

# The New Service Realities: Challenges, Opportunities, and Initiatives

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## ABSTRACT

Companies require superior services to succeed in the competition. They realize and understand the new service realities in the 21st century. The objective of the study is to analyze the various aspects of the reality. The methodology adopted is a conceptual analysis of the realities and the strategies and initiatives adopted by companies. The new service realities relate to increasing roles of technology, customer empowerment, customer co-production, and the need to satisfy both customers and employees. Enlightened companies adopt several strategies and initiatives to deal with the realities. Academicians should analyze the realities and suggest effective ways of dealing with the realities. Practicing managers focus on adopting strategies and initiatives which are effective in dealing with the new realities, developing effective customer relationships, and in achieving business excellence in the long run.

## KEYWORDS

Customer Co-production, Customer Empowerment, Customer Satisfaction, Employee Satisfaction, Service Delivery, Service Failure, Service Recovery, Technology

## 1. INTRODUCTION

Companies need to differentiate their offerings to succeed in the competitive business environment (Suuronen, Ukko, Eskola, Semken, & Rantanen, 2022). Companies aim to incorporate differentiation in all their processes (Nunan & Di Domenico, 2022). Companies find it difficult to differentiate their physical products. They turn to differentiation of services (Mandal, 2022). Differentiation of services may involve several aspects. Differentiation of services may involve on-time delivery, better and faster response to inquiries, and quicker response and resolution of complaints (Rayes & Salam, 2022). Top service providers realize the advantages of service differentiation. They also understand its value in creating memorable customer experiences (Nunan & Di Domenico, 2022). Excelling in services is essential for companies. Consequently, it is critical and imperative for companies to understand the special nature of services and what that means to marketers (Hwang & Cooper, 2012).

At present, with the changing business scenario and environment, the atmosphere in services is competitive (Nayal, Pandey, & Paul, 2022). Internet penetration, technological developments, and several other factors are changing the business environment in the services industry drastically

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(Shrestha, Wenan, Gaudel, Rajkarnikar, & Jeong, 2021). Service companies should understand and accept the new service realities. They should understand the challenges and opportunities posed by such realities and should modify their operations accordingly to generate and to deliver superior services, satisfy their customers, and to achieve growth in the long run (Noordegraaf, 2015).

The scenario in the services sector is changing with many developments. Companies which wish to excel in services should understand and appreciate the new realities in services. Although the topic is important and is relevant in the current business environment, few studies have aimed to analyze the issue in-depth. The study tries to address this research gap.

The objective of the study is to understand the present scenario of services. The aim is also to study and analyze the new realities in services which companies operating in services are facing. The challenges and opportunities faced by the companies involved in services are studied and analyzed. Companies operating in services adopt strategies and initiatives to face the new services realities. These are also studied and analyzed.

The methodology adopted is a conceptual analysis of the various aspects of services in the present-day context and the new services realities faced by companies operating in services. Research papers from reputed academic journals on the topic are studied and analyzed. Primary data is not collected, and empirical analysis is not done.

The novelty and the contributions of the study lie in the fact that the new realities in services in the 21<sup>st</sup> century viz. increasing roles of technology, customer empowerment, customer coproduction, and the need for satisfying both customers and employees at the same time are analyzed. Academicians may analyze the new service realities and suggest better and effective measures, strategies, and initiatives to excel in services in the 21<sup>st</sup> century. Practicing managers should understand the new service realities and the changes required to generate and to deliver superior services in the 21<sup>st</sup> century. They may analyze the existing strategies and initiatives and suggest strategies and initiatives which will be effective in dealing with the new service realities and which will enable them to build and develop customer relationships and to achieve business excellence in the long run.

The study is structured as follows:

Section 2 highlights the new service realities in the 21<sup>st</sup> century. Increasing roles of technology in the generation and delivery of services are discussed in section 3. Sections 4 and 5 highlight the empowerment of customers and the coproduction of customers with respect to services respectively. Both customers and employees should be satisfied at the same time to deliver superior services, and this is highlighted in section 6. Enlightened companies adopt several initiatives and strategies to generate and to deliver superior services. This aspect is discussed in section 7 with sub-sections 7.1, 7.2, 7.3, 7.4, and 7.5 highlighting the different initiatives adopted by Twilio, Zappos, Hilton Hotels, Narayana Health, and Infosys respectively. The salient points of the study are discussed in section 8 with sub-sections 8.1 and 8.2 highlighting the theoretical implications and the managerial implications of the study respectively. Section 9 concludes the study with sub-sections 9.1 and 9.2 highlighting the limitations of the study and the avenues of future research respectively.

## **2. THE NEW SERVICES REALITIES**

Service firms once lagged manufacturing firms in their understanding and use of marketing (Sun, Keh, & Lee, 2012). Service firms were small and faced large demand or little competition. However, the scenario has changed at present (Yim, Chan, & Lam, 2012). Many of the companies operating in the industry at present are service firms. Some of the most skilled marketers now are service firms (Harding, 2008).

Savvy services marketers recognize several new services realities in the 21<sup>st</sup> century. These new realities include increasing roles of technology, the importance of increasingly empowered customers, customer coproduction, and the need to engage employees as well as customers at the same time (Mandal, 2021a).

### 3. INCREASING ROLES OF TECHNOLOGY

Various technologies and technological developments are changing the ways in which businesses are being done at present (Bourdeau, Coulon, & Vieru, 2022). This is also true for services. Technology is changing the rules of services in a fundamental way. For example, banking has been transformed by technological developments (Omarini, 2022). Now, banking can be done online and via mobile apps. Many customers do not physically visit the bank anymore or do not have face-to-face interactions with employees anymore (Winasis, Riyanto, & Ariyanto, 2020). The Covid-19 pandemic accelerated the digital transformation of services. Many companies have changed course and transformed their businesses by integrating digital technologies. This transformation has fundamentally changed the way banks deliver value to their customers (Omarini, 2022).

Technology allows service companies to increase their productivity. However, companies should be cautious and should avoid pushing technologies and technological developments so hard that they reduce perceived quality (Sultoni, Sudarmiatin, & Bidin, 2022). Amazon is one of the companies which employs the most innovative technologies in online retailing. Amazon can keep its customers extremely satisfied when a problem arises. Customers may not be speaking directly to an Amazon employee. Many companies have introduced a *live chat* facility which allows them to integrate technology with a human voice (Fietkiewicz, 2020). Companies, now-a-days, try to connect with customers across different customer touch points. These touch points may include emails, phone calls, videos, and intelligent chatbots (Brock, 2021).

Companies require improving their service offerings and strengthening their relationships with customers (Tolstoy, Hånell, & Özbek, 2022). The internet and cloud computing allow companies for true interactivity and connectivity, customer-specific and situational personalization, and real-time adjustments of the firm's offerings (Dagdeviren & Akram, 2022). However, companies should be aware about various privacy and security issues related to the data and information collected by them from customers (Żywiólek, Trigo, Rosak-Szyrocka, & Khan, 2022). Companies collect, store, and analyze substantial amount of customer data to generate customer insights. Companies should incorporate proper safeguards to protect misuse of customer data. They should also reassure customers about their efforts to keep the private and sensitive data shared by customers, safe and secure (Röding, Steinmann, Schmitz, & Schramm-Klein, 2022).

### 4. EMPOWERMENT OF CUSTOMERS

The digital era has fundamentally changed the way businesses are done now-a-days (Kolomiets, 2021). It has clearly altered the nature of customer relationships. Customers are becoming more sophisticated about buying product-support services. They are pressing for *unbundled* services and the right to select the elements and offerings which they want (Shaw, Tiernan, O'Connell, Warnock-Smith, & Efthymiou, 2021). Customers, now-a-days, do not prefer to deal and interact with a multitude of service providers handling different types of products or equipment. Instead, customers prefer a single touch point for every solution. Keeping this in mind, some third-party service organizations now service a greater range of equipment (Toohey, Moore, Dart, & Toohey, 2019). For example, a plumbing business may also service air conditioners, furnaces, and other components of household infrastructure.

The social media has enabled customers to empower themselves. Customers, now-a-days, can send their comments and interact with others with the single click of a mouse. An individual who is satisfied with the services of a company may share his or her experiences with a smaller group of individuals. However, an individual who had a bad experience will share it with more individuals (Azemi, Ozuem, & Howell, 2020). More than 90 percent of angry customers reported sharing their stories with a friend. At present, angry and frustrated customers can share their experiences with strangers too. There are various websites which allow individuals to share and spread the word about

customer-service adventures. These include Angle's List, Yelp, and TripAdvisor (Choudhary & Sharma, 2022). Unhappy and frustrated customers may choose to upload a damaging video on websites like YouTube to share their customer-service mistakes with others. Such activities of customers may affect the brand image and reputation of companies (Matanhire, Vingirayi, & Manyanga, 2021).

Customers are happy when companies respond quickly to their complaints (Langaro, Loureiro, & Soares, 2020). Many companies allow customers to contact 24/7 by phone on toll-free numbers and on e-chat. Companies can also reach out to customers and monitor blogs, websites, customer reviews, and social media (Kim, Lee, & Yoon, 2022). If company employees notice that a customer has reported an issue on a blog or elsewhere on social media, they may get in touch with the concerned customer and offer help. Customers want that companies provide clear and helpful email replies to their queries (Jin & Chen, 2020). Delta Airlines introduced Delta Assist to monitor customer Twitter tweets and Facebook posts around the clock (Ekouaghe, 2020). A team consisting of ten employees is created to provide real-time replies to any queries, issues, or problems (Ekouaghe, 2020).

Companies should think of preventing a service failure from occurring rather than of rectifying the failure once it has already occurred (Juarsa, Djatna, & Suparno, 2020). They should not only respond to frustrated customers, but should also prevent dissatisfaction from occurring in the future. Companies should analyze customer information and generate customer insights to understand customers better. They should appreciate the fact that customer relationships are developed stronger when customers interact with a real person (Song & Kim, 2022). Solving a problem reported by a customer quickly and easily goes a long way towards winning loyal customers in the long run.

## **5. COPRODUCTION BY CUSTOMERS**

Companies in the services industry realize that customers do not merely purchase and use a service (Urban, Krawczyk-Dembicka, & Łukaszewicz, 2022). Customers play an active role in its production and delivery. This is termed as coproduction. A service cannot be produced unless the customer is deeply involved in its production. The service offered may be modified or altered based on the preferences, suggestions, and requirements of the customer (Crişan, 2022). The words and actions of customers affect the quality of their service experiences and those of others. The productivity of frontline employees is also affected by customers (Rubalcaba & Deschryvere, 2022).

Customers perceive to receive more value from a service when they are actively involved and engaged in the service production and delivery process (Tweneboah-Koduah, Anning-Dorson, & Nyamekye, 2020). They feel a stronger connection to the service provider if they are involved in the process. However, this coproduction can put stress on employees. Coproduction may reduce employee satisfaction, especially when employees do not share the same values, interests, or knowledge with their customers (Cheung & To, 2021). Again, studies indicate that more than one-third of all service-related problems are caused by the customers themselves (Crişan, 2022). The growing shift to self-service technologies is likely to increase this percentage.

Companies providing services should realize that it is better to prevent service failures than to rectify or to recover them once they have already occurred (Awara, Odigbo, Anyadighibe, & Esiet, 2022). Service recovery may be extremely challenging. One of the biggest issues with service failure and recovery is attribution. Customers often feel that the firm is at fault. Even when the firm is not at fault, customers feel that it is the responsibility of the firm for righting any wrongs (Crişan, 2022). Many firms have well-designed and well-executed procedures to deal with their own failures. However, it is still challenging for firms to manage *customer* failures. Service problems may arise from a customer's mistake or lack of understanding. This issue makes it even more difficult for companies to rectify service failures. Companies try to solve issues or problems related to services in several ways (Alenazi, 2021).

- *Redesign processes and redefine customer roles to simplify service encounters:* Service companies should redesign their processes to make the services offered, streamlined. They should also redefine the roles of customers and simplify the service encounters for customers (Galdolage, 2022). For example, Staples transformed its business with its *Easy* program to take the hassle out of ordering office supplies.
- *Incorporate the right technology to aid employees and customers:* Service companies should incorporate and implement the right technologies which help both employees and customers. Both employees and customers should be conversant with and should feel at ease with the technologies being used (Fuller, Pervan, Kunstler, & Merolli, 2021). For example, Comcast, the largest cable operator in the United States, introduced software to identify network glitches. Such early identification allowed Comcast to rectify the glitches before they affected services. Comcast was able to better inform its call center operations about the problems and issues faced by customers (Habib, Prybutok, & Philpot, 2022).
- *Create high-performance customers by enhancing the clarity of their roles, their motivation, and their ability to perform their roles:* Customers should be clearly informed about their roles and responsibilities so that they can be served better by companies (Osei-Frimpong, McLean, Wilson, & Lemke, 2020). For example, United Services Automobile Association (USAA) reminds enlisted policyholders to suspend their car insurance when they are stationed overseas (Gomber, Kauffman, Parker, & Weber, 2018).
- *Encourage customer citizenship so that customers will help each other:* Companies should encourage customers to interact among themselves and build and develop a sense of *customer citizenship* so that customers will be able to help each other whenever required (Mitrega, Klézl, & Spáčil, 2022). For example, at golf courses, players not only can follow the rules by playing and behaving appropriately. They can also encourage others to do so.

## 6. SATISFACTION OF BOTH CUSTOMERS AND EMPLOYEES

Employees will not be able to satisfy their customers unless they are content and satisfied themselves (Andalas, 2022). Excellent service companies realize that positive employee attitude will create positive impression on customers, improve their customer experience, and will strengthen customer loyalty (Kim & Baker, 2022). Job satisfaction and commitment increase for those employees who have a strong customer orientation. The satisfaction and commitment increase further for those employees who have extensive customer contact (Loor-Zambrano, Santos-Roldán, & Palacios-Florencio, 2022). Employees thrive in customer-contact positions when they have an internal drive to (1) pamper customers, (2) accurately read their needs, (3) develop a personal relationship with them, and (4) deliver high-quality services to solve the problems faced by customers (Fang, Gao, & Hu, 2021).

The importance of positive employee attitudes resulting in higher customer satisfaction cannot be overemphasized. Consequently, service companies should try to attract those individuals who are emphatic, have a positive attitude, and empathize with customers, as employees. Companies need to market a career rather than just a job, design a sound training program, provide support for employees, and reward them for superior performance. Companies can reinforce customer-centered attitudes on employees with the help of intranet, internal newsletters, daily reminders, and employee roundtables. Finally, companies should conduct an audit on employee job satisfaction regularly.

## 7. INITIATIVES BY COMPANIES

Enlightened companies in services understand the importance of generating and delivering superior services to customers (Mandal, 2021b). Such companies understand the new service realities and the associated challenges and opportunities. They adopt several initiatives to satisfy and delight their

customers. Some of the enlightened companies which have taken initiatives include Twilio, Zappos, Hilton Hotels, Narayana Health, and Infosys.

### **7.1. Initiatives by Twilio**

Twilio is a leading cloud communications platform. It is used by millions of developers around the world to virtualize the telecommunications infrastructure and to improve the human interaction experience (Muthumanikandan, Singh, & Chithreddy, 2022). Twilio works in business-to-business domain and has over 60000 business clients. Its customers include high-profile clients such as Airbnb, Intuit, Salesforce, Uber, Lyft, Hulu, Yelp, Sony, Twitter, and eBay (Reddy, Devasena, Rahul, Sahak, & David, 2022). The clients are offered a comprehensive, customizable, and easy-to-use platform. The platform helps the clients to automate and streamline communications to customers, collaborators, employees, and co-workers. For example, the platform is used by Coca-Cola to rapidly dispatch service technicians (Oo, 2021). Real estate site Trulia uses Twilio for its click-to-call app. The app enables potential buyers to connect with an agent (Zhou & Wang, 2019). EMC uses Twilio to send texts to employees when an IT service goes down (Zhou & Wang, 2019). Airbnb uses it to automatically text information about potential renters to hosts (Stallkamp, 2019). Twilio makes extensive use of its communications platform for text, voice, video, chats, and messaging apps. Twilio further expanded its portfolio of services to include a cloud-based call-center service and a pay app. Companies can process payments over the phone with the help of the app. The necessity to read a card number to a representative is eliminated (Priyanka, Kiran, & Nalla, 2022). Twilio wanted to add e-mail capabilities to its portfolio of offerings. For this reason, in 2019 Twilio acquired SendGrid, a leading e-mail API platform (Thengvall, 2018). The acquisition bolstered the ability of Twilio to deliver consistent messaging based on its customers' preferred form of communication (Thengvall, 2018). Based on all these initiatives, Twilio keeps its high-profile business customers and their customers happy. To achieve this, Twilio offers the above-mentioned variety of easy-to-use, customizable services that automate, streamline, and enhance interactions between companies, and their customers, collaborators, and employees (Muthumanikandan et al., 2022).

### **7.2. Initiatives by Zappos**

Zappos is an online retailer which was founded with an intention of providing superior customer services and this objective is inbuilt at the core of its culture (Zhou & Duan, 2022). Zappos offers free shipping and returns, 24/7 customer service, and fast turnaround time on the numerous products and thousands of brands offered on the site (Akter, Hani, Dwivedi & Sharma, 2022). Zappos aims to create repeat customers with all these initiatives. Unlike many other companies, it has not outsourced its Zappos.com call centers. Also, during job recruitment and interview process, focus is on finding those candidates who are sufficiently outgoing, open-minded, and creative to be a good cultural fit. Customer-service representatives are empowered to solve any problems which may arise (Bish, 2022). For example, a customer called to complain that a pair of boots was leaking after only a year of use. The representative sent a new pair of boots, even though the company's policy allows only unworn shoes to be returned (Bish, 2022). Every employee has a chance each year to contribute to the company's Culture Book about life at Zappos. They also share how each department, starting from selling to warehousing, delivery, pricing, and billing implements superior customer service (Bish, 2022). Zappos offers two-day seminars to business executives who are eager to learn the secrets behind its unique corporate culture and approach to customer services (Bish, 2022).

### **7.3. Initiatives by Hilton Hotels**

Hilton Hotels sold its foreign licensee, Hilton International Co. in 1964. In 2006, it bought Hilton International Co. back. During this period (1964-2006), the two companies operated largely independently (Sardana, 2009). Consequently, the Hilton brand failed to provide customers with a uniform high-quality experience. One research analyst said, "The brand standards in Europe were

always very different from those in the U.S. I think they were, quite frankly, a bit slacker in Europe” (Maclean, Harvey, & Suddaby, 2022). Hilton addressed this inconsistency by initiating H360, a project to review everything from breakfast fare to bath amenities, the décor of lobbies, Wi-Fi service, hotel architecture, and handling of customer complaints at all the company’s hotels (Sarkar, Toanoglou, & George, 2020). The motto of H360 was “*One brand. One vision. One culture.*” The motto of H360 forced independent owners of Hilton-branded hotels in the United States and abroad to upgrade to Hilton standards where necessary or be dropped from the Hilton system (Sarkar et al., 2020). The initiatives helped Hilton to protect the brand. The initiatives also helped Hilton to ensure that Hilton properties in both Europe and the United States provide its guests with uniformly high-quality services or be purged from its system. Hilton was able to increase its revenues and to strengthen its brand equity (Zhang, Huang, Li, & Ren, 2022).

#### **7.4. Initiatives by Narayana Health**

Narayana Health was founded in 2001 by Dr. Devi Shetty as Narayana Hrudalaya, a super-specialty cardiac hospital engaged in offering affordable services related to heart health (Vervoort, Novick, & Pezzella, 2022). The mission of Dr. Shetty translated into a broader perspective of delivering high-quality affordable healthcare services through a chain of hospitals in India. Dr. Shetty had a great faith in technology and banked on the transformative power of technology to develop an asset-light business model (Shetty, Shetty, & Shetty, 2022). He worked strategically with governments and private owners for land lease and renting premises respectively. The healthcare group had a purpose-driven approach. The approach helped the group to commission hospitals and clinics rapidly to bring the promise of quality healthcare at reasonable budget to the doorsteps of the millions of individuals of the country (Shetty et al., 2022). At present, the group offers healthcare in over 30 specialties including cardiology, oncology, neurology, orthopedics, nephrology, and gastroenterology across its 21 hospitals with 6000 beds (Easwaran, 2022). Narayana Health makes maximum use of technology to optimize productivity while minimizing costs. It combines innovative technology with a highly efficient delivery system. The efficiency allowed the group to enable its healthcare facilities to increase treatment capacity and to expand the number of specialty services offered (Wirtz, 2020). The low investment and low cost, high-volume model coupled with an assembly line approach to operations helped the healthcare group leverage economies of scale while delivering high quality. Many patients are attracted through innovative schemes such as micro-insurance and telemedicine. Such schemes ensured higher utilization of capital-intensive diagnostic equipment and operation theaters (Wirtz, 2020). Again, doctors and surgeons improve their skills by treating more patients. This in turn, helped to enhance quality with more practice. Higher volumes enable reduction in unit cost of surgeries. Standardization of procedures, centralized purchasing, digitization, data-driven business intelligence model, and motivated doctors and skilled employees drive improvements in patient outcomes and satisfaction (Wirtz, Lin, & Das, 2022). Narayan Health has won the admiration of health system leaders through its innovative care delivery model. The model lowers costs, improves quality, and increases access to its services (Wirtz et al., 2022).

#### **7.5. Initiatives by Infosys**

Infosys was started in 1981 by Narayana Murthy and the founding team of six engineers with an initial capital of \$250 to develop software for a U.S.-based client (Leavy, 2021). Slowly and gradually, Infosys set a new standard for transparent value systems, ethical business practices and principles in the software service industry. The company tries to differentiate itself based on a strong foundation of core value system. Infosys adopts the philosophy of C-LIFE (Client focus, Leadership by example, Integrity and transparency, Fairness, and Excellence). Infosys follows a value system which is based on legal, ethical, and transparent business. These values are believed to be not a prevalent practice in India. However, the leadership at Infosys persisted and earned the trust of investors, clients, and other stakeholders. Infosys is one of the most respected companies of India. Motivated by its vision,

Infosys delivers best-of-breed technology solutions and employs best-in-class professionals. The brand-building exercise of Infosys is based on a consistent strategy. Narayana Murthy explains, “Strategy is what we have to do to create and maintain sustainable differentiation vis-à-vis competitors. One aspect of our differentiation is our emphasis on values. Our values give our clients confidence that we will deliver on our promises, stand by them in every situation, and that we will spare no efforts to make them look good in front of their customers. Still, values cannot be just part of the strategy process; they have to be second nature for everyone in the organization” (Davis, 2022). Infosys has earned an ethical and transparent image. Infosys has been able to gain the trust of clients. Many of the clients continue to do business with Infosys for more than a decade (Davis, 2022). Infosys has now turned into one of the most valuable companies with market capitalization of U.S. \$100 billion as of 2021 (Sinha, Pedada, Purkayastha, Srivastava, & Balani, 2022).

## **8. DISCUSSIONS**

Companies require focusing on superior delivery of services to remain competitive in the business environment. Marketing of services is changing because of new developments. Marketing of services face new realities in the 21<sup>st</sup> century. The services sector is changing because of customer empowerment, customer coproduction, and the need to satisfy both customers and employees at the same time. Technology is playing an important role in the generation and delivery of services. The digital era has clearly altered customer relationships. Customers do not merely purchase and use a service. They play an important and active role in its generation and delivery. Enlightened companies understand and realize the importance of delivering superior services. These companies adopt several initiatives and strategies to excel in service delivery. All these aspects are discussed in the study. The study has both theoretical and managerial implications.

### **8.1. Theoretical Implications**

Academicians may study and analyze the various aspects of services. They may analyze the new realities in services in the 21<sup>st</sup> century and the roles of both customers and employees in the generation and delivery of superior services. Based on the analysis, they may suggest new ways to make optimum usage of technology in services. They may analyze customer empowerment, customer coproduction, customer satisfaction and employee satisfaction with respect to services. Based on the analysis, they may suggest better and effective ways to companies for dealing with the new service realities in the 21<sup>st</sup> century.

### **8.2. Managerial Implications**

Companies require understanding the new realities in services in the 21<sup>st</sup> century. They should understand the new realities viz. increasing role of technology in generation and delivery of services, customer empowerment, customer coproduction, and the increasing need of satisfying both customers and employees at the same time. Practicing managers require analyzing the new realities and understanding the initiatives and strategies which should be adopted to deal with the new realities. They should evaluate the existing initiatives and strategies in their companies and understand the initiatives and strategies which should be adopted in future to excel in services in the 21<sup>st</sup> century. Generation and delivery of superior services in the age of new service realities will ensure that companies are able to build and develop effective customer relationships and to achieve business excellence in the long run.

## **9. CONCLUSION**

The landscape in the services industry is changing rapidly in the 21<sup>st</sup> century. Companies delivering services should understand the new service realities viz. increasing roles of technology, customer



empowerment, customer coproduction, and the need for satisfying both customers and employees at the same time. Enlightened companies offering services adopt several strategies and initiatives to excel in the generation and delivery of superior services.

### **9.1. Limitations**

Various aspects related to the new realities in services in the 21<sup>st</sup> century are discussed and analyzed conceptually. Primary data is not collected and empirical analysis is not done. Also, the study is conducted mainly with a focus on the markets in the United States and with specific examples of Indian companies which excel in delivering superior services.

### **9.2. Avenues of Future Research**

It is difficult to satisfy customers with physical products. So, it is necessary for companies to understand the new service realities and to generate and deliver superior services. Researchers should understand the importance of services and the new service realities in the 21<sup>st</sup> century. They should collect primary data related to various aspects of services in the present-day context and conduct empirical analysis to understand the challenges and opportunities which companies operating in services are facing. They may collect primary data and conduct empirical analysis for markets outside that of the United States and India. The analysis will help companies to understand the new service realities better, to adopt effective strategies and initiatives, and to achieve business excellence in the long run.

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