

Impact Of Culture And Technology In Service Sector

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Abstract

Services marketing strategy focuses on delivering processes, experiences, and intangibles – rather than physical goods and distinct transactions – to customers. Delivering experiences effectively and structure customer dealings are convoluted happenings involving countless different strategies and strategy. Triumphant services marketing strategy also involves integrating a focus on the customer throughout the firm and across all functions. All company functions – marketing, selling, human resources, operations, and R&D – must work together to generate successful services market strategy. Although companies have often found it difficult to attack service problems in an organized manner, a well-established model called the gaps model provides a framework for focusing on the customer and describes the approaches necessary to close the gap between customer outlook and perceptions. This article discusses services marketing approach in the context of the gaps model, demonstrating that closing the all-important customer gap is a function of concluding four gaps on the service provider side: the listening gap, the service design and standards gap, the performance gap, and the message gap.

Key words: service sector, Cultural collision and reverse engineering

Introduction to service sector

Every economy consists of three sectors. They are primary sector (extraction such as mining, agriculture and fishing), secondary sector (manufacturing) and the tertiary sector (service sector). Economies tend to follow a developmental progression that takes them from a heavy reliance on primary, toward the development of industrialized and finally toward a more service based structure. Historically, manufacturing tended to be more open to international trade and resistance than services. As a result, there has been a predisposition for the first economies to industrialize to come under bloodthirsty attack by those in search of to industrialize later. India's services sector has always served the country's market well and currently accounting near about 60 per cent of the gross household product (GDP). In this regard, the financial services sector has been an momentous contributor. The Government of India has introduced reforms to liberalise, regulate and augment this industry. At present, India is undoubtedly one of the world's most vibrant capital markets. Challenges remain, but the future of the sector looks good. The beginning of information has also aided the growth of the industry. About 75 per cent of the insurance policies sold by

2020 would, in one way or another, be influenced by digital channels during the pre-purchase, purchase or renewal stages, as per a report by Boston Consulting Group (BCG) and Google India.

Cultural collision

The expansion which have full place in information and announcement technologies for the last 30-40 years have changed the conservative production processes. Main object behind this change which has decreased the require for physical labor and amplified the number of people who work at service industry is the improvements in information technology. Changes which societies have experienced have led consumer preferences to improve and change. Consequently, an enterprise which seeks to have a competitive improvement in global competition environment have tended to offering the services and goods which are not available in the market and stimulating their demand. In consequence of this evolution, two different types of manufacturing industry have emanated (Çakmak, 1996: 5-6; Riel 2005; 493): xEconomic sector which is traditional and based on raw material production, xIndustries which intensively use technological developments such as electronic communication and computer which are based on information technology.

Today, in production and liberation systems, final demand and transitional uses of goods and services have nested in each other and technological developments have complicated the economic structure. Furthermore, supply has transformed into a intricate system which combines goods, services and service functions In the first stages of industrialization, companies in mounting countries emulate strange products through reverse engineering. On the advancing stages, these companies drift down towards creative imitation and reproduce imitation products with new features. This draws attention to the fact that technological aptitude in developed countries improves learning through research and in developing countries it occurs through learning by doing. turn around engineering and learning by doing will be easier due to the fact that limited number of trial and error acts is enough in imitation stage. With the development of service economy, value concept has distorted dramatically. This is also related to complementariness of goods and services. Although, in a conventional industrial economy, value of a invention is equal to the total cost mandatory to produce that production, in service economy, value is equal to the total amount which is paid for obtaining results from the use of the same production. The issue is related to redefining the meaning of sale. Sale, in a service economy, does not draw to a close when a production is sold. Sale includes possible product replacement costs and maintenance costs. To what extent these two different sale approaches are valid depends on the technological complexity of a product. In the event of simple goods, appraisal of value is limited to good itself .

Coordination of production phases, third dimension of production, is related to the need of information, coordination and organization at all production levels. Economy is attractive a system or a network which involves an increasing complexity. Modern economies should be measured in this system in which every

constituent is in harmony with the other. Such an economy view enables to assess the contribution of current technologies better which significantly affect economic system due to its implication in organization of communication and information. A modern service economy is an economy in which production factors are canalized to service functions and this is effective only through storing, transmitting and dispensation information.

Conclusion

Today numerous economists recognize that services were considerably abandoned both in economic theory and applied economic researches for a lengthy time. The reason for this is that A. Smith, one of the pioneers of economics, defined services as nonproductive endeavors. The importance of services and service functions was understood during great depression years and especially after World War II. In this period, some economists attracted attention to distribution harms and emphasized the obligation of humanizing service functions which are included to all sectors for ensuring economic development and healthy operation of economy. Developments recently occurred in information and telecommunication technologies have altered the production and sharing structure. Service content of goods has augmented extremely, and many services have reached a point where their household and international trade can be rendered from secluded distances and in electronic environment.

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