

Design Strategy for Designing a Service in Malaysia

A Case Study of Automotive Service Center

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Abstract:

In the rapid development of new technologies, Malaysian has never left behind to experience new products and services. With new design thinking, principles and methods for service development will change the values of designers in education and creative industries suitable for the next generation. The understanding “dream society” of the next generation that will merge with the understanding of experience economy can build the service environment more sustainable. The new generation of mankind is looking for personal satisfaction with emotional value to their lives. This research will gives an allocation for industrial designers to play their role in helping the industry efficiently on quality concept of service design development in Malaysia. Result presented herein based on a survey and the scenario of Malaysian automotive service centers.

Key words: *Service design, experience design, industrial design, design strategy*

1 INTRODUCTION

The study shows that the authors are trying to establish principles and methods before come out with a new strategy in designing a service in Malaysia. Case study will focus on the strategic way in producing excellent service design at Malaysian car makers' service centers. An excellence of after sales activities for customer convenient and satisfaction is the main priority. According to Pine and Gilmore¹ 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 factors² for achieving quality service according to Parasuraman, they are reliability, tangibles, responsiveness, assurance, and empathy. In contrary, Hollins³ says that customer contacts, quality, storability, tangibility and transportability are the main factor in achieving quality service. On the other hand, Lin⁴ 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.

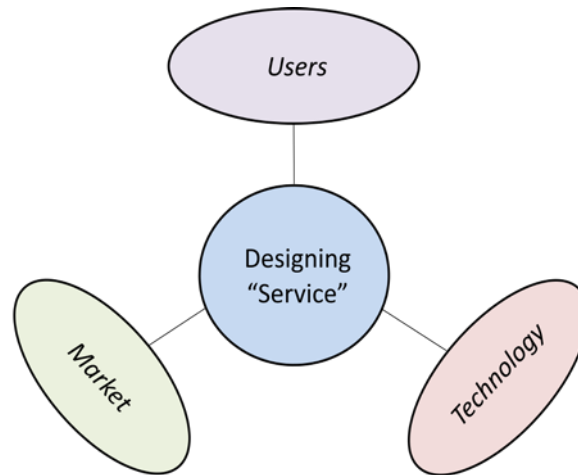


Figure 1. Basic service design structure.

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. They⁵ will 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 also realized that the basic service structure as in figure 1 consist of technology, market and user that will effectively support in designing a service.

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 suburban areas. This region has the busiest service centers in Malaysia.

2.1 Objectives

The main purpose of this research is to study 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. Validation on new structure shall be carried out prior to outlining strategy.

2.2 Methodology

This research is a theory-based where the authors shall need 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. Theoretical⁶ 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 brainstorming 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

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. In figure 2 below explains that 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.

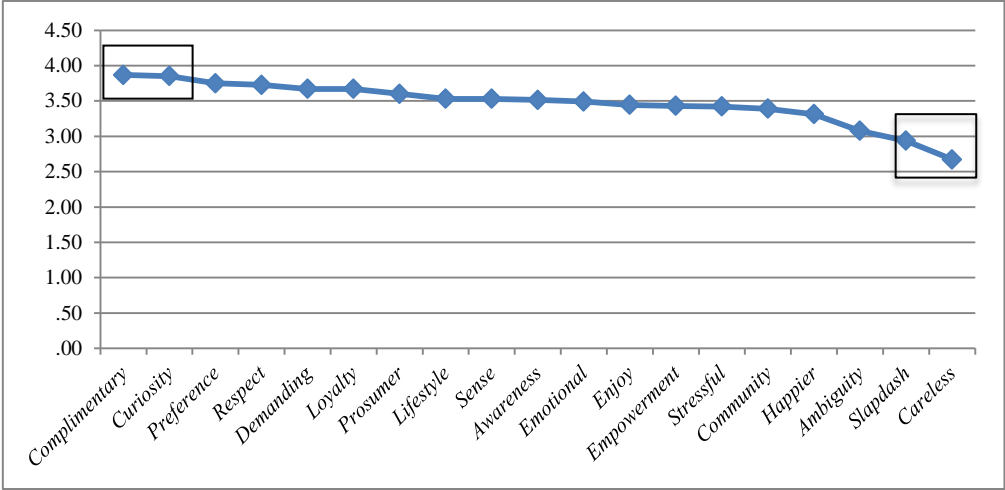


Figure 2. Mean value of attributes for customer behavior towards automotive service centers.

Customers are not careless about their cars to be sent to service centers. They are expecting perfection in maintaining their cars. 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. See the chart below in figure 3. There are important factors that left unintended in most Malaysian automotive service centers perceived by the customers. 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 kinds⁷ 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 screen. If we aren't they will drift.

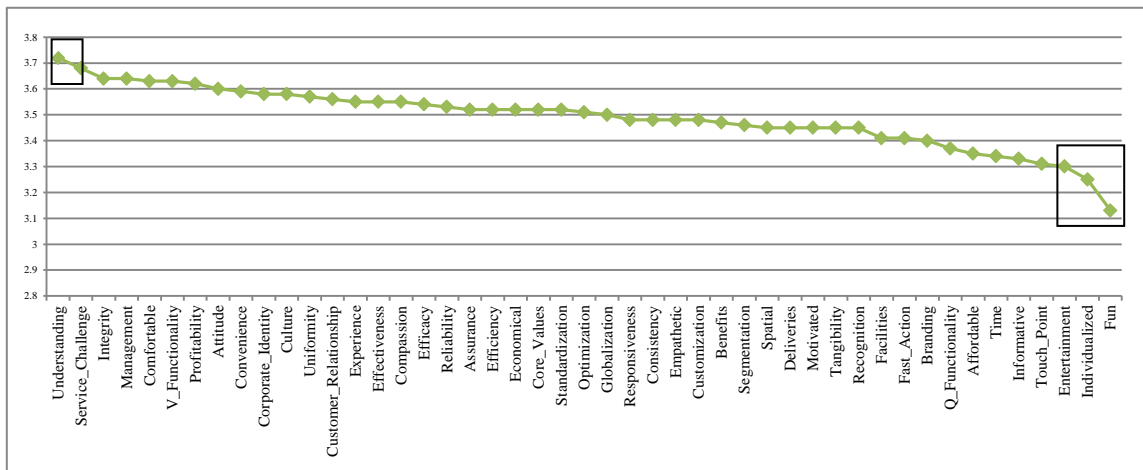


Figure 3. Mean value of attributes on customers' perception towards automotive service centers.

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:

“Customers are now more demanding and they always like to compare with other brand names... We would like to have a comfort showroom, relaxation with all the information of the products...”



Figure 4. Positioning of attributes from customers' perception towards automotive service centers.

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' dream. In figure 4, 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. Customers are expecting new ideas and give no hope for conventional thought.

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 blueprint⁷ approach is used to map out from the observation.

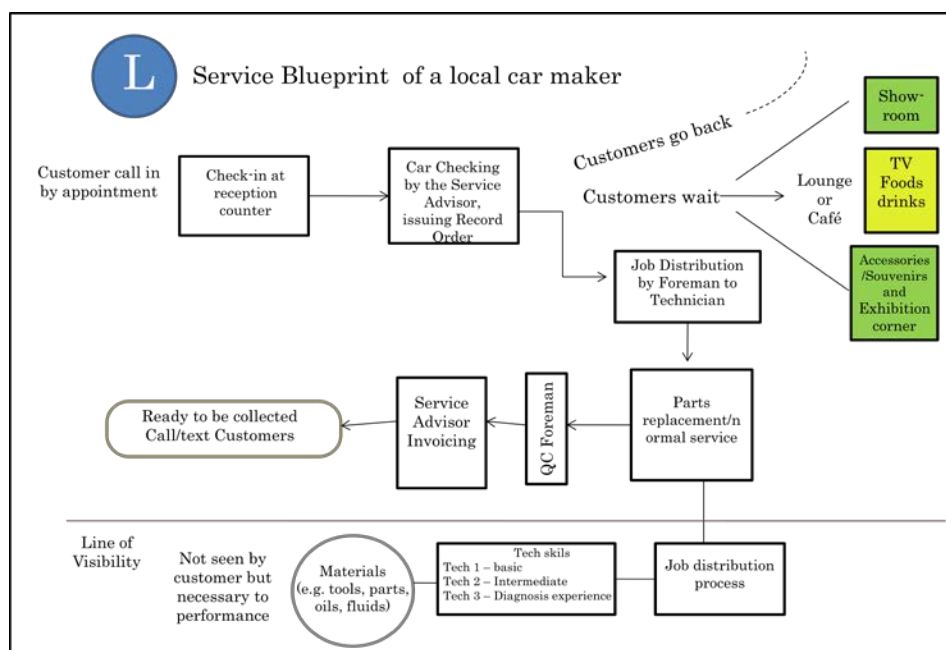


Figure 5. Service blueprint through an observation at local automotive service center.

Figure 5 above shows a service blueprint 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.

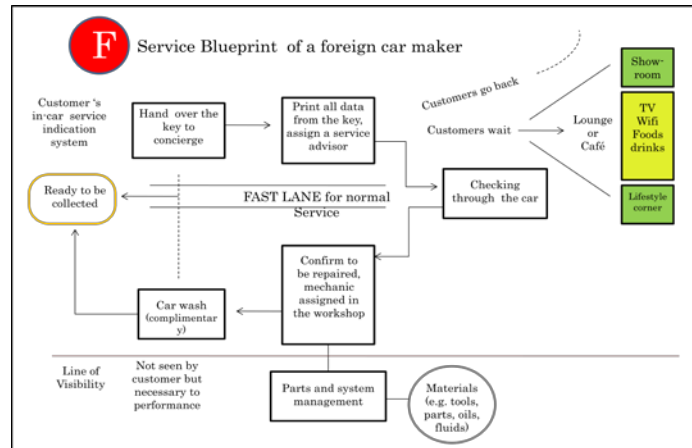


Figure 6. Service blueprint through an observation at foreign car service center.

Service blueprint in figure 6 shows one of 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.

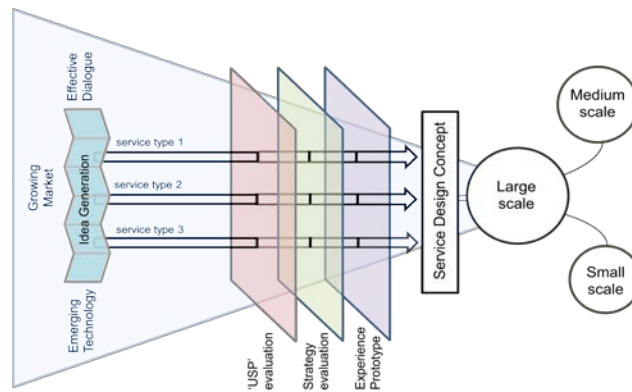


Figure 7. Conceptual strategy for developing new service business.

4 CONCLUSIONS AND DISCUSSIONS

As 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 trend⁸ is towards emotional. In the Dream Society⁸ 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 had been analyzed (figure 4), we found that the new experience 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. The conceptual strategy depicted in figure 7 is the early idea of building new service design concept either for large or small scale service businesses. All ideas generated by designers and providers must go through the evaluation steps to make sure that new experiences really have good impact to the customers. This study is yet doing its further investigation to accomplish the true meaning of new experience in designing a service.

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