CHAPTER 4

APPROACHES OF PRACTICING PROFESSIONALS
The service organizations are blooming globally. With the tremendous potential for growth and likely to create a lot of employment all the countries will have to make best use of the opportunity. Service organizations can be started even with a very small capital and can generate some employment. Indian economy being a developing economy with a lot of unemployment should try to make best use of service sector. Indians have already been successful in the software industry, and have to make use of the opportunities available around. The service sector is best suited for our economy as it is greatly labour based, employing a lot of unskilled and semiskilled labour.

With the boom in mind it was thought that the service marketing should be studied. At the first glance it was understood that the marketing of services and the marketing of physical products are same, and therefore their should not be much problem in its marketing. But the real issue was a bit different. The steps of marketing of the physical product could be followed but due to some special characteristics of services it could not be applied in the same way. That means we have to generate some other measures so that we are able to market the services very well.

The special characteristics that the service have, which make them different from the physical product are intangibility, inseparability, heterogeneity, perishability, ownership, immediacy and individuality. These
special characteristics that differentiate them from physical product, have to be taken care of with some special effort so that the customer is satisfied.

Though the topic is very new, and a very few literature is available. The research work was done to study that, the service organizations are really facing the problems as written in the literature available or they have managed to solve their problems and have been effective in winning the customer.

As the research is exploratory in nature we have collected primary data by going to different service providers with a questionnaire. The questions asked were simple as to know their problems, which are especially due to service characteristics. As most of the literature available talks about these problems, the study was made to know what the actual service providers have to say. They were asked to answer what did they think about their product, whether it was tangible of intangible. They were asked to answer on the reliability of their product. As many a services are highly individualistic so the reliability depends on the service provider and a lot many other external and internal factors. Another question was asked to comment on the assurance of their product, as most of the literature believed that it was difficult to maintain a stable quality of services. Another question asked was about the responsiveness of their service, was it as stable as a physical product or it really differed. The responsiveness of a
physical product can be guaranteed as the picture tube of a colour television for 7 years but what about a cured patient not falling ill again or many similar problems.

Then there were questions to know what specific problems these service providers faced while delivering their service. Were they satisfied with their customers or not. Many a times when one customer is receiving the service other customers are also present. How does the behavior of one customer affect the other customers present. Then they were asked to comment on their employees. How far they were working satisfactorily and were able to satisfy their customers. Most of the organizations want their employees to give them their best to the organization. Another question asked was about price they were charging. Was it sufficient or on the higher side.

The service providing organizations were asked to comment on their frontline employee. They are supposed to be most talented and highly trained. It is also suggested that they should be very good at human relations and must be very articulate in handling the customer relation. His behaviour should be excellent. The patient is half cured by just seeing the doctor. There should be a belief in the customer that he is in the right hands. The customer should feel that he would be getting the best treatment at this place. The frontline service provider can build all these
beliefs so his place and role becomes very important. He should be properly trained and motivated to perform. This question was also asked from them to comment on training and motivation of the employees.

Another information taken was the expectation of the customers from these service providers. Were the service providers able to meet them or not. What extra efforts they were making to meet them. What new things they are planning to do in the in the coming days.

Another question was asked that, did they find customer satisfaction very difficult. How were they able to manage their relation with their customers? Then it was also asked that they were able provide some after sales service or not. And the researcher also intrigued on the type of advertising these service organizations were doing
Hospitality Service

Reliability

2
25%
Reliable according to price

1
75%
Fully reliable

Health Service

Reliability

2
8%
Reliable to customer

1
92%
Fully reliable

226
Financial services

Reliability

- 2 Not Reliable (6%)
- 1 Fully reliable (94%)

Other services

Reliability

- 2 Less Reliable (17%)
- 1 Fully reliable (83%)

227
<table>
<thead>
<tr>
<th>RELIABILITY</th>
<th>Fully Reliable</th>
<th>Reliable According to Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitality</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>Health</td>
<td>37</td>
<td>3</td>
</tr>
<tr>
<td>Financial</td>
<td>34</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>40</td>
<td>8</td>
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</table>

These organizations were asked to comment on the reliability of their product. As most of the literature believes that the reliability is very difficult to maintain in service organizations. Most of the respondents felt that their product was reliable to the extent of 100%. In hospitality services 75% of them thought their product was reliable and the other 25% thought it to be reliable according to rates. In health services again 92% of them thought their product to be reliable where as other 8% had the customer point of view and said that their services were less reliable to customer. In financial services also 94% thought there product to be reliable and 6% to be unreliable. When they were asked to comment on it, some of them were not happy with the failure of some of the financial institutions and few others thought that some of the schemes were not reliable. In other services category 83% of the providers thought their product to be reliable and 17% to be less reliable. So most of these organizations thought against the literature available.
Hospitality Service

Tangibility

15

50% Tangible

13

100% Tangible

Health Service

Tangibility

22

50% Tangible

18

100% Tangible
Financial services

Tangibility

26
100% Tangible

10
50% Tangible

Other services

Tangibility

36
100% Tangible

12
50% Tangible
The organizations were asked to comment on the tangibility of their product. As most of the literature available, believes that the services are intangibles and difficult to manage. Most of the respondents felt that their product was tangible to the extent of 100%. In hospitality services 50% of them thought their product was fully tangible (that is 100%) and the other 50% thought it to be partially tangible (that is around 50%). In health services again 16 of them thought their product to be fully tangible whereas other 10 thought it to be partially tangible. In financial services also 26 thought their product to be tangible (what could be more tangible than money) and 12 to be intangible (or 50% tangible). In other services category 36 of the providers thought their product to be fully tangible and 12 to be 50% tangible. So most of these organizations thought against the literature available.
Financial services

Responsiveness

Other services

Responsiveness

233
<table>
<thead>
<tr>
<th></th>
<th>Excellent</th>
<th>Positive and Good</th>
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<tr>
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<td>6</td>
<td>22</td>
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<tr>
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<td>4</td>
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<td>Financial</td>
<td>12</td>
<td>24</td>
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<tr>
<td>Others</td>
<td>22</td>
<td>26</td>
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</table>

The organizations were asked to comment on the responsiveness of their product. As most of the literature available, believes that the services are less responsive and difficult to sale. Most of the respondents felt that their product was responsiveness to the extent of 100%. In hospitality services 6 of them thought their product was fully responsiveness (that is excellent) and the other 22 thought it to be partially responsiveness (that is fairly good). In health services again 4 of them thought their product to be excellent and fully responsiveness where as other 36 thought it to be partially responsiveness or as positive and good. In financial services also 12 thought their product to be responsiveness and excellent and 14 to be fairly good in responsiveness. In other services category 22 of the providers thought their product to be fully responsiveness and 26 to be 50% in responsiveness. So most of these organizations thought against the literature available.
Hospitality Service

**Assurance**

- Excellent: Series 1 - 15, Series 2 - 13
- As far as possible: Series 1 - 1

Health Service

**Assurance**

- Excellent: Series 1 - 38
- As far as possible: Series 1 - 2
Financial services

Assurance

33
Excellent

As far as possible

Other services

Assurance

41
Excellent

7
As far as possible
The organizations were asked to comment on the assurance of their product. As most of the literature available, believes that in services assurance is difficult to give. Most of the respondents felt that their product had assurance to a very high degree. In hospitality services 15 of them thought their product to be excellent and assurance was very high where as 13 were of the view that it was as far as possible. In health services again 36 of them thought their product to be have high degree of assurance, as life is very important to all of us. The 2 who believed it the other way thought the assurance to be less due to poor machines and poor electricity supply. In financial services also 33 thought their product to have a very high level of assurance and 3 to be of the belief that the assurance was not up to the mark. In other services category 41 of the providers thought their product to have full assurance and 7 to be of the belief that
Financial services

Customer

- Repayment Of dues: 4 (33%)
- Illetrate: 3 (17%)
- No problem: 1 (33%)
- Time Problem: 2 (17%)

Other services

Customer

- Repayment Of dues: 4 (15%)
- Time Problem: 3 (17%)
- Illetrate: 2 (8%)
- No problem: 1 (60%)
These organizations were asked to comment on the various problems they face while delivering their services. As most of the literature believes that the customer satisfaction might become difficult to maintain in service organizations. Most of the respondents felt that they did not face much problem with the customers. In hospitality services 60% of them thought that the management of customer was not very difficult where as other 28% thought it to be highly priced (that created a bit dissatisfaction) and 12% customers misbehaved with the service providers. In health services again 70% of them thought that the customer are fully satisfied and are not at all a problem where as other 20% thought it to be highly priced (that created a bit dissatisfaction) and 10% customers misbehaved with the service providers. In financial services also 33% thought there had no problem with their customer and other 33% were a problem as they did not repay their dues in time or some of them did not want to repay their dues, another 17% were a problem to these institutions as they were illiterate and another 17% were those who had paucity of time and wanted
their services to be done without waiting. In other services category also 60% thought there had no problem with their customer and other 15% were a problem as they did not repay their dues in time or did not want to repay their dues, another 8% were a problem to these institutions as they were illiterate and another 17% were those who had paucity of time and wanted their services immediately.
**Hospitality Service**

**Employees**

- 20: No problem as they are fully trained
- 5: Not punctual
- 3: Wants to relax

**Health Services**

**Employees**

- 30: No problem as they are fully trained
- 5: Jealousy between Employee
- 5: Wants to relax
Financial services

Employees

<table>
<thead>
<tr>
<th></th>
<th>Series 1</th>
<th>Series 2</th>
<th>Series 3</th>
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<tbody>
<tr>
<td>No problem as they are fully trained</td>
<td>29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack cooperation</td>
<td>4</td>
<td></td>
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Other Services

Employees

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<tr>
<th></th>
<th>Series 1</th>
<th>Series 2</th>
<th>Series 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>No problem as they are fully trained</td>
<td>32</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not regular</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack cooperation</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No problem</td>
<td>Not Punctual</td>
<td>Wants to Relax</td>
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</tr>
<tr>
<td>Hospitality</td>
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<td>Health</td>
<td>30</td>
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<tr>
<td>Others</td>
<td>32</td>
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The organizations were asked to comment on the employees' behavior in the customer satisfaction process. Employees are very important for these service organizations, as they are in direct contact with the customers. As most of the literature available, believes that training and motivation of employees are very important for service organization. Most of the respondents felt that their employees are the backbone of their organization and credited the success of the organization on them. In hospitality services 20 of them thought their employees' to be excellent and were very much satisfied with their performance whereas 5 were of the view that they were not punctual and 3 of them said that they want to relax much more than required. In health services again 30 of them thought their employees' to be of high degree and very important. There were, 5 who believed that the employees were jealous of each other and hence could not give their best to the organization and yet another 5 of them said they want to relax more and work less. In financial services also 29 thought they had no problem, where as 4 of them thought that the employees lack cooperation, another 3 reported of poor industrial relation. In other services category 32 of the providers thought their employees were fully trained and hence they was no problem with them, whereas 12 of them said they are not regular on their jobs and 4 of them said that they lack cooperation.
Hospitality Service

Price

Feel it is High

2
43%

Are Satisfied

1
57%

Health Service

Price

Are satisfied

2
30%

Feel it is high

1
70%
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<th>Are Satisfied</th>
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<td>Others</td>
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Price is a very sensitive issue. It has to be handled very carefully. As this is what the customer pays in search of some satisfaction. Many a literature available believe that fixation of price is very difficult for a service organization. Being individualistic and to be delivered as quick as possible the determination of cost becomes difficult, so the fixation of price becomes difficult. In hospitality services 67% of them are satisfied with the price and the rest 33% believe the prices to be on the higher side. In health services only 30% are satisfied and 70% feel that the price charged are high. Most of them believe that the prices charged by the doctors are very high. In financial services 67% are satisfied with the price and 33% want it to come down a bit i.e. it is still high. The reason for high satisfaction in price is the cut in the interest rates on all loans from the bank. And in other services 73% feel the price to be highly competitive and the remaining 27% feel it to be on the higher side.
Hospitality Service

Behaviour of Employee

2
4%
Indifferent towards customer

1
96%
Highly Customer Oriented

Health Service

Behaviour of Employee

2
13%
Indifferent towards customer

1
87%
Highly Customer Oriented
Financial services

Behaviour of Employee

- 2: Indifferent towards customer (6%)
- 1: Highly Customer Oriented (94%)

Other services

Behaviour of Employee

- 2: Indifferent towards customer (4%)
- 1: Highly Customer Oriented (96%)
<table>
<thead>
<tr>
<th></th>
<th>Highly Customer oriented</th>
<th>Indifferent</th>
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<tbody>
<tr>
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<td>1</td>
</tr>
<tr>
<td>Health</td>
<td>35</td>
<td>5</td>
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<tr>
<td>Financial</td>
<td>34</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>46</td>
<td>2</td>
</tr>
</tbody>
</table>

The organizations were asked to comment on the behavior of their employees. As most of the literature available, believes that in services behavior of the employees are very important for the organization. In hospitality services 96% of them thought the behavior of employees to be excellent and highly customer oriented and other 4% employee’s behavior was indifferent towards customer. These were hard working employees with poor human relations. In health services 87% of them thought the behavior of employees to be excellent and other 13% employee’s behavior was indifferent towards customer. In financial services also 94% of them thought the behavior of employees to be excellent and highly customer oriented and other 6% employee’s behavior was indifferent towards customer. In other services category 96% of them thought the behavior of employees to be excellent and other 4% employee’s behavior was indifferent towards customer.
Hospitality Service

Training and Motivation of Employees

- 1: Highly Important (95%)
- 2: Not so important (5%)

Health Service

Training and Motivation of Employees

- 1: Highly Important (93%)
- 2: Not so important (7%)
Financial services

**Training and Motivation of Employees**

- 1: Highly Important (97%)
- 2: Not so important (3%)

Other services

**Training and Motivation of Employees**

- 1: Highly Important (92%)
- 2: Not so important (8%)
The organizations were asked to comment on the training and motivation of their employees. As most of the literature available, believes that in services training and motivation of the employees are very important for the organization. In hospitality services 95% of them thought the training and motivation of employees to be excellent and highly customer oriented and other 5% did not believe the training and motivation was that important. In health services 93% of them thought the training and motivation of employees to be excellent and other 7% believe that employee’s training and motivation was not that important. In financial services also 97% of them thought the training and motivation of employees to be excellent and highly customer oriented and other 3% reported it to be poor. In other services category 92% of them thought the training and motivation of employees to be excellent and other 8% did not consider it to be important.
These organizations were also asked about the customers' expectations. From the data available we find that a customer from the service provider expects following things.

1. High quality
2. Low price
3. High class service
4. Computer facility
5. Hygienic conditions
6. Hygienic food
7. Safety and security
8. Quick service
9. Good management
10. No waiting time
11. Services on holidays
12. Higher returns
13. Service should not be cumbersome
14. Better delivery etc

Another information taken was on what new facilities they are going to provide, but most of them did not have any plans. Either they were satisfied with what they were giving or they thought that it was not needed,
as the competitors were not doing so. Most of these entrepreneurs depended on the market conditions. They felt the condition was not suitable to do something new. When asked about the satisfaction of their customers, they replied that the customers were highly satisfied. About advertising, many believed in word-of-mouth advertising while many thought there was no need to advertise at all. They were of the view that the after sales service is really difficult in the marketing of services.