

4M6408	Roll No. : _____	Total Printed Pages : 3
	4M6408	
	M.B.A. (Sem. IV) (Main/Back) Examination, May/June - 2010	
	M-408 Marketing of Services Group : Group B (Marketing) Major	

Time : 3 Hours]

[Total Marks : 70

[Min. Passing Marks : 28

The question paper is divided in two sections. There are sections A and B. Section A contains 6 questions out of which the candidate is required to attempt any 4 questions. Section B contains short case study/application based 1 question which is compulsory.

All questions are carrying equal marks.

Use of following supporting material is permitted during examination.

(Mentioned in form No. 205)

1. _____ Nil _____

2. _____ Nil _____

SECTION - A

1. How is technology changing the nature of service? Provide specific examples.
2. Assume that you are a manager of a health club. Discuss general strategies you might use to maximize customers' positive perceptions of your club. How would you know if you were successful?

- 3 Describe two basic strategies for creating capacity to meet the demand. Provide an illustrative answer.
- 4 Why extended marketing mix is relevant to the services marketing? Justify your answer through an example in each case.
- 5 Why is targetting the 'right customers' so important for successful relationship marketing. Develop a relationship marketing programme for the restaurant.
- 6 Suppose the Government of Rajasthan has appointed you as the consultant of RTDC. You are required to develop a marketing plan to substantially increase the flow of both domestic and foreign tourist in the state.

SECTION - B

Case Study

City Bus Services

The bus service within the X Municipal Corporation area was established in 1952 to help the city people commute effectively. Since then, the population of the city has grown from a mere 3,00,000 to well over 30,00,000 with even a larger population living on the outskirts or in the surrounding villages. The growth in population has also resulted in the geographic spread of the city. The farthest points within the municipal limits are as much as 10 kilometers away from the municipal corporation buildings.

Despite the best efforts from the transport company and the municipal corporations, which runs the transport company, the problems of road commuting remain acute. At least 20% of the buses are off the road on any given day due to maintenance problems. These problems seem to originate from the very average age of the bus fleet brought about by the lack of available funds to replace the older buses. In addition the shortages of spare parts and components due to acute shortage of funds are also endemic.

Due to the unreliability and low frequency of the bus services, most of the city dwellers are dependent upon personal modes of transport such as two wheelers and motor cars. High number of vehicles and low road density, the traffic snarls, low average speeds, and pollution are causing the city to almost burst at its seams.

Recently, a new General Manager took charge of the bus company. He noted a number of problems with the present bus service. The problems identified by him include very high demand for services during the peak times of 8 a.m. to 11 a.m. and 5 p.m. to 8 p.m. Despite the inability of the bus service to cope during the peak hours, the average revenue earned per bus per day is quite low. As a matter of fact, it is insufficient to run the bus company in a profitable manner. The recent Supreme Court rulings on the maximum age of a bus to be only 15 years has meant imminent threat of scrapping at least one third of the fleet. Due to the nature of the peak hours during the day time and later in the evenings, the buses operate at low capacity. Due to very high number of tariff variations, the bus system requires both a driver and a conductor. The total employee bill including the perquisites etc. accounts for over 35% of the total costs.

Now, the company offers concessional passes to students, workers other citizens at the price of 30% of two-way commuting cost for the entire month. There is a great demand to offer free bus facility to those who are physically challenged or are elderly.

Questions :

- (i) What should the General manager do and why?
- (ii) How can the transport company cope with the demand?
- (iii) What can be identified as avenues to increase the revenue and prodigality without general price hikes?
- (iv) Can temporary capacity be created during the peak hours without additional investments?
- (v) Suggest a tariff plan based on comparative tariffs.