

HSE MBA 2010-2011

Services Marketing

October 10 – 22, 2011



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Module Overview:

The focuses of this module are threefold. First, “An Overview of Services Marketing,” concentrates on defining services marketing and discusses in detail the fundamental concepts and strategies that differentiate the marketing of services from the marketing of tangible goods. The primary objective of this first focus is to establish a core knowledge base that will be built upon throughout the remainder of the course.

The second focus, “Service Strategy, Managing the Service Experience,” pertains to service strategy and managing the service encounter. Due to the consumer’s involvement in the production of services, many new challenges are presented that do not frequently occur within the manufacturing sector. The primary topics of this section of the course pertain to strategic issues related to the marketing mix as well as the Servuction Model including process, pricing, promotion, physical evidence and people (employee and customer) issues.

The third and final focus of the module, “Assessing and Improving Service Delivery,” concentrates on customer satisfaction and service quality issues. Methods for tracking service failures and employee recovery efforts as well as customer retention strategies are also presented. Ideally, assessing and improving the service delivery system will lead to “seamless service”—provided without interruption, confusion, or hassle to the customer.

Module Objectives:

- Understand the unique challenges involved in marketing and managing services.
- Identify differences between marketing in services and manufacturing organizations.
- Identify and analyze the various components of the “services marketing mix”-- the original 4Ps plus the physical environment, processes, and people.
- Understand and discuss key issues required in managing customer satisfaction and service quality.
- Appreciate the role of employees (and often customers) in service delivery, customer satisfaction, and service recovery.
- Consider the sources of competitive advantage in service business.
- Appreciate other key issues in service businesses such as managing supply and demand, relationship management, and the overlap in marketing/operations/human resource systems.
- Understand how “service” can be a competitive advantage in managing organizations.

Prerequisites:

Basic fundamental understanding of buyer behavior and marketing management concepts including market segmentation, target marketing, positioning strategies, the marketing mix, and the influence of macroenvironmental variables on marketing strategy.

Teaching Methods, textbook and readings:

Teaching methods include lectures, class discussions, group assignments, cases, and student presentations.

Textbook:

John E. G. Bateson & , K. Douglas Hoffman, *Services Marketing*, Cengage Learning, 4e, 2011, ISBN-13: 978-0-538-47645-4

Assignments:**Cases:**

Cases are assigned periodically throughout the course to aid in class discussions. Please read cases prior to coming to class and prepare requested materials to be turned in during class.

Review Exam (Group Exercise):

An exam over the first half of course materials will be given at the halfway point of the class. The exam, taken as a group, is closed-book, closed notes and consists of short-answer essay questions. Answers are to be hand-written.

Best Practices in Service Excellence (Group Exercise):

Each group should prepare a 20-30 minute PowerPoint presentation that discusses a company (large or small) that the group believes exhibits Best Practices in Service Excellence. Compelling ideas, strategies, and innovative company practices are welcome and encouraged! This assignment may be adjusted based on the number of people in class, the number of groups, etc. Presentations would typically take place the last day of class.

Final Exam (Independent Work)

The final exam will be comprehensive and consist of multiple choice and short-answer essay questions.

Assessment and Grading

Class participation/Cases	15%
Review Exam	20%
Best Practices Project	15%
Final exam (Comprehensive)	50%

Grade	Descriptor Grade	Indicative percentage	Value for GPA calculations
A	Honors	93-100	4
A-	Honors	86-92	3.7
B+	High Pass	80-85	3.3
B	High Pass	75-79	3.0
B-	High Pass	70-74	2.7
C+	Pass	63-69	2.3
C	Pass	56-62	2.0
C-	Pass	50-55	1.7
F	Fail	Below 50	0

Class attendance is critical. Please do your best to arrive on time. If you are late or miss class, please designate someone to collect information and materials for you. Please turn your mobile phones off during class.

Class dates:

Monday	10 October 2011	17:00 – 20:00
Wednesday	12 October 2011	17:00 – 20:00
Friday	14 October 2011	16:15 – 20:15
Saturday	15 October 2011	08:00 – 14:00
Monday	17 October 2011	17:00 – 20:00
Wednesday	19 October 2011	17:00 – 20:00
Friday	21 October 2011	16:15 – 20:15
Saturday	22 October 2011	08:00 – 14:00

COURSE SCHEDULE

<i>Timetable of Lecture Sessions</i>

Monday 10 Oct

Session 1: 17.00 – 20.00

- Introduction to the Course
- Chapter 1—An Introduction to Services
- Chapter 3—Unique Discrepancies between Goods and Services
 - **Introduction to Best Practices Presentations**
 - **Assignment for Wednesday: Read “In Praise of The Purple Cow”**
 - <http://www.fastcompany.com/magazine/67/purplecow.html> (five pages)
 - **Case 1—The Twin’s First Service Encounter**

Wednesday 12 Oct

Session 2: 17.00 – 20.00

- Chapter 4—The Consumer Decision Process in Services Marketing
 - Case: United Attempts to Crack the Non-business Market
 - Ethical Considerations for Services Marketers

Friday 14 Oct

Session 3: 16.15-20.15

- Chapter 5—Focus on Service Process
 - Case: Build-A-Bear Workshops
- Chapter 8—Managing the Servicescape and Other Physical Evidence

Saturday 15 Oct

Session 4: 8.00 -14.00

- Chapter 9—People as Strategy: Managing Service Personnel
- Chapter 10—People as Strategy: Managing Service Consumers
- Group Exam**
- Project Time (if time allows)**

Monday 17 Oct

Session 5: 17.00 – 20.00

- Chapter 6—Considerations for Services Pricing
 - Case: MDVIP: Become a Priority, Not Just a Patient
- Chapter 7—Effective Service Promotions

Wednesday 19 Oct

Session 6: 17.00 – 20.00

Chapter 11—The Essentials of Customer Satisfaction Measurement
Case: The Crestwood Inn
Chapter 12—Service Quality: Identifying and Rectifying the Gaps

Friday 21 Oct

Session 7: 16.15 – 20.15

Case: Service Quality at the Libertador Hotel
Chapter 13—Managing Service Failures and Implementing Effective Recovery Strategies
Case: Is This Any Way to Run an Airline? (Parts 1 and 2)
Project Time (if time allows)

Saturday 22 Oct

Session 8: 8.00 – 14.00

Chapter 14—Strategies for Facilitating Customer Loyalty and Retention
Chapter 15—Putting the Pieces Together: Creating a World-Class Service Culture
Best Practices in Service Presentations