

Q.2
Ans There are few important characteristics of services:

i) Fluctuating Demand - The changes in demand can be seasonal or by weeks, days, months or even hours. Most of the services have peak demand in peak hours, normal demand and low demand on off period time.

ii) Perishability - Services are highly perishable and time element has great significance in service marketing. Service if not used in time is lost forever. Service cannot be stored.

iii) Pricing of Services - Pricing decision about services are influenced by perishability, fluctuating in demand and inseparability. Quality of a service cannot be carefully standardised. Pricing of services is dependent on demand and competition where variables pricing may used.

∴ Intangibility - Unlike product services cannot be touched or sensed, tested or felt before they are availed. A service is an abstract phenomenon.

∴ Service quality is not statistically measurable -

It is defined in form of reliability, responsiveness, empathy, and assurance, all of which are in context of employees direction interacting with customers. For service, customer satisfaction and delight are very important.

* Classification of Services

⇒ Services could be basically classified into two categories that would be tangible and intangible.

Now the tangible services could be said that the services provided for the people like health care, restaurants and salons, these are tangible services provided for the people and then the intangible services for goods which include transportation,

repair and maintenance, dry cleaning etc.

Then comes the intangible services that include the services that are not tangible in nature but are directed at people's minds. Such as Education, theatres, information services these are directed at people's minds. Then there is also a thing as services directed at intangible assets that could be banking, legal services and insurance, etc, so these are the ones included in the intangible services.