

## **MARKETING PRACTICES OF QUANTITY SURVEYING CONSULTANCY FIRMS**

**Yankah, J. E.**

*Department of Building Technology, School of Engineering, Cape Coast Polytechnic, P. O. Box AD. 50, Cape Coast, Ghana.*

[ekowjonas@yahoo.com](mailto:ekowjonas@yahoo.com)

### **Abstract**

The 4P's marketing mix concept has received wide acceptance and application in many industries except the construction industry where there exist some challenges with its use. The 5P's marketing mix concept came as a solution to the challenges of the use of the 4P's marketing mix, that are as a result of the distinctive business environment and nature of construction. Years after its introduction in construction marketing literature, little to nothing is known about the application of the 5P's in the construction industry especially the consulting aspects where the 5P's is of great significance. This paper is aimed at investigating the application of the 5P's marketing mix concept in the Quantity Surveying Profession in Ghana. The objectives are to determine the order of importance that is attached to the five parameters of the 5P's and to examine the influence of demographic factors on that order of importance. After extensive related literature survey, a questionnaire survey of 48 Quantity Surveying Consultancy Firms (QSCF) selected using the snowball sampling technique to reach the target respondents was undertaken. The findings revealed that the five P's marketing concept is used by the QSCF in this decreasing order of importance: Place, Product, Price, Promotion and People. To achieve desirable results, management of the firms must employ this basic marketing strategy carefully by blending various marketing elements to achieve market differentiation relevant for the survival of the firms.

**Keywords:** Construction, marketing mix, Practices, Quantity Surveying, Ghana.

### **INTRODUCTION**

Today, every industry's business environment is becoming increasingly characterised by intense competition. The construction industry is no exception to the intense competition prevailing in the world of business. Mochtar and Arditi (2001) observed that the construction industry is typically characterised by extreme competition, high risk, and generally low profit margins when compared with other industries. Such situation threatens the growth and survival of firms that operate under this kind of business environment. This compels the firms to constantly seek ways to outbid their competitors and also explore new and /or less crowded areas that are likely to provide more jobs and higher profits (Polat and Domnez, 2010b).

In this context, market differentiation becomes a key tool for securing a greater share of the available and potential market, and that becomes indispensable for the growth and survival of the firm. This, according to Arditi *et al.*, (2008) and Chen and Mohamed (2008), can be achieved with the help of marketing. Marketing, according to Arditi *et al.*, (2008) is imperative for firms that want to achieve market differentiation. This is because, achieving market differentiation will involve a firm using different marketing mix activities to help clients perceive the firm as being different and offering better value in its service than other competing firms.

The original marketing mix consisted of 12 parameters which were later consolidated into 4P's: product, price, promotion and place (Arditi *et al.*, 2008). Gummesson (1994) argues that the reduction of the original 12 parameters to the 4 P's, resulted in the mix gaining simplicity and elegance but it lost substance and validity. The marketing mix theory has therefore been

described as being 'deficient in scope'. Consequently, several attempts have been made by researchers to expand the 4P's so as to overcome its deficiencies (Kotler 1986; Judd 1987).

In the context of construction marketing, a notable extension of the 4P's marketing theory is the extension of the marketing mix parameters from 4P's to 5P's which saw to the addition of a Fifth P to the existing 4P's which became known as the modified marketing mix theory in construction. The fifth P is People. Arditi *et al.* (2008) acknowledge that the modified marketing mix theory adequately addresses the characteristics of the construction industry. Jaafar *et al.*, (2008) justify the importance of the people dimension in Professional Service Firms (PSF) with these words "These firms practice the phrase 'our people our asset' frequently; a PSF tends to sell to its clients the services of a particular individual than the services of the firm". In the same vein, Maister (1982) argued that professional services usually involved a high degree of interaction with the client, and that argument clearly shows the adequacy of the modified mix theory for the construction industry especially the consulting industry where the 'People' dimension plays an indispensable role in their operations.

In justifying the need for the fifth P (People) to a wider context, Winter and Preece, (2000) concur that construction marketing combines characteristics of industrial marketing and service marketing, and this in the view of Arditi *et al.*, (2008) makes the extension of the marketing mix theory by using the relationship marketing theory appear appropriate. Arditi *et al.*, (2008), observed that the marketing mix theory (4P's) may be useful in differentiating some aspects of the firms operations; however, client decision to enter into contract with the firm may largely be influenced by the quality of the relationship between the two parties. The 'People' parameter when added to the 4P's of the marketing mix, achieves the marriage of the transactional and relationship theories that is most useful in the construction industry due to the peculiarities of the industry (Arditi *et al.*, 2008). Smyth (1999) has earlier noted that the fifth P addresses the relationship networks peculiar to construction. These evidences point to the usefulness of the 5P's marketing mix in construction compared to the 4P's marketing mix. This creates a competitive edge –an empowerment for competitive advantage for the firm firms operating in such industry. This is indispensable for the growth and survival of the firms.

Despite all the knowledge, an extensive search of leading electronic journal databases, including EBSCO Host, Emerald, Google Scholar and Science Direct suggest that little to nothing is known regarding the use of the 5P's in the management of a construction business. The few research that have been done so far focus on the application of the 5P's in the contracting aspects of the construction industry. Notable in such research are the works of Arditi *et al.*, (2008), Polat and Domnez (2010a) and Polat and Domnez (2010b). Specifically on the application of the 5P's in the consulting aspects of the construction industry, literature is nonexistent, suggesting that no academic research has examined the dimension of the 5P's application that focuses on the consulting aspects of the construction industry.

It is against this background, that this study was undertaken in an attempt to find out to what extent Quantity Surveying Consultancy Firms (QSCF) in Ghana are making use of the modified marketing mix theory applicable to construction. More specifically, this research has two objectives:

- (1) To determine the order of importance that is attached to the Five P's marketing activities.
- (2) To examine the factors that influence such order of importance.

The unit of analysis is Quantity Surveying Consultancy firms in Ghana that are self-employed in consultancy business rather than an individual Quantity Surveyor who is in a paid up employment.

This article is part of a larger study and discusses the findings of an empirical study addressing certain marketing elements that were measurable within Quantity Surveying Consultancy Firms, in an effort to assess the extent to which the marketing concept has been adopted and implemented. The article is structured as follows: First, a review of extant literature relevant to evolution of the Five P's marketing activities is undertaken. This is followed by a description of the research methods and procedures used in the study. The results of the enquiry are then discussed. Finally, implications, limitations and directions for future research are offered.

### **MARKETING AND BENEFITS OF MARKETING MIX**

The Chartered Institute of Marketing (1989) has defined marketing as “the management process which seeks to identify, anticipate and satisfy customer requirements profitably” .Likewise, the American Marketing Association (Rodger, 1965), has defined marketing as: “...the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives”. Thus, marketing is concerned with organizing company's strengths, experience and resources to achieve satisfaction for its clients with an acceptable level of profits (Low and Tan, 1995).Marketing is therefore concerned with aligning an organization's business objectives with those of the client's (Low and Tan, 1995).The basic marketing strategy used by a company is the result of the blending of various marketing elements. These elements consist of:

- the service offered (or product);
- the availability of service offered (or place);
- the promotion or communications to prospective client using various promotional techniques; and
- the price charged for the service

McCarthy (1960) came out with the term classical, “four Ps” to describe the above four parameters. Later, in 1964 Professor Borden came out with the term marketing mix” which has become the most frequently used term to describe the four Ps since then until now. Marketing strategy development may therefore be viewed as developing a marketing mix aimed at satisfying the needs of selected markets and accomplishing specific marketing objectives (Low and Tan, 1995). This involves blending the marketing mix parameters in varying proportions so as to meet specific needs of a target market. It is important to note that all activities are affected by two general kinds of variables (Tan and Low, 1995):

- (1) those relating to the marketing mix;
- (2) those relating to the marketing environment.

Tan and Low (1995) noted that to achieve organizational goals, the marketer must be engaged constantly in fashioning a mix of marketing procedures and policies to cope with the dynamic environment or, as it is otherwise known, the uncontrollable variables.

The marketing mix concept has two important benefits. First, it is an important tool used to enable one to see that the marketing manager's job is, in a large part, a matter of trading off the benefits of one's competitive strengths in the marketing mix against the benefits of others (Low and Tan, 1995).The second benefit of the marketing mix is that it helps to reveal another dimension of the marketing manager's job. All managers have to allocate available resources among various demands, and the marketing manager will in turn allocate these available resources among the various competitive devices of the marketing mix. In doing so, this will help to instill the marketing philosophy in the organization (Low and Tan, 1995).

### **Modified Marketing Mix Theory in construction**

The modified marketing mix theory has five parameters instead of the four parameters of the marketing mix theory. It is the extended version of the marketing mix theory and consists of five parameters, namely Product, Price, Place, Promotion, and People (Judd 1987). The modified marketing mix theory includes the people parameter besides the four parameters of the marketing mix theory. The people parameter refers to building strong customer relationships and achieving customer satisfaction. Arditi *et al.* (2008) acknowledge that the modified marketing mix theory adequately addresses the characteristics of the construction industry.

The need for the extension of 4Ps to 5Ps stems the fact that the 4Ps provide little help to the construction industry due to the fact that construction is mainly service-oriented (Arditi and Davis 1988; Peck 1994; Maloney 2002; Cheah and Garvin 2004; Skitmore and Smyth 2007; Polat and Donmez, 2010b). Smyth (2000) and Winter and Preece (2000) advocated marketing theory that fits the specific characteristics of the construction industry. This resulted in the development of the 5Ps by a modification of the existing marketing theories from similar industries (Polat and Donmez, 2010b). The five parameters of the modified marketing mix theory (5P) are applied to construction in the following ways.

#### **The first P - Product**

Kotler (1984) definition of product suggests that it: "...is anything that can be offered to a market for attention, acquisition, use or consumption; it includes physical objects, services, personalities, places, organization services and ideas". The current trend in the construction industry places emphasis on quality but not quantity, forcing firms to upgrade the quality and sophistication of their service (Hasegawa, 1988). As a result the firms are concerned with the job of developing construction services to satisfy the ever-changing and intense competitive environment in the construction industry (Low and Tan, 1995). They will be concerned with developing the right service package, (Low and Tan, 1995). This, in the view of Arditi (2008), can be achieved by conducting an annual customer survey that provides customer feedback that may help improve the quality of a contractor's services, letting the contractor understand the market and clients' expectations. A customer survey lets the contractor determine the areas of service that require greater attention.

#### **The second P - Place**

In marketing, there are basically four kinds of utilities to consider: form, time, place and accessibility (Low and Tan, 1995). This section has so far considered only the creation of form utility, i.e. the development of the range of construction services. In reality, however, the other utilities are equally important. The client can only engage the service if he has possession of it. The client wants to possess the service at the right time and place convenient to him. Therefore, the place decisions are those associated with channels through which services are distributed from the service provider (quantity surveying firm) to the client. In the construction industry, the place parameter typically refers to the new markets into which the consulting firms intend to expand (Dikmen *et al.* 2005; Arditi *et al.* 2008). Thus, place as a marketing strategy is concerned with the possession of service that is accessible to the client at the right place and at the right time (Low and Tan, 1995).

"Place" could also refer to the geographical spread of the firm's resources (Arditi *et al.*, 2008). Arditi *et al.* (2008) argued that, it is more advantageous for a firm to have their resources closer to a job client as this reduces logistics costs associated with moving resources from a remote

location to a job site. A potential saving in cost is created by situating branch offices in close proximity to a potential market, getting familiar with the construction market in one's job location particularly when the project involves local specialty subcontractors. Ling *et al.* (2005) found that firms with branch offices in China or those that partner with indigenous contractors are more likely to win construction jobs. This situation is not peculiar to China. "Outsiders" also face barriers in selling construction services in the European Union (EU). These barriers can be overcome through acquisition of or cooperation with local companies (Gunhan and Arditi, 2005). Therefore, the place factor demands that contractors locate their resources in the vicinity of the locality of the company's area of interest.

### **The Third P – Promotion**

Promotion decisions involve means for communicating and selling to potential customers. Promotion is any method of informing, persuading or reminding clients about the marketing mix of product, place and price. Typical promotional techniques used in mass consumer markets cannot be precisely applied in the construction industry due to the high transaction cost, long transaction time, and uniqueness of construction (Arditi *et al.*, 2008). In the construction industry, the promotion parameter refers to information services, advertising, publicity, brochures and publications, corporate identity program, pricing strategy, customized contracts and additional services, and education, support and participation of all employees, maintaining personal and past business contacts through entertainment and personal visits to potential clients (Low and Tan, 1995; Arditi and Davis 1988; Cheah and Garvin 2004).

### **The Fourth P – Price**

Price is the only variable in the marketing mix that must be set in relation to the other three Ps (Low and Tan, 1995). The price of a construction service is in the form of a contract sum put forward during the tender stage. Gerwick and Woolery (1982) define pricing as the tangible end point of the marketing effort and a very effective and incisive marketing tool. Traditionally, pricing in construction (whether competitive or negotiated) has been based on cost plus a percentage markup (Gerwick and Woolery 1982; Mochtar 2001).

Most clients regard price as the only basis for differentiation. The lack of product differentiation in construction has resulted in firms not being able to increase their percentage markup. Wilson (1991) found that in other industries, customers will not switch from preferred sellers, even if there is a 5% difference in price. More often than not, the case is different in construction industry. Smyth (1999) observed that due to the absence of product differentiation amongst firms, many regular clients do not have preferred consulting firm. They have discovered that in the absence of differentiated services, switching to firms that offer lower prices is preferable.

Government policy on procurement emphasizes price and price-related factors. The use of price as the sole means of differentiation among consulting firms greatly undermines the profitability of consulting firms, discourages management innovation, and inhibits quality. The tradition of awarding projects based on price (normally qualified as "lowest responsible/evaluated bidder") has been largely responsible for this problem.

### **The Fifth P – People**

People decisions involve means for building strong customer relationships and achieving customer delight. The people parameter refers to relationship marketing, which is defined by

Smyth (1999) as a concept for developing long term and sustained contact with clients so that their needs can be targeted and satisfied in return for client loyalty. This in the view of Jackson (1985) is the opposite of transaction marketing “where the buyer shops around and one deal says little about the chance of a repeat purchase” (Arditi et al., 2008: 257). The emphasis of relationship marketing is not on bringing about exchange processes, but on building relationships (Woodruffe1995).

Arditi *et al.*, (2008) notes that the link between client satisfaction and repeat business can be achieved through relationship marketing since it emphasizes a long-term interactive relationship between a private client and a consulting company. According to Policy Publications (1997) in USA, one of the most critical activities in winning a major project is developing person-to-person relationships with potential clients. Based on this Arditi *et al.*, (2008) justifies the usefulness of relationship marketing with the argument that the construction industry relies heavily upon people at each stage of procurement, including owners, contractors, designers, construction managers, schedulers, estimators, material suppliers, site superintendents, specialty subcontractors, etc.

## **RESEARCH METHODOLOGY**

The target population for this study consisted of Quantity Surveying Consultancy firms that are duly registered with the Ghana Institution of Surveyors (GhIS) and earn their livelihood by engaging in activities so described as the duties and functions of Quantity Surveying firms in the Ghana Institution of Surveyors (GhIS) Constitution and the Act that establishes the professional bodies (NRCDC 143). The unit of analysis is the individual firms that constitute the Quantity Surveying division of the Ghana Institution of Surveyors (GhIS).

The sampling frame was a list of Quantity Surveying practising firms in Ghana as at 2012 that are self-employed in consultancy business in the private sector. A questionnaire survey of 48 firms was conducted. Questionnaire was administered in collective situation and by personal administration. Responses of 45 firms were retrieved, giving a satisfactory response rate of 94%. The entire retrieved questionnaires were suitable for subsequent analysis.

### **Data Collection**

The initial questionnaire was pretested with a convenience sample of approximately 10 QSCF who are largely based in Accra, Ghana. This was achieved by the use of Cooper and Schindler’s (2006) collaborative participant pre-testing method. Data for the main study was collected over a three-month period during January to March 2013 via questionnaire survey. The questionnaires were delivered to the top management members responsible for day-to-day running of the firm by the researcher.

Before conducting the survey, a list of registered QSCF together with their location details were obtained from the Ghana Institution of Surveyors (GhIS). Telephone calls were made to the firms to book appointment for visit to the firms. During the visit, the purpose of the survey was discussed and each firm’s top management’s permission was obtained. As questionnaire surveys have been used previously in studies on construction marketing, a survey questionnaire was designed as the research instrument and administered to the respondents as in the similar studies carried out by several other researchers (Morgan and Morgan 1991; Namo and Fellows 1993;

Marr *et al.*, 1996; Bowen and Rwelamila, 1995 Ardita *et al.*, 2008, Yisa *et al.*, 1995, Morgan 1990)

To reach the QSCF, snowball sampling technique was used. This approach involved initially engaging with QSCF which were most visible and subsequently accessing their networks to signpost additional participants. This 'snowball and convenience' sampling process continued until a representative sample size of 48 firms was reached which corresponds with the list obtained from the Ghana Institution of Surveyors.

Questionnaires were then delivered to the firms together with a package of paper napkins worth GHc50 as an incentive for participation. Two weeks after the initial delivery of the questionnaires, a post card was sent to respondents reminding them to complete the questionnaire. Follow up surveys were sent to those respondents who had not returned their surveys with the one-month period until all the completed questionnaires were retrieved except only three firms that could not return theirs.

## **Measures**

### **Parameters and constituents of marketing activities**

This construct was adopted from Arditi *et al.* (2008). Arditi *et al.* (2008) identified a total of 25 marketing activities, which represent the five parameters of the modified marketing mix theory in the construction industry. Out of these 25 marketing practices, 7 are related to the product parameter, 3 practices represent price parameter, and 9 practices constitute promotion parameter. Place parameter includes 1 practice and people parameter consists of 5 practices. Having decided on the rating scale, Likert scales were adopted to help elicit the appropriate ratings. The conventional five-point rating scale was used as Oppenheim (1992) suggests that more complex scoring systems possess no significant advantage. Subsequently, the variables were ranked per their level of importance by the respondents using Likert rating scale of 1-5, where 1 = not important, 2 = less important, 3 = moderately important, 4 = important and 5 = very important. Although, Likert rating scales are for ordinal data measurement, Blaikie, (2003) establishes that they can be assumed as interval measures if the spacing between them is equal as the situation is in this case. The items were randomized in the questionnaire to minimize the impact of order bias.

### **Demographic Variables**

The demographic variables measured include age of firm, size of firm and educational background of respondents.

### **Analysis**

Principal component analysis (PCA) was used to find the weight of marketing activities in each marketing parameters (product, price, promotion, place and people). The use of PCA was informed by its ability as a statistical technique that linearly transforms an original set of variables into a smaller set of uncorrelated variables that represents most of the information in the original variable (Kellow, 2006). Again, the nature of the five parameters (i.e. product, price, promotion, place and people) cannot be measured directly. Fellows and Liu (1997) describes a factor as a type of latent construct, in that, a construct is an amalgamation of variables and is latent because it cannot be observed (and measured) directly but only through the constituent variables.

The value of the  $i^{\text{th}}$  marketing parameter (principal component) can be calculated using the following expression (Field, 2005):

$$PC_i = \sum_{j=1}^p a_{ij} X_j = a_{i1} X_1 + a_{i2} X_2 + a_{i3} X_3 + \dots + a_{ip} X_p \quad (1)$$

Where  $a_{ij}$  = factor scores and  $X_j$  = ratings received for marketing activities. In this expression,  $i = 1, \dots, 5$  representing each of the five marketing parameters, and  $j = 1, \dots, p$  representing the marketing activities within each marketing parameter. By definition, factor scores have a mean of "0" and a standard deviation equal to "1"

An index is calculated by normalizing the factor scores in order to determine the weights of the different marketing activities in each marketing parameter. The weight of the  $j$ th marketing activity in the  $i$ th marketing parameter (i.e. principal component) is calculated as follows (Ruiz – Tagle 2006):

$$W_{ij} = \frac{a_{ij}}{\sum_{j=1}^p a_{ij}} \quad (2)$$

Only one principal component was extracted using the statistical package SPSS in the form presented in equation 1 as the goal was to calculate the weights of marketing activities in each marketing parameter. Then the weights of the marketing activities were calculated using the factor scores such as in equation 2. The factor scores were calculated using the statistical package SPSS, the weights of each marketing activity, their average importance scores, and the weighted importance scores of the five marketing parameter are presented in Table 1.

## RESULTS

The sample was highly dominated by small and medium sized firms and majority of the respondents (82%) did not have management background in terms of education and training. This could be attributed to the fact that the industry places more emphasis on production efficiency than management related issues. As a result, training of industry professionals is geared towards the production of highly trained technical persons with little or no management training (Harris, 1991; Pearce, 1992).

82.2% of the respondent firms are below 20 years in existence with more than one half of that recording less than ten years old. Again, majority of the firms (86.6%) are small to medium size enterprise with the medium size (i.e. between 10 – 25 employees) firms having the greatest share of 62.2%.

Table 1 shows the importance that the QSCF in Ghana attach to each parameter of the modified marketing mix. It shows that place related marketing activities are of paramount importance to QSCF and that deserves commendation because looking at the increasing intensity of competition that characterizes the operating environment of the QSCF, it is only prudent that the firms move into new markets into which they intend to expand (Dikmen *et al.* 2005; Arditi *et al.* 2008). In that case their services will be readily accessible to the client at the right place and at the right time (Low and Tan, 1995). Again, as argued by Arditi *et al.* (2008), it is more advantageous for a firm to have its resources closer to a job client as this reduces logistics costs associated with moving resources from a remote location to a job site. This move by the firm can result in savings in operational cost by situating branch offices in close proximity to a potential market. This strategy has the potential of attracting more clients for the firm and that can improve revenue to enhance growth and survival of the firm.

Product followed next and the reason could be the emphasis on quality which has compelled some firms to upgrade quality and sophistication of their services (Hasegawa, 1988). This has resulted in the development of construction services capable of satisfying the ever-changing and intense competitive environment in the construction industry (Low and Tan 1995). The firms are

therefore concerned with developing the right service package, i.e. the way or skill with which the service are readily what one is buying (Low and Tan, 1995).

Price ranked closely behind Product with promotion following Price and finally the People parameter following promotion.

*Table 1: Parameter and Constituent of Marketing Activities*

| Marketing Activities                 | Component Matrix | Factor Score of Marketing Activities | Weights of Marketing Activities (%) | Average Ratings of Marketing activities | Std. Dev. | Weight Imp. Rating of the four Marketing Parameters |
|--------------------------------------|------------------|--------------------------------------|-------------------------------------|---|-----------|---|
| <b>Product-related activities</b>    |                  |                                      |                                     |   |           | <b>4.06</b>   |
| Seeking client satisfaction          | 0.403            | 0.031                                | 4.59                                | 4.29                                    | 0.991     |   |
| Providing extended services          | 0.27             | 0.021                                | 3.11                                | 4.18                                    | 0.886     |   |
| Offering customized contract         | 0.482            | 0.037                                | 5.48                                | 4.00                                    | 0.929     |   |
| Training for interpersonal skills    | 0.581            | 0.045                                | 6.67                                | 3.89                                    | 1.049     |   |
| Recruiting high quality personnel    | 0.478            | 0.037                                | 5.48                                | 4.31                                    | 0.874     |   |
| Conducting customer surveys          | 0.505            | 0.039                                | 5.78                                | 3.71                                    | 1.079     |   |
| Offering competitive salaries        | 0.692            | 0.054                                | 8.00                                | 4.02                                    | 0.892     |   |
| <b>Overall Standard Deviation</b>    |                  |                                      |                                     |   |           | <b>0.968</b>  |
| <b>Price-related activities</b>      |                  |                                      |                                     |   |           | <b>3.97</b>   |
| Providing free preliminary estimates | -0.246           | 0.019                                | 2.81                                | 3.82                                    | 1.114     |   |
| Training estimators                  | 0.265            | 0.021                                | 3.11                                | 3.89                                    | 0.885     |   |
| Pursuing partnering agreements       | 0.187            | 0.015                                | 2.22                                | 4.20                                    | 0.869     |   |
| <b>Overall Standard Deviation</b>    |                  |                                      |                                     |   |           | <b>0.940</b>  |
| <b>Place-related activities</b>      |                  |                                      |                                     |   |           | <b>4.07</b>   |
| Seeking geographical expansion       | -0.067           | 0.005                                | 0.74                                | 4.07                                    | 1.009     |   |
| <b>Overall Standard Deviation</b>    |                  |                                      |                                     |   |           | <b>1.009</b>  |
| <b>Promotion-related activities</b>  |                  |                                      |                                     |   |           | <b>3.94</b>   |
| Advertising                          | 0.311            | 0.024                                | 3.56                                | 3.67                                    | 0.953     |   |
| Product branding                     | 0.22             | 0.017                                | 2.52                                | 4.33                                    | 0.769     |   |
| Printing brochures and newsletters   | 0.118            | 0.009                                | 1.33                                | 3.84                                    | 0.928     |   |
| Maintaining company website          | 0.232            | 0.018                                | 2.67                                | 4.13                                    | 0.842     |   |
| Making gifts with company logo       | 0.419            | 0.032                                | 4.74                                | 3.93                                    | 1.009     |   |
| Soliciting prospective clients       | 0.297            | 0.023                                | 3.41                                | 4.33                                    | 0.905     |   |
| Participating in trade shows         | 0.367            | 0.028                                | 4.15                                | 3.91                                    | 0.949     |   |
| Issuing news releases                | 0.402            | 0.031                                | 4.59                                | 3.71                                    | 0.991     |   |
| Employing professional marketers     | 0.314            | 0.024                                | 3.56                                | 3.62                                    | 1.154     |   |
| <b>Overall Standard Deviation</b>    |                  |                                      |                                     |   |           | <b>0.918</b>  |
| <b>People-related activities</b>     |                  |                                      |                                     |   |           | <b>3.32</b>   |
| Making charitable donations          | 0.38             | 0.030                                | 4.44                                | 3.49                                    | 0.968     |   |
| Setting up scholarships/endowments   | 0.605            | 0.047                                | 6.96                                | 3.42                                    | 1.215     |   |

|                                   |       |       |      |      |                  |
|-----------------------------------|-------|-------|------|------|------------------|
| Providing event/travel tickets    | 0.294 | 0.023 | 3.41 | 3.18 | 1.051            |
| Proving client entertainment      | 0.069 | 0.005 | 0.74 | 3.36 | 1.09             |
| Hosting social events             | 0.518 | 0.040 | 5.93 | 3.16 | 1.186            |
| <b>Overall Standard Deviation</b> |       |       |      |      | 1.102            |
| <b>Overall</b>                    |       |       |      |      | <b>.481 3.86</b> |

Source: Field Data, 2013

All the activities that constitute the product construct had an average score of 3 or greater meaning that the respondents consider most of the activities as “important” or “very important” (See Table 1). This indicates that QSCF see product quality as key to ensuring growth and business survival. The activity which was considered most important among the list of item under product is “seeking client satisfaction”. This finding confirms the finding of Arditi *et al.* (2008) and also reinforces the theory by Huff (1984) that clients will dictate the direction of the construction market. As noted by Arditi *et al.* (2008), as clients emphasize customized services, firms strive to provide clients with services that will ensure lasting relationships.

In terms of price – related marketing activities, “Pursuing partnering agreement” was considered most important (See Table 1). The reason for this could be the fact that this marketing activity has the potential for cost savings (Arditi *et al.*, 2008). This could also be attributed to the use of price as a sole means of distinguishing between firms. The firms believe that through partnering, they can reduce cost and win more contracts. “Training of estimators” ranked next in importance to “Pursuing partnering agreement”, mainly because of the nature of the work of QSCF. Trained estimators provide accurate estimate for their client and that can improve the firms’ image and enhance future business with such clients. Providing free preliminary estimates was the least important price–related activities for QSCF. This could be as a result of some clients not coming back for business after the preliminary estimates are given.

The only activity related to the place parameter is “Seeking geographical expansion”. It scored 4.07 which is higher than important (See Table 1). This could be as a result of intense competition in the Ghanaian construction industry. Firms therefore bring their services in close proximity to potential market so as to reduce logistical costs and also make their services readily accessible to potential clients. It can also be as a result of a firm’s desire to enter new market (Arditi *et al.*, 2008)

For promotion - related marketing activities (See Table 1), it was not surprising to note that employing professional marketers came out as the least important activity. This could be attributed to partnership structure of QSCF, where the lack partner level acceptance of marketing as a legitimate business function can prevent the firm from employing personnel for such function. As a result the firms are making use of “product branding” (4.33), “soliciting prospective clients” (4.33) and “maintaining company website” (4.13) as very important activities. All the other activities were also considered as “important” (Score greater than 3) by the QSCF.

Regarding the people parameter, all the marketing activities were considered “important” (See Table 1) by the QSCF particularly “Making charitable donations” (3.49), “Setting up scholarship or endowments” (3.42) and “Providing client entertainment”. The scores obtained in this are higher than that of Arditi *et al.* (2008), mainly because unlike Ghana, the tough anticorruption posture of the US justice system could prevent some firms from engaging in such activities.

## DISCUSSION

This study investigated the order of importance that is attached to the modified marketing mix theory by QSCF in Ghana. To the best of the author's knowledge, it is the first study that examines the application of the modified marketing mix theory in the consulting aspect of the construction industry particularly the Quantity Surveying profession.

This study has revealed that QSCF attaches importance to the 5Ps of the modified marketing mix parameters in the following decreasing order of importance: Place, Product, Price, Promotion and People with mean scores of 4.07, 4.06, 3.97, 3.94, and 3.32 respectively. This means that Place and Product are "important" to the firms whilst Price and Promotion rank closely behind as "moderately important". The People dimension is also moderately important to them.

Out of the seven variables that make the Product construct, five were considered as "important" (Score greater than 4) with only two considered as "moderately important" (Score greater than 3). In effect all the seven variables achieved "moderately important" to "important" ratings from the QSCF. Similarly, the Price construct also had two out of three items recording "moderately important" and the remaining one scoring "important". The Place construct had only one variable and that was also considered as "important" by the QSCF. Within the promotion construct, three variables were considered "important" while the other six were also considered "moderately important". In the same vein, all the five variables that constitute the Place construct were scored as moderately important by the QSCF.

## **CONCLUSION**

Today, managers recognise the importance of the People dimension of the modified marketing mix theory in the construction industry especially the consulting aspects. Since the People variables are key elements to ensuring sustained business performance, it is imperative that management of QSCF takes a closer look at closer look and the application of the modified marketing mix theory again.

Again, QSCF must work on the Place variables of the marketing mix so as to improve on the geographical spread of the firm's resources. This will reduce logistics costs associated with moving resources from a remote location to a job site. Branch offices must be situated in close proximity to a potential market to make the firms' services readily accessible to potential and prospective clients. For instance firms that are traditionally located at in Accra can situate a branch at the western region where because of the emergence of oil, a potential market may exist there. The firms must design product packages that are tailored to meet client need so as to create demand rather than seek for opportunities that fit the firm's capabilities.

## **Limitations and directions for future research**

Some limitations might be related to collecting the data and interpreting the results. The first one could be the omission of comparisons of the responses based on certain demographic data such as age of firm, size of firm and others that could have revealed any influences such factors might have on their responses.

Future studies should examine other potential factors that might influence respondent's perception about the importance of the variables. Particularly, the age of firm in terms of years of existence, size of firm in terms of the number of employees and the educational background of the respondents.

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