INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: BBA
YEAR/SEM: YEAR 3/SEMESTER 2
COURSE CODE: MKT 3201
NAME: SERVICES MARKETING

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

Section A is Compulsory

Question 1:

Case Study: Enhancing Service Marketing Strategy at "City Cleaners" Dry Cleaning Service

Company Background

City Cleaners is a well-established dry cleaning and laundry service based in a metropolitan area. The company has been in operation for 15 years, offering premium laundry services such as dry cleaning, stain removal, ironing, and garment alterations. City Cleaners prides itself on providing high-quality services, fast turnaround times, and superior customer care. The company has a loyal customer base that has grown over the years through word-of-mouth recommendations.

However, the dry cleaning industry has seen intense competition, with many new players entering the market, including online dry cleaning services that offer home pickup and delivery. City Cleaners has faced challenges in retaining and attracting new customers. The business has maintained the same service offerings and marketing strategies for several years, but now the management is looking to revamp its service marketing strategy to stay ahead of the competition.

Problem:

Although the company has a strong reputation, the competition is quickly catching up. Some of the newer competitors are offering convenience through technology, such as online booking platforms, home pick-up and delivery services, and discounts on first-time orders. City Cleaners' marketing is limited to local advertising, flyers, and posters. The company lacks an online presence and has no digital marketing strategy. Moreover, their customer loyalty programs are underutilized, and the brand lacks differentiation.

The company's management wants to explore how service marketing

concepts can help improve sales, increase customer satisfaction, and enhance customer retention in this competitive environment.

Questions:

a) What service marketing strategies can City Cleaners implement to differentiate itself from competitors and build a stronger brand identity? (10 Marks)

b) How can City Cleaners leverage digital marketing tools to reach new customers and increase its customer base? (10 Marks)

c) What role can customer relationship management (CRM) play in improving customer loyalty and retention at City Cleaners? (10 Marks)

d) How can City Cleaners adopt an innovative service delivery model (e.g., home pick-up and delivery) to stay competitive and cater to changing customer expectations? (10 Marks)

Question 2:

Case Study 3: Branding Strategy for a New Fitness Center

Scenario: A new fitness center is opening in a competitive urban market. The center offers a wide range of fitness services, including personal training, group classes, and wellness programs. However, it faces strong competition from established gyms and fitness brands. The management is looking to create a distinct brand identity to differentiate itself.

Question:

a) Explain the different branding strategies in a competitive urban market. (20 marks)

b) How can the fitness center implement the branding strategies to stand out in a competitive market? (20 marks)

SECTION B

Answer any three Questions

Question 1:

Scenario: A healthcare facility has received increasing complaints regarding long waiting times and inconsistent service quality. Patients have expressed dissatisfaction, especially in non-urgent care services. The management aims to improve patient experience and service quality.

Question

What strategies can the healthcare facility implement to improve service quality and manage customer satisfaction? (20 marks)

Question 2:

Scenario: A fitness center faces strong competition from established gyms in the area. Despite offering modern equipment and diverse fitness programs, it struggles with differentiating itself in a crowded market.

Question

What branding strategies should the fitness center adopt to distinguish itself and build a strong market position? (20 marks)

Question 3:

Scenario: A telecommunications company is facing high customer churn. Complaints about poor customer service, unclear billing, and inconsistent internet speeds are increasing. The company wants to develop a more customer-centric approach to service delivery.

Question

What customer-centric strategies can the company implement to improve satisfaction and reduce churn? (20 marks)

Question 4:

Scenario: A popular restaurant often experiences high customer demand, especially during peak hours. This has led to long wait times and dissatisfaction among customers. The restaurant wants to improve its capacity management while maintaining service quality.

Question

What strategies should the restaurant implement to manage capacity effectively and enhance customer experience? (20 marks)

Question 5:

Scenario: An educational institution offers in-person classes but has not yet adopted online learning solutions. Due to increasing demand for flexible learning options, management is considering offering online courses.

Question

What steps should the institution take to innovate its service offering and expand into online education? (20 marks)

Question 6:

A mid-tier hotel chain struggles with customer retention and personalization of services. Guests often feel that their needs are not anticipated, and loyalty rates are low. The hotel wants to implement a CRM strategy to enhance customer engagement.

Question

How can the hotel use CRM to improve customer retention and personalize service delivery? (20 marks)

Question 7:

A passenger experienced a flight delay due to technical issues,

leading to missed connections and frustration. The airline has received complaints on social media, and many customers are voicing their dissatisfaction with the handling of the situation.

Question

What service recovery strategies should the airline implement to resolve the situation and restore customer satisfaction? (20 marks)

Question 8:

Scenario: A retail company is expanding its services and wants to focus on creating a customer-centric culture across its stores to drive customer loyalty and enhance the shopping experience.

Question

What steps should the retail company take to foster a customer-centric culture? (20 marks)

Question 9:

Scenario: A consultancy firm struggles with communicating the value of its intangible services to potential clients, especially in a competitive market. Despite having highly skilled consultants, they find it challenging to differentiate their services from competitors.

Question

How can the consultancy firm manage the intangibility of its services and effectively communicate value to clients? (20 marks)

Question 10:

Scenario: A traditional bank wants to improve its digital services to compete with fintech startups. The bank aims to enhance online

banking features, improve customer experience, and introduce innovative digital solutions.

Question

What steps should the bank take to innovate its services and stay competitive in the digital age? (20 marks)

Question 11:

Scenario: A law firm has been facing complaints about the slow pace of case progress and lack of communication with clients. The firm aims to enhance its service quality to meet client expectations.

Question

What steps can the legal firm take to improve service quality and client satisfaction? (20 marks)

Question 12:

Scenario: A multinational airline has been receiving negative reviews regarding inconsistent service across its flight routes. The management wants to implement a customer experience management strategy to standardize service quality.

Question

What steps should the airline take to implement a successful customer experience management strategy? (20 marks)