Modelling consumer behaviour conceptually through the seven Ps of marketing: A revised theoretical generic consumer stimulus-response model

Noel Muzondo
Department of Business Studies, Faculty of Commerce, University of Zimbabwe, PO Box MP 167, Mount Pleasant, Harare, Zimbabwe.
Tel: +263 4 303211, Ext 13039, Fax: +263 4 333674, E-mail: noelmuzondo@gmail.com, nmuzondo@commerce.uz.ac.zw

ABSTRACT
Hypothesising in the marketing stimuli component of existing consumer stimulus-response models is limited to the traditional four Ps of marketing—i.e. product, price, promotion, and place. This underplays the important role played by the soft elements of marketing—i.e. people, processes, and physical evidence—in shaping consumer behaviour. The significance of the three soft Ps is recognised in emergent specialist marketing literature such as corporate identity, branding, relationship marketing, services marketing and selected generic marketing and consumer behaviour literature. This paper reviews two seminal complex and eight simplified frameworks of consumer behaviour, alongside the above-stated literature, to conceptually validate the notion that the soft elements of marketing influence customer response in both tangible goods- and service-dominant sectors. Leading academics have insisted on interpreting the soft Ps of marketing as relevant to service organisations only, notwithstanding the growing evidence that the Ps are also suitable to manufacturing firms. Accordingly, the theoretical implication for this paper is that; the marketing stimuli component of consumer stimulus-response models should be modified to include the soft Ps. This implies that marketers, regardless of the sector they work in, should apply the seven Ps of marketing to craft responsive operational marketing strategies. Consequently, the paper proposes a revised theoretical generic consumer stimulus-response model that encompasses the soft elements of marketing.

Keywords: Consumer behaviour, marketing mix, physical evidence, processes, people, four Ps, seven Ps, soft Ps

1. INTRODUCTION
Marketing practitioners recognise that the knowledge they have on their customers is essential to making effective marketing decisions. Hence successful marketing managers focus on understanding their consumers’ wants and needs as clearly as possible (Reid, 2006). Successful marketing requires that companies fully connect with their customers (Kotler & Keller, 2012). This means that companies have to gain a 360-degree view of both their customers’ daily lives and the changes that take place during the customers’ lifetime so that the right products are marketed to the right customers in the right way (Kotler, Keller, Koshy & Jha, 2009). Knowledge of consumer behaviour is the crucial foundation on which market understanding is built (Drummond, Ensor & Ashford, 2002).

Consumer behaviour is the study of individuals, groups or organisations and the processes they use to select, secure, use and dispose of products, services, experiences, or ideas to satisfy needs and the impacts these processes have on the consumer and society (Hawkins, Best & Coney, 2004). Marketers must fully understand both the theory and reality of consumer behaviour (Kotler & Keller, 2006). Hence companies and academics have researched heavily on the relationship between marketing stimuli and consumer response (Kotler, Armstrong, Saunders & Wong, 2002). The knowledge gained from the studies enables marketing managers to develop sophisticated marketing programmes for specific target market segments (Reid, 2006).

1.1 Problematisation and Delimitation
There are various frameworks that attempt to model customer behaviour. Since the 1960s, most marketing-related textbooks have presented one form of a conceptual consumer stimulus-response model or another,
for example, complex models (Engel, Kollat & Blackwell, 1968; Howard & Sheth, 1969; Engel, Blackwell & Miniard, 1995), simple models (Loudon & Bitta, 1993; Peter & Olson, 1994; Kotler, 2000; Schiffman & Kanuk, 2000, 2004, 2007; Schiffman, Kanuk, Kumar & Wisenblit, 2010; Kotler et al., 2002, Hawkins, Best & Coney, 2004; Blythe, 2008; Kotler & Armstrong, 2009; Kotler et al., 2009; Kotler & Keller, 2012), and black box models (Smith & Taylor, 2004). Consumer behaviour models assist marketers to understand their target customers before they conceive, design, and implement marketing strategies. The models attempt to explain customer decision-making processes and decisions drawing from a variety of internal and external factors around the consumer (Figures 1.1, 2.1 to 2.2 below).

Nonetheless, since all the authors cited above suggest a different model (and the list of such authors is not exhaustive), there are too many models of consumer behaviour. The challenge is that some of these models do not only have too many parts but are also complex (e.g. Figure 2.1). Yet despite that Howard and Sheth (1969), Engel, Blackwell and Miniard (1995), Loudon and Bitta (1993), Peter and Olson (1994), Schiffman and Kanuk (2007), Hawkins, Best and Coney (2004) are among the leading thinkers in consumer behaviour and Kotler and Keller (2012), are among the experts on general marketing, the marketing stimuli components of their consumer stimulus-response models (Figures 1.1, 2.1 and 2.2 below) do not include the soft elements of marketing (i.e. people, processes, and physical evidence) but McCarthy’s (1960) four Ps of marketing only (i.e. product, price, promotion, and place). Therefore, this paper attempts to address the fundamental question: What should be the essential elements of the marketing stimuli dimension of an ideal complex; simple but comprehensive, or black box model of consumer behaviour? As explained later in the paper, simple models of consumer behaviour are also comprehensive as they have three main parts i.e. input, processing and output, which are also found in complex models.

Given the multiplicity of consumer behaviour models as cited above, the research question is answered in the context of the marketing stimuli component of simple models of consumer behaviour in general and Kotler and Keller’s (2012) model of consumer behaviour (Figure 1.1 above) and Schiffman et al.’s (2010) model of consumer decision making (Figure 2.2 below) in particular. Kotler and Keller’s and Schiffman et al.’s models are the primary focus of this paper as they are the latest and have been reproduced from previous Kotler editions (e.g. Kotler et al., 2002; Kotler & Keller, 2006; Kotler & Armstrong, 2009; Kotler et al., 2009)
and Schiffman and Kanuk editions (e.g. Schiffman & Kanuk, 2000, 2004, 2007) without being revised to close the identified theoretical gap. This is despite that some of the same Kotler editions acknowledge the importance of the seven Ps of marketing formulation (e.g. Kotler et al., 2002). The same justification also applies to Schiffman et al.’s model of consumer decision making. The firm’s marketing efforts component of this model has remained hardly changed to reflect the emerging knowledge on the marketing mix and buyer behaviour in subsequent editions of the authors’ leading textbooks on consumer behaviour (e.g. see Schiffman & Kanuk, 2000, 2004, 2007; Schiffman et al. 2010).

Theorising in the marketing stimuli components of the two pioneering complex models (i.e. Engel, Kollat & Blackwell, 1968; Howard & Sheth, 1969) and seven simplified frameworks of consumer behaviour (i.e. Hawkins, Best & Coney, 2004; Kotler & Keller, 2006; Peter & Olson, 1994; Schiffman et al. 2010; Loudon & Bitta, 1993; Kotler & Keller, 2012) and the enlarged black-box model (Smith & Taylor, 2004) has been, or is, limited to the four Ps of marketing. While the Engel-Kollat-Blackwell model has remained hardly changed to reflect the emerging knowledge on the marketing mix and customer behaviour, the revisions do not categorically acknowledge the importance of the additional Ps of marketing in determining consumer behaviour. The same criticism also applies to Kotler’s simple model of consumer behaviour presented below.

By limiting the marketing stimuli to McCarthy’s (1960) traditional four Ps of marketing instead of the more comprehensive seven Ps formulation that encompasses the three additional elements, the existing complex, simplified, and black-box models of customer behaviour underplay the significance of the soft Ps. However, there is now little justification, if any, for the continued exclusion of these Ps in consumer stimulus-response models given the growing conceptual and empirical evidence confirming the general applicability of these additional Ps to tangible goods and services (Blythe, 2005; Rafiq & Ahmed, 1995; Kotler & Keller, 2012). Blythe’s (2005) basic marketing planning process in Figure 1.2 below shows that the seven Ps of marketing are suitable for both services and tangible products, otherwise he would have limited himself to the original four Ps as his textbook does not focus on services.

A study on academics’ satisfaction with the seven Ps of marketing as a general framework for marketing carried out in Europe, found out that the Ps are relevant for all types of marketing, including introductory and consumer marketing, where one might have expected stronger adherence to the four Ps framework (Rafiq & Ahmed, 1995). Rafiq and Ahmed’s study confirms what has been, and is being, confirmed by theoreticians in emergent specialist areas of marketing such as services marketing (Bittner, 1992; Parasuraman, Zeithaml, & Berry, 1985; Palmer, 2001 & 2003; Lovelock & Wirtz, 2004 & 2011), corporate identity, image and reputation management and branding (Melewar & Saunders, 2000; Keller, 2000 & 2002; Lambert, 1989; Suvatjis & de Chernatony, 2005; Laforet, 2010), and relationship marketing (Egan, 2008) that people, physical evidence, and processes determine customer behaviour.

Blythe (2008:414) admits that: “Although the expanded seven Ps model is probably far from comprehensive in terms of explaining what marketers do, it does provide a degree of structure and is a convenient ‘shorthand’ device.” Consequently, the paper draws on Blythe’s (2008) general model of consumer behaviour to advance the argument that the seven Ps, rather than the four Ps, of marketing should be the basis of the marketing stimuli component of consumer stimulus-response models. Blythe’s (2008) model is underpinned on the tricomponent model that is, cognition (thought processes), affect (emotion) and conation (intended behaviour) explained in Schiffman et al. (2010:237-240) and personal and environmental factors (Figure 1.3 below).

Elaborating on his general model of consumer behaviour, Blythe (2008) divides the personal and environmental factors component of the framework into three sub-elements— (1) psychological issues and consumer behaviour, (2) sociological issues and consumer behaviour and (3) consumer decisions and their aftermath. Nevertheless, Blythe’s (2008) model, while easy to understand compared to other simple models of consumer behaviour, may be criticised for being too summarised. The model does not list the key variables in its three main parts and the personal and environmental factors sub dimension. While Blythe’s (2008) general model of consumer behaviour implies the coverage of the seven Ps of marketing since the textbook in which it is presented
concludes with a chapter on “consumer behaviour and the marketing mix”, a review of the very chapter sadly shows that, despite the book having been written for both tangible and intangible goods marketers, Blythe fell into the trap of associating processes, people and physical evidence to services (pages 435-439) which is a departure from Blythe (2005). Therefore, Blythe (2008) trivialises the relevance of the three Ps to modelling consumer behaviour in the context of tangible goods marketing.
1.2 Contributions of the Paper

This paper reviews 10 consumer behaviour models and selected specialist marketing literature to demonstrate the importance of the soft elements of marketing in shaping consumer response. It highlights that the marketing stimuli components of complex and simple models of consumer behaviour suggested in leading textbooks of marketing (e.g. Kotler & Keller, 2012), marketing communications (Smith & Taylor, 2004), and consumer behaviour (Hawkins, Best & Coney, 2004; Peter & Olson, 1994; Schiffman et al., 2010; Loudon & Bitta, 1993), have an inherent inadequacy in that they do not include the additional Ps in their marketing stimuli component. In view of the evidence in specialist areas of marketing and some general marketing literature, the paper argues that the marketing stimuli component of consumer behaviour models should be underpinned on a comprehensive marketing mix formulation such as seven Ps of marketing—i.e. product, price, promotion, place, physical evidence, processes and people instead of just the four Ps. The marketing mix is a blend of all controllable elements required to execute a marketing strategy (Singh, 2012; Kotler et al., 2002; McDonald, 2008; Reid, 2006). While he limits himself to the four Ps, Singh (2012) admits that companies can use the marketing mix to influence the buyers’ responses.

Drawing from Vargo and Lusch’s (2008) service-dominant logic, Lovelock and Wirtz (2011) suggest that all products are valued for the services they provide and that the value derived from a physical good, for example, is not the good itself, but the service it provides during consumption. This opinion is further supported by the definition of a product suggested by Levitt (1981), Blythe (2008), and the five product levels framework originally developed by Levitt (1981) and extended by Kotler and Keller (2012). A product is a bundle of benefits (Blythe, 2008; Levitt, 1981) but those benefits probably go beyond the physical item itself (Blythe, 2008:414). The construct of product benefits and its links with services is explained in the five levels of a product—i.e. core benefit, basic product, expected product, augmented product, and potential product—which Kotler et al. (2009) refer to as the “customer-value hierarchy” because each level adds more customer value. Kotler and Keller (2012:326) state that:

“The fundamental level [of a product] is the core benefit: the service or benefit the customer is really buying. A hotel guest is buying rest and sleep. The purchaser of a drill is buying holes. Marketers must see themselves as benefit providers.”

The irony of the above quotation is that Kotler and Keller (2012) appear to not just realise but also admit that every product, whether tangible or intangible from a core product or benefit viewpoint, is a service. Since rest, sleep, and holes are benefits, they become services, the ultimate motive for the purchases in this case, although they are delivered through tangible products—hotel (room, bed, and linen) and drilling machine. Extending from the core benefit construct, the paper argues that; at the highest level, tangible and intangible products are services.

In their categories of service mix framework, Kotler and Keller (2012:356) also further support the opinion above as they admit that “the service component can be a minor or a major part of the total offering”. They go on to distinguish five categories of offerings (Kotler and Keller, 2012:356-357):

1. Pure tangible good—a tangible good such as soap, toothpaste, or salt with no accompanying services.
2. Tangible good with accompanying services—a tangible good, like a car, computer, or cell phone, accompanied by one or more services. Typically, the more technologically advanced the product, the greater the need for high-quality supporting services.
3. Hybrid—an offering, like a restaurant meal, of equal parts goods and services. People patronize restaurants for both the food and its preparation.
4. Major service with accompanying minor goods and services—a major service, like air travel, with additional services or supporting goods such as snacks and drinks. This offering requires a capital-intensive good—an airplane—for its realization, but the primary item is a service.
5. Pure service—primarily an intangible service, such as babysitting, psychotherapy, or massage.”
Given the arguments raised above, it appears that the marketing stimuli component of existing consumer-stimulus response models cannot be limited to the traditional four Ps of marketing anymore but the seven Ps.

There are several theorisations of the marketing mix; two common ones are the four Ps of marketing, that is, product, price, promotion, and place (McCarthy, 1960) and seven Ps of marketing, that is, the traditional four Ps already stated above plus people, physical evidence, and processes (Booms & Bitner, 1981). Reference to the seven Ps of marketing as the service marketing mix (e.g. Lovelock & Wirtz, 2011; Kotler & Armstrong, 2009) seems to advance the idea that the framework is not relevant to tangible products. Booms and Bitner (1981) intended the extended marketing mix [which is the other name for the seven Ps] to be limited to services marketing (Rafiq & Ahmed, 1995). However, Rafiq and Ahmed (1995) found empirical evidence in support of the application of the extended marketing mix for services to other areas of marketing. Citing Theodore Levitt, Rafiq and Ahmed (1995) argue that the position of having a separate marketing mix for services is difficult to maintain when one can find statements in the services literature such as those by Levitt (1981) that everybody sells intangibles in the marketplace no matter what is produced in the factory. In addition, while they have not revised the model of consumer behaviour to reflect their current thinking, ironically Kotler and Keller (2012:25) state that:

“Given the breadth, complexity, and richness of marketing, however—as exemplified by holistic marketing—clearly these four Ps [advocated by McCarthy, 1960] are not the whole story anymore. If we update them to reflect the holistic marketing concept, we arrive at a more representative set that encompasses modern marketing realities: people, processes, programs, and performance…”

Of course, this paper does not concern itself with the Ps for “programs” and “performance” but the first two in the statement above and “physical evidence” which Kotler and Keller (2012) have omitted above. The holistic marketing concept, a marketing management philosophy, conceptualised by Kotler in the 1990s, is the newest in the evolution of marketing. Older business concepts are the production concept, product concept, finance concept, sales concept, marketing concept, and societal marketing concept. Marketing management philosophies are a framework for diagnosing the marketing culture of organisations regardless of whether the entities specialise in physical goods or services. Considering the gap in extant models of consumer behaviour highlighted above, this paper is significant to marketing academics, practitioners, and students.

2. THEORETICAL EXAMINATION OF MARKETING STIMULI COMPONENT OF CONSUMER BEHAVIOUR FRAMEWORKS

Buying behaviour is often more complex than it appears (Smith & Taylor, 2004). The complexity is, to a large extent, added to by the variety of factors that have to be considered to understand how customers make buying decisions. Several consumer buying behaviour models drawn from various social sciences, including marketing, have been suggested in the literature thus making consumer behaviour a relatively new field with multi-disciplinary roots. Theoretical frameworks borrowed from psychology, sociology, social psychology, cultural anthropology and economics, are now added to by both commercial and academic marketing research into consumer and industrial buyer behaviour (Smith & Taylor, 2004). Research in these disciplines coupled with later research in marketing combined to form a comprehensive model of consumer behaviour that reflects both the cognitive and emotional aspects of consumer decision making (Schiffman & Kanuk, 2000).

Throughout the 1960s, attempts were made to integrate a variety of theories, research findings and concepts from the behavioural sciences into a general framework that could be used to explain and predict consumer behaviour (Gilligan & Wilson, 2003). In doing so, Gilligan and Wilson (2003) highlight that the principal writers, such as Nicosia (1966), Engel et al. (1968), Howard and Sheth (1969), moved away from the general perspective that had previously been adopted by economists and which in a number of ways is typified by Marshall’s work and the Marshallian model of ‘economic man’. Instead of viewing consumer
behaviour simply as a single act made up of the purchase itself and the post-purchase reaction, a far greater recognition was given to the consumer’s psychological state before, during and after the purchase (Gilligan & Wilson, 2003). Therefore, both extant complex and simple models of consumer behaviour are comprehensive. This paper focuses on the marketing stimuli part of these models. In particular, the paper concentrates on the three additional elements of marketing — processes, people, and physical evidence — as these are excluded from existing leading models of consumer behaviour.

The role of the three additional Ps alongside the traditional fours Ps — adding up to the seven Ps — in shaping consumer response is now widely recognised in specialist areas of marketing like services marketing, corporate identity, image and reputation management, and relationship marketing, extant consumer behaviour frameworks in basic marketing, marketing management, marketing communications and consumer behaviour. However, current stimulus-response models exclude the soft Ps. For instance, despite their fundamental contributions to the field of consumer behaviour from the perspective of strategic marketing planning, Gilligan and Wilson (2003 & 2005) have not included marketing stimuli — that is the marketing mix — in their factors influencing consumer behaviour. Furthermore, while fairly recent consumer behaviour textbooks such as Blythe’s (2008) explain the relationship between the seven Ps of marketing and consumer response, Blythe’s general model of consumer behaviour does not include the specific sub factors in each component, the marketing mix not being an exception. And when Blythe (2008) explain the influence of the marketing mix as a determinant of consumer behaviour, he falls into the trap of conceiving the three additional elements of marketing as relevant to services marketing only notwithstanding that this is a departure from his, Blythe’s (2005), generic marketing planning process (Figure 1.3 above).

2.1 Complex Models of Consumer Behaviour

Complex models are, perhaps, so named because they attempt to include both the internal and external variables in one grand model (Figure 2.1 below). They have been accepted with criticism despite their seminal explanation of the probable workings of the human mind. Referring to the Howard and Sheth’s (1969) model, for example, Smith and Taylor (2004:104) note that:

“This complex model has been criticized for lacking a clear definition of the relationship between some of the variables and for a lack of distinction between the endogenous variables (within the model) and the exogenous variables (external to the model). The model is, for many readers, difficult to understand and, for many practitioners, impossible to use.”

Figure 2 1: Howard and Sheth Model of Consumer Behaviour

In addition, since the advent of the early complex models of buyer behaviour (for example, Engel, Kollat, & Blackwell, 1968; Howard & Sheth, 1969), theorising in the marketing stimuli component of these frameworks, has remained fixed on the traditional four Ps of marketing. While Loudon and Bitta (1993) acknowledge that the Engel-Kollat-Blackwell model has gone through several revisions since 1968, a fact also admitted by its revisers (i.e. Engel, Blackwell & Miniard, 1995), the changes in the framework’s marketing stimuli dimension have not gone beyond the four Ps. First referred to as the marketing mix by McCarthy (1960), the four Ps of marketing are product, price, promotion, and place. The Ps were originally used by fast moving consumer goods marketers although they were also borrowed and used by service marketers (e.g. restaurants) until the latter designed the seven Ps (Smith & Taylor, 2004). The additional Ps in the seven Ps formulation of marketing are physical evidence, people, and processes.

Unlike the latter simplified models, the Howard and Sheth model (Figure 2.1 above), for example, has four parts: the inputs (stimulus display), perceptual constructs, learning constructs and outputs. There are three subparts in the inputs component of the framework, namely significative, symbolic and social. The significative and symbolic subparts reflect the marketing mix as they both contain the following items: quality, price, distinctiveness, service, and availability. The words quality and distinctiveness can be linked to the ‘P’ for product, availability refers to distribution or ‘P’ for place. Price is what the customer is prepared to pay to get the product. Thus the Howard and Sheth model is limited to only three of the original four ‘P’s of marketing unless it is assumed that the service sub element includes the soft elements of marketing. In any case, such an assumption would be questionable given that the Howard and Sheth model of consumer behaviour was conceived in the late 1960s, way before the emergence of a distinct theory of service marketing.

Although Howard and Sheth’s seminal model has contributed enormously to marketing academics’ and practitioners’ knowledge of customer behaviour, it fails to recognise not just the fundamental role of the soft elements of marketing but also promotion, the fourth element of the original marketing mix. Customer choice is often influenced by familiarity with the brand, or sometimes the level of trust in the brand name (Smith & Taylor, 2004). Familiarity can be generated by actual experience and/or increased awareness boosted by, for instance, advertising (ibid). Surprisingly, leading academics have either taken Howard and Sheth’s framework as given in 1969 or have taken a cue from it to design their own simple models of consumer behaviour. Nevertheless, in designing their own simple models, it appears they have gone on to make the same oversight made by Howard and Sheth of excluding the Ps for processes, physical evidence, and people. This is despite the fact that since the early 1980s, there has been wide acknowledgement of the importance of soft elements of marketing in emergent specialist marketing literature such as relationship marketing (Egan, 2008), corporate identity and/or image and reputation management (Melewar & Saunders, 2000; Keller, 2000 & 2002; Lambert, 1989; Suvatjis & de Chernatony, 2005), marketing communications (Smith & Taylor, 2004; Egan, 2007), services marketing (Booms & Bitner, 1981; Bitner, 1992; Parasuraman, Zeithaml, & Berry, 1988; Palmer, 2001 & 2003; Lovelock & Wirtz, 2004 & 2011) and in general marketing (Blythe, 2005; Rafiq & Ahmed, 1995) and consumer behaviour (Blythe, 2008).

2.2 Simplified and Black Box Models of Consumer Behaviour
A variety of simple models of consumer behaviour have been suggested in the literature (e.g. Kotler, 2000; Peter & Olson, 1994; Kotler et al., 2009; Schiffman et al., 2010; Loudon & Bitta, 1993; Kotler & Keller, 2006; Hawkins, Best & Coney, 2004; Kotler & Keller, 2012). While these models have been reviewed in general, this paper focuses on three of them (i.e. Kotler & Keller, 2012; Schiffman et al., 2010) and one black-box model (Smith & Taylor, 2004). The simple models are, perhaps, so-called because they are simplified versions of complex models. However, simple models of consumer behaviour are also comprehensive as they have three main parts i.e. input, processing and output found in complex models. Simplified models, just like complex models, consider the internal factors of the consumer or the human mind such as perception, attitude, motivation, learning, and personality alongside variables like culture, social and personal characteristics. Combined, these attempt to explain how consumers process information in order to make purchase decisions.
2.2.1 Kotler and Keller’s model of consumer behaviour

The Kotler and Keller (2006 & 2012) model of consumer behaviour, Figure 1.1 above, acknowledges the importance of psychological factors in determining customer behaviour but does not use the terms *input, processor* and *output*, which other simple models like Schiffman et al.’s (2010) use (see Figure 2.1 above & Figures 2.2 & 2.3 below). However, from the visual presentation of the components of the model, it is clear that the Kotler and Keller model has the three parts too but does not label them. As in complex models that inform Kotler and Keller’s (2012) framework, the marketing stimuli dimension of their model comprises only the four Ps of marketing. In Kotler et al.’s (2002:229) words:

“Marketing stimuli consists of the [traditional] four Ps: product, price, place and promotion. Other stimuli include significant forces and events in the buyer’s environment; economic, technological, political and cultural. All these stimuli enter the buyer’s black box, where they are turned into a set of observable buyer responses [shown on the right-hand side of Figure 1.1 above]: product choice, brand choice, dealer choice, purchase timing and purchase amount.”

The quotation above is silent on the soft elements of marketing despite that they are now a recognised part of the marketing mix (see Blythe, 2005; Rafiq & Ahmed, 1995). However, services marketing chapters in Kotler et al. (2002) and Kotler and Keller (2006) acknowledge the soft ‘P’s, a legacy they have also extended to their later editions (e.g. Kotler et al., 2009; Kotler & Keller, 2012). Ironically, Kotler et al. (2009:308) state that:

“Marketing planning begins with formulating an offering to meet target customers’ needs or wants. The customer will judge the offering by three basic elements: product features and quality, services mix and quality, and price.”

Surprisingly, Kotler and Keller (2012:25) repeat the same statements above word-for-word, despite that they do not go on to recognise the need to update the fours Ps to include among others soft elements like people and processes. While their marketing stimuli component now has “product and services”, the paper takes the words as mere synonyms because the authors did not go on to include the three soft elements in the model.

2.2.3 Schiffman et al.’s model of consumer decision making

In Schiffman et al.’s (2010) framework (Figure 2.2 below), the ‘firm’s marketing efforts’, which is the equivalent of marketing stimuli in Kotler and Keller’s (2012) stimulus-response model, only the traditional marketing mix elements of product, promotion, price and channels of distribution [or place] are included. The soft elements of marketing — people, physical evidence, and processes — are evidently excluded. This is despite the fact that elsewhere in their textbook, the two academics acknowledge that all product purchases (tangible and intangible) have elements of service. “Researchers have tried to integrate the concepts of *product quality* and *service quality* into an overall *transaction satisfaction index*, on the basis that all product (i.e. tangible) purchases contain some element of service beyond the core tangible offering” (Schiffman & Kanuk, 2000:148).

2.2.4 An enlarged black-box model

While their enlarged black-box model has the three main parts contained in simplified models of buyer behaviour, Smith and Taylor (2004) state that the black-box approach is distinct in that it considers only the inputs and outputs. Black-box models treat the individual and his physiological and psychological make-up as an impenetrable ‘black-box’ (Williams, 1989). So they consider for measurement only the inputs and outputs processes of consumer behaviour and completely ignore the internal mental (intervening) processes — i.e. motivation, perception, attitude, personality, learning, and memory.
Figure 2.2: A Model of Consumer Decision Making


Figure 2.3: An Enlarged Black-box Model

Interestingly, the inputs/stimuli component of black-box models is restricted to the traditional four Ps of marketing just like complex and simplified models of consumer behaviour. Although black-box models as inferred from Smith and Taylor’s (2004) enlarged black box model in Figure 2.3 above have an enlarged ‘P’ for promotion which gives a detailed list of the marketing communications mix, their input dimension has the same weakness as that of complex and simple models of consumer behaviour. The input component excludes the soft elements of marketing.

3. THE SOFT ELEMENTS OF MARKETING: A THEORETICAL DISCUSSION

This paper has conceptually considered the influence of the soft elements of marketing on consumer behaviour basing on extant complex, simple, and black-box stimulus-response models and emergent specialist and generic marketing literature. The theoretical review has established that most existing consumer-stimulus response models are underpinned by the traditional four Ps of marketing. This is despite that the importance of the seven Ps of marketing in determining consumer response is confirmed not just in emergent specialist marketing literature such as relationship marketing, corporate identity and/or image and reputation management, marketing communications, and services marketing, but also in general marketing and customer behaviour literature. However, when Blythe (2008:435-439) elaborates on the influence of the seven Ps of marketing on consumer response, his general consumer behaviour model remains basic as it does not itemise the seven Ps of marketing in its personal and environmental factors. In addition, Blythe (2008) explains the impact of people, processes and physical evidence on customer response from a service marketing viewpoint yet the seven Ps framework is also suitable to physical goods marketing. Surprisingly, the generic marketing planning process designed by Blythe (2005) is grounded on the seven Ps of marketing formulation.

While Kotler and Keller (2012) suggest that the starting point for understanding consumer behavior is the stimulus-response model, the marketing stimuli component of their framework is confined to the traditional four Ps of marketing instead of the modern and more comprehensive seven Ps. Marketing and environmental stimuli enter the consumer’s consciousness, and a set of psychological processes combine with certain consumer characteristics to result in decision processes and purchase decisions (Kotler, Keller, Koshy & Jha, 2009). The marketer’s task is to understand what happens in the consumer’s consciousness between the arrival of the outside marketing stimuli and the ultimate purchase decisions (Kotler & Keller, 2012). Certainly, the comprehensive seven Ps of marketing, not just the traditional four Ps, should be critical to all this. It has long been realised that marketing planning is ultimately driven by the marketing planner’s perception of how and why customers behave as they do, and how they are likely to respond to the various elements of the marketing mix (Wilson & Gilligan, 2003). So the marketing stimuli element of the input component of any good general consumer-stimulus response model can no longer be limited to McCarthy’s (1960) four Ps of marketing but, at the minimum, the seven Ps.

Despite that consumer behaviour chapters of, and models presented in, some leading marketing textbooks such as Kotler et al. (2009), Kotler and Armstrong (2009), and Kotler and Keller (2012), Smith and Taylor (2004) omit the soft elements of marketing, some general marketing literature equally recognises their importance in marketing tangible products too (e.g. Rafiq & Ahmed, 1995; Blythe, 2005). In addition, all above-cited Kotler editions and other strategic marketing texts such as Wilson and Gilligan (2003 & 2005), Ferrell and Hartline (2011), Lancaster and Reynolds (2005) recognise the importance of the seven Ps of marketing although they still emphasise the point that the soft elements of marketing are relevant to services only. Many tangible products are created and delivered alongside services. According to the levels of a product construct (e.g. Levitt, 1981; Kotler & Keller, 2012) all products, tangible and intangible, are services: a hotel provides rest and sleep and a drill makes holes. Therefore, it is important that stimulus-response models also consider the impact of people, physical evidence, and processes in determining consumer behaviour rather than simply focusing on the traditional four Ps only which, if combined, constitute the seven Ps of marketing. Notwithstanding that the seven Ps model is obviously not exhaustive in explaining operational and strategic marketing decisions marketers have to make, it is a convenient framework from which to begin conceiving marketing mix decisions. The impact of the original four Ps of marketing — product, price,
3.1 People and Consumer Behaviour

People are a significant aspect of the marketing mix, the elements necessary for the execution of marketing programmes and operations. The people element reflects, in part, internal marketing and the fact that employees are fundamental to marketing success (Kotler & Keller, 2012). Employee satisfaction and customer satisfaction are clearly interrelated (Hoffman, Bateson, Wood & Kenyon, 2009; Wilson, Zeithaml, Bitner & Gremler, 2012; Heskett et al., 1994). Marketing will only be as good as the people inside the organisation and it also reflects the fact that marketers must view consumers as people to understand their lives more broadly and not just as they shop for and consume products and services (Kotler & Keller, 2012). Top-level executives know that in the new economics of service, frontline workers and customers need to be the focus of management concern (Heskett et al., 1994). Satisfied employees are loyal to the firm and improve their individual productivity (Hoffman et al., 2009). Customer-contact service employees should be the focus because “they are the service, they are the organisation in the customer’s eyes, they are the brand, and they are marketers” (Wilson et al., 2012:249). The assurance dimension of Parasuraman, Zeithaml and Berry’s (1988) SERVQUAL and Cronin and Taylor’s (1992) SERVPERF scales measures the knowledge and courtesy of employees and their ability to convey trust and confidence in external customers (Adetunji, Yadavalli & Malada, 2013).

Rust and Zahorik’s (1993) and Heskett et al.’s (1994) service-profit chain demonstrates the importance of employees in creating satisfied and loyal customers, which results in healthy service-profits and growth. Reaching service profits and growth goals begins with taking care of those who take care of customers (Kotler et al., 2002)—i.e. participants/people (Booms & Bitner, 1991) or personnel (Blythe, 2005; Hoffman et al., 2009). The importance of employees in marketing is also reflected in corporate identity, image and reputation literature. Corporate identity, image and reputation are fundamental to all organisations whether they are in the service business or not. Corporate image associations may reflect characteristics of the employees of the company (Keller, 2000). Kotler et al. (2002) suggest that in order to achieve favourable
service outcomes, service marketing requires more than just traditional marketing but also internal marketing and interactive marketing. While Kotler et al.'s (2002) suggestion is welcome, it somewhat implies, wrongly, that internal marketing is not essential in the general marketing context i.e. tangible goods firms. The goal of internal marketing is to train and motivate employees to perform so that they delight customers and in the process help the firm to achieve its objectives (Muzondo & Mutandwa, 2011). Keller (2000) says that retail stores derive much brand equity from employees within the organisation. Considering that many employees directly or indirectly interact with consumers, their words and actions must consistently reinforce and support the brand meaning (Keller, Parameswaran & Jacob, 2011; Keller, 2002, 2013).

According to Kotler et al. (2002) ‘interactive marketing’ means that the perceived service quality depends heavily on the quality of the buyer-seller interaction. While grocery retailing predominantly involves physical goods marketing, it is officially a service industry. Customers buy products from retailers; retailers have employees who interact with customers in the shopping and buying process. Parasuman, Zeithaml and Berry’s (1988) SERVQUAL model lists reliability, competence, communication, courtesy, and responsiveness, which all relate to employees in a marketing organisation. Although the seven Ps framework achieved a high degree of acceptance as a generic marketing mix in a sample of academic respondents (Rafiq & Ahmed, 1995), the study also found out that the participants/people variable is the most widely accepted element of the new variables—the soft elements of marketing. Consequently, the paper makes the following proposition:

P1: The variable people is important in determining consumer behaviour.

Moreover, Kotler (2000) states that the marketing concept rests on four pillars: target market, customer needs, integrated marketing, and profitability. Integrated marketing recognises the importance of people in an organisation’s marketing philosophy and practice regardless of whether the organisation markets services or tangible products. Kotler and Keller (2006:285-6) admit that one implication of this new [integrated] marketing approach is that:

“The traditional ‘marketing-mix’ concept and the notion of the ‘4 Ps’ may not adequately describe modern marketing programs... Marketers must now ‘walk the talk’ to deliver the brand promise. They must adopt an internal perspective to consider what steps to take to be sure employees and marketing partners appreciate and understand basic branding notions, and how they can help—or hurt—brand equity.”

3.2 Processes and Consumer Behaviour

Comparing organisations to computers, this paper regards processes as the software dimension without which an organisation cannot create and deliver customer value. Smith and Taylor (2004) state that processes include the methods used to produce, deliver and consume a service. Hence processes are inseparability linked to the value chain (see e.g. Porter, 1985) even in firms that specialise in tangible goods. The value chain model explains how the various and otherwise disparate activities of a business can be integrated to design, produce, communicate and deliver value to target customers. Surprisingly, processes are omitted from simple and seminal complex models of consumer behaviour yet they are not just part of the extended marketing mix but also the value chain itself. The processes as a generic marketing variable rather than just services marketing had reasonable support among the respondents in Rafiq and Ahmed’s (1995) study. Thus it is hypothesised that:

P2: The processes are an important variable in determining consumer behaviour.

One of the components of Langeard et al.’s (1981) servuction system is the invisible organisation and system. The component reflects the rules, regulations and processes upon which the organisation relies (Hoffman et al., 2009). In addition, Hoffman et al. argue that although they are not visible to the customer, they have an overwhelming influence on the consumer’s service encounter. The invisible organisation and systems impact elements such as information forms that customers have to complete, the number of staff working in the company at any given time and the policies of the organisation concerning countless decisions that may
range from the substitution of menu items to whether the company accepts students cards for price discounts (Hoffman et al., 2009). The invisible part is the process element from the extended marketing mix comprising systems, backroom procedures and the technology or equipment required to produce the service (Wilson et al., 2012).

3.3 Physical Evidence and Consumer Behaviour
The physical evidence concerns the tangible aspects of an organisation, the atmospherics (Muzondo & Mutandwa, 2011) which reflect the identity of the marketer. Consequently, this paper regards physical evidence as the hardware side of an organisation. The physical environment is particularly important in creating a favourable impression for such services as banks, retail stores, and professional services because there are few objective criteria by which consumers can judge the quality of the services they receive (Bitner, 1992).

The effect of atmospherics, or physical design and decor elements, on consumers and employees, is recognised by managers and stated in almost all marketing, retailing, and organisational behaviour contexts, Bitner adds. Given that even tangible goods are also services at the core benefit level, it means that physical evidence should be seen as a fundamental variable in modelling consumer response within a general marketing setting rather than the services marketing context alone.

Nonetheless, the physical evidence variable is the least well-supported of the new variables (Rafiq & Ahmed, 1995). The duo note that this is probably because physical evidence is not as well-conceptualised as people and process, which are frequently discussed in relationship marketing literature, which, in turn, provides a strong rationale and conceptualisation of these two variables. "The physical evidence variable, on the other hand, is not discussed much outside the services marketing area and this may be one reason for the weak support for it in this research" (Rafiq & Ahmed, 1995:14). Empirical and conceptual support on the relevance of physical evidence as a generic marketing mix element stated in Rafiq and Ahmed (1995) and Blythe (2005) respectively provides this paper with the basis for making the following proposition:

**P**3: Physical evidence is an important variable in determining consumer behaviour.

It is essentially true that human behaviour is influenced by the physical setting in which it occurs (Bitner, 1992). Interestingly, however, before the 1960s, psychologists generally overlooked the effects of physical setting in their attempts to forecast and illuminate behaviour (ibid). The significance of physical evidence as a stimulant for customer behaviour is amply demonstrated in Bitner’s servicescapes model. The effect of atmospherics, or physical design and decor elements on consumer and workers, is recognised by managers and declared in almost every marketing, retailing, and organisational behaviour text (Bitner, 1992:57).

Physical evidence encompasses all the tangible and even intangible things which affect consumers’ perceptions of a product including the marketer of the product itself. Thus the atmospherics include offices, office furniture, company vehicles, company uniforms (or whatever clothes employees wear). In particular, the dimensions of the physical surroundings that can be controlled by the firm to enhance (or limit) employee and customer actions are endless: lighting, colour, signage, textures, quality of materials, style of furnishings, wall decor, temperature, scent, music (Bitner, 1992:65), brochures, business cards (Hoffman et al., 2009) and others. Within the confines of the servuction model, the visible part is broken into the inanimate environment (physical evidence) and the service providers or people who interact with customers during the service experience (Wilson et al., 2012).

4. CONCLUSIONS AND IMPLICATIONS
4.1 Conclusions
This article has theoretically assessed and confirmed the significance of the soft elements of marketing — i.e. people, processes and physical evidence — in determining consumer response, basing on a review of existing literature. It has been discovered that theorising in the marketing stimuli unit of existing simple, black-box and complex stimulus-response models of consumer behaviour is limited to the four Ps of
Modelling consumer behaviour conceptually through the seven Ps of marketing—i.e. product, price, promotion and place (see e.g. Kotler & Keller, 2012; Schiffman et al., 2010; Smith & Taylor, 2004). This is despite the fact that selected generic marketing literature (e.g. Blythe, 2005; Rafiq & Ahmed, 1995) and consumer behaviour literature (e.g. Blythe, 2008) and emergent specialist marketing literature i.e. corporate identity, branding, relationship marketing, marketing communications, and services marketing widely acknowledge the fundamental role of the soft elements of marketing in designing marketing strategy. In view of these acknowledgements, this paper reasons that the soft elements of marketing are just as critical to modelling consumer behaviour as the traditional four Ps of marketing. So the marketing stimuli dimension of consumer behaviour models should be based on the seven Ps of marketing i.e. the traditional four Ps plus the soft elements of marketing.

Accordingly, the paper proposes that the marketing stimuli sub components of, for example, Howard and Sheth’s (1969) ground-breaking complex model of consumer behaviour and its leading simplified versions such as Kotler and Keller’s (2012:161) model of consumer behaviour, Schiffman et al.’s (2010:18) simple model of consumer decision making, and the enlarged black-box model (i.e. Smith & Taylor, 2004:102) critically reviewed in this paper, should be revised to include the soft elements of marketing. Building on from a blend of these models, the paper proposes a modified generic theoretical model of consumer behaviour shown in Figure 3.1 below.

Figure 3.1: A Modified Generic Theoretical Model of Consumer Behaviour
The value of this new theoretical framework lies in the marketing stimuli sub component of its input component. Its marketing stimuli are based on the seven Ps of marketing rather than the four Ps hence academics and practitioners should always model consumer response drawing on the seven Ps. The role of the soft Ps of marketing — i.e. people, processes and physical evidence — in the proposed modified generic theoretical model of consumer behaviour has been clarified in 3.1 to 3.3 above. The primary argument of the proposed conceptual model is that; consumer behaviour, whether in the tangible products- or service-dominant context, is influenced by the seven Ps of marketing. This paper does not explain the role of the traditional four Ps in consumer modelling because this has been done sufficiently in the cited existing complex and simple models of consumer behaviour.

Secondly, unlike Kotler and Keller’s (2012) and Schiffman et al.’s (2010), simple but comprehensive models, the proposed conceptual model is significant in that, apart from advocating a marketing stimuli element based on the seven Ps of marketing instead of the four Ps, it also offers the most comprehensive input component based on the micro and macro factors of the marketing environment although these have not been covered in the literature review. Kotler and Keller’s (2012) model of consumer behaviour suggests only four elements — i.e. economic, technological, political, and cultural — in its other stimuli sub component as fundamental to influencing the behaviour of consumers. Similarly, the sociocultural environment sub element of the input component of Schiffman and Kanuk’s (2000) simple model of consumer decision making lists the family, informal sources, other non-commercial sources, social class, and subculture and culture as important determinants of consumer behaviour. Drawn from the construct of the external marketing environment, which is also evident in the input components of Kotler and Keller’s (2012) and Schiffman et al.’s (2010) models, the input dimension of the modified generic model of consumer stimulus-response proposed in this paper, argues that the micro and macro contexts of marketers have important behavioural implications for consumers hence marketing strategies of organisations. The micro context of the input component of the modified conceptual model consists of competition, customers, government, media, intermediaries, and general public. This is basically the stakeholder environment.

The macro elements go beyond economic, technological, political, and cultural factors to include legal (although this can be subsumed in the political variable), social (integrated with cultural), natural, and international elements. The international dimension of consumer behaviour can be best understood from country of origin branding perspective (Ahmed & d’Astou, 1995; Kerbouche, Adouka, Belmimoun, & Guenouni, 2012; Laforet, 2010; Josiassen & Assaf, 2009; Dmitrovic & Vida, 2009). The effects of these elements on corporate operations are adequately explained in the business or marketing environment and strategic planning chapters of some of the textbooks cited in this article. One can infer from the effects of these factors on company operations to make further inferences on how they overlap to influence buyer behaviour.

The paper does not explain the processing and output components of the suggested model because they are explained adequately in the existing models reviewed in the paper (e.g. see Kotler & Keller, 2012; Schiffman & Kanuk, 2000; Schiffman et al., 2010).

4.2 Managerial and Academic Implications

4.2.1 Managerial Implications

The managerial implications of this conceptual paper are that; marketing practitioners should always take into account the seven Ps of marketing when they model consumer behaviour. Consequently, when marketing managers craft marketing strategies, they must go beyond the traditional four Ps to include people, physical evidence, and processes, regardless of whether their marketing plans are for tangible goods or pure services. This is because the seven Ps of marketing is now an acceptable generic model of marketing (e.g. see Rafiq & Ahmed, 1995; Blythe, 2005). For instance, in his general marketing textbook Blythe (2005:262) presents a general marketing planning process grounded in the seven Ps of marketing. This theoretical evidence proves the universal relevance of the seven Ps of marketing to services and tangible products.
4.2.2 Academic Implications
The paper has two important academic implications. The first is that the marketing stimuli component of consumer stimulus-response models should be revised to include the three soft elements of marketing. This is because the marketing stimuli dimension of extant consumer behaviour models cannot go unchallenged given the conceptual arguments and empirical evidence in the general marketing literature and emergent specialist areas of marketing confirming the importance of the soft elements of marketing in determining customer response and designing marketing mix strategies.

Notwithstanding its fundamental contribution to knowledge, the main argument of this paper is weak as it is based on a review of existing literature alone without the backing of empirical evidence from a primary study. Moreover, the ongoing debate on the marketing mix as a marketing management tool has been largely fought on a theoretical rather than empirical front (Constantinides, 2006). The marketing mix is not a scientific theory, but merely a conceptual framework that identifies the principal decisions made by managers in configuring their offerings to suit consumers' needs (Goi, 2009). This is due to lack of reliable research data on the way the mix is used by practitioners dealing with marketing problems and lack of data on the exact effects of the Ps on the success or failure of marketing programmes (Constantinides, 2006). Hence the second implication of this paper is that academic studies that would test the soft elements or the seven Ps of marketing in the proposed modified generic theoretical model of consumer behaviour within a generic marketing context are welcome.

5. REFERENCES


Modelling consumer behaviour conceptually through the seven Ps of marketing


