

**INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR**  
**POST GRADUATE DIPLOMA IN MANAGEMENT (PGDM)**  
**Course Outline- Marketing of Services (MK-613)**  
**CREDIT: FULL (3 CREDITS) SESSION DURATION: 90 MINUTES**  
**TERM-V, PGDM, 2013-15 BATCH**

**Faculty: Professor Dindayal Swain and Professor P.C.Mehra**

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**Consulting hours:** Every Friday, 3 PM- 5PM.

### **Objectives**

With 62.5% contribution to the country's GDP services are significant parts of India's economic growth. This course will empower the student for facing the inherent challenges in marketing of services. The course equips the student with tools and techniques essential for managing service delivery standards for customer satisfaction and growth. The course focuses on the unique challenges of attraction, retention, and building of strong customer relationships through quality service and services are at the heart of the course content. The course is equally applicable to organizations whose core product is service (e.g., banks, transportation companies, hotels, hospitals, educational institutions, professional services, telecommunication, etc.) and to organizations that depend on service excellence for competitive advantage (e.g., high technology manufacturers, automotive, industrial products, etc.). The basic concepts covered in the course include: the difference between marketing services versus products; the role of the service encounter; the key drivers of service quality; the customer's role in service creation; service design and innovation; going beyond service to create customer experiences; technology's impact on services; managing customer service expectations; and customer service metrics. It focuses on how the marketing of services is different than the fundamental 4Ps approach to marketing.

At the end of the course the students should be able:

- To conceptualize principles, practices unique to services marketing
- To gain insights into buyer behavior and the decision making process for services
- To generate effective marketing strategies for a service business
- To develop marketing programs based on the extended marketing mix for services
- To understand the importance of and establish a system for measurement and management of service quality and customer satisfaction
- To design the process, servicescape, communication package and prepare a service blue print for a service

- To realize the role of intermediaries and emergence of electronic channels in service delivery
- To appreciate the importance of customers' and employees' role in service delivery
- To institute a recovery process for service failures
- To acquire and possess a customer focus and customer service mindset
- To build and practice customer relationships
- To inculcate the habit of appreciating human touch in the service industry
- To sensitize future leaders about the importance of employee training for better customer handling

### **Pedagogy**

An appropriate mix of:

- Interactive Lectures and Classroom Discussions.
- Case Discussions  
(Prior reading, analysis and preparation of the case is a prerequisite for class attendance)
- Activity based Design Exercises and Assignments
- Role Plays
- Market Study

### **Evaluation Criteria (%)**

a. Active class participation in case and class discussions	10%
b. Midterm	20%
c. Term Project	30%
d. Quiz (best out of two)	10%
e. End term examination	30%
<b>Total</b>	<b>100%</b>

### **Guidelines**

#### **Active Class Participation in Case and Class Discussions**

1. Relevant contribution in case and class discussions will be evaluated in each session on the basis of quality of contribution to the learning experience.

### **Term Assignment**

1. An assignment based on study of an assigned service business titled:  
“**Marketing (name of service business assigned) Services in India – A Study of \_\_\_\_\_ (name of the organization assigned)**” is to be submitted by each group.
2. The study and the assignment will constitute of two parts:  
  
Part I: **A study of assigned service business** covering:
  - a. The unique and typical aspects of the service business

- b. Prerequisites / implications for its effective marketing in India.
- c. Customer needs, size of market, growth patterns and evolution of the service
- d. Environment of the service business
- e. Industry players and competitive scenario
- f. Marketing implications for existing players and new entrants

**Part II: A primary study of an Indian Organization service provider operating in the service business assigned focused on the following marketing issues:**

- a. Customer expectations and buying behavior
  - b. Strategy including target segments and positioning
  - c. Market offering viz., marketing mix and brand positioning
  - d. Service design, process and blueprint
  - e. Demand and capacity management
  - f. Customer perception and satisfaction
  - g. Customer relationships and loyalty focus
  - h. Learning, conclusions and recommendations
- 3. The maximum page limit for the assignment will be **15 pages** (Excluding Annexure).
  - 4. The assignment must be an original work and part II should be strictly **primary research** based.
  - 5. The name, address and contact no of the experts and persons contacted personally during the study must be annexed in the prescribed format with the term assignment for testifying your visit.
  - 6. The study should be undertaken only on the service business and organization that has been assigned by the instructor. Any discrepancy will lead to **disqualification** on the term assignment.
  - 7. For being assigned the service business and organization of your choice, submit the request in Format on page 4 giving preferences of service business and organization of study to the faculty **Latest by 3<sup>rd</sup> Session of the Course positively.**
  - 8. **Deadline for submission of the term assignment and presentation is on or before 17<sup>th</sup> Session of the Course.**
  - 9. Any service business is likely to fall in to the following service categories. The service business can be selected from the following list of service categories

List of Categories of Service Business

- 1. Educational and Training Services
- 2. Infrastructure and Public Utility Services
- 3. Communication, Telecommunication and Call Center Service Services
- 4. Health Care and Hospital Management Services
- 5. Transport and Freight Carrying Services
- 6. Personal Services
- 7. Entertainment Services

8. Banking, Insurance and Financial Services
9. Professional Services
10. Hotel & Hospitality Services
11. Real Estate and Construction Management Services
12. Maintenance and Repair Services
13. Trading Services (Retailers, Wholesalers, and Shopping Malls etc.)
14. Auto Service Stations

### Quiz

Surprise quiz could be administered in any session

### Text Book (TB)

*Services Marketing Integrating Customer Focus Across the Firm* 5<sup>th</sup> Edition ; Valarie Zeithaml, Mary Jo Bitner, Dwayne D Gremler, Ajay Pandit; McGraw Hill

### Reference Book (RB)

1. *Services Marketing*; John E G Bateson, K. Douglas Hoffman, Cengage Learning, 4<sup>th</sup> Edition, 2011.

2. *Services Marketing*; People, Technology, Strategy: A South Asian Perspective; Christopher Lovelock, Jochen Wirtz, Jayanta Chatterjee, Pearson Education, 5<sup>th</sup> Edition, 2006.

### Other readings

Papers published in:

1. Journal of Services Marketing
2. Journal of Marketing
3. Journal of Retailing
4. HBR

MK 613- Marketing of Services -Sep-Dec 2014						
Request for Assigning Service Business and Related Organization for Term Assignment						
Program: PGDM-V						
Please assign us, <b>Group No.</b> _____ the following Service Business and Organization for term assignment study						
Service Business and Related Organization Preferences			Group Details			
Preference	Service Business	Related Organization	S. No	Roll No.	Name	Signature
1st			1			
2nd			2			

**Session Plan**

Session No.	Topic	Reading/Case/Exercise
1	Introduction to Services & Service Sector, Framing the Service Experience- The Servuction Model.	Chapter 1, Text Book (TB) <b>Case: The Twins' First Service Encounter</b> ( RB-1)
2.	Consumer Behavior in Services	Chapter 3 (TB) <b>Case Let: Indian Airlines Industry</b> Readings: The Four things a Service Business must get it right <b>HBR</b> Article
3.	Consumer Expectations of Services	Chapter 4 (TB) Readings: What Services Customers Really Want, <b>HBR</b> Article
4.	Consumer Perception of Services	Chapter 5 (TB) <b>Case:</b> Starbucks: Delivering Customer Service (HBR Case ) Readings: Emotional Cues that Work Magic on Customers, <b>HBR</b> Article
5.	Service Strategy and Positioning	Chapter 3 (RB – 1) <b>Case let:</b> Singapore Airlines
6.	Gaps Model of Service Quality	Chapter 2 (TB) Multiple Case lets Readings: How to sell Services more Profitably, <b>HBR</b> Article
7 & 8	Service Development, Design and Process, Service Blueprint	Chapter 9 (TB) Readings: Designing the Soft side of Customer Service, <b>HBR</b> Article Readings: The Waiting Game: The Psychology of Time and its Effects on Service Design, <b>HBR</b> Article
9	Service Culture, Service Quality, Standards and Productivity	Chapter 10 (TB) <b>Case:</b> Four Seasons goes to Paris (HBR Case ) Readings: Art of Delivering Great Customer Service, <b>HBR</b> Article
10.	Physical Evidence and Servicescapes	Chapter 11(TB) Servicescape Design Exercises
	<b>MIDTERM</b>	
11.	Employee's Role in Service Delivery	Chapter12 (TB) <b>Case Let:</b> Starbucks Reading: My Employees are my service guarantee, <b>HBR</b> Article
12.	Customers Role in Service Delivery	Chapter13 (TB) <b>Case:</b> Shouldice Hospital Limited (Abridged) (Case 8, TB) <b>Reading:</b> Enhancing Customer Self-efficacy in CO-Producing Service Experiences, <b>HBR</b> Article. Readings: Collaborative Service : How Doing Less can

		Satisfy Customers More, <b>HBR</b> Article
13.	Delivery of Services through Channels	Chapter 14 (TB)
14	Managing Demand and Capacity	Chapter 15 (TB) Readings: From Products to Services: Why it's not So Simple, <b>HBR</b> Article
15	IMC and Promotion for Services	Chapter 16 (TB); Service Communication Display
16	Pricing of Services	Chapter 17 (TB) Reading: Capturing the Value of Supplementary Services, <b>HBR</b> Article
17	Customer Relationships	Chapter 7 (TB) <b>Case:</b> Hilton Hotels: Brand Differentiation through Customer Relationship Management (HBR Case) Readings: When unhappy Customers strike back on the Internet, <b>HBR</b> Article
18-19.	Service Failure and Recovery	Chapter 8 (TB) <b>Case:</b> Terror at The Taj Mumbai: Customer Centric Leadership (HBS) Readings: Service Sabotage: The Dark Side of Service Dynamics, <b>HBR</b> Article
20.	Study of Business Services and Indian Service Organizations	Part II – <b>Term Assignment Discussion and Presentations</b>
<b>End Term Examination</b>		

**Note:** Prof. P.C.Mehra will take session's no.12, 13, 14 and 16.

### Most Urgent

1. Most part of the course will be offered in case mode with class discussions.
2. It is expected that whatever reading material is supplied to the students they have to come prepared to the class.
3. Cell phones are needed to be switched off.
5. Faculty reserves the right to include few more cases if he feels the need.
6. Deadlines should be met at any cost.
7. Laptop is mandatory in all the sessions.
8. Prior Case Preparation is mandatory.
9. The term project write-up need to be submitted in soft copy to the faculty at [ddswain@imibh.edu.in](mailto:ddswain@imibh.edu.in) along with PPT.
10. Few case lets will be supplied by the Instructor to the class.

**Best of Luck**