

Marketing Human Resources

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Received: 01/01/2020 Accepted: 08/02/2020 Published: 16/04/2020

Abstract:

The main purpose of this paper is to highlight the concept of Human resource marketing and the role that marketing could play in HR management, as well as presenting the elements of the marketing mix, and discussing their application in the workplace. First the role of marketing in HR management is reviewed; then the marketing mix for HR is discussed.

We concluded that marketing is essential for human resource management in order to recruit competent employees, which may be source of competitive advantage and thus, achieving organizational goals.

Keywords: keywords; keywords; keywords; keywords; keywords.

JEL Classification Codes: Human Resource, Marketing Mix, Workplace, Process, Physical Evidence. J24 ,M12,M31 ,M37 ,O15.

1. INTRODUCTION

The human capital is increasingly valued and recognized as source of competitive advantage, and companies need to transform their behavior and promote the employees issues in order to cope with the competition and pressure in the market. Thus, companies are becoming more and more aware of the importance of using marketing principles and tools in human resources management to attract competitive employees, which has direct effects on the entire activity, as well as retaining its competent employees

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On this basis, we formulate the main question: How can the marketing mix commonly referred to as 7 Ps of marketing be applied to human resources?

In order to answer the previous question, this paper aims to introduce the concept of Human resource marketing and discusses the importance and role of marketing in HR management; and finally present the seven elements of the marketing mix and their application in the workplace.

2. Role of Marketing in HR Management

Marketing Management can be defined as follows: "The analysis, planning, implementation and monitoring programs to create, provide and maintain a profitable process transactions with the buyers, in order to achieve organizational goals (Eavani & Nazari, 2012, p 9915).

CIM (The Chartered Institute of Marketing) offers the following definition for marketing: The management process responsible for identifying, anticipating and satisfying customer requirements profitably (The Chartered Institute of Marketing, 2015).

The global tendencies show that the role of marketing in the human resources management is not any more of support, but it also has a strategic one (Izvercianu et al., 2012, p62). HR marketing or internal corporate marketing involves the application of the phylisophy and methods of marketing in regard to domestic consumers (HR) of the organization. The essence of this approach can be defined as a way of managing human resources, ensuring coherence of objectives, organizational capabilities and interests of the employee (Bannikova & Kuchkildina, 2013, p 61).

There are three main reasons for which the marketing principles should be used in the human resources management (Izvercianu et al., 2012, p62):

- The increased influence of the reputation management which brings into attention issues related to people management;
- It is vital, in any field of activity, for the organizations to pay more attention to people management in the branding process;

- The increase of the economy based on services in which the products are delivered and differentiated only by qualified and well trained employees;
- The increase in importance of the intangible assets such as humans and intellectual capital, as a source of the strategic advantage.

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The human resources and the marketing are tightly connected on two levels ; First of all there is a concern for the employer brand and employees relationship management. The marketing tools and techniques can help in talent development, offering benefits, creating an equilibrium between professional and personal life and using them in attracting, retaining and entertaining talents. Furthermore human resources management started to have an increased impact on marketing and sales. Human resources strategies and their implementing can create an energetic workforce which can confirm the promises made by the managers (Izvercianu et al., 2012, p. 62, 63).

3. Marketing Mix for Human Resources:

The marketing mix is a set of tools that institutions use to achieve their marketing goals (Saeidi Pour B. et al., 2013, p 3275). The concept of marketing mix was introduced for the first time by Neil Borden (Borden N., 1984) and became known as the 4P. Jerome McCarthy in the early 1960s, blends marketing with four variables known as the 4P classification that included: product, price, promotion and distribution (place) (Eavani & Nazari, 2012, p 9916). [The four elements of marketing mix are defined in Table 1.].

Table 1. Definition of the four elements of the Marketing Mix

Product	Product is anything that can be sold to satisfy customer needs or wants.
Price	Includes issues such as discounts, list prices, repayment terms and conditions.
Promotion	Includes issues such as advertising, personal selling, sales promotion, public relations and direct marketing.
Distribution	Includes issues such as distribution channels, market coverage, product inventory, transportation and distribution sites.

Source: Eavani & Nazari, 2012, p. 9916

Traditional marketing mix was developed for the goods sector, but as companies became more and more aware of the importance of the marketing, new models were developed including further ‘P’s’, such as the 7Ps which makes reference to: **P**roduct, **P**rice, **P**lace, **P**romotion, **P**rocess, **P**eople and **P**hysical evidence.

3.1 Product:

Product describes what a business is selling and includes all the benefits, features and advantages that customers can get from using the product (Feras et al., 2017, p21).

In the workplace, job may be considered products from the point of view of marketing. As the marketing professionals analyse the consumers’ needs and the behaviour, in the same way the human resources professionals analyse the employees’ motivations, needs and behaviour and try to offer satisfying jobs in order to attract the employees who meet the

employment criteria and who will be loyal to the enterprise and will help it in achieving its objectives (Izvercianu, et al., 2012, 64).

3.2 Price:

The second most significant element in the marketing mix is the price. It can be known as the value charged for any product or service (Thabit & Raew, 2018, p 103), and it described the amount of money that intended customers willing to pay to get a product or a kind of service (Al Badi, 2015, p 137).

In the workplace, The candidate, as a “supplier” must satisfy the needs of the company through his competences “sold” to the employer for a salary and other investments (expenditures with trainings and professional development) made by the employer for the welfare of the employee. The salary is the price traded for the amount of requested work (Izvercianu, & Radu, 2012, p29). In other words; the price can be seen as the skills & competencies the candidate is willing to pay for the job (Sofica, 2014, p3).

3.3 Promotion:

Promotion is the way a company communicates what it does and what it can offer customers. It includes branding, advertising, public relations, corporate identity, social media outreach, sales management, special offers and exhibitions. Promotion must gain attention, be appealing, send a consistent message and - above all - give the customer a reason to choose your product rather than someone else’s (The Chartered Institute of Marketing, 2015).

While all elements of the marketing mix can apply to efforts to improve HR’s performance and, hence its image, promotion can be one of the most useful marketing tools available to HR professionals. “Promotion” refers to disseminating information or communicating about a product, brand, or company. Fundamentally, there are three basic objectives of promotion. These are to (1) present information to consumers as well as others, (2) increase demand, and (3) differentiate a product (Eppler & Heisler, 2017, p28). Furthermore, HR communication focuses primarily on internal customers (i.e., employees, managers, or executives), while “marketing communication” is directed primarily toward external

customers, In a sense, promotion involves taking advantage of every opportunity within the company to “make the case” for the HR function – telling what HR has accomplished, promoting the value created by HR programs and services, and being visible in multiple forums with a consistent HR message (Eppler & Heisler, 2017, p28).

Human resources marketing also presuppose employer branding, i.e. promotion by taking part in activities in universities, students’ forums, scholarships, Erasmus programs, presence in Social Media, teambuildings, etc (Izvercianu et al., 2012, p64).

3.4 Place:

Place describes the location where the product is seen, sold or distributed to the customers (Feras, et al., 2017). In the workplace, this element can be associated with the logistics with the HR recruiting and the concept of Just in time delivery (the location of the recruiting sources, the timing between the offer and the need and the quantity of jobs compared to the market needs) (Sofica, 2014, p3).

The “place” in the traditional marketing mix (4P) is translated in the recruiting process which has three stages (Izvercianu & Radu, 2012, p29):

- **Defining the expectations:** Preparing the job descriptions, the employment terms and conditions are established;
- **Attracting new candidates:** Reviewing and assessing the alternate sources of candidates, within and outside the enterprise, the publicity and the use of agencies; selection of the candidates;
- **Sorting the candidates:** interviewing, testing, assessing them, labour offer, obtaining references, preparing the employment contracts.

The cycle of the traditional marketing mix (4P) ends with placing the candidate in the enterprise and making him employee; and from now on, marketing strategies will be applied. The additional elements of the marketing mix were added because companies started to focus more on the

needs of the employees, and the human resource became a key competitiveness factor for the company (Izvercianu & Radu, 2012, p30).

3.5 Personnel (people):

This element refers to the staff working in an organization, it includes senior management and the sales people. People are an essential consideration for effective marketing, and thus customer satisfaction (Feras et al., 2017, p21).

In this case “workforce market”, people is determined by the number of workers able to engage in a gainful occupation, age structure of the active population, quality of human capital (given by the type and degree of qualification, the compatibility with the newest developments in the field of activity, the state policy of developing certain fields and thus directing the training of the workforce towards certain fields), human capital migration (Izvercianu & Radu, 2012, p30).

3.6 Process:

This element refers to the various stages and activities involved in delivering a product and service to the customers (Feras et al., 2017, p22). Process represents the procedures, mechanism and activities flow from which the product is consumed, i.e. the employee is used by the enterprise, the procedure leading to the vacancy reaching the “final consumer”; in other words the entire recruiting and selection process. Sofica stated that the process represents the logical sequence of steps that attracts the candidate on the orbit of the company and the process must be efficient and effortless for the candidate (Sofica, 2014, p3).

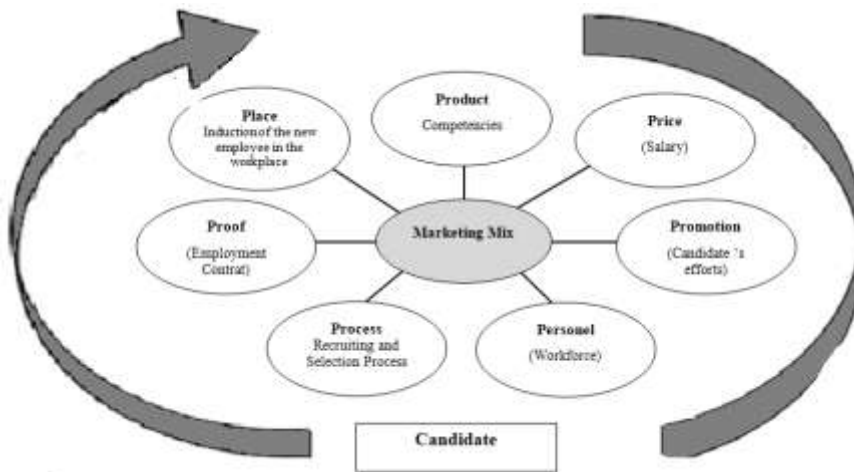
3.7 physical evidence:

The last element of this model is the physical evidence (proof). The physical evidence means to experience the product before buying it – in HR recruiting this means to provide access to your employees with the help of testimonials written or video or to provide access to the insider’s reality through unconventional recruiting techniques (internship, open days, conferences... offering them a chance of sampling the organizational behaviour) (Sofica, 2014, p3).

The proof is the element that allows the final consumer to make

judgements about the enterprise and includes both the marketing strategy and the employment contract, as the contract governs the labour relations between the employee and the employer. The employment contract “is involved” only when the candidate passes to the next status that of «employee» (Izvercianu & Radu, 2012, p30). Figure. 1. summarises the marketing mix as the 7P in human resources.

Fig.1. Marketing mix for Human Resources



Source: Izvercianu & Radu, 2012, p 30

The employer needs to identify those issues that make him unique in the eyes of the employees and those of the prospects; also the employee needs to identify what makes him/her better than the competitors, than other candidates and what can the enterprise offer to make him/her indispensable (Izvercianu & Radu, 2012, p30).

According to Sofica, Combining or overlapping two layers of organizational practices (Marketing 7Ps and HR recruiting) will allow practitioners to change the inertia of the industry; to upgrade it to the current realities of the labour market. The transfer of knowledge from marketing to HR recruiting will be formulated as a series of lessons or hypothesis worthy of further studies [as presented in Table 2.].

Table 2. Aligning HR recruitment with Marketing 7Ps

Marketing 7Ps	HR recruiting lessons
<p>1. Product Must be developed to the right level of quality to meet the current needs of the client.</p> <ul style="list-style-type: none">• Provide value for the customer.• Identify the advantages over the competitors' products. Position the product.	<p>1. The job (or the product) offered should be tailored to meet the current needs of the clients.</p> <ul style="list-style-type: none">• Increase the level of information, or the technical details of the job (job description, website testimonials, events, etc.) in order to offer a realistic preview.• Identify the motivators (balanced life, challenging work, responsibility, etc.) and use them to design a job for motivation. Also be prepared to update and upgrade these motivators according to the personal development.• In order to position the product a recruiting market audit is needed.
<p>2. Price. A product worth only what the customer is ready to pay for it.</p> <ul style="list-style-type: none">• The price needs to be competitive but not necessarily the cheapest. Price allows you to position yourself in relation to the competition.• Extra services or behaviour offers extra value for money.• Existing customers are less sensitive about the price.	<p>2. Evaluate in depth (job analysis process) the level of experience, knowledge, attitudes, skills and competencies a candidate is ready to offer or to "pay" for that job.</p> <ul style="list-style-type: none">• Loyalty should be gained fast because they will not "pay/invest" more than a year until they start to profit or to enjoy the experience. The high turnover rate of the industry is well known fact.
<p>3. The place is the space where the customer buys. As a mean of distribution the place must be appropriate and convenient for the</p>	<p>3. The logistics of HR recruiting (or the place) should be very well planned (location, timing and quantity) in order to reduce the costs</p>

<p>customer.</p> <ul style="list-style-type: none"> • The product must be available at the right place, at the right time, in the right quantity while keeping storage and distribution costs to acceptable levels. • Delivery performance is one of the most important criteria in choosing a supplier. Place means also displaying your product. 	<p>and have a delivery performance.</p> <ul style="list-style-type: none"> • Location. Identify where your clients are (universities, online, public events, social groups, etc.). • Timing. React in a certain time span to the window of opportunity. • Quantity. Maintain the number of jobs at the level of the market. Understand the labour market dynamics.
<p>4. Promotion. The way the company communicates what it has to offer.</p> <ul style="list-style-type: none"> • Promotion should communicate the benefits and not just the features of the product. It must grab the attention. • Identify the most successful idea, technique in the promotion. • After sales support is very important... more important than the price for some clients. 	<p>4. Proactive recruiting strategy (promotion) is needed. Go where the potential employees are, motivate them to attract them to your company. Don't wait for them to come to you.</p> <ul style="list-style-type: none"> • Construct a detailed profile of your recruiting sources and match them with the recruiting methods. Develop the right set of attention grabbing messages. Test and refine the process of recruiting over and over. • Do not over sale, because in the after sales part (integration and career development) companies should live up to the expectations projected during promotion. Otherwise the turnover rate will unbalance the recruiting efforts.
<p>5. People. Anyone coming into contact with the customer makes an impression with profound negative or positive impact.</p>	<p>5. The recruiters (people) must reflect the values of the company and match candidate profile they are looking for. During the</p>

<ul style="list-style-type: none">• Many customers cannot separate the product from the sales person.• Train and motivate the people in order for them to project what you want them to project.	<p>recruiting process the candidates will associate the recruiter (education, personality, etc.) with the company.</p> <ul style="list-style-type: none">• Use your employees (the entire organization) as a recruiting force. Train and reward them for their success. This approach multiplies the effort.
<p>6. Process The details of the process are not important for the exterior, but to have a working system that reduce the customers effort.</p> <ul style="list-style-type: none">• Short waiting time, and specific information's provided keeps the customer happy.• It is important not to keep interested customers on hold in any kind of interaction because their social networks can be informed.	<p>6. Finely tune the process of recruiting to be logical, simple and reduce the recruiting time. If the resources (time, money, image) of the recruited persons are not wasted and the effort is minimum they will be happy. Develop a 24/7 online presence or open a Recruiting hotline. Build on technology. Have a contact person, a recruiter trained to instantly explain the process and offer advice. This will reduce the span of some inherent confusions or misunderstanding.</p> <ul style="list-style-type: none">• Be extra careful with those recruited but not selected. Out of 100 candidates maybe just 2 get a job, the rest of them will fail. The way the recruiter deals with those failing is important because actually he is dealing also with their social network. Recruiting and PR goes hand in hand.
<p>7. Physical evidence. A service cannot be experienced before buying it. It is risky for the buyer because of the intangible character.</p>	<p>7. Use testimonials (written brochures or video online) from current employees or even ex-employees to increase the level of</p>

<ul style="list-style-type: none">• Facilities, cars and behaviour must be an evidence for the quality of your services. The customer can talk with another customer who experienced the service or watch testimonials.	<p>credibility. Testimonials offer a realistic job preview.</p> <ul style="list-style-type: none">• Another level of physical evidence is given by internship, open days, conferences, etc. These events (or recruiting methods) allow potential candidates to sample the reality of the workplace, to talk with one of the employees directly.
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Source: Adapted from: Sofica, 2014, p. 4-6

Once the candidate becomes employee we talk about human resources strategic marketing; all the marketing actions are directed towards the “internal client”: the employee. The strategic marketing has a starting point the analysis of the needs of the “employee client” in relation to those of the enterprise, and the role of the employer is that of satisfying the needs of the employee (Izvercianu & Radu, 2012, p30).

4. CONCLUSION

HR marketing involves the application of the tools and methods of marketing in regard to the employees considered as clients, which may lead to attracting competent human resources, and thus, ensuring coherence of organizational objectives and interests of the employees.

This paper underlines the fact that the human resources and the marketing are tightly connected, as there is a concern for the employer brand and employees relationship management, as well as the marketing tools and techniques can help in talent development, offering benefits, creating an equilibrium between professional and personal life and using them in attracting, retaining and entertaining talents. Furthermore human resources management started to have an increased impact on marketing and sales.

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