

Case Study: Srinivas Institute of Technology
 Library Bangalore

a. CASELET NO.1 : Design of Disney's Magic Kingdom

Walt Disney was one of the undisputed champions of designing service environments. His tradition of amazingly careful and detailed planning has become one of his company's hallmarks and is visible everywhere in its theme parks. For example main street is angled to make it seem longer on entry into magic kingdom than it actually is. With myriad facilities and attractions strategically inclined and located at each side of the street, people look forward to the relatively long journey to the castle. However, looking down the slope from the castle back toward the entrance makes main street appear shorter than it really is, relieving exhaustion and rejuvenating guests. It encourages strolling, which minimizes the number of people who take buses and so eliminates the threatening problem of traffic congestion.

Disney's service scape design and upkeep help to script customer experiences. They also create pleasure and satisfaction for guests not only in its theme parks but also in its cruise ships and hotels.

Issue for discussion:

Analyse the service environment as explained in the above case, taking design parameters/dimensions throughout the service process of Walt Disney. (10 Marks)

b. CASELET NO.2 : Planning Speedy Food Service

'Restaurant and Hospitality', a restaurant industry trade magazine, offers the following ten suggestions for serving customers quickly without making them feel as though they 'have been pushed out the door'. Some of these tactics involve front-stage processes, whereas others take place backstage, but it is the interaction among operational strategies, marketing insights and how staff members relate to customers that creates the derived results.

- i) Distinguish between patrons in a hurry and those who are not.
- ii) Design specials that are quick.
- iii) Guide hurried customers to those specials.
- iv) Place the quickest, highest-margin menu items either first or last on the menu.
- v) Offer dishes that can be prepared ahead of time.
- vi) Warn customers when they order menu items that will take a lot of time to prepare.
- vii) Consider short-line buffets, roving carts and more sandwiches.
- viii) Offer "wrap"-style sandwiches, which are quickly prepared, filling meal.
- ix) Use equipment built for speed, such as combination ovens.
- x) Eliminate preparation steps that require cooks to stop cooking.

Issue for discussion:

Are the suggestions given by 'Restaurant and Hospitality' magazines for serving customers quickly effective? Why or why not? Give reasons. (10 Marks)

8 Case Study

Fun fair was a leading event Management company headed by Mr. Ravindran an NRI in 1998 Mr. Ravindran had a wide experience. Since he worked with big media companies in the U.S. When he returned to India, he recognized huge potential for event Management company, even though the concept was new to India. It was only after the beauty pageant contest was conducted by a leading event management company the fever caught on soon after this many event management companies grew mostly small in size. Most of the players in this area were not as experienced as Mr. Ravindran. He knew his strength and hence decided to establish Fun fair. Initially the company conducted small events and met with success. The company led by Ravindran maintained a low profile and focused on certain areas. We may call it a niche. His company Fun fair was making inroads into leading corporates corridors.

By 2005, the company billed 200 million rupees. Fun fair became a leader. It undertook all types of event management activities such as conducting trade shows, exhibitions, beauty contest.

Recently, the company established a small theme park called fun and leisure. This theme park has entertainment shows, video games parlour, virtual reality entertainment, movie multiplex, health club, modern gym, restaurant children's park, swimming pool and more.

Target segment for the above facilities were upper class and upper middle class with high income. These were the corporate MNC employees. The idea was to have executive in these companies to become corporate members, so that they and their family could enjoy all the benefits. The concept employed to lure people from outside the corporate world was hybrid in nature that is a hybrid of country club and a theme park. Life membership was offered to those who were non corporates.

Mr. Ravindran was very confident that by deploying the above strategy, he could bring steady revenue to the theme park. To achieve this, Mr. Ravindran needed a strong sales team to take this concept to the market. There he started looking for talented people to promote his lucrative idea.

Questions:

- i) Do you think the market will accept this concept? Substantiate your answer. (05 Marks)
- ii) In case, the market refuses to accept this idea, what alternative would you suggest to Mr. Ravindran? (05 Marks)
- iii) What qualities do you think the leadman should have to successfully promote Mr. Ravindran's concept? (05 Marks)
- iv) What should be the prime criteria of consideration for Mr. Ravindran to select his team? (05 Marks)

8 Case Study:

During the pre-independence days of India. Private sector bank floated. The bank with its headquarter based in Mumbai, in western India, was in existence for well over 80 years. It had good connections with the business community and was a financially prosperous bank, thanks to its special connections with a particularly prosperous business community.

In the past independence era, it was nationalized under the special ordinance, and subsequently, it lost its independence of action. Its policies and operations were lumped together with the other nationalized bank. Thus began an era of retail banking expansion. In June 1969, at the time of nationalization, it had about 200 branches. By the end of the year 2000, it had over 2000 branches spread over number of states. The major area of operation, however continued to be western India.

The United Indian Bank, with due regards to assets and capital adequacy norms decided to raise capital funds for expansion by way of public issue at a small premium to the face value of the shares. This would also have an effect of diluting the share holding of the union government. Now board of directors of the bank had to decide on the methods of expansion. One of the ideas floating around was expansion in the ATM network.

The bank currently had a very small network of around 25 ATM locations in a few major towns. Chronically, while ATM machines located at branches continued to remain idle, there were long queues formed at the cashier's counter. Most of those in the queue were retail customers.

The type of transactions available via the bank's ATM card are very limited. However, it is participating in a joint ATM card scheme floated by a number of other nationalized banks. In addition, the bank has been contemplating the introduction of telebanking with remote access via internet. At present the bank operations are not fully computerized, which also had to be looked into. The bank operations are not fully computerized, which also had to be looked into. The bank is contemplating expansion into the non-life general insurance sector in collaboration with a non life insurance company. It has also launched a depository service scheme.

Question:

- a. Describe the aspects of consumer behavior that may affect the use of ATMs. (05 Marks)
- b. Describe the ways and means by which the bank could popularize the use of ATMs. (05 Marks)
- c. By popularizing the use of ATM cards, apart from the reduction in the case of retail banking operations, what other opportunities to earn higher margins arise? (05 Marks)
- d. Can retail banking continue to remain a profitable basis for the bank operations? (05 Marks)

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Third Semester MBA Degree Examination, Dec.09-Jan.10
Services Marketing

Time: 3 hrs.

Max. Marks:100

Note:1. Answer any FOUR full questions form Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.

PART – A

- 1 a. What are services? (03 Marks)
- b. Explain in detail the myths about services. (07 Marks)
- c. How do different characteristics of services distinguish goods from services? (10 Marks)

- 2 a. What are search vs experience vs credence properties? (03 Marks)
- b. Explain in brief the service categories in the decision making process. (07 Marks)
- c. Discuss the strategies for influencing customer perceptions. (10 Marks)

- 3 a. What is meant by ZOT? (Zone of Tolerance). (03 Marks)
- b. Explain the different types of service research. (07 Marks)
- c. Explain the three levels of retention strategies with examples. (10 Marks)

- 4 a. What are the hard and soft standards? (03 Marks)
- b. Explain the key factors leading to provider gap 2. (07 Marks)
- c. Explain the role of service quality in offensive and defensive marketing. (10 Marks)

PART – B

- 5 a. What is the role of boundary spanners? (03 Marks)
- b. Explain the strategies for enhancing customer participation. (07 Marks)
- c. Discuss in brief the strategies for closing gap 3? (10 Marks)

- 6 a. What are the roles of a customer in service delivery? (03 Marks)
- b. Discuss the four categories of strategies to match service promises with delivery. (07 Marks)
- c. Explain the waiting line strategies when demand and capacity cannot be aligned. (10 Marks)

- 7 a. What is physical evidence? (03 Marks)
- b. Mention different approaches to services pricing and explain. (07 Marks)
- c. Explain in detail the approaches for understanding servicescape effects. (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any request for identification, appeal to evaluator and /or equating, written eg, 42+8 = 50, will be treated as malpractice.

8 Case study :

Malgudi group started a chain of residential schools across the country in the year 1990. It standardized the educational service delivery system, such as buildings, uniforms, labs, the qualification and experience of teachers, their training before induction, intake strength, classroom strength, the time – table, the code of discipline, the holidays, the fee structure, hostels and catering standards across the country. It gave national advertisement and filled admissions after a preliminary test. The H.O. was situated at Malgudi, maintained strict vigilance on the system of delivery, conduct of course, and feedback for standard compliance by 2004. This group was viewed as one of the best residential schools of the country. But the inside story was different. For the case, we take up study of one of the schools belonging to the group.

The Ratnagiri school was situated near Ratnagiri hills at a distance of 40 km from the city. It was headed by an IIT graduate, who was an IAS officer for more than two decades. Principal Prof. Bharadwaj had pleasant personality but highly disciplined, strict and was bureaucratic in nature. Whenever there was a discipline problem, he penalized them mercilessly.

At the school, the educational delivery took place as per the standards set by H.O through international research on industry and world class educational requirements. The teachers and students were afraid of giving true information in their monthly feedback, as the principle was very strict. Feedback always showed that everything was right. The yearly results were pathetic. The students were valued on their year – end exams from outside valuator to have unbiased evaluation. There was a failure of approximately 20% in each class. Though students failed, they were called by the principal, were asked to improve and were promoted to the next standard. This process resulted in the school performing badly in the SSLC public exam. The ads of school spoke of “cent percent results is our motto”. “Every student as Engineer or doctor and a good citizen in future, because of Malgudi training”.

H.O. called a service marketing and quality consultant. He gave a turn around plan. The very next year the school gave cent percent results not only in public exams, but also in internal exams.

Questions :

- a. Find, link and explain service “gaps” in this case. (06 Marks)
- b. If you are the consultant, what areas you consider to improve the situation? (06 Marks)
- c. Give a complete road map for organizational as well as service delivery restructuring as a consultant. (08 Marks)
