

**BUMK 736**  
**SERVICE MARKETING**  
**SYLLABUS**  
**SUMMER 2015 DC**

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**Course Meetings:** May 30; June 6, 13, 20 and 27; July 7 and July 18

**Time:** 8:45 a.m. – 1:00 p.m.

**Room:** TBA

**Readings:** Relevant readings are assigned from the *Harvard Business Review*, *California Management Review*, and other business periodicals. Articles and cases are available from the Harvard Business School website.

**Course Description and Objectives:** Service is a growing share of both developed and developing economies. The service industries include firms as varied as engineering, accounting, law, real estate, investment, hospitality, telecommunications, and entertainment. They account for up to 80% of the U.S. GDP and a rapidly growing share of the GDPs of emerging economies. This includes growth in the service sector *per se*, and growth in importance of customer service in the marketing of consumer goods and industrial products. This course will address the unique challenges of marketing services by exploring strategies and tactics for creating value for customers and profit for service firms. In service businesses, customer relationships, rather than individual transactions, are the key to long-term profitability. Building effective customer relationships requires a "customer orientation," the ability to listen to and empathize with the customer. It also requires willingness to take educated risks to provide a continuous flow of innovative services to customers.

While this is a marketing course, we will also address cross-functional problems. Service marketing does not operate in isolation from other functional areas. Rather, it has implications for human resources, operations, and financial management.

In this course you will learn:

- How marketing in service-producing organizations differs from and is more challenging than marketing in manufacturing organizations;
- Marketing strategies and tactics for addressing the differences between goods and services;
- The latest service marketing research techniques to help you collect information to guide your marketing decisions;
- Systematic approaches to developing innovative new services and improve existing services;
- Strategies for satisfying and creating value for your customers;
- How to use customer service to create, maintain, and improve customer relationships;
- How to “recover” from a service failure;
- The elements of an integrated marketing communication strategy to building a memorable service brand;
- How to use hard and soft customer metrics in evaluating service performance

**Organization of Class Time:**

This course will include a combination of lecture, discussion, and case study analysis.

**Requirements:**

Class participation	20
Individual case write-up	10
Service journal and paper	20
Consulting team case presentation	20
Final exam	30
TOTAL POINTS	100

**Class Participation:**

Participation in class discussion is very important! Please prepare for class by reading the assigned material as well as the cases. Many of you are working in service firms. Please share your experiences with the class.

Your grade for class participation will be based on my judgment of the consistency with which you *participate constructively* and *show leadership* in class discussion. Please note that class discussion includes interacting with your classmates.

*Classroom Etiquette:* Please be polite and respectful of both your classmates and me. This means arriving *on time*, being *quiet* in class<sup>1</sup>, and *remaining in your seat* unless there is an emergency. You are welcome to use your laptops to take notes during class. I plan for two 15-minute breaks in every class, so you have ample time to text, make phone calls, go to the restroom, or buy a snack. Poor classroom etiquette will detract from your class participation grade.

When I am leading case discussions, I may “cold call.” Please be prepared for this. Also, keep in mind that if you aren’t in class, you aren’t participating.

### **Service Journal and Service Experience Paper**

This assignment will be done individually. It has two components:

- A set of ten journal entries on service encounters; these may be business-to-consumer or business-to-business encounters.
- A paper analyzing the strengths and the weaknesses of the services you observed during those encounters, and making recommendations for improvement.

Your journal entries will provide the data for your Service Experience Paper. A detailed description of the assignment, with forms for your journal entries, is posted on Canvas.

This assignment should be done individually. Please do not discuss or work with anyone else in the class. All of the written material you present should be your own writing, and should not be copied from any other source. Failure to respect this requirement is a violation of the University of Maryland’s Code of Academic Integrity. Please see the section on “Academic Integrity” at the end of this document.

Please submit your assignment via Canvas before class on June 13. Please also bring a hard copy to class that day.

### **Consulting Team Case Presentation:**

You will work in a team to analyze, present, and lead discussion in class on one case. When it is your team’s turn to present, you will play the role of consultants. The rest of the class will play the role of the management team to whom you are presenting your proposal. The “management team” is responsible for questioning the consulting team on its analysis of and proposed solution for the case problem. Please note that your questions for the consulting team are part of your class participation grade.

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<sup>1</sup> Side conversations are NOT permitted. Side conversations will reduce your class participation grade.

On the first night of class, I will ask you to form your teams. Each team will submit a list of cases in order of preference. I will try to give each team its first choice, but may not be able to do so.

The quality of the case analysis will be determined using the criteria described in the Guidelines for Case Analysis, which are posted on Canvas, under “Course Documents.”

Individual grades for the team case assignment will be calculated as follows: 1) team members will evaluate each other’s performance, using the team member evaluation form posted on Canvas; 2) an average evaluation will be calculated for each team member; 3) grades for the presentation will be normalized, by taking the average evaluation of the student with the highest score, and setting it to 1.0, and then scaling the scores of the other students accordingly. For example, if the project grade is a 95, the individual with the highest average team evaluation will receive a 95 (95 x 1.0). If the average of your team’s evaluation of your work is a .95, your individual grade will be a 90.25 (95 x .95).

#### COURSE OUTLINE

Date	Topic/Reading/Case
May 30	<p>Topic: The Customer Gap</p> <ul style="list-style-type: none"> <li>• Introduction to Service Marketing and the GAPS model</li> <li>• Meeting and Exceeding Customer Expectations</li> </ul> <p>Reading:</p> <ul style="list-style-type: none"> <li>• Heskett, James et al. (2008), “Putting the Service-Profit Chain to Work,” Harvard Business Review.</li> </ul>
June 6	<p>Topic: The Listening Gap</p> <ul style="list-style-type: none"> <li>• Service Research Techniques</li> <li>• Customer equity and customer relationship management</li> </ul> <p>Reading:</p> <ul style="list-style-type: none"> <li>• Winer, Russell S. (2001), “A Framework for Customer Relationship Management,” <i>California Management Review</i>, 43 (4), pp. 89-104.</li> </ul> <p>Cases:</p> <ul style="list-style-type: none"> <li>• SalesBrain LLC: B-to-B Communications</li> <li>• Cisco Systems : Managing the Go-to-Market Evolution</li> </ul>
June 13	<p>Topic: Service Processes</p> <ul style="list-style-type: none"> <li>• Service Failure and Recovery</li> <li>• Service Blueprinting</li> </ul> <p>Reading:</p>

	<ul style="list-style-type: none"> <li>• Bitner, Mary Jo., Amy L. Ostrom, and Felicia N. Morgan (2008), “Service Blueprinting: A Practical Technique for Service Innovation,” <i>California Management Review</i>, 50 (3), 66-87.</li> </ul> <p>Cases:</p> <ul style="list-style-type: none"> <li>• Jet Blue Airways: Valentine’s Day 2007 (Abridged)</li> <li>• Pharmacy Service Improvement at CVS (2006)</li> </ul>
June 20	<p>Topic: The Service Design Gap</p> <ul style="list-style-type: none"> <li>• Designing New Services and Improving Existing Service</li> <li>• Designing the Service Environment to Create and Reinforce a Service Brand</li> </ul> <p>Reading:</p> <ul style="list-style-type: none"> <li>• “Developing New Products and Services: The Marketer’s Role</li> <li>• Berry, Leonard and Neeli Bendapudi (2003), “Clueing in Customers,” <i>Harvard Business Review</i>, February 1.)</li> </ul> <p>Cases:</p> <ul style="list-style-type: none"> <li>• “Pharmacy Service Improvement at CVS.”</li> <li>• “Carrefour China, Building a Greener Store.”</li> </ul>
June 27	<p>Topic: The Service Performance Gap</p> <ul style="list-style-type: none"> <li>• Internal Service Quality: Employee development and employer branding</li> <li>• Managing Service Quality in B-to-B Channels</li> </ul> <p>Cases</p> <ul style="list-style-type: none"> <li>• “Internal Branding at Yahoo!: Crafting the Employee Value Proposition”</li> <li>• “Tradecard: Expanding Into China”</li> </ul>
July 11	<p>Topic: The Service Communication Gap</p> <ul style="list-style-type: none"> <li>• Integrated Marketing Communication – Making Service Products Tangible</li> <li>• Building a Service Brand</li> </ul> <p>Reading:</p> <ul style="list-style-type: none"> <li>• “Branding: Differentiation that Customers Value”</li> <li>• Spekman, Robert (2009), “Using Social Media in the B2B Context.”</li> </ul> <p>Cases</p> <ul style="list-style-type: none"> <li>• “Accenture Rebranding and Repositioning a Global Power Brand” (<a href="http://people.exeter.ac.uk/w1203/BEMM211/Materials/Lecture%201/Accenture.pdf">http://people.exeter.ac.uk/w1203/BEMM211/Materials/Lecture%201/Accenture.pdf</a>)</li> <li>• “Mitalio Software – Social Networking”</li> </ul>
July 18	Final Examination

**Academic Integrity:** The University’s Code of Academic Integrity prohibits academic dishonesty. ACADEMIC DISHONESTY is defined by the University to include: 1) CHEATING: intentionally using or attempting to use unauthorized materials, information, or

study aids in any academic exercise. 2) FABRICATION: intentional and unauthorized falsification or invention of any information or citation in an academic exercise. 3) FACILITATING ACADEMIC DISHONESTY: intentionally or knowingly helping or attempting to help another to violate any provision of this Code. 4) PLAGIARISM: intentionally or knowingly representing the words or ideas of another as one's own in any academic exercise. Violations of academic integrity will be prosecuted in accordance with University policy. For more information, consult:

<http://www.inform.umd.edu/CampusInfo/Departments/PRES/policies/iii100a.html>

On each assignment you will be asked to write out and sign the following pledge. *"I pledge on my honor that I have not give or received an unauthorized assistance on this exam/assignment."*