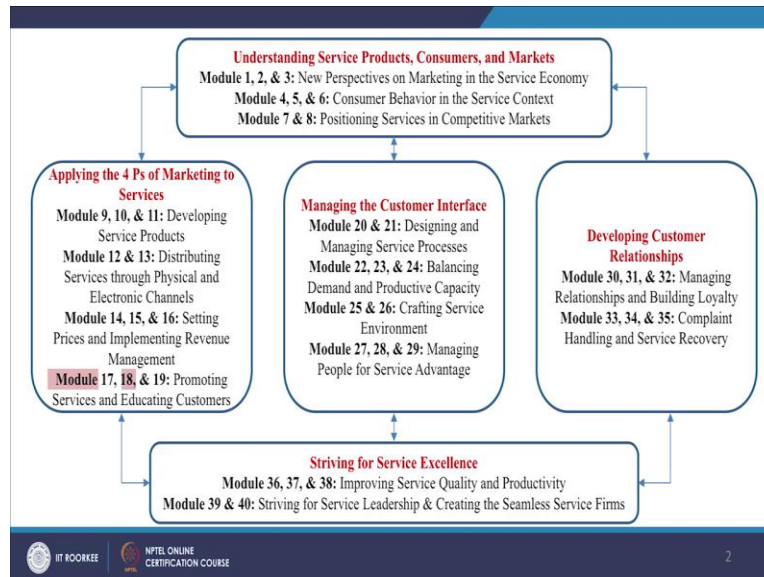


Service Marketing: Integrating People, Technology, Strategy
Professor Zillur Rahman
Department of Management Studies
Indian Institute of Technology, Roorkee
Lecture 18
Promoting Service Education Customers Part II

(Refer Slide Time: 00:30)



Welcome to this course on service marketing and now we will talk about module 18. So, as you know the 3 modules 17, 18 and 19 are dedicated to understand promoting the services and educating customers. So, let us start with, with module 18.

(Refer Slide Time: 00:41)

MODULE OVERVIEW

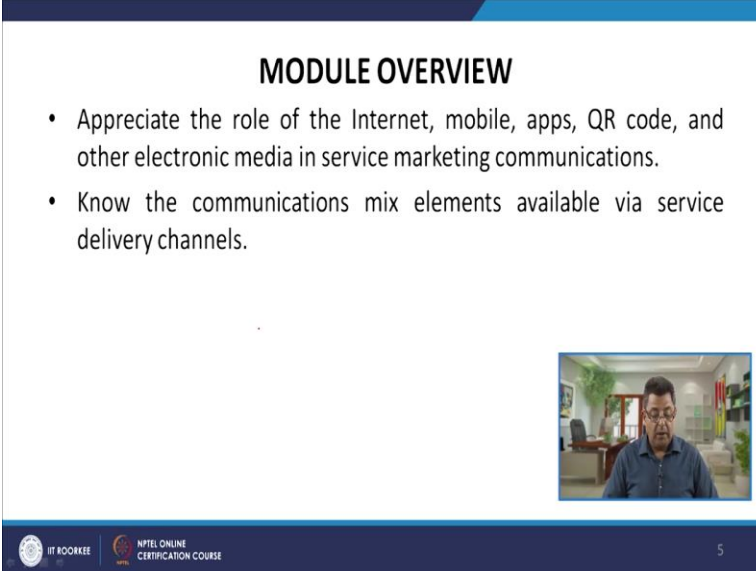
- Know a few important specific roles service marketing communications can assume.
- Understand the challenges of service communications and how service communications can overcome those (“How”).
- Be familiar with the marketing communications mix in a services context (“Where”).
- Know the communications mix elements of the traditional marketing communications channels.



BIT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 4


Now, and let us try to see what will be covered in this module. So, the first is know a few important specific rule service marketing communication and as you understand the challenges of service communication and how service communication can overcome those. So, that is how the third is be familiar with Marketing Committee Integration mix in a service context that is where and know the communication mix elements of the traditional marketing communication channels.

(Refer Slide Time: 01:09)



MODULE OVERVIEW

- Appreciate the role of the Internet, mobile, apps, QR code, and other electronic media in service marketing communications.
- Know the communications mix elements available via service delivery channels.



IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 5

Then we will also appreciate the role of the internet, mobile, apps, QR code and the other electronic media in service marketing communication and know the communication mix elements available via service delivery channel.

(Refer Slide Time: 01:25)

MAXIMIZING VALUE FROM SERVICE COMMUNICATION STRATEGY

- **Promote tangible cues to communicate quality-**
- Even if customers understand what a service is supposed to do, they may find it hard to tell the difference between offerings from different suppliers.
- Companies can use concrete cues to communicate service performance by highlighting-
 - The quality of equipment and facilities.
 - Employee characteristics such as qualifications, experience, commitment, and professionalism.



  6

Now, let us start with maximizing value from service communication strategy. The first is to promote tangible cues to communicate quality. So, now you keep in mind that so, because services are intangible. So, what we are we are doing this communication strategy is doing is to promote tangible cues to communicate the quality.

So, even if customers understand what a service is supposed to do, they may find it hard to tell the difference between offerings from different suppliers. So companies can use concrete cues to communicate service performance by highlighting. The first is the quality of equipment and facilities and the second is employee characteristics such as qualification, experience, commitment and professionalism.

(Refer Slide Time: 02:10)

MAXIMIZING VALUE FROM SERVICE COMMUNICATION STRATEGY

Add Value Through Communication Content-

- Information and consultation represent important ways to add value to a product.
- Prospective customers may need information and advice about-
 - What service options are available to them.
 - Where and when these services are available.
 - How much they cost; and what specific features, functions, and service benefits there are.



BIT BOORNEE NPTEL ONLINE CERTIFICATION COURSE 7

Next thing to do is to add value through communication content that is information and consultation that represent important ways to add value to a product. So, prospective customers need information and advice about 1, what service options are available to them, where and when these services are available, how much they cost and what specific feature features functions and service benefits there are?

(Refer Slide Time: 02:40)

MAXIMIZING VALUE FROM SERVICE COMMUNICATION STRATEGY

Facilitate Customer Involvement in Service Production-

- When customers are actively involved in service production, they need training to help them perform well — just as employees do.
- Improving productivity often involves making innovations in service delivery.
- However, the desired benefits won't be achieved if customers resist new, technologically based systems or avoid self-service alternatives.



BIT BOORNEE NPTEL ONLINE CERTIFICATION COURSE 8

The third important thing to do is to facilitate customer involvement in service production. So now you see that the customers are being involved in the production of this service. So when

customers are actively involved in service production, they need training to help them perform well. Just as employee do. So, it is not that that you just bring in the customer and tell them to do something there is a need to train the customers also as the companies train their employees. So, improving productivity often involves making innovation in service delivery. However, the desired benefit wouldn't be achieved if customers resist new technologically based system or avoid self service alternatives.

(Refer Slide Time: 03:21)

**MAXIMIZING VALUE FROM SERVICE
COMMUNICATION STRATEGY**

- Marketers often use sales promotions as incentives to encourage customers to make the necessary changes in their behavior.
- And if necessary, well-trained service personnel can provide one-to-one tutoring to help customers adapt to new procedures.
- One way to train customers, as recommended by advertising experts, is to show service delivery in action.
 - Through television and videos.



IT ROOKIE NPTEL ONLINE CERTIFICATION COURSE 9

So marketers often use sales promotions as incentives to encourage customers to make the necessary changes in their behavior. So, why would the change why the customers would change the behavior and for that marketers use sales promotion as incentives and if necessary, well trained service personnel can provide 1 to 1 tutoring to help customers adopt to new procedures. So, the customer, the salesperson, the employees, they will help customers to learn new procedures. One way to train customers, as recommended by advertising experts is to show service delivery in action through television and videos.

(Refer Slide Time: 04:02)

**MAXIMIZING VALUE FROM SERVICE
COMMUNICATION STRATEGY**

Promote the Contribution of Service Personnel and Backstage Operations-

- High quality, frontline staff, and backstage operations can be important differentiators for services.
- In high-contact services, frontline personnel are central to service delivery.
- Their presence makes the service more *tangible* and, in many cases, more personalized.




  10



Another thing that needs to be done is to promote the contribution of service personnel and backstage operations, high quality, frontline staff and back stage operations can be important differentiator for services. In high contact services, frontline employees are central to service delivery. So in high contact services, high contact services means where the customer and the employees they meet. In that case, the frontline personnel are central to the service delivery, their presence make the services more tangible, and in many cases more personalized.

(Refer Slide Time: 04:35)

**MAXIMIZING VALUE FROM SERVICE
COMMUNICATION STRATEGY**

- Advertising, brochures, websites, and videos on YouTube can also show customers the work that goes on “backstage” to ensure good service delivery.
- **For example-**
 - Starbucks has publicity materials and videos that show customers what service personnel do behind the scenes.
 - Starbucks shows how coffee beans are cultivated, harvested, and produced — highlighting its use of the finest and freshest coffee beans.



  11

MAXIMIZING VALUE FROM SERVICE COMMUNICATION STRATEGY

Stimulate and Shift Demand to Match Capacity-

- Low demand outside peak periods is a serious problem for service industries with high fixed costs, such as hotels.
- One strategy is to run promotions that offer extra value — such as room upgrades or free breakfasts.
- When demand increases, the number of promotions can be reduced or eliminated.



Advertising, brochures, websites and videos on YouTube can also show customers the work that goes on backstage to ensure good service delivery. For example, Starbucks has publicity material and videos that show customer what service personnel do behind the scenes. So, rather than showing what is happening in real time the company they have made a video of what the personal service personnel are doing behind the scene.

So, Starbucks show how coffee beans are cultivated, harvested and produced highlighting its use of the finest and the freshest coffee beans then stimulate and shift demand to match capacity. So, that is another important, shifting demand to match capacity. So, in many cases where the capacity is limited and in services from this this problem is more pronounced. So, how to stimulate and shift demand. Low demand outside peak period is a serious problem of false services. So, at peak period the demand is high and the off peak period the demand is low.

So, low demand outside the peak period is a serious problem for service industries with high fixed costs such as hotels. So, what should be done in off peak hours what our strategy is to run promotions that offer extra value such as room upgrades or free breakfast. When demand increases the number of promotions can be reduced or eliminated.

So, with well in low demand period you start giving some kind of benefits to the customers like room upgrade or free breakfast, when the demand increases then you start reducing these upgrades and breakfast.

(Refer Slide Time: 06:09)

MAXIMIZING VALUE FROM SERVICE COMMUNICATION STRATEGY

Stimulate and Shift Demand to Match Capacity-

- Advertising and sales promotions can also help to shift usage from peak to lower demand periods.
- And thus advertising and sales promotion help to match demand with the available capacity at a given time.



  13

Advertising and sales promotion can also help to shape shift usage from peak to lower demand period. So, you advertise at this advertising and sales promotion can also be used. So, that this demand and supply capacity can be matched and this advertising and sales promotion helped to match demand with the available capacity at a given time.

(Refer Slide Time: 06:29)

CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

- Let's explore some of the communications challenges service firms face when developing their communications messages.
- For goods and services alike, messages have to break through the clutter as communications can only succeed if it gains the attention of its target group.
- Marketers have to make decisions on
 - What they want to say (i.e., the message content).
 - And how to say that (i.e., the message structure and format).



  14

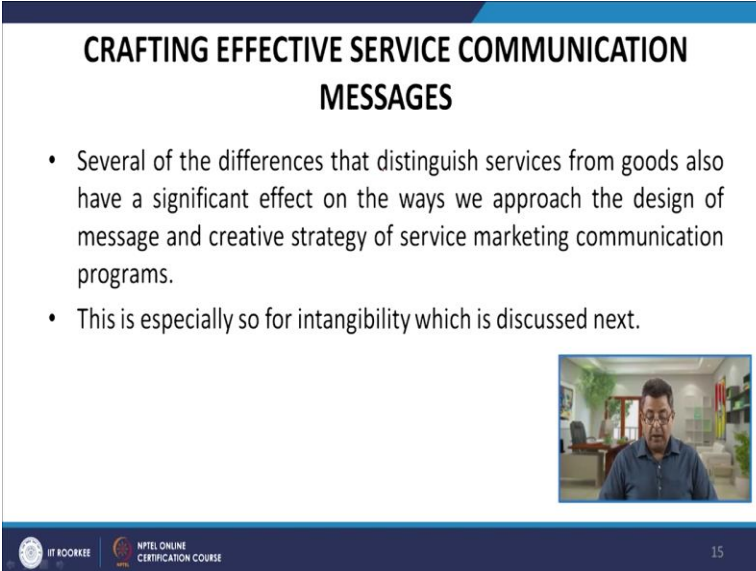
Now, let us look at how to go about crafting effective service communication messages. So, let us explore some of the communication challenges service firms face when developing their

communication messages. So, what are the challenges facing the service firm when they are trying to develop a communication method.

For goods and services alike, messages have to be break through the clutter as communication can only succeed if it gains the attention of its target group. So, the first problem with this all this communication is that these messages should break through the clutter because this communication will succeed only if passed through the customer attention only if the customer the target group, it pays attention only then this message will be able to do something otherwise not.


So, marketers have to make decisions on what do they want to say that is the message content and how to say that the message is structure and format. So, these are the 2 important thing because, you know, there is a lot of clutter a lot of people advertising at the same time and customers they their attention span is coming down coming down. So, how to make customer listen to what we are seeing. So, that is the first challenge and to address that challenge marketers have to make decisions on what do they want to say 1 and how to say that.


(Refer Slide Time: 07:50)



CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

- Several of the differences that distinguish services from goods also have a significant effect on the ways we approach the design of message and creative strategy of service marketing communication programs.
- This is especially so for intangibility which is discussed next.



 15

So, several of the differences that distinguish services from goods also have a significant effect on the way we approach the design of method and creative strategy of service marketing communications program. This is specially so for intangibility which we will we will be discussing in the upcoming slides. So, the biggest problem for services although it is a problem


for good goods also but in services it is a bigger problem regarding how we approach and design the method and creative strategy.



(Refer Slide Time: 08:18)

**CRAFTING EFFECTIVE SERVICE COMMUNICATION
MESSAGES**

Problems of Intangibility-

- The benefits of services can be difficult to communicate to customers as they are “performances” rather than objects.
- Especially when the service in question does not involve tangible actions to customers or their possessions.
- Intangibility creates four problems for marketers-
 - Abstractness.
 - Generality.
 - Non searchability.
 - Mental impalpability.



  16

So, how do we overcome this problem of intangibility the benefit of service can be difficult to communicate to customers as they are performances rather than objects. So, this problem of intangibility is that how do you communicate to the customer because the services are performances, while objects are something tangible.

So, especially when the service in question does not involve tangible actions to customers or their possessions. So, intangibility creates 4 problems for marketers. The first is abstractness, the second is generality, the third is non search ability and the fourth is mental impalpability.

(Refer Slide Time: 09:03)

CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

Abstractness- (Problems of Intangibility)

- Refers to concepts such as financial security or investment-related matters (Figure1), expert advice, or safe transportation do not have one-to-one correspondence with physical objects.



Figure 1. A bank shows how the intangibility of providing balanced banking solutions can be communicated



17


Now, let us look at how to deal with each of these problems of intangibility. The first problem that we will talk about is the abstractness. It refers to concepts such as financial security or investment related matters figure 1. So, I will come to figure 1 in a moment. Expert advice or safe, safe transportation do not have a 1 to 1 correspondence with physical objects. In this figure 1, a bank shows how the intangibility of providing balanced banking solution can be communicated. So, this figure 1 shows how this intangibility is taken care of by this bank.

(Refer Slide Time: 09:38)

CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

Generality-(Problems of Intangibility)

- Refers to items that comprise a class of objects, persons, or events — for instance, airline seats, flight attendants, and cabin service.
- There may be physical objects that can show these services, so abstractness is not a problem.
- However, it is general and not specific enough, so it is difficult for marketers to create a unique value proposition to communicate what makes a specific offering distinctly different from and superior to competing offerings.



18


Another problem of intangibility is generality, it refers to items that comprise the class of objects, persons or events. For instance, airline seats, flight attendants, and cabin service. There may be physical objects that can show the services or abstractness is not a problem. However, it is general and not specific enough. So, it is difficult for marketers to create unique value proposition, is to create a unique value proposition is to communicate what makes a specific offering distinct distinctly different from and superior to competing offerings.

(Refer Slide Time: 10:19)

CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

Non-searchability-(Problems of Intangibility)

- Refers to the fact that many of the service attributes cannot be searched or inspected before they are purchased.
- Physical service attributes, such as the appearance of a health club and the type of equipment installed, can be checked in advance, but the experience of working with the trainers can only be determined through extended personal involvement.




19

The third problem is non search ability. So, it refers to the fact that many of the service attributes cannot be searched or inspected before they are purchased. Physical service attributes such as appearance of a health club and the type of equipment installed can be checked in advance. So, that is 1 thing that service companies can do that the physical appearance and the equipment that is being used for these things can be checked in advance but the experience of working with the trainer can only be determined through extended personal involvement.

(Refer Slide Time: 10:50)

CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

- As discussed in previous modules, services usually have more experience and credence attributes than search attributes.
- Experience attributes are those that need consumers to go through the service to understand it.
- Services high in credence attributes, such as surgeon expertise, must be taken on faith.



IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 20

So, as discussed in previous modules, services usually have more experience ingredient credence attributes then service then search attributes. So, products are high on search attributes while services are high on experience and credence attributes. So, experience attributes are those that need consumers to go through the service to understand it.

So, the experience attributes are those attributes that the customer will be able to understand only when he has purchased and used the service and there are services that are high in credence attributes such as a surgeon's expertise must be taken on faith. So, this credence attributes that is a bigger problem, but before that there are these attributes that is the search attributes, experience attributes and the credence attributes.


Search that you are able to check and experience before you make a purchase, experience attributes are those things that you can purchase and then experience the attributes and the third one is the credence attribute. Now, that is difficult to evaluate even after you even after you have purchased and used the product. For example, the expertise of a surgeon, that that must be taken on faith.

(Refer Slide Time: 12:01)

CRAFTING EFFECTIVE SERVICE COMMUNICATION MESSAGES

Mental impalpability-(Problems of Intangibility)

- Refers to services that are sufficiently complex, multi- dimensional, or novel so much so that it is difficult for consumers — especially new prospects — to understand-
 - What the experience of using them will be like and what benefits will result.




21

Mental impalpability that is another problem of intangibility it refers to services that are sufficiently complex, multi dimensional or novel. So, much so that it is difficult for consumers especially new prospects to understand. So, what the experience of using them will be like and what benefits will result that so because so it becomes difficult for customer new customers to understand what will happen.

(Refer Slide Time: 12:26)

OVERCOMING THE PROBLEMS OF INTANGIBILITY

- How should service messages be communicated?
- Here, the intangibility of service presents problems for advertising that need to be overcome.
- Specific communications strategies marketers can follow to create messages that help to overcome each of the four problems created by the intangibility of services.



22

So, how do we overcome this problem of intangibility. So, how should service message, how should service messages be communicated? Here the intangibility of service presents problems

for advertising that need to be overcome. A specific communication strategies marketers can follow to create messages that help to overcome each of the 4 problems created by the intangibility of services.

(Refer Slide Time: 12:52)

OVERCOMING THE PROBLEMS OF INTANGIBILITY		
Intangibility Problem	Advertising Strategy	Description
Abstractness	Service consumption episode	Capture and show typical customers benefiting from the service, e.g., by smiling in satisfaction at a staff going out of his way to help.
Generality • For objective claim	System documentation	Document facts and statistics about the service delivery system. For example, in the UPS website, they state that they have 227 aircraft in operation.
	Performance documentation	Document and cite past service performance statistics, such as the number of packages that have been delivered on time.
• For subjective claim	Service performance episode	Present actual service delivery being performed by the service personnel. The video mode is best for showing this.
Non-searchability	Consumption documentation	Obtain and present testimonials from customers who have experienced the service.
	Reputation documentation	If the service is high in credence attributes, then document the awards received, or the qualifications of the service provider.
Mental intangibility	Service process episode	Present a clear step-by-step documentation of what exactly will happen during the service experience.
	Case history episode	Present an actual case history of what the firm did for a specific client and how it solved the client's problem.
	Service consumption episode	A story or depiction of a customer's experience with a service.

Table 1 Advertising Strategies for Overcoming Intangibility

Now, this table shows the advertising strategies for overcoming this intangibility on the left hand side we will talk about the intangibility problems. So the various types of the various problems so the resulting from intangibility I talked about on the left hand side in between you will talk about the advertising strategy, how to take care of them and then we will give the description of this.

Let us start with the first intangibility problem that is abstractness. Appropriate advertising strategy here is service communication episode. So, capturing showed typical customer benefiting from the services for example, by smiling and satisfaction at a staff going out of his way to help.

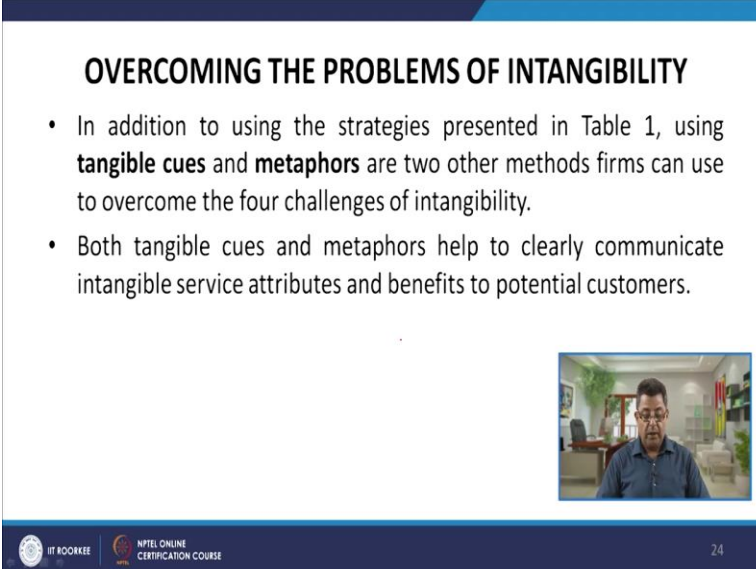
The second intangibility problem is that of generality for objective claim. The advertising strategies include system documentation and performance documentation and the description include documents, document facts and statistics about service delivery system. For example, in the in the UPS website, they said that they have to 277 aircrafts in operation. For performance documentation documents, document and site pass service for promises statistics, such as the number of packages that has been delivered on time.

So this is for objective claims for subjective claims. The advertising strategy is the service performance episode, so present actual service delivery being performed by the service personnel. The video mode is the best for showing this. The third problem is that of non search ability. Here the advertising strategy include consumption, documentation and reputation documentation.

So, the description about consumption documentation is to obtain and present testimonials from customers who have experienced the service. For reputation documentation is the services high ingredients attributes, then document the award received, or the qualification of the service provider. In mental impalpability there are 3 advertising strategies. The first is service process episode, case history episode and service consumption episode.


So, the service process episode, episode means to present a clear step by step documentation of what exactly will happen during the service experience. The case history episode means present an actual case history of what the firm did for a specific client and how it solved the crime problem and the service consumption episode includes a story or depiction of a customer experience with the service.

(Refer Slide Time: 15:14)



OVERCOMING THE PROBLEMS OF INTANGIBILITY

- In addition to using the strategies presented in Table 1, using **tangible cues** and **metaphors** are two other methods firms can use to overcome the four challenges of intangibility.
- Both tangible cues and metaphors help to clearly communicate intangible service attributes and benefits to potential customers.



HT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 24

So, in addition to using the strategies presented in this table 1, using tangible cues and metaphors are 2 other methods firm can use to overcome the challenges of intangibility. Both tangible cues


and metaphors help to clearly communicate intangible service attributes and benefits to potential customers.



(Refer Slide Time: 15:33)

OVERCOMING THE PROBLEMS OF INTANGIBILITY

Tangible Cues –

- Commonly used strategies in advertising include the use of tangible cues whenever possible, especially for services that involve few tangible elements.
- It's also helpful to include "vivid information" that catches the audience's attention and produces a strong, clear impression on the senses, especially for services that are complex and highly intangible.



  25

Now, let us look at how this tangible cues are going to help so some commonly used strategies in advertising include the use of tangible cues whenever possible, especially for services that involve fewer tangible element. So when the service involves few tangible elements, then what are these commonly used strategies so it all it is also helpful to include vivid information that catches the audience attention and produce a strong clear impression on the census especially for services that are complex and highly intangible.


So, this vivid information descriptive, descriptive information, it catches the audience's attention and, and then it produces a strong and clear impression on the senses, more so in case of services that are complex and highly intangible.

(Refer Slide Time: 16:23)

OVERCOMING THE PROBLEMS OF INTANGIBILITY

- **Tangible Cues –**
- **For example-** Many business schools feature successful alumni to make the benefits of their education tangible and communicate what their programs could do for prospective students in terms of
 - Career advancement. ✓
 - Salary increases. ✓
 - Lifestyle. ✓

Successful



IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 26

So, let us look at the example of tangible cues. Many business school features success, successful alumni to make the benefit of their education, tangible and communicate what their programs could do for prospective students in terms of career advancement, salary increases and in style.


So, now you see that the business schools they are using successful alumni for what to do 3 things. one is how he has advanced in the carrier 1 increase in salary and the lifestyle. So, overall with just 1 alumni they are so they are showing how you can become successful in life if you study in this school. So, that is 1 example of this tangible cue.

(Refer Slide Time: 17:15)

OVERCOMING THE PROBLEMS OF INTANGIBILITY

Metaphors –

- Some companies have created metaphors that are tangible in nature to help communicate the benefits of their service offerings and to emphasize key points of differentiation.
- Insurance companies often use this approach to market their highly intangible products.
 - The Merrill Lynch's bull a symbol for both bullish market and strong commitment to financial performance.



IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 27

Now, what else can be done to overcome the problem of this intangibility another thing that can be done is the use of metaphors. So, some companies have created metaphors that are tangible in nature to help communicate the benefit of their service offerings and to emphasize key points of differentiation.


Now, insurance companies often use this approach to market their highly intangible product, the Merrill Lynch's bull, a symbol of both bullish market and strong commitment to financial performance. So, this is how they are trying to communicate about their services using a bull. So, again this bull tells 2 things 1 is bullish market and the second is the strong commitment to financial performance. So, that is what this metaphor is being used for by this company.

(Refer Slide Time: 18:09)

OVERCOMING THE PROBLEMS OF INTANGIBILITY

Metaphors –

- **Examples-**
 - Allstate advertises that “You’re in Good Hands”.
 - Prudential uses the Rock of Gibraltar as a symbol of corporate strength.



28

Another example include all state advertisers that you are in good hands. Prudential uses the Rock of Gibraltar as a symbol of corporate strength. So, they are religion as you may recall that they have an alliance with icici. So, they use Rock of Gibraltar as a symbol of corporate strength. So, this rock is used to communicate how strong the company is.

(Refer Slide Time: 18:31)

THE SERVICES MARKETING COMMUNICATIONS MIX

- After understanding our target audience, our specific communications objectives and message strategy, we now need to select a mix of cost-effective communication channels.
- Most service marketers have access to numerous forms of communication, referred to collectively as the **service marketing communications mix**.



29

After understanding our target audience our specific communication objectives and messaging strategy, we now need to select a mix of cost effective communication channels. So, in most service market marketers have access to numerous forms of communication and they are referred

to collectively as a services marketing communication mix. So, all these methods that are available for communication, they are called a services marketing communication mix.

(Refer Slide Time: 18:58)



THE SERVICES MARKETING COMMUNICATIONS MIX

- Different communication elements have distinctive capabilities relative to-
 - The types of messages they can convey.
 - The market segments most likely to be exposed to them.
 - And the mix needs to be optimized to achieve the best possible results for a given budget.
- Figure 2, provides an overview of the wide range of communications channels available to service firms.

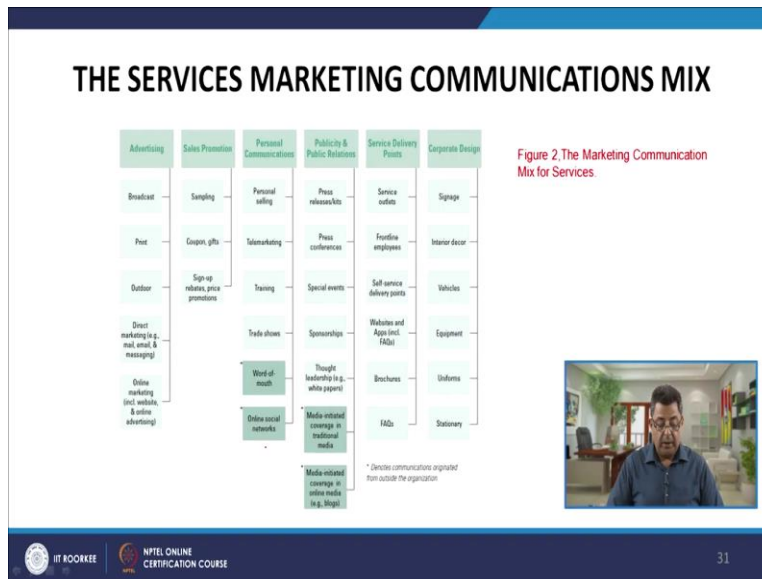


BIT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 30

So, different communication element have distinctive capabilities. Now, all these elements they are each 1 is capable of doing something, but not all the things. So, now, let us look at what are the distinctive capabilities. So, the type of message they can convey 1, the market segments most likely to be exposed to them.

So, some elements are more suitable for communicating some kind of messages, some kind of element communication elements, they will they will reach some kind of target segments but not all of them and the mix needs to be optimized to achieve the best possible result for a given budget. Now, in figure 2 provides an overview of the wide range of communication channels available to the service firm.

(Refer Slide Time: 19:50)



THE SERVICES MARKETING COMMUNICATIONS MIX

- Different communication elements have distinctive capabilities relative to-
 - The types of messages they can convey.
 - The market segments most likely to be exposed to them.
 - And the mix needs to be optimized to achieve the best possible results for a given budget.
- Figure 2, provides an overview of the wide range of communications channels available to service firms.



So, these are the wide range of service of communication channels that are available to offer service form but then, keep in mind that each 1 is capable of communicating some type, certain type of messages. Each 1 of them will reach some kind of target segment and not all the target segment and then at the end of the day we also have to have this kind of mix so that it is within the given budget.

So, now these are the various elements that are there. So, first is advertising and sales promotion, personal communication, publicity and public relations, service delivery points and corporate design. So, now look at this advertising that include broadcast, print, outdoor, direct marketing

and online marketing. Sales promotion includes sampling, coupons and gifts, signup, rebates and price promotions.

Personal communication include personal selling telemarketing, training, trade shows word of mouth, online social networks. The publicity in public relations, includes include press release, release and kits, press conferences, especially events, sponsorships, thought leadership, media initiated coverage in traditional media and media initiated coverage in online media. Then look at the service delivery points.

So, service outlets, frontline employees, service delivery, self service delivery points, websites and apps, brochures and FAQs. The corporate design include signage, interior decor, vehicles, equipments, uniforms and stationery.

(Refer Slide Time: 21:24)



SOURCES OF MESSAGES

- The services marketing communications mix featured in Figure 2, can also be categorized into three broad categories of sources of communications:
 - Marketing communications channels, which include traditional media and online channels.
 - Service delivery channels.
 - Messages that originate from outside the organization.



  32

Now, let us look at the sources of messages. So, the marketing communication mix featured in figure 2 can also be categorized into 3 broad categories of sources of communication. So, first is the marketing communication channels which include traditional media and online channel. Then there are service delivery channels and the third is messages that originate from outside the organization.

(Refer Slide Time: 21:48)

MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Advertising-**
 - As the most dominant form of communication in consumer marketing, advertising is often the first point of contact between service marketers and their customers, serving to build awareness, inform, persuade, and remind.
 - Marketers are increasingly trying to be more creative with their advertising to allow their messages to be more effective.



BIT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 33

Now, let us look at advertising as the most dominant form of communication in consumer marketing. Advertising is often the first point of contact between service marketers and their customers. Serving to build awareness inform, persuade and remind marketers are increasingly trying to be more creative with their advertising to allow their messages to be more effective.

(Refer Slide Time: 22:11)

MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Direct Marketing-**
 - Offer the potential to send personalized messages to highly targeted micro-segments.
 - This category embraces tools such as mailings, email, and text messaging.
 - Direct strategies will most likely succeed when marketers possess a detailed database of information about prospects and customers.



BIT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 34

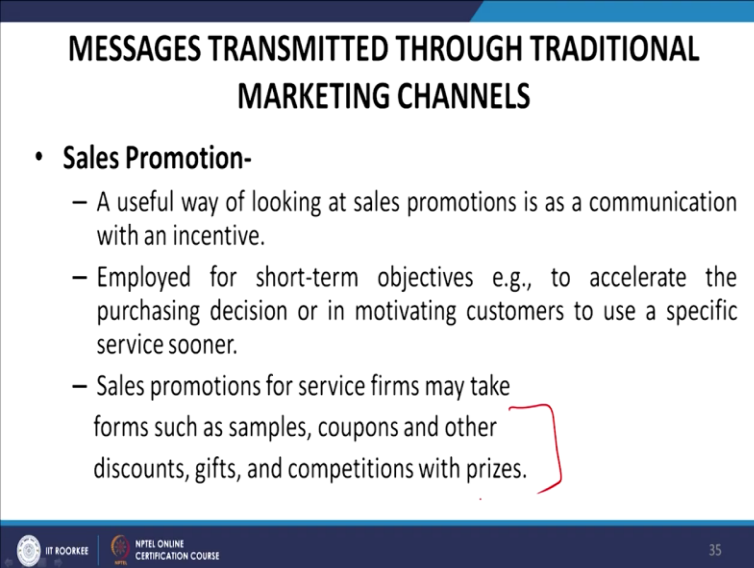
What does this direct marketing means? So, direct marketing offers the potential to send personalized messages to highly targeted micro segments. Now, you see where to use direct

marketing, when the company wants to send personalized messages to this highly targeted micro segments.

So, we are not talking of macro segments, we are talking of micro segments. So, when there is a need to send personalized messages to this highly targeted micro segments. So, then this direct marketing is used. This category embraces tools such as mailing, email sent text messaging. Direct strategies will most likely succeed when marketers possess a detailed database of information about prospects and customers.

So, 1 is 1 thing is that that is needed is the detail database of this prospect and customers, 1, second, then there is a need to send those personalized messages to this highly targeted micro segments. So, we are not talking of a database that include lakhs and lakhs of addresses and names. So, we are talking of some micro segments, just getting the information about, about them and then sending them personalized messages such as emails and text messages.

(Refer Slide Time: 23:22)



MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Sales Promotion-**
 - A useful way of looking at sales promotions is as a communication with an incentive.
 - Employed for short-term objectives e.g., to accelerate the purchasing decision or in motivating customers to use a specific service sooner.
 - Sales promotions for service firms may take forms such as samples, coupons and other discounts, gifts, and competitions with prizes.

BIT ROORKEE NITEL ONLINE CERTIFICATION COURSE 35

Another important method of this marketing channel is sales promotion. So, these are these types of elements, they are also available for the for product marketers also, but in services marketing there they can be used to in a different way. So, a useful way of looking at sales promotion is as a communication with an incentive. So, they are employed for short term objectives for example, to accelerate the purchasing decision or in motivating customers to use a specific service sooner.

So, this sales promotion they are used to achieve certain kind of short term objectives. For example, you want customers to accelerate their purchasing decision and they want to and to make them use a specific service sooner. So, sales promotion for service forms may take forms such as samples, coupons and other discount gifts and competition, competition with prizes. So, these are some of the things that are used by product companies. So, far as sales promotion is concerned. So, they hand out free samples and coupons and other discounts and gifts and competition where there are several prizes.

(Refer Slide Time: 24:27)

MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Personal Selling-**
 - Interpersonal encounters in which efforts are made to educate customers and promote a particular brand or product are referred to as personal selling.
 - Firms in business-to-business services maintain a sales team or employ agents and distributors to undertake personal selling efforts on their behalf.



  36

Then what have what is this personal selling. So, interpersonal encounters in which of course are made to educate customers and promote a particular brand or product are referred to as personal selling. So, in these are interpersonal encounters, so there are these 2 people, the customers and the employees.

So this interpersonal encounter is important here. So, forms and business to business services, maintain a sales team or employ agents and distributors to undertake personal selling efforts on their behalf. So, it is much more easier in in business to business services to do this personal selling and companies they employ, they have their own sales team or they employ agents and distributors to be in touch with the with the customers.

(Refer Slide Time: 25:14)

MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Public Relations-**
 - PR involves efforts to stimulate positive interest in an organization and its products by sending out news releases, holding press conferences, staging special events, and sponsoring newsworthy activities put on by third parties.
 - PR tools can help a service organization build its reputation and credibility, form strong relationships with its employees, customers and the community.



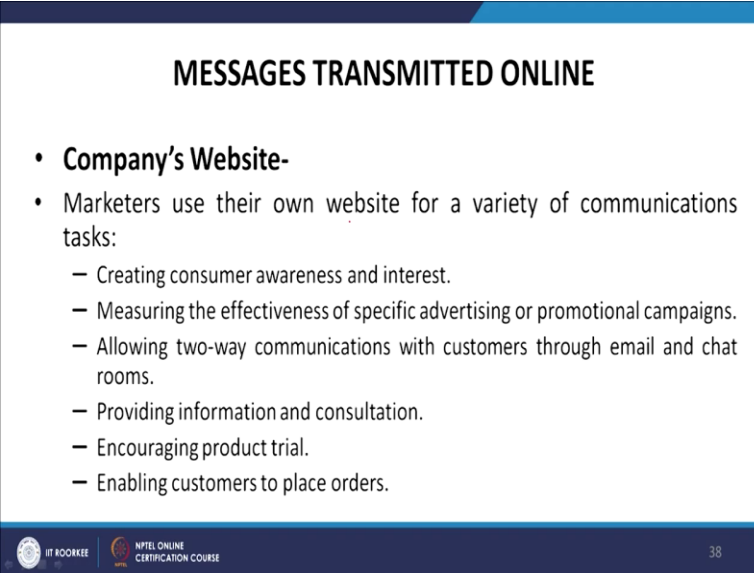
IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 37

Another type of element of this services marketing communication mixes public relations. So, this PR involves efforts to stimulate positive interest in an organization. So, what do what this personal public relation is supposed to do is to generate positive interest in this organization and its product by sending out news releases, holding press conferences, is staging a special events and is sponsoring newsworthy activities put on by third parties.

So, here what we are trying to do is through this public relations, they stimulate the positive interest in the organization. So, that is the only thing that this regulation is supposed to do, and how they do that, by sending out news releases, holding press conferences, staging special events sponsoring newsworthy activities.

So, PR tools can help a service organization builds its reputation and credibility, forming strong relationships with employees, customers and the community. So, this PR tool is not to sell something, but to build a reputation and credibility and form strong relationships with the employees, the customers and the community. So, the basic purpose of public relations is not to sell something.

(Refer Slide Time: 26:31)



MESSAGES TRANSMITTED ONLINE

- **Company's Website-**
- Marketers use their own website for a variety of communications tasks:
 - Creating consumer awareness and interest.
 - Measuring the effectiveness of specific advertising or promotional campaigns.
 - Allowing two-way communications with customers through email and chat rooms.
 - Providing information and consultation.
 - Encouraging product trial.
 - Enabling customers to place orders.

IT ROOKIE NPTEL ONLINE CERTIFICATION COURSE 38

Then messages that can be transmitted online. So, let us talk about the company's website. So, marketers use their own website for a variety of communication tasks. The first is to create consumer awareness and interest. Second is measuring the effectiveness of a specific advertising or promotional campaigns allowing a 2 way communication with customers through email and chat rooms providing informations. Providing information and consultation encouraging product trial enabling customers to place order. So, this company's website is used for these variety of purposes not only to come to generate consumer awareness, but also it can enable customers to place orders.

(Refer Slide Time: 27:18)

MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Online Advertising**
 - Banner Advertising
 - Many firms pay to place advertising banners and buttons on portals like Yahoo or CNN, social media websites such as Facebook and LinkedIn, and apps, online games, and advertising-funded content websites.
 - The usual goal is to draw online traffic to the advertiser's own site.



  39

Another of this kind is online advertising that is banner advertising. So, many forms pay to place advertising banners and buttons on portals like Yahoo! or CNN; social media websites, such as Facebook and LinkedIn, and apps, online games and advertising funded content website. The usual goal is to draw online traffic to the advertisers own site. So, these banner advertising banners are placed on different portals. So, when the customer clicks on it, he is taken when a person clicks on those banners he is taken to the company's website.

(Refer Slide Time: 27:55)

MESSAGES TRANSMITTED THROUGH TRADITIONAL MARKETING CHANNELS

- **Online Advertising-**
 - Search Engine Advertising
 - Search engines are a form of a reverse broadcast network.
 - Instead of advertisers broadcasting their messages to consumers, search engines let advertisers know exactly what consumers want through their keyword search, and advertisers can then target relevant marketing communications directly at these consumers.
 - Google is the leader in this space with firms like Blink and Yahoo! seeking to increase their market share.

  40

Then another kind of online advertising is search engine advertising. So, search engine are a form of reverse broadcast network instead of advertisers broadcasting their messages to customers, search engines, let advertisers know exactly what customer want through their keyword search and advertisers can then target relevant marketing communication directly to these consumers.

So, the search engines they tell what are the keywords that the customer are using in their searches and then these advertisers, they can also use those, those keywords so that they come. They also appear in the consumer searches. So, Google is a leader in this space, with forms like blink and Yahoo!, seeking to increase their market share.

(Refer Slide Time: 28:41)



MESSAGES TRANSMITTED THROUGH SERVICE DELIVERY CHANNELS

- Service firms typically control the point-of-sale and the service delivery channels, which offer service firms particularly powerful and cost-effective communications opportunities, such as-
 - Service Outlets
 - Frontline employees
 - Self-Service Delivery Points




HT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 41

Service firms typically control the point of sale, and the service delivery channels, which offer service force particularly powerful and cost effective communication opportunities such as service outlets, frontline employees, and self service delivery points.

(Refer Slide Time: 28:58)

MESSAGES TRANSMITTED THROUGH SERVICE DELIVERY CHANNELS

- **Service Outlets-**
 - Both planned and unintended messages reach customers through the medium of the service delivery environment itself.
 - Impersonal messages can be distributed in the form of banners, posters, signage, brochures, video screens, and audio.




NT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 42

Now, what the service outlet means, both planned and unintended messages reach customers through the medium of the service delivery environment itself. So, impersonal messages can be distributed in the form of banners, posters, signage, brochures, video screens and audio.

(Refer Slide Time: 29:19)

MESSAGES TRANSMITTED THROUGH SERVICE DELIVERY CHANNELS

- **Frontline Employees-**
 - Communication from frontline staff takes the form of the core service and a variety of supplementary services including -
 - Providing information.
 - Giving advice, Taking reservations.
 - Receiving payments.
 - Solving problems.
 - New customers, in particular, often rely on customer service personnel for help in learning to use a service effectively and to solve problems.



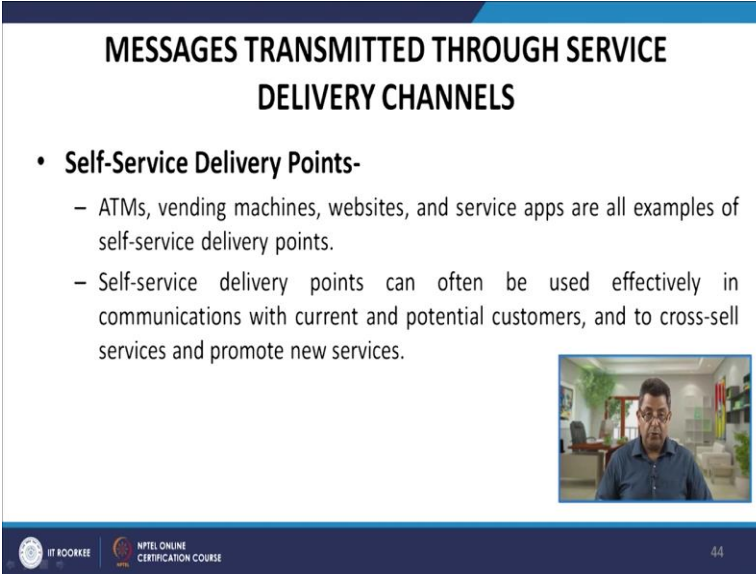
NT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 43

What does this frontline employee means? So, communication from frontline staff take the form of course service and a variety of supplementary services. So, we call the flower services, which has which had this 2 component, the core service and the supplementary services. So, this communication from frontline staff, it takes a takes the form of core service and a variety of

supplementary services, providing information to the customers giving advice, taking innovations, receiving payments and solving problems. New customers in particular often rely on customer service personnel for help in learning to use a service effectively and to solve the problems.


So, the older customers they know how to use a service. But the new customers they rely on these frontline employees so far as learning of how to use this new service and how to how to solve this problems.

(Refer Slide Time: 30:10)



MESSAGES TRANSMITTED THROUGH SERVICE DELIVERY CHANNELS

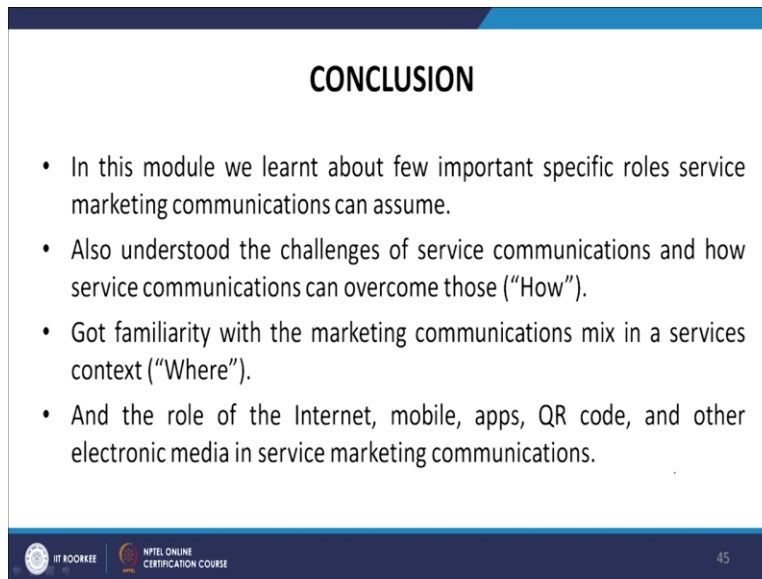
- **Self-Service Delivery Points-**
 - ATMs, vending machines, websites, and service apps are all examples of self-service delivery points.
 - Self-service delivery points can often be used effectively in communications with current and potential customers, and to cross-sell services and promote new services.



HT BCOORKEE NPTEL ONLINE CERTIFICATION COURSE 44

Then the next thing is self service delivery points, ATMs, vending machines, websites and service apps are all examples of self self service delivery points. So, self service delivery points can often be used effectively in communication with current and potential customers and to cross sell services and promote new services. So now, you see that these machines or websites and service apps they can be used effectively in communication with the current and potential customers and to cross sell the services and also to promote new services.

(Refer Slide Time: 30:45)



CONCLUSION

- In this module we learnt about few important specific roles service marketing communications can assume.
- Also understood the challenges of service communications and how service communications can overcome those (“How”).
- Got familiarity with the marketing communications mix in a services context (“Where”).
- And the role of the Internet, mobile, apps, QR code, and other electronic media in service marketing communications.

IT ROORKEE NPTEL ONLINE CERTIFICATION COURSE 45



In order to conclude this module. In this module, we have learned about few important is specific role service marketing communication can assume we have also right to under understand the challenges of service communication and how service communications can overcome those.

So, that is another element of the integrated services marketing communication. Then we got familiar with the marketing communication mix in the service context that is where, and the role of the internet, mobile apps, QR code, and other electronic media in the service marketing communication.

(Refer Slide Time: 31:20)

REFERENCES

- Wirtz, J., Lovelock, C., & Chatterjee, J. (2017) *Services Marketing: People Technology Strategy*, Pearson Education, Eighth Edition.
- Zeithaml, V. A., Bitner, M. J., Gremler, D. D., and Pandit, A. (2009) *Services Marketing: Integrating customer focus across the firm*, Tata McGraw-Hill Education Pvt. Ltd., Fourth Edition.
- Hoffman, K. D., & Bateson, J. E. G. (2007) *Services Marketing : Concepts, strategies, & cases*, Thomson Publication, Third Edition.

 IIT KHARAGPUR  NPTEL ONLINE CERTIFICATION COURSE 46

These are the 3 books that were used to take material for this module. Thank you.