

Services Marketing 7e, Global Edition

Chapter 8: Designing and Managing Service Processes



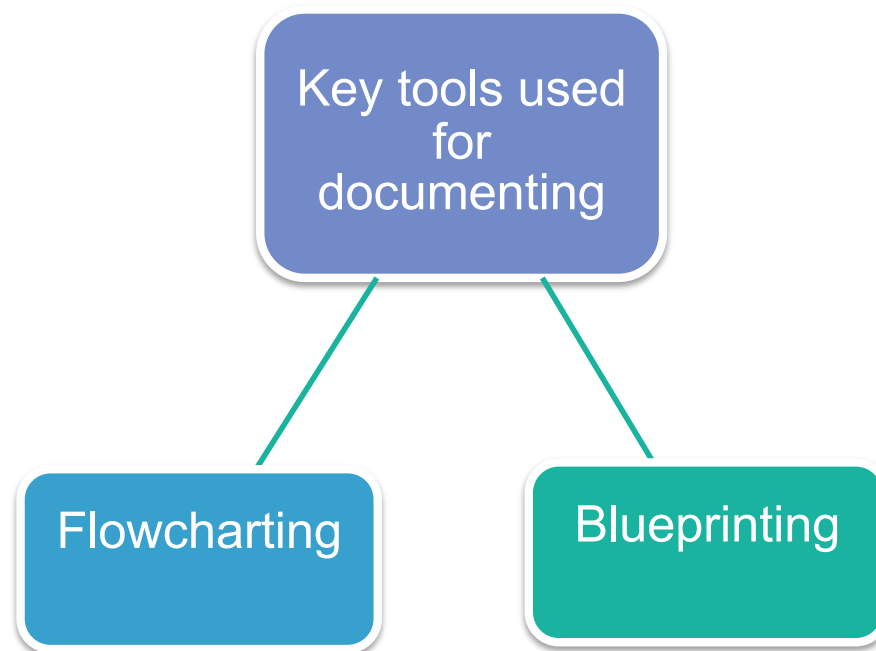
Recap

- In which week of the course are we?
- Which part of the book are we starting?
- What is the main role of service marketing communication?
- Provide examples of sub-goals of SM communication
- *Who* can be the audience of SM communications?
- *What* is the main problem that service marketing communication has to deal with?
- What are the stages of the service marketing funnel?

- 1. Why do you choose a food App delivery rather than another?**
- 2. So, what is a process?**

Designing and Documenting Service Processes

The first step in designing or analyzing any process is documenting or describing it.



Designing and Documenting Service Processes — Flowcharting

- A technique for displaying nature and sequence of different steps involved when a customer “flows” through the service process.
- Describes an existing process in a fairly simple form.
- An easy way to quickly understand the total customer service experience.
- The term ‘customer journey’ offers a powerful metaphor that brings teams together.
- It helps to explore what a service process looks like from the customer’s perspective.

Flowchart example

PEOPLE PROCESSING - STAY AT MOTEL



Designing and Documenting Service Processes — Blueprinting

- **Service blueprints map customer, employee and service system interactions.**
- **Show full customer journey from service initiation to final delivery of desired benefit.**
- **Show key customer actions, such as how customers and employees interact (the line of interaction), the front-stage actions by those service employees, and how these are supported by back-stage activities and systems.**

Designing and Documenting Service Processes — Blueprinting

- **Show interrelationships among employee roles, operational processes, supplies, IT, and customer interactions.**
- **Help bring together marketing, operations, and HRM within a firm.**
- **Develop better service processes, designing fail points and excessive customer waits out of processes and setting service standards and targets for service delivery teams.**

Design Characteristics of a Service Blueprint

- **Front-stage activities** map overall customer experience.
- **Physical evidence** of front-stage activities involves what customer can see and use to assess service quality.
- **Line of visibility** distinguishes between what customers experience (front-stage) and activities of employees and support processes (back-stage).
- **Backstage activities** that must be performed to support a particular front-stage step.

Blueprinting the Restaurant Experience: A Three-Act Performance

Pre-process stage

- The preliminaries occur - e.g., making a reservation, parking the car, getting seated, and being presented with the menu

In-process stage

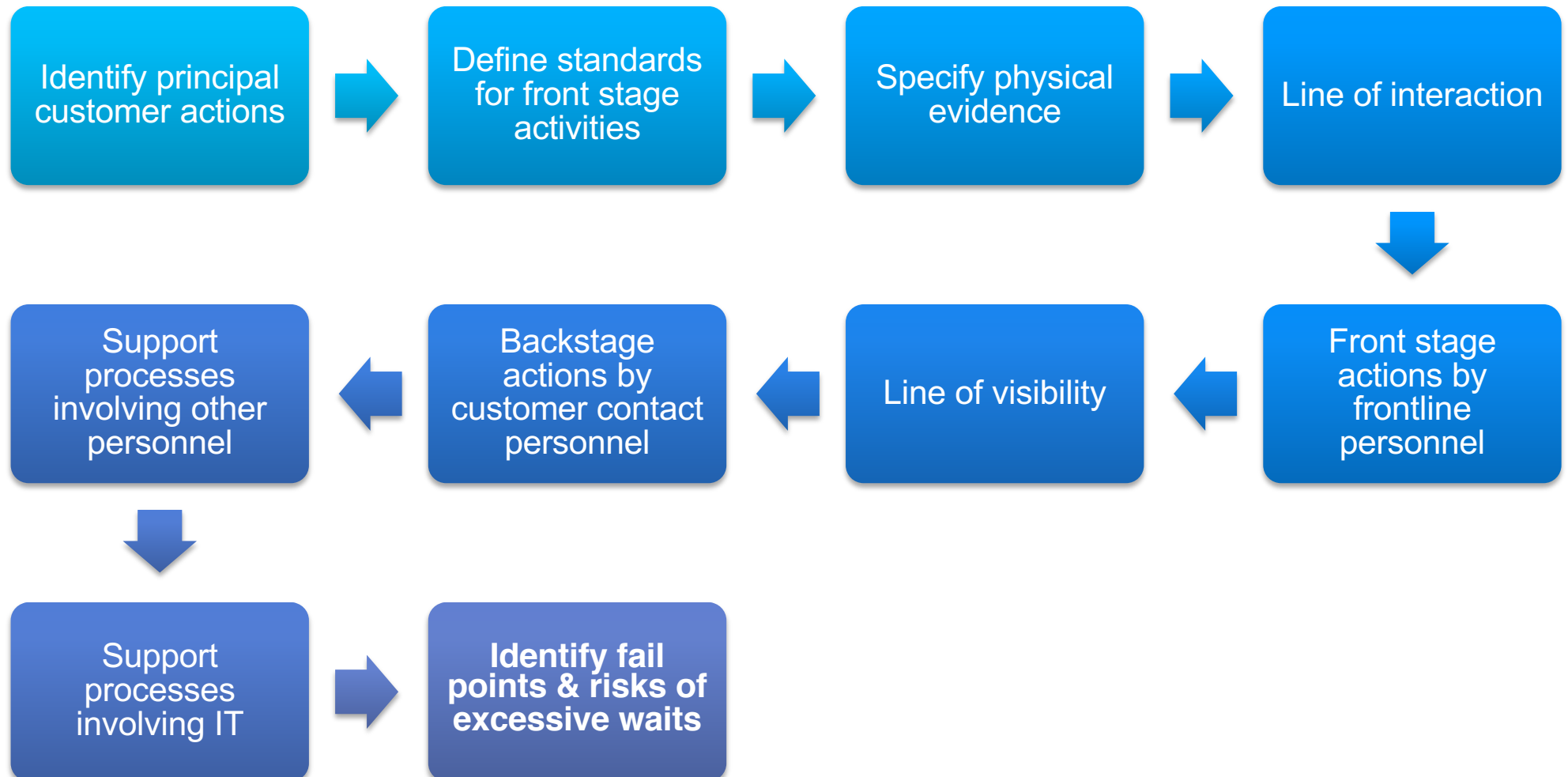
- Main purpose of service encounter is accomplished - e.g., enjoying the food and drinks in a restaurant

Post-process stage

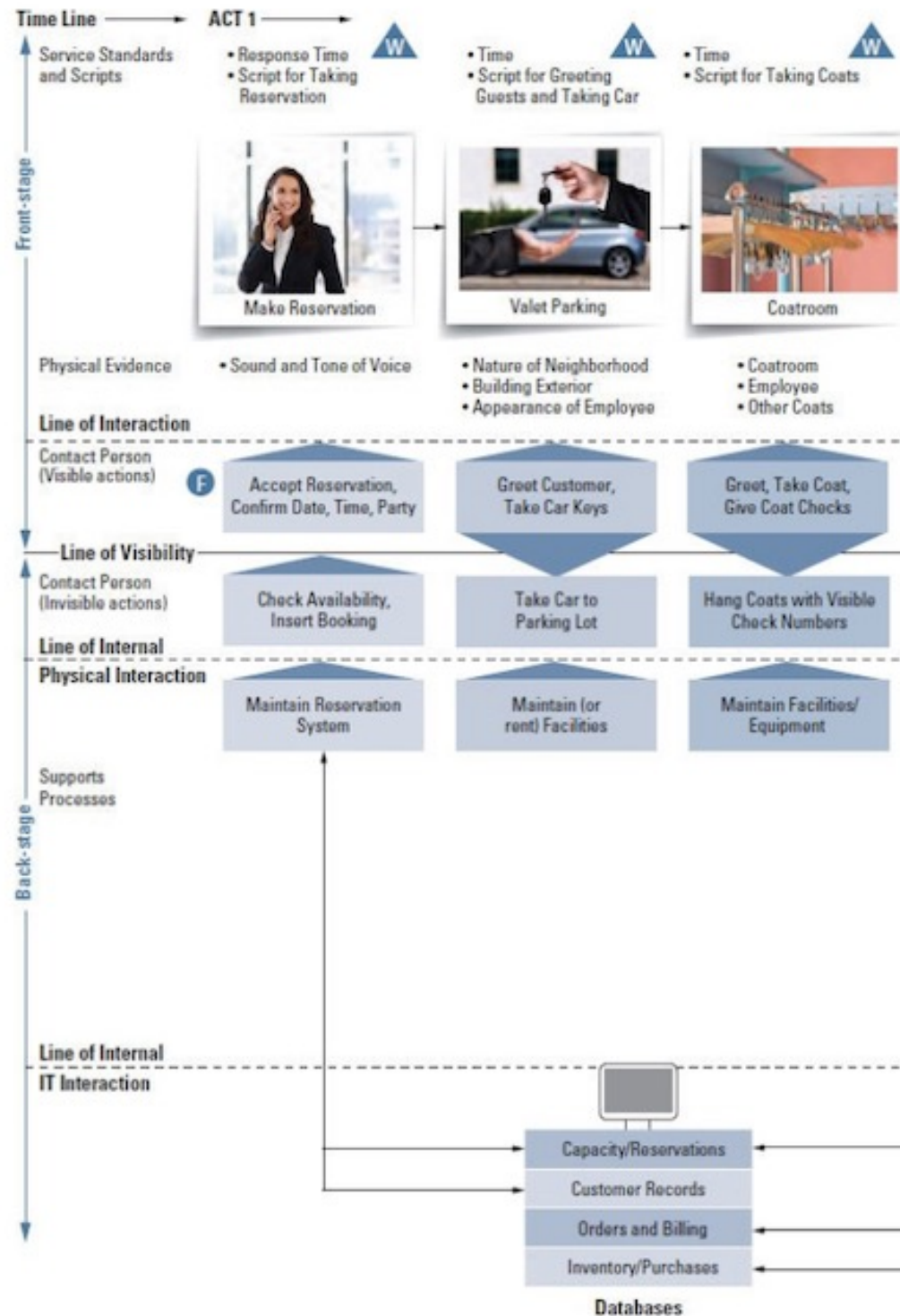
- Activities necessary for closing of encounter happens - e.g., getting the check and paying for dinner

Key Components of a Service Blueprint

https://www.youtube.com/watch?v=gE_SNjP7Pik



Blueprinting the Restaurant Experience: Act 1



Consumer Perceptions and Emotions in Service Process Design

Key principles about sequencing service encounters:

- 1. Start strong — create a good first impression**
- 2. Build an improving trend—build up quality**
- 3. Create a peak — create a sensational step**
- 4. Get bad experiences over with early—unpleasant experiences should be dealt with early in the experience process, not at the end**

Consumer Perceptions and Emotions in Service Process Design

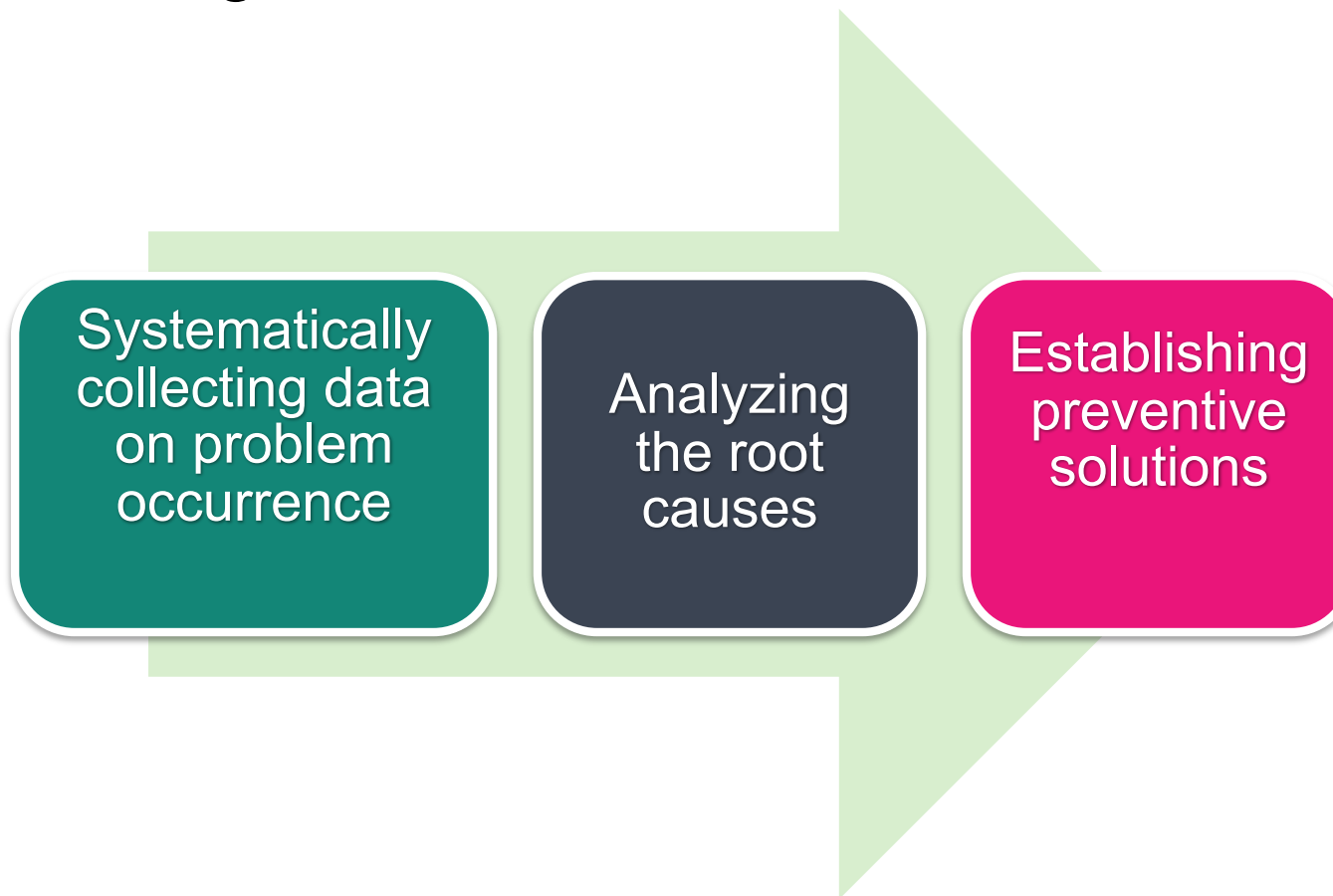
- 5. Segment pleasure, combine pain — divide pleasurable and unpleasant experiences and combine them**
- 6. Finish strong — ending on a high note is an important aspect of every service encounter**
- 7. Use emotion prints — to manage the customer experience well and implement the principles for sequencing service processes**

Improving Reliability of Processes Through Fail-Proofing

- **Identify fail points** <https://www.youtube.com/watch?v=ImH05RjcoTQ>
- **Analysis of reasons for failure reveals opportunities for failure-proofing to reduce/eliminate future errors**
- **Need fail-safe methods for both employees and customers**

Fail-Proofing

Three-step approach for effectively implement fail-proofing

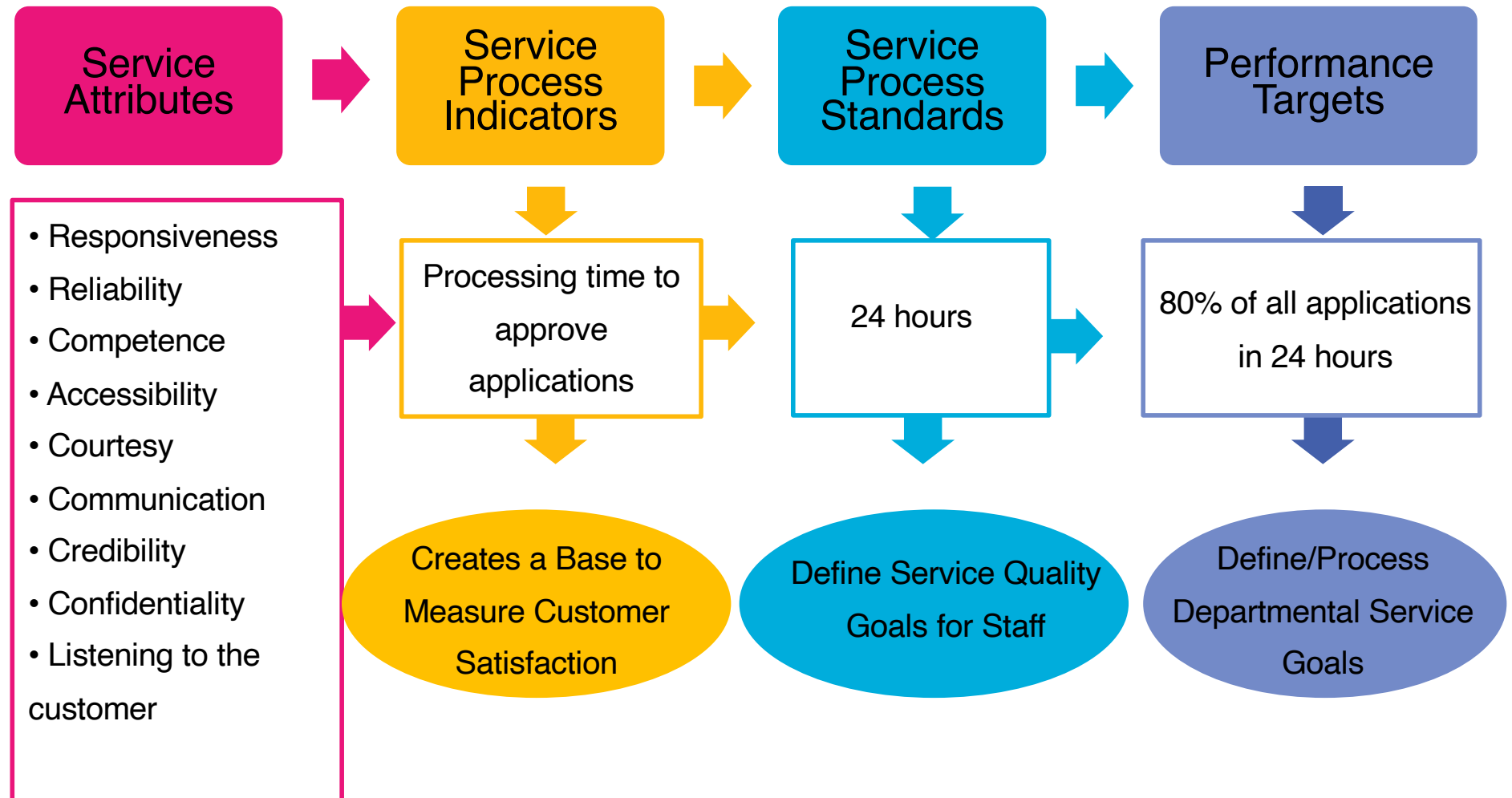


Setting Service Standards and Targets

- Service providers **set standards** for each step sufficiently high to satisfy and even delight customers
 - ➔ Include time parameters, script and prescriptions for appropriate style and demeanor
 - ➔ Must be expressed in ways that permit objective measurement
- **Performance targets** – specific process and team performance targets for which staff are responsible for
- Evaluated based on distinction between standards and targets

Setting Standards and Targets for Customer Service Processes

https://www.youtube.com/watch?v=Z7aes9PR_bs



Service Process Redesign— Improving Quality and Productivity

Redesign efforts focus on achieving the following four key objectives:

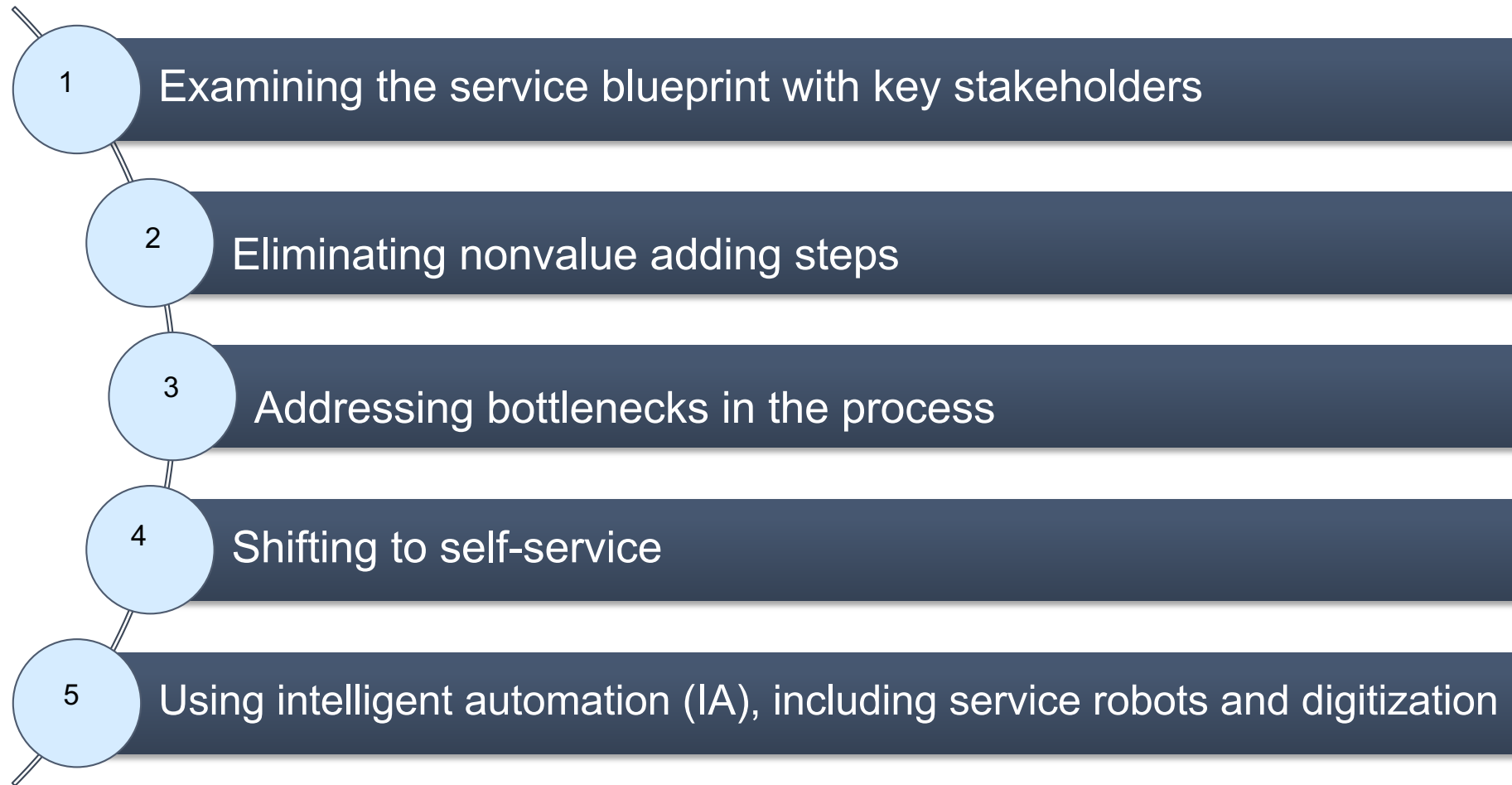
Reduced number of service failures

Reduced cycle time from customer initiation of a service process to its completion

Enhanced productivity

Increased customer satisfaction

Steps in Service Process Redesign



Self-Service Technologies, Service Robots, and Artificial Intelligence

- Information-based services lend themselves particularly well to the use of SSTs.
- Many companies have developed strategies designed to encourage customers to serve themselves online, via:
 - ➔ apps
 - ➔ chatbots
 - ➔ service robots
- Customers also help each other in peer-to-peer problem-solving facilitated by online brand communities and firm-hosted platforms.
- WHAT ARE PROS AND CONS?

What Services Will Robots Deliver?

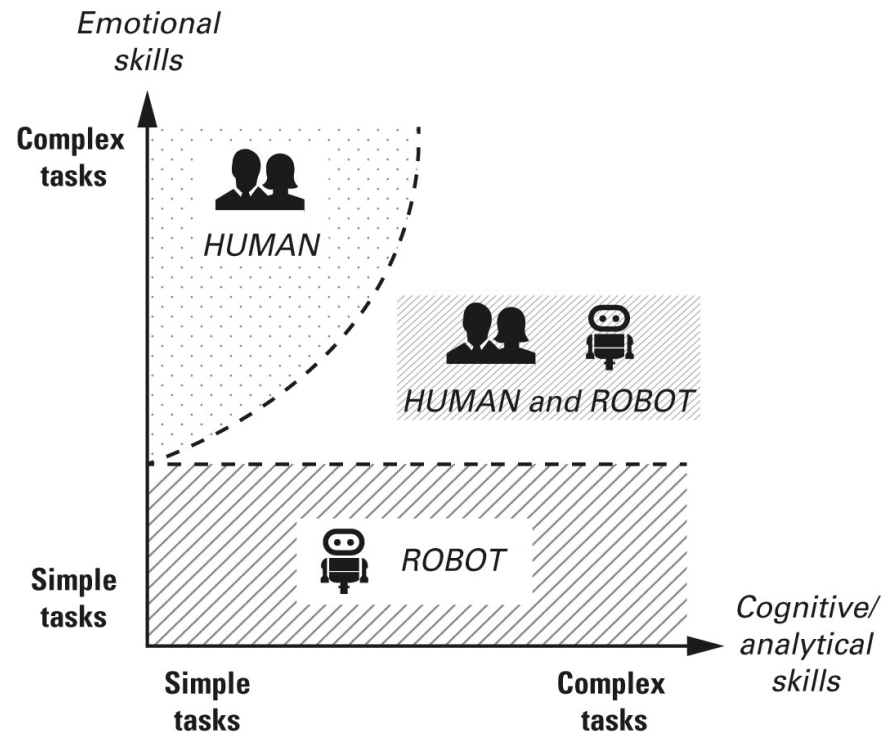


Figure 8.25 The service robot deployment model

Source: Jochen Wirtz, Paul Patterson, Werner Kunz, Thorsten Gruber, Vinh Nhat Lu, Stefanie Paluch, and Antje Martins (2018), "Brave New World: Service Robots in the Frontline," *Journal of Service Management*, Vol. 29, No. 5, pp. 907–931.