Editor's Introduction:
Services Marketing

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A cademic and practitioner interest in the marketing of service(s) can be traced back to the 1960s and 1970s. It is instructive to compare the issues engaging service marketers in the 1960s/1970s with those engaging them in 2010. Issues dominating the early papers reflected a rather tentative approach towards breaking new ground. The overarching questions were 'Services: what are they, and what are we dealing with?' However, by the twenty-first century, writers are clearly more confident in pursuing emergent research themes based on a comprehensive knowledge base. The questions have moved on, and changed in tone, to 'Service: how can we make it better?' Early service researchers were relatively isolated and had to form groups of like-minded researchers to gain acceptance in the mainstream marketing literature (Brown, Fisk and Bitner, 1994). By the turn of the century, there has been a widespread recognition of the importance and relevance of service research, coupled with a proliferation of journal outlets in which to publish, and conferences at which to present research findings.

In the academic sector, specialist journals such as *Service Industries Journal* (1981), *Journal of Services Marketing* (1987), *Journal of Service Management* (formerly *International Journal of Service Industry Management* (1990)) and *Journal of Service Research* (1999) were created (together with many service sector specific journals in, for example, banking, tourism, hospitality and retailing), and a number of conferences now cater specifically for service research – *QUIS*[1] (biennial since 1988), *La Londe Service Management* (biennial since 1990) *Frontiers in Service* (annual since 1992) and *AMA Servsig International Research Conference*[2] (biennial since 1999).

It is also evident that external environmental changes have driven the research agenda.

First, the role of services in many economies has increased significantly. Rathmell (1966, p32) highlighted this trend when he observed that ". . . services represent an area of activity that accounts for 30 to 40% of consumer dollar expenditure!" Even then, with that percentage, there was a solid argument to undertake serious research in the marketing of services. By the twenty-first century, services account for 60–80% of GDP and employment in many developed economies, and so the marketing of services has even more

resonance with economic and social activity. Second, the accessibility of information and communication technology (ICT), for *consumers*, has resulted in changing consumer roles since the 1990s. Not only are there many e-services available that open up new options for consumers, but also consumers are, through ICT, more connected, informed, active and creative in creating their own experiences. Finally, the early academic contributions to service research were largely from the USA and Scandinavia, whereas by 2010, there is a much greater geographical and cultural spread of contributions.

The considerations above determined the decision as to how to structure this book: a structure based on the development *over time* of the sub-discipline of services marketing. It has been chosen, from a number of possible structures, because it demonstrates most clearly how theory and practice in services marketing are related to the changing economic, social and technological environments over time. To appreciate the early debates and discussions on the marketing of services, for example, it is essential to understand the move from goods/manufacturing-based to services-based economies, and the de-regulation of services in many developed economies. Equally, to understand the current debates surrounding the service-dominant logic of marketing, it is important to locate the potential co-creation activities of consumers within the context of the internet and mobile technology age. It also recognizes the contribution of Brown et al. (1994) who used an evolutionary metaphor to explain the early stages in services marketing research. They designated the pre-1980 period as the 'crawling out' stage, the period from 1980 to 1985 as the 'scurrying about' stage, and the period from 1986 to 1994 as the 'waking erect' stage to reflect the early developments of the sub-discipline.

The structure of the book, in four volumes, is summarised in Table 1

Some papers, especially summaries and reviews of the services marketing sub-discipline, cut across the time periods associated with the volumes. Choice of papers and articles, however, is based primarily on how they fit the volume titles in the third column of Table 2. All papers, cited in the following reviews of Volumes I to IV, are included in the book. While the reviews locate the papers according to chronology and sub-themes, it is strongly advised that the original papers are read in order to gain depth of understanding of the issues that are covered.

Volume I The Development of Ideas for the Marketing of Services (pre-1986)

Papers in this volume demonstrate the origins of research into service(s). Many of the papers are conceptual, although there are signs that, in order to ensure acceptability of services marketing as an important and intellectually coherent sub-discipline, measures of key constructs, in line with Churchill (1979), were becoming a priority.

Table 1 Structure of the book

Volume	Indicative time period	Volume title	Brief summary
I	Pre-1986	The Development of Ideas for the Marketing of Services	This is the period that covers the 'Crawling Out' and 'Scurrying About' evolutionary stages, as identified by Brown et al. (1994). Papers, in this period, were generally written as a response to the paucity of ideas on the marketing of services. To establish credibility, many papers, now regarded as seminal, argued that services were different form goods, and so the marketing of services must be treated seriously in its own right and not simply an 'add-on' to goods marketing.
II	1986–1995	The Creation of the Sub-Discipline of Services Marketing	This period is similar to that which Brown et al. (1994) labelled the 'Walking Erect' stage. Services Marketing became recognised as sub-discipline of Marketing, and began to create its own 'boundaries'. Included within the sub-discipline were themes such as 'service encounters', 'service design', 'service quality', 'customer satisfaction', 'internal marketing', and 'relationship marketing'. Many important papers on these themes were published in this period.
III	1996–2003	A Focus on Customer Experience and the Changing Roles of Customers and Consumers	Perhaps the largest single factor affecting services marketing in this period was the access to, and use of ICT by *consumers*. Not only were self-service technologies becoming alternative service possibilities for customers across a range of different services, but both customers and consumers, through electronic and mobile access to more information and to peers, were creating new encounters and experiences. Many papers published in this period chronicled changing consumer experiences brought about by technology.
IV	2004–present	Towards a Unifying Marketing Approach through Service	The start of this period is defined by the publication of the first paper on the service-dominant logic of marketing (Vargo and Lusch 2004a). The debates and discussions on the s-d logic (and the parallel new discipline of service science) are likely to be very important for the next decade, as academics and practitioners are seeking marketing logics and theories (based on *service*, singular) that eliminate divisions between goods and services, and between B2B and B2C. There are already some very thought-provoking papers on these issues.

Characteristics of Services

One of the issues engaging authors in this period was how, and to what extent, services are different from goods, and what new concepts could support theory and practice of services marketing. The early pioneers established what became known as the *characteristics of services*: intangibility, heterogeneity, inseparability, perishability (IHIP). The IHIP characteristics became 'received wisdom' according to later commentators (see Lovelock and Gummesson, 2004, Vargo and Lusch, 2004b). That services are intangible was widely recognised, although Shostack (1977, p73) forcefully observed that "it is wrong

to imply that services are just like products "except" for intangibility . . . Intangibility is not a modifier; it is a state" Heterogeneity of services was based on the notion that services were delivered by people (the service providers) to people (the customers), and, as such, was inherently variable, given the different activities and perceptions of people. Inseparability, sometimes called simultaneity, or the production/consumption interaction, refers to the fact that services are consumed as they are produced, unlike goods where production and consumption are separate. Perishability, also known as the time-bound property of services (Lovelock and Young, 1979), implies that services cannot be inventoried. An appointment with a dentist, for example, at a given time and day, cannot be stored and used later if the patient misses it. Having identified, and to a large extent agreed on the IHIP characteristics of services, authors focused on their implications for delivering and marketing services.

Intangibility

Intangibility brought with it increased risk for the customer, especially if purchasing a service for the first time with little or no prior experience of the service or service provider (Blois, 1974). Unlike physical goods which can be seen, touched and evaluated in advance of purchase and consumption, services can only be evaluated during consumption. Thus, it was argued that service providers should concentrate on emphasising the tangible aspects of a service, including the physical environment in which the service takes place, as a risk reduction strategy (Shostack, 1977). These ideas were developed later through papers that explore 'servicescapes' (Bitner, 1992; Wakefield and Blodgett, 1994; Sherry et al., 2001).

Heterogeneity

Heterogeneity of services was believed to be problematic, as it implied a lack of control over what was being offered. Whereas, with physical goods, the factory systems and operations, and quality control mechanisms, could largely eliminate variability in the 'product', the person-to-person interactions that characterised service encounters meant that standardisation of services was difficult to achieve. Standardisation of services was considered a desirable goal, and so a 'factory' metaphor was often employed; efficiency, productivity and process became part of the language of services (Lovelock and Young, 1979; Chase, 1981; Shostack, 1984). As part of the inherent variability, attention focused on contact personnel; those employees that interact with the customer during a service encounter. Therefore both the operations and human resource management functions were brought together in a desire to make services more homogeneous. Grönroos (1978, p594) drew attention to the

"internal marketing task of services firms", a theme that has been taken up by many authors (for example Bowen and Lawler, 1992; Rafiq and Ahmed, 1993; Lings, 2004). A 'theatre' metaphor was also applied to services, to explore roles and scripts of employees and customers during service encounters (Solomon et al., 1985). However, the notion of service as theatre later became a framework that sought to emancipate service employees rather than restrict them to standardised, inflexible 'scripts' (Baron et al., 2001).

Inseparability

Inseparability of consumption and production was seen to have a number of implications for service organisations especially as it is recognised that the customer contributes to, and participates in the *production* of the service. Indeed the acknowledgement of customers as co-producers has informed service research throughout its existence and became a key component of the service-dominant logic of marketing when it was first outlined (Vargo and Lusch, 2004a). Lovelock and Young (1979) advise that organizations developing service innovations, particularly those that aim to increase efficiency, must understand the customer input to the service process. Indeed, they argue that managers should consider how to involve customers more in the production in order to increase productivity. Thus, customers may be considered as 'partial employees' in service production, and so may need a similar kind of training and reassurance to play this role as is normally offered to service employees (Bowen, 1986). Carman and Langeard (1980) examine growth strategies of service organizations and conclude that the inseparability characteristic of services has implications for strategic planning. They point out the effect that inseparability has on the achievement of adequate quality control systems, and how this, in turn, limits market expansion through models that exploit standardisation.

Service Quality

The issue of service quality, therefore, became a serious focus of research in this period (and one that continues into the twenty-first century). Grönroos (1984) and Parasuraman et al. (1985) offered models of service quality that recognised the particular quality issues that arise through the inseparability of production and consumption, and the customer role as co-producer. Systems of quality control for goods, which are applied in the factory, out-of-sight of the customer, were deemed inappropriate for services, and so new models and frameworks needed to be developed. In both of the papers above, service quality is taken to be that which is *perceived by customers* when comparing their expectation of a service with the actual service performance. So they were developing models of perceived service quality. Given this basis, research

concentrated on identifying the influencers or determinants of service quality, including the factors that drive customer expectations.

Grönroos (1984) identified two service quality dimensions which he defined as technical quality and functional quality. Technical quality is *what* the customer receives, whereas functional quality is *how* the customer receives the service. The former is more related to the instrumental performance of the service, and the latter to the interactive elements of the service performance, which are largely the responsibility of contact personnel. These two dimensions, mediated by company image, enable customers to evaluate actual service as compared with their service expectations. In forming expectations, Grönroos identified external factors such as tradition, ideology and word of mouth, as well as company efforts such as advertising and promotion, as contributory factors. He also emphasised the potential gap between company promises, through advertising, promotion and pricing, and actual company service performance.

In a paper published a year later, Parasuraman et al. (1985) offered their gaps model of perceived service quality – a model that has been reproduced in most services marketing texts in the following 25 years. Like Grönroos (1984), it has a focus on the gap between expected service and perceived service (labelled gap 5 by Parasuraman et al.), and on what are the antecedents of expected service (which they identify as word of mouth communications, personal needs and past experience). However Parasuraman et al. (1985) go on to identify four further gaps that, in combination, contribute to gap 5. They are:

- Gap 1: Customer expectation-management perception gap;
- Gap 2: Management perception-service quality specification gap;
- Gap 3: Service quality specifications-service delivery gap;
- Gap 4: Service delivery-external communications gap (similar to the promises-performance gap identified earlier by Grönroos).

The attraction of Parasuraman et al.'s (1985) gaps model is that it provided managers with clear directions as to how to improve service quality by identifying and closing undesirable gaps. The other important development in this paper was a detailed elaboration of the determinants of perceived service quality based data gathered from focus groups of customers from four types of services: retail banking, credit card, securities brokerage and product repair and maintenance. Ten determinants of service quality were identified, which were later collapsed into the RATER dimensions of service quality (Responsiveness, Assurance, Tangibles, Empathy, and Reliability) (see Parasuraman et al. 1988). The two papers by Parasuraman et al. (1984, 1988) led to an explosion of papers on service quality, and its measurement, in all types of services all over the world. The interest, however, also threw up the similarity between conceptualising perceived service quality (the gap

between perceived service and expected service) and conceptualising customer satisfaction (the expectancy disconfirmation model which focuses on the gap between performance and expectations) (see Oliver, 1980 for a theoretical perspective, and Conant et al., 1985 for an application of the model). This led, in later years, to debates on whether perceived service quality drives satisfaction, or whether satisfaction drives perceived service quality. Certainly, with regard to twenty-first century developments, the academic community has clearly taken the former view (see, for example, Dagger and Sweeney 2006).

Perishability

The perishability characteristic of services highlights issues surrounding the matching of supply with demand for services. In periods where supply exceeds demand, valuable time-bound service opportunities are lost and cannot be redeemed (e.g. empty airline seats, empty hotel rooms, at certain times). Conversely, when demand exceeds supply, at peak periods, customers experience queueing, waiting and crowding that may result in perceptions of poor service. Lovelock (1983, p10) identified "What is the nature of demand and supply for the service?" as one of five questions that should engage strategic service managers. By classifying services according to a supply dimension (the extent to which it is constrained) together with a demand dimension (the extent of fluctuations over time), Lovelock offered a means for services possessing similar characteristics according to the two dimensions to learn from each other. The alternatives are to modify supply (e.g. hire extra staff in peak periods) or encourage different customer demand behaviour (e.g. offer discount prices in during periods of low demand). Noticeably, there have been few follow-up papers in the services literature on perishability, possibly because new initiatives on matching supply and demand are difficult to conceive.

Questioning the 4Ps Marketing Mix

Papers in this period questioned the appropriateness of the traditional marketing mix – the 4 Ps of product, price, place and promotion – for services. As research focused on service as a process (Shostack, 1984), the people dimension of services (Bowen, 1986; Solomon et al., 1985), and on emphasising the tangible evidence of services (Shostack, 1977), an extended services marketing mix was advocated, which became known as the 7 Ps – product, price, place, promotion, process, people and physical evidence. The 7 Ps became a symbol of how the marketing of services differed from the marketing of goods. Like the gaps model of service quality, it became a standard services marketing textbook chapter, and an easily remembered component of the increasingly popular sub-discipline.

Anticipating Future Research Areas

Within this volume are three other papers that anticipated issues that would gain greater importance over time. The paper by Holbrook and Hirschman (1982) could be considered well ahead of its time in that it highlighted, for the first time, the experiential aspects of consumption – a theme that underpins Volume III of this book, and which is key to both academic (e.g. the service-dominant logic of marketing) and practical (e.g. the patient experience, the student experience) activity in 2010. It should be read prior to the papers listed in Volume III. The paper by Bateson (1985), acknowledging the role of customer as co-producer, examines the choices that customers have for do-it-yourself services – ones that minimise the interactions with contact personnel – and how self-service options can increase service productivity. Although, in those days, self-service options were more limited, the identified issues of time (saving) and (lack of) control have resonance with consumer choice of e-services in the twenty-first century. The paper by Gummesson (1987) emphasised the importance of interactions and long-term relationships in services marketing, borrowing ideas from industrial (B2B) marketing and network theories. Again pointing out the inadequacies of the 4 Ps to marketing in general and services marketing in particular, Gummesson presented nine issues that challenged marketing of the time. Those concerning customer as co-producer, network-based relationships, internal marketing and relational quality are seemingly even more relevant now in considerations of relationship marketing and service science (for example, Chesbrough and Spohrer, 2006; Gummesson, 2009).

Volume I Overview

In summary, papers written in the 1960s, 70s and early 80s sowed the seeds for an explosion of services marketing research – on service encounters, service quality, service design, relationship marketing, internal marketing – and they are still extensively cited even in the twenty-first century. Most of the authors of these papers were publishing research well into the 1990s, and became important gatekeepers and directors of the research agenda in the sub-discipline they had helped to create (Grove et al., 2003).

Volume II The Creation of the Sub-discipline of Services Marketing (1986–1995)

In this period, as Brown et al. (1994, p22) observe, "services marketing became an established field within the marketing discipline" Not only were the themes of service quality, service encounters, service design, relationship marketing,

and internal marketing becoming popular and recognisably important, but also dedicated services marketing journals (*Journal of Services Marketing, International Journal of Service Industry Management,* and *Service Industries Journal*) gave research on these topics a greater chance of dissemination. Also in this period, there was a definite move towards empirically-based research, demonstrating the desire to collect data to test/support some of the conceptualizations in Volume I.

Service Quality: SERVQUAL

This move was most evident in the research undertaken on service quality. In the late 1980s, Parasuraman et al. (1988) published their paper on SERVQUAL, a suggested research instrument for measuring customer perceptions of service quality. It clearly met a need. Organizations wished to have guidance on how to measure and improve service quality as perceived by their customers. Following on from their earlier paper in 1985, Parasuraman et al. (1988), through their SERVQUAL instrument, gave explicit guidance as to how to measure expectations and perceptions (and hence the gaps between them) across the five RATER dimensions of service quality. The derivation of the SERVQUAL measurement scales was carefully demonstrated to comply with Churchill's (1979) advised approach for developing measures of marketing constructs, and so achieved legitimacy amongst the wider marketing community.

The SERVQUAL paper became one of the most cited services marketing papers (cited by over 5600 papers at the time of writing, according to Google Scholar). It spawned numerous replication studies: researchers and practitioners could easily adapt the SERVQUAL instrument to different service sectors and to different countries. It is still a useful basis for consultancy work on service quality in 2010. In this respect, Lewis and Mitchell (1990) provide a helpful review of how SERVQUAL links with the gaps model of service quality, and how to develop the SERVQUAL scales of measurement. The SERVQUAL paper also provoked academic debate that led to the original authors publishing a refined SERVQUAL scale in 1991, and other authors putting forward arguments that measures of performance only (a scale that was labelled SERVPERF) would result in more reliable estimates of service quality than that which measures both expectations and perceptions. The academic debate, which was largely on the technicalities of the measurement scales and the difficulties in measuring customer expectations, is detailed in a comprehensive summary of the theoretical and operational criticisms of SERVQUAL by Buttle (1996). From about the year 2000, it has been recognised that there is very little opportunity for additional, original research on SERVQUAL *per se*, but the advent of e-services has encouraged researchers to offer similar approaches to the measurement of service quality in cases where service is not delivered primarily by contact personnel (Parasuraman et al., 2005).

Value

Zeithaml (1988) also published a pioneering exploratory study that explored what consumers meant by quality and value. The data were collected with respect to physical goods (beverages) but the findings, especially those relating to value, had implications for service research of the future. In particular, she designated perceived value as a higher level of abstraction than perceived quality: perceived quality is one of several drivers of perceived value. Additionally, from a customer perspective, value was seen to have several meanings – low price, whatever the customer wants in a product, the quality received for the price paid, or what the customer gets in return for what he/she gives. It is not only customers who struggle with the meaning of value; a definition of the construct of value is proving elusive to academics, even as it is becoming centre-stage in the conceptualizations of the twenty-first century (Prahalad and Ramaswamy, 2004; Vargo and Lusch, 2008).

Interactions in Service Encounters

It was largely accepted, at this time, that the service encounter was more than just the dyadic interaction between a customer and service employee, and was, more generally, the period of time during which a customer directly interacts with a service. As such, customer interactions could be with contact personnel, with other customers, and with the physical setting (servicescape). This led to more detailed studies of these different types of interactions, together with studies that attempted to understand the 'total customer journey' (i.e. service design: visualizing and improving the service process).

Customer Interactions with Contact Personnel

One of the most comprehensive studies of the interactions between customers and contact personnel was carried out by Bitner et al. (1990). They used the critical incident technique (a technique that was to become increasingly popular in service research) by asking customers of airline, hotel and restaurant services to identify and describe in detail, in their own words, memorably satisfying and memorably dissatisfying incidents with the service provided by contact personnel of these service organisations. Through classification of the incidents, the authors found that the incidents were grouped around three main categories: the ability of contact personnel to respond appropriately to service failures (i.e. their role in service recovery), the adaptability of contact personnel to meeting customer needs, and the spontaneous behaviour of contact employees. By and large, these three categories accounted for underlying causes of both satisfying and dissatisfying incidents recounted by customers (for example, contact personnel providing good service recovery

was seen as source of satisfaction, whereas providing little or no service recovery was seen as a source of dissatisfaction). The management challenge was how to ensure that service contact personnel are able to deliver service recovery, be adaptable to customer needs, and have the empowerment to act in an appropriately spontaneous, and unexpectedly favourable, way in the service encounter. The relevance of the three categories was reinforced when the first two authors carried out parallel critical incident research with contact employees rather than customers, and found that many of their incidents could be categorised in the same classes. These findings have provoked future research on service recovery (e.g. Hart et al. 1990; Johnston and Fern, 1999), the application of improvisation from the theatre domain (e.g. Grove and Fisk 1992; Stuart and Tax, 2004), and employee empowerment (e.g. Bowen and Lawler 1992).

Customer-to-Customer (C2C) Interactions

Although it had been acknowledged that, for many types of services, customers are often in contact with other customers during the period of time that they interact with the service, the effect of customer-to-customer (C2C) interactions had not received much attention from services marketers, possibly because of the widely held belief that C2C interactions were beyond the control of management. This view was challenged by Martin and Pranter (1989) who focused on the compatibility or incompatibility of customers in a service setting and addressed the question "what can service marketers and operations personnel do to 'manage' or positively influence the way customers affect one another?" (p5). They identified managerial opportunities such as segmentation of customers, codes of conduct, layout of the servicescape and customer rewards, that may be applied to increase customer compatibility, and published a follow-up paper two years later to expand on these ideas. Martin and Pranter's (1989) paper paved the way for further research into C2C interactions (Harris et al., 1995; McGrath and Otnes 1995), although C2C interactions were still of less interest to service researchers than customer interactions with contact personnel or with the physical environment: that is, until ICT developments opened up the means for electronic C2C interactions in the late 1990s/early 2000s (see, for example, Wiertz and de Ruyter, 2007).

Customer Interactions with the Physical Setting

The paper by Bitner (1992) on interactions of customers (and service employees) with the physical setting in which a service takes place (which she termed the servicescape) provided, for the first time, a framework for understanding the impact of the servicescape on the behaviour of customers and employees. It also offered a classification of servicescapes according to two dimensions: physical complexity of the servicescape (lean or elaborate),

and on who perform the actions within the servicescape (customer only (self service), both customer and employee (interpersonal service), or employee only (remote service)). Overall, the findings that the servicescape provides a visual metaphor for the service offering, assumes a facilitator role in enabling (or hindering) the ability for customers and employees to carry out their roles, and acts as a signal to intended market segments, provided a catalyst for further servicescape research (Wakefield and Blodgett, 1994; Sherry et al., 2001). The servicescape became also a key component of twenty-first century research into customer experiences (Caru and Cova, 2003; Tynan and McKechnie, 2009).

Service Design

The notion of a customer journey, with multiple customer touchpoints with an organisation during service encounters, was the catalyst for research on the design of the service process. The instigator of this strand research was Shostack (1984, 1987) who developed the technique of service blueprinting. Here, the components of the service are identified, as seen through the eyes of customers, and represented as a process flowchart. Each component represents a customer touchpoint which can result in a potential service failure if the interaction at the touchpoint proves to be unsatisfactory. For the full blueprint, the service support systems for each component, together with their inter-relationships, which are normally out of sight from the customer, are drawn below the line of customer visibility. The full blueprint, therefore consists of the flowchart of the components of the process that are visible to the customer, supported by a visual depiction of the series of 'back-office' support systems for the customer journey (see Shostack, 1987). The service blueprint can be developed into a service map if more detail is required (Kingman-Brundage, 1991). The service blueprint/map technique can reveal more clearly the potential for service failure, and enable organizations to *plan* for service recovery. The customer journey approach is being applied in 2010 by practitioner organizations in, for example health (the patient journey) and higher education (the student journey), and has been adapted to apply to organizations that have multiple types of interfaces with customers, such as banks whose customers may interact with them at branches, by telephone or via the internet, each potentially offering a different kind of customer experience (Patricio et al., 2008).

Relationship Marketing

Relationship Marketing, or Customer Relationship Management (CRM) as it is often termed by practitioners, is not something that is exclusive to, or owned by, services marketers. However, it is deemed to be particularly relevant to services marketing given the interactive nature of service(s). Contributions to

relationship marketing in this period were largely forthcoming from the USA and Scandinavia (the 'Nordic school'). The US scholars focused on customer retention and loyalty, and on the drivers of successful relational exchanges. Two papers were particularly important in setting the research agenda. Dick and Basu (1994) differentiated between behavioural loyalty (for example, repeat patronage) and attitudinal loyalty (for example, relative attitude towards an organization or product) and, through examining the relationship between behavioural and attitudinal loyalty, identified four loyalty conditions – no loyalty, spurious loyalty, latent loyalty and (sustainable) loyalty. Their findings and observations provide a framework for follow-up research by many authors on strategies for achieving sustainable customer loyalty. Morgan and Hunt (1994) provided a theoretical underpinning for the importance of two key constructs – commitment and trust – for successful cooperation in networks of relationships. Many empirical studies in the 1990s and 2000s used these constructs in customer loyalty model developments. At the same time, academics and executives at the Harvard Business School were concluding that customer loyalty was the key to growth and profitability. Heskett et al. (1994) developed the service-profit chain, and, with it, a number of propositions about what drives customer loyalty. The service-profit chain was extremely popular with practitioners as it linked employee retention strategies with customer retention.

Members of the Nordic School forcefully posited relationship marketing as the new marketing paradigm (Grönroos, 1994; Gummesson, 1994); one that replaces the traditional, transactional view of marketing that is supported by the 4 Ps of the marketing mix. Indeed, Grönroos (1994, p354) asserted that ". . . the marketing mix paradigm and its four Ps finally have reached the end of the road as *the universal* marketing theory" (his emphasis), while Gummesson (1994), recognising earlier moves to extend the services marketing mix to 7 Ps, observed that "although the addition of Ps incorporates to some extent relationships and interactions into the marketing mix theory, relationship marketing provides a more radical paradigm shift" (pp81–2). The focus on relationships, networks and interactions by the Nordic School scholars, and future research on these features, provided foundations for many of the insights that, ten or more years later, became associated with the service-dominant logic of marketing and service science.

Internal Marketing

Networks of relationships and interactions include those that occur with employees *within* an organisation. Internal marketing, therefore, became an issue for service management, as well as for human resource management. There was a general recognition that contact personnel, as boundary spanners, had extremely important roles to play in maintaining good relationships with service customers, and so initiatives for employee empowerment

were advocated and investigated (Bowen and Lawler, 1992). It was logical to consider employees as internal customers and devote resources to 'serving' these internal customers, as, for example, was advocated with the service-profit chain propositions (Heskett et al., 1994). Using traditional marketing concepts and tools to satisfy the internal market was a further natural development. However, Rafiq and Ahmed (1993) urged caution with conceptualizations of internal marketing that followed such a line, especially noting the lack of freedom of choice of the internal customers in comparison with external customers. Developments in internal marketing that occurred in the subsequent ten years are summarised by Lings (2004).

Overview of Volume II

In summary, the period represented in this volume saw services marketing come of age with research themes such as service quality, service encounters, service design, relationship marketing and internal marketing being increasingly recognized as central to what was becoming a significant sub-discipline of marketing and management.

Volume III A Focus on Customer Experience and the Changing Roles of Customers and Consumers (1996–2003)

Papers written in this period acknowledged the (at the time, new) technology-mediated nature of service experiences. Although, many important papers were still being written on the issues covered in Volume II, the choice of papers in this volume is mainly dictated by those papers that anticipated the growth of e-services, and the changing roles and experiences of consumers. Also, as will be seen, although papers in this period engaged with a wider range of methodological approaches in order to gain a greater understanding of new phenomena, it was the beginning of an era of structural equation modelling (SEM) as the dominant, positivist, methodological approach (Baumgartner and Homburg, 1996). The widespread adoption of SEM was a mixed blessing. It is a development of the ideas of Churchill (1979) aimed at deriving better measures of marketing constructs. It has been meaningfully applied, explicitly and implicitly, to constructs relating to, for example, e-service quality (Parasuraman et al., 2005), technology acceptance (see Baron et al., 2006), consumer quality of life (Dagger and Sweeney, 2006), and knowledge contribution to on-line communities (Wiertz and de Ruyter, 2007), as will be seen in Volume IV. Yet, SEM has also, arguably, acted as a straightjacket, resulting in many journal papers and conference presentations offering little more than minor modifications to theory and replications of earlier findings.

Experiences and the Experience Economy

One of the main catalysts for research on the customer experience was the paper by Pine and Gilmore (1998), followed by a book by the same authors one year later. Their view, that the end of the twentieth century had seen the emergence of an 'experience economy', captured the imagination of academics and practitioners alike. A key assertion that they make is that organizations should move from delivering services to *staging experiences*; an experience being something that is *memorable*. By staging experiences, they maintain, organizations can provide differentiated offers for which they can charge a premium price. Their views are based on the premise that organizations can design memorable experiences, and guidelines are given: organizations should theme the experience, harmonize impressions with positive cues, eliminate negative cues, mix in memorabilia, and engage all five senses.

Pine and Gilmore's views, however, were not universally accepted, and discussions about the nature of experience ensued. Caru and Cova (2003) regard the Pine and Gilmore approach, rooted in the North American tradition, as adopting a highly operational view of experiential marketing. They criticize such an approach because it suggests that experiences are seen as something that the market offers, and furthermore are primarily regarded as extraordinary or memorable. They argue that experience is a personal occurrence, and an "individual's daily consumption is made up of a consumption experience that can occur with or without a market relation" (Caru and Cova, 2003, p276), and that "each consumption experience is not necessarily memorable or unforgettable" (p277).

More than ten years after Pine and Gilmore's (1998) paper, Tynan and McKechnie (2009) acknowledged that there is still a ". . . lack of clarity in the marketing literature with regard to what exactly constitutes an experience" (p502). They attribute the lack of clarity to the divide between practitioners and academics on the issue, rather than it being specifically related to nationally based traditions. Practitioners, often guided by management consultants, tend to focus mainly on the moments that customers interact with the organization and prefer steps-based advice on how to make those moments memorable. The academic approach, in contrast, additionally examines the pre-experience and post-experience as part of the overall customer experience. Tynan and McKechnie (2009), as with Caru and Cova (2003) before them, highlight the fundamental importance of C2C (experience) interactions in contributing to customer experiences.

Service Theatre

The reference by Pine and Gilmore (1998) to *staging* experiences invoked once more the theatre metaphor of service(s), and, as a result, other authors sought to develop ideas emanating from the metaphor. Baron et al. (2001)

focused on how different theatrical movements could create different intended effects, and therefore experiences, on audiences, and offered models for translating insights from theatre productions and performances to retail services. Sherry et al. (2001) focused principally on the setting in which service takes place, and, through an extensive ethnographic study, give a detailed account of how the design of a theme-related retail environment can affect customer loyalty and the level of customer (audience) participation. Stuart and Tax (2004) examined what theatre could offer in guiding service performance excellence, through analysing a particular theatrical production, a play, and focusing on its choice, design and development.

Technology-based Service

The rapid developments of ICT during this period, especially the increased access by customers to the Internet, resulted in the need for research on technology-based services. As customers engaged more with technology-based systems, it was recognised that such interactions would play a greater part in their experiences. In a critical incident based survey, Meuter et al. (2000) sought to assess customers' levels of satisfaction and dissatisfaction with self-service technologies (SST), through applying a similar classification process to that which was adopted by Bitner et al. (1990) when considering interpersonal service encounters. Meuter et al. (2000) classified satisfying incidents with SST as those which solved intensified needs, those that were better than alternatives, and those that did their job. They classified dissatisfying incidents as those involving a technology failure, those involving process failure, those involving poor design, and those that were customer-driven. Two key findings from this study were the asymmetric causes of satisfaction and dissatisfaction (unlike the case with interpersonal encounters where the same features could result in either satisfaction or dissatisfaction), and the lack of similarity between the customer-perceived causes of SST (dis)satisfaction and interpersonal encounter causes of (dis)satisfaction. These findings spurred a number of related studies of reasons for customer (dis)satisfaction with SST in general, and in specific contexts such as e-retailing and e-banking. At the same time, it was recognised that satisfaction is a multi-faceted construct that customers find great difficulty in articulating (Parker and Mathews, 2001).

The Internet and Its Effect

It became evident, also, that interpersonal service encounters were being affected by the ability and willingness for consumers to seek information through the Internet. In the 1980s, customer encounters with professional service providers (doctors, accountants, solicitors, etc.) were characterized by the asymmetry of specialist knowledge; the provider had the specialist knowledge which the customer accepted. However, in the late 1990s, customers of

professional services were beginning to challenge the advice of professional service providers, based on information they had obtained through the internet and more accessible social networks. In the context of healthcare services, Hogg et al. (2003) found that ". . . the ability of consumers to access information comparable to that available to professionals fundamentally changes the format and dynamics of the service encounter" (p485), and that the doctor had become just one of the advisors used by consumers in their health problem-solving activities. Such findings provided evidence of support for subsequent contentions that consumers were becoming more active, connected and informed, and playing a more significant role in the co-creation of value (Prahalad and Ramaswamy, 2004).

Dysfunctional Behaviour in Service Encounters

Other aspects of interpersonal service encounters were also being re-assessed. The assumption that both the contact personnel and customers were motivated to produce favourable service outcomes was questioned, as evidence came to light of deliberate, dysfunctional behaviour by both parties. Deviant, anti-service behaviours of contact personnel, or service sabotage as it became known, were highlighted by Harris and Ogbonna (2002). They identified four antecedents of service sabotage behaviour: individual factors (for example, personality traits); group and role factors (for example the nature of work); firm factors (for example, surveillance techniques); and environmental factors (labour market conditions), and explored the consequences for employees, service performance and firm performance. This exploratory study led to a steady stream of research on service sabotage that is increasing in momentum, and gaining much attention at the time of writing. It clearly offers a different slant on internal marketing to that which represented the mainstream at the time (Lings, 2004).

In parallel, studies on deliberately dysfunctional customers (labelled as 'jaycustomers') outlined the consequences of their actions for contact personnel, other customers and service organizations (Harris and Reynolds, 2003). In particular, such studies revealed the propensity for all customers to exhibit dysfunctional behaviour on some occasions (i.e. it is not just a minority, or segment, of badly behaving customers), and that transparent organizational service recovery policies (compensation, automatic product returns) were being systematically abused by some customers. The latter finding was of considerable importance as planning for service recovery is a recommended strategy for organizations in their quest for creating and enhancing customer loyalty (Johnston and Fern, 1999). The notion of 'customers behaving badly' is also a theme that is receiving much greater attention by the academic community in 2010, especially given the increasing access by customers to information and peer experiences.

Customer Equity

The technological advances of the time resulted in organizational relationship marketing and CRM initiatives aimed at personalising customer service, given the widespread availability of customer databases. This, in turn, led to a focus on attempting to increase customer lifetime values (CLV). In a series of papers, Rust and colleagues (see, for example, Hogan et al., 2002) put forward the concept of customer equity management as a response to perceived difficulties with the data management associated with CRM systems. Paralleling the notion of brand equity, customer equity is proposed as a combination of the value of extant customer assets, together with the value of future customer assets (measured through CLV). Hogan et al. (2002) acknowledged that the customer equity approach to marketing was in its infancy. That is probably still the case at the time of writing. However, their assertion that "The firm's tangible assets . . . are valuable only to the extent to which they enhance the combined value of the firm's customer assets or customer equity" (p7) has much resonance with later work on consumer operant resource integration that is a fundamental component of subsequent deliberations on the service-dominant logic of marketing (See, for example, Arnould et al., 2006; Baron and Harris, 2008).

E-service

For many of the reasons above, e-service became a central element of the strategies of a large number of organizations. In several cases, this is underpinned by how service is to be delivered through the world-wide-web. Voss (2000) addresses this issue and puts forward practical guidelines for organizations on what might constitute outstanding service on the web, what is expected by web users, how to prepare for e-service, and how to implement an e-service strategy. The paper offers advice rather than discussion points, but does capture many of the issues of the time. The webpage, nowadays, is a first point of contact that a customer has with an organization, and so webpage design became a major feature for practitioners, and spawned some later academic research on what was referred to as the electronic servicescape.

Questioning the IHIP Service Characteristics

Finally, in the period covering Volume III, there was evidence of a growing discontent with some of the fundamental building blocks of earlier services marketing concepts. This is epitomized by Lovelock and Gummesson (2004) who reject the contention that the IHIP characteristics are what make services different from goods. Instead they propose that it is the fact that ". . . services offer benefits through access or temporary possession, instead of ownership" (p20) that should provide the lens through which to view services. In their

search for a new paradigm that encompasses both goods and services, Lovelock and Gummesson (2004) include the notion of services as a means of sharing resources – a theme that is later captured in the service-dominant logic of marketing, which is the starting point for the next volume.

Volume IV Towards a Unifying Marketing Approach through Service (2004-present)

Service-dominant Logic of Marketing: Foundational Premises

This volume reflects the advances in service(s) research since 2004. The year 2004 was chosen because this was when the first paper on what became known as the service-dominant (s-d) logic of marketing was published (Vargo and Lusch, 2004a). While, clearly not all research post-2004 draws on the s-d logic, there is little doubt that it has had a large influence on research directions. In what was a very unusual move, the editor of the *Journal of Marketing* not only published the Vargo and Lusch (2004a) paper, entitled "Evolving to a New Dominant Logic of Marketing", but also published invited commentaries from eight leading-edge academic marketers immediately following the paper. There is little doubt that this elevated the status of the paper. Not only is the content of the paper challenging to marketers, and therefore the basis for vigorous debate, it was seen by the commentators to have profound implications for theory and practice of marketing. The subsequent debate brought about developments and changes to the premises (labelled foundational premises, FPs) of the logic (Lusch and Vargo, 2006; Vargo and Lusch, 2008), so that by 2008, the s-d logic was underpinned by ten FPs:

FP1:   Service is the fundamental basis of exchange
FP2:   Indirect exchange masks the fundamental basis of exchange
FP3:   Goods are distribution mechanisms for service provision
FP4:   Operant resources are the fundamental source of competitive advantage
FP5:   All economies are service economies
FP6:   The customer is always a co-creator of value
FP7:   The enterprise cannot deliver value, but only offer value propositions
FP8:   A service-centred view is inherently customer orientated and relational
FP9:   All social and economic actors are resource integrators
FP10: Value is always uniquely and phenomenologically determined by the beneficiary.

Vargo and Lusch (2008) provide detailed explanations of the FPs. However, it is worth highlighting some of the key issues raised by the s-d logic via its foundational premises. First, and most importantly, the authors are putting forward a logic, or mindset, that encompasses all of marketing, and are very careful to point out that it is a service (singular) not a services (plural) logic.

They are striving for an overarching set of premises that apply to goods as well as services (and to B2B marketing as well as B2C marketing). In other words, the goods versus services debates are deemed as inappropriate as emphasised through FP1, FP2, FP3 and FP5. Second, the importance of operant resources (the intangible resources e.g. skills, knowledge, capabilities, imagination, that produce effects), and how they are used and integrated, *by both organizations and consumers*, is emphasised by FP4 and FP9. Third, value is seen as 'value in use' and is co-created, not determined by organizations which offer only value propositions (FP6, FP7 and FP10). Finally, networks, interactions and relationships (as advocated earlier by the Nordic School) underpin a service-centred view (FP8).

Service-dominant Logic of Marketing: The Ongoing Debate

Many commentators have suggested that, individually, the ideas outlined in the s-d logic are not necessarily new. Some, for example Brown (2007), are extremely sceptical about the contribution of the s-d logic of marketing, and especially of the fanfare which accompanied the 2004 paper. However, there seems to be general agreement that, through the ten FPs above, the s-d logic of marketing has channelled informed debate on how marketing theory and practice can adapt to the twenty-first century environment faced by organizations and customers. Ballantyne and Varey (2008, p11), for example, assert that Vargo and Lusch "have succeeded in applying their scholarly thinking to old themes with synergistic results. Their thesis challenges marketing orthodoxy, and will in our view support much future innovation in both theoretical and practical terms". The marketing orthodoxy belatedly acquired the label 'goods-dominant logic' to contrast it with the s-d logic.

The debate provoked by the s-d logic is healthy and has both its advocates and detractors. Arnould et al. (2006) linked the s-d logic with consumer culture theory (Arnould and Thompson (2005), specifically with a view to providing additional insights into the resources of consumers. Chesbrough and Spohrer (2006) were developing arguments for a service science discipline that adopted a similar mindset to that of the s-d logic. Many authors began to focus on value co-creation, following the ideas of the s-d logic, and those of Prahalad and Ramaswamy (2004). However, Cova and Dalli (2009, p334) accuse the s-d logic of trying "to create/construct an ethereal marketscape in which consumers and producers live in harmony". Consumers, they argue, may be doubly exploited by first creating and co-creating value, and then being asked to pay for the outcome. Brown and Patterson (2009) urge for empirical research into the s-d logic, and caution against a widespread acceptance of its foundational premises until they are tested more rigorously. Following a longitudinal study on the Harry Potter phenomenon, they conclude that "the transition from goods-dominant to service-dominant logic is much more

ambiguous, more nebulous, more fractious than spokespersons for SDL imply" (Brown and Patterson, 2009, p530).

Service-dominant Logic of Marketing: Methodological Approaches

It is the case that many of the papers on the s-d logic, in the four years between 2004 and 2008, were conceptual in nature (Vargo and Lusch 2004a, 2004b; Lusch and Vargo 2006; Arnould et al., 2006; Ballantyne and Varey, 2008; Vargo and Lusch, 2008). It will be very interesting to see whether subsequent empirical work on the s-d logic, and its constituent parts, is carried out through formal structural equation modelling, or whether, by its very nature, s-d logic encourages more interpretive research approaches in keeping with the need to understand consumer experiences in practice implied by FP10. Indeed, Gummesson (2009) has accused the proponents of the goods-dominant logic of marketing, based on economic models, as ignoring complexity and relying on "a simplified world of statistics" (p119). It is noticeable, for example, that empirical work involving case study approaches (Baron and Harris 2008; Rosenbaum 2008; Brown and Patterson, 2009) and consumer introspections (Baron et al., 2006) can provide insights on consumer experiences and value co-creation. So, maybe, s-d logic has provided a catalyst for greater innovation in marketing and consumer research methods.

ICT and Consumer Experiences

Following on from Volume III, information and communication technology was increasingly becoming an integral element of consumer experiences. In developed countries, mobile (cell) phone ownership and household personal computer ownership became the norm, rather than the exception. Text messaging, instant messaging, blogging and social networking became part of daily life, especially for younger consumers. In tandem, research on consumer acceptance and use of technology became important for consumer experience research as well as for e-service research. Technology acceptance models that had been devised for understanding organizational acceptance of new technologies were being adapted to identify antecedents of consumer technology acceptance (see Baron et al., 2006). Technology paradoxes were identified: for example, email could be both a time saver and time waster. The paradoxes posed problems for measuring constructs such as 'perceived usefulness' that were routinely put forward as drivers of technology acceptance. In the context of mobile technology, Jarvenpaa and Lang (2005) contend that consumers confronting technology paradoxes are affected emotionally as well as functionally. Furthermore, the role of the people-linking facilitation offered by technology (mobile phones, in this case) requires further research in order to increase understanding of C2C interactions and relationships.

Online Consumer Communities and Social Networks

The period covered in this volume saw the advent and subsequent importance of online consumer communities and social network systems; facilities that, according to Prahalad and Ramaswamy (2004), have contributed to the view that consumers of the twenty-first century are more active, connected and informed than their twentieth century predecessors. As Wiertz and de Ruyter (2007) specify, firms can, and do, host online communities as an additional service channel, where knowledge contributions largely consist of customers interacting to solve each other's problems. It is, however, recognised that firms or organizations need to tread carefully when having a presence in what customers may claim is their 'space'. Wiertz and de Ruyter (2007, p370), through a survey of over 200 online community members, found that "firms need to understand that their online communities must and will develop a life of their own" and that a host firm should "respect that and make sure it keeps interference to a minimum". This is a dilemma faced by many organizations which perceive great opportunities with consumer networks and want to be a part of them, and even control and manage them.

The social network website is a twenty-first century phenomenon which has changed the interactions, relationships and networks landscapes, through the increased opportunities for C2C interactions. Recent statistics demonstrate the popularity of social network sites. According to eMarketer (www.emarketer.com), 15.4 million (39%) of UK internet users interacted by using a social network once a month in 2009, and it is estimated that the figure will rise to 21.9 million (50%) by 2013. On a global scale, the CNET News social networks rankings in February 2009 showed that the three most popular sites had monthly visits as follows: Facebook; almost 1.2 billion, MySpace; over 800 million; Twitter; over 50 million. YouTube statistics show that 78.3 million videos were uploaded in March 2008. Boyd and Ellison (2008), amongst others, present findings that demonstrate that the majority of interactions, on the social network sites above, support pre-existing social networks: they are not, used primarily to seek friendships with strangers. This again places organizations that wish, for example, to create a Facebook page to be privy to a rich source of consumer experience exchange, in a difficult position; they may be seen as an unwanted stranger in a consumer domain. Research on social networks is still in its infancy, and is gaining greater prominence, at the time of writing, in academic service conferences.

Customer Communities and Service Settings

Although there has been a focus in this period on online communities, innovative research is still being carried out on community activity in physical service settings. Rosenbaum and colleagues (see, for example, Rosenbaum (2008)) identify service settings, such as coffee bars, pubs, gymnasiums,

libraries, diners and video arcades, as those where customers regularly meet other customers and form communities that offer social support for each other. The social support is shown to contribute to the well-being of the community members, and to the financial outcomes of the organizations providing the meeting spaces. There are other signs of a greater emphasis on social or societal outcomes, such as customer well-being and quality of life. Dagger and Sweeney (2006), for example, recognise the social outcomes of customer service, and, in the context of healthcare services, demonstrate that service quality and service satisfaction enhance customer quality of life perceptions. It is likely that well-being and quality of life of customers will become important outcome measures as a result of a greater number of studies incorporating the notion of co-creation of value.

Multi-interface Service Design

Service design, one of the mainstays of the services marketing discipline, is still important, but has been taken forward to account for ICT skills of consumers, and the focus on customer experiences and customer co-creation activities. Patricio et al. (2008, p320) maintain that ". . . the objective of service providers shifts from producing offerings targeted to existing customer preferences to designing service settings and orchestrating service clues that enable customers to cocreate unique experiences". They provide guidelines for designing multi-interface service experiences, which acknowledge customer choices in creating their own experiences – for example, in choosing how to manage their personal finances through combinations of branch, telephone and internet banking – and address the issues that technology-enabled services raise for service providers.

Intercultural Service Encounters

Advances in ICT, and large increases in international tourism, mean that both customers and employees now have far greater opportunities to interact with people from different cultural backgrounds. They also imply that service theory and practice developed in parts of the world, for example North America and Europe, may not necessarily apply in other continents. Additional conceptualizations may be needed to properly recognise *intercultural* service encounters. Rather than trusting the outcomes of intercultural service encounters to chance or to employee creativity, Sharma et al., (2009) offer a conceptual framework that places emphasis on how organizations deal with perceived cultural distance between employee and customer, intercultural competencies of employees, and shared understanding of employee-customer roles. This takes earlier work on service encounters (Solomon et al., 1985) into an international arena; one that is becoming increasingly common.

Overview of the Book

The papers in this book reflect the evolution of the service(s) marketing discipline over a period of more than forty years. The four volumes represent what I believe to be key episodes in the evolution: the development of ideas for the marketing of services (Volume I), the creation of the sub-discipline of services marketing (Volume II), the focus on customer experience and the changing roles of customers and consumers (Volume III), and the move towards a unifying marketing approach through service (Volume IV).

Through the evolution, research issues have changed or been adapted. Table 2 gives a summary of those issues engaging scholars in the early days of service research with those that have been identified in 2010.

The last episode (Volume IV) is not yet complete in my view, and so this overview finishes with some thoughts on how it may develop, and what might follow.

The s-d logic of marketing is engaging academics all over the world. There are more journal special issues planned on the topic, and there appears to be a general desire to carry out empirical research to complement the current conceptualizations, and to gauge the reactions of practitioners to its premises and implications. In keeping, there is a groundswell of opinion that favours a title of service marketing, rather than services marketing. It is probable that more empirical studies will incorporate methodologies that are qualitative in nature as a means of gaining deeper insights of consumer experiences and practice. Equally, contributions to the development of the s-d logic, the concept of service science, and service management in general, will be forthcoming from all over the world, with a greater proportion of new thinking emanating from Asia, Australasia and Africa. Academic service conferences regularly attract delegates from 25 or more nationalities, and journals that have a truly international policy for publications are likely to achieve more influence.

Table 2: Comparison of service research issues – 1960/70s with 2010

Issues engaging service marketers in the 1960s/70s, based on Rathmell (1966), Blois (1974), Shostack (1977), Grönroos (1978)	Issues engaging service marketers in 2010 (Ostrom et al. 2010)
• Growing service sector (including government and public services) not acknowledged by corresponding research effort • How to deal with increased perceived risk associated with services • Is there a goods/services continuum? What about products that are mix of goods and services? • What characteristics distinguish services from goods? • Lack of text book reference to services • Both in theory and practice, the marketing mix (4Ps) seems inadequate for services • The need for new concepts for services marketing	• Fostering service infusion and growth • Improving well-being through transformative service • Creating and maintaining a service culture • Stimulating service innovation • Enhancing service design • Optimizing service networks and value chains • Effectively branding and selling services • Enhancing the service experience through cocreation • Measuring and optimizing the value of service • Leveraging technology to advance service

Table 2 contained a list of ten priorities for service research in 2010, taken from Ostrom et al. (2010). It represents a summary of research undertaken by the Center for Services Leadership at Arizona State University, USA, based on interviews with, and online surveys of more than 200 academics from 32 countries and 95 business executives located in eleven countries. The research priorities in the second column of Table 2 are explained and expanded upon in Ostrom et al. (2010), and are said to have the potential to shed ". . . light on the areas of greatest value and potential return to academia, business and government" (p4). Underpinning the ten research priorities are six broader themes that are likely to influence the service research agenda of the future:

- the need to study service from an interdisciplinary perspective – a basic tenet of the service science approach;
- the need for theories and frameworks to provide the impetus to 'move forward' – the s-d logic currently being the most popular framework of those consulted;
- the importance of taking a global perspective on service(s);
- a focus on B2B services – reckoned to be under-represented;
- the need for research focusing on quality of life and well-being – linked to notion of transformative service; and
- a focus on the implication of technology for service strategy, development and execution.

Given that the themes and priorities emanate from one of the leading academic service research institutions, working in conjunction with other top schools, it is likely that they will become the nucleus of a research agenda for the foreseeable future, especially as the themes and priorities logically follow the four defined episodes of services marketing which have been chronicled above.

I hope that, through the choice of papers in this book, and a structure that links the past research in services marketing to the present, you will be encouraged to take an innovative approach to current research agenda, and one that includes a confident knowledge of the body of literature that has brought service research to the position it now occupies.

Notes

1. QUIS – Quality in Service.
2. AMA Servsig – American Marketing Association Services Special Interest Group.