

TRENDS IN SERVICES MARKETING

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ABSTRACT

Service differs from product marketing due to the fact marketing that services are intangible and typically require personal interaction with the customer. Yet an understanding of this type of marketing is important since service jobs generate 74 percent of gross domestic product. Even though many of the tactics of product marketing (e.g., advertising) require only minor adaptation to be applied to services, the role of interpersonal relationships distinguishes service and product marketing in strategic vision and organizational considerations.

This article explores some of the trends in service marketing as they relate to strategic vision, operational and organizational changes, and marketing tactics. In terms of strategic vision, examples are provided of companies that have successfully redefined their businesses as broader systems of services built on competitive core competencies. It then goes on to describe the need for a market- driven culture, the use of training and incentives in making the transition, the role of product management in enabling a cross functional perspective necessary for quality service to become a reality, and the significance of “mood” or climate. Finally, it presents comments on new service development, segmentation, database marketing, channels, and advertising as these relate to marketing in the service sector.

KEY WORDS: marketing, service, product.

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