



THE UNIVERSITY OF
WESTERN AUSTRALIA

Business School

Unit Outline

Business School

www.biz.uwa.edu.au

Advanced Marketing Services

MKTG 8463

Semester 2 Credit points - 8



Unit Coordinator: Jill Sweeney

jsweeney@biz.uwa.edu.au

6488 1438

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UNIT DESCRIPTION

Introduction

Welcome to Advanced Services Marketing. This unit aims to provide the student with an appreciation of the marketing of services using both a theoretical and practical approach to the unit. The following general areas are addressed:

- The importance of service quality to organisations
- The marketing management problems involved with implementing and maintaining service quality
- The service product as an interactive experience
- The general skills required for the marketing of services

On completion of this unit you should be able to:

- Understand the unique aspects of services marketing compared to traditional goods marketing and apply these in the business environment;
- Understand the various services model and theories and practice of such models and theories;
- Be aware of where services marketing as a paradigm fits with previous dominant paradigms (agrarian, manufacturing) and directions for the future.

Unit philosophy

The unit is student-centred. As post-graduates, students are encouraged to take responsibility for their own learning, to develop an independent research orientation and to develop intellectual independence. Intellectual independence is the factor that distinguishes universities from other tertiary institutions. Intellectual independence means developing confidence in your ability to think through a situation logically and decide whether you agree or disagree with others' viewpoints and be able to support your position. In many cases there are no right answers, only well thought out arguments supported by sound evidence.

Unit assessment will therefore be on the basis of individual effort. What you receive from the unit will correspond to your own contribution. Different modes of teaching (lecture, workshop, and seminar) will be used to achieve active learning. There will also be one site visit, which will take the place of a weekly lecture session, although it will not be at the same time. The class will meet weekly for a 3-hour seminar. You are expected to have some knowledge of services marketing. Anyone who needs to refer to an introductory textbook, I recommend "Services Marketing" (Lovelock, Patterson and Walker, 2007) two, and Palmer (2005). Both are available in closed reserve. In addition, key articles are listed at the end of this outline. Articles are available in the library.

Note that for most weeks there will be readings which you are expected to read and synthesise beforehand (nothing needs to be handed in) and answer questions as appropriate. It is important to note that the readings are a mixture of articles and spotlights from the text.

CONTACT DETAILS

Unit coordinator and lecturer	
name:	Professor Jill Sweeney
email:	jsweeney@biz.uwa.edu.au
phone:	6488 1438
fax:	6488 1055
consultation hours:	3-4.30 Thursday

TEACHING AND LEARNING RESPONSIBILITIES

Teaching and learning strategies

Real life projects: This unit includes two class assessments; one is to be chosen from two types of projects. In both cases this requires a class presentation. One requires analysis of a website, newspaper article or cartoon; the second is a group project based on the cases in the book. Both require an application of theory or models to practice. The second project requires working with a service organisation to develop what we call a “service industry project”. One potential client will come in and talk to you in week 2.

Guest lecturer. We always invite a high profile service practitioner to talk to the students. This year, Melanie Shuard, Industry Relationship Manager from SkyWest Airlines, will be visiting the class in week 4.

Exam: a final exam of two hours ensures that you can explain and apply the concepts, models and theories discussed in this unit.

Jill, the lecturer, has significant experience in the services sector, having worked in the marketing research industry for some years before joining academia. Her PhD and subsequent research is in services marketing. Her role in this unit is to teach you and to enable you to be able to contribute to the class and take command of your assignments.

Charter of student rights and responsibilities

This Charter of Student Rights and Responsibilities upholds the fundamental rights of students who undertake their education at the University of Western Australia.

It recognises that excellence in teaching and learning requires students to be active participants in their educational experience. It upholds the ethos that in addition to the University's role of awarding formal academic qualifications to students, the University must strive to instil in all students independent scholarly learning, critical judgement, academic integrity and ethical sensitivity.

Please refer to the guild website the full charter of student rights, located at <http://www.secretariat.uwa.edu.au/home/policies/charter>

Student Guild contact details

The University of Western Australia Student Guild
35 Stirling Highway
Crawley WA 6009
Phone: (+61 8) 6488 2295
Facsimile: (+61 8) 6488 1041
E-mail: enquiries@guild.uwa.edu.au
Website: <http://www.guild.uwa.edu.au>

Use of student feedback

The unit is formally evaluated using SURF and SPOT surveys. But more importantly, continuous communication and feedback from students is taking into consideration in updating and improving the unit. Based on past SPOTs, we have reduced the reading load concerning complex articles, and have a more applied approach to the readings. We have also introduced a stronger focus on Asia Pacific examples that are in the text and will use these in most lectures.

ASSESSMENT MECHANISM

Assessment mechanism summary

Item	Weight	Due date
*Case	(written analysis -15%; presentation 5%)	In class on day of presentation
*Visual illustration of course concepts/website	(written analysis -15%; presentation 5%)	In class on day of presentation
Industry project	35%	Friday October 26
Participation in class discussion	10%	
Final exam	35%	Possibly 2 November?

- Choice of the two, not both. So, you can either do an individual visual illustration presentation (15%) or a case in pairs (15%).

Note: Results may be subject to scaling and standardisation under faculty policy and are not necessarily the sum of the component parts.

PROJECTS

Visual Illustration of Course Concepts (individual assignment)

(25 marks- 5 for presentation, 20 for written summary). Students are to seek out visual materials that could be used to supplement services marketing issues related to our class discussions. Such materials might include (1) a comic strip (cartoon) that relates to a specific point or concept related to this class or (2) a clip from a movie or television show that visually depicts a services marketing concept or (3) use of a website (online access provided in class for demonstration) or (4) presentation of advertisements or other materials (e.g. from website).

The project is to be presented in a week to be selected by the student in week 1. This will be using a powerpoint presentation and written summary (approx 3 pages 1.5 spacing is sufficient). Please use the points below as headings in your write up and presentation.

- 1 The importance/relevance of the chosen concept to services marketing (i.e. regardless of the material selected. In fact in point 1, you will not be mentioning the material selected). Here you will be discussing the concept before starting discussion of the material (examples are the service marketing triangle, service cascade, the 5 dimensions of service quality, relationship marketing, retention strategies, service recovery, the physical environment). If the concept is from the book, identify the page number of the idea/model you are using.
- 2 The key point/purpose/message of the cartoon/ TV show/website/material

- 3 How the material relates to/addresses the service concept discussed at 1 (above)
If a website, also address 4 and 5 below:
- 4 how well or poorly the site addresses the concept, could it be better?
- 5 The target market for the site.

Please copy material for the class if appropriate (e.g. cartoon, - if TV show, no need to copy video, but lecturer will need to have access to video after the class for a few days). If website, give site address. Photocopies can be arranged through the office on floor 1 (ask Rosanne) if 24 hours notice is given (or at the worst 9am on Thursday morning). Any handouts should be handed out to all students and the lecturer at the commencement of the presentation.

The presentation, using powerpoint, should be about 10minutes long, a maximum of 12 minutes. Also absolute maximum of 15 slides or equivalent – such as webpages, overheads of visual material, up to 10 preferred.

Case analysis (groups of 2 students)

Case analysis (groups of 2 students) (20 marks- 5 for presentation, 15 for written summary).



Requirements

Oral Participation.

A total of 5 cases will be discussed during the classes, as well as a selection of academic and practitioner articles. The *case questions* at the end of the case will be discussed in class. Active participation in the case discussions is essential to the learning process. All students will be expected to be prepared for and contribute to the case discussion, by preparing the answers to the questions. However, for each case, two students will be assigned to be 'leaders' on the case.

These students will be given priority in the discussion of the case, and will be expected to generate discussion by asking fellow students questions, offer points of view and answer other student's questions or comments. This should be done via a set of PowerPoint slides (to be handed in after the presentation – worth 15%). Oral discussion and leadership for the case experts will comprise 5%.

Note: You will therefore hand in two documents, 1) PowerPoint slides (2 per page) answering your case questions and answers and 2) your written summary addressing the questions and answers (approx 6 pages, 1.5 spacing).

Major project –Service Industry report (groups of 2-3 students)

The major project will be done in groups of 2-3. It involves studying a service industry at the Perth, WA, Australia or international level. Students will become ‘experts’ in a specific industry and demonstrate understanding of marketing concepts in that industry. Data will be collected via formal or informal interviews and/or secondary data. You can choose to do a project on an industry of your choice, typically focussing on one contact within that industry. You may be setting up your own business in a certain industry and choose that. Rick Willsmore of Chauffeured Pty Ltd will attend the class in week 2 and you may choose to do an industry analysis for him. Worth 35%.

Directions

In order to gain expertise, students will be expected to complete written assignments that illustrate key concepts from class in their chosen industry. Students will investigate a service industry of particular interest to them. The purpose of report is two-fold. First, it allows students to apply various concepts introduced during the semester. Second, it allows students to acquire a deeper understanding of one particular service industry (hopefully one you are interested in).

Requirements

These sections are to help you demonstrate your understanding of the concepts from class and ability to apply them in a particular industry. You are expected to bring your expertise to the class through this semester, so that your classmates may benefit from the insight you have gained.

SIP1 Industry analysis (5-7 pages)

- What is the industry you have selected?
- What are the current trends in the industry?
- What role does technology play in this industry?
- Who is the competition? (think broadly)
- Where would you locate this industry on the “tangibility” spectrum? Why?
- What are the unique challenges this industry faces?

SIP2 Typical Service offering (4-5 pages)

- What are customer expectations of service in this industry?
- What “bundle of benefits” are typically received by customers?
- What is the typical service “performance” of firms in this industry?
- Explain the experience for a typical customer in this industry.

SIP 3 Employee and customer roles (5-7 pages)

- What are the roles of customers and employees in coproducing the service?
- Does this the same for all customers?
- Explain if internal marketing is appropriate and whether and how it is practiced.
- Explain whether customers are empowered and/ or managed in delivering the service?

SIP4 Customer Loyalty (4-5 pages)

- What does it mean to be a loyal customer in this industry?
- What is the lifetime value of a loyal customer in this industry?
- What is currently being done to encourage customer loyalty and retention in this industry?
- What could be done to build customer relationships in this industry?

SIP5 Physical Evidence (4-5 pages)

- What role does the servicescape play in this industry?
- What aspects of the servicescape significantly influence the service delivery process? (Pictures may be helpful here)
- How might the servicescape be used as a source of competitive advantage?

SIP6 Innovation (4 -5 pages)

- What innovations have been introduced in this industry? (use illustration and/or examples)
- How successful have this/these innovations been?
- What others might be used?

SIP7“Speculation” Section (4-6 pages)

- In general, what are strengths/weaknesses of this industry?
(Be sure to provide evidence to defend and support your opinions)
- What opportunities do you see in this industry?
- What do you think the future holds for this industry?
- What advice would you give to a person/company planning to enter this industry?

Note: You need to include theory and/or models discussed in class and in the texts, to obtain a high grade.

Main body total : 30-40 pages. 1.5 or double spaced, 12 point font.

After collecting all of this information, a final report is required. This should include all of the following:

Executive Summary. Your final report should also include an “Executive Summary” (immediately following the cover page) of no more than two (1.5 or double spaced) pages. This should highlight (at a very high level) what is included in the report.

Table of contents. Immediately following the Executive Summary should be a table of contents for your report. You may put the report together in any order you like, provided there is some logical reasoning (apparent to the reader) for the sequence you have chose. (not included in page count)

Main body of report. Students are expected to include each of the above 7 components, in the final report. You should revise each section, as necessary, as you develop the final report. The main body of the report should include an introduction that sets up what is going to be discussed in the later pages. (pages limits as above – 30-40 pages).

Conclusion. The report should end with a brief conclusion section that ties the entire project together and reveals major insights gained during the research process about your chosen service industry (2-4 pages).

References. All work/research referenced in your report should be included in a list of references. (not included in page count)

Total pages (excluding contents page and references 34-46 pages)

Proposal - Due date: Thursday of week 4 (16th August)

You should hand in a written summary (2-3 pages) of:

- Selected industry
- How information will be collected to develop the case
- Summary of issues facing industry

(Note that there are no marks associated with this proposal, it is for me to ensure that you have a viable project)

Report - Due date:

Friday of week 13 (October 26th).

Exam

The exam (2 hours) will be based on unit readings, the text as well as some course content. More details will be given later in the unit. Worth 35%.

Participation

There are 13 3-hour seminars. Attendance is formally required. More than three absences (without adequate explanations) will result in a lower grade and may lead to a failing grade. Each topic of this unit requires a substantial amount of reading and preparation thus it is essential to keep up to date with the schedule. Students are expected to participate. As mentioned, for discussion purposes all students, whether presenting or not are required to read and analyse the case study and also summarise all set readings. Worth 10%.

ASSESSMENT

Standard of Assessment

The Business School must ensure that the processes of assessment are fair and are designed to maintain the standards of the School and its students. The School follows the University of Western Australia's grading system:

HD	(Higher distinction)	80-100%
D	(Distinction)	70-79%
CR	(Credit pass)	60-69%
P	(Pass)	50-59%
N+	(Fail)	45-49%
N	(Fail)	0-44%

The School awards marks leading to these grades by using the following general criteria which are presented here as a clear indication of the School's expectations. These general criteria may be supplemented by specific standards with regard to a particular assignment.

- HD The student has a clear understanding of theory, concepts and issues relating to the subject and is able to adopt a critical perspective. The student is able to clearly identify the most critical aspects of the task and is able to offer a logically consistent and well articulated analysis within the analytic framework presented in the unit. The student is able to draw widely from the academic literature and elsewhere but maintains relevance.
- D The student has a clear understanding of theory, concepts and issues relating to the subject. The student is able to develop an analysis of an issue using the analytic framework presented in the unit and is able to identify and evaluate the critical issues. The student is able to draw upon relevant academic and other material.
- CR The student demonstrates an understanding of the analytic framework developed in the unit and a partial understanding of concepts and issues. The student is able to identify some key issues and is able to present a logical discussion, but with some conceptual errors or gaps between analysis and conclusions. The student is able to draw upon an adequate range of references and other materials.
- P The student generally takes a descriptive rather than analytic approach to the subject. The student is able to demonstrate some understanding of the issues involved but does not demonstrate the ability to apply the analytic framework which had been developed in the unit. Draws primarily upon unit materials for referencing.
- N+ The student is unable to demonstrate that he or she understands the core elements of the subject matter. The student is able to provide some insight into issues but misapplies analytic framework developed in the unit, omitting key factors and, for example, drawing conclusions which are not related to the preceding discussion.
- N The student is unable to demonstrate any understanding of the subject matter. Material presented for assessment is unrelated to unit framework and shows not effort to identify or address critical aspects of the topic.

The scaling of marks to ensure comparability between classes is an acceptable academic practice. The School and Board of Examiners have the right to scale marks where it is considered necessary to maintain consistency and fairness.

Supplementary Assessment

Supplementary Assessment is not offered by the Business School, however, students who achieve a grade between 45-49 in the last unit for their undergraduate degree taken in the last semester of study, will be eligible for a supplementary assessment

Ethical Scholarship, Academic Literacy and Academic Misconduct

Ethical scholarship is the pursuit of scholarly enquiry marked by honesty and integrity.

Academic Literacy is the capacity to undertake study and research, and to communicate findings and knowledge, in a manner appropriate to the particular disciplinary conventions and scholarly standards expected at university level.

Academic misconduct is any activity or practice engaged in by a student that breaches explicit guidelines relating to the production of work for assessment, in a manner that compromises or defeats the purpose of that assessment. **Students must not engage in academic misconduct.** Any such activity undermines an ethos of ethical scholarship. Academic misconduct includes, but is not limited to cheating, or attempting to cheat, through:

- Collusion
- Inappropriate collaboration
- Plagiarism
- Misrepresenting or fabricating data or results or other assessable work
- Inappropriate electronic data sourcing/collection
- Breaching rules specified for the conduct of examinations in a way that may compromise or defeat the purposes of assessment.

Penalties for academic misconduct vary according to seriousness of the case, and may include the requirement to do further work or repeat work; deduction of marks; the award of zero marks for the assessment; failure of one or more units; suspension from a course of study; exclusion from the University, non-conferral of a degree, diploma or other award to which the student would otherwise have been entitled. Refer to the Ethical Scholarship, Academic Literacy and Academic Misconduct located on the University's website at

http://www.teachingandlearning.uwa.edu.au/tl4/for_uwa_staff/policies/student_related_policies/academic_conduct

Acknowledging sources of information

In the course of your individual and team work assignments, you will encounter ideas from many sources. These will include journal and newspaper articles, commentaries, books, web sites and other electronic sources, original case sources, lecture materials. All assignments that you submit **must** acknowledge all the different sources you have used. Not to acknowledge your sources is plagiarism, a form of dishonesty. Plagiarism is the misappropriation of the work or ideas of others and presenting them as your own. This is reprehensible from both an ethical and legal viewpoint. Neither the School nor the University accepts ignorance or the fact that a student's previous acts of plagiarism had been undetected as a defence.

In order to avoid engaging in plagiarism it is **your** responsibility to acknowledge all of your sources in any work submitted for assessment and it is essential that you reference the work of others correctly. Where you quote directly from a source, you must ensure that any direct quotations are placed in quotation marks and are fully referenced. Even when you do not quote directly and are just referring to or expanding on the work of others, you must still acknowledge the sources of your information and ideas. Close paraphrasing in which you change a few phrases around, leave a clause out of a long sentence or put the original sentences in a different order is still plagiarism. To mark words as a quotation the entire text that has been copied should be enclosed within the quotation marks. If the copied text is four or more lines in length, it may be more appropriate to set it as a separate and indented paragraph. Each time that text is copied, the source must be acknowledged with a reference citation, including the page number.

If you have any doubts concerning appropriate referencing formats or how to acknowledge the work of others correctly, you should seek the advice of your lecturer.

The Faculty of Economics and Commerce has the following regulation on Plagiarism: "The Faculty will promote the highest levels of probity and honesty amongst students and will provide instruction on ethical conduct. By submitting assignments and other work for assessment, students acknowledge Faculty's duty to guard against plagiarism, including by electronic means such as Turnitin or Mydropbox. A lecturer may require students submitting written or electronic work to sign a Plagiarism Declaration Form indicating that the work is original."

Appeals against academic assessment

In the first instance, students are strongly advised to talk informally to the lecturer about the grade awarded. The University provides the opportunity for students to lodge an appeal against any mark which he or she feels is unfair. Any student making an appeal is under an obligation to establish a prima facie case by providing particular and substantial reasons for the appeal. It is recommended that students contact the Guild Education Officers to aid them in the appeals process.

There is a 12 day time limit for making any such appeal. An appeal against academic assessment may result, as appropriate, in an increase or decrease in the mark originally awarded. The University regulations relating to appeals and the form on which the appeal should be lodged can be found at <http://www.secretariat.uwa.edu.au/home/policies/appeals>

TEXTBOOK(S) & RESOURCES

Unit Website: Webct.

The website will be used to communicate core aspects such as the unit outline and grades.

Recommended/required text(s)

FISK, Ray et al. (2007). Services Marketing: First Asia Pacific Edition. Wiley and Sons.

Texts placed in closed reserve

GRONROOS, Christian (2000) Service Management and Marketing : A Customer Relationship Management Approach. Chichester: John Wiley.

GUMMESSON, Evert (2002) Total Relationship Marketing. Oxford, Boston: Butterworth-Heinmann, 2nd edition.

HOFFMAN K. Douglas and BATESON John E. G. (1997) Essentials of Services Marketing. Fort Worth: the Dryden Press.

* LOVELOCK, C. H., PATTERSON, P. G., & WALKER, R. H. (2007). Services Marketing: An Asia Pacific Perspective (Fourth Ed.). Sydney: Prentice Hall Australia Pty Ltd. (Earlier editions also available –e.g. second = 2001).

MCCOLL-KENNEDY, Janet (2003). Editor. Services Marketing: A Managerial Approach. John Wiley & Sons Australia

PECK H. ET AL (1999) Relationship Marketing: Strategy and Implementation. Oxford, Boston: Butterworth-Heinemann.

PINE Joseph and GILMORE James (1999) The Experience Economy: Work is Theatre and Every Business a Stage. Boston: Harvard Business School Press.

*PALMER, Adrian (005) Principles of Services Marketing. Fourth edition. London: McGraw-Hill.

ZEITHAML Valarie A., BITNER Mary Jo and GREMLER Dwayne D. (2006) Services Marketing: Integrating Customer Focus across the Firm. Fourth edition. New York: McGraw-Hill (Earlier editions also available, e.g. third edition = 2003).

*=good background books.

JOURNALS

Journal of Service Research
Journal of Services Marketing
International Journal of Service Industry Management
Service Industries Journal
Services Marketing Quarterly

UNIT SCHEDULE

To summarise some background theory of services, a brief lecture will be conducted in class. Not all aspects of these chapters will be incorporated. However, the essential points will be selected from each. You are expected to read the full chapter, unless otherwise stated in class.

Week # & date	Topic	Lecture	Tutorial/work shop questions	Class activity (see details on following pages for preparation you are expected to do)
1 26 July	Introduction	Understanding the importance and nature of services, distinctive aspects of services (inc. 7 Ps)	Fisk ch 1, 10 (p216+), 16 (p373+)	
2 2 Aug	Managing the Experience	The customer experience, the service offering (inc. Blueprinting)	Fisk ch 2, 3, 10 (p226+)	Possible client for SIP: Rick Willmore, Chauffeured Pty Ltd Class exercise
3 9 Aug		Customer behaviour and interactions	Fisk 4, 6 (p129+), 16 (p370+)	2 Visual Illustration presentations.
4 16 Aug		Customers' and employees' roles in delivering services	Fisk ch 5 and 6, 10 (p220+)	Guest lecturer: Melanie Shuard, Industry Relationship Manager, SkyWest Airlines
5 23 Aug		No class		
6 30 Aug		The service setting	Fisk ch 7	Case presentation – Sara (obesity). Case 1
7 6 Sept		Integrated Services Marketing Communications	Fisk ch 9	2 Visual Illustration presentations.
		Mid-semester break		

8 20 Sept	Perceptions	The customer perceptions (inc. service encounters, perceived service quality)	Fisk ch 11, Zeithaml, Bitner and Gremler (2006) ch 5	Case presentation – Home and Family. Case 5.
9 27 Sept	Perceptions	The customer perceptions (satisfaction, perceived value)	Fisk ch 8	2 Visual Illustration presentations.
10 4 Oct	Delivery	Delivery: Supply and demand	Fisk ch 8, 15	Case presentation – Using Technology to Manage Customer Satisfaction. Case 6.
11 11 Oct		Relationship marketing, service recovery	Fisk ch 12	2 Visual Illustration presentations.
12 18 Oct	The future and strategic issues	Market research in services Experience economy/the future of experiences in services	Fisk ch 13 Also Pine and Gilmore *	Case presentation – “Integrating “Conservation and Commercialism and the Importance of Internal Marketing” – in reader. Extra questions below.
13 25 Oct		Strategies for services, overview	Fisk ch 14, 16 (p375+)	Case presentation – Toad Tel. Case 7. (3 students)

SEMINAR DETAILS

Seminar 1

1. Introduction
2. Assignment choice
3. Discussion of presentation dates (visual illustration of course concepts, cases)

Articles available at:

<http://www.library.uwa.edu.au/> - under 'find course materials for your unit' or a hard copy can be purchased at the bookshop.

Please find in next few weeks a customer comment card for a hotel, restaurant or other service (need for exercise in week 8).

Spotlights:

- 1.1 Think about a recent service encounter you have experienced (this could include a trip to a doctor's surgery). Write down:
 - two intangible elements of the service that were experienced
 - consider their role in the production of the service (i.e. what did you say to the service provider)
- 1.2 What are the core, supplementary and facilitating services for Australian Butler Services?

Seminar 2

For class exercise:

- Shostack, G. Lynn (1977). "Breaking Free from Product Marketing." *Journal of Marketing*. 41 (Summer), 73-80 (a classic, useful for class exercise)
- Hafner, Kate (1996) "The Doctor is On" *Newsweek.*, 127 (22), 77-78
- Purvis, Andrew (1991) "Reach out and Cure Someone" *Time*, July 22, 54.

- 1) Discussion of articles/ class exercise
- 2) Rick Willsmore, Chauffeured Pty Ltd - possible assignment client

Spotlights:

- 2.1 What is spotlight 2.1 trying to highlight? Have you ever experienced a similar situation?
- 2.2 Consider how important the many aspects of the invisible organisation and system are for the service that is discussed in Spotlight 2. 2
- 2.3 Observe the theatre metaphor
- 3.1 Identify another organisation which has used supplementary elements to enhance its core service and keep it competing successfully with larger players in its industry.
- 3.2 Introduces CRM

Seminar 3

- Schneider, Benjamin; Bowen, David E (1999) “[Understanding Customer Delight and Outrage](#)” *Sloan Management Review*, 41, 1, p35-45
 1. Article questions:
 - What is the basis of this article - ie key theme?
 - Is developing satisfaction enough? Why?
 - Are expectations dynamic? If so why, if not why not?
 - Suppose that you are setting up a new bus tour company that took people from Perth to see the dolphins in Rockingham (<http://www.dolphins.com.au>)? How might you deal with customer outrage?
 - How can feelings of self-esteem be enhanced?
 2. Class debate - Is the customer always right?
 3. 2 visual illustration presentations

Spotlights:

- 4.1 Why are Nick’s questions were met with such an aggressive response from the flight supervisor?
- 4.2 Example of ‘culture and emotional conduct’

Seminar 4

- Mitchell, Colin (2002) “[Selling the Brand Inside](#)”. *Harvard Business Review*, Vol. 80 Issue 1, p99-105 (IM).
 1. Article questions:
 - What are the potential problems with Internal Marketing IM? What can be done to address these issues?
 - What lessons can be learnt from the article?
 - How does the article relate to what we have learned about the customer experience?
 2. Guest lecturer: Melanie Shuard, Industry Relationship Manager, SkyWest Airlines
 3. Proposals for Industry Project due in.

Spotlights:

- 5.1 and 5.2 Examples of service organisations that are effectively ‘leveraging the people factor’
- 6.1 Consider the last time you were left waiting (too long in your opinion) to receive a service. How did they feel? How could the organisation have handled this situation more effectively?
- 6.2 What do you think about the differing views expressed by the two hotel patrons? Do you agree or disagree with their views? What can service organisations do to manage customer diversity?
- 6.3 Is Queensland Cricket exerting too much control, ultimately diminishing the service experience for fans, or are these actions acceptable in light of recent problems.

Seminar 5

No class

Seminar 6

- Rosenbaum, Mark S. (2006) Exploring the Social Supportive Role of Third Places in Consumers' Lives. *Journal of Service Research*, 9 (1), 59-72.
- 1 Article questions:
 - What are third places and what are the suggested benefits to some consumers?
 - Describe some of the theoretical underpinnings of the physical and social dimensions of place.
 - How does a third place become meaningful? (ie what is the process). What are the various meanings of third places?
 - What examples of third places can you think of and what groups of people do they work for?
 - How can the meaning of third place be implemented in marketing? (apart from the cafe/restaurant idea in the paper)?
 - 2 Case presentation: Case 1: Sara - Marketing Physical Activity in the Presence of the Obesity Epidemic

Spotlights:

- 7.1 Example of segmentation strategy
- 7.2 Managing tangible evidence (with a difference)

Seminar 7

- Probyn, Elspeth (2004) "And we Honestly Love You: The Selling of Australia Becomes an Emotional Experience", *The Australian, Higher Ed Supplement*, (August) (1 page).
- Urban, Glen (2004) "The Emerging Era of Customer Advocacy" 45 (2): 77-

1. Article questions:

Probyn:

- What is Brand Australia all about?
How does this relate to what we have learned before (list some connections)?
- What are the strengths and weaknesses of the campaign?
- Will dark tourism be successful? Why?

Urban:

- Do you agree with the trend discussed towards customer advocacy? Does the firm still have some power?
- Why is customer advocacy important?
- How are companies responding to the supposed trend to customer advocacy?
- How might you generate customer advocacy if you were say setting up a new bus tour company that took people from Perth to see the dolphins in Rockingham (<http://www.dolphins.com.au>)?

2. visual illustration presentations

Spotlights:

- 9.1 Example of how sales promotions can be used to differentiate a service organisation from its competitors
- 9.2 An innovative advertising technique being used to target specific market segments.
- 9.4 An example of cross selling.

Seminar 8

Case presentation: Case 5: Home and Family

Spotlights:

- 11.1 Disciplined approach to delivering service quality
 - 11.2 . Identify other services that involve high levels of risk? Are guarantees appropriate in these circumstances?
 - 11.3 What type of guarantee is this?
- Ch 11 Ex 1 Customer comment card

Seminar 9

Visual illustration presentations

Seminar 10

Case presentation: Case 6: Using Technology to Manage Customer Satisfaction

Spotlights:

- 8.1 Identify any service firms that might not benefit from yield management
 - 8.2 Does price or service bundling make customers spend more on product they don't want, or if it offers discounts and rewards to customers who buy more.
- Ch 8 Ex 1 – examining price issues
- 15.1 Illustrates the concept of 'random fluctuations' in service demand.
 - 15.2 What types of changes do both businesses and customers need to make to deal with the demand-cycle dynamics related in Spotlight 15.2.
 - 15.3 How could Fernwood alter its marketing mix to better manage demand (e.g. offer new products such as beauty treatments, special pricing offers/packages for membership renewal, additional advertising during quiet months and so on).

Seminar 11

- Johnson, Michael D., Fred Selnes (2005) . "Diversifying Your Customer Portfolio" Sloan Management Review, 46, (3): 11-

1. Article questions:

- What are the positives and negatives of RM that the author discusses in the article?
- Why is customer portfolio management important?
- How could you use CPM in the bus tour company that takes tourists to see the dolphins in Rockingham? (<http://www.dolphins.com.au/>)
- How does RM link to customer advocacy that we have discussed? (i.e. how can marketers use this interrelationship?)

2. Visual illustration presentations

Spotlights:

- 10.1 Example of how customer information can be collected and utilised to improve business performance.
- 10.2 Highlights the shift towards mass customisation and micro-personalised communication

- 12.1 Illustrates the variable nature of services and the reality of service failures.
- 12.2 Customer Service Institute of Australia
- 12.3 Why is NGE so important these days?
- Ch 12 Ex 1 Customer comment card

Seminar 12

Case presentation: "Integrating "Conservation and Commercialism and the Importance of Internal Marketing: Perth Zoo" (see reader)

Spotlights:

- 13.1 An example of the extent some organisations go to in order to gain customer feedback concerning service performance.
- 13.2 The cost of being oblivious to customer dissatisfaction can be huge
- 13.3 Suggest how British Airways might conduct research to evaluate service performance

Seminar 13

- Lusch, Robert F. and Stephen L. Vargo (2004), "Model of Exchange Shifts Towards Services," *Marketing News* (Jan 15), 25. (this is a preview of their seminal article)
 - Vargo, S. L., Lusch, R. F. (2004). The Four Service Marketing Myths: Remnants Of A Goods-Based, Manufacturing Model". *Journal of Service Research* 6 (4), 324-335.
1. Article questions (V and L 2004 only):
 - What is the overall argument of the authors (p325)?
 - So is everything a service?
 - Why? What is common to everything that is sold? Do you know of another author who has said this? If so, who and what did they say?
 - What is the old view and new view on each of the 4 characteristics?
 - Which do you agree with and which not?
 2. Case 7: ToadTel Customer Service

Spotlights:

- 14.1 Example of a firm that is inventing its own future!
 - 14.2 what other service opportunities are there in green marketing?
 - 14.3 Illustrates the way technology is transforming services
 - 14.4 Identify other service brands (aside from those mentioned in this Spotlight) and evaluate them against the criteria specified (i.e. distinctiveness, relevancy, memorability, flexibility).
 - 14.5 Example of an organisation (Air New Zealand) that is working hard to be innovative and create a sustainable competitive advantage. Do you think that this ANZ or Singapore Airlines (discussed on page 337) is a 'better' services marketer and why?
- 16.1 What are the arguments for and against a standardisation strategy?

16.2 How can technology be used to overcome some of the challenges associated with the nature of services, particularly in an international context?

BACKGROUND READING

For those who have not previously studied services marketing, these are some classic articles that you should read:



I suggest two of the texts (starred in list on p6). Also readings below

General

- Magrath, A. J. (1986). "When Marketing Services, 4 P's are Not Enough". *Business Horizon*, 29 (May-June), 44-50
- Levitt, T. (1981). "Marketing Intangible Products and Product Intangibles". *Harvard Business Review* 59 (May-June), 94-102.
- Shostack L. G. (1977) Breaking Free from Product Marketing (1977). *Journal of Marketing*, 41 (April):73-80.
- Lovelock (1992) "Are Services Really Different?" in *Managing Services* p 1-8.
- Lovelock (1983) Classifying Services to Gain Strategic Marketing Insights. *Journal of Marketing*, 47 (Summer):9-20
- Heskett, James L. et al. (1994) Putting the Service-Profit Chain to Work. *Harvard Business Review* (March-April): 165-174.
- Berry, L. L. and A. Parasuraman (1993), "Building a New Academic Field - The Case of Services Marketing," *Journal of Retailing*, 69 (Spring) 13-60.
- Brown S. W., Fisk, R. P. and Bitner. (1994), "The Development and Emergence of Services Marketing Thought," *Journal of Service Industry Management*, 5(1): 21-48.

Customer Perceptions

- Solomon M. R., Surprenant C., Czepiel J. A. and Gutman E. G. (1985) "A Role Theory Perspective on Dyadic Interactions: The Service Encounter". *Journal of Marketing*, 49 (Winter): 99-111.
- Zeithaml, Valarie, Leonard Berry and A. Parasuraman (1993). "The Nature and Determinants of Customer Expectations of Service," *Journal of the Academy of Marketing Science*, 21 (1). 1-12.
- Bitner, M. J. Booms, B., & Tetreault, M. S. (1990). The Service Encounter: Diagnosing Favourable and Unfavourable Incidents. *Journal of Marketing*, 54, 71-84.

- Carlzon J (1991) "Putting the Customer First: the Key to Service Strategy". Reprinted in Lovelock C. (1991) *Services Marketing*, Englewood Cliffs, NJ: 424-432.
- Parasuraman, A., Zeithaml V. A. and Berry L. (1985) A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing*, 49 (Fall): 41-50.
- Parasuraman, A., Valarie A. Zeithaml and Leonard L. Berry (1988). "SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality," *Journal of Retailing*, 64 (Spring). 12-40.
- Cronin J. Joseph and Taylor, Steven A. (1992) Measuring Service Quality: A Reexamination and Extension. *Journal of Marketing*, 56 (July): 55-68.
- Zeithaml, Valarie A. (1981). "How Consumer Evaluation Processes Differ between Goods and Services." In *Marketing of Services*, eds. J. H. Donnelly and W. R. George, Chicago, IL: American Marketing Association, 186-190
- Zeithaml, Valarie A. (1988). "Consumer Perceptions of Price, Quality and Value: A Means-End Model and Synthesis of Evidence." *Journal of Marketing*. 52 (July), 2-22.

Service Quality

- Milbourn Jr, Gene and Haight, Timothy G. (1998) "A Primer on Quality Service: Quality Service Makes Happy Customers and Greater Profits", *Business Forum*, Volume 23, , 1-4

Customer and employees roles

- Kelley, Scott W., Donnelly, James H. Jr. and Skinner, Steven (1990) "Customer Participation in Service Production and Delivery" *Journal of Retailing*, 66 (3):315-335
- Bowen, David E. and Edward E.III Lawler (1992), "The Empowerment of Service Workers: What, Why, How, When?" *Sloan Management Review* (Spring), 31-39.

Service experience

- Arnould, Eric J. and Linda L. Price (1993). "River Magic: Extraordinary Experience and the Extended River Encounter." *Journal of Consumer Research*. 20 (June), 24-45
- Pine II, B. Joseph and James H. Gilmore (1998). "Welcome to the Experience Economy." *Harvard Business Review*. 76 (July/August), 97-105.
- Pine II, B. Joseph and James H. Gilmore (1999). "What Business are You Really In?" *Chief Executive*. 148 (October), 62-66.

Advertising, price, advocacy

- Legg, Donna and Julie A. Baker (1987), "Advertising Strategies for Service Firms," in *Add Value to Your Service*, Carol Surprenant, Ed. Chicago: American Marketing Association.
- Gultinan J. P. (1987) *The Price Bundling of Services: A Normative Framework. Journal of Marketing*, 51 (April):74-85.
- Anderson, James C. and James A. Narus (1995), "Capturing the Value of Supplementary Services," *Harvard Business Review* (Jan-Feb), 75-83.
- Dye, Renee (2000) "The Buzz on Buzz" *Harvard Business Review*, (November-December), 139-146.

Service Design

- Tax, Stephen S. and Ian Stuart (1997), "Designing and Implementing New Services: The Challenges of Integrating New Service Systems," *Journal of Retailing*, 73 (1), 105-34.
- Chase, Richard B. (1978), "Where Does the Customer Fit in a Service Operation?" *Harvard Business Review* (November-December), 137-43.

Service Recovery

- Hart, Christopher W. L., Heskett, James L. and Sasser, W. Earl Jr. (1990) "The Profitable Art of Service Recovery" *Harvard Business Review* (July-August):148-156.

Relationships and Switching

- Gwinner, Kevin P., Dwayne D. Gremler and Mary Jo Bitner (1998). "Relational Benefits in Service Industries: The Customer's Perspective," *Journal of the Academy of Marketing Science*, 26 (2). 101-114.
- Keaveney, Susan M. (1995). "Customer Switching Behavior in Service Industries: An Exploratory Study," *Journal of Marketing*, 59 (April). 71-82.
- Reicheld, Fred (2006) "The Microeconomics of Customer Relationships", MIT Sloan Management Review, 47 (Winter) 73-78.

Strategies

- Zeithaml V. A., Parasuraman, A. and Berry L. L. (1985) *Problems and Strategies in Services Marketing, Journal of Marketing*, 49 (Spring): 33-46.
- Shostack G. L. (1987) *Service Positioning through Structural Change. Journal of Marketing*, 51 (January): 34-43.

Physical Environment

- Bitner, M. J. (1990). *Evaluating Service Encounters: The Effects of Physical Surroundings and Employee Responses. Journal of Marketing*, 54(April), 69-82.

- Bitner, M. J. (1992). Servicescapes: The Impact of Physical Surroundings on Customers and Employees. *Journal of Marketing*, 56(April), 57-71.

Service Dominant Logic

- Vargo, Steven L. and Lusch, Robert F. (2004) "Evolving to a New Dominant Logic for Marketing", *Journal of Marketing*, 68 (January), 1-17.
- Lusch, Robert F., Stephen L. Vargo, and Matthew O'Brien (2007), "Competing through service: Insights from service-dominant logic," *Journal of Retailing*, 83 (1), 5-19.

CHAUFFEURED PTY LTD -Possible client for SIP

Chauffeured Pty Ltd is a brand new limousine company and is involved with the manufacturing of limousines through to the hiring out of the fleet. Chauffeured limousines are manufactured in Perth and are at the absolute cutting edge of modern limousines. Chauffeured is dedicated to changing the face of the limousine industry by branding our fleet and heavily promoting the service of limousines to the public.

Chauffeured will not just specialize in weddings and school balls as many companies do but also promote first class wine tours, city tours and deluxe nights out. Our unique fleet will comprise of a super stretch Chrysler 300C limousine, a stretch modified Lamborghini Diablo (4 passengers) and a Chrysler 300C sedan.

A traditional limousine consumer first has an event and then considers a limousine, Chauffeured is determined to promoting the Limousine first and then matching one of our limousine experiences. It is this reversal of priority which reveals the importance of heavy promotion and branding of our company.

Traditional = 1. Event 2. Limousine

Chauffeured = 1. Limousine 2. Event/Experience

Chauffeured has the advantage of an extremely experienced manufacturer based here in Perth. Over 20 stretch limousines have been built and also 27 years of building Lamborghini replica's gives great strength to the Chauffeured brand. Our Modified stretch Lamborghini Diablo will be the first of its kind in Australia and will be a large USP over other companies. Our Chrysler 300C super stretch is the newest and trendiest of the traditional stretch limousines and will be joining only 2 other Chryslers in Perth. The Chrysler 300C sedan will offer a more affordable limousine experience and offers everything you want from a luxury vehicle.



Specific questions we are interested to know are:

1. How does the Chauffeured brand name become the household name synonymous with Limousines as fast as possible?
2. What limousine experiences can be promoted with the 3 key fleets?
 - a) Lamborghini Diablo stretch (4 passengers)
 - b) Chrysler 300C super stretch (10 rear seat passengers)
 - c) Chrysler 300C sedan (4 passengers)
3. Who will become our key business alliances?
4. What other points of difference are currently not in the limousine industry?

We look forward to hearing from your opinions and hope that your extensive research inside the limousine industry can uncover some innovative ideas to help our business prosper into the future.

Please contact Rick Willsmore on 0400 087 991 if you have any questions or email rickwillsmore@bigpond.com

Also go to www.supercars.net.au for our manufacturing branch.