

Chapter 5

Service Vision, Service Design, and the Service Encounter

STUDY OBJECTIVES

Having completed this chapter, readers should be able to:

1. appreciate the importance of a service vision and service strategy to an organization's long-term success;
2. understand the importance of a well-designed service system;
3. understand the implications of service networks in building a firm's competitive advantage; and
4. understand some of the practical techniques for managing service operations.

OUTLINE

- ▶ Introduction
- ▶ Service vision
 - ▶ What is vision?
 - ▶ Vision statement vs. mission statement
 - ▶ What is service vision?
 - ▶ Set apart from the rest
 - ▶ Ingrained into the fabric
 - ▶ Customer focus
- ▶ Service strategy
 - ▶ What is strategy?
 - ▶ What is a service strategy?
 - ▶ Everyone is involved
- ▶ Service process
 - ▶ What is a service process?
 - ▶ Process as the *essence* of service

KEY WORDS

Alignment
Back stage
Blueprinting
Boundary spanners
Co-producer
Customer deviance
Duchenne smiles
Dyadic interaction
Emotional contagion
Emotional labor
Employee deviance
Employee stress
Encounter points
Fail points
Failure-prone points
Front-liners
Front stage
Gatekeepers
Image-makers
Impression management
Jay customer
Line of visibility
Moments-of-truth
Output quality
Process quality
Scripting
Service design
Service encounter
Service image
Service mission
Service offer
Service process
Service strategy
Service system
Service vision

INTRODUCTION

Having discussed the needs of customers in Chapter 4, we now proceed in the present chapter to discuss how a service firm might organize its internal arrangements to ensure that these needs are met. Steven Covey (2004), author of the famous book *The 7 Habits of Highly Effective People*, suggests in his second habit that successful people start each day with conviction about how they want their day to end (“Begin with the End in Mind”). He says that whatever you do on a particular day should not violate the criteria you have decided are important to you. In many ways, this advice holds true for business as well. Managers need to be clear about what it is that the business stands for and then organize every aspect of the business so that there is perfect alignment between the big picture and each of the small steps taken throughout the day. Indeed, successful service organizations know who they are and what they are good at, and ensure that all aspects of the organization stay true to this clear message.

Successful service organizations pursue visions of service excellence that clearly indicate to customers and employees the objectives of the firm and its position in the marketplace. Please note that in some firms this may be different from the firm’s mission and vision in terms of its purpose. This distinction is

important for us to understand since some firms' visions may not necessarily be focused on *service* only. For example, while a hotel provides service to its customers, given that it is a commercial enterprise its owner/shareholder's vision is to maintain a high return on investment. Therefore, while the hotel maintains an overall vision of high return on investment, it will also maintain a service vision knowing that it is service excellence that provides them with a unique advantage in the marketplace. Thus, this *service vision* provides the foundation upon which the firm designs its service offerings such that they are always consistent with the overall image which the organization wants to create in the minds of customers. Related to the service *vision* is the service *concept*, which is a theoretical expression of exactly what the service company proposes to do. Figure 5.1 shows the interrelationships between the service concept, strategy, process, and systems and should be referred to as we describe each component below.



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It is important to note that **the service vision is the practical expression of the service concept**. The service concept aims to fulfill customer needs within the firm's expertise. In this book and particularly this chapter, you will see the words *concept* and *vision* used often, sometimes interchangeably. This is because the nuances of service vision and service concept are less important than the simple fact that a service organization must be clear about who they are and what their service offer (concept) is and ensure that all activities are centered around and informed by them.

An example of a well-established service concept is Jimmy John's Gourmet Sandwiches (a US-based quick-service restaurant which now has over 1,900 restaurants). Their service concept is clear.

Jimmy John's gourmet sandwiches

Jimmy John's makes sandwiches, but works very hard to be different from other similar types of quick-service sandwich businesses. They strive to have unique and delicious bread, service, and speed-focused systems in place, and employees and leaders who are trained to take responsibility and never pass the buck. Their shared commitment is to be efficient, quick, and dependable. From their stores to their corporate office, they have a *do it now* attitude where excuses are not acceptable. A visit to a Jimmy John's restaurant usually finds employees who may be no different than those in similar businesses, but who seem to be committed to and engaged in the extraordinary behaviors centered around the service concept and striving to be the best. Indeed, Jimmy John's has a clear service concept that permeates through the whole organization and is palpable to anyone who walks in their front door.