

IMT- 70

MARKETING OF SERVICE INDUSTRY

Notes:

- Write answers in your own words as far as possible and refrain from copying from the text books/handouts.
- Answers of Ist Set (Part-A), IInd Set (Part-B), IIIrd Set (Part – C) and Set-IVth (Case Study) must be sent together.
- Submit the assignments in IMT CDL H.O. along with the assignments Question Papers for evaluation .
- Only hand written assignments shall be accepted.

A. First Set of Assignments

5 Questions, each question carries 1.5 marks.

B. Second Set of Assignments

5 Questions, each question carries 1.5 marks.

C. Third Set of Assignments

5 Questions, each question carries 1.5 marks. Confine your answers to 150 to 200 Words.

D. Forth Set of Assignments

Two Case Studies : 7.5 Marks. Each case study carries 3.75 marks.

SECTION - A

- Measuring quality of services is always very difficult in the services industry. Explain this importance of services quality.
- What are the various ways in which quality of services can be benchmarked or measured to ensure continuous good quality of service?
- What is meant by hard and soft quality of service.
- Give 2 examples of quality measurement standards of service.
- Training improves quality of services- do you agree-if so why?

SECTION - B

- What is meant by the term services failure?
- Services failures are unavoidable-despite the best attempts of a services firm. It is however how services firm handle these failure cases make the difference between a good company and a poor managed company. Explain this concept .
- What is meant by failure recovery?
- How does proper training of services personal help manage services failure better?
- How does services firms' staff empowerment allow better handling of services failures?

SECTION - C

- Internet has greatly influenced and enhanced delivery services these days. Write a short note on the above .
- Give 2 examples of services which have been enabled through internet in today's context.
- Write a short note on how internet has enhanced banking services today.
- Write a short note on how internet has widened the scope of education today.
- What are the challenges and limitations on using internet for services?

CASE STUDY - 1

A new fast food restaurant in an upmarket location in Chandigarh is struggling to make its presence felt. The restaurant is close to 2 colleges - so footfalls is not and shouldn't be a problem. The prices of the items have been kept very reasonable and keeping in mind the students' pockets. However, students who visit regularly have started complaining of consistency of food quality and service. The owner stays in Delhi and thus is not there physically most days to supervise operations personally.

Questions:

1. What do you think is the problem?
2. What should the owner do to ensure quality of food and services so as to get back the student population which has slowly started staying away from his fast food restaurant?

CASE STUDY - 2

Barista Lavazza

Barista Lavazza started its Indian operations in the year 2005, as a niche marketer for coffee lovers. The company started servings on this new concept and was growing steadily. Soon other players also joined the race. Café Coffee Day, Costa Coffee, amongst others followed the Barista pattern and started aggressively to expand the market. With so many players in the market pitching aggressively to the consumer the market grew steadily over the years.

Italian coffee major Lavazza, which owns the Barista coffee chain, is looking at a three-fold rise in its revenue contribution from India to 10 per cent of its global sales over the next three years.

"Today India contributes about 34 per cent of Lavazza's turnover. The company intends to grow this to 10%. The Turin-based Luigi Lavazza-run Lavazza cafe chain had reported a turnover of 1.2 billion euros (Rs 6,870 crore) in 2011. Barista's India sales currently stand at a little over Rs 200 crore, going by the 3 per cent revenue share to the Group's overall sales, which come from 90 global markets.

Barista primarily has reach only in tier 1 towns in the country and has about 150 stores contributing about 200 crores in revenue. The company has also launched a chain called espresso which will be a premium coffee parlour.

Café Coffee Day is well entrenched in the country in over 1395 outlets as a strong player in the youth segment looking for an experience. Recently global leader Starbucks has also entered the country in tie up with TATA's who have a great experience in delivering products and services to the Indian consumers. Starbucks has decided to follow low pricing at all its outlets including the ones opened at five stars. Starbucks has matched its prices with current market leader CCD in all its format.

1. Given the strength of CCD and Starbucks will Barista Lavazza be able to attain its objectives?
2. What service promotion strategy will you suggest to the company.