

Subject Code: MB934

MBA III Semester [R09] Regular Examinations, November 2010

Services Marketing

Time: 3 Hours

Max Marks: 60

Answer any FIVE questions All questions carry EQUAL marks,

Question No:8 is compulsory (Case study)

1. Explain the role of service sector in the Indian economy. Explain the reasons for growth of services at present.
2. What are the characteristics of services marketing? Explain the strategic responses of various marketers with respect to these characteristics.
3. What are the bases for market segmentation? Design segmentation strategies for insurance service
4. What is service product mix? What are the decision areas in developing new service lines?
5. What are the different service pricing strategies? Briefly explain them with suitable examples.
6. What are the factors which distinguish service communication from product communication?
7. Evaluate the suitability of different types of intermediaries for service distribution.

8. Case Study

Messrs Gautam Motors had been in existence for nearly thirty years. The company traditionally was dealing with a brand of commercial vehicles in the light and medium vehicle category. The operations involved marketing, sales, warranty service and spare parts supply, and non-warranty servicing of vehicles including body working, denting, painting, etc.

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Over the years, the market for such medium-sized commercial vehicles remained static. The phenomenal growth in the motors car market prompted the company to give up its existing commercial vehicle dealership and switch over to another principal dealing with passenger cars and other light passenger vehicles. The passenger car market in India had transformed into a buyer's market. Not only was the competition between different car manufacturers was quite intense but the competition between two dealers of the same vehicle manufacturer was also increased. Such inter-dealer competition was deemed essential by most vehicle manufacturing companies.

Mr. Agarwal, one of the directors of the company, was thinking about the quality policy during the period of switch over. During a meeting of all relevant executives held at his behest, the issue of service quality was discussed extensively. While Gautam Motors had a long standing reputation as a commercial vehicle dealership, the question arose whether the same techniques of success could be used in the car market.

What should be the formal goals of our quality policy, asked Mr. Agarwal during the meeting. Would the change of clientele and business from commercial vehicles marketing to passenger cars marketing mean a dramatic change in their service policies? How would we plan to implement an excellent service quality policy? Will it require a different set of skills from those acquire during the commercial vehicles marketing?

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Is the reputation of the principal company the main factor in the decision to buy a particular brand of car? If so, excessive expenses and elaborate measures taken by the dealer would be superfluous. Therefore, what should be the major areas of focus in the quality field for the newly formed dealership? How different will it be from the previous quality control efforts?

Mr. Jayesh, a marketing executive, felt that the quality control process will have to be applied to each area of the business such as marketing and sales, vehicle financing, pre-delivery inspection, warranty servicing, warranty repairs, general workshop repairs, etc. He felt that elaborate inspection procedures and development of quality norms was most essential to enhance the reputation in the motor car market.

Questions:

1. How passenger car customer segments are different from commercial vehicle segments?
2. Identify the specific concerns of the customers in each of the service areas.
3. Design quality checking sheets for each area of operation to ensure a reputation for high quality for the company.