

**BACHELOR OF BUSINESS ADMINISTRATION
(SERVICES MANAGEMENT) (BBA(SM))**

Term-End Examination

June, 2022

**BSM-004 : FOUNDATIONS OF SERVICES
MARKETING**

Time : 2 hours

Maximum Marks : 50

Note : Answer *all* the questions.

1. Answer *all* the questions. Each question carries 1 mark. *10×1=10*
- (a) The most distinguishing characteristic of services is :
- (i) Heterogeneity
 - (ii) Perishability
 - (iii) Intangibility
 - (iv) Comparability
 - (v) Divisibility
- (b) Which of the following statements describes a marketing implication that results from the intangibility of services ?
- (i) Services cannot be inventoried.
 - (ii) Services cannot be easily patented.
 - (iii) Services cannot be readily displayed.
 - (iv) The actual costs of a “unit of service” are hard to determine.
 - (v) All of the above

- (c) Which of the following statements is a marketing implication that results from the heterogeneity of services ?
- (i) Services cannot be returned or resold.
 - (ii) Services cannot be patented.
 - (iii) Services cannot be inventoried.
 - (iv) Service delivery and customer satisfaction depend on employee and customer actions.
 - (v) All of the above are marketing implications resulting from the heterogeneity of services.
- (d) _____ refers to the fact that services cannot be saved, stored, resold, or returned.
- (i) Intangibility
 - (ii) Heterogeneity
 - (iii) Simultaneous production and consumption
 - (iv) Perishability
 - (v) Incompatibility
- (e) Which of the following is **not** an element of the traditional marketing mix ?
- (i) Production
 - (ii) Place
 - (iii) Product
 - (iv) Price
 - (v) Promotion

- (f) Provider _____ is the difference between customer expectations of service and company understanding of those expectations.
- (i) Gap 1
 - (ii) Gap 2
 - (iii) Gap 3
 - (iv) Gap 4
- (g) Technology has helped the service sector by :
- (i) Widening the scope through self-service
 - (ii) Extending the global reach of service
 - (iii) Creating access for all
 - (iv) Both (i) and (ii) above
- (h) The marketing that goes on between an insurance agent and a current customer that is buying car insurance for a new teenage driver is an example of _____ marketing.
- (i) Formal
 - (ii) External
 - (iii) Interactive
 - (iv) Controlled
- (i) The central focus of the Gaps model of service quality is to close the gap between customer expectations and perceptions.
- (i) True
 - (ii) False

- (j) The sources of customer expectations are all controlled by the service provider.
- (i) True
 - (ii) False

2. Answer any *five* of the following questions in about 100 words each. Each question carries 2 marks. $5 \times 2 = 10$

- (a) Explain the heterogeneity characteristic of services.
- (b) When the employee does not understand the role he plays in the company, what does it lead to ?
- (c) What is the key to closing the customer gap ?
- (d) Explain the term “overpromising by service providers’.
- (e) Explain credence qualities, with the help of an example.
- (f) Services are perishable. Explain with examples.
- (g) What is Upward Communication ?
- (h) What is Defensive Marketing ?

3. Answer any *four* of the following questions in about 250 words each. Each question carries 5 marks. $4 \times 5 = 20$

- (a) List and explain various characteristics of services.
- (b) How has technology affected expansion of services ?

- (c) What is the role played by the service intermediaries in Gap 3 ?
- (d) What is the Service performance gap ?
- (e) How can customers be considered as one of the important variables in provider Gap 3 ?
- (f) What is the relationship between Service quality and Behavioural intentions ?

4. Answer any **one** of the following questions in about 500 words : *1×10=10*

- (a) Explain the services marketing mix.
 - (b) What are the key drivers of service quality, customer retention and profits ?
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