

## SERVICES MARKETING

<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>Department in charge</b>	<i>Graduate school</i>
<b>Year of study</b>	<i>1<sup>st</sup></i>
<b>Semester</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>Email of the lecturer</b>	<a href="mailto:riccor@faculty.ism.it"><i>riccor@faculty.ism.it</i></a>
<b>Date of the course</b>	<i>September 03 – September 13, 2024</i>
<b>Form of studies</b>	<i>Consecutive (evening)</i>
<b>Teaching language</b>	<i>English</i>

### Annotation

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. Odds are when somebody graduates there will be two to three times more jobs in service-oriented businesses than in goods based businesses. Indeed, all manufacturers today offer a number of services to their customers. As services are inherently relational, there are always relationships between a service organization and its customers. The key issue is whether a firm uses these relationships properly in the way it manages customers or not.

This course aims to provide an in-depth understanding of how services are marketed, with emphasis on the significant difference between marketing of services and marketing of products. The attraction, retention and building of strong customer relationships through quality service and services are at the heart of the course content. The focus will be on internationalisation of services in world-class organisations rather than on a particular country or culture.

### Course Aims and Objectives

This course aims to provide students with a 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.

### Learning outcomes

<b>Course learning outcomes (CLO)</b>	<b>Study methods</b>	<b>Assessment methods</b>
CLO1. Analyse and critically evaluate differences between services and goods drawing on the understanding of how these differences influence the practice of services marketing.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO2. Outline and analyse the different components of the "services marketing mix" for developing strategic thinking in services marketing.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO3. Demonstrate understanding of the role of employees and organizational culture in service delivery.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO4. Investigate how customers evaluate services and how customer behaviour and expectations play a role in the service environment.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam

CLO5. Analyse and assess the relevance of service recovery.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO6. Examine best practices in dealing with service customers in international organisations.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO7. Discover the role of customer relationship management in services.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO8. Demonstrate an awareness of major cultural issues influencing services on an international basis.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CLO9. Contribute to the academic debate relating to services marketing strategy and implementation.	Lectures, seminars, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam
CL10. Practice a set of analytical skills and presentation skills for debating central issues in services marketing in a group-context.	Lectures, self study, group work	In-class exercises and assignments, article analysis, case studies, final exam

### Quality Assurance Measures

The lecturer will apply multiple teaching methods to keep the students engaged in the topic (e.g. case studies, videos illustrating service marketing experiences and other learning material). Continuous student feedback throughout the delivery of the course will be encouraged and accommodated to continuously improve class experience and student performance.

### Cheating Prevention

Anti-plagiarism policy will be applied in compliance with the rules of the University.

### Course Content

Dates	TOPIC AND READINGS	CONTACT HOURS	READINGS
<b>I</b> 2024-09-03	<b>Introduction to Service Marketing:</b> What are services? Why services marketing? Difference between goods and services in marketing. The Service Dominance Logic Expanded Mix for Services.	<b>4</b>	Assigned after-class readings to be uploaded to e-learning (no reading in advance of this first lecture).
<b>II</b> 2024-09-04	<b>Understanding the elements of the service system:</b> Physical Evidence and the Servicescape, Employees' Roles in Service Delivery, Customer's Roles in Service Delivery.	<b>4</b>	Assigned readings to be uploaded to e-learning.
<b>III</b> 2024-09-05	<b>Quality Management in Services:</b> Customer Behavior, Expectations and Perceptions of Services. The perceived service quality model, The Gap Analysis Approach.	<b>4</b>	Assigned readings to be uploaded to e-learning.
<b>IV</b> 2024-09-06	<b>Service Recovery:</b> Service Recovery Versus Complaints Handling, Guidelines for Service Recovery, Timing of Recovery Processes. <b>Managing Service Productivity:</b> The Interrelation Between Productivity, Quality, Customer Participation and Demand. The strategic management trap.	<b>4</b>	Assigned readings to be uploaded to e-learning.
<b>V</b> 2024-09-09	<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 to be uploaded to e-learning.
<b>VI</b> 2024-09-10	<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 to be uploaded to e-learning.
<b>VII</b> 2024-09-11	<b>Pricing and Promoting Services:</b> Pricing Strategy in Services, Revenue Management, Challenges of Services Communications.	<b>4</b>	Assigned readings to be uploaded to e-learning.
<b>VIII</b> 2024-09-12	<b>Managing Relationships and Building Loyalty in Services:</b> Understanding the Customer Firm Relationship, Building a Foundation for Loyalty, Strategies for Developing	<b>4</b>	Assigned readings to be uploaded to e-learning.

	Loyalty Bonds with Customers.		
<b>IX</b> 2024-09-13	<b>Presentation of Group Assignment</b> - <i>Group Assignments Presentation and discussion</i>	<b>4</b>	

**Assessment methods:**

Task type	Self-study hours	% of final grade	Brief description	Due dates
Case Analysis	50	40%	Group of 4/5 students: case analysis, written answers and in class presentation.	Case Analysis: September 4,6,10, and 11 September
Group Assignment	25	20%	Group of 5 students: Mapping and Improving Customer Journey in Services Marketing	September 13
Final (written) exam	49	40%	Individual written exam	
	124	100%		

**Course requirements**

**Assignments**

All course work has to be type-written and accomplished in accordance with APA 7<sup>th</sup> edition format requirements for group assignments.

**Case Analysis** (40% of the final grade).

The course is interactive and requires a high level of involvement from the students during the class sessions. During the 4,6,10, and 11 September classes, the instructor will present a case about a services company. A list of questions accompanies each case. After the case presentation by the instructor, students in groups of 5/6 will produce and submit a written assignment about the case presented. Each write-up should be a maximum of 3 pages. Group composition can be modified in different cases.

**Group Assignment** (20% of the final grade)

In this assignment, students will delve into the realm of service marketing as they analyze and enhance customer journeys. Working in groups of 5/6 a specific service company will be selected, and its customer journey thoroughly examined to propose improvements that enhance the overall experience. Touchpoints, emotions, pain points, and positive moments across different stages of the customer journey will be explored.

Students will create a visually coherent representation of the current journey and propose innovative changes to address identified issues. A concise yet comprehensive report and a dynamic presentation will be crafted to present insights and solutions effectively.

**Final (written) exam** (40% of the final grade)

The final exam (1hour) will consist of open questions. The exam will cover all topics of the course as well as the case studies presented.

**Retake (written) exam 40% of final grade**

The Retake exam will replace the 40% of final grade corresponding to the Final Exam. The Retake Exam will have the same duration and will follow the same structure of the Final Exam. Acquired scores from all assignments will be summed up and the final (cumulative) grade will be given.

**Teaching methods:**

1. The course will consist of 4-hour blocks (see detailed timetable) taken up by lectures, discussion, and exercises.

2. The course is designed to achieve its aims through a combination of lectures and interactive case-study sessions. The lectures are designed to encourage active participation, collaborative and creative work, interactive communication and critical thinking.
3. The course is interactive and requires a high level of involvement from the students during the class sessions. Students are expected to come to class well prepared. Unless otherwise noted, please read the articles and /or cases before coming to class.

#### Additional remarks:

1. Proper classroom etiquette is expected at all times.
2. The class notes (slides) are the intellectual property of the teaching instructor. Students may not distribute or duplicate these notes without a written consent of the instructor.
3. Any uncompleted assignment will be awarded a zero grade.
4. All assignments must be completed on time. No postponement and/or retake of the assigned tasks shall be allowed.
5. Failing grades from the final exam and other assignments shall not be calculated and will equal '0'.
6. A student who fails the overall course has the right to retake the exam. A re-take exam shall consist of all course material and comprise 35% of the final cumulative grade. The acquired passing grades from all course assignments (except for the final exam) shall be summed up and a final cumulative grade shall be given.
7. A student shall have no right to re-take an exam after s/he has received a passing final grade.

#### Compulsory readings

The majority of the compulsory readings will come from the following texts:

Grönroos, C. (2015). *Service Management and Marketing: Managing the Service Profit Logic* (4<sup>th</sup> Ed). John Wiley & Sons

Wilson, A., Zeithaml, V., Bitner, M. and Gremler, D. (2017). *Services Marketing: Integrating Customer Focus Across the Firm* (7<sup>th</sup> Ed.). McGraw Hill.

Lovelock, C., & Wirtz, J. (2022). *Services marketing: people, technology, strategy* (9th Ed.). World Scientific Publishing. ISBN: 978-1944659806.

Harvard Business Publishing Selected Cases

Given that the course deals with a rather dynamic domain of knowledge, a certain proportion of the lecture and discussion material for the course will be delivered "just-in-time" (uploaded to e-learning or indicated for downloading from the Internet). This is intended to ensure up-to-date coverage of the course topics. Students should be committed to follow the e-learning system and observe uploaded course material on a daily basis. The instructor may assign additional articles, publications, interviews and studies published by top scholarly and practitioner journals.

#### Recommended readings

1. Grönroos, C (1998). "Marketing services: the case of a missing product". *Journal of Business & Industrial Marketing*, Vol. 13, No 4/5. pp. 322-338.
2. Grönroos, C. (1997). "Value-Driven Relational Marketing: From Products to Resources and Competencies". *Journal of Marketing Management*, Vol. 13, pp. 407-419.
3. Lovelock, C. & Gummesson, E. (2004). "Whither Services Marketing? In Search of a new Paradigm and Fresh Perspectives". *Journal of Service Research*, Vol.7, pp. 20-41.
4. Vargo, S. & Lusch, R. (2004a). "Evolving to a New Dominant Logic for Marketing". *Journal of Marketing*, Vol.68, pp.1-17.
5. Vargo, S. & Lusch, R. (2004b). "The Four Service Marketing Myths: Remnants of a Goods-Based, Manufacturing Model". *Journal of Service Research*, Vol.6, pp.324-335.
6. Vargo, S. & Morgan, F. (2005). "Services in Society and Academic Thought: An Historical Analysis". *Journal of Macromarketing*, Vol. 25, pp. 42-53.
7. Hoffman, K. & Turley, L. (2002). "Atmospherics, service encounters and consumer decision making: an integrative perspective". *Journal of Marketing Theory and Practice*, Vol. 10, No.3, pp. 33-47.
8. Frei, F. (2008). "The Four Things a Service Business Must Get Right". *Harvard Business Review*, Vol. 86, No.4, pp. 70-80.
9. Dougherty, D., & Murthy, A. (2009). "What Service Customers Really Want". *Harvard Business Review*, Vol.87, No. 9, pp. 22-22.
10. Bonnin, G. (2006). "Physical environment and service experience: An appropriation-based model". *Journal of Service Research*, Vol.6, pp.45-65.

11. Akaka, M., Vargo, S. and Lusch, R. (2013). "The Complexity of Context: A Service Ecosystems Approach for International Marketing", *Journal of International Marketing*, Vol. 21, No. 4, pp. 1-20.
12. Gounaris, S. and Boukis, A. (2013). "The role of employee job satisfaction in strengthening customer repurchase intentions", *Journal of Services Marketing*, Vol. 27, Issue 4, pp. 322-333.
13. Keillor, B., Lewison, D., Hult, T. and Hauser, W. (2007). "The service encounter in a multi-national context" *Journal of Services Marketing*, Vol. 21, Issue 6, pp. 451-461.
14. Dacko, S. (2012). "Time-of-day services marketing", *Journal of Services Marketing*, Vol. 26, Issue 5, pp.375-388.