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(M.M.S.) (SEMESTER - III) (CBCGS)

Sample MCQs With Answer-70

SUB- SERVICE MARKETING (MARKETING)

1 Services marketing become difficult because of

a **Intangibility.**

b no demand

c More complex market

d Difficult to enter the market

2 Which of the following businesses would be characterized as a pure service?

a Insurance

b Farming.

c Mining.

d **There is no such thing as a pure service**

3 Which of the following statements about the pricing of services (compared to the pricing of goods) is

a The demand for services tends to be more elastic than the demand for goods

b **Cost-oriented pricing is more difficult for services.**

c Comparing prices of competitors is more difficult for service consumers

d Consumers are less able to stockpile services by taking advantage of discount prices

4 Charging customers different prices for essentially the same service is called

a **Price discrimination**

b Supply and demand

c Complementary

d Substitutes.

5 Results in the practice of too narrowly defining one's business

a Services marketing

b Marketing management

c **Marketing myopia**

d Customer experience

6. A buyer's perception of value is considered a trade-off between

a Product value and psychic cost.

b Total customer value and total customer cost

c Image value and energy cost

d **Service value and monetary cost.**

7 Services are characterized by all of the following characteristics except for

a Intangibility.

b **Homogeneity**

c Perishability.

d Inseparability

	of the four unique service characteristics that distinguish goods from service ,the one that is the primary source of the other three characteristics is:
a	Intangibility
b	Inseparability.
c	Perishability.
d	Heterogeneity.
	services that occur without interruption , confusion, or hassle to the customer is called
a	Seamless service
b	Service audit.
c	Functional service
d	Departmental service
	The mental energy spent by customers to acquire service is referred to as _____.
a	Image costs
b	Monetary price.
c	Energy costs
d	Psychic costs.
	The unique service characteristic that reflects the interconnection between the service firm and its cu
a	Intangibility
b	Inseparability
c	Homogeneity
d	Perishability
	Marketing problems caused by inseparability include all of the following except for
a	The service provides a physical connection to the service
b	The involvement of the customer in the production process
c	Service standardization and quality control are difficult to achieve.
d	The involvement of other customers in the production process
	Which of the following statements pertain to inseparability is false?
a	As customer contact increases, the efficiency of the firm decreases.
b	Customers can affect the type of service desired
c	Customers can affect the length of the service transaction.
d	Customers can affect the cycle of deman
	The centralized mass production of services is difficult due to
a	Inseparability.
b	Intangibility.
c	Homogeneity.
d	Perishability.
	Solutions used to minimize the marketing problems attributed to heterogeneity include
a	Standardizing or customizing the service
b	Using multi-site locations

c	Stressing tangible clues
d	Appealing to different market segments with different demand patterns
	The unique service characteristic that deals specifically with the inability to inventory services is
a	Inseparability
b	Intangibility
c	Homogeneity
d	Perishability
	Which of the following strategies increases the supply of service available to consumers?
a	The use of creative pricing strategies
b	The use of reservation systems
c	Capacity sharing
d	Developing complementary services
	Customer satisfaction can be defined by comparing
a	Predicted service and perceived service
b	Predicted service and desired service
c	Desired service and perceived service
d	Adequate service and perceived service
	the demand strategy in which service providers utilize their downtime by marketing to different segments is associated with which of the following?
a	the use of creative pricing strategy
b	the use of reservation system
c	capacity sharing
d	developing complementary service
	The _____ dimension is an assessment of the firm's consistency and dependability in service performance.
a	Empathy.
b	Responsiveness.
c	Assurance
d	Reliability.
	Which of the following would not be considered a tangible clue?
a	The appearance of employees
b	The appearance of the firm's physical facilities
c	The smile on an employee's face
d	The quality of instruction in an educational setting.
	Minimizing the amount of role conflict and role ambiguity experienced by employees will help reduce the size of this gap is known as _____.
a	Knowledge gap.
b	Standards gap
c	Delivery gap.
d	Communications gap

	Fixing the right price for services offered is difficult because of
a	perishability.
b	heterogeneity.
c	inseparability.
d	intangibility.
	The world's largest industry in the private sector and highest projected generator of jobs is_____
a	The hospitality industry
b	Health services
c	Professional services.
d	Business services
	Focusing the firms marketing efforts toward the existing customer base is called
a	Excellent customer service
b	Conquest retention
c	Customer retention
d	Courteous retention
a	The pursuit of new customers, as opposed to the retention of existing ones, is called
b	Services marketing
c	BB marketing
d	Conquest marketing
	Consumer marketing
a	The consumer decision process consists of
b	Stimulus problem awareness and purchase stages
c	Pre-purchase, consumption, and post-purchase stages
d	Problem awareness, evaluation of alternatives, and post-purchase behaviour
	Stimulus, information search, and post-purchase behaviour
a	Which of the following statements is not true?
b	Service purchases are perceived as riskier than goods purchases
c	The participation of the consumer in the service process increases the amount of perceived risk.
d	The variability in services increases the perceived risk associated with the Purchase
	Consumers of services have less pre-purchase information versus goods
a	Service consumers tend to be more brand loyal than goods consumers because
b	More choices are available
c	Brand loyalty lowers the amount of perceived risk
d	Each service provider provides many brands
	Location of the provider is the major driver in the consumer selection process
a	Competitor intelligence should be gathered
b	Once a year.

c	Twice a year.
d	Continuously
	When competition is more.
a	Which of the following is not a benefit of customer satisfaction?
b	The firm is more insulated from price competition.
c	The firm provides a positive work environment for its employees
d	Positive word-of-mouth is generated from satisfied customers
	Satisfied customers make purchases more frequently
a	The service industry has several emerging trends that organisations need to be aware of. Which of these should organisations keep a lookout for?
b	need to be aware of which of these should organizations keep a lookout for?
c	new competitors entering the marketplace
d	advances in the internet
	heightened customer expectation
	advance in e-commerce.
	The zone of tolerance is defined by the difference between
a	Expected service and desired service.
b	Predicted service and desired service
c	Desired service and adequate service.
d	Predicted service and perceived service
	Customers ultimately determine the services by.....
a	The type of competitors.
b	The levels of marketing effectiveness and operational efficiency
c	The cycle of fluctuations
d	The price of the competitors.
	During a service recovery effort, the employee promptly refunded the customers money but threw the money at the customer.as a result ,the recovery effort violated the customers -----justice need
a	
b	interactional
c	Ethical
d	Social
	Procedural
	Soft technologies refer to
a	Flexible rules that can be bent to meet customer needs.
b	The personal touches that ultimately lead to customer satisfaction.
c	Guidelines that permit employee empowerment
d	Hardware that facilitates the production of a standardized
	The _____ is calculated by dividing the activity time by the number of locations at which the ac
a	Service cost per meal
b	Maximum output per hour
c	Process time.

d	Activity time.
Which of the following is not a step in the construction process of a service blueprint?	
a	Obtaining scripts from both customers and employees
b	Segmenting customers based on the content of the script.
c	Identify steps in the process where the system can go awry.
d	Calculating the time frame for the service execution.
A volume-oriented positioning strategy is achieved by	
a	Reducing divergence.
b	Increasing complexity
c	Reducing complexity.
d	Increasing divergence
A buyers perception of value is considered a trade-off between	
a	Product value and psychic cost
b	Total customer value and total customer cost.
c	Image value and energy cost
d	Service value and monetary cost.
Total customer value consists of all of the following components except	
a	Product value.
b	Service value.
c	Image value
d	Personnel value.
Total customer cost consists of all of the following components except	
a	Monetary cost
b	Social cost.
c	Time cost.
d	Energy cost.
Which of the following statements about the pricing of services (compared to the pricing of goods) is	
a	The demand for services tends to be more elastic than the demand for goods
b	Cost-oriented pricing is more difficult for services
c	Comparing prices of competitors is more difficult for service consumers.
d	Self-service is a viable competitive alternative.
_____ is a firm view toward planning its operations according to market needs	
a	Marketing orientation
b	Marketing functions.
c	Marketing department.
d	Marketing forecast.
a	

b	Which of the following is not a criterion for effective price discrimination?
c	The segments should be identifiable, and a mechanism must exist to price them differently.
d	Different groups of consumers should have similar responses to price.
	Segments should be large enough to be profitable
	Incremental revenues should exceed incremental costs.
	Service firms often find themselves in a three-cornered fight between
a	Engineering, production, and accounting
b	Marketing, finance, and human resources
c	Operations, accounting, and marketing
d	Human resources, marketing and operations
	Customer frustration resulting from receiving poor service is most similar to
a	Image costs.
b	Monetary price
c	Energy costs.
d	Psychic costs.
	Among many services, the demand for medical services tends to be -----
a	Inelastic
b	Elastic
c	Substitute demand
d	Price cross elastic demand
	Customer competencies can be described as
a	Consumer expectations pertaining to the service delivery process and the final outcome
b	Customer perceptions regarding the quality of the outcome
c	Customer abilities that enable them to properly evaluate the servicescape.
d	The ability to interact effectively with other
	Costs that are planned and are accrued during the operating period regardless of the level of production are called
a	Direct variable costs
b	Fixed costs.
c	Average costs
d	Marginal costs.
	The technique that allows consumers to either buy Service A and Service B together or purchase one service separately is called
a	Long-term bundling
b	Mixed bundling
c	Price bundling.
d	Product bundling
a	Which pricing strategies encourage the customer to expand his/her dealings with the service provider?
b	Relationship pricing
c	Price bundling.

d	Benefit-driven pricing. Efficiency pricing.
a	Do studies suggest that price is more likely to be used as a cue to quality under the following conditions?
b	When alternatives are of bad products
c	When the company new to the market
d	When a price is the primary differential information available
	When a customer does not have knowledge
a	The primary role of a service firm for the customer in the communication mix is to
b	Confuse customers.
c	Inform and remind customers
d	Oppose the competitor's claim Persuade the dealers.
a	The plan for differentiating the firm from its competitors in consumers' eyes is referred to as the firm's
b	Communication mix
c	Positioning strategy.
d	Publicity. Target marketing
a	Differentiation approaches such as competence, courtesy, reliability, and responsiveness are forms of
b	Product differentiation
c	Personnel differentiation
d	Image differentiation Service differentiation.
a	The appropriate communication content during the introduction stage of the product life cycle would be
b	Informational.
c	Informational and persuasive
d	Persuasive. Persuasive and reminder.
a	Which of the following is not a communication objective during the maturity and decline stages of the product life cycle?
b	Encourage repeat purchases
c	Provide ongoing contact with customers
d	Prepare the way for personal selling efforts Express gratitude to the existing customer base.
	Which of the following communication approaches would be appropriate during the growth and maturity stages of the product life cycle?
a	product life cycle?
b	informational
c	informational and persuasive

d	persuasive
	persuasive and reminder
	The primary objective of a firms communication mix during the pre-consumption choice stage is to
a	sell the product
b	Minimize the perceived risk associated with the purchase
c	Encourage repeat purchases
d	Persuasively convince customers why the firms brand is superior to the competitors
	The perceived consequences of a consumer s purchase decision are
a	Financial, social and performance
b	Social, ethical and performance
c	Performance, social and ethical.
d	Ethical, social and psychological
	Tangible clues are more important when services are
a	Highly perishable.
b	Tangible dominant.
c	Intangible dominant
d	Heterogeneous
	Which of the following communication objectives becomes the most important during the post-consumption stage?
a	informing customers
b	managing customer expectation
c	Reducing customer perceived risk
d	Prersuading customers
	Branding of services becomes difficult because they are
	Intangible.
a	Heterogeneous.
b	Perishable.
c	Inseparable.
d	
	Word-of-Mouth communication networks are particularly important for service firms because
a	Service customers tend to rely more on personal than the non-personal source of information
b	Service firms only offer one brand of service.
c	Service firms can seldom afford to pay for promotional efforts.
d	Service customers tend to rely more on non-personal than personal sources of information
	The suggested communication strategy to use when the product is intangible dominant is to
a	Create an intangible image for the product.
b	Create awareness for the product
c	Surround the product with tangible evidence.
d	Make sure the product is in the evoked set of
	_____ is an overall favorable impression or unfavorable impression based on the early stages of

a	Cognitive dissonance.
b	Environmental stimulus
c	Visual pathway.
d	Halo effect.
The advantage that the E-marketing communications carries are.....	
a	Reaching a widely dispersed audience.
b	Being cost-effective.
c	Being personalize
d	More customer satisfaction.
A disadvantage of e-marketing is	
a	High cost.
b	Low reach.
c	Loss of personal contact
d	Less satisfaction.
Which of the following is not a component of service firms' physical evidence?	
a	Parking.
b	Employee appearance
c	Billing statements.
d	In-house process equipment
One of the advantages of requiring employees to wear uniforms is that it reduces the customers' per	
a	Intangibility.
b	Inseparability.
c	Heterogeneity.
d	Socialization.