

BMGT 458C
SERVICE MARKETING
SPRING 2011
SYLLABUS

Instructor: Dr. Janet Wagner
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Course Meetings: MW 12:30-1:45
Room: 1336 Van Munching
Office Hours: MW 3:00-4:00

Textbook: Zeithaml, Valarie, Mary Jo Bitner, and Dwayne D. Gremler (2009), Services Marketing, 5th ed., McGraw-Hill Irwin, ISBN 978-0-07-338093-3.

Readings: To supplement the textbook, there are three Harvard Business School cases (Starbucks, CVS Pharmacy, and Ritz-Carlton) in your course pack, which is available online from XanEdu.com. To access your XanEdu course packet, go to: www.XanEdu.com/Login and do the following:

1. If you have previously registered, log in.
2. If you are new to XanEdu, click the Student Registration button under "New Users Register Here." Complete and submit the registration form.
3. Confirm your Course Pack selection. Your course pack number is: 341295.

Course Description and Objectives: Service is any action that a firm takes on behalf of its customers. In the U.S., the service sectors account for 80% of the GDP, and the majority of jobs. The service sectors are also a growing share of the GDPs of developing economies, such as China and India. Thus, it is very likely that you will find yourself in a career that involves service, either in the service sector per se, or in customer service in the consumer packaged goods or manufacturing sectors.

In marketing service, customer relationships, rather than individual transactions, are key to long-term profitability. Building effective customer relationships requires a "customer orientation," seeing the world from the customer's eyes. It also requires willingness to take educated risks in order to provide a continuous flow of innovative services to customers.

In this class, you will learn how to measure the effect of service quality over time on the performance of a firm. While this is a marketing course, we will also address cross-functional

problems. Service marketing does not operate in isolation from other functional areas. Rather, it also has implications for human resources, operations, and financial management.

In this course you will learn:

- how marketing in service-producing organizations differs from marketing in manufacturing organizations;
- strategies and tactics for addressing these challenging differences;
- decision-making tools, such as the “GAPS” model of service quality;
- service marketing research techniques to help you collect information to guide your marketing decisions;
- tools for developing innovative services and improve existing services;
- strategies for satisfying your customers and creating customer loyalty;
- how to use customer service to create, maintain, and improve customer relationships;
- tools for making service marketing decisions, including service marketing blueprints;
- how to build and maintain a strong service brand;
- techniques for designing new services and improving existing services;
- how to “recover” from a service failure;
- the role of an integrated marketing communication strategy in building a service brand;
- how to use hard and soft customer metrics in evaluating service performance

Organization of Class Time:

This course will include a combination of lecture, discussion, and case study analysis.

Requirements:	%
Class participation	10
Service Journal and Paper	20
Final Project: Service Audit	30
Exam I	20
Exam II	20
TOTAL	100 ¹

Class Participation:

Participation in class discussion is very important! Please prepare for class by reading the assigned material, and downloading the PowerPoint slides posted on Blackboard. Many of you have experience working in service firms. Please share your experiences with the class.

Your grade for class participation will be based on my judgment of the consistency with which you *participate constructively* and *show leadership* in class discussion. Please note that class discussion includes interacting with your classmates.

When I am leading discussions, I may “cold call.” Please be prepared for this. Also, keep in mind that if you aren’t in class, you aren’t participating.

Classroom Etiquette: Please be polite and respectful of both your classmates and me. This means arriving *on time*, being *quiet* in class², and *remaining in your seat* unless there is an emergency. You are welcome to use your laptops to take notes during class. However, if I find that you are doing outside work, e-mailing, texting, or surfing the Internet, using your laptop or any other electronic device, I will expect you to stop. Poor classroom etiquette will have a negative effect on your class participation grade.

¹ You may participate in one session of the department-sponsored marketing research experience for a maximum of 1 pt. extra credit. Details are available in “Extra Credit Marketing Research Opportunity,” posted under Course Documents on Blackboard.

² Side conversations are NOT permitted. Side conversations will reduce your class participation grade.

Service Journal and Paper

This assignment will be done individually. It has two components:

- A set of ten journal entries on service encounters
- A paper analyzing the strengths and the weaknesses of the services you observed during those encounters.

Your journal entries will provide the data for your Service Experience Paper. A detailed description of the assignment, with forms for your journal entries, is posted on Blackboard.

This assignment should be done individually. Please do not discuss or work with anyone else in the class. All of the written material you present should be your own writing, and should not be copied from any other source. Failure to respect this requirement is a violation of the University of Maryland's Code of Academic Integrity. Please see the section on "Academic Integrity" on p. 6 of this document.

This assignment is due in class on February 23. If you do not submit your assignment on time, your grade will be reduced by 5 points.

Final Project: Work in your teams to conduct an audit of a service offered by a business, non-profit organization, or government agency. Use the Service Quality Audit on pp. 44-45 of your textbook to organize your project. The deliverables for this assignment are a) a PowerPoint presentation to the class, and b) a 25-page written document submitted to me.

Presentations will be made to the class on April 27, May 2, and May 4. Your team's PowerPoint slides are due by midnight, the day before your presentation. Please submit them using the Assignment Tool on Blackboard. Your team's written report is due in class on May 9. Late submissions will be penalized by reducing the grade on the assignment by 5 points.

Individual grades for the final project will be calculated as follows: 1) team members will evaluate each other's performance, using the team member evaluation form posted on Blackboard; 2) an average evaluation will be calculated for each team member; 3) grades for the project will be normalized, by taking the average evaluation of the student with the highest score, setting it to 1.0, and then scaling the scores of the other students accordingly. For example, if the project grade is a 95, the individual with the highest average team evaluation will receive a 95 (95×1.0). If the average of your team's evaluation of your work is a .95, your individual grade will be a 90.25 ($95 \times .95$).

A detailed description of the assignment is posted on Blackboard.

Exams: There will be two tests. They will include a combination of multiple choice (70%) and essay (30%) questions. The first exam will be held in class on March 7. The second exam will be held during the final exam period on May 14, from 8-10 a.m.

University policy is that students may be excused from exams for the following reasons: illness (self or dependent), religious observances, participation in University activities at the request of university authorities, or compelling circumstances beyond the student's control. To be excused from an exam, you must request the excuse in writing beforehand, and supply appropriate documentation, e.g., an excuse from a doctor.

COURSE OUTLINE

1	January 24	Introduction to Service Marketing Reading: Chapter 1, Zeithaml
THE CUSTOMER GAP		
2	January 26	The Gaps Model Reading: Chapter 2, Zeithaml
3	January 31	Consumer Behavior in Services Reading: Chapter 3, Zeithaml
4	February 2	Speaker: William Lucas Territory Representative, Miele M.B.A. Student, Smith School of Business
5	February 7	Customer Expectations and Perceptions of Service Reading: Chapters 4 and 5, Zeithaml
SERVICE PROVIDER GAP 1: THE SERVICE LISTENING GAP		
6	February 9	Listening to Customers through Research Reading: Chapter 6, Zeithaml
7	February 14	Case: Starbucks: Delivering Customer Service (HBS 50401) (In your course pack.)
8	February 16	Building Customer Relationships Reading: Chapter 7, Zeithaml
9	February 21	Service Recovery Reading: Chapter 8, Zeithaml
10	February 23	Case: Jet Blue (Zeithaml, p. 609) Assignment 1 is due in class.
SERVICE PROVIDER GAP 2: THE SERVICE DESIGN AND STANDARDS GAP		
11	February 28	Service Innovation and Design Reading: Chapter 9, Zeithaml Review for Test 1
12	March 2	Test 1
13	March 7	Speaker: Gabrielle Traff

		e-Commerce Manager Total Wine & More
14	March 9	Case: Pharmacy Improvement at CVS (A) (HBS 606015) (In your course pack.)
15	March 14	Customer-defined Service Standards Reading: Chapter 10, Zeithaml
16	March 16	Physical Evidence and the Servicescape Reading: Chapter 11, Zeithaml
	March 21-25	SPRING BREAK
SERVICE PROVIDER GAP 3: THE SERVICE PERFORMANCE GAP		
16	March 28	Employees' Roles and Customers' Roles in Service Delivery Reading: Chapters 12- 13, Zeithaml
17	March 30	Video: "People First Management"
18	April 4	Case: Ritz Carlton Hotel Co. (HBS 601163) (In your course pack)
19	April 6	Delivering Service Through Intermediaries and e-Channels Reading: Chapter 14, Zeithaml
20	April 11	Managing Demand and Capacity Reading: Chapter 15, Zeithaml
21	April 13	Case: Shouldice Hospital, Zeithaml, p. 637
SERVICE PROVIDER GAP 4: THE SERVICE COMMUNICATION GAP		
22	April 18	Integrated Service Marketing Communications Reading: Chapter 16, Zeithaml
23	April 20	Pricing Service Reading: Chapter 17, Zeithaml
24	April 25	Case: Virgin Mobile USA (Zeithaml, p. 664)
25	April 27	Presentations
26	May 2	Presentations
27	May 4	Presentations
28	May 9	Review for Test 2 and course evaluation Written reports for service audits are due in class.
Final Exam Period	Tuesday, May 17, 8:00-10:00 a.m.	TEST 2

Course Materials Available on Blackboard: You can login to this course(s) by going to <http://bb.rhsmith.umd.edu> . A University ID and password is required to access Blackboard courses. Information on changing or resetting your University ID is available from <https://ldap.umd.edu/cgi-bin/chpwd> . Students are required to maintain their current e-mail address in Testudo as Blackboard uses this address to send course related e-mail. (Since e-mail addresses are imported from Testudo into Blackboard, it is not possible to update e-mail addresses from within Blackboard). Additional information about R. H. Smith Blackboard is available from: <http://www.rhsmith.umd.edu/blackboard>

Students with disabilities:

Please let me know immediately if you need special accommodations for taking tests.

Academic Integrity: The University's Code of Academic Integrity prohibits academic dishonesty. ACADEMIC DISHONESTY is defined by the University to include: 1) CHEATING: intentionally using or attempting to use unauthorized materials, information, or study aids in any academic exercise. 2) FABRICATION: intentional and unauthorized falsification or invention of any information or citation in an academic exercise. 3) FACILITATING ACADEMIC DISHONESTY: intentionally or knowingly helping or attempting to help another to violate any provision of this Code. 4) PLAGIARISM: intentionally or knowingly representing the words or ideas of another as one's own in any academic exercise. Violations of academic integrity will be prosecuted in accordance with University policy. For more information, consult:

<http://www.inform.umd.edu/CampusInfo/Departments/PRES/policies/iii100a.html>

On each exam or assignment you will be asked to write out and sign the following pledge. *“I pledge on my honor that I have not given or received any unauthorized assistance on this exam/assignment.”*