

**M.B.A. DEGREE EXAMINATIONS: NOVEMBER 2009**

Fourth Trimester

**P07BA431 SERVICES MARKETING****Three Hours****Maximum Marks: 100****Answer ALL Questions:-****PART A (1 x 20 = 20 Marks)****Case Study: NEPC Airline**

NEPC Airlines was promoted by the Khemkas, the Chennai based Marwadi business family. They took advantage of the second wave of liberalization in the aviation sector in the early nineties, to venture into air transportation business. The NEPC group is still in the business of processed food (atta), wind power, textiles etc. but they failed in their airline venture.

The aviation sector was opened up partly after the return of Mrs. Indira Gandhi to power in 1980. Feeder routes to small cities were charted and a separate airline, Vayudoot, was formed. By the nineties, private participation was allowed and a rash of smaller airlines came into the picture, plying through the feeder routes like Nagpur, Bhopal, Raipur, Jagdalpur, Goa, etc.

NEPC Airline had the Dornier aircrafts, which are small, seating about 25 people, with the luggage compartment designed in the snout. It flew short and non-metro destinations like Indore, Pune, Nagpur, Mysore, and the bigger cities of the south like Bangalore, Chennai etc.

It came in the news by quickly taking over a few smaller airline companies, like East-West Airlines, Span airlines etc. but the government restrictions, limiting it flights only on feeder (non – popular, giving connections to main airlines) routes, and intense competition brought down its operating margins.

But the biggest problem it faced was in getting the professionally trained personnel-flight, ground and marketing. It also never could position itself in the minds of the passengers Vis – a – Vis Jet airways, Modi – Luft (now Defunct) and Air Sahara.

Questions:

- Can you explain why, although NEPC was strong in goods, it failed in a service venture?
- Are service industries under heavy government control? Explain.

**PART B (10 x 2 = 20 Marks)**

2. Distinguish between the product, goods and services.
3. How do consumers develop total perceived quality?
4. What do you mean by undifferentiated market?
5. What is service deficiency?
6. Explain service line decisions.
7. Explain service flower.
8. Explain price quality relations.
9. Explain service transactions.
10. How are new products designed in a university?
11. When are recovery strategies useful in hospitality services?

**PART C (4 x 15 = 60 Marks)**

12. (a) Explain the determinants of consumer behavior and state how they differ incase of services?

**(OR)**

- (b) What are the steps of service market segmentation?

13. (a) What is service positioning? Explain various service positioning strategies.

**(OR)**

- (b) What is service blue printing? Explain its importance in services marketing.

14. (a) Explain in detail the approaches for pricing of services.

**(OR)**

- (b) Discuss various strategies for channel management.

15. (a) How do you understand tourism offer? Explain the marketing strategies of tourist services.

**(OR)**

- (b) How do you analyse the marketing operations of hospitality services?

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