

UNIVERSITY OF ESWATINI
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
RESIT EXAMINATION PAPER
FEBRUARY 2019

TITLE OF PAPER : SERVICES MARKETING 1
COURSE CODE : BUS 325 / BA 327
TIME ALLOWED : THREE (3) HOURS

INSTRUCTS:

1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER (6)
2. SECTION A IS COMPULSORY
3. ANSWER ANY THREE (3) QUESTIONS IN SECTION B
4. THE MARKS TO BE AWARDED FOR EACH QUESTION ARE INDICATED ALONG SIDE THE QUESTION.

NOTE:

MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH, AND FOR ORDERLY AND NEAT PRESENTATION OF WORK. FURTHER MARKS WILL BE AWARDED FOR USE OF RELEVANT EXAMPLES.

SPECIAL REQUIREMENTS: NONE

THIS PAPER SHOULD NOT BE OPENED UNTIL PERMISSION TO DO SO HAS BEEN GRANTED BY THE INVIGILATOR.

DON'T BE EVEN A LITTLE BIT BAD – WE'LL LOVE YOU FOR IT

GOOGLE'S 'DON'T BE EVIL' MOTTO IS ONE THAT LOCAL COMPANIES WOULD DO WELL TO ADOPT AS THEIR OWN.

If there's one thing this job has revealed, it's what consumers want, or more to the point, what they don't want. It's much the same thing people want from all their relationships: honesty, respect and fair play. I have to wonder why it seems so hard for so many businesses to get it right

It's hardly rocket science. Sure, some of it may require a bit of time, effort and (heaven forbid) money, but it's all doable, basic stuff. It may hurt financially in the short term to be the kind of company that doesn't short-change or dupe its customers just to turn a profit, but the long-term rewards in customer retention and brand loyalty are priceless.

If I look back at all the customer service horror stories in which I've been asked to intervene, there's a common thread. Even though complaints come from readers of different ages, race and income, from different towns and cities and from across a range of industries, they have a shared a universal theme: the need to be heard.

The trouble for business in that by the time they come to me, they're not only angry, but far less receptive to compromise. Not to mention the damage they've done to the brand already through word of mouth and social media.

So far business that wish to win, retain and, dare I say delight consumers, this is what they want you to do:

- Write in plain language. Forget the legalese. You are dealing with a customer, not a hostile corporate;
- Get to know your customers and bear their needs in mind before you implement new policies. Use common sense. FNB learnt this the hard way recently after its over-60 clients balked at being excluded from earning eBucks unless they downloaded and used the bank's app. Following an outcry (much of it aired in this column) FNB has now backtracked on the app requirement for "senior clients"
- Respond. Say you're sorry they feel let down. Say you'll look into it. Then look into it and get back to them –timeously. However the consumer is engaging with you, whether on Facebook or Twitter or e-mail or call centre, always respond. Hire more staff if you have to. Ignoring a complaint or query makes a consumer feel helpless, and people often resort to desperate and damaging measures;
- Assume the customer is correct. Sure, some might try to rip you off but they are in minority. Don't devise policies to deal with the crooked minority;
- If and when you're in the wrong, own up to it and fall on your sword if you have to. Don't try to spin your ways out of it. It's demeaning and insincere;

- Make your customers' lives easier, even in areas that don't relate to your core business. If thieves are stealing handbags from distracted shoppers in your stores, put warning stickers on trolleys; if they're stealing out of unsafe lockers, change the lockers;
- Don't make customers jump through hoops to participate in loyalty programmes. Simplify things;
- Make a difference. If you can activate sound on all ATM keyboards to make life easier for those with poor eyesight, do so. A Standard Bank customer has been lobbying the bank for this since 2011, with no joy;
- Keep your labelling and marketing honest;;
- Don't be slow to act. FNB has just launched an innovative solution that prompts noncompliant business owners to upload outstanding Fica documents when they log in. but Fica has been around for years with business customers subjected to gross incompetence among banking staff;
- Use your facebook and Twitter accounts to engage, talk to and respond to consumers. If you're going to treat your social media accounts as tedious add-ons to your call centre, you're dead in the water. It's not called social for nothing. Share useful information, like troubleshooting tips, ways to save and product safety recalls. Detail on Samsung's exploding note7 is inexplicably scant on Samsung Mobile SA's Twitter feed. When a new mobile device (and its replacement) is burning people and being banned on airlines the world over, it's smart to prioritise that over recipes and marketing gumpf;
- Train your staff. First teach empathy; then the ins and outs of the consumer Protection Act. Six years after the act came into being, it's beyond unacceptable for any staff member, from the CEO down (and particularly those in the consumer goods and services sector), not to know the basics. And stop treating call centres, in-house or external, as afterthoughts. They're often the first and only engagement customers have with your brand;
- Never tell a consumer they can't escalate a complaint internally, and if they reach the very top and still find no joy, it's your duty to refer them to the industry ombud;
- Follow Google's mantra: "Don't be evil." The organisation's code of conduct, it is reported, is the best known for this line, which was also included in the 2004 filing for its initial public offering. In the preface to the code, Google says that over and above providing users unbiased access to information, focusing on their needs and giving them the best products and services, it's about "doing the right thing... following the law, acting honourably and treating each other with respect". Sure, many will view this with scepticism, arguing that Google doesn't always live up to it. But it's certainly bolder and more aspirational than the tired platitudes of "putting our customers first", and it sends a strong, no-nonsense message to staff.
- As much as business should follow the letter of the Consumer Protection Act, honouring the spirit of the law is just as important. The act is one of the most wide-reaching pieces of consumer legislation out there and offers a unique blueprint for

suppliers. It puts consumers firmly at the centre of business. Exactly where they should be.

The Power Report. – Megan Power. Sunday Times. October 23, 2016.

SECTION A

- Q.1 Consumers are people. They want relationships not flings. Discuss. (10 marks)
- Q.2 Consumers want to be listened to, and acted upon. What are the short and long term effects / consequences of this simple and straight forward policy? (10 marks)
- Q.3 Social media is part and parcel of business today. How can it be used profitably by business? (15 marks)
- Q.4 What does “Putting Consumers at the centre of business” mean to you? (5 marks)

40 MARKS

SECTION B

- Q.1 Discuss with examples the implications of intangibility of services. (20 marks)
- Q.2 Explain with the use of relevant examples the Gaps Model of Services. (20 marks)
- Q.3 Discuss how competitive force of outsourcing influences the growth of services. (20 marks)
- Q.4 Discuss the concept of market segmentation and its importance in services. (20 marks)
- Q.5 Why are services consumers more brand loyal than goods consumers? Explain with the use of examples. (20 marks)

60 MARKS

TOTAL 100 MARKS