

# Peculiarities services in connection with the marketing

[Business](#), [Marketing](#)



The principles of marketing can be applied in the banking sector, taking into account the peculiarities of the supply of banking services and the differences from the disposal of industrial or consumer products. The banking agencies have, in terms of marketing, the following features that differentiate the products: It is immaterial as all services, which means that they are not perceived by the senses before the sale and do not require storage and transportation for disposal, such as products.

Also, because of this status, the banking services cannot be sampled as the products. Based on faith. This means that the client cannot know in advance what he buys, because there are not specific and clearly identified quality standards, as it happens in products. So there are no specific quality characteristics of some banking services such as the speed of service in daily transactions, the lack of bureaucracy, the kindness and willingness of employees, the ability someone quickly correct mistakes, the timely response to requests from the client and the speed of decisions.

To old customers, faith created by the previous quality of service, which had in the bank with which they cooperate, while new customers are influenced by promotions and other sales promotion and public relations. A bank officer is part of the service that is offered. Instead, the seller of products may never be part of the product he sells. The quality of the banking sector is inextricably linked to the level of knowledge, skills and attitudes of staff who offer banking services. The client is part of the production process.

This occurs with his presence, with the level of his knowledge, with his perceptual ability, with his requirements and his behavior. For customers,

banking services are, at first glance, identical in all commercial banks. Each bank has to find ways to establish identity and to ensure the desired image to its customers, for each offered service from it. For this purpose, each bank tries to promote the services of having regard to all the tools of marketing that could be used. They show great geographic dispersion. Each commercial bank considers the necessity to expand.

That, depending on the capabilities of the network of branches in order to further facilitates the trade of existing customers and covers a wider market at a national level. There is a wide range of services that offered. The range of bank services covered by the specific needs of companies of different sectors (Corporate Banking), the needs of large retail customers (Private Banking) and the needs of savers (Retail Banking). The product marketing mix consists of the 4 P's which are Product, Pricing, Promotions and Placement.

The extended service marketing mix places 3 further P's which include People, Process and Physical evidence. All of these factors are necessary for optimum service delivery. Product: The product in service marketing mix is intangible in nature. Service products cannot be measured. The aim is to maximize the profit. When we say product, is included all product features, packaging, the size and the guarantees that is provided. Place: Place in case of services determine where the service product is going to be located. Place, includes network of branch, credit cards, ATM's, the phone banking and Home-Banking.

**Pricing:** Pricing in case of services is rather more difficult than in case of products. This includes the terms of cooperation and discount policy on interest and fees. Generally service pricing involves taking into consideration labor, material cost and overhead costs. By adding a profit markup you get your final service pricing. **Promotion:** Promotions have become a critical factor in the service marketing mix. Services are easy to be duplicated and hence it is generally the brand which sets a service apart from its counterpart.

The promotional mix includes (1) personal selling, (2) sales promotion, (3) advertising and (4) public relations. **People:** People is one of the elements of service marketing mix. People define a service. Here is included staff and customers (who contribute to the quality of services offered to their knowledge, attitudes and behavior). **Process:** Service process is the way in which a service is delivered to the end customer. It is a critical component in the service blueprint, wherein before establishing the service, the bank defines exactly what should be the process of the service product reaching the end customer.

**Physical Evidence:** The last element in the service marketing mix is a very important element. As said before, services are intangible in nature. However, to create a better customer experience tangible elements are also delivered with the service. Physical Evidence, referred to the surroundings and the material elements of the offer services. The marketing mix in banks is the necessary combination of the tools of marketing to maintain or expand market share in each market target.