

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306
POST GRADUATE DIPLOMA IN MANAGEMENT (2023-25)
MID TERM EXAMINATION (TERM -IV)

Subject Name: **Service Marketing**
Sub. Code: **PGM41**

Time: **01.30 hrs**
Max Marks: **20**

Note: All questions are compulsory. Q1 & Q2 carry 2 marks each. Q3 & Q4 carry 3 marks each. Q5A & 5B carry 5 marks each.

Q. 1. Services are intangible, making it difficult for customers to evaluate them before purchase. How can a company reduce the uncertainty customers feel due to this intangibility? Give at least 2 examples (2marks)
CO1

Q. 2. The inseparability of services means that they are often produced and consumed simultaneously, making service delivery highly dependent on the interaction between customers and service providers. Write 2 strategies which a service firm can use to ensure consistent and positive customer interactions? (2marks) **CO1**

Q. 3. A telecommunications company receives frequent complaints from customers about long wait times when contacting customer service. Additionally, customers often report inconsistent information provided by different representatives.

Identify the problem in terms of the RATER model and suggest a strategy to address this issue. (1+2 marks)
CO2

Q. 4. A restaurant has recently received negative feedback from customers stating that the quality of food served does not match the expectations set by its advertising. The customers feel that the promotional materials create a false impression of the restaurant's offerings.

Identify the specific GAP in the GAP Model that this situation represents, and suggest a strategy to resolve this issue. (1+2 marks) **CO2**

Q. 5: CASE: DrivePro Rentals: Redefining Car Rentals with Smart Technology and Streamlined Operations

India's car rental industry is undergoing a major shake-up, driven by evolving consumer needs and technological advancements. With 70% of urban travelers now opting for rentals over ownership due to rising costs, companies like DrivePro Rentals are revolutionizing the market. In a competitive landscape where customer satisfaction reigns supreme, DrivePro has taken a bold approach, combining cutting-edge technology, efficient backend processes, and a customer-centric strategy to set itself apart.

DrivePro offers a diverse fleet, from budget cars to luxury vehicles, ensuring there's something for every traveler. But the company's real advantage lies in how it goes beyond the traditional car rental model. 24/7 customer support and on-demand vehicle delivery make for a frictionless experience, and customers can book seamlessly through their intuitive app, which provides real-time vehicle availability based on their location.

What sets DrivePro apart is its dynamic pricing model, powered by sophisticated algorithms that adjust rates in real-time based on market demand, competitor pricing, and peak travel times. This data-driven approach ensures customers get the best deal, with no hidden charges—building a foundation of trust through complete pricing transparency.

As DrivePro expands its operations to over 1,500 cities, the company has developed robust backend processes to ensure service quality remains top-notch. Every vehicle undergoes preventive maintenance every 15,000 kilometers, with 90% fleet uptime maintained through a comprehensive tracking system. The backend system is integrated with real-time fleet monitoring—an AI-powered dashboard that tracks vehicle performance, fuel efficiency, and maintenance schedules. This ensures potential issues are flagged and resolved before they impact customer experience.

One of the core components of DrivePro's operations is its centralized dispatch system, which assigns drivers and vehicles to bookings based on geolocation, vehicle type, and driver availability. This system helps optimize vehicle utilization, reduce downtime, and ensure fast response times for customer bookings. The Watchdog system further strengthens backend processes by continuously monitoring driver performance. Drivers with poor ratings or customer complaints are automatically flagged and removed, ensuring only top-performing drivers remain active.

In addition, they are also providing services “Rent a car”, wherein getting a self-drive car from arrival to departure at Airport is as easy as online food delivery and the freedom to explore new places at your own will. The customers simply need their driver’s license, national ID, and a quick selfie. Rentals start from 8 hours and can be extended for longer trips. The keyless access technology lets users lock and unlock the car through the mobile app, avoiding the hassle of meeting a representative for pick-up or drop-off.

Technology is DrivePro's strongest asset. Data analytics allow the company to anticipate customer preferences and adjust offerings accordingly. This data-driven personalization has resulted in an 85% customer loyalty rate, as frequent travelers enjoy tailored services and special offers based on their booking history. AI-driven systems are also employed in vehicle tracking, which helps optimize routes and predict demand spikes, ensuring DrivePro’s fleet is always where it’s needed most.

DrivePro’s commitment to customer feedback is another area where its backend processes shine. An automated customer feedback system analyzes complaints and reviews in real-time, enabling the company to resolve 90% of customer issues within 12 hours—setting a new industry standard. Additionally, their driver and vehicle rating system is integrated into the app, providing future customers with transparency and confidence in the service.

While the frontend is polished and user-friendly, DrivePro’s backend logistics are what keep the wheels turning smoothly. The operations management team uses a centralized system to monitor fleet movement, ensuring vehicles are always available in high-demand areas and maintenance is scheduled efficiently. This system also enables predictive analysis, so the company can anticipate future demand and expand their fleet strategically.

DrivePro doesn’t just focus on service delivery; it also excels in customer acquisition and retention through targeted promotions. First-time user discounts, referral bonuses, and loyalty rewards for returning customers create a steady stream of new and repeat business. These promotions are carefully designed using insights from customer data, ensuring they appeal to DrivePro’s diverse user base.

In a market defined by rapid change, DrivePro Rentals is leading the charge by mastering both technology-driven customer experiences and highly efficient backend processes. By constantly optimizing its operations and focusing on service excellence, DrivePro isn’t just keeping up with the competition—it’s redefining the future of India’s car rental industry.

Questions:

Q. 5: (A). How does DrivePro Rentals apply the 7 P’s of Marketing to differentiate itself in the car rental industry? Provide specific examples from the case. (5marks) CO3

Q. 5: (B). Using the Servuction Model, analyze how DrivePro Rentals' service delivery elements (inanimate environment, contact personnel, and processes) enhance customer experience and loyalty. (5marks) CO3