

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM (SM)

FOURTH TRIMESTER (Batch 2022-24)

END TERM EXAMINATION, OCTOBER 2023

Course Name	Consumer Behavior in Services	Course Code	20139
Max. Time	2 Hours	Max. Marks	40 MM

INSTRUCTIONS:

- This paper includes a total of 7 questions. All questions are mandatory.
- There are two sections - Section A has the case studies and associated questions. Section B has conceptual questions.
- Use appropriate examples where ever relevant to explain the concept that you are discussing.
- Use diagrams and visual aid that may help you better explain the concept.

Section A: There are two case studies in this section. Please read the case study and attend associated questions

Case 1:

Cables limited is engaged in the business of telecommunications and media. It offered mobile wireless services, Direct to Home TV and Broadband Internet connections. They had separate divisions for each of the three offerings. The company was following the **product concept method** and catered to only the existing customers, thereby completely ignoring the changing needs, trends and demands of the market. Customer had matured since the time they started offering these services. The family structures had changed and their engagement with technology moved to next level.

A young marketing graduate named Vishnu joined them and evaluated the current situation. Basis his understanding of the problem, he advised cables limited about the necessary changes based on changing consumer preferences including need for integrated packages to successfully upsell company's products and services.

Per Vishnu's advice, the company spent nearly INR 50 Crores to upgrade their product offerings basis their understanding of the emerging consumers needs. Unfortunately, the product manager and his team were not happy with the results that they achieved despite Vishnu's recommendation. This is because, while Vishnu focused on making a robust product portfolio, yet many important factors affecting consumer behavior were ignored by him.

1.1 Identify the purpose of understanding consumer behavior in parlance of service-oriented business. **[5 Marks]**

1.2 Make use of the important business orientation that was overlooked and explain how it could impact the company to perform better. **[5 Marks]**

Case 2:

An automobile brand e-wheels was invested in the business of e-scooters. The focus of the business was only on sales. They built a robust and experienced sales team. The only fundamental strategy of the brand was to ensure sales numbers that they achieve every day. They had also invested in technology to track their sales force and monitor their daily targets. Within six months the brand started observing desired sales numbers which also gave them reason to celebrate. Often, the brand-initiated events to reward their sales team with incentives including international trips and other rewards.

However, within three months of this sales rally, the brand observed a sudden dip in their sales, leading them to introspect and identify factors impacting it. They also found that the new intenders were not considering their brand and were more inclined on a competitive brand that also launched a vehicle in EV category. The only difference they found was an ad campaign from competition that offered a helpline for any query related to electric vehicles. Barely, able to identify any cause, they hired an external consultant i.e. you to help them address this critical situation.

- 2.1 **Choose** a critical strategy for business from: customer acquisition or customer retention
[3 Marks]
- 2.2 **Applying** both the strategies discussed above, briefly explain their long term and short-term impact on business.
[7 Marks]
- 2.3 How would you **make use of** technology in EV business to engage consumers and enhance brand consumer relationships?
[10 Marks]

SECTION B:

3. Think of a recent purchase that you considered risky at the very onset. Why type of risk did you perceive and how did you handle this risk?
[5 marks]
4. **Identify** a service recovery strategy for a mobile services provider in case of network outage - in terms of fixing the customer and fixing the problem.
[5 Marks]