



# FACULTY OF MANAGEMENT

## Supplementary Examination

DEPARTMENT

Marketing Management

**MODULE** SERVICES MARKETING

**CODE** MMA8x06

**DATE** JULY 2016

**DURATION** 180 minutes

**TIME** 08:30 – 11:30

**TOTAL MARKS** 100

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**LECTURER** DR ES CONRADIE

**MODERATOR** PROF M WIESE (University of Pretoria)

**NUMBER OF PAGES** 3

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### **INSTRUCTIONS TO CANDIDATES:**

- Question papers must be handed in at the end of the exam.
- This is an open book assessment.
- This exam is based on the Standard Bank case study, published on ulink.
- **Students need to complete any 4 of the 5 questions.**
- Number your answers clearly and write neatly and legibly.
- Structure your answers by using appropriate headings and sub-headings.
- Answers should contain 20% theory and 80% application.
- Ensure that all your personal particulars appear on all answer books.
- The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.

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**This paper consists of 5 questions. Please answer any of the four (4) questions.**

**QUESTION 1****[25 marks]****SCENARIO**

You are a loyal customer of Standard Bank and have been banking with the bank for over five years. As you have just completed your honours degree and started working in your first job, Standard Bank has presented you with the opportunity of becoming part of their "Elite banking for graduates" programme. This programme offers you the benefits of a current account (for daily transactions), a gold credit card, the Elite line and email unit for specific queries, special discounts, internet and cellphone banking and better interest rates for loans (Standard Bank, 2010). Upon receiving your new gold credit card with an electronic chip for security, the bank employee informs you that to combat fraud for online purchases (e.g. from computicket and netflorist) you will require a special 3D secure pin code. This pin code allows the online business to verify that you are the owner of the credit card. In the past you would need to phone Standard Banks call centre to set up this new pin code, but the employee mentions that this can now be done online once you have registered on the Internet banking website.

- 1.1 As stated in the scenario, Standard Bank is providing its customers with the opportunity to obtain a "3D secure" pin code through its Internet banking website. Discuss the benefits and challenges facing Standard Bank when distributing this service through an electronic channel. (10)
- 1.2 Analyse the various strategies that Standard Bank can use for effective service delivery through intermediaries. (11)
- 1.3 Taking the various strategies you analysed in question 1.2 into consideration, suggest a strategy that will be best suited for Standard Bank to develop effective service delivery through intermediaries. Motivate your answer clearly. (4)

**QUESTION 2****[25 marks]**

- 2.1 Servicescapes play certain strategic roles in a services environment. Describe and give examples of how Standard Bank could apply each of these roles. (20)
- 2.2 Explain how Standard Bank can use virtual servicescapes on the Internet. Include in your answer any possible weaknesses Standard Bank may experience. (5)

**QUESTION 3**

**[25 marks]**

- 3.1 It has been suggested that employees are the critical difference when providing service quality. Propose four (4) strategies that Standard Bank can use to ensure that their employees are adding the necessary competitive advantage by delivering service quality. (16)
- 3.2 Describe the difference between technical and interactive service skills. Provide examples from the Standard Bank case study. Why do service employees need training in both? (4)
- 3.3 Why do service employees need training in both technical and interactive service skills? Use Standard Bank employees to illustrate your answer. (5)

**QUESTION 4**

**[25 marks]**

- 4.1 Define and critically assess the role of brands for Standard Bank, taking into consideration the service branding model and provide practical examples Standard Bank could use to improve its brand. (20)
- 4.2 Which form of internal marketing communication, vertical or horizontal, would you invest in if you had to select between them as the CEO of Standard Bank? Explain why. (5)

**QUESTION 5**

**[25 marks]**

Assume you have received an SMS from Standard bank stating that your credit card is ready for collection at the "information counter" at your usual branch. After standing in the queue for 20 minutes at the information counter, you are told to stand in another queue at another counter. After another 10 minutes in the queue, you are told by the employee that your credit card is not at that branch, and has not been issued by the credit card division yet and it would take another 7 days for the card to be available. The following week you go back to the branch to collect the card, but are told that the card was accidentally delivered to the wrong branch. As you have already taken a day leave from work to collect the card (due to the banks operating hours), you ask whether the card can be delivered to your home or office since it was there mistake. The employee tells you that it is not the banks policy to deliver cards in person, but such an arrangement can be made for a surcharge of R350. Given this scenario:

- 5.1 Discuss the importance to Standard bank of recovering from a service failure in order to retain customers and build loyalty. (5)
- 5.2 Provide strategies that Standard Bank can implement for effective service recovery (include an explanation of how Standard Bank can implement these strategies in your answer). (20)

**TOTAL: 100 MARKS**