

# Xpresso lube essay sample

[Business](#), [Customers](#)



## 1. Describe Xpresso Lube's service package?

\* Supporting facility: Xpresso Lube has a fixed amount of operational capacity because it has a limited number of service lifts - two to be exact. Other components of its supporting facility are tools and equipment, an equipment storage area, a spacious waiting room, chairs, a service counter, street access and parking. \* Facilitating goods: oil, filters, auto parts, coffee, snacks, cups, napkins, sugar and milk. \* Information: for regular customers a reminder card could be sent for routine maintenance.

\* Explicit services: a car with new oil and filter, maintenance checks of the car, and a cup of coffee. \* Implicit services: trust, a feeling of not " getting screwed," a feeling of keeping the car maintained, the satisfaction that comes from taking care of one's car, the good feeling that comes from recycling the old oil, a caffeine lift, and the satisfaction of drinking good coffee while you wait.

## 2. How are the distinctive characteristics of a service operation illustrated by Xpresso Lube?

\* Customer Participation in the Service Process: Customers bring their car to Xpresso Lube and wait for the oil change. Customers are invited to inspect the car while on the lift to observe other needed repairs. \* Simultaneity: Using the coffee shop as a pleasant diversion allows Xpresso Lube to partially reduce the need for immediately working on arriving cars. Providing a shuttle service to nearby University and State Capital would further allow scheduling oil changes.

\* Perishability: the number of car lifts at the shop limits Xpresso Lube's capacity. This oil change business also owns an auto repair facility next door so the two businesses can deploy mechanics between them to best utilize labor capacity.

\* Intangibility: When an oil change is done in a typical pit, the customer cannot actually see the process and, after the service, the car's performance probably will not be noticeably different. In this situation, customers rely on the word of the oil change service person. Xpresso Lube's car lift design allows customers to watch its service, which gives customers more assurance that their needs are being met. \* Heterogeneity: Different cars provide some variability in the oil change routine. Some customers even come for only the coffee.

3. Characterize Xpresso Lube in regard to nature of the service act, relationship with customers, customization and judgment, nature of demand and supply, and method of service delivery.

\* Changing the oil is the primary function of Xpresso Lube. This is a tangible action performed on the car, but the secondary service is serving coffee, which recognizes the personal needs of the owners. \* Xpresso Lube's service relationships consist of discrete, one-time transactions, but the company's focus on fostering customer trust and a pleasant waiting environment might lead to more long-term customers. \* Fairly low customization is possible, but the accessibility of the service area and the mechanics can lead to customization opportunities if there are problems with the cars.

\* There is a significant demand fluctuation based on the obvious convenience of having the work performed after work or during the weekend. This peaked demand pattern can easily exceed Xpresso Lube's capacity. But Xpresso Lube's service environment encourages people to accept longer waits and, by providing transportation, it enables customers to drop off their cars in the morning and retrieve them later in the day. The supply of the service cannot be altered very easily, given the company's fixed number of two carports and lifts.

4. What elements of Xpresso Lube's location contribute to its success?

Xpresso Lube is located on the main thoroughfare leading to the University of Texas and thus provides excellent visibility. The immediate business area is a bustling and diverse that attracts a broad spectrum of visitors. It's also an area where customers don't mind waiting because they can walk to a variety of popular shops (e. g., Wheatville Co-Op and Half-Priced Books).

5. Given the example of Xpresso Lube, what other services could be combined to " add value" for the customer? Many examples exist in today's business environment. One common service combination is selling concessions - candy or popcorn, for example - with showing movies, sports events or concerts. Others include the combination of bookstores and coffeehouses, gaming activities such as pool or bowling with prepared food (e. g., Dave & Busters), fast food and gasoline (e. g., Exxon and McDonald's).

All of these combinations support one another and marry related customer needs. In the case of gas and hamburgers, for example, customers are in a

hurry and the service combination provides them additional reasons to stop. Other examples take advantage of unfilled waiting time. By locating in a shopping mall, a one-hour eyeglass store provides its customers something to do while they wait for their glasses (i. e., shop at other mall stores).