

## Contents

Part-I: Introduction to Services Marketing

**Chapter 1 Understanding Services 3-22**

**Chapter 2 The Nature of Services Marketing 23-38**

Part- II: The Customer Experience

**Chapter 3 Consumer Behavior 41-54**

**Chapter 4 Customer Expectations and Perceptions 55-73**

**Chapter 5 Listening to Customers 74-90**

Part - III: Strategic Issues in Services Marketing

**Chapter 6 Market Segmentation and Targeting 93-111**

**Chapter 7 Positioning and Differentiation of Services 112-125**

**Chapter 8 Managing Demand and Capacity 126-142**

Part - IV: Services and the Marketing Mix

**Chapter 9 The Marketing Mix Elements 145-154**

**Chapter 10 Product: Packaging the Service 155-169**

**Chapter 11 Pricing in Services 170-183**

**Chapter 12 Promotion and Communication of Services 184-200**

**Chapter 13 Place in Services 201-215**

**Chapter 14 People in Services 216-226**

**Chapter 15 Process in Services 227-239**

**Chapter 16 Physical Evidence in Services 240-250**

Part - V: Maximizing Services Marketing Potential

**Chapter 17 Relationship Marketing 253-273**

**Chapter 18 Internal Marketing 274-285**

**Chapter 19 Adding Value to Core Products through  
Supplementary Services 286-297**

Part - VI: Challenges for Senior Management

<b>Chapter 20</b>	<b>Developing and Managing the Customer-Service Function</b>	<b>301-316</b>
<b>Chapter 21</b>	<b>Marketing Planning for Services</b>	<b>317-330</b>
<b>Chapter 22</b>	<b>Service Quality</b>	<b>331-344</b>
<b>Chapter 23</b>	<b>Globalization of Services</b>	<b>345-362</b>

Part - VII: Marketing Services – Specific Industries

<b>Chapter 24</b>	<b>Tourism, Travel and Transportation Services Marketing</b> <ul style="list-style-type: none"><li>• Hotels</li><li>• Tourism</li><li>• Airlines</li></ul>	<b>365-385</b>
<b>Chapter 25</b>	<b>Financial Services Marketing</b> <ul style="list-style-type: none"><li>• Banking</li><li>• Insurance</li><li>• Portfolio Management</li><li>• Mutual Funds</li></ul>	<b>386-413</b>
<b>Chapter 26</b>	<b>Communication and Information Services Marketing</b> <ul style="list-style-type: none"><li>• Telecom</li><li>• Courier</li></ul>	<b>414-434</b>
<b>Chapter 27</b>	<b>Media Services Marketing</b> <ul style="list-style-type: none"><li>• Broadcasting</li></ul>	<b>435-462</b>
<b>Chapter 28</b>	<b>Professional Services Marketing</b> <ul style="list-style-type: none"><li>• Healthcare</li><li>• Consultancy</li><li>• Information Technology</li><li>• Advertising</li><li>• Retailing</li></ul>	<b>463-501</b>
<b>Chapter 29</b>	<b>Education Services Marketing</b>	<b>502-515</b>
<b>Chapter 30</b>	<b>Charities Marketing</b>	<b>516-529</b>
	Glossary	<b>530-537</b>
	Index	<b>538-547</b>

# Detailed Contents

## **Part I: Introduction to Services Marketing**

### **Chapter 1: Understanding Services**

Factors Influencing the Growth of the Service Sector: Demographic Changes; Social Changes; Economic Changes; Technological Changes; Political and Legal Changes; Policy Changes – Services Defined – Tangibility Spectrum – Characteristics of Services: Intangibility; Heterogeneity; Inseparability; Perishability – Generic Differences Between Goods and Services: Nature of the Product; Problems in Quality Control; Involvement of the Customer in Production and Delivery; Absence of Inventories; Structure and Nature of Distribution Channels; Importance of Prompt Service; Difficulty in Evaluating Service Quality – Classification of Services: Classification based on the Degree of Involvement of the Customer; Classification based on the Service Tangibility; Classification based on Skills and Expertise Required; Classification based on the Business Orientation of Service Provider; Classification based on the Type of End-User – Developing Frameworks For Analyzing Services: What is the Type of Service; What is the Nature of Relationship Shared by the Customer with the Service Organization; How is the Service Delivered; What is the Type Demand and Supply for the Service; To What Extent is the Service Provider Needed to Customize Service and Exercise Judgement – Myths About Services – Summary.

### **Chapter 2: The Nature of Services Marketing**

Evolution of Service Firms – A Different Approach For Marketing Services: Narrow Definitions of Marketing; Lack of Appreciation for Marketing Skills; Different Organizational Structures; Problems in Determining Costs for Pricing; Constraints and Opportunities for Not-for-Profit Organizations; Other Challenges – The Services Marketing Triangle – The Services Marketing Mix: People; Physical Evidence; Process – Key Marketing Issues Before A service Organization: Managing Differentiation; Service premises; Packaging; Service Personnel; Tools and Equipment Used; Customers; Convenience; Name of the service establishment; Managing Productivity; Managing Service Quality – New Avenues In Services Marketing – Summary.

## **Part II: The Customer Experience**

### **Chapter 3: Consumer Behavior**

Differences Between Characteristics Of Goods and Services: Search Qualities; Experience Qualities; Credence Qualities – Consumer Decision-Making Process: Need Perception; Search for Information and Perceived Risk; Evaluation of Alternatives; Purchase Behavior; Post-Purchase Evaluation – External Factors Influencing Consumer Behavior – Implications For Service Providers – Summary.

### **Chapter 4: Customer Expectations and Perceptions**

Understanding Customer Requirements – Customer Expectations – Types of Service Expectations – Factors that Influence Customer Expectations of Service: Factors that Influence Customer Expectations of Desired Service; Factors that Influence Customer Expectations of Adequate Service; Factors that Influence both Desired and Predicted Service Expectations; Criteria to Evaluate a Service based on Customers' Service Expectations – Managing Customer Service Expectations: Managing Promises; Reliability – “Getting it Right the First Time”; Effective Communication – Exceeding Customer Service Expectations – Customer Perceptions – Factors That Influence Customer Perceptions: Service Encounter; Service Evidence; Image; Price – Strategies For Influencing Customer Perceptions: Enhance Customer Satisfaction through Service Encounters; Reflect Evidence of Service; Communicate and Create a Realistic Image; Enhance Customer Perception of Quality and Value through Pricing – Summary.

## **Chapter 5: Listening to Customers**

Using Marketing Research in Services – Approaches to Services Research: Post-transactional Surveys; Customer Complaint, Comment and Inquiry Surveys; Total Market Surveys; Employee Surveys – Stages in Marketing Research – Use Of Marketing Research Information – Upward Communication: Objectives of Upward Communication – Summary.

## **Part III: Strategic Issues in Services Marketing**

### **Chapter 6: Market Segmentation and Targeting**

Market Segmentation in Services: Undifferentiated Marketing Approach; Differentiated Marketing Approach; Concentrated Marketing Approach – Bases for Market Segmentation: Demographic Segmentation; Geographic Segmentation; Psychographic Segmentation; Behavioristic Segmentation; Benefit Segmentation; Purchase Occasion Segmentation; User Status Segmentation; Usage Rate Segmentation; Loyalty Segmentation; Buyer Readiness and marketing Factors – Requirements for Effective Segmentation: Measurability; Accessibility; Substantiability; Actionability – Process of Market Segmentation: Identifying Customer Segments; Developing Measures for Structural Attractiveness; Selecting Customer Segments – Market Targeting in Services: On What Basis do Marketers Target the Identified Segments; Segment Size and Growth potential; Targeting Strategies – Mass Customization: What are the Factors that Companies Need to Consider Before Adopting Mass Customization; What are the Various Approaches to Mass Customization – Summary.

### **Chapter 7: Positioning and Differentiation of Services**

Definition and Concept – Positioning Strategies – Value Chain in Services – Differentiation – Role of Positioning in Marketing Strategy – Steps in Developing a Positioning strategy: Determining Levels of Positioning; Identification of Attributes; Location of Attributes on Positioning Map; Evaluating Positioning Options; Implementing the Position – Summary.

### **Chapter 8: Managing Demand and Capacity**

Concept of Demand: Contraction and Recession; Expansion or Boom; Technological Developments; Demographics; Natural and other Disasters – Demand Patterns; Sketching Demand Patterns; Foreseeable Cycles; Random Demand Variations; Demand Patterns by Market Segment – Capacity Constraints – Strategies to Match Demand and Capacity: Demand Shift; Adjusting Capacity to Meet Demand – Creating a Demand Inventory: Queuing System; Reservation Systems – Yield Management: Yield Management Process; Application Areas of Yield Management; Benefits of Yield Management – Summary.

## **Part IV: Services and the Marketing Mix**

### **Chapter 9: The Marketing Mix Elements**

Marketing Mix in Traditional Marketing – Inadequacy of Four Ps – Expanded Marketing Mix: Product; Pricing; Promotion; Place; People; Process; Physical Evidence – Summary.

### **Chapter 10: Product: Packaging the Service**

Service Product Level: The Core Product; The Actual Product; The Augmented Product; The Potential Product – Service Product Decisions: Market Penetration; Market Development; Product/Service Development; Diversification – Branding in services: Types of Branding – Categories for New Service Development – New Service Development Process: Generation of Ideas; Screening; Testing the Concept; Business Analysis and Design of Service; Test Marketing; Infrastructure Development; Service Launch – Product Life Cycle: Introduction; Growth; Maturity; Decline – Summary.

### **Chapter 11: Pricing Services**

Key Characteristics of Pricing in Services – Pricing Objectives – Approaches to Pricing services: Cost-based Pricing; Market Oriented Pricing or Demand-based Pricing – Competition-based Pricing – Incorporating Perceived Value into Service Pricing – Value Strategies in Pricing of Services: Satisfaction based Pricing; Relationship Pricing; Efficiency Pricing – Issues in Pricing of Services – Summary.

### **Chapter 12: Promotion and Communication of Services**

Importance of Communication and its Types: Internal Communication; External Communication – Communication Issues for Service Marketers – Objectives of Promotions – Elements of the Promotion Mix: Personal Selling; Advertising; Sales Promotion; Publicity and Public Relations; Direct Marketing – Promotional Strategies for Services – How to Design a Service Promotion: Which Services to Promote; Who would be the Target Customer; What would be the Value Added to the Product/Brand; Is the Timing Right for Promotion and how long should a Promotional Campaign be Run; Who is Benefited from the Promotions; How to Differentiate a Promotional Campaign – Strategies for Effective Promotion – Summary.

### **Chapter 13: Place in Services**

Significance of Location – Channel Decisions – Direct Distribution – Types of Intermediaries for Service Delivery: Franchising; Agents and Brokers; Electronic Channels – Strategies for Effective Service Delivery through Intermediaries: Control Strategies; Empowerment Strategies; Partnering Strategies – Summary.

### **Chapter 14: People in Services**

Classification of Service Personnel – Problems Faced by Service Personnel – Types of Conflict in Service Organizations: Individual-role Conflict; Customer-employee Conflict; Inter-employee Conflict; Client-Organization Conflict; Inter-Client Conflict – People Strategies: Attracting the Best Talent; Motivating; Training; Retaining – Summary.

### **Chapter 15: Process in Services**

Characteristics of Service Process Design and Implementation – Types of Process: Line or Flow Operations; Job Shop Process – Planning a Service Process – Service Blueprinting: Elements of Blueprinting; Reading a Service Blueprint; Developing a Service Blueprint – Factors Influencing Process Efficiency: Planning; Service Personnel; Technology; Location and décor; Customer's Role – Service Positioning through Structural Change: Reduced Complexity; Increased Complexity; Reduced Divergence; Increased Divergence – Summary.

### **Chapter 16: Physical Evidence**

Elements of Physical Evidence – Types of Physical Evidence: Essential Evidence; Peripheral Evidence – Significance of Physical Evidence – Summary.

## **Part V: Maximizing Services Marketing Potential**

### **Chapter 17: Relationship Marketing**

Relationship Marketing Defined – Benefits of Relationship Marketing: Benefits for the Firm; Benefits to Customers – Relationship Marketing and Transactional Marketing – Six Markets Model: Customer Markets; Internal Markets; Supplier Markets; Referral Markets; Recruitment Markets; Influence Markets – Strategy in Relationship Marketing Management: Mission and Vision; SWOT Analysis; Strategy Formulation; Quality and Relationship Marketing – Retention Strategies: Four Level Retention Strategy; Monitor Relationships; Value Addition to the Service – Increased Customer Contact: Enhanced Customer Service – Recovery of Customers: Track and Anticipate Recovery Opportunities; Solve Problems Quickly; Train and Empower Front Line Employees – Communication and Relationship Marketing: The four R's for Rewarding Relationships – Summary.

## **Chapter 18: Internal Marketing**

Definition of Internal Marketing – The Role of Internal Marketing – Components of an Internal Marketing Program – Developing and Implementing an Internal Marketing Program: Recruitment and Selection; Motivation; Education and Training; Coordination; Empowerment; Rewards; Communication; Knowledge Sharing through Knowledge Management – Summary.

## **Chapter 19: Supplementary Services**

Importance of Supplementary Services – Classification of Supplementary Services: Offering Consultation; Hospitality; Safekeeping of Customer Belongings; Providing Information to Customers; Taking Orders from Customers; Payment; Billing; Special Services – Implications of Supplementary Services: Designing Special Packages; Outsourcing Non-core Services; Converting Supplementary Services into Core Services – Summary.

## **Part VI: Challenges for Senior Management**

### **Chapter 20: Developing and Managing the Customer-Service Function**

Customer-Service Definition – Improving Customer-Service: Divide the Basic Service into Separate Service Activities; Conduct Periodic Surveys; Provide Necessary Infrastructure and Advanced Technology; Track Changes in the External Environment – Technology to Improve Customer-Service – The Customer-Service Management Cycle: Stage 1: Understand the Customer; Stage 2: Set Customer Service Standards; Stage 3: Encourage Team Work and Customer-orientation among Employees; Stage 4: Establish Control Systems; Stage 5: Prevent Problems rather than Fixing them – Offering Supplementary Services in Addition to Core Service – Enhancing Customer-Service through Improved Service Delivery Process: Factors Influencing Service Delivery – Steps to Implement an Effective Customer-Service Program – Summary.

### **Chapter 21: Marketing Planning for Services**

Marketing Planning Process: Establishing Strategic Context; Situation Review; Marketing Strategy Formulation; Resource Allocation and Detailed Planning – Summary.

### **Chapter 22: Service Quality**

Definitions of Quality and its Significance – Measuring Service Quality – Service Quality Gap Model – Service Quality Standards – Benchmarking – Total Quality Management – Strategies for Improving Service Quality – Monitoring Service Quality – Summary.

### **Chapter 23: Globalization of Services**

The Growth in Global Service Markets – Factors Influencing Globalization: Changes in Social Factors; Changes in Technology; Changes in Political Conditions; Competition in the Market; Competitive Advantage; Regulations in Home Country; Lack of Demand in Home Country – Overseas Market Entry Decisions: Exporting; Turnkey Projects; Licensing; Franchising; Joint Ventures; Strategic Alliance; Wholly Owned Subsidiaries; Mergers and Acquisitions; Piggyback – Assessing Globalization – Challenges in the Global Market: Legal Barriers; Cultural Barriers; Financial Barriers – Factors Influencing Success of Global Service Firm – Prospects for the Global Marketing of Services – Summary.

## **Part VII: Marketing Services – Specific Industries**

### **Chapter 24: Tourism & Travel Services Marketing**

#### **Hotel Industry**

Major Characteristics of Hotel Industry – Market Segmentation: Geographic Segmentation; Demographic Segmentation – Marketing Strategy – Marketing Mix: Product; Pricing; Place; Promotion; People; Physical Evidence; Process – Recent Trends in Hotel Industry – Hotel Industry in India – Section Summary.

### **Tourism Industry**

Characteristics of Tourism Industry – Market Segmentation – The Tourism Marketing Mix: Product; Price; Promotion; Place; People; Physical Evidence – Recent Trends in Tourism – Tourism Industry in India – Section Summary.

### **Transportation Industry**

Characteristics of the Industry – Transportation Marketing Mix: Product; Pricing; Place; People; Promotion; Process; Physical Evidence – Transportation Industry in India – Section Summary.

## **Chapter 25: Marketing of Financial Services**

### **Banking Industry**

Definition – Market Segmentation in Banking Industry– Marketing Mix: Product; Pricing; Place; Price; Promotion; People; Process; Physical Evidence – Recent Trends in Banking – Section Summary.

### **Insurance Industry**

Market Segmentation in Insurance Industry – Marketing Mix for Insurance Industry: Product; Price; Place; Promotion; Process; People; Physical Evidence – Recent Trends in Insurance Marketing – Section Summary.

### **Mutual Fund Industry**

Definition – Market Segmentation – Marketing Mix of Mutual Fund Industry: Product; Price; Place; Promotion; Process; People and Physical Evidence – Recent Trends in Mutual Fund Industry – Section Summary.

### **Portfolio Management**

Definition of Portfolio Management – Market Segmentation and Marketing Mix: Product; Price; People; Place; Promotion; Process; Physical Evidence – Recent Trends in Portfolio Management Industry in India – Section Summary.

## **Chapter 26: Communication and Information Services**

### **Telecom Industry**

Characteristics of Telecom Industry – Market Segmentation – Marketing Strategy – Marketing Mix: Product/Service; Price; Place; Promotion; People; Physical Evidence; Process – Recent Trends in Telecom Industry: Technology; Globalization – Future of Telecom Industry in India – Section Summary.

### **Courier Industry**

Characteristics of Courier Industry – Market Segmentation – Marketing Strategy – Marketing Mix: Product/Service; Price; Place; Promotion; Physical Evidence; People; Process – Recent Trends in Courier Industry: Technology; Globalization – Indian Courier Industry – Section Summary.

## **Chapter 27: Media Services Marketing**

### **Broadcasting Services**

Media Services and Broadcasting – Consumer Behavior in Response to Broadcasting Services – Market Segmentation in Broadcasting – Marketing Strategy of Broadcasting Firms - Marketing Mix for Broadcasting Services: Product; Price; Place; Promotion; People; Physical Evidence; Process – Recent Trends in Broadcasting: Growth of the Internet and Online Availability of Media Services; Mergers and Consolidations; Digitization of Content; Expansion of Reach of Satellite Services – Broadcasting Industry in India: Radio; Television – Section Summary.

### **Entertainment Services**

Market Segmentation in Entertainment – Marketing Strategy for Entertainment Firms – Marketing Mix for Entertainment Services: Product; Price; Place; Promotion; People; Physical Evidence; Process – Recent Trends in Entertainment – Entertainment Industry in India: Music, Movies – Section Summary.

### **Print Media**

Characteristics of Print Industry – Marketing Segmentation – Marketing Strategy – Marketing Mix: Product; Price; Place; Promotion; People; Process; Physical Evidence – Recent Trends: Technology; Globalization – Print Industry in India – Section Summary.

## **Chapter 28: Professional Services Marketing**

### **IT Services**

Evolution of IT Services - Market Segmentation – Market Strategy – Marketing Mix: Product; Place; Price; Promotion; People; Process; Physical Evidence – IT Industry in India: Challenges before the Indian IT industry – Section Summary.

### **Consultancy Services**

Characteristics of Consultancy Industry – Market Segmentation and Strategy – Marketing Mix: Product; Price; Place; Promotion; People; Process; Physical Evidence – Challenges Before the Indian Consultancy Industry.

### **Healthcare Services**

Market Segmentation – Marketing Strategy – Marketing Mix: Product; Place; People; Promotion; Process; Price; Physical Evidence – Recent Trends in Indian Healthcare Industry – Section Summary.

### **Advertising Services**

Evolution of the Advertising Industry – Segmentation & Marketing Strategy – Marketing Mix: Product; People; Place; Process; Promotion; Price; Physical Evidence – Advertising Industry in India – Section Summary.

### **Retailing Industry**

Characteristics of Retailing Industry: Entry and Exit Barriers; Customers; Suppliers; Competition – Marketing Segmentation: Geography; Demographics; Psychographics – Marketing Strategy – Marketing Mix: Product/merchandise; Price; Place; Promotion; Physical Evidence; People; Process – Recent Trends: Technology; Globalization – Retailing Industry in India – Section Summary.

## **Chapter 29: Marketing of Education Services**

Classification of Education Services – Market for Educational Service – Characteristics of Education Services and Implications for Marketing: Intangibility; Inseparability; Heterogeneity; Perishability – Education and Strategic Marketing – Marketing Mix and Education Service: Product in Educational Services; Place in Education Service; Pricing decision in Education Service; Promotion in Education Service; People and Education Service; Process and Education Service; Physical Evidence in Education Service – Technology and its Role in Education – Education in India: Flaws in the System; What Does Today's Education Marketer Lack? – Summary.

## **Chapter 30: Charities Marketing**

The Role of Marketing in Charities – Business Functions in Charities Marketing: Financial Function; Production Function; Personnel Function; Purchasing Function – Management Tasks in Charities Marketing: Marketing Audit; Market Analysis; Market Segmentation – Marketing Planning and the Marketing Mix: Product; Price; Promotion; Place; People; Process and Physical Evidence – Charity Organizations in India – Summary.