

III Semester M.B.A. (Day) / V Semester M.B.A. (Evening) Degree
Examination, January/February 2007
(Updated Scheme)
MANAGEMENT
M . 3 : Marketing of Services

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any six** of the following. **Each** question carries **two** marks. (6×2=12)
- What is GATS ?
 - What are the extended marketing mix of services ?
 - What do you mean by credence property of services ?
 - What is 'Triadic sorting' ?
 - What is 'Servicescape' ?
 - Give the meaning of 'provider gaps' in gaps model of service quality.
 - What is 'Serv Qual' ?
 - What is 'Relationship Marketing' ?
 - What is 'Perishability' in services ?

SECTION – B

- Answer **any four** of the following. **Each** question carries **five** marks. (4×5=20)
- What are the marketing implications of intangibility of services ?
 - Bring out the importance of post purchase evaluation in consumer behaviour.
 - Differentiate customer perceptions from expectations.
 - How do you consider service employees as 'boundary spanners' ?
 - Explain 'Life time value' of a customer.
 - What are the expectations of customers of their complaints regarding services ?

P.T.O.

SECTION - C

Answer **any three** of the following. **Each** question carries **ten** marks. (3×10=30)

8. Explain 'Services Marketing Triangle'. Bring out its relevance and applicability in health care and hospitality sectors.
9. What are the sources of pleasure and displeasure in service encounters ? How do you strengthen or overcome them ?
10. Describe the various types of and benefits from service guarantees.
11. Analyse the marketing strategies of Indian companies in retail and financial services sectors.
12. Explain the various dimensions of service quality.

SECTION - D

13. Read the following case and answer the questions given at the end. It carries **thirteen** marks and is **compulsory**. (1×13=13)

Modern retailing in India is currently witnessing a transformation where traditional markets give way to the emergence of department stores, supermarkets, hypermarkets, specialty stores and malls. Rated the fifth most attractive emerging retail market, India topped the Global Retail Development Index of 30 developing countries drawn up by A T Kearney. Indian retail sector is estimated to be at Rs. 1050,000 crore (US\$ 233 billion) – growing at five per cent annually – and the estimated share of organised retail is only Rs. 36,000 crore (US\$ 8 billion), at present, albeit growing at over 30 per cent every year. Projections by the Images-KSA India Retail Report 2005 of an organised retail market of Rs. 100,000 crore (US\$ 22 billion) by 2010 now appears conservative, likely to be achieved much earlier than 2010.

In this backdrop of retail emerging as one of the sunrise service sectors of India, Reliance Retail of Mukesh Ambani has envisaged a blue print of 1,575 nationwide chains of hypermarkets, supermarkets, discount stores, department stores, convenience stores and specialty stores, in about 800-odd cities and towns across the length and breadth of India. The RIL board of directors approved the initial phase of the retail foray at an estimated cost of Rs. 3,350 crore (US\$ 750 million).

Their targeted sales turnover of Rs. 90,000 crore (US\$ 20 billion) by 2010 with a planned investment of Rs. 30,000 crore over the next five years – that's the retail vision of Mukesh Ambani and his RIL retail team. RIL's retail venture seems all set to achieve the status of being the flag-bearer of India Retail Inc, and that too in record time ! It dwarfs India's current numero uno in organised retail chain, Pantaloon Retail, which currently has an annual turnover of US\$ 240 million from its 84 outlets spread over 30 cities and has projected revenues of US\$ 2 billion by 2009.

Reliance Retail's much-awaited launch of 11 Reliance Fresh outlets – which sell fruits, vegetables and dairy products – at one shot in Hyderabad in the first week of November, 2006 undoubtedly turned out to be the mother of all launches. A senior Reliance executive said that the stores were doing “extremely well.” The 11 stores saw an average of 25,000 customers pouring in with average bill sizes “upwards of Rs. 100”. Each of the stores are expected to sell around five tones of fruits and vegetables a day but, an executive said that the second-day reponse was so good that each store sold over 10 tonnes !

On price front, Raghu Pillai, President and CE said : “Indeed, we are competitive but our USP is the range and freshness that we will offer, there will be at least 170-180 SKUs (stock keeping units).” ‘Namaste’ greets the Reliance floor assistant, as one enters the up market Banjara Hills. As you stroll around the store, one realizes that the decor is very simple yet striking. The design and styling of the stores took a lot of research and inputs from not only India but also abroad. Stocked on the stands are fresh, inviting vegetables. Asked too about the staff uniforms, pat comes the reply : red denotes brightness, power, warmth, optimism, dynamism and auspiciousness while green signifies nature, freshness and health. These colours blend with the traditional Reliance blue, denoting reliability, seriousness and calmness.

Questions :

- 1) Comment on the marketing strategy of Reliance Fresh.
 - 2) What is the marketing mix of Reliance Fresh ?
 - 3) What do you expect from the competitors in the days to come in the light of this mega launch of Reliance Fresh ?
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