

Services Marketing: Competing on Customer Experiences

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Introduction: *Customer Experience as the New Source of Competitive Advantage.*

Customer experience is a new and hot topic in business. Very few business schools have integrated it in their marketing curriculum and most services marketing textbooks do not cover the field of customer experience.

The service economy is growing drastically in Asia and the rivalry between local and international firms is intense. **Customers have more choices and their loyalty is becoming a myth.**

In this new environment, services firms are increasingly concerned with the way they interact with their customers. The experience they create for their customers during interaction has a strong impact not only on their loyalty but also on the company growth and profitability.

Definition of customer experience:

Customer experience is how your customers perceive their interactions with your company.

Course Objectives:

1. To explore a new way of thinking about services marketing
2. To understand the importance of customer experience as a source of competitive advantage
3. To integrate the customer experience at the heart of a Service Strategy.
4. To explore the key drivers of customer experience
5. To promote a customer experience-oriented mindset.

Suggested Textbooks:

- Essentials of Services Marketing. People. Jochen Wirtz. Patricia Chew. Christopher Lovelock .Pearson . 2th Ed . 2012.

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- Service Asia. Gerard Tocquer and Chan Cudennec. Prentice Hall Singapore 1999.

The following websites on customer experiences are also useful resources.

- www.designandemotion.org, www.jdn.org, www.aiga.org, www.service-design-network.org, www.adaptivepath.com, www.experientia.com, www.livework.co.uk www.designcouncil.org.uk **Agenda:**

Ses- sion	Date	Agenda	Workshop/ Case study (Tenta- tive)
1	11/01/14	Understanding the True Nature of Services The Service economy. What's a service? Services as an experience Services Vs consumer goods Service marketing challenges	
2	18/01/14	The Service Profit Chain The meaning of service quality Challenges to implement the SPC Why companies fail on service quality? Measuring service quality. Methods & Issues	
3	25/01/14 *	Customer Satisfaction & Customer Loyalty. Customer experience is key! Very satisfied customers are more loyal Why customers are disloyal? Customer lifetime value Managing service recovery	Workshop: Customer Satisfac- tion Measurement Workshop. Service recovery exercise
4	01/02/14	Service as an Experience The new experience economy The meaning of customer experience How customers evaluate an experience? The emotional process. Types of emotions	
5	08/02/14	Managing Customer Experience Theory of Customer Experiences The four kinds of experience American girl story	Case Study I: Starbucks. From a small shop in Seattle to a global service firm. Starbucks future growth

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6	15/02/14	Service Strategy Understanding customer needs and targeting The service concept Service positioning & customer experience Customer experience statement (Motif) The Service Package: Core and peripheral services	
7	22/02/14	Mapping the customer experience journey -Improving customer experience and productivity through visualizing the customer journey	Case Study 2: Ikea success story. Ikea unique business model & positioning
8	01/03/14	Managing Service Environment to deliver better customer experience Role of the servicescape Managing experiential clues Analyzing the store environment	Case Study 3: Shouldice Hospital. One of the most profitable hospital in the world
9	08/03/14	Managing Employees & customers to deliver better customer experience Managing employees for a better customer experience Employees as brand ambassadors How to engage customers Use of self technology to enhance customer experiences	Case Study 4: Kiwi. A New Zealand company where both customers and employees are engaged
10	15/03/14	Using technologies to deliver a better customer experience Self-service technologies What customers like and hate about self- technologies Applications in retailing	Case study 5: Hong Kong Jockey club. Penetrating the Y generation markets
11	22/03/14	Service Culture and Service Leadership	Case Study 6: Singapore Airlines. How Singapore Airlines has built its service culture
12	29/03/14	Final Project Presentation.	Group Presentation

Students Assessment:

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1. Case Study: One case presentation per group **(30 points)**.

To give the participants a broad and varied exposure to the different segments of the service sector, I have selected 16 cases spanning the following service industries: Retail, financial services, airlines, Hospitality and health care. Each student must read the assigned case before joining the class. Each group must deliver one professional ppt presentation during the term and present the case to other students.

During their presentation they must answer the assigned case questions (slides must be concise and not include too much text. The responses to the questions must be rational, clear and focus. Use the last slide to illustrate the key lessons learnt.

Students in other groups play the role of a service marketing consulting group and prepare (before the classroom) at least two relevant questions to challenge the group presentation. They must actively participate to the case discussion. The case requires real team work and every member in the group must contribute to the final analysis. Be fair and responsible!

2. Workshop in group. **10 pts including**

- Customer satisfaction measurement 10pts

3. Semester project in group: **(30 points)**. The Rabbit Case.

Information will be provided early in the term

4. Class participation Individual: **(10 points)**. 0 pt for no participation. 5 Average. 10 Excellent

Individual class participation includes interaction with guest speakers, faculty and other students. THE PARTICIPATION WILL AFFECT YOUR FINAL GRADE MEANING THAT YOU WILL NOT HAVE NECESSARY THE SAME GRADE THAN YOUR GROUP MEMBERS

Good Luck. Be positive and enjoy your Saturday afternoon class!