

MANAGEMENT PROGRAMME

Term-End Examination

December, 2013

MS-65 : MARKETING OF SERVICES

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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- Note :** (i) Attempt *any three* questions from *Section A*.
(ii) *Section B* is *compulsory*.
(iii) All questions carry *equal* marks.
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SECTION - A

1. (a) In what ways intangible services are different from tangible products? Discuss.
(b) What are the reasons for growth of the services sector? Also indicate along with each reason what new types of services have come up and why?
2. (a) What are the four modes of service delivery in the context of International Trade in services? Discuss each with suitable examples.
(b) Briefly explain the Gaps Model of Service Quality. Also suggest the strategies to reduce the identified gaps.

3.
 - (a) Discuss briefly each of the non-monetary costs which can influence the pricing of services. Discuss by taking the example of retail banking services.
 - (b) Enlist the different pricing strategies being followed by service organisations. Discuss any four of these strategies in detail with suitable examples.

4. Write short notes on **any three** of the following:
 - (a) Yield Management
 - (b) Customer Switching
 - (c) Educational Services Product
 - (d) Marketing Communication for Health Care Services
 - (e) Sales promotion Schemes for Hotels.

SECTION - B

5. Hair stylist Jawed Habib, who runs a chain of more than 300 salons across India, plans to take his venture global in a strategic partnership with Procter and Gamble, the world's largest consumer goods company. "Our initial thrust will be Europe and we want a big presence in London and Paris", the Chairman and Managing Director said. He said the company plans to open more than 50 salons abroad over the next two years. Habib plans

to invest in his first set of salons abroad. He will use the franchisee route to expand. Habib says each salon will need an investment of Rupees 5-6 millions. "The potential is much more in overseas markets, since consumers in matured markets like Europe spend almost 20-25% of their earning on grooming and beauty as compared to some 5% in urban India," said Habib whose salon chain reported Rupees Five hundred million (50 crore) turnover last year

- (a) Elaborate in the context of 'Inseparability' why Habib has to open Multiple Salons.
 - (b) What are the relative advantages and disadvantages Habib will have through Franchising ?
 - (c) Discuss the importance of customer Retention for the above service offering.
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