

MARKETING MIX IN THE CATERING, HOTEL INDUSTRY AND TOURISM 4P+3P

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Abstract:

This paper focuses on additional 3P marketing, which is typical for marketing of services, catering and tourism. In the literature and business practice of marketing, generally accepted concept of the classical marketing mix is so called 4P concept.

This concept of marketing mix for the purposes of marketing of services must be adapted and modified. The high level of interaction between the process of hospitality and the nature of the services has affected the traditional concept of marketing mix to expand the service area by adding elements – instruments:

- (1) Processes (procedures, mechanisms and flow of activities by which services are delivered to customers)
- (2) Physical evidence (physical evidence implies to an environment that facilitates service transactions or affects the perception, and those are: ambient conditions, spatial layout, signs and symbols, etc.)
- (3) People (referring to all personnel involved in service processes, where on one side are employees and on the other are service consumers as co-producers and other consumers, as people who can influence the overall perception)

Key words: Marketing of services, the concept of classical 4P of marketing mix, extended concept of marketing mix 7P, mix in hospitality and tourism.

INTRODUCTION

One of the most significant services on which the highest degree of consensus was reached among leading experts, yet strongly affect the business and marketing strategy are : intangibility, heterogeneity (variability) of services, simultaneity (inseparability) regarding the production and consumption; and perish ability (impermanence) of services.

However, partially contained in the previous sentence given, the inability of possession stands out as a separate specificity.

Each of these characteristics affects more-less different aspects of supply and demand in service companies. While branding of physical products focuses on the development of functional and emotional benefits that the consumer has from products (brand), in the

context of services, the focus is increasingly shifting to the internal dimension, having in mind that during the interaction with consumers they create key benefits for the client.

When we take into consideration greater impact of human factors (that creates a higher level of quality), which means a greater participation of consumers in service delivery, internal

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dimensions is of paramount importance for creation of total value of a product in the service sector and of course in hospitality and tourism.

For a consumer it is almost not important where and by whom those products were produced, while for services with higher level of physical contact, the service provision personnel is very important.

Therefore it is of great importance to promote the product to the employees, and for the product to be preferred by them, because that is a crucial part of service product. Efficient strategy of product or service must have in the starting point not only consumers, but also employees. The role of employees at the first line of servicing is very important since delivery of value for the consumer takes place precisely during the interaction between companies and consumers. Thus, it is very important the existence of internal communication systems so that they could meet a promises which were given through servicing product. Greater number of service products created specific servicing environment where through the tangible dimension of servicing they contributed to the process of creating a value for consumers and overcoming problems of intangibility and difficulties during determination of its quality.

Servicing environment physically represents the role which packaging and industrial design have in classical approach towards goods. Different elements of servicing environment are very important, and those are design, symbols, links and slogans. While creating a new service or modifying an existing one, one of the main elements is definition of all phases of service delivery, designing of provision of services process. It has to be applicable and operational in order to make it communicable to people on different hierarchical levels in organization and to different hospitality and tourism sectors, particularly on the front service line.

It is necessary to create a schematic plan of servicing so that it could demonstrate service delivery system, because it is needed that greater number of people, participating in this process, understand their roles and exercises, but also they have to identify main points of the delivery process. Classic restaurants, hotels and other facilities in hotel industry and tourism include high quality services which are characterized by interaction between consumers and employees at the front line of servicing, respectively active communication between them; therefore they are connected with most of the services delivered by people.

PROCESS (procedures, mechanisms and course of action)

When it comes to the hotel services for example various points of the service offering process demonstrate how contact occurs between consumers and employees serving on the front line. Consumer also comes into contact with the service environment as well as with the service equipment, then with other consumers, and with all the elements that are in the front stage, i.e. visible part of the service offering process for the

consumer. A number of other points show that consumers are exposed to some elements of the service environment or they come to possess some information about the company (hotel) or about some of the employees, by accident, or through various means of communication. In the case of services where there is little physical contact, or there is an invisible part for the consumer, technical support appears that forms the backstage of the service offering process. There are service limitations and other factors that lead to the human element being indispensable in many situations of the service delivery system. The backstage

includes ancillary services, activities, technology that supports the basic service, all of which is not visible to the consumer. All of the following is invisible to the consumer: process of preparing food in a restaurant or hotel, toilet cleaning, food shopping, technology such as electronic channels through which reservations can be made or a database. Front stage represents everything that consumers can see and also and everything that they can notice during the servicing process. Everything that is associated to services, food, environment and others, where the person used for contact is usually just a waiter, can be seen by the consumers in the hotels or restaurants. In a well-developed service offering process it is necessary to identify: the key activities in designing and delivering services, it is important to distinguish between front stage and backstage; the chart of activities by sequences is essential, as with the help of the roles and tasks is carried out and it represents a milestone in the creation of service processes. It is also necessary to regulate the manner in which activities in the backstage support interaction of serving the consumer on the front line and to establish service standards for the control and measurement as well as to identify potential critical points of the service offering process, etc. Servicing process is often compared to theatre. Theatre actors, in the context of services, are people on the first line of servicing. If we take into account theatre, which has front stage and backstage activities, similar to the hotel and restaurant industries, hence actors are using their scenario so that they could perform they show correctly. Almost the same applies to the employees of the hotel and restaurant industries. For the theatre, show to be well performed all the relevant elements must fit in: good scenario, good actors, adequate service, good performance, suitable environment, supporting activities, same as in servicing process. The process of servicing in the hotels can be schematically presented as consumers paths must be followed in order to observe their activities and time period. Part of the process is developing without interaction, consumer are getting the impression regarding the elements of servicing environment, outlook of the employees and reception. Therefore, the consumer's first contact is done when they want to make a reservation. Interaction first appears when the consumer gets greeted by the door attendant with a welcome and takes their car keys in order to park their car, then receptionist welcomes the guests, checking and confirming their reservation and giving the keys of the room to the guests. These services are a form of front stage. However, not all services can be seen by the consumer, for instance when reception is adding their information to the hotel database, parking of their car, room cleaning services, etc. these activities are a form of backstage process. Certain sequences of hotel services do not last the same time. For example making a reservation lasts very short, same as parking a car, making a first contact with the door attendant, and waiting at the reception desk.

Reservation process takes quite a short time, same as: car parking, waiting at the reception. Later, guest proceeds to his room for a longer period of time, but it takes relatively no time for him to have to his meal. His meal lasts approximately 30-40 min. After his dinner he goes back to his room, he watches the TV for approximately one hour and then he goes to sleep. In the morning he uses a room telephone, he packs his belongings back to his suitcase and then checks out from the hotel. (5. pg 234-232). All this methods of servicing require special servicing development that means to create a special schematic scheme. Schematic scheme is stimulating strategically review of elements and the bond that makes servicing process by the management. Usage of schematic scheme in creating of servicing process in hotel industry provides the bases for the identification of fees, gains, losses and investments, connected to all servicing elements. This plan helps in realization of both internal and external marketing, because it is much easier

and better to develop promotional policies while taking into consideration whole process of servicing.

PHYSICAL EVIDENCE

Service environment consists of the following elements: service area (exterior design, signs – markings, parking, landscape, area surrounding the facility, etc.), interior (interior design, equipment, interior markings, disposition of the facility, air quality, temperature, etc.) other perceptible elements (business cards, office equipment, accounts and invoices, reports, employees dress code, uniforms, brochures, web pages, e-mail, etc.).

Service environment also represents a kind of service package. It is an element of image building and in that sense; it sends certain messages, attracts the attention and makes an impact on the consumers.

Service environment enables that the service is appropriately carried out. The design of the environment influences the course of the activities as well as the overall service process. Service environment also influences socialization of the employees, as well as the consumers in a way that it enables them certain services, behavior and relations. Design of the service environment shows the consumers: which area is intended for them, where to wait for service, which area is intended for staff only, how to behave in certain areas, or generally directs the types of interaction. In catering and hotel industries service environment and space management can follow the direction of enabling the interaction and motivating the communication with other people, or provide the sensation of privacy, romance, peace and serenity.

Service environment differentiates a company from its competition and from other similar facilities. Company uses its service environment to send certain signals about the type of services that certain service area is intended for. It is not an easy task to create a service environment similar to the others to that extent that it indicates the type of services it provides, but in the same time different, so that it is authentic and unique compared to competition. The difference in design (e.g. hotel rooms) is often related to pricing policy (more: 4, pages 334-339).

Behavior of consumers as well as of employees is under a strong influence of environmental conditions, space and its functionality, and signs, symbols and utility objects, which together create a certain image of the service area, i.e. an environment.

This perception of service environment is under the influence of interaction (between consumers and employees) and internal responses (occurring within a personality) in the form of cognitive and affective behavior. A consumer may have a significant influence on the execution of the process of service and on its final effect and the benefits, it can provide for himself as well as for other consumers, for employees and for the company providing the service. Hence, the company's decision to involve the costumers in the process of service is sometimes of strategic importance. The effects are evident in the productivity plan, positioning in relation to the competition, quality of service and the satisfaction of the consumer. In this case, the consumer is seen as a "temporary employee" who needs to be appropriately educated. According to Kotler (1, page 156) a hotel is a catering facility, which provides the guests with services of accommodation and breakfast, and, optionally, other services. Hotels are categorized by 1, 2, 3, 4, 5...stars. A hotel must provide the ambience of warmth and scent, technical and economical comforts. These characteristics are considered the elements of a successful hotel management.

Hotel industry can be perceived as an activity of service providing, in which the service environment represents the crucial element of consumer's satisfaction. The categorization of hotels (and therefore conditions in them, service, prices, etc.) is based on service offer in the center of which is the service environment. These are the main reasons for the importance of the appropriate functioning of service environment. The intricate process of designing and building of hotels and the elements of service environment are just an initial step. Maintenance and frequent refurbishment of the service environment must be an imperative for hoteliers, because the lack of them can prove as very harmful. The character of business of hoteliers is such that consumers/guests and employees accidentally or, occasionally on purpose, cause damages to the facilities - property. Frequency of usage makes the possibility of malfunctions (water leaks in toilets, malfunctioning of air-conditioning equipment, etc.) more likely. If the repairs are not done in time, the expenses can be enormous and have negative consequences on the business of the entire company.

This is why the repairs must be planned, as well as the innovations in terms of redesigning certain elements of service environment that are outdated, or the introduction of new elements which will enhance the comforts for guests or work efficiency of the employees. In this sense, the hotel industry requires the replacement of e.g. decorative ambience, bedding in every 2 to 4 years, carpets and electronics in every 5 to 8 years, furniture in every 7 to 10 years, and bathrooms (complete renovation and replacement) in every 10 to 15 years (more: 7, pages 184 – 193). A good example for creating a new service environment every year is the Icehotel in Jukkasjarvi, Sweden, which is rebuilt every year. Its reconstruction understands new design, suites, interior as well as exterior. In this hotel, everything is made of ice – beds, tables, chairs, even glasses.

PEOPLE (All the persons involved in the process of service)

People represent an influential factor in the formation of service offer. They are one of the main elements of service marketing mix, i.e. 3P marketing mix. This encompasses all the persons involved in the process of service: employees and customers as co-producers and other consumers that can influence the overall perception of service. Recruitment, training, motivation, awards, teamwork are extremely important for employees, and, when it comes to the others (consumers), attention should be paid to: behavior, level of engagement, contact between consumers, education, training, etc. People as a factor, considering the character of services provided by the hotel industry and tourism, are responsible for each of Service Quality Gaps. However, their key influence is on Gap3 which is defined when deviations occur in the relation between the manager's definition of service (especially in terms of quality), standards and the real manner of delivery of service to the consumer.

Basic problems, which occur in hotels or in hotel-catering corporations, are: poor recruitment, lack of teamwork, insufficient authorization, etc. When it comes to the role of consumers in the delivery of service, problems occur in situations when: consumers do not cooperate in an appropriate manner, do not accept or are not aware of their role and responsibility in the process of service, and when consumers influence each other negatively (more: 4, page 349).

In hotel industry, the buyer and the employee are directed towards interaction during the process of creating a service. The success of this interaction depends on the ability of employees to provide service. Good service is a result of the process of service which depends, mostly on employees and their productivity "on the first line of service", on their motivation, knowledge, training and the skills of their immediate managers. Given the space, one could discuss: the model of the total service quality, creation of service culture of business and the role of management, traditional and the organizational pyramid oriented towards the consumer, the role of management in service delivery, point of success as a good basis for the human resources policy, role of the consumer in service delivery, etc.

Due to the characteristics of the process of service and the direct relation with the employees, marketing of services, apart from the traditional, external marketing aimed at the market, requires internal and interactive marketing so that some sort of "marketing of services triangle" can be reached. On its development path, the modern phase of interactive marketing is the most important part of its strategic aspect. The goal is to educate the employees, motivate and gather them around common organizational goals. The key elements of internal marketing may be defined as: motivation and the satisfaction of employees, orientation towards the consumer and his satisfaction, inter-functional coordination and integration, marketing approach to all the segments of business activities, implementation of specific corporate functional strategies (more: 3, page 378 as illustration).

CONCLUSION

Contemporary approach to the development of marketing in hotel industry and tourism presupposes the development of all the elements of the mix (total of 7P), four traditional ones (product, price, promotion and distribution) and three additional ones (processes, environment and people). Each of these elements has its weight and they are combined so as to achieve the optimal results. In the contemporary approach to marketing in hotel industry and tourism, each of the three additional elements of the mix is of great importance, and the goal of this paper is to draw the attention to this fact. For the marketing system of service delivery, generally, applies the rule that it differs when it comes to services presupposing higher level of involvement of physical contact between the staff on the front line of service and the consumers and the services presupposing lower level of involvement of contact between the consumer and the company's employees. In both cases, there is an area invisible to the consumer (the backstage) and the visible area (frontstage). Schematic represents an image or map that shows the service delivery system. People are responsible for each of the Quality Gaps, however, their crucial role in hotel industry and tourism is in Gap3, with the service environment enveloping everything.

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