

# Services Marketing

## Chapter 4: Developing Service Products: Core and Supplementary Elements





# Recap

- **What does distinguish services from goods?**
- **What are the 7Ps of services?**
- **Explain the three-stage model of service consumption**
- **Can you explain the expectancy-disconfirmation model of satisfaction?**

# Planning and Creating Service Products

**Why do you go to Starbucks?**

# Service Products

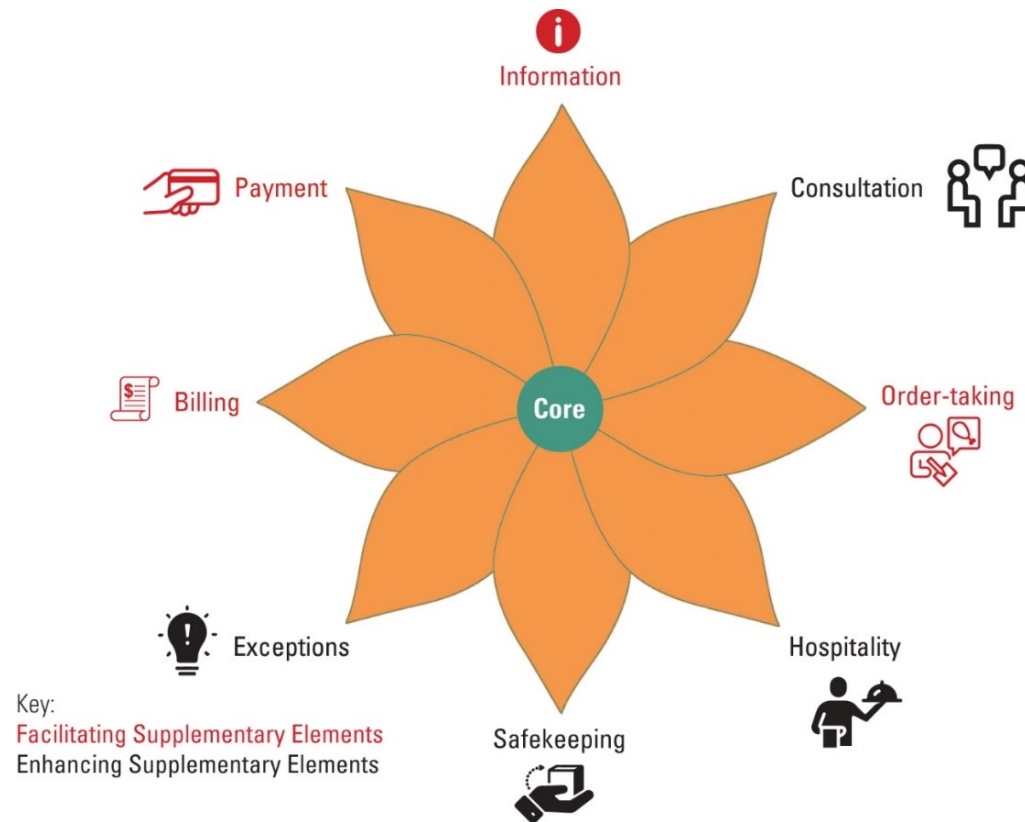
A service product comprises of all elements of service performance, both tangible and intangible, that create value for customers.

Service products consist of:

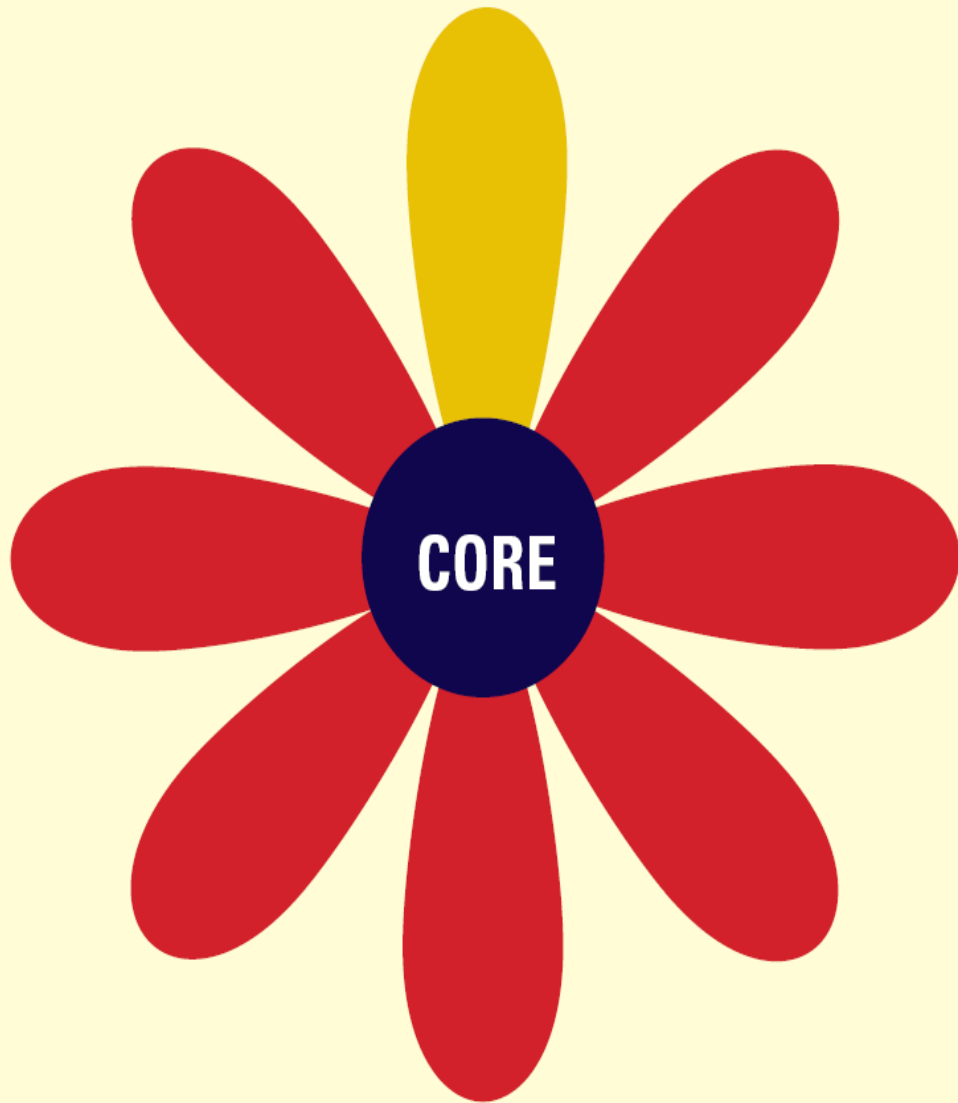
- **Core Product** → central component that supplies the principal, problem-solving benefits customers seek
- **Supplementary Services** → augments the core product, **facilitating** its use and **enhancing** its value and appeal
- **Delivery Processes** → used to deliver both the core product and each of the supplementary services

# The Components of a Service Product

- Creating a service product requires designing and integrating the following three components:



# Facilitating Services – Information



- Directions to service site
- Schedules/service hours
- Prices
- Reminders
- Warnings
- Conditions of sale/service
- Notification of changes
- Documentation
- Confirmation of reservations
- Summaries of account activities
- Receipts and tickets



# Facilitating Supplementary Services: Information

Twitter Terms of Service

Download: Twitter User Agreement



## 1. Who May Use the Services

### 2. Privacy

### 3. Content on the Services

### 4. Using the Services

### 5. Disclaimers and Limitations of Liability

### 6. General

## 1. Who May Use the Services

You may use the Services only if you agree to form a binding contract with Twitter and are not a person barred from receiving services under the laws of the applicable jurisdiction. In any case, you must be at least 13 years old, or in the case of Periscope 16 years old, to use the Services. If you are accepting these Terms and using the Services on behalf of a company, organization, government, or other legal entity, you represent and warrant that you are authorized to do so and have the authority to bind such entity to these Terms, in which case the words "you" and "your" as used in these Terms shall refer to such entity.

## 2. Privacy

Our [Privacy Policy](https://www.twitter.com/privacy) (<https://www.twitter.com/privacy>) describes us when you use our Services. You understand that through your collection and use (as set forth in the Privacy Policy) of this information to the United States, Ireland, and/or other countries and its affiliates.

ACADEMICS

RESEARCH

THIRD MISSION

ADMINISTRATION

How to reach us | [How to Reach Tor Vergata School of Economics](#)



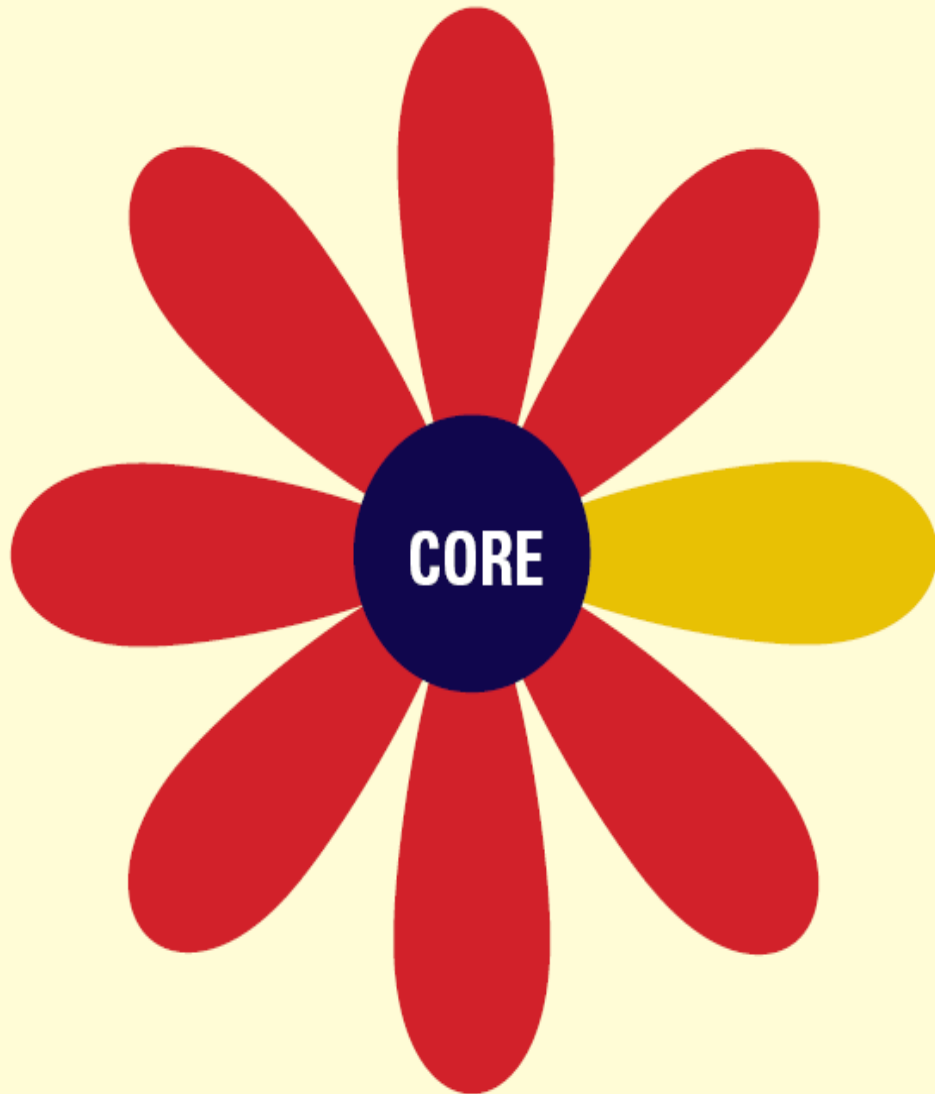
### How to Reach Tor Vergata School of Economics

*How you can reach Tor Vergata's School of Economics by train, metro and bus.*

Tor Vergata's Rectorate can be reached directly with the dedicated [Bus Shuttle Service](#). For info on how to reach the proximities please click on "Directions" in the Google Maps frame below.



# Facilitating Services – Order-Taking



<https://www.3570.it/services>

## Applications

- Memberships in clubs/programs
- Subscription services (e.g., utilities)
- Prerequisite based services (e.g., financial credit, college enrollment)

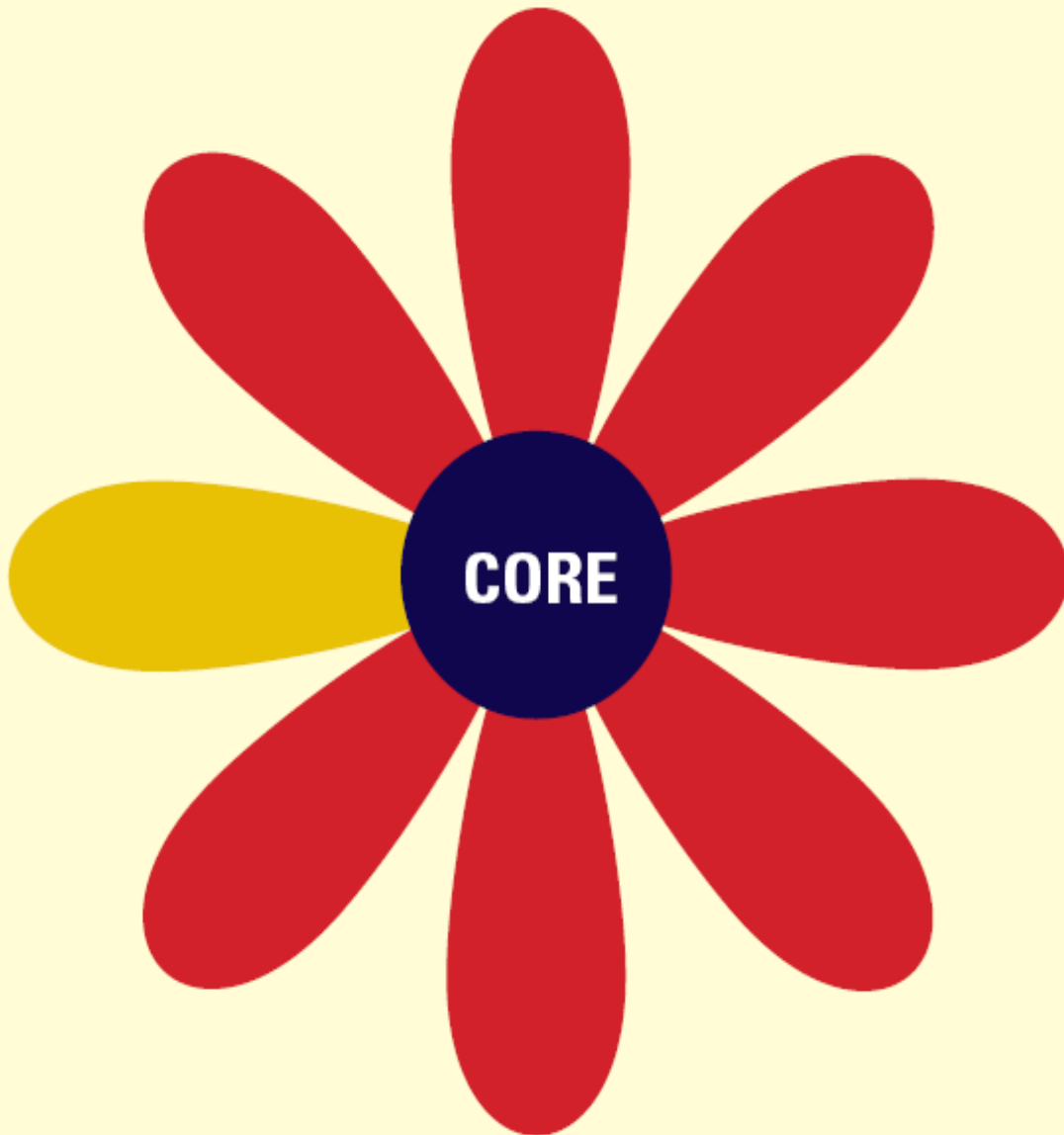
## Order Entry

- On-site order fulfillment
- Mail/telephone/e-mail/web order

## Reservations and Check-in

- Seats/tables/rooms
- Vehicles or equipment rental
- Professional appointments

# Facilitating Services – Billing



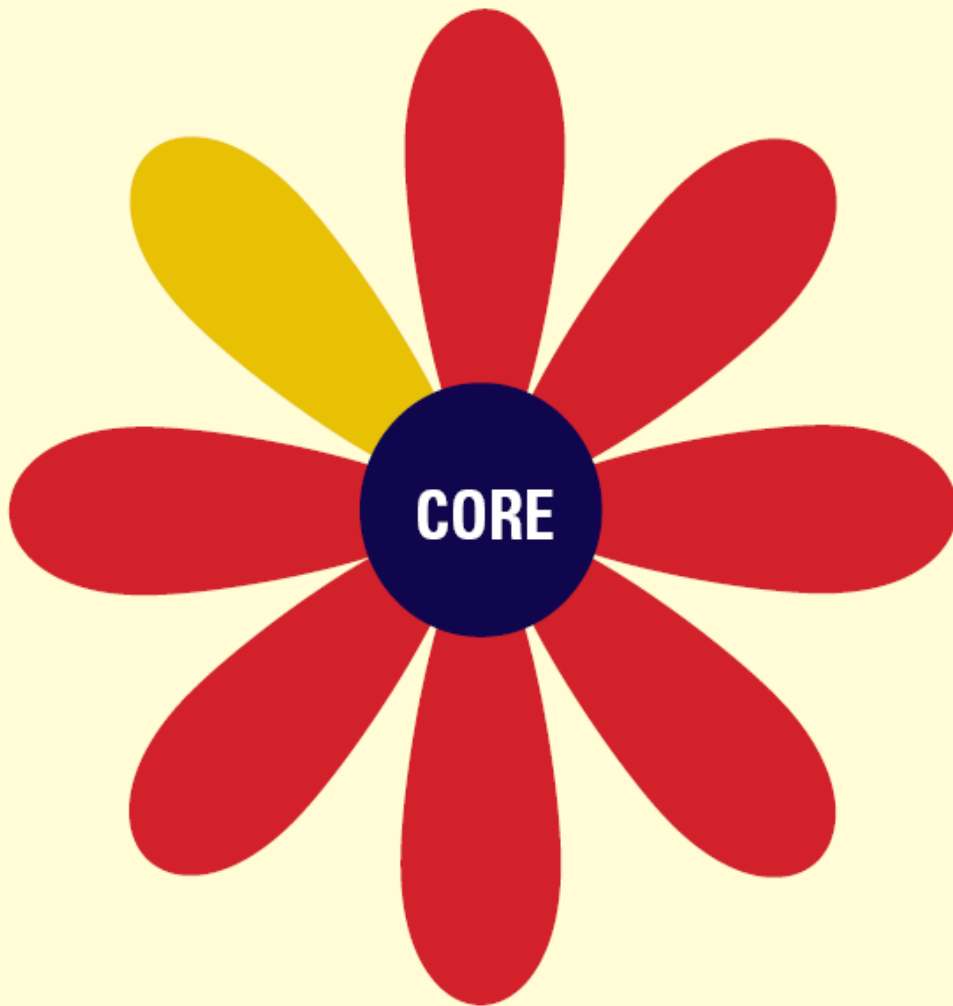
- Periodic statements of account activity
- Invoices for individual transactions
- Verbal statements of amount due
- Self-billing (computed by customer)
- Machine display of amount due

[https://www.amazon.it/gp/your-account/order-history?ref\\_=ya\\_d\\_c\\_yo](https://www.amazon.it/gp/your-account/order-history?ref_=ya_d_c_yo)



# Facilitating Services – Payment

<https://www.youtube.com/@amazonpayments>



## **Self-Service**

- Insert card, cash or token into machine
- Electronic funds transfer
- Mail a check
- Enter credit card number online

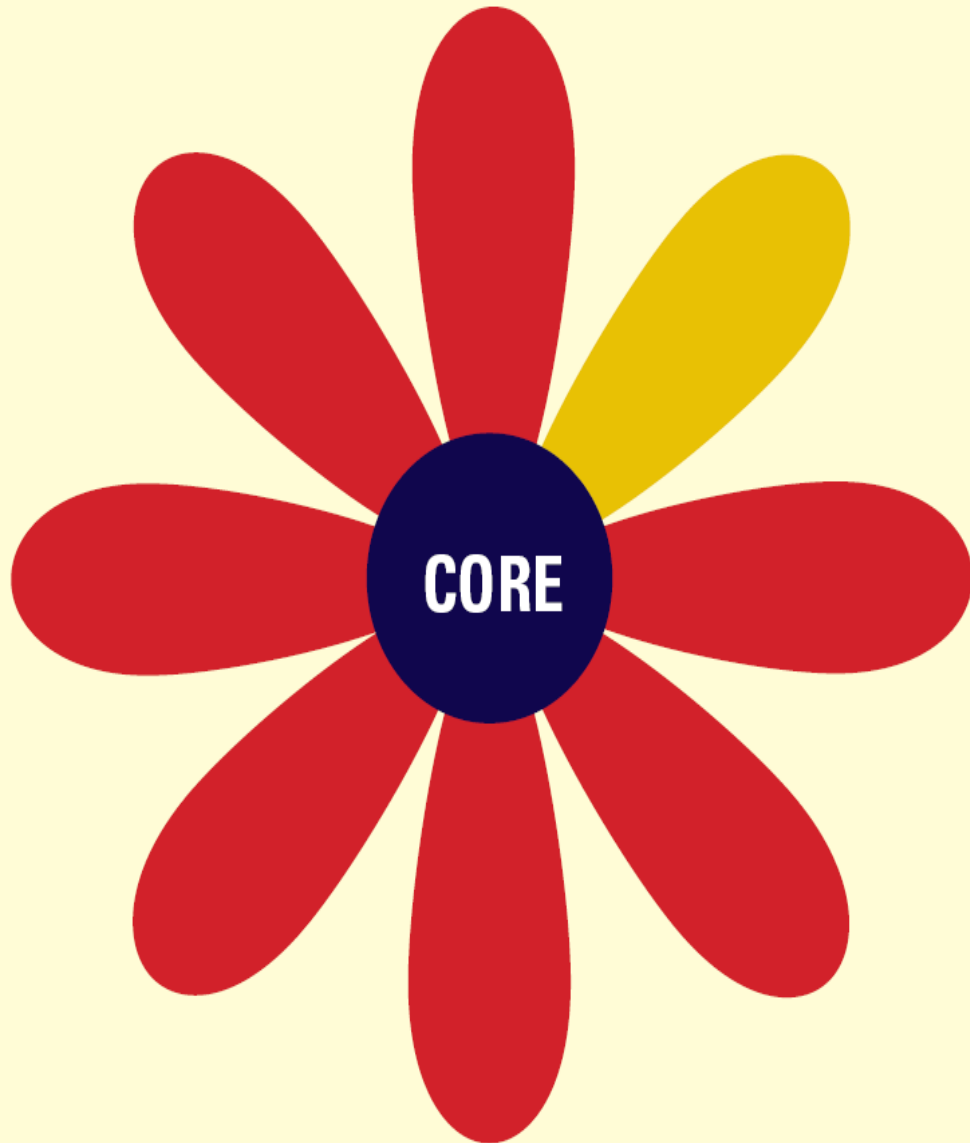
## **Direct to Payee or Intermediary**

- Cash handling or change giving
- Check handling
- Credit/charge/debit card handling
- Coupon redemption

## **Automatic Deduction from Financial Deposits**

- Automated systems (e.g., machine readable tickets that operate entry gate)
- Human systems (e.g., toll collectors)

# Enhancing Services – Consultation

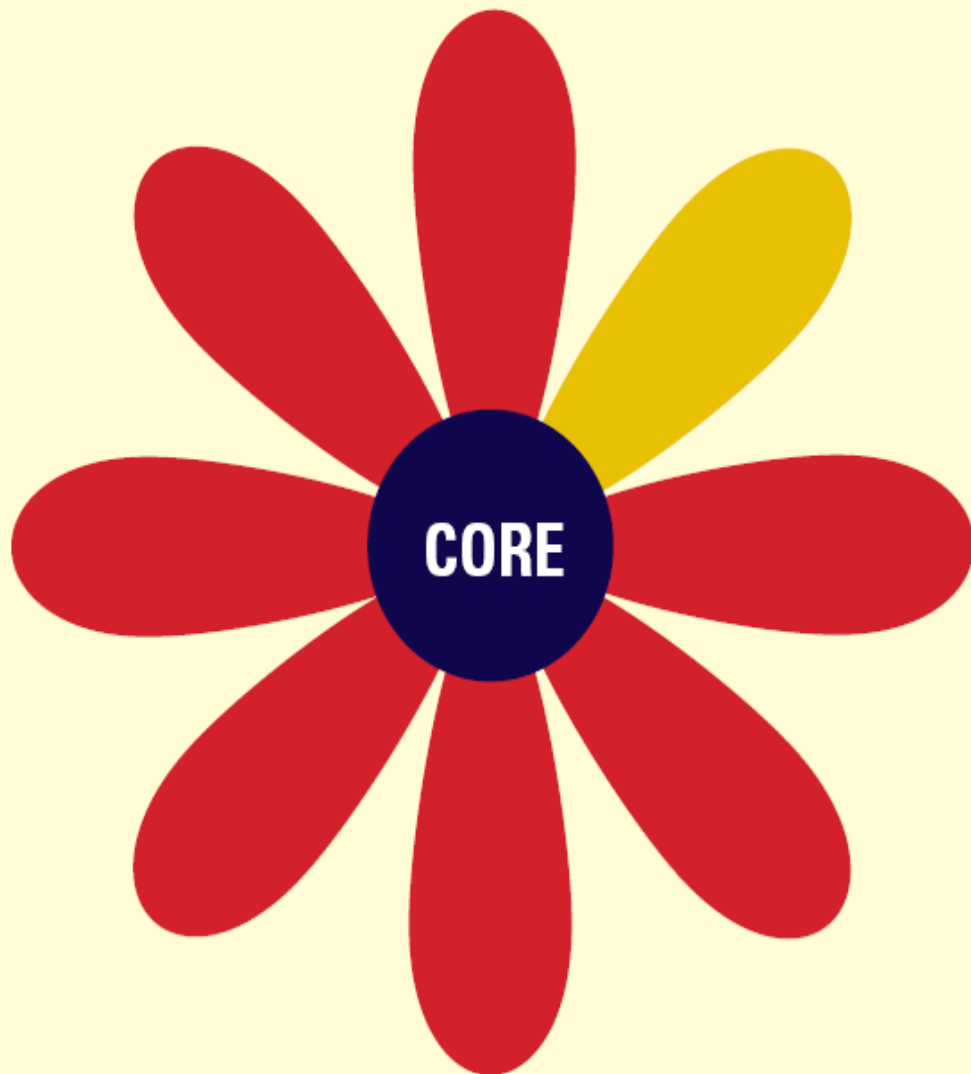


- Customized advice
- Personal counseling
- Tutoring/training in product use
- Management or technical consulting

<https://www.youtube.com/watch?v=e0KCLwixT-M>

<https://www.youtube.com/watch?v=sOdbfg4XwAk>

# Enhancing Services – Hospitality



**Greeting**

**Food and beverages**

**Toilets and washrooms**

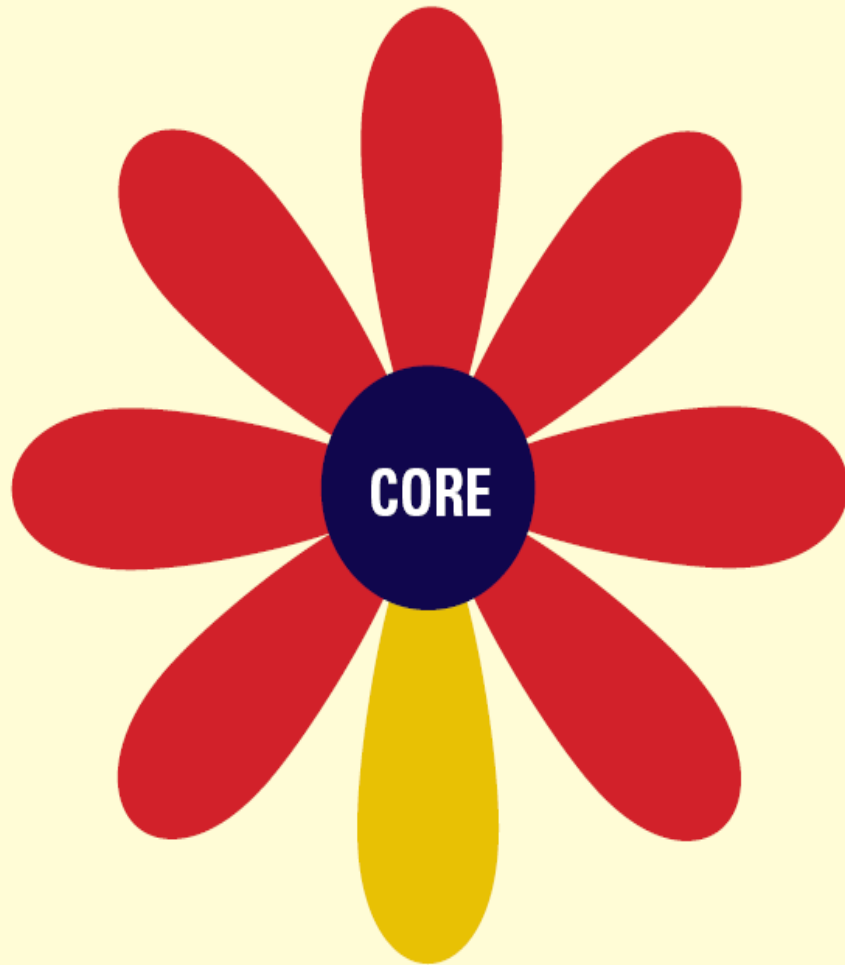
**Waiting facilities and amenities**

- Lounges, waiting areas, seating
- Weather protection
- Magazines, entertainment, newspapers

**Transport**

**Security**

# Enhancing Services – Safekeeping



## Caring for Possessions Customer Bring with Them

- Child care, pet care
- Parking for vehicles, valet parking
- Coat rooms
- Baggage handling
- Storage space
- Safe deposit boxes
- Security personnel



# Enhancing Supplementary Services

**Exceptions — supplementary services that fall outside the routine of normal service delivery.**

[https://www.youtube.com/watch?v=WphIXqTp\\_es](https://www.youtube.com/watch?v=WphIXqTp_es)





# Managing the Flower of Service

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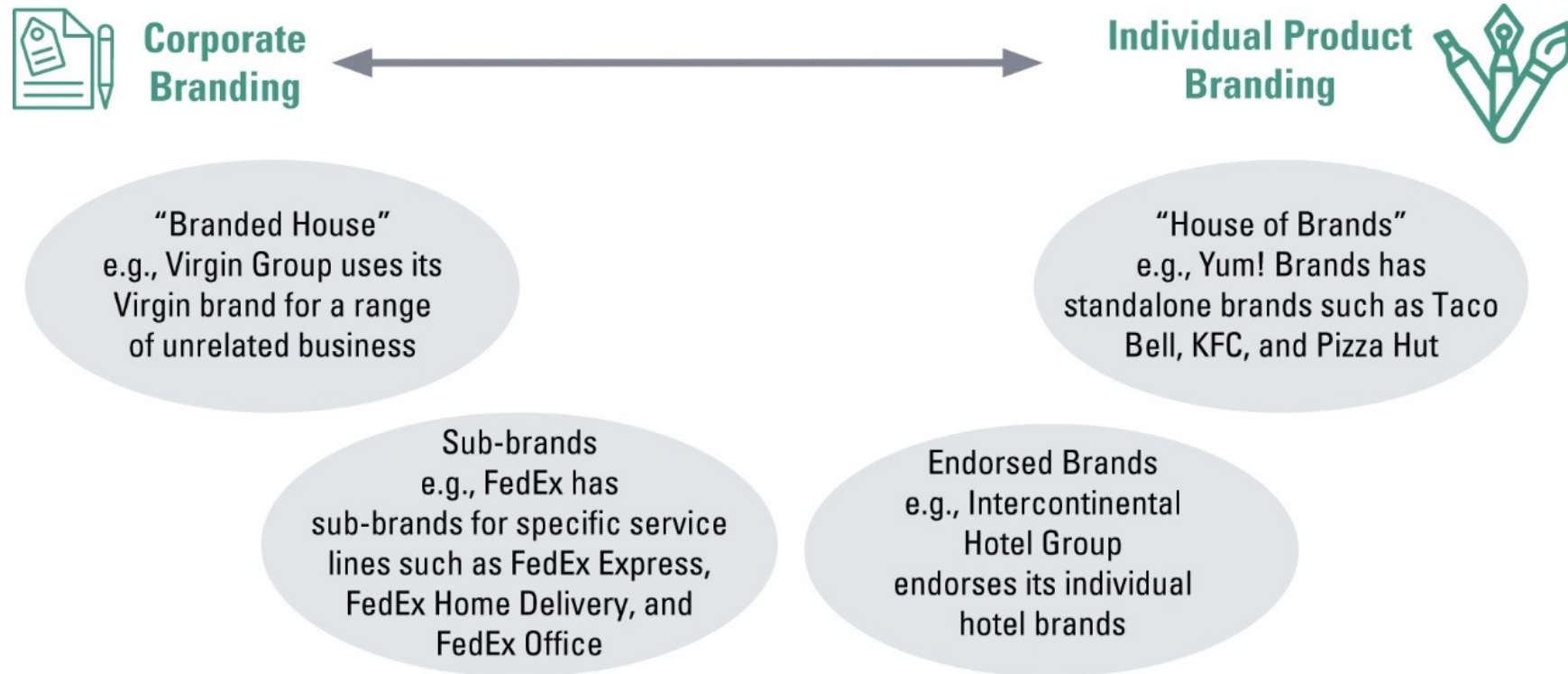
- **The eight categories of supplementary services that form the “Flower of Service” collectively provide many options for enhancing core products.**
- **Not every core product is surrounded by supplementary elements from all eight petals.**

# Branding Services

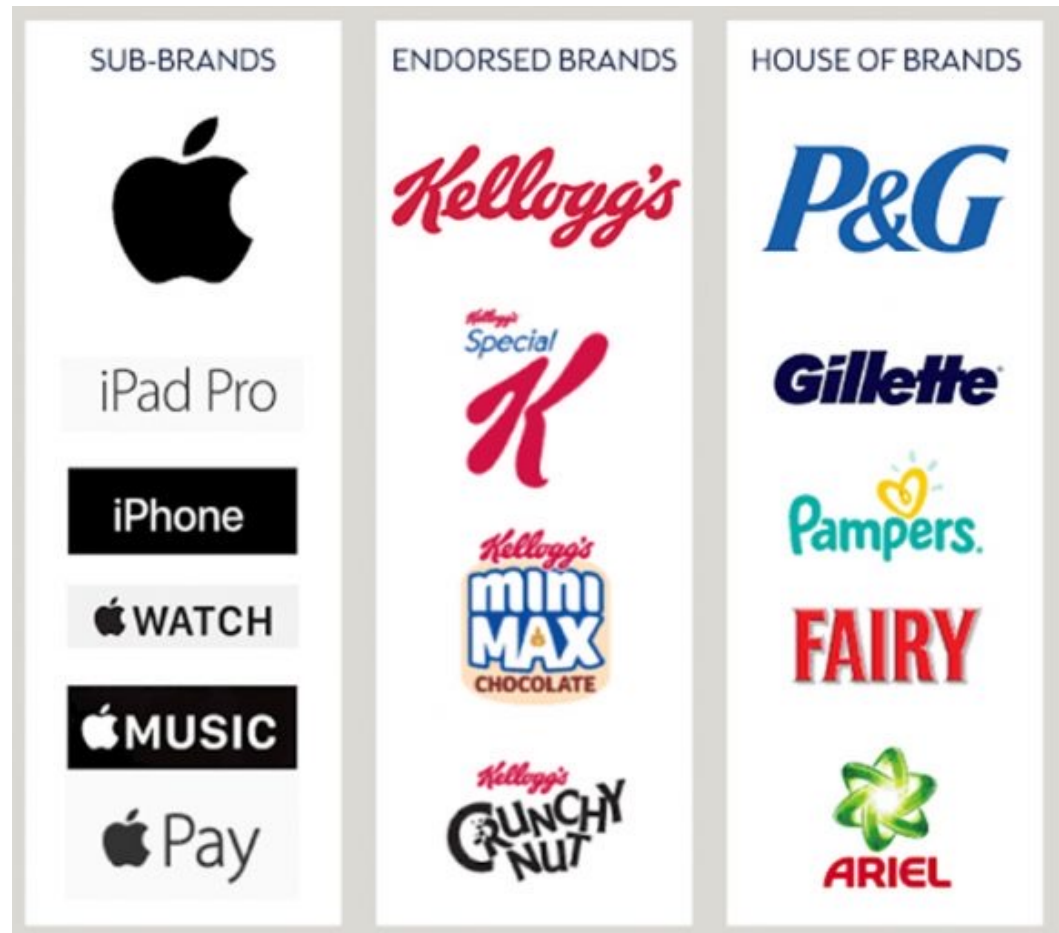
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- **Branding helps marketers**
  - to establish a mental picture of the service in customers' minds and
  - to clarify the nature of the value proposition.

# Service Brand Architecture at the Corporate Level



# Example



Source: <http://marktruelson.com/from-chaos-to-clarity-the-architecture-of-your-brand/>

# Offering a Branded Experience

**Branding can be employed at corporate and product levels**

- **Corporate brand:**

- Easily recognized,
- Holds meaning to customers,
- Stands for a particular way of doing business

- **Product brand:**

- Helps firm communicate **distinctive experiences** and benefits associated with **a specific service concept**

[https://www.ita-airways.com/en\\_gb/volare/exclusive-club.html](https://www.ita-airways.com/en_gb/volare/exclusive-club.html)