



A GUIDE TO SERVICE DESIGN

A new method for service design has created unique competitive advantages.

– **How would you explain the concepts of service design and design thinking? Why is it important to combine these concepts?**

– Design thinking is a method of creating goods and services, which facilitates the development of creative solutions to complex tasks and fosters innovation, based on customers' real preferences. The concept of design thinking itself was born in the 1950s, in the USA, triggered by the publication of Tim Brown's book "Design Thinking in Business". The most important aspect of design thinking is not critical analysis, but the creative process.

CUSTOMERS DO NOT JUST BUY A PRODUCT OR SERVICE, BUT ALSO THE IMPRESSION THEY GET FROM BUYING THEM

Service design is a concept that emerged from the service-oriented view of the world, which developed in Europe in the 1980s. The popularization of service design coincided with the publication of the book "This is Service Design Thinking". (edited by M. Stickdorn and J. Schneider, and written by experts from 23 different countries.) Service design is focused on creating goods and services which combine people's desires, technological capability and business aims. The main aim of service design is the formation of an attractive service, based on a real understanding of the customer.

To put it simply, design thinking is necessary for creating a product, while service design is essential in generating the impression the customer gets from buying this product. Design thinking is accessible to a layman, as it is connected with a creative mindset and outlook. To be proficient in service design, on the other hand, requires a detailed understanding of marketing and psychology.

– **What are the key principles of service design?**

– Today, the priority for any innovative company is overcoming the contradiction between organizations and people: whether they be employees or customers. In order to be competitive, it is essential to consciously build relationships with the community, and with each individual in particular. I will identify the three principles of service design which help generate good communications when developing a product.

People centricity

When creating a new product, or improving an existing one, developers focus on the demands and wishes of people who will subsequently buy and use the product. When using the principle of people centricity, we imagine the client as a host of knowledge about the emotions, background, context and thoughts of the entire product audience. At the same time, it is important that those who create goods and services operate like a business. To transform customers' ideas into real business tasks, you need an expert. You don't just need to capture an idea, but also to digitize and design it - to transform it into something that will bring the business real results. In practice, this means generating investment returns and delivering profits.



When creating a new product, developers need to focus not only on the consumer themselves, but also on their customer, who better understands the shopper's emotions.

Co-creative

Developing an amazing and creative product is only possible by combining the strengths of all team members. How does this happen? Employees who contact clients should become proficient using service design methods and translate their ideas to top management. Top management make the decisions, influence the direction of the company and apply design thinking. The main audience of this event consists of business owners, commercial directors, Chief Operating Officers, and representatives from customer service management. These people, who are at the helm of the company and set its direction, generate synergy as a collective.

THE MAIN AIM OF SERVICE DESIGN IS THE FORMATION OF AN ATTRACTIVE SERVICE, BASED ON A REAL UNDERSTANDING OF THE CLIENT

Cohesion

Tasks in service design are not solved in a piecemeal fashion, but holistically. It is impossible to implement decisions half-way, and it is impossible for only one team to work on service design for a product or service. It is impossible to solve problems in business if you ignore the needs of customers, and vice versa. You need to create this kind of interdependent and interconnected experience, which touches every person at an emotional level.

In using these three principles, you create a service that is sought after by customers. Service design teaches you to build the marketing process in a way that ensures the client is satisfied at every stage of their interaction with the company.

– Can you give any examples of cases where service design has been implemented successfully?

– Me and my colleagues have carried out more than 50 successful projects. I will discuss several of these in detail.

We carried out a project for a popular online restaurant site, which involved implementing new client services and increasing the quality of customer service. In order to bring the company into the online sphere, we carried out more than 300 express surveys and over 40 in-depth interviews. In order to generate ideas together with company employees, more than 10 workshops took place, while over 10 modification tests were carried out at different touchpoints with consumers. Of course, we supported the client's team through every stage of implementation.

As a result, in the course of implementing and testing new services, an internet shop was created, a delivery service was launched, and a new loyalty programme was established.



A new customer journey was designed across all digital channels for customers using the e-commerce segment's online platform.

We also completed a project redesigning the website for an e-commerce platform, with the aim of increasing both conversion and the number of returning customers. We studied the client's current methods, their strengths and weaknesses, with our own eyes and compared and analyzed the site against the benchmark of top market performers. During this project, we were able to carry out more than 20 in-depth interviews, and with their help we were also able to develop an updated buyer journey through all channels - not only on the website, but also via messenger. I must emphasize that the implementation of new working standards for employees and service scripts was at a premium level.

YOU DON'T JUST NEED TO CAPTURE AN IDEA, BUT ALSO TO DIGITIZE AND DESIGN IT, TO TRANSFORM IT INTO SOMETHING THAT WILL BRING THE BUSINESS REAL RESULTS

In all, the site's conversion rate increased and a system of building relationships with clients began to work, thanks to which the number of repeat costumers grew.

A delivery aggregator for groceries and household goods directed us to a problem which is fairly common in this sector - the turnover of courier staff. The client strived to create better working conditions for them.

Service design sent us “into the field”. It was essential for our employees to conduct some competitive intelligence gathering - in other words, to work with couriers in companies similar to that of our client. At the same time, some of our other specialists spent time with our client’s couriers, kept online journals and conducted competitive analysis.

Through this, we were able to bring to light more than 15 violations in our client’s work, as well as determine the main pluses in the work of competitors and, most importantly, develop a strategy for changing employment policy.



In building their delivery service aggregator, specialists from Design Thinkers Agency worked as couriers at competitor companies.

One Russian **household appliance retailer** had already begun working on transforming its business when we got involved with the project. We needed to help the company transition from traditional sectors to the cutting edge. Implementing this plan required the use of service design for strategic analysis, observational work for designing the customer journey for new clients - over 100 hours of live communication with the store’s employees, as well as with consumers. During the project, it became clear that we needed to come up with a new format for retail, and for sales-consultant outgoing communications to managers (online/offline). Developing a CRM strategy help greatly with this.

Thanks to this project, we gained valuable experience, while the client obtained the desired business outcome.

The new format for domestic appliance sales is now at a premium level, as reflected in the boutique design, atmosphere, new customer services and working standards, which have changed to face of the company.

– Is service design in high demand in the sales sector? And what is required to achieve success?

– We studied successful sales practices and understood which three principles could, and indeed must, be used for the company’s development in this sector:

Research

It is vital to research customer experience in order to minimize risk, reduce costs and create an interesting product. For example, if you create an app which has not been tested properly, and the user discovers an error on the very first day, then they will end up hardly using it. Therefore, you need to rigorously study the journey that the customer will travel, before launching the product. It’s much easier to learn from someone else’s mistakes!

Generate ideas

In this context, ideas could relate to how to implement something more quickly, but also to something crazy that requires time and effort. This should be a constant practice: in the form of one-off or regular meetings, be they formal or informal. In Amsterdam, a number of government programmes based on service design have been implemented. This is an excellent example of how people are not afraid to change or try new things. State entities implement new initiatives with the help of trusted specialists and ambassadors from the private sector.

Test

During focus groups and personal meetings, we often try to give the client a feel for the product prototype. Only after feedback can we start testing the product. For testing, it is necessary to establish a timeframe, which can be used to get a sense of the product’s effectiveness, and then to compare the results to those of the previous period. If the completion of the task is measured in months, then the testing needs to take place over a period of several months. If the company measures results in quarters, then the testing needs to take place over a three-month period. After you have completed all of these processes, your product - which has been created according to service design principles, and passed through all of the formation stages - can be released into the real world.