

PGDM & IB 2018-20
Service Operations Management
DM – 343/IB - 318
Trimester – III, End-Term Examination: 2019

Time allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of the Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

1. What is a Service Package? Describe the Service Package of a multiplex cinema hall.
2. Describe, with examples, how a service competes using the generic service strategies of overall cost leadership, differentiation and focus.
3. Critically evaluate the process of new service development like an online course of B2B Marketing.
4. With suitable examples discuss the three generic approaches to service system design.
5. What is Service Blueprinting? How does it help?

Section B

6. Draw the elements of strategic service vision (Target market segment, Service Concept, Operations Strategy, and Service Delivery System) for a property

- aggregator platform such as Magic Bricks. How can Magic Bricks differentiate the delivery of service with respect to other competitors?
7. Taking Executive Health Check-up package as an example identify the five gaps in quality measurement using Servqual.
 8. Describe the features of an unconditional service guarantee and its managerial benefits.

Section C

Compulsory Case: Conveyor belt Sushi Restaurant

My family regularly goes to a 100 Yen Sushi restaurant once every two months. We usually go out for sushi on special occasions, such as birthdays. This restaurant is part of the Kura chain numbering three hundred sushi outlets. 100 Yen sushi restaurant serves sushi dishes on a conveyor belt system. All sushi dishes are the same tea saucer size and have the same price, one hundred Yen. This very reasonable price attracts many people, especially families, so the restaurants are often crowded with customers, particularly on weekends at lunch time. Sometimes you cannot even get into the restaurant. To make it easier for waiting customers, some restaurants have installed a touch panel at the entrance. Customers enter the number of persons in their party in the panel, and the restaurant assigns them an order number. They stay in the waiting area until their order number is called.

You can also reserve a table via the internet. The company's homepage can be accessed by cellphone, and tables can be booked up to 15 days in advance. You can book every ten minutes during the day. After we arrive and are in the waiting area, a staff member calls our name and greets us, then invites us to our table.

These days I prefer to book our table by cellphone, saving us a long wait. The restaurant is crowded, but we get immediate service.

When we reach our table, which accommodates four people, our staff member tells us how to serve ourselves with water and green tea. A faucet for hot water is in place at every table. My children put bags of green tea in our cups and fill them with hot water. I go to a nearby water station to get drinking water, and my wife sets the chopsticks, soy sauce at each place, then orders our sushi.

There are two ways to order sushi. First, you can take dishes from the conveyor belt as it moves past your table. I take tuna, and my wife takes cucumber rolled in vinegar rice. All the dishes are covered with transparent covers to protect the sushi from germs, spills or dust in the air. When you take a dish, the cover automatically goes up and frees the contents for consumption. Each dish has a QR code indicating a time limit within which the sushi's freshness is maintained. When that limit is reached, the dish and its contents are automatically removed from the conveyor belt.

The second way to order is by using the restaurant's i-pad located at your table. An additional, fast conveyor belt delivers i-pad orders directly to the customer's table. This belt runs above the main belt. My son enters his order for French fries and orange juice, and my daughter orders 'inarizushi', sushi rice wrapped up in fried tofu. The items arrive a short time later, when they arrive an alarm sounds, and we press a button to indicate to the kitchen that they have arrived.

As the customer eats, the empty dishes accumulate on the table. Our children put them into a special slot beside the table. For every five dishes, the i-pad shows a lottery on its display. If the customer wins, he/she gets a small toy or a little cash. Our kids ask us to eat more sushi to increase their chances of winning a prize.

While this is going on, relaxing music plays in background, and staff members move around, gathering information on customer reactions. At the same time, the computer system records the items ordered through the i-pad and QR code. The kitchen produces items according to current demand. Dishes put into the slots are automatically washed and counted. The kitchen cannot be seen from the tables, but it is staffed by part-time workers working together with an industrial robot which is responsible for cooking sushi rice.

We continue entering our orders. I take salmon roe or squid sushi, then order a bowl of ramen noodles. This costs over 300 Yen. My wife and the kids enter orders for cake, while I order coffee. The menu includes a variety of items besides sushi. All the while we enjoy eating and talking, and in the end we finish with green tea.

When we enter our request to check out, a staff member comes over to check the table and give us the bill. The automatic counting system guarantees that the billing process goes smoothly. Then we go to the reception desk to pay our bill. At the same time the personnel clear the table and prepares it for the next customer. The entire staff members thank us and say good bye. Children like the lottery and we all enjoy the food. We all want to come again.

Through central buying, this company accomplishes economies of scale. The chain does not use artificial additives, a policy that attracts many customers.

This company invests heavily in IT, for instance, the booking system, as well as using touch panels in every member of the chain. There is also a time management system that automatically removes the sushi after a set time, guaranteeing the freshness of the product. Such investments in equipment and the kitchen robot cut labor and other costs, as well as making operations run smoothly. The company has introduced entertainment into the service process, such as the lottery. Friendly service, as well, makes customers want to eat in those stores again.

Many 100 Yen Sushi chains actively invest in IT and pay attention to good hygiene and sales trends. They pay attention to demand and adapt output to meet it, including dishes other than sushi. Some of these chains have expanded to Korean and American markets.

Questions

1. Draw a service blueprint in this 100 Yen Sushi restaurant.
2. Identify the strengths of this company over traditional restaurants.
3. Describe how 100 Yen Sushi customers are co-producers of their experience.

(5+5+5)