

# **MOCK MCQ TEST**

**SUBJECT: SERVICES MANAGEMENT  
(SM)**

**PAPER CODE: MS 217**

DELHI INSTITUTE OF ADVANCED STUDIES

**FOR PRIVATE CIRCULATION**

*The Questions and Answers contained in this document have been prepared by the faculty of the Institute from the sources believed to be reliable. Neither the Institute nor the faculty gives any guarantee with respect to completeness or accuracy of the contents contained in the document and shall in no event be liable for any errors, omissions or damages arising out of use of the matter contained in the document. The Institute and the faculty specifically disclaim any implied warranty as to merchantability or fitness of the information for any particular purpose.*

## MOCK MCQ TEST

**SUBJECT: SERVICES MARKETING**

**PAPER CODE: MS 217**

1. A \_\_\_\_\_ is a form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything.

- a) Service
- b) Demand
- c) Need
- d) Physical object

2. Distinct characteristic of services is \_\_\_\_\_

- a) Intangibility
- b) Inseparability
- c) Variability
- d) Perishability

3. All of the following are examples of services EXCEPT:

- a) banking.
- b) hotels and motels.
- c) tax preparation.
- d) computer software.

4. Services are typically produced and consumed simultaneously. This is an example of the \_\_\_\_\_ characteristic of services.

- a) Intangibility
- b) Variability
- c) Inseparability
- d) Simultaneously
- e) Perishability

5. Services can not be stored. This describes the \_\_\_\_\_ characteristic of services. a.

- a) Intangibility
- b) Variability
- c) Inseparability
- d) Inconsistency

e) Perishability

6. Examples of pure tangible goods include all of the following EXCEPT:

- a) Soap.
- b) Tax preparation.
- c) Toothpaste.
- d) Salt.

7. \_\_\_\_\_describes the employees skills in serving the client.

- a) Internal Marketing
- b) External Marketing
- c) Relationship marketing
- d) Interactive marketing
- e) Communication Marketing

8. SSTS refers to \_\_\_\_\_

- a) Service Standards Testing
- b) Self- Service Technologies
- c) Standard Service Technologies
- d) Self Service Treatments

9. \_\_\_\_\_ occurs when a company intentionally uses services as the stage, and goods as the props, to engage individual customers in a way that creates a memorable event.

- a) Hybrid offer
- b) Core service
- c) Augmented or ancillary product
- d) Experience

10. Top firms audit service performance by collecting measurements to probe customer satisfiers and dis satisfiers.

- a) Customer satisfier
- b) Customer complaint
- c) Voice of the customer
- d) Psychological

11. The services a customer expects are called the \_\_\_\_\_ service package.

- a) Expected
- b) Augmented
- c) Primary
- d) Secondary
- e) Perceived

12. The fact that a business traveler may have one very positive check-in experience at a hotel and then a very negative check-in experience with a different employee on a subsequent visit is evidence of service:

- a) intangibility.
- b) inseparability.
- c) variability.
- d) perishability.

13. Added features to an offering are called \_\_\_\_\_ service features.

- a) Expected
- b) Augmented
- c) Primary
- d) Secondary
- e) Perceived

14. The intangibility of services has implications for the choice of \_\_\_\_\_

- a) Brand elements
- b) Location
- c) Price
- d) Product features
- e) Channels of distribution

15. \_\_\_\_\_ cost refers to the product's purchase cost plus the discounted cost of maintenance and repair less the discounted salvage value

- a) Total
- b) Variable
- c) Life cycle
- d) Net
- e) Out of pocket

16. Successful service companies focus their attention on both their customers and their employees. They understand \_\_\_\_\_, which links service firm profits with employee and customer satisfaction.

- a) Internal marketing
- b) Service-profit chains
- c) Interactive marketing
- d) Service differentiation

17. If a firm is practicing \_\_\_\_\_, the firm is training and effectively motivating its customer-contact employees and all of the supporting service people to work as a team to provide customer satisfaction.

- a) Double-up marketing
- b) Internal marketing
- c) Interactive marketing
- d) Service marketing

18. According to Parasuraman, Zeithaml & Berry, the most important determinant of service quality is :

- a) Responsiveness
- b) Reliability
- c) Assurance
- d) Empathy
- e) Tangibles

19. The extended marketing mix for services includes: People, Processes and \_\_\_\_\_

- a) Product
- b) Place
- c) Physical Evidence
- d) Promotion

20. Which of the following is not an element of physical evidence?

- a) Employee Dress
- b) Employee Training
- c) Equipment
- d) Facility Design

21. Which of the following is not an element of people?

- a) Motivation
- b) Teamwork

- c) Flow of activities
- d) Customer training

22. Standardized and customized flow of activities , simple and complex number of steps and customer involvement by which a service is delivered is called –

- a) Place Mix
- b) Physical evidence mix
- c) Process mix
- d) People mix

23. \_\_\_\_\_ is the environment in which the service is delivered and where the firm and customer interact and any tangible components that facilitates performance or communication of the service.

- a) Physical evidence
- b) Process
- c) Place
- d) People

24. All human actors who play a part in service delivery and thus influence the buyers perceptions : namely , the firms personnel,, the customer and other customers in the service environment.

- a) Process
- b) Physical environment
- c) People
- d) Place

25. \_\_\_\_\_ is a tool for simultaneously depicting the service process , the points of customer contact and the evidence of service from the customers point of view .

- a) Front of Planning
- b) Service Blueprinting
- c) Service standardization
- d) None of these

26. \_\_\_\_\_ is the physical surroundings or the physical facility where the service is produced, delivered and consumed.

- a) Servicespace
- b) Servicescape
- c) Serviceplace
- d) Servicescope

27. \_\_\_\_\_ are the only service distributors which do not require direct human interactions.

- a) Electronic channels
- b) SST's
- c) Direct Service channels
- d) Speculative channels

28. In the absence of a physical product, service providers need to consider the use of \_\_\_\_\_ that enable customers to make a judgment on the service quality.

- a) Intangible clues
- b) Tangible clues
- c) Blueprint
- d) Performance measures

29. Services marketing become difficult because of

- a) Intangibility.
- b) no demand
- c) More complex market
- d) Difficult to enter the market

30. 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

31. Which of the following statements about the pricing of services (compared to the pricing of goods) is false?

- 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

32. Charging customers different prices for essentially the same service is called

- a) Price discrimination
- b) Supply and demand.
- c) Complementary



d) Substitutes.

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

- a) Services marketing
- b) Marketing management
- c) Marketing myopia
- d) Customer experience

34. 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.

35. Services are characterized by all of the following characteristics except for

- a) Intangibility.
- b) Homogeneity
- c) Perishability.
- d) Inseparability

36. Of the four unique service characteristics that distinguish goods from services, the one that is the primary source of the other three characteristics is:

- a) Intangibility
- b) Inseparability.
- c) Perishability.
- d) Heterogeneity.

37. 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

38. 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.
39. The unique service characteristic that reflects the interconnection between the service firm and its customer is called
- a) Intangibility
  - b) Inseparability
  - c) Homogeneity
  - d) Perishability
40. 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
41. 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 demand
42. The centralized mass production of services is difficult due to
- a) Inseparability.
  - b) Intangibility.
  - c) Homogeneity.
  - d) Perishability.
43. 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

44. The unique service characteristic that deals specifically with the inability to inventory services is

- a) Inseparability
- b) Intangibility
- c) Homogeneity
- d) Perishability

45. 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

46. 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

47. The demand strategy in which service providers utilize their downtime by marketing to different segments with different demand patterns is associated with which of the following?

- a) The use of creative pricing strategies
- b) The use of reservation systems
- c) Capacity sharing
- d) Developing complementary services

48. The \_\_\_\_\_ dimension is an assessment of the firm's consistency and dependability in service performance

- a) Empathy.
- b) Responsiveness.
- c) Assurance
- d) Reliability.

49. 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.

50. 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

51. Fixing the right price for services offered is difficult because of .....

- a) perishability.
- b) heterogeneity.
- c) inseparability.
- d) intangibility.

52. 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

53. 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

54. The pursuit of new customers, as opposed to the retention of existing ones, is called

- a) Services marketing
- b) B2B marketing
- c) Conquest marketing
- d) Consumer marketing

55. The consumer decision process consists of

- a) Stimulus, problem awareness, and purchase stages
- b) Pre-purchase, consumption, and post-purchase stages
- c) Problem awareness, evaluation of alternatives, and post-purchase behaviour
- d) Stimulus, information search, and post-purchase behaviour

56. Which of the following statements is not true?

- a) Service purchases are perceived as riskier than goods purchases
- b) The participation of the consumer in the service process increases the amount of perceived risk.
- c) The variability in services increases the perceived risk associated with the Purchase
- d) Consumers of services have less pre-purchase information versus goods

57. Service consumers tend to be more brand loyal than goods consumers because

- a) More choices are available
- b) Brand loyalty lowers the amount of perceived risk
- c) Each service provider provides many brands
- d) Location of the provider is the major driver in the consumer selection process

58. Competitor intelligence should be gathered

- a) Once a year.
- b) Twice a year.
- c) Continuously
- d) When competition is more.

59. Service consumers tend to be more brand loyal than goods consumers because
- a) More choices are available
  - b) Brand loyalty lowers the amount of perceived risk
  - c) Each service provider provides many brands
  - d) Location of the provider is the major driver in the consumer selection process
60. Competitor intelligence should be gathered
- a) Once a year.
  - b) Twice a year.
  - c) Continuously

**ANSWER KEY:**

1	(a)	11	(c)	21	(c)	31	(b)	41	(a)	51	(d)
2	(a)	12	(c)	22	(c)	32	(d)	42	(d)	52	(c)
3	(d)	13	(d)	23	(a)	33	(c)	43	(a)	53	(c)
4	(c)	14	(a)	24	(c)	34	(b)	44	(d)	54	(b)
5	(e)	15	(c)	25	(b)	35	(b)	45	(c)	55	(b)
6	(b)	16	(b)	26	(b)	36	(a)	46	(c)	56	(b)
7	(d)	17	(b)	27	(a)	37	(a)	47	(d)	57	(c)
8	(b)	18	(b)	28	(b)	38	(c)	48	(d)	58	(b)
9	(d)	19	(c)	29	(a)	39	(b)	49	(c)	59	(b)
10	(c)	20	(b)	30	(d)	40	(c)	50	(d)	60	(d)

ELH