

SERVICE AND BUSINESS DESIGN

International MBA IMBA-EN SEP-2024 S-PS

Area Marketing and Communication

Number of sessions: 15

Term: Concentrations

Category: regular

Language: English

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With a combined 25-year multicultural track record as a marketer, Teresa Recio works as a senior advisor for management teams and boards. Currently, aside from being a professor at IE Business School, Professor Recio is a senior business advisor, a member of the Expert Council Board at Opinno, a leading innovation consultancy, and a member of the Board at Mary's Meals, a non profit organization. She is also a visiting professor at other European academic institutions. During her career, Professor Recio has served as a marketer, executive advisor, business coach or educator at a variety of firms, including Procter & Gamble, Kellogg, Google, Burger King, Estée Lauder, Orange, ABB and Repsol.

Professor Recio holds a Ph.D. in Business and Marketing and an MBA from IESE Business School. Her main areas of research focus on assessing the profitability of marketing activities and their role in value creation for the firm. Her research has been published in different publications, including the Journal of Advertising Research. She is a visiting professor at other European academic institutions and she is a frequent speaker in meetings and seminars.

Professional Experience

Independent Senior Marketing Advisor.

Member of the Expert Council Board at Opinno.

Member of the Board, Mary's Meals

Consultant at Galleon Blue.

Associate Consultant at Conento.

Member of the Expert Advisory Network at Frontier Strategy Group.

Senior Consultant and Executive Coach at Seeliger y Conde, part of the Amrop Group.

Head of Marketing Services at Kellogg Iberia.

Marketing Manager at Kellogg Iberia.

Brand Manager at Procter & Gamble Spain.

Academic Background

PhD in Business, Universidad Complutense, Madrid (Spain).

MBA, IESE, Universidad de Navarra, Barcelona (Spain).

Fuqua School of Business, Duke University, Durham NC (USA).

Business Management Degree, Universidad San Pablo (CEU), Madrid

Law Degree, Universidad Complutense, Madrid

Office Hours

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SUBJECT DESCRIPTION

Services are becoming the dominant economic driver in the global economy and are critical for competitive advantage in companies, from all sectors, all around the world. They currently account for more than 70% of global GDP and employ more than 80% of worldwide labor. Increasingly, a superior level of service allows firms to differentiate and dominate their markets. Even for companies not considered traditional service firms, a good customer experience both physical and digital, represents a key strategy for growth and profitability.

The purpose of this course is to introduce services marketing as a separate and distinct area of thought and practice and to help students to understand its business potential. It will show them how to create memorable experiences, improve customer engagement, and how to use satisfaction and loyalty strategies to drive firm profitability. The course also includes a practical workshop for designing a new service brand, physical or digital, where students can use their own personal entrepreneurship or Venture Lab project.

This course is designed to be useful not only for participants who want to pursue a career in service industries, including technology brands, or to start their own business, but also for any student who wants to understand how to better market the intangible and experiential components of the product and manage the customer experience. All course activities are intended to help students become proficient in analyzing and judging the merits of services marketing strategies and to assist them in making better strategic marketing decisions in both business and consumer markets.

LEARNING OBJECTIVES

By the end of the course, participants will:

- Know the unique characteristics of services, both physical and digital, and understand the specific challenges inherent to managing and marketing an experience and the intangible components of any product.
- Be able to analyze the customer experience and the service design and delivery process, paying special attention to customer satisfaction and its conversion into loyalty and economic value.

- Think systematically about entrepreneurial ideas in services.
- Understand customer centricity and identify key factors for building and managing profitable customer relationships, appreciating the value of loyal customers.
- Develop the ability to think critically and strategically about experiential opportunities and issues, applying services marketing concepts and frameworks to formulate valuable business solutions.
- Gain knowledge about current relevant trends in services marketing.

TEACHING METHODOLOGY

Marketing is a set of skills, concepts, analytical techniques and approaches that, when applied appropriately, can greatly improve the efficiency with which business is conducted. This course is designed to further develop this knowledge and to seek appropriate solutions based on reasoning and analysis.

The emphasis in the course will be for you to develop “hands-on” skills and the confidence to apply them. An underlying assumption is that students learn best and retain the most through active participation in the learning process. Therefore, classroom sessions will consist of a mixture of interactive lectures, case discussions and team presentations. Business cases will be selected based on their learning value and their ability to analyze different industries and types of markets. Each case provides a detailed description of a business situation faced by a real marketing manager. You should prepare each case with an action orientation – what would you do if you were that manager? And, just as important, why would you do it? You should come to class prepared to show the analysis you have used to come to your recommendation.

The materials that will be used include the following:

- Set of business cases and readings: Students will be able to find the links to these materials in the Program section of this syllabus.
- Additional readings that will be uploaded to Blackboard during the course.
- Team assignments to practice the conceptual frameworks that will be introduced in the course.

Students must bear in mind that the class is a professional business environment and their collective behavior should facilitate the learning process. In a course such as this, class time is highly valuable and should focus on learning and debate. It is expected from students to show their respect and professionalism by being in time for the sessions, in order not to disrupt the class. It is also expected that students do not leave the room, after the session has started, to avoid distracting their classmates. Except in case of an emergency, students are required to turn off their cell phones, even if they are in a silent mode. Except for case discussions, using laptops in the classroom is strictly prohibited.

Inside the class, students should treat each other with respect and in a professional manner. This does not mean that there cannot be disagreements. In fact, students are encouraged to contradict each other as this reinforces the learning process, but doing so in a professional way. Students should use rational arguments to defend their opinions and never engage in personal attacks.

In class discussions and in any written assignment conducted for this class, students can use whatever notes they have personally prepared. It is strictly forbidden to use notes or assignments from earlier years' classes or any materials prepared by other students. Students are encouraged to work together on preparing cases but individual reports should be completed without help from others. In all case analyses, students should not go beyond the case in their quest for information. The case provides all of the company facts that should be used in the analysis. Under no circumstances should additional research be conducted

Learning Activity	Weighting
Lectures	20.0 %

Discussions	20.0 %
Exercises in class, Asynchronous sessions, Field Work	15.0 %
Group work	25.0 %
Individual studying	20.0 %
TOTAL	100.0 %

AI POLICY

In today's world, generative artificial intelligence (GenAI) is changing how we work, study and, in general, how we get things done. However, in the context of this course, the use of GenAI is not permitted. The use of GenAI tools would jeopardize the students' ability to acquire fundamental knowledge or skills of this course.

If a student is found to have used AI-generated content for any form of assessment, it will be considered academic misconduct, and the student might fail the respective assignment or the course.

PROGRAM

SESSION 1 (LIVE IN-PERSON)

Course Presentation. Introduction to Services: The Service Imperative.

SESSION 2 (LIVE IN-PERSON)

Analyzing the Customer Experience.

Practical Case: elBulli: The Taste of Innovation (HBS 509015-PDF-ENG)

SESSION 3 (LIVE IN-PERSON)

Managing the Experiential Product. The Extended Marketing Mix.

Article: Collaborative Services: How doing less can satisfy customers more (HBS ROT149-PDF-ENG)

SESSION 4 (LIVE IN-PERSON)

Understanding the Service Customer and the Decision Making Process.

Article: Customer Experience in the Age of AI (HBS R2202H-PDF-ENG)

SESSION 5 (LIVE IN-PERSON)

New Service Brand Workshop.

SESSIONS 6 - 7 (LIVE IN-PERSON)

New Service Brand Workshop. Group Presentations.

SESSION 8 (LIVE IN-PERSON)

Managing the Digital Experience

Practical Case: Hubble Contact Lenses: Data Driven Direct-to- Consumer Marketing (HBS 9519011)

SESSION 9 (LIVE IN-PERSON)

Customer Satisfaction. Managing Expectations and Quality Perception.

Article: Understanding Customer Experience (HBS R0702G-PDF-ENG)

SESSION 10 (LIVE IN-PERSON)

Managing Customer Satisfaction.

Practical Case: Celebrity Cruises, Inc.: A Taste of Luxury (HBS 603096-PDF-ENG)

SESSION 11 (LIVE IN-PERSON)

Building Customer Equity. Customer Loyalty and Firm Profitability.

Multimedia Material: Harvard ManageMentor: Customer Focus (HBS 7110-HTM-ENG)

Article: Customer-Centered Brand Management (HBS R0409H-PDF-ENG)

SESSION 12 (LIVE IN-PERSON)

Managing Customer Value.

Practical Case: TaKaDú (HBS 514011-PDF-ENG)

SESSION 13 (LIVE IN-PERSON)

The Service Driven Company. Course Wrap-Up.

SESSIONS 14 - 15 (LIVE IN-PERSON)

Final Assignment. Group Presentations.

EVALUATION CRITERIA

Final grades will be determined by the following evaluation criteria and formula. A description of each component follows. Student grades will be distributed following guidelines provided by the IE Business School.

Class Participation

Active student participation is essential to the learning process and to the success of the class. Please note that you will be evaluated on the quality of your interactions, not just the quantity. However, some level of quantity is also necessary. Quality participation moves the discussion along and contributes to collective learning – it adds value to the discussion. Thorough preparation of business cases is key for constructive participation.

Because almost all learning is done in the classroom, attendance is required at all class sessions and it is not possible to make up for missed classes. A missed session will result in a zero grade for that day. Please notify me in advance if you are unable to attend class due to illness or any other emergency. Also, please note that attitude in class will be considered for participation purposes.

Individual Write-up

Students are expected to prepare a written report for one of the cases that will be discussed during the course - though not all cases are eligible. Written briefs shall be 2 pages maximum of text. Exhibits to show quantitative work can be included and these will not to be included in the 2-page limit.

Assignments are due before the beginning of the class in which the case in question will be discussed and they have to be uploaded to Blackboard. Under no circumstances will a brief be accepted after the above mentioned deadline and there will be no exceptions to this rule.

Students should also note that a set of “discussion” questions for each case will be uploaded to Blackboard at the beginning of the course. These questions are chosen to assure that pivotal topics are covered in student preparation, and are not designed to lead directly to a case “solution”. Students should therefore use them for guidelines on issues of interest in the case and hints on writing up the report. Students should not directly answer the discussion questions in the brief.

A very specific format is required for case briefs. It will be uploaded to Blackboard at the beginning of the course. Students are expected to revise it carefully and make sure that they follow the guidelines before submitting their case brief.

The individual assignment can be submitted in either English or Spanish.

Group Assignment & Workshop

All students will form groups and, during this period, each group will develop two assignments. The first one will take place during the New Service Brand Workshop and the second one will be presented in the last sessions of the course. A more detailed format with the specific topics to be covered in both presentations will be shared with the students at a latter stage.

For the final project, all team members are expected to present. Both the content of the work and the quality of the presentation will be graded. Both a peer review and an intragroup evaluation will be conducted to determine the individual grade of each group member. Each group will upload the presentation to Blackboard together with a more detailed written brief, no longer than ten pages, excluding attachments.

criteria	percentage	Learning Objectives	Comments
Individual write-up	35 %		
Final group assignment	30 %		
Workshop	10 %		
Class Participation	25 %		

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

BIBLIOGRAPHY

Recommended

- Jochen Wirtz. (2016). *Services Marketing: People, Technology, Strategy*. World Scientific Publishing Company. ISBN 9781944659004 (Printed)

- Valarie Zeithaml, Bitner, Gremler. *Services Marketing: Integrating Customer Focus Across the Firm*. McGraw Hill. ISBN 9780078112102 (Printed)
- Harry Beckwith. *Selling The Invisible: A Field Guide to Modern Marketing*. Business Plus. ISBN 9780446672313 (Printed)

BEHAVIOR RULES

Please, check the University's Code of Conduct [here](#). The Program Director may provide further indications.

ATTENDANCE POLICY

Please, check the University's Attendance Policy [here](#). The Program Director may provide further indications.

ETHICAL POLICY

Please, check the University's Ethics Code [here](#). The Program Director may provide further indications.

