



7 P'S OF SERVICE MARKETING

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Introduction of the Topic

Traditional 4 P's

- ✓ ***Product***
- ✓ ***Price***
- ✓ ***Place***
- ✓ ***Promotion***

Extended 3 P's

- ✓ ***People***
- ✓ ***Process***
- ✓ ***Physical Evidence***

*“Services are something which can be bought or sold,
but which you cannot drop on your foot”*

What is Service Marketing?

“A service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product” **-PHILIP KOTLER**

Examples of Services→

Telephone (Voice) & Data Services (e.g. Telkom, MTN, etc.)

Hotel Accommodation (e.g. Le Meridian, Taj Hotel)

Airlines (e.g. Air India, Jet Airways, Kingfisher Airline)

Financial Services Companies (e.g. ABSA, Allan Gray, etc.)

Internet Service Providers (e.g. TCISL, Reliance, BSNL)



Characteristics of Services→

- Intangibility
- Inseparability
- Perishability
- Variability
- Ownership not trans



INDIAN SERVICE SECTOR→

- ❑ The Services Sector contributed only 15% to the Indian GDP in 1950.
- ❑ Today the service sector is contributing more than half of the Indian GDP.
- ❑ The services sector has been growing at a rate of 8% per annum in recent years.

7 P'S OF SERVICE MARKETING



PRODUCT



PRICE



PLACE



PROMOTION



PEOPLE



PHYSICAL EVIDENCE



PROCESS

PRODUCT →

Product can be anything that can be offer to the market to satisfy want or need.

- Quality**
- Brand Name**
- Range**
- Features**

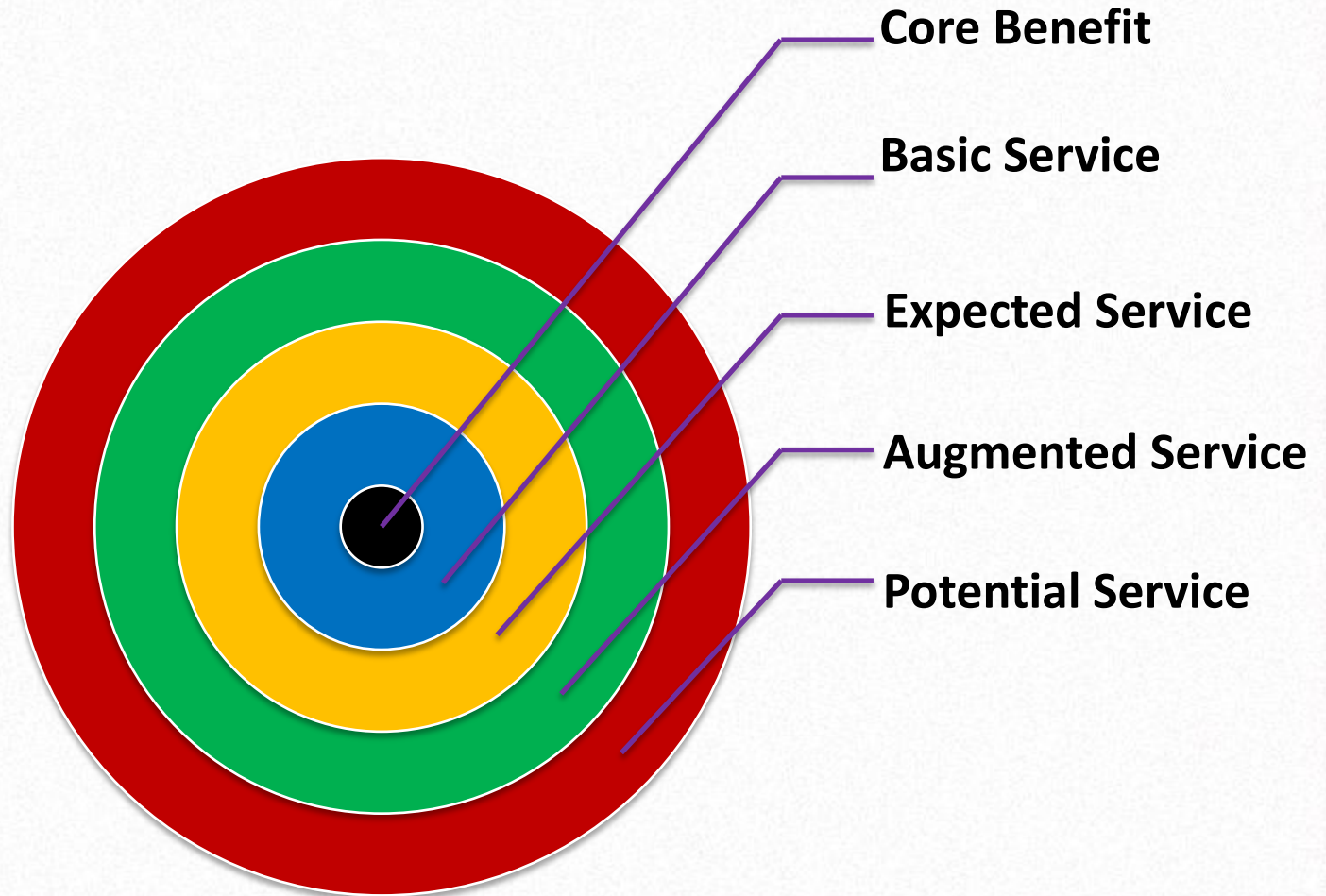


Services



Goods

Services Product Concept →



PRICE→

“The exchange value of a product or service expressed in terms of money”

- Discount
- Credit Terms
- Payment Period
- Margin

Terms used for Pricing Service→

WHAT YOU PAY (PRICE)	WHAT YOU GET (SERVICE)
Interest	Use of Money
Fare	Taxi ride, Airline flight
Tariff	Utilities
Premium	Insurance



Pricing Strategy →



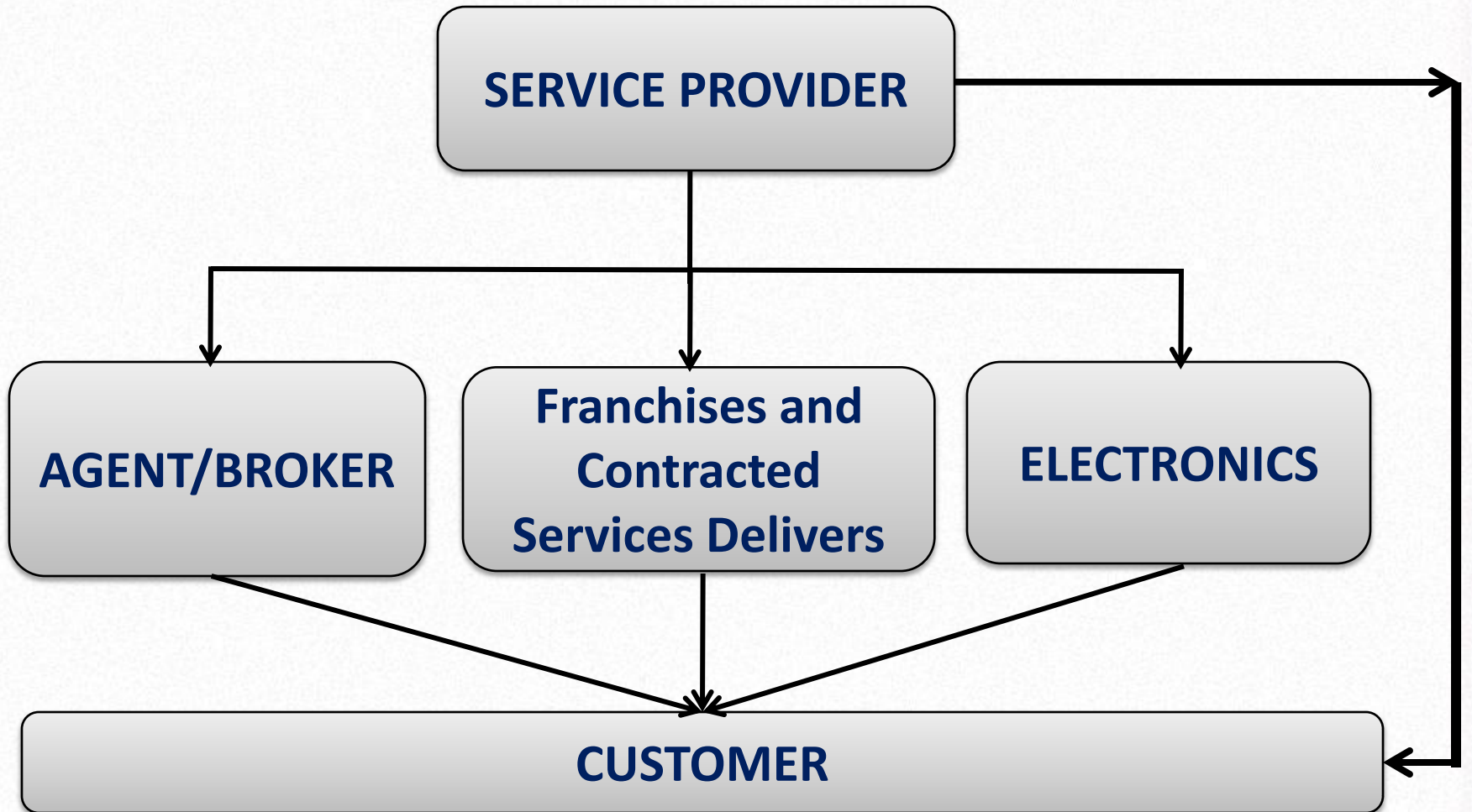
PLACE →

“A marketing channel is a system of relationship existing among business that participate in the process of buying and selling product and services”

- Location**
- Channel**
- Internet**



Channels Of Services →



PROMOTION →

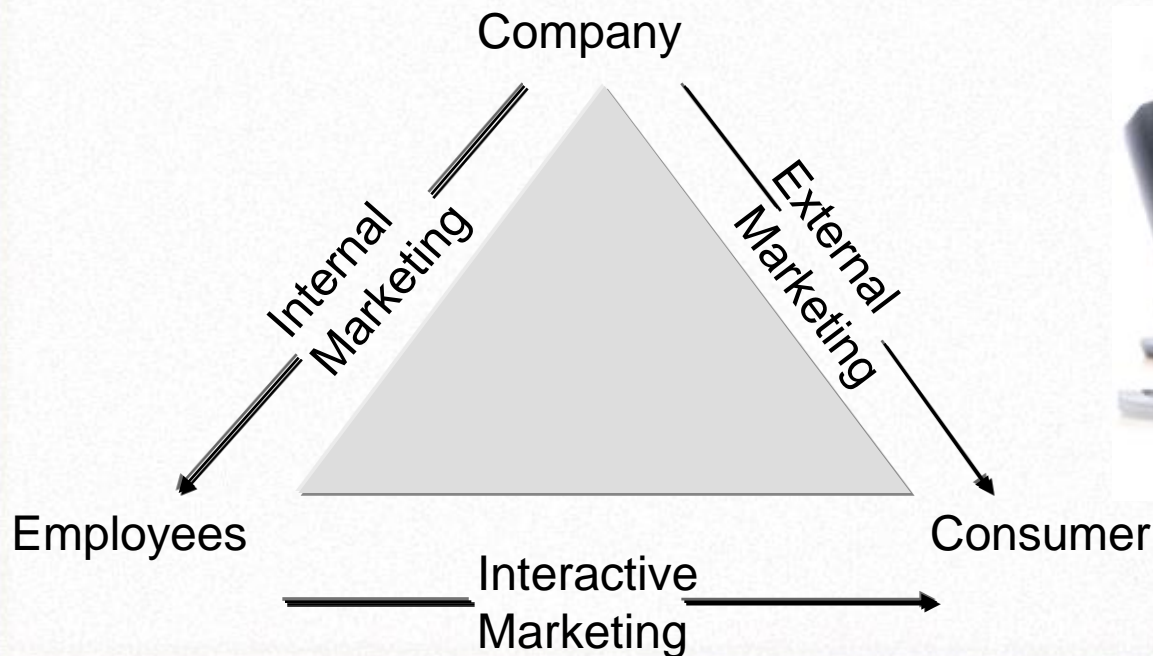
Promotion is a persuasive communication about the product by the offered to the prospects.

- Sales Promotion**
- Advertising**
- Direct Marketing**
- Public Relation**
- Personal Selling**
- Word of Mouth**
- Tele-Marketing**



PEOPLE →

- **People** refer to the human capital of the firm.
- These individuals should possess the required technical skills, good interpersonal skills and positive attitudes that can become a key competitive advantage for the firm.



PHYSICAL EVIDENCE →

The environment in which the service is delivered and where the firm and the customers interact; and any tangible commodities that facilitate performance or communicate the service.

It includes the appearance of

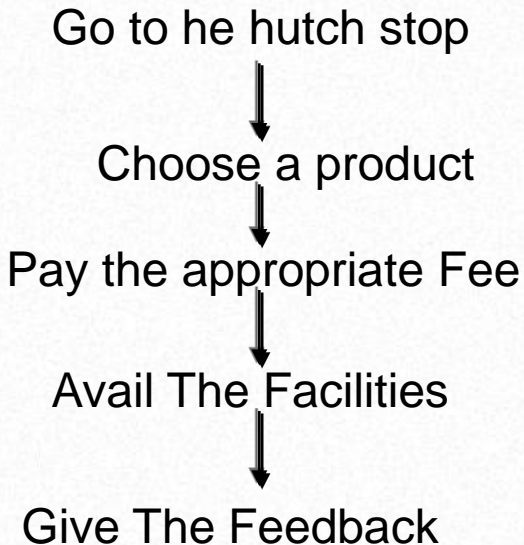
- Infrastructure
- Interior Furnishing,
- Equipment,
- Uniforms,
- Signs,
- Printed Materials



PROCESS→

Process is referred to the procedures, mechanisms and flow of activities by which the service is delivered i.e. the service delivery and operating systems.

EX: Process of taking a postpaid Connection





Tata Communications Internet Service Ltd

PRODUCT

Tata Indicom Broadband
Tata Indicom Extra



PRICE

MRP	USAGE VALUE	VALIDITY (in Days)	BONUS VALUE
200	181	7	n/a
300	274	30	n/a
500	453	30	n/a
700	634	90	n/a
1000	906	90	n/a
1750	1586	90	50
3500	3173	180	175
6500	5893	360	450
12000	10879	360	1100

PLACE

Internet Website
Company's Outlets
<http://www.tataindicombroadband.com>



PROMOTION

By subscribing One Year Plan of
Broadband,
3 month's subscription is Free



PEOPLE

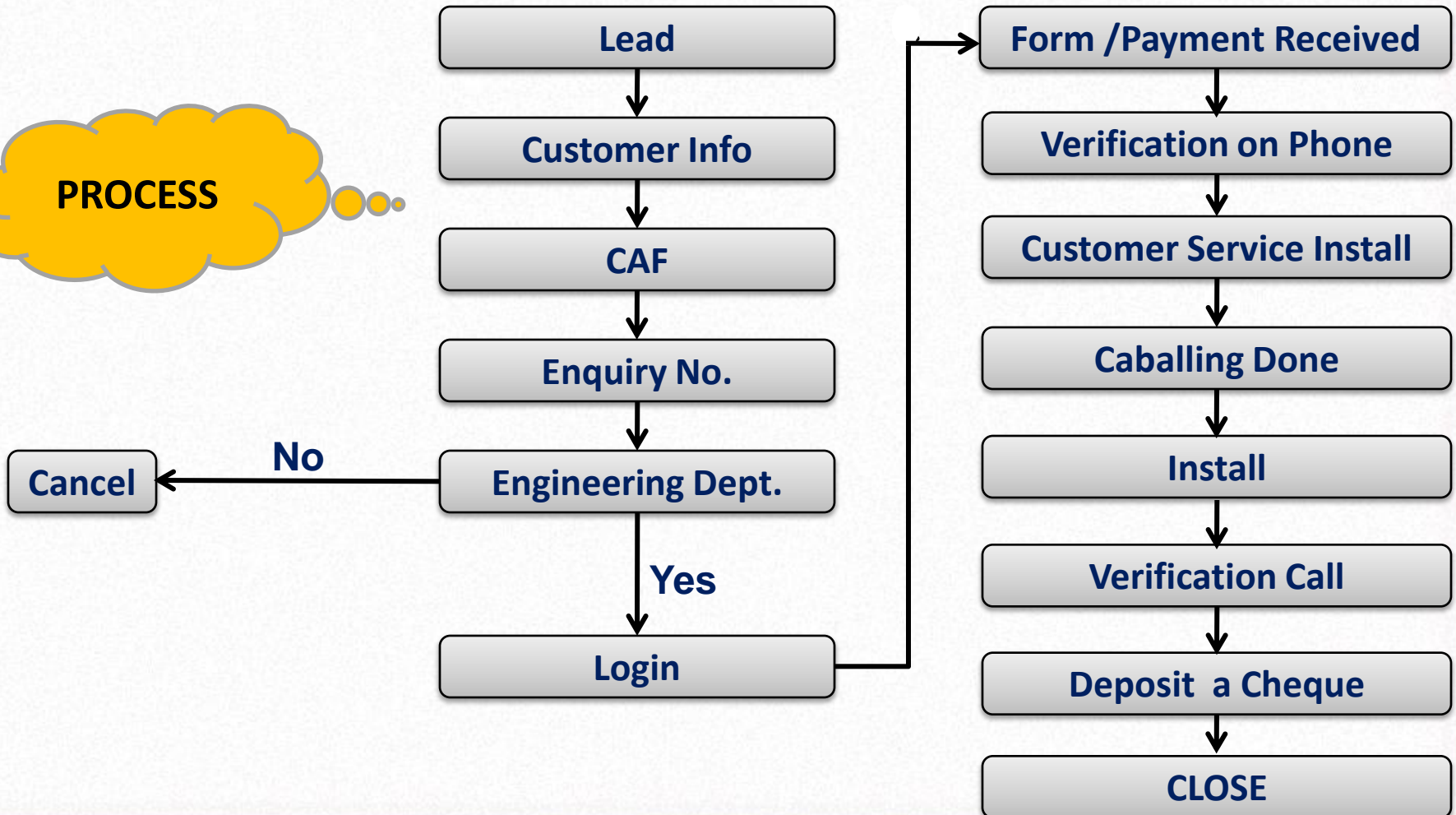
Sales/Marketing Manager
Tele callers
Customer Care Executive



**PHYSICAL
EVIDENCE**

- ✓ **Leaflets**
- ✓ **Broachers**
- ✓ **Demo Room**

PROCESS



CONCLUSION

- ❑ In services, the last experience remains uppermost in your mind. Therefore, it is not enough to be good, you have to be consistently good.
- ❑ Service Marketing is harder than Product Marketing(Goods).
- ❑ 7 P's of Service Marketing is very important to the growth of service sector in India.



QUESTIONS ARE WELCOME

THANK
YOU

for your attention....

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