

# Northeastern University Graduate School of Business

## Marketing in the Services Sector

**MKT G218**  
Spring Semester 2004  
Boston Campus

**Instructor**  
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### Required Materials

Text: *Services Marketing*, by Lovelock and Wirtz, 5th edition, Pearson Prentice Hall 2004.

### Course Description

This course focuses on service marketing analysis and planning. The course emphasizes analysis of customer needs, company and competitor capabilities in controlling quality, inability to inventory, and product inconsistency. This analysis forms the basis of a sound marketing strategy that will provide value to customers in a way superior to the competition.

Students learn to deliver this strategy through development of an integrated marketing program covering service offerings, pricing, promotion and delivery.

### Course Objectives

- Understand fundamental service principles in relation to service marketing management issues
- Develop skills in service market analysis - including customer, competitor and company analysis
- Utilize qualitative and quantitative skills in analyzing service problems and opportunities
- Develop decision-making capabilities in the area of service marketing strategy
- Gain skill in developing actionable recommendations for service marketing managers
- Gain applied experience in development of a service marketing term project
- Enhance your verbal and written communication skills

### Course Structure

The course is taught with interactive approaches, including case studies, exercises, lecture/discussion, textbook readings and a semester project. On case days, a majority of the class time will be devoted to analysis of the case. Small group discussions and exercises will also be used to facilitate learning. Textbook readings are intended to provide students with fundamental service marketing terms and knowledge which is critical in analyzing and solving service marketing case problems. The term project is a semester-long experience designed to help integrate and apply knowledge learned from the course.

### Grade Determination

|   |     |
|---|-----|
| Class Participation &<br>Communication Skills | 25% |
| Midterm Written Case                          | 30% |
| Service Marketing Term Project                | 45% |

## **Absences/ Class Participation/ Communication Skills**

Attendance in class is required. Absences will affect your class participation grade as you will lose-out on case discussions and exercises. There are no make-ups for in-class work. If you miss a case class, you may submit a 2-3 page analysis of that night's case in order to receive credit for that case. All case write-ups for missed classes are due at the next class meeting. No exceptions!

Since participation is a critical component of learning in the case method, simply attending class is not sufficient for effective class participation. You must assertively contribute to case discussions in order to receive credit for class participation. Although quality of contributions is most important, some quantity is certainly also necessary. Class participation will be evaluated each class.

The business arena requires every executive, and potential executive, to be proficient in communicating your ideas and recommendations in a clear and persuasive manner. Therefore, you are expected to put considerable effort into developing your communication/presentation abilities for class discussion, group interaction, written expression and project presentation.

## **Performance Expectations**

This course requires a high degree of commitment and responsibility on the part of each individual. You are expected to attend each class, to have thoroughly read and analyzed the required case, and to contribute to case discussions. Cases deal with real-life business situations. Through discussion of cases, students develop analytical, decision-making and communication skills. Cases encourage students to be active participants in analyzing marketing situations and formulating marketing recommendations. Additionally, you are expected to read the assigned text material and to participate fully in any in-class activities as well as the team service marketing project. The degree of your preparation and participation in class discussions will greatly determine what you get out of this course.

## **Study Groups**

It is recommended that you form a study group to discuss the assigned case prior to each class. The use of email can be an efficient tool to use as a forum for discussion. However, your written case analysis, in-class assignments and homework must be your work alone, unless otherwise specified.

## **Case Analysis**

For analysis of the cases we discuss in class, you should first have answers to the case questions at the end of each case. The text readings for that week will highlight the focus of our discussion.

Secondly, you should use all information read and discussed from any previous classes, as well as your general observations concerning any service marketing issues relevant to each case.

## **Case Write-up**

Each student will be responsible for submitting one case write-up. The case to be written is the VNA case. Specific case questions to be addressed are at the end of the case. Additional questions required may be announced before the midterm. No late papers will be accepted.

## Recommendations

After careful analysis of the true problems that need to be addressed, you **must** provide specific recommendations to resolve each of the identified issues. Your recommendations have to be supported with quantitative and/or logical conclusions drawn from data in the case.

In addition, you need to have an implementation plan with timetables, dependencies, and a method to measure and control progress.

## Grading Class Participation

Grading class participation is necessarily subjective. Some of the criteria for evaluating effective class participation include:

1. *Is the participant present?* In order to obtain a grade for class you must attend the class sessions. Please let me know ahead of time if you plan to be away from our next class.
2. *Is the participant prepared?* Do comments show evidence of analysis of the case? Can the participant back up his/her points with financial or other information?
3. *Is the participant a good listener?* Did you answer the question that was asked? Are the points made relevant to the discussion? Are your points linked to the comments of others? Is the participant willing to debate with and convince other class members about the validity of your claims?
4. *Is the participant an effective communicator?* Are concepts presented in a concise and convincing fashion? Do you speak with confidence and clarity?

Keep in mind that simply repeating or agreeing with what someone else has said does not constitute a contribution to the discussion. You need to move the class further on the issue being discussed and/or offer some other reason (s) for why you may have come to the same conclusion as the previous speaker. Note as well that you need to stick to the evidence in the case even if you have personal knowledge of the company, industry or history of the case under discussion. Every case leaves out information. What we learn from case analysis and discussion is how to make the best decisions we can in the face of limited information that is typical in the real world.

## Note on Academic Integrity:

Northeastern University is committed to the principles of intellectual honesty and integrity. All members of NEU are expected to maintain complete honesty in all academic work, presenting only that which is their own work in tests and assignments. If you have any questions regarding the proper attribution of the work of others, contact your professor prior to submitting the work for evaluation.

### **Service Marketing Term Project:**

Each student will be a member of a team. This project offers you an opportunity to design a new service or redesign an existing service based upon your acquired service marketing expertise. All service ideas for the project must be approved by the instructor.

You should decide which market segment(s) you want to target and how you want to be positioned relative to competition. Then you will need to describe the service.

You should use appropriate service marketing concepts (from course materials, lecture/discussions and articles) to describe your service and your proposed marketing strategy. You will need to include exhibits that help illustrate the service you have created or re-created. Your exhibits should include:

- 1) a flowchart of your proposed new service
- 2) a flowchart of the original service (if redesigning an existing service)
- 3) a discussion of the service delivery process
- 4) other appropriate service marketing concepts

It is your responsibility to make sure you are part of a team. Each team will present their service marketing project to the class on April 20th. Presentations should be polished and professional. Service marketing project term papers are also due on this day. Late papers will not be accepted. Papers should be typed, double-spaced, in 11 or 12 point font size.

On the last day of class, each student will submit an evaluation of their team members which will be used to ALTER an individual's project grade. Failure to turn in an evaluation of your team, will result in a penalty on your own project grade.

## Schedule of Classes

| <b>Date</b> | <b>Topic</b>   | <b>Readings/Cases</b>                                       |
|-------------|--|---|
| Jan. 6      | Course Introduction<br>Group Exercise                                    | None  |
| Jan. 13     | Introduction to Services Marketing<br>Service Marketing Project Groups   | Chapter 1   |
| Jan. 20     | Consumer Behavior<br>in Service Encounters                               | Chapter 2<br>Sullivan Ford/<br>Grove/Fisk                   |
| Jan. 27     | Positioning Service and<br>Creating the Service Product                  | Chapter 3 and 4<br>Giordano/<br>Brown                       |
| Feb. 3      | Designing the Communications<br>Mix for Service                          | Chapter 5<br>Mass Audubon Society/<br>Berry                 |
| Feb. 10     | Pricing and Revenue Management   | Chapter 6<br>Accra Beach Hotel/<br>Kimes/Chase              |
| Feb. 17     | Distributing Services<br>(midterm written case due)                      | Chapter 7<br>Visiting Nurse Assoc.                          |
| Feb. 24     | Designing and Managing<br>Service Processes                              | Chapters 8<br>Aussie Pooch Mobile/<br>Haeckel/Carbone/Berry |
| Mar. 9      | Balancing Demand & Capacity<br>Planning the Service Environment          | Chapters 9 and 10<br>Coyote Loco<br>Appendix A&B            |
| Mar. 16     | Managing People for<br>Service Advantage                                 | Chapter 11<br>Menton Bank                                   |
| Mar. 23     | Managing Relationships<br>and Building Loyalty                           | Chapter 12<br>Hilton: Loyalty Wars                          |
| Mar. 30     | Customer Feedback and<br>Service Recovery                                | Chapters 13<br>Accellion Service<br>Guarantee               |
| April 6     | Improving Service Quality<br>and Productivity                            | Chapter 14<br>Progressive Insur. (A,B &C)                   |
| April 13    | Organizing for Service Leadership  | Chapter 15<br>TLContact.com                                 |
| April 20    | Due: Service Marketing Project Presentations<br>and Written Term Project |   |