



III Semester M.B.A. (Day) Degree Examination, January 2012
(2007-08 Scheme)

MANAGEMENT

M-2 : Services Marketing

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any six** questions. (6x2=12)
- What do you understand by the term service encounters ?
 - Differentiate services marketing from marketing of physical products.
 - Mention any four characteristics of service. Use examples.
 - What do you understand by the term service triangle ?
 - What are the elements of marketing mix in services marketing point of view.
 - What do understand by the term relationship marketing.
 - What do you understand by the terms core and augmented service ?
 - Define customer satisfaction and customer loyalty.

SECTION – B

- Answer **any 3** questions. (3x8=24)
- Define gaps model of services quality and explain briefly gap 1 through gap 5 in measuring services quality.
 - Explain briefly the differences between internal marketing and external marketing. Why internal marketing must precedes external one.
 - Describe briefly six elements of service/profit chain or sometimes called the stage model.
 - In measuring the quality of services Parasuraman, A., Zeithaml V.A., and Berry, L.L. (1988) developed a SERVQUAL model. Briefly explain five dimensions used in this model.
 - Explain briefly the differences between services marketing and customer service.

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SECTION - C

Answer 2 questions.

(2x12=24)

7. Explain briefly why marketing of services for not for profit organizations is a bit complicated than marketing of services for business organizations.
8. Patrick Mehne, CEO of Ritz-Carlton hotel in the USA says "satisfaction is an attitude while loyalty is a behavior". Discuss this in services marketing point of view.
9. Discuss briefly three different types of services encounters available for services marketers. Use examples to support your points.

SECTION - D

10. Case study :

(1x15=15)

Compulsory.**Taj Hotels Rope in Landor for Brand Restructuring**

The Tatas controlled Taj group of Hotels, an India largest hotels chain, has appointed the US based Landor Associates, the WWP group's pre-eminent branding and design consultancy firm to undertake brand restructuring of the group.

The Taj group has 65 properties in the country and overseas, and has presence in three segments of the hospitality sector-luxury, business and leisure. While the luxury is the largest division of the group accounting for close to half of the group revenue, business hotels will be its next big focus over the next three years. In addition to that, the group is also looking at acquiring up market hotels in leading cities globally to boost the Taj image.

Jyot Narang chief operating officer of the Taj group business hotels said "the company has appointed Landor for the hotel's brand architecture exercise".

Landor is a division of Young and Rubicam Inc, is part of the WWP Group. Its clients include but not limited to BP, Unilever, FedEx, Land Rover, Microsoft, Procter and Gamble, Siberia Airline and Australian Airline. Landor provides complete end-to-end solution in terms of branding and designing.



The Taj Group's move is in line with the practices followed by international hospitality chain that have distinct brands for various categories of hotels, especially in the luxury segment where the brand is a hallmark of the service equality. For example, the six continents owns hotels such as Holiday inn, Crowne Plaza, Parkroyal and Intercontinental, the Carlson group owns the Regent, Radisson and the country inn brands.

For the Taj group, most of its hotels are under the Taj umbrella – be it Taj residency in Bangalore, Taj Mahal in Mumbai or Taj Exotica in Goa. The group views the Taj brand as a core asset of its business, which has certain standards, values and service quality levels. Part of the plan is to restrict the Taj brand name to super – premium properties under luxury and leisure segments.

For others, which would include a range of business hotels and others that do not fit the top end-bill, the Taj tag may be withdrawn. The group which is planning a major presence in the budget hotels category will also have a separate brand identity. The Taj group is planning to add another 12 hotels in the next 3 years as part of its expansion plan in the business hotel segment.

Narang added that the expansion will be through a mix of acquisition and management contracts in the domestic market. The plan envisions expanding the group's presence in metros, mini-metros and smaller-towns. This would lead to an increase of about 30 hotels in the near future.

The business division of the group currently has 18 hotels spread across 17 destinations in the country and 5 hotels internationally. The group does not have any immediate plan to expand in this category overseas. This is because of the group's strategy to be a global player focusing on premium properties.

Questions :

- 1) Do you think the Taj group will profit from a revised branding strategy as proposed in the above case ? Why ? 3
- 2) What else the Taj group needs to do to maintain its leadership position in the top end of the hotels business ? 4
- 3) Do you think it is a good idea for the group to target the lower end of the market such as budget hotels ? What should they position themselves as in the new category ? 4
- 4) In your own view and from services marketing view point why Taj group opted for Landor ahead of local consultants who know Taj group and its businesses particularly well than foreign company ? 4