13. Process Modeling for Experience Design

13 October 2008
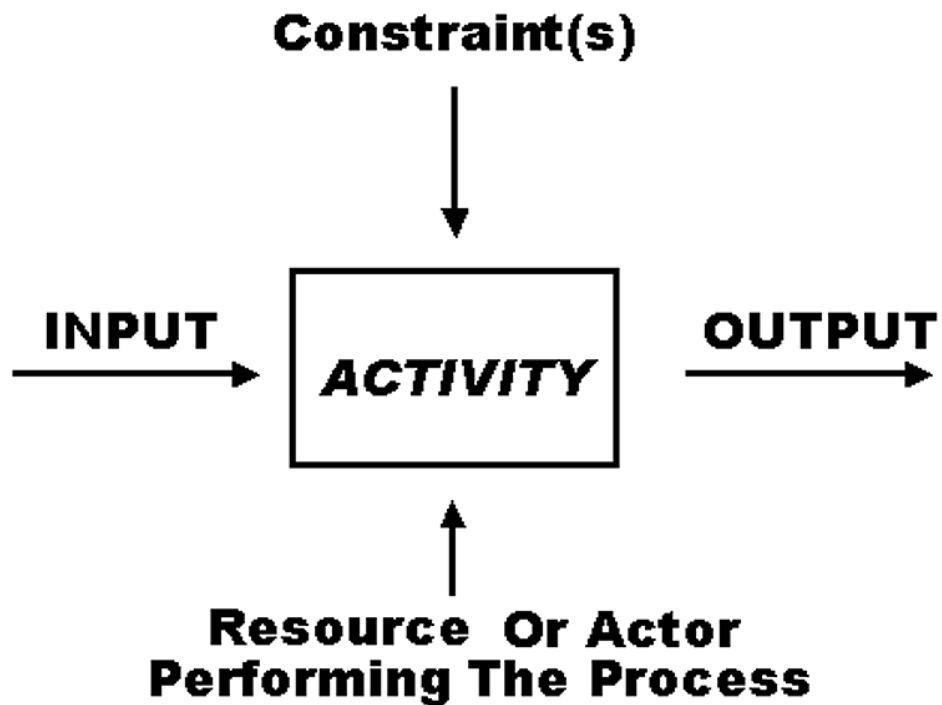
Bob Glushko

Plan for ISSD Lecture #13

Introduction to process modeling

Key concepts and techniques for modeling experiences

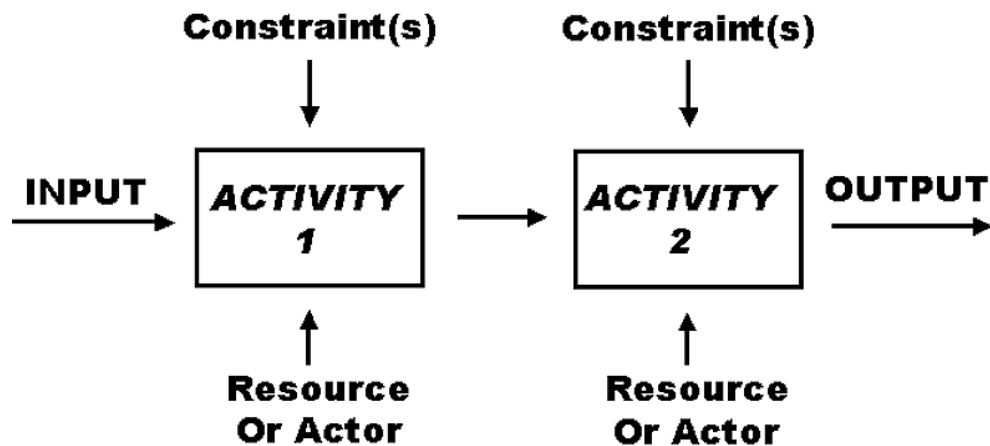Encounters, touch points, and moments of truth

Service blueprinting

What's A Process? [1]

What's A Process? [2]

The output of one process can serve as the input to another process ... but only if they are at the same level of abstraction

Generic Reasons for Analyzing Processes

To ensure that all participants, stakeholders, software providers, standards developers, etc. have a common understanding of the problem and design context

To understand the enterprise or activity independent of its current or future technology

To identify and understand gaps, inefficiencies, overlaps, and opportunities

4 Buzzwords for Process Analysts

Gaps – things we should be doing but aren't

Inefficiencies – things we should be doing but are doing badly

Overlaps – things we should be doing but are doing redundantly

Opportunities – things we might want to do

The Process of Process Analysis

We perform an "as-is" analysis of how some activity is conducted today

We identify requirements that may result in new or revised activities / processes / transactions – the "to-be" model

We look for existing patterns or opportunities to use patterns in the models

We may "re-engineer" the "as-is" model to optimize the processes; this is process design

The Process Analyst

The primary roles of the process analyst are those of any analyst: to listen, clarify, and communicate

The analyst needs to to view and analyze a problem from the viewpoint of business goals, business requirements, and activities

Technology and implementation skills are not essential

The process analyst needs to be comfortable talking with people at many organizational levels, from "factory floor" workers to executives

"ISSD" Reasons for Analyzing Processes

Need to improve customer acquisition, retention, or satisfaction

Need for greater business speed and efficiency

Need to evaluate potential new business partners; when two enterprises seek to "do business" with each other, they need to make their business processes compatible

Need to prepare for new technology or business organization (M & A, restructuring)

Need to capture "know how" for operations and training

Need to manage human resources

Need to comply with laws or regulations

A Process Model

The set of processes and activities are usually arranged in a HIERARCHY of detail, their SEQUENCE of execution, or both (depending on which if any stakeholder's or actor's point of view is used to define the context)

DIAGRAMS illustrate the relationships between activities (because text descriptions alone are often incomplete, inconsistent, or ambiguous)

INPUTS and OUTPUTS for each activity, including the source or destination of each information flow or interaction

A text description of each process or activity that conforms to a template or metamodel so that the information is presented consistently and completely

Modeling of "Experiences" and "Systems"

Many times this semester we've contrasted (or caricatured) two ends of a design continuum between "experiences" and "systems," and we'll do the same for process analysis and models

The "point of view" for "experiences" is always a human actor; for "systems" it need not be

"Experiences" have more emotional content; "systems" have more information content

"Experiences" are a form of drama in which the actors (the service providers) and audience (customers) carry out interconnected and reciprocal roles and actions

"Experiences" are often discretionary; users and other actors with "systems" are often engaged in nondiscretionary activities

The concepts, metamodels, and techniques for modeling "experiences" differ somewhat from those for modeling "systems"

The "Experience Design" Perspective

"Firms can no longer compete solely on creating superior value through their core products"

"They must move into the realm of customer experience management, creating long-term, emotional bonds with their customers through the co-creation of memorable experiences"

...not only in consumer markets, but also in business-to-business contexts where research shows meaningful customer experiences and the resulting emotional bonds between customers and suppliers are more important than rational motivations for creating customer loyalty"

Scoping the Experience

Experiential services are often conceived and designed from the perspective of a "customer journey" rather than from the perspective of the "service provider"

The "service journey" view is broader than the "provider" view, and better captures the emotional and intentional components of the experience

Example: when does an "airline travel" experience begin from the customer's point of view? from the airline's?

Service Journey - Virgin "Upper Class"

Disney World "Service Journey"

SAVOURING

ANTICIPATION

DEPARTURE

ARRIVAL
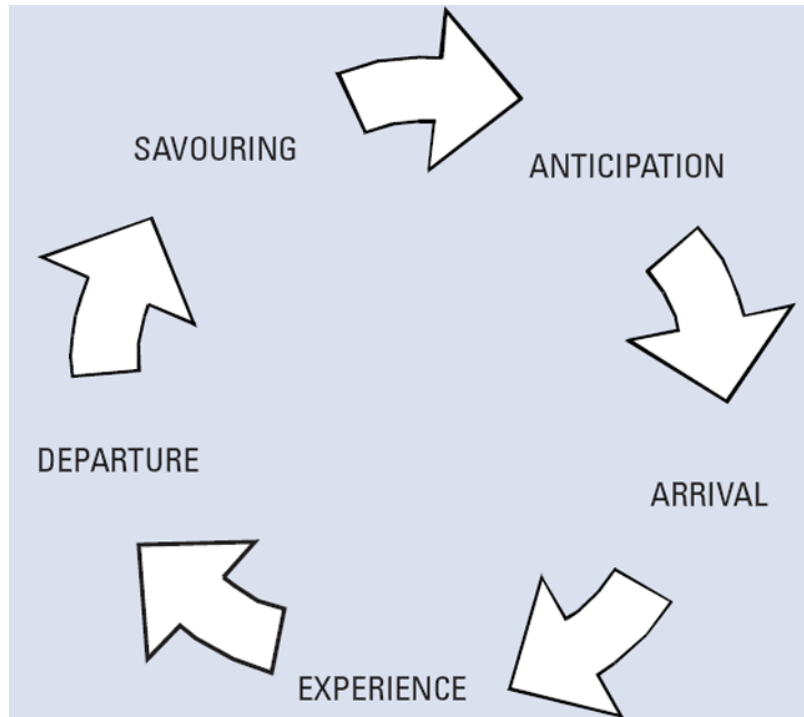
EXPERIENCE

"Experience Cycle" -- Recursive Encounters

connect & attract

orient

advocate

extend & retain

interact
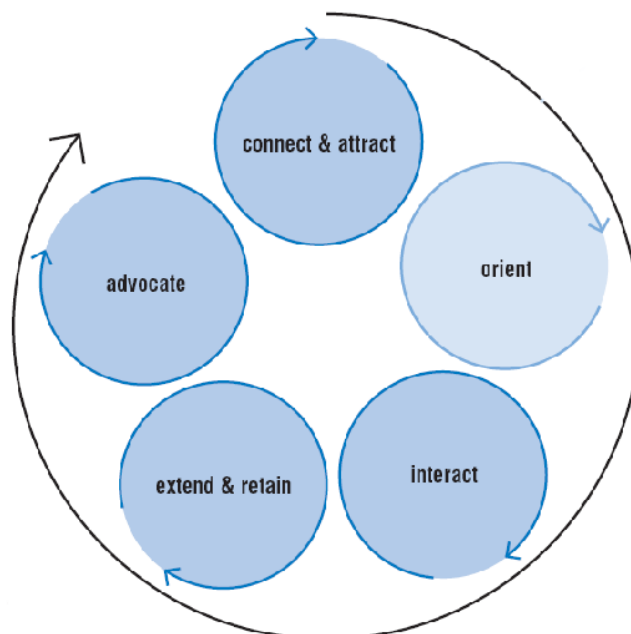
The Service Encounter / Moments of Truth

"Service encounters are critical moments of truth in which customers often develop indelible impressions of a firm... From the customer's point of view, *these encounters ARE the service*" (Bitner, Brown & Meuter, 2000)

"In most services, *quality occurs during service delivery*, usually in an interaction between the customer and contact personnel of the service firm" (Zeithaml, Berry, & Pararsuraman, 1988)

Encounters can take place face-to-face in a "service setting," over the phone, through the mail, or over the Internet

Why Service Encounters Matter

Every encounter is an opportunity for the firm to satisfy the customer, to reinforce the value of its offerings, and to sell the customer on the benefits of a long-term relationship

Service encounters immediately impact customer satisfaction and also shape longer-term factors like intention to return, likelihood of communicating positively about the service, and customer loyalty

Customers need to have as many as twelve positive experiences with a service provider in order to overcome the negative effects of one bad experience

The expense of acquiring customers and their potential lifetime value means that losing a customer because of a negative encounter can have staggering cost

Designing the "Touch Points" and "Moments of Truth"

Every customer-facing business should identify the points where it interacts with customers

In businesses with complex services (hospitals, airlines, hotels...) there may be dozens of these touch points or service encounters

The service provider needs to distinguish between ordinary "humdrum" transactions that don't have the potential for creating an emotional bond with the customer and those that do... but "many companies make the mistake of overinvesting in the former and thus don't differentiate themselves on the latter

Brand Touchpoint Wheel
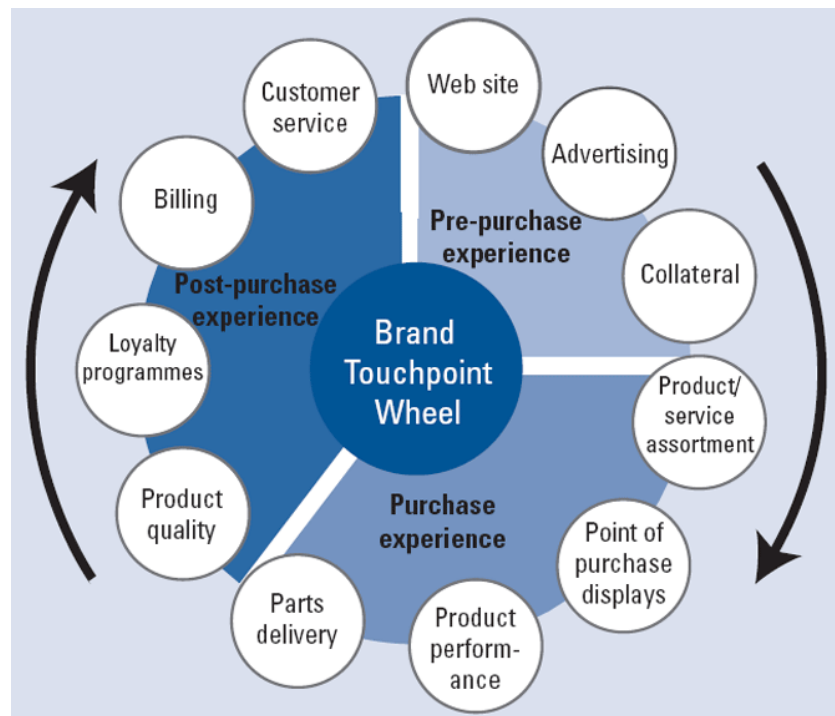
Service Intensity: Levels / Numbers of Touch Points

The intensity or number of touch points required of a service customer varies between services and between different offerings of the same type of service
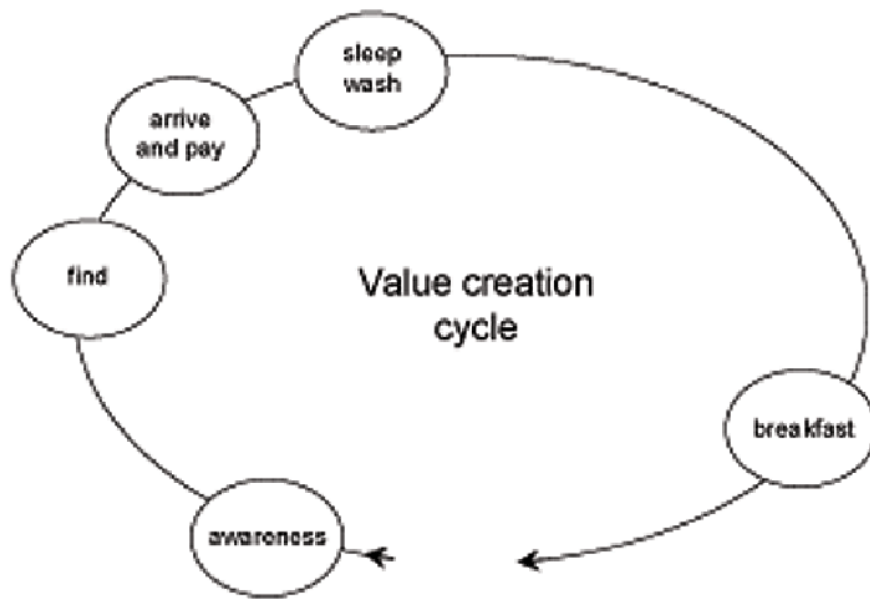
Some services are standardized and never customized to specific customer

Others can be adapted if the customer requests and participates in the adaptation by providing information or preferences
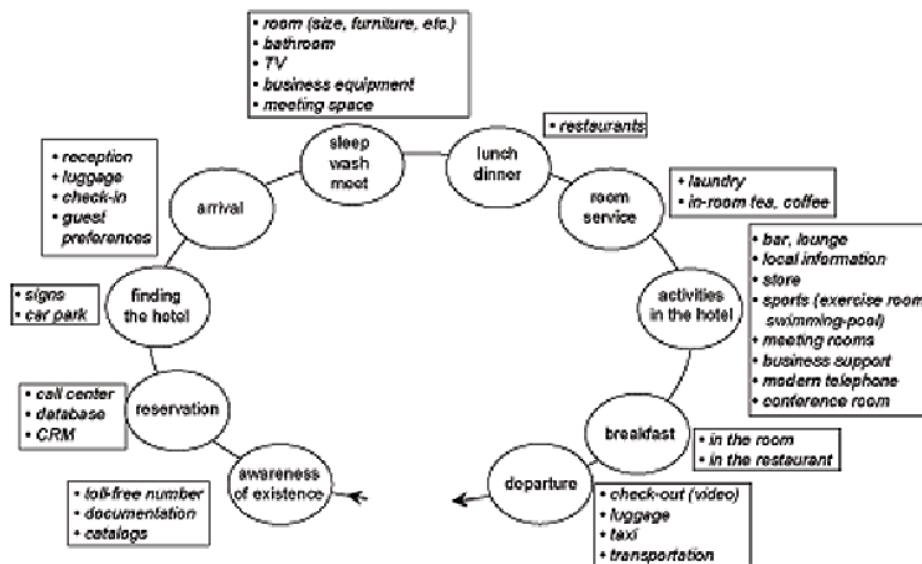
Hotel "Value Creation Cycle"
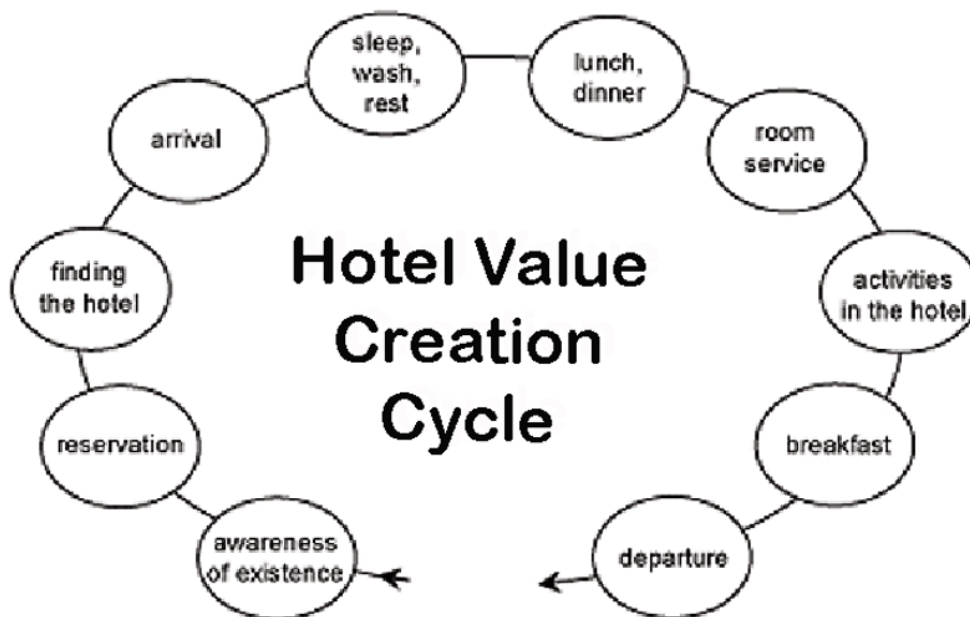
Budget Hotel "Value Creation Cycle"

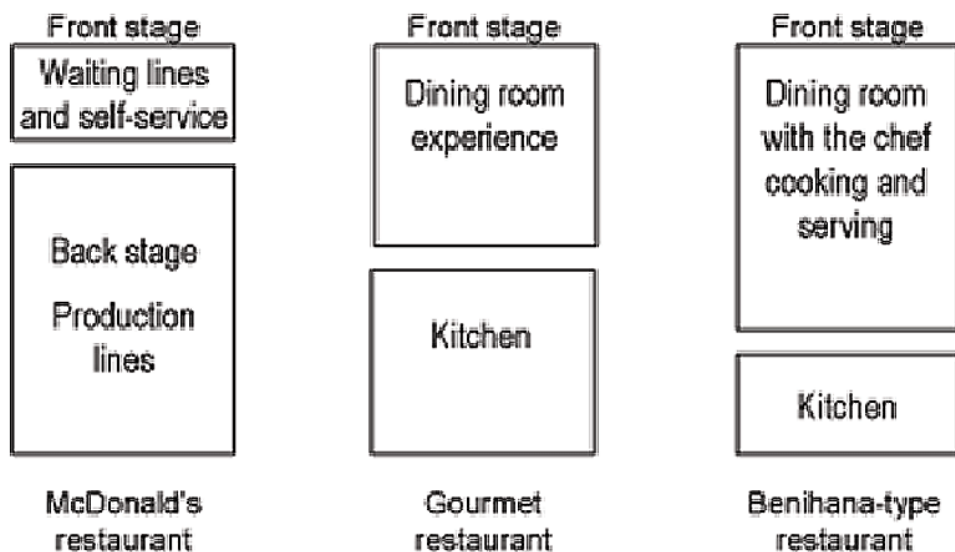# Luxury Hotel "Value Creation Cycle"

The Front Stage / Back Stage Distinction

A focus on the service encounter and customer touch points implies a sharp distinction between the interactions between the customer and provider that are part of the service encounter and other activities that precede it to make it possible:

- The *front stage*
  represents the interaction the customer or service consumer has with the service

- The *back stage*
  is the part of the service value chain that the service consumer can't see

Different "Lines of Visibility" -- Front / Back Stage Boundaries in Restaurants

| Front stage	Front stage	Front stage
Waiting lines and self-service	Dining room experience	Dining room with the chef cooking and serving
Back stage Production lines	Kitchen	Kitchen
McDonald's restaurant	Gourmet restaurant	Benihana-type restaurant

A "Service System" Design Approach

The "moment of truth" reveals service quality, but rarely determines it

Front stage / back stage is not an architectural distinction

It is just a point of view and bounded scope in a service system

The quality of the most highly experiential services can be enabled or constrained by back stage processes invisible to the service customer

Experiential Design Areas
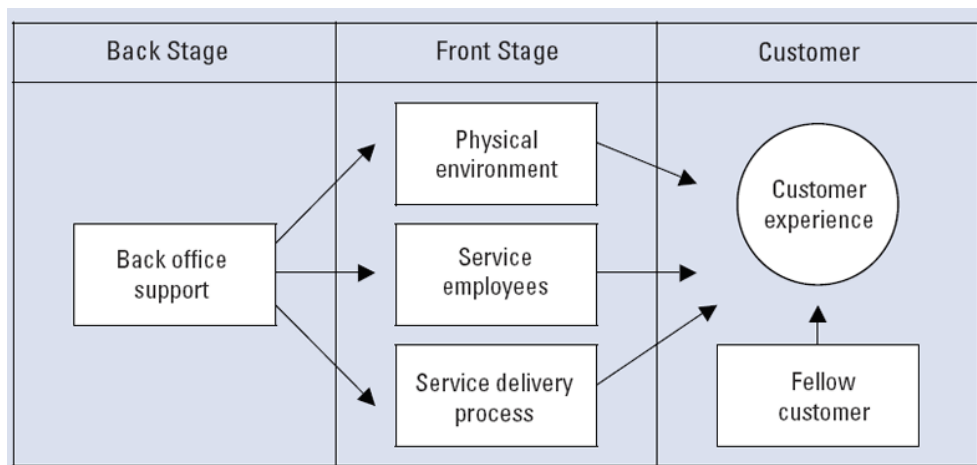
Service Blueprinting

Blueprinting is a service design methodology for "systematically managing the customer experience" and "promotes a conscious decision on what consumers see and which employees should be in contact at each moment of truth"

It is a design methodology for services that have an interface with an actual customer through technology or interpersonal interactions

Appropriate for services that are "dynamic, unfolding over time through a sequence or constellation of events and steps"

Despite its customer and front end dominant focus, it does depict back stage processes that enable and support the front stage

Allows firms to visualize their service processes, points of customer contact, and the physical evidence associated with their services from their customers' perspective

Service Blueprint for Overnight Hotel Stay
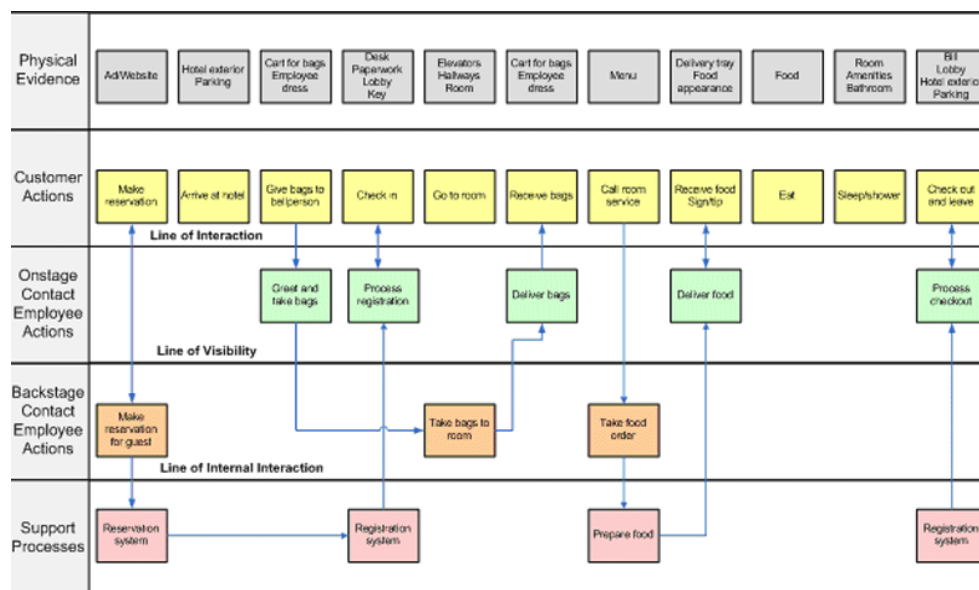
Blueprinting Methodology: "Metamodel"

Physical Evidence	
Customer Actions	
	Line of Interaction
Onstage Contact Employee Actions	
	Line of Visibility
Backstage Contact Employee Actions	
	Line of Internal Interaction
Support Processes	

Blueprinting Methodology: Activities

Identify customer types

For each customer, specify customer actions

Specify the "contact employees" and their activities

Add links that connect the customer to contact employee activities and to needed support functions

(For services that do not have any onstage contact employee activities, replace the employee action row and replace it with an onstage technology row)

Add physical evidence

Blueprinting: Artifacts

Verbal process descriptions are often ambiguous or incomplete, but omissions and conflicts are more obvious in a visual representation

Centrality of customer in blueprint reinforces customer-focused design

Two "lines of visibility" highlight the touch points in the front stage and their back stage analogues

A third line partitions support processes that are invisible to the back stage employees

Plot the processes on an organizational overlay so that "interfaces across departmental lines" are clarified

Blueprints can be created to show processes at different levels of abstraction

Can annotate with the time for various actions

Tangible Evidence

"For each customer action, and every moment of truth, the physical evidence that customers come into contact with"

Because many services are intangible, customers look for tangible evidence of what they are about to experience in a service encounter

This is often physical evidence like environmental design, decor, signage, business cards, uniforms, etc. that shapes expectations about the nature and quality of the service

They also look for evidence that the service has been delivered

"As Is" and "To Be" Blueprints

For a new service, the blueprint should specify the desired service

For an existing service, it is useful to blueprint how the service is currently being offered -- to identify those touch points where service failure can occur

Also useful to create blueprints for your competitors' services, because this makes it easy to see "service gaps" where your offerings are inferior

End-to-End Perspective in Blueprints

"All parts of the organization should be focused on the common goal of creating an integrated, memorable, and favorable customer experience"

"The entire sequence of activities should be coordinated and managed as a whole, over time, with emphasis on including the resources and steps that produce value for the customer"
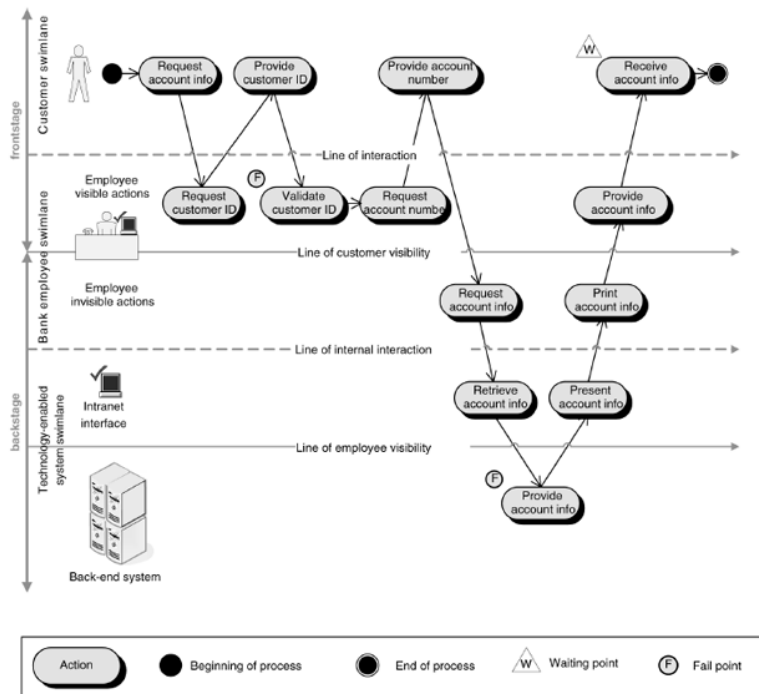
Blueprint - Express Mail Service
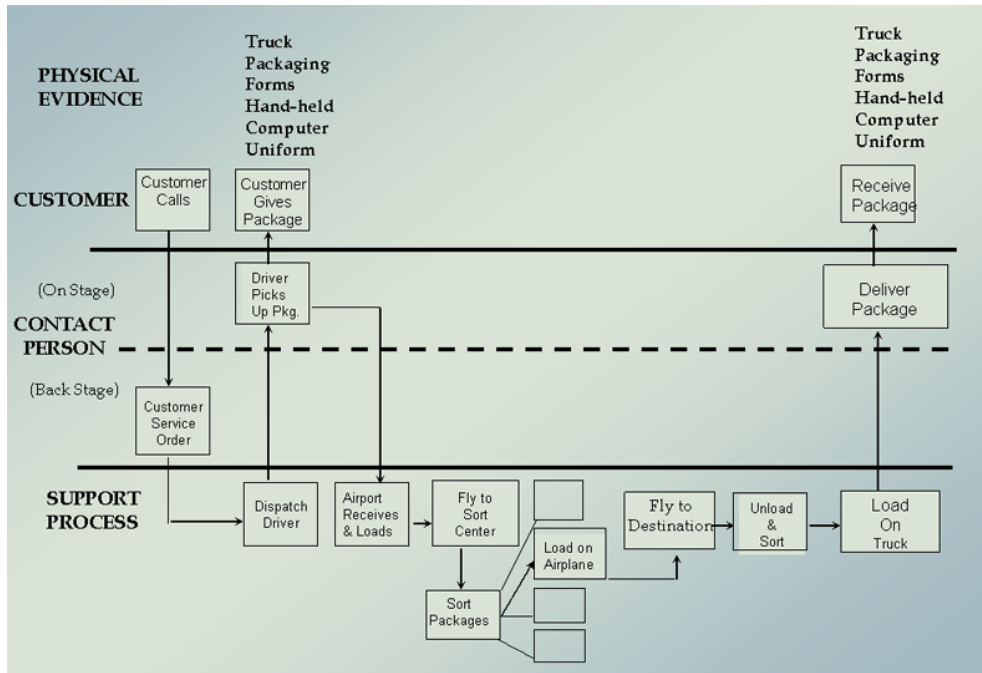
Blueprint - Internet Banking
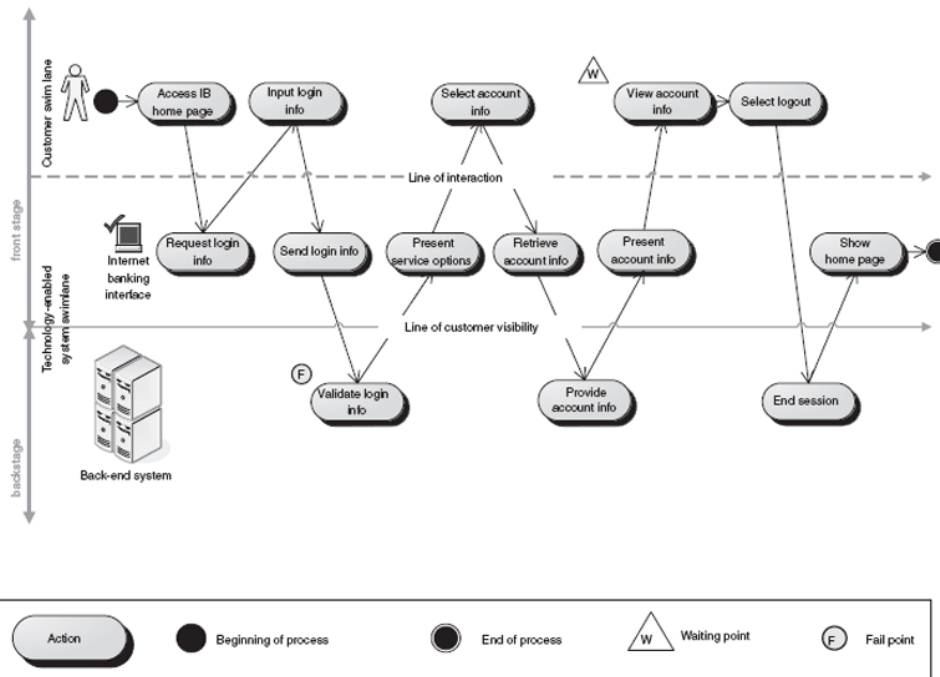
Blueprint - Face to Face Banking

Blueprint Case Study - Lake Powell Houseboat Experience

Compare the blueprint for a quality hotel/resort experience with the Lake Powell As-Is experience

The Lake Powell experience required the customers to do lots of hard work to secure provisions and get them to the boat and then to handle the boat

Solution was to offer a range of "concierge" and onboard support services (boat captains, chefs) so that customers could select a high quality experience if they wanted it

Readings for 15 October

Robert J. Glushko & Tim McGrath, Document Engineering, Chapter 11, "Analyzing documents"

Benson P. Shapiro, V. Kasturi Rangan & John J. Sviokla, "Staple yourself to an order," Harvard Business Review

Megan Finn, Elisa Oreglia, Nick Rabinowitz, & John Ward, "Situation reports at OCHA"