

Coursework marketing of services

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



Services are defined by Donald Cowell in the Marketing of Services, Butterworth and Heinemann, as " those separately identifiable but intangible activities that provide want-satisfaction, and that are not of necessity tied to (or inextricable from) the sale of a product or another service". There are further explanations and of course Kotler has his definition. So successful has been the transition from an essentially industrial society, that today, more than 60% of the Western economies are now in the service sector, whether measured in terms of income or numbers employed (Macdonald & Payne, 1998, p1)

In this Coursework, I intend to analyze the marketing mix, for tourist attractions, and contrast theory and practice. One of the problems with defining a service is that a Product is seen to be tangible and Service intangible. In reality there are many variations on the degree of tangibility. (MacDonald & Payne, 1998, p8) Tourist attractions, or any service industries have the challenge of combating the five general characteristics known to them, intangibility, inseparability, heterogeneity, perishability and ownership (Morden, 1993, p321). The Marketing Mix has to be cleverly devised to associate consumer with their experience.

This is where the theory and practice can sometimes be out of sync. The Marketing Mix can be defined as the combination of detailed strategies, tactics, techniques, and activities. The role of the Marketing Mix is to move marketing objectives and plans into reality, and ultimately achieve Company/Firms goals. The key to a successful Marketing Mix, lies with the Management, and the decision maker is crucial to any Marketing Department. Why? Because getting the right Product/Service available, at <https://assignbuster.com/coursework-marketing-of-services/>

the right Price, in the right Place with an appropriate Promotional Campaign behind it all - takes planning, strategy and tactics.

This does not just happen through instinct alone. The skill of the Marketing Manager lies in understanding how the four P's of the Marketing Mix interact, and using them in the most cost-effective way possible. (Morden, P420) The Marketing Plan is essentially a checklist for all knowledgeable marketers to simply re-asses, but gives a varied amount of data, and supportive evidence, to help keep the decision process as simple and knowledge-based as possible, allowing each decision to be made on fact rather than fiction, or instinct (Lecture One Notes).

An interesting report from the Boston Consulting Group said, " Many brands are dying. Not the natural death of absence, but the slow painful death of sales and margin erosion. The managers of these brands are not complacent - in fact they are constantly tweaking the advertising, pricing and costs of their brand. At the heart of the problem is a more fundamental issue: can the original promise of the brand be recreated and a new spark lit with today's consumers? We believe it can. Most brands can be reinvented through brand renaissance".

Intangibility of Services leads to customers having difficulty in evaluating competing services, has a perception of high levels of risk, and namely consumers use price for assessing quality! So the first instance, a major first step is increasing level of tangibility. Providing physical or conceptual representations allow the customer to feel part of something, rather than nothing. In the case of Dundee Contemporary Arts, they have pens, books of

matches and other small items that have now become instantly recognizable to the average person on the street.

The regular users of the DCA, the heavy user segment, recognizes a DCA pen, and similar, and it becomes representative of a 'club' feeling, or 'in the know'. Whereas the DCA shop also sells many interesting and expensive items for many sections of the public, from Art Lovers to Tourists (Morden, 1993, p323). In theory, the results in management response through reducing service complexity, stressing tangible clues, and focus on service quality, should merge the consumer with the service, and ideally continue to build loyal consumers.

Inseparability of services, leads customers to being co-producers of the service, often with other consumers, and usually having to travel to the point of production (Palmer, 2001, p17). This is where the establishment of highly held values about Quality, Reliability, and Customer Service win hands down over their competitors. The problem is though; that it is often difficult to get continuity, and that can be a major downfall for many services. The McManus Galleries in Dundee is also another interesting service provider.

In theory, Tools to market a Museum and Gallery are wide ranging. Press advertising, Tourist publications, Mail shots and Promotions. The main promotional tool for here though, aimed at the staying, rather than day visitor, is the Leaflet and Hanging Cards. They are made available widely and free of charge. They tend to be placed in areas where visitors gather. In practice though, The McManus is not very popular, and it does not intend to

do heavy promotion either. Why? Because of the reasons many services have come across - funding.

Some services are non-profit, some are, but it may be noted that certain service providers, which get a lot of Lottery, SAC, or other grants, tend to have a far more commercial feel to them. This is an opinion. So what should McManus do to freshen things up? To make the McManus a great visitor spot in Dundee. Well, McManus have to set about targeting an audience. At the moment there is no real regular trade, except for the customers who wish to use the cafe. They have to compare the Marketing of a place like Edinburgh Castle; there is legend attached to Edinburgh, but what lessons can McManus take from the Marketing Department though?

To become more personal would be an instant point, develop effective personal relationships with customers (Morden, p327) building trust on efficiency and honesty, and Integrity. My search on the internet led to my first initial complaint about McManus, When I arrived at Google, a meta-search engine, and typed in " McManus Gallery Dundee" - I was disappointed I was not given a website for it. That is frustrating for any tourist who wishes to find out a little more. I also found out that McManus competition, the DCA in Dundee actually hold ownership for the Jute Cafe n McManus, and they receive only a small rental for the convenience. So is this a wise move for McManus? The importance of People, in the implementation of the Marketing concept, and establishing a degree of customer orientation throughout the customers' service cannot be stressed enough.

The values people hold must be considered at all times, McManus has to try and have a far more friendlier staffing. My personal opinion found the Gentleman behind the front desk as more caretaker rather than 'meet and greet' for McManus. Morden p328) This is highly detrimental to potential users; who with word of mouth; savage the personal service. Edinburgh Castle however plays huge importance to personal touches; including tours, assistants; event managers and a informative website. I feel that small improvements within McManus would have a positive effect on the trading and visitor rates. Strategies used in the combination of the four P's, have came from years of testing and analyzing and research. Models have been adopted from Economists, Marketing Professionals and other Business ideas.

The purpose of strategic planning is to find ways in which a company can use it's strength and weaknesses (SWOT) to take advantage of opportunities (Kotler, 2002, p86). The most commonly referred is the BCG Matrix, which uses the terms of Stars to Dogs, in relation to the Product Portfolio, and the cash investment each gets section gets. Services must be a little more customer focused, the four P's and Marketing Planning, and Strategy should be aware of the growing customer-orientation, there is now a tendency to relate to the four C's, Customer Value, Cost to the Customer, Convenience to the buyer and Communication, rather than the four P's.

What does this mean for Marketing Audits and Mission Statements, I believe we are entering a new stage of Marketing in the Twenty First Century, and how we approach consumers will have to be thought out longer and harder than ever before, before expecting them to part with their hard earned cash

for goods and services. Kotler himself is quoted to have said he is now developing "holistic" marketing. Tourist Attractions have to have objectives and aims just as product marketing.

If there is no focus and drive, then the customer can easily identify standards which fail to meet expectation (Morden, p331) The experience is so vital that the core benefit of a service has to be a part of the, augmented and actual. The indicators, which are available for service quality, namely the competitors' figures and ones own, should be enough to inspire manager and boards alike to achieve total quality management (Morden, p331). Kotler claims that price is the most important factor in the Marketing Mix of Services (Kotler p 591). But in the end the consumer decides if the price is right or not, by using her/his feet to vote.

The company can select a combination of pricing strategies; cost-based, value based or competition based. The consumer will always research, and question what they are getting for there cash. Rightly so, but it will always be a trading between consumer and producer. And long live the "haggling". The most important section that all services should worry about now is the customer retention factor. Financial Service sector has become innovators at these programs, and The Arts, and other Tourist Industries are slowly catching on, but not at the same level as yet (O'Sullivan, P7).

To conclude, Tourist Industries in theory follow similar rules than that of any other tactical selling and promotional activity to maintain a pattern of purchase. After the Millennium, Marketing needs to address the issues of forming and nurturing long-term relationships with customers. Such

relationships are not only essential to the financial security of the organization, but to their original missions. Services are about personal encounters, so is marketing; an exchange takes place between customer and supplier. We as marketers should never lose sight of the intensely personal nature of this exchange.