



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

THIRD YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 305: SERVICE MARKETING

DATE: 3/12/2019

TIME: 2.00-4.00 PM

INSTRUCTIONS:

Answer Question ONE and any other TWO Questions.

QUESTION ONE (30 MARKS)

When Breezy Yoghurt Bar opened, it was the first café of its kind in Stockholm. Breezy Yogurt Bar sold fat-free, pro-biotic frozen yogurt, as well as small range of other products, including muffins and coffees. Only vanilla yogurt was available, but customers could choose from a range of toppings.

The founders, Alexander and Corina Sponar, opened their café in popular university-student district. With late-night opening, they intended it to be an alternative to bars and traditional cafes. They designed the interior to be light and modern. They made free wifi available and regularly invited local DJs to play music. The Breezy Yogurt Bar website encouraged people to leave comments.

While Alexander and Corina worked in the café, they also employed students and took care to recruit people who seemed friendly and enthusiastic. Customers would enter the café, choose from a menu board, order at the counter, pay at the till, receive their food, help themselves to currently and either leave the café or take a seat.

Breezy Yogurt Bar opened in spring and got off to a good start. In just a couple of months it had become popular, with a queue often forming outside the door at weekends. While a busy café added to the vibrant atmosphere, there were some teething problems. Sometimes the queue seemed quite chaotic, and waiting customers disturbed those who were seated. New customers always had to be told that there was only one awkward incident of a customer's smartphone being stolen- the thief probably hidden by a crowd of customers. And although business was booming now, what would happen when the students left for the summer, or indeed, winter came? Would people still want frozen yogurt in freezing Stockholm?

- a) Explain the common promotional objectives in service settings (10 marks)
- b) Explain FIVE dimensions of service quality that a company can portray to its customers (10 marks)
- c) To succeed in service marketing the company must ensure reduction of inter functional conflicts. Describe such conflicts (20 marks)

QUESTION TWO (20 MARKS)

- a) Explain the forces that have brought changes in service management (10 marks)
- b) Discuss the various ways of classifying services (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain the tangible elements of service encounter (10 marks)
- b) Highlight the various ways of ensuring that service performance meets standards (10 marks)

QUESTION FOUR (20 MARKS)

- a) Analyze five types of jay customers (10 marks)
- b) Every service encounter has service information elements. Highlight five such elements (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain the factors that necessitate operation of long hours for some services. (10 marks)
- b) The main question in service pricing is how much to charge. Explain the factors that may lead to a proper price (10 marks)