

By Ian Rheeder
(60 second Tip of The Month)

Wits Business School's
4R Model

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The "4R" Marketing Model

MARKETING TIP OF MONTH (60 SECOND READ)

Product Marketers place the emphasis on the **4P Model**, however all businesses have a service aspect, thus the **8P Model** (4P + 4P) should *always* be considered. See *8Ps below*.

However, to really turn the pressure on, the **4R Model** should also always be considered.

4P Model (Products)

Product
Price
Place
Promotion

8P Model (Services)

Above, &
People (your staff)
Processes
Physical Facilities
Productivity/Quality or
Partnerships

4R Model ("Knowledge-based" Services)

Risk reduction
References
Relationships
Realization of
Performance

See Case Studies:
www.cgi.com, click on 'Industries', look at their References per web-page. Also see www.rdbconsulting.com and read their Risk Reduction line at the top of the landing page.

Knowledge Based Services

Typical "4R" Businesses: Banks, Mortgage loan, Education, Professionals, All Consultants, Nursery Schools, Services, Computer repairs, Software, Hotel, Cell-phone Contract, Project Manager, etc

Applying the 4R Model (Case Study: Education)

Knowledge Based Services are difficult to evaluate, as the product is intangible or high in credence, and thus difficult to compare with a competitor's product. *I.e. How do you know which is the best educational institution to enroll with?*

4R Model (E.g. Education)

Risk Reduction	References	Relationships	Realisation of Performance
Build the "brand" & position cleverly. Pristine campus.	References from past graduates displayed. Industry specific.	'Bedside' Manners. How do you 'sell' the qualification.	Measure your performance. Parents & students.
Supply simple & relevant info on procedures	Referral network in SA is not by chance but designed	Long-term Emphasis on building trust. Update website.	Research feelings of stakeholders.
Remind them of the benefits	Opinion Leaders: Industry Leaders	Interdependence with Students	Manage Physical Facilities = Quality
Offer guarantees, i.e. employment	Guest Speakers at Seminars push you	Customise Service for Certain Students	Remind them of your performance.
Offer a free sample lecture. Have an "open day".	Word-of-mouth (WOM) of the masses	Support them after hours. Student Relationship Staff.	Reward Service Staff for World Class Service
References displayed. I.e. walls & website	Promotion concentrates on using references	New Service Development. Library, online	Display awards of campus champions.
Reception area designed to be appealing.	Collect references by Industry Sector.	Have a Student Relationship Database	Employ skilled, motivated, service oriented staff

Quote for the Wits Business School 4R Model:

"Aim for integrity, and nothing else will count. Miss the integrity target, and nothing else will count... because you won't have a business."

