Design Strategy for Designing a Service in Malaysia

Ahmad Zuhairi Abdul Majid

Universiti Sains Malaysia

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. A set of questionnaires was constructed through an analysis of keywords from literature reviews employing KJ method. In order to fulfill the objective, quantitative data were analyzed to see how customer perceive the automobile service centers while knowing their character and preferences. This research will give 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.

1. Introduction

The study shows that the authors are trying to establish principles and methods before coming 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 [1] 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 factors for achieving quality service according to [2], they are reliability, tangibles, responsiveness, assurance, and empathy. In contrary, in [3] says that customer contacts, quality, storability, tangibility and transportability are the main factor in achieving quality service. On the other hand, in [4] 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.
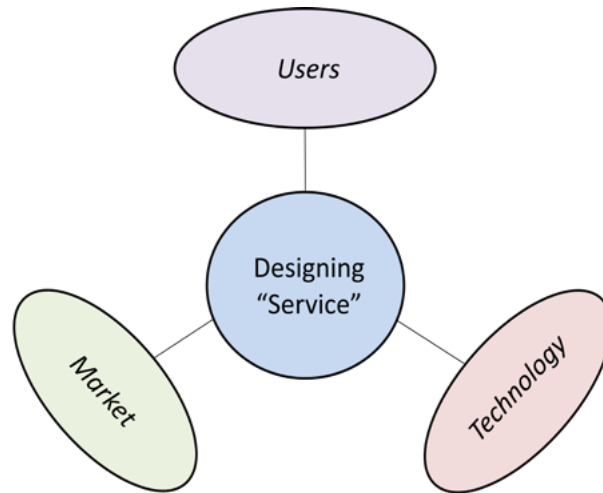
Figure 1. Basic service design structure

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. They [5] 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.

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. Methodology

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. 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.

Theoretical [6] 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 questionnaires 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. Results and Discussion

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 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.
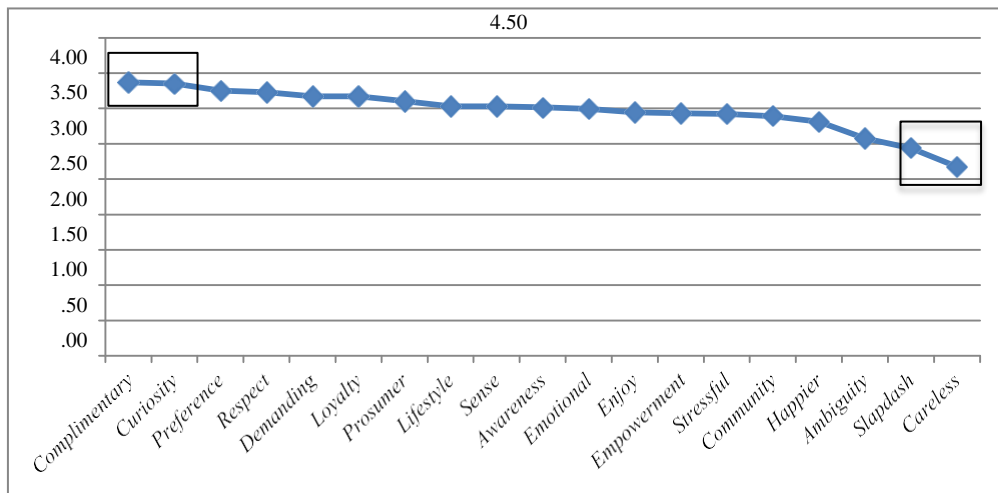

Figure 2. Mean Value of Attributes for Customers' Behavior Towards Automotive Service Centers

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 mean value of attributes below in Table 1. 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 kinds [7] of engagement with consumers that we do not capture today can never be captured again, it's a constant quest to stay on consumers' radar screen. If we are not, they will drift.

Table 1. Mean Value of Attributes on Customers' Perception Towards Automotive Service Centers

Perception Attributes (n=128)	Mean (sd)	Perception Attributes (n=128)	Mean (sd)
Understanding	3.72 (1.094)	Globalization	3.50 (0.896)
Service Challenge	3.68 (0.963	Responsiveness	3.48 (0.988)
Integrity	3.64 (0.876	Consistency	3.48 (0.939)
Manageable	3.64 (0.839)	Empathetic	3.48 (1.035)
Comfortable	3.63 (0.912)	Customization	3.48 (0.931)
Functionality (value)	3.63 (0.955)	Benefits	3.47 (10.42)
Profitability	3.62 (0.888)	Segmentation	3.46 (1.011)
Attitude	3.60 (0.942)	Spatial	3.45 (1.063)
Convenience	3.59 (0.951)	Deliveries	3.45 (1.056)
Corporate Identity	3.58 (0.944)	Motivated	3.45 (1.041)
Culture Uniformity	3.57 (0.919)	Tangibility	3.45 (0.946)
Customer Relationship	3.56 (0.937)	Recognition	3.45 (0.971)
Experience	3.55 (0.929)	Facilities	3.41 (1.111)
Effectiveness	3.55 (1.063)	Fast Action	3.41 (1.076
Compassion	3.55 (0.859)	Branding	3.40 (1.111)
Efficacy	3.54 (1.003)	Functionality (quality)	3.37 (1.107)
Reliability	3.53 (1.150)	Affordable	3.35 (1.047)
Assurance	3.52 (1.143)	Time	3.34 (1.167)
Efficiency	3.52 (0.988)	Informative	3.33 (1.116)
Economical	3.52 (1.108)	Touch Point	3.31 (0.994)
Core Values	3.52 (0.922)	Entertainment	3.30 (1.084)
Standardization	3.52 (0.996)	Individualized	3.25 (1.129)
Optimization	3.51 (0.896)	Fun	3.13 (1.153)

From the survey, respondents have chosen 'understanding' as the main quality element for automobile service centers. Although 'time' has the lower mean value, but it still can

be considered as an important element to service quality. All attributes are above of 3.00. Customers demand an understanding of what needs to be offered by the providers. 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 managers had said that the customers are now more demanding, and they always like to compare with other brand names. Customers would like to have a comfort showroom, relaxation with all the information of the products. Once as the owner, and they become enthusiasts of their dreamed car.

Figure 3. 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 3, most of attributes related to service management inclined towards functional. Obviously, customer's attitude is 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.

On the X axis lie the positive values of 'functional' that goes towards the right side. On the opposite side is the negative value that shows 'incompetence'. Attributes that lean to the left side are quite irrelevant as perceived by the respondents. On the Y axis that

pointing upward shows the positive value of 'new experience'. Opposite are the negative values of 'conventional' characteristics.

Groups that emerged are the "marketing and strategy", "service imperatives" and "customers' dream". Attributes like fun, spatial, entertainment, segmentation, individualize, touch-point and informative are leaning towards "new experience". This shows that the theory of "dream society" as introduced by [9] is a phenomenon within local consumers although the case study focused on automobile service centers.

The other two groups are more likely the same when attributes related to service management were more towards 'functional' on X axis and it's called the group of 'marketing and strategy'. Nevertheless, the other group called "service imperative" is also towards 'functional' but the attributes are intently to quality of services. Words such as reliability, fast action, time, empathetic, efficiency are important in automobile service centers were also given by the respondents. Customers are expecting new ideas and give no hope for conventional thought.

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 [8].

During the interview with participants at the service premises, the researcher asked questions about process flow to gain basic structure of service blueprints that has introduced and improved [8], [10]. The researcher has taken photos of several sections of the service centers. There were two locations; one was the local automobile service center and the other was the foreign automobile service center that operates in capital city. As the researcher already mentioned in chapter two that service blueprint allows a company to investigate all issues inherent in creating or managing service. There are issues which need to be identified such as identifying processes, isolating fail point, establishing time frame and analyzing profitability [8]. Below are the blueprints that were depicted through observation and explanation by the participants.
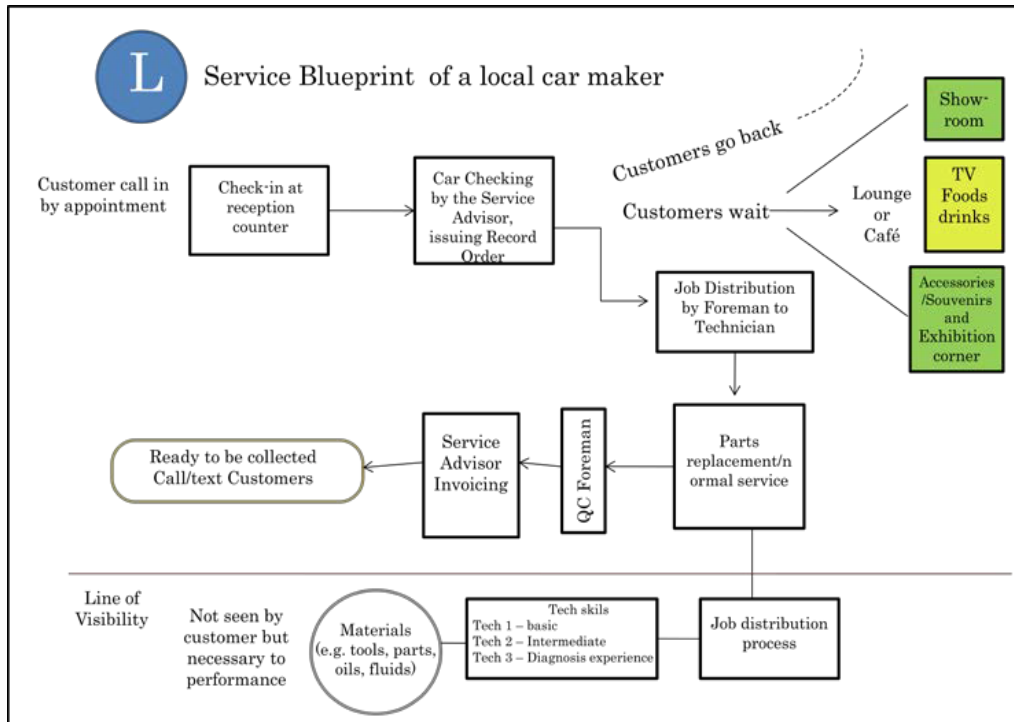
Figure 4. Service Blueprint Through an Observation at Local Automotive Service Center

Figure 4 shows a service blueprint from one of the biggest automotive service centers 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.
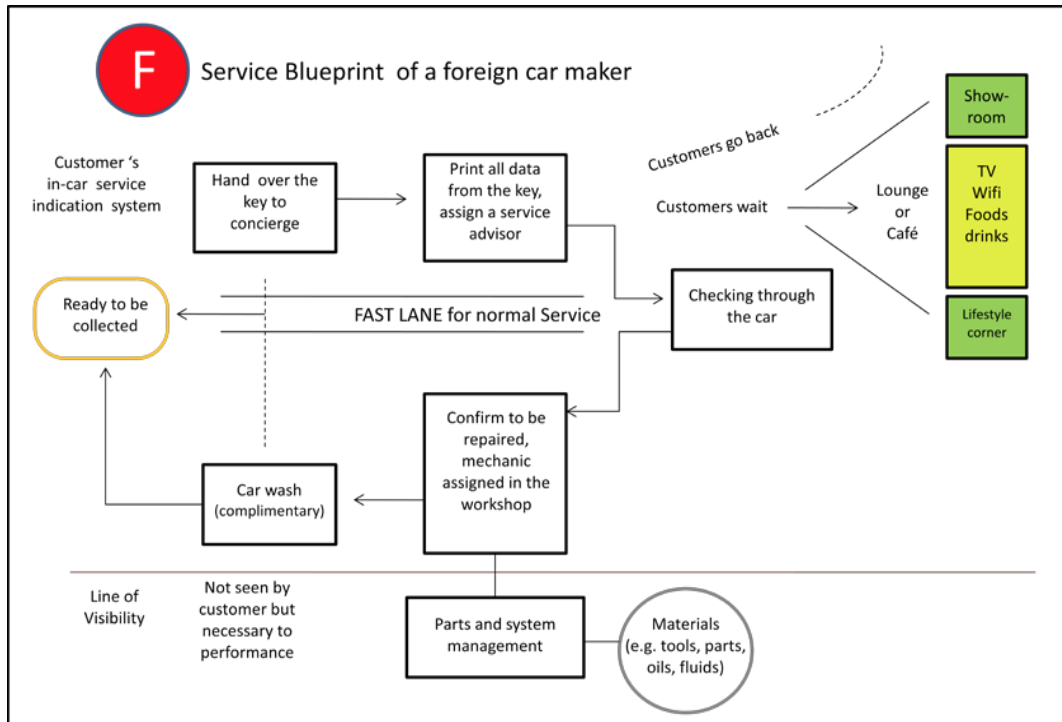
Figure 5. Service Blueprint Through an Observation at Foreign Car Service Center

Service blueprint in Figure 5 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.
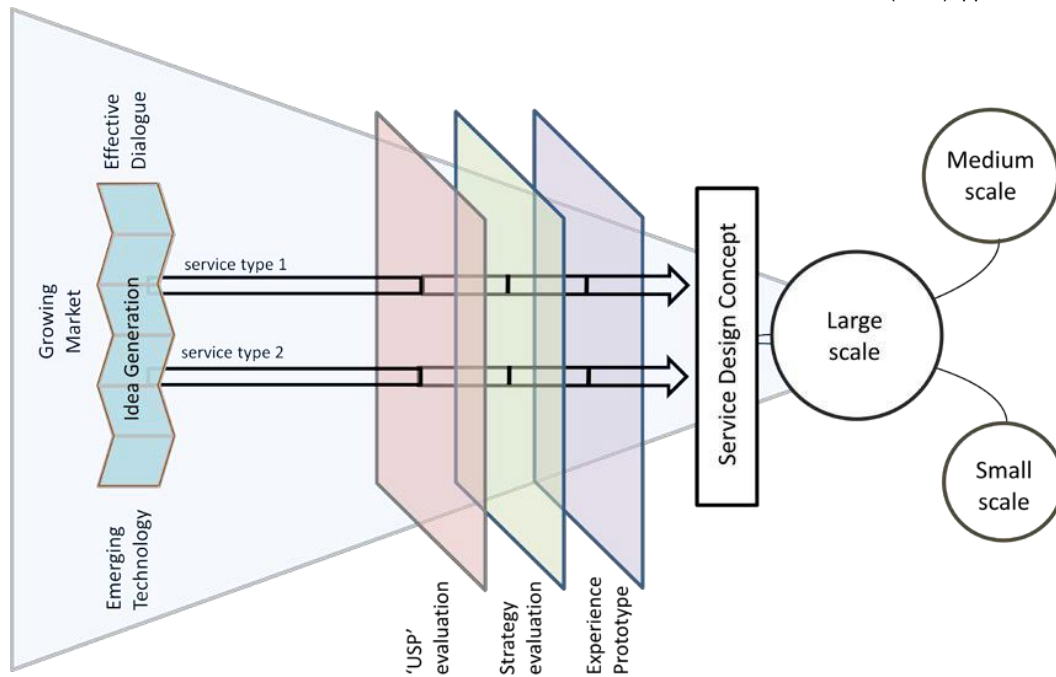
Figure 6. Conceptual Strategy for Developing New Service Business

4. Conclusion

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 trend [9] is towards emotional. In the 'Dream Society', 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 3), we found that the new experience is 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 6 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. Unique selling proposition (USP) evaluation is crucial for providers to see whether they can pull customers. Experience prototyping can be done by using simulation in 3D CAD and then go through focus group testing. It is also an opportunity for application software to develop a special computer aided for service innovation design (CASID) in the near future. This study is yet doing its further investigation to accomplish the true meaning of new experience in designing a service.

Acknowledgments

References

[1]   B. J. Pine and J. H. Gilmore, "The Experience Economy", Harvard Business School Press, Boston, (1999).

[2]   L. L. Berry and A. Parasuraman, " Marketing service", Free Press, New York, (1991).

[3]   B. Hollins, "Service Design "What is Service Design?", (2006), http://ww.designcouncil.org.uk/ en/About-Design/Design-Disciplines.

[4]   R. Lin, "Service Innovation Design for Cultural and Creative Industries", Proceeding of the 1st International Service Innovation Design Conference, (2008), pp. 14-25.

[5]   F. Jabbar and Z. Majid, "Principles and Methods of Interface Design", Proceedings of the CAADRIA, (2002), pp. 314-328.

[6]   M. Q. Patton, "Qualitative evaluation and research methods", California: Sage Publications, (2002).

[7]   J. Scafido, "HBR Case Commentary, on What Serves the Customer Best?", Harvard Business Review, (2006), pp. 50.

[8]   L. G. Shostack, "Designing Services that Deliver", (1984), https://hbr.org/1984/01/designing-services-that-deliver.

[9]   R. Jensen, "The Dream Society", McGraw-Hill, New York, (1999).

[10]   C. Lovelock and J. Wirtz, "Service Marketing: People, Technology, Strategy", Pearson, New Jersey, (2011).