

3rd Year (Sem-V) BBA, University Examination, 2022
 (1st/2nd Semester/Repeat/Supplementary/ Spl Supplementary/Old /Annual/Bi-Annual)
SUBJECT: QUANTITATIVE TECHNIQUES FOR MANAGEMENT
Paper Code: MAN 501 (CBCS Syllabus)

TIME: 2hrs**FULL MARKS: 100****Attempt all questions; each question carries equal marks.****IMPORTANT INSTRUCTIONS**

Total time of exam is 3 hours, and this includes the submission of the answer script. Students will have to hand write the answers using plain A-4 paper and a blue/black pen. Student's Name, Class roll number (as mentioned in the list uploaded on the website) and Page numbers has to be mentioned on each page of the answer script.

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1.

- a) A company manufactures 3 types of parts which use precious metals platinum and gold. Due to their shortage the Government regulates the amount that may be used per day. The relevant data are hereby summarized:

Product	Platinum req. per unit(gm)	Gold req. per unit(gm)	Profit per unit(Rs.)
A	2	3	500
B	4	2	600
C	6	4	1200

Daily allotment of platinum and gold are 160 gm and 120 gm respectively. How should the company divide the supply of scarce precious metals?

Formulate it as linear programming problem.

- b) Explain the concepts of non feasibility and multiple optimal solution.
- c) A firm produces three products A, B and C, each of which passes through three departments: Fabrication, Finishing and Packaging. Each unit of product A requires 3, 4 and 2; A unit of product B requires 5, 4 and 4, while each unit of product C requires 2, 4 and 5 hours respectively in the three departments. Everyday 60 hours are available in the Fabrication department, 72 hours in the Finishing department and 100 hours in the packaging department.
- i. Formulate as a linear programming problem.
 - ii. Determine the number of units of each of the products that should be made each day to maximize the total contribution.

[5+5+(5+5)=20]

2.

a) Solve the following LPP:

$$\text{Minimize } Z = 120x_1 + 60x_2$$

Subject to:

$$20x_1 + 30x_2 \geq 900$$

$$40x_1 + 30x_2 \geq 1200$$

$$x_1, x_2 \geq 0$$

b) A metal products company produces waste cans, filing cabinets, file boxes for correspondence and lunch boxes. Its inputs are sheet metal of two different thickness, called A and B, and manual labour.

Input –Output relationships for the company are shown below:

	Waste cans	Filing cabinets	Correspondence boxes	Lunch boxes
Sheet Metal A	6	0	2	3
Sheet Metal B	0	10	0	0
Manual labour	4	8	2	3

The sales revenue per unit of waste cans, filing cabinet, correspondence boxes and lunch boxes are Rs. 20/-, Rs. 400/-, Rs. 90/-, and Rs. 20/- respectively. There are 225 units of sheet metal A available in the company’s inventory, 300 of sheet metal B and 190 units of manual labour.

- i. What is the company’s optimal sales revenue?
- ii. Write the dual of the given problem.

[10+(5+5)=20]

3.

a) Find an initial feasible solution for the given transportation problem and check its optimality.

Unit cost table in Rs

	Warehouse 1	Warehouse 2	Warehouse 3	Supply
Factory A	550	300	400	40
Factory B	350	300	100	20
Demand	25	10	25	

b) Solve the following assignment problem. Cell values represent cost of assigning job A, B, C and D to the machines I, II, III and IV.

		machines			
		I	II	III	IV
jobs	A	10	12	19	11
	B	5	10	7	8
	C	12	14	13	11
	D	8	15	11	9

(10+10=20)

4.

- a) A grocery receives its weekly supply of eggs every Thursday morning. This shipment must last until the following Thursday when a new shipment is received. Any eggs left unsold by Thursday are destroyed. Eggs sell for RS1000 per hundred and cost Rs 800 per hundred. The weekly demand for eggs at this grocery varies from week to week. From past experience, the following probability distribution is assigned to weekly demand:

Demand (hundreds of eggs): 10 11 12 13 14

Probability: 0.1 0.2 0.4 0.2 0.1

How many eggs should the grocery store order?

- b) A market survey is made on two brands of breakfast foods A and B. Every time a consumer purchases he may purchase the same brand or switch to the other brand. The transition matrix is given below:

		To	
		A	B
From	A	0.7	0.3
	B	0.6	0.4

Determine the market shares of Brand A and Brand B in the steady state.

- c) Write a note on decision trees.

(10+6+4=20)

5.

- a) Solve the following game and mention the value of the game

		B's Strategy		
		B ₁	B ₂	B ₃
A's Strategy	A ₁	12	-8	-2
	A ₂	6	7	3
	A ₃	-10	-6	2

- b) Find the saddle point of the following game

		B's Strategy			
		B ₁	B ₂	B ₃	B ₄
A's Strategy	A ₁	4	-16	14	-15
	A ₂	-6	7	-4	-6
	A ₃	6	-2	0	-6

- c) A work project consists of twelve activities labeled A through L. Upon being asked to specify the order in which the job has to be done, the manager answers as follows: A, B and C are the first activities of the project and can start simultaneously and immediately; A and B precede D while B precedes E, F and H. Activities F and C precede G while E and H precede I and J. C, D, F and J precede K which, in turn, precedes L. Further, I, G and L are the terminal activities of the project.

The completion times of the various activities are listed as follows:

Activity:	A	B	C	D	E	F	G	H	I	J	K	L
Time(days):	6	4	10	1	1	3	14	6	9	2	7	5

- i. Draw a network diagram corresponding to this project.
- ii. Obtain the lengths of all the paths and determine critical path.

[5+5+(5+5)=20]

3rd Year (Sem-V) BBA, University Examination, 2022
(1st/2nd Semester/Repeat/Supplementary/ Spl Supplementary/Old /Annual/Bi-Annual)
SUBJECT: LEGAL ASPECTS OF BUSINESS
Paper Code: MAN 502 (CBCS Syllabus)

TIME: 2hrs**FULL MARKS: 100****Attempt all questions; each question carries equal marks.**

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1.
 - a) The discharge of a contract takes place when the obligation of the contract between the parties comes to an end. Discuss discharge of contract by mutual agreement with examples.
 - b) "All agreements are not contracts but all contracts are agreements". Explain how agreements and contracts are different.
 - c) Consideration is payment in terms of money which is essential reason for a party to enter into a contract. Explain with example how consideration can be defined as an act of abstaining from doing something.
(8+6+6=20)
2.
 - a) There are different kinds of contract in business law. State its kinds based on validity.
 - b) An acceptance to be effective must be communicated to the offeror. Explain its exception with the help of case law "Carlill vs. Carbolic Smoke Ball Company".
 - c) Consumer Protection Act, 1986 was enacted to protect the interest of the consumers. Briefly discuss about the rights of the consumers.
(7+6+7=20)
3.
 - a) Companies Act 2013 was introduced to ease the process of doing business in India. State the features of the companies Act 2013.
 - b) The memorandum of association is a document which contains the fundamental rules regarding the constitution and activities of a company. Discuss the contents of the memorandum of association.
(10+10=20)

4.

- a) The limited liability Partnership is viewed as an alternative corporate business vehicle that provides the benefits of limited liability to its partners. State the steps towards formation of limited liability partnership.
- b) State the doctrine of Caveat Emptor and explain the exceptions to this rule.
- c) Soda water was supplied by S to B in bottles. B was injured by the bursting of one of the bottles. Can B claim damages from S. Explain.

(8+7+5=20)

5.

- a) A document a promise to pay Rs.1000 "On or before 31st December 1991" and the promissory note is made payable to the Secretary for the time being of the Indian society, or Order. Is this a valid promissory note? Explain.
- b) X sells and delivers goods to Y. X afterwards request Z to pay in default of Y. Z agrees to do so. Can we say Z becomes surety in this case. Justify your answer.
- c) As between the principal and the third party any person may become an agent. Explain.

(7+7+6=20)

3rd Year (Sem-V) BBA, University Examination, 2022
(1st/2nd Semester/Repeat/Supplementary/ Spl Supplementary/Old /Annual/Bi-Annual)
SUBJECT: INTERNATIONAL FINANCE
Paper Code: [MAN 503 (A1):1] (CBCS Syllabus)

TIME: 2hrs**FULL MARKS: 100****Attempt all questions; each question carries equal marks.**

IMPORTANT INSTRUCTIONS

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1.
 - a) David Ricardo in 1817, developed the theory of international trade based on the principal of comparative cost advantage. Explain the theory with example.
 - b) Balance of payment statement is an accounting record of all monetary transactions between a country and the rest of the world. Prepare a balance of payment statement of India with figures of your choice showing all the components and sub components of the statement.
(10+10=20)
2.
 - a) Bretton woods system was designed as an international monetary system post 2nd world war. Explain the system with reason for its collapse.
 - b) International monetary fund was created in 1944 with a goal to stabilize exchange rates and assist the reconstruction of the world's international monetary system. State the different funding facilities provided by IMF to achieve this goal.
 - c) Discuss direct quotation, indirect quotation and cross currency with appropriate example.
(7+7+6=20)
3.
 - a) Forward contract is an agreement to exchange currencies at a future date. Explain early delivery, extension and cancellation in the event of the customer failing to adhere to the contractual delivery schedule.
 - b) Purchase power parity is a theory which states that exchange rates between currencies are in equilibrium when their purchasing power is the same in each of the countries. Explain the theory with example and state its relationship with Interest rate parity theory.
(10+10=20)

4.

- a) Translation exposure arises from the need of reporting financial statements of foreign subsidiaries from local currencies to the home currency. Discuss the different methods of Translation exposure.
- b) The task faced by international financial executives is to find financial linkages in order to maximize the value of the firm. In view of this design a global remittance policy considering prerequisites, information requirements and behavioral consequences.

(10+10=20)

5.

- a) International project appraisal can be carried out with the help of internal rate of return (IRR) method. Consider a plant expansion project being carried out by a multinational company in India with cash inflows for the year 1, 2 and 3 being Rs.10, 20 & 30 Lacs respectively and cash outflow Rs.40 Lacs. Calculate IRR of the project.
- b) International cash management is an important component of multinational working capital management. Explain how international cash management is achieved through netting of inter-affiliate payments.

(10+10=20)

3rd Year (Sem-V) BBA, University Examination, 2022
(1st/2nd Semester/Repeat/Supplementary/ Spl Supplementary/Old /Annual/Bi-Annual)
SUBJECT: RETAIL MANAGEMENT
Paper Code: [MAN 503 (A2):1] (CBCS Syllabus)

TIME: 2hrs**FULL MARKS: 100****Attempt all questions; each question carries equal marks.**

IMPORTANT INSTRUCTIONS

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1.
 - a) 'The store layout of a Drugstore or Hardware Store will never match that of a Departmental Store or Hypermarket'- Explain the statement with suitable examples and illustrations of those specific store lay outs.
 - b) 'Store Design of a Brick & Mortar store can make or break the total experience of a physical store visit target customers.'-Elucidate with proper justification and explanation. Also describe the different components of Store Design.

(10+10=20)
2.
 - a) 'Naaptol was launched in 2008 as a price comparison platform and turned into an onlinemarket a year later. It gets 75,000 calls and Rs. 4 crore of orders a day.Naaptol, the second biggest player in the TV shopping, earned Rs. 165 crore in 2013, is expecting Rs. 345 crore commissions revenue in 2014-15. The foray abroad is likely to provide about 5 percent of its revenue in the next few years. Its major competitors in the TV shopping business include HomeShop 18 and StarCJ. Both firms run independent channels. HomeShop 18 has about 40 percent share of the market, more than the 25-30 per cent market share of Naaptol. Recently, Snapdeal, the second largest e-commerce company in India joined hands with cable TV distribution network, Den Network to launch a new TV channel .' - Based on the given case, discuss various types of Non-store based retail structures with their pros and cons compared to those of the store based formats.
 - b) 'Eye level is the Buy level'- Based on the statement, shed some light upon the basic rules of Planogram design for product placement, along different types of Planogram available for FMCG and Apparel stores. Also illuminate some common Visual Merchandising tools which can make the experiential marketing in retail, extremely praiseworthy.

(10+10=20)

3.

a) **‘Case-Are Smaller and Faster Better?’**

As the grocery industry diversifies, whose lunch will get eaten? The first 365 formatted stores from Whole Foods Market opened in mid-2016. Kroger opened the first Main & Vine in February 2016. Fresh Formats, an Ahold company, debuted bfresh stores in fall 2015; and Fresh Thyme Farmer’s Market, which opened its first store in 2014, is on course to operate 60 units by now. Each of these concepts operates in smaller footprint settings. There’s an emphasis on fresh foods (especially a large selection of produce), along with organic items and artisanal specialties, and price points are rooted in value. Google Express launched in 2016 by offering same-day delivery of fruit, vegetables, meat, and more in select San Francisco and Los Angeles neighborhoods; Whole Foods invested in Instacart; and Kroger is expanding online ordering and in-store pick-up. Amazon’s Prime Pantry and AmazonFresh initiatives are taking a bite out of the food retailing apple, and a growing number of subscription services—including Blue Apron, Plated, and HelloFresh—are angling for a slice of the pie by offering meal-in-a-box solutions. With numerous competitors eating off every section of their plate, could traditional supermarkets be in real danger? The consensus among supermarket industry experts is “no”—but it comes with a caveat. “If you define traditional supermarkets in terms of Kroger, then they look quite well,” says John Rand, senior vice-president of retail insights for Kantar Retail. “If you define it in terms of some other chains, then they look less well. Some of the top supermarkets in the country are super regionals, chains such as Publix, H-E-B, and Wegmans. These guys are growing faster than average, so they’re doing just fine.” Steven Pinder, retail strategist at Kurt Salmon, says consumers “are shifting and changing . . . spending habits across the platforms available to us, but we’re not doing so in grocery nearly as quickly or as much as in other formats. Consumers’ adoption of technology and omnichannel shopping behavior is not taking off in this segment the way those things have in others.” Not everyone, however, is optimistic about the fate of the 45,000-square-foot supermarket, with its predictable fresh perimeter and center store setup featuring aisles of packaged and canned items, frozen foods, and household essentials. “The conventional supermarket is a dinosaur,” says Phil Lempert, a food industry analyst. “It doesn’t serve the needs of today’s shopper who is looking for more exciting offerings.” Lempert identifies two types of food stores that are clicking with shoppers: small stores concentrating on fresh items, and “grocerants”—stores that blend grocery and restaurant. Operators providing sit-down restaurants on premises “are also on the rise. Stores like Hy-Vee or Wegmans are saying, ‘We’re all things food — sit down and eat a meal now, then take home some fresh items to make dinner tomorrow.’” Against the backdrop of a fast-changing marketplace, some legacy banners are ceding share to smaller, more nimble entrants. Others, such as Walmart and Kroger, the two biggest in terms of supermarket sales, are refusing to let others eat their lunch. Although Walmart has pulled the plug on its 12,000-square-foot Walmart Express food and merchandise pilot stores, it is committed to the food-dominant, 40,000-square-foot Neighborhood Market format. Along with the Main & Vine project, Kroger operates Turkey Hill Markets and Mariano’s. Experts say it’s incumbent on retailers to choose a niche. Rand divides supermarkets into three segments: premium, mainstream, and value. Premium supermarkets are projected to pull in about 19 percent of grocery sales from 2015 to 2020; mainstream will account for nearly 33 percent, and the value segment will be the largest at nearly 48 percent.

Based on the above case explain the following two questions:

- i. How is trading-area analysis different for a small store than a large store? Explain your answer.

- ii. How should a food-delivery service such as AmazonFresh define its trading area? Is it going to be bigger or smaller than a traditional supermarket's trading area, justify your answer?
- b) Imagine you own a hair salon. How will you describe the retail marketing mix for your hair salon?

[(5+5)+10=20]

4.

- a) Demographic segmentation is considered to be a risky base of segmentation for many product categories. Elaborate with examples.
- b) Consider a product category of your choice and pick up a brand in that category. Now elaborate on the social factors that a consumer might consider while purchasing that brand.

(10+10=20)

5.

- a) Retailing in India has undergone a sea-change from operating Kiranawalas to simple stores to malls and online shopping. According to you what factors have been contributors to this great change.
- b) Product tangibility, product durability and product availability are three important buying factors in retail. Critically evaluate each using a retailer's brand of your choice. You may/may not choose different brands for each of the factors mentioned above.

(10+10=20)

3rd Year (Sem-V) BBA, University Examination, 2022
 (1st/2nd Semester/Repeat/Supplementary/ Spl Supplementary/Old /Annual/Bi-Annual)
SUBJECT: INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT
Paper Code: [MAN 504 (A1):2] (CBCS Syllabus)

TIME: 2hrs**FULL MARKS: 100****Attempt all questions; each question carries equal marks.****IMPORTANT INSTRUCTIONS**

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1.

Securities X and Y have the following characteristics:

Return (X)	Probability (X)	Return (Y)	Probability(Y)
30%	0.10	-20%	0.05
20%	0.20	10%	0.25
10%	0.40	20%	0.30
5%	0.20	30%	0.30
-10%	0.10	40%	0.10

You are required to calculate

- a) The expected return and standard deviation of return for each security. Which security would you select for investment and why?
- b) The expected return and standard deviation of the returns for the portfolio of X and Y, combined with equal weights.

(10+10=20)

2.

- a) A company paid Rs 5 per share as dividend during the previous year. Its earnings and dividends are expected to grow at 10% for 5 years and then at a rate of 5% indefinitely. The equity capitalization rate is 15%. What is the present price of the share today according to two stage growth model of equity valuation?
- b) "Free cash flow Model is a better method of equity valuation compared to Dividend discount model." Critically analyze the above statement and put forward your view points with help of example.

(10+10=20)

3.
a) The returns on the share of Bharti Airtel Ltd and Sensex for the past ten years are given below:

Period	Return of Sensex (%)	Return of Bharti Airtel Ltd (%)
1	-12	-7
2	3	8
3	8	9
4	15	10
5	18	13
6	6	7
7	14	11
8	17	13
9	14	9
10	7	7

Calculate the Beta of Bharti Airtel Stock and explain the meaning of the beta value calculated.

- b)
i. Mr. X, an investor paid an option premium of Rs 6 per share for 6 months 100 call option contracts (each call contract consists of 100 equity shares) of TCS with a strike price of Rs 60 per share. If after 6 months the market price of TCS turns out to be Rs 70, calculate the payoff of Mr. X.
ii. Mr. Y, an investor paid an option premium of Rs 5 per share for 6 months 100 put option contracts (each put contract consists of 100 equity shares) of ITC with a strike price of Rs 40 per share. If after 6 months the market price of ITC turns out to be Rs 30, calculate the payoff of Mr. Y.

$$[10+(5+5) = 20]$$

4.
a) A company is considering to raise Rs 300000 to finance modernization of its plant. The following three financing alternatives are feasible to the company:
Alternative 1: Issue 30000 equity shares at Rs 10 per share or Alternative 2: Issue 10000 equity shares at Rs 10 per share and the rest through debentures bearing a 14 percent rate of interest or Alternative 3: Issue 5000 equity shares at Rs 10 per share and rest through preference shares bearing a 14 percent rate of preference dividend. The company's earning before interest and tax is Rs 100000 and corporate tax rate is 35 percent. Which alternative would you prefer on basis of earning per share and why?

- b)
i. How is Business Risk different from Financial Risk? Explain your answer with help of examples.
ii. "Derivatives can be used for risk management". In context of the statement explain with example how can derivatives be utilized to manage risk.

$$[10+(5+5) = 20]$$

5.
a) "Inclusion of more leverage in the capital structure magnifies the return to equity shareholders". Critically examine the statement highlighting the advantages and disadvantages of borrowed capital with example.
b) Mr Arun wants to create a portfolio consisting of three securities X, Y and Z. The following information has been given:

Expected return of security X =10%, Expected return of Security Y = 8%, Expected return of Security Z=12%, Variance of security X =64, Variance of security Y=81, Variance of security Z= 100, Covariance between security X and Y = 60, Covariance between security X and Z= 70 and Covariance between security Y and Z =80.

Mr Arun wants to have equal proportion of Security X, Y and Z in the portfolio.

Calculate

- i. The expected return of the portfolio
- ii. Expected Risk of the portfolio in terms of standard deviation.

[10+(5+5) =20]

3rd Year (Sem-V) BBA, University Examination, 2022
(1st/2nd Semester/Repeat/Supplementary/ Spl Supplementary/Old /Annual/Bi-Annual)
SUBJECT: MARKETING OF SERVICES
Paper Code: [MAN 504 (A2):2] (CBCS Syllabus)

TIME: 2hrs**FULL MARKS: 100****Attempt all questions; each question carries equal marks.**

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1.

With tangibility and intangibility on either ends of a continuum, can you identify services which can be classified along this continuum? Select one of those services utilized by you as an individual as a family, and as an organization.

(10+10=20)

2.

Taking the example of service organization like Railways, Airlines, Banks, and Hotels, Identify the strategies they adopt to tangibilize their intangible service.

(5+5+5+5=20)

3.

Compare and contrast the employee's attitude and behavior towards customer amongst the following organizations and also identify the various physical evidences on poor service quality and suggest ways to improve them.

- a) Nationalized bank and a foreign bank operating in India.
- b) Superstore and a private department store.

(10+10=20)

4.

Intuitively, it would seem that managers want their customers to have wide tolerance zones for services. But if customers do have these wide zones of tolerance, is it more difficult for firms to earn customer loyalty? Would superior service firms be better off to attempt to narrow customers' tolerance zones to reduce the competitive appeal of mediocre providers?

(10+10 =20)

5.

- a) Explain service recovery paradox from the viewpoint of service manager.
- b) "Cultivation of strong customer relationships can provide an important buffer to service firms when failures occur". Do you agree with the statement? Justify.

(10+10=20)