





# Service Marketing

# LEVELS OF CONSUMER INVOLVEMENT



DEGREE OF INVOLVEMENT	PRODUCT / SERVICE	EXAMPLES
LOW INVOLVEMENT	SHORT LIFE	FMCG PRODUCTS Salt, Toothpaste
MEDIUM INVOLVEMENT	MEDIUM LIFE	Furniture , crockery , Medical treatment
HIGH INVOLVEMENT	LONG LIFE	Automobiles, surgery, purchase of assests, insurance policy

# Identify the levels of Service/product involvement





# Identify the levels of Service/product involvement



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**EXPERIENCE ANDAMANS**

## ANDAMAN TOUR PACKAGES

PORT BLAIR

NEIL

HAVELOCK

DIGLIPUR

**PACKAGE INCLUDE**

- ✓ Private Car
- ✓ Hotel & Meals
- ✓ Tour Coordinator
- ✓ Sightseeing
- ✓ Ticketing
- ✓ Cruise ride



# Types of consumer Involvement in buying

01

EGO INVOLVEMENT  
Purchase of TV , car

02

COMMITMENT  
Marriages, surgeries

03

COMMUNICATION IN  
INVOLVEMENT  
Sharing available  
information

04

PURCHASE  
IMPORTANCE  
Degree of purchase  
House, chips, furniture

05

EXTENT OF  
INFORMATION  
Search process, trial,  
demo, etc



## Service Recovery

This term is used for systematic efforts by a firm in order to correct the problem following a service failure, and to retain the customer's goodwill



# Effective recovery



01

Apology



02

Urgent reinstatement



03

Empathy



04

Symbolic attonment



05

Follow up



# GUIDELINES FOR EFFECTIVE PROBLEM RESOLUTION

Admit mistakes,  
but don't be  
defensive

Act Fast

Don't argue with  
the customers

Show that you  
understand the  
problem from each  
customers point of  
view

Give customers  
benefit of the doubt

# GUIDELINES FOR EFFECTIVE PROBLEM RESOLUTION

Acknowledge the customers feelings

Clarify the steps needed to solve the problems

Keep customers informed about the progress

Consider compensation

Preserving to regain the customers goodwill

# Recovering from Service Failure



Recovery is Proactive,  
complaint handling is  
reactive



Provide the right type  
of justice



Understand the scale  
of the problem



Encourage customer  
complaints



Know where you are  
failing



Impact of service  
recovery/ efforts on  
consumer loyalty

PRICE





INSURANCE  
**PREMIUM**

BANKS  
**INTRESTS /  
CHARGE**

TRAVEL AGENCY  
**COMMISION**

SHARES/STOCKS  
**BROKERAGE**

MEDICAL SERVICES  
**FEES**

TRANSPORTATION  
**FARE**

**PRICE**

EDUCATIONAL SERVICES  
**FEES**

# METHODS OF PRICING IN SERVICES



## COST BASED PRICING

Cost plus pricing  
Fixed cost + variable cost



## DEMAND BASED PRICING

Demands determines the  
prices



## COMPETITION BASED PRICING

Competitor's price

# Pricing Strategy



## New pricing strategy

- i. Price skimming
- ii. Price penetration



## Differential Pricing / Market segmentation pricing



## Service Mix Pricing

- i. Captive service
- ii. Competing services
- iii. Optional additional service



## Price Bundling



## Relationship Pricing



## Competitors Pricing



## Marginal Pricing

# New pricing strategy

## PRICE SKIMMING EXAMPLES



**APPLE  
PRODUCTS**



**SONY  
PLAYSTATION 3**



**TESLA  
MODEL 3**



# New pricing strategy

## Penetration Pricing

Example



# Differential Pricing / Market segmentation pricing



# Service Mix Pricing

Captive Pricing;



# Service Mix Pricing

Competing Pricing;





# Service Mix Pricing

Optional Additional  
Service



# Price Bundling

www.healthcrum.com



## Full Body Check-up

Save upto **78%**

Only @ ~~₹ 6999~~ ₹ **1690**



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**Get 69+ tests including**

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Physician's  
opinion  
Digitalize health  
with premium  
membership &  
portal benefits



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# RELATIONSHIP Pricing





# Competitor's Pricing

boat



NOISE

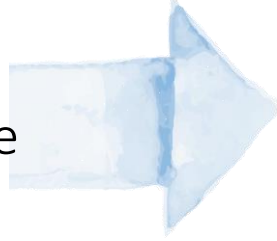
PROMOTION  
&  
COMMUNICATION MIX



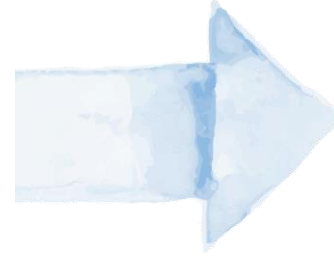


# Guidelines for service communications

Provide Clues to tangibilise the service offer

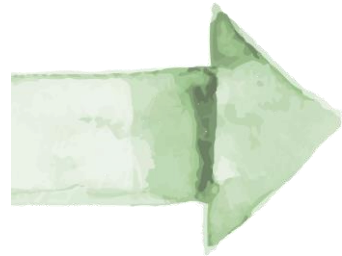


Maintain Communications continuity

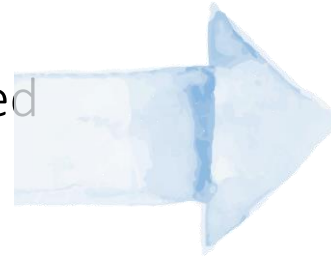


Direct Advertising to employees

Use of word of mouth publicity



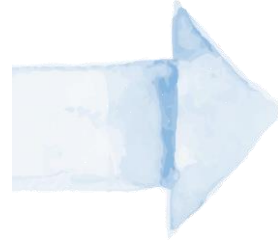
Promising a service which can be delivered



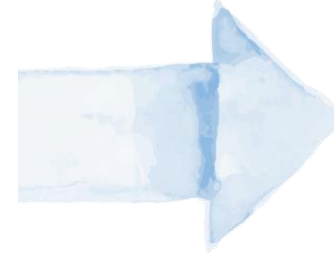
Make the service easy to understand

# Various tools used in service promotion

Advertising

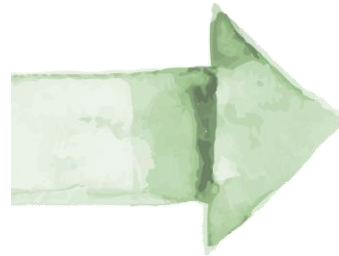


Sales promotion

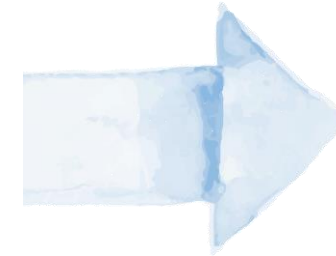


Personal selling

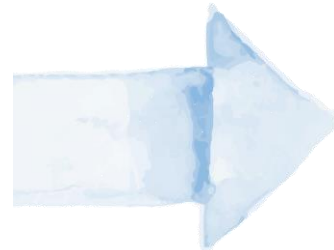
Word of mouth



Public relations and  
Publicity



Sponsorship



Direct marketing

# Advertising Media for promoting services

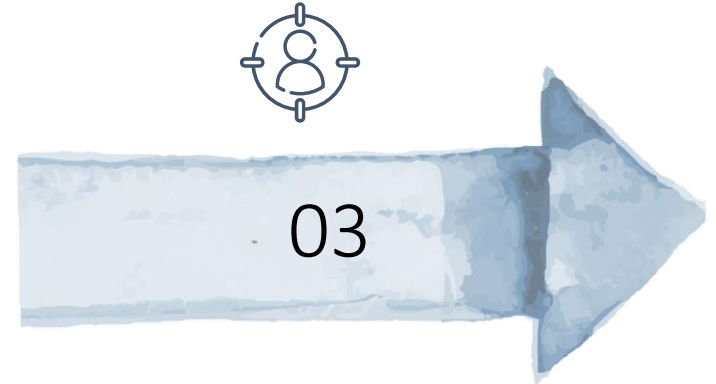


01

Television



Cinema



03

Radio



04

Newspaper



05

Magazines/Journals



06

Brochures, Bill boards,  
E-mails, Posters, leaflets



Contest,  
games

Sampling



Premium gifts

## Sales Promotion

Trade fairs and  
shows

Coupons, Rebates

Exhibitions and  
Demonstration

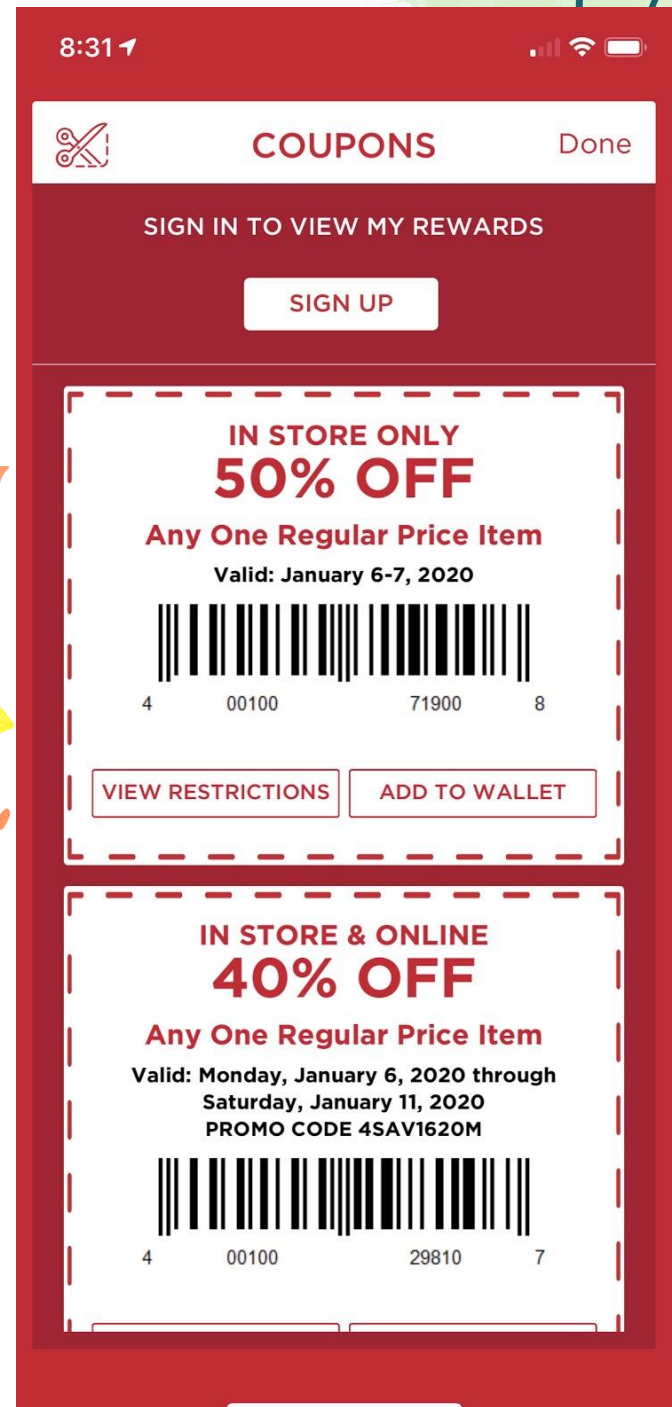




# Sales Promotion



Why use a  
**CUSTOM  
PRIZE  
WHEEL**  
for  
marketing?





# DIRECT MARKETING VERSUS PERSONAL SELLING

Visit [www.PEDIAA.com](http://www.PEDIAA.com)

## DIRECT MARKETING

Directing marketing is the action of selling products or services directly to the public rather than through retailers

Involves mail, email, brochures, catalogues, flyers, database marketing, newsletters, coupons, social media, and texting campaigns

Can reach a massive audience

The message is not personalized for each customer

Mainly about instant gratification; customers may not build a trusting relationship with the brand since there is no personal touch

## PERSONAL SELLING

Personal selling is a type of selling where a salesperson tries to persuade customers to buy a product

Involves salespeople using their skills and abilities to convince the customers to buy products

Can only reach a limited number of customers

The message can be personalized for each customer

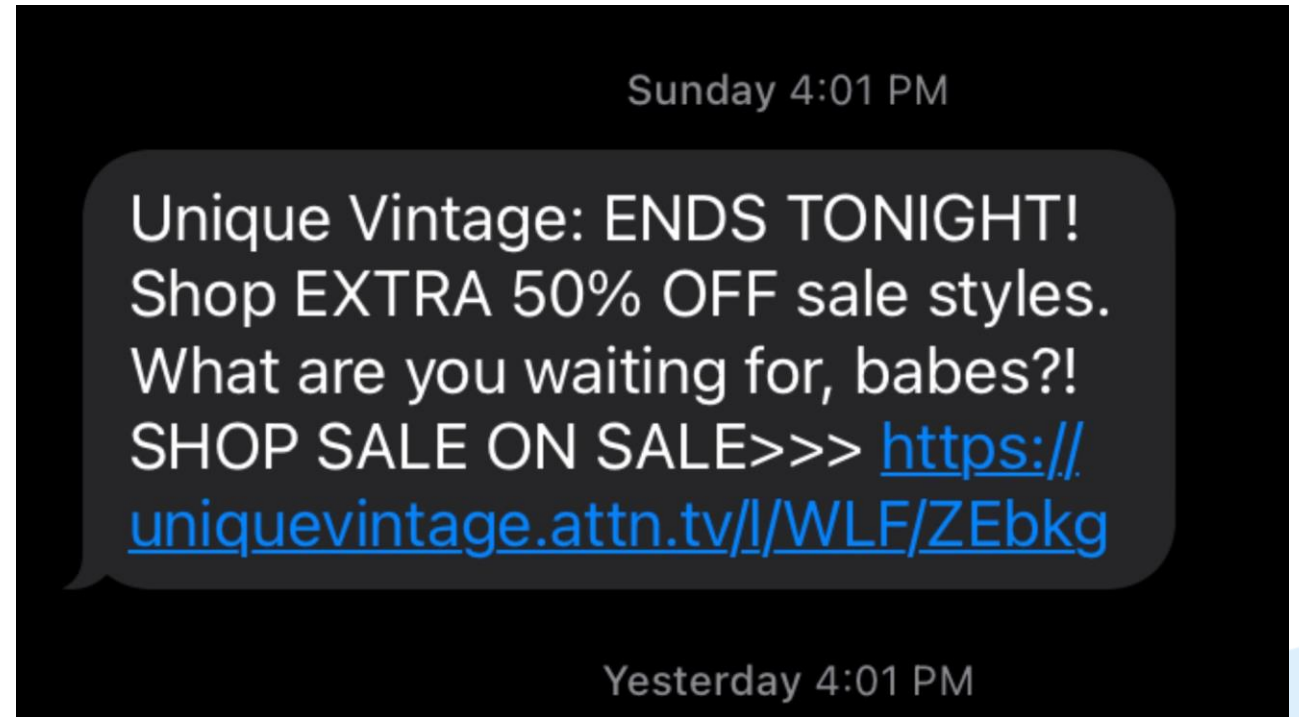
Revolves around building a personal relationship with customers

# Personal Selling



# Direct marketing

- a. Tele – Marketing
- b. Direct mail



# Word of Mouth

6 EFFECTIVE

## Word-of-Mouth Marketing

STRATEGIES FOR  
GROWING YOUR BUSINESS





# Sponsorship

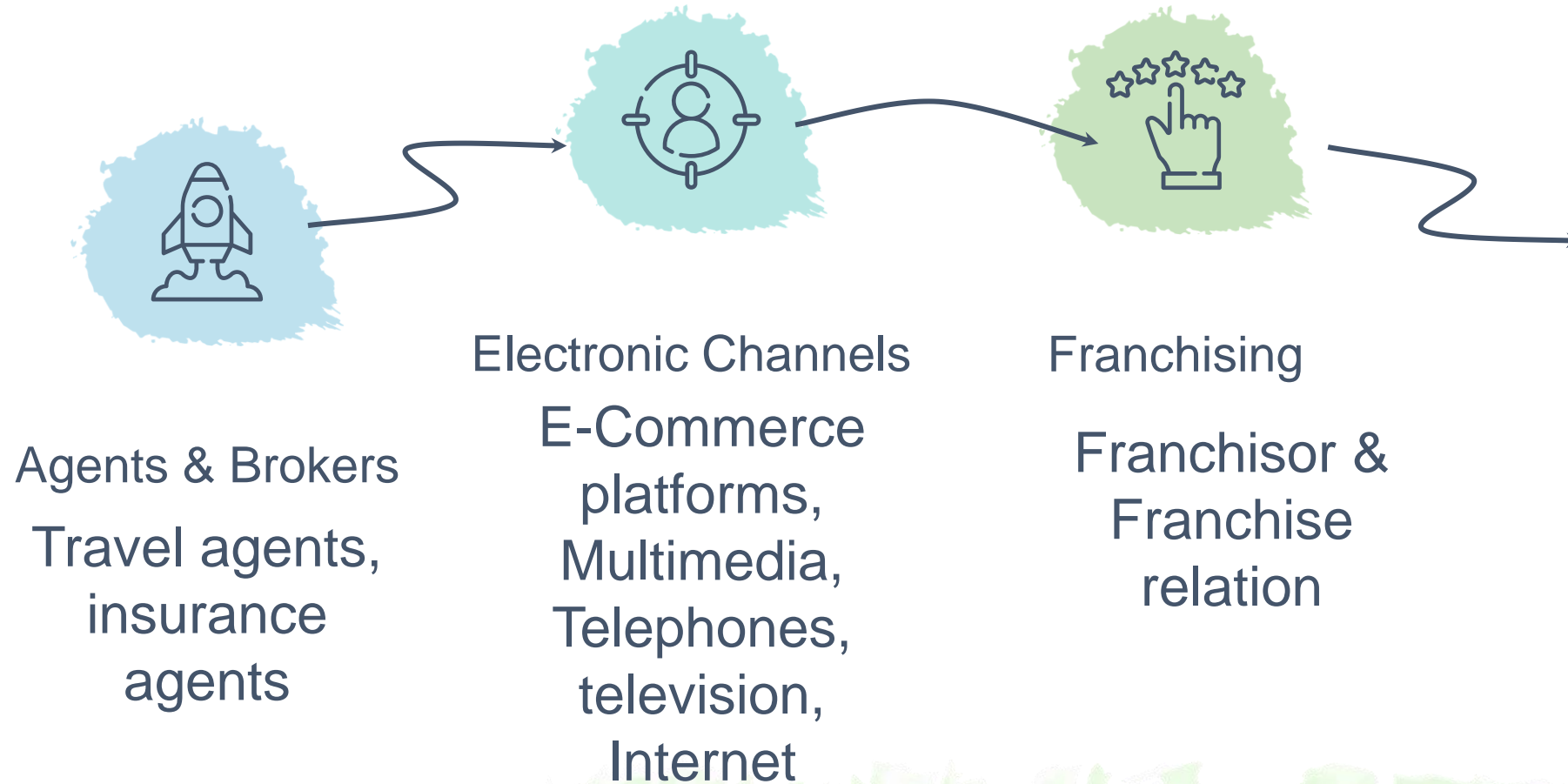


**IPL 2023**  
Sponsors & Partners



# Channels in service delivery

## Intermediaries for service distribution



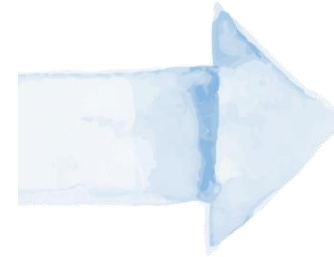
PEOPLE



# Types of Service Personnel

Types of Service Personnel

Customer Contact Employees



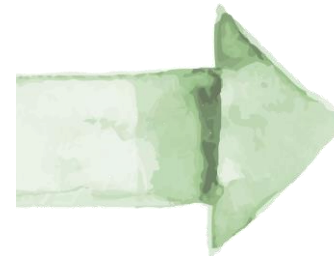
High – contact Personnel

Low – contact Personnel

Skilled & Professional

Non - Professional

Support personnel or non-contact employees

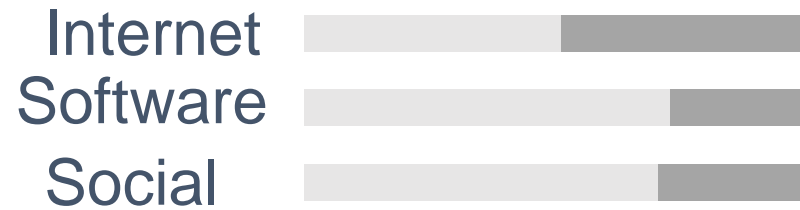


Those employees who contribute to the service delivery but do not come in contact with the customers

Admin staff, other employees in the back office

# Service Quality & Employees Behaviour

Skills:



Assurance

Communicate credibility and inspire trust and confidence

Empathy

Understanding customers problems

Tangibility

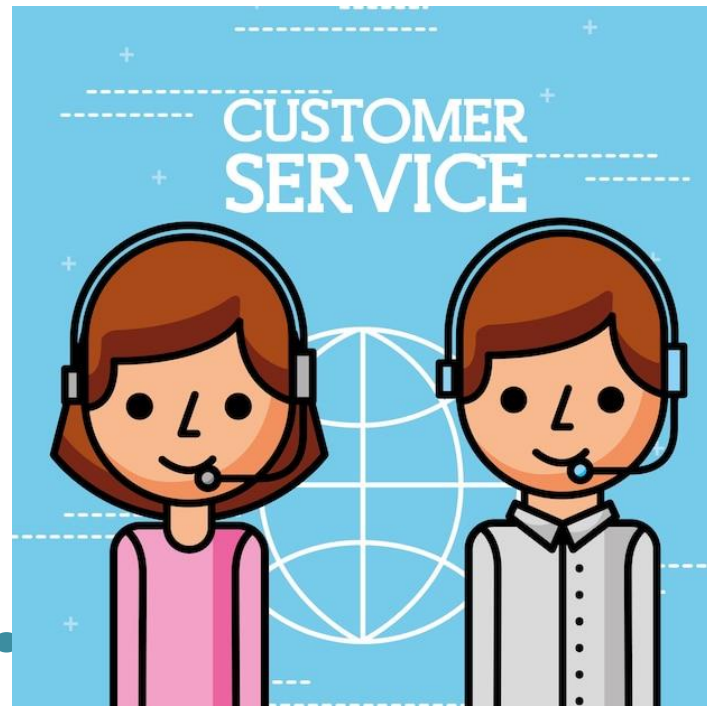
Demonstrate, make services visible



Reliability  
Delivering the service as promised



Responsivness  
Willingness to help customers

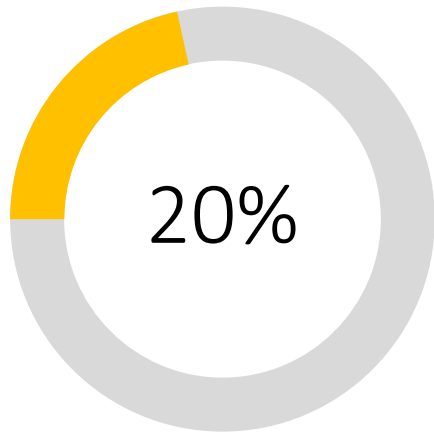


# PROCESS

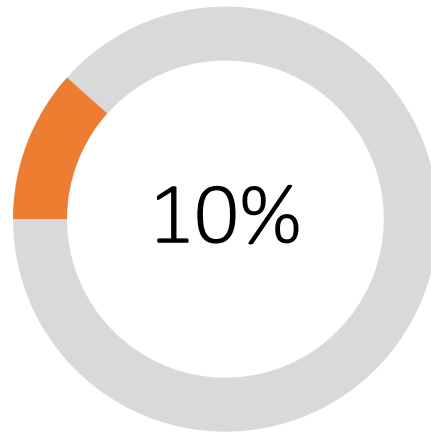




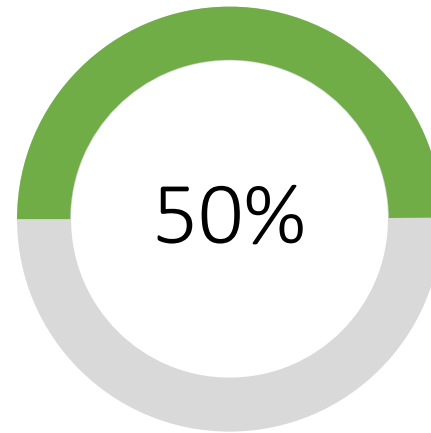
# Designing the service process



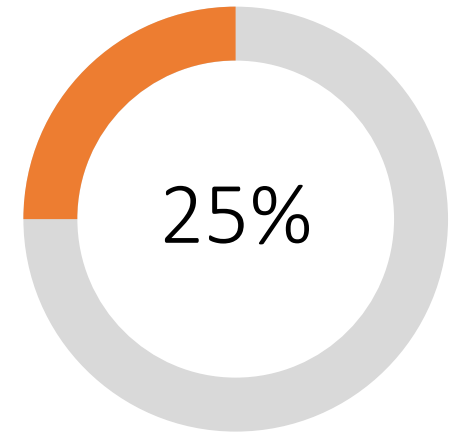
The service itself



Customers participation



Degree of customer contact

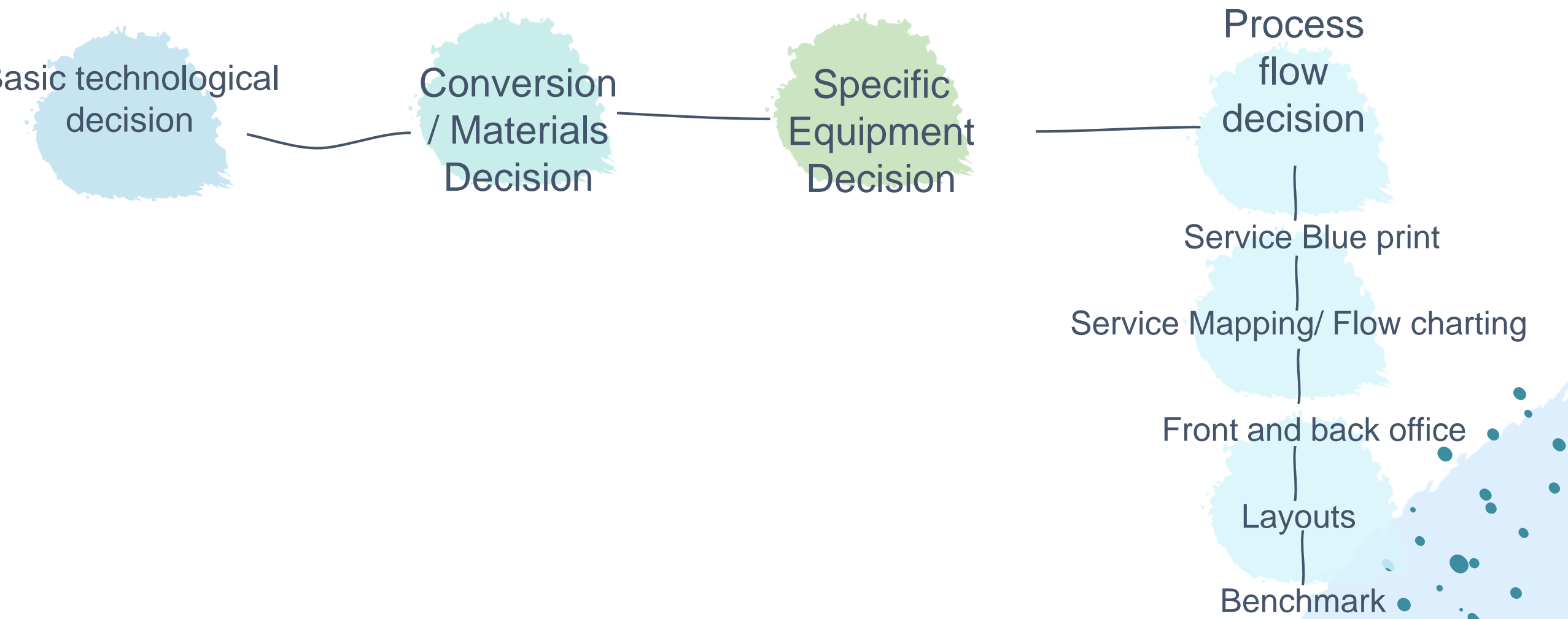


Degree of Divergence

Complexity

Location of Service delivery

# Service Process Planning



# PHYSICAL EVIDENCE





# PHYSICAL EVIDENCE





# PHYSICAL EVIDENCE



## Physical Facilities

On the basis of physical evidence like Building, furniture, equipment, stationery etc.



## Physical Environment (Servicescape)

Physical environment of a service unit is popularly called servicescape. It is critical in forming initial impression and setting consumer expectations



## Social Settings

The appearance of the service personnel is the major aspect of the social setting that influences the consumers attitude about the service personnel.

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On the basis of physical evidence like Building, furniture, equipment, stationery etc.



# PHYSICAL EVIDENCE



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Physical environment of a service unit is popularly called servicescape. It is critical in forming initial impression and setting consumer expectations

- a. Ambience
- b. Space
- c. Décor & Artifacts

# PHYSICAL EVIDENCE





# PHYSICAL EVIDENCE





## Social Settings

The appearance of the service personnel is the major aspect of the social setting that influences the consumers attitude about the service personnel.



# Marketing Sales and Service Careers

R	G	G	T	B	N	O	C	I	A	A	R	A	E
E	S	I	N	R	A	P	N	E	R	I	E	R	O
G	S	M	A	A	N	R	E	K	T	C	H	R	O
A	S	R	S	N	G	E	E	E	D	O	C	M	E
N	T	R	K	D	R	G	O	E	I	P	R	O	A
A	O	T	A	M	O	A	S	A	R	Y	A	A	R
M	C	R	R	A	R	N	E	D	E	W	E	A	E
E	K	E	T	N	N	A	S	C	C	R	S	N	N
R	C	K	E	A	W	M	N	T	T	I	E	A	T
O	L	O	C	G	B	S	S	N	O	T	R	L	G
T	E	R	S	E	R	E	N	E	R	E	Y	Y	A
S	R	B	Y	R	R	L	R	G	B	R	O	S	I
E	K	T	R	E	E	A	G	A	S	M	O	T	A
S	A	T	C	O	N	S	O	S	E	O	L	A	B

# Marketing, Sales and Service Careers

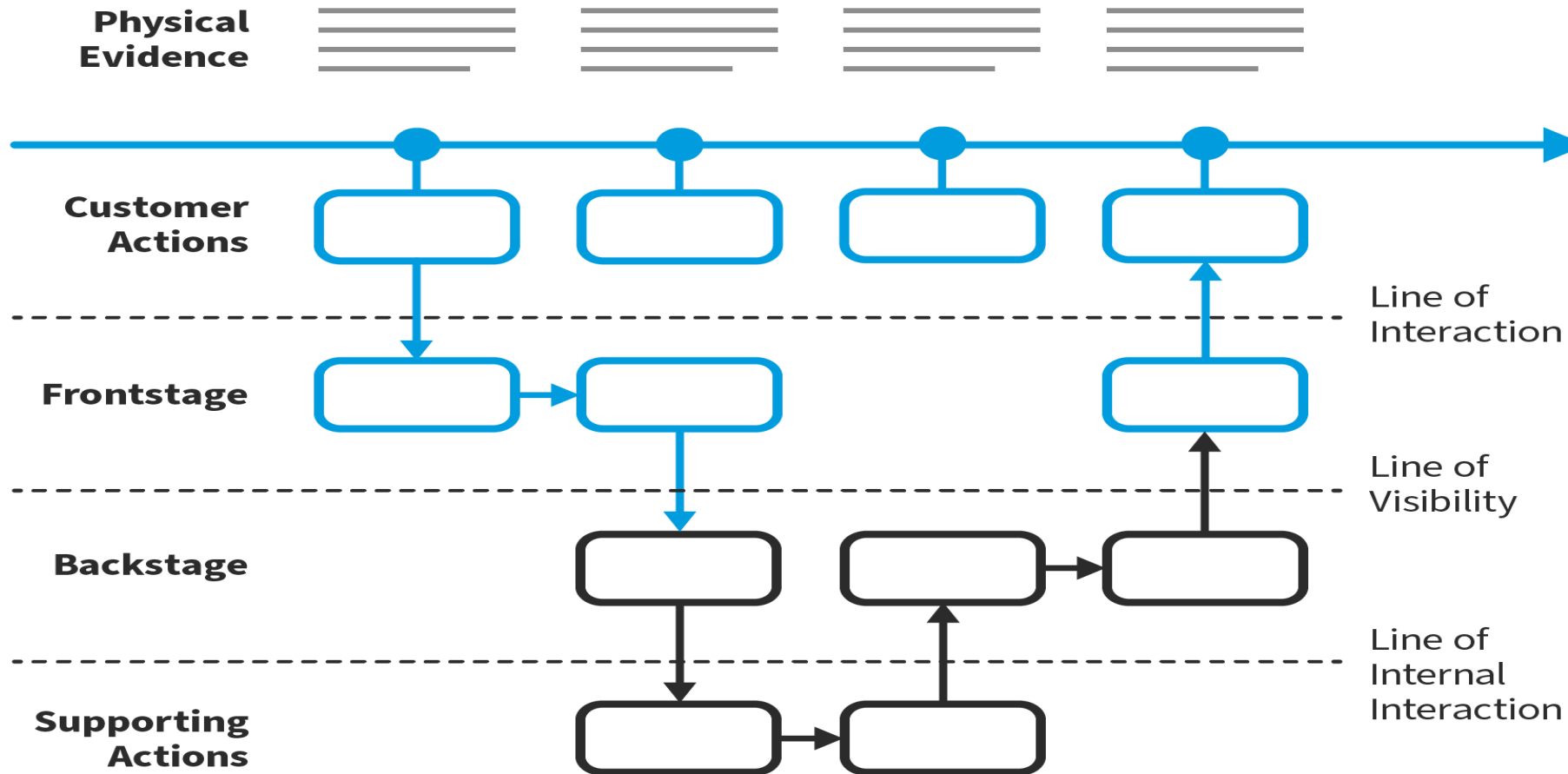
R	G	G	T	B	N	O	C	I	A	A	R	A	E
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A	S	R	S	N	G	E	E	E	D	O	C	M	E
N	T	R	K	D	R	G	O	E	I	P	R	O	A
A	O	T	A	M	O	A	S	A	R	Y	A	A	R
M	C	R	R	A	R	N	E	D	E	W	E	A	E
E	K	E	T	N	N	A	S	C	C	R	S	N	N
R	C	K	E	A	W	M	N	T	T	I	E	A	T
O	L	O	C	G	B	S	S	N	O	T	R	L	G
T	E	R	S	E	R	E	N	E	R	E	Y	Y	A
S	R	B	Y	R	R	L	R	G	B	R	O	S	I
E	K	T	R	E	E	A	G	A	S	M	O	T	A
S	A	T	C	O	N	S	O	S	E	O	L	A	B

SALES MANAGER  
STOCK CLERK  
ART DIRECTOR  
BRAND MANAGER  
ANALYST  
AGENT  
BROKER  
RESEARCHER  
STORE MANAGER  
COPYWRITER

Play this puzzle online at : <https://thewordsearch.com/puzzle/2297643/>



# Service Blueprint Anatomy



# Benefits of Service Blueprint

1. To improve design for existing service
2. To design a new service
3. Guide for implementing the service plan
4. Decision making activities
5. Helps in marketing and communication
6. HRM uses service blueprints for job specification, job evolution, performance standards
7. Departmental lines

# SERVICE BLUEPRINT TEMPLATE

