

**Auburn University**  
**Department of Marketing**

**MKTG-4350 002: SERVICES MARKETING**  
**Spring 2014**

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Office Hours: Tuesday 9:30-10:30 am & Wednesday 2:00-3:00 pm and by appointment otherwise.

IMPORTANT: When you email me, you must put the following in the subject line of your email:

**MKTG[class number]-[class section]: [area of interest]**

For example, if you are in the first class section (11:00) and you want to ask about a quiz your subject would be "MKTG4350-002: Chpt 3 Quiz". If you fail to include the class number and section in the subject line I cannot guarantee that I will respond in a timely manner.

## Course Overture

*"It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change."*

-Charles Darwin

*"Marketing is not like Euclidean geometry, a fixed system of concepts and axioms. Rather, marketing is one of the most dynamic fields within the management arena. The marketplace continuously throws out fresh challenges, and companies must respond. Therefore, it is not surprising that new marketing ideas keep surfacing to meet the new marketplace challenges."*

-Kotler (1997)

*"Service marketers are in need of concepts and priorities that are relevant to their experience and needs. Marketing, however, is overwhelmingly product oriented."*

- G. Lynn Shostack, (1977)

*Journal of Marketing*

*"The service-centered view of marketing is customer-centric and market driven. This means more than simply being consumer oriented; it means collaborating with and learning from customers and being adaptive to their individual and dynamic needs."*

-Stephen Vargo & Robert Lusch, (2004)

*Journal of Marketing*

*"Tell me and I forget. Teach me and I remember. Involve me and I learn."*

-Benjamin Franklin

## **Course Description**

In this class, you will be exposed to a new way of thinking about marketing. Marketing was born from a goods focused paradigm and this has led to some long cherished marketing theory (e.g. the 4 Ps). In the 1970's though, marketers learned the hard way that services are different and that old marketing theories did not work. New theories were required and developed. Interestingly, these new theories have now turned marketing and business in general on its head. We will delve deep into a service perspective of marketing that covers these theories. We will then apply these theories to different problems to gain a rich understanding of how a service dominant perspective can solve 21<sup>st</sup> century marketing problems.

This course will not enable students to step directly into the role of Vice-President of Marketing at a Fortune 500 service company. It will, however, help students gain a stronger understanding of marketing, position themselves on the job market, enhance their critical thinking skills, and strengthen their foundation for other marketing classes and future business endeavors.

## **Course Objectives:**

This course is designed to help students:

- grasp the realities, characteristics, and implications of service and value co-creation and how these translate into strategic direction,
- understand the importance of keeping good current customers/employees and finding good future customers/employees,
- realize the necessity and difficulty of reliability as well as the ramifications of service failure and the benefits of service recovery strategies,
- appreciate the utility and intricacies of service design,
- think critically,
- apply marketing theory to real world problems,
- and to make better decisions, faster.

## **Course Content**

Class will consist of a combination of lectures, case studies, and participative discussions/activities. The recommended books will provide the general framework for material to be covered in class. However, additional material will be presented in class that the student will be required to master. To be successful in this class, students must attend classes, read assigned sections, and participate in class discussions. In addition, some items may change, be removed, or added over the 16 weeks. Therefore, students are expected to check blackboard and their student email addresses regularly to keep abreast of any changes.

## Class Atmosphere

Please feel free to ask questions and share experiences in class. This will make learning the material easier for everyone. I ask that you treat our classroom meetings as you would a professional meeting. This means that you are free to make comments and ask questions, but always treat others in the class with respect.

## Course Materials

**Books:** Five popular press books as listed in the table below

<u>Title</u>	<u>ISBN-10</u>	<u>Hardcover</u>	<u>Paperback</u>	<u>Kindle</u>
Loyalty 3.0	0071813373	\$ 19.41	N/A	\$ 12.99
HBR on Increasing Customer Loyalty	1422162524	N/A	\$ 16.14	\$ 12.49
Loyalty Effect	1578516870	N/A	\$ 11.89	N/A
This is Service Design Thinking	1118156307	\$ 45.83	\$ 25.20	\$ 15.49
Delivering Quality Service	1439167281	N/A	\$ 15.26	\$ 10.99
				<u>\$ 63.85</u>

**Cases:** Assigned Harvard Business Review Cases (can be downloaded for a fee from [www.hbr.com](http://www.hbr.com))

**Articles:** As they are assigned

**Dictionary:** <http://www.marketingpower.com/layouts/Dictionary.aspx>

**Other:** As each is assigned

## Evaluation Procedure

Grades in this course will be based on the following components:

Exams

First	10%
Second	10%
Third	10%
Final	10%

IRAs 15%

GRPs 15%

Quizzes 10%

Class Participation 05%

## Graded Course Components

The information below provides some preliminary details on the critical course components. As the semester gets underway, more information on each component will be provided to the students.

- **Exams:** There will be three exams in this class and a final. The exams consist of multiple choice, fill-in-the-blank, short answer, and essay questions. Each exam will only consist of the material since the last exam. However, the final is a synthesis of all other material together. Thus, though the final is not comprehensive per se, you will need to be able to integrate all the material in class together.
- **Individual Research Assignments (IRAs):** You will be given several assignments that you are expected to complete by yourself with no outside help besides me. IRAs tend to require a lot of work to be well done. Each assignment will have instructions and a grading rubric so you will know how you are to be evaluated. Your average on all IRAs will determine how many points you receive for this portion of your grade.

Though this is not a writing class, strong communication skills is a necessity in business and if you give reports to your superiors with glaring mistakes you will not go far. As such, all assignments should be typed and written using proper grammar and punctuation. Careful proof reading is very, very strongly recommended. Proofreading an assignment usually takes less than an hour. It is ridiculous when an assignment that took several hours to complete gets knocked down to a C for lack of 30 minutes worth of proofreading.

- **Group Research Projects (GRPs):** There will be several group projects assigned over the semester. You will complete all GRPs with a single group that should consist of 4 to 5 members. You will get to self-select your group and I will provide several opportunities for you to “interview” other class members before you create your group.

The GRPs are similar to the IRAs in regards to the grading rubric, proofreading, and grading. GRPs differ from IRAs in scope (they require more than one person to complete) and that each member will be evaluated by the other members at the end of the semester. An individual’s GRP grade can differ from their group’s if it is determined that the individual did not participate or caused unnecessary hardship for the group.

- **Quizzes:** Since you are expected to contribute intelligently to each class meeting, it is imperative that you read all assigned material (especially cases) before each class session. To ensure that you do this, I will administer short quizzes at various points during the semester that will assess your knowledge of the material to be discussed that day. Your average on all quizzes will determine how many points you receive for this portion of your grade.
- **Class Participation:** This course is designed to be 50% lecture and 50% interactive exercises. You are responsible for the breadth and depth of this interaction. Come to class prepared and willing to share your experiences, trials, and thoughts. Please note: these are

NOT “free points,” regardless of whether you generally like to speak up in class and *attendance does not fulfill your participation requirement*. I expect you to attend class and I’m looking for you to add to the class environment.

- A student with **perfect participation (10)**: attends class consistently, speaks up in class during class discussions without being forced, has a good understanding of class concepts previously discussed and to be discussed that day, and adds insight to class discussions.
- A student with **very good participation (9)**: attends class consistently, speaks up in class during class discussions without being forced, and has a basic understanding of class concepts previously discussed and to be discussed that day.
- A student with **good participation (8)**: attends class regularly, speaks up when called upon, and has a basic understanding of class concepts previously discussed.
- A student with **poor to average participation (0-7)**: has gaps in their attendance, does not pay attention to the speaker, cannot make a knowledgeable comment when called upon, has little to no understanding of class concepts previously discussed, disrupts class, sleeps during class, asks questions that have already been asked and answered within the same class, and/or is rude to anyone in class.

## Additional Information

- **Late assignments:** In the interest of fairness, late assignments will be penalized 3% points per day. If you find yourself behind, I recommend taking the penalty as opposed to submitting an assignment of poor quality.
- **Makeup exams:** Students must have a valid and documented excuse for missing exams. Pre-requisites are enforced and students can be dropped from the class regardless of how far along the term or any grades that may have been earned.
- **Extra credit:** No extra credit will be provided for the course except for the following. There will be a few voluntary research opportunities offered over the course of the semester. If a student participates in the opportunity, then they can receive full credit for a quiz of their choice. If a student does not want to participate but still wants the chance to earn the credit towards a quiz, a substitutable assignment will be given. A student must notify me by email of their desire for the substitutable assignment within a week of an announcement about a voluntary research opportunity.
- **Grade Appeals:** I can make mistakes. There are two types of grade appeals. If I make a math error totaling your grade let me know and I will fix it immediately. If you disagree with the way a particular question was graded, give me your appeal in writing within a week of when the assignment was handed back. You must also turn in the original of your assignment or exam with your appeal. Take time to think through your response

(you may wish to refer to your notes or the book). Grade appeals must be made within a week of when the assignment or exam was returned to the class.

- **Academic Honesty:** Anyone caught cheating on a test or assignment will be prosecuted to the full extent possible (as discussed in the Tiger Cub). Anyone copying another student's assignment will be considered to be cheating. I believe in honorable conduct in the classroom and I have given F's for cheating in the past. Also, each student must sign the honor pledge on the cover page of each exam which states that "they have neither given nor received any unallowable assistance on the exam." If an exam pledge is not signed, the student will receive an incomplete on the exam (and potentially for the class) until the pledge is signed.