Student name:\_\_\_\_\_\_\_\_\_\_

**1)** The service package consists of five features. Which one of the features listed below is *not* included in the package?

1) \_\_\_\_\_\_

 A) explicit services
 B) supporting facility
 C) information
 D) cost of service

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**2)** The major input into a large public hospital from a service point of view would be \_\_\_\_\_\_\_\_blank.

2) \_\_\_\_\_\_

 A) physicians' services
 B) patients
 C) nursing services
 D) federal reimbursement (Medicare/Medicaid)<em></em>

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**3)** Which of the following is*not* true of services?

3) \_\_\_\_\_\_

 A) The customer is the input.
 B) The customer takes an active part in the service.
 C) A service can be inventoried.
 D) Production and consumption occur simultaneously. <i></i>

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-05 Explain the essential features of the service-dominant logic.
Topic : Service-Dominant Logic
Accessibility : Keyboard Navigation

**4)** Which of the following is*not* a type of service in the non-ownership classification?

4) \_\_\_\_\_\_

 A) goods rental
 B) information
 C) labor and expertise
 D) network usage

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation

**5)** The service process matrix classification consists of four categories of services. Which one of the four features listed below is *not* included in this classification?

5) \_\_\_\_\_\_

 A) Service factory.
 B) Service shop.
 C) Public service.
 D) Professional service.<em></em>

 **Question Details**Bloom's : Remember
AACSB : Communication
Learning Objective : 01-08 Use the service process matrix to classify a service.
Topic : Grouping Services by Delivery Process
Difficulty : 1 Easy
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**6)** Which service offering is best described by the following service mix: a high degree of customer interaction and a high degree of labor intensity?

6) \_\_\_\_\_\_

 A) public university
 B) cruise ship
 C) plumbing repair
 D) chiropractor

 **Question Details**Bloom's : Remember
AACSB : Communication
Learning Objective : 01-08 Use the service process matrix to classify a service.
Topic : Grouping Services by Delivery Process
Difficulty : 1 Easy
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**7)** Division of labor is the central concept of \_\_\_\_\_\_\_\_blank.

7) \_\_\_\_\_\_

 A) industrial societies
 B) preindustrial societies
 C) agrarian societies
 D) postindustrial societies<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-03 Describe the features of preindustrial, industrial, and postindustrial so
Topic : Stages of Economic Development
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**8)** An empty airline seat or hotel room not occupied best illustrates the characteristic of a service's \_\_\_\_\_\_\_\_blank.

8) \_\_\_\_\_\_

 A) time perishability
 B) labor intensity
 C) intangibility
 D) simultaneous production and consumption<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**9)** Which type of service falls under the category of “high labor/low customization”?

9) \_\_\_\_\_\_

 A) service factory
 B) service shop
 C) mass service
 D) professional service

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-08 Use the service process matrix to classify a service.
Topic : Grouping Services by Delivery Process
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**10)** Which one of the following is*not* a value-added service provided by a manufacturer to increase profits?

10) \_\_\_\_\_\_

 A) financing or leasing
 B) customer-support call center
 C) after-sales maintenance
 D) network and communication services

 **Question Details**Learning Objective : 01-01 Describe the central role of services in an economy.
Topic : Facilitating Role of Services in an Economy
AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Accessibility : Keyboard Navigation

**11)** Which of the following is*not* a feature of the new experience economy?

11) \_\_\_\_\_\_

 A) The experience is memorable.
 B) The experience is customized.
 C) The customer is treated as a guest.
 D) The experience is staged. <i></i>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation

**12)** The key technology of a postindustrial society is \_\_\_\_\_\_\_\_blank.

12) \_\_\_\_\_\_

 A) machines
 B) energy
 C) information
 D) intellectual capital of the workers<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-03 Describe the features of preindustrial, industrial, and postindustrial so
Topic : Stages of Economic Development
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**13)** Capital decisions, technological advances, and managing demand are some managerial challenges for a \_\_\_\_\_\_\_\_blank.

13) \_\_\_\_\_\_

 A) service factory
 B) service shop
 C) mass service
 D) professional service<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**14)** Which among the following strategies is used by fast-food restaurants to reduce costs?

14) \_\_\_\_\_\_

 A) Increase advertising via the Internet.
 B) Allowing the customer to play an active part in the service process.
 C) Increase prices.
 D) Increasing menu items to cater to varying tastes.<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**15)** Which one of the following reasons best explains the recession-resistant nature of services?

15) \_\_\_\_\_\_

 A) Services cannot be inventoried.
 B) Many services, such as healthcare, are essential.
 C) Many service employees, such as those who work on commission, do not need to be laid off during recessions.
 D) The number of jobs in maintenance and repair services increases during recessions.<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**16)** The concept of economies of scale is best described as \_\_\_\_\_\_\_\_blank.

16) \_\_\_\_\_\_

 A) the replacement of fixed costs with variable costs
 B) selling a wider range of products
 C) a synonym for economies of scope
 D) the replacement of variable costs with fixed costs<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**17)** The presence of a friendly desk clerk in a budget hotel is an example of which of the four features of a service package?

17) \_\_\_\_\_\_

 A) Supporting facility.
 B) Facilitating goods.
 C) Explicit services.
 D) Implicit services.<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**18)** The concept of economies of scope is best described as \_\_\_\_\_\_\_\_blank.

18) \_\_\_\_\_\_

 A) a synonym for economics of scale
 B) the use of brand extensions
 C) using existing channels of distribution to introduce a new product
 D) extending existing distribution channels to reach new customers<em></em>

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**19)** Which of the following is *not* a principle on which service experience design is based?

19) \_\_\_\_\_\_

 A) theme the experience
 B) eliminate negative cues
 C) mix in memorabilia
 D) encourage customer feedback

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**20)** \_\_\_\_\_\_\_\_blank is a foundation premise of Service-Dominant Logic

20) \_\_\_\_\_\_

 A) The customer is always right.
 B) Only postindustrial economies are service economies.
 C) Goods are distribution mechanisms for service provision.
 D) Money is the fundamental basis of exchange.

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-05 Explain the essential features of the service-dominant logic.
Topic : Service-Dominant Logic
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**21)** Which of the following does *not* describe a business service experience?

21) \_\_\_\_\_\_

 A) stage
 B) co-create
 C) collaborator
 D) sustained over time

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**22)** The realms of an experience include all but one of the following.

22) \_\_\_\_\_\_

 A) entertainment
 B) education
 C) estheticism
 D) elation

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**23)** Which one of the following is *not* a dimension of a business service experience?

23) \_\_\_\_\_\_

 A) co-creation of value
 B) problem solving
 C) relationships
 D) service capability

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**24)** Which of the following is an example of a business service (B2B)?

24) \_\_\_\_\_\_

 A) communications
 B) auditing
 C) retailing
 D) leasing

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**25)** Service innovation is driven by which factor listed below?

25) \_\_\_\_\_\_

 A) New product technology
 B) Customer needs
 C) Observant contact employee
 D) All of these are correct.

 **Question Details**AACSB : Communication
Bloom's : Understand
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**26)** Services are deeds, processes, and performances.

26) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Learning Objective : 01-01 Describe the central role of services in an economy.
Topic : Facilitating Role of Services in an Economy
Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**27)** The Clark-Fisher hypothesis notes the shift of employment from one sector of the economy to another.

27) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Bloom's : Remember
AACSB : Communication
Learning Objective : 01-02 Identify and differentiate the five stages of economic activity.
Topic : Economic Evolution
Difficulty : 1 Easy
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**28)** The fall in employment in the agricultural sector is the primary reason for the increase in service sector employment.

28) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Learning Objective : 01-02 Identify and differentiate the five stages of economic activity.
Topic : Economic Evolution
Bloom's : Understand
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**29)** The consumer participates in the service process, which is not the case in manufacturing.

29) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Learning Objective : 01-02 Identify and differentiate the five stages of economic activity.
Topic : Economic Evolution
Bloom's : Understand
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**30)** The classification of service systems using the “service process matrix” is based on two considerations: degree of labor intensity, and the degree of service customization.

30) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Bloom's : Remember
AACSB : Communication
Learning Objective : 01-08 Use the service process matrix to classify a service.
Topic : Grouping Services by Delivery Process
Difficulty : 1 Easy
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**31)** From an open-systems view, the output of a service system consists of satisfied customers.

31) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**32)** The service experience defined as escapism requires the most commitment from the customer.

32) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**33)** A study of service systems must begin with the fundamental idea that the basic inputs are supporting facility, facilitating goods, labor, and capital. The output is the service offered.

33) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-05 Explain the essential features of the service-dominant logic.
Topic : Service-Dominant Logic
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**34)** In contrast to manufacturing, the aesthetics of the environment play a major role in the customer's perception of the service.

34) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-05 Explain the essential features of the service-dominant logic.
Topic : Service-Dominant Logic
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**35)** The fact that services can be inventoried is an important characteristic, which distinguishes them from manufacturing.

35) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-05 Explain the essential features of the service-dominant logic.
Topic : Service-Dominant Logic
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**36)** Reduction of the role played by the consumer is an effective way of improving productivity and decreasing the cost of the service.

36) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**37)** Services are time-perishable. An opportunity to provide a service, if forgone, is lost forever.

37) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**38)** Both manufacturing and services can suffer from technological obsolescence.

38) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**39)** Health care services are projected to have the greatest percent change in U.S. employment in the period 2008–2018.

39) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**40)** From a marketing perspective, services, unlike goods, involve transfer of ownership.

40) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**41)** It is convenient and often necessaryto combine the operations and marketing functions for service organizations.

41) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**Bloom's : Remember
AACSB : Communication
Difficulty : 1 Easy
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**42)** Sharing service resources among customers presents a challenge for managers.

42) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**43)** Little or no interaction between customer and service provider is required when the service is customized.

43) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-06 Identify and critique the six distinctive characteristics of a service op
Topic : Distinctive Characteristics of Service Operations
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**44)** Personnel training is a criterion for evaluating the explicit services feature of the service package.

44) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-07 Describe a service using the five dimensions of the service package.
Topic : The Service Package
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**45)** The decrease in the proportion of income spent on the basic necessities of life has encouraged the demand for more services and accelerated the transition to postindustrial society.

45) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-03 Describe the features of preindustrial, industrial, and postindustrial so
Topic : Stages of Economic Development
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**46)** Marketing helps smooth demand to match capacity in service operations.

46) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**47)** Service-dominant logic is the foundation of “service science.”

47) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Difficulty : 2 Medium
Learning Objective : 01-05 Explain the essential features of the service-dominant logic.
Topic : Service-Dominant Logic
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**48)** Value for the “business service experience” is derived from co-creation.

48) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**49)** A standardized experience is a feature of the new experience economy.

49) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

**50)** A business service experience (B2B) has three dimensions: co-creation of value, relationships, and sustainability.

50) \_\_\_\_\_\_

 ⊚ true
 ⊚ false

 **Question Details**AACSB : Communication
Bloom's : Understand
Learning Objective : 01-04 Describe the features of the experience economy contrasting the consumer
Topic : The Experience Economy
Difficulty : 2 Medium
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**Answer Key**Test name: chapter 1

1) D

2) B

3) C

4) B

5) C

6) D

7) A

8) A

9) C

10) B

11) B

12) C

13) A

14) B

15) A

16) D

17) D

18) C

19) D

20) C

21) A

22) D

23) B

24) B

25) D

26) TRUE

27) TRUE

28) FALSE

29) TRUE

30) TRUE

31) TRUE

32) TRUE

33) FALSE

34) TRUE

35) FALSE

36) FALSE

37) TRUE

38) TRUE

39) FALSE

40) FALSE

41) TRUE

42) TRUE

43) FALSE

44) TRUE

45) TRUE

46) TRUE

47) TRUE

48) TRUE

49) FALSE

50) FALSE