

MBA- III semester, Specialisation- Marketing Management, Paper - Service Marketing, Paper code- MC 02, TOPIC- NEW SERVICE DEVELOPMENT & BLUE PRINT.

1.Developing Brand new services:

New Service Characteristics:

Since services are intangible, it has to have 4 basic characteristics:

- 1.It must be objective, not subjective
- 2.It must be precise, not vague.
- 3.It must be fact driven, not opinion driven.
- 4.It must be methodological, not philosophical.

2.NEW SERVICE DEVELOPMENT PROCESS/ STAGES:

a. Business Strategy Development:

The first Step is to review the vision and mission of the company.

b. New Service Strategy Development:

The product portfolio strategy and a defined organizational structure for new product / service development are critical for the foundation of success. (Possibility in terms of markets, types of services, time horizon, profit criteria).

OFFERINGS	MARKETS	
	Current customers	New customers
Existing services	Share Building	Market development
New Services	Service Development	Diversification

The framework allows an organization to identify possible directions for growth.

Offerings are some of the most common approaches.

There should be formal mechanism for ensuring an ongoing stream of new service possibilities.

The mechanism may include a formal new service development department with responsibility for generating new ideas, suggestion boxes for employees, customers, new service development teams to

Identify new services

c. Idea Generation:

Formal brainstorming, solicitation of ideas from employees and customers, lead-users researchers and learning about competitors.

d. Service Concept development and evaluation: After clear definition of the concept, it is important to produce a description of the service that represents its specific features and then to determine initial customer and employee responses to the concept.

e. Business Analysis: Assuming the service concept is favourably evaluated by customers and employees at the concept development stage, the next step is to determine its feasibility and potential profit implications.

This stage will involve preliminary assumptions about the costs of hiring and training personnel delivery system enhancements, facility changes. The organization will pass the results of the business analysis through its profitability and feasibility screen to determine whether the new service idea meets the minimum requirements.

II IMPLEMENTATION:

f. Service development and testing: It involves construction of product prototype and testing for consumer acceptance. During this phase, the concept is refined to the point where a detailed service blueprint representing the implementation plan for the service can be produced.

g. Market testing:

The new service may be offered to employees of the organization and their families for a time to assess their responses to variations in marketing mix. At this stage, pilot study has to be done for the service, to be sure that the operational details are functioning smoothly.

h. Commercialization:

At this stage, the service goes live and introduced to the market place. The first is to build and maintain acceptance of the new service among large numbers of service delivery personnel who will be responsibility day-to-day for service quality. To monitor all aspects of the service during introduction and through the complete service cycle.

i. Post introduction evaluation:

At this stage, the information gathered during commercialization of the service can be viewed and changes made to the delivery process, staffing or marketing –mix variables on the basis of actual offering to the market response.