

demand and supply or capacity.

CASE STUDY WITH POSSIBLE SOLUTION:

Navy Tutorials attracted the undergraduate students with air-conditioned classrooms, excellent faculty, Test series and picnic twice a semester. The students were quite comfortable with shelling out huge amount of money for the Tutorials even though many of them did not pay the college fees. In a particular semester Prof. Ravi was very famous for a technical paper. Many students joined Navy Tutorials because of his expertise.

Unfortunately as he was completing the **last few modules** he met with an accident and was hospitalized. He completed the syllabus by sending lecture notes online but being a slightly difficult subject the students did not understand much. *On* the day of the Examination the students found that more than half the questions were from the last **Modules**. They could not do well and demanded a refund.

Questions:

- (a) Explain the failure of service?
- (b) Explain the importance of people in service delivery.
- (c) How will the brand name of Navy Tutorials are affected by this incident.

POSSIBLE SOLUTION:

ONE POSSIBLE SOLUTION:

(a) A customer service failure, simply defined, is customer service performance that fails to meet an individual's expectations. When a service failure occurs, a customer will expect to be compensated for the inconvenience in the form of any combination of refunds, credits, discounts or apologies. The success of such customer service recovery efforts is determined by the individual's expectations and perceptions of the organization. Two key elements impact any effort to restore customer satisfaction: the strength of customer relationships and the severity of service failure. The strength of the customer relationship with the organization prior to a customer service failure has a buffering effect in the event of failure. Research suggests that customers who expect the relationship to continue actually have lower service recovery expectations, and in turn, are more satisfied with customer service performance after recovery.

(b) **Importance of "People" Factor in Service delivery:**

The importance of service employees comes from the role that they play in a service encounter. When service people and customers come together to create

and consume service a complex interchange occurs. This interaction defines quality as is perceived by the customer. This interaction is important both from the customer's perspective and also the employee perspective.

Service personnel are representatives of the entire service organization. They enact roles and perform on behalf of the system. Therefore, they become the organization in the customer's perception.

Prof. Ravi was very famous for a technical paper. Many students joined Navy Tutorials because of his expertise. Unfortunately he met with an accident and could not complete the syllabus. The students found that more than half the questions were from the **last Module** that was not taught to them. Stressful and dissatisfying encounters equally demoralize, demotivate and dissatisfy the customers as in the case.

(c) Branding is a major strategic issue for service marketers. Marketers believe that it is not just naming a service, but there is something more in it. Branding begins with giving an identity to the service beyond the one it has within the trade circles. Consumers feel that they are getting more in a branded service than otherwise. Service characteristics such as intangibility, variability and perishability make branding a strategic requirement in order to promote beliefs and values in the target markets.

A brand acquires power from its customers or a marketplace. It is strong when it commands strong customer franchise. Its customers are committed and loyal. No other rival brand comes close to it to become a substitute and customers become so loyal that they go out of their way to buy their preferred brands.

On the day of the Examination the students found that more than half the questions were from the last Modules. They could not do well and demanded a refund. This will send a wrong signal of complete service failure in the market and the brand name of Navy Tutorials will be badly affected by this incident.