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## Marketing Services

by

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Service is becoming more important in the business of agriculture for value adding as well as customer satisfaction. Increases in consumer disposable income and discretionary buying power, emphasis on leisure time, having less time to do it are all positive trends for marketing services.

In concept, marketing goods and marketing services are essentially the same. In each case, you, the marketer, must select and analyze the target markets. Then a marketing program must be built around the 4 Ps of marketing – the Product (goods or services), the Price structure, the Place (distribution or delivery system), and the Promotional program. However, some distinct characteristics that differentiate services from goods often create special challenges and opportunities for marketing services. Therefore, the strategies and tactics used in conventional goods marketing frequently are inappropriate for services marketing, and it typically leads to a quite different marketing program.

### **Services are intangible**

It is impossible for customers to sample -- taste, feel, see, hear, or smell -- services before they buy. Therefore, your promotion must portray the benefits to be derived from your services, rather than emphasizing the service itself. Some promotional strategies you can use to suggest service benefits and make your service tangible in customers' minds are:

1. **Visualization:** For example, you can depict the benefits of your service by showing people relaxing in their beautiful garden, having a great cookout with their friends and family using the fresh produce they just bought from you, or using your service to free up time for something more “fun” or “important” to them.
2. **Association:** Connect your service with a tangible good, person, object, or place. Many businesses use spokespersons to promote and build confidence in their businesses. You can establish your business as an expert in the field by making yourself or someone from your business available to answer questions for the media, donate your service for a popular public area or event in your town, or sponsor programs with local organizations.
3. **Physical representation:** For an agricultural business, your store, staff, equipment and vehicles are the physical items people see. Creating a distinctive logo to be displayed on everything representing your business, dressing your employees in clean, distinctive uniforms to stress visibility and dependability, keeping your equipment and vehicles clean, and creating a display to demonstrate your expertise are things you can do to establish a good image in customers’ minds.
4. **Documentation:** Many companies cite facts and figures in their ads to support claims of quality, dependability and performance. Do not be shy about celebrating your history, heritage, awards and customer testimony.

- **Service typically cannot be separated from the creator-seller of the service**

Production and marketing of services are often performed simultaneously. Customers’ opinions regarding a service frequently are formed through interaction with a business’s contact personnel and impressions of the physical surroundings. Therefore, building personal relationships and trust with customers is vital for marketing service. Too often, the contact personnel, your staff, think of themselves as producers of a task rather than marketers of a service. Training your employees to interact with customers and be knowledgeable, courteous and willing to go the extra mile to answer customer s’ needs is very important.

- **Services are impossible to standardize**

Because the final product of a service depends on the person who performs the service, each “unit” of the service is somewhat different from other “units” of the same service. However, to build trust in the company, customers need consistency. Therefore, you should pay special attention to product planning when marketing services. You must do all you can to build a protocol for performing service tasks. It is imperative to maintain consistent

service quality at or above the level of consumer expectations. More importantly, quality is defined by the consumer, not by the producer-seller of a service.

- **Services are highly perishable and cannot be stored, and the demand for services often fluctuates considerably by season**

The combination of perishability and fluctuating demand presents many challenges to market services. Keeping your presence in front of customers during your off-season will help you market your services later on. Developing new uses for idle capacity of your facility during the off-season, providing newsletters to deliver information throughout the year, and offering special services or events to your best customers, can even out cash flow and improve customer retention. Make it easy for customers to learn about your services. For example, offer no-cost evaluation for a service, use internet and other convenient locations to provide information, arrange tie-in sales with other local businesses.

### **Customer for Life**

Trends carry considerable influence in the marketing of services. Sociological factors of social-class structure and small-group influences are very important market determinants for services. Thus, service marketing can benefit significantly from indirect types of promotion such as publicity (newspapers, radio, and television) and community involvement.

Moreover, among all the promotional activities used in services marketing, personal selling plays the dominant role. Any employee who comes into contact with a customer is part of your marketing force. A crucial step to successfully marketing services is to provide sales and marketing training for all of your personnel and impress upon them the importance of their roles in marketing. Your employees need to be good at what they do with land, plant/animal, and with people as well. Customers are not just buying the service, they are buying the benefits from your service, such as having a garden to enjoy, saving time, providing their family good nutrition, and having a good experience. Moreover, consumers want reliability, responsiveness, assurance, and empathy from your business, including everyone on your staff. If you can deliver that, you have the customer for life.

**Smart Marketing** is a monthly marketing newsletter for extension publication in local newsletters and for placement in local media. It reviews the elements critical to successful marketing in the food and agricultural industry. Articles are written by faculty members in the Department of Applied Economics and Management at Cornell University.

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