

CALIFORNIA STATE UNIVERSITY, CHICO  
College of Business  
Department of Finance & Marketing

MKTG 478  
Services Marketing  
Spring 2006 TR 12:30-1:45

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Office Hours: Tuesdays & Thursdays 7:30-8:00, 10:45-12:15, 1:45-2:15; and by appointment.

Textbooks: Zeithaml and Bitner, Services Marketing, 4<sup>th</sup> edition, 2006 (ISBN: 0072961945)  
Interpretive Solutions Simulation Package (\$25.00, available online, details to follow)

Recommended Reading: Any popular business press source (Business Week, Fortune, Fast Company, Wall Street Journal, etc.)

Prerequisite: MKT 371 (formerly 171) Consumer Behavior

### Course Description

***Why study services marketing?*** The US, as well as much of the world economy, is dominated by services. In the US, over 81% of the labor force is working in service industries and 80% of the GDP is tied to services (from 2003). In addition, the US had an \$81 Billion dollar trade surplus in services in 2000. Yet, business school courses traditionally have focused on the manufacturing goods 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 organizations in the area of marketing.

The primary theme of the course is that service organizations (e.g., banks, schools, hospitals, hotels, professional services, transportation companies) require a distinctive approach to marketing strategy, both in its development and execution. The course will build on ideas from other marketing courses (i.e., MKTG 370 and MKTG 371) and make them specifically applicable in service industry settings.

### Course Objectives

The intent of this course is to introduce, discuss and analyze marketing topics important to service businesses. The objectives for this course are:

- To gain an understanding of the unique challenges that are involved in managing service organizations and in delivering quality service
- To be able to critically analyze components of the services marketing mix
- To gain an appreciation for the role that people (both employees and customers) and technology play in influencing service delivery, customer satisfaction, and service recovery
- To become a better, more aware service consumer
- To improve your written and oral communication skills, as well as learn to be a productive team member
- To have fun and enjoy yourself while accomplishing the above objectives!

### Class Format

Each day we will cover relevant information through interactive discussions, in-class group exercises, individual application exercises, videos, cases and student presentations. It is strongly encouraged that you complete the assigned readings before class to allow for an interactive learning environment.

As the instructor of the course, I see my job as to guide, not dominate the learning process. You are expected to be active co-producers of your educational experience. Since marketing is intertwined within our daily lives we all have experiences that can help others to better understand various services marketing issues. I encourage you to share your personal experiences with the class.

### Assignments

All work done outside of class must be typed in order to receive credit. In addition, assignment turned in late will NOT receive credit. Problems with your printer, disk, job interviews, oversleeping, having a big test in another class, etc. are all unfortunate situations but do not excuse late or hand-written work. Assignments are due *in class* on the date specified. The due date is a deadline, not a guideline.

You will be expected to actively participate in several different activities in this course. Your final grade is based on a portfolio of work that assesses your effort and understanding of the material using a variety of learning methods. Each of the activities are described on the next two pages.

### **Exams**

There will be 2 exams during the semester that will consist of multiple choice questions with some short answer questions. Each exam will be worth 100 points. The exams will cover the assigned material in the text (whether or not it was covered in class), and anything discussed in class such as group exercises, videos, cases, or presentations. There will be NO make-ups for missed examinations.

### **Chapter Quizzes**

Four to eight times during the semester we will have a brief “review quiz” covering the chapter materials scheduled to be covered that day in class. These will be broad overview questions and designed to encourage you to read and review each chapter before class and will be unannounced.

### **Service Simulation**

In groups, you will be running a service business (auto dealership) and making important decisions about marketing and service strategy. Your team will download software to facilitate the decision process and the simulation will be conducted online. You will be competing against other teams in the class for the best service performance. At the end of the simulation you will (either individually or as a group) write a paper describing your experiences. More details on the simulation will follow.

## Assignments, continued

**Letter Writing Campaign** Individually you will write a letter to a service organization that delivered less-than-satisfactory service and then analyze the company's response (or lack of response). Along with the letter, you will write a short paper analyzing the firm's response and describing what you learned from this exercise. Details will be provided on a separate handout.

### **Class Contribution**

Throughout the semester there will be various in-class exercises (both small group and individual) used to illustrate services marketing concepts. These exercises are valuable learning tools and make up a significant part of your grade. If you miss class, you will receive no points for these exercises and may miss important topics not covered in the book. In addition, it is expected that students will actively participate in all class discussions. Your participation grade will be comprised of attendance, participation in discussions and involvement in the in-class exercises.

As is the case in most businesses, your attendance and promptness is expected. Please schedule job interviews, doctor appointments, etc. at a different time. Coming to class late or leaving early is not acceptable behavior. If you miss class for any reason, you will be responsible for any material covered, assignments given, or date changes in the schedule.

## Grades

The grade you earn will be a result of your performance on the portfolio of assignments and exams described above. Points are allocated as shown:

Exam #1	100 points
Exam #2	100 points
Chapter Quizzes	30 points
Complaint Letter Analysis	70 points
Service Simulation Performance	40 points
Service Simulation Write up	60 points
Class Participation	<u>50 points</u>
TOTAL	450 Points

Grades will be determined by the following distribution:

A	93%-100%	B-	80%-82%	D+	67%-69%
A-	90%-92%	C+	77%-79%	D	63%-66%
B+	87%-89%	C	73%-76%	D-	60%-62%
B	83%-86%	C-	70%-72%	F	Below 60%

Class Schedule

WEEK OF:	CHAPTER	TOPIC
Jan 23		Course Introduction
	1 & 2	Introduction to Services & Conceptual Framework of Book
Jan 30	3	Consumer Behavior in Services
	4	Customer Expectations of Service
Feb 6	5	Customer Perceptions of Service
		<b>*** Letter of Complaint Due Thursday February 9 ***</b>
Feb 13	6	Understanding Customer Expectations Through Marketing Research
Feb 20	7	Building Customer Relationships
Feb 27	8	Service Recovery
Mar 6		<b>*** Exam #1: Tuesday March 7 (Chapters 1-8)***</b>
	9	Service Development and Design
Mar 13		<b>*** NO CLASS: Spring break ***</b>
Mar 20	Sim SC1-2	Introduction to Service Simulation
		Simulation Group Planning Day
Mar 27	11	Physical Evidence and the Servicescape
		Simulation Strategy Meetings
Apr 3	12	Employees' Role in Service Delivery
Apr 10	13	Customers' Role in Service Delivery
		<b>* Complaint Letter Analysis Paper Due Thursday April 13 *</b>
Apr 17	14	Delivering Service Through Intermediaries & Electronic Channels
Apr 24	16	Integrated Services Marketing Communications
May 1	15	Managing Demand and Capacity
	17	Pricing of Services
May 8		<b>*** Simulation Analysis Paper Due Tuesday May 9***</b>
		Discussion of Simulation
		Review of GAPS Model, Course Wrap up
May 15		<b>Final Exam: Tuesday May 16, 2:00-3:50 PM Glenn 314 (Chapters 9, 11-17)</b>

\*The schedule during the semester may vary from the syllabus. Announcements made in class will supersede this schedule. Exam dates will NOT be changed.