

Service marketing requires essay sample

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



1. What is so distinctive about services marketing that it requires a special approach, set of concepts, and body of knowledge?

Services are defined in as “ deeds, processes and performances”. None of these physical objects are physical objects in which a customer can take ownership of, because it is so different from products, service marketing requires a special approach, set of concepts and body of knowledge.

2. What do you mean by variability of inputs and outputs in services? Give two examples.

The presence of personnel and other customers in the operational system makes it difficult to standardize and control variability in both service inputs and outputs. Manufactured goods can be produced at a distant factory, under controlled conditions. For services, however, Inputs and outputs tend to vary widely and make customer service process management a challenging task. When services are consumed as they are produced, final “ assembly” must take place under real-time conditions, which may vary from customer to customer and even from one time of the day to another. As a result, mistakes and shortcomings are both more likely and harder to conceal. These factors make it difficult for service organizations to improve productivity, control quality, and offer a consistent product. Nevertheless the best service firms have made significant progress is reducing variability. Eg: Hotel room service and Beauty parlours – Customers will be less sure about it than buying a product, they would be unsure if the service they provide would be good enough for the money they are paying.

3. Why is time so important in services?

Many services are delivered in real time. Customers have to be physically present to receive service from organizations such as airlines, hospitals, haircutters, and restaurants. There are limits as to how long customers are willing to be kept waiting and service must be delivered fast enough so that customers do not waste time receiving service. Even when service takes place in the back office, customers have expectations about how long a particular task should take to complete—whether it is repairing a machine, completing a research report, cleaning a suit, or preparing a legal document. Today's customers are increasingly time sensitive and speed is often a key element in good service.

4. How has the development of SST (Self service Technologies) affected services marketing strategy? What factors determine whether customers make use of them or not?

Technology has provided new opportunities for self-service, where delivery takes place electronically through interactions with equipment rather than people. Examples of these self-service technologies (SSTs) include bank ATMs, automated package tracking, pay-at-the-pump terminals at gas stations, automated kiosks for airline tickets and Internet investment transactions. In these types of encounters, employees are not present to compensate for problems or customize the service experience. There is a need to educate customers about effective use of SSTs and training them to “self-recover” when a service failure has occurred.

5. What is the difference between core and supplementary services?

The core service should deliver the consequences expected by the customer justifying the associated real or nominal charges. Supplementary services either facilitate the use of the core service or enhance it. Facilitating or support services are taken for granted by customers (more likely by users) who expect these to be bundled with the core service and not be additionally charged. An elemental part of service strategy is to determine the bundle of core and supplementary services that constitutes a viable, competitive, and compliant product in a target market.

6. What is the meaning behind intangible elements accounting for a greater part of the value delivered by a service value chain? Give examples.

Services often include important tangible elements such as hotel beds, restaurant Meals and bank cards. However, as the non-ownership perspective and the definition of services implies, it is the intangible aspects of the service (Including labour and expertise of service employees) that dominate the creation of value in service performances. Intangibility consists of both mental and physical dimensions. Mental intangibility cannot be easily visualized and understood whereas Physical intangibility refers to not being able to touch or experience with other senses.

7. Do customers co-produce in services? Give examples.

Yes, customers co-produce. Some services require consumers to participate actively in co-producing the service product. Customers interact with the provider's equipment, facilities and systems. Eg: (a) Consumers are expected to cooperate with the service personnel in settings such as fast

food and libraries. (b) Customers working out at the gym under the direction of a personal trainer.