

Internal Assessment Test - I

Sub:	SERVICES MARKETING	Code:	16MBAMM303
Date:	27.09.2017	Duration:	90 mins
		Max Marks:	40
		Sem:	III
		Branch:	MBA

		Marks	OBE	
			CO	RBT
<b>Part A - Answer Any Two Full Questions (16*02=32 Marks)</b>				
1 (a)	What is Inseparability?	[02]	CO1	L1
(b)	Illustrate zone of tolerance?	[06]	CO1	L3
(c)	Explain search, experience, and credence qualities with examples.	[08]	CO3	L3
2 (a)	Cite the myths of services.	[02]	CO1	L1
(b)	Elaborate on the major reasons for the growth of the service sector.	[06]	CO2	L4
(c)	Explain using diagram, services marketing triangle.	[08]	CO1	L4
3 (a)	What do you mean by service encounter?	[02]	CO1	L1
(b)	Mc Donald's consumables maybe standardized but a service during a weekday or weekend may be different. Identify and explain which characteristics of services are we referring to.	[06]	CO2	L3
(c)	Illustrate and Explain the Gap Model of Services.	[08]	CO1	L2
<b>Part B - Compulsory (01*08=08 marks)</b>				
4 .	The Conrad International Dublin, a 5-star hotel in Ireland's capital, has won a significant quality-related award nearly every year since it opened in 1989. The hotel was purpose-built as a luxury hotel and has, of course, all the physical trappings that might be expected of Hilton Hotel Corporation's luxury international brand. But great hotels are made (or broken) by the quality of the personal service provided. The Conrad encourages its guests to expect the highest standards of service, and management equips its employees with the skills needed to meet these expectations. A highly structured approach to staff recruitment, training and development is the natural starting point. 'It all starts with getting the right people,' says the general manager. 'You can teach skills, but what really comes across, especially to business people, is attitude.' Pursuing a strategy of continuous improvement, each department has a detailed training plan and each employee's development needs are assessed regularly in consultation with line managers. A 'listening' initiative from the personnel department led to the creation of a formal channel for staff to communicate ideas for service improvement based on their interactions with guests. In short, a strategy of investing in employee development (and listening to employee feedback) results in better service for customers, making them willing to pay a higher price, more likely to return, and more likely to recommend the hotel to other people.			
(a)	Explain the aspects of services encounter with respect to the above context.	[04]	CO1	L4
(b)	In your opinion which GAP are we discussing in the above case? Justify.	[04]	CO3	L4

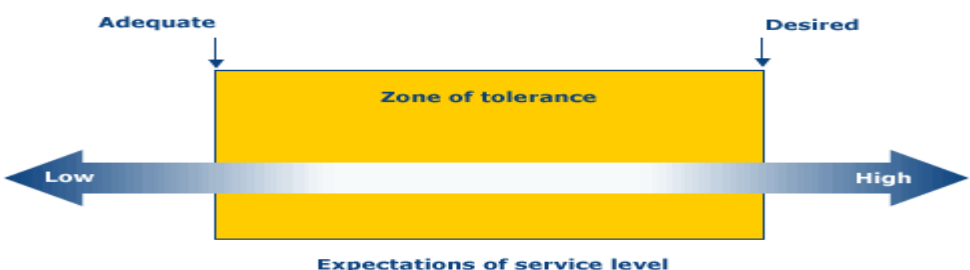
Course Outcomes		PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9
CO1:	Develop an understanding about the various concepts and importance of Services Marketing.	1.a 2.a 2.b 3.a 3.c	1.b 1.c 2.c							
CO2:	Enhance knowledge about emerging issues and trends in the service sector		3.b							
CO3:	Learn to implement service strategies to meet new challenges		4.a 4.b							
CO4:										
CO5:										
CO6:										

Cognitive level	KEYWORDS
L1	List, define, tell, describe, identify, show, label, collect, examine, tabulate, quote, name, who, when, where, etc.
L2	summarize, describe, interpret, contrast, predict, associate, distinguish, estimate, differentiate, discuss, extend
L3	Apply, demonstrate, calculate, complete, illustrate, show, solve, examine, modify, relate, change, classify, experiment, discover.
L4	Analyze, separate, order, explain, connect, classify, arrange, divide, compare, select, explain, infer.
L5	Assess, decide, rank, grade, test, measure, recommend, convince, select, judge, explain, discriminate, support, conclude, compare, summarize.

PO1 - *Engineering knowledge*; PO2 - *Problem analysis*; PO3 - *Design/development of solutions*; PO4 - *Conduct investigations of complex problems*; PO5 - *Modern tool usage*; PO6 - *The Engineer and society*; PO7- *Environment and sustainability*; PO8 - *Ethics*; PO9 - *Individual and team work*; PO10 - *Communication*; PO11 - *Project management and finance*; PO12 - *Life-long learning*

Internal Assessment Test - I

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Date:	26.09.2017	Duration:	90 mins
		Max Marks:	40
		Sem:	III
		Branch:	MBA

		OBE	
		CO	RBT
<b>Part A - Answer Any Two Full Questions (16*02=32 Marks)</b>		Marks	
1 (a)	<p><b>What is Inseparability?</b></p> <ul style="list-style-type: none"> <li>• <i>Inseparability is used in marketing to describe a key quality of services as distinct from goods. Inseparability is the characteristic that a service has which renders it impossible to divorce the supply or production of the service from its consumption.</i></li> <li>• <i>Services are produced and consumed simultaneously. Provider-client interaction is a special feature of service marketing. Inseparability, key quality of services as distinct from goods, Example A live theatre performance, a makeover</i></li> </ul>	[02]	CO1  L1
(b)	<p><b>Illustrate zone of tolerance?</b></p> <p><i>The zone of tolerance is usually defined as the range of customer perceptions of a service between desired and minimum acceptable standards ( Zeithaml, Berry, and Parasuraman, 1993 ). In essence it is the range of service performance that a customer considers satisfactory.</i></p> <p><i>Services are heterogeneous and performance vary across providers and employees. The extent to which customers recognize and are willing to accept the variation. The gap between the desired and adequate service has been called the zone of tolerance.</i></p> <p><i>If service drops below adequate service, the minimum level considered acceptable customers will be frustrated. Service performance is higher than the top level of zone of tolerance were performance exceeds desired service customers will be pleased/delighted.</i></p> <p><i>Service within the zone of tolerance where customers do not notice the service in particular. Example waiting time in a grocery store. Different customers pose different zones of tolerance. Example price increases zone of tolerance is lesser</i></p> <div style="text-align: center; margin-top: 10px;">  </div>	[06]	CO1  L3

<p>(c) <b>Explain search, experience, and credence qualities with examples.</b></p> <ul style="list-style-type: none"> <li>• <i>Search products or services</i> have attributes customers can readily evaluate before they purchase. A hotel room price, an airline schedule, television reception, and the quality of a home entertainment system can all be evaluated before a purchase is made. Well-informed buyers are aware of the substitutes that exist for these types of products and thus are likely to be more price sensitive than other buyers, unless there exists some brand reputation or customer loyalty. This sensitivity, in turn, induces sellers to copy the most popular features and benefits of these types of products.</li> <li>• <i>Experience products or services</i> can be evaluated only after purchase, such as dinner in a new restaurant, a concert or theatre performance, a new movie, or a hairstyle. The customer cannot pass judgment on value until after he or she has experienced the service. These types of products tend to be more differentiated than search products, and buyers tend to be less price sensitive, especially if it is their first purchase of said product. However, since they will form an opinion after the experience, if it is not favourable, no amount of differentiation will bring them back.</li> <li>• <i>Credence products or services</i> have attributes buyers cannot confidently evaluate, even after one or more purchases. Thus, buyers tend to rely on the reputation of the brand name, testimonials from someone they know or respect, service quality, and price. Credence products and services include health care; legal, accounting, advertising, consulting, and IT services; baldness cures; pension, financial, and funeral services; and even pet food (since you have to infer if your pet likes it or not). Credence services are more likely than other types to be customized, making them difficult to compare to other offerings.</li> </ul>	[08]	CO3	L3
<p>2 (a) <b>Cite the myths of services.</b></p> <p><i>Myth1-A Service Economy produces services at the expense of other sector.</i></p> <p><i>Myth2-Service jobs are Low paying and Low level.</i></p> <p><i>Myth3-Service production is labor intensive and low in productivity.</i></p> <p><i>Myth4-Service is necessary evil for manufacturing firms.</i></p> <p><i>Myth5-Managing services is just like Managing manufacturing Business.</i></p>	[02]	CO1	L1
<p>(b) <b>Elaborate on the major reasons for the growth of the service sector.</b></p> <ul style="list-style-type: none"> <li>• <i>Upward trend in disposable income</i></li> <li>• <i>Increasing Specialization</i></li> <li>• <i>Increasing affluence(wealth)</i></li> <li>• <i>More leisure(free time) time</i></li> <li>• <i>Greater life expectancy(hope)</i></li> <li>• <i>Greater complexity of the product</i></li> <li>• <i>Higher percentage of working women</i></li> <li>• <i>Increasing complexity of life</i></li> <li>• <i>Increasing number of new products</i></li> <li>• <i>Increasing Literacy Rate</i></li> <li>• <i>Professionalism in education</i></li> </ul>	[06]	CO2	L4

- Information explosion
- Government Regulations
- Consumer protection, KYC
- Developing country
- Liberalization
- Job Opportunities

(c) Explain using diagram, services marketing triangle.

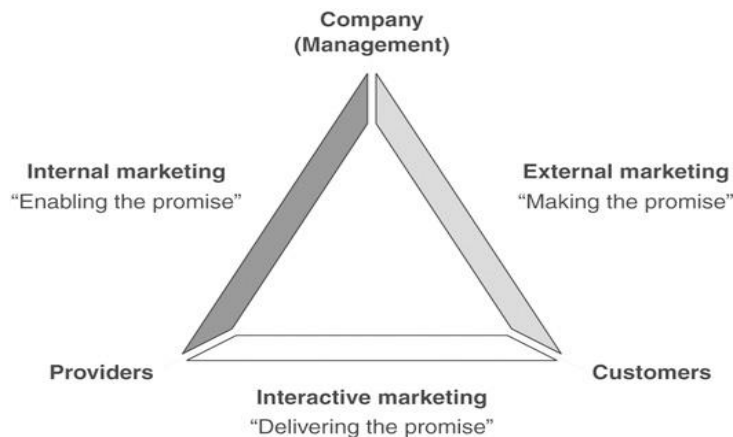
[08]

CO1

L4

**FIGURE 12.1**  
**The Services Marketing Triangle**

Sources: Adapted from M. J. Bitner, "Building Service Relationships: It's All about Promises," *Journal of the Academy of Marketing Science* 23 (Fall 1995), pp. 246–251; C. Gronroos, *Service Management and Marketing: A Customer Relationship Management Approach*, 2nd ed. (West Sussex, England: John Wiley and Sons, Ltd., 2000), p. 55; and P. Kotler and K. L. Keller, *Marketing Management*, 12th ed. (Upper Saddle River, NJ: Pearson Prentice Hall, 2006), p. 412.



**Internal Marketing**

- Internal marketing is the side of the triangle between your organization and your employees
- Provide services to customers.
- Adequate training on the services to be delivered
- Customer satisfaction service techniques.
- Involve with your employees
- Performance rewards system for employees who deliver the highest level of customer service.

**External Marketing**

- It goes from your business organization out to customers and prospective customers.
- Traditional form of business marketing.
- How the services provided by your business benefit customers.
- External marketing includes advertising, your website and your company's social media efforts.
- Fill the business pipeline with future business.

**Interactive Marketing**

- The side of the triangle between your employees and customers is called interactive marketing.
- How your employees deliver the services your company provides.
- Goal is to have highly satisfied customers who become long-term, repeat customers.
- Effectiveness of the interactive marketing relates back to the internal marketing efforts of your business.
- How your employees keep the promises made by your external marketing efforts.

3 (a) What do you mean by service encounter?

[02]

CO1

L1

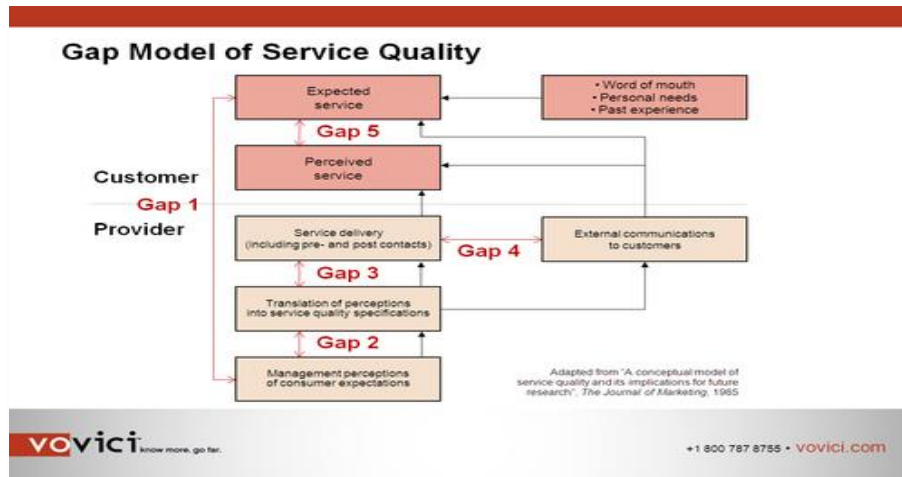
*The service encounter has been defined as "a period of time during which a consumer directly interacts with a service" (Shostack). Service encounters are transactional interactions in which one person (e.g., a vendor, office clerk, travel agent) provides*

a service or good (e.g., a product, an appointment, airline tickets) to another person.

- (b) Mc Donald’s consumables maybe standardized but a service during a weekday or weekend may be different. Identify and explain which characteristics of services are we referring to.

*Variability or Heterogenity: The greatly standardized McDonalds experience, there are slight changes in service, often through no fault of the business itself. Sometimes Saturday lunchtime will be extremely busy, on other days you may have to wait to go via the drive through. So services tend to vary from one user experience to another.*

- (c) Illustrate and Explain the Gap Model of Services.



**Part B - Compulsory (01\*08=08 marks)**

4. The Conrad International Dublin, a 5-star hotel in Ireland’s capital, has won a significant quality-related award nearly every year since it opened in 1989. The hotel was purpose-built as a luxury hotel and has, of course, all the physical trappings that might be expected of Hilton Hotel Corporation’s luxury international brand. But great hotels are made (or broken) by the quality of the personal service provided. The Conrad encourages its guests to expect the highest standards of service, and management equips its employees with the skills needed to meet these expectations. A highly structured approach to staff recruitment, training and development is the natural starting point. ‘It all starts with getting the right people,’ says the general manager. ‘You can teach skills, but what really comes across, especially to business people, is attitude.’ Pursuing a strategy of continuous improvement, each department has a detailed training plan and each employee’s development needs are assessed regularly in consultation with line managers. A ‘listening’ initiative from the personnel department led to the creation of a formal channel for staff to communicate ideas for service improvement based on their interactions with guests. In short, a strategy of investing in employee development (and listening to employee feedback) results in better service for customers, making them willing to pay a higher price, more likely to return, and more likely to recommend the hotel to other people.

- (a) Explain the aspects of services encounter with respect to the above context.  
*Personal Service, Interaction with Guests by Reception team, footman, Bearer, Bell Boy Security (This should be analysed)*
- (b) In your opinion which GAP are we discussing in the above case? Justify.  
*Gap 4 communication (Appropriate explanation relevant to the context should be provided)*

[06]

CO2	L3

[08]

CO1	L2
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[04]

CO1	L4
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[04]

CO3	L4
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