EXAMINER'S REPORT

AUGUST 2000

SERVICES MARKETING

SECTION A

Question 1

There is general agreement that the inherent differences between goods and services result in unique, or at least different management challenges for service businesses and for manufacturers that offer services as a core offering. Because of these basic differences, service managers face a number of challenges in marketing, including the complex problem of how to deliver quality service consistently. These differences and their associated marketing implications are clearly outlined in the essential and recommended course readings. Students had ample scope to also introduce some conceptual frameworks such as the services marketing triangle, the expanded marketing mix and the Gaps model of Service Quality.

SECTION B

Question 2

This was a relatively straight forward question. Because expectations play a critical role in service evaluation, marketers need to understand the different types of service expectations factors that shape them. Students demonstrated a weak knowledge of these factors and did not adequately suggest ways in which service marketers can influence the factors.

Question 3

Candidates avoided question three like they would the plague. This surprised the examiner. A good services marketing research programme includes multiple types of research studies. Candidates were expected to identify the different research techniques and to evaluate their appropriateness across different research objectives.

Question 4

Unlike the previous question, question four proved to be popular. Students showed a reasonable knowledge of the area. There were few excellent answers. To lead a service organisation effectively, managers must create the service vision and then implement it through the numerous activities described in the text. Service leaders need to view service quality as a profit strategy and to create a balanced performance

scorecard. Students could also introduce examples of model service leaders into their answer.

Question 5

Because many services are delivered by people to people in real time, employees influence service quality perceptions by impacting on the five dimensions of service quality. Closing the service performance gap is therefore heavily dependent on human resource strategies. These strategies are organised around four major human resource goals. By focusing on these goals and developing practices to support them an organisation can move toward a true service culture.

Question 6

This question was popular. It allowed students the opportunity to demonstrate their understanding of the underlying issues of managing supply and demand in capacity-constrained service industries. The basic strategies for matching supply and demand fall under two headings; demand and supply. Yield management is a more sophisticated means of supply and demand management. In unresolved capacity-utilisation situations, strategies for managing waiting lines become important.