



**The Lee Kong Chian School of Business**  
**Academic Year 2024/25**  
**Term I**

**MKTG204 SERVICES MARKETING (SMU-X)**

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**COURSE DESCRIPTION**

The objective of this course focuses on problems and strategies specific to the marketing of services. It supplements essential marketing and marketing strategy courses.

As the world of business transforms into a global knowledge-based economy, value creation for customers is primarily going to shape through the provision of services, rather than goods. In most economies, services account for more than 50% of the economy. Against this background, this SMU-X course is designed for undergraduates students seeking to develop a deeper understanding of services. Strategies used by successful services marketers to overcome problems unique to service industries like banking, healthcare, financial services, insurance, hospitality, consulting, telecom, media, and IT services will be discussed. Manufacturing and high tech industries which depend on services to provide added value will also be addressed.

**LEARNING OBJECTIVES**

By the end of this course, students will be able to:

- To develop an understanding and appreciation of the key theoretical concepts and tools in the domain of services,
- To enhance decision-making skills related to multiple facets of marketing services.
- Analyze how consumers form service expectations
- Enumerate the issues in creating the service product
- Create appropriate communication strategies for marketing services
- Analyze various pricing strategies
- Explain the different distribution methods
- Examine the design of service processes
- Devise strategies to balance demand and capacity
- Create an appropriate strategy for managing service providers

**PRE-REQUISITE/ CO-REQUISITE/ MUTUALLY EXCLUSIVE COURSE(S)**

Please refer to the Course Catalogue on OASIS for the most updated list of pre-requisites / co-requisites for this particular course. Do note that if this course has a co-requisite, it means that the course has to be taken together with another course. Dropping one course during BOSS bidding would result in both courses being dropped at the same time.

## ASSESSMENT METHODS

|                                    |            |
|------------------------------------|------------|
| <b>Group Project</b>               | <b>50%</b> |
| Interim Presentation               | 10%        |
| Final Presentation                 | 15%        |
| Report                             | 20%        |
| Peer Evaluation                    | 5%         |
| <b>Class Participation</b>         | <b>10%</b> |
| <b>Final Exam (Take-Home Exam)</b> | <b>40%</b> |

## INSTRUCTIONAL METHODS AND EXPECTATIONS

Students are expected to form groups of SIX or SEVEN members for group projects. Submit the names of group members by the end of Week 1 to my teaching assistant. You may write to my teaching assistant directly. **Please note that the teaching assistant may assign students to join your group due to administrative reasons.**

Your group are required to work complete the following three group assignments:

### 1. Group Project

For the group projects, you should form your own groups, each of which should have six to seven people. Please get in touch with my teaching assistant directly if you require any further assistance. Each group must include at least two exchange students. The arrangement is subject to change, depending on the updated enrollment record when the term starts. For administrative purposes, the teaching assistant may designate students to join your group.

The SMU-X services marketing course provides students with the opportunity to collaborate with a business partner in addressing real-world service marketing challenges. The chosen industry partner will offer a comprehensive briefing on the existing business challenge and provide guidance throughout the process of working on your group projects. Your project tasks include conducting primary research and formulating a comprehensive service marketing strategy customized to the specific needs of the industry partner.

At the end of the term, your project team will have the chance to showcase how effectively you can apply your services marketing knowledge to real-world challenges. You will present your findings and strategies to the industry partner and provide them with a comprehensive report.

### 3. Class Participation and Homework

This course relies on the constructive and meaningful discussion. As such, class participation is an integral element of the learning experience. Please ensure that you are well prepared for the class. The class participation involves reading the relevant chapters from case studies, additional reading materials, and most importantly, the in-depth cases assigned for each class. You are required to complete two homework exercises based on the class discussion materials during the term. Details will be provided in class.

The class participation is assessed based on the instructor's judgement of the *quality* of individuals' class participation. Quality, being defined as a combination of three attributes: (i) thoughtfulness of comments, (ii) regularity of participation, and (iii) professional conduct during the class, i.e., being respectful of colleagues, lack of side conversations, and avoidance of regularly checking email and SMS updates.

Finally, attendance is a must. If you are not attending, then you are not participating in the class. You need to produce a medical certificate for sick leave

### 4. Final Exam

The final exam is an **individual** assessment. It is a take-home exam which will be handed out to students at the end of Week 15. Further details will be provided in Week 12.

## CONSULTATIONS AND TEACHING ASSISTANTS

You may contact me directly to discuss your work.

## CLASS TIMINGS

The course will be taught in one 3-hour session each week. Please contact me directly if you would like to discuss with me about our work outside class timings.

## **RECOMMENDED TEXT AND READINGS**

Case Packets and Readings

*Readings will include articles and case studies. Details will be provided via eLearn.*

Lovelock, Patterson, & Wirtz (2015), Services Marketing: Asia-Pacific and Australian Perspective, Sixth Edition, Publisher: Pearson Australia

## **UNIVERSITY POLICIES**

### **Academic Integrity**

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work (whether oral or written) submitted for purposes of assessment must be the student's own work. Penalties for violation of the policy range from zero marks for the component assessment to expulsion, depending on the nature of the offense.

When in doubt, students should consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at <https://smu.sharepoint.com/sites/oasis/SitePages/DOS-WKLSWC/UCSC.aspx>.

### **Copyright Notice**

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### **Accessibility**

SMU strives to make learning experiences accessible for all. If you anticipate or experience physical or academic barriers due to disability, please let me know immediately. You are also welcome to contact the university's disability services team if you have questions or concerns about academic provisions: [DSS@smu.edu.sg](mailto:DSS@smu.edu.sg). Please be aware that the accessible tables in our seminar room should remain available for students who require them.

### **Digital Readiness for Teaching and Learning (DRTL)**

As part of emergency preparedness, instructors may conduct lessons online via the Zoom platform during the term, to prepare students for online learning. During an actual emergency, students will be notified to access the Zoom platform for their online lessons. The class schedule will mirror the current face-to-face class timetable unless otherwise stated.

## WEEKLY LESSON PLAN

Please refer to the table below. The lesson plan is subject to changes due to the client project requirement.

### **Week 1 Introduction and Marketing in the Service Economy Customer behaviour and Service Encounters**

*Specific Learning Objectives for the Lesson:*

Introduction and Marketing in the Service Economy

1. Explain how services create value for consumers
2. Describe ways of categorizing services

Reading: Chapter 1

Customer behaviour and Service Encounters

1. Explain the three-stage model of service consumption
2. Describe why role and script theory and control theory are central to understanding customer behaviour in service settings

Reading: Chapter 2

### **Week 2 Industry Partner Briefing/ Field Trip**

### **Week 3 Customer Satisfaction And Service Quality**

*Specific Learning Objectives for the Lesson:*

1. Explain the significance of customer satisfaction in achieving a competitive advantage
2. Explain the causal linkages between customer perceived value, service quality, satisfaction and loyalty
3. Describe various models of satisfaction and service quality
4. List the major drivers or determinants of satisfaction and quality in services
5. Describe how to measure and monitor satisfaction

Reading: Chapter 12

### **Week 4 Managing relationships and building loyalty Handling Customer Complaints And Managing Service Recovery**

*Specific Learning Objectives for the Lesson:*

1. Outline strategies to develop, manage and retain customer relationships
2. Learn customer retention strategies
3. Outline the courses of action open to a dissatisfied customer
4. Explain the factors influencing complaint behaviour
5. Identify the principles of an effective service recovery system

Reading: Chapter 13 and 14

### **Week 5 Positioning Services Developing Service Products: Core and Supplementary Service Elements**

*Specific Learning Objectives for the Lesson:*

Positioning Services

1. Identify strategies to achieve competitive advantage through the four focus strategies
2. Identify and select target segments
3. Distinguish an effective positioning strategy using market, internal and competitor analysis

Reading: Chapter 3

Developing Service Products: Core and Supplementary Service Elements

1. Describe what is meant by the service product concept

2. Describe the “Flower of Service’ model and explain how the facilitating and enhancing supplementary services add value to the core product
3. Formulate a service product strategy
4. Explain fundamental principles of service redesign

Reading: Chapter 4

**Week 6            Services Marketing Communications**  
**Distributing services through physical and electronic channels**

*Specific Learning Objectives for the Lesson:*

Services Marketing Communications

1. Describe the challenges of service communications

Reading: Chapter 8

Distributing services through physical and electronic channels

1. List the four questions that form the foundation of any service distribution strategy
2. Describe the three main distribution options for serving customers
3. Explain the determinant of customers’ channel preferences
4. Explain the issues of delivering services through electronic channels
5. Describe the key role of intermediaries in distributing services
6. Describe the role of blueprinting in designing and distributing services

Reading: Chapter 5

**Week 7            Interim Presentation**

**Week 8            Term Break**

**Week 9            Crafting the service environment**

*Specific Learning Objectives for the Lesson:*

1. Explain the four purposes of a well-designed service environment (servicescape)
2. Demonstrate an understanding of theories from environmental psychology that help us to understand customer as well as employee responses to service environments
3. Demonstrate an understanding of an integrative servicescape model
4. Demonstrate an understanding of the service environment, including the key ambient conditions and their impact on customers
5. Describe the role of spatial layout and functionality
6. Explain why designing an effective servicescape must be done holistically and from the customer’s perspective

Reading: Chapter 10

**Week 10          Managing the customer service function**

*Specific Learning Objectives for the Lesson:*

1. Describe the changing nature of the customer service function
2. Demonstrate an understanding of the trade-off between achieving customer satisfaction and operational efficiency
3. Explain how a service firm translates customer expectations into its behaviours and actions
4. Explain how technology is leveraging customer service
5. List the key factors to be considered when designing an effective customer service organization

Reading: Chapter 11

## **Week 11      Managing people for service advantage**

*Specific Learning Objectives for the Lesson:*

1. Demonstrate an understanding of the service profit chain framework
2. Explain why the frontline is crucial to the success of a service firm
3. Explain why the work of frontline service employees is so demanding, challenging and often difficult
4. Distinguish between the cycles of failure, mediocrity and success in human resources management for service firms
5. Explain how to attract, select, train, motivate and retain outstanding frontline employees
6. Describe the role of service culture and service leadership in sustaining service excellence

Reading: Chapter 9

## **Week 12      Understanding Costs And Developing Pricing Strategy Balancing Productive Capacity And Demand**

*Specific Learning Objectives for the Lesson:*

Understanding Costs And Developing Pricing Strategy

1. Formulate pricing strategies and policies
2. Describe the significance of revenue management for service firms
3. Understand how to communicate and implement service pricing strategies

Reading: Chapter 6

Balancing Productive Capacity And Demand

1. Describe what is meant by productive capacity in a service context
2. Explain and use capacity management techniques to meet variations in demand
3. Explain and analyze patterns and determinants of demand for different customer segments
4. Distinguish the difference supply-demand situations that service firms with fixed capacity may face
5. Learn the five basic demand management strategies and techniques

Reading: Chapter 7

## **Week 13                      Final Presentation**

***The outline is subject to changes.***