SERVICE DESIGN

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ABSTRACT

To gain excellence in customer satisfaction something extra is needed in addition to applying good strategy. Successful implementation of strategy requires craft, methods and skills to bind customers in strong ways. Service design provides a well-built toolbox to assist organizations in tackling internal challenges, creating a new customer experiences and building business values. The approach of service design focuses on human elements while developing services. It makes it easy for organizations to see the whole picture from the point of view of customers. And while executing it in real time, it provides tools to design every little interaction between the customer and the business in a consistent way across the organizations. Service design brings a host of tools that enable businesses to understand customers' experiences on a deeper level. From depth interviews and observation to creative customer workshops, these methods enable organizations to understand why people don't behave the way they say – and even find the next big idea.

Bringing deep customer insight into the organization yields a potent fuel for teams to break through silos and align their efforts. The ultimate result is the shared understanding required to deliver experiences that engage, connect and enable valuable customer relationships across channels.

INTRODUCTION

Service design consists of conceptual design that includes activities of planning and organizing people, physical and organizational structures and facilities (e.g. buildings, roads, and power supplies), communication and material elements of a service for improving its quality and the way customers interact with the service provider. It works as a way to communicate changes to an already existing service or generate an altogether new service. The system of methods of service design is to set up best practices for designing services which can meet needs of customers as well expertise of service providers. An effective

method of service design can make it user-friendly
and suitable to the customers, while being viable and giving competitive advantage to the service provider. To make this happen a service design must use methods and tools acquired from different fields; like anthropology, information technology and management science. Service design concepts and ideas are generally shown visually, with the use of numerous presentation methods in consonance with the culture, skill and level of understanding of the parties whose interests are involved in the service processes.

HISTORY OF SERVICE DESIGN

Designing of service became an area of marketing and management disciplines. For example in 1982 Shostack suggested the unification of the design of tangible components i.e. products and intangible components i.e. services. According to Shostack, this design process, could be documented and codified using a map called "service blueprint" which could show the sequence of events of a service and its important functions in an objective and explicit manner.

In 1991, as a design discipline, service design was first introduced by Prof. Dr. Michael Erlhoff in 1991 at Köln International School of Design (KISD). The first Service Design and Innovation consultancy, Live│Work, opened for business in London in 2001. Engine which was initially founded in 2000 as an Ideation company, positioned themselves as a Service Design consultancy in 2003. The Service Design Network was launched by Köln International School of Design, Carnegie Mellon University, Linköpings Universitet, Politecnico di Milano and Domus Academy in 2003 for creating an international network for service design academics and professionals. The network, described the service design concept in the following manner:

"[Service Design] is an emerging discipline and an existing body of knowledge, which can dramatically improve the productivity and quality of services."

USES OF SERVICE DESIGN

Service Design gives a systematic and creative approach that can:

- Meet the requirements of service organizations in order to make them competitive.
- Meet ever increasing expectations of customers regarding service features and quality.
- Utilize technological revolution, which has tremendously increased the possibilities the way services are created, delivered and consumed.
- Make learning organizations that can handle social and economic challenges that come with changing environment for better sustainability of the organization.
- Stimulate innovative social models and behaviors.
- Share knowledge & learning.

The approach of service designing is distinctively positioned to specific needs and

originates in the design culture. The Service Designer possesses crucial competencies. He / She can:

- Conceptualize, demonstrate and compose the sequence of steps that other people can't see, and foresee solutions that are not currently available.
- Change the needs and behaviors that are observed and interpreted, into service alternatives that can be offered.

OBJECTIVES OF SERVICE DESIGN

- To generate services that are functional, practical, preferable, efficient and effective.
- To focus on customer experience that has human-centered approach and make quality as a central value for success.
- To have a holistic approach, integrating strategic, systematic, process-oriented elements and take touchpoint design decisions.
- To design systematic and frequentative process that combines user-focused, team- based, and interdisciplinary perspectives and methods with incessantly learning cycles.

CHARACTERISTICS OF SERVICE DESIGN

Service design contains specification and building up of processes that offers valuable benefits or satisfaction to a particular customer. For example Information Services offers valuable inputs for action. In case of Health Services, basic form of comprises of diagnostic assessments and prescriptions. Educational Services has an element of promise to create a new capacity for the customer to make new promises.

Both tangible and intangible aspects are part of the service design. It can involve an object made by a human being, which can be of cultural or historical interest. And can also involve other components like communication, environment and behaviors.

Authors like Eiglier; Normann; Morelli highlight that services come into being at the same time they are produced and consumed. Unlike products are created and are in existence even before they are bought and used. In case of products a designer can direct the exact disposition of a product, it is not possible in case of services when the interaction between customers and service providers is taking place (Holmlid, 2007), nor the designer can impose the form and characteristics of any emotional value that is created by the service.

Among other things that service design consist, it suggests behavioral ways or "scripts" to the actors who are part of the service delivery process. Knowing how these patterns interlink and assist each other are salient features of the character of design and service (Holmlid, 2012). This permits greater liberty to customers, and better adaptability to service providers according to the customers' behavior.

SERVICE DESIGN METHODOLOGY

Along with traditional methods used for product design, service design needs methods and tools to keep in check new elements of the design process, like time and the interaction between actors. Morelli (2006) has offered an outlook of the methodologies for designing services which has three main aspects:

- Knowing the actors involved in the process of the service by means of suitable analytical tools.
- Explaining possible service situations, confirming use cases and order of actions and roles of actors for defining the requirements for the service and its logical and organizational structure.
- Portrayal of the service by way of techniques that elaborates all the elements of the service, including physical components, interactions, analytical links and time related sequences.

It is essential that there should be communication between inner mechanisms of services and actors e.g. final users. Because of the reason representation techniques are important in service design. For this purpose, storyboards are frequently used to explain the interaction of the front office. Other representation techniques explain the system of interactions or a "platform" in a service. In recent times video sketching and prototypes have also been utilized to generate swift and effective tools to invigorate customers' involvement in the development of the service and their participation in the value production process.

THE HUMAN FACTOR IN SERVICE DESIGN

It is important to focus on the human side of customer service to make it psychologically astute, financially profitable and easier to rate. **It is not only that a customer suffers on account of poor customer service,** but in the long run even the organization loses its brand value. It is difficult to balance the cost of services on one hand and the benefits of the customer experience on the other hand. It is even harder to ensure that the workers who actually interact with customers, efficiently and consistently give services across a wide-stretched organization. Many companies overlook the aspects of what actually motivates the human beings —for instance, by neglecting well-established principles of behavioral science when offering services—and thus unintentionally dissatisfying the customers.

With the advent of social media, the customer service scenario is changing and new technologies of mobile phone provides companies unparalleled access to data about customer interactions, and at times these technologies are changing the very nature of the interactions— for example, by magnifying the speed and effect of customer complaints.

IMPORTANT QUESTIONS

Inspite of these challenges, many organizations are making progressing in the design and delivery of services. With a more focused approach on the human side of customer service, these companies are successful in cutting the costs by 10 percent or even more while enhancing customer satisfaction scores by up to 30 percent. When a study was conducted with

three different types of service organizations, a provider of cable-TV and Internet services, a technology company serving small and midsize businesses, and a car rental company, it threw a light on three interrelated questions that top management of every service organization should ask themselves before they launch new services or getting feedback on the state of existing ones. The questions can help in stimulating a productive discussion among top-team members about what makes company's services both efficient and effective.

1. How much human element is involved in the service?

Quality of a company's service interactions matters tremendously in creating a positive impact on customers. However only a small number of companies concentrate on how customers make opinions about those interactions. With the application of well-established principles of psychology and behavioral science to service designs and toiling hard to know what really stimulates —and annoys— customers, service providers can start enhancing the experience quickly with a considerable lower costs.

2. How economic is the service?

It is difficult to maintain a fine balance among service levels, revenues, and costs. Facing the challenge needs developing a comprehensive view of the economics across a range of customer touch points. Tools like breakpoint analysis can be useful in finding actual sensitivity of the customers to changes in the service.

3. Can employees scale it up?

To make services economically lucrative and designed with a good knowledge of what stimulates customers, companies shouldn't take their own employees for granted
—who are the other human beings involved in a transaction. Companies become competitive when they design service processes in a way workforce can easily adopt, understand, automate, and execute.

Designing services in such a way that their quality or actual performance can be measured involves not only the standardization of processes, but organizations should also ensure that their employees are empowered with the organizational capabilities which are essential to carry out the tasks involved. Indeed, any possibility of skill gap should be paid immediate attention by the management, although the new service offering is financially profitable and psychologically astute.

CONTINUOUS EVALUATION

The best companies those were studied are found to be having teams with members from different functional areas and who keep on changing, to taking a stock of the situation in case of key services periodically. The teams who were found to be successful included a number of roles, from salespeople and marketing managers to production managers to behavioral psychologists.

Companies are investing in advanced analytics for better understanding of customer interactions and channel preferences at a much more minute level. By concentrating on the end-to-end nature of services from the customer's point of view these companies can find

problem areas and design new services—much more swiftly and successfully.

GENERAL PRINCIPLES OF SERVICE DESIGN

The general principles can draw designer's attention on common requirements of all services. They are supplemented by principles that relate to designs of process, organization, information and technology.
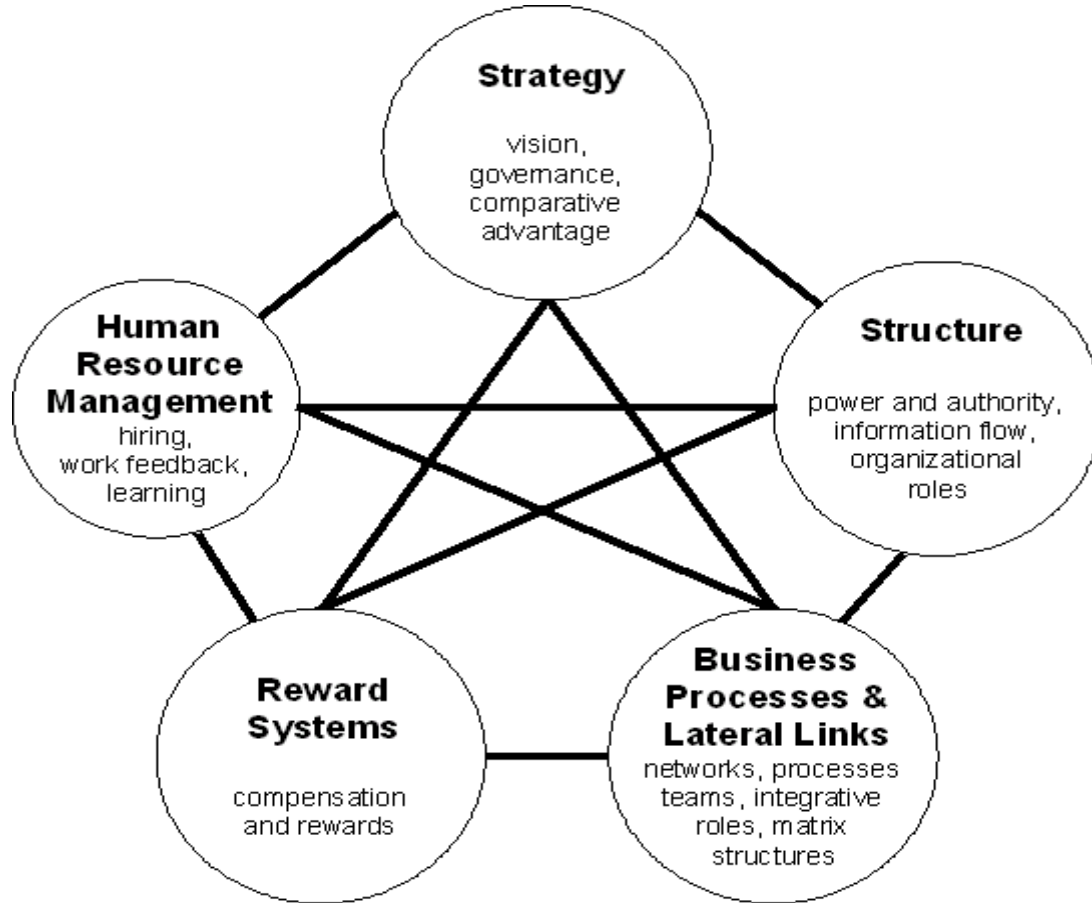
These principles are:

- Services should be designed based on actual understanding of the purpose of the service, its demand and the expertise of the service provider to deliver that service.

- Customer needs should be the primary focus point while designing rather than the business needs of the organization.

- Services should be designed to offer a synthesized and efficient system rather than piece-by-piece which may result in overall poor service experience.

- Services should be designed aiming at creating value for users and customers and as efficiently as possible.

- Services should be designed on the understanding that what are special events and what are common events and processes should be designed to accommodate them.

- Inputs from the users of the service should be considered while designing the service.

- There should be a prototype design of the service before being developed in full.

- A clear business case and model must be kept in mind while designing the services. A minimum viable service (MVS) model should be developed and then deployed. Then there can be iterations and improvements for value additions according to user/customer demand.

- All stakeholders i.e. both external and internal should be given due consideration while designing the services.

One of the outputs of service design is service blueprint which explains in details all interactions with a customer. The application of service design principles makes it sure that the blueprint adds customer value when finished.

PROCESS DESIGN PRINCIPLES FOR SERVICE DESIGN

The design of processes, both internal and external reflects service design, and these principles support this:

- All the activities that don't add value for the customers should be eliminated or curtailed down.

- Processes should be kept in center while constructing the work and not around internal elements like functions, geography, product, etc.

- Work shall not be fractured unless it is highly essential. It makes fixing accountability and responsibility from a single individual easy and cuts delays, rework, etc. It stimulates creativity, innovation and ownership of work.

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- (Image Source: https://www.interaction-design.org/literature/article/the-principles-of- service-design-thinking-building-better-services) Focus should be kept on making processes simple with reduction of steps, hand overs, rules and controls. If possible the owner of the process should be empowered to take decisions regarding how to deliver services.

- Dependencies in process should be kept as less as possible. (i.e. Possibilities of running process in parallel should be explored.

- Emphasis should be on internalizing processes rather than on something which is not going to last long. E.g. training is better choice over work instructions.

- Key Performance Indicators (KPI) should measure only those aspects that matter for customer experience.

SERVICE DESIGN – UNAVOIDABLE TODAY

Digital technology has become an important element of service offering and overall customer experiences. Companies need to start thinking about how the customers and employees move from one area to another. In today's world companies can't afford design just a single segregated online interaction, not caring about what takes place before that interaction or what happens after.

The lines between digital and non-digital are getting thinner and the design needs include both parts to make overall experience delightful for the customers.

Service design is no more an option for the companies which they may or may not like to work upon. It has become an important tool for competitive advantage and can give the best experience for the customer.

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