

**MANAGEMENT PROGRAMME**

**Term-End Examination**

**December, 2017**

01537

**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) Discuss the reasons for the growth of service sector, giving suitable examples.  
(b) Explain the factors influencing consumer behavior in services.
2. (a) What are the distribution channels available for services ? Explain the problems and challenges of each option.  
(b) How quality can be ensured to customers through service processes ? Explain with an example of health care services.
3. (a) Why do customers switch service providers ? Can you do anything as a marketer to prevent the customer from switching ?  
(b) What are the strategies to manage demand to see it to the level of capacity ? Explain giving examples.

4. Write short notes on **any three** of the following :
- (a) Franchising of services
  - (b) Services marketing triangle
  - (c) Customer perceived service quality
  - (d) Pricing strategies for services
  - (e) Physical evidence in healthcare

### SECTION - B

5. Jocab Sarma (JS), the Managing Director Home Services Pvt. Ltd., is working out for a competitive strategy. The company offers domestic maid services through a network of registered servant maids. This company is promoted by JS in an organized form to defuse the fears of insecurity to the customers from servant maids in terms of thefts, physical attacks, information carriers, and intelligence to robbers etc., and also to provide long term and short term accessibility of such service. The company targeted the residents of urban areas. The middle income and higher income households are identified as the potential market. The company offers different service packages at different prices. Provisions are made for customer choice in formulating the service package itself. The company assures customers all kinds of security from the service personnel.

The company is facing competition from individual servant maids, who offer the services at a lower price than the company and also from consumers themselves who can perform the

services on their own. The threat of new entrants is serious as this service business requires very less investment and other resources. The growth in women employment and the increased role stress of households due to nuclear family system resulted in enhanced demand for servant maid services. The company could carve a niche in a very short period because many people are looking for such services. It has been rather easy to capture the market segment of higher income group compared to the middle income group which is price sensitive. The feedback from all groups of customers is positive on the service quality. Some customers expressed their unhappiness over prices of the services. JS want to consolidate the company's position in the market. He is planning to build some distinctive competencies so that it becomes difficult for the new entrants to attack his company from any angle. He is planning to attract the independent servant maids to register with the company so that competition from that angle can be eliminated. JS needs a comprehensive strategy that ensures clear leadership in the business for a long period.

**Questions :**

- (a) How you can gain competitive advantage in this business ? Discuss.
- (b) What are the potential threats to the company ? Suggest strategies to meet such threats.