

UDC 336.719

SERVICE AS A NEW COMPETITIVE ADVANTAGE

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The article represents theoretical aspects of the concept "competitive advantage". The competitive advantage becomes a guarantee of work stability, a basis of long-term development. It creates barriers at the exit to the market for new participants, helps to get the best profit from sales of the company.

In the economics of high developed countries, the service industry has always occupied a significant place. But today they speak about the economics of service, in contrast to the old economics of goods production.

In history there were three types of strategic orientation of the company: production, product and a customer.

The strategy of production strengthened itself at the beginning of the last century, when the attention of companies was focused on improving technology and achieving the results of a large scale, which made it possible to make a large number of cheap products of the same type. When by the middle of the twentieth century the market had been filled up with cheap goods and the demand for essential goods had been satisfied, the task of improving the product arose. The producers who came to the market with quality at an affordable price became winners [1].

By the end of the twentieth century, in many segments, there was a real abundance of different products, but the products themselves (in some groups) became very similar in their technical and quality characteristics.

Today when market competition is tough, a decisive factor for the long-term prosperity of the company is a strong trusting relationship with the customers. Quality service of the customers is not only one of the competitive advantages, but in many fields of the activity it has become the only competitive advantage. The quality of service is a new standard on which the customers judge the quality of the product.

All these features could be attributed to the banks. Most of them are the same outside and inside: they provide their customers with a standard set of services and they are similar in their conservative views and lack of creativity. Today the market is approaching the stage of saturation, and now there are fewer customers who do not use any product of banks. This leads to the fact that the strategy of banks in cooperation with customers changes from the conquest of a new customer to its retention. Now in the competitive struggle for the customers the one, who offers lending rates much lower and the deposit rates slightly higher, does not always win. When the concentration of banks is very high, the competitive advantage of any financial and credit institution, including Belarus, is an orientation on the customer - the ability to profit thanks to the complete understanding and satisfaction of all the needs of its customers, creating comfortable conditions and quality service. A customer-oriented bank offers not only products and services that exactly match the needs of the customers, but it anticipates the needs.

Nowadays the success of a commercial bank and its competitiveness are determined not by the factor of price, but by qualitative characteristics. One of these characteristics is the quality of service of the banking services consumers.

One of the main indicators, which characterizes the process of work with customers, is the level of customer service. This indicator is integral, and it includes a number of particular indicators (customer service culture, speed of service, range of services provided to consumers, etc.). Most scientists when they estimate the quality of service unanimously consider that it is based on the time that customers spend on the purchase of services and the conditions when the consumer makes a purchase.

The audit company Ernst & Young is sure that the banks that continue to serve customers "in an old fashioned way" lose their competitors. When they carried out a global study, the company identified the need to move to the omni channel model - the concept of channel commerce that is aimed at interacting with the consumer using all channels, as the needs and desires of customers develop together with the world around them, and they want to limit themselves with traditional operations.

With the increase of the role of consumer demand in the economics we can see convergence of technologies for the promotion of goods in all spheres of business related to the mass consumer market, including banking.

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For example the British Metro Bank serves customers in so-called "shops" even at weekends until eight in the evening. Such branches are equipped with machines for counting bills, as well as with tablets when you can make operations on the current accounts and open new accounts. The management of the bank takes care even of the customers' pets: in the rooms there are bowls with water for them. In the British "Virgin Money" the customers can not only make financial transactions, but also arrange business meetings and negotiations. Together with traditional branches the bank opens unusual ones – "Virgin Money Lounges". There are no counters to sale banking services and no one tries to "force" the customer to get another deposit or loan. Free Wi-Fi and refreshments are available here.

At the same time, "the brunch of the future" is not a panacea, and it is not a competitive advantage if it is a purely populist in nature, and it doesn't take into account the needs and capabilities of customers. At the same time meeting the demand of the consumers of different ages is connected with great investments and operating expenses with low profitability in the short term. Therefore only those financial companies, that will learn how to work effectively and find a way to make their product or service the best choice for their customers, will take a strong leading position. But we should agree that in most cases the revolutionary transformations that may improve profitability of the company occur outside its industry since competitors at the initial stage also do not rush to take risks with the introduction of new transformations. The ambition to copy will not interest anyone or cause the necessary reaction: you cannot stand out from the crowd if you try to look like the one who merges with it [2].

Today in the century of the high technology spread and large-scale introduction of machines and equipment into the servicing process the possibility of personal communication of the staff of organizations with customers reduces. It is paradoxical but high technologies lead to the indifference of customers in choosing a particular service organization, their loyalty to all organizations as they become "impersonal." That's why the need to search for new opportunities for personal service by a lively bank worker with a high culture of service is growing.

There is no "customer-oriented" concept and therefore there is nothing beyond the "customer-oriented" slogans. Very often a company that declares the care for customer its main value shows a low level of service and does not have the best indicators of customer loyalty, including next factors:

- it does not know its client;
- when it offers a product it guides by its own feelings but not of the client;
- it seeks to maximize profits in the short term;
- the focus on customer is not embedded in corporate culture.

Competitive advantage (with other indicators) will always be on the side of those companies, where customers are served by lively and friendly people. The quality and culture of human communication have always been and will be the most important resource of competitive advantage because polite and thoughtful service is remembered, and it doesn't depend on the level of technology. It will not only be remembered, but also recommended to others, and the organization will have an increasing number of clients not only potential but also real. About eight people will hear about a positive experience and about negative - twice as many. Studies show that about 20% of clients come on the recommendation.

Quality service is excellent as a competitive advantage of the company:

- It promotes the growth of sales and improves company profits;
- It provides a competitive advantage, and gives an opportunity to strengthen positions in the market;
- It forms loyalty to the target audience;
- It reduces costs for advertising, marketing and PR (general promotion);
- It reduces budgets for marketing, advertising and PR (for promotion on the whole);
- It reduces staff turnover and attracts the best specialists to the company;
- It increases labor discipline and productivity due to the positive attitude of the staff;
- It improves relations in the team [3].

In my opinion, the company's client-oriented business model is provided by:

1. Comfortable environment. It allows the clients to feel like home in the bank's branches. It suggests the appropriate interior, the appearance of the staff, the presence of information materials and so on.

2. Qualification of the staff. It shows itself in the interest of all the staff in the results of their work and the bank entirely. Relations with the clients are constantly being stimulated. The company follows the rule: "Treat your employee the way you want him to treat his client."

3. Optimization of business processes. This is manifested in the delegation of authority to take decisions to a lower level. The decisions are made taking into account the knowledge of the needs of the customers.

4. Corporate culture. It means the presence of a corporate culture aimed at the final result, focused on teamwork, bottom-up initiative and innovation.

5. Technological equipment. The business model is built according to the expectations of consumers, taking into account the main trends of the industry. In the banking business, for example, it means simple and convenient access to banking operations. Many banks collect maximum information about their customers, about their preferences in financial services and about behavior of consumers. All this allows them to bring innovations to the market and give individual offers to customers, so maintain their positions in the market in any conditions.

6. Marketing developments and events, communications. Implementation of the practice of conducting on a continuous basis marketing research to study consumer preferences- existing and emerging. The basis for multidimensional segmentation of consumers in the market is the image and lifestyle of consumers of banking services. It is also important not to collect the information about the client but also to convey the information to him about himself and his products correctly. Charity and sponsorship, grants and scholarships established by the company, as well as the participation of managers and employees in various events as experts, work well to maintain its positive image.

7. Financial situation. Customers need to know that the company with which they are going to build long-term cooperation is reliable and stable.

I believe that all these factors form a client-oriented, growing into a first-class service, and it becomes the basis of the sustainable competitive advantage of the company. Because quality service is an effective tool of sales and it provides a sustainable competitive advantage. Often it is the only competitive advantage that a company has in the industry, where many companies offer the same goods or services. Here I agree with the statement of Peter Drucker: "There is only one legitimate justification for the purpose of business - the creation of a satisfied customer".

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