

New Service Development & Service Blueprint (Service Delivery Systems)

New Service Development Process

Front-end planning

- **Business strategy development or review**

- **New service strategy development**

- **Idea generation**

Screen ideas against new service strategy



- **Concept development and evaluation**

Test concept with customers and employees



- **Business analysis**

Test for profitability and feasibility



- **Service development and testing**

Conduct service prototype test



Implementation

- **Market testing**

Test service and other marketing mix elements



- **Commercialization**

- **Postintroduction evaluation**

New Service Strategy Matrix for Identifying Growth Opportunities

FIGURE 9.2
New Service
Strategy Matrix for
Identifying Growth
Opportunities

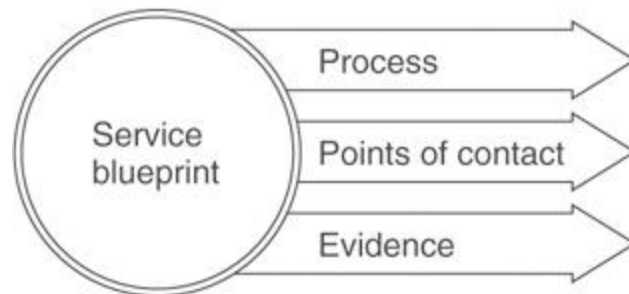
Source: Adapted from
H. I. Ansoff, *Corporate*
Strategy (New York:
McGraw-Hill, 1965).

Offerings	Markets	
	Current customers	New customers
Existing services	Share building	Market development
New services	Service development	Diversification

Service Blueprinting

- A tool for simultaneously depicting the service process, the points of customer contact, and the evidence of service from the customer's point of view.

FIGURE 9.3 Service Blueprinting



Service blueprinting

A technique for simultaneously depicting the service process, the points of customer contact, and the evidence of service from the customer's point of view.

Service Blueprint Components

Customer Actions

line of interaction

Visible Contact Employee Actions

line of visibility

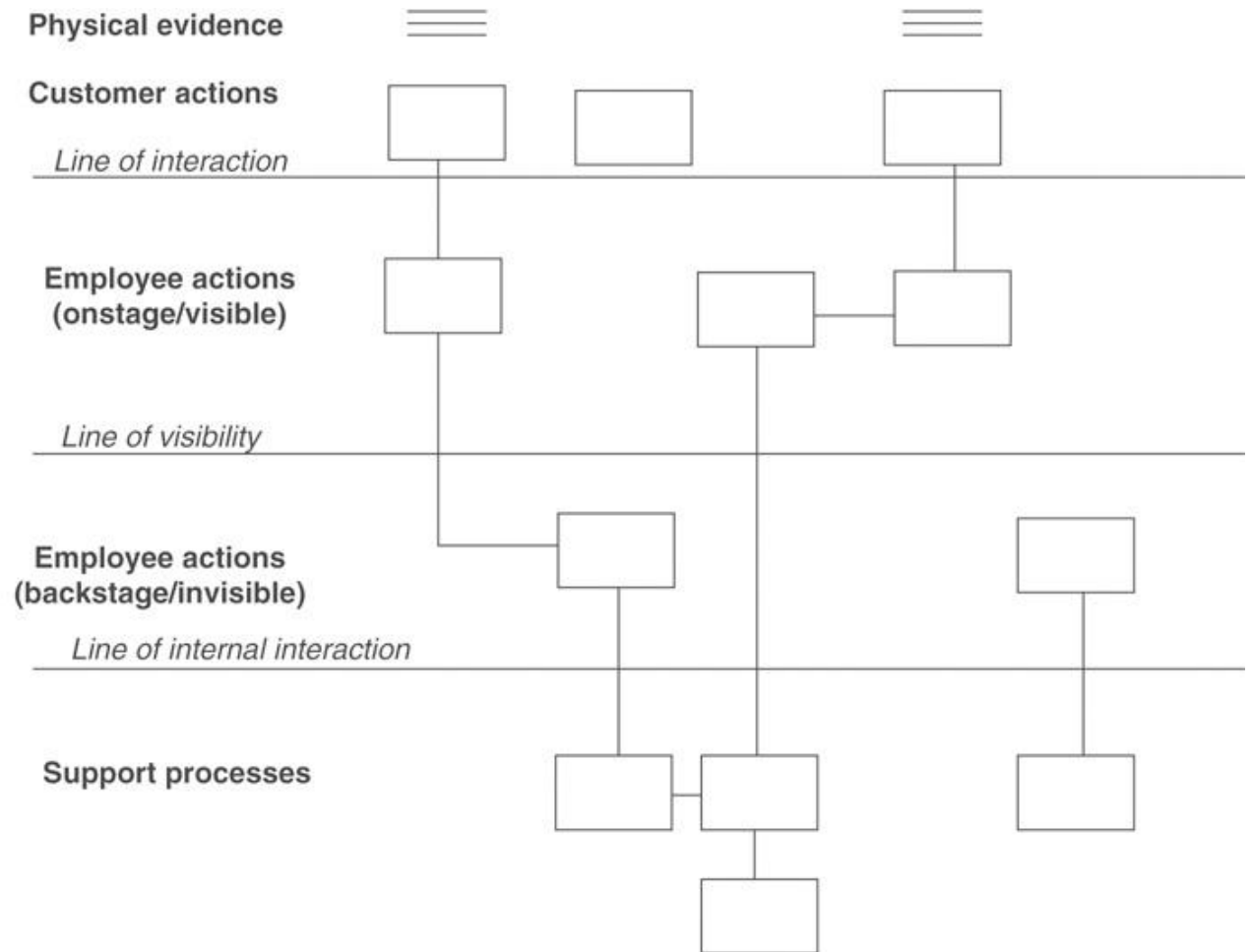
Invisible Contact Employee Actions

line of internal interaction

Support Processes

Service Blueprint Components

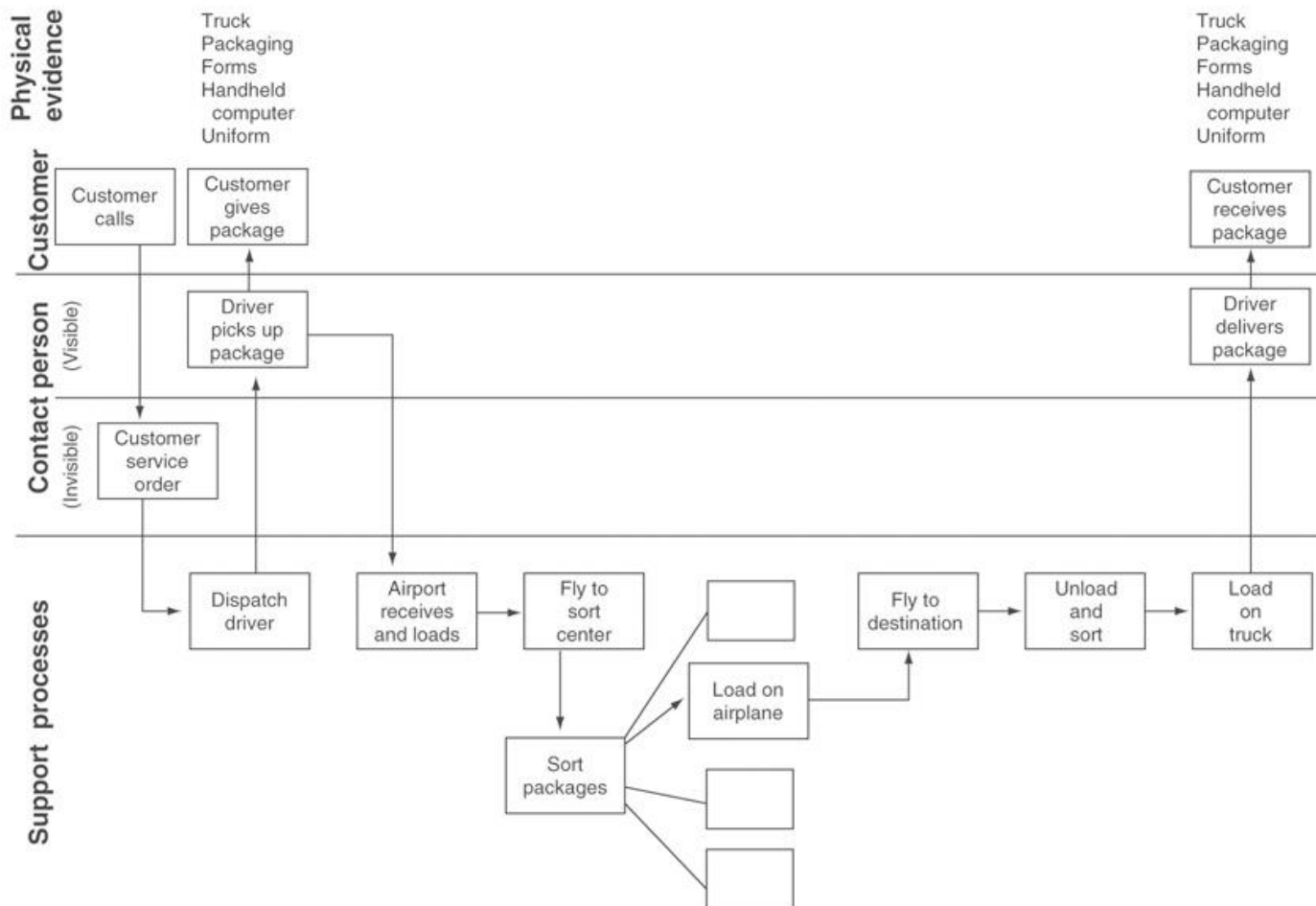
FIGURE 9.4
Service Blueprint
Components



Blueprint for Express Mail Delivery Service

FIGURE 9.5 Blueprint for Express Mail Delivery Service

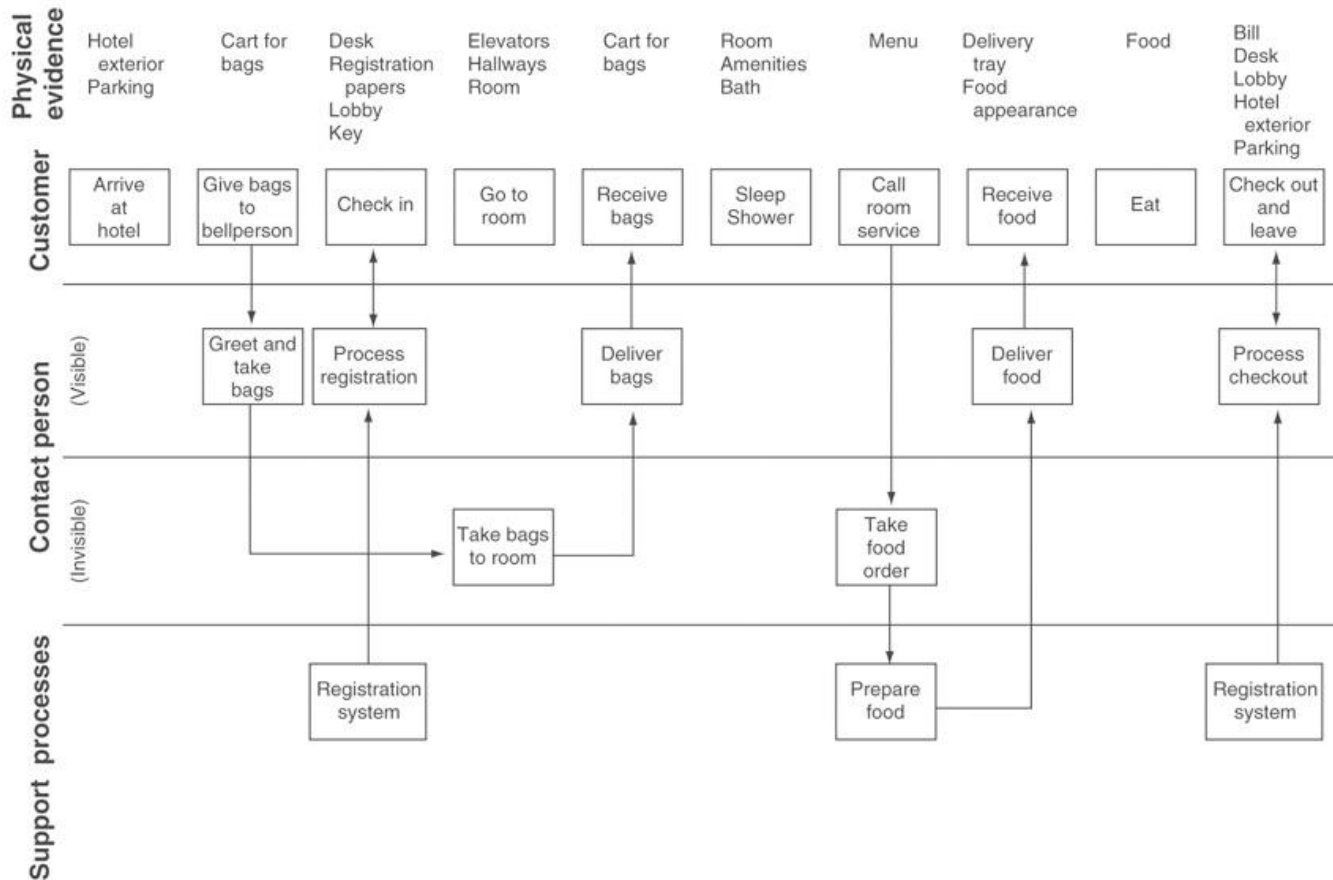
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Blueprint for Overnight Hotel Stay Service

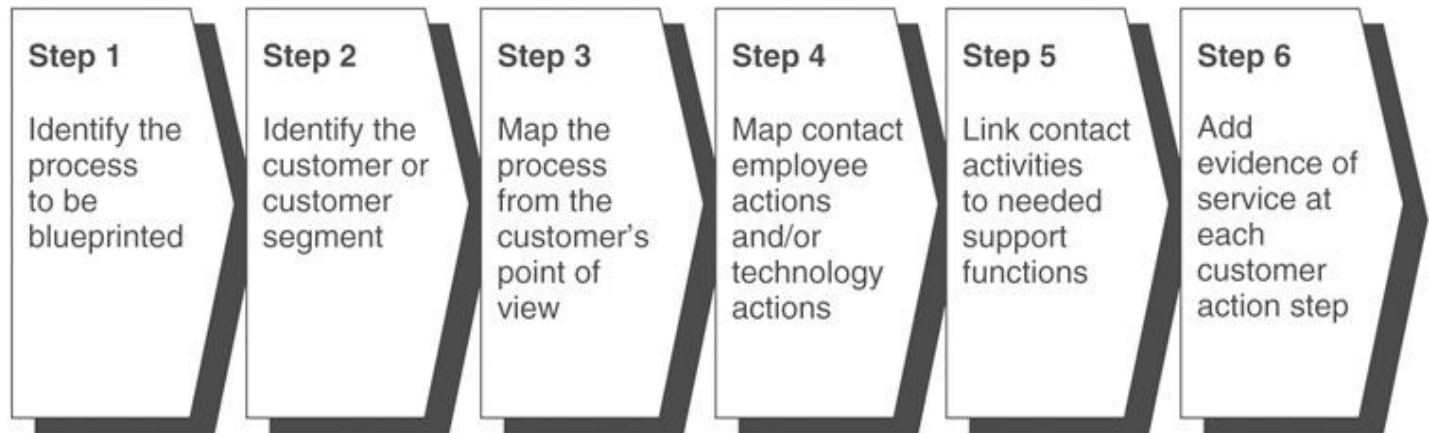
FIGURE 9.6
Blueprint for Overnight Hotel Stay Service

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Building a Service Blueprint

FIGURE 9.7
Building a Service
Blueprint



Application of Service Blueprints

- New Service Development
 - concept development
 - market testing
- Supporting a “Zero Defects” Culture
 - managing reliability
 - identifying empowerment issues
- Service Recovery Strategies
 - identifying service problems
 - conducting root cause analysis
 - modifying processes

Blueprints Can Be Used By:

- **Service Marketers**

- creating realistic customer expectations:
 - service system design
 - promotion

- **Operations Management**

- rendering the service as promised:
 - managing fail points
 - training systems
 - quality control

- **Human Resources Management**

- empowering the human element:
 - job descriptions
 - selection criteria
 - appraisal systems

- **System Technology**

- providing necessary tools:
 - system specifications
 - personal preference databases

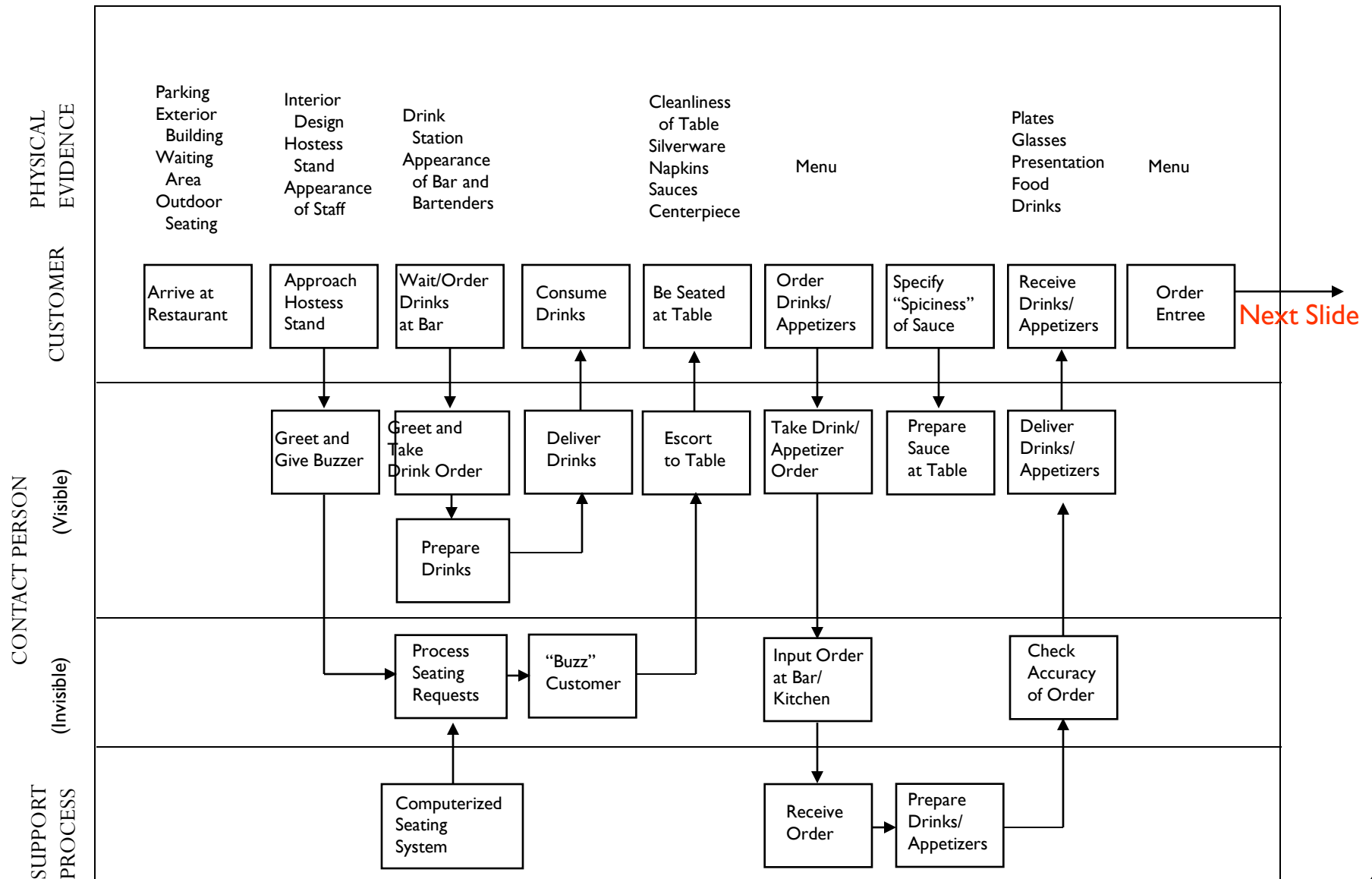
Benefits of Service Blueprinting

- Provides a platform for innovation.
- Recognizes roles and interdependencies among functions, people, and organizations.
- Facilitates both strategic and tactical innovations.
- Transfers and stores innovation and service knowledge.
- Designs moments of truth from the customer's point of view.
- Suggests critical points for measurement and feedback in the service process.
- Clarifies competitive positioning.
- Provides understanding of the ideal customer experience.

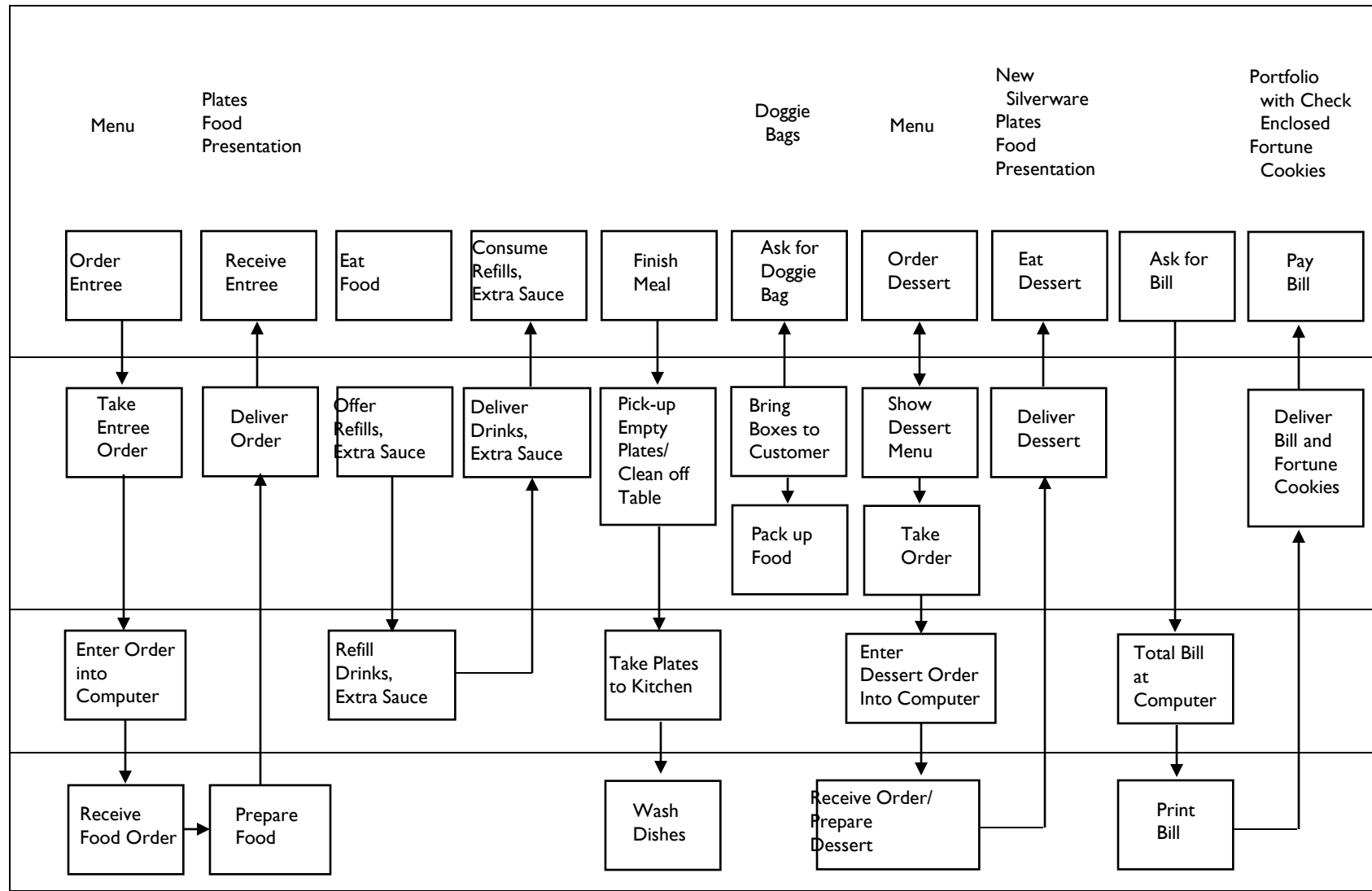
Common Issues in Blueprinting

- Clearly defining the process to be blueprinted
- Clearly defining the customer or customer segment that is the focus of the blueprint
- Who should “draw” the blueprint?
- Should the actual or desired service process be blueprinted?
- Should exceptions/recovery processes be incorporated?
- What is the appropriate level of detail?
- Whether to include time on the blueprint

Example blueprint: A restaurant



PHYSICAL EVIDENCE
 CUSTOMER
 CONTACT PERSON (Visible)
 CONTACT PERSON (Invisible)
 SUPPORT PROCESS



Tangible Cues or Indicators of Quality

- Exterior and Interior Design
- Presentation of Food/Drinks
- Appearance of Staff
- Cleanliness of Tables, Utensils
- Cleanliness of Restrooms
- Location of Restaurant
- Appearance of Surrounding Customers

Possibility of Standardization

- Hostess Greeting
- Pre-Prepared Sauces (Mild, Medium and Hot)
- Time Standards
- Food and Drink Quality Standards
- Bill Standards

Potential Fail Points and Fixability

- Bar
 - train to make drinks; create ample seating space for wait area overflow
- Food
 - revise food presentation; create quality control checks to ensure order is correct before delivering to customer
- Staff
 - training; set number of times to check-in on customers; behavioral and attitude guidelines; dress code
- Billing
 - standards for when to bring bill, how to deliver, when to pick-up, how quickly to process transaction; ensure one fortune cookie per customer
- Cleanliness
 - standards for amount of time it takes to clear and clean tables; regular restroom checks

Class Activity# Service Blue-print

- Identify any one service industry among a group of 4 and prepare service blue-print for the service delivery process for that service by highlighting:
 - Lines of interaction, physical evidence, customer activity, service contact personnel and support processes
 - Service Fail points and Fixability