Professor:  Mary Jo Bitner
Office:    BAC 451
Office Hours: By appointment
Contact:  480-965-1992; maryjo.bitner@asu.edu
Class meeting: Friday, 9:00 AM–12:00 PM – CSL Conference Room, BAC445
(except as noted)

Overview

Service Science draws on strong research foundations in the field of services marketing, management and technology to focus on challenges and opportunities relevant to service innovation and competing through service(s). This emerging interdisciplinary field is substantively grounded in real, cross-functional issues of business and its theoretical roots lie in the business disciplines, engineering, technology and the social sciences.

This is an exciting time to be involved in the science of service. Service research is a relatively young (by academic standards) and very dynamic cross-functional research area, with its deepest roots being in the marketing and management disciplines. While services research struggled for recognition in the 1980s, it has evolved over the last two decades to be a prominent field of its own. Today there is growing attention worldwide to service research including services marketing and management, service engineering, and service innovation. This seminar will provide students with foundational understanding of services research, exposure to current and award-winning publications, and opportunities to learn about new, emerging research areas. Through the seminar, I hope that students will catch the excitement of the field and see opportunities for their own development as researchers.

At ASU and co-located with the Marketing Department, we are fortunate to have the Center for Services Leadership (www.wpcarey.asu.edu/csl), a cross-disciplinary center focused on research and education in existence for 25 years. The CSL has about 55 member companies who recognize the importance of service(s) in their ability of firms to compete in the marketplace. Through the seminar you will be exposed to challenges and ideas gleaned from these member companies over the years. The CSL also has a network of over 55 faculty around the world and across disciplines who are committed to service research and teaching. You will have the opportunity to meet and network with CSL Board Members and Faculty Network members at the Center’s Annual Meetings on Friday, February 11, at the Tempe Mission Palms Hotel.

Purpose

The primary purpose of this seminar is to provide PhD-level coverage of major research topics and new developments in services. Within specific topic areas, we will read classic service research papers as well as current and award-winning articles.
In addition to covering central topics in services research, another purpose of the course is to expose you to emerging ideas in “service science”, an inter-disciplinary field that takes services research outside of marketing, and even outside of the business school. With the growing recognition of the importance of services to individual companies and entire nations, there is increasing emphasis on services research globally. For example, China has as a primary objective to become a service-based economy over time and the country is investing now in making that objective a reality. Similar agendas are operating in Germany, Norway, Finland, Japan, Taiwan and other countries around the world.

Another central goal of the course is to provide you a forum for developing research ideas and proposals related to service science. We will generate some ideas for research projects as a class during our weekly discussions. In addition each of you will develop one short and one longer paper related to your own research ideas.

**Required and Recommended Reading**

Each week you will be assigned a number of articles to read. The full citations for the assigned required readings will be provided on the course blackboard site at least two weeks in advance of the class session when they will be discussed. I will let you know via e-mail when new readings assignments have been posted.

In addition to the journal articles and book chapters for each week, the following books will provide good background for you.


*I have several copies of these books that you can borrow and share among members of the class, or if you wish to buy them, they are available on Amazon. I will leave copies with Jessica Fischer in the CSL for your use.

**Student Responsibilities and Evaluation**

Each student should come to the class prepared to discuss the readings assigned for the week—knowing the purpose of each paper, its contributions, and shortcomings. Along with the readings for each week, I will assign a set of questions to guide a more general discussion of the week’s topic. As a group, we will attempt (not necessarily every week, but periodically) to develop research ideas within each topic area so students should come prepared with research ideas stimulated by the readings.

In addition to individual preparation and class participation, each student will be required to submit two written assignments:
(1) **A short research funding proposal** stimulated by presentations, breakout groups and discussions at the Center for Services Leadership Annual Faculty Network and Board Meetings on February 11, or from other business sources/presentations. Please put February 11, all day, on your calendar right away. Your proposal will be written as if it is directed at a company for funding of a project. A format for this type of proposal will be provided and discussed in advance.

(2) **A research paper related to service research.** This can be a critical literature review, a study proposal, a conceptual model, or a measurement piece related to any of the topics we will cover (or others as approved in advance). If you are already working in a service research area, you can further develop your work-in-progress, as long as we discuss this in advance so that I can know the current state of the research and where you are heading with it. The paper for the class should be substantially new, not a revision of a paper already written. Ideally what you develop in this course could lead to a publication, a conference paper, or even a dissertation topic. I will ask you to use an accepted format for the type of paper you are writing (AMA guidelines for conference papers; Comprehensive Exam Part II guidelines; other approved format—e.g., modeled after a published paper in a leading journal).

Both the short and long papers will be presented to your classmates during a regular class session.

Your grade for the course will be determined as follows:

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| Jan 21     | Course Introduction  
Services Marketing – History/Topics/Trends |
| Jan 28     | Service Encounters and Service Quality                                  |
| Feb 4      | Services Science/Service Innovation  
Guest Faculty: Christian Gronroos, Hanken School of Business, Helsinki, Finland |
| Feb 11     | Center for Services Leadership  
Annual Faculty Network and Board Meetings  
Professional Development and Academic Network Meeting  
Tempe Mission Palms Hotel, ALL DAY |
| Feb 18     | NO CLASS – Winter AMA, Austin Texas                                     |
| Feb 21     | Research paper topic due (via e-mail)                                  |
| Feb 25     | Service Recovery                                                       |
| March 4    | Service Infusion and B2B Services Strategy  
Guest Faculty: Steve Brown                                             |
| March 11   | Funding Proposal Assignments Due                                       |
| March 13-20| SPRING BREAK                                                           |
| March 25   | Customers as Co-Producers/Co-Creators of Services                      |
| March 28   | Research paper detailed outline due (via e-mail)                       |
| April 1    | Employees’ Roles/Service-Profit Chain  
Guest Faculty: David Bowen                                             |
| April 8    | Service Design                                                         |
| April 15   | Transformative Service Research  
Guest Faculty: Laurel Anderson and Amy Ostrom (tentative)             |
| April 22   | Technology and Service: SSTs/Smart Services  
Guest Faculty: Michael Goul, Chair, IS Department and Amy Ostrom (tentative) |
| April 29 or May 6 | Final Class  
Research presentations and written papers due |
Topic: Services Marketing – History/Trends/Topics

The field of services marketing is relatively young, tracing its beginnings to the late 1970s and early 1980s. In this session we will look at the history of the field, and get a grounding in some of its foundations and central topics. We will also look at recent articles that suggest trends and directions for the field.

Readings:


Discussion Questions:

1. What do you see as distinguishing characteristics of the field of services marketing compared to other fields or research domains within marketing?

2. In your opinion, what do these articles suggest about the future of the field of services marketing?

3. What extra chapter did you pick to read out of the ZBG text and why? What interests you about this area of research? What would you like to know about this topic?
Marketing 791 – PhD Seminar
Service Science: Marketing, Management and Technology

January 28, 2011

**Topic: Service Quality/Service Encounters**

Two of the earliest research areas to emerge in the field of services marketing and management were service quality and service encounters. Both of these areas have evolved over the last two decades and are still active. I know you have already read a number of articles on these topics, particularly service quality, in other doctoral seminars. I will try to avoid repetition. We will focus on some of the foundational pieces as well as newer, award-winning papers in these two important topic areas.

**Readings:**

(8) *Background:* ZBG text, chapters 4-5.


**Discussion Questions:**
(4) Based on the readings and your own thoughts, how would you conceptualize the underlying relationship among perceived service quality, customer satisfaction and service encounters? Do you think this relationship depends on the type of encounter/experience?

(5) Focus on one of the papers, and outline a research question that emanates for you from this paper. Describe how you would address the research question.

(6) All of these papers deal with B2C service relationships and service encounters in B2C contexts. Do you believe this work could be applied/extended into B2B domains?
A very current and lively discussion among academics and business leaders concerns whether there should be a discipline of Service Science or a Science of Service, encompassing both research and education—research to solve service challenges of the future, and education to develop students who can function effectively in a services economy. Active in this discussion are academics and practitioners from multiple disciplines including business, engineering, computer science, and the social sciences. Sometimes this future discipline is referred to as “SSME” (Service Science, Management and Engineering) and sometimes as “SSMED” (Service Science, Management, Engineering and Design) to reflect its inter-disciplinary nature. In this session we will read and discuss current articles on both service science and service innovation and try to develop a picture of where the future may lead.

Readings:

**Service Theory (article by guest faculty):**


**Service Science:**

2. *Background*: July 2006, Special Issue on Services Science, *Communications of the ACM* (CACM - a computer science journal with circulation of over 90,000). Skim the articles in the special section for your general background and education.


**Service Innovation:**


Discussion Questions:

(1) What is the likelihood in your opinion that a “Service Science” or a Science of Service discipline will emerge? What might this discipline look like? What might be the barriers and facilitators?

(2) Much of the impetus behind “services science” from comes from a drive toward service innovation. Why is this the case? How does service innovation fit within our current streams of research in marketing and innovation?
Topic: Service Recovery
Service failure and recovery is a well-established and yet very current area of services research as you will see from the assigned readings. Research has shown that service recovery is critically important from a managerial perspective in terms of maintaining customer relationships. Yet few firms excel at handling service failures. Over the years there have been many strong empirical and conceptual contributions that shape our understanding of service recovery’s dimensions, its causes, and its consequences. Research on complaining and complaint management is closely aligned to the study of service recovery. In this session we will look at a range of often-cited works, a review paper, and some recent empirical publications.

Readings:

Overviews and Background:
(1) Background: ZBG text, chapter 8.


Empirical Articles:


Discussion Questions:
(1) Justice theory is an integral part of much of the empirical work on service recovery. Are there promising new theory perspectives that could be explored beyond justice theory that could contribute to our understanding of service recovery?

(2) Are there new, interesting questions related to service recovery (from either a theoretical or managerial perspective) that you believe are open to exploration beyond the current streams of research?

**Additional Reading:**


Although more and more goods-dominant firms and IT providers are trying to become “service businesses”, there is relatively little published academic research that deals specifically with this transformation. The attention to this topic is growing, and it is one of the 10 “research priorities for the science of service” identified in CSL’s research priorities initiative and published in the JSR 2010 and CSL 2010 Business report. In 2010, the Journal of Service Management published a special issue on this topic, evidence of its growing importance and academic attention. Research on Service Infusion is inherently cross-disciplinary, involving marketing, corporate strategy, organizational structure, IT, and supply chain issues. In this session we will review managerial papers that provide background and context for the topic as well as empirical papers that focus on specific issues including service infusion and customer solutions. This topic is a high-priority research area for CSL and a number of our faculty network members. See http://wpcarey.asu.edu/csl/knowledge/Service-Infusion.cfm for specifics on CSL’s involvement, including research, news coverage, and a webinar on service infusion.

Prof. Steve Brown will be our guest faculty. He is one of the leading thinkers and authors in this developing area of research.

Readings:

Managerial papers and background:

3. CSL Website on Service Infusion: http://wpcarey.asu.edu/csl/knowledge/Service-Infusion.cfm

Empirical Research:

(8) Gronroos, Christian and Pekka Helle, “Adopting a Service Logic in Manufacturing,” *Journal of Service Management*, 21 (5), 2010, 564-590. (This paper just won the best paper award for JOSM for 2010 and is the paper that Christian presented to our faculty and students on Feb 4).


Discussion Questions:

(1) Identify the key managerial and research issues covered in these readings.

(2) Focus on one of the papers, and outline a research question that could be pursued, building from the paper. What are the managerial and theoretical issues you would want to explore? Describe how you would address the research question.

Additional Reading:

Background and Conceptual Frameworks:


Relationship Marketing in B2B Services


Service Outsourcing


Topic: Customers as Co-Producers/Co-Creators of Service

It has long been held that because services are produced and consumed simultaneously, customers are involved at some level in the production, creation, and delivery of the service. These ideas have been present in the services literature since the late 1970s. More recently scholars in both marketing and management have begun to talk about the “co-creation of value” and “customers as co-creators” of services and experiences. There are relatively few (but growing) numbers of empirical papers on these topics. We will explore the roots of these ideas (2-3), more managerial insights into this topic (4), as well as empirical papers on these topics (5-11).

Assigned Readings:

Background/Conceptual:

(17) Background: ZBG text, chapter 13.

(18) Background: Lovelock, Christopher H. and Robert F. Young, “Look to Consumers to Increase Productivity,” Harvard Business Review, 57 (March-June) 1979, 168-78. Considered by many to be the first paper to introduce the concept of customer co-production.


Empirical Research:


**Discussion Questions:**

(1) How would you describe the emerging research domain of “customer co-production” and “customer co-creation”? Are these concepts relevant to your field of interest? If yes, how and why? If no, why not?

(2) What are some of the key managerial and theoretical issues and challenges within this arena? Focus on one of the papers and outline a research question that emanates for you from this paper – the question should have both managerial and academic relevance.

**Related Articles and Books:**


Many of the articles in the *Journal of the Academy of Marketing Science* Special Issue on “Service-Dominant Logic,” Spring 2008. (I have assigned some, but there are others)


The impact of frontline employees and internal human resource practices in creating service excellence in firms are topics with a long research tradition in the services field. Two of the best known, and most highly respected contributors to this field are Professor David Bowen of the School of International Management at Thunderbird and Professor (emeritus) Benjamin Schneider of the University of Maryland, currently with Valtera Corporation. Dave will be with us to explore classic knowledge about human resource practices and linkages with customer and firm outcomes in service contexts. We will also look at very current research in this area and end with a discussion of some potential new research that cuts across marketing and human resources.

**Background Readings**

1. **Background:** ZBG text, chapter 12.


**Linkage Research and Spillover Effects** – how human resource practices and employee behaviors affect customers and critical organizational outcomes in services


Discussion Questions:
(1) How strong is the relationship between employee attitudes/perceptions and customer attitudes/perceptions in services? What variables have been shown to moderate the strength of the relationship? Can you suggest others for study?
(2) Are these “linkage” and “spillover” concepts and findings relevant only to face-to-face, B2C services?
(3) If you were to try to extend understanding and research in the areas covered by the assigned readings, what directions for future theory-building and research would you propose?

Additional Readings:


Topic: Service Design

“Design” is a topic that is drawing more and more attention in the business world and in academics. Stanford University’s “d.school” (http://www.stanford.edu/group/dschool) and University of Toronto’s Rotman School of Management http://www.rotman.utoronto.ca/businessdesign/default.aspx are two prominent examples of how design is reflected in academic institutions. As another example, recently ASU combined our Design and Arts programs into a unique interdisciplinary school called the Herberger Institute for Design and the Arts (http://herbergerinstitute.asu.edu). WPC is in discussions with the design school to move beyond our current partnership related to “innovation space” to develop deeper connections, potentially including service design. Carnegie Mellon’s recent conferences on “Service Design” (http://www.design.cmu.edu/emergence/2006 and http://www.design.smu.edu/emergence/2007) and growing service design practices with leading companies such as IDEO are suggestive of how design is emerging in services. The UK even has a well-established national design council that has a current focus around service design (http://www.designcouncil.org.uk). Another very interesting organization focused on service design is the Service Design Network, headed by Professor Birget Mager from Cologne, Germany (http://www.service-design-network.org/). At the Symposium in 2009 we had a whole special panel of CSL members focused on service design and service design is one of the 10 emerging research priorities reflected in the JSR article you read earlier in the term.

In our class session we will focus on the emerging field of service design through some overview and conceptual pieces, several empirical papers, and emerging issues. Because this is such a broad topic with vastly dispersed literature contributions, I have chosen to focus the papers have asked you to read on experience and solution design as well as physical servicescape design.

Readings:

(27) Background: ZBG text, chapters 9 and 11

(28) Background: Look at one or more of the design-oriented websites listed above, and provided as links on the course website.


Service Design – Overviews and Conceptual Pieces


Experience and Solution Design


Servicescapes


Discussion Questions:

1. How would you define the domain of service design? How does it fit within the broader “design of business” described by the Rotman school (website), or “design thinking” as discussed in Tim Brown (IDEO) HBR article?

2. How can disparate disciplines (marketing, operations, supply chain, design, information systems) contribute to the emerging field of service design?

3. Define a research question (broad or narrow) that you believe could make an important contribution to advancing service design research. Why do you believe this could be an important contribution?

Additional Reading:


Smith-Daniels, Vicki (guest editor), “Special Section on Service Operations and Design” to appear in the February 2010 issue of *Journal of Service Research*. Four papers by OM and Supply Chain authors focused on service design topics.

Transformative Service

Topic: Transformative Service
Guest Faculty, Laurel Anderson and Amy Ostrom

Transformative Service Research has emerged as a high priority area for the science of service (see reading #1 – already read for an earlier session). At ASU, several of us are working to further define this emerging area and to develop a paradigm or framework for TSR that will be useful and potentially path-breaking for service researchers. While there are some connections, we see TSR as quite distinct from TCR (reading #2), but clearly distinguishing the two, and recognizing their overlaps, will be important. You have already read some pieces that could be considered “TSR” research (e.g., Rosenbaum et al “Cup of Coffee”; Dellande et al “Compliance” in a weight loss context; and even Price and Arnould, “River Rafting”). This week we will read several additional papers we believe fall directly into the TSR paradigm, and we will look to you for your insights.

Background Readings

(6) Background: Ostrom, Amy L., Mary Jo Bitner, Kevin A. Burkhard, Stephen W. Brown, Michael Goul, Vicki Smith-Daniels, and Elliot Rabinovich, “Moving Forward and Making a Difference: Research Priorities for the Science of Service,” Journal of Service Research, Feb 2010 (you have read this already for another week’s assignment – please review TSR section)


Empirical and Conceptual Papers within the TSR Paradigm


Discussion Questions:

1. Taking into account the Transformative Consumer Research (TCR) framework and paradigm, what distinct aspects of service(s) are there that add to the transformative movement? What would TSR researchers study and why?

2. Think about a TSR framework. Can you develop a visual model of TSR for this paradigm that would distinguish it from TCR?

Additional Readings:


