

**SVKM'S NMIMS UNIVERSITY**  
**SCHOOL OF DISTANCE LEARNING**  
Programme: PGDMM (IV)

**Subject: MARKETING OF SERVICES**

**Date: 27.05.09**

**Marks: 100**

**Time : 3 hrs (3.00 pm - 6.00 pm)**

**Instructions:** Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer Book, which is provided for their use.

**NB:**

1. Answer to each new question to be started on a fresh page.
2. Figure in brackets indicate full marks.

**Q1. Attempt any 2 out of any 4**

**Marks : 10**

1. Explain the role of physical evidence in services
2. How do you develop a new service offering
3. Explain the goods-service continuum
4. Explain the decision making roles

**Q2. Write Short notes on any 3 out of 5**

**Marks : 15**

1. How are product support services classified
2. Explain the positioning of an advertising agency?
3. Explain the channels of distribution for banks
4. Explain the marketing strategy in education
5. Explain customer retention

**Q3. Attempt any 3 out of 5**

**Marks : 45**

1. Explain how demand and capacity are managed in the service sector?
2. What are the factors that govern tourism demand and supply?
3. Explain the pricing of health services in detail.
4. How do you measure service quality and how is service quality communicated with customers?
5. Explain communication strategy used by hotel industry

**Q4. Read the case study and answer the questions given below**

Fast Flier Airlines normally advertises its service saying that the customer would feel like a king when he travels by their airline. It boasts of good food, royal treatment, on time take off and landing, courteous staff, comfortable travel etc. On Saturday the two morning flights of Fast-Flier airlines scheduled to leave Chennai for Delhi at 6.30, 8.00 were delayed due to fog in Delhi. The third flight that was to take off to Mumbai at 7.40 a.m. was delayed due to overbooking by the airline and the ground staff were busy arguing with the customers who were very angry that since the airline had overbooked the flight, they would now have to wait indefinitely.

The flights were rescheduled for 9.15 a.m. hoping that there would be change in weather conditions. At 8.20 a.m. the passengers were asked to proceed for security check. The passengers gradually moved to the gate so that they could board the plane once the announcement was made. However

no announcement whatsoever was made and the passengers started asking one of the staff the reasons for the delay. The person replied in a very rude manner that they would have to wait for the announcement. After another 20 minutes the passengers asked another staff member about the flight and were told that they would board the plane in 5 minutes. This happened another two times and the staff did not even seem to know what was happening.

Finally at around 9.40 the passengers were allowed to board the flight and were informed by the pilot that the condition in Delhi was still bad. This could have been communicated periodically but was not done. The flight was further delayed because of the arrival of the Prime Minister at the airport and no planes could take off at that time due to security reasons.. The flight attendants (air hostess) too were very curt and not friendly when questioned by the passengers. The flight to Mumbai was further delayed because the airline said they were understaffed. It took off only at 10.30.

One of the lady passengers who was travelling to Delhi with an infant, asked for water and some warm milk for the infant but was given mango juice instead, when she tried to explain to the flight attendant she was told curtly that the airline was not a crèche and that the customer should have carried the baby's necessities along with her.

When the flight finally landed at Delhi, the passengers were made to wait for their luggage for another hour. They were told that there was shortage of staff and so once the staff was available the baggage could be arranged for. One of the passengers commented that whoever said that the customer could be treated like a king should be punished by making him travel by the Fast Flier airline!!!!

**QUESTIONS:**

1. What service recovery strategy could have been adopted [8]
2. Explain the service triangle with respect to this case [6]
3. Explain the service gaps that you observe in the case study [8]
4. Explain how you would have handled such a situation [8]

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