

Chapter 2: Marketing Services and the Hospitality Experience

TRUE/FALSE. Write T if the statement is true and F if the statement is false.

- 1) One of the differences between goods versus services is perishability.
- 2) There are six components of a service act.
- 3) Market wide surveys are one way to close Gap #1.
- 4) Inadequate marketing research is a reason for Gap #2.
- 5) Currently, the service sector generates over 3/4 of the gross domestic product (GDP) for the U.S.
- 6) Goods are intangible and perishable.
- 7) SERVQUAL is used to demonstrate where gaps occur in service delivery.
- 8) The issue of perishability is compounded by the fact that most goods have fixed capacity.
- 9) Heterogeneity of service refers to the variation and lack of uniformity in the service being performed.
- 10) Any gaps in the other four measures will likely cause Gap #1.
- 11) Consistency of service is difficult in the hospitality industry because of the human-intensive nature of providing a service.
- 12) A good motto to remember when getting to know the customer is “the customer is always right.”
- 13) Many companies have tried to overcome the difficulties associated with heterogeneity by industrialization of service and implementing self-service technologies.
- 14) The “moment of truth” as detailed in the text refers to the instant when front line employees must be honest with their supervisors about customer needs.
- 15) Management is marketing in the hospitality industry, which is further evidenced by the characteristic of simultaneous production and consumption.
- 16) One aspect of the marketing effort includes anticipating customers’ needs by putting yourself in the customers’ shoes and thinking like a customer.
- 17) The “physical environment” and the “physical product” are components of the hospitality product.
- 18) The service environment is also known as the “servicescape.”
- 19) The four components of the hospitality product are separate and distinct with no interrelationships.
- 20) The result of consuming all four components of the hospitality product is an experience.

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 21) The RATER system is an acronym that stands for all the following except:
- A) Reliability
 - B) Assurance
 - C) Tangible
 - D) Empathy
 - E) Resources
- 22) Which of the following is not a way to close Gap #1?
- A) Mystery shoppers
 - B) Service reviews
 - C) Focus groups
 - D) Market wide surveys
 - E) All of the above are ways to close Gap #1
- 23) The reasons for Gap #1 include:
- A) Lack of upward communication
 - B) Insufficient relationship focus
 - C) Both A & B
 - D) None of the above
- 24) Service blueprints visually display the services by showing the processes of:
- A) Service delivery
 - B) Roles of management
 - C) Mapping of organization structure
 - D) None of the above
- 25) Goods are tangible, meaning the customer can _____ them.
- A) Touch
 - B) Feel
 - C) Examine
 - D) All of the above
- 26) Goods are typically delivered through some _____ component.
- A) Delivery
 - B) Service
 - C) Marketing
 - D) Product

- 27) _____ refers to how a customer of a service cannot touch or feel the service.
- A) Perishability
 - B) Sensitivity
 - C) Emotional effect
 - D) Intangibility
- 28) When goods can be manufactured so that each time is the same is:
- A) Repeats
 - B) Replicas
 - C) Heterogeneity
 - D) None of the above
- 29) Which of the following is not one of the components of the hospitality product?
- A) Physical product
 - B) Marketed product
 - C) Service product
 - D) Service delivery
- 30) Customers may also rely on the experiences of others to set their _____.
- A) Goals
 - B) Trip plans
 - C) Expectations
 - D) Perceptions
- 31) Services differ from goods in all of the following ways except:
- A) Intangibility
 - B) Heterogeneity
 - C) Simultaneity of production and consumption
 - D) Non-perishability
- 32) There are four components in the hospitality product. Which of the following does not belong?
- A) Physical product
 - B) Physical service
 - C) Service product
 - D) Service delivery
 - E) Service environment
- 33) The degree to which the service experience can fall below expectations without resulting in any loss in customer satisfaction is known as the:
- A) Service product
 - B) Physical product
 - C) Zone of tolerance
 - D) Zone of acceptance

- 34) Perception is _____ to the customer.
- A) Nothing
 - B) Everything
 - C) Deception
 - D) Reality
- 35) What is a Beer Stock Exchange?
- A) A beer keg
 - B) A college party with beer from Germany
 - C) Stock Marketers exchanging beer after work
 - D) Customers being informed of current food or drink prices through multi media displays
- 36) The GAP theory outlines potential gaps that may occur in _____ between the problem and the solution.
- A) Expectations
 - B) Prognostications
 - C) Known aspects
 - D) Relays
- 37) The creation of an experience, as outlined in the text using the example of the coffee bean, evolves from the following order of events:
- A) Commodity, environment, good, service
 - B) Commodity, good, service, environment
 - C) Good, service, commodity, environment
 - D) Good, service, environment, commodity
- 38) There are _____ service gaps.
- A) Two
 - B) Three
 - C) Four
 - D) Five
- 39) We are most concerned with gap five, because it is the proximate cause of all other gaps. Gap five is:
- A) Gap between management's perceptions of customer expectations and service quality expectations
 - B) Gap between services expected by the customer and management's perceptions of customers' expectations
 - C) Gap between service quality specifications and service delivery
 - D) Gap between service delivered and service promised
 - E) Gap between perceived service and actual service

- 40) Analyzing the dimensions of service quality is one way to close Gap #_____.
A) One
B) Two
C) Three
D) Four
E) Five
- 41) The Gap models are useful in tracing customer _____ and _____.
A) Satisfaction, dissatisfaction
B) Satisfaction, likelihood to return
C) Satisfaction, loyalty
D) Dissatisfaction, reasons for not returning
- 42) The discussion of Gaps may or may not apply to customers from other countries because of their unique:
A) Ethnic identities
B) National identities
C) Behavioral differences
D) All of the above
- 43) When discussing RATER, empathy refers to:
A) A firm's ability to make something tangible
B) The firm's ability to take care of customers' needs
C) The firm's ability to understand thoughts, feeling and experience of another person to communicate effectively
D) The firm's ability to remove anxiety about simultaneous production and consumption
- 44) Management and marketing in hospitality are:
A) Separate and distinct entities, but both necessary
B) Often intertwined
C) Not relevant to each other based on services' simultaneous production and consumption
D) Often upstaged by selling and promoting
- 45) The service environment includes:
A) Ambient conditions
B) Spatial layout
C) Signs and symbols
D) A and B
E) All of the above

- 46) An example of the service product is:
- A) A front desk employee performing all of her duties as outlined in their procedure manual
 - B) The written procedure that the front desk employee refers to when performing his duties
 - C) The physical front desk, lamps, lighting and noises
 - D) The physical employee working at the front desk
- 47) Electronic locks on a hotel room door offer several benefits including a feeling of security. This example is best categorized as part of:
- A) The physical environment
 - B) The service environment
 - C) The service product
 - D) The service delivery
- 48) What would you most expect to happen if all four components of the service are well executed?
- A) The customer says, “Boy, this is a well managed hotel”
 - B) Nothing; well-executed service is expected by the customer
 - C) “Wow, they totally missed the mark on this one”
 - D) A or B
- 49) To demonstrate _____, a firm must deliver on its promise.
- A) Assurance
 - B) Tangibility
 - C) Empathy
 - D) Reality
 - E) Reliability
- 50) How is the marketing of services different from the marketing of goods? The marketing of services involves:
- A) Intangibility
 - B) Perishability
 - C) Heterogeneity
 - D) Simultaneity of production and consumption
 - E) All of the above

ESSAY. Write your answer on a separate sheet of paper.

- 51) List the 5 gaps of the Gap model as developed in the text. For 3 of the gaps, provide a detailed example of why each Gap may occur.
- 52) Discuss the 5 dimensions of service quality and how they would be incorporated into the check-in procedure.

CHAPTER 2: ANSWER KEY

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|-----------|-------|
| 1) TRUE | 26) B |
| 2) FALSE | 27) D |
| 3) TRUE | 28) C |
| 4) FALSE | 29) B |
| 5) TRUE | 30) C |
| 6) FALSE | 31) D |
| 7) TRUE | 32) B |
| 8) FALSE | 33) C |
| 9) TRUE | 34) D |
| 10) FALSE | 35) D |
| 11) TRUE | 36) A |
| 12) FALSE | 37) B |
| 13) TRUE | 38) D |
| 14) FALSE | 39) E |
| 15) TRUE | 40) E |
| 16) TRUE | 41) A |
| 17) FALSE | 42) D |
| 18) TRUE | 43) C |
| 19) FALSE | 44) B |
| 20) TRUE | 45) E |
| 21) E | 46) B |
| 22) E | 47) B |
| 23) C | 48) B |
| 24) A | 49) E |
| 25) D | 50) E |

51)

GAP	Why Gap Exists	How to Close Gap
<i>Gap 1— Gap between services expected by the customer and management perceptions of customers' expectations</i>	<ol style="list-style-type: none"> 1. Inadequate marketing research 2. Lack of upward communication 3. Inadequate service recovery and service recover processes 	<ol style="list-style-type: none"> 1. Undertake formal marketing research 2. Informal research (managing by walking around) 3. Train staff to understand that “complaints tell us what the customers’ needs are”; hence, need to create a culture where complaints are welcome
<i>Gap 2—Gap between management's perceptions of customers' expectations and service quality specifications.</i>	<ol style="list-style-type: none"> 1. Poor service design 2. Absence of customer-defined standards 	<ol style="list-style-type: none"> 1. Incorporate customer satisfaction as part of employee rewards 2. Develop service blueprints
<i>Gap 3—Gap between service quality specifications and service delivery</i>	<ol style="list-style-type: none"> 1. Deficiencies in human resource policies 2. Failure to match supply and demand 3. Problems with service intermediaries 	<ol style="list-style-type: none"> 1. Strategic approach to hiring 2. Develop people, provide needed equipment so employees can do their job 3. Manage intermediaries
<i>Gap 4—Gap between service delivered and service promised</i>	<ol style="list-style-type: none"> 1. Lack of integrated marketing communication 2. Over-promising 3. Inadequate horizontal communications 	<ol style="list-style-type: none"> 1. Integrate marketing communication 2. Understand exacting what can and cannot be done by the organization 3. Organize meetings between departments
<i>Gap 5—Gap between perceived service and actual service</i>	<ol style="list-style-type: none"> 1. Not closing any of Gaps 1–4 2. Not incorporating the RATER system when interacting with guests 	<ol style="list-style-type: none"> 1. Incorporate RATER in all interactions

Source: Adapted from Zeithaml, V., & Bitner, M. J. (2003). *Services marketing* (3rd ed., international). Boston: McGraw-Hill/Irwin.

- 52) 1) Reliability: The firm’s ability to deliver on its promise. At check-in, the front desk should have the room available for the guest when they said it would be available.
- 2) Assurance: The firm’s ability to remove anxiety associated with simultaneous production and consumption. At check in, the front desk clerk should repeat the guest’s check out date and time to assure the guest that it is correct.

- 3) Tangibility: The firm's ability to make the intangible tangible. At check in, an example would be the clean front desk, the neatly dressed employee and the gold embossed name tag all showing attention to detail and order.
- 4) Empathy: The firm's ability to understand thoughts, feelings and emotions for effective and trustful communication. At check in, if a traveler appears tired the employee might say, "Did you have a long commute it? I think you will find this quiet room at the end of the hall convenient and restful."
- 5) Responsiveness: The firm's ability to take care of customer needs. At check in, this would be the call for extra employee assistance at the front desk if many customers arrive at once in order to take care of the guests in a timely manner.