E. Constantinides

The Marketing Mix Revisited: Towards the 21st Century Marketing

The paper assesses the current standing of the 4Ps Marketing Mix framework as the dominant marketing management paradigm and identifies market developments, environmental changes, and trends, as well as changing academic attitudes likely to affect the future of the Mix as theoretical concept and also the favourite management tool of marketing practitioners. It reviews the criticism on the 4P's emanating from five “traditional” marketing areas - Consumer Marketing, Relationship Marketing, Services Marketing, Retail Marketing, Industrial Marketing - and the emerging field of Electronic Marketing.

The paper identifies two main limitations of the Marketing Mix as management tool, common in all examined domains, namely the model’s internal orientation and lack of personalisation. It also identifies several area-specific limitations and underlines the need for further research on the issue. The weaknesses identified in the study seem to support the frequently expressed suggestion that marketing scholars should focus their efforts in formulating the conceptual foundations and marketing methodologies that better address the needs of today’s and tomorrow’s marketer.

Keywords: 4P’s, Marketing Mix, Marketing Management, E-Marketing, Consumer Marketing, Retailing, Industrial Marketing, Retention Marketing, Services Marketing

Introduction

Few topics of the commercial theory have so intensively inspired as well as divided the marketing academia as the 4Ps Marketing Mix framework, “the Rosetta stone of marketing education” according to Lauterborn (1990). The
Mix has its origins in the 60’s: Neil Borden (1964) identified twelve controllable marketing elements that, properly managed, would result to a “profitable business operation”. Jerome McCarthy (1964) reduced Borden’s factors to a simple four-element framework: Product, Price, Promotion and Place. Practitioners and academics alike promptly embraced the Mix paradigm that soon became the prevalent and indispensable element of marketing theory and operational marketing management.

The majority of marketing practitioners consider the Mix as the toolkit of transaction marketing and archetype for operational marketing planning (Grönroos 1994). While empirical evidence on the exact role and contribution of the Mix to the success of commercial organisations is very limited, several studies confirm that the 4Ps Mix is indeed the trusted conceptual platform of practitioners dealing with tactical/operational marketing issues (Sriram and Sapienza 1991; Romano and Ratnatunga 1995; Coviello et al. 2000). A large-scale study carried out among executives of 550 Dutch companies (Alsem et al. 1996) revealed that about 70% of the companies surveyed apply formal marketing planning as basis of their operational marketing plans but responsibility for the Mix decisions is divided among different departments. According to the same study market leaders trust the formal operational marketing planning based on the 4P paradigm much more than the market followers2.

The wide acceptance of the Mix among field marketers is the result of their profound exposure to this concept during college years, since most introductory marketing manuals embrace it as “the heart of their structure” (Cowell 1984) and identify the 4Ps as the controllable parameters likely to influence the consumer buying process and decisions (Kotler 2003; Brassington and Pettitt 2003). An additional strong asset of the mix is the fact that it is a concept easy to memorise and apply. In the words of David Jobber (2001): “The strength of the 4Ps approach is that it represents a memorable and practical framework for marketing decision-making and has proved useful for case study analysis in business schools for many years”. Enjoying large-scale endorsement, it is hardly surprising that the 4Ps became even synonymous to the very term Marketing, as this was formulated by the American Marketing Association (Bennet 1995).

Next to its significance as a marketing toolkit, the Marketing Mix has played also an important role in the evolution of the marketing management science as a fundamental concept of the commercial philosophy (Rafiq and Ahmed 1995), with theoretical foundations in the optimisation theory (Kotler 1967; Webster 1992). The theoretic endorsement of the Mix in its early days

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2 53.1% of the market leaders consider marketing as a major input to the company’s operational planning against 39.6% of the market followers having the same opinion.
was underlined by the sympathy of many academics to the idea that the chances for successful marketing activities would increase if the decisions (and resource allocation) on the 4P activities were optimised; Philip Kotler elucidated in 1967 how “mathematical programming provides an alternative framework for finding the optimal marketing mix tool that allows the optimal allocation of the marketing effort”. The theoretical value of the Mix is also underlined by the widely held view that the framework constitutes one of the pillars of the influential Managerial School of Marketing along with the concepts of “Marketing Myopia”, “Market Segmentation”, “Product Positioning” and “Marketing Concept” (Kotler 1967; Sheth et al. 1988).

Despite the background and status of the Mix as a major theoretical and practical parameter of contemporary marketing, several academics have at times expressed doubts and objections as to the value and the future of the Mix, proposing alternatives that range from minor modifications to total rejection. It is often evident in both the academic literature and marketing textbooks that the mix is deemed by many researchers and writers as inadequate to address specific marketing situations like the marketing of services, the management of relationships or the marketing of industrial products.

The main objective of this paper is to present an up-to-date picture of the current standing in the debate around the Mix as marketing paradigm and predominant marketing management tool by reviewing academic views and criticism originating from five marketing management sub-disciplines: Consumer Marketing, Relationship Marketing, Services Marketing, Retail Marketing, Industrial Marketing. Next to these “traditional” areas the paper reviews the arguments as to the value of the mix in an emerging marketing management domain, the E(lectronic)-Marketing.

Objective and Delimitation of the Research

As mentioned above the objective of the study is to present a realistic picture on the current standing of an old and ongoing debate about the merits of the 4P Marketing Mix as a present and future marketing management conceptual platform. The paper highlights academic approaches and underlines the need for further research rather on the issue.

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3 Philip Kotler still considers the Mix as one of the elements of the Marketing strategy, yet this approach has developed gradually over the years from the “academic” perspective (Kotler 1976) to a more “practical” one (Kotler 1984). In his more recent books the author becomes more critical by underlining one of the main limitations of the Mix namely the internal orientation arguing that “the four P’s represent the sellers’ view of the marketing tools available for influencing buyers” (Kotler 2003)
The most important constraints and limitations of this approach are the following:

- The marketing domains chosen. The review of the literature originating from six marketing sub-disciplines does not imply that the Mix is irrelevant for other marketing areas. The reason for selecting six areas only was purely related to the length of the study. It must be also clear that any conclusions drawn are tentative and relevant for the respective areas only. Furthermore the classification is by no means meant to demarcate marketing disciplines, alternative marketing schools or alternative paradigms but rather to identify managerial situations facing distinctive as well a common practical marketing issues and problems.

- The literature classification criteria applied. The reviewed authors were assigned to one of the six domains examined, depending on the content of the article / book reviewed and its intended audience.

- The type of sources used. Attempting a review of opinions about the Marketing Mix one can turn to exclusively academic quarters or alternatively look for views based on field experience. In each case it can be argued that the approach is one-sided, either not contemplating the real world or lacking theoretical foundations. The authors reviewed in this study were limited to academic opinions published in research papers and academic textbooks.

- The fact that the - often normative – views expressed in textbooks were included in the study can be seen as a compromise to a strictly scholastic approach. There are two reasons explaining this choice. Firstly, the fact that the volume of academic research on the suitability of the 4Ps as marketing tool in the new domain of E-Marketing lacks the depth found in more traditional marketing areas; the available theoretic material is very limited due to the newness of the issue. Secondly the author believes that the inclusion of (often normative) opinions expressed in marketing textbooks leads to a more pragmatic and comprehensive picture of the Marketing Mix debate.

Review of a Marketing Management Paradigm: The Backgrounds of the Debate

Developments on the commercial landscape and changes in consumer and organisational attitudes over the last four decades, have frequently prompted marketing thinkers to explore new theoretical approaches addressing specific marketing problems and expanding the scope of the marketing management theory. The most important landmarks of the evolution of the marketing management theory include...“the broadening of the marketing concept
during the 70’s, the emphasis on the exchange transaction in the 80’s, the development of the Relationship Marketing and Total Quality Management in the 90’s” (Yudelson 1999)… and last but not least the emergence of Information and Communication Technologies as major actors of the 21st century Marketing. At the same period the consumer behaviour has also evolved; one of the noticeable changes has been the gradual evolution from the mass consumer markets of the 60’s (Wolf 1998) towards increasingly global, segmented, customised or even personalised markets of today (Kotler et al. 2001) where innovation, customisation, relationships building and networking have become issues of vital significance. The developments on the ground have prompted the development of new theoretical approaches dealing with specific rather than general marketing problems and situations.

In the course of these developments the 4Ps Marketing Mix framework has been one of the subjects that frequently became the source of controversy and scientific debate (Dixon and Blois 1983; Rafiq and Ahmed 1992). Surprisingly in a sense, this scientific debate has hardly been echoed in the practitioners’ quarters. Unlike academics, practising marketers have been reluctant to question, let alone dismiss the trusted paradigm (Bowman-Upton et al. 1989; Sriram and Sapienza 1991; Grönroos 1994), presumably anticipating that the academic debate will yield some new, apparently better marketing methodologies and usable concepts.

Some of the criticism to the address of the 4Ps framework has its roots in the discrepancy between the philosophy behind the Marketing Mix on one hand and the fundamentals of the Management School of Marketing on the other. The Management School that embraced the Mix as one of its “most important conceptual breakthroughs” (Sheth et al. 1988) has given the Mix, as already mentioned, similar status with the Marketing Concept and the Market Orientation principles (Kotler 1984). Yet the very nature of the four P’s as manageable i.e. controllable factors combined with the explicit lack of market input in the model (Kotler 2003) is in sharp contrast with the Marketing Concept and Market Orientation principles implying that marketing activities should be based on identification of customer needs and wants, typical external and therefore uncontrollable factors. This paradox has been highlighted by researchers like Dixon and Blois (1983) and Grönroos (1994).

The expanded theoretical scope of the marketing theory reflects the scholarly urge to better understand the managerial consequences of transformations taking place and identify sources of superior firm performance in constantly evolving competitive environments. The debate has been focused on developments of consumer and organisational behaviour, the increasing complexity of the environment and the growing importance of technology as marketing enabler. (Kaufman 1995; Brown and
The marketing thematic entities that have emerged – Strategic Marketing, Consumer Marketing, Services Marketing, Industrial Marketing, International Marketing, Social Marketing, Retail Marketing, Non-Profit Marketing, Trade Marketing, Relationship Marketing, Direct Marketing, Network Marketing, Online Marketing, to name some of the most common terms used, underline the need for a systematic theoretical approach of specialised and complex marketing management issues. Researchers dealing with issues and problems emanating within these new marketing domains often dispute the Marketing Mix’s appropriateness as the underpinning marketing paradigm, at least in its original simplified form. The growing pressure on marketers to better identify and satisfy constantly changing customer and industry needs, the increasing importance of services and the need to build-up long-lasting relationships with the client, have further contributed to the exposure of several limitations of the 4P framework as a marketing management tool.

A Disciplinary Classification of the Marketing Mix Criticism

One of the criteria for classifying the attitudes of researchers towards the 4Ps Marketing Mix framework is the disciplinary origin of the arguments, but such a classification can raise always questions; the apparent difficulty of this approach is to exactly demarcate the different marketing domains, something that underlines the complexity of the marketing environment today. A “qualitative” classification offers however a good insight to research attitudes in analysing and modelling a changing, expanding and sometimes turbulent marketing environment.

On the basis of the disciplinary approach the theoretical status quo of the Marketing Mix will be reviewed based on publications referring to five traditional and one emerging Marketing Management sub-disciplines: Consumer Marketing, Relationship Marketing, Services marketing, Retail Marketing, Industrial Marketing and E-Commerce. It speaks for itself that further research in other marketing sub-disciplines is needed for drawing up final conclusions and comprehensive judgement on the question of the value of the 4Ps.

The Marketing Mix and the Consumer’s Marketing

Significant cultural, social, demographic, political and economic influences during the last decades of the 20th century, combined with rapid technological advances have radically transformed the consumer’s needs, nature and behaviour. The new consumer has been described as existential, less responsive to traditional marketing stimuli and less sensitive to brands and marketing cues while the influence of family or other types of reference
groups on the new consumer’s behaviour is changing or diminishing (Christopher 1989). More researchers share the view that the modern consumer is different: demanding, individualistic, involved, independent, better informed and more critical (Capon and Hulbert 2000; Lewis and Bridger 2000). A factor underlining the change is the increasing consumer power and sophistication due to wide availability of affordable personal computing power and easy access to online global commercial firms, networks, databases, communities or marketplaces. These developments have intensified the pressure on marketers to switch from mass marketing approaches towards methods allowing personalisation, interaction and sincere, direct dialog with the customer. Such approaches allow marketers not only to improve communications with their target groups but also to identify the constantly changing and evolving customer needs, respond quickly to competitive movements and predict market trends early and accurately. The opinions on the role of the Marketing Mix in the evolving consumer marketing environment are summarised in the following review. (Table 1)

Several shortcomings of the Marketing Mix have led the majority of the authors reviewed to suggest that the 4Ps framework should not be considered as the foundation of Consumer Marketing management any longer. In the reviewed papers and books the criticism is focused on three main areas:

- **Internal Orientation:** a frequent objection underlying the Mix’s explicit lack of customer orientation. Kotler (1984), Robins (1991), Vignali and Davies (1994) Bennett (1997) and Schultz (2001) are one way or another identifying this as the prime limitation of the Mix.
- **Lack of consumer interactivity:** Doyle (1994), and Yudelson (1999) argue that the Mix ignores the evolving nature of the consumer who demands not only higher value but also more control on the communication and transaction process. Allowing better interaction reduces the customer defection rates and increases customer trust.
- **Lack of strategic elements:** Ohmae (1982) Vignali and Davies (1994) argue that lack of strategic content is a major deficiency of the framework, making it unfit as planning instrument in an environment where external and uncontrollable factors define the firm’s strategic opportunities and threats.

The majority of the reviewed authors propose alternative frameworks while those willing to accept a role for the 4Ps often propose modified versions, with new elements added to the traditional parameters.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
</tr>
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</table>
| Kotler 1984     | External and uncontrollable environmental factors are very important elements of the marketing strategy Programs | The Marketing Mix should include  
- Customers  
- Environmental variables  
- Competitive variables  
Two additional Ps to the 4 traditional ones:  
- Political power  
- Public opinion formulation |
| Ohmae 1982      | No strategic elements are to be found in the marketing mix. The marketing strategy is defined by three factors | Three Cs define and shape the marketing strategy:  
- Customers  
- Competitors  
- Corporation |
| Robins 1991     | The 4Ps Marketing Mix is too much internally oriented                     | Four Cs expressing the external orientation of a Marketing Mix:  
- Customers  
- Competitors  
- Capabilities  
- Company |
| Ohmae 1982      | No strategic elements are to be found in the marketing mix. The marketing strategy is defined by three factors | Three Cs define and shape the marketing strategy:  
- Customers  
- Competitors  
- Corporation |
| Vignalli and Davies 1994 | Marketing planning will contribute to the organisational success if it is closely related to strategy. The Marketing Mix is limited to internal and non-strategic issues | The MIXMAP technique allows the exact mapping of marketing mix elements and variables, allowing the consistency between strategy and tactics. |
| Doyle 1994      | While the 4Ps dominate the marketing Management activities most marketing practitioners would add two more elements in this mix in order to position their products and achieve the marketing objectives | Two more factors must be added to the 4P mix:  
- Services  
- Staff |

Cont’d…
## The Marketing Mix and the Relationship Marketing

Focus on sales volume through creation of large commercial firms, use of intermediaries and mass marketing during the 60’s and 70’s undermined the role of customer loyalty as important parameter of marketing activities for quite some time. One of the noteworthy recent changes in the marketing thinking has been the obvious emphasis shift from transaction-oriented exchanges to relation building, from acquisition-oriented to retention-oriented marketing (Parvatiyar and Sheth 1997). Marketers seemed to rediscover the forgotten advantages of offer personalisation and life long customer value and realise that building customer loyalty as well as holding on existing customers is as important as soliciting new customers and expanding business (McKenna 1991; Rozenberg and Czepiel 1992).

This change in attitudes did not come about overnight. Market saturation, economic crises and increasing global competition combined with inconsistent and unpredictable consumer behaviour are some of the main drivers behind the relationship movement. Quite a few researchers argue that relationship-orientation requires new approaches towards consumers (Wolf 1998) or even a marketing paradigm shift (Grönroos 1994; Gummesson 1994; Sheth and Parvatiyar 1995; Healy et al. 2001). The 4Ps Marketing Mix has been often the subject of debate and research as to its

<table>
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<tr>
<th>Author(s)</th>
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<tbody>
<tr>
<td>Bennett 1997</td>
<td>Focused on internal variables therefore incomplete basis for marketing. Customers are disposed to buy products from the opposite direction to that suggested by the Marketing Mix</td>
<td>Five Vs are the criteria of customer disposition: - Value - Viability - Variety - Volume - Virtue</td>
</tr>
<tr>
<td>Yudelson 1999</td>
<td>The 4Ps are not the proper basis of the 21st century marketing. The Marketing developments of the last 40 years require a new flexible Platform while the simplicity of the old model remains an attractive fact</td>
<td>4 new Ps based on exchange activities: Product -&gt; Performance Price-&gt; Penalty Promotion-&gt; Perceptions Place-&gt; Process</td>
</tr>
<tr>
<td>Schultz 2001</td>
<td>Marketplaces today are customer oriented. The 4Ps have less relevance today, they made sense the time they were invented</td>
<td>- End-consumer controls the market - Network systems should define the orientation of a new Marketing - A new Marketing mix must be based on the Marketing Triad Marketer, Employee and Customer</td>
</tr>
</tbody>
</table>
Table 2. Review of Relationship Marketing Literature

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
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<tbody>
<tr>
<td>Lauterborn 1990</td>
<td>The 4Ps Marketing Mix is product oriented,</td>
<td>Four Cs replace the 4Ps, indicating the customer orientation</td>
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<td></td>
<td>The successful marketing plan must place the customer in the centre</td>
<td>- Customer needs</td>
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<td>of the marketing planning</td>
<td>- Convenience</td>
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<td></td>
<td>Four Cs replace the 4Ps, indicating the customer orientation</td>
<td>- Cost (customer’s)</td>
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<td></td>
<td>- Communication</td>
<td></td>
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<tr>
<td>Rozenberg, Czepiel 1992</td>
<td>Keeping existing customers is as important as acquiring new ones.</td>
<td>Retention Marketing Mix:</td>
</tr>
<tr>
<td></td>
<td>The approach towards existing customers must be active, based on a</td>
<td>- Product extras</td>
</tr>
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<td></td>
<td>separate marketing mix for customer retention</td>
<td>- Reinforcing promotions</td>
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<td></td>
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<td>- Sales-force connections</td>
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<td></td>
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<td>- Specialised distribution</td>
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<tr>
<td></td>
<td></td>
<td>- Post-purchase communication</td>
</tr>
<tr>
<td>Gummesson 1994, 1997</td>
<td>“The role of the 4Ps is changing from being founding parameters</td>
<td>30 R(elationship) parameters illustrate the role of marketing as a mix of relationships, networks and interaction</td>
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<td></td>
<td>of Marketing to one of being contributing parameters to</td>
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<td></td>
<td>relationships, network and interaction”...</td>
<td></td>
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<tr>
<td>Grönroos 1994</td>
<td>Several arguments underlying the limitations of the marketing mix as</td>
<td>Relationship marketing offers all the necessary ingredients to</td>
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<td></td>
<td>the Marketing paradigm:</td>
<td>become the new Marketing Paradigm, while the Marketing Mix is not suitable to support a</td>
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<td></td>
<td>Obsolete, not integrative, based on conditions not common to all</td>
<td>relation-based approach</td>
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<td></td>
<td>markets, production oriented, not interactive etc.</td>
<td></td>
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<tr>
<td>Goldsmith 1999</td>
<td>The trend towards personalisation has resulted in an increasing</td>
<td>The personalised Marketing Plan includes 4 more P’s next to the traditional Ps of the Marketing</td>
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<tr>
<td></td>
<td>contribution of services to the marketing of products.</td>
<td>Mix</td>
</tr>
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<td></td>
<td>Personalisation must become the basis of the marketing</td>
<td>- Personalisation</td>
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<td></td>
<td>management trajectory</td>
<td>- Personnel</td>
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<td></td>
<td></td>
<td>- Physical Assets</td>
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|                      |                                                                           | - Procedures                                                                                     | **Cont’d...**
The traditional Marketing Mix therefore has a clearly offensive character because the strategies associated to the 4Ps tend to be function-oriented and output oriented. Well-managed organisations must shift the emphasis in managing valued customer relationships in order to retain and increase their customer base.

Four information-intensive strategies form the “new Cs” of Marketing: 
- Communication 
- Customisation 
- Collaboration 
- Clairvoyance

The weight of Marketing Management is clearly switching towards relationship marketing as the future marketing paradigm.

The Relationship Marketing addresses the elements of Marketing Management identified by the Marketing Relationship trilogy: 
- Relationships 
- Neo-Relationship Marketing 
- Networks

capacity to address the relationship marketing. Research done by Ailawadi et al. (2001) questions the effect of promotions and advertising as marketing tools for customer retention while the study of Alsem et al. (1996) confirms that creating long-term relationships with customers is considered as the main company marketing focus of approximately 60% of the companies surveyed (this percentage has gone up by 20% in five years). A summary of opinions on the use of the Mix in a relationship marketing context is illustrated in Table 2.

The overwhelming majority of authors from the relationship-marketing field are clear and categorical on the role of the 4Ps in the context of Relationship Marketing: the framework cannot be the basis for retention-based marketing. Some specific limitations of the Mix draw most of the attention:

- Product orientation rather than customer orientation and focus (Lauterborm 1990; Rozenberg, Czepiel 1992). The explicit focus of the Mix on internal processes undermines the elements of customer feedback and interaction as basis of building up relationships and retention. In the context of relationship building the Mix fails to address the individual customer needs.
- One-way orientation: No interactivity and personalised communication is supported given the background and character of the mix as a mass-marketing era concept (Gummesson 1994, 1997; Grönroos 1994; Goldsmith 1999).
- The 4Ps framework is perceived as having an offensive rather than
collaborative character (Patterson and Ward 2000).

Relationship marketing supporters are quite critical as to the academic and practical value of the 4P paradigm. All reviewed authors propose new conceptual frameworks where communication, personalisation and interaction are central.

**The Marketing Mix and the Services Marketing**

Early references identifying differences between tangibles and intangibles underlying the distinctive character of services marketing are found in the works of Branton (1969) and Wilson (1972). During the 70’s more researchers emphasised the special character of the services (Blois 1974; Bessom and Jackson 1975; Shostack 1977); several alternative methodologies and marketing conceptual frameworks for services marketing have been proposed ever since. The services marketing domain gradually acquired a distinct position among other marketing sub-disciplines. Two reasons contributed to this development:

a. Services have become major generators of economic activity and substantial source of corporate revenue in western post-industrial economies.

b. Service became increasingly part of physical products, as element of the augmented product dimension (Kotler et al. 2001; Jobber 2001). As such, service became significant parameter of product differentiation and important basis of competitive advantages.

The special nature of services and the proposed approaches to services marketing are summarised in Table 3.

**Table 3 Review of Services Marketing Literature**

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Booms and Bitner 1981</td>
<td>Recognising the special character of the services as products, they demonstrated the importance of Environmental factors (Physical Evidence) influencing the quality perception. They included the Participants (personnel and customers) and the Process of service delivery as the additional Marketing Mix factors.</td>
<td>The Services Marketing Mix includes next to the 4Ps three more P’s: - Participants - Physical Evidence - Process</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Arguments</td>
<td>Proposition</td>
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</tr>
<tr>
<td>Cowell 1984</td>
<td>Three aspects justifying the revision of the original Marketing mix framework:</td>
<td>Adopts the framework proposed by Booms and Bitner</td>
</tr>
<tr>
<td></td>
<td>- the original mix was developed for manufacturing companies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- empirical evidence suggesting that marketing practitioners in the service sector find the marketing mix not being inclusive enough for their needs</td>
<td></td>
</tr>
<tr>
<td>Brunner 1989</td>
<td>The 4P Marketing mix elements must be extended to include more factors affecting the services marketing thus becoming mixes themselves</td>
<td>- Concept Mix</td>
</tr>
<tr>
<td>Ruston and Carson 1989</td>
<td>The unique characteristics of the services – intangibility, inseparability, perishability and variability – make the control of the marketing process, using the generalised tools of marketing, inadequate</td>
<td>- Cost Mix</td>
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<td></td>
<td>New instruments and concepts must be developed to explain and manage the services intangibility</td>
<td>- Channels Mix</td>
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<td></td>
<td>Segmentation and differentiation is the basis of successful positioning of services. Furthermore the personal relationship with the customer and the quality of the service are important elements of the services Marketing</td>
<td>- Communication Mix</td>
</tr>
<tr>
<td>Fryar 1991</td>
<td>Interaction between the one delivering the service and the customer is very important and has direct effect on the service quality and quality perception. The Product element can be better demonstrated as having two components, the primary and secondary service elements as well as the process</td>
<td>The Marketing of services requires:</td>
</tr>
<tr>
<td></td>
<td>The Services Marketing Mix:</td>
<td>- Differentiation based on segmentation and positioning</td>
</tr>
<tr>
<td></td>
<td>- Personnel</td>
<td>- Customer contact</td>
</tr>
<tr>
<td></td>
<td>- Product</td>
<td>- Unique vision on quality</td>
</tr>
<tr>
<td></td>
<td>- Place</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Price</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Promotion</td>
<td></td>
</tr>
<tr>
<td>Heuvel 1993</td>
<td>While recognising that the content of the 4Ps in the service sector is somehow different from that of the tangibles he does accept the 4Ps as the elements of the services marketing mix. He identifies special difficulties in Promotion and Place preferring to replace them by the terms Communication and Distribution</td>
<td>Service Marketing Mix:</td>
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<tr>
<td></td>
<td>Cont’d…</td>
<td>- Product</td>
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<tr>
<td>Doyle 1994</td>
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<td>- Price</td>
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<td></td>
<td></td>
<td>- Communication</td>
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<td></td>
<td></td>
<td>- Distribution</td>
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<td>Author(s)</td>
<td>Arguments</td>
<td>Proposition</td>
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<td>---------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Melewar, Saunders 2000</td>
<td>The Corporate Visual Identity System (CVIS) is the basis of the corporate differentiation and the core of the company’s visual identity.</td>
<td>A new P must be added to the 4Ps of the Marketing Mix (and the 3Ps of the Services Mix) namely the Publications</td>
</tr>
<tr>
<td>English 2000</td>
<td>The traditional Marketing has never been an effective tool for health services marketing</td>
<td>A new framework emerges, emphasising the 4 Rs - Relevance - Response - Relationships - Results</td>
</tr>
<tr>
<td>Grove et al., 2000</td>
<td>Services Marketing can be compared to a theatrical production. How the service is performed is as important as what is performed. Critical factor is therefore the customer experience. The traditional Marketing Mix does not adequately capture the special circumstances that are present when marketing a service product</td>
<td>Four strategic theatrical elements constitute the Services Experience: - Actors - Audience - Setting - Performance These elements must be added to the extended services Marketing Mix model of Booms en Bitner</td>
</tr>
<tr>
<td>Beckwith 2001</td>
<td>Marketing services in a changing world requires focusing on increasing the customer satisfaction and rejecting old product paradigms and marketing fallacies.</td>
<td>The four keys of Modern (services) Marketing - Price - Brand - Packaging - Relationships</td>
</tr>
</tbody>
</table>

All reviewed authors agree on the special character of services vs. tangibles and highlight the need for specific management attitudes when dealing with services marketing issues.

- A key factor distinguishing the services marketing from marketing of physical products is the human element, often included as new parameter in the services marketing mix. (Booms and Bitner 1981; Cowell 1984; Heuvel 1993; Melewar and Saunders 2000; Grove et al. 2000). The human factor underlines the personal nature of the services marketing; service providers play a double role in the marketing
process as service delivering factors: the personnel is a powerful element tool of customer persuasion and a major parameter affecting the customer’s perception on the delivered service quality.

- Interaction and quality are often identified as two issues missing in the 4P framework, yet requiring special attention in services marketing. Furthermore the personal character of services makes the quality standardisation a difficult and challenging task. (Rushton and Carson 1989; Fryar 1991; Beckwith 2001).

- One-to-One communication and relationship building are also fundamental elements of the services marketing not adequately addressed by the 4Ps (Doyle 1994), English (2000).

Most reviewed researchers resist the idea of applying the 4Ps as the single tool for designing services marketing, proposing either the addition of new elements to the Mix or its substitution by different approaches.

**Marketing Mix and the Retail Marketing**

As recently as two decades ago most manufacturers of consumer products considered communication with the final customer as one of their essential marketing tasks. Being the dominant market party, producers would employ mass marketing campaigns aiming at increasing brand recognition, product awareness and mind share, as basic ingredients for stimulating product demand. Retailers and other intermediaries were considered as somewhat secondary actors in the marketing process, their responsibility confined in the functions of stocking and re-selling products (McCarthy 1978).

Consolidation of the retailing sector, globalisation and private branding have transformed the retailing landscape. A significant power migration along the supply chain gave retailers gradually more control over the marketing processes and at the same time exposed them to increasing industry competition. Trying to build up strong market positions and competitive advantages, retailers were forced to adopt more professional and proactive commercial approaches, becoming gradually real marketers, rather than distributors and in-store merchandisers (Mulhern 1997). Supply chain management, efficiency, customer retention and customer lifetime value (Reichheld and Sasser 1990; Rosenberg and Czepiel 1992) form the cornerstone of many retailers’ marketing strategies today. The consistent effort to build long-term relationships with the customer (Alexander and Colgate 2000) shifted the focus from the passive application of the 4Ps to “execution” (Salmon 1989) where retail formats, personnel, service and presentation are becoming the critical elements of retail marketing. (Table 4). The retail marketing theory embraces elements of both services marketing and relationship marketing, discussed in the previous chapters. The
arguments against using the 4Ps as basis for services and relationship marketing can be easily expanded to retail marketing (Mulhern 1997; Kotler 2003). Yet retail marketing includes some additional, distinctive aspects that the Marketing Mix also fails to address: physical evidence, shopping experience, atmosphere (van der Ster 1993; Boekema et al. 1995; Mulhern 1997; Kotler 2003) and personalised rather than mass contacts (Wang et al. 2000). The authors reviewed agree that the 4Ps do not present an adequate platform for planning of marketing activities in this domain. Most researchers suggest replacing the mix with new concepts or adding new elements to it. Personnel, Presentation and Retail Format are factors contributing to unique customer experience as basis of differentiation and retention.

Table 4. Review of Retail Marketing Literature

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ster van der</td>
<td>The retail format is the focus of retail marketing, the basis of merchant differentiation and the element that attracts potential customers in the retail outlet. The Marketing Mix for retailers is divided into two groups of factors the logistical and commercial ones</td>
<td>The Retailing Marketing Mix:</td>
</tr>
<tr>
<td>1993</td>
<td></td>
<td>Logistics Concept:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Place Mix</td>
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<tr>
<td></td>
<td></td>
<td>- Physical Distribution Mix</td>
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<td>- Personnel Mix</td>
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<td></td>
<td></td>
<td>Commercial Concept</td>
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<td></td>
<td></td>
<td>- Product Mix</td>
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<td></td>
<td></td>
<td>- Presentation Mix</td>
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<td></td>
<td></td>
<td>- Price Mix</td>
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<td></td>
<td></td>
<td>- Promotion</td>
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<tr>
<td>Boekema et</td>
<td>The consumer choice for a retail outlet depends on the “Shop Picture” the customer develops. The retailers can use the Marketing mix instruments in order to give form to their retail format (retail formula) which addresses the consumer’s expectations and influences his/her choice</td>
<td>The Retailing Marketing Mix:</td>
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<tr>
<td>1995</td>
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<td>- Place</td>
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<td></td>
<td></td>
<td>- Assortment</td>
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<td></td>
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<td>- Shop Presentation</td>
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<td></td>
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<td>- Price Policy</td>
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<td></td>
<td></td>
<td>- Personnel</td>
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<td></td>
<td></td>
<td>- Promotion</td>
</tr>
<tr>
<td>Rousey, Morganosky</td>
<td>Empirical evidence suggests that the retail formats rather that the individual elements of the Marketing Mix are the building blocks of customer value.</td>
<td>Retailing marketers should replace the 4Ps with the Lauterborn’s 4 C’s</td>
</tr>
<tr>
<td>1996</td>
<td></td>
<td>- Customer needs</td>
</tr>
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<td></td>
<td></td>
<td>- Convenience</td>
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<td>- Cost (customer’s)</td>
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<td></td>
<td></td>
<td>- Communication</td>
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Cont’d...
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
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<tbody>
<tr>
<td>Mulhern 1997</td>
<td>Modern retailing is increasingly based on a shift from traditional merchandising that usually places attention to marketing mix elements, towards active customer management by means of an integrated approach to retailing. More emphasis to customer relationships, rewarding regular customers and close cooperation with manufacturers</td>
<td>Elements of the integrated Retailing Strategy are: Store location, Store positioning, Store image, Physical environment, Retail service</td>
</tr>
<tr>
<td>Wang et al. 2000</td>
<td>While the 4Ps form the basis of the traditional marketing, the task of marketers in relationship marketing is different: The main tasks are identifying, establishing, maintaining and enhancing relationships (Grönroos 1996).</td>
<td>The Basic components of Web retail are the three basic components of relationship marketing: Database, Interaction, Network</td>
</tr>
<tr>
<td>Kotler 2003</td>
<td>The customer sophistication has forced retailers to review their strategies. Factors like procurement and service have become basic elements of the retailer’s marketing mix</td>
<td>Retailer’s marketing Decisions: Target Market, Product assortment and Procurement, Services and Store Atmosphere, Price Decision, Promotion decision, Place Decision</td>
</tr>
</tbody>
</table>

**The Marketing Mix and the Industrial Marketing**

The Industrial or Business-to-Business Marketing is a theoretical domain that obtained early on an independent status as marketing sub-discipline; the majority of contemporary Marketing textbooks assign a separate chapter to B2B marketing and the buying behaviour of industrial organisations. While some authors think that Industrial Marketing and Consumer Marketing are not fundamentally dissimilar (Smallbone 1969 and recently Coviello and Brodie 2001), most researchers agree that Industrial marketing is indeed different from consumer marketing in a number of aspects like the formalised decision making procedures, the buying practices and rationality of choices and the special character of the industrial customer (Alexander et al. 1961; Kotler 1976; Wind and Webster 1972; Fern and Brown 1984). Long-term relationships, based on empathy, mutual benefits and co-operation (Flint et al. 1997), understanding of customer’s needs (Shaw 1995) and service
(Cunningham and Roberts 1974) are other important success factors. The 4P Marketing Mix is seldom mentioned in the Industrial Marketing literature as a usable management tool. (Table 5)

Table 5. Review of Industrial Marketing Literature

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
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<tbody>
<tr>
<td>Turnbull, Ford and Cunningham 1996</td>
<td>More than 20 years of research by the International Marketing and Purchasing Group (IMP) indicate that success in Business to Business Marketing is based on the degree and the quality of the interdependence between firms</td>
<td>Competitive advantage of firms engaged in B2B marketing will depend on:</td>
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<td></td>
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<td>- Interaction with Customers</td>
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<td>- Interaction Strategies</td>
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<td>- Organisation Evolution</td>
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<td>- Improvements in Customer Portfolios</td>
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<td></td>
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<td>- Inter-organisational - Personal Contacts</td>
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<tr>
<td></td>
<td></td>
<td>- Network Mobilisation</td>
</tr>
<tr>
<td>Davis, Brush 1997</td>
<td>The 4Ps Marketing Mix is not suitable as the conceptual basis for the Marketing of the High-tech Industry. This because: a. The 4Ps are based on marketing of consumer products, b. International elements are not taken into consideration</td>
<td>13 strategic elements form the Marketing platform of the High-tech industry</td>
</tr>
<tr>
<td>Parasuraman 1998</td>
<td>The key to value creation is assisting the customer to achieve his own corporate objectives.</td>
<td>The basis of Industrial Marketing is the Personalised Approach with special emphasis on:</td>
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<td></td>
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<td>- Customer Service</td>
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<td></td>
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<td>- Teamwork</td>
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<td>- Service Quality</td>
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<td></td>
<td></td>
<td>- Excellence</td>
</tr>
<tr>
<td>Andersen, Narus 1999</td>
<td>The role of business marketing in a value-based environment is the efficient management of relationships and networks.</td>
<td>Value-based positioning orients and updates each of the four Ps</td>
</tr>
</tbody>
</table>

The criticism of the Marketing Mix from the Industrial Marketing domain is concentrated on the following issues:
- The emphasis of Industrial marketing on collaboration and personalized approach is at odds with the impersonal, mass-oriented and acquisition-oriented character of the Mix (Turnbull, Ford and Cunningham 1996). Mutual dependence and close relationships between industrial sellers and buyers have been important aspects of Industrial Marketing. In this setting personal selling rather than mass communication and promotion, has traditionally been the prime industrial marketing instrument. Perceived personality similarities and trust (Dion et al. 1995) are core elements of the industrial commercial interaction. Furthermore the long-term character of the buyer-seller relationships in industrial markets underlines two more weaknesses of the Marketing Mix as Industrial Marketing tool namely its operational orientation and the lack of strategic components.

- Building successful industrial relationships requires creating value for the customer, something depending on understanding and delivering value (Parasuraman 1998; Andersen and Narus 1999).

The Marketing Mix and E-Marketing

The commercialisation of Internet brought about a new breed of virtual business engaged in a variety of commercial (and often non-profit) online activities usually referred to as E-Commerce. [4] Without being something essentially new as to the types of the supported commercial practices and activities, E-Commerce presented Marketing academics and practitioners with several unique challenges: customer empowerment, new forms of communication and interaction, global and around-the-clock operation, high degree of market transparency and difficulty in maintaining competitive advantages (Weltz 1995; Seybold and Marshak 1998; Porter 2001).

During the second half of the 90s the world witnessed an explosive growth of Internet firms and online users; the Web seemed to become the new and promising business frontier. Yet the initial excitement and inflated hopes did not prevent massive failures of ambitious online projects that brought an end to the Internet gold rush of the 90s. The dot.com demise (Webmergers.com 2002) demonstrated that the optimistic promises of a so-called New Economy were largely unfounded and commercially unsustainable, at least for the time being.

The apparent difficulty of the many Internet pioneers to effectively exploit

---

4 E-Commerce can be defined today as a collection of Internet-based tools, processes and activities supporting, supplementing, improving or replacing traditional commercial (and some times non-commercial) practices. Such practices include Promotion, Acquisition, Sales, Communication, Customer Retention, Personnel Recruitment, Market Research etc.
the virtual marketplace in the 90’s and the reasons for their failures is already
and will continue for some time to be the subject of debate and research.
Researchers, consultants and practitioners have already identified several
causes behind the dot.com failures. Managerial skills, naivety, technology
drawbacks, lack of financial control, non-viable business models and last but
not least old-fashion product orientation, have been named as contributing
reasons to the dot.com demise (Colony 2000; Innosight 2001; Porter 2001;
Owen 2001; Pew Internet 2001; webmergers.com). The suitability of the
Marketing Mix as tool of E-Marketing and its possible contribution to
creation of unsustainable online business models has also been suggested as
possible contributors to dot.com failures (Cash 1994; Hoffman and Novak
1997; Constantinides 2002). From 1995 on an ever-increasing number of
scientific papers and text books have been dealing with the issue of E-
Marketing Mix and the role of the 4Ps in it (Table 6).

- Comparing the extend of criticism expressed in the more “traditional”
  marketing areas one could argue that the proportion of researchers and
  writers who seem to be in favour of the 4P’s as the E-Commerce
  marketing paradigm even in its basic, original form is relatively high
  (Peattie 1997; O’Connor and Galvin 2000; Bhatt and Emdad 2001; Allen
  and Fjermestad 2001). Other authors favour minor changes likely to
  make the framework more suitable for the Internet environment
  (Aldridge et al. 1997; Lawrence et al. 2000).

- Most writers though are clearly in favour for totally new approaches
  (Mosley 1997; Evans and King 1999; Chaffey et al. 2000; Kambil and
  Galvin 2000, Schultz 2001, Constantinides 2002). Internal orientation,
  lack of interactivity and personalisation, lack of strategic elements and
  lack of community building are some of the frequently mentioned
  weaknesses of the Mix.

The apparently cautious attitude of several authors towards the Marketing
Mix framework in this novel marketing domain is at odds with the more
categorical rejection of the Mix in the previously discussed more
“traditional” marketing areas. This paradox can be attributed to the newness
of the subject and the relatively limited research on this area. Yet E-
Marketing is a complicated terrain combining several elements of most of the
previously reviewed categories – consumer marketing, retail marketing,
services marketing, relationship marketing – along with some unique
features; in this respect one can argue that the criticism expressed in the other
examined domains is also relevant to E-Marketing.
### Table 6. Review of E-Commerce Marketing Literature

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
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</table>
| Peattie. 1997                  | The new communication and interaction capabilities will change everything around marketing in many industries, yet the basic marketing concept will remain unchanged. New role for the 4P’s of the Marketing Mix. | - Product: co-design and production  
- Price: more transparency  
- Place: direct contacts with customers  
- Promotion: more control of the customer, interaction |
| Aldridge, Forcht, Pierson. 1997| There are several and important differences between the physical Marketing and the online marketing. Many new factors define the limitations of the traditional Marketing Management. While the 4P’s can remain the backbone activities of E-commerce they acquire a new and different role in the online marketplace. | - Who: Target audience / market  
- What: Content  
- When: Timing and updating  
- Where: Findability  
- Why: Unique Selling Proposition |
| Mosley-Matchett. 1997          | A successful presence on the Internet is based on a Web site designed on the basis of a Marketing Mix of 5 W’s | - Web Planning: defining mission and goals  
- Web Access: How to get Web entry  
- Site Design and Implementation: Content  
- Site Promotion, Management and Evaluation: Commercial and managerial aspects |
| Evans and King. 1999           | There are four steps in building a successful B2B web site. Each of these steps brings with it a number of major managerial implications. | - Web Planning: defining mission and goals  
- Web Access: How to get Web entry  
- Site Design and Implementation: Content  
- Site Promotion, Management and Evaluation: Commercial and managerial aspects |
| Chaffey et al. 2000             | Argues that the Internet can provide opportunities to vary the elements of the traditional marketing mix, while he identifies six key elements for effective web site design: Capture, Content, Community, Commerce, Customer Orientation, Credibility. | The Internet marketing planning is based on eight critical factors:  
- Potential Audience  
- Integration  
- Marketing Support  
- Brand migration  
- Strategic Partnerships  
- Organisational Structure  
- Budget | Cont’d...
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
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<tbody>
<tr>
<td>Lawrence et al. 2000</td>
<td>A hybrid approach suggesting that creating an online marketing activity should be based on the traditional Ps of the marketing mix (indeed with two add-ons; people and packaging) as well as the new five P’s of Marketing</td>
<td>The New Five Ps of Marketing are:</td>
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<td></td>
<td></td>
<td>- Paradox</td>
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<td>- Perspective</td>
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<td></td>
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<td>- Paradigm</td>
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<td>- Persuasion</td>
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<td></td>
<td></td>
<td>- Passion</td>
</tr>
<tr>
<td>Kambil and Nunes 2000*</td>
<td>Looking to the marketing of music products E-Commerce Marketing requires new approached from marketers, they have to move away from the traditional approach based on the 4P Marketing Mix</td>
<td>Important elements of the online marketing are:</td>
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<td></td>
<td></td>
<td>- Community building</td>
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<td>- Original event programming</td>
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<td></td>
<td></td>
<td>- Convenience</td>
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<tr>
<td></td>
<td></td>
<td>- Connectivity</td>
</tr>
<tr>
<td>O’Connor and Galvin 1997</td>
<td>While concluding that the marketing is finding itself in a mid-life crisis they suggest that the 4P’s can remain the backbone of online marketing they argue that technology can be implemented in order to improve and optimise the online, 4P-based marketing activities</td>
<td>New technology-based functionality maintains the 4P’s as the basic planning tool for online marketing</td>
</tr>
<tr>
<td>Bhatt and Emdad 2001</td>
<td>The virtual value chain is changing the nature of the 4P’s and transforms them by adding new dimensions. Businesses still make their strategic marketing decisions based on the 4P Marketing Mix.</td>
<td>New Character of the 4P’s</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Product: new options for customised information</td>
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<tr>
<td></td>
<td></td>
<td>- Place: no time and location restrictions, direct delivery</td>
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<tr>
<td></td>
<td></td>
<td>- Price: price discrimination and customisation, price transparency</td>
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<tr>
<td></td>
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<td>- Promotion: action-oriented promotional activities are possible, promotional flexibility</td>
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### The Marketing Mix Revisited

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Arguments</th>
<th>Proposition</th>
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<tbody>
<tr>
<td>Schultz 2001</td>
<td>Marketplaces today are customer oriented. The 4P’s have less relevance today; they made sense the time they were invented. Succeeding in the 21st century interactive marketplace means that marketing has to move from an internal orientation illustrated by the 4 Ps to a view of the network or system.</td>
<td>- End-consumer controls the market - Network systems should define the orientation of a new Marketing - A new Marketing mix must be based on the Marketing Triad Marketer, Employee and customer</td>
</tr>
<tr>
<td>Allen and Fjermestad 2001</td>
<td>Accept that the traditional 4P marketing Mix can be the basis of the E-Commerce strategy and identify the changes that are needed to make the model suitable for e-marketing.</td>
<td>4P’s major changes in an E-commerce situation - Product: information, innovation - Place: Reach - Price: Increased competition - Promotion: More information, direct links</td>
</tr>
<tr>
<td>Constantinides 2002</td>
<td>Some major flaws of the 4Ps mix as basis of online marketing activities: Lack of interactivity, lack of strategic elements in a constantly developing environment, the 4Ps are not the critical elements of online marketing.</td>
<td>The 4S model offers a comprehensive, integral approach on managing the online presence: - Scope: Strategic issues - Site: Operational issues - Synergy: Organisational issues - System: Technological issues</td>
</tr>
</tbody>
</table>

### Issues for Further Research

There is little doubt that new technologies and market trends will keep shaping the marketing landscape of the 21st century, frequently changing the rules and modifying the critical factors affecting the marketing processes. The question of the present and future status of the Marketing Mix must be assessed in more marketing domains both traditional and emerging. Objective evaluation remains though a challenging problem, considering the complexity of experimentation and validation of normative frameworks. Nevertheless research and debate about the Marketing Mix as foundation of contemporary marketing should be further encouraged.

In that respect it is necessary that identification and analysis of academic arguments and opinions on the suitability of the Marketing Mix as reaching and management tool in other marketing domains not covered by this study must be undertaken, so that a comprehensive picture on the present and the
future of the Mix can be drawn.

An interesting yet more specific question relevant to this effort can be the degree of possible contribution of the 4Ps to the demise of many pioneering and ambitious Internet companies of the 90's. Two issues worth further study along this line:

a. To what extend online marketers had been applying the Mix as the sole tool of marketing planning for Internet start-ups during the booming years of the 90s?

b. Is there a link between using the 4Ps as basis of their marketing planning and the demise of their firms?

Findings in this area will offer useful input in the Marketing Mix debate and help in the direction of developing fresh conceptual approaches, suitable for new forms of 21st century marketing.

Summary - Conclusions

The ongoing debate surrounding the Marketing Mix as a marketing management tool has been primarily fought on theoretical rather than empirical level. This due to lack of reliable research data on the way the Mix is used by practitioners dealing with marketing problems as well as lack of data about the exact effects of the Ps on the success or failure of marketing programs. This means that a clear and undisputed answer to the question whether the mix will survive as the marketing tool of the 21st century requires further research and debate. In this background this study attempts to identify the current standing in this dispute by reviewing the relevant academic literature covering a segment of the marketing terrain: six marketing sub-domains or marketing areas, five of them “traditional” and one emerging.

The majority of researchers and writers reviewed in these domains express serious doubts as to the role of the Mix as marketing management tool in its original form, proposing alternative approaches: adding new parameters to the original Mix or replacing it with alternative frameworks altogether. Doubts on the hands-on practical value of the Mix as a marketing toolkit are echoed by scepticism expressed as to its value as a teaching tool (Rafiq and Ahmed 1992).

Some of the weaknesses of the 4Ps identified in the study are domain-specific: ignoring the human factor, lack of strategic dimensions, offensive posture and lack of interactivity. Two limitations however seem to be common in all reviewed categories: The model’s internal orientation and the lack of personalisation.
The internal orientation of the Mix – the lack of explicit market input in the framework – stems from the origin of the concept. The Mix was originally developed as a concept suitable for marketing of consumer products in the mass-oriented US manufacturing sector of the 60’s, an era when producers could afford to pay much less attention to customer’s voice and needs than today. Applying the Mix as basis of Marketing Planning in its original form in today’s highly competitive, dynamic and technology-mediated markets (McKenna 2003) can lead to serious undermining of the firm’s competitive position. Marketing efforts in today’s and future marketplace are likely to succeed if they are based on close and constant monitoring of the external environment, with special attention on the frequently changing customer behaviour and needs. Competition, trends and macro-environment are also elements reacquiring constant attention.

If marketing is to exist as a significant value-adding corporate activity in the future (Porter 1985), marketers must focus their attention on getting better insight on the dynamics and the constantly changing rules of the marketing environment of the 21st century. Instead of managing the 4Ps-defined processes managers should focus on the factors underlining customer value as well as building market-oriented, flexible and inventive organisations, able to constantly innovate and adapt to fast-changing market conditions.

The lack of personalisation i.e. the mass-market orientation of the Mix, can likewise be traced in the origin of the framework. Significant shifts of consumer behaviour (individualisation, diminishing brand preference, value orientation, increasing sophistication etc.) have undermined the effectiveness of the impersonal one-way communication and the mass marketing approaches. The constant stream of new technologies available to businesses and customers not only reduces transaction and switching costs but also offers to customers more choices, global access of products or services and new possibilities in addressing individual and very specific needs. In such an environment the service and the personalised client approach have become imperatives; one should expect that the Marketing in the 21st century will become not only more sophisticated but also much more interactive and individual. The quality of the personal relationship between seller and customer and successful customer retention are becoming basic ingredients of commercial performance in all markets, either consumer or institutional ones.

Evaluating the standing of a marketing axiom as the 4Ps Marketing Mix is a complex issue and arguments will be always open to debate. Sceptics might
even question the very logic of disputing the merits of the Mix, arguing that the way of applying a tool is what really matters, rather than the tool itself. The findings of study support the frequently expressed opinion that marketing management and teaching is ripe for a paradigm shift, at least within the reviewed marketing domains. New concepts proposed should adequately deal with the new realities of marketing the old Mix was never meant to address.

An essential parameter for any theoretical development is the trust of the marketing practitioner in the 4Ps; marketers have embraced the Mix for more than 40 years, despite the lack of solid evidence that the concept is actually better than other alternatives. For all intents and purposes practitioners will endorse a new framework only if they are persuaded that this can meet their management and planning needs better than the 4Ps, while upholding the Mix’s essential features, namely simplicity, applicability and richness.

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what we buy and why in the new economy. London: Brealey.

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About the Author

Efthymios Constantinides studied Economics in Athens and followed post graduate studies in Economics of European Integration in Amsterdam. After a corporate career of ten years (among others at Ericsson and KLM) he worked for 10 years as Senior Lecturer Marketing for the International Agricultural College Larenstein, (The Netherlands) and since 2001 works as Assistant Professor E-Commerce at the Faculty Business, Public Administration and Technology of the University of Twente (The Netherlands). He received his PhD in Marketing in Virtual Environments.