

MARKETING 673
Services Marketing
Monday-Wednesday, 1:15-3:00 p.m.
Spring 2005
Room 185

Instructor: Leonard Berry
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Office Hours: After class or by appointment

Course Objective

The purpose of this course is to help prepare you to function as an effective executive in a services economy. You will become more knowledgeable about: (1) the nature and characteristics of services; (2) the marketing implications of product intangibility; (3) the improvement of service quality; and (4) the drivers of sustainable success in service businesses. You will develop an integrative view of services marketing.

Course Format

The course is designed to encourage learning both inside and outside the classroom. Inside the classroom the emphasis is on lecture and active discussion. Outside the classroom the emphasis is on participant observation, self-guided study, reading, and writing.

Required Reading: Books

Leonard L. Berry, *On Great Service: A Framework for Action*, 1995, The Free Press. Hardcover.

Leonard L. Berry, *Discovering the Soul of Service: The Nine Drivers of Sustainable Business Success*, 1999, The Free Press. Hardcover.

Required Reading: Article Packet Available at Copy Corner

1. Keaveney, Susan M. (1995), Customer Switching Behavior in Service Industries: An Exploratory Study,” *Journal of Marketing* (April).
2. Meliones, Jon (2000), “Saving Money, Saving Lives,” *Harvard Business Review* (November-December).
3. Seiders, Kathleen and Leonard L. Berry (1998), “Service Fairness: What It Is and Why It Matters,” *The Academy of Management Executive* (May).
4. Tax, Stephen S. and Stephen W. Brown (1998), “Recovering and Learning from Service Failure,” *Sloan Management Review* (Fall).
5. Meuter, Matthew, et.al. (2000), “Self-Service Technologies: Understanding Customer Satisfaction with Technology-Based Service Encounters,” *Journal of Marketing* (July).
6. Berry, Leonard L., Kathleen Seiders, and Susan Wilder (2003), “Innovations in Access to Care: A Patient-Centered Approach,” *Annals of Internal Medicine* (October 7).
7. Berry, Leonard L. (2004), “The Collaborative Organization: Leadership Lessons from Mayo Clinic,” *Organizational Dynamics* (August).
8. Berry, Leonard L., Lewis Carbone, and Stephan Haeckel (2002), “Managing the Total Customer Experience,” *Sloan Management Review* (Spring).
9. Reichheld, Frederick and Phil Schefter (2000), “E-Loyalty: Your Secret Weapon on the Web,” *Harvard Business Review* (July-August).
10. Katzenbach, Jon and Jason Santamaria (1999), “Firing Up the Front Line,” *Harvard Business Review* (May-June).

Service Diary

Beginning on March 3 you are to keep a diary of all of your service encounters with both profit and not-for-profit organizations. You should record factual information (where, when, nature of transaction), as well as your perceptions of each service experience. It is essential that you make your diary entries on the same day as you experience the service. Your diary should be comprehensive, detailed, and organized in a consistent manner. Your diary should be typed.

You should keep your diary through March 11.

After you complete your diary entries and before you turn it in on March 21, prepare a two-page conclusion section titled “Lessons from my Service Diary.” Discuss in these two pages the most important insights you gained about service quality from your experience keeping a service diary.

Your diary will count 25% toward your course grade. **Grading criteria include the organization, comprehensiveness, and depth of your diary entries, the depth of your interpretations, the quality of writing, and evidence of learning as reflected in the diary and lessons section.**

Mini Papers

You are to prepare two one-page papers as part of your class involvement grade. Each paper must not exceed one page. Your paper will be evaluated with one of three assessments: +++ (unusually good), ++ (good) or + (average).

Mini paper #1 due on April 28 is titled “Why _____ is a Great Services Brand.” Select a services brand you consider to be outstanding and explain/defend your choice. You should not select one of the companies featured in the course books.

Mini-paper #2 due on May 4 is an actual letter you’ve written and mailed (or e-mailed) to an owner or manager of an organization that has served you poorly or well. The purpose of the letter is to offer customer feedback, including recommendations for improvement. Even organizations that served you well can improve. You can write and mail this letter at any time during the semester up to May 4.

Your class involvement grade will count 25% toward your course grade and your mini papers will figure prominently in this assessment. **Grading criteria for the mini papers include depth of your interpretations, the quality of writing, evidence of learning, and commitment to the task.**

Exams

The two exams will consist of several short essay questions. They will cover class lectures, discussions, guest presentations, the service diary experience, and all assigned reading.

Grading

First Exam	25%
Second Exam	25%
Service Diary	25%
Class Involvement (attendance, mini papers, quality participation, commitment to course)	<u>25%</u> 100%

Attendance

Students are expected to attend **all** scheduled class sessions except in the case of illness or emergency.

Late Work

Assignments are to be submitted and exams completed on the designated dates. Dates are firm unless a change is announced by the instructor. Late assignments or exams will be marked down one level except in the case of a bona fide emergency or illness.

Aggie Honor Code

Upon accepting admission to Texas A&M University, a student immediately assumes a commitment to uphold the Honor Code, to accept responsibility for learning and to follow the philosophy and rules of the Honor System. Students will be required to state their commitment on examinations, research papers, and other academic work. Ignorance of the rules does not exclude any member of the Texas A&M University community from the requirements or the processes of the Honor system. For additional information please visit:

<http://www.tamu.edu/aggiehonor/>

On all assignments and examinations at Texas A&M University, the following Honor pledge shall be signed by the student: "On my honor, as an Aggie, I have neither given nor received unauthorized aid on this academic work."

Course Schedule

Date	Topics	Reading	Written Assignments
2/28	Course Overview/Introduction to Services and Service Quality	Begin <i>OGS</i>	
3/2	Lessons of Service Quality	Articles 1&2	Begin Service Diary, 3/3
3/7	Lessons of Service Quality	Article 3	
3/9	Lessons of Service Quality	Article 4&5	Last Day for Diary Entries, 3/11
3/14	Spring Break		
3/16	Spring Break		
3/21	Service Diary Insights		Service Diary Due in Class
3/23	Service Quality at Copy Corner and Freebirds. Guest Presenters: Larry Hodges, Owner, Copy Corner and Pierre Dube, Owner, Freebirds World Burrito		
3/28	Service Quality in Healthcare	Articles 6&7	
3/30	<i>On Great Service</i> Discussion	Complete <i>OGS</i>	
4/4	Service Innovation Guest Presenter: Gary Hoover, Master Entrepreneur	Begin <i>DSS</i>	
4/6	Strengthening a Mature Brand through Service and Innovation Guest Presenter: Kim Lopdrup, President, Red Lobster		
4/11	Mid-term Exam (2:00 - 4:00 p.m.)		
4/13	Roles of Services Marketing Director	Begin <i>DSS</i>	
4/18	Clue Management	Article 8	
4/20	Services Branding		
4/25	Relationship Marketing		
4/28*	Relationship Marketing (Special Thursday class, 4:00 - 5:45 p.m.)	Article 9	Mini Paper #1 Due in Class
5/2	Internal Marketing		
5/4	Internal Marketing	Article 10	Mini Paper #2 Due in Class
5/9	<i>Discovering the Soul of Service</i> Discussion	Complete <i>DSS</i>	
5/14	Final Exam (2:00 - 4:00 p.m.)		

Course Framework

