No. of Printed Pages : 6 **BSM–015**

BACHELOR OF BUSINESS ADMINISTRATION (SERVICES MANAGEMENT) (BBASM)

Term-End Examination

June, 2026

BSM-015 : MANAGING SERVICE PROMISES

Time : 2 Hours *Maximum Marks : 50*

Note : *All questions are compulsory.*

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1. Fill in the blanks. Each question carries 1 mark : 10×1=10

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

(b) .... cost talks about the effort invested to identify and select among services that the customers desire.

(c) The .... based pricing approach focuses on the prices charged by other firms in the same industry or market.

(d) .... pricing involves setting prices consistent with customer perceptions of value.

(e) .... helps in resetting the customer expectations.

(f) Service .... are formal promises mode to customers about aspects of the service they will receive.

(g) .... pricing strategy is used by a firm that has customers with high transaction costs for one or more of its products.

(h) .... value refers to the perceived benefits and the sacrifice made by the customers.

(i) .... is a method of real time pricing.

(j) The .... lowers price sensitivity.

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

(a) Explain the term ‘Convenience Costs’.

(b) Define competition based pricing.

(c) Write a short note on a customer's definition of value.

(d) What do you understand by Dumping ?

(e) Explain the term 'Substitution Effect'.

(f) Explain 'Consortium Pricing'.'

(g) Explain the unique value effect.

3. Explain any *four* of the following in about **250** words each. Each question carries 5 marks : 4×5=20

(a) Discuss the concept of Skimming pricing with suitable examples.

(b) Can pricing be used as a marketing tool ? Give suitable examples.

(c) What are the special challenges in demand based pricing for services ?

(d) What advice would you give to an organisation where instances of sales personnel and operations personnel blaming each other for service failures are frequently reported ?

(e) Explain market segmentation in detail.

(f) Explain the concept of discounting in detail with example.

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

1×10=10

(a) What are the factors that should always be considered while making pricing decision ? Do these factors change in the case of a new product ? Discuss.

(b) Discuss the impact of online marketing on the perception of consumers towards pricing decisions.

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