

Strategies for Service Companies to cope with Service Characteristics

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This article tries to deal with unique characteristics of services. With respect to service characteristics, two opposing views have been presented. The former view supposes that services have unique characteristics such as intangibility, inseparability, heterogeneity and perishability. An opposing view asserts that these service characteristics are not specific to service companies any more. Manufacturing companies also seem to have begun realizing that they are offering services as well and that their activities also involve such service characteristics. Therefore, it has become an even more important issue to clarify in what way companies try to cope with such service characteristics. Although the necessity for coping with service characteristics have begun to be recognized among manufacturing companies, this article aims to clarify in what way service companies try to use various strategies to cope with service characteristics.

Keywords: service characteristics, strategy, customization, labor-intensity, industrialization of services, intangibility, inseparability, heterogeneity, perishability, service-dominant logic

Introduction

Service companies do have their unique problems. Such problems arise from the fact that services are performance, rather than objects. Because services are performance, the results of service performance are sometimes intangible. In addition to this intangibility, service marketing literature has stated that service operation and marketing also have other characteristics such as inseparability, hetero-

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geneity and perishability. These characteristics had been identified when service marketing research was just becoming a recognized area of marketing discipline. Afterward, it has been taken for granted that service marketing does have these characteristics. But recently, a view called "Service-dominant Logic" proposes that manufacturing companies are also offering services therefore they also have service characteristics. Therefore, coping with service characteristics is required not only in service companies, but also in manufacturing companies as well. This article tries to reconsider such service characteristics and clarify various strategies for service companies to cope with these service characteristics.

To clarify this issue, I will try a brief literature survey in the section titled "Previous Research." Next, I will describe the data used in this paper. Then, I will describe the results of statistical analysis in the section titled "Results." First of all, I will clarify to what extent various strategies are used by service companies for the purpose of coping with service characteristics. Secondly, I will examine the influence of the contents of services on the commitment to various strategies. Then, I will examine the influence of the service provision methods on the content of strategies. Further, I will discuss the interpretation of the results in the section titled "Discussion." That is, some of the results will be rethought based on the consideration of Internet penetration, global competition and deregulation. Finally, I will state concluding remarks about the strategies to cope with service characteristics in the "Conclusion."

Previous Research

Marketing management of service companies has been regarded fundamentally different from those of manufacturing companies. Because services are performance, rather than objects, they cannot be seen, felt, tasted or touched in the same manner in which goods can be sensed¹⁾. Therefore, intangibility of service is the first characteristics of service marketing. In addition, inseparability of production and consumption of services has been regarded as the second characteristics of service marketing. Further, with respect to service provision, there exists considerable degree of heterogeneity. The quality of a service varies greatly depending on who is in charge of the service and when the service is provided. Therefore, heterogeneity is the third characteristics of services. Finally, service companies cannot have their service be inventoried. That is, perishability is the fourth characteristics of services. These characteristics have been called IHIP,

1) Zeithaml, Parasuraman and Berry (1985) p. 33.

meaning inseparability, heterogeneity, intangibility and perishability²⁾. Table 1 shows unique service features and resulting problems.

Table 1 Unique Service Features and Resulting Problems

Unique Service Features	Resulting Problems	Selected References Citing Problems
Intangibility	Services cannot be stored Cannot protect services through patents Cannot readily display or communicate services	Sasser (1976), Rathmell(1974), Dearden(1978), Lovelock (1981), Thomas(1978)
Inseparability	Consumer involved in production Other consumers involved in production Centralized mass production of services difficult	George(1977), Gronroos(1978), Sasser(1978)
Heterogeneity	Standardization and quality control are difficult to achieve	Booms and Bitner (1981)
Perishability	Services cannot be inventoried	Sasser(1976)

(Source) Zeithaml, Parasuraman and Berry(1985) p.35. Partly modified by the author.

Service marketing literature also clarified what types of strategies have been employed by service companies to cope with the unique service features and resulting problems. To cope with the intangibility of services, strategies such as stressing tangible cues and creating strong organizational images have been employed. To cope with the inseparability of production and consumption, strategies such as managing consumers and using multisite locations have been used.

Further, to cope with the heterogeneity of services, strategies such as industrializing services and customizing services have been proposed. Here, the customizing service strategy is a practice that twists the heterogeneity of services and turns it into a means of differentiation. Finally, to cope with the perishability of offered service, strategies of adjusting fluctuating demand and making simultaneous adjustment in demand and capacity to achieve a closer match between the two have been proposed.

The above description about the service characteristics is somewhat based on the goods-and-services dichotomy and tries to portray services as being different from physical products. However, an opposing idea has been expressed. This idea has been called "Service Dominant Logic for Marketing."³⁾ This idea states that before 1900, a goods-centered model of exchanges was prevalent. However, through 20th century, thought leaders in marketing have continually moved away from tangible output. In turn, they have moved toward dynamic exchange relation-

2) Edvardsson, Gustafsson and Roos (2005) p.108.

3) See Vargo and Lusch (2004) and Lusch and Vargo (2006) .

Table 2 Suggested Strategies for Problems Stemming from Unique Service Features

Unique Service Features	Strategies to Solve Problems	References Citing Strategies
Intangibility	Stress tangible cues. Use personal sources more than non-personal sources. Simulate or stimulate word-of-mouth communications. Create strong organizational image. Use cost accounting to help set prices. Engage in post-purchase communications.	Berry(1980), Shostack(1977), Sasser (1976), Rathmell(1974), Thomas(1978), Fisk(1981)
Inseparability	Emphasize selection and training of public contact personnel. Manage consumers. Use multisite locations.	Davidson(1978), George (1977), Gronroos (1978), Lovelock (1981)
Heterogeneity	Industrialize service. Customize service.	Levitt(1976), Bell(1981), Berry (1980)
Perishability	Use strategies to cope with fluctuating demand. Make simultaneous adjustments in demand and capacity to achieve a closer match between the two.	Lovelock(1981), Sasser(1976)

(Source) Zeithaml, Parasuraman and Berry(1985) p.35. Partly modified by the author.

ships that involve performing processes and exchange skills and/or services in which value is co-created with the consumer. In summary, this idea asserts that in the 21st century a service-oriented model of exchanges is dominant⁴). Therefore, according to this view, service characteristics such as intangibility, inseparability, heterogeneity and perishability are not unique to service companies, but can also be applied to marketing by manufacturing companies.

Data

I sent a questionnaire titled “A Questionnaire on Service Value Enhancing Strategy, Organization and Systems” to 667 Japanese non-manufacturing companies that posted their stocks on the Tokyo, Osaka, Nagoya, Fukuoka and Sapporo stock markets in Japan⁵). Out of the 667 companies, 76 companies responded. The response rate was very low⁶). The respondents included retail, finance, transporta-

4) Vargo and Lusch (2004) pp.2-4.

5) The questionnaire was sent out December 2004. The final response arrived at March 2005.

6) This low response rate partly comes from the fact that the enforcement of the “Individual Information Protection Law” in 2003. I asked the respondents to fill out the service company information by filling out the respondents’ name in order to send a summary report.

tion, communication, electricity, gas and other services. Table 1 shows the number of respondents by industry.

In the service industries, it has been pointed out that there exists a number of unique characteristics—intangibility of service performance, inseparability of service production and consumption, heterogeneity of service quality and perishability of service impression. In my questionnaire, I asked the respondents to reply to my questions concerning several strategic programs and practices to cope with such service characteristics.

Table 3 Number of Respondents by Industry

Industry	Number of Respondents
Wholesaler(Trading company)	8
Retailer(Department store)	3
Retailer(Supermarket)	12
Bank	7
Insurance	2
Securities	6
Other finance	5
Real estate	2
Railroad	4
Land transportation	1
Marine transportation	3
Air Transportation	1
Warehouse	3
Broadcasting, Communication	3
Electricity	3
Gas	2
Other Services	11
Total	76

With respect to the intangibility of service performance, I asked a question in my questionnaire as follows: “In order to give a strong impression that service companies do serve customers, do you send reports to your customers?” Then, with respect to the inseparability of service production and consumption, I asked a question in my questionnaire as follows: “In order to cope with the sudden change in demand, do you try to prepare various service components beforehand?” Further, with respect to the perishability of service impression, I asked a question in my questionnaire as follows: “In order to cope with the perishability of service impression, do you issue a membership card? Do you try to boost the customers’

royalty by creating point system?" Finally, with respect to the quality heterogeneity, I asked a question in my questionnaire as follows: "In order to keep a certain level of service quality, do you implement a certain service quality improvement program?" I asked the respondents to reply to these questions, using a 5 point scale: 1=No commitment, 2=A little bit of commitment, 3=A certain degree of Commitment, 4=Considerably strong commitment, 5=Very strong commitment.

Results

1. Commitment to Certain Strategies to Cope with Service Characteristics

As stated above, I asked several questions in my questionnaire in order to clarify in what way service companies try to cope with IHIP service characteristics (Intangibility, Heterogeneity, Inseparability, Perishability). Here, I would like to examine, to what extent service companies have committed to such strategies, based on their questionnaire survey data.

The first characteristics of services that service companies have to cope with is their intangibility. From these characteristics, service companies cannot readily display or communicate the content of services. Therefore, service companies have tried to stress tangible cues, and engage in post-purchase communications. I paid special attention to the strategies of sending reports regularly to make their service more visible and tangible. The second characteristics of services is the inseparability of service production and consumption. In order to overcome this problem, some service companies seem to prepare various service components beforehand. The third characteristics of services is their perishability. In order to cope with this characteristics, some companies seem to issue a membership card. Service providers offer users a certain amount of points whenever users use their services. In this way, the service experience each customer received is transformed into a certain amount of points. In this way, the service provider hopes to make consumers conscious about the service experience. The fourth characteristics of services is their heterogeneity. The level of service quality could vary depending on who is in charge of the service, and at what time the service is provided. In order to cope with these characteristics, some service companies seem to implement service quality improvement programs.

Table 4 shows to what extent service companies have committed to these strategies. Overall, service companies are found to commit to preparing various service components beforehand and service quality improvement programs to some degree. On the other hand, service companies are found to commit less to

Table 4 Strategies of Service Companies to Cope with the Service Characteristics

Industry	Sending report to customer	Preparing various service components beforehand	Issuing membership card	Service quality Improvement Program	Number of respondents
Wholesaler(Trading company)	2.86	3.71	1.71	3.00	7
Retailer(Department store)	2.00	3.67	4.00	3.00	3
Retailer(Supermarket)	2.08	3.08	3.33	3.58	12
Bank	3.29	3.14	3.71	3.00	7
Insurance	2.50	3.50	1.50	4.00	2
Securities	3.50	4.00	2.83	3.33	6
Other finance	2.25	2.25	4.00	3.25	4
Real estate	3.50	3.50	3.00	4.00	2
Railroad	2.25	3.00	2.50	2.00	4
Land transportation	4.00	4.00	4.00	5.00	1
Marine transportation	1.67	2.67	1.00	2.67	3
Air Transportations	2.00	3.00	1.00	2.00	1
Warehouses	2.00	2.67	1.00	1.67	3
Broadcasting, Communication	2.67	3.00	2.67	3.00	3
Electricity	4.50	5.00	1.00	4.00	2
Gas	3.50	3.50	3.00	3.00	2
Other Services	3.50	3.10	2.20	4.10	10
Total	2.79	3.26	2.65	3.26	72

The numbers in this table reflect the respondents' reply of whether or not respondents have employed each strategic program. The scale ranges from 1=No commitment, 2=A little bit of commitment, 3=A certain degree of Commitment, 4=Considerably strong commitment, 5=Very strong commitment.

sending reports to customers and issuing membership cards.

With respect to sending reports, banks, securities, land transportation, electricity, gas and other services replied that they send reports to their customers regularly. These industries not only offer regular service to their customers, but also receive payment monthly. Therefore, they must send reports to their customer to explain the content of the transactions.

With respect to issuing a membership card, retailers including department stores and supermarkets, banks, and other finances seem to be eager to employ this strategy. On the other hand, those industries that send reports to customers seem not to issue membership cards. These groups tend to have rather established relationships with their customers. Therefore, these companies don't feel the

necessity of strengthening the tie with their customers. On the contrary, those companies that issue membership cards have not established continuous relationships with the customers. Therefore, they aspire to create somewhat continuous relationships with their customers by issuing a membership card.

With respect to preparing various service components beforehand, most business group seem to appreciate the importance of this strategy to cope with the inseparability of production and consumption, thereby being able to respond to abrupt changes in demand. But other finance, railroad, marine transportation, air transportation, warehouse and broadcasting do not seem to regard this strategy particularly important. Part of the reason why they are not active in this strategy is that these industries use large scale equipment and facilities, and they are pretty much flexible to demand changes.

With respect to service quality improvement programs, heavy equipment-intensive service providers such as railroads, marine transportation, air transportation, warehouses do not seem to regard this strategy important⁷⁾. Probably because the quality of their services is largely determined by their equipment quality, they do not think the necessity of a service quality improvement program highly important.

2. The Influence of the Contents of Services on the Commitment to Strategies

In the section above, I examined to what extent service companies adopt various strategies to cope with service characteristics. In the analysis about them, I looked at the industry effects on the commitment level of various strategies. Here, I would like to examine other factors that might affect the level of adoption of several strategies. In order to clarify these influences, I examined the correlation between several features of service contents and the degree of adoption of certain strategies by service companies. What I mean by features of service contents is that a certain service company may try to standardize its service content. Such degree of standardization of services is measured by the answer to one of the questions in my questionnaire. In addition, the degree of differentiation with other companies, the degree of customization, the ratio of institutional customers, the degree of knowledge intensity of service provided, the degree of service variety, the degree of proactive new services, the degree of response to regional needs are regarded as the content of services.

7) In Hirota (1997), service provision modes were classified based on their level of service content differentiation and whether or not services are provided in labor-intensive and/or equipment-intensive manner. Railroad and marine transportation were classified as equipment-intensive.

Table 5 Correlation between Service Company Strategies and the Contents of services

	The degree of Standardization of services	The degree of Differentiation with other companies	The degree of Customization	The ratio of Institutional Customers	The degree of Knowledge Intensity of Services	The degree of Service Variety	The degree of Proactive New Services	The degree of Response to Regional Needs
Sending Report to Customer	-.015	.031	.376**	.084	.389**	.271*	.075	.115
Preparing service components beforehand	.150	-.031	.029	.065	.081	.184	.111	-.010
Membership card issuing	.114	.201	.036	-.350**	.199	.271*	.406**	.258*
Service Quality Improvement Program	.162	.204	.228	-.187	.164	.332**	.253*	-.009

Pearson Correlation coefficients are shown in this table. *P<0.10 **P<0.05 *** P<0.01

There exist several statistically significant correlation results. The degree of customization, the degree of knowledge intensity of service provided and the degree of service variety have statistically significant positive correlation with the level of commitment to the strategy of sending reports to customers. This means that the higher the degree of customization becomes, the more service companies send reports to their customers. Similarly the higher the degree of knowledge intensity of service provided becomes, the more service companies send reports to their customers. These positive correlations come from the fact that those companies with high degree of customization and high degree of knowledge intensity try to serve customers in a highly unique manner. Such companies may well wish to appeal to customers with their differentiated approach by sending reports to customers.

On the contrary, such features as the degree of standardization of services, the degree of differentiation with other companies, the degree of proactive new services do not seem to be an incentive for them to send reports to their customers. When the degree of differentiation with other companies and the degree of proactive new services are high, such service companies should be enthusiastic about proactive changes. Therefore instead of sending their reports to their customers, they might focus on generating further strategic changes.

With respect to the strategy of preparing various service components beforehand to overcome the problems of inseparability of service production and consumption, there were not any statistically significant features. This strategy was found to be employed generally throughout service companies except for heavy equipment and facility based service providers.

With respect to the strategy of issuing a membership card, the ratio of institutional customers showed a strong negative correlation. If service providers transact with institutional customer, service companies are expected to know their customer pretty well. Such service companies may have databases about their customers. Therefore, such service providers don't need to issue membership card for the purpose of collecting information about their customers. Conversely, if service providers transact mainly with individual customers, they are clearly eager to issue membership card and introduce point acquiring system to retain their individual customers.

It was also found that the degree of service variety, the degree of proactive new services and the degree of response to regional needs are positively correlated with the level of commitment to the strategy of issuing a membership card. Innovation seeking companies seem to aspire to have a solid customer base, so that they are committed to issuing membership cards.

With respect to the strategies of service quality improvement programs, the degree of service variety and the degree of proactive new services showed positive correlation. If service companies are eager to increase the degree of service variety and the degree of proactive new services, they may well recognize the necessity of improving service quality. Therefore, the companies with a high degree of service variety and high degree of proactive new services tend to commit to service quality improvement programs.

3. The Influence of the Service Provision Methods on the Commitment to Various Strategies

The section above tried to clarify the influences of the service contents on the commitment level of various strategies to cope with service characteristics. Here, I would like to examine the influence of the service provision methods on the commitment level of various strategies to cope with service characteristics. In order to clarify the influence of the service provision methods on the commitment level of various strategies, I would like to examine the correlation between the service provision methods and the level of commitment to the various strategies adopted by service companies. Here, what I mean by of service provision methods includes the degree of labor intensity, the degree of equipment and facility intensity, the degree of emotional importance, the degree of industrialization of services, the degree of IT technology usage, the degree of customer participation, the degree of necessity of customer visit, the degree of postage and telephone usage, the degree of e-commerce utilization, and the degree of multitude of service sites.

Table 6 Correlation between Service Company Strategies and the Service Provision Methods

	The degree of Labor Intensity	The degree of Equipment and Facility Intensity	The degree of Emotional Importance	The degree of Industrialization of Services	The degree of IT Technology Usage	The degree of Customer Participation	The degree of Necessity of Customer Visit	The degree of Postage and Telephone Usage	The degree of E-commerce utilization	The degree of multitude of Service Sites
Sending Report to Customers	.152	.010	.173	.214	.285*	.006	-.078	.116	.085	.146
Preparing various Service Components beforehand	.194	-.082	.065	.112	.166	-.007	-.027	.218	.122	.095
Issuing Membership cards	.082	.155	.259*	.353**	.240*	.014	.258*	.248*	.382**	-.012
Service Quality Improvement Program	.207	.103	.255*	.242*	.575**	-.009	.003	-.074	.206	.069

Pearson Correlation coefficients are shown in this table. *P<0.10 **P<0.05 *** P<0.01

With respect to the degree of labor intensity, the degree of equipment and facility intensity, the degree of customer participation and the degree of multitude of service sites, no significant correlation with any strategies was found. To seek the reason why this was so, I tried to look at the statistics about service provision methods. My guess was that the scores of service provision methods don't have high variances so that they did not show statistically significant correlation. According to Table 7, the average scores of the degree of labor intensity and the degree of equipment and facility intensity are both considerably high (the degree of labor intensity =3.90, the degree of equipment and facility intensity = 3.63). In addition, their standard deviations were considerably low. These statistics show that generally services companies are labor intensive and that most of the responding service companies are also equipment-facility intensive. The fact that most of the respondents are labor intensive and also equipment-facility intensive seems to have contributed to no clear correlation with any strategies described here.

Table 7 Various Aspects of Service Provision Methods

	Minimum	Maximum	Average	S.D.
The degree of Labor Intensity	2	5	3.90	.930
The degree of Equipment and Facility Intensity	2	5	3.63	.905
The degree of Emotional Importance	1	5	3.41	1.078
The degree of Industrialization of Services	1	5	3.04	.985
The degree of IT Technology Usage	1	5	3.53	1.156
The degree of Customer Participation	1	5	2.86	1.084
The degree of Necessity of Customer Visit	1	5	2.77	1.467
The degree of Postage and Telephone Usage	1	5	2.44	1.197
The degree of E-commerce Utilization	1	5	2.58	1.246
The degree of Multitude of Service Sites	1	5	3.36	1.348

1=Very low, 2=Considerably low, 3=Medium, 4=Considerably high, 5=Very high.

However, as far as the degree of emotional importance and the degree of industrialization of services are concerned, such aspects seem to foster the issuing of membership cards and service quality improvement programs. It appears that these two aspects are completely different in their nature. Irrespective of the difference in nature, the correlation with the commitment level of strategies is found to be considerably the same. This similarity suggests that where the industrialization of services is introduced, emotional importance might also be encouraged. This conjecture can be supported by the strategies employed by various franchised chain stores such as McDonalds. That is, most service companies have to use a labor intensive service mode. This is clearly costly. Therefore industrialization of services should be introduced inevitably. However, the service modes of service companies still remain to be labor intensive. In order to be competitive in this context, they also have to encourage emotional encounters with customers.

It was also found that the degree of IT technology usage promotes various strategies to overcome various problems arising from service characteristics. That is, IT technology enables services companies to provide services with more visible and tangible characteristics, and less heterogeneous and less perishable characteristics.

Discussion

Manufactured goods do have features such as tangibility, the separation of production and consumption, standardization and non-perishability, whereas, services are quite different from manufactured goods and have features such as IHIP, meaning inseparability, heterogeneity, intangibility and perishability. These features sometimes generate problems. Therefore, some service companies try to overcome these problems by making services somewhat like goods using various strategies.

According to Zeithaml, Parasaran and Berry(1985), so-called service characteristics were not found to be significant problems for service companies⁸⁾. They considered that their finding showed that service companies manage these characteristics fairly well. At the same time, they tried to identify what were the most annoying problems for service companies. They tried to clarify such problems, by looking at different contexts, such as whether the primary customer group comprises institutional customers or individual customers. As a result, they found

8) Zeithaml, Parasuraman and Berry (1985) pp.36-43.

that there existed a problem that services cannot be “mass-produced” in the case of institutional customers⁹⁾. Similarly, they found out that whether the geographic spread is local, national or international generates a certain problem. That is, the quality of services is difficult to control where the geographic spread is national instead of local. With respects to this issue, I do have similar contextual data about service provision in my questionnaire data. Therefore, I would like to perform further analysis to see how the above analytical results will be different depending on the contextual difference in the future.

In the previous section it was pointed out that IT technology usage made various strategies effective. On the other hand, the degree of postage and telephone usage was found not to generate much difference. This means that important service media has shifted from postage and telephone to IT and Internet. IT technology and Internet offer the possibility of transformation of intangibility, inseparability, heterogeneity and perishability into tangibility, separability, homogeneity and non-perishability.

In this article, I proposed a certain strategy to cope with service characteristics: sending reports to customers to cope with the intangibility, preparing various service components beforehand to cope with the inseparability, issuing membership cards to cope with the perishability and service quality improvement programs to cope with the heterogeneity. Besides the above strategies, the following strategies could be useful in coping with service characteristics.

Table 8 Possible Strategies to cope with Service Characteristics

Strategies	Strategic Methods to cope with Service Characteristics
Strategy to Cope with Intangibility	Utilization of Tangible elements of the services including the appearance of the physical facilities, tools and equipment, personnel, communication materials, other physical features used to provide the service ¹⁰⁾
Strategy to Cope with Inseparability	Videotaping the service content, Usage of IT technology and internet, Trying to smooth the Demand Fluctuation
Strategy to Cope with Perishability	Trying to create trust relationships between service providers and customers, Taking photo of service provision, Trying to create many repeat customers.
Strategy to Cope with Heterogeneity	Education program of service personnel, Industrialization of services, Creating a systematic manuals, Creating a formalized license system

9) Zeithaml, Parasuraman and Berry (1985) pp.37-38.

10) Santos(1999) pp.292-295

Conclusion

At the stage where service marketing research was becoming a recognized area of marketing discipline, it is no wonder that service marketing researcher tried to differentiate their research object with manufacturing organizations¹¹⁾. With this background, unique service characteristics have been identified. Afterwards, many textbooks on service marketing and service management took it for granted that service companies have to cope with these service characteristics such as intangibility, inseparability, heterogeneity and perishability. But, according to Zeithaml, Parasuraman and Berry(1985), most problems coming from service characteristics were not regarded as serious problems by service companies. Zeithaml, Parasuraman and Berry(1985) considered service companies had been coping with service characteristics pretty well so that such characteristics were not regarded as serious problems.

Even though service characteristics have been coped with by service companies fairly well, I think that new contingencies such as the penetration of the Internet, the spread of IT technology use and prevalence of global competition will require new responses from service companies. Therefore, I tried to examine to what extent service companies are using several strategies to cope with service characteristics. As a result, it was found that a strategy of preparing various service components beforehand is pretty much used to cope with the inseparability of production and consumption of services. It was also found that a strategy of service improvement program was used to overcome the heterogeneity of services. It was also found that the other two options, a strategy of sending reports to customers and issuing membership cards were less actively used. But these two strategies were found to be actively used in cases where the contents of services have a specific nature. That is, if the degree of customization is high, if the degree of knowledge intensity of service provided is high, and if the degree of service variety is high, a strategy of sending reports to customers seems to be an effective strategy. Similarly, if the degree of service variety is high, a strategy of issuing membership cards is commonly used. Finally, it was found that the degree of IT technology usage promotes various strategies to overcome various problems arising from service characteristics.

11) Vargo and Lusch (2004) pp.2-4.

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