

DESIGN APPROACH FOR CUSTOMERS EXPERIENCE IN SERVICES

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In this paper, we examine customers' behavior that influenced service provider's evaluation of experience received. The method used in this research was a collection of quantitative data. A set of questionnaire was constructed through an analysis of keywords from literature reviews employing the KJ method. In order to fulfill the objective of this research, quantitative data was gathered from a survey to see how Malaysian customers perceive the automotive service centers. Service centers were selected from different brand names or car manufacturers. Each manufacturer represented by one biggest service center that they have in Malaysia. Statistical output from this case study analyzed to form a model that can represent a new strategy for service design development. This paper also shows the evaluation of proposals and models created through interviews with service related personnel.

1.0 INTRODUCTION

The definition of service design as mentioned by Hollin¹ is that a service provider can gain advantage by applying design techniques when creating and improving their services. Service design can be both tangible and intangible. It can involve artifacts and other things including communication, environment and behaviors. The words design has it extensive meaning told by Nakashima². It is not limited to appearance or function but also includes design process and the usage of products i.e., services. Service innovation design is most influential terms to be used instead. The study is aiming to establish principles and methods before come out with a new strategy in designing a service in Malaysia. Case study is focusing on the strategic way of producing excellent service design at Malaysian car makers' service centers. Excellence in after sales activities for customer convenient and satisfaction is the main priority. According to Pine and Gilmore³ previously there were economic shifts such as the Industrial Economy and the Service Economy since two centuries ago. These shifts are failed to bring the progression of economic value to higher-echelon offerings. They stated that today we have new economy offering which is the 'Experiences Economy'. Service economy is when a person purchases a set of intangible activities carried out on his or her behalf. But, when a person buys experience, one pays to spend time enjoying a series of memorable events that a company stages some presentations to engage the user in a personal way. Two things to be noted here are selling services or selling experiences. Both are from service business category.

In this research, experience is also related in improving the user-centered of service design for future service businesses. There are five factors⁴ for achieving quality service according to Parasuraman, they are reliability, tangibles, responsiveness, assurance, and empathy. In contrary, Hollins¹ says that customer contacts, quality, storability, tangibility and transportability are the main factor in achieving quality service. On the other hand, Lin⁵ had an idea of putting things on a quality service with more effective way with Five Fs; fun, function, feelings, fancy and friendly are important in developing a service today.

The designers play big role to educate users by creating a good concept especially on the environment surrounding within one service premises that resulting a customer-friendly mood. They⁶ shall have the ability to design both the cognitive and physical interface then integrate them into a successful concept. The history can tell us that there was an evolution of service businesses even from seventies until now. Previously service businesses always carry the word efficient service with customer satisfaction. Today, the trend is much related to the technology that available for quality rather than only efficiency for customer conveniences. In this study the authors shall establish principles and methods so that a new strategy in designing a service in Malaysia can be succeed. We realized that the basic service structure consist of technology, market and user that will effectively support in designing a service. The concept of service innovation design also leads towards wealth creation⁷ that focusing on four main areas that are creation intensification, information and technology resources, expert resources and interacting knowledge as shown in figure 1.

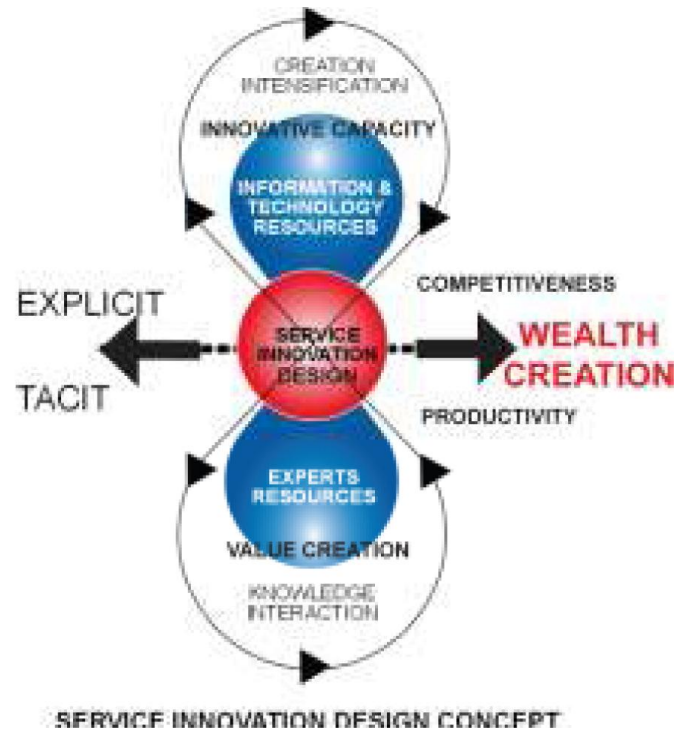


Figure 1. Model of Service Innovation Design Concept

2 CASE STUDY

There are two main subjects in this case study are the automotive service centers run by foreign car makers and another is running by local car makers. Targeted locations are at the capital city of Malaysia in Kuala Lumpur and other major cities. This region has the busiest service centers in Malaysia.

2.1 Objectives

The main purpose of this research is to analyze the most effective approach and strategy in developing new service business concept. This study will help us to identify the core principles and methods for service design in industrial design practice. Before achieving that the authors need to study the Malaysian customers need and to identify the problem and opportunity in designing a service. In this paper a validation on findings and proposals from a survey and interviews are to be discussed. A new model will be generated as a final output of this research.

2.2 Methodology

Employing service blueprint method⁸ suggested by Shostack, this study analyzed service process of local and foreign automotive service centers and developed their service blueprint to show how the customers can experience the activities. There are two car manufacturers, one is our local car brand which has the highest sales in Malaysia and the other is the popular brand of foreign car manufacturer that has highest status globally. The reason for choosing these two brand names is to compare the management attitude towards customers' demand. It is not about who has the ability to produce but regarding how they realize the experience that could give to recipients.

It is a theory-based that needs to concentrate on the grounded theory with keywords from related journals, books and other source of literature to be analyzed their validity. This theory-based has to be developed into a more worthwhile research study that will lead to the formulation of some new knowledge. Theoretical⁹ sampling is an important component in the development of grounded theories. This research is expected to develop critical insight, originality and creativity in theories and practices to formulate new knowledge that challenges and extends conventional thinking in industrial design discourse and practice that will be highly valued in education and the creative industries. This method is best used when the research focuses on theory and concept development and the researchers' goal is to develop theory and concepts that are connect to, grounded in or emergent from real life events and circumstances. KJ method is also used during brainstorming¹⁰ session to gather all the related attributes. Then a set of questionnaire has been distributed among customers at the selected local and foreign automotive service centers. The questionnaires consist of five sections that begin with customer behavior followed by service provider, service quality, service value and service concept. Besides a survey, interviews with service managers were done and transcribed. Their opinions on service design are the strong points to support the study. All data were analyzed begin with principle component analysis and followed by the cluster analysis to identify the respondent views toward automotive service centers.

3 DATA AND ANALYSIS

There are 66 attributes from 140 keywords were classified into five major categories in a brainstorming session as shown in table 2. These attributes were formed a survey questions. All data gathered from the survey were transformed into two descriptive statistics. Divided into two different sections, one was the analysis on customer behavior and another was the analysis on service provider issues. The attributes of customer behavior section, 'complimentary' is the highest mean value. This fact gives an idea about customers are happy to give good comments on excellent service received. 'Curiosity' is the second highest mean value that described as customers are always wanting for more information to be provided within the service centers.

Idea Generation	Quality Service	Technology	Design Evaluation	Service design education	Service type/Providers	Customer Characteristic	Design Concept
co-creation	assurance	cognition	customers	future	branding	ambiguity	affordable
collaboration	attitude	communication	evaluation	improvement	commodification	awareness	artifacts
creativity	benefits	environment	quality	method	compassion	behavior	best choice
design	client	information	focus	process	core values	community	cost saving
design	relationship	interface	group	specification	corporate identity	complimentary	experience
imperatives	comfort	material	prototyping	standards	culture	curiosity	fancy
design process	convenience	assistive	simulation	sustainability	customization	demand	feelings
design thinking	consistency		testing	systematic	globalization	emotional	friendly
innovation	deliveries		field trial	technique	integrity	empowerment	fun
interior	efficiency		design method	technology	management	enjoy	individualized
exterior	effectiveness		design process	strategy	market	happier	lifecycle
presentation	economy		Maintainability	experience design	networking	lifestyle	reliability
representation	empathetic			system design	opportunity	loyalty	repeatability
requirement	facilities			interior design	organization	multinational	segmentation
resources	functionality			furniture design	profitability	preference	simplicity
trends	intangible			environmental design	recognition	prosumer	spatial
	motivated				reputable	respect	story telling
	optimize				revenues	sense	surprise
	responsiveness				standardization	sentiment	touch point
	redress				trustworthiness	stressful	uniformity
	relationship				anticipate		usability
	storability						environmental
	tangibility						friendliness
	time						fun and image
	training						
	transportability						
	understanding						

Table 1. Keywords in categories.

For service providers they are truly understand what customers want in order to keep their cars in good condition. But not all of customers' desire and emotion can be provided. We can see that issues like fun and entertainment are almost not in the list for service provider to offer. A

little bit of entertainment and fun will make them feel contented and worth paying. Individualized area or space even in the process of attending customers could also be perceived as new experience. In any kinds of engagement with consumers that we don't capture today can never be captured again, it's a constant quest to stay on consumers' radar screen¹¹. If we aren't they will drift.

Service providers have many other things to offer especially their key products and services. They really take the opportunity to meet new or loyal customers to buy new car or to upgrade the present car that they own. In that case most of display themes in the service centers apparently are about the product and not concerning on how to entertain customers.

From the study the authors found that there is a room or space for the customers to laugh or smile while walking inside the service centers or while waiting for their cars ready for collection. What we meant here is that the customers nowadays are critical and with emotion. The lifestyle has changed. Moreover, the study shows customers need something different than what is currently being offered. Issues like fun, entertainment and information must be included in the criteria of building a service center. One of the local service manager had said that the customers today are demanding and they always like to compare with other brand names. They would like to have a comfort showroom, relaxation with all the information of the products at hand.

Through hierarchical cluster analysis, 3 clusters were plotted out. With consideration to the service management practices those attributes were grouped into 3 main areas named as service imperatives, marketing strategy and future customers' dream¹². In figure 2, most of attributes related to service management inclined towards functional. Obviously customers attitude are keen toward new experience where the group of customers' dream inclined. However customers always see that there is a group of marketing and strategy to encourage future service development.



Figure 2. Customers' perception towards automotive service centers.

3.1 Service Comparison

Aside from a survey, interviews and observations are also significant to the case study, getting more details of the scenario. Local and foreign car makers are the subjects to be studied. This shall show a comparison on how service provider setting up their offering in a proper flow of standard procedures. To get the picture of a service flow, service blueprint approach is used to map out from the observation.

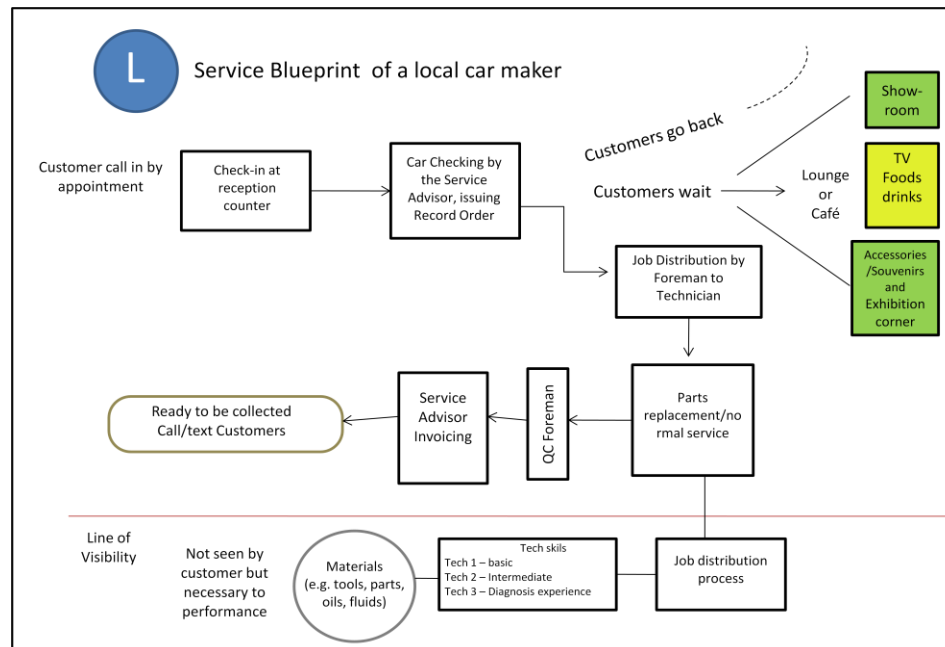


Figure 3. Service blueprint through an observation at local automotive service center

Figure 3 above shows a service blueprint¹² from one of the biggest automotive service center provides by a local car maker. This is a typical way of providing a service for an automotive service center in Malaysia. Some are less interesting places to be because it is only for the function of servicing cars. Although there are spaces that can be called an entertainment area such as TV room or exhibition corner but it appears not that impressive. To provide a quality service, the provider separates all the preparations such as materials and technical skills that are not visible to the customers. In every service business, line of visibility must be drawn out to separate all the management and administration issues. Not all can be disclosed to the customers and customers are actually count on the quality that they could provide. Some technologies utilized within the company are confidential. It is important to watch out for parts of the service that the customer does not see. Though invisible, these processes are important because changing them may alter the way customers perceive the service. Even the whole concept of 'service experience' that one company can provide become a private matter as their key to success.

Service blueprint for the foreign car makers has a different idea about how to make an exciting interior looks of their service center. Beside their products are more advanced with new system that can assist on servicing stuff, the interior is emotive and inspiring blending with the showroom. They have the idea of having all in one, so called as 'Four Ss' which are sales, services, spares and systems. Cars attending with normal service have a special fast lane to go through. This will give good impression to the customers who are busy with their daily lives.

Another interesting space is the lifestyle corner for displaying souvenir items and accessories for sale. Overall, the interior is fine but still need to consider the future customers' dream for improvement.

4 VALIDATION AND CONCLUSION

In order to corroborate the findings, a set of questions on proposals and strategy model were given out to service managers as our respondents in this validation process. There are only seven questions that divided into three important elements that are implementation, effectiveness and the expectation on benefits. Seven attributes were selected to form questions. The words environment, emotion, functional, lifestyle, entertainment, customers' dream and co-creation were picked up from the earlier findings of cluster analysis as shown below in table 2 and figure 4.

Attributes	Implementation	Effectiveness	Benefits
Environment	3.73	3.2727	3.2727
Customers' Dream	3.45	3.2727	3.0909
Cocreation	3.36	3.3636	3.0909
Technical	3.36	3.3636	3.4545
Emotion	3.27	3.3636	3.5455
Lifestyle	3.18	3.5455	3.0909
Entertainment	3.00	2.9091	2.7273

Table 2. Descriptive statistic of mean values comparison towards attributes.

From the validation test we can see that most service providers believe the environment is possible to be improved which can go well with 'customers dream' or new experience shall be provided. A service provider should look at new lifestyle to be added in new development or improvement. Effectiveness is on the higher level for a service provider to include new trends of lifestyle contents. Basically all attributes have no problem on the implementation, effectiveness and benefits except for the entertainment. Perhaps, the service centers are not keen to entertain customers but to provide better service as how their first intention and functional purposes are supposed to be. More technical issues to be resolved rather than entertaining. But overall, they are changing towards emotional zone as what the dream society is all about. As mentioned by Maslow in his hierarchy of needs¹³, people will achieve to highest level of transcendence after self-actualization. Meaning that, everything they do is to go beyond something in quality or achievement.

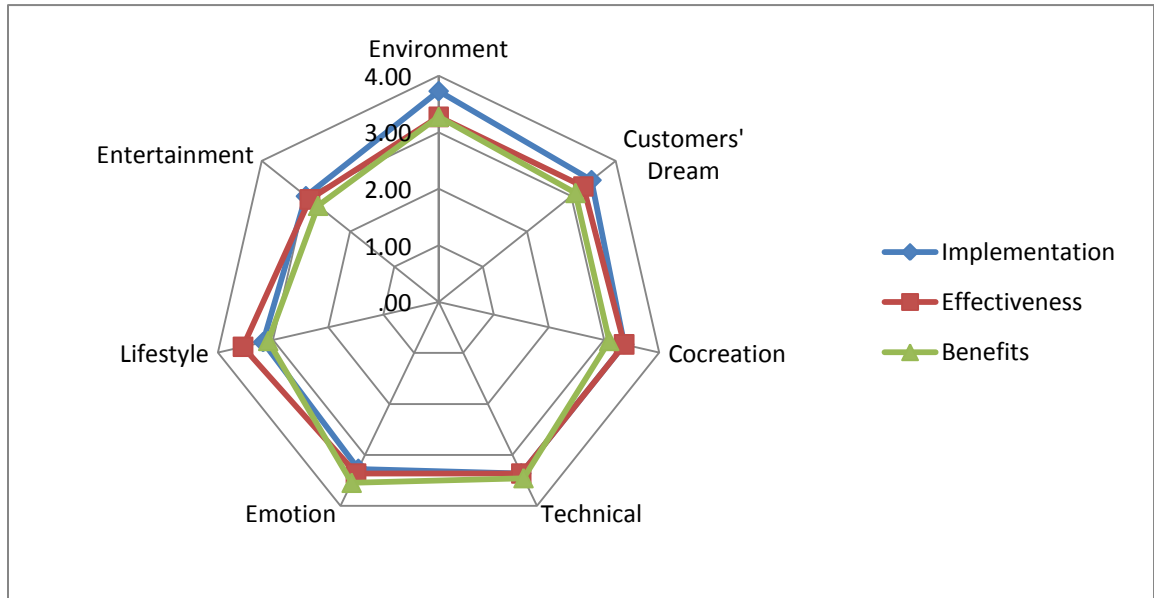


Figure 4. A radar chart to determine direction for new development and improvement.

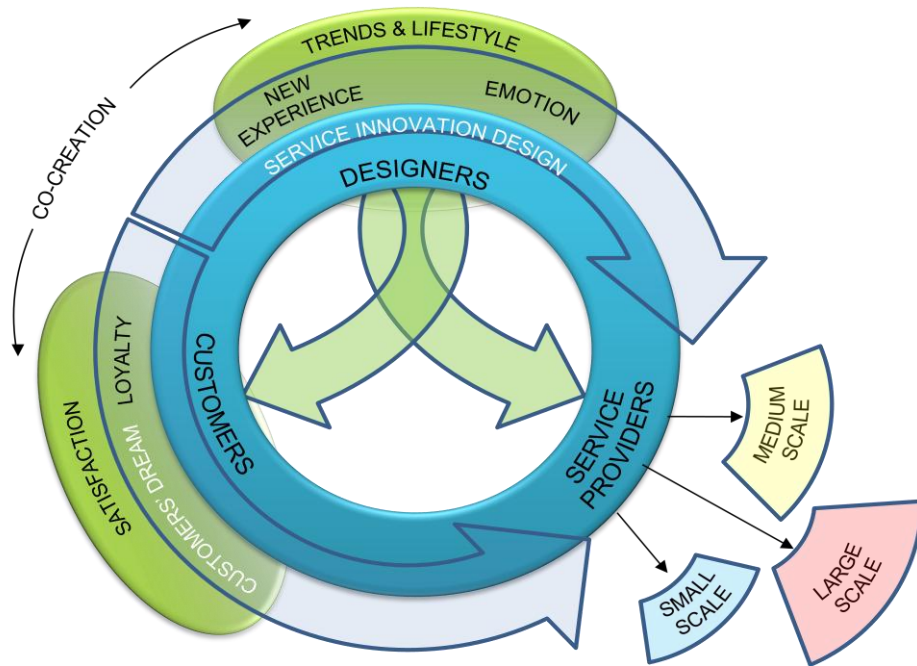


Figure 5. A new conceptual strategy model for developing a service business

As we mentioned earlier, the data shows customers are looking for new experiences in service businesses. This fact is strengthened by the statement of today's market trend is towards emotional. In the Dream Society¹⁴ our work will be driven by stories and emotions, not just by data. Businesses, communities and people as individuals will thrive on the basis of their stories. Some cases from the observation at the service centers, we have even found a mini playground

available at the service center. Although it is good for family with children but we felt that is not the answer. Yet, it was more like an ad hoc decision. The real meaning of giving new experience to the customers is to offer new set of service blending with new emotive environment in a package where the initial servicing function not noticeable but exist. From the data gathered and analyzed we found that the new experiences are very much related to the words like Fun, Spatial, Entertainment, Individualized, Segmentation and Informative. Designers have ideas and imaginations for happiness, and the idea realization can gradually educate the people or users, consumers and customers towards new happy lifestyles. To accomplish this matter, we must have a connection cycle between designer, the user and the service providers. Designers play big role in acquiring customer needs through an effective dialogue or to facilitate effective feedbacks. Another word is co-creation¹⁵ which Ikeya and Tamura declared that the collaboration between provider and service recipient in obtaining valuable information are useful in creating offerings. Thus, conceptual strategy depicted in figure 5 is the initial idea of building new service design concept either for large or small scale service businesses.

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