|  |  |
| --- | --- |
| **C:\Users\ADMIN\Desktop\j.png** | **JAIPURIA INSTITUE OF MANAGEMENT, INDORE**Post Graduate Diploma in Management |
| **Course Title: Services Marketing, (Course Code: 40123)****End-Term Examination, Term - IV (October, 2024)**  |
|  **Time Duration : 2 Hours Total Marks: 40** |

***General Instructions*:**

1. *Answer the questions as directed. The break-up of the marks is given wherever necessary.*
2. *Marks against each question is indicated to its right.*
3. *Answer all the questions of a ‘Section/Question’ at one place in continuation.*
4. *Answers should be brief and to the point.*
5. *Do not write on the question paper except your roll number.*

**The Christmas Holidays**

The Christmas holidays were coming, and Mathew had to visit his mom for the weekend. She stayed about 120 km from Kochi, where Mathew worked as an IT professional and was on the hills. The best mode of travel was the two-hour drive by car, which Mathew was unprepared for. His vehicle had not been serviced for long and was currently not suitable for an uphill drive. That is when he received the SMS from the new service station in town, 'Toolz.' He had also heard of them on local FM and news channels and from friends. They promised to pick up & drop off the vehicle, flat 8-hour services (unless there were engine/ body works), and very transparent billing, which was the lowest in town.

On Thursday evening, he downloaded the 'Toolz' app and booked a pick-up for Friday at 10:00 am from his office. The App Showed delivery by 8:00 pm (Service plus the pick-up and delivery time included based on his location). It suited Mathew's schedule as he planned to stay in the office until 10:00 pm to complete some works that were due when he was on holiday. He did not want to work from home, as it would amount to neglecting his mother, who was all alone since the demise of his father.

The car was picked up as promised at 10.00 am, reassuring Mathews of the service standards at Toolz. Time flowed by as he was busy the whole day, and at 9 pm, he realized that his car was not delivered after the service as promised. A quick call to Toolz (they worked all round the clock and supported customer service in the night) delivered terrible news. Due to the holiday rush, his car was incomplete. It was now expected to be delivered by noon on Saturday, robbing him of a valuable day. Toolz kept their promise and delivered the car to his office on Saturday afternoon. However, he was home and had to go to the office to pick up the vehicle. The request for home delivery was turned down, citing the policy of same destination pick-up and drop to prevent frauds.

He received the bill on his App and saw three parts change: Battery, air-filter, & Tyres (2 front tires - Considering his travel to hilly terrain). Toolz had returned his two old tires & air filter. However, the battery was the old one! He immediately registered a complaint on his Toolz App and the rest of the bill looked fine. Early Sunday morning, he started his homeward journey, and the car's post-service performance was excellent. He had no feedback/communication from the company until the following Thursday. As there was no Communication, he called Sunil, another Toolz customer, and an IT professional acquaintance. Sunil heard Mathew's issue and commented that he had received an immediate resolution to his complaint. A distraught Mathew started reminding on the App every half an hour and finally, on Thursday, received a call from Toolz. They requested a meeting with Mathew and fixed it for the coming Tuesday as he was on vacation.

He was surprised to receive the Toolz sales manager at his home early on Tuesday morning. He had come to explain what had happened at Toolz with his car and apologize. The Sales manager explained that due to the weekend rush, the facility and employees were Stretched, leading to some service & billing mistakes. Along with an apology letter, Mathews was given a small Gift (a car perfume) and a return discount of 10% for the following Service. The following Saturday, tools had given ads in the newspaper, FM, TV, & social media apologizing for the holiday weekend service failures. They promised to improve their systems to prevent future mishaps.

(All the questions are based on the above case study)

**SECTION – A** (All questions carry 10 marks each & are mapped to CLO3)

* + - 1. Using the ‘gap model’ of services, explain the service gaps Mathew encountered at Toolz.
			2. Using the ‘flower of service’ concept, outline how Toolz can differentiate and enhance its services
			3. Summarize how Toolz recovered their services using the three service recovery strategies
			4. Outline how Tools can manage demand-supply mismatch in situations described in the case.

**Answer Key**

**Q1.** The student should be able to identify the following four gaps

Listening gaps – not exactly understanding the importance of timely service/ vehicle delivery in situations of emergency

Service design gap – the design was faulty as the billing system failed during rush hours

Service delivery – poor capacity planning and billing

Communication gap – over promising of service/ service level

**Q2.** The student should briefly explain the concept of ‘flower of service’ and identify the following types of supplementary services for Toolz (any six distinct supplementary services)

Facilitating services – insurance, vehicle drop/ pick up, vehicle testing (for fitness), breakdown recovery…

Enhancing services - used car dealership, re-registration services, ownership change services, service and insurance estimation and costing…

**Q3.** The student should be able to identify any five distinct service recovery strategies used by Toolz

Customer fixing – treating customers fairly/ apologizing, initiating and managing relation building.

Problem fixing – learning from failures/ recovery, encouraging complaints, redesigning services

Guarantee - service guarantee/ promise

**Q4.** The student should be able to recommend at least five distinct strategies to match demand-supply under

Shifting demand – communicate demand levels, offer non-peak incentives, dynamic pricing, customer education/ communication

Adjusting capacity – higher capacity utilization during peak, part time employees during peak demand, doorstep services for customers, shared/ outsourced facilities to increase capacity.