

**CENTRAL UNIVERSITY**



**CENTRAL  
UNIVERSITY**

**FAITH • INTEGRITY • EXCELLENCE**

END OF FIRST SEMESTER EXAMINATION, 2018/19

CENTRAL BUSINESS SCHOOL

DEPARTMENT OF MARKETING

CBMK 409: SERVICE MARKETING (LEVEL 400)

December 2018

TIME DURATION: **THREE (3) HOURS**

**INSTRUCTIONS**

**Answer FOUR (4) questions ONLY**

COURSE LECTURERS: CYNTHIA A. BULLEY & FELICIA de HEER

**ANSWER FOUR (4) QUESTIONS ONLY**

1. **1a.** Service firms lack the ability to inventory hence, the effective use of capacity can be critical to success. How does optimal capacity utilization differ from maximum capacity utilization? **(13 marks).**  
  
**1b.** Give an example of a situation in which the two (optimal and maximum capacity utilization) might be the same and one in which they are different **(12 marks).**
2. As a customer service manager of Fiesta Royale Hotel some customers of your organization have complained of poor service delivery and your boss has instructed you to do a recovery.  
  
**2a.** Distinguish between service failure and service recovery. **(3 marks)**  
**2b.** What will be the benefits of service recovery to your firm (4 factors)? **(6 marks)**  
**2c.** What would your firm do to fix the customer and also fix the problem? **(16 marks).**
3. **3a** Discuss the characteristics of services that distinguish it from products **(15 marks).**  
  
**3b)** What are the implications of these characteristics to the CEO of MTN Ghana Limited **(10 marks).**
4. What is relationship marketing? Make a presentation to the management of PGs Company Limited on the benefits of relationship marketing to the firm and customers **(25 marks).**
5. What is customer perception of services? As a newly employed manager at Kempinsky Hotel make a presentation to management on the SERVQUAL dimensions clearly indicating how they can be used to lead on the market. **(25 marks).**
6. Understanding the primary capacity constraint, or the combination of factors that restricts capacity, is a first step in designing strategies to deal with supply and demand issues in service firms. Discuss the four common types of capacity constraints facing service business, and give an example of each (real or hypothetical). **(25 marks).**