



JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM / PGDM (M) / PGDM (SM)

FOURTH TRIMESTER (Batch 2020-22)

END TERM EXAMINATIONS, OCTOBER, 2021

Course Name	Services Marketing	Course Code	MKT403
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- Please answer all four questions. Each question carries 10 marks
- Please write in point form where ever possible,

1. **Read the following case and answer the questions given at the end:** Subhiksha was an Indian retail chain selling groceries, fruits, vegetables, medicines and mobile phones. In March 1997, Subhiksha opened its first outlet in Chennai with an initial investment of \$1 million. By March 1999, the company had 14 stores in Chennai and by mid-2000, the number increased to 50. The company expanded its operation to other states and by 2006, it had 420 stores. Subhiksha had outlets in Gujarat, Delhi, Mumbai, Andhra Pradesh and Karnataka. By October 2008, the company had emerged a major player with 1,600 outlets, selling groceries, fruit, vegetables, medicines and mobile phones. Subhiksha was portrayed as a trustworthy and reliable store that cared for the customer and offered the best price for products and thus valuing customer's money. It aimed at being perceived as trusted source of household needs, providing high convenience and accessibility. The unique proposition was that of value delivery unlike the neighborhood stores offering personalized service and small scale operations. The competitors lacked the technology robustness and failed to work on economies of scale. Subhiksha worked towards the image of a relationship builder than profiteers. It worked on the premises that it would carry out business with the customer for the next 30-40 years. The focus was on building a lifetime relationship with the customer than merely a transactional one. In this regard, the company attempted to know the customers – where they live and their needs. However the desire for expansion was so overpowering that Subhiksha's management ignored the need to strengthen supply chain, distribution and replenishment logistics. This led to the empty shelf in stores and dissatisfied consumers. In 2009, Subhiksha announced that it would shut down all of its 1,600 outlets. Imagine you are the marketing head at Subhiksha. While the operations team is also sorting out the supply chain, distribution and logistics problems, you are tasked with developing a broad plan for service recovery strategy via which this retail service business can be steered towards sustainability.

Develop a brief plan that addresses both

- Fixing the customer (5 marks)
- Fixing the problem (5 marks)

2. The environment in which the service is delivered and where the firm and the customer interact, and any tangible commodities that facilitate performance or communication of the service forms the physical evidence.

- (a) Imagine your last stay at a hotel and list down all the 'servicescape' and 'other tangible' aspects provided by your hotel during the entire stay. **(4 marks)**
- (b) Propose suggestions on two 'servicescape' and two 'other tangible' aspects to make them more effective. **(6 marks)**

3. Imagine you manage a beach resort in Goa

- (a) Discuss the underlying pattern of demand fluctuation likely to occur at your resort and the challenges it would present to you as a manager. Is the pattern of demand predictable or random? **(4 marks)**
- (b) Propose with examples two demand oriented measures that you would take to smooth the peaks and valleys of demand. **(6 marks)**

4. Integrated Service Marketing Communications enables service brands to present a consistent message to customers. Taking any one single service brand as an example, discuss this brand's approaches on the following aspects

- (a) one approach for managing customer expectations and **(5 marks)**
- (b) one approach for managing customer education **(5 marks)**