

The 7Ps (Marketing Mix – Lesson 8)

SUBMITTED BY: Leya Matthew

SUBJECT(S): Marketing

GRADE LEVEL(S): 9, 10, 11, 12

≡ OVERVIEW:

The “7Ps” is the extended version of the traditional Marketing Mix that integrates the particular needs of the service industry. The traditional mix includes Product, Price, Place and Promotion. The “7Ps” adds People, Process and Physical Evidence to this mix. For example, a restaurant has to take into account the staff that interacts with the customers, the ambience of the restaurant and the efficiency of serving, along with managing the food, the prices, the location and the promotional strategies. This lesson unpacks the extended marketing mix for the service industry.

≡ NBEA STANDARD(S):

- Marketing, IV. The Marketing Mix

Common Core Standard(s):

1. CCR Standard for Reading: Read closely to determine what the text says explicitly and make logical inferences from it.
2. CCR Standards for Listening: Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on each other’s ideas and expressing their own clearly and persuasively. Evaluate a speaker’s point of view, reasoning and use of evidence and rhetoric.
3. CCR Standards for Speaking: Present information, findings and supporting evidence in such a way that listeners can follow the line of reasoning, and the organization,

development and style are appropriate to the task, purpose and audience.

Objectives/Purposes: As a result of this lesson, students will (1) be able to list the 7Ps and (2) analyze the 7Ps of a service.

Knowledge@Wharton Articles:

- [“Maurice Flanagan’s Emirates Airline: Flying High and Treating Customers like Sheikhs”](#)
- [“The Crisis at Air Madrid: A Low-cost Carrier Battered by Long-distance Routes”](#)
- [“Low-cost Companies Are Fashionable, but Are They Really Low-Cost?”](#)
- [“European Airlines Take a Round-trip Flight”](#)

Other Resources/Materials: Internet access

Activity:

1. Products and Services quiz (5 mins)

The teacher begins the lesson by explaining the difference between products and services. *Products are tangible objects that customers purchase that become their property. Customers have ownership over the product once they purchase it. Services are intangible items. For example, when you buy a car, you own it. The car is a product. But when you buy a flight ticket, you do not own the flight you are taking. Sure, you own the ticket itself but that is not what you are buying, what you are buying is the service of flying from one city to another.*

The teacher asks students to identify whether the following are products or services, to clarify the concept:

- Apple iphone
- TD Bank account
- Nike shoes
- GAP shirt
- Health Insurance
- Flight ticket to New York
- Taxi ride
- Hotel stay
- Dove soap

- Coke

2. Traditional Marketing Mix Handout (5 mins) *Handout*

The teacher now gives students handouts of the traditional marketing mix explained with an example. The handout lists the 4Ps and illustrates the 4Ps with an example.

For example, the marketing strategy of an iPhone is designed around the 4Ps — the product, its price, the places where customers can buy it, and the promotional strategies, which include advertisements, sponsorship, publicity events, etc.

Here, the iPhone is the product, its price currently is \$199, and it is available at AT&T and Verizon stores, at Apple stores, and online. Apple promotes the iPhone with TV commercials, print ads and a whole array of promotional strategies that communicate with potential buyers. The 4Ps are designed in such a way as to create an integrated marketing plan.

The teacher tells students to read the handout individually and ask clarifying questions if required.

3. 7Ps exercise (15 mins)

The teacher now asks students to add the following points to their 4Ps list on the handout — People, Process and Physical Evidence. The teacher explains that this makes for the extended marketing mix for the service industry. People refer to all the staff that comes into contact with customers. For example, an airline company has cabin crew, airport staff and ticketing staff that customers interact with. Process refers to the elements of the service that the customer experiences. For the earlier example, processes include the ticketing, checking in, and flying experiences. Physical evidence refers to the ability and environment in which the service is delivered. For an airline company the primary physical evidence will be the plane itself.

The teacher now divides the class into small groups and gives each group handouts of 4 Knowledge@Wharton articles:

- “Maurice Flanagan’s Emirates Airline: Flying High and Treating Customers like Sheikhs”
- “The Crisis at Air Madrid: A Low-cost Carrier Battered by Long-distance Routes”
- “Low-cost Companies Are Fashionable, but Are They Really Low-Cost?”
- “European Airlines Take a Round-trip Flight”

Each group is asked to choose any one airline the articles talk about and analyze the 7Ps. The teacher asks the group members to distribute the articles among themselves so that all the articles can be covered. Students are expected to have their own stationary to make notes, or they may use the back of the handout to do so. Around four minutes before their stipulated time runs out, the teacher checks on the groups to see how far they have progressed. There may be some elements of the 7Ps that are not covered in any article, then the teacher instructs the students to make informed guesses about what these might be, considering that all the elements of the marketing mix must support an integrated marketing plan.

For example, the article, “Maurice Flanagan’s Emirates Airline: Flying High and Treating Customers like Sheikhs,” provides information about the service (luxurious flights), people (pilots from low-wage countries), physical evidence (new Airbuses), and process (top-notch cabin service). But it does not talk about the price of the ticket, the places where these tickets are available, or the promotional strategies. From the information that they have, students are asked to guess the price of the ticket, the places where tickets will be available and the kinds of commercials this company would design.

4. Presentations and Feedback (15 mins)

The groups present their analysis. As the students cover elements of the 7Ps they made guesses about, the teacher accesses the information online. For example, if the students guessed that the commercials of Emirates would focus on a luxurious experience, the teacher pulls up Emirates commercials from the Internet to crosscheck. The missing elements allow students to synthesize their analysis and their understanding of the concepts. Meanwhile, the elements are easy to crosscheck. It will be interesting to see if the marketing strategies of these companies are predictable or truly visionary.

5. Wrap-up

The teacher wraps up by asking students what they learned from the marketing strategies of the companies they analyzed.

Tying It All Together: This lesson introduces the basic concepts of the extended marketing mix and helps students construct their own mental models by analyzing the 7Ps of airline companies.

Practice Outside of the Classroom: You could ask students to make a list of services they consume and compare the effectiveness of the marketing strategies of different providers. This can be done in the form of a project.

What Worked and What I Would Do Differently: I have designed this lesson to be a stand-alone lesson. If the students are already familiar with the foundational concepts like products and services, or the 4Ps, you could spend more time on the 7Ps activities. This will allow you to give greater attention to the 7Ps of all the airlines covered in the articles and do a comparative analysis of luxury and low-cost models. For example, you could ask students to look at the differences between the web design of Emirates and Ryanair, and you could also pull up accounts passengers have written about their flying experiences with the various airlines.

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