



HCK-010-004707 Seat No. _____

Fourth Year B. H. T. M. (Sem. VII) (CBCS) Examination

September - 2017

7.6.E.2 : Services Management
(New Course)

Faculty Code : 010

Subject Code : 004707

Time : Hours]

[Total Marks : **70**

Instructions : (1) All questions carry equal marks i.e. 14 Marks
(2) Q.8 is compulsory. Attempt any four from Q.1 to Q.7.

- 1 What is service? Enumerate the characteristics of service. Explain the characteristics of service in detail.
- 2 What are the different ways by which service can be classified? Discuss any two out of parameters, process and service economy.
- 3 Define the term 'Focus'. Classify and explain the four types of service providers based on focus with the help of examples.
- 4 What is segmentation? With the help of neat chart, indicate the market segmentation. Explain each concept with the help of examples. Also explain the characteristics for the market segment to be useful.
- 5 What do you mean by the term service gap? Critically discuss the various GAPS in the service delivery and explain briefly indicating all types of service gap.
- 6 What are the various tools to measure and assess customer satisfaction? Explain in detail.
- 7 Why intermediaries are used? Explain briefly the various types of intermediaries. Also indicate the various tools used to manage intermediaries.

- 8 Comprehend the case-study given below and then 4+4+6+=14
answer the questions following :

Physical Evidence - A Case of KFC

KFC Corporation

KFC Corporation, based in Louisville, United States, is the world's most popular chicken restaurant chain. Since Colonel Harland Sanders founded in 1952, KFC has been serving customers delicious, already prepared, complete family meals. There are over 13,000 KFC outlets in more than 80 countries and territories around the world. KFC is part of Yum! Brands, Inc., which is the world's largest restaurant system with over 32,500 KFC, A&W All American Food™, TacoBell, Long John Silver's and Pizza Hut restaurants in more than 100 countries and territories.

Colonel Sanders, (born on 9 September 1890) an early developer of the QSR and a pioneer of the restaurant franchise concept found KFC in Corbin. When he was 40, the Colonel began cooking for hungry travellers who stopped at his service station in Corbin. He did not have a restaurant then, but served folks on his own dining table in the living quarters of his service station.

As more people started coming just for food, he moved across the street to a motel and restaurant that seated 142 people. Over the next nine years, he perfected his secret blend of 11 herbs and spices, and the basic cooking technique that is still used today. He began franchising his chicken business at the age of 65. Building on the foundation of family orientation, quick service, high quality food, and affordable prices, the Colonel signed up his first franchisee, Pete Herman, in 1952. Soon after, Colonel Sanders created the restaurant franchise concept and quickly expanded through out the United States.

In 1957, Kentucky Fried Chicken was first sold in buckets (which are still in use today). By 1964, Colonel Sanders had more than 600 franchised outlets for his chicken in the United States and Canada. That year, a group of investors brought KFC and is credited with growing the chain to its segment dominance. PepsiCo Inc. acquired the company in 1986 and in 1991 Kentucky Fried Chicken switched to KFC as its official identifier.

In October 1997, PepsiCo spun-off the KFC, Pizza Hut, and Taco Bell thereby forming Tricon Global Restaurants Inc., the world's largest restaurant company in terms of system units. In May 2002, Tricon Global Restaurants, Inc. acquired Long John Silver's and A&W Restaurants to accelerate the company's multi-branding strategy and drive global growth by offering consumers two brands and more choice in one restaurant. The company changed its name to Yum! Brands, Inc. from Tricon Global Restaurants, Inc., to reflect its

expanding portfolio of brands and its ticker symbol on the New York Stock Exchange (Yum).

The New Logo of KFC

Recently, KFC changed its logo and the new logo depicts Colonel Sanders with his signature string tie, but for the first time, replaces his classical white double breasted suit with red apron. The apron symbolises the home-style culinary heritage of the brand and reminds customers that KFC is always in the kitchen cooking delicious, high quality, freshly prepared chicken by hand, just the way Colonel Sanders did 50 years ago. This is only the fourth time in more than 50 years that the logo has changed.

The Colonel's Top Secret Mission

The giant Colonel Sanders logo was built off the world's only extraterrestrial highway in Rachel, Nevada, also known as the 'UFO Capital of the world', and the epicentre of intergalactic communication. The massive logo, which was referred to as the 'Face from Space' by the project team, is so large that it dwarfs one of the America's largest and most famous landmarks, Mt Rushmore. The huge carved faces of Presidents Washington, Jefferson, Roosevelt, and Lincoln would all fit easily into the 'Face from Space'. There would be enough room left over for a fifth presidential face in the Colonel Sanders logo. 'If there are extraterrestrials in outer space, KFC wants to become their restaurant of choice. For now, we will be very content satisfying the entire human population with our Finger Lickin' Good Chicken. If we hear back from a life form in space today - whether NASA astronauts or a signal from some life form on Mars - we will send up some Original Recipe Chicken' - Greg Dedrick, President of KFC quipped.

KFC Restaurant of the Future

After three years of testing different restaurant designs in the US and international markets, KFC is today revealing its restaurant look of the future. KFC's new global image is in the process of rolling out in restaurants around the world and will be implemented in newly constructed stores within next 12 months.

The new global restaurant design is refreshing, contemporary, highly differentiated and helps keep KFC relevant with customers by giving them a higher quality, overall dining experience. The new design is based on thoughtful strategic tenets, which provide a strong brand image foundation, while being flexible for different international market needs. It communicates a progressive and energetic spirit for KFC and prepares the brand for future growth.

Design features include :

- Bright and bold graphics on the restaurant exterior and interior that incorporate the Kentucky Fried Chicken name as well as KFC, communicate a fresh sense of brand pride. - African American artist Charly alias Carlos Palmer took KFC's historical icons and gave them an updated, cool, and modern look.
- Graphics and pub signs that showcase the company's icons: '11 Secret Herbs and Spices', 'Finger Lickin' Good', and 'Sunday Dinner, 7 Days a Week'.
- Signature symbols (the Colonel, the bucket, Kentucky Fried Chicken) create distinctly KFC retail style shop front designs that invite customers inside with open glass.
- Heroic use of the signature red colour in a bold architectural way, and crisp white design accents to keep the brand youthful and fresh.
- Warm and contemporary interior designs with spacious and innovative seating help customers feel welcome and comfortable in groups or alone.
- Thoughtful interior and exterior lighting enhances customer experience.
- A digital juke-box that is free of charge for customers to play the music, they enjoy the most.
- Southern-inspired brand new menu items, slow-cooked, and served fast to star alongside KFC's core products.

Since the first Kentucky Fried Chicken restaurant opened its door in Utah in 1952, the brand continues to enjoy growing popularity around the world. The company's top markets outside the United States are China, the UK, Australia, South Korea, Mexico and Europe, including France, Germany, and Holland. KFC is also 'tapping growth in important emerging markets such as India, Russia and Brazil. Each new restaurant opening brings jobs and career opportunities along with economic vitality for that community.

KFC's enduring success and popularity is attributed to a relentless focus on great taste, high quality, and the nearly 500,000 talent employees focused on providing great service to the 4.5 billion guests who visit their restaurants around the world each year.

Questions :

- (1) Discuss the different physical evidence factors being used by KFC.
- (2) Discuss the new logo KFC. What are the different changes made and why?
- (3) Critically discuss the physical evidence features KFC is going to use in the upcoming outlets.