Services Marketing (MAR 4841) Fall Semester 2010

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Suggested Text: *Services Marketing*, 5th ed. by Zeithaml, Bitner, and Gremler; McGraw-Hill, 2009.

Other Materials: Other materials will be distributed via the course Blackboard site.

Course Description

Products can be tangible (goods) or intangible (services, ideas, etc.). Globally, most developed economies are dominated by services. In the United States, roughly 80% of our labor force, 80% of our GDP, and a large portion of our exports are derived from service industries. This dominance is even more pronounced in Florida, as over 90% of our state's economy depends on services. Nearly all of the new job growth in the U.S. is in the service sector. Moreover, even historically product-dominant firms are now turning into service companies. For example, more than 40% of IBM's revenues and over 60% of GE's profits are derived from services.

Due to the unique characteristics of services, service organizations (e.g., banks, educational institutions, hospitals, hotels, professional services, transportation firms) have unique marketing challenges that warrant special attention. Services are also unique in that their design and delivery depends on close coordination among marketing, operations management, information technology, and human resources. As a result, effective services marketing strategy must be interdisciplinary in nature.

Learning Objectives

This course builds on marketing concepts from other courses to make them specifically applicable in service industries. The course will also focus on the role of service as a primary source of competitive advantage for both service and non-service organizations. The specific learning objectives of this course include:

- 1. To appreciate the differences between services and physical goods and understand how these differences translate into strategic direction.
- 2. To learn how the measurement and analysis of customers' expectations and perceptions of service quality are critical to the effective management and marketing of services.
- 3. To analyze the role of physical evidence in service delivery and how this evidence must be managed to create an effective service environment.
- 4. To appreciate that services are inherently people-oriented and that the effective marketing and delivery of services are impossible without a good strategy for managing human resources.
- 5. To understand the ramifications of service failure and the benefits of service recovery strategies.
- 6. To understand the importance of keeping good current customers and finding good future customers.

Grading/Evaluation

The course is designed around four major activities. First, you will work in teams on an **applied research project** (a customer expectations and perceptions survey). This project, which is worth

20% of the final course grade, will be a major focus throughout the semester. Second, you will present a recent article on services marketing. This assignment is worth 10% of the final course grade. Third, you will have three **exams** during the semester as noted in the course schedule. These exams will cover our lecture and class discussions about the material offered in the text, the presentation materials, and any handouts. Together, the exams are worth 60% of the course grade. Finally, you will be graded individually on the **quality and quantity of class participation**. Participation includes class attendance, professionalism, reading assigned materials, preparation for class, and actively contributing your thoughts and personal experiences.

Grade Structure

The points and weights assigned to each area in determining your final grade and the grading summary are shown below. Final course averages will be rounded to whole percentages. **LATE ASSIGNMENTS WILL NOT BE ACCEPTED – NO EXCEPTIONS.**

	Points	<u>Percent</u>	<u>Final Grades</u>	
Exam 1	100	20%	$90 - 100\% = A \qquad 67 - 69\% =$	D+
Exam 2	100	20%	87 - 89% = B + 60 - 66% =	D
Exam 3 (Final)	100	20%	80 - 86% = B Below $60% =$	F
Research Project*	100	20%	77 – 79 % = C+	
Article Presentation	50	10%	70 – 76 % = C	
Participation	50	10%		
			Note:	
Total Points	500	100%	Minus grades will be assigned when a higher l	etter
			grade is achieved by rounding	
			(i.e., 89.5 – 89.9 % = A-)	

^{*} Individual scores on group projects may be adjusted based on peer evaluations. Please see note #6 under "Guidelines for Course Assignments and Projects" for further information.

Note on Extra Credit Assignments and Curving of Final Grades: Extra credit assignments may be given if the instructor determines that the class *as a whole* is in need of extra credit. <u>Under no circumstances will extra credit be given on an individual basis</u>. Extra credit points are given for excellent attendance (see below). Final course grades will not be curved at the end of the semester.

Examinations

Three 100-point, multiple-choice exams will be given during the semester as noted in the course schedule. The date listed for each exam is firm and not likely to change. The third exam is partially comprehensive and will be given during the final exam period. **Make-up Exams:** If you cannot take a regular exam, you **must** notify the instructor prior to the exam. To qualify for a make-up, you must satisfy the following university regulation: *Make-up examinations are permitted for an undergraduate student when justified by illness, conflicting examinations, four or more examinations in a 24-hour period, or for certain emergencies. Arrangements should be made prior to the scheduled exam. In other words, you must have a valid reason for missing an exam. Students who give prior notification and have a valid reason for missing an exam may take a make-up within ten days of the regular exam date. Otherwise, all make-up exams will be given during final exam week. Valid reasons for missing an exam are determined on a case-by-case basis at the discretion of the instructor. Being unprepared for an exam or having too many exams (except as noted in university regulations) are not valid reasons.*

Participation and Attendance

Your participation in class is extremely important for two reasons. First, participation represents 10% of your final course grade. The second and most important reason for your participation is that your ability to extract learning from this course depends on it. I expect you to demonstrate an understanding of the material. Above that, however, your ability to learn from this course depends on an open, spirited, and collegial exchange of ideas where we learn from each other. I cannot stress this enough. While we will learn from our reading, the bulk of our learning will occur in the open exchange of ideas among all members of the class. Please note that attendance alone is not sufficient to score well on participation. You are expected to actively contribute to the learning experience of the class. Preparation, professionalism, and mutual respect are also important elements of your participation score.

Attendance will be taken at the beginning of each class meeting. It is <u>your</u> responsibility to sign the class attendance sheet, even if you are late to class. My record of attendance is official and final. I will take attendance for 24 class meetings, not including the first week or the exam dates noted in the schedule. You are required to attend class at least 20 of these 24 days during the semester. As a result, you may miss four class meetings without being penalized. However, you are still responsible for any material you miss during your absence from class. If you miss class more than four days, you will lose 5 points (or 1%) for each day over the four days allowed. However, if you miss fewer than four days, you will earn 1.25 bonus points (not percentage points) for each extra day you attend class. A maximum of five bonus points (or 1%) can be earned (4 extra days @ 1.25 points each day). At the end of the semester, attendance will add to, subtract from, or have no effect on the calculation of your final course average.

Note on Excused Absences: There will be no credit for any absence (for any reason) until you have exhausted all four of your "free" days. After that, credit will be given for legitimate excused absences at the discretion of the instructor. You must attend class 20 out of 24 days to receive full credit for attendance. Each day of attendance over the minimum of 20 days generates extra credit points as noted above. Do not dismiss this chance to earn extra credit. Because final course averages are rounded to whole percentages, this extra credit has the potential to make a letter grade difference in your final course grade.

Professionalism

Classroom professionalism is to be maintained at all times. Our goal is to create a positive, courteous, and respectful environment that is conducive to learning. This includes reading assigned materials, overall preparation for class, and actively contributing your thoughts and personal experiences. To encourage reading and discussion, pop quizzes will be given if the class is noticeably unprepared. If pop quizzes are given, they will count toward your final grade. There are no make-ups for pop quizzes. Furthermore, wireless phones should be turned off or set for silent alarm during class. Laptop computers are not to be used during class unless their use is a part of the class session. No walking in and out of the room when class is in session, especially during article presentations. No eating, drinking, sleeping, or excessive talking when class is in session. At the end of the semester, your overall level of professionalism may be used to adjust final grades that are on the margin.

Academic Honor Policy

The Florida State University Academic Honor Policy outlines the University's expectations for the integrity of students' academic work, the procedures for resolving alleged violations of those expectations, and the rights and responsibilities of students and faculty members throughout the process. Students are responsible for reading the Academic Honor Policy and for living up to their pledge to "... be honest and truthful and ... [to] strive for personal and institutional integrity at Florida State University." (Florida State University Academic Honor Policy, found at http://dof.fsu.edu/honorpolicy.htm.)

Furthermore, all students, faculty, and staff in the College of Business are expected to uphold the College's Integrity Code, where we are expected to "adhere to the highest standards of academic excellence, integrity, and to the norms of a serious intellectual community" (College of Business Integrity Code, found at http://cob.fsu.edu/press/integrity code.cfm).

I have absolutely no tolerance for violations of academic integrity and will use all means at my disposal to identify and punish offenders in a swift and fair manner. You will be required to submit all work in hard copy and electronic formats. The electronic version will be checked for plagiarism using the university's plagiarism detection service. Students found guilty of academic dishonesty, which includes but is not limited to cheating, plagiarism, or collusion, are subject to disciplinary action. Examples of academic penalties include, but are not limited to, a lower or failing grade on an assignment, a lower or failing grade in the course, additional work, suspension, or expulsion. Please refer to FSU's Academic Honor Policy for further information.

ADA Requirements

Florida State University complies with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Students with disabilities who seek academic accommodations should:

- 1. register with and provide documentation to the Student Disability Resource Center; and
- 2. bring a letter to the instructor indicating the need for accommodation and what type. This should be done during the first week of class.

This syllabus and other class materials are available in alternative format upon request. For more information about services available to FSU students with disabilities, contact:

Student Disability Resource Center 874 Traditions Way 108 Student Services Building Florida State University Tallahassee, FL 32306-4167 (850) 644-9566 (voice) (850) 644-8504 (TDD) sdrc@admin.fsu.edu http://www.disabilitycenter.fsu.edu/

TENTATIVE COURSE SCHEDULE

Changes to this schedule are possible and should be expected as the semester progresses. I will announce all changes well in advance. You are responsible for changes made to this schedule even if you are absent from class the day changes are announced. You should consult with fellow students or the instructor immediately when you miss a class.

Date	Topic	Reading Assignment
Aug 23 (M)	Course Overview	Syllabus
Aug 25 (W)	Introduction to Services	Chapter 1
Aug 30 (M)	The Gaps Model of Service Quality	Chapter 2
Sept 1 (W)	Consumer Behavior in Services	Part 2 Introduction (p. 47) Chapter 3
Sept 6 (M)	Labor Day Holiday – NO CLASS	
Sept 8 (W)	Customer Expectations of Service	Chapter 4
Sept 13 (M)	Customer Expectations (continued)	Chapter 4
Sept 15 (W)	Customer Perceptions of Service	Chapter 5
Sept 20 (M)	Customer Perceptions (continued)	Chapter 5
Sept 22 (W)	Service Research	Part 3 Introduction (p. 137-138) Chapter 6
Sept 27 (M)	Service Research (continued) Discuss Semester Project Project Questionnaires Distributed	Handouts (on Blackboard)
Sept 29 (W)	Review for 1st Exam	Study Guide 1 and Lecture Notes
Oct 4 (M)	EXAM 1 (Chapters 1 - 6)	
Oct 6 (W)	Building Customer Relationships Completed Questionnaires and Keyed Data Due	Chapter 7
Oct 11 (M)	Building Customer Relationships (continued)	Chapter 7
Oct 13 (W)	Service Recovery	Chapter 8
Oct 18 (M)	Service Blueprinting	Part 4 Introduction (p. 247) Chapter 9 (pp. 264-274 only)
Oct 20 (W)	Semester Project Discussion / Q&A Session	Review of Zone of Tolerance Chart and Importance/Performance Matrix

Oct 25 (M)	Customer-Defined Service Standards	Chapter 10
Oct 27 (W)	Physical Evidence and the Servicescape	Chapter 11
Nov 1 (M)	Employees' Roles in Service Delivery	Part 5 Introduction (p. 345-346) Chapter 12
Nov 3 (W)	Customers' Roles in Service Delivery	Chapter 13
Nov 8 (M)	Review for 2 nd Exam	Study Guide 2 and Lecture Notes
Nov 10 (W)	EXAM 2 (Chapters 7 – 13)	
Nov 15 (M)	Integrated Services Marketing Communications	Part 6 Introduction (p. 475-476) Chapter 16
Nov 17 (W)	Services Marketing Communication (continued)	Chapter 16
Nov 22 (M)	Semester Project Due (via email) – NO CLA	SS
Nov 24 (W)	NO CLASS	
Nov 29 (M)	Pricing of Services The Financial and Economic Impact of Service	Chapter 17 Part 7 Introduction (p. 541) Chapter 18
Dec 1 (W)	Review for 3 rd (Final) Exam	Study Guide 3 and Lecture Notes
	EXAM 3 (Final) – Chapters 16-18 and pa Thursday, December 9 – 10:00a	•

Overview of Projects and Assignments

Applied Research Project

This *group* project centers on the development of a survey to assess customer expectations and perceptions of service quality at the FSU library. Several steps (summarized below) are required to complete this project. I will provide more detailed instructions throughout the semester.

- 1) We will develop a short questionnaire to assess expectations and perceptions of service quality at the library. The questionnaire format will be similar to textbook Exhibit 6.2 (pp. 152-154). I will duplicate the questionnaire and distribute copies to the class on **September 27**.
- 2) You will collect 5-10 completed questionnaires by asking other students (friends, roommates, etc.) to participate in the survey. After this, you will key the responses into an Excel spreadsheet (that I provide) and merge your file with those of other group members. The group's combined Excel file and the completed questionnaires are due on **October 6**. I will merge all group files to create a single data file, and then create the charts needed for the project.
- 3) We will discuss the results in class on **October 20**. Your group will then write a report which includes: a) a summary of major findings, b) a zone of tolerance chart and an importance/performance matrix (see Figures 6.3 and 6.4 on pp. 164-165 for examples), and c) recommendations to improve or better manage customer expectations and service quality perceptions at the library.

The final, written report (8-10 double-spaced pages not including exhibits) is **due via email on November 22** (we will not have class that day). The project is worth 100 points or 20% of the course grade. Individual scores on the project may be adjusted based on peer evaluations as noted in the "Guidelines for Course Assignments and Projects" section of this syllabus. **Late projects will not be accepted**.

Tips for Doing Well on the Project

- Start early.
- Study and think about the zone of tolerance chart and the importance/performance matrix before you begin writing. We will discuss this in class on October 20.
- Avoid the temptation to divide the project among group members and pull it together at the last minute. This will result in a disjointed report that will not earn a good score.
- Remember that you are responsible for the work of each member of your group. It is your responsibility to proofread the work of others before you submit the completed project to me.
- Keep in mind that other group members will have the opportunity to grade your work performance at the end of the semester.

This project is applied in nature, but it is not difficult to complete. In fact, you will enjoy working on it. The skills you will acquire during this project are important because you are likely to be exposed to this type of research (either doing the work or reviewing final reports) at some point in your career.

Article Presentation

You and a partner will present a current news article to the class. The article you select must pertain to services marketing, but it can cover any topic within this area. Duplication of articles is not allowed, so you need to tell me about your article as soon as possible. The requirements are:

- 1) Article presentations are scheduled throughout the semester. A sign-up sheet will be available for you to schedule your article presentation for a specific date during the semester.
- 2) Articles cannot be more than two months old. As long as the article pertains to services marketing, it can come from any source. Articles in the online versions of newspapers, magazines, and trade journals are preferred. Good examples include:

BusinessWeek http://www.businessweek.com

Forbes http://www.forbes.com
Fortune http://www.forbusiness.com
Bloomberg http://www.bloomberg.com

- 3) You must choose an article that will stimulate <u>meaningful</u> class discussion. These are usually longer, more substantive articles rather than short news briefs. If you are in doubt about an article, let me review it first.
- 4) You should try to choose an article that is closely aligned with a specific topic we are discussing during the current week, or that we have discussed at an earlier point in the semester. While this is not an absolute requirement, it is a very strong preference.
- 5) Please email me a link to your chosen article at least one week prior to the presentation date. I will then post the link on Blackboard. Other class members are expected to read the article prior to your presentation.
- 6) Your written and oral presentation consists of two parts: 1) a brief summary of the article and 2) managerial implications (Why is the article important?, What can we learn from it?, etc.). A copy of the article must be attached to your written summary. Please put your names on the summary and the article.
- 7) The presentation style is informal. Your presentation, including the class discussion, should be no more than 15 minutes in length.
- 8) While everyone is expected to ask interesting questions, <u>you</u> are responsible for stimulating and guiding the class discussion during the presentation. This is the most important grading criterion for this assignment. Other grading criteria are mentioned in 2-7 above.

The article presentation is worth 50 points or 10% of the final course grade. If you do not present your article or submit your analysis on your chosen day, you may make-up your article presentation at a later date. However, you will be penalized 25 points.

Guidelines for Course Assignments and Projects

- 1) All work must be original and performed by the student. Note that cutting and pasting directly from websites is considered to be plagiarism. Likewise, collusion on individual assignments will not be tolerated.
- 2) In addition to the completion of the requirements for each assignment, written work is graded on the basis of appearance, organization, writing style (clarity, spelling, and grammar), comprehensiveness, justification or support of ideas, and creativity. Group projects that are completed in sections and merged together should be thoroughly checked for completeness and consistency.
- 3) All oral presentations are graded on the basis of preparation, logical organization, professionalism, nonverbal elements, quality of visuals, speech (tone, clarity, grammar), creativity, and presentation style (eye contact, mannerisms, lack of dependence on notes). Reading notes or overheads to the class is unprofessional and will not be tolerated. I will stop your presentation if you are reading to the class.
- 4) In group projects, your grade depends on the work of other members in your group. **Therefore**, **you are responsible for their work as if it is your own**. You should review the quality of each member's work before turning in a completed assignment or project.
- 5) <u>Late Work Will Not Be Accepted</u>. Be sure to allow adequate time to resolve unanticipated problems with respect to course deadlines. Unless changed by the instructor, deadlines noted in the course schedule are firm.
- 6) Please ensure your commitment and contribution to all group assignments, as your fellow group members will grade your performance. A team score will be given to each assignment; however, individual scores may be adjusted based on peer evaluations. If your peer evaluations average 90 percent or higher, you will receive the overall team score. However, if your peer evaluations average less than 90 percent, you will receive that percentage of the overall team score.
- 7) Physical requirements of all projects and assignments (Failure to conform to these requirements will result in a minimum one letter grade penalty):
 - All work must be typed and double spaced, with margins of no more than one inch on all sides.
 Check your word processing software to ensure that it produces a document that adheres to these guidelines.
 - Electronic versions of all work must be submitted along with paper documents (Microsoft Word and PowerPoint only). Electronic files can be mailed to mhartline@cob.fsu.edu.
 - Divide your work into sections that correspond to the questions or steps of each assignment. You <u>must</u> use headings and subheadings to organize your written report. Likewise, you must cite all external sources (including websites and personal interviews) and include a "References" section at the end of each report.
 - Be sure to include the names of all group members on the cover page of your report. Please spell all names correctly (including mine).

PLEASE REMOVE THIS PAGE AND RETURN IT TO THE INSTRUCTOR

MEMORANDUM OF UNDERSTANDING

"My signature below affirms that I have read, understand, and accept all policies and procedures outlined in the syllabus for MAR 4841—Services Marketing. I assert that all work performed during the semester will be mine and mine alone, including all assignments, projects, and examinations. I further agree to abide by the Academic Honor Code and the Florida State University policy on academic integrity."

Phone:
Phone:
Fax:
E-mail 1: (please print neatly)
E-mail 2: (please print neatly)
Employer: (or previous employer)
Position:
An interesting and little known fact about me is: