

Special Topics in Marketing: Services Marketing
College of Commerce and Business Administration
The University of Alabama

MKT 493-001
M/W 3:30-4:45
221 Bidgood Hall
Spring 2013

Instructor: Professor David L. Mothersbaugh
Office: 109 Alston Hall
Office Hours: M/W 5-6PM and by appointment
Phone: 348-8949
E-Mail: dmothers@cba.ua.edu

Class Materials: *Services Marketing: Integrating Customer Focus Across the Firm*, 6e (2013), Zeithaml, Bitner, Gremler, McGraw-Hill Irwin: New York.

Additional Readings – listed in syllabus and available via Bruno Library.

Prerequisites:

Business majors must have (1) attained junior status, (2) completed MKT 300 with grade of C- or better, and (3) successfully completed CS 102, EC 110 and 111, EN 101 and 102; MATH 112 and 121, and ST 260. Non-business majors must have attained junior status and have successfully completed MKT 300 (with grade of C- or better).

Background:

The U.S., as well as much of the world economy, is dominated by services. As such, this course is designed for students who may be interested in working in service industries and will address the distinct needs and problems of service firms in the area of marketing. We will examine the fact that service organizations (e.g., banks, educational institutions, hospitals, hotels, professional services, transportation companies) require a distinctive approach to marketing strategy, both in its development and execution. The course will build on marketing concepts from other courses (e.g., MKT 300) to make them specifically applicable in service industry settings. We will also examine the role of service as a competitive advantage in manufacturing businesses. This course will help students to gain an understanding of services marketing issues and provide a good foundation for other marketing classes and future business endeavors.

Course Objectives:

- Understand the unique challenges involved in marketing and managing services.
- Identify how “service” can be a competitive advantage.
- Identify and analyze the various components of the “services marketing mix” (three additional P’s) as well as key issues required in managing service quality.
- Appreciate the role of employees (and often customers) in service delivery, customer satisfaction, and service recovery.
- Appreciate other key issues in service businesses, such as the overlap in marketing/operations/human resource systems, and relationship management.
- Build on important workplace skills through active learning assignments.

Course Requirements:

Course requirements are broken into 4 core areas: (1) Class Participation and attendance, (2) Application Activities, (3) Quizzes, and (4) Exams.

(1) Class Participation and Readings Summaries (20%): For each class there is an assigned text chapter and readings. Please read PRIOR to class and be prepared to discuss. This will influence your class participation grade as will attendance which I will track.

Team Readings Syntheses and PPTS (10%): You will divide into teams of 3 (one team of 4). Each team will choose 2 topics from the semester and provide a readings synthesis, summary, and analysis. The best papers will go beyond the text and readings assigned to also bring in at least one additional reading related to the topics at hand (e.g., an article about a company that has a service issue related to the concepts in the chapter for the week). The best papers will also go beyond simple summary and indicate strategic relevance to service organizations of the key concepts and issues. Each readings summary will consist of a cover page and 3-4 single spaced pages of text, plus a listing of your outside source(s) and will count for 5 percent of your grade. Sources for your outside article(s) can be anything such as businessweek.com, forbes.com, foxbusiness.com, fortune.com, and bloomberg.com, wsj.com and so on.

As a member of the assigned team for a given topic, you will be expected to contribute heavily to class discussion as well. Toward this end, I would like you to create a summary PPT presentation in a professional style that creatively synthesizes and demonstrates the issues at hand. You might consider a summary of “take-away” issues that are key principles from the readings, questions that don’t seem to have solid answers that could be the foundation of class discussion, as well as demonstrations involving YouTube videos and so forth. This presentation of your team readings PPT will occur on the second day of each topic (marked with an *) and should be designed to encourage discussion and enhance learning.

Class Participation and Attendance (10%): The remainder of your class participation grade will be based on the quality of your participation (and indirectly on attendance).

- (2) Team Project – Service Blueprint and Brand Analysis (25%):** Your team will blueprint a real service (see chapter 8 and class sessions 12 & 13). Insights revealed by the blueprint as well as recommendations for service improvement and brand strategy based on your analyses and key course concepts will be included as part of the assignment. A separate handout describing the details of this assignment will be posted on Blackboard.
- (3) Team Case Briefs (10%):** In each of the three modules there is a case. You will as a team prepare a 3-4 page single-spaced summary (plus a cover sheet) of the key issues in the case and your recommendations. I will provide a set of “case guide” questions to help guide your work here. Cases are in text. Each team will choose 2 cases for which they will hand in the brief. Case guide questions will be posted in a separate file on Blackboard. Each case brief is worth 5 percentage points.
- (4) Exams (45%):** Three exams, each worth 15%, will be given. These exams will test important concepts from lecture, the text, class discussions, etc. All assigned materials are “fair game.” Two exams will be held during regular class in the semester. The third exam (not comprehensive) will be held during finals week and will cover the material in the third and final module.

Grading Policy:

Make-up exams will only be granted for *documented personal emergency* situations (e.g., death in the immediate family, documented illness). Please contact me prior to the test—email is fine. Bring documentation to the make-up.

Note: Academic integrity in this course is a must. Cheating on exams and copying/stealing/plagiarizing/etc. on assignments will be pursued to the fullest extent possible under university policy.

Disability Access:

Students who may need course adaptations because of a disability are welcome to make an appointment to see me during office hours. Students with disabilities must register with the Office of Disability Services before receiving academic adjustments, give me appropriate paperwork, and make specific requests at least 1 week in advance.

Extra Credit:

There are typically opportunities in terms of learning activities including research participation which will be offered to you in return for bonus points. These will be announced at appropriate times during the term.

TENTATIVE CLASS SCHEDULE

Session/Date	Topic	Readings and Assignments
<i>Module 1: Service Strategy</i>		
Class 1 & 2 1/9 & 14	Overview, Services, and Gap Model of Service Quality	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 1 and 2
Class 3 & 4 1/16 & 23*	Service Expectations	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 3 Additional Reading: <ul style="list-style-type: none"> • Dixon, Matthew, et al. (2010), "Stop Trying to Delight Your Customers," <i>Harvard Business Review</i>, July-August, 116-122. Available via Bruno Online Library under Business Source Premier database.
Class 5 & 6 1/28 & 30*	Service Perceptions	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 4 Additional Reading: <ul style="list-style-type: none"> • "Measuring Customer Service: The Up-and-Coming KPI," <i>inbound logistics</i>, December, 2012. Go to http://www.inboundlogistics.com and do a keyword search on KPI. Case: <ul style="list-style-type: none"> • Caterpillar
Class 7 & 8 2/4 & 6*	Strategic Benefits of Services	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 16 Additional Reading: <ul style="list-style-type: none"> • "The Number One Number You Need to Grow," Fred Reicheld, <i>Harvard Business Review</i>, December 2003, 46-54. Available via Bruno Online Library under Business Source Premier database.
Class 9 2/11	Test 1	All Module 1 Materials

Session/Date	Topic	Readings and Assignments
<i>Module 2: Basic Service Quality Gap Issues</i>		
Class 10 & 11 2/13 & 18*	Listening Gap: Service Research	Text: • Zeithaml Ch: 5 Additional Reading: • Stuart, Ian (2006), “Designing and Executing Memorable Service Experiences,” <i>Business Horizons</i> , 49, 149-159. Available via Bruno Online Library under Business Source Premier database.
Class 12 & 13 2/20 & 25*	Design Gap: Service Innovation and Design	Text: • Zeithaml Ch: 8 Additional Reading: • Bettencourt, Lance, et al. (2013), “The Secret to True Service Innovation,” <i>Business Horizons</i> , 56, 13-22. Available via Bruno Online Library under Business Source Premier database.
Class 14 & 15 2/27 & 3/4*	Execution Gap: Employee Issues	Text: • Zeithaml Ch: 11 Additional Reading: • Morrow, Peggy, (2000), “Eight Keys to Creating a Customer Service Culture,” <i>Inc.com</i> , August 2 (available online – simply “Google” the title).
Class 16 & 17 3/6 & 11*	Communication Gap: Services IMC	Text: • Zeithaml Ch: 14 Case: • Zappos.com
Class 18 3/13	Test 2	All Module 2 Materials

Session/Date	Topic	Readings and Assignments
Module 3: Advanced Service Quality Gap Issues		
Class 19 & 20 3/18 & 20*	Listening Gap: CRM	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 6 Additional Reading: <ul style="list-style-type: none"> • Smith, Ray (2012), “The Wait-Time Misery Index”, <i>WSJ.com</i>, February 29 (available online – simply “Google” the title).
Class 21 & 22 4/1 & 3*	Listening Gap: Service Failure and Recovery	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 7 Additional Reading: <ul style="list-style-type: none"> • Tax, Stephen et al. (1998), “Recovering and Learning from Service Failures,” <i>Sloan Management Review</i>, Fall, 75-88. Available via Bruno Online Library under Business Source Premier database.
Class 23 & 24 4/8 & 10*	Design Gap: Physical Evidence	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 10 Additional Reading: <ul style="list-style-type: none"> • Berry, Leonard et al. (2003), “Clueing in Consumers,” <i>Harvard Business Review</i>, February, 100-106. Available via Bruno Online Library under Business Source Premier database.
Class 25 & 26 4/15 & 17*	Execution Gap: Customer Issues	Text: <ul style="list-style-type: none"> • Zeithaml Ch: 12 Case: <ul style="list-style-type: none"> • Merrill Lynch
Class 27 & 28 4/22 & 24	TEAM PRESENTATIONS**	CLASS ATTENDANCE BY ALL REQUIRED
Final Exam Week	Test 3	All Module 3 Materials

* Indicates date for team presentation of team readings synthesis PPTS. ** Indicates presentation dates for the team Service Blueprint assignment.