

MB 117 B



Third Semester M.B.A. Examination, July 2010
MANAGEMENT
Elective – B : Marketing (Freshers)
Course – 17 B : Marketing of Services

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** sub-questions. **Each** question carries **2** marks. **(5×2=10)**
- Define product.
 - What is service marketing ?
 - What is relationship marketing ?
 - What stands for CAPS ?
 - What is tourism marketing?
 - What is perceived value pricing ?
 - What is customer satisfaction ?
 - What is service Map ?

SECTION – B

- Answer **any four** questions. **Each** question carries **five** marks. **(4×5=20)**
- What are the bases for segmenting the service market ?
 - Explain the concept of financial services.
 - State the importance of people in service marketing.
 - What do you mean by price mix ? Explain with reference to marketing of health service.
 - List out the features health care service industry.
 - Explain the role of supplementary services.

P.T.O.

MB 117 B

-2-



SECTION – C

Answer **any three** questions. **Each** question carries **ten** marks. **(3×10=30)**

8. Explain the factors influencing the growth of service market in India.
9. Explain the factors influencing the pricing for non-profit organizational product.
10. Define, service quality and explain it's determinants.
11. Discuss the role of government in promoting tourism in India.
12. Develop an appropriate marketing Mix for marketing of Indian public sector banks.

SECTION – D

13. Case (**compulsory**): **(1×15=15)**

British Airways, the airline with the imperial demeanour, was as much hated as admired; hated by rivals and admired by customers as well as rivals. It was the last of the institutions (after banks like Barclays, Standard Chartered, etc., and insurance companies like Lloyd's took a drubbing at the hands of, first the Americans and then the Japanese) that harked back to the Empire. It was Buckingham Palace, Beefeaters, Big Ben and London Bridge all rolled into one. Its logo took on the colours of the Kingdom's national colours of blue, white and red and had a straight arrow beneath the name as if underling the stiff upper lip disdainful superiority, rigidity and punctiliousness that the English were once notorius for.

It was punctual (like Lufthansa), innovative (like Delta) in bringing upmarket products like Club Class, and widespread (like the late lamented Pan Am and TWA) especially after the takeover of the Australian airline, Qantas. It was known for its service, good food and wine. It drove hard bargains with other countries and airlines for wider sky penetration by using their clout with the British government and the threat of access to London's Heathrow Airport, one of the busiest hubs in the world. They could therefore afford to have a higher tariff for their products and yet have full flights.



But it wasn't always this rosy for BA. Earlier, in the seventies, it had amalgamated smaller regional airlines of the UK into its fold: British Overseas Airways Corporation (BOAC), which flew passengers outside England, something like our Air India; British European Airways (BEA) and British Caledonian Airways. 'BA' was identified as the test case for disinvestments by the newly elected Conservative government headed by Margaret Thatcher in 1979. A brand audit revealed that for irate passengers, BA stood for 'Bloody awful'! Its service was perceived to be poor, its personnel insensitive and haughty. First Lord King and then Colin Marshall initiated slow but inevitable changes in BA.

Under these two, during the eighties and the nineties, British Airways literally lorded it over the skies. To drive home their advantage, they had phenomenal promotions and advertisements. Saatchi and Saatchi, the wonder ad agency designed one catchy and award winning ad campaign after another, getting the airline noticed, talked about and preferred by travellers. Saatchi and Saatchi could do no wrong, it seemed. They had been instrumental in correctly communicating, during the elections in the UK, Margaret 'Iron Lady' Thatcher's conservative messages not once but three times ("Long Labour" was one of the many memorable copies). The slogan 'The world's favourite airline; became identified with British Airways. Their mission was 'To be the number one in air travel'. Well into the nineties, again in one of its numerous brand audits, BA found that

- Six out of ten of its passengers were non-British;
- The previously perceived images of impeccable service, punctuality and comfort were still intact;
- But it was also perceived as being rigid, inaccessible and cold.

British Airways did a massive rebranding exercise to communicate its vision of being a leader in global travel, its awareness of the profile of its new constituents and seeking to include the over 60% international customers in its service philosophy and attempted to shift the emphasis in BA from **British** to **airways**.

Logo : It first changed its logo seeking to dispel the negative images. Designed by Landor Associates, the new logo was an image of a red-and-blue scarf blowing in the wind, above the name. Called 'Swish' (shades of Nike's logo 'Swoosh' ?) it stood for 'spread' Flexibility and Friendliness'.



Advertising : Its advertising campaign had 3000 models, and was shot in the breathtaking locales of Utah, USA. It showed the models forming gigantic ears, eyes and nose and then in one synchronized movement forming a huge smiling face, which turns out to be the globe. The Greek musician Yanni composed the signature tune and song. Saatchi and Saatchi garnered six Clio awards, the Oscars of advertising. The message was BA catered to a global audience, its service was world class and available globally.

Symbolism : A new and a bold attempt were made to connect the local images to a global airline. BA painted the tailfins of its aircraft with local motifs. Calligraphic paintings for flights to China, Paithani sari designs for flights bound to India and so on.

Colours : BA stuck to the royal colours of red, white and blue for the logo, name font as well as the uniforms for its stewards and stewardesses.

Questions :

- 1) Why should a marketer attempt to brand a service ?
- 2) Can a branding exercise in relation to services be done exclusively through advertising ? Explain.
- 3) What are the components of a brand ?
- 4) How would you go about successfully branding a new airline ?
