
SERVICES MARKETING
MARK 4500 COURSE SYLLABUS

Section 05 – 033 MWF 12:20 – 1:10 Caldwell 206
UGA - fall 2008

INSTRUCTOR

Tucker Cox, 132 Brooks Hall; tel - 404-822-8894 (mobile), tuck1930@terry.uga.edu;
office hours - MW 9:00 – 11:00; 3:00 – 5:00 and by appointment

PREREQUISITE - MARK 3000

Any student not meeting prerequisite will be administratively withdrawn from class.

REQUIRED MATERIALS

Text – *Services marketing: people, technology, strategy, sixth edition* by Christopher Lovelock and Jochen Wirtz, Pearson Prentice Hall, Upper Saddle River, NJ, 2007, ISBN 0-13-187552-3. Available at the UGA Bookstore. See also amazon.com, www.cheapesttextbooks.com, bookbyte.com, half.com, and campusbooks.com, among other webs. Please announce at the beginning of each class the web or physical address of bookstores that offer this text at a low price.

COURSE DESCRIPTION

This course examines the nature of services marketing (“SM”) and unique features that distinguish marketing of services from physical goods. Emphasis is placed on effectively adapting elements of the services marketing mix to acquire new customers and build loyalty. The course focuses on designing models for developing and implementing service products, managing the customer relationship and executing profitable service strategies.

COURSE OBJECTIVES/EXPECTED LEARNING OUTCOMES

Upon completion of this course, the student should be able to:

- Analyze the delivery of a service, distinguishing between core and supplementary service elements; electronic and physical distribution; front and back stage personnel; and the trade-off between productivity and quality
- Appreciate the importance of customer loyalty to services profitability
- Assess how successful services organizations manage change and achieve market leadership
- Employ concepts of product development and management in SM
- Evaluate the relationship between services quality and productivity
- Explain the distinguishing features of services as compared to physical goods and their impact on the marketing mix
- Position and promote a service.
- Review a service experience and determine factors that influence quality of the service provided
- Understand models of demand management
- Understand variables involved in pricing a service and be able to apply those variables to a specific service environment

TOPICAL OUTLINE*

- Adapting promotional strategies for services
- Application of the service quality gap model
- Characteristics of leading service firms
- Concepts and application of customer loyalty and relationship marketing
- Crucial importance of a properly organized services marketing team
- Customer behavior in buying and using service products
- Designing and executing a customer focused service process, including issues of service employees and complaint management
- Determining, understanding, and influencing customer perceptions of quality
- Developing and improving service products
- Dimensions of service quality
- Distinguishing features of services as compared to physical goods
- Distributing services through physical and electronic channels
- Importance of the service profit chain.
- Management of services capacity and customer demand
- Managing customer relationships and building loyalty
- Measuring customer satisfaction after service delivery
- Revenue management and pricing issues unique to services
- Role and purpose of the servicescape
- Significance of the value proposition in marketing service products
- Use of technology in marketing services

EVALUATION METHODS

Final course grades will be based upon your performance on the following:

Item	%
Exam 1	20
Final exam - cumulative	30
Quizzes – 3 or 4	10
Cases - 3	20
Service encounter diary	10
Contribution	10
Total	100%

Note: excessive absence from class voids the grading criteria. See attendance policy.

Letter grades will be assigned using the following cut-off points (no rounding up)

A	>= 93	B minus	80 – 82.99	D	60 – 69.99
A minus	90 – 92.99	C plus	77 – 79.99	F	<60
B plus	87 – 89.99	C	73 – 76.99		
B	83 – 86.99	C minus	70 – 72.99		

EXAMS, QUIZZES AND MAKE-UP POLICY

Exams are in a multiple choice, scenario and essay format. They cover assigned

readings from the text, material presented in class and selected articles. Make-up exams will be given for legitimate absences. Quizzes – announced or pop-up – cover current reading assignments. No make-ups for quizzes.

WRITTEN ASSIGNMENTS

Must be typed, double spaced and submitted in hard copy; e-mail not accepted.

CASES

You will be assigned three cases for write-up and discussion during the semester. Your instructor may ask you or your group to formally present your case analysis to the class. The case method works effectively when all class members have studied the case and contribute to the discussion. Be prepared. (See the “Note on studying and learning from cases” at the website.)

SERVICE ENCOUNTER DIARIES

During the semester you must analyze your service encounter/experience with nine different service providers. Using the form available at the website, describe your experience, record your personal assessment of the quality of each service and how it may be improved. For each diary entry:

- Name of student, name of service firm, type of service (e.g., airline, bank).
- Date and time of encounter.
- Price of service (for relationship-type services, e.g., your mobile phone or banking service, use your average monthly bill or fees).
- Describe your encounter briefly, so that someone who was not there would know what happened.
- Rate your level of satisfaction with this encounter on a scale of 1 “extremely dissatisfied” to 7 “extremely satisfied.” Comment on and explain the basis and rationale for your score.
- Describe your experience using this service and how it may be improved. Examples: did it meet or exceed your expectation? How would you explain this firm’s value proposition? Did the firm use a special pricing strategy or demand management system? Were front line employees well trained? How did the company recover from a service failure? Adequately? Superbly? Just barely? Any special features of the servicescape? What would you do to improve this service?
- Rate your likelihood of returning on a scale from 1 “definitely not” to 7 “definitely yes.” Why or why not return? Poor or superior quality? Excellent complaint recovery? Highly trained front stage personnel? Well-managed wait times? Poor instructions to customer as co-producer?

Examples of service providers you may consider are physicians and health care, university services (e.g., administrators, registrars, library, dining, career planning), retail, hotels, restaurant, airline, utility, gyms and health clubs, concerts, landscaping, auto repair, software and hardware technical support, flower arrangements, internet access, security guard and patrol services, Lowes, Home Depot, Ace Hardware and other. Not eligible: all fast food restaurants, e.g., McDonalds, The Varsity, Burger King, Chick fil-A, Hardees, etc.; Charter Cable TV; and liquor or package stores. Each encounter must be from a different industry, e.g., a restaurant and Ace Hardware. Record the service experience on the day it occurs. With each diary submission – there are two - include a one- page summary of what you have learned in the process of observing various types of services. The

summary is worth 33% of the grade for this assignment. Approach this assignment in an intellectually rigorous manner as an objective observer of variables that characterize SM and attributes of services products and experiences. An A-level paper has analysis and comments that are insightful, demonstrates critical thinking and extensively uses the specialized language of services marketing. B-level critically comments on SM concepts using services marketing language. C-level identifies SM concepts and uses some SM language. D-level is a modest effort that focuses on how the student personally "felt" about the service encounter. It uses little or no language of services marketing. A grade of F contains no comments of meaningful value.

CLASS PARTICIPATION AND CONTRIBUTION

The quality and amount of learning will depend on your interaction with the instructor and your classmates. Your contribution will be determined by the quality of your participation, according to the following criteria¹:

- A-level – consistently well-prepared; thinks critically², initiates discussions, high-quality involvement in class conversations; comments are focused and insightful. Shares knowledge with classmates. Listens well.
- B-level – responds to questions, thinks critically, consistent and regular involvement in class discussions; occasionally leads, always well prepared on cases. Shares ideas with classmates. Listens well.
- C-level – only responds to questions, most but not all answers are correct, case preparation is average.
- D or F-level - little involvement in class discussions, vague or inaccurate response to questions demonstrates inadequate understanding of course material and/or no critical thinking.

If you are not comfortable speaking in public, answering questions in front of the class, etc., please see me. There are a number of ways you can contribute.

ATTENDANCE POLICY

This is a hands-on, participation course, conducted on a lecture/discussion/case and individual or group presentation format. UGA policy requires "students... to attend classes regularly." Doctors' notes will be accepted to excuse absences, provided the date of illness matches the date of absence from class. A time stamp from the health center is not sufficient. For a religious holiday, notify your instructor in advance in writing via email. Family funeral, serious illness, death of a family member, jury duty, official university activity are legitimate absences. Family activities and trips, work conflicts, academic advising appointments, or missing class due to undocumented illness, e.g., "aches and pains," are not legitimate. Arriving or leaving unreasonably late/early is an absence. If you must arrive late or leave early take a seat close to the door. Enter/exit quietly. If a student is absent without a legitimate reason when an assignment is due, for an exam or quiz, he/she will receive a zero for the assignment, exam or quiz, unless the instructor approves special arrangements in writing prior to the absence. More than three absences, excluding legitimate ones, decrease the student's final grade by 1.5 percentage points. For example, for an average of 81% the final mark is 79.5%. Excessive absences void the grading criteria. They may cause a substantial reduction in a

¹ Much of this section is taken from the website of Prof. Deepak Sirdeshmukh of North Carolina State University, www4.ncsu.edu/~dsirdes/courses/services%20marketing%20mab.pdf visited Jan 3, 2007. Prof. Deepak's website is www4.ncsu.edu/~dsirdes/. Thanks also to Evelyn H. Daniel, Professor, School of Information and Library Science, University of North Carolina at Chapel Hill, <http://ils.unc.edu/daniel/237/resources06.html> visited 02 Jan 2007.

² Read "A practical guide to critical thinking" by Greg R. Haskins, available at the class website

student's grade, including failing the course. "A student who incurs an excessive number of absences may be withdrawn from a class at the discretion of the professor."³ While there is no hard and fast definition of "excessive," a general guideline is missing more than 5 classes, including legitimate absences.

We have a collective responsibility to "develop an intellectual community within an environment that fosters respect and integrity among its members."⁴ Doing puzzles, other assignments, internet surfing, sidebar conversations, sleeping or behavior that is inconsistent with The University of Georgia Code of Conduct or the Terry College of Business's standards will not be tolerated. If it persists, you will receive a verbal and written warning. If it continues your instructor may withdraw you from the course in compliance with UGA policy.

ACADEMIC INTEGRITY

"Academic honesty is defined broadly and simply – the performance of all academic work without [plagiarizing, intended or unintended] cheating, lying, stealing, or receiving assistance from any other person or using any source of information not appropriately authorized or attributed. Academic honesty is vital to the very fabric and integrity of the University."⁵ A Culture of Honesty and the University of Georgia Student Honor Code work together to define a climate of academic honesty and integrity at UGA⁶. All members of the University Community are responsible for knowing the UGA Academic Honesty Policy and procedures. Each of the following illustrates a violation of the policy.

- Allowing another student to read your paper during an exam
- Collaborating (discussing approaches, possible answers) on homework assignments or cases, unless it is a group assignment
- Copying someone else's homework
- Cutting and pasting from websites without proper citation
- Failing to provide proper citations in any written submission
- Having a cell phone visible during an exam period
- Having an open backpack or loose papers visible during an exam period
- Including the name of a person who is not present on a submitted group activity
- Reading another student's paper during an exam
- Submitting, as your own work, any research or writing that was not performed by you
- Using any materials other than your own knowledge during an exam

³ bulletin.uga.edu/fall2001/bulletin/acad/Courses.html, visited 12 Aug 2008

⁴ The University of Georgia Code of Conduct, section I, Introduction, Purpose www.uga.edu/judicialprograms/code.htm, visited 12 Aug 2008.

⁵ www.uga.edu/honesty/ahpd/introduction.htm, visited 12 Aug 2008.

⁶ The complete policy is available through the Internet at www.edu.uga.edu/honesty.

WITHDRAWAL POLICY⁷

The withdrawal date this semester is October 23. The University assigns a grade of WF (withdrawal failing) to any withdrawal after October 23. A student withdrawing prior to October 23 earns a WP (withdrawal passing) or WF, depending on the average of assignments to date based on the grading criteria.

GRADED WORK

Keep every one of your graded papers. Back up offline all electronic copies of your documents related to this course. In the event of a dispute about a mark, you are responsible for providing the graded document the instructor returns to you.

TENT CARDS

Please prepare a tent card with your printed name dark enough and large enough so that your instructor can read it and become familiar with you by name as quickly as possible. Place the card in front of your for every class session.

CHANGES TO THIS SYLLABUS

The syllabus is a general plan for the course; revisions may be necessary. You instructor will keep you informed.

OPEN DOOR POLICY

I am available to discuss your course performance, career advice, future course selections or any other issue. Feel free to either make an appointment or come by and see me. I regularly review resumes and write letters of recommendations for students. Please let me know how I can help.

⁷ For undergraduate students, there is now a limit of four (4) career withdrawals at UGA before all subsequent withdrawals receive an automatic grade of WF (withdrawal failing). The count will begin fall 2008 regardless of when a student matriculated and of any withdrawals in previous terms. All withdrawals are included in the count except: hardship withdrawals, withdrawals from audited courses, and military withdrawals.

COURSE SCHEDULE
MARK 4500 SERVICES MARKETING

Section 05 – 033 MWF 12:20 – 1:10

Date	Required reading & assignment due dates	
Part I - Understanding Service Markets, Products, and Customers		
08/18	M	Syllabus review and course intro Chapter 1 - <i>New perspectives on marketing in the services economy</i> - macroeconomics, trends, and opportunities, distinctive marketing challenges posed by services, categorization of services
08/20	W	"A practical guide to critical thinking"
08/22	F	Ch 01 Presentation by Tracey Dowling, Assistant Director/Career Consultant, Terry College of Business
08/25	M	"In a dizzying world, one way to keep up: renting possessions" - pp.64-65 Chapter 2 - <i>Customer behavior in service encounters</i> - the three-stage model of consumer behavior applied to services; customer expectations and perceived risk; theatre as a metaphor for service delivery; role and script theories applied to services
08/27	W	
Part II - Building the Service Model		
08/29	F	Ch 02
09/01	M	No class - Labor Day
09/03	W	CH 02
09/05	F	Chapter 3 - <i>Developing service concepts: core and supplementary elements</i> - core and supplementary services; the flower of service – adding value via supplementary services; branding of services; new service development
09/08	M	Ch 03
09/10	W	Ch 03 Read case 1, "Susan Monro, Service Consumer," pp 492-493. Prepare for class discussion. Note: do not write up this case. This case is not one of the three assigned written ones.
09/12	F	Chapter 4 - <i>Distributing services through physical and electronic channels</i> - distribution channels for services; type-of-contact as determinant of channel options; delivering services in cyberspace; global distribution systems
09/15	M	
09/17	W	Ch 04 Chapter 5 - <i>Exploring business models: pricing and revenue management</i> - objectives and foundation for setting prices; cost-based, value-based, and competition-based pricing; revenue management; ethical concerns and perceived fairness of pricing policies
09/19	F	
09/22	M	"The strategic levers of yield management" - pp 211-219
09/24	W	Ch 05
09/26	F	Due - case #3 – "Dr. Beckett's Dental Office," pp 495 – 497 Selected class members will present and lead discussion of this case

Date		Required reading & assignment due dates
09/29	M	Chapter 07 - <i>Positioning services in competitive markets</i> – market focus and competitive advantage; segmentation; positioning and branding; positioning maps
10/01	W	Ch 07
10/03	F	Ch 07
10/06	M	Mid-term exam (chaps 1 through 7, except 6)
Part III - Managing the Customer Interface		
10/08	W	Chapter 08 - <i>Designing and managing services processes</i> – blueprinting as a basic tool for understanding and managing service processes; service process redesign; increasing customer participation; balancing demand and capacity; minimizing perceptions of waiting time
10/10	F	Ch 08
10/13	M	Ch 08
10/15	W	Chapter 9 - <i>Balancing demand and productive capacity – patterns and determinants of demand; inventorying demand; minimizing perceptions of waiting time; effective reservation systems</i>
10/17	F	Ch 09
10/20	M	Ch 09
10/22	W	Chapter 10 - <i>Crafting the service environment</i> – the servicescape model; dimensions of service environments; engineering customer service experiences Due - service encounter diary – first 3 encounters
10/24	F	Ch 10
10/27	M	Ch 10
10/29	W	Chapter 11 - <i>Managing people for service advantage</i> Key issues - importance of service personnel; conflicts in boundary—spanning roles and implications of role stress; the cycles of failure, mediocrity, and success; selection, training, and motivation of service staff; service leadership and service culture
10/31	F	No class – fall break
11/03	M	Ch 11
11/05	W	Due - case #7 – Jollibee Foods Corporation pp 532-539 Selected class members will present and lead discussion of this case
Part IV - Implementing Service Strategies		
11/07	F	Ch 12 <i>Managing relationships and building loyalty</i> - the economics of customer retention; managing the customer pyramid; the wheel of loyalty; loyalty programs; customer churn diagnostics and retention; CRM strategies "Why service stinks" pp 471-477
11/10	M	Ch 12
11/12	W	Ch 12
11/14	F	Chapter 13 - <i>Achieving service recovery and obtaining customer feedback</i> - consumer complaining behavior; principles of effective service recovery systems; the power of service guarantees; organizational learning through

Date		Required reading & assignment due dates
		effective customer feedback systems
11/17	M	Ch 13
11/19	W	Due - case #14 – “Hilton HHonors Worldwide Loyalty Wars,” pp 579-589. Selected class members will present and lead discussion of this case
11/21	F	Ch 14 - <i>Improving service quality and productivity</i> - defining and measuring service quality; the quality model: diagnosing service quality failures; tools for analyzing and addressing service quality problems; return on quality; defining and measuring service productivity; improving productivity
11/24-11/28 - no class - Thanksgiving break		
12/01	M	Ch 14
12/03	W	Ch 14 Chapter 15 - <i>Organizing for change management and service leadership</i> - the service profit chain; integrating marketing, operations, and human resources; from losers to leaders – four levels of service performance; service leadership, culture, and climate
12/05	F	Due - service encounter diary – encounters 4 thru 9
12/08	M	Ch 15
12/09	Tu	Open
Dec 15 - final exam - 12:00 - 3:00		