

Roll No



**PRESIDENCY UNIVERSITY  
BENGALURU**

**SET A**

**SCHOOL OF MANAGEMENT  
END TERM EXAMINATION - JAN 2024**

**Semester :** Semester III - 2022

**Course Code :** MBA3059

**Course Name :** Marketing of Services - Concepts Strategies and Cases

**Program :** MBA

**Date :** 1H-JAN-2024

**Time :** 10:00AM - 1:00 PM

**Max Marks :** 100

**Weightage :** 50%

**Instructions:**

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

**PART A**

**ANSWER ALL THE QUESTIONS**

**10 X 3M = 30M**

1. Services Marketing Triangle is a framework to understand the communication in services. List the three vertices and sides of 'Services Marketing Triangle'.  
(CO1) [Knowledge]
2. The GAPS Model of Service quality tells us that the Customer Gap occurs because of the Provider Gaps. Name the Provider Gaps in the same order.  
(CO1) [Knowledge]
3. Market research is a powerful tool to close GAP 1. Describe "Mystery Shopping" of Service Providers.  
(CO2) [Knowledge]
4. Services are high in experience and credence qualities. Define Credence qualities.  
(CO2) [Knowledge]
5. Service employees are the 'Organization' and 'Brand' in the customers' eyes. Identify the types of conflicts that occur in Service Organizations.  
(CO3) [Knowledge]
6. Service Encounter is best understood as a period of time during which a customer interacts directly with a service provider. Recall the different types of Service Encounters.  
(CO3) [Knowledge]
7. Customers are also called as co-producers in service organizations. List the customer roles in service delivery.  
(CO3) [Knowledge]
8. Customers in the service sector look for cues about the service provider's capabilities and the quality of service offered, as soon as they enter the premises of service center. Define Physical Evidence.  
(CO4) [Knowledge]

9. Services Marketing Communication is critical for closing GAP 4. Outline the strategies for integrating Services Marketing Communication.  
(CO4) [Knowledge]
10. The actual physical facility in which the service is performed, delivered and consumed is referred as *servicescape*. Recall the roles played by Servicescape.  
(CO4) [Knowledge]

## PART B

### ANSWER ALL THE QUESTIONS

6 X 7M = 42M

11. Setting up effective service standards enables employees to understand what they are being asked to deliver. Within this context, explain the significance of the expanded Marketing Mix elements for Services, with suitable examples.  
(CO1) [Comprehension]
12. 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.  
(CO2) [Comprehension]
13. For the customer to receive a uniform message, it is very important to have coordinated communication to be able to achieve service delivery greater than the promises made. Within this context, discuss the approaches for integrating service marketing communication, with suitable examples.  
(CO3) [Comprehension]
14. Physical Evidence is regarded as the 7th P in the Services Marketing Mix. Regarding this context, answer the following questions with suitable examples:  
a. Identify the types of physical evidence  
b. Indicate the benefits of Physical evidence  
(CO3) [Comprehension]
15. You are the General Manager of Services in a 5-star luxury resort and have been tasked with developing the physical evidence strategy. Within this context, explain the guidelines for physical evidence strategy with suitable examples.  
(CO4) [Comprehension]
16. 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.  
(CO4) [Comprehension]

## PART C

### ANSWER ALL THE QUESTIONS

2 X 14M = 28M

17.

**Paytm adjusting to rapid****growth**

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 colours and colour 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) [Application]

18.

Dr. Mahalee Goes to

## London

*A senior account officer at an international bank is about to meet a wealthy Asian businessman who seeks funding for a buyout of his company. The prospective client has already visited a competing bank.*

It was a Friday in mid-February and Dr. Kadir Mahalee, a wealthy businessman from the southeast Asian nation of Tailesia, was visiting London on a trip that combined business and pleasure. Mahalee, who held a doctorate from the London School of Economics and had earlier been a professor of international trade and government trade negotiator, was the founder of Eximsa, a major export company in Tailesia. Business brought him to London every two to three months. These trips provided him with the opportunity to visit his daughter, Leona, the eldest of his four children, who lived in London. Several of his 10 grandchildren were attending college in Britain, and he was especially proud of his grandson, Anson, who was a student at the Royal Academy of Music. In fact, he had scheduled this trip to coincide with a violin recital by Anson at 2:00 p.m. on this particular Friday.

The primary purpose of Mahalee's visit was to resolve a delicate matter regarding his company. He had decided to retire and wished to make arrangements for the company's future. His son, Victor, was involved in the business and ran Eximsa's trading office in Europe. However, Victor was in poor health and unable to take over the firm. Mahalee believed that a group of loyal employees were interested in buying his company, if the necessary credit could be arranged.

Before leaving Tailesia, Mahalee discussed the possibility of a buyout with his trusted financial adviser, Lee Siew Meng, who recommended that he talk to several banks in London because of the potential complexity of the business deal:

***The London banks are experienced in buyouts. Also, you need a bank that can handle the credit for the interested buyers in New York and London, as well as Asia. Once the buyout takes place, you'll have significant cash to invest. This would be a good time to review your estate plans as well.***

Referring Mahalee to two competitors, The Trust Company and Global Private Bank, Lee added:

***I've met an account officer from Global who called on me several times. Here's his business card; his name is Miguel Kim. I've never done any business with him, but he did seem quite competent. Unfortunately, I don't know anyone at the Trust Company, but here's their address in London.***

After checking into the Savoy Hotel in London the following Wednesday, Mahalee telephoned Kim's office. Since Kim was out, Mahalee spoke to the account officer's secretary, described himself briefly, and arranged to stop by Global's Lombard Street office around mid-morning on Friday.

On Thursday, Mahalee visited The Trust Company. The two people he met were extremely pleasant and had spent some time in Tailesia. They seemed very knowledgeable about managing estates and gave him some good recommendations about handling his complex family affairs. However, they were clearly less experienced in handling business credit, his most urgent need.

The next morning, Mahalee had breakfast with Leona. As they parted, she said, "I'll meet you at 1:30 p.m. in the lobby of the Savoy, and we'll go to the recital together. We mustn't be late if we want to get front-row seats."

On his way to Global Private Bank, Mahalee stopped at Mappin & Webb's jewelry store to buy his wife a present for their anniversary. His shopping was pleasant and leisurely; he purchased a beautiful emerald necklace that he knew his wife would like. When he emerged from the jewelry store, he was caught in an unexpected snow flurry. He had difficulty finding a taxi and his arthritis started acting up, making walking to the nearest tube station out of the question. At last, he caught a taxi and arrived at the Lombard Street location of Global Bancorp about noon. After going into the street-level branch of Global Retail Bank, he was redirected by a security guard to the Private Bank offices on the second floor.

He arrived at the Private Bank's nicely appointed reception area at 12:15 p.m. The receptionist greeted him and contacted Miguel Kim's secretary, who came out promptly to see Mahalee, and declared:

***Mr. Kim was disappointed that he couldn't be here to welcome you, Dr. Mahalee, but he had a lunch appointment with one of his clients that was scheduled over a month ago. He expects to return at about 1:30. In the meantime, he has asked another senior account officer, Sophia Costa, to assist you.***

Sophia Costa, 41, was a vice president of the bank and had worked for Global Bancorp for 14 years (two years longer than Miguel Kim). She had visited Tailesia once, but had not met Mahalee's financial adviser nor any member of the Mahalee family. An experienced relationship manager, Costa

was knowledgeable about offshore investment management and fiduciary services. Miguel Kim had looked into her office at 11:45 a.m. and asked her if she would cover for him in case a prospective client, a Dr. Mahalee, whom he had expected to see earlier, should happen to arrive. He told Costa that Mahalee was a successful Tailesian businessman planning for his retirement, but that he had never met the prospect personally, then rushed off to lunch.

The phone rang in Costa's office, and she reached across the desk to pick it up. It was Kim's secretary. "Dr. Mahalee is in reception, Ms. Costa."

1. Prepare a flowchart of Dr. Mahalee's service encounters. Putting yourself in Mahalee's shoes, how do you feel (both physically and mentally) after speaking with the receptionist at Global?
2. As Sophia Costa, what action would you take in your first five minutes with Mahalee? What would constitute a good outcome of the meeting for both the client and the bank?

(CO3) [Application]