

MKT 405
Services Marketing
Bowling Green State University
Fall 2005



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Class Hours: **T, Th** 11:30 a.m. - 12:45 p.m.; **T, Th** 1:00 - 2:15 p.m. (Both in BA 113)
Office Hours: **M** 4:30 - 5:30 p.m.; **T, Th** 10:00 - 11:00 a.m.; **T** 2:30 - 3:30 p.m.
(and other times by appointment)

Required Reading

Valarie A. Zeithaml, Mary Jo Bitner, and Dwayne D. Gremler (2006), Services Marketing: Integrating Customer Focus Across the Firm, Fourth Edition, New York, NY: McGraw-Hill Companies.

Services Marketing Readings, Distributed by *JP Print & Copy* (available at campus bookstore in the Student Union and on reserve at Jerome Library)

Recommended Book

William Strunk and E. B. White (1979), The Elements of Style, Third Edition, New York, NY: MacMillan Publishing Co. (This is not required, but is an excellent little book for improving your writing skills.)

Course Prerequisites

Student must have earned a “C” or better in MKT 300; refer to the information sheet attached to the syllabus.

Course Description

Why study services marketing? The U.S., as well as much of the world economy, is dominated by services. In the U.S. approximately 75% of the labor force, 70% of the GNP, 45% of an average family’s budget, and 32% of exports are accounted for by services. Yet, business school courses traditionally have focused on the manufacturing sector of the economy. 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.

The primary theme of the course is 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 (i.e., MKT 300) to make them specifically applicable in service industry settings. A second theme of the course focuses on the role of service in manufacturing businesses. This course will suggest ways that firms in the manufactured goods sector might use “service” as a primary source of competitive advantage.

This course will not enable students to step directly into the role of Vice-President of Marketing at a Fortune 500 service company. It will, however, 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

The intent of this course is to introduce, discuss, and analyze several topics important to service businesses. After completing this course, students should be able to:

- Understand the unique challenges involved in marketing and managing services.
- Identify differences between marketing in service versus manufacturing organizations and understand how “service” can be a competitive advantage in manufacturing organizations.
- 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 managing supply and demand, the overlap in marketing/operations/human resource systems, and relationship management.
- Build upon important workplace skills (e.g., cooperation, teamwork, meeting deadlines, report writing) through active learning activities and other classroom exercises.
- Become better, more aware, and maybe less naive services consumers.
- Enjoy themselves while accomplishing all of the above.

Additionally, the course assignments are designed to continue to improve students’ verbal, written, and thinking skills in preparing them for positions in the business world.

Instructor Expectations of Students

A goal for the classroom is to have a positive, attentive, courteous environment that is conducive to learning. Being on time, being alert, participating in discussions and activities, staying for the full class time, and generally contributing to the learning experience of one’s classmates are desirable behaviors. Class will be a combination of instructor lectures, interactive class discussions, and in-class activities. Students will be required (and *expected*) to complete assigned readings prior to class sessions during which those readings are examined. Assignments are due in class at the beginning of class on the specified due date.

Students are expected to conduct themselves *professionally* in all matters related to this class. This means students should act professionally while in class and prepare all assignments in a professional manner. To illustrate:

- Inappropriate verbal comments directed toward others in class will not be tolerated.
- **Cell phones should be turned off during class.** (In an *emergency* situation, please notify the instructor before class about the emergency and that the phone may disrupt class.)
- Unless otherwise noted, the major written assignments should be typed or word-processed and free of spelling and grammatical errors.
- Cheating of any type will not be tolerated, including plagiarism. (Any students who are unsure of what constitutes plagiarism should see the instructor. Any assignment containing plagiarized material will receive a grade of zero.)

Historically students have been asked if the expectations listed above seem reasonable, and they nearly always say yes. So, if there is a problem with one of these issues, please let the instructor know immediately.

Class Attendance

As is the case in most businesses, your attendance and promptness *is expected*. Coming to class late or leaving early is not acceptable behavior. A relatively large percentage of the course grade will depend upon students being present during class. If a student misses class for any reason, the student will be responsible for any material covered, assignments given, or dates changed. Studies have shown that students who attend class regularly and participate fully find assignments and exams to be much easier and more meaningful, and (*surprise!*) tend to get better grades than those who do not attend class regularly.

Most in-class activities are designed in such a way they cannot be “made up” outside of class. According to the *BGSU 2005-2006 Student Handbook* (p. 53),

“The student is responsible for knowing and meeting all course requirements, including tests, assignments, and class participation, as indicated by the course instructor. The instructor has no obligation to give make-up examinations or to review other class work missed by a student as a result of absence.”

I support this statement. In rare instances, students may have to miss class for what I would call a valid, university-related reason. (*Such reasons include times when the student is: (a) participating in an approved field trip or other official BGSU activity (e.g., athletics, debate, music, theater arts); (b) confirmed under doctor’s orders; or (c) granted a leave of absence from BGSU for reasonable cause by an academic dean.*) Except for medical emergencies, which will require proper documentation, all other absences must be approved by the instructor *prior* to the class session that will be missed. Alternative assignments will be given *only* for instructor-approved absences.

Late Work

My experience with teaching university students suggests that, on average, 10 to 15 percent of the class will attempt to turn in assignments later than the time specified. Many reasons are given for late work (e.g., flat tires, printer problems, illness, oversleeping, etc.). No matter what the reason, the bottom line is that either (a) the work was completed and turned in *when required* or (b) the work was *not* completed and turned in when required.

As specified earlier, assignments are due *in class* at the beginning of class on the specified due date. There is **NO PROVISION** for late work on any assignment. I strongly suggest that students plan and schedule to complete work early (that is, *do not wait until the “last minute”*). I also strongly recommend having *backup systems* in place so that all work can be completed on schedule. Having work completed on schedule is a key to early success in one’s business career. A major complaint of employers is that business faculty do not instill a responsibility in students to have work done on time; I have a desire to be a part of the solution rather than part of the problem. Thus, I would suggest students start now to develop good work habits for meeting deadlines.

NOTE: Late submissions are not accepted. Partial credit will **NOT** be given for late work.

Grading

Students have various expectations of what their class experience should be as well as how much effort they believe they should put into a class. However, as the instructor, I have expectations as to what students should be able to do to demonstrate certain proficiencies in the material covered this semester. Unlike most services, students will need to meet MY expectations in order to receive the desired outcome that they prefer. Generally speaking, however, students should expect the effort they are willing to put into the class will be related to the grade they will receive. My experience in teaching this class leads me to believe that, for most students, the quality of their work related to this class increases as the time spent in activities related to this class increases. Grades (based on my interpretation of what they are supposed to indicate) will be awarded as follows:

Grade of “A” (*Student has demonstrated a **thorough understanding** of the subject—and throughout the semester has consistently displayed a **mastery** of the material.*)

To receive a grade of “A” a student will be expected to demonstrate a mastery of **all** of the components of the course. Generally, student grades are based on (1) the three **exams** (400 points in all), (2) one **individual assignment** (100 points), (3) **co-production (class participation) effectiveness** (50 points), (4) a **team project** (80 points), and (5) **quizzes** (50-100 points). The student will need to consistently do “A” quality work on all of these components, meaning that at least **90%** of the total possible points must be accumulated in order to achieve this grade.

Grade of “B” (*Student has demonstrated a **good understanding** of the subject as evidenced consistently in class.*)

To receive a grade of “B” a student will be expected to demonstrate a good understanding of most of the components of the course. Generally, student grades are based on (1) the three **exams** (400 points in all), (2) one **individual assignment** (100 points), (3) **co-production (class participation) effectiveness** (50 points), (4) a **team project** (80 points), and (5) **quizzes** (50-100 points). The student will need to consistently do “B” quality work across these components, meaning that at least **83%** of the total possible points must be accumulated in order to achieve this grade.

Grade of “C” (*Student has a **solid overall understanding** of the subject.*)

To receive a grade of “C” a student will be expected to demonstrate solid overall understanding of the issues discussed in this course. Generally, student grades are based on (1) the three **exams** (400 points in all), (2) **co-production (class participation) effectiveness** (50 points), (3) a **team project** (80 points), and (5) **quizzes** (50-100 points). The student will need to consistently do “C” quality work across these components, meaning that at least **75%** of the total possible points must be accumulated in order to achieve this grade.

Grade of “D” (*Student **knows more** about the subject than before the class started.*)

Although I assume that no student sets out to receive a grade of “D,” for various reasons (e.g., other priorities, overwhelming work schedules, and/or poor time management skills) some students do not put a sufficient amount of effort into this class. Thus, s/he may not demonstrate a solid understanding of course concepts on a consistent basis. However, all students’ grades are based on (1) the three **exams** (400 points), (2) **co-production (class participation) effectiveness** (50 points), (3) a **team project** (80 points), and (4) **quizzes** (50-100 points). To avoid failing the course, students will need to accumulate at least **68%** of the total possible points.

Note: Students often question why the grading scale is not a “typical” 90, 80, 70, 60 scale. My reasoning is: (1) explicit, detailed instructions are given for all projects and assignments, and I am willing to look over drafts prior to the due dates...so, there is no reason not to do well on them, (2) students are given the opportunity to assign their own co-production score, and (3) there is nothing magical about what students refer to as the “typical” scale...the cut off points of 90, 80, 70, and 60 are just as arbitrary as 90, 83, 75, and 68.

Course Requirements

Students will be expected to participate in several different activities in this course. The final grade is based on a portfolio of work which assesses the student's understanding using a variety of learning methods. In particular, grades in this class will (*tentatively*) be determined based upon the components listed in the following paragraphs. Students should *keep track of their own points* throughout the semester. A detailed break-down of each category is provided on the **Point Portfolio** page near the end of the syllabus to help students monitor their progress.

Exams

The three exams given in this class will cover material from the textbook, active learning assignments, and in-class discussions. Exams will be essay. Due to copying and scheduling considerations, any request to change an exam time for a *valid* reason must be approved by the instructor at least *two weeks in advance*. All students will be expected to take the exams at the following scheduled times:

- | | | |
|---------------|----------------------------|--|
| Exam 1 | Week of October 4 | (<i>specific date, time, and format to be announced</i>) |
| Exam 2 | Week of November 15 | (<i>specific date, time, and format to be announced</i>) |
| Exam 3 | Week of December 12 | (<i>specific date, time, and format to be announced</i>) |

Students who do not take an exam at the scheduled time and have not made prior arrangements will be required to take an alternate (comprehensive) exam on **Friday, December 16**, from **3:30 - 5:30 p.m.** (*Makeup exams generally tend to be more difficult than the regularly scheduled exams.*)

I will do my best to return exams to students within a couple of (class) days. I will *not* discuss individual exam scores or questions in the classroom. I will only discuss questions on a particular student's exam after the student has submitted, in writing or via E-mail, a statement describing why the score on a particular question (or questions) should be re-evaluated. After the exam has been returned to the class, students will have three class days to turn in this written appeal if there is disagreement with my evaluation of a particular question or questions.

Student Co-production (including In-Class Participation)

To assist in understanding of services marketing issues, students are encouraged to contribute to in-class discussions. A student's participation and interaction with other students, as well as the professionalism displayed in all aspects of this class, will be a major component of the class instruction. Student co-production may also be based upon an ability to recognize contemporary services marketing issues. Students are encouraged to examine current issues and to bring in articles for class discussion. In so doing, students should be prepared to describe the relevance of the article to services marketing.

This educational "service" (MKT 405) requires *active* co-production and participation in the classroom for it to be a success. ***Attendance in class is a necessary, but not sufficient, condition for good participation.*** (Merely showing up for work, but not contributing anything to the organization, would not generally be considered acceptable behavior in the workplace.)

In a departure from usual practice, at the end of the semester *each student* will evaluate his/her own co-production (participation) and ***assign him/herself a score***. As part of this process students will be required to submit a one-page justification of the grade they have given themselves. So, I would advise students to keep track of days/topics when they have taken an especially active, leadership role in class discussion. Guidelines will be provided as to how students might evaluate their own co-production (participation) in the course assignments document. (*I reserve the right to adjust the final co-production grade if I deem it necessary.*)

Team Assignment

During the semester each student will be assigned to a team of four or five students. Each team will be responsible for completing the marketing project assignment listed below.

Service Blueprint. This assignment requires students to construct a detailed service blueprint for a particular service provider and, perhaps, present it to the class. The assignment will also involve writing a short paper discussing how the blueprint might be used to improve marketing and operations in the organization. Details are provided in a separate handout.

Individual Assignment (*only required of students striving for either an “A” or a “B” in the course*)

During the semester students striving for either an “A” or a “B” in the course will be required to complete **one** of the following two individual assignments. (*Students will be allowed to select whichever assignment they prefer.*)

Company Complaint Letter Response Analysis. Each student who selects this assignment will be required to write a letter of complaint to an organization from which the student has had a less-than-satisfactory experience with the company’s service offering. Students choosing this assignment will, near the end of the semester, analyze the response they received from their complaint—or the lack thereof. Details are provided in a separate handout.

Service Encounter Journal Paper. Each student who selects this assignment will be required to record “journal” entries concerning service encounters that he/she experiences during the first few weeks of the semester. (A form will be provided for the journal entries.) Students choosing this assignment will, near the end of the semester, write a paper analyzing their best and worst service encounter experiences. Details are provided in a separate handout.

Quizzes

Sometimes students need an incentive to prepare in advance for class (e.g., read the text book) and arrive for class on-time. Thus, from time to time, I may give unannounced, short quizzes (usually 5-10 points) on the assigned reading material (including chapters from the textbook, articles, and/or cases). My intent is to encourage students to keep up on their reading assignments and to see if they are synthesizing the material. The most likely time for a quiz will be the *beginning of class*. If a student is not in class at the time of the quiz, he/she will receive 0 points.

NOTE: Students must be ***in class at the time the quiz is distributed*** in order to take the quiz.
(*In other words, late arrivals will not be given a quiz.*)

Other Important Information

Success-Oriented Course. MKT 405 is a success-oriented course. My desire is that all students in the class meet their individual learning (and grade) goals. However, *this does not mean that students can avoid working hard in this class.* What this does mean is that *all* students who do well in the class will be rewarded accordingly. That is, the grade distribution will *not* be adjusted to make sure it fits a bell-shaped curve—thus, students are not in direct competition with their classmates. Also, there are many assignments to help students demonstrate their understanding of the material we cover in class. The exam points comprise only a portion of the grade because in the business world other skills are as important as knowledge. Students are given other assignments (besides exams) to encourage the development of these skills as well.

Study Time. Most college courses require students to spend a significant amount of time outside of class in individual study time. A general guideline is that at least ***two hours should be spent studying outside of class for every one hour spent in class.*** Actual in-class meeting time is short in college courses because students are expected to work independently outside of class in order to meet the course requirements. My experience suggests that students who regularly spend this amount of time *each* week in preparing for this class tend to do very well, assuming they make effective use of their time.

Class Pace. Much time is allocated in this class for small group discussion and in-class activities. As a result, not as much time is spent in the traditional lecture format. In order to cover the course material, lectures are organized to cover the material at a fairly quick pace. It is, therefore, essential that students (a) keep up with the assigned readings, (b) budget their time wisely in order to complete all of their assignments, and (c) seek clarification on any material that they do not understand. If I start going too fast in my lectures, let me know. It is my desire that *students* understand the material.

Flexibility. A tentative schedule for the entire semester is included in this syllabus. Although much thought was put into the course schedule listed in this syllabus, the schedule is *tentative* and subject to change as necessary because of the availability of guest speakers and/or support materials, or in order to adapt to specific needs of the class. Occasional departures from the schedule, such as additional readings, assignments, and activities, may be announced in class during the semester. Such announcements will take priority over the printed schedule. It is the *student's responsibility* to be in class and keep up-to-date on whatever changes are made in the schedule.

Active Learning Activities. Active learning methods are frequently used in this class. This means students will be part of a group in which they will work together to complete a number of assignments. It has been repeatedly demonstrated that active learning results in higher grades, increased critical thinking skills, positive relationships, deeper level understanding, and much more. In addition, student evaluations of such classes show that most students enjoy the active role they play in the class, have fun in the process, learn more, take responsibility for their own learning and the learning of others, and develop meaningful friendships which encourage them in their studies and in their personal lives.

Evaluation of Assignments. Several written assignments are required in this course. Specific guidelines are provided and will need to be followed. These assignments will also be graded for grammar. Students should expect to do fairly well if *all* of the instructions are followed. However, if only some of the instructions are followed, then only *some* of the possible points will be awarded. Active learning team activities will also be evaluated based on how well the instructions are followed and the **thoroughness of the answers.**

Academic Dishonesty. University policy and the BGSU Student Handbook indicates that academic honesty violations (e.g., cheating, fabrication, facilitating academic dishonesty, plagiarism, as well as collaborating with fellow students on exams and individual assignments and having access to unauthorized material) requires the instructor to fail the offender(s) for the course. If serious enough, any such situation will be handed over to university authorities for further action.

Emergency Communication. Occasionally situations occur where there is a question as to whether a class will be held or not (heavy snowfall, icy roads, floods, instructor illness, etc.). Should the university or the instructor decide to cancel classes, an announcement will be sent via e-mail to all students on the official class roster using the student's **BGNET e-mail address**. Thus, when in doubt about whether or not there will be a class, assume that class will be held unless an e-mail message from the instructor indicates otherwise.

Classroom Behavior. Some miscellaneous expectations that I (as the service provider) have of students (i.e., customers) in the delivery (co-production) of this educational service:

Do not hesitate to ask questions. If something is unclear to one student, it probably means that several others have the same question. However, please ask *me* the questions in class or to slow down and repeat something, not another student. In other words, no talking when I am talking. Likewise, no talking when a fellow student "has the floor." This is not only common courtesy, but such talking annoys and distracts other students in the class (as well as myself).

Do not come to class late or leave early. Neither your fellow students nor I appreciate such disruptions. Students expect instructors to be on time, and I expect the same behavior from my students.

Please do not wear hats or caps in the classroom. Wearing a hat to class is not professional behavior. This is as inappropriate in this setting as it is in a church. (There are relatively few business situations where wearing a hat during a meeting in an office building is considered acceptable behavior.)

Please avoid my "Pet Peeves." Over the years I have observed a variety of student behaviors. Some of them bother me more than others. The worst behaviors that I believe students can exhibit include:

- Attempting to turn in assignments late. (*They are not accepted.*)
- Not following directions in doing assignments. (*You will end up with a lower grade.*)
- Asking "did I miss anything important?" after not attending a class. (*How should I respond?*)
- Asking "will I miss anything important?" prior to not attending a class. (*See above.*)
- Using contractions (e.g., can't) in written assignments. (*Not a good idea when writing.*)
- Turning in written assignments with page-long paragraphs and/or no headings. (*Such assignments are difficult to read and follow.*)
- Improperly using *it's* and *its*. (*It's not appropriate; a firm would not want its employees misusing these words.*)
- Asking "are we going to get out early today?" (*I want students to get their money's worth!*)
- Turning in assignments held together by paper clips. (*Use staples!*)
- Sending unidentified e-mails. (*Always include a full name and class section in the message. Students who do not identify themselves should not expect a response from the instructor.*)
- Getting up and leaving class in the middle of a lecture. (*This is very rude.*)
- Packing books, notebooks, pens, etc. into bags before class is over. (*This is also very rude.*)

Services Marketing
Fall 2005
Tentative Schedule of Topics

Week of:	Topic(s)	Chapters	Probable Activities
August 23 (Week 1)	Foundations for Services Marketing <i>Introduction to Services</i>	1	<ul style="list-style-type: none"> • Class Introductions • Syllabus Review
Aug 30 (Week 2)	Foundations for Services Marketing <i>The Gaps Model of Service Quality</i>	2	<ul style="list-style-type: none"> • Assign Folder Groups
Sept 6 (Week 3)	Focus on the Customer <i>Consumer Behavior for Services</i>	3	<ul style="list-style-type: none"> • Class Photos
Sept 13 (Week 4)	Focus on the Customer <i>Customer Expectations of Service</i>	4	
Sept 20 (Week 5)	Focus on the Customer <i>Customer Perceptions of Service</i>	5	<ul style="list-style-type: none"> • Complaint Letter and/or Electronic Complaint Registration due*
Sept 27 (Week 6)	Understanding Customer Requirements <i>Listening to Customers Through Research</i>	6	
Oct 4 (Week 7)	Exam 1 <i>Time and Format to Be Announced</i>	1-6	
Oct 11 (Week 8)	Understanding Customer Requirements <i>Building Customer Relationships</i>	7	
Oct 18 (Week 9)	Understanding Customer Requirements <i>Service Recovery</i>	8	<ul style="list-style-type: none"> • “Bugs Burger” Pest Control Service - <i>Case Analysis</i>

MKT 405
Fall 2005
Tentative Schedule of Topics
(continued)

Week of:	Topic(s)	Chapters	Probable Activities
Oct 25 (Week 10)	Aligning Service Design and Standards <i>Service Development and Design</i>	9	
Nov 1 (Week 11)	Aligning Service Design and Standards <i>Physical Evidence and the Servicescape</i>	11	
Nov 8 (Week 12)	Delivering and Performing Service <i>Employees' Roles in Service Delivery</i>	12	<ul style="list-style-type: none"> • Local Field Trip • Praise Letter due*
Nov 15 (Week 13)	Exam 2 <i>Time, Date, and Format to Be Announced</i>	7-12	• Mystery Shopping Assignment due*
Nov 22 (Week 14)	Delivering and Performing Service <i>Customers' Roles in Service Delivery</i>	13	<ul style="list-style-type: none"> • Team Service Blueprint assignment due • Complaint Letter Analysis due*
Nov 29 (Week 15)	Delivering and Performing Service <i>Delivering Service Through Intermediaries and Electronic Channels</i>	14	• Shouldice Hospital - <i>Case Analysis</i>
Dec 6 (Week 16)	Delivering and Performing Service <i>Managing Demand and Capacity</i> Managing Service Promises <i>Integrating Services Marketing Communications</i>	15 16	<ul style="list-style-type: none"> • Class Co-production Paper due • Service Encounter Paper due*
Dec 12 (Week 17)	Exam 3 <i>Time, Date, and Format to Be Announced</i>	1-9, 11-16	

*Optional assignments.

MKT 405 Point Portfolio
(Points possible appear in parentheses)

Name: _____

Exams

_____ Exam 1 - Mid-term Exam (120) - EX1
_____ Exam 2 - Mid-term Exam (120) - EX2
_____ Exam 3 - Final Exam (160) - EX3

_____ **Subtotal (400)**

Class Co-production (Participation)

_____ **CP - Subtotal (50)**

Team Assignment

_____ TM1 - Service Blueprint (80)

_____ **TM - Subtotal (80)**

Individual Assignment (Required only for those striving for an "A" or "B")

_____ MK1 - Company Complaint Letter/Response Analysis (100)
or
_____ MK2 - Service Encounter Journal/Paper (100)

_____ **MK - Subtotal (100)**

Quizzes*

_____ QZ1 - _____
_____ QZ2 - _____
_____ QZ3 - _____
_____ QZ4 - _____
_____ QZ5 - _____
_____ QZ6 - _____
_____ QZ7 - _____
_____ QZ8 - _____
_____ QZ9 - _____

_____ **Subtotal (50 - 100)**

_____ **Total Points Possible (680 - 730)**

* Students must be *present in class* to receive points for quizzes. Make-up quizzes will not be given.