Expectation Based Customer Oriented Marketing Mix- A Conceptual Framework

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Abstract—Marketing mix is an important concept in the marketing literature. Marketing mix helps the organizations to get favorable response from a target market by blending its elements. This paper examines the literatures relating to marketing mix and customer expectation and integrates the concept of marketing mix with customer expectation which is expected to deliver a better result from a marketing plan. The paper suggests the use of customer centric model of marketing mix by understanding the customers’ needs and expectations.

Keywords—Marketing mix, expectation, customer solution, customer cost, customer communication, customer convenience

I. INTRODUCTION

Customers are the epicenter of any business because there cannot be any business without them. In fact, survival of a firm is dependent on the customers’ acceptability of the offerings of a firm. Business organizations always make all possible attempts to make their customer satisfied (Bhowal & Paul, 2013). They do so by implementing a marketing mix strategy that best suits its’ customers. There are large numbers of mix models but the unique aspect of all the models is getting the desired response from the target market. Majority of these models are seller centric and have not given due attention to the customer centric view. 4C model developed by Lauterborn (1990) have given adequate attention to the customer centric marketing mix. To get a desired response from the market, it is essential to meet customers’ expectations. Expectation is an important determinant of satisfaction. Satisfaction comes from meeting or exceeding the expectation of the customers and mismatch between the two leads to dissatisfaction (Bhowal & Paul, 2012; Paul T., 2012). Therefore, there is a need to deliver offerings and services according to the expectations of the customers. This paper emphasized on the adoption of expectation based customer centric marketing mix model for an effective marketing strategy.

II. CONCEPT OF MARKETING MIX

Neil Bordencorined the term ‘marketing mix’ in 1953 (Borden, 1964). Marketing mix provides a conceptual framework that serves the principal decision making managers in configuring their offerings to suit customers’ needs. It represents a collection of elements clustered together in order to simplify managerial activity (Kalyanam & McIntyre, 2002). The marketing mix tools are blended to produce the desired response in a target market (Kotler et al., 2012). These variable scan also be used to influence a brands sale or increase the market share of a product or company (Tellis, 2006). The marketing mix elements can be adjusted according to the changing needs of the target group. Rosann, et al. (2002)stated in Management of Sales Force ‘these are to be blended effectively to form a marketing program that prove want satisfying need goods and services for the company’s markets’. Marketing mix used by a particular company may vary according to its resources, market conditions and changing needs of clients. Blending of these elements expected to provide a desired response in a target market.

III. MARKETING MIX MODELS

Borden’s original marketing mix had a set of 12 elements namely; product planning; pricing; branding; channels of distribution; personal selling; advertising; promotions; packaging; display; servicing; physical handling; and fact finding and analysis. MaCarthy (1964) redefined Borden’s 12 elements into four elements or 4Ps, namely product, price, promotion and place. A large number of researchers proposed new elements into the marketing mix. For example, Judd(1987) proposed a 5thP (people); Booms & Bitner(1980) added 3 Ps (participants, physical evidence and process); Kotler (1986) added political power and public opinion formation in the Ps concept; Baungartner (1991) provided a model of 15 Ps; Vignali & Davies (1994) suggests the addition of S namely
service to the marketing mix. Sheth & Shah(2003)proposed 4A’s concept stating that customers who intend to purchase should have Acceptance, Affordability, Accessibility and Awareness.

IV. CUSTOMER CENTRIC MARKETING MIX MODEL

4P model is producer centered and criticized by number of studies. Rafiq & Ahmed (1995) observed a high degree of dissatisfaction with the 4P model. 4Ps marketing mix variables have no relation to customers and that make it relatively void (Gronroos, 1994; Dixon & Blois, 1983).Lauterborn (1990) stated that for a successful marketing plan customers must be placed in the center of the marketing plan. He replaced 4Ps by 4Cs which focus on the customer centric view of marketing. The 4Cs are - Customer needs, Convenience, Cost and Communication. Paul (2012 & Rousey & Morganosky(1996) supported the 4Cs concept by stressing on the replacement of the 4Ps by Lauterborn’s 4 C.

Thus, from discussion it can be inferred that marketing mix model has undergone several changes since its inception. The 4C approach, being a customer centric approach, better study and understand the customer from various aspects.

V. 4C’S OF MARKETING MIX

The 4Cs suggested by Lauterborn (1990) are - Customer needs, Convenience, Cost and Communication. The unique feature of 4C concept is that it addresses customers’ needs(Miller, et al., 2002). The following four elements were proposed in the 4C model.

- Customer Solution:
The customer solution concept is based on the fact that customers are interested in the solution of their problem in the form of need rather than the products and services offered by a company. Wolcott & Arroniz(2006) termed solution “as a customized, integrated combination of products, services and information that solves a customer’s problem.” Customer wants solutions to problems they face in their lives. True customer focus requires marketers to begin with a customer problem, and work towards creating solutions that address these problems (Sawhney, 2004). Customer solution is a better approach it believes that it addresses customers’ needs. On this ground, it is said that customer solution can serve customer better by designing customer oriented solution in form of products and services.

- Customer Cost:
Customer cost represents a comprehensive approach of looking the total cost incurred by a customer for buying goods or services. The price is an essential component of cost, but not the total cost. Price represents the price fixed by a seller while customer cost includes all other associated cost in addition to the price. The cost other than price may include all those cost required for acquiring the products for actual use. In some cases such cost may be a substantial part of the total cost which should not be ignored. The traditional models have failed to recognize this fact which was considered as relevant by 4C model. Thus, price of a product shows the seller centric view while customer cost represents the buyers’ centric view.

- Customer Communication
In marketing, communications consists of all the promotional elements which involve the communications between an organisation and its target audiences (Kotler & Keller, 2006). The role of marketing communications is to support the marketing plan and help the key audiences to understand the marketer’s advantage over the competition (Shimp, 2000). Marketing communications can provide information to create points of difference and allow brands to stand out and help consumers appreciate their comparative advantages(Keller, 2008). The communication model adopted by an organisation should be a customer centric. The customer communication focuses on the two-sided communication and includes all those strategy that is desired by a customer form the company. All promotional activities adopted by a company for communicating with the customers need re-modeling depending on what type of promotional strategy the customers expect from the companies.

Customer communication element of 4C marketing mix framework provides a comprehensive sense of promotional activities from customer view point.

- Customer Convenience
The concept of customer convenience dimension of 4C marketing mix model is the reformation of place dimension of 4P marketing mix. Place concept of 4P marketing mix refers to the availability of the products to the target customer customers(Kotler, et al., 1999). Customer convenience concept is based on the paradigm of providing convenience to the customers’ while buying/using the products or services. The customer convenience concept emphasizes on the fact that customers are interested in the convenience they actually require rather the place of availability of the products or services. Customer convenience element of 4C marketing mix framework has provided a comprehensive sense to place concept from customer view point.

VI. CUSTOMER EXPECTATION
Expectation is the beliefs about a product’s attributes or performance at some time in the future (Rust, et al., 1999) and always is a key element of satisfaction (Oliver & Winer, 1987). A Customer forms
expectations from many sources such as previous experience, word of mouth and advertising (Anderson & Sullivan, 1993). Researchers have found a diminishing effect of the gap between performance and expectations on consumer satisfaction (Mittal, et al., 1998). Meeting the expectations of customers will cement the relationships, increase customers’ satisfaction and retain their business. Nazare (2012) pointed out that business firms can no longer be indifferent to their customer’s need and expectation and hence business units should meet customers’ expectation in order to achieve the target customers’ satisfaction. Seth & Mittal (1996) stated that a firm’s customer may have unjustified, unfeasible and unproductive expectation. Thus, their expectation should be shaped rather than fulfilled. Oloka (2012) stated mentioned that how customers’ expectations are met or surpassed by a company’s products and services measures the Customers’ satisfaction.

**VII. CONCLUSION**

From the above discussion, it can be concluded that customers’ expectation should always be given special attention along with the use of a customer-centric marketing plan. Service providers do their best to make the customers satisfied but still dissatisfaction is found among customers (Bhowal & Paul, 2013). Customers deserve the products that are expected to provide solution of their needs/problems, affordable cost to satisfy their needs, proper communication required for acquiring a product and finally convenience in acquiring the product. Therefore, we suggest an integrated approach of customer-centric marketing mix coupled with customers’ expectation which is expected to deliver better service to the customers. This study leaves scope for further research in the areas of understanding what and how expectations are created and the cognitive process involved in it.

**REFERENCES**


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