

**MARKETING: SERVICES VS. PRODUCTS
AND HOW TO EXPERTLY MARKET YOUR SERVICES**
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**VMI: MANAGEMENT
SUCCESS FACTORS**

First, we must look at the very nature of services and how they must be marketed in a different way from tangible products. Since service products are intangible, service knowledge is acquired by consumers in a different manner. In the end, we know that what a customer is actually purchasing when they buy a service is an experience.

One significant model, the Servuction Model, is a simple tool marketers use to illustrate the factors that can influence a service experience (Langeard et al. 1981). The model consists of four factors that directly influence any customer's service experience:

1. **The Servicescape:** The physical evidence can include such things as room temperature (ambient conditions), business equipment and furnishings (inanimate objects), and signs and symbols (other physical evidence).
2. **Contact Personnel:** Service personnel serve two important roles, because they both interact with customers and report back to the internal organization.
3. **Other Customers:** Other customers can be active or passive, enhancing or detracting from the customer's service experience.
4. **Organizations and Systems:** These reflect the rules, regulations, and processes upon which the organization is based. It is important to recognize that the customer's evaluation of services is often based not just on outcomes but also on processes.

To understand why marketing differences exist between services and products, we must understand the four unique characteristics of services, including:

1. **Intangibility:** Services cannot be seen, felt, tasted, or touched in the same manner as tangible goods.
2. **Inseparability:** This characteristic reflects the total interconnection between the service provider and the service user.
3. **Heterogeneity:** Each service transaction is different, and as a result there can be tremendous variation in service consistency.
4. **Perishability** – services cannot be saved, stored, or inventoried.

Finally, it is essential to understand the roles that people and climate play in delivering high-quality service. It is important to use behavioral modeling and rewards as tools to improve service delivery, and it is also important to understand the role of management.

References

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