

SOS POLITICAL SCIENCE AND PUBLIC ADMINISTRATION
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SUBJECT NAME: MARKETING SERVICES

UNIT-V

TOPIC NAME: COURIER MARKETING- A CONCEPTUAL FRAMEWORK



Courier marketing is a managerial process that makes possible a planned development of services. It is an organized effort to make the services commercially viable to the courier organizations vis-à-vis affordable to the users who make use of their multi-dimensional services.

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COURIER SERVICES:

With the increasing pressure of work and decreasing efficiency, the Department of Posts failed in managing the mailing services which made it essential that an alternative system emerges to cater to the changing needs of trade as well as the domestic sectors. The courier services thus came into existence. A number of formal and informal organizations started offering the services at regional, national and international levels. The different categories of users have no option but to depend on the private sector who, of course offer quality but of expensive nature. It is against this background that we talk about the marketing of courier services.

COURIER MARKETING –A CONCEPTUAL FRAMEWORK:

Marketing the courier services focuses our attention on the application of modern marketing principles in the business process. Courier marketing is a managerial process that makes possible a planned development of services. It is an organized effort to make the services commercially viable to the courier organizations vis-à-vis affordable to the users who make use of their multi-dimensional services. The marketing concept makes it essential that the organizations formulate a sound service mix in which we find a fair synchronization of different types of services. The courier marketing practices thus make possible formulation of different sub mixes of the marketing mix, such as the product mix, the promotion mix, the price mix, the place mix and the people mix. In addition, the development of sound marketing inputs becomes a focal point which makes the ways for the development of quality outputs.

Conceptualizing courier marketing makes the ways for satisfying the users which happens to be the most important thing for increasing the market share and the level of profits. The courier organizations thus can maintain commercial viability. By formulating and innovating the marketing mix, the courier organizations can be successful in developing and perceiving a new perception of quality which makes possible qualitative improvements in the process. Generation of profits and satisfaction to the users are the two important dimensions which pave avenues for multi-dimensional quantitative-cum-qualitative improvements in the process. The organizations by making the services competitive can be successful in excelling competition. Since the marketing focuses on professional excellence, the courier

organizations can also be successful in projecting a fair image. These facts make it clear that the application of marketing principles is to benefit the courier organizations in many ways. It is against this background that the leading courier organizations are found practicing innovative marketing.

MARKETING MIX FOR COURIER ORGANIZATIONS:

The courier organizations are required to formulate a sound marketing mix for improving the quality of services. The courier services are required to be made competitive and this makes it essential that the courier organizations conceptualize marketing in such a way that the processes of qualitative-cum-quantitative transformation are activated in the face of emerging business conditions. It is against this background that the marketing professionals are supposed to make creative marketing decisions. This focuses our attention on the formulation of different sub mixes. The courier marketing practices thus make possible formulation of different sub mixes of the marketing mix, such as:

- Product mix
- Promotion mix
- Price mix
- Place mix
- People mix

1. PRODUCT MIX:

Mounting intensity of competition makes it essential that the courier organizations formulate a sound product mix. By formulating a sound product mix, they would be in a position to understand the changing needs and requirements of different segments of users on prospects and the service profile would be made user-friendly.

Inclusion of innovative services in the service mix would enrich the service profile and would also be instrumental in sensitizing the prospects. The stimulation of demand makes it essential that the customer get the services which are not to be made available by the Department of Posts. This draws our attention on the formulation of a sound product mix for the courier organizations. The professionals are supposed to work with the service motive. They need to make it sure that the promised services reach to the users without making any distortion in the process.

While formulating the product mix, they are required to make it sure that the service portfolio includes both the high-profit-generating services as well as the low-profit-generating services.

2. PROMOTION MIX:

In marketing, the promotional mix describes a blend of promotional variables chosen by marketers to help a firm reach its goals. It has been identified as a subset of the marketing mix. It is believed that there is an optimal way of allocating budgets for the different elements within the promotional mix to achieve best marketing results, and the challenge for marketers is to find the right mix of them. Activities identified as elements of the promotional mix vary, but typically include the following:

- Advertising is the paid presentation and promotion of ideas, goods, or services by an identified sponsor in a mass medium. Examples include print ads, radio, television, billboard, direct mail, brochures and catalogs, signs, in-store displays, posters, mobile apps, motion pictures, web pages, banner ads, emails.
- Personal selling is the process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation, often in a face-to-face manner or by telephone. Examples include sales presentations, sales meetings, sales training and incentive programs for intermediary salespeople, samples, and telemarketing.
- Sales Promotion is media and non-media marketing communication used for a pre-determined limited time to increase consumer demand, stimulate market demand or improve product availability. Examples include coupons, sweepstakes, contests, product samples, rebates, tie-ins, self-liquidating premiums, trade shows, trade-ins, and exhibitions. Corporate giveaway items, sometimes called swag, can be included within product samples and distributed to participants at an event for promotional purposes.
- Public relations or publicity is information about a firm's products and services carried by a third party in an indirect way. This includes free publicity as well as paid efforts to stimulate discussion and interest. It can be

accomplished by planting a significant news story indirectly in the media, or presenting it favorably through press releases or corporate anniversary parties. Examples include newspaper and magazine articles, TVs and radio presentations, charitable contributions, speeches, issue advertising, seminars.

- Direct Marketing is a channel-agnostic form of advertising that allows businesses and nonprofits to communicate directly to the customer, with methods such as mobile messaging, email, interactive consumer websites, online display ads, fliers, catalog distribution, promotional letters, and outdoor advertising.
- Corporate image campaigns have been considered as part of the promotional mix.
- Sponsorship of an event or contest or race is a way to generate further positive publicity.
- Guerrilla marketing tactics are unconventional ways to bring attention to an idea or product or service, such as by using graffiti, sticker bombing, posting flyers, using flash mobs, doing viral marketing campaigns, or other methods using the Internet in unexpected ways.
- Product placement is paying a movie studio or television show to include a product or service prominently in the show.
- Digital marketing is the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium.

3. PRICE MIX:

Price is the cost that the customer is willing to bear for the product and the way it is made available to him. Price represents on a unit basis what the company receives for the product which is being marketed. All other elements of the marketing mix represent costs. Marketers need to be very careful about pricing objectives, methods to arrive at a price and the factors which influence the setting of a price. The company must also take into account the necessity to give discounts and allowances in some transactions. These requirements can influence the level of list price chosen. If discounts and concessions have to be given in certain transactions, the list price should have a negotiation margin built in it. Payment

periods and credit terms also affect the real price received in any transaction. These kinds of decisions can affect the perceived value of a product.

In comparison to other elements of the marketing mix, the price can be changed easily. But an ill-considered change in price can change customer perceptions about the value of the marketing mix. In the absence of any objective knowledge about the quality of the product, the customer builds a strong association between price and quality. If the price of a product is reduced, customers may start regarding it as an inferior quality product. If a company raises the price, customers may consider it a high-quality product, but there is also the risk that customers may regard the price too high for the value that they are getting from the product. Price change, though easy to make, should always be done taking into consideration the effect the change will have on the attractiveness or otherwise of the marketing mix.

4. PLACE MIX:

Place involves decisions concerning distribution channels to be used, the location of outlets, methods of transportation and inventory levels to be held. The product should be available in the right quantity, at the right time and place. Distribution channels consist of independent intermediaries such as retailers, wholesalers, and distributors through which goods pass on their way to customers. These intermediaries provide cost-effective access to the marketplace.

It will be extremely costly and cumbersome if the manufacturer had to set the entire infrastructure needed to manage the transfer of goods to the customers. The manufacturer has to manage and structure relationships with these intermediaries in such a way that the interests of the manufacturer and intermediaries are served.

Distribution channels perform three distinct functions. They transfer products from the manufacturer to the customers, they pass information from the manufacturer to the customers, and they retrieve payment from the customers to the manufacturer. It is possible to segregate these three functions as alternate means of delivering products, passing information and collecting money are developed. In internet marketing, information is provided on the manufacturer's website, the product is sent from the manufacturer's store to the customer through courier service, and

payment is collected by banks through credit cards. A company should have an open mind while designing its distribution strategy. The three functions have to be performed but it is not essential that all three functions are performed by one channel. Three separate channels can perform a function each, depending on each channel's efficiency and effectiveness in carrying out the function.

5. PEOPLE MIX:

People are crucial in service delivery. The best food may not seem equally palatable if the waitress is in a sour mood. A smile always helps. Intensive training for your human resources on how to handle customers and how to deal with contingencies is crucial for your success.

Modern marketing theories place people as the 5th P in the marketing mix, joining the other 4 Ps namely: product, promotions, price, and place. Without people, all these other Ps will not complete a successful marketing formula. This aspect refers to those who are employed by the company to: design, develop, and manufacture the products; do market research to establish demand and determine customer needs; manage the supply chain to ensure timely delivery; provide support services; and serve as touch points for customer interaction among others.

- People Who Make the Products:**

Aside from the management team, there are people down the line who are responsible for coming up with the products and services of the company. Companies should take time to hire people who have the competence and expertise in the particular industry they are operating in. This is true for people in the entire organization, from the managers down to the ordinary workers. Investing in high caliber people will allow businesses to come up with the best products and services for their target customers. Having these people represent the company will also give the company a positive image in the eyes of the consumers. It goes without saying that such positive image attracts sales.

- People Who Bring the Products to the Customers:**

These are the people who are supposed to know what the customers want and what the best way is for these customers to get what they want. Marketing efforts are focused on generating leads and attracting prospects. When the prospects are ready

to buy, these people make sure that the products and services are accessible to them in the most convenient and affordable manner. When these people fail in their responsibility, the company will not be able to build a substantial customer base to keep their business profitable.

- **People Who Talk to the Customers:**

Companies no matter how big or small require customer service to support their products and services. They should have the right kind of people manning their customer touch points. For a lot of customers, this could actually make or break a deal. Customers always want to be assured that they can talk to people who are willing and able to help them in case they have problems or concerns with the products they bought or the services they availed of. Companies should ensure that they have customer-friendly people who are ready to serve their customers' needs.

Customer service people can actually serve as a differentiating factor versus other competitor companies. There are products that serve the same purpose and are configured the same way. Customers, in these cases, look for brands and companies that can offer them exceptional customer service. It pays, therefore, for companies to invest in training their customer service personnel. This should encompass both the technical as well as the personal aspects of the job. This means that they should be knowledgeable about the specifications of their products and services. At the same time, they should also be personable and have the genuine desire to serve.