



# **THIRUTHANGAL NADAR COLLEGE**

**(Belongs to the Chennaivazh Thiruthangal Hindu Nadar Uravinmurai Dharma Fund)  
Selavayal, Chennai-51.**

**A Self-Financing Co-educational College of Arts & Science  
Affiliated to the University of Madras  
Accredited with 'B' Grade by NAAC  
An ISO 9001: 2015 Certified Institution**

**NAME OF THE DEPARTMENT:- BBA**

**SUBJECT :- Service Marketing**


**TOPIC :- Communication Process & Types**

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# The service sector

- The services sector has been growing at a rate of 8% per annum in recent years
- More than half of our GDP is accounted for from the services sector
- This sector dominates with the best jobs, best talent and best incomes



“There are no such thing as service industries. There are only industries whose service components are greater or less than those of other industries. Everybody is in service.”

-Theodore Levitt-

# What is services?



It is the part of the product or the full product for which the customer is willing to see value and pay for it.



# What is a service?

- It is intangible.
- It does not result in ownership.
- It may or may not be attached with a physical product

# Difference between physical goods and services

<b>Physical goods</b>	<b>Services</b>
tangible	intangible
homogeneous	heterogeneous
Production and distribution are separated from consumption	Production, distribution and consumption are simultaneous processes
A thing	An activity or process
Core value processed in factory	Core value produced in the buyer-seller interaction
Customers do not participate in the production process	Customers participate in production
Can be kept in stock	Cannot be kept in stock
Transfer of ownership	No transfer of ownership



# Most products have a service component

They could be

- Equipment based
- People based – varying skill levels



## Services could meet

- Personal needs – haircuts, tuition, massage parlours
- Business needs – courier services, office cleaning services, delivering fresh flowers





# Characteristics of services

- Intangibility
- Inseparability
- Perishability
- Variability



# The three additional 'P's of Service Marketing

- People
- Physical evidence
- Process



# Qualities of services

- Search qualities
- Experience qualities
- Credence qualities



# Differentiation in services

- Offering
- Faster and better delivery
- Image



# Managing Service quality

- Gap between management perceptions and consumer expectations
- Gap between management perceptions and service quality specifications
- Gap between service quality specifications and service delivery
- Gap between service delivery and external communication
- Gap between expected service and perceived service




# Determinants of service quality

- Reliability – delivering on promises
- Responsiveness – willing to help
- Assurance – inspiring trust and confidence
- Empathy – individualising customers
- Tangibles- physical representation



# Moments of truth

- It is the customer – service encounter
- Every positive or negative experience of the consumer would have fall-out on the overall service experience



In services, the last experience  
remains uppermost in your mind.  
Therefore, it is not enough to be  
good, you have to be consistently  
good





# Services Monitoring

- Continuous auditing of competitor service levels versus own company
- Importance - performance analysis



# Importance – Performance Analysis

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↑

Concentrate here	Keep up the good work
Low priority	Possible overkill

→ PERFORMANCE

Service quality is directly  
proportional to employee  
satisfaction





# When customers visit a service establishment

Their satisfaction will be influenced by

- Encounters with service personnel
- Appearance and features of service facilities – exterior and interior
- Interactions with self service equipment
- Characteristics and behaviour of other customers



# Customer Service Expectations

- Desired Service – the ‘wished for’ service
- Adequate Service – the service that would be acceptable

# Zone of Tolerance



Difference between the desired service and the adequate service



# Service Encounter Themes

- Recovery
- Adaptability
- Spontaneity
- Coping



# Recovery

## Don't

- Ignore customer
- Blame customer
- Leave customer to fend for himself
- Downgrade
- Act as if nothing is wrong
- 'pass the buck'

## Do

- Acknowledge problem
- Explain causes
- Apologise
- Compensate/upgrade
- Lay out options
- Take responsibility





# Adaptability

## Don't

- Promise and fail to keep them
- Show unwillingness to try
- Embarrass the customer
- Laugh at the customer
- Avoid responsibility

## Do

- Recognise the seriousness
- Acknowledge
- Anticipate
- Accommodate
- Adjust
- Explain rules/policies



# Spontaneity

## Don't

- Exhibit impatience
- Yell/laugh/swear
- Steal from customers
- Discriminate
- Ignore

## Do

- Take time
- Be attentive
- Anticipate needs
- Listen
- Provide information
- Show empathy



# Coping

## Don't

- Take customer's dissatisfaction personally
- Let customer's dissatisfaction affect others

## Do

- Listen
- Try to accommodate
- Explain
- Let go of the customer



# Types of complainers

- Passives
- Voicers
- Irates
- Activists




# Customer complaints

- It pays to resolve customer complaints
- On an average only 5 % dissatisfied customers complain. Others simply go over to the competitor
- A satisfied consumer speaks to an average of 3 people on his her experience
- A dissatisfied consumer gripes to on an average 11 persons about his/her unpleasant experience



# Companies that pay importance to resolving customer complaints

- Pay attention to quality and training of manpower recruited
- Have clear benchmarks on service quality and communicate to employees
- Take remedial steps to improve customer satisfaction and prevent repeats of customer dissatisfaction
- Have a data base on customer complaints that is periodically analysed and policies adjusted



# Satisfied employees will produce satisfied customers

- Morale
- Motivation
- Mood



# Managing Service Productivity

- Giving quality service is an expensive business
- Not every consumer is willing to pay extra for service quality
- Service providers would have to find their optimum service quality/cost ratios
- Can technology substitute part of the labour content?
- Can customers substitute part of the labour content?
- Making services obsolete by product innovations