



## Literature review on marketing strategy: The 7ps framework

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### Abstract

This literature review examines the evolution, theoretical foundations, and contemporary applications of the 7Ps marketing mix framework. Originating as an extension of the traditional 4Ps model, the 7Ps framework—Product, Price, Place, Promotion, People, Process, and Physical Evidence—offers a comprehensive approach to understanding marketing strategy, particularly within service-dominant industries. Drawing on seminal works and recent studies, this review synthesizes academic perspectives on each element of the mix, highlights key debates, and identifies emerging trends and research gaps.

**Keywords:** 7Ps marketing mix, marketing strategy, service-dominant industries

### Introduction

The marketing mix remains one of the most influential concepts in marketing strategy. First introduced by McCarthy (1960) as the 4Ps (Product, Price, Place, Promotion), the model was later expanded by Booms and Bitner (1981) to include three additional elements—People, Process, and Physical Evidence—better reflecting the complexities of service marketing. Over the decades, the 7Ps framework has been widely used by businesses and scholars to analyze marketing decisions and design holistic strategies.

The evolution of the marketing mix also reflects broader shifts in marketing thought. As markets moved from product-dominant to service-dominant logic, scholars emphasized that customer experience, relational value, and interaction quality were becoming central to competitive advantage. The expansion to the 7Ps captured these realities by acknowledging that service personnel, organizational workflows, and environmental cues significantly influence customer perceptions. Additionally, globalization, technological advancements, and the rise of digital platforms have further transformed how firms design and implement marketing mixes. Today, the 7Ps are used not only as operational tools but also as strategic frameworks that guide innovation, customer engagement, and value co-creation across diverse sectors.

This review consolidates existing research on each element of the 7Ps, evaluates its relevance in modern markets, and discusses how digital transformation, customer-centricity, and competitive dynamics have shaped adaptations of the model.

### Historical Development of the Marketing Mix

Early marketing scholars wanted tools to make marketing decisions easier and more consistent. McCarthy's 4Ps—Product, Price, Place, and Promotion—became very popular because they were simple and could be applied in many industries (Kotler, 2000).

However, as service industries grew, people realized the 4Ps were not enough. Services are often intangible, vary from one customer to another, and involve customer participation,

so factors like employee behavior and the way services are delivered became very important.

To address this, Booms and Bitner (1981) added three more elements—People, Process, and Physical Evidence—creating the 7Ps framework. These additions help businesses consider employees, service processes, and tangible cues like the service environment, making marketing strategies more complete for both goods and services.

### Literature Review by Marketing Mix Components with Examples.

#### 1. Product

Research consistently identifies product strategy as central to customer value creation. Kotler and Keller (2016) emphasize that product quality, innovation, and differentiation are key drivers of competitive advantage, enabling firms to stand out in increasingly crowded markets. In service marketing, studies highlight the intangible and experiential nature of service products, which requires firms to prioritize reliability, responsiveness, and overall experience design to meet customer expectations (Zeithaml *et al.*, 2006).

Recent research also explores how digital products and hybrid offerings blur traditional boundaries between goods and services. For example, a smart wearable device integrates a physical product with digital services such as health tracking and cloud-based analytics. This combination creates ongoing value through software updates and data-driven insights, illustrating how firms now design products as evolving ecosystems rather than static offerings.

#### 2. Price

Pricing strategy literature examines cost-based, competition-based, and value-based pricing, each serving different strategic purposes. Monroe (2003) emphasizes that customers react not only to the actual price but also to psychological factors such as perceived fairness and reference prices. With digitalization, dynamic pricing has become more common, especially in e-commerce and hospitality, where prices change depending on demand and customer behavior (Elmaghraby & Keskinocak, 2003).

Value-based pricing is increasingly important as firms focus on building long-term customer relationships. For example, a streaming service may offer different monthly plans based on the value customers receive—such as a basic plan for limited screens and a premium plan with higher video quality. This makes the price easier for customers to understand because they can clearly see what they are paying for.

**3. Place (Distribution)**

Place decisions used to focus mainly on logistics and choosing the right retail stores. Today, with omnichannel marketing, distribution includes both physical stores and online platforms. Verhoef *et al.* (2015) note that combining these channels improves customer satisfaction but requires careful coordination.

Supply chain resilience has become especially important after the pandemic. For example, grocery stores now offer in-store shopping, online delivery, and click-and-collect options. This way, customers can still get what they need even if one channel faces problems, making the distribution system more flexible and reliable.

**4. Promotion**

Promotion research examines tools such as advertising, sales promotion, public relations, and digital communication. Traditional frameworks like AIDA (Attention, Interest, Desire, Action) remain foundational, guiding how firms structure messages to influence consumer behaviour. However, newer studies emphasize personalized and interactive communication to engage customers more effectively (Belch & Belch, 2018).

The rise of social media and influencer marketing has shifted promotion strategies toward user-generated content and community engagement. For example, a cosmetics brand may collaborate with beauty influencers to create tutorials and product reviews, encouraging followers to share their own experiences. This approach not only increases brand visibility but also builds trust and engagement by leveraging authentic, peer-driven content.

**5. People**

Literature on the people element of marketing focuses on employee behavior, the quality of customer interactions, and internal marketing practices. Bitner, Zeithaml, and Gremler (2010) emphasize that frontline employees play a critical role in shaping customer service experiences, as they are often the primary point of contact with clients. Research also highlights the importance of employee training, motivation, and a customer-oriented culture in driving satisfaction and loyalty.

For example, a hotel chain that invests in comprehensive staff training ensures that employees greet guests warmly, respond quickly to requests, and personalize services. This creates a positive experience for customers, encouraging repeat visits and positive word-of-mouth, while also motivating employees who feel valued and empowered.

**6. Process**

Process strategy research looks at how services are delivered efficiently, consistently, and in a way that meets customer needs. Lovelock and Wirtz (2015) point out that good processes improve how customers see service quality and reduce mistakes.

With more digital automation, like AI tools, companies are finding new ways to serve customers faster. For example, many fast-food restaurants now use self-service ordering screens. This makes service quicker and more accurate, while staff can help customers who need extra assistance, keeping the experience smooth and pleasant.

**7. Physical Evidence**

Physical evidence refers to tangible cues that influence customer perceptions and experiences in service environments. Bitner’s (1992) service-scape model is foundational, showing how factors such as layout, ambience, signage, and décor affect customer behavior and satisfaction.

Recent research also highlights virtual service-scapes, where digital touch-points like websites, apps, and online interfaces act as modern physical evidence. For example, an e-learning platform uses a well-organized dashboard, clear icons, and consistent colors to make navigation easy and enjoyable for students. This digital environment helps learners feel confident and engaged, just as a clean and welcoming classroom would in a physical setting.



**Diagram 1: The 7Ps Marketing Mix**

**Customer Journey Mapping with 7Ps Influence**

Stage	7Ps Influence
Awareness	Promotion – Advertising, social media, PR, influencer campaigns raise awareness about the brand or product.
Consideration	Product – Features, quality, and benefits help customers evaluate options.
Purchase	Price – Competitive and value-based pricing influences the buying decision.
Experience	People & Process – Employee behavior, customer service, and efficient processes shape the actual experience.
Loyalty	People & Process, Product, Promotion – Positive experiences, follow-up communication, and ongoing value encourage repeat purchases.
Support Across All Stages	Place & Physical Evidence – Availability, distribution channels, and tangible cues reinforce the brand and customer trust throughout the journey.

## 1. Elaboration

This mapping shows how the 7Ps can be strategically aligned with each stage of the customer journey. At the awareness stage, promotional activities are key to attracting attention and building interest. During consideration, the product's features, quality, and benefits help customers compare and evaluate alternatives. Price plays a critical role at the purchase stage, influencing whether the customer decides to buy.

Once the purchase is made, the experience stage depends heavily on the quality of service, including employee interactions and the efficiency of processes. Finally, loyalty is reinforced through consistent service, strong relationships, and continued value delivery, encouraging repeat purchases and advocacy. Place and physical evidence act as supporting elements at all stages, ensuring products are accessible and the service environment—physical or digital—positively shapes perceptions.

This integrated approach demonstrates that the 7Ps are not isolated tools; instead, they collectively guide marketers in shaping the entire customer journey for maximum satisfaction and loyal

### Contemporary Relevance and Critiques of the 7Ps

The 7Ps framework is still widely used by marketers, but scholars debate its relevance in today's digital and relationship-focused marketing environments. Critics argue that the model is too firm-centered, focusing on what the company offers rather than how customers actively participate in creating value (Grönroos, 2006). For instance, in digital platforms, customers can co-create products, leave reviews, and influence service delivery, which the traditional 7Ps do not fully capture.

To address these limitations, some researchers propose alternative frameworks, such as the 4Cs—Customer, Cost, Convenience, and Communication—which shift the focus toward customer needs and experiences. Despite these critiques, empirical studies show that the 7Ps remain a useful tool for designing and managing marketing strategies, especially in sectors like services, hospitality, healthcare, and education. For example, hospitals can use the 7Ps to ensure high-quality patient care by aligning service processes, staff training, physical facilities, pricing, and communication strategies, demonstrating the continued practical relevance of the framework.

### Emerging Themes in Modern Marketing Strategy

Recent research shows that marketing strategies and the 7Ps are evolving in response to new trends

- Digital transformation is changing how products are designed, promoted, delivered, and experienced. For example, digital platforms allow firms to offer virtual services or integrate apps with physical products, enhancing customer value.
- Customer experience (CX) frameworks are increasingly used alongside the 7Ps to ensure every interaction—from first contact to post-purchase—is seamless and satisfying.
- Sustainability marketing is influencing product design, pricing ethics, and operational processes, as firms aim to reduce environmental impact while meeting consumer demand for responsible business practices.
- Personalization and AI are changing how firms manage people and communication. For instance, AI-driven

customer support or personalized recommendations improve service efficiency and engagement.

- Omni-channel ecosystems expand the concept of place and promotion, integrating physical stores, online platforms, mobile apps, and social media to deliver consistent and flexible experiences across channels.

Together, these trends highlight that modern marketing is more dynamic, customer-focused, and technology-driven than ever before, requiring firms to adapt the traditional 7Ps framework to remain effective in contemporary markets.

### Research Gaps

Even though the 7Ps framework is widely used, there are still some areas that need more research

- **AI and new technologies:** Few studies look at how AI, automation, and digital tools can be used in all parts of the 7Ps to improve efficiency and customer experience.
- **Cross-cultural studies:** Most research is done in Western countries, so we don't know if the 7Ps work the same way in other cultures or markets.
- **Sustainability:** There is little research on how each of the 7Ps can support environmentally friendly and ethical practices.
- **Long-term performance:** Not many studies show how using the 7Ps affects a company's long-term success, like profits, customer loyalty, or competitive advantage.

Filling these gaps would make the 7Ps framework more useful for today's digital, global, and sustainability-focused markets.

### Conclusion

The 7Ps marketing mix is still an important framework for planning and managing marketing strategies. It helps businesses think about all parts of their offering, including products, pricing, promotion, people, processes, and physical evidence.

Although some critics say the 7Ps focus too much on the company and not enough on customers, the framework is flexible and can be updated to meet modern challenges. Future research and practice should look at how the 7Ps can adapt to new technologies like AI and digital platforms, as well as trends like sustainability, personalization, and global markets.

By doing this, the 7Ps can continue to guide businesses in creating value, improving customer experiences, and staying competitive in today's fast-changing market.

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