

Major characteristics of services and the marketing assignment

[Art & Culture](#)



**ASSIGN
BUSTER**

Marketing Strategy It is defined as the process of adjusting controllable marketing factors to cope with or exploit uncontrollable environment. Four strategies that are available for the service organizations are so follows: 1 . Three additional As 2. Managing service differentiation 3. Managing Service Quality 4. Managing Service Productivity The traditional four As marketing approaches work well for goods, but additional elements require attention in service business. Three additional As for service marketing: 1 . People – Most services are provided by people. Therefore, the selection, training and motivation of employees can make a huge difference in customer satisfaction.

Ideally, employees should exhibit competence, a caring attitude, responsiveness, initiative, problem-solving attitude and goodwill. E. G. At Marriott, their front-line personnel are empowered to spend up to \$100 to solve a customer problem. 2. Physical Evidence – Companies also try to demonstrate their service quality through physical and presentation. A hotel will develop a look and style of dealing with customers that realizes its intended customer value proposition, whether it is cleanliness, speed or some other benefit. 3. Process – Service companies can choose among different processes to deliver their service. For example, restaurants to develop different formats such as buffet candlelight dinner and fast food.

Service marketing requires not only external marketing but also internal and interactive marketing. External marketing describes the normal work to prepare, price, distribute and promote the service to the customer. Internal Marketing describes the work to train and motivate employees to serve customer. Interactive marketing describes the employees' skills in serving <https://assignbuster.com/major-characteristics-of-services-and-the-marketing-assignment/>

the client. Client judge's service not only by technical quality but also by its functional quality, therefore service providers must deliver " high touch" as well as " High tech". Managing Service Differentiation In these days of intense price competition, service marketers often complain about the difficulty of differentiating their services from those of competitors.

If customers view the services of different providers as similar, they care less about the provider than the price. The solution to price competition is to develop a differentiated offer, delivery and image. The offer can include innovative features that set one company's offer apart from their competitors' offers. What the customer expects is called primary service introduced innovation such as advance seating, sleeping compartment, hot showers to differentiate their offers. The major challenge is that most service offerings and innovations are easily copied. However, the company that regularly introduces innovations will gain a succession of temporary advantages over competitors.

Service companies can differentiate itself by designing a better and faster delivery system. There are three levels of differentiation. The first is reliability: Some suppliers are more reliable in their on-time delivery, order completeness and order cycle time. Second is resilience: some suppliers are better at handling emergencies, product recalls and answering inquiries. The third is innovativeness; some suppliers create deter information systems, introduce bar coding and mixed pallets and in other ways to help the customer. An example is banking system, a bank might offer its customers

electronic home banking as a better way to deliver banking services than having to drive, park and wait in line.

Service companies can work on differentiating their images through symbols and branding. E. G. Merrill Lynch's bill. Managing Service Quality One of the ways that a service firm can differentiate itself is by delivering consistently higher quality than its competitors do and meets or exceed customer expectations. Customers form service expectations from past experiences, word of mouth and advertising. Customers compare the perceived service with expected service. If the perceived service falls below the expected service, customers are disappointed. If the perceived service meets or exceeds their expectations, they are apt to use the provider again.

Service provider need to identify the expectations of target customers concerning service qualities. Although greater service quality results in greater customer satisfaction, it also results in high costs. Still, investments in service usually pay off wrought increased customer retention and sales. 5 determinants of service quality: 1 . Reliability – The ability to perform the promised service dependably and accurately. 2. Responsiveness – The willingness to help customers and to provide prompt service 3. Assurance – The knowledge and courtesy of employees and their ability to convey trust and confidence 4. Empathy – The provision of caring, individualized attention to the customer. 5.

Tangibles – The appearance of physical facilities, equipment, personnel and Even though the companies have invested heavily to develop streamlined and efficient service-delivery systems, problems will inevitably occur.

<https://assignbuster.com/major-characteristics-of-services-and-the-marketing-assignment/>

However, even though the company cannot always prevent service problems, it can learn to recover from them and good service recovery can turn angry customers into loyal ones. In fact, good recovery can win more customers purchasing and loyal than if things had gone well in the first place. Therefore, companies should take steps not only to provide good service every time but also to recover from service mistakes when they do occur. The first step is to empower front-line service employees where authority, accessibility and incentives are given to the employees that they need to recognize, care about and tend to customer needs.

Studies of well-managed service companies show that they share a number of common virtues regarding service quality. First they are “customer obsessed”. They have a distinctive strategy for satisfying customer needs that wins enduring customer loyalty. Second, they have top management commitment to quality. Management such as Ritz-Carlton looks not only at financial performance but also at service performance. Third, the best service providers set high service quality tankards. They don’t settle for “good” service, they aim at 100% defect-free service. Forth, the top service firms watch service performance closely. Both their own and competitors.

They use methods such as comparison-shopping, complaints from and etc. Fifth, the service companies replaced person-to-person service interactions to self-service technologies, e. G. Self-pumping at gas stations. Even though not all self- service technologies improve service quality, they have the potential of making service transactions more accurate, convenient and faster. Every company needs to hind about how it might improve its services

using Sets, Sixth, excellent service companies know that positive employee attitudes will promote stronger customer loyalty. Service companies must attract the best employees they can find; they need to market a career rather than just a job.

They must design a sound training program and provide support and rewards for good performance. They can use intranet, internal newsletter, daily reminders and employee roundtable to reinforce customer-centered attitudes. It is important to audit employee job-satisfaction regularly. However, a company must be careful in training TTS employees to be friendly. In addition, good service companies should communicate their concerns about service quality to employees and provide performance feedback. Managing Service Productivity With the rising costs, service firms are under pressure to increase productivity. They First – the company can hire and foster more skilful workers through better selection and training.

Second – the service firms can also increase the quantity of their service by giving up some quality, e. G. Doctors working for some hospitals have moved towards handling more patients and giving less time to each patient. Third – “Industrialized the Service” by adding equipment and standardizing production. E. G. McDonald’s assembly-line approaches to fast food retailing, culminating in the “technological hamburger”. Fourth – reduce or make obsolete the need for service by inventing a product solution. E. G. The wash-and-wear shirt reduced the need for commercial laundries. Fifth – the company can design a more effective service. E. G. The hiring of paralegal workers reduces the need for more expensive legal professionals.

Sixth - the company can present customers with incentives to substitute their own labor for company labor, E. . Banks have turned their customers into tellers Seventh - the service provider can harness the power of technology. E. G. Therapists can call up the information on hand-held computers, which pluck the data from a central computer. As a result, they can spend more time working directly with patients. However, companies must avoid pushing productivity so hard that quality is reduced. Some productivity steps help standardizes quality, increasing customer satisfaction but others might lead to over-standardization and can diminish customized service. Companies should also try to enhance the quality.