

**MANAGEMENT PROGRAMME**

**Term-End Examination**

**June, 2017**

**MS-065 : 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) 'Service Marketing is considered more challenging than Goods Marketing.' Do you Agree ? Substantiate.  
(b) What are the differences between 'search', 'experience' and 'credence' qualities ? Explain with the help of examples.
2. (a) Explain the new product development process in services with reference to Hospitality services.  
(b) What is physical evidence ? Explain its role in services.
3. (a) What are the determinants of service quality ? Discuss giving suitable examples.  
(b) Discuss the importance of customer retention for service marketers.

4. Write short notes on **any three** of the following :
- (a) Role of non-monetary costs in service pricing
  - (b) Classification of Product Support Services
  - (c) Word of mouth communication
  - (d) Telecom services distribution
  - (e) Branding of financial products

#### SECTION - B

5. **Note : Read the case given below and answer the questions given at the end.**

ABC Educational Institute is one of the few management institutes started early in the 1960s in India. The institute was regarded by many as one of the premier management institutes in the country. The old students of the institute occupied very important positions in the government and private enterprises within as well as outside the country. The strengths of the institute are : qualified teaching staff and infrastructure. The established image of the institution draws crowds for admission into the course. Mr. Parasuraman, the newly appointed director of the institute, was not happy with the happenings in the institute. Demand management was not the problem. In spite of the mushrooming of a number of institutes at university and private levels, the number of candidates seeking admission was more than the seats available. Mr. Parasuraman, however, recognised that the number of applications was falling at a slow rate for the last five years.

When he pointed this out to some of the senior faculty, they discounted the factor as an effect of increased competition. Besides the demand issue, there are many more issues that cause concern to the director.

1. Class work is not properly conducted.
2. Absenteeism among students is high.
3. Teachers give more importance to personal and private works.
4. Placement cell is unable to have network with established companies.
5. Enthusiastic participation is absent, both from faculty and students.
6. Teacher-student relationships are neither positive nor negative.
7. The facilities offered by the institute are not used by the faculty and students optimally.

Mr. Parasuraman certainly was not happy with these findings. He wanted to rebuild the institute. He did not want to hang on to an image of the institute of yesteryears. He sensed that if something constructive was not done by him, the institute is certainly going to face some very serious problems in the future.

Parasuraman identified that the core strengths of the institute is faculty and the personnel in support services. He strongly believe that if the faculty really work with involvement and commitment there won't be any problem in the institute and all the problems identified get solved automatically. He does not know exactly where to begin with and how to deal with the problem, particularly, when senior professors are involved. He sought the services of a consultant in this respect.

**Questions :**

- (a) What internal marketing strategies would be helpful in tackling the situation above ? Discuss.
  - (b) Discuss the Challenges involved in marketing of educational services.
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