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**Presidency University**

**Bengaluru**

**School of Management**

**Summer Term End-Term Examination - August 2024**

**Semester**: Summer Term(2023-24)

**Course Code**: MBA3059

**Course Name**: Marketing of Services - Concepts, Strategies & Cases

**Department:** SOM-PG

**Date**: 05-08-2024

**Time**: 9:30 AM – 12:30 PM

**Max Marks**: 100

**Weightage**: 50%

**Instructions:**

1. *Read the all questions carefully and answer accordingly.*
2. *Do not write any information on the question paper other than roll number.*
3. *Question paper consists of 3 parts.*

**PART A**

**Answer any 10 Questions. Each question carries 3 marks. (10Qx 3M= 30)**

1. Explain the causes for and growth of service sector in Indian economy. (CO1 Knowledge)
2. What is ‘Zone of Tolerance’? (CO1 Knowledge)
3. Explain the ‘Knowledge Gap’ in Gaps Model of Service quality. (CO1 Knowledge)

1. Explain ‘Credence Qualities’ in services with example. (CO2 Knowledge)
2. Explain ‘Coping’ in service encounters with example. (CO2 Knowledge)

1. Explain ‘Hard’ customer defined standards with an example. (CO2 Knowledge)
2. What is empathy in services marketing? (CO3 Knowledge)
3. What do you mean by service encounter? (CO3 Knowledge)
4. Explain Perishability in services with example. (CO3 Knowledge)
5. What do you mean by a ‘Service Blue print’? (CO4 Knowledge)
6. Customers take hints from things that are visible to the eyes. Identify the major elements of Physical Evidence. (CO4 Knowledge)
7. Internal marketing is so important in services firms because it enables interactive marketing communication. List the tools for Internal Marketing. (CO4 Knowledge)

**PART B**

**Answer any 4 Questions. Each question carries 10 marks. (4Qx 10M= 40)**

1. Distinguish between goods and services. Justify whether we need a separate marketing strategy for marketing services with the help of examples from service organizations. (CO1 Application)
2. What is Customer Gap? Explain the gaps model with the help of suitable diagram and example. (CO1 Application)

1. What is Service marketing triangle? Explain its uses for a service organization with the help of a diagram and examples. (CO3 Application)
2. Pricing a Service is a little tricky compared to pricing a Product. In this context, when the customer defines value as "Low Price", discuss the various pricing strategies a service organization can adopt, along with suitable examples. (CO2 Application)

1. Sometimes while receiving the services, customers themselves contribute to the gap in delivering service quality through people. Keeping this scenario in mind, illustrate with a suitable example, the components and importance of a service blueprint. (CO4 Application)
2. Service Encounter is the customer's actual interaction with a service company. In this scenario, demonstrate the four (4) factors that contribute to service encounter success, with suitable examples. (CO4 Application)

**PART C**

**Answer the following Questions. (2Qx 15M= 30)**

19. Since the demonetization drive was announced by Prime Minister Narendra Modi, Paytm has added new users at unforeseen rates and its trading volume grew by leaps and bounds. But the brand has been facing some critical challenges in terms of transaction glitches, advertising faux pas and even a trademark infringement case against the brand. It is by overcoming these challenges that the digital wallet sector’s market leader, Paytm, can stabilize its brand image and grow at a steady rate. The technological backend of Paytm seems to have crumbled under high pressure. When demonetization was announced, Paytm could not have anticipated the 1000% jump in users. Paytm has been struggling to cater to its 170 million users, 20 million of whom join between November 10 and December 20, 2016. Demonetization was a humongous opportunity for Paytm, and the company seems to have taken a bigger bite than it can chew. Experts deliberated that a growth of 200-400% may have been easily digested but 500-600% jump is tough to digest.

In addition, for some days the Paytm app went missing from the iOS App Store because a recent update of the app was buggy. Harish Bijoor, CEO said “By the time we submitted the fix, uploaded it on app store and got it approved from Apple for release, it was late. With more than 95% users being on android and the website, the disruption was restricted to our iOS users.

Adding to this mix of unfortunate incidents, Paytm’s employees are now being investigated by CBI sleuths for defrauding the company itself. It has been reported that based on complaints from Paytm, two cases of fraud amounting to nearly Rs 10 lakh have been registered against 22 private individuals. The police suspect that insiders facilitated the fraud.

Even in the sphere of advertising the company faced controversy. Many newspapers across India were splashed with a Paytm ad, just on the next day demonetization was announced, congratulating Prime Minister Modi for “taking the boldest decision in the financial history of Independent India.” Opposition political parties and politicians criticized Paytm for this ad. The taunts of “Pay to Modi,” “Pay to Me” are not just smart quips, they dragged Paytm into a political war.

On December 18th another kind of misfortune befell Paytm. US-based e-wallet company, PayPal filed a trademark infringement case against Paytm. In the complaint, PayPal has said that Paytm has no reason to adopt identical colors and color scheme other than to take advantage of the reputation built by PayPal. The complaint from PayPal came on the last day of the statutory four-month period that follows advertising a logo. Paytm advertised its logo on July 18.

This issue hardly impacts the day-to-day use of Paytm as a mobile wallet app. But N. Chandramouli, CEO, Trust Research Advisory expresses that “long time implications can result in brand erosion and competitors taking advantage of a weak leader but it is more of an early start-up syndrome.”

1. Illustrate the environmental factors driving growth of mobile wallet and e-commerce start-up industry in India. Choose the target segment of Paytm in terms of growth potential and customer service expectation.
2. Prepare the design / service blueprint, of the service offering in the light of the challenges identified in the case. Choose a service recovery strategy to win back customer confidence. (CO2 Analysis)
3. Explain the possible levels of customer expectation with respect to food industry. Enumerate the factors influencing these levels with a neat diagram. (CO3 Analysis)