

2.8 Physical evidence

Physical Evidence is the environment in which service is provided; it contributes to the interaction between customers and the facility, and other tangible components that facilitate the provision of services and goods. The physical evidence also includes all

matters that represent services, such as reports, brochures, Business cards, signage, communication services, and other physical evidence (Jabbari, 2013).

2.9 Process

The process is the actual procedures that include the flow of activities that contribute to the delivery of services and goods, the actual implementation of the delivery steps to the customers, and the provision of a set of appropriate evidence to control or deal with the goods or services (Lega, 2006).

2.3 Retail Industry

The retail Industry Retailing can be defined as the sector which involves the companies engaged in procuring different products from the source of manufacturing and reselling the same products to the consumers (Sabe & RRK, 2015). Retailing plays a significant role in the marketing activity that it facilitates the link between producers and consumers and it help in the creation of the value for costumers and it has also its impact on the economy. The value for consumers will be in the form of the utilities provided like possession, place and time. The value for economy will be represented in the revenue exchanged in sales and in the employment movement by this sector (Simon, 2016). Retailers also provide valuable input to the supply chain and aid many functions such as shipping, advertising and communication and they also provide consumer services. The retailer industry can be divided into different types like grocery market, furniture, clothing market etc. Retailers usually relay on the unplanned purchases of the consumer by providing goods in the places visited by them (Joachim, 2007).

Retail Formats/Types: Retail sector developed significantly in the past years moving from small shops (usually family owned) to organized big retailing entities (Deepika & Ravi, 2012).

There's many retail market formats/channels and it can be classified into three main types: 1- In Store-Retailing 2- Non-Store Retailing and 3- Service based retailing. We will highlight the in Store-Retailing which is matching with the purpose of this study (Barry , 2006)

In store-retailing: In store retailing covers the outlets where the actual goods are inside the store itself and the consumer can visit the store and look for the things he need or simply buy things he discovers inside the store. In Store-Retiling can be divided into the following types (Barry , 2006)

- 1- Department Stores.
- 2- Hypermarkets.
- 3- Discount Houses.
- 4- Chain stores.

• **Department Stores:**

It can be described as a very large store with a huge collection of hard and soft goods which are divided into different departments and each department is specialized in a certain merchandise (Howard, 2007)

• **Hypermarket:**

Hypermarkets can be defined as a self-service retook format which provide a wide and vastly mix of products and merchandise for consumer's form which they can chose, the hypermarkets are large and have a characteristic from both department store and supercenter and they focus on sales on a high volume with a low margin (Minoo, susana, & Joaquim , 2000)

• **Discount houses:**

The competition in such stores is based mainly on the price and they offer a wide mix of products and services. They tend to offer a price which is lower than other retailers and affordable for the consumer (Sofia, 2013).

• **Chain stores:**

A chain store can be considered as a system consisted of four more stores. The stores will function in a sort of merchandise and they are managing, supplied and owned by one of more warehouses (pillai, 2009).

3.Research problem:

The local market in Kurdistan Region of Iraq is witnessing strong competition among the markets, after increasing demand by the customers , weak adoption of marketing aspects in local markets , And different methods in the marketing of services in order to attract the people, which led to the intensification of competition between local organizations and foreign organizations

4.Research Objectives:

This research aims to:

- 1- To investigate the extent to which Carrefour apply marketing mix elements in its activities.
- 2- To identify the positive dimensions of the product 4ps of the marketing mix in Carrefour.
- 3- To check the positive dimensions related to the service part of the marketing mix in Carrefour.

5. Research question:

This imposes on the of particular importance to the marketing mix through the role played by the great role in achieving the competitive advantage, so this research comes in an attempt to answer the following questions:

- 1- To what extent does Carrefour apply the marketing mix in marketing for their products/services?
- 2- What are the positive dimensions related to the product 4ps of the marketing mix in Carrefour?
- 3- What are the positive dimensions related to the Service part of the marketing mix in Carrefour?

6. Research methodology:

This study has multiple limitations as in previous research studies. Which means that questionnaires have certain limitations on the quality of questions to be asked for data collection because of the questionnaire that has been limited to measurements and scales. This research is classified as a basic academic research which has a multipurpose approach: exploratory, descriptive and explanatory. The research data is collected by questionnaire, the research used quantitative method which tends to address the numerical data and statistics rather than the qualitative, its composed of two parts, the first part interested in collecting personal data (demographics), and the second part is light on the areas of (The role of service marketing mix in retail industry) the sample where using for both gender (male and female).

- methods:

SPSS software and Microsoft Office Excel is used as analysis tools. Primary data: Questioners (surveys). Secondary data: articles, databases, previous studies, and researches

- instrumentation and data collection procedures

A quantitative method was used to gather data in this research, specifically. The

survey. created this custom made survey from scratch to suit the objectives of our study and to cover all the elements we wanted to investigate, we also revised our survey with qualified personals for scientific arbitration purposes and got their opinions on it and edit suggestions from them to even better strengthen our survey , that include two sections the personal section and the second talking about all the marketing mix , as the survey was made to cover all kinds of effects from all different directions. The questionnaire was adopted from (MUINDE, AGNES, 2009).

7.Data analysis:

-Result

first section:

- From the demographic part we can see that the males in the company are more than females we got this insight from the first question which indicated that 78.3% of the participant were males and only 21.7% of participant of the study were females. This is an indication that the female activity and members are less than the male in the company.
- In the second question shows that more than half of the sample were in the group age (20years), they reached (46%) which means the company is encouraging young people.
- The third question is related to the educational level and the sample was divided as, 69.9% diploma, 21.7% bachelor, 7.6% master and 1.1% PhD.
- The fourth question was about years of experience and it indicated that 8.7% experience between 5-10, and that (10.9%) of ranges from 10-15 years, (71.1%) ranges from 15-20 years, (2.2%) of their experience ranges between 20-25 years, (6.5%) ranges between 25-30 years.

Second section:

Table (1) the results of the service marketing mix questions

Dimension		Statement	SD	D	N	A	SA	Result
Product Ps	Product	The organization offers a wide range of products	0	2	10	25	55	Strongly agree
		New products are normally tested	0	6	21	46	19	Agree
		All new product developments are guided by market needs	3	13	28	31	17	Agree
		The organization offers specific products for different target markets	3	11	36	25	17	Undecided
		New product development is always important for the health of the organization	6	21	29	25	11	Undecided
	Promoti on	Evaluates competition adverts against its own	6	17	23	34	12	Agree
		Sets objectives for each of the promotion mix elements (i.e. public relations, advertising, sales, promotion etc.)	3	18	29	29	13	Undecided & Agree

		Ensures that brochures and other organization materials are easy to find	2	18	36	17	19	Undecided
		Has a strategy for support of social responsibility activities	2	11	30	36	13	Agree
		Undertakes sales promotion activities	7	7	27	35	16	Agree
	Price	The organization has set clear pricing objectives for each products	3	6	12	37	34	Agree
		The organization has a uniform pricing policy in all its branches	2	12	25	27	26	Agree
		The organization considers competition in pricing	4	14	35	29	10	Undecided
		The organization has a flexible pricing policy	3	24	29	15	21	Undecided
	Place	The organization branches are conveniently located	7	10	31	27	17	Undecided
		The organization Carries out research in selection of Suitable branch location and other outlets	5	10	26	24	27	Strongly Agree
		The organization Utilizes credit card and ATMs to overcome the issue of intangibility	2	16	30	30	14	Undecided & Agree
		The choice of the organization location is guided by convenience, safety, visibility, and accessibility among other factors	5	11	36	23	17	Undecided
Service Ps	Physical Evidence	The hall is well ventilated, clean and airy	3	12	32	20	25	Undecided
		The interior of the organization is attractive and pleasant	4	15	24	32	17	Agree
	Process	Considering the importance of shoppers' time	4	14	21	31	22	Agree
		Categorizing the products based on members' convenience	4	14	26	32	16	Agree
	Personnel	Contact personnel have sufficient product Knowledge	5	24	21	30	12	Agree
		Staff are efficient, warm, friendly and honest	4	12	26	27	21	Agree
		Staffs are constantly trained in new skills	4	24	27	27	10	Undecided & Agree

8. Findings

After analyzing the table above related to the dimensions of the marketing mix we can notice a set of findings related to the study. The findings can be summarized as follow:

- 1- The strongest level of agreement according to the sample was related to the product dimension, and it was related to the statement which indicate that Carrefour provide a wide range of products.
- 2- When it comes to disagreeing with a statement the sample recorded zero value which indicate that the application of marketing mix activities is appropriate the highest disagreement level was in two statements one was related to the price dimension (The organization has a flexible pricing policy) and the other was related to the personnel dimension (Staffs are constantly trained in new skills).

- 3- For the service part of the marketing mix the sample were mostly agreeing with the statements especially with the process dimension.
- 4- The sample registered an undecided result for 11 question out of 25 question which indicate that there's a lack of transparency in Carrefour and I noticed this issue during my summer practice as well.

9- Conclusion

This study aimed to investigate the role of the marketing mix in the retail industry and tried to answer three research questions. For the first question titled “to which extent does Carrefour apply the marketing mix in marketing for their products/services” the answers from the participants in this study indicated a positive attitude by the company towards applying the marketing mix activities. For the second research question “What are the positive dimensions related to the product 4ps of the marketing mix in Carrefour?” the study indicated a positive result in all the dimensions of the 4ps of the marketing mix, in the product part the positive points were product variation and testing plus matching the available products with the market needs. For the promotion part the positive points were related to the evaluation of competitors and setting the objectives related to promotions, having a social responsibility strategy and doing promotion activities. As for the price part the positive points were having a clear pricing objectives for each product and owning a unified pricing policy for all branches. The place had two positive points related to carrying research to select the best place for branches and the utilizing of credit cards and ATMs. The third research question was about the positive points related to the service part of the marketing mix and the study discovered one point related to the physical evidence of the marketing service mix which was related to the statement about the interior design being attractive and pleasant. For the process part it was all satisfying to the sample that it recorded a full positive attitude to both of the statements related to it, taking care of the shopper's time and the categorization of the products according to the convenience of the consumer. The last dimension of the service marketing mix “personnel” recorded a full positive feedback as well.

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