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The Old Caddy

Ponder

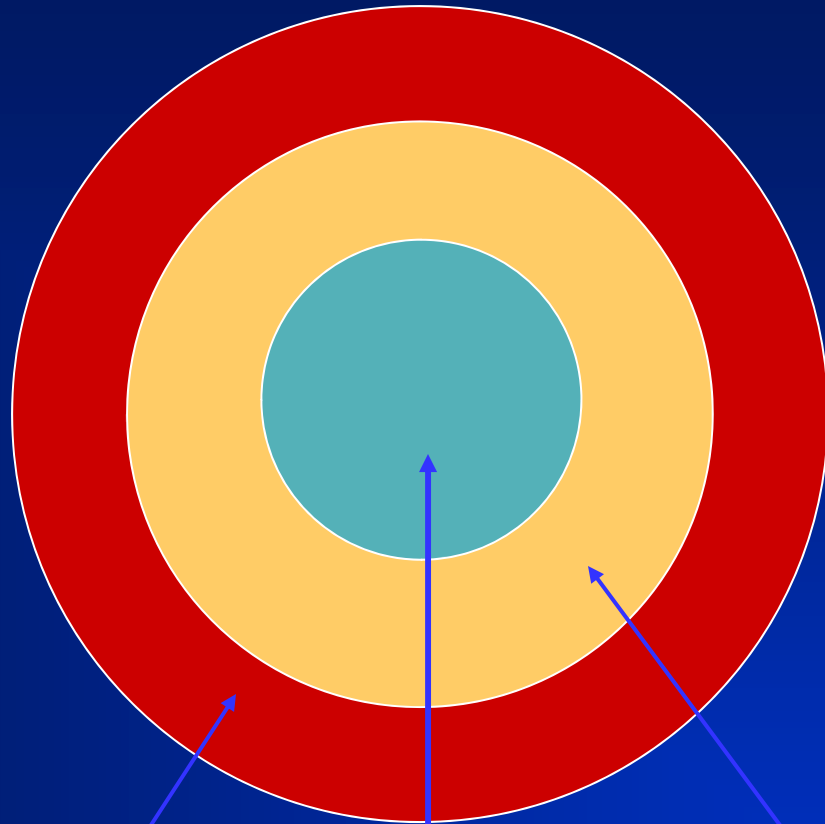
A German-born electrical engineer, Charles Steinmetz's genius and inventions played a major role in making General Electric the industrial power it is today. Once, after he had retired, GE called him to help locate a malfunction in a system of complex machinery.

After testing different components of the machinery, Steinmetz took a piece of chalk and marked an "x" at a specific location on one of the machines. The machine was disassembled, and the GE experts somewhat sheepishly found a defect exactly at Steinmetz's chalk mark.

But when GE received a bill from Steinmetz for \$10,000, company officials questioned the amount and asked for an itemized bill. Steinmetz readily sent the itemized bill that read as follows:

Making one chalk mark: \$1

Knowing where to place it: \$9,999.



Environment

Consumer

Organization

Competitive or Differential Advantage

- Every environmental opportunity has success requirements
- Every organization has certain competencies
- Where the above match is the advantage

You are in the
Service
business.

“Take care of the little things, the big things will take care of themselves.”

“It’s the little details that are vital. Little things make big things happen.”

- John Wooden, former UCLA coach

Process vs. Outcome

The customer evaluates both the service outcome and the service process.

If doctors don't get sued for negligently harming patients, why do they get sued? According to Malcolm Gladwell's book *Blink*, the answer comes down to bedside manner. A number of studies have shown that patients do not sue doctors who treat them with respect (however terrible the outcomes may be).

Researchers examined two groups of surgeons – one that had never been sued and one that had been sued at least once. Those who had never been sued spent an average of three more minutes per visit with their patients. They were better listeners and tended to laugh and joke more. There was no difference between the two groups in the amount of quality or medical information imparted.

Quality Service Variables

Reliability – Consistency of your performance and dependability

Responsive – Your willingness or readiness to provide service

Competence – The possession of the required skills and knowledge, by the employee, to provide the service

Access – Organization approachability and ease of contact

Courtesy – Politeness, respect, friendliness of contact personnel

Communication – Keeping customers informed in language they understand, listening

Credibility – Trustworthiness, believability, honesty, customer's best interest at heart

Security – Freedom from danger, risk, or doubt

Understanding/Knowing – Efforts to know customer's needs

Tangibles – Physical evidence of service; buildings, appearance of personnel; tools used to provide service; other customers in facility

Landing new customers is sexy, like cavemen slaying a gazelle on the grasslands. Keeping current customers, like gathering nuts and berries or growing a garden, is hard work.

The Adoption Process

- Awareness
- Interest
- Evaluation
- Trial
- Adoption

Advertising



A lion once met a tiger as he drew beside the pool.
Said the tiger, "Tell me why you're roaring like a fool."

"That's not foolish," said the lion, with a twinkle in his eye;
"They call me King of Beasts, because I advertise."

A rabbit heard them talking and he ran home like a streak.
Thought he'd try the lion's plan, though his roar was
just a squeak.

A fox came to investigate – had dinner in the woods.
So when you advertise, my friends,
be sure you've got the goods.



**Be Sure You
Got the Goods**

“Some day
the door
may be for
the dog”

