

**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 ?

× × × × ×