

## Front Office and Back Office

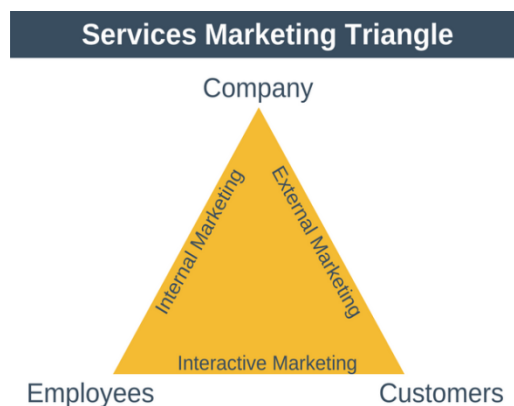
The terms Front Office and Back Office are generally used to describe the parts of the company (or of its information system) that are dedicated, respectively, to the direct relationship with the client and proper management of the company.

The front office, sometimes also called Front Line, refers to the front part of the company, visible for the clients, such as the marketing, user support, or after-sales service teams. People who work in this office are the ones who deal directly with customers. They process orders and make sure clients and customers are highly satisfied. The revenue of the company is more dependent on the front office.

Back office refers to all parts of the information system to which the final users do not have access. The term therefore covers all internal processes within the enterprise, such as production, logistics, warehousing, accounting, HRM etc. It consists of the administrative staff of the company, who does not have to meet the company's customers face-to-face. This is the part of most companies where the tasks are devoted to running the business. Without being seen by clients or customers, they work indirectly towards customer satisfaction.

## The Service Marketing Triangle

The service marketing triangle is a strategic marketing model, which shows the key marketing activities that happen between the key actors within service businesses. It provides a visual way of understanding the importance of people in a service business.



Each actor works together to develop, promote and deliver a company's service. The actors are:

- **Company:** It refers to the leadership team of the company in question.
- **Employees:** It includes all employees, including subcontractors who deliver company's service.
- **Customers:** It includes existing and potential customers of the company.

The lines between the points show the different types of marketing that must occur:

- **External Marketing:** It occurs between the company and its customers. External marketing is any communication to existing customers or potential customers that happens before service delivery starts. Forms of external marketing include advertising, personal selling, public relations and direct marketing. External marketing is used to achieve aims like: creating awareness, setting price expectations, setting service level expectations etc.
- **Internal Marketing:** It occurs between the company and its employees. Employees are viewed as internal customers in service business. The leadership team must first satisfy employees if they want to serve customers better. Key components of internal marketing involves: motivating employees, teaching customer satisfaction techniques, communicating company goals regularly, management of change, good pay and working conditions, proper training etc.
- **Interactive Marketing:** It occurs between employees and customers. Each significant interaction between an employee and a customer is known a service encounter. Interactive marketing is important because it establishes both short-term and long-term satisfaction. That means, if a customer is satisfied with the service they receive in the short-term, they are more likely to be satisfied in the long-term.

The service marketing triangle is based on the fact that all service businesses are about promises. The business makes promises to its customers through external marketing. The business facilitates its employees to keep those promises through internal marketing. Finally, the business delivers its promises with interactive marketing.