

**May 2015**

Bachelor of Business Administration (**BBA**) Examination  
**VI Semester**

**Marketing of Services**

Time 3 Hours]

[Max. Marks 80

**Note : Attempt any four questions (out of seven questions) from Section A. Each question of Section A carries 12 marks. Section B is compulsory and carries 20 marks.**

**Section A**

1. "The service sector has been growing in direct proportion to the environmental changes occurring in India." Comment.
2. Explain the service consumer decision process by taking any example from service sector.
3. What are the service failures? How service recovery can be done?
4. Positioning of services plays a very significant role in service sector. How this positioning strategy can be created and used by service provider?
5. Discuss the challenges of service marketing.
6. "Relationship marketing helps in attractive and retaining the customers." Justify this statement with the help of levels of customer relationships.
7. Write a note on classification of service marketing.

**Section B**

8. Analyze the case and answer the questions given at the end :

**Marketing Consultancy Services**

P.K. Mehta, Ph.D., is an economist who set up a consulting firm in New Delhi in 1992, right after completing four years as a high-level official in the government. P. K. Mehta went into this venture with the hope of providing economic advice, analysis and testimony for law firms and months after opening his firm, Mehta decided he needed to take marketing more seriously. His somewhat random approach to contacting and courting prospective clients had not allowed him to obtain the volume and mix of clients he had hoped to have by that time. He therefore retained a marketing consultant who had been recommended by a friend to give him some direction for his marketing efforts.

The consultant and Mehta immediately agreed that a marketing plan should be developed- Mehta needed a carefully designed marketing program to help him build his practice. But both agreed that before such a plan could be written, a more careful examination of Mehta's external environment and his past marketing actions should be made. Hence, it was agreed that the consultant would first perform a marketing audit of Mehta's firm.

The marketing audit mainly involved a lengthy interview in which Mehta was probed by the consultant for information about potential markets, competitors, legal trends, distinctive competencies, fees promotional efforts, and so on. Documents and data that Mehta had available in his office were also reviewed. The consultant offered much advice during the course of the interview and also wrote a follow-up audit report containing additional comments and suggestions.

The consultant's report acknowledged that Mehta did indeed have valuable services to offer to law firms and other prospective clients. His government background, his eight years as an economics professor at a major university, and his academic credentials clearly differentiated him as someone uniquely qualified to provide economic advice, analysis, and testimony in government regulatory matters. But the report pointed out that prospective clients might not immediately recognise what someone with Mehta's unique skills could do for them. The report therefore emphasised how important it was for Mehta to try to educate prospective clients about how he could help them win cases.

The consultant recommended that Mehta should aim his educational effort at only a limited number of narrowly defined target markets. The report urged Mehta to do some exploratory research immediately in order to identify some initial target markets. Additionally, more formal research on the potential of various markets was recommended for the near future. Mehta was advised to consider a variety of approaches for carrying out the education at offert, including the use of seminars, a newsletter, the direct mailing of an article he wrote, and cold-calling, followed up (where mutually agreed to) by a written proposal.

Mehta found the audit report to be very provocative and set out to implement some of its suggestions. He immediately began talking to various experts he knew about the potential of working on different types of cases. He also began to gather statistics on how frequently different types of cases were arising. After several weeks of implementing audit recommendations, he felt ready to write his marketing plan for 1993. In the plan he established marketing goals for different target markets. Strategies for educating and appealing to those markets, time schedules for conducting seminars and implementing mailing, and a marketing budget.

### Questions for Discussion :

1. What exactly is the service product being offered by Mehta? Can such a product be defined in terms of core, tangible and augmented product components? What suggestions do you have for Mehta, to augment his service product?
2. Do you think the marketing approach of 'educating' the prospective clients would succeed in the above case? Give reasons for your answer.
3. What constitutes the target market for Mehta? What are likely to be the consumer expectations of such customers?

