

УДК 339.13

## THE USE OF MATRICES IN SERVICE MARKETING RESEARCH

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The purpose of this study is to analyze the applicability of various marketing methods and tools for building a marketing strategy for service companies. We have discussed four marketing matrices and explore their productiveness in service marketing researches. As a result, we find out that matrices are the most productive methods for service companies and they have many advantages. They provide an opportunity: to develop a strategic complex of measures aimed at increasing business turnover; to use several strategies at the same time; to find a situation in the market in which the company will be protected and will be able to independently influence the competitive forces in their market; to predict the threat level of competitors for business activity; to the company owners to assess their company's capabilities against their main competitors; to facilitate the identification of competitive advantages and market opportunities so that companies can develop or create products, services and market strategies.

<https://doi.org/10.46991/PYSU:C/2023.57.1-2.068>

**Keywords:** marketing matrix, BCG matrix, Ansoff matrix, Porter's Five Forces matrix, Competitive Profile matrix.

**Introduction.** Each service company must always be able to identify opportunities created by market relations. Without such studies, it is not possible to deal with the satisfaction of consumer demand, as the population's ideas about the provided service are constantly changing, new customers with their new needs appear. Therefore, no service company can survive in the competitive struggle without studying the ever-changing demands of customers for a given product or service.

Service companies must constantly monitor the changes occurring in the service industry and adapt to each of them, with the aim of keeping up with the most successful and promising companies. Otherwise, customers may distrust the given company, which will lead to a decrease in the number of visitors, as well as a decline in the image of the company.

This market research should be carried out.

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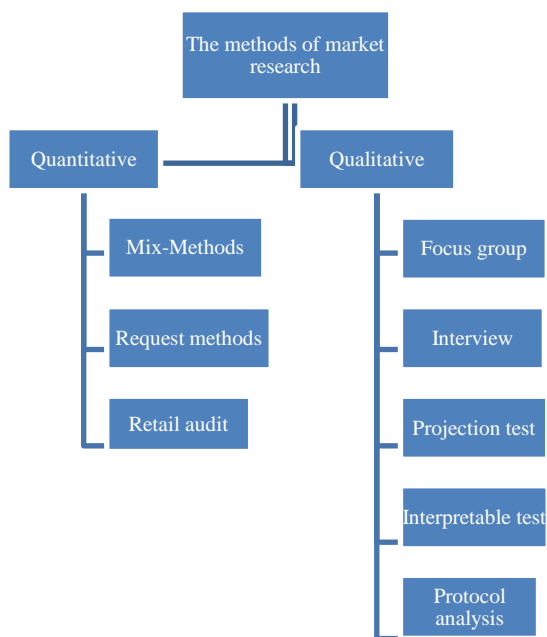
**Research Methodology.** Marketing research is especially important in service market research.

*Marketing research* is the systematic and objective collection, analysis, dissemination and application of information in order to increase the effectiveness of the identification and solution of marketing problems.

Unlike the material goods sector, in the service sector the consumer’s perception is entirely based on the professionalism of the supplier. That is why the human factor can play an extremely large role in this case.

For service providers, reliable information about market specifics is invaluable. There are two groups of methods that are appropriate to use when verifying information in the service industry: quantitative and qualitative. The first are designed to determine the average, accurate indicators characterizing the behavior of potential consumers, the second are focused on finding out the reasons behind customer actions. The choice of methods is always determined by the company’s goals.

The implementation of marketing research methods in the service helps the supplying companies to adapt their activities to market dynamics and consumer desires. Such flexibility quickly pays off in the form of high profits and an excellent reputation for the company in its field [1]. There are different types of marketing research methods that are widely used in service (Scheme 1).



Scheme 1. The methods of market research [2].

However, the above-mentioned methods have been used for a long time and in most cases their efficiency coefficient is negative. Nowadays, in the 21<sup>st</sup> century it is necessary to apply innovative methods and marketing tools in the service in order to be able to meet the ever-changing demands of customers.

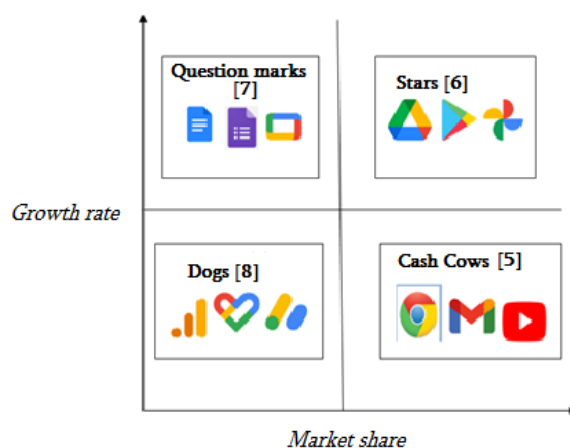
We consider it necessary to refer to marketing matrices in the framework of the research.

*Marketing Matrix* is a chart on a two-dimensional plane of how well they satisfy customer needs [3]. It is a strategic analysis and planning tool used in marketing.

**Main Research.** In the article, an analytical work was done based on the examples of the Boston Consulting Group matrix, Porter's Five Forces matrix, Ansoff matrix and Competitive Profile matrix in service.

**Boston Consulting Group (BCG) Matrix** is used for the analysis of the relevance of the company's products based on their position, the growth of the demand for the given product in the market and the analysis compared to the market share occupied by the selected company [4]. When conducting service research, a SWOT analysis is usually performed, but in many cases, a matrix analysis is more appropriate. Let's illustrate this with an example.

Suppose Google has many brands. By performing a BCG matrix analysis, we will get the following (Scheme 2):



Scheme 2. The analysis of Google brands by BCG matrix.

During research, the sources of information on various services/brands of the Google company were studied, which, by comparing with each other, we made the BCG matrix. It is reflected by calculating the profit share of services/brands in the entire business of Google. Comparing the sources of information, we got the following:

1. Google Photos has one billion users;
2. YouTube has over 1.9 billion active users;
3. Google Chrome has 2.65 billion users;
4. Gmail has more than 1.5 billion active users;
5. in 2021, Google Play users worldwide downloaded 111.3 billion mobile apps, up from 76 billion apps in 2018. The users are approximately one billion;
6. as of July 2018, Google Drive had over one billion active users;
7. 193 784 websites are Google Forms Customers [5];
8. there are nearly 25 million people worldwide using Google Docs [6].
9. Google TV has 50 million monthly active users;

10. the Google Fit app has passed the milestone of 100 million installs since its 2014 release, an achievement the Fit bit app has not earned. It’s getting down;

11. according to Built With, over 28 million sites – including 74% of the most popular 10 000 – were using Google Analytics as of April 22, 2022. But the growth rate is getting down;

12. 2 million people have chosen AdSense.

According to the logic of the BCG matrix, as an industry grows, all investments become cows or dogs. The intent of the matrix is to help companies make good portfolio-management decisions, focusing investment in the areas that are likely to provide returns and fund future growth.

**Ansoff Matrix** is a research method applied in the analysis of products and markets, which can be used to analyze the thoughts for enterprise to expand the market and develop new products more objectively and accurately, and is extensively applied in enterprise strategic management. The matrix analysis is composed of four research strategies – new products strategy, existing products strategy, new market strategy and the existing market strategy [7].



Scheme 3. The Ansoff matrix [8].

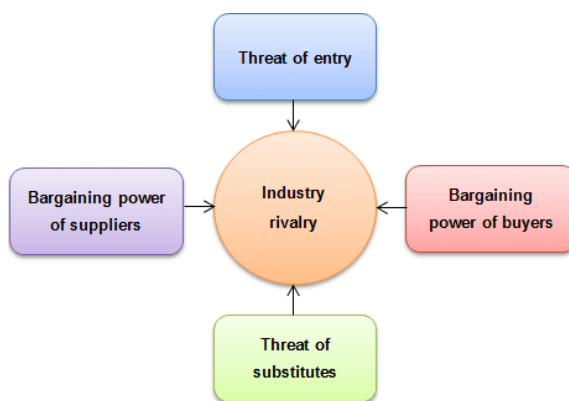
The marketing research is an integral part of the management of a service company. Marketing strategies should take into account the current situation of the organization, be aimed at strengthening competitive advantages and determine the trajectory of effective growth, growth and development of the company (Scheme 3). Compliance with these conditions is possible when using the Ansoff matrix, which allow choosing the most optimal option from various combinations of marketing strategies. The Life Cycle Concept is not only valid for a product or market, but also for an enterprise. If no measures are taken by the company, the company’s turnover will decrease over time.

This matrix makes it possible to develop a strategic complex of measures to increase circulation. It allows to use several strategies at the same time. It is based on the fact that the most suitable strategy for intensive sales growth can be determined by the decision to sell existing or new products in existing or new markets. This matrix is a chart designed to help managers make strategy decisions

and also serves as a diagnostic tool. The latter means that it provides comprehensive descriptive information about the current state of the company, through which further analyzes are carried out. Service is a fast-changing industry, so it's important to record changes quickly, which can be done with this matrix. Then it is necessary to develop strategies to adapt to the changes. This is a good method to save time.

**Porter's Five Forces Matrix** is a framework for competition analysis. Competitiveness is a key element of market relations. The leading specialists of the West note that the competition model of the industrial organization in the modern market economy is a flexible system adapted to the production of market demands on the one hand, and on the other hand, system of strict state control of money circulation combined with competition and by the principle of social protection. Competition can be defined as a struggle between individuals, organizations and firms within a field of activity. The subject of competitiveness is the product, through which competitors seek to attract consumers and their finances. The subject of competitiveness is the consumer, for whose disposition the opposite parties are fighting in the market.

Porter has created Five Forces design and model with an authority to develop a competitive strategy in the competitive analysis application of social, environmental and business activities. According to Michael Porter, competitive analysis helps the presence and expression of competitive forces in the industry, to find a situation in which the company will be better protected from the study of competitive forces and to influence them on its own. This is important for the service industry, especially when the company is new or wants to enter new market (to create new product or service). At that time the company must do the market research and find out its competitors. Thanks to it, each company can predict the level of danger of competitors for its business activities (Scheme 4).



Scheme 4. Porter's Five Forces matrix [9].

The needs of clients are changing very quickly and in order to satisfy their needs service managers must make their strategy as competitive as possible. Because of this, they usually use competitive matrices.

**Competitive Profile Matrix (CPM)** is an analytical tool that provides necessary information of competitive advantage based on critical success factors and

serves as the basis for an organization’s strategy. CPM allows the firm’s owners to evaluate their firms against their key rivals by using critical success factors. This tool helps the managers to identify the strongest competitors and important factors on a single page as well as the areas they need to improve [10]. It is also vital to use this matrix in service industry, because a competitive matrix is a visualization of competitive analysis data or a specific aspect of it. Using a competitive matrix makes it easy to recognize competitive advantages and discover market opportunities, so companies can develop or create products, services, and market strategies.

Here are benefits of using a competitive matrix. With CPM companies can:

- identify the uniqueness of their brand, product or service, that is, through analysis, to understand what we have, what makes it different in the market;
- evaluate competitors by their strengths and weaknesses, that is, identify competitors by studying the internal and external environment of companies;
- hone in on the competitive landscape of market niches and segments;
- uncover market opportunities and threats to their position;
- find gaps in its market or market niche.

These understandings enable them to:

- optimize their offering, marketing, and content;
- support development of new tools and features;
- review and improve their pricing strategy;
- develop a long-term growth plan [11].

It should be noted here that development and customer satisfaction are important for the service market. The competitive matrix is needed to provide the latter. In other words, it is necessary to use the competitive matrix in the service market, while other matrices are more appropriate for the goods market. In this case, the competitive matrix can also be used to provide sustainable development, because here the social and economic components are combined (see Table).

*Competitive Profile Matrix [12]*

Critical success factors	Freelens Studio			Maika Collective Studio		Sanrok Studio	
	weight	rating	score	rating	score	rating	score
Types of services	0.15	3	0.45	3	0.45	4	0.6
Promotional media	0.15	2	0.3	4	0.6	2	0.3
Organizational structure	0.2	3	0.6	2	0.4	3	0.6
Service information	0.15	3	0.45	3	0.45	3	0.45
Brand identity	0.2	3	0.6	4	0.8	3	0.6
Brand experience	0.15	4	0.6	4	0.6	4	0.6
Total	1		3		3.3		3.15

Here we have the example of the CPM, which is done by Karerin Narisa Putri and Daniel Hermawan. According to CPM, Maika Collective Studio is the most superior company between Freelens Studio and Sanrok Studio. Even so, each company has its own advantages and disadvantages. For example, at Maika Collective Studio, they excel between the two companies, but are weak on their organizational structure. That is because on the website, social media Maika Collective Studio does not provide clear information about the organizational structure of the company [12]. So, we can say that this matrix must be the main part

of business model of the service companies. If we don't consider our competitors, both the service/product and the company will have no growth.

The importance and productiveness of the matrices are provided, and this is the proof of its practical meaning for service industry.

**Conclusion.** In general, marketing is not only economic, but also social in nature, and is a service tool and contributes to its development. The competition of market elements creates efficiency that combines the economic and the social sectors, which is important for the service market. The latter is important to the extent that compliance with the client's demands must be provided during the implementation of services. On the one hand, the customer must have the opportunity to make a choice; on the other hand, the seller must find his customer and sell the product/service at a balanced price, which is carried out through marketing research, which is supported by tools, including matrices.

After our research we can conclude that:

- The intent of the matrix is to help companies make optimal portfolio-management decisions, focusing investment in the areas that are likely to provide returns and fund future growth.

- Matrix makes it possible to develop a strategic complex of measures to increase circulation. It allows to use several strategies at the same time. It is based on the fact that the most suitable strategy for intensive sales growth can be determined by the decision to sell existing or new products in existing or new markets.

- Service is a fast-changing industry, so it's important to record changes quickly, which can be done with matrices. Then it is necessary to develop strategies to adapt to the changes. This is a good method to save time.

- It helps to find a situation, in which the company will be better protected from the study of competitive forces and to influence them on its own. This is important for the service industry, especially when the company is new or wants to enter new market (to create new product or service). At that time, the company must do the market research and find out its competitors. Thanks to it, each company can predict the level of danger of competitors for its business activities.

- The matrix provides the relevant information for competitive advantage based on key success factors and serves as the basis for the organization's strategy. CPM allows the firm's owners to evaluate their firms against their key rivals by using critical success factors. This matrix helps the managers to identify the strongest competitors and important factors on a single page as well as the areas they need to improve.

- The matrix is a visualization of competitive analysis data or a specific aspect of it. Using a matrix makes, it easy to recognize competitive advantages and discover market opportunities so companies can develop or create products, services, and market strategies.

So, in our research we have also done social survey, where we asked several questions. It became clear from the results of the survey that the main part of respondents knew what is matrix, but they have never used it. They thought that we can use matrix in service researches and it will be productive. But on the other side, when we how we can use matrices in service, the main part of respondents answered that they don't know. It can be stated that in this sphere there are problems with the

awareness: respondents either don't know about matrices, or don't know how to use them. So, this article is a good way for informing them and for solving this problem.

As it was mentioned, matrices must be the main part of business model of the service companies. If we don't consider our competitors our advantages and disadvantages, both the service/product and the company will have no growth.

In conclusion, the matrices we are explored are useful and powerful in the collecting data in service, and hence, in contrast, SWOT analysis researchers can also use these methods. They are kind of the qualitative research methods used in marketing. Matrix is also a tool that guides customers along their path to purchase in the most direct and effective way. We can say that matrix is a map that helps product managers to map strategic market growth and to solve both strategic and tactical problems. Excellent marketing especially in service is driven by excellent content. In order to create excellent content we need direction and intention. The matrix provides that direction by highlighting where your content is succeeding and failing. The matrix is designed to help companies achieve their specific content marketing goals. A thorough analysis of their current market position and product roadmap companies can be ensured that they select the right strategy for business.

Received 27.03.2023

Reviewed 26.04.2023

Accepted 25.05.2023

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ՄԱՏՐԻՑՆԵՐԻ ԿԻՐԱՌՈՒՄԸ ՍԵՐՎԻՍԻ ՄԱՐԶԵԹԻՆԳԱՅԻՆ  
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Աշխատանքի նպատակն է ներկայացնել տարբեր մարքեթինգային մեթոդների և գործիքների կիրառելիությունը սերվիսային ձեռնարկությունների



մարքեթինգային ռազմավարություն իրականացնելու համար: Հոդվածում ուսումնասիրել ենք չորս մարքեթինգային մատրիցներ և բացահայտել դրանց արդյունավետությունը սերվիսի մարքեթինգային հետազոտություններում: Արդյունքում պարզ է դարձել, որ մատրիցները ամենաարդյունավետ մեթոդներն են սերվիսային ձեռնարկությունների մարքեթինգային հետազոտությունների իրականացման համար և ունեն բազմաթիվ առավելություններ: Դրանք հնարավորություն են տալիս մշակելու ձեռնարկատիրության շրջանառության բարձրացմանն ուղղված ռազմավարական համալիր միջոցառումներ, շուկայում ստեղծել իրավիճակ, որտեղ ընկերությունը պաշտպանված կլինի և ինքնուրույն կկարողանա շուկայում ազդել մրցակցային ուժերի վրա, կանխատեսել բիզնես գործունեության համար մրցակիցների վտանգի մակարդակը, ընկերության սեփականատերերի համար գնահատել իրենց հնարավորությունները՝ համեմատելով հիմնական մրցակիցների հետ, հեշտացնել մրցակցային առավելությունների և շուկայական հնարավորությունների բացահայտումը, որպեսզի ընկերությունները կարողանան մշակել կամ ստեղծել ապրանքներ, ծառայություններ և շուկայական ռազմավարություններ:

М. С. ТАШЯН, С. Р. СУВАРЯН

## ПРИМЕНЕНИЕ МАТРИЦ В МАРКЕТИНГОВОМ ИССЛЕДОВАНИИ В СЕРВИСЕ

### Резюме

Целью данного исследования является анализ применимости различных маркетинговых методов и инструментов для построения маркетинговой стратегии сервисных компаний. В статье мы изучили четыре маркетинговые матрицы и определили их эффективность в маркетинговых исследованиях услуг. В результате стало ясно, что матрицы являются наиболее эффективными методами проведения маркетинговых исследований сервисных компаний и имеют множество преимуществ. Они дают возможность: разработать стратегический комплекс мероприятий, направленных на увеличение оборота бизнеса; использовать несколько стратегий одновременно; найти ситуацию на рынке, при которой компания будет защищена и сможет самостоятельно влиять на конкурентные силы на своем рынке; прогнозировать уровень угрозы конкурентов для деловой активности; для владельцев компаний оценить возможности своих компаний по сравнению с их основными конкурентами; способствовать выявлению конкурентных преимуществ и рыночных возможностей, чтобы компании могли разрабатывать или создавать продукты, услуги и рыночные стратегии.