No. of Printed Pages : 4 **BSM–015**

B. B. A. (SERVICES MANAGEMENT) (BBASM)

Term-End Examination

June, 2025

BSM-015 : MANAGING SERVICE PROMISES

Time : 2 Hours *Maximum Marks : 50*

Note : *There are* ***four*** *questions in this paper. Answer all questions.*

1. Answer all the questions. Each question carries 1 mark. 1×10=10

   Fill in the blanks :

   (a) Advertising testimonials involve featuring ....

   (b) .... communications are either downward from management to employees or upward from employees to management.

(c) The .... represents the time cost and search cost.

(d) The .... based pricing approach focuses on the prices charged by other.

(e) .... refers to the fact that price cannot be hidden or implicit.

(f) .... is used by the firm that has customers with high transaction cost for one or more of its products.

(g) .... is used by the products that can be divided into two distinct parts.

(h) The .... lowers price sensitivity.

(i) .... costs refer to the time cost and search cost.

(j) .... represents giving 'more for less'.

2. Answer any *five* of the following questions in about **100** words each : 2×5=10

(a) What do you understand by 'Substitution Effect' ?

(b) What do you mean by odd pricing ?

(c) Explain the concept of ethics in pricing.

(d) Explain the term shared price effect.

(e) What is a sealed bid ? When and how is it used ?

(f) Explain the Direct Price Rating Method.

(g) Explain the term 'Search Cost'.

3. Answer any *four* of the following questions in about **250** words each : 5×4=20

(a) Do you think spending on a social media marketing is a good investment for a marketer ?

(b) Why is it important to create a strong service brand ?

(c) Explain the unique value effect in detail.

(d) Give the example of an industry where the price war is happening and discuss the strategies used by the companies involved.

(e) Explain the differential pricing strategy with suitable examples.

(f) Discuss (i) Acquisition Value and (ii) Transaction Value.

4. Answer any *one* question in **500** words :

10×1=10

(a) What are the different pricing practices that a firm can follow ? Give examples.

(b) For what reasons do you think customers with high disposable income are willing to pay even premium price ?

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