Managing Services
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Lecture – 19
Current Service Map to New Service Design

Hello, I am Jayanta Chatterjee of IIT, Kanpur and we are interacting with you on the session, series of session on services management in the contemporary world and the contemporary issues, this is the fourth week of our interaction, this is the first session of the fourth week. You recall, in the last couple of sessions we were discussing about new service value creation through co creation by co opting the customer in the value creation process.

So, we were looking at new service creation, like if you recall we talked about that vertical urban gardening service or jewelry from trash, creation as a service level enhancement, income level enhancement for rag pickers. In this and next session, we will look at new service creation more in terms of process and operations. So, earlier we were discussing at conceptual level, strategic level, now we will discuss new service creation at an operational level.

New service creation of course, as a whole lot of deeper operational issues like personnel, deployment, sizing of employment, the facility location, infrastructure for facilities. But, in this couple of session we will more focus on the flow and a process blue print and creation of new service from studying, existing blue prints.
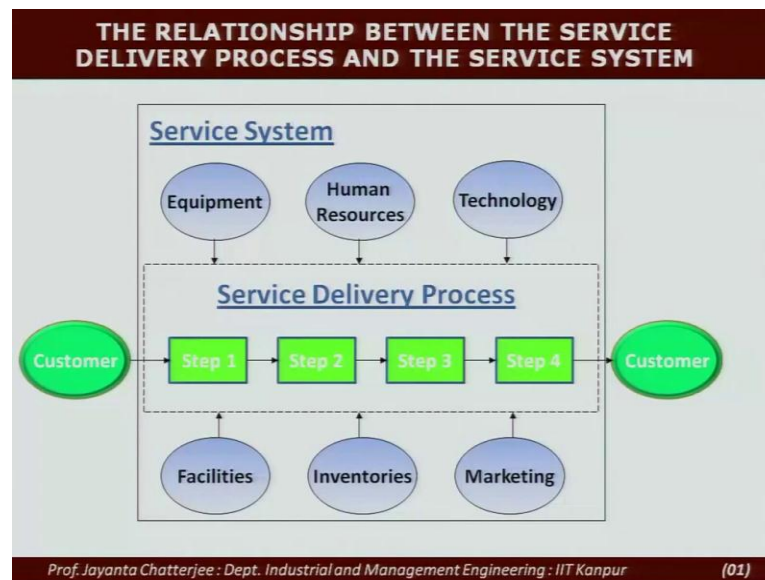
So, we have already seen before that service systems will have equipment, technology, human resources, deployed in facilities, there will be some inventories related to product service. And this will be link through a series of steps through interactions with each of these, through interactions between these blocks and among these blocks. The most important point for you to notice, which is coming as a continuation from the last session is that, customer is now not only at the receiving end, customer is also at the creation end.

So, customer is also inputting just as designers are inputting, suppliers are inputting, R and D people are inputting, customers are participating on this site, the creative site and then, through this various steps through the interaction of these blocks, customer is receiving the end product. So, to complete this diagram therefore, this is the overall service delivery process which starts with customer and ends with the customer.

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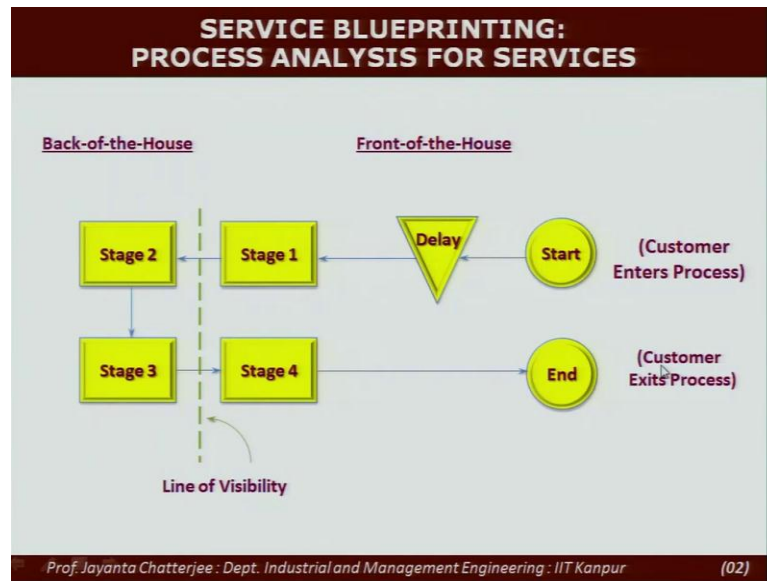
We have also discussed earlier, that normally when we look at this service blue print, we divide it in two stages, the front side is called the front stage, this is the back of the house. So, customer comes in, customers entry, there is some kind of delay, so this can be the reception, this can be the table booking system, this can be the ticket booking system, whatever. And then, the customer goes through these stages and customer exits, this is the traditional way of looking at process flow through the service.

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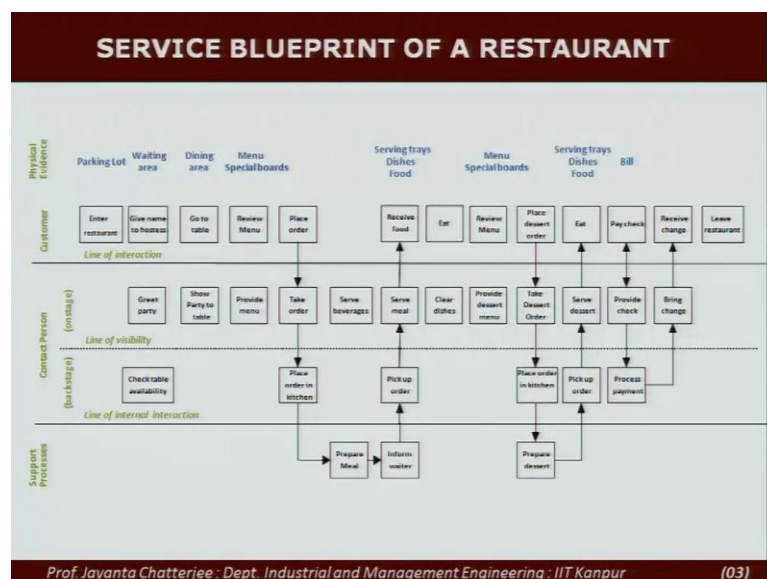
This simple diagram can be elaborated, which you have seen this diagram before, which is the service blue print of a restaurant. So, we have this line of visibility, we have this whole process from customers entry to the various place, where there is ordering, receiving of the food and consumption of the food and then, the customers exit.

And it is supported by a whole lot of service blocks in the middle and at the back stage, the kitchen, the counting, the computer system, air condition system all that will be necessary at the back end to give a good experience at the front end and this whole thing as to work together. As earlier when we discussed about the servuction system or product service integral system, we looked at this blue print. But, today what I am trying to highlight to you is to provide you with some templates like this one. So, that you can develop simple blue prints for the services that you will have to study as an assignment for these two sessions, for the assignments of this week. So, I provide you with another more detail template, which is suitable therefore, for developing a more complex blue print.

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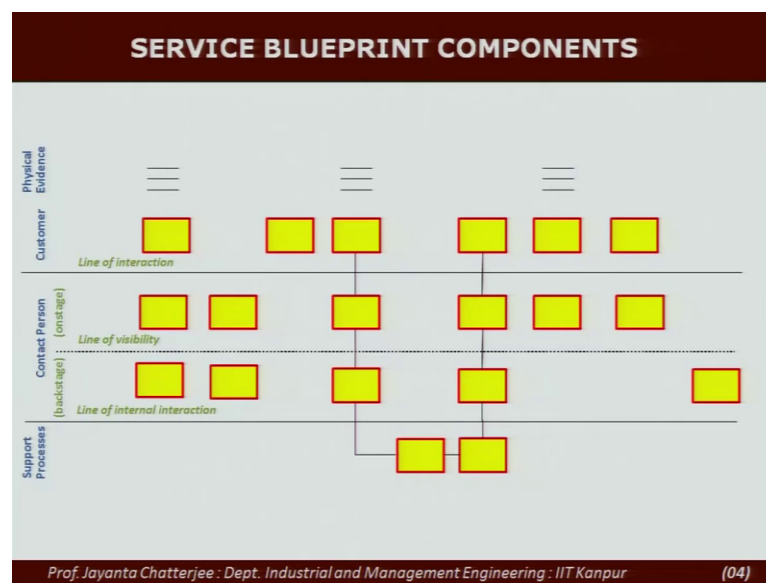
And you can use, you can take a print out of this template and use it for your assignment for uploading on to the forum. Wider participation from all of you would be very important to make this course superlative, just my talking to you and your listening and taking notes or downloading the lecture and seeing it again will not be at all satisfactory.

We will then be in the old paradigm, where I am behaving like a sage on a stage, I would like to invite you to be a co contributor to the knowledge of service management.

So, that your insides, your experiences, your observations can enrich each other and I can learn from all of you, so I would like all of you to make our forum lively, I am already very thankful to all of you for contributing some excellent material. Some of those I will be showing in my future lectures, a kind of high quality input that you have provided, but I want many of you to come forward and that is why I am providing these templates. So, that it becomes easier for you to visualize ((Refer Time: 08:53)) and develop this kind of more coral more detailed blue prints.

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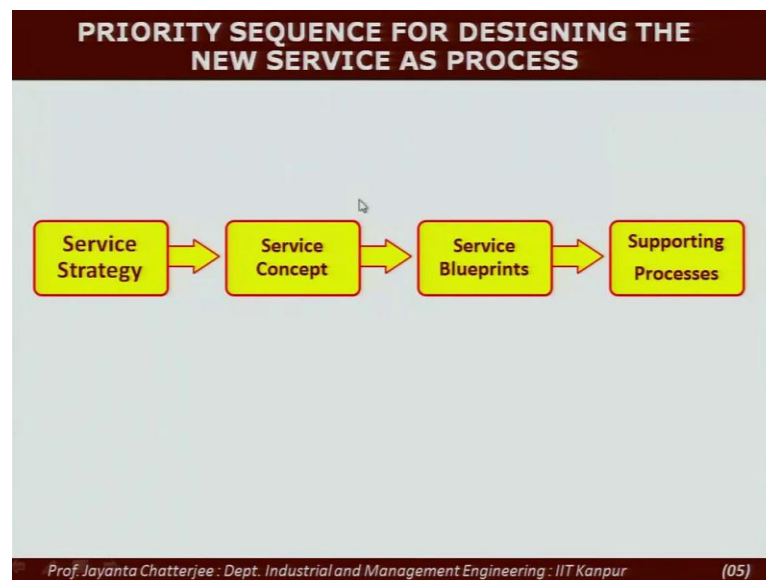
Now, the blue print process only focuses on explicit deliveries and explicit supports or what we call enhancing and supplement reservice. So, the core service is supply of food and beverage, we had discussed that model of flower of service. So, the core is food and beverage service and around it or all these whether menu, whether the bill, whether the interaction with steward about suggestions, all those are the enhancing and augmenting services and supplementary facilitating services.

But, we have to start a little backward, so we have been actually looking at these two blocks earlier, mark my pointer. To some extent we have discussed about the service concept generation and the role of the customer in new service concept generation, last

week. But, service strategy and service concept correlation is something, let us briefly review here.

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So, service concept focuses on the exact criteria that will satisfy the customer later on when we look at customer satisfaction models we will look at the key constitute of the service concepts. By service content, what we normally mean is the menu of different service blocks, that are being offered and service style is how it will be delivered.

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Anyway these are all terminologies that you can easily search and get much more data on service concept will therefore, empress all these four parts operation experience outcome on the value provided.

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Service content will be steps that are followed to serve the customer points in the process, where the service provider employ may have to make decisions. So, these are the touch points, that we have referred to earlier, which are also discretion any point discursion in decision making points for service employees. So, your system is to empower your employees to be able to have discretionary power at those touch points.

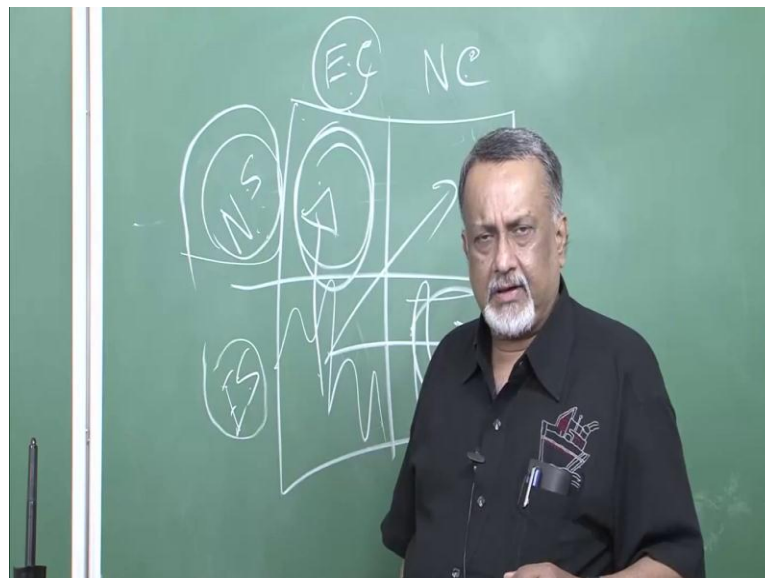And sometimes these are also this points are the same as the point, where the customer may have to wait. Now, this is how you understand an existing service and how it is structured and it is constituent's part. Now, new services can have origins, which can be well explained by adopting the Ansoff matrix in case of the service industry.

Igor Ansoff had provided this very simple, but very useful 2 by 2 matrix and we call this the so called ES, NS and EC and NC. This is the adopted for the service industry Ansoff, Igor Ansoff original matrix and existing service new service; existing customer new

customer. So, all businesses are here at any point of time, existing service being offer to existing customers. So, new services can be created in these three trajectories either it can be existing service offered new service offer to existing customer existing service offer to new customer.

So, new service to existing customer and existing service to new customer, existing service to new customer means that a company's operating a mobile phone operator in Russia are in Europe and the come to India it is a same mobile phone service, they bring all their capability is there no how their infrastructure the technology all those service blocks, which you can capture on a blue print, which we were discussing and the deploy it for new customers in India or you can bring a new service to the existing customer in India.

So, there is a already mobile phone company in India and they can now bring live videos streaming on five g network, where you can see a full movie quite comfortable on your handle device and real time good speed, good clarity and at a very reasonable price; that is a new service to existing customer. Normally, when we talk about new service it can therefore, either be new to the existing customers, so this is the more like a technological or process enhanced offering or it can be service wise not very different is not much of new technology development here, but it say market development activity service market development activity.

The very challenging area of course, is this new service for new customers new service to new customers or even new service to existing customer can be stimulated by sensing human needs sensing needs that are not properly fulfilled not adequately met today. So, sensing this need based opportunity is a starting point of new service development sometimes new services are these develop today stimulated by social needs for survival and growth of population social needs that are not adequate recovered.

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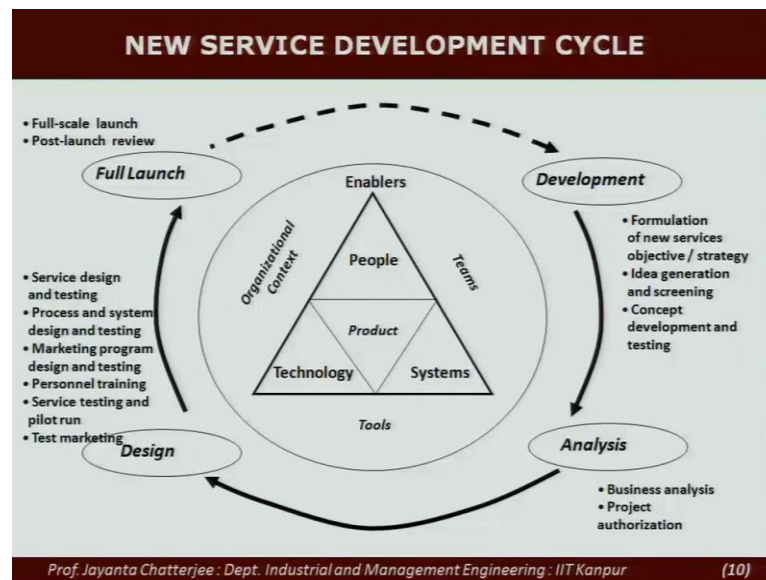
So, the new service development cycle will look somewhat like this we will get in to much more detail explanation of this in the next session. But, you can now look at this whole picture as a composite systems approach and think about it will start our discussion could the same picture tomorrow.

Thanks.