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**Creating value through design in service industry:
the Prisma model**

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Abstract

The aim of this paper is to present an analysis model for service design, the Prisma Model, which shows how design is adding value to service industry. We will see that design management is present in all economical sectors all over the world. The model is based on organizational and society culture and their relations. In order to illustrate the Prisma Model application, here are presented two experiences carried out in Brazilian service companies.

Introduction

Nowadays, the industry that grows faster is the service one. The reasons for this are multiple, but to make it simple we can say that the goods produced all over the world are quite similar, the transportation is no longer an impossible problem, and anyone can have access to any good wherever he is. So, the only possible solution to make your customer come to you and not to the concurrence is to add services; that service, of course, must add value to the product and make the client choose to deal with your company.

We can see that designers are more valued by the market because its their job to make goods and services more appealing. As stated by the ICSID (International Council of Societies of Industrial Design, 2005): "Design is a creative activity whose aim is to establish the multi-faceted qualities of objects, processes, services and their systems in whole life-cycles. Therefore, design is the central factor of innovative humanization of technologies and the crucial factor of cultural and economic exchange". In this definition the crucial role of design as mediator of production and consume systems, as well as promoter of innovations, that fulfill consumers/user and organizations' expectations, are highlighted.

Design integration to business strategies and its impacts perception that aggregated value to product and services have driven to new forms of Design Management (DM). So, it is clear the increasing interest in this area by government, executives, consultancy and universities.

According to Borja de Mozota (2002), DM has its root in concepts from management, engineering, communication, besides cognitive, human and social sciences. It consists in design implementation as a stated and formalized activity inside organization in order to support organizations' strategy.

As Krucken et al. (2003), when we implement DM in an organization, the goals are: a) behavior change by realization of importance of design and its management, which means participation, competence development and integrated tasks; b) systemic approach leads to the establishment of harmonious corporate image; c) design inserted to marketing and organization engineering activities; d) it allows the companies to establish business strategies in a long term planning.

That's exactly where Service Industry has found a very good opportunity to grow.

Designing services

Physical products, at first glance, can all be considered as the same. In order to make them different from the others, more appealing to customers, it is necessary to add services to them. This way one product becomes a unique offer, more competitive, and it helps to create stronger brands.

The growth of service industry shows this reality. The same product can be found in different companies, what add values and increase consumer loyalty are services. That's why service management is nowadays a vital issue to prosperity and development of businesses.

Introducing the "offer" concept at this moment might be interesting. According to Normann and Ramirez (1995), an offer includes "physical artefacts, services and information delivered to clients, who realize and acquire it as a combined solution for their problems". It's organized in time, in space and through the relationships among the actors. The authors affirm that companies compete in the market through their offers and not only through their goods.

It is important to notice that the offer value is established in an interactive way, as a result of "potential value" (created by producers) and "real value" (defined by the consumer, after the use of the product and/or service) – Figure 1.

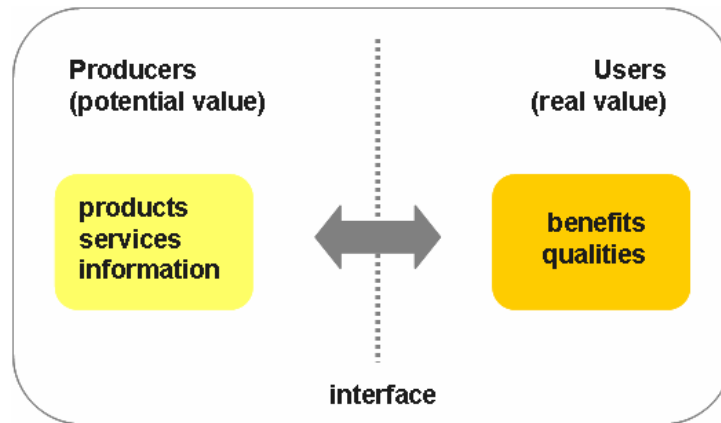


Figure 1. Value creation as a result of potential and real value

Thus, we can consider that designing services differ significantly from designing manufactured products. A service can be described by particular characteristics:

- a) **Immateriality:** services are less physically palpable than products. Services cannot be stored and follows particular reasons regarding transportability and accessibility. E.g.: mobile phone secretary services;
- b) **Interactivity and customer orientation:** services do not exist per se, they work together and for consumers. Although production and consumption are complementary and occurs simultaneously. E.g.: e-commerce based businesses;
- c) **Flexibility:** there is a great range of possible combination of items, including products and services that can result in several different offers oriented to consumers needs. E.g.: tourist packs arranged according to consumer requirements;
- d) **Immensurability:** a service is difficult to be measured and have its market value fixed. It is difficult to assess the service quality, because it is necessary to establish qualitative indicators and carry out evaluations from time-to-time. Besides that, the quality evaluation can differ from client to client, according their expectations and preferences. E.g.: hospitality in a hotel or restaurant;
- e) **Instantaneity:** When accessed, services must be delivered in a very short time; costumers are not likely to wait for a service. E.g.: mobile phone services, e-commerce sales;
- f) **“Desterritoriality”:** some services are built in a very complex way and its territory of origin cannot

be distinguished or it is not imperative. E.g.: partially outsourcing of airport operations.

All these dimensions are perceived as a unique set of benefits. In fact, “service quality” is defined as the global overarching judgment or attitude relating to the overall excellence or superiority of the service, according to Zeithaml et al. (1988).

We can observe many benefits of application of design into the service arena, which will be pointed out in the Prisma model description.

The role of designers in services development has been investigated by Manzini (2002), Morelli (2002), Hollins (2005), Maffei and Sangiorgi (2005) and Krucken and Meroni (2006), among others.

Services can be considered as “forms of interaction where actors, products, places and infrastructures co-produce (commonly recognized) benefits” – according to Manzini (2002). The author focuses the role of designer in promoting services that enable people and communities, to solve their problems by themselves and/or in collaboration, calling “enabling solutions”.

The need of a cultural change in the design perspective, due to the expansion of the design domain from product to services, is corroborated by Morelli (2002). It requires that designers develop new competencies (related to managerial and socio-economic edges) to add to the old ones.

Designing services must consider all the actors that co-produce an offer: producers, suppliers, distributors, retailers, customers and users. In the so-called service-economy, the need to support companies in implementing partnership-based strategies becomes everyday more urgent. This theme is investigated by Krucken and Meroni (2006). As stated by these authors: “Nowadays, being an industrial designer, means also to have the ability to facilitate the development of strategic visions and to create the tools to help social actors to converge upon them”. Engler and Ribeiro (2008) talking about entrepreneurship say that: “Engineers and designers usually make a good team with splendid results.”

Service design and management, as emphasizes Hollins (2005), “is often poorly planned, so it is quite easy for a company to gain a competitive advantage through the application of some quite simple design techniques”. The Prisma model aims, therefore, to support professionals facing the challenges happened in the service-economy.

The PRISMA Model

The Prisma model was developed based on design management of service companies. This model was built particularly in the experience carried out in two service organizations that helped on the construction of its principals. The first one is a corporate event company and second is a consultancy company in mining, engineering and geology.

At the beginning, the model was named “mirror”, because service design is a reflection of organization systems and its clients. A good service is the one that shows the inner wishes of the clients, sometimes unknown. As a consultant, a service company must see beyond the speech. It must fill the blankets of the puzzle, achieving an integrated picture, better than the idea presented by the client at a first approach. As the work evolved we realized that the model should go further and not only reflect what exists but look for ways to improve and restore of business. Analogous to a stone-cutting, we should respect the original organizational configuration and values, and search to create new scenarios, adding value to competences and exploring innovation opportunities in services. The model is based on cultural organizational and relations issues, as suggested on Engler’s (1993) model.

The scope of Prisma model (Figures 2a and 2b) is to guide design actions that allow a clearer vision of the business to internal and external clients and, like a prism, shows a whole spectrum of possibilities. This model contributes to: align competences; integrate clients, stakeholders and employees; promote service innovation; optimize organization dynamics; facilitate client identification with company products; refine company and products’ image and orient services portfolio development, among others. Furthermore, it also aims to guide future strategies, having in mind this question: How would you like your company to be reminded in five years?

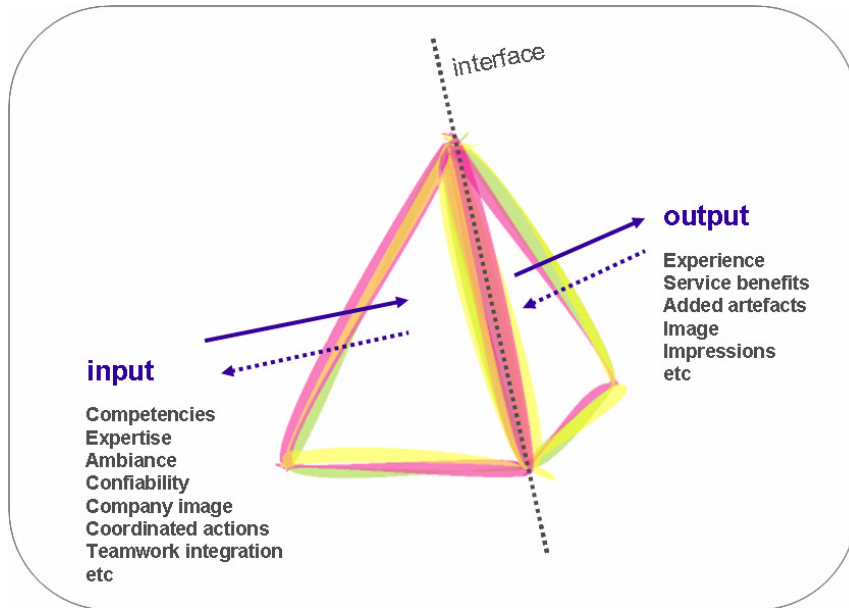


Figure 2a. Prisma model representation.

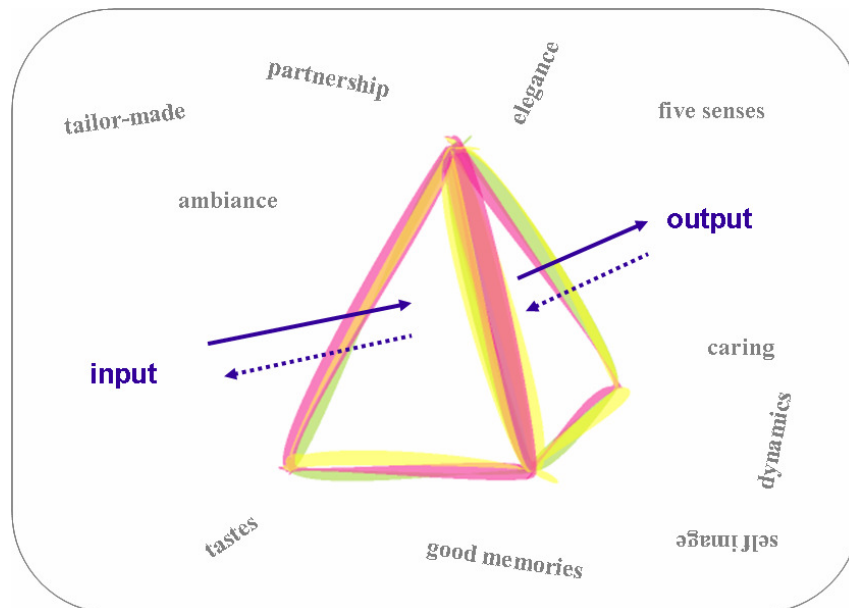


Figure 2b. Prisma model's Scope.

The essential competences required from designers to face services companies' reality are related to: hearing capacity, critical analysis and communication in business language (Figure 3).

- a) hearing capacity – 'know how to listen', which means not only listen to the words pronounced but

read the body language, feel the ambiance, see the points that match and the ones that don't. Actually you have to use the five senses, not only the hearing capacity in order to understand the situation as a whole and identify latent demands.

- b) critical analysis – ‘ask the right question’, which means after going through the hearing process, you must be able to stress the critical points, and make the clients see the scenario where he want to be in the near future;
- c) communication in business language – ‘bring the board to strategic design vision’, which means that, at this point, we can work as a team with our client, co-producing the new strategic orientations. Designing this plan will put in evidence how the service should work from that moment on to achieve the company’s goal.

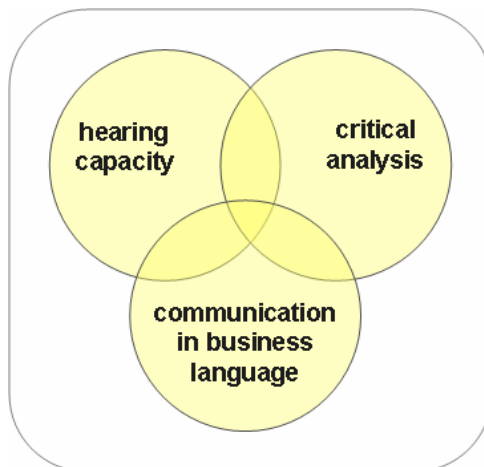


Figure 3. Essential competences required from designers to face services companies' reality.

Summarising we can say that the Prisma model is a tool to achieve new value propositions for the company. The model elegance is precisely in the stressing of values that are not noticeable at first glance. By means of a systemic analysis new potential clients are identified, which were neglected by misunderstanding of organizational possibilities to offer services oriented to specific needs.

First Case – A Corporate Event Company

“The event business is about expecting the unexpected”. “An event that nothing unexpected happen, or nothing went wrong is not finished yet, but what matters is how, and how fast you find a solution” this is how the owner of this company would describe the event business.

The company is a small one, with just 6 people and thousands of agreements with different suppliers like: caterers, décor companies, entertainment groups, florists, hotels, printers, designers, restaurants, promotional companies, airlines, transportation companies, gifts companies, special effects companies and any other supplier necessary to make a event unique and unforgettable.

There is a reason behind every choice from food to program elements. Strategic planning is one of the secret ingredients that leads to producing outstanding events that meet the expectations of both clients and guests. The event planner’s role is to create the conditions in which these events will occur under the client’s event and budget guidelines. How each event element is presented will achieve a different outcome.

The Prisma model was designed to ensure that the ways and means of each element is executed successfully. It helped in definition of the structures of the company and its reflect is shown in its first folder printed to its clients (Fig. 4).

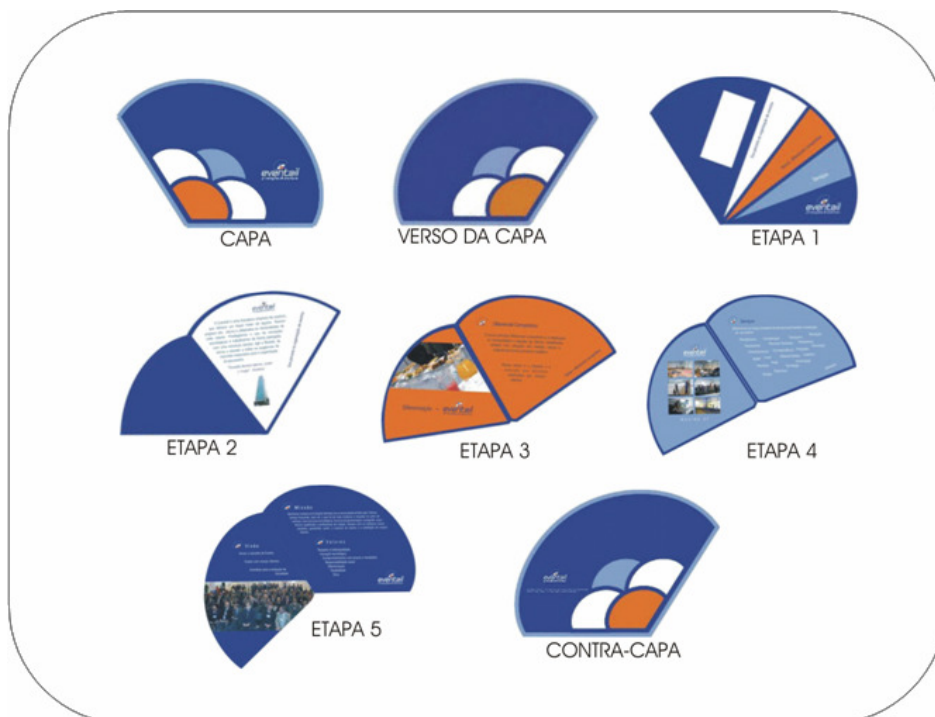


Figure 4. Eventail – presentation of services options.

Second Case – A consultancy company in mining, engineering and geology

Geoconômica provides services in the industrial-mining, environmental and large scale real estate enterprises sectors, focusing on productivity and a return on the clients' investments.

Founded in 1971, Geoconômica is today a reference in project elaboration, consulting and permanent technical support. In its history of over 30 years, Geoconômica has acquired the experience to operate in business development and management.

Geoconômica's organization is based on operational objectivity. Hierarchy is reduced and team spirit prevails. The coordinator participates actively and in cooperation with the other members of the group. The fixed team of coordinators, with vast experience in the company's working areas, is complemented by associated professionals and specialized consultants, all of them in tune with its work methodology.

Thanks to a decentralized structure and the administrative experience acquired in the execution of small, medium and large scale industrial enterprises, Geoconômica brings to all its projects the same standard of excellence, obtained also through constant training of the company's technical and administrative professionals.

The result is visible in the quick decisions, in the meeting of deadlines and in the personalized, high quality, lower cost and high productivity of all our services.

The PRISMA model was used to redefine the image and the ways the company is going to present itself to the market from now on (Fig 5).



Fig 5 - New corporate image.

Final Considerations

The service companies' role is to create the conditions in which a set of elements is arranged to offer outcomes customized to the clients needs. Each element, assembled to one specific offer, will achieve a different product in terms of budget and benefits. The Prisma model can support the ways and means of each

offer is composed to different clients. It can also contribute to uphold the company position and the alignment of its competencies, in order to maintain competitiveness and foster prosperity.

In the both cases presented the teamwork is arranged according to the service project. It reinforces the necessity of aligning: organizational competencies and customer's demands and wishes (sometimes not clearly expressed). The Prisma model is designed to support this dynamic process.

Furthermore the strategic orientation of services development can make stronger the company intangibles, such as: brand awareness, company reputation, competencies of the company teamwork and so on. Achieving these intangibles produce a very tangible result: increasing of company's market value.

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