UNIVERSITY OF MASSACHUSETTS BOSTON
COLLEGE OF MANAGEMENT
DEPARTMENT OF MANAGEMENT AND MARKETING

MKT 407 – Service Marketing
Fall 2012   Dr. Werner H. Kunz
Classroom: M-1-0209   Office: M-5-213

Class Meeting Time: e-mail: werner.kunz@umb.edu
Tu: 2:00 - 3:15 pm   Office Hours:
Th: 2:00 - 3:15 pm   Tu & Th: 3:30 - 5 pm
                                                                                         by appointment

Course Material
Required material
- Lovelock and Wirtz: *Service Marketing – People, Technology, Strategy,* 7th ed., Pearson Prentice Hall, 2010
- Additional course material, articles and links will be posted throughout the semester on the course's web site http://mkt407.werner-kunz.com (L: mkt407; P:service)

Useful material (for course understanding and the term project)
- If you want to save money, buy an e-book at: http://www.coursesmart.com/ Check it out!
- The library has several very useful management databases available, including Business Source Premier and Lexus/Nexus: http://www.lib.umb.edu/databases/

Course Outline
 Services dominate almost all types of economies today. The service sector accounts for a majority of the gross domestic product in all industrialized countries and provides most of the new jobs in many developing and highly developed nations worldwide. The U.S. is now a service economy. Moreover, almost all the absolute growth in numbers of jobs and the fastest growth rates in job formation are in service industries. Consequently, it is almost a certainty that you will be earning your living – directly or indirectly – creating and delivering services. Customer needs are evolving, markets and competition are changing rapidly, and effective strategic leadership is vital to success. Students should recognize that understanding the threats and opportunities posed by these challenges is a vital first step in developing effective strategies. In particular, the increasingly competitive nature of many service industries places a premium on effective marketing strategy. We will examine what differentiates services marketing from the marketing of products. One major objective we will examine is why the development and execution of marketing plans for services activities are imperative to service marketing success.

Course Goals
- Develop a fundamental knowledge of service marketing and understand the relationships within the service process chain
- Develop insights into the specific challenges of service products and the influence of new information and communication technology
- Understand the importance of integration from the development of new services in a company
- Get experience in planning and presenting a comprehensive, integrated marketing & business plan
- Improve your analytic and communication skills and obtain practice in team development of a marketing & business plan
- Obtain practice in formal presentation, both orally and in writing, of a marketing & business plan
- Understand career issues and opportunities in the broad field of service marketing

Undergraduate Program Learning Objectives
- Develop competent business writing and oral communication skills
- Cultivate a professional demeanor
- Understand and integrate key business components
- Develop critical thinking and analytical skills
- Appreciate the impact of diversity as well as regional and global issues
- Contribute productively to a team or organization
- Define and defend your own ethical compass
- Demonstrate computer proficiency

Course Structure

The course will be a mixture of lectures, cases, videos, and class discussions. The lecture will be based largely on the material covered in the text but not restricted to the text. Formal presentations will be used with the intention of providing a springboard for discussion among class participants.

Cases provide a means of applying concepts to real world scenarios and several cases and mini-cases covering a broad range of topics in marketing will be studied. A couple of case-related video materials may be used to show how some of the concepts and techniques are applied and used for solving real business problems. The Internet has become a very important information source and useful Internet sites will be introduced and discussed.

The intention of the course is to focus on interactive discussion, not on pure formal lectures. Regular class attendance and active, articulate, and insightful participation is necessary for the course to be a worthwhile experience for you and your class members. This should place responsibility on each student to prepare for each class, maintain a consistent record of on-time class attendance, and participate actively in class discussions. Class attendance, participation and professional-quality contribution to the course project will constitute a significant portion of each student's final grade.

You are expected to read the assigned material and prepare/complete the assigned tasks before class meetings. Additional material will be posted on the course website. **Please send your work the day before the next class via e-mail.** The success of the course itself, as well as the depth of your understanding, is dependent on your preparation for each class.

Two tests will be used to verify the understanding of concepts as well as their application. To be fully prepared for the exams, students should understand that although much of the class discussions will focus on applications, it is also important to be thoroughly familiar with the texts concepts. There will be a chance to earn extra credit, if students contribute to research projects related to marketing. This will be an add-on for the regular participation grade.

Students will get the chance to present their class projects and homework several times. Please send your work or slides the day before class via e-mail. It is important that you take these communication tasks seriously and be able to show the necessary professional attitude through your thoughts and work. Getting practice in presenting work results is excellent preparation for your future job.

Every student has to work in a team project during the term. This project will be to elaborate a service concept for a real company or purpose in the Boston Area. This needs to be supported by a detailed analysis, service concept & strategy, and creative "prototypes". The team project will give you experience in developing and presenting a complete marketing concept in the service economy. Please

see the attached guideline for the detailed requirements of this project. Also, some assignments will be given to a team during the semester to support their analysis.

Beside this, every student has to prepare at least one topic assigned by the instructor to present in class. The topic will be related to a well-known service marketing issue. The key element of this presentation should be coordinated with me one day before the scheduled presentation. Due at the end of the semester (before the group presentations), every student has to hand in a report about his/her assigned topic and website (about. 3 pages). The individual assignment will be graded based on the report, the slides, the creativity, the comprehensiveness, the quality and the audience evaluation.

Course Outline

Class 407	Topic	Chapter
4-Sep	Introduction	
6-Sep	New Perspectives in the Service Economy	1
	Submit name of the team members	
11-Sep	New Perspectives in the Service Economy	1
13-Sep	Consumer Behavior	2
18-Sep	Consumer Behavior	2
	Submit the service company	
20-Sep	Service Quality	14
25-Sep	Service Quality/Kohls	14
27-Sep	Developing Service Concepts	4
2-Oct	Positioning Services	3
4-Oct	Positioning Services	3
9-Oct	Design Service Processes	
11-Oct	Design Service Processes	
16-Oct	**1. Test**	8
18-Oct	**Mid-term presentation**	
23-Oct	Service Environment	10
25-Oct	Service Environment	10
30-Oct	Educating the Customer	7
1-Nov	tba	
6-Nov	Educating the Customer	7
8-Nov	Distribution of Services	5
13-Nov	Managing People for Service	11
15-Nov	Managing People for Service	11
20-Nov	Service Recovery	13
22-Nov	*- Thanksgiving -*	
27-Nov	Service Recovery	13
29-Nov	**2. Test - Submit group project**	
4-Dec	**Student presentation**	
6-Dec	**Student presentation**	
11-Dec	**Student presentation**	

 Course Evaluation

Class participation	35%
2 tests each 10%	20%
Individual project %	10%
Team project	35%

ADMINISTRATIVE NOTES

- Regular attendance is only one part of the grade for class participation. Active, articulate, and insightful participation in the classroom as well as conscientious fulfillment of assigned exercises is highly necessary.

- Assignments need to be completed on their respective due-date unless previous arrangements have been made. Please send your work or assignment the day before the next class via e-mail. Late papers will incur a penalty (<= 24 hours → minus one grade) or they may not be accepted for credit. Exceptions can only be made with proven evidence. There is no make-up available for in-class exercises.

- Class communication is necessary. You should be contactable by your given preferred e-mail address at least once a day.

- You are encouraged to bring your own laptop to class. This will help you summarize your group results from class assignments at the end of the lesson. Also, we can use the web for our in-class activities.

- Individual projects and assignments should be submitted by email (**Don't use webCT for this**). For every submitted assignment you will receive a confirmation e-mail, as proof that the submission is completed. Please use standard formats for your attachments (i.e. .doc, .ppt, .pdf, .xls). If additional hardcopies are necessary; there will be an announcement in class.

- Professional consistence is an important grading basis. If you don't have much experience in preparing a professional slide presentation, you can download PowerPoint templates for business presentations online.

- The course is governed by the UMASS regulations and procedures regarding Academic Standards, Cheating, Plagiarism, and the Documentation of Written Work. Students caught cheating or plagiarizing will fail the course and will have a description of the incident attached to his or her academic records. Please familiarize yourself with the policies on http://www.management.umb.edu/undergrad/undergrad_code_of_conduct.php (especially Section IV A).

- All papers must be carefully prepared and proof-read. If outside sources are used, they must be cited in the paper when necessary and a complete bibliography must be included as specified in the Style Guide. The Style Guide contains easy to follow examples, as well as tips on writing, grammar, and how to document your sources properly. You will find the format at www.management.umb.edu/undergrad/undergrad_writing.php. Proper documentation is the best and easiest way to avoid being penalized for plagiarizing. Submitted slides will also be judged by this rule. A short management report is always encouraged; the criterion is whether you have covered all items thoroughly.

- If you have a disability and feel you will need accommodations in order to complete course requirements, please contact the Ross Center for Disability Services (M-1-401) at (617) 287-7430. For more information see: www.rosscenter.umb.edu/

SERVICE CONCEPT FOR A SERVICE COMPANY IN BOSTON -- TEAM

The Project: Prepare a service concept for a real company or purpose in the Boston Area. This needs to be supported by a detailed analysis, service concept & strategy, and creative "*prototypes*" (see Outline).

The Team: Four to five people per team. Each team will assign a person to be their team captain (i.e. this person serves as a contact person. No special power attached ;-). **Submit team members by September 10th.**

The Process: Choose a real service business and get instructor approval no later than **September 20th**. The team is encouraged to find a business that also fits into their actual live situation.

The Format: A written report (approximately 18 pages, plus supporting material is reasonable.) There is no limit as to the number of pages to be submitted. Completeness of your service concept is what is most important towards your overall grade. A classroom presentation of key strategy and program elements supported by PowerPoint slides and creative prototypes is **due on December 3rd.**

The Scope: The purpose of this assignment is to give you an opportunity to develop a complete service concept for a real business. An integrated service program implies multiple steps to be carried out over time and it may also imply numerous creative executions, some of which may be dependent on prior steps. The students should use the service book as a guide for the project. Below is a guideline list students can follow:

§   ca. 1 page: Executive summary (incl. mission)
§   ca. 3 pages: Market summary, situation assessment and analysis (incl. SWOT)
§   ca. 12 pages: Service Concept & Marketing Strategy (incl. "Prototypes").
                     This part should include and applied some of the concepts and techniques
                     learned in the class.
§   ca. 2 pages: Future recommendation with priorities, budget plan, and timeline

Project Notes

• E-mail communication with the instructor is encouraged as you work through the steps of your part of the project. This is a way to maintain momentum on the project as well as to ask specific questions as they come up.

• It is highly recommended that you make the group process easier by consistent use of e-mail and instant messaging. This will not completely eliminate group meetings to make some of the important decisions. It is, however, an unsurpassed way to get work done. Cyber meetings (Google groups, Live Mesh) also eliminate the friction caused by the difficulty of scheduling meetings in the physical world.

• ***Consistent and productive attention to your duties as a team member is expected of each person. Each team member will evaluate their own performance and the performance of other team members at the end of the project.***

Individual Project

Topic: Please sign up for one topic in the following table. Every topic can only be assigned two times at maximum.

Process: It is highly recommended to **research your topic early** and **to be prepared** for a small presentation during the semester. Please use different sources of information for your report (at least five) and cite the work adequately.

Content: Please cover in your report the following aspects:

- What is the topic? Explanation? Definition?

- Provide and explain some examples

- Recommendations for your group project

Presentation: I plan to use your input for the class sessions. If you do a presentation in class, I will count that for the participation grade. You still have time till Dec 6th to finish your report and revise your slides.

Format: Every student has to hand in a **report** about his assigned topic (about. 3 pages text) plus associated PowerPoint **slides**. The individual assignment will be graded based on the report, the slides, the creativity, the comprehensiveness, the quality and the audience orientation.

Topic for the Individual Project
(Copy; Original will be distributed in class)

Around Week of	Topic 1	Student	Topic 2	Student
13-Sep	1. Service dominant logic		2. Perceived Risk	
18-Sep	3. Moment of Truth		4. Customer Delight	
20-Sep	5. Service Profit Chain		6. Zero Defection	
25-Sep	7. Tiering of services		8. Franchise	
2-Oct	9. New Service Development		10. International Challenges of Services	
9-Oct	11. Brand strategies for services		12. Positioning Maps for services	
16-Oct	13. Revenue Management		14. Total User Cost	
23-Oct	15. e-services		16. Experiential Marketing	
30-Oct	17. Waiting Management		18. Customer Relationship Management	
6-Nov	19. Self-Service Technology		20. Corporate Design of Services	
13-Nov	21. Service Leadership and Culture		22. Wheel of Loyalty	
15-Nov	23. Emotional Labor		24. Empowerment	
20-Nov	25. Service Guaranties		26. Jay Customer	