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Service: Definitions and Attributes

Toward a Definition of Service

As a core of this book considers the provision and management of service, we believe it helpful at this early stage to provide one or more definitions of service and to discuss these. Service use is often immediate and (with few exceptions) is directly experienced by the user. Conventional examples of services include personal services such as a manicure, a haircut, and dental care, all of which are provided to the customer in that customer's presence. By way of contrast, personal items such as nail extensions, hairpieces, wigs and toupees, and dentures can have specialist work done to them in the absence of the user. Hair extensions, wigs, and toupees can be styled overnight; natural hair comes and goes with the client. Similarly, a pair of shoes left today with the cobbler can be collected at a later date. A service is often perishable, given and received in real time and in situ. Invariably, service involves a face-to-face encounter between a provider and the user. For example, the service provided in a restaurant by waiting staff is at the customer's table. The chef tends to remain in the kitchen, although few would dispute the importance of the chef's participation in the dining out experience. Indeed, the chef's contribution is a vital component of this experience, encompassing as it does menu design, selection and purchase of ingredients, food preparation and cooking, and (immediately before serving) arrangement of the food on the plate. Thus, while absent from the immediate vicinity of the customer, the chef is distanced by time (in earlier parts of the process) and space (when the customer is *à table*). An exception occurs, for example, in a Cordon Bleu restaurant where the chef works in the restaurant rather than the kitchen and cooks dishes at the diner's table. Somewhat predictably, the closer proximity of the chef to the diner (and the absence of waiting staff) reduces the time and space between the person responsible for preparation and the customer. In so doing, the restaurant raises the intimacy levels of personal service. Invariably, a higher price reflects the increased level of culinary expertise, the atmosphere of exclusivity, and the perceived higher quality of the service experience.

Fundamentals of a Service Encounter

At a fundamental level service comprises an encounter between the service provider and a customer. While the customer traditionally encounters a human service provider, there are other features of even the most basic service operations system. The fundamental components of service are shown in Figure 1.1. The figure shows that a service encounter has three essential components: a customer, a service contact component, and a noncontact component.

The contact component is likely to involve person-to-person interaction, although increasingly customer-service provider contact may be through electronic media. Elements of a noncontact component are usually concealed from the customer's sight, although there are exceptions. For example, in a restaurant it's possible for a customer to observe food preparation. This feature is common to both the fast food and fine dining experiences. In a fast food (especially takeaway) eatery, the customer orders from a displayed menu and may select food items already in the cooking process across the counter. In this service situation the preparer and the service provider may be the same person. In fast food places, operating costs may be reduced by multi-skilled employees and further offset by a high throughput of customers. In a fine dining experience, food preparation may be tableside, and thus highly personalized, or the diner may be able to observe the chefs working in an open-plan kitchen. Personalized service tends to be more expensive than mass-produced service and reflects higher levels of culinary expertise and closer attention to personal needs. When ordering bespoke (custom-made) tailoring, the customer may meet the tailor who takes the measurements as well as the front office person who notes the measurements. Customers with sufficient wealth to buy haute couture may meet the designer for personal discussions on the proposed design of the gown. Again, price reflects
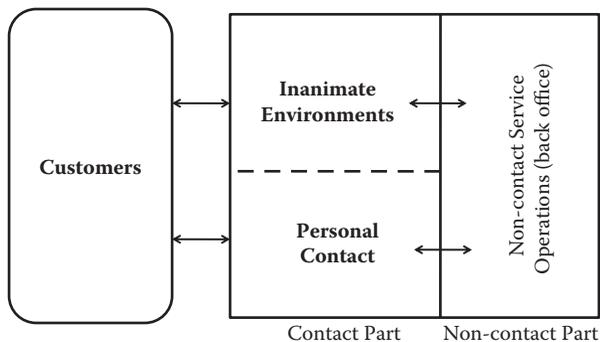

FIGURE 1.1

The service encounter. (From Mitchell M. Tseng, Ma Qinhai, and Chuan-Jun Su (1999), Mapping Customers' Service Experience for Operations Improvement, *Business Process Management*, 5(1), 51.)

levels of expertise, attention to detail, and a designer's reputation. At the low to medium price range, hairdressing is usually open plan, with the stylist working in close proximity with the person washing the customer's hair and other customers. A higher price entitles the customer to increased levels of privacy, personal attention, and exclusivity. When one customer questioned the high price of her hairstyle, allegedly by Vidal Sassoon, he responded the price reflects twenty years of training and hard work.

As Figure 1.1 shows, not only does the customer experience personal contact at the point of service delivery, but there are inanimate environments where the service encounter takes place. These include the ambiance of the location and features of this environment, such as lighting, music, and décor (or not). The value (perceived benefits) that the customer gains from the service encounter is a function of an amalgam of the personal style of the service provider and the inanimate environment that provides the ambiance for the service encounter. The customer takes away the experience, but the inanimate environments tend to stay. Adding to the complexity of service provision may be the presence of other people. Other service users, potential users, and people who have already experienced the service (for example, hotel guests who have been processed through check-in and are waiting for their luggage) may influence service delivery without being a central part in its delivery. When service is located in a crowded place, background noise (chatter, background music, footsteps) may alter and influence the tone of the service encounter. The figure also shows that there are nonservice operations (back office support). Although these are part of the infrastructure for service provision, organizations that rely on service delivery as a major part of their business processes and operations should consider including back office employees as mainstream service providers, for example, in training and educating about customers and their needs. The success (or otherwise) of service often depends on the quality of back office work. Timeliness, suitability, and information accuracy are three key features of back office service support. On those occasions when service breaks down, it is highly likely that this is attributable (at least in part) to shortcomings in back office preparedness.

Key Components of Service

When subjected to detailed analysis, the service encounter is more complex than at first appears. Figure 1.2 shows that a service encounter has three major components: a service delivery system, a service task, and a set of service standards. Of particular relevance are the interfaces between each of these key components, which we have labeled A, B, and C. At these overlapping points service becomes more intriguing and there are inherent risks
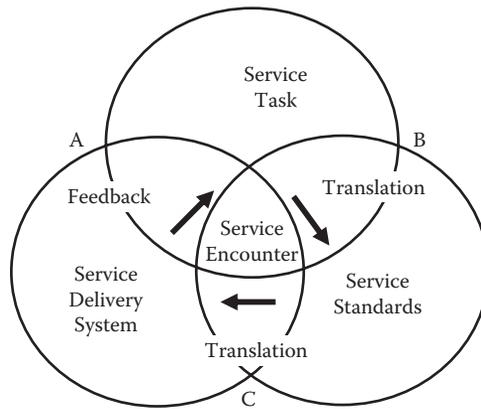
FIGURE 1.2
The service encounter. (From Roger W. Schmenner (1995), *Service Operations Management*, Eaglewood Cliffs, NJ: Prentice Hall International, p. 19.)

for the unprepared or unwary provider of service. It would perhaps not be unrealistic to call these "make or break" points for the organization offering the service. Conversely, organizations that are sincere about their service provision can identify opportunities at these junctures for service differentiation.

Underpinning the service task is the purpose for the service being offered. A service task is within the role and responsibility of the service provider and its employees. For both the service provider and the customer the service task has to convey meaning. Devoid of meaning, the service task has no purpose and loses its edge for both the service provider and the customer. When we asked one interview respondent how she felt about the poor service she'd described receiving from a well-known airline, she said, "I was irritated because their process seemed to make little sense to me." For the customer, meaningless service tasks can be a source of major irritation and are unlikely to lead to repeat use of the service. The phenomenon called customer rage arises in part because of the mismatch between what the customer has been led to expect and the actual experience of the service in execution.[1] Conversely meaningful service tasks are likely to retain the customer for further business.

The roles of the service provider and the customer are in many ways complementary. While the service provider cannot function without a customer, a customer does not necessarily need a service provider, or not specifically *this* service provider. This is especially so when a service is not unique and competing providers offer similar or identical services. In environments where competing outlets are located side by side, a key differentiating feature may be service quality. When the customer and the service provider are one and the same (for example, in self-service environments), the service organization has a number of responsibilities to minimize and obviate uncertainty, confusion, and error on the part of the customer. When customers are

expected to deliver the service tasks themselves, the service organization needs to make prior preparations (including pretesting and walk-through exercises) to ensure clarity of instructions to the customer. As an example, witness diners trying to operate the toaster at a buffet breakfast. The absence of a human service provider can make the task of providing quality service more challenging. Delivery via vend-o-mat machines and ATMs (automated teller machines), and service via electronic media such as the Internet places the customer in a dual role: service provider and customer. Customer satisfaction ensues when the technological service provider and the customer work in harmony. When a technological substitute fails to deliver service, and furthermore is mute to the customer's requests, the result is likely to be customer frustration.[2]

Astute managers and supervisors in service environments ensure that there is a human backup available either in person or via a hot line telephone. Although this may seem unnecessary (what might be called a belt-and-braces approach to service delivery), it is likely to forestall customer frustration. In the technology-intensive Tokyo subway system more than a sufficient number of station officials are on duty in the vicinity of the ticketing machines and electronic entry lanes, ready and willing to help passengers use the technology. The vast majority of passengers enter and exit the subway system incident-free, but for the very few who need help, the officials are there. Passenger flow is smooth and efficient, facilitated by competent officials and the highly functioning technology equipment. Rush hours are no exception. When a passenger needs help with tickets from one of the machines, an official is often quick to notice and moves speedily to help. The same cannot always be said for subway systems in other capital or major cities around the world.

Service standards frame the quality of the service task. As such, these can provide a mechanism of control that sets the direction for the service task and within which are parameters for actions by the service provider. Service standards reflect an organization's values; the customer-facing employee is a representative of those values.[3] The relationship of the employee to the employing organization tends to influence the quality of service that the employee is willing or predisposed to provide.[4] Ideally, the list of service standards will be publicized to customers, and customers can have an input into developing service standards (customer feedback forms are one such option).

For customers and the service provider, standards should be transparent and measureable. Service providers need to be aware of how the service provided is assessed from the customers' perspectives. Both the service provider and customers need to have some comparative evaluation of the service being offered against that offered by competitors. It is thus in the interest of service organizations to communicate with, and seek communication from, their customers. A service-based business organization that chose to conduct its operations without recourse to customer interaction and feedback would surely be myopic.[5] But this happens and, as media outlets are

not shy to report, within all types of organizations, including multinational corporations (MNCs), enterprises that style themselves as world class.

Conventionally, at the point of delivery to the customer, a service delivery system is face-to-face. Even with the phenomenal growth in service provided electronically, an overwhelming majority of service transactions continue to be up close and personal. In this type of service encounter each participant can respond to the verbal and bodily cues of the other participant. For a number of reasons this renders the encounter more overt and less prone to misunderstandings. When the service delivery is by electronic means there seems to be an increased propensity for error.[6] This is demonstrated by orders for goods and services made by telephone or through an Internet website. Face-to-face service encounters allow participants to notice any possible misunderstandings and to attempt to rectify these in real time. As will be described and discussed in later chapters, customer participation is a critical component of quality service delivery. When a service system has high customer contact, the customer exercises a greater degree of control over the service delivery and may decide timing, content, and quality of the service.[7] For the service organization, the service delivery system is (or should be) the focus of close analysis. If the process of delivery is to achieve acceptable quality standards, the service providers need to make analyses of costs of delivery. Costs of delivery include not only apparent costs such as labor and investment in appropriate equipment (as necessary), but also hidden costs such as staff recruitment and training and maintenance and replacement of equipment over time. Part of the analysis needs to include components to engage customers, especially customer feedback mechanisms. Figure 1.3 shows the symbiotic relationship between the service provider and the service user (the customer). The provision of services from the provider to the customer is complemented by the customer's willingness to provide feedback, a relationship that can be called the service loop.

The three service components of service task, service standards, and delivery system need to be managed so that the three components facilitate the organization to offer service appreciated by customers. The end result of service
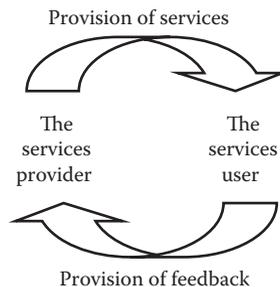

Provision of services

The services provider   The services user

Provision of feedback

FIGURE 1.3
The service loop: symbiosis between the service provider and the service user.

is a collusion of production of service (a back office function that involves preparation for service delivery, educating employees, and fine-tuning the service offering), service task (the result of employee education and practice), and service standards (knowledge and education combined).

As mentioned, we have labeled Figure 1.2 with the letters A, B, and C to designate where each of the key components overlap. Segment A (service task and service delivery system as a contribution to the service encounter, which Schmenner (1995) designates as feedback) is where the service provider may use pre-prepared components of the delivery system. As an example, in a conventional hotel the guests check in via a receptionist who has several roles: welcoming, registering (including the now compulsory credit card swipe), explaining (meal times, times at which facilities open and close, checkout times), and giving directions (to the guest room, to amenities). In some hotels the receptionist may be called upon to escort the guest to the guest room. Often the receptionist is the go-to person for local knowledge and advice, thereby acting in the role of a quasi-concierge. Increasingly, a hotel receptionist is also a salesperson offering a room upgrade (for a stipulated special offer fee), and perhaps at some time during the guest's stay offering loyalty schemes and maybe a time share resort operated by the hotel chain. A new business model for hotels requires guests to manage their own check-in routine, swiping a credit card to obtain entry to the room.

In a conventional hotel, while check-in routines are taking place, the guest can usually presume that the room is ready for occupancy (i.e., has been cleaned, has fresh bed linen, has requisite toiletries in the bathroom, and the refrigerator has been restocked). Sometimes, in a moderately priced hotel at an especially busy time of day some back office tasks (cleaning and preparing the guest room) may lag behind the front office tasks (reception routines). When this happens, a guest can have quite a shock to open the door of a hotel room that has not been cleared and cleaned after the previous occupant. According to hotel workers we have spoken to, when they check out a majority of guests leave the hotel room in an untidy state (bed linen on the floor, all lights switched on, dirty water marks around the bath and shower basin, all towels used and left on the floor).

In a hotel, the range of back office services provides the purpose for the receptionist's service task and tends to be the initial step in the service encounter. Without a customer's need for service, the service encounter is redundant. And, as mentioned, the hotel guest will often be oblivious to this preparation for the stay. Cleaning services tend to be organized and executed out of sync with the main traffic flows of incoming or vacating guests. As with many service tasks, only when matters go awry does a customer become aware of deficiencies in back office delivery systems.

In common with many aspects of service delivery the service user only becomes aware of the service delivery system at the point of the service task. This feature of service may bring problems for service management, as at the time of the service it may be too late to rectify any unforeseen errors in the

service delivery process. As an example from a different service environment, the soufflé may be perfect when the chef removes it from the oven (service delivery system), but the dish may be less than perfect when it arrives at the diner's table (an underperformed service task). As with service based around perishable goods, delivery time is critical. In this instance, the service provider's service standards may need review and adjustment, for example, carrying the soufflés, ice creams, and sorbets to the customer's table and returning immediately to the kitchen to collect the steak for delivery to another diner. In service-oriented businesses a key management task is to maintain a smooth flow of the contributing components of service. The customer has a right to expect that these different stages that contribute to the service encounter aim for a seamless flow of service components to be brought together in a timely way at the point of service delivery. A customer's positive experience of service flow contributes to customer satisfaction with a service.[8]

Similarly, the customer has a right to expect that at other stages in the service encounter (such as service delivery and service standards) the service provider is cognizant of health and safety requirements. Thus, the ingredients used by the chef to prepare food are fresh and safe for consumption. And at the cosmetic surgery, the skin medications are not harmful. On a more serious note, the service delivery tasks that contribute to air travel (such as aircraft maintenance, pilot training, pilot shift patterns, and regular pilot health checks) need to receive greater levels of management attention than training in courtesies for the more obvious marketing roles of cabin crew training. From these examples, it is thus apparent that the three key components of a service encounter (service delivery system, service task, and service standards) need to operate in unison. In service, inputs (preparation) and throughputs (especially timeliness) can be as important as outputs.

Segment B (the interface of service task and service standards, which Schmenner (1995) designates as translation) is where the service provider engages the service standards. Crucially this may be where the customer first notices a shortfall in service quality. Poorly trained or lackadaisical employees may be ignorant or indifferent to their organization's standards of service delivery. In the hotel check-in scenario described above, the lack of standards in room preparation may not be evident until the guest opens the door to the hotel room. And then, the lack of quality (whether through oversight, carelessness, or poor record keeping) in this back office service task may tarnish a guest's favorable impression of the receptionist's work (a critical front office task). Where customer service experiences are a mix of good and poor quality, their perceptions tend to reflect the poor rather than the good experience.[9] Inconsistent parts of service delivery thus jeopardize the whole experience from the customer's point of view. Where a service task has several stages, it is not uncommon for the handover between the different tasks to be less than smooth. When the service task falls to the responsibility of several professionals from different parts of an industry, standards may not be comparable. The hairstylist may be a competent professional, but the

person who washes and shampoos the customer's hair may forget to test the temperature of the water. In a hospital, the nursing staff may take initial data (height, weight, blood pressure, temperature) swiftly and efficiently, but on entering the consulting room you notice that the doctor is having a bad day, possibly at the end of a long shift.

Segment C (where service standards overlap with components of the service delivery system, and which Schmenner (1995) designates as translation) allows the service-providing organization to audit its service performance. This is made easier if the customer is allowed to provide feedback (and if this is factored into adjusting the service delivery system). In the absence of customer feedback, the service provider operates with incomplete information to aid adjusting the system. Service will achieve quality when the three key components of a service encounter function in harmony, including the fine detail at the interfaces between the three components.

Service and Service Management

In a classic book, *Service Management*,[10] Richard Normann (1943–2003) provides theoretical and detailed descriptions of service and service management and also defines a number of conceptual frameworks. He also asks his readers an intriguing question: Is the management of services different from manufacturing management? By way of explanation he suggests that a number of typical attributes differentiate services from manufacturing. For example, manufacturing production and consumption are separate activities, often separated by space and time. But notice in the Schmenner (1995) model of a service encounter that the service delivery component of service could contain a manufactured element that is later passed to the customer as a part of the service encounter. Manufacturing facilities such as factories and workshops do not usually need to be located near consumers and have tended to be located in out-of-town sites such as industrial estates and industrial parks. Manufacturers may be enticed by local or national incentives to set up their operations in these industrial zones. Health and safety and fire regulations may force manufacturers to locate in these purpose-built areas. There may also be cost gains through lower land prices and cheaper rentals. Local labor markets may be favorable. Industrial premises may be some distance from more urbanized areas where sales outlets are located. In recent decades, out-of-town shopping malls have brought in closer proximity shops and manufacturing, where activities of the latter have not been outsourced overseas.

In a service environment the time between production and consumption is condensed to a point where these activities are near simultaneous. Grönroos (2002) offers a model of the overlapping nature of production
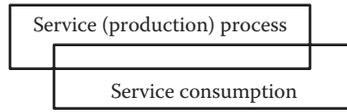
FIGURE 1.4
Overlapping components of service (production and consumption). (From Christian Grönroos (2002), *Service Management and Marketing: A Customer Relationship Management Approach* (2nd ed.), Chichester, UK: John Wiley & Sons, p. 52.)

for service (what Schmenner (1995) refers to as a service delivery system). We reproduce Grönroos's model in Figure 1.4.

In this service environment, the customer (service end user) does not necessarily see the process of manufacture (the service delivery) of the product. More often than not, the customer may only see the finished product when it is offered as part of the service. There are exceptions from a range of industries: bespoke (custom-made) tailoring, dentistry, cosmetic surgery, hairdressing, and beauty and spa treatments all involve the customer in one or more parts of the manufacturing of component parts of the service (creating the service delivery). In a conventional manufacturing process, where a product is manufactured for subsequent sale, the manufacturer has the opportunity between product manufacture and product sales to expend resources on marketing to make the product more attractive to the consumer. Attractive, eye-catching packaging tends to be part of a marketing effort.[11]

Service products tend to be intangible, while manufactured products are more likely to have a concrete form. The innate concreteness of a manufactured product means that it can be protected by various forms of intellectual property legislation. Supporting documentary evidence such as blueprints, materials and design specifications, drawings and photographs, and scale models can show ongoing product innovations. The intangible nature of service means that service innovations can be less easily protected from imitation and copying. This is a double-edged sword, as the uniqueness of a service encounter precludes imitation and copying to a certain degree. To a large extent, service is a social and psychological phenomenon. Service provision takes place through interaction between people. At the least, this is between the service provider and the customer, although others may contribute earlier or subsequent parts of the service. This sociopsychological dimension gives additional challenges in managing service. Service mediated through technology (such as online) challenges the sociopsychological dimension.

Here we revisit and reconfigure a model presented earlier (Figure 1.1). Figure 1.5 shows the revised model when the service employee uses technology to deliver customer service. At its most fundamental, this technology could be a bar code scanner or a machine to swipe a credit card.

The revised model now shows that customer service (contact part) includes personal contact (the employee), inanimate environments such as location, and the technology-delivered service.
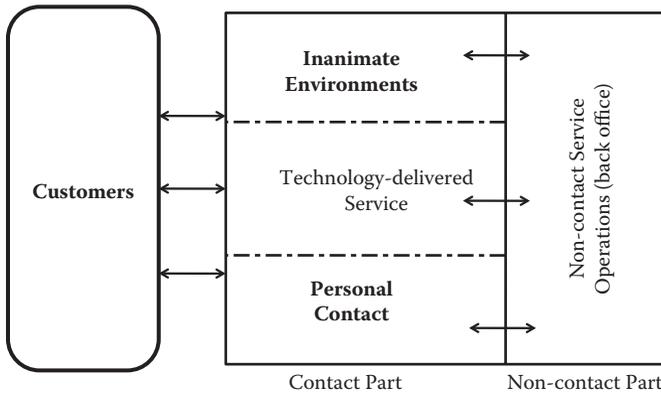
FIGURE 1.5
Service when technology supports the employee. (Adapted from Mitchell M. Tseng, Ma Qinhai, and Chuan-Jun Su (1999), Mapping Customers' Service Experience for Operations Improvement, *Business Process Management*, 5(1), 51.)

Transfer of Ownership

Normann also contends that the sale in a service transaction does not necessarily include a transfer of ownership to the same extent as the sale of manufactured products. While we usually concur with Richard Normann, we suggest that there are exceptions to his contention. For example, in a self-service environment the consumer assumes roles conventionally carried out by the service provider, such as making purchase choices, comparing prices of competing products, and physically transporting potential purchases around the shop floor and (eventually) to the checkout. In such a service environment the primary aim of the checkout system is the point of sale (and payment). This is the point at which ownership of the merchandise is formally (legally) transferred from the seller to the purchaser. In self-service environments, the act of transferring ownership has become one of the roles of the purchaser. For example, in a supermarket, customers handle goods before they become their legal property. Some time may elapse between selecting the merchandise and presenting it for payment. In a shop selling goods that are fragile, the sign "Lovely to look at, delightful to hold, but if you break it consider it sold" reminds customers that they have ownership and care responsibilities for the merchandise before actually exchanging money for payment. If we analyze the process of online purchasing of goods or making seat reservations (e.g., on an airline or at a theater), the transaction includes tasks previously undertaken by employees of the seller. Included here can be product recommendations, identification and comparison of product features, price comparisons, selection between product alternatives, and accumulation of several possible purchases before final selection.

Various online businesses now fulfill some of the former roles and tasks of the service organization employee. In the online version of the transaction (toward the conclusion) the purchaser signifies acceptance of the transaction by entering credit card details into the electronic process. The technology then takes over and processes the proffered means of payment. The transaction is completed with acceptance of the customer's credit card details and ownership of the merchandise is transferred to the purchaser.

Service Requires an Immediate User

As mentioned, a service user generally needs to be present at the point of delivery. This is the situation with services as diverse as bespoke tailoring, hairdressing, and spa and medical treatments. In such services, the user is present *because* the service is so personal. Admittedly, one's body measurements can be sent by post or by e-mail. However, this means forgoing the tailor's experience and expert judgment, part of which is sensory (e.g., visual and tactile), which is one key element of a bespoke tailoring service. Once the personal service has been conducted and completed, what has been produced is portable and the customer takes it away. This varies in degree to the type of service. Custom-made tailoring takes time, usually weeks, sometimes months. A manicure or hairstyling takes minutes or an hour at most. The services of a psychiatrist, physician, or dentist may last for a large part of a lifetime.[12] Services from medical professionals may involve a series of repeat visits during which different services are carried out. In using personal services such as health and beauty treatments, a manicure, and hairdressing, customers (usually) go away more contented than before they arrived, though there are known to be exceptions. Noticeably, the proximity of an immediate user is not required with the provision of online services such as travel services, flight and hotel reservations, or Internet banking. This so-called disintermediation of the service from the customer tends to incorporate technology and will be discussed in later chapters.

Service Processes Differ from Manufacturing Processes

It is helpful to contrast the provision of services with the manufacture of products. This brings out differences—both apparent and opaque. A product is manufactured, usually in a specialized environment designed for the purpose, such as a factory, workshop, or design studio. A manufactured product can be delivered, taken away, stored, and used at a later

date. However, perishable products (e.g., some foodstuffs in certain types of packaging) are manufactured with a publicized "sell by" date. An exception would be takeaway fast food, which tends to be produced while you wait, although the ingredients will have a sell-by date. Other perishable products may be less obvious. These include airline seats, hotel rooms, and concert tickets. Such products become obsolete after the stipulated date and time. There are very few recorded instances of passengers joining flights after takeoff. Yesterday's hotel room, if unoccupied, cannot be resold today. A ticket for yesterday evening's concert at Carnegie Hall does not retain its currency for tomorrow evening's concert at the same venue. Although the concert may be repeated as one of a series, the booked seat may now be occupied by another concert-goer. In the era when rock stars such as Jimi Hendrix and the Who destroyed their instruments at the end of a performance, the musicians themselves ensured that at the next concert the musician played a new instrument with perhaps a slightly different sound. An exception is probably the Frank Sinatra farewell tour, which lasted several decades.[13]

Manufacture and Delivery of Products Are Separated by Time and Space

Generally, in the manufacture of products, delivery and use are often separated—often by both time and space. In the absence of a waiting customer the manufacturing process has no immediate urgency. Just-in-time (JIT) manufacturing processes are made with the expectation that delivery arrives *just in time* to be incorporated into a prescheduled manufacturing sequence. Where a manufactured item is part of a service, this is not inevitably so. A user does not necessarily need to be present at the point of delivery of the product. But the product needs to be ready for inclusion by the service provider into the service encounter. The book you are holding was written over the past four years in various parts of Europe, Asia, and Australia. Published and printed by an American publishing house, it was delivered as part of a global distribution channel. We do not recall any potential readers of our book being present in our offices, study rooms, or next to us on airplanes as we composed the various chapters—though that would have added an interesting dimension to our creative processes. (Customer feedback usually contributes to a higher quality of service delivery.[14]) However, we conversed with potential readers in our own workplaces and in public spaces such as airports, railways stations, and internationally renowned coffee shops.

Whereas a service user may walk away with the service when provided (dental treatment, a pedicure), the ultimate user of a manufactured product

may not necessarily own the product that he or she buys. Examples are the business models of, for example, products (such as some computer software) that are leased to the purchaser/user and not owned outright. Here the purchaser buys the right to use, not the right to own. This also applies when staying in a hotel room for one or more days or nights. In this case, the purchaser buys the use of the room space and amenities for a stipulated time period. It is expected that the room furnishings (television, bed linens, towels, and the unconsumed contents of the refrigerator) remain in the room for use by subsequent guests. Some hotels publish price lists to prevent guests from taking "souvenirs" of their stay. Similarly, restaurant owners and managers expect diners to leave the cutlery and crockery once a customer has used these to consume the meal. The manufactured part of the service provision is the food and the environmental experience, not the utensils provided for the consumption of the meal. Besides, the restaurant makes revenues from preparing and manufacturing the consumables. The equipment used in food preparation and cooking and by the customer is a necessary but not sufficient part of the restaurant experience.

Service Provision Is Personal and Immediate

As discussed, the provision and delivery of a service is personal and immediate. This here-and-now nature gives a psychological dimension to the provision of service. Both the provider and the receiver of the service experience a personal dimension, and each contributes to the personal nature of the service experience. Service is about people: it is up close and personal. The two or more individual human inputs to the service encounter conjoin to create a symbiotic social interaction. Indeed, for a majority of people, experiencing service and engaging with service providers are part of personal social interaction. Often, the collected individual social interactions form part of a greater social intercourse for a community or society. In any part of the world, market days tend to be a big event, often attended by people who travel from afar for the purpose. By definition, a market is where individuals interact to buy and sell. As we recall from studying economic theory, a standard textbook definition of a market is "a place where buyers and sellers meet." The liveliness, and indeed success, of a market is a factor of the interactive transactions between people bringing goods and services to sell and people wishing to experience and perhaps buy. Some markets (such as those specializing in antiques) allot time when the sellers can browse and buy from other traders, often at a professional dealer's discount. A market with many buyers and sellers is lively and interesting. An auction with buyers competitively bidding for the items on sale is an exciting event. An auction with one buyer is likely to be a flop for buyer and seller alike. The atmosphere is

augmented by people being there, for example, those who come merely to observe with no intention to engage in commercial transactions. Not everyone strolling down New York's Fifth Avenue, Singapore's Orchard Road, or London's Oxford Street is there to buy. Even without making a purchase, their presence is appreciated by shop owners who are aware of the retailer's adage "a crowd creates a crowd." This has been known since the bazaars of the Orient and the trading houses of the Silk Road, so much so that the creation of "false crowds" is not unknown.

Service Is Emotional

In part because it often engages sensory perceptions, service is emotional. In some situations service is highly charged. Service has been described as "emotional labour."[15] It is suggested that employees (especially public service personnel) should strive to "manage the heart."[16] Emotion is expended by each party to the service encounter. And for good reason this is said to be the "soft side" of service management.[17] The service provider (ideally) possesses social and personal skills to engage the service user as well as specialized knowledge of the service to be provided. In the social encounter that frames the service provision, the service provider adds passion to the personal skills and service knowledge. The service receiver brings an emotional dimension based on prior expectations of the expected service and reframes these emotions in the light of the ongoing experience of the service encounter with the service provider. In collusion there is an emotional engagement. A corollary to these emotional dimensions is the need to develop high levels of trust between service participants. In the current context, trust means having the confidence that the service provider is sincere and can fulfill (make and subsequently keep) promises made to the customer.[18]

The real-time, face-to-face nature of service provision gives immediacy to the social transaction. Service encounters are dynamic.[19] Consequently, customers need to process rapid incoming information—information content that accumulates over the time taken to conduct the service encounter. Service delivery is in real time. This feature of service tends not to allow customers sufficient time to process all of the sensory data. Customers may therefore construct an incomplete picture of the service, especially its quality. This is not to suggest that customers do not assess quality to some degree: some sensory data such as the service provider's personal appearance and tone of voice and the service location convey very important contextual clues to service quality.[20] But in the series of fleeting instances of the service encounter customers may overlook other vital cues and clues that can provide a holistic picture of the service offered. Customers develop a social antenna to sense quality service. Quality may be readily perceived at the extremes of an

emotive spectrum: poor or superior quality. Customers, as social beings, are often able to very quickly distinguish between good and poor quality service. A "couldn't care less" attitude on the part of the service provider may be a readily recognizable sign that the service will be poor quality. Superior quality may be equally easily recognizable by a service provider's attentiveness and concern. Service quality may fall anywhere between these two extremes. For both parties in a service transaction, quality perception is a matter of social rapport and sensitivity.

Service and Trust

The trust element means that delivering service is fragile and can be easily damaged. In some business domains the necessity of a trust relationship between the service provider and the service receiver is relatively self-evident. Businesses as diverse as healthcare, wedding services, undertaking and funeral services, medical care, and training (from driving a car to SCUBA diving) have high levels of trust embedded into the service provision. Customers experiencing service in a fine dining restaurant or enjoying an exclusive hotel consider trust to be part of the cost of the experience. Food that is poorly cooked or rooms that are below the customer's preconceived expectations would be an unwelcome surprise. But it happens. Similarly, customers have a right to expect trust to be part of the experience with financial services and support services for so-called high-ticket items, such as those provided for users of exclusive apartments or luxury automobiles. Trust is a critical component when a service has a high emotional content, such as in medical, health, and beauty treatments. Once satisfied, trust can lead to high levels of customer satisfaction and subsequent positive word-of-mouth recommendations for the service.[21] Encouraged by feelings of trust, satisfied customers tend to become loyal customers who are willing (and often enthusiastic) to repeat their experience.[22] Nor are the benefits of trust unidirectional for the sole benefit of the customer. An environment of trust brings long-term advantages to the organization providing the service. These advantages include opportunities for cross-selling other products and services and consistently loyal customers who can play a role in ensuring service quality.[23] Companies such as Apple, Virgin, Prada, and Singapore Airlines (SIA) thrive with a loyal customer base. As trust and continued customer loyalty are critical components in an organization's success, and perhaps even its survival, frontline employees have a key role of providing the appropriate levels of service. Organizations therefore need to ensure that their customer-facing employees (the service providers as far as the customer is concerned) have the necessary skills to convey trust to the service receiver. In a research interview with a hotel director in France, one of the current

authors (BH) asked what was the secret of the hotel's success? The answer was brief, candid, and to the point: "*D'abord, on essaie de pas recruire les cons!*"[24]

It is suggested that educating the customer is a necessary component of building a trust-valued service relationship.[25] A trust-based service relationship plays a key role in ensuring high standards of service quality.[26] And, as mentioned earlier, ideally the service relationship is symbiotic.

Trust, once damaged, is often long-term. In some cases a breach of trust may become a permanent schism. Damaged trust (from the customer's perception) can easily spiral so out of the control of the service provider as to make regaining prior trust unfeasible.[27] For a service provider, regaining the trust of customers takes time, effort, and not small amounts of skill. Highly trained providers of customer service can accomplish this. So too can novice providers of service. Minimally trained personnel tend to bring ingenuousness to the service interaction that customers may find refreshing and somewhat charming, as long as it is in small doses. In this environment, customers may disregard service errors as minor infringements of conventional service behavior. Customers may be less likely to excuse lapses in service quality by semiexperienced service providers. Experience suggests that it is more acceptable to be consistently poor or consistently excellent in service provision. Inconsistency tends to be unforgivable. Where service is inconsistent, it is advisable to make a good first impression.[28] Service experiences, whether good or bad, tend to remain in the customer's mind. Bad experiences have an unfortunate habit of remaining in a customer's memory long after the physical experience has rescinded. Customer satisfaction depends not on how good the service encounter starts or what happens in the middle, but how strong it concludes.[29] However, service providers who have limited experience are less likely to possess the full range of knowledge and personal skills to recover a misstep in the service process. In many respects, service failures are inevitable.[30] Retrieving a customer's confidence after service lapse requires a special skill set that is often lacking in new employees or those with limited training and experience.

Endnotes

1. See, for example, Benjamin Schneider and David E. Bowen (1999), Understanding Customer Delight and Outrage, *MIT Sloan Management Review*, 41(1), 35–45; Joyce Hunter (2006), A Correlational Study of How Airline Customer Service and Consumer Perception of Customer Service Affect the Air Rage Phenomenon, *Journal of Air Transportation*, 11(3), 78–109; Paul Patterson, Janet R. McColl-Kennedy, Amy K. Smith, and Zhi Lu (2009), Customer Rage: Triggers, Tipping Points and Take-Outs, *California Management Review*, 52(1), 6–28; Janet R. McColl-Kennedy, Paul G. Patterson, Amy K. Smith, and Michael K. Brad

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2. See Rhett H. Walker, Margaret Craig-Lees, Robert Hecker, and Heather Francis (2002), Technology-Enabled Service Delivery: An Investigation of Reasons Affecting Customer Adoption and Rejection, *International Journal of Service Industry Management*, 13(1), 91–106; Cheng Wang, Jennifer Harris, and Paul G. Patterson (2012), Customer Choice of Self-Service Technology: The Roles of Situational Influences and Past Experience, *Journal of Service Management*, 23(1), 54–78.

3. See Ronald J. Burke (1999), Managerial Feedback, Organizational Values and Service Quality, *Managing Service Quality*, 9(1), 53–57; Dawn Dobni, J. R. Brent Ritchie, and Wilf Zerbe (2000), Organizational Values: The Inside View of Service Productivity, *Journal of Business Research*, 47, 91–107.

4. See Simon Bell and Bulent Menguc (2002), The Employee-Organizational Relationship, Organizational Citizenship Behaviors, and Superior Service Quality, *Journal of Retailing*, 78(2), 131–146; Brian Hunt and Toni Ivergård Toni (2007), Workplace Climate and Workplace Efficiency: Learning from Performance Measurement in a Public Sector Cadre Organization, *Public Management Review*, 9(1), 27–47.

5. Here we allude to the classic article by marketing guru Theodore "Ted" Levitt (1960), Marketing Myopia, *Harvard Business Review,* 38(4), 45–56.

6. Rhett H. Walker, Margaret Craig-Lees, Robert Hecker, and Heather Francis (2002), Technology-Enabled Service Delivery: An Investigation of Reasons Affecting Customer Adoption and Rejection, *International Journal of Service Industry Management*, 13(1), 91–106.

7. Richard B. Chase (2010), Revisiting 'Where Does the Customer Fit in a Service Operation?' in Paul P. Maglio, Cheryl A. Kieliszewski, and James C. Spohrer (eds.), *Handbook of Service Science*, New York: Springer Science, pp. 11–17.

8. See David Xin Ding, Paul Jen-Hwa Hu, Rohit Verma, and Don G. Wardell (2010), The Impact of Service System Design and Flow Experience on Customer Satisfaction in Online Financial Services, *Journal of Service Research*, 13(1), 96–110.

9. David E. Hansen and Peter J. Danaher (1999), Inconsistent Performance during the Service Encounter: What's a Good Start Worth? *Journal of Services Research*, 1(3), 227–235.

10. Richard Normann (2002), *Service Management: Strategy and Leadership in Service Business* (3rd ed.), Chichester, UK: John Wiley & Sons.

11. See the discussion and quality framework in Martin Löfgren and Lars Witell (2005), Kano's Theory of Attractive Quality and Packaging, *Quality Management Journal*, 12(3), 7–20. Also see a development of this framework in Martin Löfgren and Lars Witell (2008), Two Decades of Using Kano's Theory of Attractive Quality: A Literature Review, *Quality Management Journal*, 15(1), 59–75.

12. Famously, Woody Allen began visiting a psychoanalyst in 1959 when he was in his mid-twenties. Psychotherapy forms the backdrop of many of Woody Allen's films and characters. See, for example, Glen Gabbard (2001), Psychotherapy in Hollywood Cinema, *Australian Psychiatry*, 9(4), 365–369. Also see Foster

Hirsch (2001), *Love, Sex, Death and the Meaning of Life: The Films of Woody Allen*, Cambridge, MA: Da Capo Press; Jerrold R. Brandell (2004), *Celluloid Couches: Psychoanalysis and Psychotherapy in the Movies*, Albany, NY: State University of New York Press.

13. This was good news for Neil Sedaka, who wrote the lyrics to "My Way" (original composers Claude François and Jacques Revaux retain the rights to the music). First recorded in 1968, "My Way" became the farewell anthem for Frank's farewell tour. The farewell tour was so popular that the song had many repeat performances over four decades until the iconic singer's death in 1998.

14. Allan H. Church, Miriam Javitch, and Warner W. Burke (1995), Enhancing Professional Service Quality: Feedback Is the Way to Go, *Managing Service Quality*, 5(3), 29–33; Christopher A. Voss, Aleda V. Roth, Eve D. Rosenzweig, Kate Blackmon, and Richard B. Chase (2004), A Tale of Two Countries' Conservatism, Service Quality, and Feedback on Customer Satisfaction, *Journal of Service Research*, 6(3), 212–230.

15. Chih-Wei Hsieh and Mary E. Guy (2009), Performance Outcomes: The Relationship between Managing the 'Heart' and Managing Client Satisfaction, *Review of Public Personnel Administration*, 29(1), 41–57; Brent A. Scott, Christopher M. Barnes, and David T. Wagner (2012), Chameleonic or Consistent? A Multi-Level Investigation of Emotional Labor Variability and Self-Monitoring, *Academy of Management Journal*, 55(4), 905–926.

16. Chih-Wei Hsieh and Mary E. Guy (2009), Performance Outcomes: The Relationship between Managing the 'Heart' and Managing Client Satisfaction, *Review of Public Personnel Administration*, 29(1), 41–57.

17. See discussions in Sriram Desu and Richard B. Church (2010), Designing the Soft Side of Customer Service, *MIT Sloan Management Review*, 52(1), 32–39.

18. Lorraine A. Friend, Carolyn L. Costley, and Charis Brown (2010), Spirals of Distrust versus Spirals of Trust in Retail Customer Service: Consumers as Victims or Allies, *Journal of Services Marketing*, 24(6), 458–467. Also see Deborah Cowles (1997), The Role of Trust in Customer Relationships: Asking the Right Questions, *Management Decision*, 35(4), 273–282.

19. Christian Homburg, Nicole Koschate, and Wayne D. Hoyer (2006), The Role of Cognition and Affect in the Formation of Customer Satisfaction: A Dynamic Perspective, *Journal of Marketing*, 70, 21–31.

20. See, for example, Magnus Sönderland and Claes-Robert Julande (2009), Physical Attractiveness of the Service Worker in the Moment of Truth and Its Effects on Customer Satisfaction, *Journal of Retailing and Consumer Services*, 16, 216–226.

21. Chatura Ranaweera and Jaideep Prabhu (2003), On the Relative Importance of Customer Satisfaction and Trust as Determinants of Customer Retention and Positive Word of Mouth, *Journal of Targeting, Measurement and Analysis for Marketing*, 12(1), 82–89.

22. Simona-Mihaela Trif (2013), The Influence of Overall Satisfaction and Trust on Customer Loyalty, *Management and Marketing for the Knowledge Society*, 8(1), 109–128.

23. Hossein Dadfar, Steffan Brege, and Sedigheh Sarah Ebadzadeh Semnami (2013), Customer Involvement in Service Production, Delivery and Quality: The Challenges and Opportunities, *International Journal of Quality and Service*

Sciences, 5(1), 46–65; Tsung-Chi Liu and Li-Wei Wu (2007), Customer Retention and Cross-Buying in the Banking Industry: An Integration of Service Attributes, *Journal of Financial Marketing*, 12(2), 132–145.

24. A polite translation is: first of all, you try not to recruit idiots!

25. Andreas B. Eisingerich and Simon J. Bell (2008), Customer Education Increases Trust, *MIT Sloan Management Review*, 50(1), 9–11.

26. Shelia Simsarian Webber, Stephanie C. Payne, and Aaron B. Taylor (2012), Personality and Trust Fosters Service Quality, *Journal of Business Psychology*, 27, 193–203.

27. Lorraine A. Friend, Carolyn L. Costley, and Charis Brown (2010), Spirals of Distrust versus Spirals of Trust in Retail Customer Service: Consumers as Victims or Allies, *Journal of Services Marketing*, 24(6), 458–467.

28. David E. Hansen and Peter J. Danaher (1999), Inconsistent Performance during the Service Encounter: What's a Good Start Worth? *Journal of Service Research*, 1(3), 227–236.

29. Richard B. Chase (2004), It's Time to Get to First Principles in Service Design, *Managing Service Quality*, 14(2/3), 126–128.

30. See, for example, Suna La and Beomjoon Choi (2012), The Role of Customer Affection and Trust in Loyalty Rebuilding after Service Failure and Recovery, *Service Industries Journal*, 32(1), 105–125; Shih-Chieh Chuang, Yin-Hui Cheng, Chai-Jung Chang, and Shun-Wen Yang (2012), The Effect of Service Failure Types and Service Recovery on Customer Satisfaction: A Mental Accounting Perspective, *Service Industries Journal*, 32(2), 257–271.