



Semester: V
Course name: Consumer Behaviour and Services Marketing
Course code: C3BC230551T
Course Credits: 4
Pedagogy: Classrooms lecture, Case studies, Assignments, Group Discussion & Seminar
Module – I: Consumer Behaviour
Course Description: This course is intended to introduce to students the multi-disciplinary nature of consumer behaviour study through the study of concepts, theories and models of psychology, sociology, social psychology and anthropology to the extent they explain the behaviour of consumers as individuals as well as in their social and cultural settings. It takes an in-depth analytical approach to the states of consumer decision processes at various levels of involvement as well as study the phenomena of diffusion and adoption of innovations.
Learning Objectives: The course aims to help learners to acquire conceptual knowledge of: LO1. Evolution and theoretical underpinnings of consumer behaviour as contributions from key social sciences, apply the knowledge of consumer behaviour to make tactical and strategic marketing decisions. LO2. Individual and social determinants of consumer behaviour and create superior marketing programmes based on a multidimensional approach to consumer behaviour. LO3. Steps in the consumer decision making process and analyse various types of purchase decisions based on consumer involvement. LO4. Concepts of diffusion of innovations and adoption of new and innovative products, analyse the factors contributing to as well as inhibiting diffusion of innovation in the market and analyse the steps involved in the adoption process.
Course Outcomes: On successful completion of the course, students will be able to: CO1. Understand the multi-disciplinary nature of consumer behaviour and its application in planning, strategizing and decision-making in various areas of marketing along with an overview of the multitude of factors influencing consumer behaviour, specifically as conceptualized in the Buyer's Black Box Model. CO2. Analyse, evaluate and develop an in-depth understanding of the individual and social factors that influence consumer behaviour and apply the same in tactical and strategic marketing decisions. CO3. Remember and understand the steps involved in consumer decision-making process. Be able to analyse each step in the consumer decision process in light of



<p>influencing factors and varying degrees of consumer involvement and apply the steps to specific cases of B2B and online purchase decisions.</p> <p>CO4. Understand the concepts of 'diffusion' and 'adoption' and distinguish among them as they apply to new and innovative product offerings and analyse the factors that help or impede diffusion as well as analyse each step of the adoption process.</p>		
Unit (No. and Name)	Details	No. of Lectures
<p>1. Introduction to Consumer Behaviour</p>	<ul style="list-style-type: none"> • Consumer Behaviour: Concept, multi-disciplinary approach and contributing disciplines • Applying consumer behaviour knowledge • Buyer's Black Box 	<p>3</p>
<p>2. Determinants of Consumer Behaviour</p>	<p>(a) Consumer as an individual:</p> <ul style="list-style-type: none"> • Motivation: Concept and Process, needs vs. wants, Needs: Types, Application of Maslow's Hierarchy of Needs Theory in Consumer Behaviour • Personality: Nature, Self-Image - types, Brand Personality • Perception: Concept, Elements, Absolute threshold, Differential threshold (JND and its applications), Perceptual risks and mitigation strategies • Learning: Concept, Elements, Theories of Learning- Classical Conditioning and Operant Conditioning, Marketing Applications of Classical Conditioning and Operant Conditioning • Attitude: Concept, Tri-component model, Attitude functions (value expressive, ego defensive, utilitarian, and knowledge) <p>(b) Consumers in their social and cultural settings:</p> <ul style="list-style-type: none"> • Reference groups: Concept and types • Family: Importance of family influences in consumer behaviour, family decision making roles, family life cycle (Wells & Gubar Model) • Opinion Leadership: Characteristics of an effective opinion leader, Role of opinion leader under different situations (product knowledge and involvement) • Social class: Concept, characteristics, and influence • Culture: Concept, importance, Subcultures: sub-cultural distinctiveness, homogeneity and exclusion, cross-cultural influences. 	<p>18</p>



<p>3. Consumer decision making process</p>	<ul style="list-style-type: none"> • Generic Five-Stage Consumer Decision Process Model <ol style="list-style-type: none"> 1. <i>Need Recognition</i> (including stated, latent and hidden needs) 2. <i>Information Search</i> (including External and Internal Search) 3. <i>Evaluation of Alternatives</i> (including Evaluative Criteria – Compensatory and Non-Compensatory) 4. <i>Purchase Decision</i> 5. <i>Post-Purchase Behaviour/Evaluation</i> (including Post-purchase Dissonance – Concept, Causes and Mitigation Strategies) • Types of buying decisions (based on consumer involvement) - Routine Problem Solving, Limited Problem Solving , and Extended Problem Solving 	<p style="text-align: center;">6</p>
<p>4. Diffusion and Adoption of Innovations</p>	<ul style="list-style-type: none"> • Concept of Diffusion and Adoption • Process of diffusion, Relationship between diffusion and product life cycle • Factors influencing the rate of diffusion • Adopter categories 	<p style="text-align: center;">3</p>
<p><i>Case studies applicable to all units (1 to 4)</i></p>		
<p>Practical Exercises/Skill Development Activities: Class seminars, group discussions, analysis of cases and scenario construction.</p>		
<p>Suggested Readings/References:</p> <ol style="list-style-type: none"> 1. Leon G. Schiffman, Joseph Wisenblit & S. Ramesh Kumar, Consumer Behavior, 12th Edition, Pearson 2. Michael Solomon & Tapan Kuman Panda, Consumer Behavior: Buying, Having and Being, 13th Edition, Pearson 3. Roger D. Blackwell, Paul W. Miniard, James F. Engel & Zillur Rahman, Consumer Behavior, Tenth Edition, Cengage Learning India Pvt. Ltd. 4. David L. Loudon & Albert J. Della Bitta, Consumer Behaviour (Indian Edition), Fourth Edition, McGraw Hill Education 5. S. Ramesh Kumar, Consumer Behaviour: The Indian Context (Concept and Cases), Second Edition, Pearson 6. Ramanuj Majumdar, Consumer Behaviour: Insights from Indian Market, PHI Learning Pvt. Ltd., Eastern Economy Edition 7. David L. Mothersbaugh, Del I Hawkins, Susan Bardi Kleiser & Amit Mookerjee, Consumer Behavior: Building Marketing Strategy, Fourteenth Edition, McGraw Hill (Special Indian Edition) 		



8. Satish K. Batra & S. H. H. Kazmi, Consumer Behaviour: Text and Cases, 2nd Edition (2008), Excel Books

Module – II: Services Marketing

Course Description: This course introduces students to the unique attributes of services that make it challenging to extrapolate marketing principles applicable predominantly to tangible goods to the service sector. It covers an extensive discussion on each of the elements of the expanded services marketing mix (i.e., the 7Ps framework), besides building the core concepts of service quality, service failure, service recovery to enable students to diagnose and rectify lacunae in the service design and delivery process by applying the Gaps Model of Service Quality. It also dwells on the specific aspects of selected service industries.

Learning Objectives: The course aims to help learners to acquire conceptual knowledge of:

LO1. To delineate the unique characteristics of services which make marketing of services more challenging than marketing of good, to classify services and to identify the nature of specific services on a tangibility- intangibility spectrum.

LO2. To analyse each of the elements of services marketing (the 7Ps framework), and be able to take tactical decision and formulate strategies regarding each service marketing mix element.

LO3. To understand how Service Quality is assessed using the SERVQUAL® Framework and apply the Gaps Model of Service Quality to investigate into the customer dissatisfaction and remedy the lapses in the service design and delivery process.

LO4. To create marketing strategies and programmes for selected industries in the service sector.

Course Outcomes: On successful completion of the course, students will be able to:

CO1. Understand the key attributes of services that result in managerial challenges for the marketing of services as opposed to tangible products being able to identify specific product offerings on a tangibility-intangibility continuum and identify basic service categories; besides identifying the key reasons for the growth of the service sector with special reference to India.

CO2. Analyse salient aspects of each of the elements of the services marketing mix (i.e., the 7Ps – product, price, place, promotion, people, process and physical evidence) and develop strategies and take tactical decisions in case of each element and for the service offering as a whole.

CO3. Understand the concept and analyse the dimensions of service quality with respect to the SERVQUAL® questionnaire, and hence, apply the Gaps Model of service quality to diagnose and remedy lacunae in the service design and delivery process. Understand the



concepts of service failure and service recovery and analyse the causes and customer responses to service failure. Create strategies for service recovery by 'fixing the customer', 'fixing the problem' as well as with the help of consumer helplines.
CO4. Apply the knowledge of services marketing to develop strategies for selected service industries.

Unit (No. and Name)	Details	No. of Lectures
1. Introduction to Services Marketing	<ul style="list-style-type: none">• Basic Concepts: Defining services, service product/package, customer service, after-sales service, derived service• Characteristics of Services and their managerial implications• G. Lynn Shostack's Tangibility-Intangibility Spectrum/Continuum• Search, experience, and credence qualities of services• Four basic categories of services: people processing, possession processing, stimulus processing and information processing• Service industry, Reasons for growth (with special reference to India)	6
2. Service Marketing Mix	<ul style="list-style-type: none">• Service Product: Components (Flower of Services framework), Service Branding Strategies, New Services Hierarchy/categories, Steps in New Service Development• Service Pricing: Alternative approaches to service pricing, Cost-based, Demand/Value-based, Competition based• Distribution of Services: Forms of channels for different types of services, Major channel arrangements/intermediaries for service distribution and delivery, Franchising, Agents, Brokers, Electronic channels• Marketing Communications for Services: Service marketing Communications Mix, Advertising, Sales Promotion, Personal Selling, Websites, Online Advertising Forms• People in Services: Service-Profit Chain, Key HR issues in service industries, Hiring service personnel, Training and development, Support Systems, Motivation and retention of employees.	15



	<ul style="list-style-type: none"> • Service Process: Concept, Designing and documenting service processes Components of service blueprint • Physical Evidence: Elements and Strategic Role of servicescapes. 	
3. Service Quality	<ul style="list-style-type: none"> • Service Quality Concept, Dimensions and Determinants (SERVQUAL®) • Gaps Model of Service Quality (Zeithaml & Bitner) • Service Failure – Concept, Causes, Customer Responses to Service Failure, Service Recovery – Concept and Strategies ('Fix the Customer' and 'Fix the Problem') 	6
4. Service Marketing in Commercial and Non-profit Organizations	<ul style="list-style-type: none"> • Travel and tourism • Healthcare • Financial services • Education • Digital and Online Services 	3
<i>Case studies applicable to all units (1 to 4)</i>		
Practical Exercises/Skill Development Activities: Class seminars, group discussions, analysis of cases and scenario construction.		
<p>Suggested Readings/References:</p> <ol style="list-style-type: none"> 1. Valarie A. Zeithaml, Mary Jo Bitner, Dwayne D. Gremler & Ajay Pandit, Services Marketing, 7th Edition – Special Indian Edition (2018), McGraw Hill Education 2. Jochen Wirtz, Christopher Lovelock & Jayanta Chatterjee, Services Marketing, 8th Edition (2017), Pearson Education. 3. Harsh V. Verma, Services Marketing, Text and Cases, 2nd Edition, Pearson Education India 4. K. Douglas Hoffman & John E. G. Bateson, Services Marketing, Concepts, Strategies and Cases, 6th Edition (2024), Cengage India Pvt. Ltd. 5. K. Rama Mohana Rao, Services Marketing, 2nd Edition (2011), Pearson Education India 6. Ravi Shankar, Service Marketing: The Indian Perspective, (2002), Excel Books 7. M. K. Rampal & S. L. Gupta, Service Marketing - Concepts, Applications & Cases, (2000), Galgolia Publishing Co. 8. Govind Apte, Service Marketing, (2004) Oxford University Press. 		