

## SERVICES MARKETING

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|--------------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>Course code</b>       | <i>GRAV020</i>                                                                                                    |
| <b>Course title</b>      | <i>Services Marketing</i>                                                                                         |
| <b>Type of course</b>    | <i>Compulsory</i>                                                                                                 |
| <b>Level of course</b>   | <i>Graduate</i>                                                                                                   |
| <b>Year of study</b>     | <i>1<sup>st</sup></i>                                                                                             |
| <b>Number of credits</b> | <i>6 ECTS; 36 hours of class work, 124 hours of self-study, 2 hours of consultations (distant or direct form)</i> |
| <b>Lecturer</b>          | <i>Ricardo Fontes Correia, MA, MSc, PhD</i>                                                                       |
| <b>Prerequisites</b>     | <i>none</i>                                                                                                       |
| <b>Teaching language</b> | <i>English</i>                                                                                                    |

### THE AIM OF THE COURSE

Due to the recent silent revolution of “tertiarisation”, the service sector now accounts for almost two-thirds of GDP globally and is also the fastest growing sector worldwide. When somebody graduates there will likely be two to three times more jobs in service-oriented businesses than in goods-based businesses, and all manufacturers today offer a number of services to their customers. As services are inherently relational, there are always relationships between a service organisation and its customers. The key issue is whether a firm uses these relationships properly in the way it manages customers or not.

The course provides an in-depth understanding of how services are marketed, with emphasis on the significant difference between the marketing of services and the marketing of products. The attraction, retention and building of strong customer relationships through quality service are at the heart of the course content. The focus is on the internationalisation of services in world-class organisations rather than on a particular country or culture. The aim is to provide students with systematic knowledge and understanding of the core concepts of services marketing in the context of the challenges that international marketing and service management actually face.

A defining feature of the contemporary service economy is the reconfiguration of services brought about by artificial intelligence. Technologies such as conversational agents, recommender systems and service robots are reshaping how services are delivered and are transforming the relationship with the customer through large-scale personalisation and automated interaction, while raising new concerns over trust, privacy and the balance between automation and human contact. The course equips students to assess critically the opportunities and risks of this transformation for service organisations and their customers.

### MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

| Course level learning outcomes (objectives)                                                                                                                                          | Degree level learning objectives (Number of LO) | Assessment methods                                | Teaching methods                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------|------------------------------------------------|
| CLO1. Analyse and critically evaluate the differences between services and goods, drawing on an understanding of how these differences influence the practice of services marketing. | LO1.1, LO3.2                                    | Case analysis;<br>Final exam                      | Lectures; case-study discussion;<br>self-study |
| CLO2. Outline and analyse the different components of the services marketing mix to develop strategic thinking in services marketing.                                                | LO1.1, LO3.1                                    | Case analysis;<br>Group assignment;<br>Final exam | Lectures; case-study discussion;<br>group work |
| CLO3. Demonstrate an understanding of the role of employees and organisational culture in service delivery.                                                                          | LO1.1                                           | Case analysis;<br>Final exam                      | Lectures; case-study discussion;<br>self-study |

|                                                                                                                                                                                    |                           |                                                   |                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------|---------------------------------------------------|
| CLO4. Investigate how customers evaluate services and how customer behaviour and expectations shape the service environment, including in online and AI-mediated service settings. | LO1.1,<br>LO2.1,<br>LO3.2 | Case analysis;<br>Group assignment;<br>Final exam | Lectures; case-study discussion;<br>group work    |
| CLO5. Analyse and assess the relevance of service recovery.                                                                                                                        | LO3.1,<br>LO3.2           | Case analysis;<br>Final exam                      | Lectures; case-study discussion;<br>self-study    |
| CLO6. Examine best practices in dealing with service customers in international organisations.                                                                                     | LO1.1,<br>LO3.1           | Case analysis;<br>Final exam                      | Lectures; case-study discussion;<br>self-study    |
| CLO7. Examine the role of customer relationship management in services and evaluate how artificial intelligence reshapes the relationship with the customer.                       | LO1.1,<br>LO2.1           | Case analysis;<br>Final exam                      | Lectures; case-study discussion;<br>self-study    |
| CLO8. Demonstrate awareness of the major cultural issues influencing services on an international basis.                                                                           | LO1.1,<br>LO5.1           | Case analysis;<br>Final exam                      | Lectures; case-study discussion;<br>self-study    |
| CLO9. Contribute to the academic debate relating to services marketing strategy and implementation.                                                                                | LO3.2,<br>LO6.2           | Case analysis;<br>Group assignment                | Lectures;<br>seminars; group work                 |
| CLO10. Apply analytical and presentation skills to debate central issues in services marketing in a group context.                                                                 | LO4.1,<br>LO6.1           | Group assignment; In-class presentation           | Group work; in-class presentations;<br>self-study |

### ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

### AI USE POLICY

Artificial intelligence tools (e.g., ChatGPT, Claude, Gemini, Perplexity, NotebookLM) are part of contemporary marketing practice, and students are encouraged to use them as a support for learning throughout the course. Appropriate uses include exploring concepts, summarising readings, brainstorming ideas for the case analyses and the group assignment, researching service companies and industry trends, refining the language of written work, and producing draft visuals for the customer journey mapping. Learning to evaluate, adapt and build critically upon AI-generated outputs is itself a valuable professional skill. Whenever AI tools are used in a submitted deliverable, their use must be clearly disclosed in a short note stating which tools were used and for what purpose.

However, certain activities must remain entirely the students' own work because they represent the competencies being assessed. The analysis, argumentation and conclusions presented in the case analyses and in the group assignment report must reflect genuine human reasoning; AI-generated text may not be submitted as the students' own analysis without substantial interpretation and critical assessment. AI tools may not be used to fabricate data, customer insights or sources, and all references must be verified by the students. The final written exam must be completed without any AI assistance. In all cases, students remain fully responsible for the accuracy, originality and academic integrity of the work they submit.

### Course Content

| DATES           | TOPIC                                                                                                                                                                                                          | IN-CLASS HOURS | SUGGESTED READINGS                                                                        |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------|
| I<br>2026-09-02 | <b>Introduction to Service Marketing:</b> What are services? Why services marketing? Differences between goods and services in marketing. The Service-Dominant Logic. The expanded marketing mix for services. | 4              | Assigned after-class readings on e-learning (no reading in advance of the first lecture). |

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                        |                                  |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------|
| <b>II</b><br>2026-09-03   | <b>Understanding the elements of the service system:</b> Physical evidence and the servicescape. Employees' roles in service delivery. Customers' roles in service delivery.                                                                                                                                                                                                                                                                       | <b>4</b>               | Assigned readings on e-learning. |
| <b>III</b><br>2026-09-04  | <b>Developing service products:</b> Core and supplementary elements. The augmented service. Designing and managing service processes. Customer journey analysis.                                                                                                                                                                                                                                                                                   | <b>4</b>               | Assigned readings on e-learning. |
| <b>IV</b><br>2026-09-05   | <b>Quality management in services and online service environments:</b> Customer behaviour, expectations and perceptions of services. The perceived service quality model. The gap analysis approach. Managing quality in online and AI-mediated service environments. Electronic service quality and its dimensions. The impact of artificial intelligence on perceived service quality and on the monitoring of quality in services.              | <b>4</b>               | Assigned readings on e-learning. |
| <b>V</b><br>2026-09-07    | <b>Service recovery and managing service productivity:</b> Service recovery versus complaints handling, guidelines and timing of recovery. The interrelation between productivity, quality, customer participation and demand.                                                                                                                                                                                                                     | <b>4</b>               | Assigned readings on e-learning. |
| <b>VI</b><br>2026-09-08   | <b>Distributing services through physical and electronic channels:</b> Distribution in a services context. Place and time decisions. Distributing services internationally.                                                                                                                                                                                                                                                                        | <b>4</b>               | Assigned readings on e-learning. |
| <b>VII</b><br>2026-09-09  | <b>Pricing and promoting services:</b> Pricing strategy in services. Revenue management. Challenges of services communications.                                                                                                                                                                                                                                                                                                                    | <b>4</b>               | Assigned readings on e-learning. |
| <b>VIII</b><br>2026-09-10 | <b>Managing relationships and building loyalty in services:</b> Understanding the customer-firm relationship. Building a foundation for loyalty. Strategies for developing loyalty bonds with customers. The impact of artificial intelligence on the relationship with the customer: AI-enabled personalisation, conversational agents and automation in customer relationship management, and their implications for trust and customer loyalty. | <b>4</b>               | Assigned readings on e-learning. |
| <b>IX</b><br>2026-09-11   | <b>Presentation of the group assignment:</b> Presentation and discussion of the customer journey projects.                                                                                                                                                                                                                                                                                                                                         | <b>4</b>               |                                  |
|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Total: 36 hours</b> |                                  |
|                           | CONSULTATIONS                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>2</b>               |                                  |
|                           | FINAL EXAM / PROJECT                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>2</b>               |                                  |

#### FINAL GRADE COMPOSITION

| Type of assignment                  | %          |
|-------------------------------------|------------|
| <i>Group Components 70%</i>         |            |
| Case Analysis                       | 40%        |
| Group Assignment (Customer Journey) | 30%        |
| <i>Individual Components 30%</i>    |            |
| Final (written) exam                | 30%        |
| <b>Total:</b>                       | <b>100</b> |

## DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

**1. Case Analysis (40% of the final grade).** The course is interactive and requires a high level of involvement from students during class sessions. In the 3, 4, 8 and 10 September classes, the instructor presents a case about a services company, accompanied by a list of questions. After each case presentation, students in groups of 5/6 produce and submit a written assignment about the case. Each write-up should be a maximum of three pages. Group composition may be modified across the different cases. Assessment considers the depth and accuracy of the analysis, the application of services marketing concepts, the quality of argumentation and the clarity of the written response.

**2. Group Assignment - Customer Journey (30% of the final grade).** Working in groups of 5/6, students select a service company and thoroughly examine its customer journey in order to propose improvements that enhance the overall experience. Touchpoints, emotions, pain points and positive moments across the different stages of the journey are explored. Students create a visually coherent representation of the current journey and propose innovative changes to address the issues identified, presenting their insights and solutions in a concise report and a dynamic presentation. Assessment considers the rigour of the journey analysis, the relevance and creativity of the proposed improvements, the quality of the visual representation and the effectiveness of the presentation.

**3. Final (written) exam (30% of the final grade).** The final exam (one hour) consists of open questions covering all topics of the course as well as the case studies presented. Assessment considers the accuracy and completeness of the answers, the command of core services marketing concepts and the ability to reason critically about them.

**Bonus points.** The instructor has the right to award active students with up to 0,5 extra (grade) points.

## RETAKE POLICY

Students who receive a failing final grade have the right to retake the examination. The retake exam replaces the 30% of the final grade corresponding to the final exam; it has the same duration and follows the same structure as the final exam and covers all topics of the course. The grades obtained in the group components (Case Analysis and Group Assignment) are retained and summed with the retake result to determine the final cumulative grade. A student has no right to retake the exam after having received a passing final grade.

## REQUIRED READINGS

Grönroos, C. (2015). *Service management and marketing: Managing the service profit logic* (4th ed.). John Wiley & Sons. Harvard Business Publishing. Selected cases.

Lovelock, C., & Wirtz, J. (2022). *Services marketing: People, technology, strategy* (9th ed.). World Scientific Publishing.

Wilson, A., Zeithaml, V., Bitner, M., & Gremler, D. (2017). *Services marketing: Integrating customer focus across the firm* (7th ed.). McGraw Hill.

Given the dynamic nature of the field, part of the lecture and discussion material is delivered just-in-time (uploaded to the e-learning platform or indicated for downloading). Students should follow the e-learning system on a regular basis. The instructor may assign additional articles, publications and studies from leading scholarly and practitioner journals.

## ADDITIONAL READINGS

Akaka, M., Vargo, S., & Lusch, R. (2013). The complexity of context: A service ecosystems approach for international marketing. *Journal of International Marketing*, 21(4), 1-20.

Bonnin, G. (2006). Physical environment and service experience: An appropriation-based model. *Journal of Service Research*, 6, 45-65.

Correia, R., Lima, T., & Meneses, R. (2025). Navigating tomorrow's wallet: Unveiling the distinctive financial journeys across generations. *Journal of Financial Services Marketing*, 30(2), 11.

Dacko, S. (2012). Time-of-day services marketing. *Journal of Services Marketing*, 26(5), 375-388.

Davenport, T., Guha, A., Grewal, D., & Bressgott, T. (2020). How artificial intelligence will change the future of marketing. *Journal of the Academy of Marketing Science*, 48(1), 24-42.

Gounaris, S., & Boukis, A. (2013). The role of employee job satisfaction in strengthening customer repurchase intentions. *Journal of Services Marketing*, 27(4), 322-333.

Grönroos, C. (1997). Value-driven relational marketing: From products to resources and competencies. *Journal of Marketing Management*, 13, 407-419.

Grönroos, C. (1998). Marketing services: The case of a missing product. *Journal of Business & Industrial Marketing*, 13(4/5), 322-338.

Gustafsson, A., Caruelle, D., & Bowen, D. E. (2024). Customer experience (CX), employee experience (EX) and human experience (HX): Introductions, interactions and interdisciplinary implications. *Journal of Service Management*,

35(3), 333-356.

- He, A. Z., & Zhang, Y. (2023). AI-powered touch points in the customer journey: A systematic literature review and research agenda. *Journal of Research in Interactive Marketing*, 17(4), 620-639.
- Hoffman, K., & Turley, L. (2002). Atmospherics, service encounters and consumer decision making: An integrative perspective. *Journal of Marketing Theory and Practice*, 10(3), 33-47.
- Huang, M. H., & Rust, R. T. (2018). Artificial intelligence in service. *Journal of Service Research*, 21(2), 155-172.
- Huang, M. H., & Rust, R. T. (2021). Engaged to a robot? The role of AI in service. *Journal of Service Research*, 24(1), 30-41.
- Keillor, B., Lewison, D., Hult, T., & Hauser, W. (2007). The service encounter in a multi-national context. *Journal of Services Marketing*, 21(6), 451-461.
- Lovelock, C., & Gummesson, E. (2004). Whither services marketing? In search of a new paradigm and fresh perspectives. *Journal of Service Research*, 7, 20-41.
- Meneses, R., Brito, C., Lopes, B., & Correia, R. (2025). Satisfaction and dissatisfaction in wine tourism: A user-generated content analysis. *Tourism and Hospitality Research*, 25(1), 120-134.
- Parasuraman, A., Zeithaml, V. A., & Malhotra, A. (2005). E-S-QUAL: A multiple-item scale for assessing electronic service quality. *Journal of Service Research*, 7(3), 213-233.
- Puntoni, S., Reczek, R. W., Giesler, M., & Botti, S. (2021). Consumers and artificial intelligence: An experiential perspective. *Journal of Marketing*, 85(1), 131-151.
- Vargo, S., & Lusch, R. (2004). Evolving to a new dominant logic for marketing. *Journal of Marketing*, 68, 1-17.
- Vargo, S., & Lusch, R. (2004). The four service marketing myths: Remnants of a goods-based, manufacturing model. *Journal of Service Research*, 6, 324-335.
- Vargo, S., & Morgan, F. (2005). Services in society and academic thought: An historical analysis. *Journal of Macromarketing*, 25, 42-53.
- Venciute, D., Mackeviciene, I., Kuslys, M., & Correia, R. (2023). The role of influencer-follower congruence in the relationship between influencer marketing and purchase behaviour. *Journal of Retailing and Consumer Services*, 75, 103506.
- Wirtz, J., Patterson, P. G., Kunz, W. H., Gruber, T., Lu, V. N., Paluch, S., & Martins, A. (2018). Brave new world: Service robots in the frontline. *Journal of Service Management*, 29(5), 907-931.

## DEGREE LEVEL LEARNING OBJECTIVES

### Competency goals and learning objectives for Master of Business Management

Programmes:

*Global Leadership and Strategy*

*Innovation and Technology Management*

*International Marketing and Management*

| Competency Goal                                            | Learning Objectives                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Students will demonstrate advanced disciplinary knowledge. | LO1.1. Students will demonstrate advanced discipline knowledge through the independent development of a Master's thesis, showing a deep understanding and appropriate application of theories, concepts, and methods relevant to their field of study.                                                  |
| Students will be digitally competent.                      | LO 2.1. Students will demonstrate digital agility competencies by selecting and applying appropriate tools, platforms or technologies, integrating digital insights into business decision-making, and adapting digital approaches in response to evolving project requirements and contextual changes. |
| Students will be critical thinkers                         | LO3.1. Students will be able to define the business problem and develop <b>innovative solutions</b>                                                                                                                                                                                                     |
|                                                            | LO3.2. Students will be able to demonstrate <b>critical thinking</b> in problem solving                                                                                                                                                                                                                 |
| Students will be independent learners                      | LO4.1. Students will become <b>independent learners</b> and develop their own comprehension of scientific theories, models, and concepts.                                                                                                                                                               |
| Students will be socially responsible leaders              | LO5.1. Students will be able to evaluate past and current practices in their discipline from an ethical perspective.                                                                                                                                                                                    |
| Students will be effective communicators                   | LO6.1. Students will develop and deliver a coherent oral presentation                                                                                                                                                                                                                                   |
|                                                            | LO6.2. Students will develop and deliver a coherent written research paper                                                                                                                                                                                                                              |

### Competency goals and learning objectives for the Master of Social Science

Programmes:

*Financial Economics*

| Competency Goal                                            | Learning Objective                                                                                                                                                                                                                                                                                      |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Students will demonstrate advanced disciplinary knowledge. | LO1.1. Students will demonstrate advanced discipline knowledge through the independent development of a Master's thesis, showing a deep understanding and appropriate application of theories, concepts, and methods relevant to their field of study.                                                  |
| Students will be digitally competent.                      | LO 2.1. Students will demonstrate digital agility competencies by selecting and applying appropriate tools, platforms or technologies, integrating digital insights into business decision-making, and adapting digital approaches in response to evolving project requirements and contextual changes. |
| Students will be critical thinkers                         | LO3.1. Students will be able to identify underlying assumptions, limitations of previous research; evaluate managerial solution alternatives.                                                                                                                                                           |
| Students will be independent learners                      | LO4.1. Students will become <b>independent learners</b> and develop their own comprehension of scientific theories, models, and concepts                                                                                                                                                                |
| Students will be socially responsible leaders              | LO5.1. Students will be able to evaluate past and current practices in their discipline from an <b>ethical perspective</b> .                                                                                                                                                                            |
| Students will be effective communicators                   | LO6.1. Students will develop and deliver a <b>coherent oral presentation</b>                                                                                                                                                                                                                            |
|                                                            | LO6.2. Students will develop and deliver a <b>coherent written research paper</b>                                                                                                                                                                                                                       |