

(6 pages)

MAY 2012

**P/ID 77520/
PMED/PMBM4**

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Explain the Various Types of Services.
2. Describe about Physical evidence with suitable examples.
3. Niche Marketing – comment.
4. Consumer Delightness - comment.
5. Explain the various differences of Functional, Technical and Perceived quality.
6. Is Internal Marketing relates to Health Care services? Explain.
7. Explain the difference between Goods and Services in Marketing.
8. State the factors influencing Customer Expectation.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Describe the characteristics of services.
10. Explain current trends in Marketing Issues of Financial Services.
11. How might a Service blueprint be used for Marketing, Human Resource, and Operation decision?
12. Describe your own experiences give examples of times when you have been affected Cognitively, Emotionally and Physiologically by elements of the service gaps?
13. Select a Service Provider (your Two Wheeler Mechanic, Hair Stylist, Doctor, and Provisions Store Owners) with whom you are familiar and discuss.
14. Why is External Marketing communication so important in Service Firms? Is it important in Product Firms?

15. What are the implications of core, facilitating and supporting services for marketers of education?
16. Suggest an Innovative Distribution system for a new Insurance company for Maximum Market Penetration.

PART C — (1 × 20 = 20 marks)

Compulsory

17. Case study of Problem :

While the vast majority of other food franchises have remained in the traditional management mode by focusing on more advertising, more promotions, more new products, and more new locations, Ravishankar has been focusing on the customer. Ravishankar believes that the company should be organized to support what the customer truly values... the food and the service delivery system.

Unlike other food franchises, Ravishankar has shifted its operation from manufacturing to assembly. Backroom tasks such as cleaning heads of lettuce, slicing tomatoes, shredding cheese, and making taco shells has been outsourced to other operations. As a result, labor's primary focus is now on serving customers as opposed to preparing

food. In contrast, much of the remainder of the industry is expanding its on-site food manufacturing operations by offering products such as freshly baked biscuits and pizzas. Firms pursuing this strategy have complicated their operations and have placed their emphasis on production as opposed to service delivery.

Other changes within Ravishankar's operations have included a total revamping of the firm's managerial hierarchy. This change has translated into managers who coach and counsel rather than direct and control. In addition, a renewed emphasis on selecting and training public contact personnel has also occurred. An investment in advanced technology has also helped move Ravishankar and its employees to the forefront. Unlike other companies that utilize technology to monitor, control, and sometimes replace their employees, Ravishankar provides technology to employees as a resource to assist them in their duties.

Ravishankar has also recognized the importance of employee morale and loyalty to customer perceptions of service quality. To enhance employee morale, Ravishankar offers front-line employees higher-than-average wages compared with those throughout the rest of the industry.

Moreover, because of a generous bonus system, managers are able to make 225 percent more than their competitive counterparts. Such actions have not only improved employee morale but have also resulted in lower employee turnover rates and an improved caliber of recruits.

Ravishankar's training efforts are also unique. Managers are encouraged to spend half their time on developing employees in areas such as communication, empowerment and performance management. As a result, the majority of Ravishankar employees now feel they have more freedom, more authority to make decisions, and more responsibility for their own actions.

Overall, the consequences of Ravishankar's restructuring efforts to improve its service delivery systems have been overwhelmingly positive. In times of stagnant market growth for the rest of the industry, sales growth at company-owned Ravishankar has exceeded 60 percent, and profits have increased by more than 25 percent per year. In comparison McDonald's U.S. franchises have increased their profitability during this same period at a rate of 6 percent.

What makes the 25 percent increase in profits even more amazing is that Ravishankar has decreased the price on most menu items by 25 percent! Strategies such as these have led to value-oriented perceptions of Ravishankar that surpass competitive offerings.

Questions :

- (a) In order to provide seamless service, service firms must balance the needs of their operations, marketing, and human resource departments. Discuss how improvements at Ravishankar have been shared by these three departments.
 - (b) How do the actions taken by Ravishankar relate to the various components of the service-profit chain?
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