The Role of Service Marketing Mix to Attract the LSEs in Tehran Stock Exchange

Mehrdad Alipour
Management Department, Zanjan Branch, Islamic Azad University, Zanjan, Iran
mehrdadalipour@yahoo.com

Hossein Badiei
Accounting Department, Garmsar Branch, Islamic Azad University (Corresponding Author)
badieihossein@yahoo.com

K.Maran
Sri Sai Ram Institute of Management Studies, Sri Sai Ram Engineering College, Chennai, India
Maran_mba65@yahoo.co.in

Abstract

Since the 1970s, services marketing has grown into a major sub discipline of marketing. It is constantly claimed – but is refuted in the article – that services are now the dominant economic activity in developed countries and keeps growing while the two traditional goods sectors, manufacturing and agriculture, are declining. In today's competitive world, having expertise, knowledge and marketing experience for financial market activities , especially brokerage firms has proven inevitable. This should be accompanied by performing marketing operations along with intermediary roles and carrying on the daily transactions of shares in Tehran stock exchange market. The current study aims investigating the level of marketing knowledge used in Tehran stock exchange , identifying the reasons behind deficient use of the marketing knowledge by the financial institutions (financial intermediaries , brokerage firms and etc), matching the marketing activities with the financial activities of the brokerage firms in the Tehran stock exchange ,helping the marketing knowledge enter the field of capital market, improving the investment in Tehran stock exchange and finally suggesting a model of the financial marketing in Tehran stock exchange using the results obtained from the research. The method is survey –based and the statistical population have been drawn from among the financial institutions active in Tehran stock exchange and the regional branches of the country. The results obtained from the research display that, during the period reviewed, the active marketing system in the brokerage firms was the traditional system without attending to the modern criteria of financial service marketing in the areas relating communication and determination of the shares prices , services of conduct transactions of the financial analyses and encouragement the big companies to enter the Tehran Stock Exchange.

Introduction

Today's conventional truth says that the service sector has grown and keeps growing, that the goods sector is declining, and that the agricultural sector in many countries is vanishing (Communications of the ACM 2006).

Services marketing – and marketing in general – is in turbulent flux. This claim constitutes the vantage point for this article, which embraces a vast array of marketing related issues. It is a synthesis of research, practical experience as marketer and consumer, and personal ideas. Since the capital market plays an essential role in reaching sustainable development in every country, the stronger the capital market, the more capital goes to the basic economic activities in the community. This, in turn, leads to decrease in the rate of inflation and the difficulties in financing the companies and causes increase in the employment opportunities and the growth rate of the gross domestic product. Several authors have argued for a multidisciplinary approach to research into services (e.g. Brown et al., 1991; Fisk et al., 1993; Swartz et al., 1992). Most advances in this respect have been made at the interface between the fields of marketing and organizational behaviour (cf. Bowen and Schneider, 1988). In this paper we will focus on the interface between marketing and finance. We will deal with financial services from the marketing perspective and finance perspective.

Few investigations have been conducted on stock exchange of financial markets in the world, and not enough interaction has been observed between the marketing and finance ,while the date gathered from the financial market could be used in assessing the marketing and their effect on the variables of the financial marketing. The study by srinivasan etal (2009), Joshi and Hanssens (2009) showed that the information of marketing is not much different from that of the theories and methods in the financial market, and it still is to be done profoundly. In this direction, Moorman, c. and Rust, R. (1999) believed that there is always the question of how does a firm's structure for increasing and optimizing performance act as a source of stable discussion in organization projects, strategic studies and researches as well as marketing. Also, Thompson, A. Jr and Strickland, A. (1983), stated that the functional structure offer the best sources for the capabilities of the experts and outstanding persons in organization. Gronroos, c. (1990), reports that in the service sections, merely marketing includes advertisement, public relation, and pricing. Moreover, Shefrin, H. and M.statman, (1995) believed that in the last decade, a considerable number of studies are directed to differentiate the factors causing success and failure in the new services.

The conditions of capital market in our country is in such a manner that the number of the companies accepted into the Tehran stock exchange is not, at all, comparable with the other countries.

Technologies of marketing instrumental in the construction of the consumer of financial services should therefore be understood as the development of such governmental strategies aimed to affect

government at a distance, Miller and Rose (l999). The stock exchange market is fully attached to the Government and there is no rival in this field. So this market is monopolized by Government. Marketing is one of the sciences that have usage in all the communities. The main objective of the traditional marketing is to identify the target market. This science has entered into the new fields such as the service and financial marketing as the communities have advanced. This research focused on financial marketing, trying to clarify the concept of the financial marketing in Iran .

Financial marketing like the traditional one tries to seek the new customers for the financial product. The stronger the process of the financial marketing, the larger the number of the customers which accordingly result in the development of capital market in every country. Many researchers regarding the current issue have been conducted in developed but not in the developing countries ,. The main goal of this research is to enlighten the academic opinions in marketing tools of financial sector. As Srinivasan Joshi and Hanssense (2009) have stated, the track of marketing is very slight in financial marketing.

Among comprehensive services textbooks, which also represent somewhat different schools of thought, are Palmer (2004), Zeithaml, Bitner and Gremler (2005), Grönroos (2007a), and Lovelock and Wirtz (2007). The customers' role in the innovation, engineering and production of services is increasingly crucial and dynamic. It is therefore imperative that marketing scholars are aquainted with the

basics of service operations management and development; see books by Johnston and Clark (2005) and Edvardsson et al. (2006). The

brief history of service management and marketing is described in Berry and Parasuraman (1993), Fisk, Brown and Bitner (1993), Fisk, Grove and John (2000), and with a Nordic School angle Grönroos (2007b); these books also provide plenty of 3 references. Services in the longer perspective of economic thought are treated by Delaunay and Gadrey (1992).

Therefore, with the combination of these two knowledge it will lead to create more synergy in financial markets. In this research the main attempt is to combine these sciences in order to make efficient Iranian capital market. Therefore, it is necessary for the stock exchange organization to seek for the techniques to attract the profitable companies into the field of the stock exchange and to promote the culture of investment in this market in the country. One of the techniques to solve this economical difficulties is to exploit the applied knowledge of marketing in the field of financial – problems caused in the country. Thus, it seems necessary to develop the appropriate financial marketing mechanisms that are able to crystallize and facilitate the entering of the big and profitable companies as well as to encourage and attract them into the Tehran stock exchange, and they will be able to ensure and facilitate effectively the conditions of the entering into the stock exchange from the both soft and hard aspects. Providing the financial analysts of

brokerage firms with the marketing knowledge is currently deemed to be inevitable, that makes up the main reason of this paper.

Review of Literature:

Philosophical contributions from three centuries provided a set of "characteristics" of services that have now been claimed to distinguish them from goods. The most famous are intangibility, heterogeneity, inseparability and perishability, now known as the IHIPs. In Scotland, Adam Smith (1723-1790) discussed perishability of services; in France, Jean-Baptiste Say (1767-1832) introduced intangibility (immateriality) and inseparability; and in England Joan Robinson (1903-1983) brought in heterogeneity. Services seem then to have been dropped from the economics agenda, but the interest was revived in management and marketing. The earliest marketing references for these characteristics appeared in the beginning of the 1960s.

Prior to 1980, studies relating marketing, main focus was on implementation of the marketing paradigm.4ps have been offered by Mc Carthy(1964) as marketing mix and introduced to the scientific centers. He believes 4 main factors are influential in the marketing of products. They include: product, price, place and promotion. All the activities in the field of product and service marketing, as he holds, are carried out within the frame of four main factors suggested. However, according to Bennett,A.R(2000) the above perspective

doesn't take the variety of activities indifferent business into account.

The service marketing mix is s set of controllable and predictable tools used by an organization to draw desirable responses from its different target market. The tools can be everything that the brokerages makes use to affect the demand for the service that it offers. Service marketing, due to the presence of various decisions, is to be differentiated from goods marketing later, 3 more ps were introduced and added to the 4ps previously offered. They are: Personnel, Physical assets and process (Rafig,1995).

Product is defined as something which is sold (Jonathan Ivy, 2008). And it can not simply be assumed as tangible features, but as complex mass of benefits meeting the needs of customers. Regarding brokerage firms what is to be sold is considerably debatable. Some hold that the shares offered by brokerage to attract the investors and large enterprises are the raw materials and the kinds of shares put forward are ultimate procedures for element of products.

The price factor of the service marketing mix is characterized by being charged for the brokerage firms as a commission and the total price of each share made by the stock exchange market. This factor not only affects the revenues the stock exchange market (brokerages) derives from its purchase, but also effects investors and financial market activators as well.

Place include, distribution in both channel and physical models that the brokerages adjusted to provide profitable

shares of large enterprises to its market for responsiveness to the financial market activators.

Promotion incorporated the whole tools that brokerage firms make use in providing the market with information and service offering: advertising, publicity, public relation and sales promotional endeavors. Different above elements are used for different publics. In fact some publics, like prospective large enterprises, are too important that a number of promotional tools will be aimed at them for benefit and reputation purposes.

The people element of the service marketing mix consists all the personnel of the brokerage firms that interact with prospective financial market activators and in fact once they are purchased as customers of stock exchange market. Thus at the level of financial activators perceptions of advising personnel of brokerage firms will play an important role in choice process ,which influence on LSEs perception to entry the to Tehran Stock Exchange

Physical evidence is the tangible assets and component of the service offering. A variety of tangible aspects will be evaluated by brokerage firms target marketed, ranging from the shares material to the appearance of the place and advising facilities at the brokerage firms.

While process is the administrative and bureaucratic functions of the brokerage firms and formally of entry to Tehran Stock Exchange, evaluating the marketing knowledge will plays key role at the both brokerage firms and stock exchange organization.

Therefore, they differentiated service marketing from goods marketing (Booms & Bitner).

For the goods and products with tangible nature a 4Ps model have traditionally been used, on the other hand the same model is used for the products with the servicing nature as 7Ps approach in order to satisfy the needs of the service provider's customer: product, price ,place promotion, people ,physical facilities ,and process.

Early researchers held that the implementation of marketing was depended on managerial philosophy and organizational marketing culture rather than marketing structures (carson, 1968; pearson and Wilson, 1967; Ames, 1970; Webster, 1981). McCarthy and perreault, (1984); Boone and Kurtz, (2002) are discussed with focusing assumption that the CME is able to control or at least strongly influence organization decisions about products, price, promotion, and place of sale.

Webster states that, marketing in many companies have been 'pushed out' into the operating units of the business, especially in those companies that are consciously 'disintegrating' their organizations. But it seems that marketing as a stand-alone function in the typical organization will become increasingly rare (1989, p.6). Also, wind describes that, marketing, as a management function, appears to be in decline. Marketing as a management philosophy and orientation, espoused and practiced throughout the corporation, is seen increasingly as critical to the success of any organization (1996, p.4).

Greyser (1997) discussed that, as long as the formal function of marketing may well decline, the emergence and importance of the marketing knowledge within the company on the whole will increase. Achrol (1997) and moor man and Rust (1999) also address to anecdotal evidence to indicate that disintegration of the formal marketing function is occurring with activities being outsourced

In the brokerage firms, the financial analysts are one of the most important groups acting as intermediary between the companies and the investors. The researchers suggest the multiple combinations of the factors influencing on the decision made for an enterprise by the financial analysts.

The research conducted on financial institution in Iran displays that financial institutions play key role in economic development of capital market (Alipour,M. 2011,pp 49-58). This causes more clarification in the stock exchange market. Its results displayed that the brokerage firms have many weaknesses which should be removed as soon as possible. It is concluded that the international intermediaries could be used to alleviate the weaknesses of the domestic ones.

Brokerage firm schedule, as Bernstein argues (1956), determines the multifaceted difference followed by analysis. He believes financial analysts play key role for the managerial performance of the firms and the information drawn from the representatives and brokerage firms determines the number of analysts following a firm. Huge amounts of resources are earmarked by the enterprise

to make the products marketable. To satisfy the needs of customers, they do a need analysis on their priorities and preferences and then employ some people to promote their products. Consequently the portfolio of financial marketing products has some specifications similar to that of the marketing of other products. The study suggests that investors show great tendency to the shares of the firms enjoying high profitable quality than the firms with low profitable quality.

Therefore the brokerage firms, pay attention to these priorities and preferences to lead the financial analysts and brokerage firms to the high quality firms. Selection of the shares of the firms with high profitable quality versus of the ones with low profitable quality is caused by two following reasons:

The first is the investor's interest, for the share of the firms with high expectation of the rate of return. The primary researches are related to the study by Graham, B. and D.Dood (1934), then had completed by Shefrin, H. and M. statman (1986), Draman, D. (1977).

The second reason to attract investors to the shares of high profitable quality companies, is the trusteeship feeling of the financial institutions. O Brien, P. and R. Bhushan (1990), argue that the financial institutions require the information not only to make decisions by investors, but also, to the standards on the trusteeship. The brokerages are expected to act wisely and with prudence for the investors.

Terrill,c. (1992) pointed out that the new services performance is essentially the task which bring about two components,

the first is to be efficient to develop a strength point to respond to the needs of customers and, the second is to consider the present conditions of the capital market for offering the shares in developmental process.

Research Hypotheses

1. The package of financial service offered by brokerage is not appropriate to attract and encourage the big and profitable enterprises in Tehran Stock Exchange.
2. The share pricing methods made by Tehran stock exchange are not responsive to finance the funds needed by the LSEs in Iran!
3. The number of the distribution channels of financial market is not appropriate to attract the big and profitable LSEs in Tehran Stock Exchange.
4. There is not promotional tool to attract the big and profitable LSEs in Tehran Stock Exchange.
5. The personnel of the brokerage firms do not have updated marketing knowledge to encourage the big and profitable enterprises in Tehran Stock Exchange.
6. There is not suitable physical facilities in brokerage firms which could attract big and profitable LSEs in Tehran Stock Exchange.
7. The marketing criteria are neglected in evaluation of the management performance of brokerage firms by stock exchange organization!
8. All seven hypotheses do not have equal importance and value

according to the view points of the research universe!

Research methodology

This research has two main goals as follows:

Firstly, to recognize the existence of marketing organization amongst brokerage in Tehran Stock Exchange.

Secondly to identify and examine the marketing knowledge and skill, within brokerage firms by service marketing mix, in Tehran Stock Exchange.

A cross – sectional study (surrey) was selected as the appropriate research method, to achieve the research objectives. A comprehensively structured questionnaire was developed and the 5 point Likert scale was employed to measure the attitudes towards 7 different service marketing tools which represent all the main elements of the service marketing mix. Also the standard knowledge of universe was measured. The Cronbach's alpha was used to determine the extent to which the 5 point Likert scales were employed to produce consistent result if measures were taken repeatedly. The 7 factors of service marketing mix measured in this study had a Cronbachs alpha 0.93.

To gather the primary data, both interview and questionnaire techniques are used by the researchers. To design and formulate the questions the both independent variables (product, price, place, promotion, people, physical facilities and process and dependent variable (improvement the financial market) were the most important resources of the research.

The sampling was implemented at two levels of central office placed in stock exchang market and representative offices in regional stock exchange at the provinces (Tabriz, zanjan, Rasht, Qazvin).

The sampling method at the first level (central offices) is based on simple random and at the second level, cluster method is used by the researchers. 35 samples from the first level and 35 samples from second level were selected. Totally, 70 samples are drawn for the investigation.

Test of Hypotheses and Data Analysis

In this section, the research hypotheses are tested by using t student statistics to investigate the relationship between two kinds of variables in the research; the Freedman test has been used to prioritize and determine the importance of each factor over the others. to the intensity of correlation between research variables the regression analysis was employed. Regression analysis is closely related with correlation coefficient and generally is used in the studies simultaneously, and allows the researcher to forecast dependent variable through independent variable. Their difference lies in that the regression tend to forecast, While the correlation coefficient only tailors the rate of dependence between two variables. But they are applied simultaneously, in data analysis, to complement each other.

Therefore, we try to investigate the relations between seven independent variables including (product, price, distribution, promotion, people, physical facilities, and process) and dependent

variable (improvement of the financial markets).

H1: The package of service offered by brokerages is not appropriate to attract and encourage the big and profitable enterprises in Tehran Stock Exchange.

As the results of this hypothesis have display in table No. 1, since test statistics (4.496) > critical value (1.96) or p-value = 0 and < 5% we can reject Ho: $\mu = 3$.

since the observed mean (3.2159) > expected mean (3) it shows that the observed mean is more than 3. Therefore, the package of service offered by brokerage firms is appropriate to attract and encourage the big and profitable enterprises in Tehran Stock Exchange.

H2: The share pricing methods made by Tehran Stock Exchange are not responsive to finance the funds needed by the LSEs!

As the results of this hypothesis show in table No.1, since test statistics (9.320) > critical value (1.96) or p-value=0 and < 5%, we can reject Ho:$\mu=3$.

since the observed mean (3.365) > expected mean (3), it shows that the observed mean is more than 3. Therefore, the share pricing methods made by T.S.E are responsive to finance the funds needed by the LSEs!

H3: The number of the distribution channels of financial market is not appropriate to attract the big and profitable enterprises in Tehran Stock Exchange.

The results of this hypothesis in table No.1 states that since test statistics (4.661) > critical value (1.96) or p-value =0 and < 5% we can reject Ho:$\mu=3$. since the observed mean (2.8048) < expected mean (3), it shows that the observed mean is less

than 3. Therefore, the number of the distribution channels of financial market is not appropriate to attract the big and profitable enterprises, Tehran Stock Exchange. The researcher's assumption is accepted as well.

H4: There is not promotional tool to attract the big and profitable enterprises, in Tehran Stock Exchange.

As the results show in table No.1, since test statistics (9.892) > critical value (1.96) or p-value = 0 and < 5%, we can reject H0:μ=3.

since the observed mean (2.5827) < expected mean (3), it means that the observed mean is less than 3 so will Be construed that there aren't any promotional tool to attract the big and profitable enterprises Tehran Stock Exchange. Therefore the researcher's assumption is accepted as well.

H5: The personnel of the brokerage firms do not have updated marketing knowledge to encourage the big and profitable Enterprises in Iran Tehran Stock Exchange.

The results of this hypothesis in table No.1 display that, since test statistics (4.738) > critical value (1.96) or p-value = 0 and < 5%, we can reject Ho: μ = 3.

since the observed mean (2.6771) < expected mean (3), it shows that the observed mean is less that 3. Therefore the personnel of the brokerage firms do not have updated marketing knowledge to encourage the big and profitable Enterprises in Tehran Stock Exchange: The research's assumption is accepted as well.

H6: There are not a suitable physical facilities in brokerage firms to attract the big and profitable enterprises in Tehran Stock Exchange.

As the results are for this hypothesis show in table No.1, since test statistics (12.508) > critical value (1.96) or p-value = 0 and < 5%, we can reject H0: μ = 3.

since the observed mean (3.7262) > expected mean (3), it shows that the observed mean is more than 3. Therefore, there are suitable physical facility in brokerage firms to attract big and profitable enterprises in Tehran Stock Exchange. The research's assumption is rejected.

Table, No.1: Result of T test

Hypothesis	n	x̄	S	t	d.f	P-value	Result
H1	70	3.2159	0.4017	4.496	69	0.000	Reject
H2	70	3.365	0.3277	9.320	69	0.001	Reject
H3	70	2.8048	0.350	4.661	69	0.000	Accept
H4	70	2.5827	0.350	9.982	69	0.000	Accept
H5	70	2.6771	0.570	4.738	69	0.000	Accept
H6	70	3.7262	0.4857	12.508	69	0.000	Reject
H7	70	2.4667	0.4483	9.954	69	0.000	Accept

H7: The evaluation criteria are neglected in the marketing process and performance at brokerage firms by stock exchange organization.

The results of this hypothesis in table No.1 show that, since test statistics (9.954) > critical value (1.96) or p-value = 0 and < 5%, we can reject Ho: $\mu = 3$.

Because the observed mean (2.4667) < expected mean (3), it shows, the observed mean is less that 3. Therefore, the marketing criteria are neglected in evaluation process of the management performance at brokerage firms by stock exchange organization; the researcher's assumption is accepted as well.

H8: All seven hypotheses do not bear equal significance and value according to the viewpoints of the research universe!

To evaluate and prioritize the hypotheses and to determine the rate of importance each variable versus other variable freedman test has been used. Therefore, null hypothesis and research assumption are as follows:

Ho: All seven hypotheses have equal importance and value according to the point of view of the research universe!

H1: All seven hypotheses do not have equal importance and value according to the point of view of the research universe!

Through this test we examined that: is there any factor among all, which is more important than the others, or all are the same?

Table, No.2: Freedman test (x2)

P - value	d.f	X2	N
0,000	6	75.905	70

As shown in the table No.2, regarding the amount of p-value = 0, it is concluded that null hypothesis is rejected at the significance level of 5%. The assumption of research regarding the non-similarity of the hypotheses in ranking is confirmed.

The chi – square statistics (75.9.5) > critical value (13.59), thus the research assumption is accepted.

Prioritization of hypotheses in importance, based on freedman test is shown in table No.3 as follows:

Table, No.3: Freedman test Results

Hypotheses / Results	means	Means Rank	prioritization
H1:product	3.13	5.24	Physical facilities (H6)
H2:Price	3.79	5.o1	Process (H7)
H3:place	2.79	4.30	Promotion (H4)
H4:promotion	4.30	3.79	Price (H2)
H5:personnel	3.74	3.74	People (H5)
H6:physical facility	5.24	3.13	Product (H1)
H7:process	5.01	2.79	Place (H3)

Regression analysis

Regression analysis is closely related with correlation coefficient and generally is used in the studies simultaneously, and allows the researcher to forecast dependent variable through independent variable, the stronger the correlation between variables, the more accurate the forecast. Their difference is that regression tending to forecast, while the correlation coefficient only tailor the rate of the correlation between two types of variables. But in data analysis they have been used as the complementary of each other.

In this part, we try to investigate the relation between seven independent variables (including product, price, distribution, promotion, personnel, physical facilities, and process) and dependent variable – improvement of the financial markets.

In the table No.4 the explanative indicators of the dependent and independent variables are shown.

In the table, No.5, we see the matrix of the correlation coefficients between the independent variables.

Table, No.4: Explanative indicators of variables

Explanative indicators			variables	
Standard deviation	average	Sample volume		
0.3065	3.4962	70	dependent	
0.6477	3.6241	70	Product	
0.3277	3.3651	70	Price	
0.35	3.1952	70	Place	
0.353	3.4173	70	Promotion	Independent variables
0.57	3.3229	70	People	
0.4857	3.7262	70	Physical facilities	
0.4483	3.5333	70	process	

Table, No.5: matrix of correlation coefficients between independent variables

Process	Physical facilities	People	Promotion	Place	Price	Product	Correlation coefficient with
0.498	0.467	0.654	0.661	0.591	0.470	-0.233	dependent variable
0.000	0.000	0.000	0.000	0.000	0.000	0.026	p-value

As you see, except product the other independent variables have the direct linear relation with dependent variable and all the relations are significant even for the product. It can be said that regarding these rates, the promotion variable has the most

and the product variable has the least influence on the dependent variable.

Now we recommend the best regression model for these variables, using the multiple linear regression.

To find the best regression model STEPWISE method has been used that by

applying this method the sequence of entrance of the variables into the regression model according to the rate of influence on the variable includes.

Promotion, personnel, physical facilities, price, distribution, process, product

The 7 analysis variance models that include above variables are as follows.

As you see given the rate of sig = 0. We can accept the above regression model. Also you can see the rates of the correlation coefficient and model setting coefficient are as follows:

Given the Adjusted R square = 0, 838 again it can be said that the chosen model is acceptable to the case study.

In the table No.7, the rates of the model coefficients and also the necessary rates concerning the testing of the significance of existence or nonexistence of the coefficients in the model have been illustrated:

As you see the presence of all the coefficients in the average is significant, thus the chosen regression sample is as fallows:

$Y = 0.144 + 0.263x_1 + 0.201x_2 + 0.188x_3 + 0.126x_4 + 0.162x_5 + 0.097x_6 - 0.054x_7$

Table, No.6: variance analysis

Sig.	F	Mean square	Df	Sum of squares	
0.000	51.909	0.790	7	5.528	Regression
		0.015	62	0.943	Rest
			69	6.471	total

R	R square	Adjusted R square	Std.Error of Estimate
0.924 (g)	0.854	0.838	0.12335

Table, No.7: rates of the model coefficients

	Un standardized coefficients		Standardized coefficients	T statistics	Sig
	B	Std. Error	Beta		
(constant)	0.144	0.236		0.610	0.044
Promotion	0.263	0.056	0.303	4.700	0.000
Personnel	0.201	0.029	0.375	6.914	0.000
Physical facilities	0.188	0.032	0.289	5.870	0.000
Price	0.126	0.052	0.135	2.428	0.018
Place	0.162	0.053	0.185	3.029	0.003
Process	0.097	0.029	0.141	2.479	0.16
product	0.054	0.024	-0.115	-2.266	0.027

That they are:

x_1: promotion

x_2: personnel

x_3: physical facilities

x_4: price

x_5: distribution

x_6: process

x_7: product

also the rate of change for independent variable in terms of one change unit in each of the independent variable can be calculated, regarding the standardized coefficients column.

Finding and Result

As we have mentioned th9e objectives of the study, the main objectives are, the present situation of applying the marketing knowledge in T.S.E and finding out the way to adjust such knowledge in Tehran stock exchange to attract the L.S.Es towards stock exchange environment and finally to offer the structural model of financial marketing for T.S.E.

The result some important findings are as follows:

- The service package offered by the brokerage firms situated at Tehran Stock Exchange is appropriate to the investors in the market.
- The Methods of pricing the share in the stock exchange are responsive enough to finance the funds needed by the big and profitable enterprises.
- The number of channels to distribute and facilitate the shares in the Tehran Stock Exchange is not
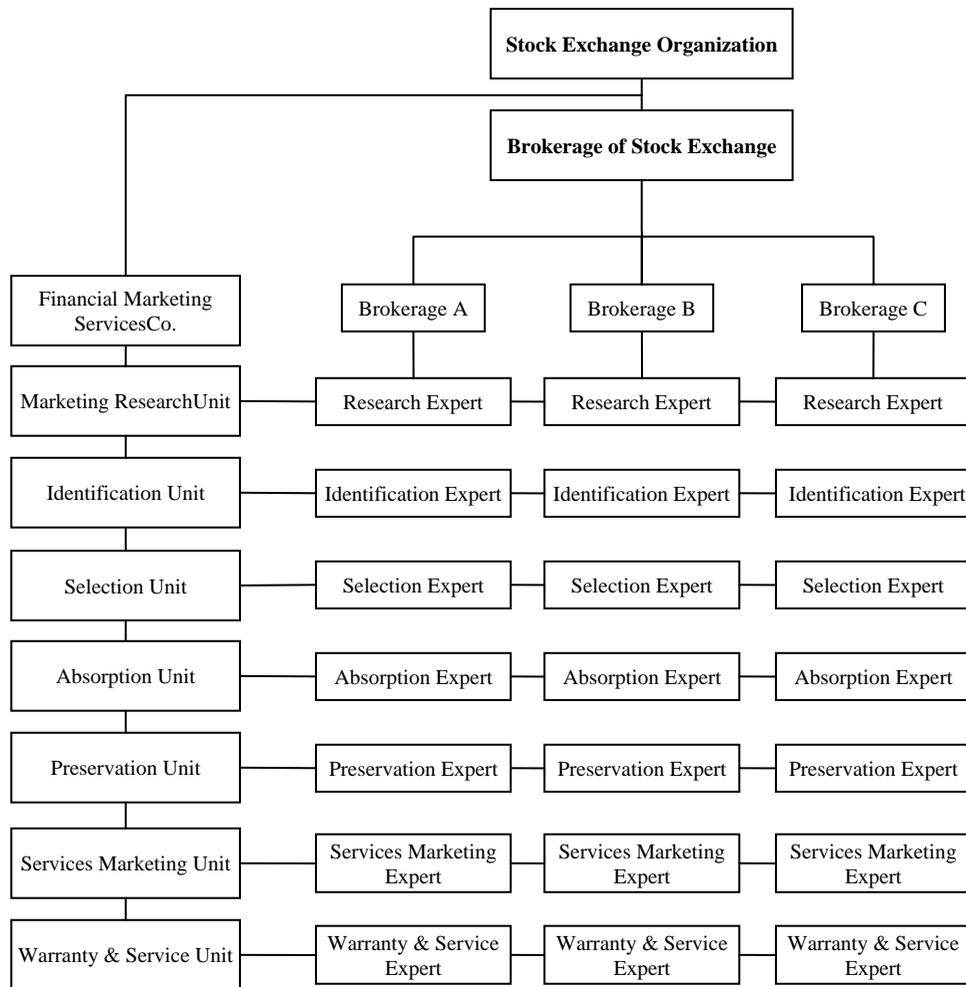
enough to encourage and attract the profitable enterprises to enter into stock exchange.

- The promotional programs are not sufficient to encourage the profitable enterprises to enter into the Tehran Stock Exchange.
- The personnel of the brokerage firms do not have the updated marketing knowledge.
- The brokerage firms are not generally able to offer the physical facilities and assets and utilities in accordance with the needs of big profitable enterprises.
- In terms of physical facilities, there is no difficulty for presence of the representatives of the big enterprises. Establishment of the online brokerage by stock exchange organization is needed.
- There is no method promoting the application of the marketing knowledge to evaluate the performance. (at least marketing has no any place in the process of doing at the level of brokerage firms in above mentioned market).

Conclusion and Discussion

In alignment with the service-dominant logic the term financial service marketing has to be used synonymous with value added for Tehran stock exchange.

In line with financial channels and intermediaries, other facilitators such as, investing banks, ranking institutions, and formal market s of the stock exchange are needed for flourishing the financial market.

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                          │ Stock Exchange Organization   │
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                                        │
                          ┌──────────────────────────────┐
                          │  Brokerage of Stock Exchange  │
                          └──────────────────────────────┘
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Financial Marketing ServicesCo.	Brokerage A	Brokerage B	Brokerage C
Marketing ResearchUnit	Research Expert	Research Expert	Research Expert
Identification Unit	Identification Expert	Identification Expert	Identification Expert
Selection Unit	Selection Expert	Selection Expert	Selection Expert
Absorption Unit	Absorption Expert	Absorption Expert	Absorption Expert
Preservation Unit	Preservation Expert	Preservation Expert	Preservation Expert
Services Marketing Unit	Services Marketing Expert	Services Marketing Expert	Services Marketing Expert
Warranty & Service Unit	Warranty & Service Expert	Warranty & Service Expert	Warranty & Service Expert

Marketing indicators have to be side by side with financial indicators for evaluating the process of financial institution, specially, brokerage firms.

What we have learnt about interaction in the financial service marketing encounter has been extended and become applicable to all marketing situations.

Relationships, networks and become applicable to all marketing situation. Relationship, networks and interaction have been proposed at the top level of marketing with the 7Ps and the service marketing mix demoted to the next level for activating in financial market. Marketing is the revenue-generating function of a firm. It is easily forgotten by practicing marketers and marketing theorists alike that the ultimate test of success is a profile level than allows a firm to prosper in the long run. Therefore marketing needs not only to focus on

revenue but also on cost and capital.\in this process, quality, or value as perceived by the L.S.Es, productivity and profitability become triplets (Gummesson.E,2007).

Each brokerage firm has to follow the specific field of industry available in stock exchange. So specialization in this market has to exist for trusty sheep of big and profitable enterprises to enter to this market.

To establish the new department or company to implement each and every marketing activities in case of financial, or to outsource the marketing function and activities to the one recognized and professional marketing company.
The model offered by researchers is based on positioning the marketing process into the structure.

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