A Study on Marketing Services

J. Jothi Krishnan¹, Dr. T.V. Malick²

¹Ph.d (FT) Research Scholar, C. Abdul Hakeem College, Melvisharam, Vellore Dist., Tamilnadu, INDIA
²HOD & Research Supervisor, C. Abdul Hakeem College, Melvisharam, Vellore Dist., Tamilnadu, INDIA

ABSTRACT

In today’s global environment the service sector occupies a key role in every economy. for instance, two-thirds of the economics in developed countries are service economics. In India, about half of the economy is now in the services sector and this sector continues to move very fast. Service marketing has increased in importance over the last decade with the advent of competition. A decade ago competition was relatively less important to firm in service business. However, competition has increased at an alarming rate in most service sectors. Today more than 60% of the most of the western economics are in service sector. Service sector has been considered as post-industrial development. Thus, according Daniel Bell, “If an industrial society is defined by the quantity of goods as marketing a standard of living. The post – industrial society is defined by the quality of life as measured by the services desirable and possible for everyone”.

Keywords--- Characteristics of services, kinds of services, marketing mix in service marketing.

II. CHARACTERISTICS OF SERVICES

Services have a number of unique characteristics that make them so different from products, as said above. Some of the most commonly accepted Characteristics are:

a. Intangibility,

b. Inseparability,

c. Heterogeneity,

d. Perish ability,

e. Ownership

a. Intangibility: Before and after buying a physical product like, for instance, tooth paste, or effectiveness and quality. but, intangibility of services mean there are no such aspects and a services cannot be seen, touched, tasted or smelt. for instance, a lady going to a beauty – parlour for facial connot know how would she look afterwards unless the service is performed.

b. Inseparability (Simultaneity): In case of tangible products, their production and consumption are two separate activates and consumers are not a part of the production. Goods are generally produced in some central location at different times, stored and transported to those locations where there is existing or potential demand. In personal care service, the customer must be present during the entire production process, for a machine can only be realized when the consumers interact with the machine, for instance, a bank ATM machine.
c. **Heterogeneity (Variability):** Most manufactured goods can now be produced with high standards of consistency. But people–based services are usually susceptible to variability. In the case of services like airlines, legal advice, financial services etc. it is very difficult to keep the services consistent and standardised.

d. **Perishability (Transience):** Manufactured goods can be stored for future consumption whereas services cannot be stored. It is possible for the manufacturer to store and manage inventory levels to suit different market situations and demand patterns. The services in contrast neither can be stored nor can be carried forward. If few seats are lying vacant in an aeroplane, they cannot be stored or carried forward for the next trip. Very few services face a constant pattern of demand through time.

e. **Ownership:** Service is intangible in nature. So, physical possession of a service is not possible without physical possession, transfer of title is not possible. That is, in the case of a service, one may pay for its use but one never owns it. But when one buys any consumer or industrial products, one becomes legitimate owner. When a service is performed, no ownership is transferred from the seller to the buyer. The buyer is merely buying the right to a service process, such as the use of a car park or an Accountant’s tome. A service is purchased or hired for the benefit it provides to its user.

<table>
<thead>
<tr>
<th>S.No</th>
<th>Basis</th>
<th>Goods</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Entity</td>
<td>Tangible</td>
<td>Intangible</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A Thing (Homogeneous)</td>
<td>An Activity / Process</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(Heterogeneous)</td>
</tr>
<tr>
<td>2</td>
<td>Storage</td>
<td>Possible</td>
<td>Not Possible</td>
</tr>
<tr>
<td>3</td>
<td>Title</td>
<td>Ownership is possible</td>
<td>No ownership</td>
</tr>
<tr>
<td>4</td>
<td>Pricing</td>
<td>Materials – based</td>
<td>Labour based</td>
</tr>
<tr>
<td>5</td>
<td>Repairs</td>
<td>Possible</td>
<td>Not possible</td>
</tr>
<tr>
<td>6</td>
<td>Quality control</td>
<td>Fixed</td>
<td>Variable Standards</td>
</tr>
<tr>
<td>7</td>
<td>Life</td>
<td>Longer</td>
<td>Stillborn</td>
</tr>
<tr>
<td>8</td>
<td>Channels</td>
<td>Longer Channels</td>
<td>Shorter Channels</td>
</tr>
<tr>
<td>9</td>
<td>Cost Allocation</td>
<td>Easier</td>
<td>Difficult</td>
</tr>
<tr>
<td>10</td>
<td>Replacement</td>
<td>Common</td>
<td>Rare</td>
</tr>
<tr>
<td>11</td>
<td>Quality</td>
<td>Standard</td>
<td>Varies with time and person</td>
</tr>
</tbody>
</table>

IV. **KINDS OF SERVICES**

**Traditional Services**
- Utilities – such as, electricity, water supply, etc.
- Transport Services – rail, road, air, water etc.
- Communication Services – Post and Telegraph, Telephone, Telecasting, Broadcasting, etc.
- Entertainment Services – Cinema, clubs, video games, Amusement parks, etc.
- Educational Services
- Legal Services
- Accountancy Services
- Health, family welfare services
- Banking Services – Banks, stock brokers etc.
- Distribution Trade – Wholesale, Retail, Dealers, Agents etc.

**Modern Services**
- Travel Agency
- Advertising
- Public Relations
- Market Research
- Courier services
- Health Clubs

**Latest and new Generation Services**
- Business Services
- Recruitment Services
- Computer Training
- E_Commerce
- Internet
- Fax
- Computer Maintenance
- Management Consultancy
- Technical Consultancy
- Video Conferencing etc.

**Marketing Mix in Service Marketing**

A service marker must develop strategies that satisfy needs and wants of customer. First of all the firm must determine the needs and wants of customer, it aims to satisfy and select a target market. We know services are intangible and cannot be defined in terms of their physical attributes.

**Thus, marketing mix for services is comprised of:-**

1. Product
2. Price
3. Promotion
4. Place
5. People
6. Physical evidence
7. Process
The first four marketing mix elements are the traditional 4 Ps that work well for tangible products. The additional three elements are important and require attention in services marketing. We shall now take up each of these, in brief:

1. **Product (service):** Physical product can be inspected and tried before buying, but in the case of services, inspection or trial are not possible. This is because products are tangible and services are intangible. This means the customers of services suffer higher perceived risk in their decision making process. They do not know whether they have purchased the right service until they have used it and in some cases like medical service or car service, they cannot be sure whether they have received the right service long after they have consumed the service.

2. **Price:** In the case of products, the term ‘price’ is used for all kinds of goods, fruits, computers, etc., but in the case of service, different terms are used for different services.

<table>
<thead>
<tr>
<th>Service</th>
<th>Terminology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Tuition</td>
</tr>
<tr>
<td>Legal Services</td>
<td>Fee</td>
</tr>
<tr>
<td>Transport Services</td>
<td>Fare</td>
</tr>
<tr>
<td>Insurance Services</td>
<td>Premium</td>
</tr>
<tr>
<td>Property Use</td>
<td>Rent</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>Tariff</td>
</tr>
<tr>
<td>Use of Money</td>
<td>Interest</td>
</tr>
<tr>
<td>Road Use</td>
<td>Toll</td>
</tr>
<tr>
<td>Hair – Dressing</td>
<td>Charge</td>
</tr>
<tr>
<td>Municipal Services</td>
<td>Rate</td>
</tr>
<tr>
<td>Employee Services</td>
<td>Salary / wage</td>
</tr>
</tbody>
</table>

The perish ability nature of service makes pricing of services difficult since fluctuation in demand cannot be met through inventories. Hence variation in price depending on time or season of demand or consumption become the natural strategy.

3. **Promotion:** Buying a service is a riskier proposition than buying a product. As a marketing manager you must design a promotion strategy, which helps the customer to overcome these constraints.

4. **Place (Distribution):** Distribution channels for services are more direct. There is no storage of services. Production and consumption are simultaneous and direct contact between customer and service provider is essential for most services. Growth for many service companies means opening new facilities in new locations, due to simultaneous production and consumption. The evaluation of locations is a critical, skill for such services. The inseparability characteristic of services such as those of doctors, teachers, consultants, mechanics etc.

5. **People:** People constitute an important dimension in the management of services in their role both as performed of service and as customers. People as performed of service are important because, a customer sees a company through its employees. The employees represent the first line of contact with the customer.

6. **Physical Evidence:** Cleanliness in a doctor’s clinic, the exterior appearance and interior décor of a restaurant, the comfort of the seating arrangement in a cinema hall, adequate facility for personal needs at the airport etc. all contribute towards the image of the service (organisation) as perceived by the customer.

7. **Process:** Process refers to the system by which the customer receives delivery of the services. For example, in a fast food restaurant the process consists of buying coupons at one counter and packing the food against coupons at another counter. In service, the process mainly involves adding value or utility for customers.

**V. CONCLUSION**

In the first place, in services, quality depends on people. The service customer rarely distinguishes or separate the service from the person who performs it. Secondary, services are also highly people intensive unlike physical products, which are material intensive. Thirdly, while in case of physical products, a bad product can be taken back or replaced, a bad service cannot be taken back or replaced. Therefore, it has to be performed right the first time and every time.

**REFERENCES**