MBA 2010 Elective: Service Marketing and Management
[REVISED]
November 15-18, 8.00-12.00
Prof. Stefan Michel

Approach
Regardless of industry, servicing external and internal customers and clients will most likely be a critical success factor. Consequently, this course focuses on marketing and managing any type of service as compared to strictly service firms (e.g. airlines, hotels, restaurants, etc.). The major challenge of servicing customers profitably is to design a service concept that integrates various company resources, which help customers to co-create value.

Together with my clients and former students, I have developed the “service star” framework as a tool to systematically analyze, design, and improve any kind of service. During this course, we will use the “service star” as the guiding framework for practical applications.

The course will be a mix of lectures and discussions, based on relevant articles. In addition, large case studies will be complemented by shorter “caselets” and real-world application exercises. One guest speakers will round up the course. As with all IMD courses, class preparation is essential as managing services is about co-creating value, so when we all contribute, we will have an engaging, relevant, successful elective.

Based on the participant survey, the following topics/industries are given some priority:
- Consulting
- Understanding what customers really want
- Service Pricing
Guest Speaker

Dr. Mark R. Hoenig
Partner and Board Member at Dr. Egon Zehnder AG, Zürich
MA and PhD, Economics, Business and Public Administration, University of Zürich.

Formerly Operational Auditor, International Consulting and Controlling, Sandoz Ltd.; Scientific Research in Personnel Policy and Multinational Corporations at Betriebswirtschaftliches Institut, University of Zürich.
**Schedule**

<table>
<thead>
<tr>
<th>Time</th>
<th>Session title</th>
<th>Case/Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>8-10</td>
<td>Service Star</td>
<td>Case: Golden Arch, Pricing Psychology Survey</td>
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<td>Case: Lufthansa Air Cargo</td>
<td>Service Excellence through People, Case: Egon Zehnder Int. (A)</td>
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<tr>
<td>10-12</td>
<td>Pre Reading</td>
<td></td>
</tr>
</tbody>
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**Pre Reading**

Please read the following cases and prepare the respective questions. “Preparing” means that you are able to present your answer to the class when you are cold-called by the instructor.

1. What are the three main changes in Bishop’s business model between 1992 and 1999?

**Michel, Stefan (2006), "Golden Arch: McDonald's Adventure in the Hotel Industry," Thunderbird Case Series (A02-05-0017).**
1. Assess the strengths, weaknesses, opportunities, and threats related to McDonald’s entry into the hotel market in Switzerland.
2. Given the numbers in the case, what is the break-even occupancy rate for the Golden Arch hotel (i.e., how many rooms must be sold at the average room rate to cover all costs in % of all available rooms)?
3. Which customer segments should Golden Arch target and why?

1. What are the main differences between CPA’s and GCA’s?

1. Which projects are the most profitable ones?

**Michel, Stefan (2009), "Netflix (Caselet)."**
1. How would you explain Netflix’s success?

**Michel, Stefan and Sarah von Blumenthal (2010), "Grameen Bank," IMD Case Series, 3-2163.**
1. How would you explain Grameen Bank’s success?

1. What do you think are some of the key reasons for EZI’s success?
2. How would you evaluate EZI’s people strategy (e.g., recruitment, promotion, compensation)?
3. What are the critical challenges facing the firm in April 2000? How would you prioritize them?
4. As an EZI executive committee member, how would you respond to Fernandes-Araoz and O’Brien’s idea of conducting a strategic review? Would you agree to the proposal? If so, how would you conduct the review? If not, how would you respond to the emerging challenges?

**Post Reading**


