

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT

**Final Year First Semester Examination in Bachelor of Business Administration/
Specialization in Marketing Management – 2014/2015 (May 2017)**

(Proper)

MKT 4033 Management of Customer Service

Answer All Question

Time:03 Hours

01. Read the following case study and answer the questions given below.

The Ritz-Carlton

Some brands attain such a high standard of customer service as the luxury hotel, The Ritz-Carlton. The Ritz-Carlton dates back to the early 20th century and the original Ritz-Carlton Boston, which revolutionized the way U.S. travelers viewed and experienced customer service and luxury in a hotel. The Ritz-Carlton Boston was the first of its kind to provide guests with a private bath in each guest room, fresh flowers throughout the hotel, and an entire staff dressed in formal white tie, black tie, or morning coat attire.

In 1983, hotelier Horst Schulze and a four-person development team acquired the rights to the Ritz-Carlton name and created the Ritz-Carlton concept as it is known today: a company-wide concentration on both the personal and the functional side of service. The five-star hotel provides impeccable facilities but also takes customer service extremely seriously. Its credo is, "We are Ladies and Gentlemen serving Ladies and Gentlemen." According to the company's Web site, The Ritz-Carlton "pledge(s) to provide the finest personal service and facilities for our guests who will always enjoy a warm, relaxed, yet refined ambience."

The Ritz-Carlton fulfills this promise by providing impeccable training for its employees and executing its Three Steps of Service and 12 Service Values. The Three Steps of Service state that employees must use a warm and sincere greeting always using the guest's name, anticipate and fulfill each guest's needs, and give a warm good-bye again using the guest's name. Every manager carries a laminated card with the 12 Service Values, which include bullets such as number 3: "I

am empowered to create unique, memorable and personal experiences for our guests," and
10: "I am proud of my professional appearance, language and behavior."

Simon Cooper, the company president and chief operating officer, explained, "It's all about
Nobody has an emotional experience with a thing. We're appealing to emotions." The
Carlton's 38,000 employees at 70 hotels in 24 countries go out of their way to create unique
memorable experiences for their guests.

While the Ritz-Carlton is known for training its employees on exceptional customer service,
hotel also reinforces its mission and values to its employees on a daily basis. Each day, man
gather their employees for a 15-minute "line up." During this time, managers touch base with
employees, resolve any impending problems, and spend the remaining time reading and discuss
what The Ritz-Carlton calls "wow stories."

The same "wow story" of the day is read to every single employee around the world. These
stories recognize an individual employee for his or her outstanding customer service and
highlight one of the 12 Service Values. For example, one family staying at the Ritz-Carlton
needed a particular type of egg and milk for their son who suffered from food allergies. Empl
could not find the appropriate items in town, but the executive chef at the hotel remembered a
in Singapore that sold them. He contacted his mother-in-law, who purchased the items
personally flew them over 1,000 miles to Bali for the family. This example showcased S
Value 6: "I own and immediately resolve guests' problems."

In another instance, a waiter overheard a man telling his wife, who used a wheelchair, that
too bad he couldn't get her down to the beach. The waiter told the maintenance crew, and
next day they had constructed a wooden walkway down to the beach and pitched a tent at t
end where the couple had dinner. According to Cooper, the daily wow story is "the best w
communicate what we expect from our ladies and gentlemen around the world. Every
reinforces the actions we are looking for and demonstrates how each and every person
organization contributes to our service values." As part of company policy, each emplo
entitled to spend up to \$2,000 on a guest to help deliver an anticipated need or desire.

The hotel measures the success of its customer service efforts through Gallup phone interviews, which ask both functional and emotional questions. Functional questions ask “How was the meal? Was your bedroom clean?” while emotional questions uncover a sense of the customer’s well-being. The Ritz- Carlton uses these findings as well as day-to-day experiences to continually enhance and improve the experience for its guests.

In less than three decades, The Ritz-Carlton has grown from 4 locations to over 70 and earned two Malcolm Baldrige Quality Awards—the only company ever to win the prestigious award twice.

Questions:

- a) How Ritz-Carlton is successful in delivering customer service differently from other competitive hotels? **(10 Marks)**
- b) Explain, Why Ritz-Carlton is so good at managing the customer service. **(06 Marks)**
- c) Discuss the importance of the “wow stories” in customer service for a luxury hotel like The Ritz-Carlton. **(10 Marks)**

(Total 26 Marks)

Q 02. Read the following and answer the questions given below.

Ozone Ltd company is fixated on achieving internal goals that benefit the company, such as cutting costs, earning profits, and budgeting, but customer-satisfaction goals are either low on the list or may even be nonexistent. Ozone Ltd had received dozens of complaints about how discourteously its corporate headquarters handled telephone calls. In response, senior management of Ozone Ltd asked the company’s human resources department to design and present a two-hour training seminar on customer service to resolve the problem. The HR department did so and invited all the upper management to attend, since they were some of the worst offenders. The indignant response of the higher ups was that they didn’t have time to attend such a program and that the lower ranks were the ones who needed the training anyway — not them. The training program was held, with junior staff in attendance. However, the lack of clear management support and participation left a bad taste in everyone’s mouth, and created an attitude of ‘this is not really that important’. The moral of the story is that service excellence starts at the top. If you don’t have the right attitude at the top, don’t expect it from your front line.

- i. What type of company is this (In-Focused Company or Customer-Focused) (03)
 - ii. Briefly explain the typical qualities that used to identify the above organization? (09)
- (Total 12)

Q 03.

- a) An organization must first gain an understanding of the basic elements excellence for hundreds of ideas to take root and flourish. Briefly explain the elements of service excellent of an organization. (07)
- b) Becoming customer-centric is a process that requires focus, effort, and action strategic areas. Briefly describe the six key strategies for customer service with examples. (08)

(Total 15)

Q 04.

- a) Meetings are effective ways of getting everyone involved in the service improvement process of an organization. Briefly explain the five different meeting themes organizations to get their employee's thoughts and ideas about specific service subjects. (08)
- b) Customers are far more likely to buy from you when they think you're listening to their needs and earnestly trying to serve them. As a customer service Manager of an organization, briefly state at least three timeless techniques for turning Service Excellence into Success. (09)

(Total 17)

Q 05.

- a) A service culture exists when a company motivates the employees in the organization to take a customer-centric approach to their regular duties and work activities. Illustrate the Importance of service culture with suitable examples. **(06 Marks)**
- b) Briefly explain the three common denominators among companies, that can help any business to offer better online customer service by making products and services more customized and accessible. **(09 Marks)**
- (Total 15 Marks)**

Q 06.

- a) The complaints' handling is very important because it provides information that can improve the service and is resolves issues of dissatisfaction. Identify the various dimensions of complaint handling. **(05 Marks)**
- b) Select one theme out of the following three in your choice and briefly illustrate the selected theme with appropriate examples.
- i. Ten Major Don'ts of Customer Service
 - ii. Ten Tips for Constructive Conflict with Co-Workers
 - iii. Ten Ways to Get Better Service as a Customer

(10 Marks)

(Total 15 Marks)