Services Marketing and Poverty Alleviation: An Empirical Study on Dhaka City in Bangladesh

Mohammad Zahedul Alam[1]

[1] Associate Professor & Chairman, Department of Marketing, Bangladesh University of Professionals (BUP), Mirpur Cantonment, Mirpur, Dhaka, Bangladesh. Email: zaheddu2000@yahoo.com, Phone: 0088-01715030184
Corresponding Author: Mohammad Zahedul Alam

Abstract: *Tertiary sector is going to dominate our economy in comparison with other sectors of the economy. Dhaka City is the hub of all services sector of Bangladesh. But still a significant portion of the people lives under the poverty level in Dhaka city. The primary objective of this study was to examine the role of services marketing in reducing the poverty in Dhaka city of Bangladesh. For the purpose of the study, a group of respondents consisting of slum living people, employees of service firms and services users or beneficiaries etc have been interviewed. It has been found that poverty in Slums areas of Dhaka City was most strongly influenced by recent migration from rural areas, household organizations, participation in the informal sector of the economy and access to housing and land. It was also found that services sector is set up, owned and controlled by the private sector investment. On the basis of findings and analysis, some recommendations were provided to make the services mareting as a means of poverty alleviation in Dhaka city.*
Key Words: *Services, Services Marketing, Services Economy, Poverty Alleviation, Dhaka City etc.*

I. Introduction

The services sector is an integral part of the composition of Bangladesh economy. The services sector plays a solid role in the growth and development of Bangladesh economy over the last couple of years, and especially during the Sixth Plan, impressive progress has been made to improve the performance of this sector. Most of the Services sector of Bangladesh is still dominated by formal, private and commercial business and individuals. Dhaka is the fastest growing mega-city in the world, with an estimated 300,000 to 400,000 new migrants, mostly poor, arriving to the city annually (BBS, 2015). During the last one and half decades of socio-economic reforms in Dhaka City, rapid growth rate in the services sector has been recorded in terms of service activities, GDP, employment and earnings etc. Government has taken initiatives to shift manufacturing sector from Dhaka city areas to neighboring district. Investors are highly interested to invest in services businesses rather than industrial or agricultural sector. So, the people who are directly or indirectly dependent on industrial sector promoting services sector as an alternative livelihood. The poor, unskilled and slum living people depends on informal services in formal services organizations. There is also evidence that services sector contributes a lot to the economic growth and of even countries with poor economies through foreign exchange earnings, creation of employment opportunities and provision of public revenues. Dhaka city is going to become modern and technologically advanced city where services sector are emerging with advanced technology intensive. Most of the services are going to become technology intensive rather than labor intensive where unskilled and unexperienced poor labor are deprived from involvement in this sector.

Most of the people in Dhaka city who live under the poverty level are unskilled, illiterate and poor. Dhaka division has the highest share of the country's poor population followed by Chittagong, as people from impoverished areas have migrated to these economic hubs in search of employment. 32.3% of the poor people of the country live in Dhaka (poverty map of Bangladesh, 2010). Within this backdrop, this research addresses the role of services marketing in poverty alleviation in Dhaka city and has been addressed the problem of services marketing to overcome the special problem faced by services marketers in Bangladesh.

II. Relevant Literature Review

Very few research papers have been found regarding the services marketing and its impact on poverty alleviation in Dhaka city of Bangladesh. Dhaliwal (2000) notes that the populations are particularly concentrated

---

[1] Associate Professor & Chairman, Department of Marketing, Bangladesh University of Professionals (BUP), Mirpur Cantonment, Mirpur, Dhaka, Bangladesh. Email: zaheddu2000@yahoo.com, Phone: 0088-01715030184

in and around major cities of the world. Moreover, according to UN (2000) report, 90% of urban population growth will be in developing countries of Asia, Africa and Latin America. It is also projected that 80% world's cities will be in developing countries (Dhaliwal, 2000). Thus, it obviously shows that the cities of the developing countries will create much more challenges in the days to come. Kanapathy (2003) states that several domestic and international developments in the new millennium prompt policy makers to re-engineer the economy, focusing on the development of services sector and services trade, and to chart a new sustainable growth path. Li, Wang and Zhai (2003) treats services sector as an engine of economic growth. Production efficiency in agriculture and manufacturing sector and promotion of technical progress is highly related to the integrated services. Francois and Reinert (1996) have documented that the importance of services for export performance rises with per capita incomes – business, distribution, and communications services become the most important sectoral elements of overall exports in terms of inter-industry linkages. Globalization of services provides many opportunities for late-developing countries to find niches, beyond manufacturing, where they can be successful.Taking advantage of these opportunities requires a government that energetically takes steps to accelerate services growth, through a variety of policies (Bhagwati, 2004). Services may provide the easiest and fastest route out of poverty for many poor countries. Growth in modern services is not tied to growth and development of the manufacturing sector. Hossain Shahadat (2008) described in his study that due to the concentration of both domestic and foreign investment Dhaka City has experienced massive migration from the rural population of Bangladesh in recent decades but a critical downside to this has been the dramatic rise in poverty.

It is the real fact that the poverty reduction will depend on the rate of average income growth, the initial level of inequality, and changes in the level of inequality (World Bank, 2001). Chandrasekhar and Ghosh (1999) shows a rise in the share of services in national income is viewed as being positively associated with both economic growth and quality of life.

There is convincing macroeconomic evidence that stronger services sector performance means faster economic growth (Hoekman and Eschenbach, 2005; Mattoo et al., 2006). According to Haveman and Schwabish (2003), economic growth and poverty rates showed a negative relationship until 1970s. However, starting from the late 1970s, this relationship between economic growth and the poverty rates became statistically unclear.

Francois and Hoekman (2010) presented that based on the growth and poverty reduction experience in selected developing countries; they argued that there was no invariant relationship between economic growth and poverty reduction.

The urban peripheries become the dumpling grounds of the urban poor in the new age of surplus humanity. The nature of life and labour in the peripheries clearly reveals their poverty and vulnerability. Most of the urban poor are involved in low paid peripheral economic activities in Dhaka city like many other developing cities. They mostly work as rickshaw pullers, street vendors, construction workers, transport workers, garments workers and low grade employees in the government and private sectors (S. Hossain, 2011). According to the Peruvian Economist Hernando De Soto (2000), a major reason for the continuation of poverty is that poor people's exchange possibilities have been limited by either a lack of ownership or the ability to use what they own as collateral. In addition, impoverished consumers lack financial resources or education levels (Karnani, 2007). It has also been observed that growth in mega cities does not contribute to poverty reduction, or in some cases, increases poverty. So the case for urbanization-especially secondary towns-as the key driver of elimination of extreme poverty rests on a somewhat arbitrary merging of non-agricultural in rural areas and secondary towns and results that exaggerate the importance of urbanization (Christiansen et al., 2013).

It is evident that the services sector has ability to create jobs progressively. Because a significant number of sub sectors in services sector are labor-intensive (Li, Wang and Zhai, 2003). Sirilli and Evangelista (1998) also characterizes the service industries as labor intensive sector "Service-sector industries are characterized by a close interaction between production and consumption, high information content, the intangible nature of their output, and a heavy emphasis on labor capital in the delivery of their output.

Services industry also often caters to varying business activities, so they will locate in areas with dense and diverse business settings (Kolko, 2010). The evidence indicates that more urban economies have larger service outputs and employment shares.

MS Alamgir (et, al., 2009) stated that receiving and utilizing micro credit income level, consumption, expenditure and socio-economic status of the slum dwellers improved to some extent. Due to participation of slum dwellers in NGOs, their economic, social and decision making improved substantially. Credit disbursement through NGOs with integrated approach could bring positive changes in the life of poor slum women as well as their community.

According to Islam et al., (1997) stated that about 55% and 32% of the city's population are absolute poor and hardcore poor respectively. CUS (1990) shows the per capita annual income in Dhaka City as only US$327, which is perhaps the lowest among the world's megacities. Paul Kennedy (1993) observes that Asian,

Latin American, and Central American mega- cities of 20 million inhabitants have become increasingly centers of poverty and social collapse. Shahadat Hossain (2008) found that significant portions of the city dwellers are settled mostly in slums and squatter settlements and are living below the poverty lines as the rapid urban growth of the city is not commensurate with its overall development. There is dearth of research studies conducted to evaluate the role of services marketing in reducing poverty in Dhaka city of Bangladesh which has brought paradigm shift in the economy of Bangladesh.

2.1 Research Questions

The core research question is "The tertiary sector is dominating the economy, should we worry about it? "What role is services marketing playing to alleviate poverty in Dhaka City?" "Can only growth of services marketing ensure poverty alleviation in Dhaka City of Bangladesh?"

2.2 Hypothesis

The hypotheses derived from the research questions that exhibit the appropriate answers to the principal research questions are as follows:

Ho_1 = There is no significant relationship between the growth of services marketing and poverty alleviation in Dhaka City.

Ho_2 = Participation in service activities is positively related to poverty reduction through increased employment, incomes and accessibility to livelihood requirements.

Ho_3 = Households participating in sectors with linkages to service sectors are more likely to reduce their poverty from service activities than those in sectors with fewer linkages.

2.3 Research Objectives

Firstly, the objective of the study was to analyze the role of services marketing in poverty reduction of Dhaka city in Bangladesh and how this role can be enhanced. Secondly, to analyze the opinions of the slum living poor people, services beneficiaries and officials of services firms regarding the services marketing as a means of poverty alleviation in Dhaka City. Thirdly to explore the opportunities and constraints of the services marketing for poverty alleviation by identifying factors that assist in establishing services sector and facilitate their success and performance, as well as the factors that are impeding success and performance and finally, this paper aims to formulate policy and guideline to overcome the constraints and to make the services marketing more effective model for poverty alleviation in Dhaka City.

III. Research Methodology

This study incorporated both descriptive and exploratory research approach. The study was conducted in Dhaka City, Bangladesh, which has been transformed into a megacity in recent times. Poverty is a critical issue and major challenge in this city. All stakeholders who are directly or indirectly engaged in services sector in Dhaka City of Bangladesh are the target population. It includes Local slum living poor people, Services providers and Beneficiaries of services in Dhaka City. Stratified sampling technique has been used to select the sample for the study. Different slum areas of Two City Corporation of Dhaka City have been selected for the study. Since these two city corporation are the hub of all services marketing in Dhaka city. Ten (10) respondents from each super sector of the services economy, 300 local peoples, who are services beneficiaries from different services firms and 375 slums living poor people, have been interviewed to get their opinions regarding the services marketing in Dhaka City. Separate sets of questionnaires have been constructed for each group of respondents.

Factor analysis was run to identify the factors for the growth and development of services sector in Dhaka City.

$$y_1 = \mu + \lambda_{11}f_1 + \lambda_{12}f_2 + \lambda_{13}f_3 + \ldots \qquad \ldots \qquad \ldots \qquad \ldots + \lambda_{1m}f_m + \in_1$$

$$y_2 = \mu + \lambda_{21}f_1 + \lambda_{22}f_2 + \lambda_{23}f_3 + \ldots \qquad \ldots \qquad \ldots \qquad \ldots + \lambda_{2m}f_m + \in_2$$

$$y_p = \mu + \lambda_{p1}f_1 + \lambda_{p2}f_2 + \lambda_{p3}f_3 + \ldots \qquad \ldots \qquad \ldots \qquad \ldots + \lambda_{pm}f_m + \in_p$$

Where, m, the number of factor must be smaller than number of variables, p. The coefficients λ_{ij} are called loadings and serve as weights, showing how each y_i individually depends on the fs. Primary data have been collected through survey, depth interview and personal observation etc.

IV. Composition of the Economy of Bangladesh

In Bangladesh, services industry is the biggest sector of the economy and account for 53.39 percent of total GDP (BBS, 2015). Current sectoral contribution of the country can be shown below;

Figure 1: Sectoral Composition of the Bangladesh Economy
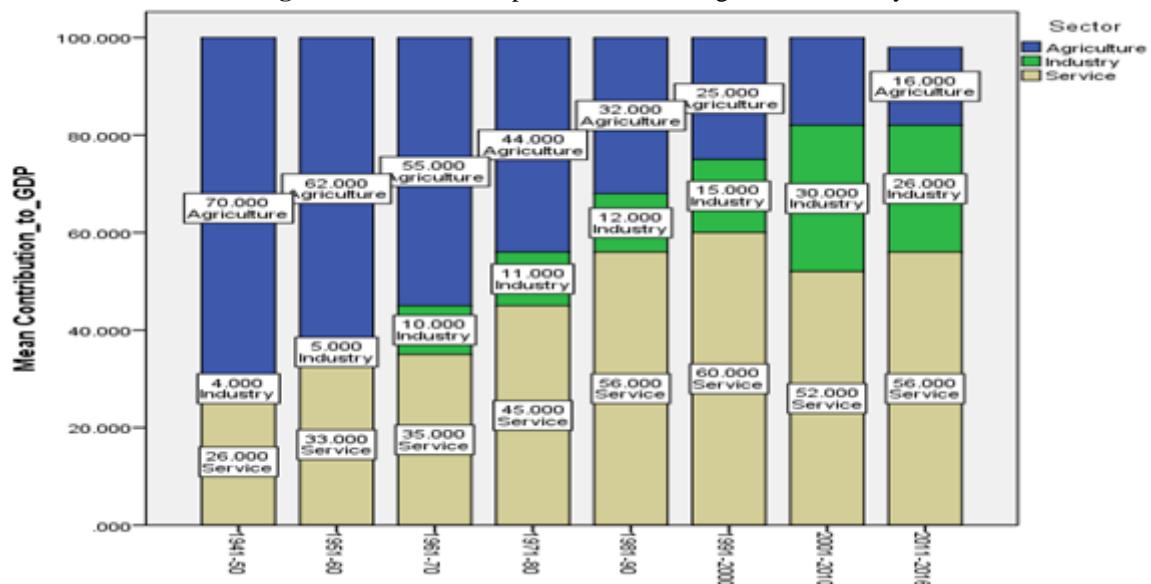
Sources: BBS, 2016

From the above the table, it is found that the dominance of the sectoral composition of Bangladesh economy is increasing by the services sector over the years. But all sub-sectors of services are not equally contributing to GDP.

V. Dhaka City-The Case Study Area

Dhaka city is chosen as the case study area because of the rapid growth and development of services sector in Bangladesh which is the hub of all services of Bangladesh. 34% of households live below the poverty line. Dhaka's economy is dominated by Dhaka City but has other productive cities, districts and suburbs etc. According to IMF's 2014 analysis, the total Gross Domestic Product (GDP) of Dhaka was US$231 billion in terms of Purchasing Power Parity (PPP), accounting for 35% of the economy of Bangladesh.

According to Economic Census-2013, it exclusively depicts the urban scenario of Dhaka in terms of establishments, Total Person Engaged (TPE) and average size of establishments. It is manifested that in total, the Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles grasps the largest share having 2,63,662 (59.57%) establishments with 8,85,037(36.39%) TPE followed by Other Services Activities having 46,244 (10.45%) establishments with 1, 47,725 (6.07%) TPE, Manufacturing having 41,105 (9.29%) establishments with 7, 33,174 (30.14%) TPE, Accommodation and Food Services having 39,453 (8.91%) establishments with 1, 12,305 (4.62%) TPE, Transport and Storage having 10,829 (2.45%) establishments with 34,989 (1.44%) TPE and so on.

5.1 Dhaka City and Poverty

Dhaka has a growing middle class populace but 28 percent of its total population is poor (BBS, 2015). The percentage might increase because about 300,000 to 400,000 migrants are added to the existing inhabitants of Dhaka annually from different poor districts of Bangladesh. Apart from these pavement dwellers, an estimated 3.4 million people of Dhaka city live in slum areas and 92 per cent of them do not earn enough money to meet basic needs (Slum census, 2014). As this rapid growth of Dhaka City is not commensurate with its industrial development, a significant portion of its population is not incorporated in its formal economy. In 2015, the total population of Dhaka Megacity is 17.9 Million (UN, 2015). 5% of the poor of Bangladesh live in Dhaka City and 28% of the total population of Dhaka City are poor (HEIS, 2000).

VI. Findings And Analysis

In this part, the researcher completely and exhaustively present predominant findings derived out of primary data analysis. This section has been divided into three parts which covers three separate respondents.

6.1 Analysis of the Opinions of the Slum Living Poor People
6.1.1 Major Economic Activities in Study Areas
Analyzing the major economic activities play important role in determining the involvement of services affairs activities in Dhaka City.

Table 1: Major Economic Activity in Study Areas

Economic Activity	Mirpur Slum Areas		Gulshan (Korail Slum Areas)		Jatra Bhari	
	No	Percentage	No	Percentage	No	Percentage
Fruit selling	5	3.44	0	0	0	0
Garments worker	3	2.068	5	3.7037	5	5.263
Shoe shinning	10	6.896	5	3.7037	5	5.263
Handicraft	2	1.379	0	0	2	2.105
Hotel employee	12	8.275	5	3.7037	5	5.263
Entertainment (Culture, Music)	0	0	5	3.7037	5	5.263
Cloth selling	0	0	0	0	0	0
Rickshaw puller	**45**	**31.034**	**50**	**37.037**	**25**	**26.3157**
Transportation worker	**30**	**20.689**	**15**	**11.111**	**20**	**21.0526**
Construction Worker	**35**	**24.137**	**20**	**14.814**	**10**	**10.5263**
Household worker	8	5.517	5	3.7037	5	5.2631
Vegetable shopkeeper	8	5.517	5	3.7037	2	2.1052
Hawker	4	2.758	2	1.4814	0	0
Laundry	1	.689	1	.74074	0	0
Saloon	1	.689	2	1.4814	0	0
Repairs and Maintenances of Electronic devices	1	.689	5	3.7037	0	0
Cleaner	10	6.896	5	3.7037	30	31.578
Total	**145**	**100.00**	**135**	**100.00**	**95**	**100.00**

Sources: Field Survey, 2016

From the above table, it can be seen that most of the respondents were engaged in different services affairs economic activities such as Rickshaw puller, construction worker and transportation worker etc.

6.1.2 Dimensions of the Services Economy
All dimensions of the services economy are not equal for contribution in poverty reduction. Respondents were asked to identify the dimensions that contribute more likely to alleviate the poverty.

The following table shows that most of the respondents strongly agreed that Education & Health, financial services contributes a lot to reduce the poverty in Dhaka City. 168 out of 375 respondents opined that they are strongly agreed that Education & Health services contribute a lot to reduce poverty in Dhaka City.

Table 2: Which Dimensions of the Services Economy You Think Contributes to Alleviate Poverty from Dhaka City?

		Education & Health	Financial Services	Wholesale/ Retail Services	Transportation/ Utility	Tourism	information	Govt_service	Professional_ Business Services	Real-estate	Other Services
N	Valid	375	375	375	375	375	375	375	375	375	375
	Missing	0	0	0	0	0	0	0	0	0	0
	Mean	4.16	3.98	3.66	3.70	2.93	3.03	3.07	3.29	3.44	3.31
	Median	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	4.00	3.00
	Mode	5	4	4	5	2	3	2	4	4	5
	Std. Deviation	1.055	1.014	1.104	1.147	1.190	1.124	1.211	1.185	1.261	1.444
	Strongly Agree	168	124	93	116	42	42	58	57	89	121
	Agree	155	171	125	108	89	82	80	130	117	53
	Neutral	15	38	106	90	80	130	101	83	71	72
	Disagree	18	31	30	46	127	87	102	74	66	79
	Strongly Disagree	19	11	19	15	37	34	34	31	32	56
	Sum	1560	1491	1374	1389	1097	1136	1151	1233	1290	1241

(n = 375; 1 =Strongly Disagree; 2 = Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree)
Sources: Survey Data

The above table shows that most of the respondents strongly agreed that Education & Health, financial services contributes a lot to reduce the poverty in Dhaka City. 168 out of 375 respondents opined that they are strongly agreed that Education & Health services contribute a lot to reduce poverty in Dhaka City.

6.1.3 Contribution of the Growth and Development of Services Sector to Poverty Alleviation Dimensions in Dhaka City

Respondents were asked to identify variables of the poverty by the contribution of the growth and development of services sector. The following table shows that economic factor (4.06 mean values) is strongly influenced by the services sector over the time. Socio-economic (mean value is 4.08) variable is the second position which is influenced by the growth and development of the services marketing in Dhaka City.

Table 3: Contribution of the Growth and Development of Services Sector to Dimensions of Poverty Alleviation in Dhaka City

		Socio Economic	Economic	Physical Material	Social	Cultural	Political	Other Factor
N	Valid	375	375	375	375	375	375	375
	Missing	1	1	1	1	1	1	1
Mean		4.08	4.06	3.48	3.27	3.11	2.91	3.06
Median		4.00	4.00	3.00	3.00	3.00	3.00	3.00
Mode		4[a]	5	3	3	3	3	3
Std. Deviation		1.025	1.086	1.039	1.152	1.183	1.256	1.397
Sum		1529	1522	1305	1228	1165	1092	1146
Strongly Agree		151	153	82	65	52	49	83
Agree		151	150	81	98	96	75	62
Neutral		36	33	155	108	99	103	88
Disagree		25	19	49	83	96	90	77
Strongly Disagree		12	20	8	21	32	58	65
Factor loading		.351	.550	.391	.736	.524	.689	.844
a. Multiple modes exist. The smallest value is shown .689								

Sources: Survey Data, 2016

6.1.4 Opinions of Slum Living People on Variables of Poverty

Based on the review of literature, 13 variables have been framed ranging from strongly agree to strongly disagree. The following frequency distribution shows the impact of the growth and development of the services sector on poverty alleviation.

Table 4: The Impact of The Growth and Development of the Services Sector

		Nutrition	Income	Education	Community life	Personal dignity	life expectancy	Asset acquisition	Participation in Decision making	Social Security	Gender Equality	Food Security	Quality Life	Vulnerabilities
N	Valid	375	375	375	375	375	375	375	375	375	375	375	375	375
Mean		3.41	3.96	3.12	2.47	2.47	2.30	3.38	2.16	3.19	2.99	3.14	2.62	3.04
Median		4.00	4.00	3.00	2.00	2.00	2.00	4.00	2.00	3.00	3.00	3.00	2.00	3.00
Mode		4	4	4	2	2	2	4	2	4	2	4	2	4
Std. Dev		1.268	.955	1.279	1.108	1.275	1.237	1.204	1.064	1.214	1.330	1.220	1.241	1.202
Variance		1.607	.913	1.635	1.228	1.624	1.530	1.449	1.131	1.475	1.770	1.487	1.540	1.445

Sources: Survey Data

1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree

The above table states that the growth and development of services marketing have strong impact on income (mean value is 3.96), then nutrition (mean value is 3.41) and asset acquisition is the third variables that are influenced by the growth and development of the services sector.

6.2 Analysis of the opinions of the Services Beneficiaries
The following section includes the discussion and analysis of their perceptions and opinions of services beneficiaries regarding the services marketing in Dhaka City.

6.2.1 Factor Analysis
To find out the interdependence among variables as means to alleviate the poverty in Dhaka City. A factor analysis is conducted on 27 statements regarding the services marketing as means of poverty alleviation. The main objective of this section is to reduce the variables into predominant factors regarding the services marketing in Dhaka City.

Table 5: Rotated Components with Statements and Factor Loadings

Factor	% Variance Explained	Factor Loading	Variables Included in the Factor
F1	21.974	.712	The growth and development of services sector contribute to the per capita income of Dhaka City.
		.666	Growth and development of services sector lead to sound economic and social environment in Dhaka City.
		.646	Services marketing should be expanded across the country to alleviate the poverty.
		.640	Services sector will be new engine for poverty alleviation in Dhaka City.
		.613	Services marketing have enhanced our knowledge, skills and capacity.
		.597	Services marketing have brought about more positive benefits than negative effects.
		.591	Services marketing activities have played a positive role in the development of my community.
		.585	Services marketing efforts are designed for the benefits of the advantaged people in Dhaka City.
		.568	Growth and development of services marketing lead to increase per capita income of Dhaka City.
F2	9.838	.803	The main objectives of the services marketing are to reduce the poverty from the slum areas of Dhaka city
		.783	Services marketing treat the slum living people specially.
		.712	Services sector consider the slum living people as a part of the community.
F3	5.631	.634	Services sector has developed our community economically.
		.632	Services sector has helped to improve our relationships with the local authorities.
		.529	Services sector have maintained good relationships with the community people.
		.494	Services sector has primarily benefited the poor people in our community.
		.475	Services sector has contributed to protecting our traditional culture.
F4	4.925	.648	Slum living people easily can participate in formal services sector in Dhaka City.
		.608	Services marketing are for the poor rather than upper class people in Dhaka City.
		.563	All of us should take services from the firms run by slum living people with sympathy.
		.527	Services marketing program are effectively disseminated to the slum living people in Dhaka City.
F5	4.427	.669	Services marketing create more employment opportunities for the slum living people
		.503	Services marketing play significant role in reducing poverty in Dhaka City.
F6	4.126	.814	Growth and development of services sector are targeted to upper class people.
		.529	Services sector has contributed to raising our standard of living in Dhaka City.
F7	3.825	.867	Services marketing dominate the economy of Bangladesh.

Now, the rotated components matrix for the extracted factors is shown in the above table. The correlations between the observed variables and the factors are suppressed above +_ 0.50 meaning that those observed variables have correlation less than 0.50 with the extracted factors are ignored. From the scree plot, it is found that 27 variables are reduced into 07 predominant factors. This leads to grouping of variables as shown in the above table.

By observing rotated component matrix, it is found seven factors that act as means of poverty alleviation in Dhaka city. Here component 1 incorporate the variables that are related to economic growth and services marketing, increasing the per capita income, new engine for poverty alleviation which may be labeled as economic growth. Whereas, component 2 includes the variables which are related to alleviate the poverty from slum areas, treat the slum living people as a part of community which may be labeled as pro-poor driven services marketing strategy. Besides those component 3 integrates the community life, relationship with the community life, protecting the traditional culture and treat the slum living people specially which may be labeled as community affairs or civic affairs services marketing campaign. On the other hand, component 4 incorporates the participation of slum living people in formal services, services marketing for the poor not for the upper class people and services beneficiaries should buy services from the slum living people which may be labeled as involvement of slum living people in formal services. Component 5 incorporates the employment opportunities for the slum living people, poverty reduction which may be labeled as creation of employment

opportunities. Another component 6 integrates the target market and standard of living which may be labeled as target marketing. Finally component 7 includes the dominance of the services sector in Bangladesh economy.

6.2.2 Analysis of the Impact of Different Dimensions of Services Economy on the Poverty Reduction in Dhaka City

Respondents are asked to identify the dimensions which have more impact on poverty alleviation in Dhaka City. It was necessary to investigate the effect of different dimensions of the services of the economy on the poverty alleviation. Multiple regressions was employed to see the effect of the factors as the predictor variables and poverty as the dependent variables.

6.2.3 Multiple Regression Analysis

Multiple regression analysis was utilized to empirically test regression equation models. The effect of Tourism, Real estate, Transportation, Retail, Financial services and Mobile Telecommunication services on poverty alleviation in Dhaka city are shown in the following table.

Table 6: Coefficient of Multiple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	SE	Beta			Lower Bound	Upper Bound
1	(Constant)	-.206	.193		-1.071	.285	-.586	.173
	Real_Estate	.180	.046	.188	3.921	.000	.090	.270
	Finance	.041	.028	.066	1.457	.146	-.014	.096
	Tourism	.120	.048	.120	2.513	.013	.026	.214
	Transportation	.124	.052	.120	2.411	.017	.023	.226
	Retail	.263	.052	.259	5.092	.000	.161	.365
	Mobile	.253	.047	.263	5.425	.000	.161	.345
a. Dependent Variable: Poverty								

The above table shows the regression coefficients of independent variables. Almost all of the variables have a very good influence on the dependent variable. Five variables out of six variables are significant at the 0.05 level. The standardized coefficient beta (β) indicates the relative importance of the independent variables. It shows that retail services and mobile telecommunication services has the highest influencing power on poverty alleviation. From the above analysis, it is also found that real estate sector, retail, mobile telecommunication services and transportation services which have more association with the poverty alleviation in Dhaka City.

6.3 Analysis of the opinions of the Services Providers

This section deals with services providers who are directly or indirectly involved in different services firms in Dhaka city.

6.3.1 Factor Analysis

Opinions regarding the statement for services marketing as a means of poverty alleviation in Dhaka City, Factors that affect the services marketing targeted to alleviate the poverty in Dhaka City. Now, the rotated components matrix for the extracted factors is given below.

Table 7: Extracted factors and their factor loadings with observed variables					
	Component				
	1	2	3	4	5
V7	.791				
V16	.672				
V17	.626				
V8	.567		.522		
V13	.545				
V12					
V1		.862			
V11		.766			
V3		.514			
V6					
V9			.733		
V4			.702		
V5			.650		
V15				.769	
V18				.641	
V2				-.528	
V14					

V10						.869

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 9 iterations.

After the extraction of the latent factors, the extracted factors are named into different variables by studying their nature. Accordingly, the first extracted factor comprises execution of marketing programs, unawareness of the policy makers, wide circulation, segmentation, differentiation which may be labeled as market segmentation. The second extracted factor comprises of the variables that are related to information gathering about the stakeholders, information on services beneficiaries and target groups which may be labeled as information gathering process. The third extracted factor consists of beneficiaries' views and opinions, representatives and lack of capacity to benefit the poor which may be labeled as perceptions of the officials. The fourth extracted factor consists of community based programs, mass orientation and designing the services marketing program which may be labeled as community based services marketing program. The fifth extracted factor consists of only variables which are accessible marketing programs for slum living people.

6.3.2 Reasons for the Growth and Development of Services Sector in Dhaka City
Now it has been analyzed that the reasons behind the growth and development of services sector in Dhaka city. Based on the review of literature 27 statements have been framed on the Likert's five point scale which ranges from strongly agree to strongly disagree. This reduces the variables into predominant factors related to the growth and development of services sector.

6.3.3 Factors Analysis
The rotated component Matrix presents the seven factors after rotation. To identify what these factors represent, it would be necessary to consider what items loaded on each of the seven factors. From the above figure, it can be deducted that 25 variables are reduced into seven predominant factors.

Table 8: Extracted Factors and their Factor Loadings with Observed Variables

	Component						
	1	2	3	4	5	6	7
Z16	.804						
Z26	.682						
Z27	.662						
Z17	.609						
Z21		.786					
Z20		.698					
Z22		.663					
Z25		.640					
Z24		.625					
Z4			.878				
Z5			.822				
Z2			.530				
Z13				.869			
Z14				.616			
Z3				.594			
Z15	.533			.550			
Z1					.816		
Z18					.594		
Z19					.544		
Z23					.512		
Z6						.757	
Z7						.680	
Z8						.603	
Z11							.805
Z9							.654
Z12							.567
Z10							.535
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.							
a. Rotation converged in 12 iterations.							

Four items loaded on Factor 1. An inspection of these items clearly shows that the majority of these items reflect services product for peaceful life. Factor 2 contains five items that reflect the changing lifestyle and removal of manufacturing sector from Dhaka City. Factor 3 contains three items that changing the behavior of

passing the leisure time and the affluence of the life. Factor 4 contains three items that reflect the technological advancement and use of technology. Factor 5 contains four items that reflect more expenditure on services due to affluence of life in Dhaka City. Factor 6 contains three items that reflect the life expectancy of the city dwellers. Factor 7 contains four items that reflect the ecological concerns of the city dweller. These seven factor model represents the combination of the seven original factors, and appears to reflect adequately the underlying factor structure of the 27-items for the growth and development of services marketing.

VII. Suggestions and Recommendations

Based on the relevant literature review and the analysis of the present study, the researcher has arrived at the following suggestions and recommendations to reduce the levels of poverty from Dhaka City through extension of the services marketing activities.

a) Government should take immediate actions or initiatives to restrict the import of unauthorized equipment and modern technology for providing the services sector to the target market so that slum living unskilled people can get the job as labour to survive their life in Dhaka City.

b) Participations of slum living people who live under the poverty level in informal services should be recognized, honored socially and officially. They should be employed in some formal services sector with their low capacity, skill and eligibility etc.

c) Urban poverty has been neglected by NGOs, Government Agencies and International NGOs; they always used to focus on rural poverty. So, level of urban poverty should be focused and removed from the society.

d) Services firms should design separate services, prices, and distribution and promotion programs for the poor people in the society in order to alleviate or at least eradicate the poverty.

e) Government should impose a strong regulation and policy for the private commercial firms to employ the slum living people in their organizations.

f) The only way to alleviate or eradicate the poverty is to raise the real income of the poor. While buying any services, services beneficiaries should buy from the small services entrepreneur in slum living areas so that they can improve the services quality.

g) There is much untapped purchasing power at the Bottom of the Pyramid. Creating opportunities for steady employment at reasonable wages is the best way to eradicate the poverty from the community.

VIII. Conclusion

As a general conclusion, the researcher believes that this research is rich in terms of literature review representation and valuable in terms of the model presented and the findings uncovered. The study fills several research gaps with respect to domestic and international studies regarding the services marketing. This research contributes to existing theoretical debate on the role of services marketing in reducing poverty by providing the analysis of economic activities of slum living people, opinions of the services beneficiaries and services providers etc. This research has identified sub-sector of services industry which has the highest influence on the poverty reduction by using multiple regression model.

References

[1]. Bhagwati, Jagdish, (2004). In Defense of Globalization, New York: Oxford University Press.
[2]. Chandrasekhar, C.P., and Ghosh, J. (1999). "Services Sector Growth: What does it mean?" MACROSCAN, http:// macroscan,com/fet/nove99/print/prnt161199service_sector_grwoth.htm
[3]. Christiansen, L., J. De Weerdt and Y. Todo (2013) "Urbanisation and Poverty reduction: The Role of Rural Diversification and Secondary Towns", Washington DC: World Bank Policy Research Working Paper 6422, World Bank.
[4]. Francois, Joseph and Kenneth Reinert. (1996). " The role of Services in the structure of production and trade: Stylized facts from Cross-country Analysis." Asia Pacific Economic Review (2). Pp: 35-43
[5]. Francois, Joseph and Bernard Hoekman (2010), "Services Trade and Policy", Journal of Economic Literature 48, no. 3: 642–92.
[6]. Haveman, Robert H., Andrew Bershadker, and Jonathan A. Schwabish. (2003). "The Level and Utilization of Human Capital in the United States, 1975–2000", Employment Research 10(2): 1–3.http://dx.doi.org/10.17848/1075-8445.10 (2)-1.
[7]. Hoekman, B., and F. Eschenbach. (2005), "Services Policy Reform and Economic Growth in Transition Economies", 1990–2004. Policy Research Working Paper No. 3663. The World Bank
[8]. Hossain Shahadat (2008) "Rapid Urban Growth and Poverty in Dhaka City" Bangladesh e-Journal of Sociology. Vol. 5 (1). J
[9]. Hernando de Soto (2000), "Are Hernando de Soto's views appropriate to South Africa?
[10]. Graduate School of Public and Development Management, University of the Witwatersrand, Johannesburg.
[11]. Islam, N., Huda, N., Narayan, F. B., and Rana, P. B. (1997), "Addressing the Urban Poverty Agenda in Bangladesh", University Press Limited, Dhaka.
[12]. Islam, N. (2001), "Urbanisation, migration and development in Bangladesh: recent trends and emerging issues", Dhaka, Bangladesh, Centre for Policy Dialogue.
[13]. Kolko, Jed (2010), "Urbanization. Agglomeration and Conglomeration of service industries", In Agglomeration Economics, ed., E. Glaeser., Chicago: national Bureau of Economic research and The Chicago University Press.
[14]. Karnani Aneel,(2007), "The Mirage of Marketing to the Bottom of the Pyramid: How the Private Sector Can Help Alleviate Poverty", California Management Review, Vol. 49 No. 4, Summer 2007; pp. 90-111.
[15]. Kanapathy, Vijayakumari, (2003), "Service Sector Development in Malaysia: Education and Health as Alternate source of growth", AT120 Research Conference.

[16].   Kennedy, Paul. (1993). Preparing for the Twenty-First Century. New York: Random House.
[17].   Li, S., Yan W., and Zhai, F. (2003), "Impact of service sector liberalization on employment and output: A CGE Analysis", The Senior Policy Seminar on China's service sector in the Post-WTO Era. National Development and Reform Commission and the World Bank.
[18].   Mattoo, A., (2006) "China's Accession to the World Trade Organization-the services Dimension", Working Paper No. 2932, World Bank.
[19].   M.S. Alamgir, Jabbar M.A>& Islam M.S (2009). Assessing the livelihood of slum ewellers in Dhaka city." J. Bangladesh Agril. Univ. 7(2): 373–380, 2009
[20].   Sirilli, G., and R. Evangelista, (1998), "Technological Innovation in Services and Manufacturing: Results from Italian Surveys", Research Policy.
[21].   S. Hossain (2011), "Urban Poverty in Bangladesh: Slum Communities, Migration and Social Integration", IB Tauris: London.