

MANAGEMENT PROGRAMME

Term-End Examination

June, 2010

MS-65 : MARKETING OF SERVICES

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

Note :

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

SECTION - A

1. (a) What is so distinctive about services marketing that it requires a special approach, set of concepts and body of knowledge ?
(b) Give examples of services that are high in credence qualities. How do high credence qualities affect consumer behaviour for these services ?
2. (a) Taking the example of a business hotel differentiate between core, facilitating and supporting services. Would your answer differ for an economy tourist hotel ? Explain.

- (b) What do you understand by the term Service Quality ? Is good service quality a cost or a revenue provider ? Discuss with the help of examples.
- 3.
- (a) Why do customers switch service providers ? As a marketer can you do anything to prevent the customers from switching ?
 - (b) What are the various kinds of product support services which a consumer durable manufacturer can provide ? Explain.
4. Write short notes on any **three** of the following :
- (a) Methods of distribution for services
 - (b) Factors governing tourism demand
 - (c) Services marketing triangle
 - (d) Service guarantee
 - (e) Modes of service delivery in international trade

SECTION - B

5. Study the following case situations and answer the questions given at the end :

Case Situation : The amusement park with a successful history was now facing problems. It had its first money losing last year followed by another one now. The park had three ways to bring in more revenues : increase visit per customer, increase average spending per visit or attract new customers. Because of a mature industry all three were hard to do. As pulling in people from broader geographical area seemed an unlikely proposition due to the wide availability of such parks, attracting new customers required new value proposition. With this background, it was proposed to offer a "preferred guest card" to win more business from moneyed and time pressed group of people . Under this plan, visitors could pay an additional fee to get free rein of the park: Card Holders would enter the ride through separate lines which would give them first crack and they would be seated immediately at any in-park restaurant. It was hoped that this plan will help to up-sell the people who are already coming to the park. And by making it possible to spend less time in queues, the guest card will also attract a different type of customer - time starved, high-income professionals

and their families, who might otherwise avoid the whole experience. However, certain objections were raised against such a scheme. "I don't even think it's a great experience for the preferred guests. Who want to feel all that animosity diverted at them? The key to this business is the customers feeling good while they are here. With this scheme neither side's coming back" commented an executive. A possible solution given to this was to separate the lines and limiting the percentage of special tickets issued on any given day. If the 'preferred guest card' scheme was not implemented the park might be forced to raise price across the board.

Questions :

- (a) Evaluate the 'preferred guest card' scheme and give your recommendations to the management.
- (b) Describe the demand patterns that you would expect at an amusement park and the underlying causes.
- (c) Suggest some ways of managing waiting lines at amusement parks.