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Abstract

The development of services affiliated to the public sector is adversely increasing and has an increased role in the national economy. Numerous community sector establishments have been undertaking marketing activities with the intention of enhancing service delivery according to their Service Charters. The study examined the influence of public sector marketing on service delivery in government agencies in Peru. The study used the marketing mix practices used in the public sector including products and services marketing, price marketing, place marketing promotions and service marketing. Descriptive research design was used because it focuses on complex analysis to bring out the correlation of variables. Questionnaires was used as the research instrument. Inferential statistics was presented in regression models and was tested at 0.05 significance level. The results indicated that all the variables carried positive predictive power although there was variation in significance level. The study concluded that product marketing, pricing marketing, place marketing and promotion marketing strategies have a positive effect on service delivery in the public sector. The study recommended that the marketing mix strategies should be widely adopted by government agencies should be more emphasized in order to have greater influence on service delivery

Keywords: Public Sector, Marketing Practices, Service Delivery, Government Agencies & Peru.

1.1 Background of the Study

The development of services affiliated to the community is adversely increasing and has an increased role in the national economy. This is an upcoming concept in the marketing field. Although marketing process is deeply entrenched in the public sector Fine (2017) finds that employing marketing as a game plan to promote the public service has been an issue open to discussion in the public sector. Numerous community sector establishments have been undertaking



marketing activities with the intention of enhancing service delivery according to their Service Charters.

Three theories namely marketing mix theory, public choice theory and resource based theory guided this study. These theories was used as they relate to marketing concepts in both the private and the community sector. Public choice theory stipulates that overall marketing discipline in the community sector is as a result of rivalry to public service while maintain the benefits of public sector involvement" (Kotler & Armstrong, 2013). Marketing mix entails the four main elements critical and necessary prior to introducing a new product in the market place (Bhasin, 2011). Resource based theory determine the need of resources in competitive advantage. In addition, they inform the study on the marketing aspects in diverse institutions.

The Government agencies fall under the public sector whose duty is to offer proficient as well as efficient services to the citizens (Farquhar & Robson, 2017). The government of Peru provide citizens with services through 21 agencies. The marketing mix elements are not new in the public sector, however they have been minimally utilised in offering goods and services to the community and general public customers. Critics have raised interest in the fact that utilization of market focus approach is limited, instead the focus is on use of basic marketing tools hence ignoring and failing to embrace the marketing concept approach (Peattie & Newcombe, 2016: Fine, 2017: Zaheer & Rashid, 2017). The community sector is exposed to deficient comprehension of various kinds of marketing that it can engage in, meaning there is shallow understanding of the concept of marketing hence little investment in marketing (Gregory, 2016).

As indicated by Kotler and Armstrong (2010), promoting is fulfilling needs and wants through a trade procedure. Marketing in the public sector includes tangible and intangible products, communication, Price and location in relation to place in marketing (Kotler & Armstrong, 2010). Furthermore, Gordon (2011) describe marketing from a duo perspective meaning that it entails a people process and it utilizes management concept whereby both groups and independent consumers actualize their necessities and aspirations, this is facilitated by the concept of offering and exchange of goods and services that are of value hence satisfaction. Therefore, the role of marketing is to establish, predict, mould, communicate, avail and facilitate the exchange of quality for purposes of customer/society fulfillment. (Armstrong Soule & Reich, 2015).

The marketing mix strategies are secured on these 4Ps, which characterizes the bearing of marketing endeavors so as to make an upper hand (Kotler & Armstrong, 2013) The idea of marketing mix system in this way includes a conscious and cautious selection of procedures and strategies for association product, price, promotion and place, just as the extra 3ps for administrations in particular individuals, physical presence and procedures. Every one of the components must be appropriately chosen and mixed in right extents so as to improve product or administration and make it alluring to the client.

Marketing in the community sector focus on illuminating and offering possible answers in the exchange and interrelationships between a government organization and individuals, organizations and communities for purposes of bettering performance of tasks and services offered to the community and general public (Tomkinson, 2017). As Kotler and Lee call attention to, advancing ends up being the best masterminding stage for an open association that necessities to address local issues and pass on real worth (Kotler & Armstrong, 2013). According to Serrat (2017), public agencies can gain more rewards by focusing on marketing approach and entrenching the concept in articulating solutions and solving problems.



Public sector marketing according to Peattie and Newcombe (2016) provides cordinated effort towards placing the customer at the very central point in any marketing organization and identifying potential customers with a possibility of responding to what is offered by organizations, understanding communication and citing environmental forces that have ability to influence success of public sector firms. In addition there is need to deliver timely programs and services by appreciating time utility, place utility and value for the customer investment. It includes a resident focused methodology, one that helps address native grumblings, changes their recognitions, and improves execution (Peattie & Newcombe, 2016).

As governments and other open associations keep on attempting to meet the challenges associated with requirements for better and improved service delivery as well as new services and programs with budgetary constraints, new and different models of management and their associated tools and tactics need to be considered to help municipal governments deliver more quality, speed, efficiency, convenience and fairness to its citizens (Heijlen, Crompvoets, Bouckaert & Chantillon, 2018). The study used the 4ps of marketing namely products and services marketing, price marketing, place marketing and promotions.

Delivery of intangible goods is a process of providing for community requirements example transportation sector, communications, or services such as electricity and water. According to Wollmann, Koprić and Marcou (2016), service delivery in government involves the provision of services to citizens. The arrangement of open governance, for example, medicinal services, empowering, justice and sanitation is a key undertaking by the government. Open oversight conveyance give the most widely recognized combination among individuals and the state, this influences mutual trust and confidence between people and government.

The Government has a fundamental job in the conveyance of a wide exhibit of open administrations from equity and security to administrations for individual residents and private ventures. A portion of the customary administrative administrations, including framework, open transportation, government funded instruction and wellbeing. Other than conventional open administrations, there are authoritative administrations, for example, conveyance of licenses and consents, which are dependent upon guideline of regulatory procedures.

Verifiably, open administrations appear to be lower on the stepping stool of effectiveness with respect to their partners in the private area in the universally (Wollmann, Koprić & Marcou, 2016); Zaheer & Rashid, 2017). This is as, for a very long time, most providers of public services have not faced the threat of competition. Usually the patrons of public services are captive users with little or no choice of providers. This situation makes most public service organizations to be more supplier driven than customer driven. In addition, very often there are no performance metrics to guide behavior and decision-making (Prout, 2018). However, recent deregulation policies in public services coupled with pressures on public expenditures have made it imperative for managers of public service organizations to constantly search for new and better ways of driving productivity upward while at the same time ensuring effectiveness in meeting the needs of citizens (Cordella & Tempini, 2018).

According Tomkinson (2017) and Heijlen, *et al* (2018) some of the measures for service delivery in government include responsiveness, timeliness, customer fulfillment and quality service. Customer satisfaction measure of how well a products and services supplied by the government meet or surpass customer expectation and it is seen as a key performance indicator within government. Assessing buyer dedication offers a hint of how productive a foundation is at giving



things or conceivably organizations to the overall public (Serrat, 2017). Quality service delivery is the degree to which a product or service meets the needs or expectations of a consumer. It is indeed a basis of evaluating how well a commodity passes a trial on what it's supposed to do.

According to Aguinis (2009), evaluating how services are offered to the open public consumers is an effort backed by organizational policies to achieve certain objectives in addition it can be described as the attainment of a particular goal calculated based on identified or set standards of accurateness, completeness, speed and cost and measured by absorption rate of the development budget and performance contracting (Javed, 2014). Indicators that can be used to gauge service delivery may include output, efficiency, effectiveness, quality and profitability. Efficiency is the ability to achieve desired results while using the least amount of resource possible, while effectiveness is the ability to produces a desired or expected outcome (Nassazi, 2013).

This study is motivated to focus on the government agencies since public segment services are liable as well as answerable to the general public and societies. Quality service has largely been focused on and especially so in regard to the community sector services. Munhurrun *et al* (2010) state that provision service in the community sector is more complex in due to the fact that it is not merely an issue of meeting articulated needs, but of identifying unstated needs, outlining priorities, apportioning resources as well as publicly justifying and accounting for things that have been undertaken. Additionally, staff in the public sector are presently encountering new professional issues due to the institution of new codes as well as tools motivated by the transformation to new public administration.

1.2 Research Problem

Different views have been expressed by Socialists, liberals and politicians regarding the public sector. The views are influenced by economic situation such as the level of democracy, government structure, and resources available. According to Kotler (2013), in an era when the public sector organizations must perform better than before to respond better to the public interests, irrespective of whether or not they govern the character of public provisions as opposed to production of goods and services themselves, marketing can greatly help. A marketing road map is critical for improved service delivery in the public sector, but letting people know you are indeed doing the right thing is the most important thing. Kotler and Lee (2007) opine that "marketing is much more than just advertising; it is more about knowing your competitors, customers, and partners; segmenting, targeting and positioning; persuasive communicating; innovation, launching new services and programs; developing effective and efficient delivery channels; forming strategic alliances and partnerships; performance management, and pricing and cost recovery". Marketing is therefore the best planning platform for public institutions that want to meet citizens' needs and real value delivery.

However, Walsh (1994) argues that public institutions typically deliver exclusive and sensitive solution including matters affecting security of a nation, public installations, extinguishing services, correctional facilities such as prisons, primary education, and taxation hence marketing those services would be either inappropriate, risky, or uncalled for. He further argues public sector marketing is effective for the less sensitive and politically leaning services such as transport and infrastructure, and social protection; hence paving way for outsourcing and privatization.

The Government of Peru has focused to change open part conveyance. In spite of the points of interest touted all-inclusive for executing private area instruments strategies and methodologies in



open administration conveyance, writing demonstrated no proof of Perun open administration conveyance on upgrading conveyance of open administrations, improving data stream to residents, advancing efficiency among local officials, and empowering natives' support have been accomplished. In addition, there is minimal research conducted to evaluate the potency of marketing in the community sector.

Internationally Stanciu (2014) conducted a study on how well the marketing mix is of use in community organizations in Europe. The study established that "the marketing studies provides the public sector with the possibility to discover and assess the existing social needs and, on these grounds, to select those needs which may and must become of public interest and to satisfy them via the public institutions representing it, under the best possible circumstances". Serrat (2017) studied marketing in the community sector in Singapore. The study posited that "Public sector organizations agencies can utilize a custom blend of the four elements of the marketing mix namely, Product, Price, place and promotion in addition they can incorporate other ways of marketing in order to cause transformative their communications with stakeholders, enhance their performance, and show a positive return on the resources they are bestowed with Karande and Rao (2016) The research used community and individual owned firms in India to collect data on marketing of public and private sector venture. The concept of understanding of supplier, effectiveness of the supplier, contrast on significance positioned on economic criteria and potentials of this firms in India.

Against this backdrop, a comprehensive study on how community sector marketing is undertaken in government agencies in Peru is a unique one and assumes greater significance. This proposed research provides key answers as to the impact of community sector marketing and how services are rendered in government agencies in Peru.

1.3 Objective of the Study

The research objective was to determine the influence of public sector marketing on service delivery in government agencies in Peru.

2.1.1 Marketing Mix Theory

This is a synthesis of marketing components applied in order to achieve marketing goals Neil Borden (1953). The endeavors must be strong enough to combine in order to fulfill market needs and amplify benefits. McCarthy in 1960 then "summarized marketing mix elements as four categories: Product, Price, Place and Promotion" (Cha, 2009). In 1967, Philip Kotler established that the most significant components in marketing mix, therefore organizations should focus keenly on the combination of marketing elements and ensure that they are strong selling points. Price implies the worth of a product or service. Place requires the firms products and services should be accessible to the would be consumers. Promotion necessitates the organization to focus on changing the appropriate practices to energize purchasers and utilizing present moment, for example, markdown, to advance the development of utilization (Wander, 2007)

The theory is as yet utilized today to settle on significant choices that cause the execution of an advertising plan. The possibility of a marketing mix hypothesis is to compose all parts of the marketing plan around the propensities, wants and brain science of the objective market. Marketing Mix Theory combines various subsets so as to strengthen an item's image and to help sell the item. The components combined by this are products, price, promotion and place forming



the Four Ps. These four P's facilitate publicizing of product so as to clarify worth and make a positive reaction.

The marketing elements was particularly useful in the early days of the marketing concept when physical products represented a larger portion of the economy (Grönroos, 1994). With marketing having been increasingly incorporated into associations and with a more extensive assortment of items and markets, a few creators have endeavored to broaden its convenience by proposing other three 'Ps, for example, physical proof, individuals and procedure". Today notwithstanding, the advertising blend most regularly stays dependent on the 4 P's. Regardless of its impediments and maybe due to its straight forwardness, the use of this element remains sturdy (Kotler, Burton, Deans, Brown & Armstrong, 2015)

3.1 Research Methodology

This study used a descriptive research which for the most part portrays the attributes of a specific circumstance, occasion or case. The population of interest sought to capture 21 state units in Peru. The unit of observation was the marking department where marketing managers and officers was used. Census approach was used for the marketing managers since the population is not massive while sampling was done for the marketing officers. Research assistants was engaged to facilitate the dropping and picking of the questionnaires from the various physical addresses of the targeted government agencies. Descriptive statistics such as percentages, frequencies, mean and standard deviation was used for the quantitative data and information presented inform of tables and graphs.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Y denotes the dependent variable; X_1 Products and services marketing; X_2 is Price marketing; X_3 is Place marketing; X_4 is Promotion Marketing; in every research there is a provision for error term; β_0 represents the constant; β_1 β_4 are regression coefficients for each independent variable.

4.1 Results and Findings

4.2 Regression Analysis on Effect of Public Sector Marketing Practices on Service Delivery

Regression analysis was used to test the effect of public sector marketing on service delivery. The result are as shown below.

Table 1: R Square Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.817a	0.668	0.656	0.1715	

From the results in Table 1 above, R² is 0.668 meaning that independent variables-product marketing, pricing marketing, place marketing and promotion marketing explain 66.8% of the variation in service delivery. This implies that the independent variable contributes 66.8% to the service delivery while remaining 33.2% is explained by other variables other than product marketing, pricing marketing, place marketing and promotion marketing. It is therefore justifiable to make conclusion that public marketing strategies are essential in enhancing the service delivery.



Table 2 presents ANOVA results.

Table 2: ANOVA results.

	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.397	4	1.599	54.389	.000b
Residual	3.175	44	0.029		
Total	9.572	48			

The analysis of variance shows whether or not a model is a good fit for the data and the Table 2 above indicates F statistics value as 54.389 and a significant level of 0.000. The p values are less than the critical value (p<0.05) meaning that the impact of the public marketing strategies is statistically significant on service delivery.

Table 3: Public Sector Marketing Mix and Service Delivery

	Unstandardi	zed Coefficients	Standardized Coefficients			
	В	Std. Error	Beta	t	Sig.	
(Constant)	3.104	0.079		39.093	0.000	
Product Marketing	0.113	0.037	0.293	3.03	0.003	
Pricing Marketing	0.103	0.040	0.258	2.606	0.010	
Place Marketing	0.050	0.041	0.121	1.214	0.227	
Promotion						
Marketing	0.091	0.036	0.237	2.515	0.013	

From Table 3, all the variables carried positive predictive power although there was variation in significance level. The results also show that product marketing had a positive and significant effect on service delivery ($\beta=0.113$, p=0.003). From above equation it meant that when other variables are controlled, a unit change in the product marketing would result to service delivery change significantly by 0.113 units in the same direction. The results also show that price marketing had a positive and significant effect on service delivery ($\beta=0.103$, p=0.010). From above equation it meant that when other variables are controlled, a unit change in the price marketing would result to service delivery change significantly by 0.103 units in the same direction. Promotion marketing had a positive and significant effect on service delivery ($\beta=0.091$, p=0.013). From above equation it meant that when other variables are controlled, a unit change in the price Marketing would result to service delivery change significantly by 0.091 units in the same direction. However, place marketing had a positive but insignificant effect on service delivery ($\beta=0.050$, p=0.227). From regression equation it implied that when other variables are controlled, a unit change in place marketing would result to service delivery change but insignificantly by 0.050 units in the same direction.



4.3 Discussion of Results

The study sought to determine the influence of public sector marketing on service delivery in government agencies in Peru. Under product marketing, the overall rate of the respondents strongly agreed that they use product marketing with a mean of 4.40 and standard deviation 0.66 meaning that the responses were very varied from the mean. In pricing marketing, the overall rate of the respondents' findings indicated that there is use of pricing marketing with a mean of 4.36 and standard deviation 0.64. In place marketing, the overall rate of the respondents' findings the respondents indicated that they use place marketing with a mean of 4.39 and standard deviation 0.67. Under promotion marketing, the overall rate of the respondents' findings the respondents indicated that they use promotion marketing with a mean of 4.38 and standard deviation 0.62.

The study regression findings indicated product marketing had a positive and significant effect on service delivery. This meant that when other variables are controlled, a unit change in the product marketing would result to service delivery change significantly by 0.113 units in the same direction. The results also show that price marketing had a positive and significant effect on service delivery indicating that when other variables are controlled, a unit change in the price marketing would result to service delivery change significantly by 0.103 units in the same direction. Promotion Marketing had a positive and significant effect on service delivery indicating that when other variables are controlled, a unit change in the price Marketing would result to service delivery change significantly by 0.091. However, place marketing had a positive but insignificant effect on service delivery implying that when other variables are controlled, a unit change in place marketing would result to service delivery change but insignificantly by 0.050 units.

5.1 Conclusion of the Study

The study concluded that given the application of the public marketing strategies namely product marketing, pricing marketing, place marketing and promotion marketing, there been improved level of customer satisfaction in the government agencies and that there been timeliness in service delivery in the government agencies. This was supported by the respondents who agreed that there has been quality of services rendered by agency employees to customers in the government agencies that there has been efficiency and effectiveness in service delivery in government agencies. The respondents agreed that there has been improved visibility on products and services provided in government agencies. The study concludes that product marketing, pricing marketing, place marketing and promotion marketing strategies have a positive effect on service delivery in the public sector

The study concludes that pricing strategies had a positive significant effect on service delivery in public service. However, pricing the product too low or too high can have unintended consequences sales. Location-based marketing helps to remove barriers to sales. Once a customer is physically close to business store, the retailer acquires better chance of persuading them to purchase from store or outlet low or too high can have unintended consequences sales. Pricing strategies give organizations the flexibility in setting prices and win new business or maintain prices and increase the profit margin. The study concludes that promotional strategies had a positive significant effect service delivery in public service. The study further concludes that employment of promotional strategies helped to keep customers informed of what the firm offered, promotional strategies informed clients or customers on both the price where to get the product and the price. The study concludes that place strategies had a positive significant effect on the service delivery in public service. Location-based marketing is one of the best ways to convert



foot traffic and online traffic into new customers. Location-based marketing helps to remove barriers to sales. Once a customer is physically close to business store, the retailer acquires better chance of persuading them to purchase from store or outlet

6.1 Recommendations from the Study

The study recommended that the marketing mix strategies should be widely adopted by government agencies should be more emphasized in order to have greater influence on service delivery. In addition to price marketing strategy, formula based pricing strategy and fixed pricing strategy on service stations, the departments can also have smart pricing strategy in various market segment. On product strategy, the firm should venture in other products like technological products and services, to boost service delivery. The government agencies can also increase physical presence from in the counties to more locations in order to have a more accessible presence.



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