

BALLARI INSTITUTE OF TECHNOLOGY & MANAGEMENT

(Autonomous Institute under Visvesvaraya Technological University, Belagavi)

USN Course Code

Third Semester MBA Degree Examinations, February 2026

SERVICES MARKETING**Duration: 3 hrs****Max. Marks: 100**

- Note:** 1. Answer any **FOUR** full questions from Question No. 1 to 7.
2. Question No. 8 is compulsory
3. Missing data, if any, may be suitably assumed

<u>Q. No</u>	<u>Question</u>	<u>Marks</u>	<u>(RBTL:CO:PO)</u>
1	a. Define services and state any two characteristics of services.	03	(1:1:1)
	b. Explain customer behaviour in services with reference to search, experience, and credence qualities.	07	(2:1:2)
	c. A hospital receives mixed patient feedback. Analyse how customer expectations and zone of tolerance affect service satisfaction.	10	(3:2:3)
2.	a. Evaluate the role of research in services.	03	(1:2:1)
	b. Explain the role of market research tools in understanding customer expectations in services.	07	(2:2:2)
	c. A telecom service provider is losing customers. Design a retention strategy using service research insights.	10	(4:2:4)
3.	a. Define service standards.	03	(1:3:1)
	b. Explain capacity and demand management challenges in service organizations.	07	(2:3:2)
	c. Analyse how waiting line strategies and yield management improve service efficiency in airlines or hospitals.	10	(3:3:3)
4.	a. What is emotional labour?	03	(1:4:1)
	b. Explain boundary spanning roles and their importance in service delivery.	07	(3:4:2)
	c. A hotel faces frequent service failures. Propose employee-focused strategies to close GAP 3.	10	(4:4:4)
5	a. What is GAP 4 in services marketing?	03	(1:5:1)
	b. Explain the role of integrated marketing communication in managing service promises.	07	(2:5:2)
	c. Evaluate pricing strategies for services considering non-monetary costs with suitable examples.	10	(4:5:5)
6.	a. Define physical evidence in services.	03	(1:5:1)
	b. Explain how servicescape influences customer perception and behaviour.	07	(2:5:2)
	c. Analyse the role of physical evidence strategies in improving service quality in banks or retail outlets.	10	(4:5:4)

Note: (RBTL - Revised Bloom's Taxonomy Level: CO - Course Outcome: PO – Programme Outcome)

- | | | | | |
|----|----|--|----|---------|
| 7. | a. | What is self-service technology? | 03 | (1:5:1) |
| | b. | Explain the impact of AI and automation on service delivery. | 07 | (2:5:2) |
| | c. | Evaluate how technology-enabled services improve customer experience and operational efficiency. | 10 | (4:5:5) |

8. **Case Study**

Care Ease Services Pvt. Ltd. – Bridging the Service Quality Gap

Care Ease Services Pvt. Ltd. is a **mid-sized service organization** operating in the **healthcare and wellness sector**. It manages **six diagnostic centres**, a **home sample collection service**, and an **online appointment and report delivery platform** across Tier-2 cities in South India. The company positioned itself as a “**convenient, affordable, and patient-friendly**” service provider.

Initially, Care Ease experienced rapid growth due to rising demand for diagnostic and preventive healthcare services. However, over the last year, the management has observed **increasing customer complaints**, **declining repeat visits**, and **negative online reviews**.

Patients frequently complain about **long waiting times**, **confusing appointment schedules**, and **inconsistent service quality** across centres. While advertisements promise “quick reports and caring service,” actual service delivery often fails to match these promises. Many customers feel that front-desk employees appear stressed, indifferent, and unable to handle queries effectively.

Internal reviews reveal that:

- Employees face **emotional labour**, handling anxious patients without adequate training.
- Service processes differ across centres due to lack of **standardized service procedures**.
- Management has limited understanding of **customer expectations** and does not use formal service research tools.
- Physical evidence such as waiting areas, signage, cleanliness, and ambience vary widely between centres.
- Technology is underutilized; online booking exists, but backend integration with staff scheduling and capacity planning is weak.

Care Ease’s leadership wants to **improve service quality, customer satisfaction, and operational efficiency** while ensuring employees are motivated and service promises are realistically communicated.

- | | | | |
|----|--|----|---------|
| a. | Identify and explain the major service quality and operational problems faced by Care Ease Services. | 08 | (3:2:3) |
| b. | Analyse how employee roles, service processes, and weak understanding of customer expectations are affecting customer satisfaction. | 06 | (3:4:4) |
| c. | As a service marketing consultant, propose suitable strategies related to service process design, employee management, and physical evidence to improve service outcomes at Care Ease. | 06 | (4:5:5) |

** ** *