

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306
POST GRADUATE DIPLOMA IN MANAGEMENT (2024-26)
MIDTERM EXAMINATION (TERM -IV)

Subject Name: **Service Marketing**
Sub. Code: **PGM41**

Time: **01.00 hrs**
Max Marks: **20**

Note: All questions are compulsory. Q. 1: (A). –Q. 1: (D). 2 marks each (attempt any two). Q2 (A)–Q2 (C): 3 marks each (attempt any two). Case-based Q3 (A)–Q3 (B)ss: 5 marks each.

Kindly write all the course outcomes as per your TLEP in the box given below:

CO1- Recall and define key concepts, characteristics, and classifications of services and the evolution of the service sector from Indian and global perspectives
CO2- Explain the role of process, people, and physical evidence in the delivery and management of services using service models.
CO3- Apply service quality models to analyze and improve service experiences and customer satisfaction
CO4- Analyze market segmentation, targeting strategies, and brand positioning techniques for service organizations in both offline and digital environments
CO5- Evaluate strategies for managing service demand, capacity, and recovery, including handling customer complaints, service failures, and designing service guarantees.
CO6- Design innovative service marketing strategies by integrating emerging technologies in various service sectors

Q1; (A, B, C): Attempt any two

CO1, L1 – 2 Marks each

Q. 1: (A). A popular amusement park faces low weekday footfalls but operates at full capacity on weekends. Identify the service characteristic at play and suggest two strategic measures to address this issue.)

Q. 1: (B). Pick any Two example (one each) from the Indian market to show how productization of services or servicization of products influences the firm's positioning strategy. (Brief explanation only)

Q. 1: (C). Explain the 3-stage model of service consumption by taking a suitable example?

Q. 1: (D). 'Inseparability' as a characteristic of service products poses serious challenges to its marketer. Justify this statement.

Q2; (A, B, C): Attempt any two

CO2, L3 – 3 Marks each

Q. 2: (A). In high-contact services, employees strongly impact customer experience. Explain how employee-customer interactions affect satisfaction, taking a suitable example of your choice. Suggest two ways to enhance engagement and retention.

Q. 2: (B). "Service Encounters, moments of truth and critical incidents are the important real time touch points for the customers to judge a company's performance in rendering services." Pick up any hospital as an example. Identify various touch point and explain in details as to what should that company do to have better Service Encounter?

Q 2: (C). If the food is late or spilled, the customer immediately notices and forms a negative opinion. Identify the **Moment of Truth** in this scenario and discuss how handling it effectively can enhance customer satisfaction.

Q. 3: (A & B) Attempt all the Questions: CO3, L4 – 5 Marks each

Read the case given below.

Why Are Consumers Happy With Amazon's Services?

“Amazon is a multinational giant which has its operations extended from e-commerce to cloud computing and artificial intelligence (Amazon, 2019). Amazon is one of the leading revenues generating business across the globe with a revenue generation of 232.887 billion USD in 2018. Amazon is one of the leading internet-based company of the world based on revenue generation. While, Amazon's operations started with being an online book store and then diversified to video and audio streaming, software, electronics, video games, e-commerce, artificial intelligence, cloud computing, etc. Amazon's most recent reported employee strength was 1,556,000 employees in 2024.

This figure, which includes full-time and part-time staff, represents a recent number after a period of slight decline following its peak in 2021. This retail giant caters across the globe. Furthermore, employees are one of the key tangible dimensions of the company. Amazon's latest reported figures show that its Trailing 12-Month (TTM) revenue was approximately \$670.04 billion as of the period ending June 30, 2025, with a net income of \$70.62 billion for the full year 2024. The company's second-quarter (Q2) 2025 net sales grew to \$167.7 billion, and its operating income for that quarter was \$19.2 billion.

Communication is another dimension and Amazon uses a number of platforms to communicate with its customers. It can be broadly divided into two categories; traditional and non-traditional media channels. Traditional media include newspapers, magazines, radio, telephone and television. On the other hand, non-traditional media include social media and search engine campaigns. When Kindle was released, Amazon ran several full-page ads in newspapers and magazines across the world. When Alexa was launched, Amazon ran several TV ads across the world to educate consumers about its uses.

Amazon has ensured quality products to the consumers by suggesting guidelines and protocols to its sellers. The organization also emphasizes on their robust customer relationship management. Furthermore, the vision statement of Amazon also outlines focus on customer experience by facilitating them with low price offers a broad selection of merchandise and convenience. Amazon delivers to its promises such as giving information related to inventory and on-time delivery. This tech and retail organization also focus on the significance of technology advanced analytics to identify the wants of its consumers.

Monitoring and addressing the feedback of customers to improve services is a priority at Amazon. Below are few of Amazon's promises that elevate its service quality:

- Free replacement of product in case of damage, at no extra cost to customers.
- Regular customer surveys.
- Redressal of customer grievances.
- Updating the customer about the progress of their delivery.

Amazon regularly conducts training and leadership development programmes for its employees and sellers to educate about its processes. Amazon had observed that the consumers of rural India, prefer making their purchases offline as they did not trust the assurances of Amazon.

In case of damage, consumers believed that it wouldn't be easy to hold the online retailer responsible. Amazon launched several initiatives such as Feet on Street, Chai Cart, Seller Cafes, Service Provider Network, Tatkal, I Have Space, Amazon Trained Ecommerce Specialists, and Seller Universities to educate its sellers. Consequently, tied up with several local players such as Varkangee (business correspondent for companies like Jio and Amazon) and StoreKing (operates pick-up points for Amazon's products in 1.4 lakh villages). All these initiatives form a

part of ‘Project Udaan’ which was launched in May 2015 with the objective of expanding Amazon’s reach in rural and semi-urban India (Singh, 2017).

Amazon focuses on delivering its promises made to consumers. It ensures that the orders reach to their respective consumers within the stipulated time. The feedbacks and point of views are closely monitored and evaluated by Amazon to ensure that the consumers are satisfied with their purchase. Furthermore, the return policy of 30 days by Amazon has also helped the company to improve loyalty among its customers.”

Questions:

Q. 3: (A). Keeping in view the Gaps Model of Service Quality, analyze which of the various provider gaps have been reduced by Amazon using their innovative strategies

Q. 3: (B). Apply the **SERVQUAL dimensions** to evaluate **Amazon’s** overall service performance. Suggest two innovative strategies to strengthen **Responsiveness** and **Empathy** in their service delivery. (CO3, L4)

Kindly fill in the total marks allocated to each CO’s in the table below:

Question	Marks	CO	Description
Q1, Q2, Q3 (Any 2)	2×2=4	CO1	Recall & define key concepts, characteristics and evolution
Q4, Q5	3×2=6	CO2	Explain role of process, people, physical evidence
Q6a, Q6b	5×2=10	CO3	Apply service quality models to real situations

Blooms Taxonomy Levels given below for your ready reference:

L1= Remembering

L2= Understanding

L3= Apply

L4= Analyze

L5= Evaluate

L6= Create