

WHARTON SCHOOL OF BUSINESS

SEPCIAL TOPICS IN MARKETING SERVICE MARKETING

Spring 2011

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Course Description

The service sector in the global economy is going through a revolution and accounts for an increasingly dominant proportion of the gross domestic product and employment base of developed and growing economies.

This course is designed to focus on the unique *marketing* and *strategic* problems faced by service firms and the service arms of manufacturing firms. The overall learning objective is to understand the strategic initiatives that are necessary to build ***world-class services***. In order to achieve this objective an attempt will be made to:

- (i) develop an understanding of the strategic differences between marketing goods and marketing services,
- (ii) identify and capitalize on the sources of competitive advantage in services
- (iii) appreciate the cross-functional nature of the service delivery process
- (iv) build an overarching model of strategic service management
- (v) build strategic models for e-services

The course is highly *interdisciplinary* in flavor. It deals with broad-based strategies both for core services as well as professional services. It is designed to demonstrate how familiar elements of the *marketing mix* need to dovetail with *operating strategies*, *information systems*, and *human resource policies* in order to deliver lasting value to both internal and external customers. The course has a liberal sprinkling of some of the most important issues faced by service managers today, including (i) globalization of service (ii) leveraging technology to better serve the customer, (iii) customer satisfaction and service quality, and (v) emerging e-services. This course has been taught across the world in a variety of programs and will serve as the foundation for an upcoming book on a new model of services.

The pedagogical tools that we will employ will consist of a mix of lecture and case-discussion sessions. In addition, students will be required to complete two projects that will involve a mix of some field exploration and conceptual strategic thinking. The general approach during the course will be to both *discuss* and *challenge* current models of service management and develop a new, comprehensive paradigm to address strategic service problems. The course is appropriate for all management students, especially those who aspire to be connected with the core or professional service sector, consulting, the service-centric manufacturing sector, and e-services.

The course grade will be based on class participation (20%), one case write-up (25%), and two group projects (55%).

Suggested Reference Texts

Service Breakthroughs: Heskett, Sasser, and Hart

Service Marketing: Valarie Zeithaml and Mary Jo Bitner

Course Outline **(List of Readings and Cases)**

Session #	Readings/ Cases
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Date	Readings/ Case Preparation
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Session 1	Introduction: The Marketing of Services <u>Read:</u> Strategy is Different in Service Businesses
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Strategic Service Vision

Session 2	<u>Case:</u> <i>Southwest Airlines: 1993 (A)</i>
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Session 3	<u>Read:</u> Different service firms: Different core competencies <u>Case:</u> <i>Apollo Hospitals of India</i>
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Marketing Operations Interface

Session 4	<u>Read:</u> Note on the management of queues
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Session 5	<u>Case:</u> <i>Benihana of Tokyo</i>
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Session 6	<u>Case:</u> <i>Shouldice Hospital</i>
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The Marketing- Human Resources Interface

Session 7	<u>Read:</u> Putting the Service Profit Chain to Work
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Session 8	<u>Case:</u> <i>Fairfield Inn (A)</i>
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Session 9	<u>Case:</u> <i>Au Bon Pain: the French Bakery Café-The Partner/Manager Program</i>
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Service Quality and Service Guarantees

- Session 10 Read: Zero Defections: Quality comes to services
- Session 11 Customer Satisfaction and Customer Relationships
- Session 12 Read: The Power of Unconditional Service Guarantees
Case: Club Med (A)
- Session 13 Student Presentations
- Session 14 Student Presentations

Using Technology to Deliver Superior Service

- Session 15 *Case: Mrs. Field's Cookies*
- Session 16 *Case: British Airways*
- Session 17 *Case: Everdream*
- Session 18 *Leveraging e-Technologies for Service Excellence*

Management of Professional Services

- Session 19 The nature of professional services.
- Session 20 *Case: Lehman Brothers: The rise of the equity research department*
- Session 21 *Case: Weservehomes.com*
- Session 22 *Case: Booz Allen and Hamilton*

Service Brands

- Session 23 Case: Branding Citigroup's Consumer Business
- Session 24 *Case: Starbucks*

Integrated Service Management

- Session 25 Integrated Service Management Systems
- Session 26 Case: Taco Bell Corp. (A)

Session 27 Student Presentations: Visions Project

Session 28 Student Presentations: Visions Project