

TECHNICAL UNIVERSITY



OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF BUSINESS ADMINISTRATION

UNIVERSITY EXAMINATION FOR:

BACHELOR OF COMMERCE/BACHELOR OF BUSINESS ADMINISTRATION

BMK 4402: SERVICE MARKETING

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2016

TIME: 2 HOURS

DATE: Pick Date Select Month Pick Year

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of FIVE questions. Attempt question ONE (Compulsory) and other TWO questions.

Do not write on the question paper.

Question one

Read the case below and answer the questions that follow

Remington Hotel

Madeline Lewis had recently transferred to the Remington Hotel as the marketing manager to improve the level of service quality. She had been with the company for five years and had been quite successful in improving the level of service quality at the two previous hotels to which she had been assigned. Madeline knew that the Remington was going to be a real challenge. The mix of business was 60 percent individual guests and 40 percent group business. Of this group business, about one-third consisted of motor coach tour groups.

On her first day on the job, Madeline witnessed quite a sight. There was a line of about 20 guests waiting to check in when two motor coaches arrived, and more than 80 additional guests and guides walked into the lobby to check in. Needless to say, the two front desk agents had a look of

terror in their eyes as they worked diligently to process the registrations for those waiting to check in. Some 40 minutes later, everyone had been checked in, but the general manager said to Madeline, "I'm glad that you are here; we need to work out a better system. Let's meet for lunch tomorrow to discuss your initial ideas." Madeline had just picked up a pen to start brainstorming ideas to present to the general manager when a guest approached her desk.

"Hello, my name is Britt Spencer, and I stayed at your hotel last night with my family. We really did not have a good experience, and I want to tell you about it. I want to make sure that this does not happen again, to me or anyone else." Mr. Spencer then proceeded to tell Madeline his account of the events. "I was traveling with my wife and our son, who is four years old. Our connecting flight was delayed, so we did not arrive at our final destination until 10 p.m. The Remington had an advertised check-in facility at the airport, and I assumed that I would be able to secure my room while waiting for the luggage. When I approached the employee at the hotel's airport facility, I was told that check-in service was not available at that time of the day. I found this to be surprising, since this was the very type of situation in which an airport facility would be beneficial. "Next, my family took a shuttle van from the airport to the hotel, where we were given directions to the front desk. Two front desk clerks were on duty when the passengers from the airport shuttle arrived a little before 11 p.m. However, one of the front desk clerks was apparently going off duty at 11, and she proceeded to close her drawer at that exact moment. This left a line of approximately 10 or 12 guests to be checked in by one clerk. Needless to say, it took some time to process all of the guests, and we had to wait 20 or 30 minutes for our turn. We were assigned to a room, but at this point we had a few bags and my son was fast asleep and had to be carried. When I asked for assistance with our luggage, I was told that no one was available at that time of night.

The hotel was large, having over 1,000 rooms, and the rooms were spread out among several adjacent buildings. Our room was two buildings away from the lobby area. My wife and I struggled to carry the luggage and our son to the room. We arrived there about 11:30 and attempted to enter the room. The key unlocked the door, but the door would not open. After a couple of attempts, we heard a woman's voice in the room. Obviously, the room had been double-booked and the woman woken from her sleep. I used the house phone to call the front

desk and explain the predicament. The front desk manager offered a quick apology and said that she would send someone with a key to a nearby room. About 10 minutes later, a housekeeper happened to be going through the hallway, and she let my family into the room that I had been given over the phone. However, the housekeeper had no idea what was going on and took my word. After we had been in the room for 10 minutes, the phone rang and I spoke with the front desk manager. She acted as though she had sent the housekeeper to open the room, but she still needed to send someone with the room keys. She apologized one last time and told me to call the front desk if I had any other problems.” Madeline went home that night and began to think about all the challenges the Remington was currently facing.

Required

- a) As an expert, use the service delivery model to explain to Madeline the factors that directly influence customer service experience. (10 marks)
- b) Describe to Madeline why the knowledge of service marketing may be vital if she wants to improve the service experience at Remington Hotel (5 marks)
- c) As an expert in marketing, educate Madeline on the defining features which differentiate goods from services. (10 marks)
- d) Explain the operational strategies that Madeline can employ to solve the problems at Remington Hotel. (5 marks)

Question two

- a) Describe the components of the service model that affect the marketing mix for services (10 marks)
- b) Explain special considerations of service pricing (10 marks)

Question three

- a) Describe the stages of operational competitiveness embraced by service firms in the service delivery process (8 marks)
- b) Discuss the marketing challenges caused by the perishability characteristic of services. Suggest possible solutions to these challenges created by the perishability characteristic (12 marks)

Question four

- a) Discuss the environmental influences of consumer behavior in the service industry. (10 marks)
- b) Explain the meaning of e-service. Discuss the merits and demerits of using technology in the service industry (10 marks)

Question five

- a) Promotion of services provides a challenge to marketers. Describe the service communication process that marketers should adhere to in order to effectively promote services (12 marks)
- b) Explain the individual influences of consumer behavior for services (8 marks)