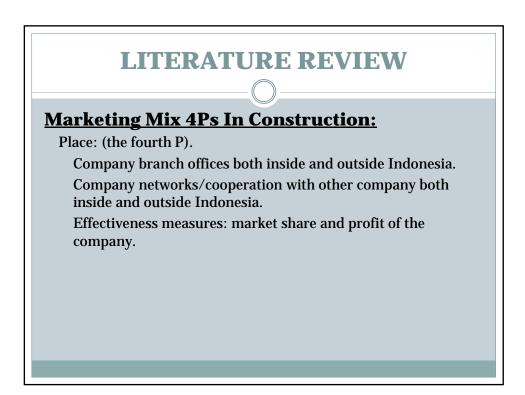


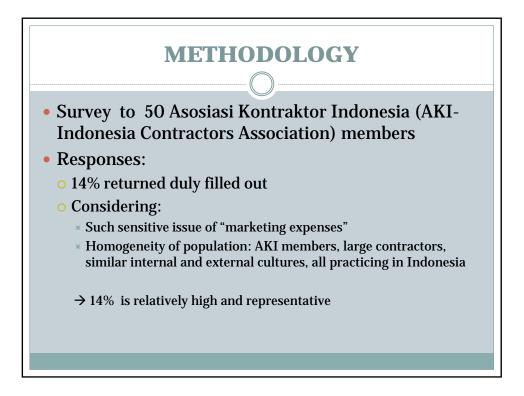
## LITERATURE REVIEW

## Marketing Mix 4Ps In Construction:

Promotion: (the third P)

• printed media adv (newspaper, magazines etc.), audio-visual adv (radio and tv), direct mail, brochures, newsletter, news releases, trade show, client relations, handbooks, company profile, website, event sponsorship, seminars







Parameters	Respondents as percentage	
In developing most technical proposals respondents would do it		
With no special efforts	0.0	
With little efforts and with little modification	57.1	
With many efforts and with many modification	42.9	
With special efforts and with huge modification	0.0	
No answer	0.0	
Innovations respondents make in the last years to improve services to clients		
Latest and more efficient construction methods	71.4	
Most modern equipment/tools	0.0	
New software	0.0	
Management approach	85.7	
No answer	0.0	
Innovations respondents would offer in most technical proposals		
No innovations	0.0	
Little Innovations	57.1	
Many innovations	42.9	
Huge innovations	0.0	
No answer	0.0	
How often respondents use an excellent technical proposal as a strategy to win a bid		
Almost never (0%-10% of bids)	0.0	
Sometimes (10%-50% of bids)	57.1	
Often (50%-90% of bids)	42.9	
Almost always (90%-100% of bids)	0.0	

Types of Action	Respondents as percentage	Average score
Bidding Strategy		
Lobby with bidding committee/project leader	(( ))	2.14
Never	28.6	
sometimes	42.9	
Often	14.3	
Always	14.3	
Price competition		3.57
Never	0.0	
sometimes	0.0	
Often	42.9	
Always	57.1	
Use of more than one company names (Bid rigging)		1.14
Never	85.7	
sometimes	14.3	
Often	0.0	
Always	0.0	
Bid collusions		1.14
never	85.7	
sometimes	14.3	
often	0.0	
always	0.0	

		Respondents as	
Activities		percentage	Average Score
	dia advertisements (newspaper, m		2,00
never		0,0	
sometim	nes	85,7	
often		0,0	
always		0,0	
Audio-visua	I advertisements		1,17
never		71,4	
sometim	ies	14,3	
often		0,0	
always		0,0	
Direct mail			2,33
never		28,6	
sometim	nes	14,3	
often		28,6	
always		14,3	
Brochures			3,83
never		0,0	
sometim	nes	0,0	
often		14,3	
always		71,4	
Newsletter			
never		42,9	2,17
sometim	nes	14,3	
often		0,0	
always		28,6	
News Relea	ases		1,83
never		57,1	2 -  -  -
Sometin	nes	0,0	
Often		14,3	
Always		14,3	
Trade Show	1		2,00
Never		28,6	=,
Sometin	nes	42,9	
Often		0.0	
Always		14,3	
	ver, 4=always	,0	

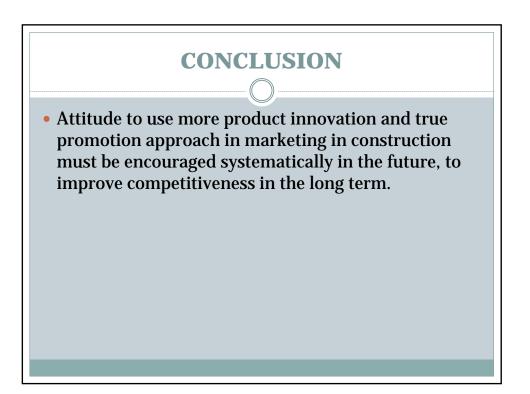
Respondents as Activities percentage Average Score		
Activities	percentage	Average Score
Client Relations (outside of biddi	ng period)	3,2
never	0,0	
Sometimes	14,3	
often	42,9	
always	42,9	
Handbooks		1,33
never	57,1	
Sometimes	28,6	
often	0,0	
always	0,0	
Manual/company profile (printing	1)	3,67
never	0,0	
Sometimes	0,0	
often	28,6	
always	57,1	
Website		2,71
never	28,6	
Sometimes	14,3	
often	14,3	
always	42,9	
Event sponsorship		2,29
never	14,3	
Sometimes	57,1	
often	14,3	
always	14,3	
Seminars		2,17
never	14,3	
Sometimes	57,1	
often	0,0	
always	14,3	

Types of Place	Average
1. Branch Office	
- Inside of Indonesia	
Number of office	10
Number of cities	10
Number of provinces	10
-Outside of Indonesia	
Number of office	0
Number of cities	0
Number of countries	0
2. Company networks	
- Inside of Indonesia	
Number of office	3
Number of cities	2
Number of provinces	2
-Outside of Indonesia	
Number of office	1
Number of cities	1
Number of countries	1

Ie 5. Summary of Marketing Exp	Denditure Average % of Annual Contract V
Product	1.90
Price	2.40
Promotion	1.43
Place	3.20
Total	8.90
Place is the most explanation of the second se	pensed ingredient
• Price (OH, Profit, and	d Fees) ingredient is surprisingly hig

## CONCLUSION

- Expenditures of marketing in a company may be explored from 4P marketing mix concept.
- Most Indonesian contractors have only average efforts to improve or innovate their service
- Most Indonesian contractors are still national oriented and not international oriented in marketing their products
- Their attitude is to use more intensive price (OH, profit, and "fees") policy rather than both product innovation and true promotion



## **CONCLUSION**

• The average 8.9% total marketing expenditures confirm Mochtar's (2001) finding that 60% of Indonesian contractors expense over 2% of annual contract value for marketing purposes. On the other hand, Mochtar's (2000) finding that only 14% of US contractors spend over 2% of annual contract value for marketing purposes need to be reconfirmed.

