



## EXAMINER'S REPORT

MAY 2006

### SERVICES MARKETING MANAGEMENT

#### General Comments

The pass rate this year was a very disappointing 57% continuing a trend over the past three years. Only 13% achieved an 'A' or 'B' grade the lowest since I started examining. A large number of the 'D' grades were grouped close to the 40% pass mark. The following is an abbreviated version of the reasons given in last years report for poor performance.

1. Exam technique was a problem this year for a significant number of students.
2. I do not believe that bullet points on their own are a sufficient answer at degree level. Candidates who supply laundry lists cannot expect to receive top marks. Less than one page is insufficient for a final year examination.
3. Read the question and answer what is actually asked, not what you think was asked.
4. Practical examples supported by theory receive the highest marks. The examples should be about well known companies or organisations. At degree level I do not expect descriptions of a student's local takeaway or hairdresser.
5. Students are still not reading the text.
6. Time management. Some students failed to answer the required number of questions. Indeed for some reason a minority of candidates left Section A to attempt on completion of Section B. I would regard this as a high risk strategy as some ran out of time and lost most of the 40% available for section A.

The number of students who had NO knowledge of the fundamentals of the text was disappointing. Services Marketing by Zeithaml et al is the essential text. This is what is examined. External reading is welcome as a supplement but is not sufficient on its own. Students depending on the study manual or other notes will not do well in this subject. The text is assigned for a reason and so as examiner I expect that students have a good knowledge of the central issues in the text and also that they can demonstrate an understanding of these issues through examples. I am not satisfied that all candidates have even read the text.

I would ask that students compare the above points with last years and indeed the previous years. The same points are being made year after year. Much of this part of my report is identical to last years. I must emphasise the point that the text is being examined not anecdotal discussions on marketing in general and services marketing in particular. Answers should be split 50:50 between theory and application. Answers depending purely on examples will be marked accordingly. Students are not treating this course with the seriousness it deserves. The fact that it is part of the final year of the Graduateship appears lost on many candidates.

## **SECTION A**

### **Question 1**

Based on feedback from lecturers the compulsory question was shortened from last year but examined the same material. This was a very straightforward question requiring only that students discuss the extended marketing mix for services and give the reason for its use. This allowed students discuss the characteristics of services marketing and the differences between product and services marketing. I was surprised that a large number of students could not even list the three additional elements of the services marketing mix – people, process, and physical evidence. The text book contains chapters on each element and so there was no excuse for not knowing these.

## **SECTION B**

### **Question 2**

This question was popular and was either very well answered or very poorly answered. Once again it related to consumer behaviour. Candidates should have worked out by now that consumer behaviour is regularly examined and should be well prepared for any question on the topic. The question focused on postexperience evaluation and required students to discuss;

- Word of mouth communication
- Attribution of dissatisfaction
- Positive or negative biases
- Brand loyalty

I accepted two of the four topics once fully discussed and supported by example.

### **Question 3**

This question confused some students. The questions asked students to discuss switching BARRIERS but many instead chose to discuss CAUSES of switching behaviour. These are not the same. Barriers to switching include customer inertia, switching costs and relationship bonds (financial, social, customisation and structural bonds). This is an important aspect of the chapter dealing with developing customer relationships and so I would have expected a better level of knowledge on the topic.

### **Question 4**

This was a very straightforward question on the application of blueprinting. The question asked students to discuss how blueprints may be used for marketing, human resource and operations decisions. Therefore issues such as customer involvement in the process, employee roles, service redesign, and productivity could have been mentioned. Generally candidates answered this question well and it was a very popular question. The examples given were very basic and that is to be expected in an examination situation. The purpose of the question was to assess whether candidates could apply the theory from the chapter and as mentioned the majority were able to do so.

### **Question 5**

This was a very easy question and required students to discuss two of the following (i) shifting demand to match capacity, (ii) adjusting capacity to met demand, or (iii) combining demand and capacity strategies. This was by far the least popular question on the paper. Those who attempted the paper had either prepared well and scored accordingly or were unprepared and failed.

**Question 6**

The following is a quote from last years report and applies equally this year. “Every year there is a question taken from the chapter on integrated marketing communications and every year I comment in the report on the inadequacy of the answers. This year was no different. Too many students use the shotgun approach when attempting this question and hope that something will gain them marks, but not knowing exactly what that ‘something’ is. Since candidates should realise that this is a regular examination topic I expect the chapter to be well studied and also that students will be able to support their answer with relevant examples.” The reasons for services communication challenges are (i) inadequate management of service promises, (ii) inadequate management of customer expectations, (iii) inadequate customer education, and (iv) inadequate internal marketing communications. There will be a question from this chapter again next year and so I expect students to prepare thoroughly for this question.