

<b>Semester: VII</b>				
<b>Programme:</b> Bachelor of Management Studies (BMS)				
<b>Course: Marketing of Services</b>				
<b>Paper code: C4BMS2373M</b>				<b>Credits: 4</b>
<b>Category: Major</b>				
<b>Type: Theory</b>				
<b>No of Modules: 4</b>				
<b>Course Overview:</b> In this course, the student is introduced to the unique attributes and idiosyncrasies of services and the service industry. It aims to provide an overview of how marketing concepts and principles need to be modified to address the unique challenges posed by services. In particular, it provides insights into the 7P framework of the extended marketing mix for services, as well as issues related to the evaluation and management of service quality.				
<b>Course Outcome:</b> <ol style="list-style-type: none"> <li>1. Differentiate between tangible goods and services with the help of the tangibility continuum and explain how the unique features of services give rise to marketing challenges and warrant additional marketing mix elements.</li> <li>2. Classify services into various types and compare goods and services in terms of their search, experience, and credence attributes.</li> <li>3. Describe the special considerations for service products, service pricing, distribution of services, and marketing communication for services as compared to tangible goods.</li> <li>4. Explain the role of people, process, and physical evidence in service delivery</li> <li>5. Develop new service ideas by applying the flower of services model and construct the service blueprint in terms of service flow, employee interactions, and physical evidence, and examine the process of new service development.</li> <li>6. Analyse the dimensions of the SERVQUAL questionnaire to evaluate service quality, apply the GAPS model for diagnostic and remedial purposes, and explain the causes of service failure and describe mitigating strategies for service recovery.</li> </ol>				
<b>Prerequisites:</b> Basic knowledge of Principles of Marketing / Marketing Management				
<b>SYLLABUS</b>				
<b>Unit/ Module</b>	<b>Content</b>	<b>Number of Classes</b>	<b>CO Mapping</b>	<b>Cognitive Level</b>
<b>1</b>	<b>Introduction to Services:</b> <ul style="list-style-type: none"> <li>○ Services – Concept and Definition</li> <li>○ Unique Characteristics of Services vis-à-vis Goods and their Managerial Implications (Challenges and Mitigation Strategies)</li> <li>○ G. Lynn Shostack's Tangibility-Intangibility Continuum/Spectrum</li> <li>○ Classification of Services</li> <li>○ Consumer Evaluation of Goods v. Services – Search, Experience and Credence Attributes</li> <li>○ The Three-Stage Model of Service Consumption (Pre-purchase, Service counter and Post-purchase Stages)</li> <li>○ Services Marketing Mix (The 7Ps Framework) – Concept and Application in Select Service Industries (Banking, Civil Aviation, Education, Healthcare and Hospitality &amp; Tourism)</li> <li>○ Service Economy – Concept, Factors contributing to growth of the service sector in India.</li> <li>○ Relationship Marketing in Services: Concept and Strategies.</li> </ul>	12	CO1, CO2	K2, K4

2	<p><b>Services Marketing Mix – I: Product, Pricing, Distribution, and Promotion:</b></p> <p><b>(a) Service Product</b></p> <ul style="list-style-type: none"> <li>○ Components of the Service Product (Flower of Services Model) – Core Product, Supplementary Services (Facilitating and Enhancing), Delivery Processes</li> <li>○ New Services – Hierarchy of New Service Innovations, Reasons for Success or Failure of New Services, New Service Development Process</li> </ul> <p><b>(b) Pricing of Services</b></p> <ul style="list-style-type: none"> <li>○ Special Considerations/Challenges in Pricing of Services</li> <li>○ Pricing Methods &amp; Strategies (The Pricing Tripod):</li> <li>○ Cost-based pricing (Complexities in determining cost of providing services, Role of Activity Based Costing)</li> <li>○ Value-Based Pricing (Zeithaml’s four expressions of value, Concept of Net Value - Related Monetary Costs and Non-monetary Costs to Customers)</li> <li>○ Competition-based pricing (Factors Affecting Price Competition for Services - Price Competition Intensifiers and Inhibitors)</li> <li>○ Price Customization – Concept of Rate Fences (Physical and Non-Physical Rate Fences)</li> </ul> <p><b>(c) Promotion of Services</b></p> <ul style="list-style-type: none"> <li>○ Communications Objectives along the Services Marketing Communications Funnel</li> <li>○ Communication Mix for Services (Advertising, Direct Marketing, Sales Promotion, Personal Selling, Public Relations, Trade Shows)</li> </ul> <p><b>(d) Distribution of Services</b></p> <ul style="list-style-type: none"> <li>○ Reaching the customer (Provider moves to customer, Customer moves to provider, Remote transactions)</li> <li>○ Service Distribution Strategy (Multi-site, Multi-Service, Multi-segment, and Hybrid Strategy)</li> <li>○ Service Intermediaries (Franchising – Concept, Suitability, Advantages and Disadvantages from Franchiser’s and Franchisee’s points of view, Electronic Channels – Examples of services rendered through the internet.)</li> <li>○ Omnichannel service delivery; Platform-based services</li> </ul>	15	CO3, CO5	K2, K4
3	<p><b>Services Marketing Mix – II: People, Process and Physical Evidence:</b></p> <p><b>(a) People</b></p> <ul style="list-style-type: none"> <li>○ The Service Marketing Triangle – Concept</li> <li>○ Internal Marketing - Concept</li> <li>○ The Service Profit Chain</li> <li>○ Boundary Spanning Roles of Frontline Service Employees</li> <li>○ Human Resource Strategies and Tactics for Delivering Service Quality through People – Hiring Service Personnel, Training and Development, Employee Empowerment and Support Systems, Retention of Employees</li> </ul> <p><b>(b) Process</b></p> <ul style="list-style-type: none"> <li>○ Service Blueprint – Concept, Elements/Components, Mapping Service Processes on Vertical and Horizontal Dimensions through Service Blueprinting (w.r.t. a real-world company)</li> </ul>	15	CO4, CO5	K2, K6

	<p><b>(c) Physical Evidence</b></p> <ul style="list-style-type: none"> <li>○ Elements of Physical Evidence (Servicescape and Other Tangibles)</li> <li>○ Servicescapes – Concept, Types (for Self-service, Interpersonal services and Remote services), Environmental Dimensions of Servicescapes (Ambient Conditions, Spatial Layout and Functionality, Signs, Symbols and Artefacts, Strategic Role (Packaging, Facilitation, Socialization, Differentiation))</li> </ul>			
<b>4</b>	<p><b>Service Quality:</b></p> <ul style="list-style-type: none"> <li>○ Measuring Service Quality – Service Quality Dimensions of the SERVQUAL Model.</li> <li>○ Diagnosis and Remedy of Service Quality Shortcomings – GAPS Model of Service Design and Delivery</li> <li>○ Managing Demand and Capacity Imbalances – Challenges and Mitigating Strategies</li> <li>○ Service Failure – Concept, Customer Response to Service Failure</li> </ul>	8	CO6	K2, K2, K6
	<b>Case Studies, as relevant to the curriculum</b>			

#### Text Books

1. Wirtz J & Lovelock C, 'Services Marketing – People Technology Strategy', 9th Edition (2023), World Scientific Publishers
2. Zeithaml V A, Bitner M J, Gremler D D, Mende M & Sainesh G, 'Services Marketing – Integrating Customer Focus Across the Firm', 8th Edition (2026), McGraw-Hill
3. Verma H V, 'Services Marketing – Text & Cases', 2nd Edition (2011), Pearson
4. Hoffman K D & Bateson J E G, 'Services Marketing - Concept, Strategies and Cases', 6th Edition (2024), Cengage Learning
5. Rama Mohana Rao K, 'Services Marketing', 2nd Edition (2019), Pearson
6. Gupta S L & Israney R S, 'Services Marketing – Text and Cases', 1st Edition (2025), Sultan Chand & Sons
7. Venugopal V & Raghu V N, 'Services Marketing', Himalaya Publishing House
8. Srinivasan R, 'Services Marketing – The Indian Context', 4th Edition (2014), PHI Learning Pvt. Ltd.

#### Suggested readings

##### Academic Journals

1. Brodie, R. J., Hollebeek, L. D., Jurić, B., & Ilić, A. (2011). Customer engagement: Conceptual domain, fundamental propositions, and implications for research. *Journal of Service Research*, 14(3), 252–271. <https://doi.org/10.1177/1094670511411703>
2. Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12–40.
3. Huang, M.-H., & Rust, R. T. (2018). Artificial intelligence in service. *Journal of Service Research*, 21(2), 155–172. <https://doi.org/10.1177/1094670517752459>
4. McCollough, M. A., Berry, L. L., & Yadav, M. S. (2000). An empirical investigation of customer satisfaction after service failure and recovery. *Journal of Service Research*, 3(2), 121–137. <https://doi.org/10.1177/109467050032002>

##### Books

1. Heskett, J.L., Sasser, W.E., Schlesinger, L.A. (1997). *The Service Profit Chain*.
2. Parasuraman, A. B. L. L., Zeithaml, V. A., & Berry, L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. 1988, 64(1), 12-40.
3. Shi, Z., & Shang, H. (2020, July). A review of the quality of service and the SERVQUAL model. In *International Conference on Human-Computer Interaction* (pp. 188-204). Cham: Springer International Publishing.
4. Wirtz, J. & Lovelock, C. (2023). *Services Marketing: People, Technology, Strategy*.

5. Zeithaml, V.A., Bitner, M.J., Gremler, D.D. (Latest Ed.). Services Marketing: Integrating Customer Focus Across the Firm.

**Web Resources**

1. <https://onlinelibrary.wiley.com/doi/pdf/10.1002/9781444316568.wiem01055>
2. <https://ebooks.inflibnet.ac.in/mgmt10/chapter/service-blueprinting/>

**Course Outcomes (COs) and Cognitive Level Mapping**

<b>COs</b>	<b>CO Description</b>	<b>Cognitive levels</b>
<b>CO1</b>	Differentiate between tangible goods and services using the tangibility continuum, and explain how the unique features of services give rise to marketing challenges and warrant additional marketing mix elements.	K2, K4
<b>CO2</b>	Classify services into various types and compare goods and services in terms of their search, experience, and credence attributes.	K2, K4
<b>CO3</b>	Describe the special considerations for service products, service pricing, distribution of services, and marketing communication for services as compared to tangible goods.	K2
<b>CO4</b>	Explain the role of people, process, and physical evidence in service delivery	K2
<b>CO5</b>	Develop new service ideas by applying the flower of services model, construct service blueprints for service flow, employee interactions, and physical evidence, and examine the process of new service development.	K6
<b>CO6</b>	Analyse the dimensions of the SERVQUAL questionnaire to evaluate service quality, use the GAPS model for diagnostic and remedial purposes, and explain the causes of service failure and formulate mitigating strategies for service recovery.	K2, K3, K6