

### 3Ps of Services Marketing Mix

To discern the differences between services and physical products, the 4Ps marketing mix i.e. **Product**, **Process**, **Pricing** and **Promotion** has been extended to include three additional **3Ps** : **People**, **Physical Evidence** and **Process**. The unique 3 Ps of services marketing influence the customer's decision to purchase a service, the customer's level of satisfaction and repurchase decisions.

#### People :

The role of the service employee becomes much more critical since to a very real extent the employee is the service, given the absence of any tangible artifact. They carry the responsibility of projecting the image of the service firm. Because of the inseparability of production and consumption of services, service delivery is characterized by interactions between customers and service employees. Service employees who experience positive human resource practices can devote their energies and resources to effectively serving their customers. The service firm's human resource management practices can create an environment that elicit more positive, courteous and helpful behavior from the employees toward customers. In turn, the behavior that employees display will positively impact on service quality.

Customers also represent a productive resource. Because customers could serve some of the service employees' job functions, they could help reduce service providers' perceived workloads. When customers become involved in co-production, they are acting the role of partial employees, offering effort or work, time and other resources, as well as executing a portion of the service delivery functions. Therefore if customers assume a more active role in the service production and delivery process, they effectively function as a "resource contributor" and remove some of the labor tasks from service employees.

#### Physical Evidence :

Physical evidence of service includes all the tangible representations of service such as clear signage, good ventilation, adequate space, internet presence, equipment and facility. As services are intangible, customers are searching for any tangible cues to help them understand the nature of the service experience. For example, in the hotel industry, the design, furnishing, lighting, layout and decoration of the hotel as well as the appearance of its employees will influence customer perceptions of the service quality and experiences. For theme parks, restaurants, health clubs, hospitals or schools, the physical facility is critical in communicating the service and making the entire customer experience positive. Ambient conditions include background characteristics of the environment such as temperature, air quality, lighting, noise, music, and scent affect the five senses. Spatial layout of the equipment, and furnishings arranged, the size and shape of these items, and the spatial relationships among them are also crucial to influence customers' perception. Signs displayed

on the exterior and interior of the environment are examples of signals that communicate about the physical evidence of the services marketing mix. They can be used as labels (e.g. name of company, name of department), for directional purposes (e.g. entrances, exits), and to communicate rules of behavior (e.g. no smoking, no food and drinks allowed). Other environmental artifacts, for example the presence of photographs on walls, floor coverings, and personal objects displayed in the environment, can all communicate symbolic meaning and create an overall aesthetic impression.

### **Process :**

Process is referred to as the procedures, mechanisms and flow of activities by which the service is delivered i.e. the service delivery and operating systems. Delivering customer expectations depends on how well various steps function together. Highly bureaucratized services frequently follow complicated and extensive series of actions, and the logic of the steps involved often confuse the customer. Customers may complain that service firms are slow in response and bureaucratic with the many steps involved. They want easy access to the service process, and they want things to be handled quickly, preferably by the first service employee. Customers describe frustrating experiences when they have to run from pillar to post to complete a simple transaction, experience long waiting time, rules and regulations, and personnel who decline to serve them with the excuse “I’m not allowed to do this” or “this is against our policy”.

Service failures occur when employees believe they cannot adjust the service system to accommodate a customer request. These reasons usually stem from constraints in the service system or stipulated procedures, inability to provide a logical explanation to the customer regarding the procedures and policies, or the lack of authority to do anything to assist the customer in the service processes. Another distinctive characteristic of the service process that offers more tangible evidence to the customer is whether there is a standardized or customized approach to service provision. If the operational flow of activities determined by the degree of customization (flexibility versus standardization) are well-managed and effective, the service employees tend to feel more confident about their own abilities to operate within the service delivery system. If the service employees are trapped in the service system designed by the management, thus spending too little time interacting with customers because of convoluted operating procedures and outdated technology, they will likely dwell on it, exert insufficient effort, and as a result, fail in delivering the results.

In summary, delivering the service customers expect depends on how well the 3Ps of **P**eople, **P**hysical evidence and **P**rocess function together. These elements include the people who perform the specific services in the service chain, the physical environment in which the services are performed and the service processes that supports these performances. These 3Ps communicates and influences customers’ responses in a cognitive, emotional and physiological ways. These responses to the 3Ps factors influence the approach (e.g. affiliation, staying longer, expression of commitment, loyalty) or avoidance behavior of customers.