THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF MANAGEMENT STUDIES

BMSHONS IN MARKETING MANAGEMENT

MMU5401 SERVICES MARKETING
FINAL EXAMINATION – 2024 / 2025
DURATION – THREE (03) HOURS

DATE: 14th JUNE 2025 *TIME: 09.30 am – 12.30 pm*

INSTRUCTIONS:

- **PART 1 consists of a Compulsory case study carrying 40 marks.**
- **PART 2 consists of 4 questions. Each question carries 20 marks. You are required to answer Any Three (3) questions (60 marks in total).**
- **Marks have been mentioned at the end of each question.**
- **Start each answer on a new page.**

PART 1: Compulsory Case Study (40 Marks)

Question 01. Case Study

Service Transformation at Medica Hospitals (Pvt) Ltd

Medica Hospitals (Pvt) Ltd is a growing private healthcare chain in Sri Lanka, operating four multi-specialty hospitals and five outpatient clinics in urban and suburban areas. The hospital has built its brand around affordable, quality healthcare services and introduced several digital services such as e-consultation, online appointment booking, and an electronic medical records system.

Despite these initiatives, recent customer feedback shows dissatisfaction in key service areas: long waiting times even for scheduled appointments, unfriendly support staff, lack of follow-up care after discharge, and confusion regarding billing and insurance claim procedures. While the hospital uses social media and a website for promotion, many patients feel it lacks personalized care and effective communication.

In response, the management launched a "**Patient Experience Excellence Program**", which includes:

- Customer service training for front-desk and nursing staff
- Redesigned hospital environments to reduce stress and improve wayfinding
- Launch of a mobile app for appointment tracking and live chat with doctors
- Improved billing and discharge procedures
- Introduction of patient loyalty and feedback programs

Now, Medica Hospitals wants to assess whether these changes are aligned with service marketing principles and how they can better manage the patient journey and overall satisfaction.

i. Discuss how the characteristics of services contribute to the service delivery challenges faced by Medica Hospitals. Use case-specific examples.

(10 marks)

ii. Evaluate how the application of the Extended Services Marketing Mix (7Ps) can help Medica Hospitals improve the overall patient experience. Recommend specific actions across at least four elements.

(10 marks)

iii. Analyze how consumer behavior in service encounters influences patient satisfaction and loyalty at Medica Hospitals.

(10 marks)

iv. How can Medica Hospitals strengthen its relationship marketing strategies to ensure long-term patient retention and positive word-of-mouth? Consider both human and technological aspects.

(10 marks)

(Total 40 Marks)

PART 2: Answer Any Three (3) Questions (20 Marks Each)

Question 02

In high-contact service industries such as education, healthcare, and tourism, understanding the stages of consumer decision-making is crucial for developing effective and targeted marketing strategies

i. Describe the five stages of the consumer decision-making process and explain how these apply to a Sri Lankan service brand of your choice.

(10 marks)

ii. Discuss how service marketers can influence consumer decisions at each stage using service marketing techniques such as promotions, digital presence, and word-of-mouth.

(10 marks)

(Total 20 Marks)

Question 03

Efficient service processes are vital for delivering seamless experiences to customers. Innovations in process design can lead to competitive advantage, especially in industries with high service contact.

i. Explain the four types of service processes using examples from different Sri Lankan service sectors.

(10 marks)

ii. Evaluate the role of technology in service innovation, and how digital tools can improve service personalization and delivery.

(10 marks)

(Total 20 Marks)

Question 04

People are at the core of service delivery. Internal marketing, employee empowerment, and service standards are essential in ensuring consistent service quality.

i. Define internal marketing and explain how it helps service organizations to build a motivated and customer-focused workforce.

(10 marks)

ii. Explain how empowering employees leads to improved customer service outcomes, using practical examples from Sri Lanka.

(10 marks)

(Total 20 Marks)

Question 05

Write short notes on **any FOUR** of the following (5 Marks each):

i. Moment of Truth in service delivery
ii. SERVQUAL dimensions
iii. Role of physical evidence in service branding
iv. Word-of-mouth communication in service branding
v. Customer loyalty and retention in service industries

(Total 20 Marks)

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