

# Study on Implication of Service Marketing

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**Abstract:** *Services marketing is relationship- and value-based marketing. It might be employed to promote a good or a service. Marketing a company with a service-based model differs from marketing a company with a product-based one. A specialised area of marketing is services marketing. The early 1980s saw the emergence of services marketing as a distinct subject of study as a result of the realisation that the distinctive properties of services necessitated different techniques than the marketing of tangible items. This essay's goal is to examine the idea, range, difficulties, and problems associated with service marketing.*

**Keywords:** Service marketing, scope, challenges, process, product.

## I. INTRODUCTION

A service is an intangible good that involves deed, performance, or effort but cannot be physically held in one's hands. Significant element is intangible. includes the renting out of things, modifying and fixing clients' own goods, and providing personal services.

The intangibility, inventory—over/under booking restaurant capacity, inseparability—of production and consumption, and consistency/inconsistency are the main distinctions between goods and services.

A subfield of marketing, services marketing can be divided into two primary categories: products marketing (which covers the marketing of FMCG and durables) and services marketing. Businesses-to-consumer (B2C) and businesses-to-business (B2B) services are often referred to as services marketing. This includes marketing for services including telecommunications, banking, all sorts of hospitality, automobile rental, air travel, health care, and professional service.

### 1.1 Objectives

- To understand the concept of service marketing
- To analyze the scope of service marketing and
- Study the challenges and issues in service marketing

### 1.2 Nature and Definition of Services

Philip Kotler has provided the most thorough definition of a service, characterising it as an act or performance that one person might provide to another that is fundamentally intangible and does not result in the ownership of anything. It might or might not be connected to a tangible item.

Service is defined as "deeds, processes, and performances" by Zeithmal and Bitner. Deeds in this context refer to the activities taken by the service provider, processes to provide the service, and performance to the customer's perception of the service's performance.

A comprehensive definition of service must include the following element:

- Lack of physical output or construction
- Benefit to the receiver from the service rather than the product offered
- The intangible nature of service
- The possible combination of a service with the production of goods
- Marketing of an idea or a concept

Services are economic endeavours that effect desired changes in, or on behalf of, the service recipient. As a result, they add value and benefit the clients. Thus, just as with commodities, the emphasis is still on customer happiness, but with services, the emphasis is on the individual receiving of these advantages.

The importance of the services sector to the health of the economy is now well acknowledged. Consuming services is necessary today. Consumption of services including tourism, health care, municipal services, transportation, and

education, for instance. Important sports and cultural events are managed and covered by event management and media services, which captivate billions of spectators, bring in enormous sums of money, and significantly boost the economies of the nation and the states hosting these events. As a result, consumers' attention has primarily switched from the consumption of physical commodities to an increase in the use of services. In fact, after their basic needs are met, consumers appear to prefer services over commodities, and an increase in standard of living typically translates into a higher consumption of services rather than just more stuff.

### **1.3 Main Features of Services**

- Services are intangible in nature
- Inseparability of production and consumption.
- Variability in specification and delivery
- Perishable nature of service
- Lack of ownership
- Change in demand

### **1.4 Contribution of Service Sector to Economy**

The standard approach used by economists to determine the relative importance of various economic segments is to divide the economy into three primary sectors that correspond to the GDP of origin:

1. Primary sector: this sector contributes through fishery, agriculture, forestry, mining, quarrying, and other activities. In other words, it relies heavily on natural resources. The primary sector also includes the construction industry.
2. The secondary sector, which includes businesses and manufacturers. It mostly uses the primary sector's output as raw materials and creates consumer goods. The secondary sector offers products that can be used by the customer or by other industries.
3. Tertiary sector: This is the service sector, whose product is neither building or goods but rather a variety of services that improve quality of life. This industry includes services provided by the government (defence, social welfare), the financial sector (investing, broking, insurance, banking), the education sector (schools, colleges), the health sector (hospitals, spas, gyms, etc.), and even the entertainment sector (sports, television, movies, radio).

### **1.5 Role of Technology used in Service Marketing**

Technology has an impact on how service marketing is done. There is now a huge possibility for service offers as a result. It is shaping the field of service enabling both customer and employees to get and provide customized services. The technology has been the basic force behind the service innovation. Automated voice mail, interactive voice response systems, fax machines, ATM's etc., are possible only because of new technology.

The role of technology and physical aids in service delivery system are summarized below:

1. Easy accessibility of service: Internet based companies find that internet makes offer of new services possible. The well street journal offers an interactive edition where an interactive edition where customers organize the newspaper's content according to their needs. Internet based their bill paying service ensures convenience to the customers
2. New ways to deliver services: Technology has also provided new means of providing vehicles for delivering existing services in more practical ways, in addition to new service offerings. It is true that technology makes basic customer service tasks like paying bills, following orders, getting information, etc. easier.
3. With the rise of technology, customer service has altered. Prior to the emergence of technology, all customer services were delivered face-to-face through direct, one-on-one communication between staff and clients.
4. Maintain contact with the client: Financial service providers use cutting-edge technologies to develop strong relationships with their clients. Information systems used by clients are connected by computers. Companies that distribute goods set up order terminals, inventory management terminals, and other equipment at the locations of their clients. By facilitating an integrated client connection, this offers the client greater service.

Online financial services are offered by financial institutions. On the basis of online orders that enter without human intervention straight into the information management system, they offer a variety of services.

5. International service research: The application of technology to the service sector opens up a wide range of opportunities for global client outreach. One single vast service that has no geographical restrictions is the internet. Transactions, customer service, and information can travel internationally. Anyone with internet access can contact the service provider. International companies' employees can share information thanks to technology. Services based on technology can be made available to clients living all over the world.
6. Cost justification: Customers have high expectations because of the outstanding service they occasionally obtain from select businesses. They demand high-quality services at fair prices. Technology can be utilised in the service sectors just like it is in the manufacturing sector. It can take the place of less qualified workers doing front-line service roles. The cost of the service was reduced by this substitution. Customers want automatic cash dispensers and car washes, for instance, because of how quickly they complete their tasks. Websites that answer questions about specific diseases, medications, and treatments are another enduring example of cost rationalisation.

## **1.6 Challenges and Issues in Service Marketing**

### **A. Tangibility**

A product is tangible if it can be touched and seen by the buyer before they decide to buy it. The presentation and packaging of a product can influence a customer's decision to buy it. Contrarily, as services are intangible, it may be harder to market and sell them than a product.

### **B. Connection and Importance**

Products frequently satisfy a customer's need or want, therefore businesses can capitalise on this to increase sales. Selling a service is really more about selling the value of the relationship between the buyer and the provider of the service. For instance, an automobile is something a consumer can both touch and use. A lifestyle coach may be able to help clients develop life plans and put them into action so that they can live the lives they want to live, but these plans are not things the client can put in his home and see every day. As a result, it might be challenging to convey to the client the value of the service.

### **C. One against Several**

Product marketing frequently involves promoting the entire array of items. Manufacturers of cleaning products, for instance, frequently promote multiple cleaning products. Instead, they offer a variety of cleaning supplies to meet all of their customers' demands. On the other side, services often only have one choice.

### **D. Quality Comparison**

The quality of the product is simpler to gauge than the quality of the service. If a consumer purchases a cleaning product to clean the kitchen sink but it is ineffective, the buyer is aware that the product has no value. However, evaluating a service's quality is more challenging.

#### **5. Return component**

If a customer buys a thing and it doesn't function as it should, she can return the product for a refund or at the very least a store credit. A service does not have the return factor that a product does because it is consumed as it is provided. This is overcome by some service providers that give money-back guarantees.

## **II. CONCLUSION**

When it comes to the adoption and use of marketing concepts, service businesses often lag behind manufacturing companies. However, this is presently altering. The marketing mix is among the most fundamental ideas in marketing. The four Ps make up the standard marketing mix: product, price, location (distribution), and promotion. Since services are unique in that they are intangible, heterogeneous, inseparable, and perishable, service marketers have begun to embrace the idea of an enlarged marketing mix for services.