Services Marketing: A Strategic Conceptual Ideology

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Abstract: Services marketing have the number of special packages to help its clients. Developing a marketing strategy is vital for any business. Without one, all efforts to achieve marketing goal are likely to be haphazard and inefficient. Services marketing is marketing based on relationship and value. It may be used to market a service or a product. Marketing a service-base business is different from marketing a goods-base business.

Service marketing has been relatively gaining ground in the overall spectrum of educational marketing as developed economies move farther away from industrial importance to service oriented economies. This paper, however, identifies the quality of Services marketing and focuses its vide acceptability.

I. Introduction

Service marketing includes the servicescape referring to but not limited to the aesthetic appearance of the business from the outside, the inside, and the general appearance of the employees themselves. Service Marketing has been relatively gaining ground in the overall spectrum of educational marketing as developed economies move farther away from industrial importance to service oriented economies. Marketing is the flow of goods and services from the producer to consumer. It is based on relationship and value. In common parlance it is the distribution and sale of goods and services.

Service Marketing mix adds 3 more P's, i.e. people, physical evidence, process service and follow-through are keys to a successful venture. The major difference in the education of services marketing versus regular marketing is that instead of the traditional "4 P's," Product, Price, Place, Promotion, there are three additional "P's" consisting of People, Physical evidence, and Process.

Marketing includes the services of all those indulged may it be then the wholesaler retailer, Warehouse keeper, transport etc. In this modern age of competition marketing of a product or service plays a key role. It is estimated that almost 50% of the price paid for a commodity goes to the marketing of the product in US. Marketing is now said to be a term, which has no particular definition as the definitions change everyday. However, it is worth remembering that many of the concepts, as well as many of the specific techniques, will work equally well whether they are directed at products or services. In particular, developing a marketing strategy is much the same for products and services, in that it involves selecting target markets and formulating a marketing mix.

II. Conceptual Strategy of Service Marketing

Characteristics of a Service

What exactly are the characteristics of a service? How are services different from a product? In fact many organizations do have service elements to the product they sell, for example McDonald’s sell physical products i.e. burgers but consumers are also concerned about the quality and speed of service, are staff cheerful and welcoming and do they serve with a smile on their face. The Characteristics of a service that are:

(1) Lack of ownership
(2) Intangibility
(3) Inseparability
(4) Perishability
(5) Heterogeneity.
The Service marketing mix involves analyzing the 7’p of marketing involving, Product, Price, Place, Promotion, Physical Evidence, Process and People.

To certain extent managing services are more complicated then managing products, products can be standardized, to standardize a service is far more difficult as there are more input factors i.e. people, physical evidence, process to manage then with a product.

There are five characteristics to a service, which will be discussed below.

1. Lack of ownership.

You cannot own and store a service like you can a product. Services are used or hired for a period of time. For example when buying a ticket to the USA the service lasts maybe 9 hours each way, but consumers want and expect excellent service for that time. Because you can measure the duration of the service consumers become more demanding of it.

2. Intangibility

You cannot hold or touch a service unlike a product. In saying that although services are intangible the experience consumers obtain from the service has an impact on how they will perceive it. What do consumers perceive from customer service? The location and the inner presentation of where they are purchasing the service?

3. Inseparability

Services cannot be separated from the service providers. A product when produced can be taken away from the producer. However a service is produced at or near the point of purchase. Take visiting a restaurant, you order your meal, the waiting and delivery of the meal, the service provided by the waiter is all apart of the service production process and is inseparable, the staff in a restaurant are as apart of the process as well as the quality of food provided.

4. Permissibility

Services last a specific time and cannot be stored like a product for later use. If travelling by train, coach or air the service will only last the duration of the journey. The service is developed and used almost simultaneously. Again because of this time constraint consumers demand more.

5. Heterogeneity

It is very difficult to make each service experience identical. If travelling by plane the service quality may differ from the first time you travelled by that airline to the second, because the airhostess is more or less experienced. A concert performed by a group on two nights may differ in slight ways because it is very difficult to standardize every dance move. Generally systems and procedures are put into place to make sure the service provided is consistent all the time, training in service organizations is essential for this, however in saying this there will always be subtle differences.

III. Service Marketing Mix

Having discussed the characteristics of a service, let us now look at the marketing mix of a service. The service marketing mix comprises off the 7’ ps. These include:

- Product
- Price
- Place
- Promotion
- People
- Process
- Physical evidence.

Once you've developed your marketing strategy, there is a "Seven P Formula" you should use to continually evaluate and reevaluate your business activities. These seven are: product, price, promotion, place, packaging, positioning and people. As products, markets, customers and needs change rapidly, you must continually revisit
these seven Ps to make sure you're on track and achieving the maximum results possible for you in today's marketplace.

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A *service* is the action of doing something for someone or something. It is largely intangible (i.e. not material). A product is tangible (i.e. material) since you can touch it and own it. A service tends to be an experience that is consumed at the point where it is purchased, and cannot be owned since it is quickly perishes. A person could go to a café one day and have excellent service, and then return the next day and have a poor experience. So often marketers talk about the nature of a service as:

**Inseparable** - from the point where it is consumed, and from the provider of the service. For example, you cannot take a live theatre performance home to consume it (a DVD of the same performance would be a product, not a service).

**Intangible** - and cannot have a real, physical presence as does a product. For example, motor insurance may have a certificate, but the financial service itself cannot be touched i.e. it is intangible.

**Perishable** - in that once it has occurred it cannot be repeated in exactly the same way. For example, once a 100 meters Olympic final has been run, there will be no other for 4 more years, and even then it will be staged in a different place with many different finalists.

**Variability** - since the human involvement of service provision means that no two services will be completely identical. For example, returning to the same garage time and time again for a service on your car might see different levels of customer satisfaction, or speediness of work.

**Right of ownership** - is not taken to the service, since you merely experience it. For example, an engineer may service your air-conditioning, but you do not own the service, the engineer or his equipment. You cannot sell it on once it has been consumed, and do not take ownership of it.

People are the most important element of any service or experience. Services tend to be produced and consumed at the same moment, and aspects of the customer experience are altered to meet the 'individual needs' of the person consuming it. Most of us can think of a situation where the personal service offered by individuals has made or tainted a tour, vacation or restaurant meal. Remember, people buy from people that they like, so the attitude, skills and appearance of all staff need to be first class. Here are some ways in which people add value to an experience, as part of the marketing mix - training, personal selling and customer service.

### III. Virtues of Service Marketing

1. **Training**

Training should begin as soon as the individual starts working for an organization during an induction. The induction will involve the person in the organization's culture for the first time, as well as briefing him or her on day-to-day policies and procedures. At this very early stage the training needs of the individual are identified. A training and development plan is constructed for the individual, which sets out personal goals that can be linked into future appraisals. In practice most training is either 'on-the-job' or 'off-the-job.' On-the-job training involves training whilst the job is being performed e.g. training of bar staff. Off-the-job training sees learning taking place at a college, training center or conference facility. Attention needs to be paid to Continuing Professional Development (CPD) where employees see their professional learning as a lifelong process of training and development.

2. **Personal Selling**

There are different kinds of salesperson. There is the product delivery salesperson. His or her main task is to deliver the product, and selling is of less importance e.g. fast food, or mail. The second type is the order taker, and these may be either 'internal' or 'external.' The internal sales person would take an order by telephone, e-mail or over a counter. The external sales person would be working in the field. In both cases little selling is done. The next sort of sales person is the missionary.
Here, as with those missionaries that promote faith, the salesperson builds goodwill with customers with the longer-term aim of generating orders. Again, actually closing the sale is not of great importance at this early stage. The forth type is the technical salesperson, e.g. a technical sales engineer.

Their in-depth knowledge supports them as they advise customers on the best purchase for their needs. Finally, there are creative sellers. Creative sellers work to persuade buyers to give them an order. This is tough selling, and tends to offer the biggest incentives. The skill is identifying the needs of a customer and persuading them that they need to satisfy their previously unidentified need by giving an order.

3. Customer Service

Customer services provided expertise (e.g. on the selection of financial services), technical support (e.g. offering advice on IT and software) and coordinate the customer interface (e.g. controlling service engineers, or communicating with a salesman). The disposition and attitude of such people is vitally important to a company. The way in which a complaint is handled can mean the difference between retaining or losing a customer, or improving or ruining a company's reputation.

Today, customer service can be face-to-face, over the telephone or using the Internet. People tend to buy from people that they like, and so effective customer service is vital. Customer services can add value by offering customers technical support and expertise and advice. Process is another element of the extended marketing mix, or 7P's. There are a number of perceptions of the concept of process within the business and marketing literature. Some see processes as a means to achieve an outcome, for example - to achieve a 30% market share a company implements a marketing planning process.

Another view is that marketing has a number of processes that integrate together to create an overall marketing process, for example - telemarketing and Internet marketing can be integrated. A further view is that marketing processes are used to control the marketing mix, i.e. processes that measure the achievement marketing objectives. All views are understandable, but not particularly customer focused. For the purposes of the marketing mix, process is an element of service that sees the customer experiencing an organization’s offering. It's best viewed as something that your customer participates in at different points in time. Here are some examples to help you build a picture of marketing process, from the customer's point of view.

Going on a cruise - from the moment that you arrive at the dockside, you are greeted; your baggage is taken to your room. You have two weeks of services from restaurants and evening entertainment, to casinos and shopping. Finally, you arrive at your destination, and your baggage is delivered to you. This is a highly focused marketing process. Processes essentially have inputs, throughputs and outputs (or outcomes). Marketing adds value to each of the stages. Take a look at the lesson on value chain analysis to consider a series of processes at work.

IV. Conclusion

Services marketing is marketing based on relationship and value. It may be used to market a service or a product. Marketing a service-base business is different from marketing a goods-base business. A doctor interview’s a patient, does some tests, and prescribes some medicine – the patient answers the questions, cooperates with the tests, and takes the medicine faithfully. Perhaps technologies and other people are involved in the tests or in the assignment and filling of prescriptions.

Together, doctor, patient, others, and technologies co-create value – in this case, patient health. These relationships and dependencies can be viewed as a system of interacting parts. In many cases, a service system is a kind of complex system – a system in which the parts interact in a non-linear way. As such, a service system is not just the sum of its parts, but through complex interactions, the parts create a system whose behavior is difficult to predict and model. Service involves both a provider and a client working together to create value.

So Service Marketing has been relatively gaining ground in the overall spectrum of educational marketing as developed economies move farther away from industrial importance to service oriented economies.
V. REFERENCES


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