EXPANDING THE BOUNDARIES OF SERVICE DESIGN RESEARCH: SOCIAL MEDIA SERVICE ENCOUNTERS

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ABSTRACT:

Purpose:

Gaining momentum in early 1980s, service design started to attract research interest in the marketing literature (Ballantyne *et al.* 1995). Different approaches are taken to define service design, ranging from "the concretization of the service concept in drawings, flowcharts" (Gummesson, 1991) to the whole service process from idea creation to implementation (Zeithaml *et al.* 1990; Martin and Horne, 1993).

Service design research acknowledges the importance of creating a positive customer experience when designing a new service offering or redesigning existing offerings (Mager, 2009; Moritz, 2005). Such thinking has resulted in customer needs, motivations and behaviour to be in the central of service design process as Figure 1 illustrates.

Figure 1: Service design process and tools

SERVICE DESIGN PROCESS AND TOOLS



Source: http://learningspacetoolkit.org/services-and-support/Service-Design-Process/

Three levels of customer experience are highlighted in the literature: value constellation experience, service experience and service encounter experience (Patricio *et al.*, 2011). In this paper, the focus is on service encounter experience.

Service encounters is a familiar term in Marketing literature, which represents Customer Journey Map in the service design process (Figure 1). A Customer Journey Map is a visual representation of how a customer or user experiences a service over time when they interact with service providers.

Service encounter research is primarily dominated by traditional service interactions in the form of face-to-face and remote interactions between service providers and their customers. With the proliferation of Web 2.0 technology applications and social media platforms, many businesses extended their service provision to include social media. Surprisingly, there is very limited academic research investigating social media service encounters (SMSE). The purpose of this research is, hence, to address this gap by offering insight into SMSE and to highlight what issues service providers should consider when they design/redesign their service offerings to include social media platforms.

Methodological Approach:

By taking a qualitative approach, the study utilises textual data which is widely used in marketing (Rudolf *et al.* 2005) and social media research situations (Olkkonen *et al.* 2000; Jahn and Kunz, 2012; Bronstein, 2013). The context of this study is the UK banking industry. It serves as a valuable means since banks are using social media platforms as part of their multi-delivery channels. Facebook was decided upon since this platform is one of the most commonly used channels for SMSE (Littleton. 2013). When considering which banks to include in the research, criteria are set to facilitate the inclusion of banks with an active Facebook page and also allow consumers to post comments/queries on their page. Consequently, eight high street banks were identified with an active Facebook page. Over 800 posts were analysed including 400 customer enquiries and subsequent comments, posted in the banks' Facebook pages in summer 2013 by using qualitative data analysis methods.

Findings:

The study identified a discrepancy between what customers expected from their banks' social media team and how the bank designed their customer services on social media, which resulted in customer frustration and negative service experiences with the potential to threaten the development of customer relationships. Main service design weaknesses emerging from the research data were related to (a) limited training and empowerment of the banks' Facebook team, (b) viewing SMSE the same as traditional service encounters without taking into account the different expectations between traditional communication channel users and social media users, (c) restrictive organisational policies, and (d) considerable variations among the banks' Facebook staff in responding to customer queries.

Originality / Value:

This research offers valuable insight into service design literature by expanding service interactions to include social media platforms. Given the transparency of social media communications, this is one of the early studies that examine how social media service encounters are designed and how customers' experiences are reshaped in this new servicescape.

Keywords: service design, social media, service encounters, services marketing, financial services, qualitative research

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