Introduction

Most managers know that designing their service right is important. Yet, with few notable exceptions, service organisations seem unable to get to grips with the detailed design of their services much beyond consistent corporate images, in terms of uniforms and headed paper, or routinised chirpy telephonists providing a breathless amount of information culminating in “… and how may I help you?”. Some service designers have worked on the employees’ scripts, others have re-engineered the processes, some have revamped the decor. What is sometimes forgotten however, is that many customers are sophisticated consumers not taken in by the veneer of gloss manufactured into the service. Customers can see through the carefully worded scripts and designer decor. They get their clues from the many subtle and symbolic messages that are often inadvertently designed into service processes which may conflict with the more overt and tangible elements of service design. This mis-marketing by the operation can destroy all the efforts made by expensive image-building marketing campaigns. What is lacking is a technique that allows managers to systematically analyse the quality of their service processes at a detailed, or transaction level, from a customer’s perspective. This paper provides just such a technique, service transaction analysis (STA). It also spotlights a number of organisations that have gained from this technique.

Alternative approaches

Several techniques have been developed over the last few years that can be used to assess service processes. Blueprinting is one possible tool. This form of service process flowcharting has been gaining in popularity since the term was introduced into the literature by Shostack (1984). Such forms of process analysis are certainly not new to the operations literature. Process flowcharting can be traced back to the industrial revolution in engineering when such “new” techniques were developed to make human activity more organised. Over the last few years “service blueprinting” has evolved into a sophisticated technique and has become one of the most widely used tools in the design of services (see Fitzsimmons and Fitzsimmons, 1994; Johnston, 1987; Kingman-Brundage, 1989;
Shostack, 1984). There are several drawbacks to blueprinting. One problem is that it is primarily a way of describing or documenting the service process. It is also usually documented from a manager’s or service designer’s perspective, rather than a customer’s perspective. Blueprints are also “task-oriented, that is, they focus on observable actions or events (tasks)” (Kingman-Brundage, 1989). As such it is a useful starting point for several other design and improvement tools.

Service mapping is one refinement of blueprinting that depicts the process from more of a customer’s perspective (Kingman-Brundage, 1991; 1995). It is, however, still task-oriented “A service map is a management tool for depicting the chronology of tasks and activities undertaken by consumer, front-line and support teams in the performance of service work” (Kingman-Brundage, 1991).

Sequential incident analysis combines the benefits of blueprinting with the critical incident technique (Stauss, 1993; Stauss and Weinlich 1995). This technique records all the incidents, critical and non-critical, perceived by a customer during a service process. The process is first mapped, then customers are interviewed about their experiences, positive or negative, critical or non-critical. The problem in analysing transactions and process design is that “customers mention only those problems they really remember and find worthy of note” (Stauss and Weinlich, 1995) and also the evaluation is carried out using the blueprint rather than the service process itself. The application of this technique may miss the more subtle interpretations of the service.

Walk-through audits are another customer-based assessment of the service process. These evaluations provide a “systematic evaluation of a customer’s view of the service provided” (Fitzsimmons and Fitzsimmons, 1994). The audit is based on a series of questions, using a five-point scale. Fitzsimmons and M aurer (1991) provide some examples of the questions used in a restaurant which include, for example, the cleanliness of parking areas, the level of lighting, the number of visits made to the table by the waiter/waitress. The key weakness of this approach is it is concerned with providing a check list of questions to aid systematic analysis of specified structural issues which may lack the flexibility required in assessing customer perceptions of a process.

Danaher and M atsson (1994) studied the development of service quality during a service process in an hotel. Their work concluded that satisfaction development may well be cumulative but it focused on the levels of satisfaction generated and the associated value dimension, practical, logical and emotional. It does not clearly link specific causes to the outcome.

Each of these techniques has a great deal to offer but they do not necessarily provide the customer’s assessment of the process or clear clues about what causes the assessment of service quality that the customer makes. The walk-through audit is the most powerful in this regard and so this paper attempts to strengthen this technique through the provision of a more structured approach to process evaluation based on four key elements:

1. the service concept;
2. the service process;
3. transaction quality assessment; and
4. messages - the customer’s interpretation of the service.

The service concept

The design of a service needs to be consistent with its service concept “the way in which an organisation would like to have its services perceived by its customers, employees, shareholders and lenders” Heskett (1986). If one element of the design is inconsistent with the service concept, then dissatisfied customers (and indeed members of staff) may well result. The brochure of a children’s outdoor playhouse manufacturer, for example, contains pictures of a family-friendly environment. It shows children in and around the houses and a neat and well laid-out car park. The reality is very different. The car park is a roughly flattened pile of rubble and delivery lorries drive right past the playhouses to the workshop at the back of the yard. The carpenters have no time for children and the sales assistant does not seem to understand much about the business or know much about the houses. This organisation does not deliver its promises. A clear statement and understanding of the service concept of an organisation is essential for the evaluation of a service process: it is the “standard” against which the service process can be assessed. The service concept is used as the base for comparison.
rather than individual customers’ expecta-
tions. Although the two should be the same it is possible that customers may enter the service system with expectations incompatible with the service concept (maybe as a result of a gap between the image of the organisation and its delivery – see Parasuraman et al., 1985). This is not necessarily an issue for process designers.

The service process

The customer process is the part of the front office that delivers service to the customer. This contact with the customer may be personal and direct, for example face-to-face with a bank clerk, or personal but indirect, for example discussing an overdraft with the bank manager over a telephone, or non-personal and involve customers interacting with equipment, a cash machine for example. The provision of service involving contact and interaction with customers is usually a “real time” activity. The process can be divided into transactions (or encounters), single episodic activities that create the process. Designers need to understand the customer’s assessment of the quality of each single transaction to enable managers to improve the detailed design of their service (see Bitner and Hubbert, 1994; Danaher and Mattsson, 1994; Johnston, 1995).

Transaction quality assessment

Bitner and Hubbert (1994) argue that a customer’s overall satisfaction with a service is “based on all encounters and experiences with that organisation”. A customer’s assessment of each transaction cumulates (depending on factors such as involvement and importance and through a process of compensation – see Johnston 1995) into their level of satisfaction or dissatisfaction with the service. This overall satisfaction, and indeed each transaction satisfaction assessment, based on the disconfirmation theory (see Churchill and Surprenant, 1982; Cadotte et al., 1987); results in the customer feeling satisfied (0), dissatisfied (-) or delighted (+) (Johnston 1995). It is important to understand how each transaction leads to the +/- assessment so that its design can be evaluated and, if necessary, improved.

Messages

Knowing the assessment of a transaction (+/-) in itself is not enough, designers need to understand how the customer interprets the transaction leading to that assessment. Without this additional piece of information it is difficult to understand the root cause of a problem transaction. Goffman (1967) suggested the idea of two types of “fronts” relating to the psychology of the individual. The “givens” – the conscious and deliberate symbols expressed by a person in an attempt to be as he/she is seen, and the “given-offs” – the impressions, rather than expressions, which are picked up by the observer which are not a deliberate and/or conscious part of the presentation of the self. Similarly in understanding how individuals mentally evaluate service it is these interpretations or messages, both deliberate and subtle, “given” and “given-off” during a service process, that need to be understood. A deliberate message in a reception area, for example, might result from an imposing edifice or the efficient manner in which the customer is processed. A more subtle message of genuine care and warmth might result from a display of freshly-cut flowers. In designing services, managers should be concerned to ensure that all messages emanating from the service process are consistent with the service concept. In particular there is a need to eliminate those messages, or rather mis-messages, inadvertently, or mistakenly, designed into the service that convey the wrong idea about that service and lead to dissatisfaction. Such messages may have been missed by service designers or may have crept in over time as the organisation and its processes experience “institutional rusting” (Lovelock, 1994). They are, however, unlikely to be missed by customers, as inconsistency is more noticeable than consistency, and because customers are good at decoding the emotional and symbolic importance of minor details (Gabriel and Lang, 1995).

Subtle mis-messages may be contained in any part of the service design, for example service scripts, the demeanour of the staff, in the facilities, goods or environment. Even though the script, for example, used by a service worker may be said word for word as designed, on cue and even said in a cheerful manner, there may be some underlying tone or nuance that tells the customer that the emotion is misplaced and the interchange is
routine and lacking genuine warmth or meaning – the "have a nice day" syndrome. The service may be undermined by messages in the servicescape. Rows of uniform chairs in the clinical atmosphere of a waiting room in a professional service organisation while giving the impression of efficiency also convey the notion that this is one stage in the process of a routine and impersonal sausage machine. Lack of verbal or tangible clues about where a customer should go, or how a customer should act in a service system, may give the impression of lack of care or consideration for the first time user.

Service transaction analysis

STA pulls together the service concept, the service process, transaction quality assessment and messages in order to provide a simple but powerful tool to assess and improve the customer's experience of a service process. This tool, using an extended version of the analysis sheet shown in Figure 1, can be used as the basis of a walkthrough audit by a mystery shopper, independent adviser, manager acting as surrogate customer or consultant-customer. This method comprises of five key stages:

1. The service concept needs to be agreed and specified. This alone is often a useful exercise to gain agreement between the employees on the nature of their service offering (see Clark et al., 1998).

2. Mystery shoppers, independent advisers or consultant-customers then walk through the actual process (not the blueprint) to assess how customers might assess each transaction. Each transaction is briefly described in the left-hand column and its score delightful (+), satisfactory (0) or unsatisfactory (–) noted in the middle columns.

3. The interpretation as to why the customer or surrogate customer arrives at this evaluation is entered into the right-hand column which describes the deliberate and the symbolic and subtle messages given off by the service.

4. The +, 0 and -'s are joined to give a very visible profile of the transaction outcomes and an overall evaluation entered at the foot of the table.

5. Working from this sheet service designers, managers and staff can, first, begin to understand how customers might interpret the service process and, second, to discuss the improvements that can be made. The exercise can be repeated with a revised process and the profiles readily compared.

1. The case of a firm of lawyers

STA was undertaken by a small firm of lawyers. The partners felt that they were doing their utmost to build their practice but the volume of business was not improving. They agreed that their service concept was to provide general legal services for personal customers in the small locality. Furthermore, and different to most other practices, they differentiated themselves by their user-friendly approach. They tried to break down the stuffiness of the law and provide a sympathetic and non-intimidating service.
The detailed documentation and assessment of just the first few stages of the reception process is summarised in Figure 2.

The not-so-subtle message of the receptionist continuing typing while the client waits for service is a clear indication of a mismatch between the service concept and the service delivered by the front office. This method, however, also picks up some other simple but effective areas for improvement.

- The large closed oak door, though giving the positive message of sound, secure and professional, also provides a mis-message. It could be construed that the practice is formal and a touch foreboding. It certainly does not stress or even imply the “user friendly” image held by the partners. Imagine a new customer in need of legal advice. He/she is, not surprisingly, apprehensive of the legal system and anxious about his/her particular problem. Suppose there are two lawyers’ offices next door to each other, both with impressive oak doors, one is open, the other is firmly shut. Which might he/she choose? While the second glass door can be used as a barrier against the weather, an open first door says “come in”, “we are open”, “yes it is OK to come in here” and “we want your business”.

- The advertisement on the second door provides a mis-message to customers. The notice implies that the lawyers may provide impartial advice due to their apparent relationship with the mortgage lender.

- The carpeted corridor gives a homely touch but as the receptionist is not visibly, apprehensive of the legal system and anxious about his/her particular problem. Suppose there are two lawyers’ offices next door to each other, both with impressive oak doors, one is open, the other is firmly shut. Which might he/she choose? While the second glass door can be used as a barrier against the weather, an open first door says “come in”, “we are open”, “yes it is OK to come in here” and “we want your business”.

The application of this simple technique alerted the partners to what was going on in their own front office. They realised that their concern for creating a user-friendly practice had not been shared with their staff. Following a meeting with the support staff, the service concept was discussed and some changes suggested (by the members of staff).

Figure 2 Analysing the first few stages in the reception process

### SERVICE TRANSACTION ANALYSIS SHEET

<table>
<thead>
<tr>
<th>Organisation:</th>
<th>lawyer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process:</td>
<td>reception</td>
</tr>
<tr>
<td>Customer type:</td>
<td>personal client</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Score</th>
<th>Message</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imposing oak entrance door, firmly shut</td>
<td>+</td>
<td>“trustworthy, professional but a little formidable”</td>
</tr>
<tr>
<td>Second door with advert for building society</td>
<td>+</td>
<td>“they like constructing barriers”, “they may not be impartial”</td>
</tr>
<tr>
<td>Carpeted corridor but no sign of reception</td>
<td>-</td>
<td>“homely but is this the right place?”, “unhelpful”</td>
</tr>
<tr>
<td>Receptionist behind desk ignores customer and continues typing</td>
<td>-</td>
<td>“they don’t seem to care about me”, “they don’t think I am important”</td>
</tr>
<tr>
<td>She says “Yes?”</td>
<td>+</td>
<td>“not very welcoming”, “I feel like I am intruding on her work”</td>
</tr>
<tr>
<td>Phone rings which receptionist answers</td>
<td>-</td>
<td>“I am not important”, “other people have priority on her time”</td>
</tr>
</tbody>
</table>

**Overall evaluation**
Poor service design. Little thought or concern for clients. Unfriendly and intimidating service.
The range of tasks undertaken by the secretaries was re-distributed so that audio-typing was carried out in the back-office and the receptionist was allocated tasks that could quickly and easily be put aside. The reception desk was moved to be in sight of the corridor and the receptionist was asked to put herself in the shoes of a client, who might be anxious and certainly very concerned about their problems. What could she do to make them feel more at ease? The advertisement on the second door was replaced with a sign saying “please come in” and the front door was left open during office hours.

2. The case of a major engineering company

This company was a parts supplier to major engineering firms across the world. They sourced, bought, stocked and delivered parts for the huge mechanical excavators and dump trucks that are used in the construction of motorways and dams for example. The company’s management prided itself on its availability of parts, its swift delivery to anywhere in the world (as machine down-time can be extremely expensive) and their personal and caring service to their clients, most of whom have long standing relationships with the company.

The STA was carried out via a phone call to the company, in conjunction with an existing client. Figure 3 documents just some of the interactions that took place over a query about some excavator parts that had not been delivered to a major customer. The parts were several days overdue. Figure 3 shows the analysis of a part of the telephone call between the client and the supplier.

The client making the call was extremely anxious. The contract, like all contracts involving machinery of this kind, was expensive with significant penalty clauses for late completion. The client’s organisation had a very long standing relationship with the supplier and its account was one of the supplier’s largest. The speedy answering of the phone and the greeting gave the client a deal of satisfaction, he needed speed and a personable caring approach. Unfortunately this early success was destroyed by the rest of the process which totally undermined the company’s service concept.

- By the time the second person answers the phone the greeting, which was initially seen as caring and helpful, has worn thin and implies a standard uncaring approach.
- The second request for the order number gives the impression of a total lack of internal communication and customer care, which in themselves were almost enough to make this particular customer decide never to use the supplier again.
- The supplier’s uncertainty about the shipping of the parts creates a feeling of distrust and destroys any remaining vestige of credibility of the company’s caring image.
- The final remark included here tries to blame the customer for the problem. This was the final straw for this customer and as a result of this transaction the supplier lost a major customer.

In this case the mis-messages were indicative of a much deeper rooted problem. Though each could be dealt with individually, the analysis alerted managers to the inappropriateness of their customer process. As a result of the application of STA this organisation decided to change its processes and structure. It moved from its departmental structure to process task teams and developed a one-stop-shop for all incoming telephone calls.

Conclusion

Unlike all other existing service process analysis tools, STA seeks to identify the reason for the outcome of each service transaction so that improvements can be made. Its key advantages are:-

1. It requires managers and employees to think about, and express in words, their service concept. This in itself creates an opportunity for healthy debate, and even disagreement, about what the intentions of the organisation actually are.
2. It forces managers and employees to see the process from the point of view of the customer, increasing their level of “customer orientation”.
3. It asks directly and explicitly what does each transaction mean to the customer and, most important, what gives them this impression.
4. It assesses the physical, tangible issues as well as the service scripts, but it also asks what messages these give to the customer.
5. STA attempts to bring a systematic evaluation of a complete service
process. It does not rely on individual complaints or initiatives but analyses and evaluates a process, step by step, from the customer’s point of view.

STA is a simple yet very effective analytical tool that can easily be employed by managers to increase the level of customer orientation of staff and can lead to speedy and easy improvements in customer service.

**References**


