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MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION : JUNE-JULY - 2022
SEMESTER - IV
Sub: Management of Services (MM-401)

Date: 04/07/2022

Total marks: 60

Time: 10.00 am to 12.30 pm

SECTION – I

Q.1 Fill in the blanks. (05)

- _____ is not an extended P of service marketing mix.
a) People
b) Practice
c) Physical Evidence
d) Process
- The act of delivering a product is by definition called a _____.
a) Service
b) Courier
c) Benefit
d) Performance
- Example of pure service is _____.
a) Book
b) Mixer
c) Creche
d) Fast Food Restaurant
- Service output tends to be _____.
a) Consistent
b) Inconsistent
c) Customised
d) Independent
- _____ is the environment in which the service is delivered and where the firm and customer interact and any tangible components that facilitates performance or communication of the service.
a) Phylosophy
b) Physical Evidence
c) Physical Ability
d) Physiology

Q.2 Answer the following. (Any Two) (20)

- What are the extended 3 Ps of Service Marketing Mix?
- Critically evaluate Service Marketing Triangle.
- What are the determinants of Service Quality?
- Evaluate importance of services in Indian Economy.

Q.3 Write notes on. (Any Two) (10)

- Risks of automation of services.
- GAP model of services
- Inseparability as a character of Services
- Inventory as a character of Services

SECTION - II

Q.4 Case Study: (15)

World Gym

World Gym began operations in 1995 in a large city. The company's objective was to meet the fitness needs of a diverse clientele, from the professional body builder to the overweight person,

World Gym's pricing plan was to have a fitness facility that targeted the common person - a fitness facility that was not on the high end or the low end, but in the middle price range. In the beginning it planned to challenge the price of the top-of-the-line facilities. It offered its services in big spacious centre in a high-traffic area, a part of city that was becoming gentrified. There was little competition in the area. The establishment's large space, with natural light coming in, set it apart from competitors.

The company expected its members to come from other clubs and facilities not only in the immediate neighborhood, but all around the city. It saw its trade area as the neighborhoods within an 8-10 minute drive.

The company decided to begin by marketing its product to people who were already working out but wanted something unique. When the company opened its fitness facility, consumers readily accepted it. World Gym membership far exceeded expectations. It now has 3,000 members. As many as 2,000 people come on a given day.

For years World Gym had few serious competitors. In the city, permits are required to open a gym and thus are an obstacle to potential competitors. And the cost of opening a 35,000-square-foot facility is an additional barrier to entry,

Questions:

- (a) Was World Gym's pricing plan appropriate in a market where there was a relatively low supply of services?
- (b) Over time World Gym's membership exceeded expectations. Demand was strong and constant. What impact might this situation have on the company's pricing strategy? On product strategy?
- (c) Suppose the company learns that two new competitors plan to open fitness facilities within a mile of World Gym. How might the increased supply of services affect World Gym's pricing policy?

Q.5 Answer the following.

(10)

a) Differentiate between Services and Goods

OR

b) Elaborate classification of services.
