

**Meta-analysis' of all complaint, complement letters and service encounter journals – this is a nice way to summarise all key learning points at the end of a services module:**

**Source: Jochen Wirtz, National University of Singapore, Singapore**

Get one group to analyse all Service Encounter Journals from the entire class and present key learning points. Student instructions:

### **Group Presentations on the Analysis of Service Encounter Journals**

Every student in this class has to write a service encounter journal with six journal entries (service encounter entries) and provide a summary analysis of his/her six journal entries. Copies of the journals and the 2 to 3 page-analysis from every individual have to be handed to a member of the group presenting the overall analysis for the entire class on the deadline as specified in the Time Table.

The group is not responsible for chasing individual students. Rather, the group will submit a list of all students *who have not submitted* their journal and analysis by the deadline, and will hand the list of students to the instructor at the date of the deadline.

The group will analyse all journals and prepare a presentation focusing on:

1. What are the drivers of satisfaction and dissatisfaction for services in your class? Present concrete examples from journal entries that support your conclusions.
2. What are the drivers of loyalty and repeat purchase? Examine the correlation between satisfaction and loyalty, and analyse why some dissatisfied customers are loyal, and why some satisfied customers are not loyal/do not intent to repeat purchase.
3. What conclusions can you draw? Focus especially on any managerial implications for service providers– what do you have to do to keep your customers? Please do not produce a complete rerun of the course (service personnel, quality, etc. – this takes too long and is tedious), rather focus on a few key issues that you feel stand out from the many issues covered in the journals.

### **Group Presentations on the Analysis of Complaint/Compliment Letters and Company responses**

Every student will write one complaint and one compliment letter, each based on a real service encounter (either their own experiences or those of a family member or friend). Copies of these letters, the company responses and a short analysis on the way the firms handled the customer feedback have to be handed to a member of the group that will be presenting the 'Complaint & Compliment Letter Analysis' by the deadlines specified in the Time Table. Late reports will not be accepted. The group is not responsible for chasing individual students, rather, the group will submit a list of all students *who have not submitted* their letters, company responses and their analyses by the deadline. The group will hand the list to the instructor the same date of the deadline as specified in the Time Table.

The group will analyse all Complaint & Compliment letters and the firms' responses, and prepare a presentation on (please feel free to change the questions if you wish):

1. What is it that constitutes a complain and compliment (please focus on a few key issues)? Present concrete examples of complaints and compliments to support your points.

2. How well do the contacted firms handle customer feedback. Analyse and evaluate the types of responses. Which are good, poor? Why? Show us concrete examples.

**Customer Satisfaction Scavenger Hunt**  
**Source: Tom DeWitt, Florida State University**

**Instructions**

The purpose of this scavenger hunt is not typical of traditional scavenger hunts, where you must procure items of a physical nature. The purpose of this scavenger hunt is to retrieve pieces of your memory as it relates to your experiences as a customer. More specifically, it is to draw on experiences that influence your satisfaction as a customer.

It is your goal as a group to provide *detailed* personal examples of the following aspects of customer satisfaction. Write your examples after the terms provided below. The first group to *correctly* finish retrieving all of the items on the scavenger hunt wins the prize!!

**A product or service experience that gave you greater pleasure than you had anticipated, even though you experienced underfulfillment.**

- A relationship between perceived service quality, satisfaction, and repurchase intentions
- Your choice criteria and satisfaction drivers were aligned
- **Positive disconfirmation**
- **Negative disconfirmation**

## Service Diary

Source: Charla Mathwick, Portland State University

**Background:** This is a six-week long project for undergraduate marketing management students to sensitize them to the nature of the service experiences they encounter and to provide input to a service quality assessment.

*The following instructions are included in the class syllabus:*

*Critical Incident Diary:* Each student will be asked to keep a written record of critical incidents they experience as a part of buying/consuming services over the first six weeks of the quarter. A critical incident is a service encounter that sticks in your mind either because you were inordinately satisfied or dissatisfied by it. You will be required to hand-in a typed version of your diary, which contains a brief summary of your experiences accompanied by a service quality assessment. The assessment criteria will be covered later in the course.

With each entry, **emphasize your expectations** and your reaction including whether you intend to continue doing business with that firm. Provide **details of the actual service rendered your interaction with service staff, service facilities** or whatever else is relevant to the incident.

**Analysis:** At the end of the six-week period, students are asked to identify the three most memorable experiences recorded, and analyze them in terms of the GAP model. The focus is on Gap #1 examined in terms of the five dimensions of service quality. They are asked to construct a table to summarize their quality analysis and interpret the results regarding each firm's performance.

### Instructions:

**Categorize your Critical Incident Reports as follows:**

Quality Dimension	Satisfaction	Dissatisfaction
Tangibles		
Reliability		
Responsiveness		
Assurance		
Empathy		

1. What were the reasons for satisfaction or dissatisfaction associated with each incident?
2. Which were most memorable, satisfactory or dissatisfactory incidents? When is the implication from a service management perspective?
3. Did your experience include an attempt by the firm to recover from a service failure? If so, what was the impact of that recovery effort on your overall attitude toward the firm.

## **LTV Analysis**

**Source: Charla Mathwick, Portland State University**

**Background:** As a final step in analyzing a service design, students are asked to prepare a LTV analysis for that service, working with a range of revenue and retention assumptions, acquisition costs, variable costs and discount rates.

A prototypic worksheet developed by Martha Rogers and Don Pepper is available on their 1to1.com website and can serve to standardize the spreadsheet analysis across the class. (See Attached).

### **Analysis:**

- (1) What has a more significant impact on LTV, a change in retention rates or acquisition costs? What are the implications?
  
- (2) Using specified assumptions regarding revenue, acquisition costs, variable costs, retention patterns and discount rates, identify the point at which the firm begins to realize a return on their acquisition investment. Is this a reasonable rate of return? What are the implications regarding acquisition versus retention tactics.

## Service Lock-In Analysis

Source: Charla Mathwick, Portland State University

**Background:** This is an analysis of service lock-in, based upon discussions by Shapiro and Varian (1999), *Information Rules*, Harvard Business School Press. Students are asked to critique a firm's service design, based upon its ability to achieve service lock-in. Shapiro and Varian define lock-in as occurring when switching costs become substantial.

Various types of lock-in, include:

- Contractual Commitments
- Loyalty Programs
- Durable Purchases
- Brand Specific Training
- Information Databases
- Specialized Suppliers
- Search Costs

The "Lock-In" Cycle articulated by Shapiro and Varian (1999) is also introduced as a framework for managing the process of creating switching costs to achieve lock-in. This cycle includes:

- (1) Brand Selection
- (2) Sampling
- (3) Entrenchment
- (4) Lock-In through the creation of Switching Costs

**Assignment:** Critique the "lock-in" cycle as currently managed by this firm.

- (1) What types of "lock-in" are used by this firm?
- (2) Which types of "lock-in" can become a source of sustainable competitive advantage?
- (3) Is the current approach to "lock-in" used by this firm, creating a sustainable advantage? If changes are needed, what do you recommend?