

Branding through the Service Experience

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Objectives

- Explain the profound impact of physical evidence, particularly the servicescape, on the service brand.
- Explore the importance of managing demand and pricing for the service brand
- Understanding perceptions when waiting in line

Textbook Reading

- Chapter 10 and 14

The Physical Environment

“In many areas of marketing in the future,
marketing planners will use spatial
aesthetics as consciously and skilfully as
they now use other tools of marketing”
(Kotler, 1973)

Roles of the servicescape

- Package
 - conveys expectations
 - influences perceptions
- Facilitator
 - facilitates the flow of the service delivery process
 - provides information (how am I to act?)
 - facilitates the ordering process (how does this work?)
 - facilitates service delivery

Roles of the servicescape (continued)

- Socialiser
 - facilitates interaction between:
 - customers and employees
 - customers and fellow customers
- Differentiator
 - sets provider apart from competition in the mind of the consumer

The Clinic Bar



Propeller Island , Berlin (1)



Propeller Island , Berlin (2)



Propeller Island , Berlin (3)





- Yotel
- Future of Bank Branches
- Jyske Bank
- Virgin Money Lounge

Questions







- **What does the exterior say about what is on offer inside and the nature of the service?**
- **What does the interior communicate in terms of atmosphere?**
- **What mood / feeling is evoked?**
- **What does it say about the customers?**
- **How are they expected to behave?**

Elements of physical evidence

Servicescape	Other tangibles
<p>Facility exterior</p> <ul style="list-style-type: none">Exterior designSignageParkingLandscapeSurrounding environment <p>Facility interior</p> <ul style="list-style-type: none">Interior designEquipmentSignageLayoutAir quality/temperatureLightingFloor coveringsAromas/scents	<p>Business cards</p> <p>Stationery</p> <p>Billing statements</p> <p>Reports</p> <p>Employee dress</p> <p>Uniforms</p> <p>Brochures</p> <p>Web pages</p> <p>Virtual servicescape</p>

Attack the Senses

- **Sight**
 - **Colour, Brightness, Size, Shapes**
- **Sound**
 - **Volume, Pitch**
- **Smell**
 - **Scent, Freshness**
- **Touch**
 - **Softness, Smoothness, Temperature**

<p>RED</p>	<p>hot passion Love rebellious powerful sex radical excited bold devil</p>	<p><i>Coca-Cola</i>®</p> <p>ATI xerox </p>
<p>ORANGE</p>	<p>warm fall summer retro mellow solar friendly rococo cottage inviting</p>	<p>amazon.com.</p> <p> </p>
<p>YELLOW</p>	<p>solar happy cheerful summer fun energetic jubilant young sun friendly</p>	<p> </p> <p></p>

GREEN

environmental
money
natural
organic
Profit
earthy
grow
Dublin
trust
jealous



BLUE

liberal
cold
smart
Progress
music
trust
freedom
royal
medicine
launch

facebook



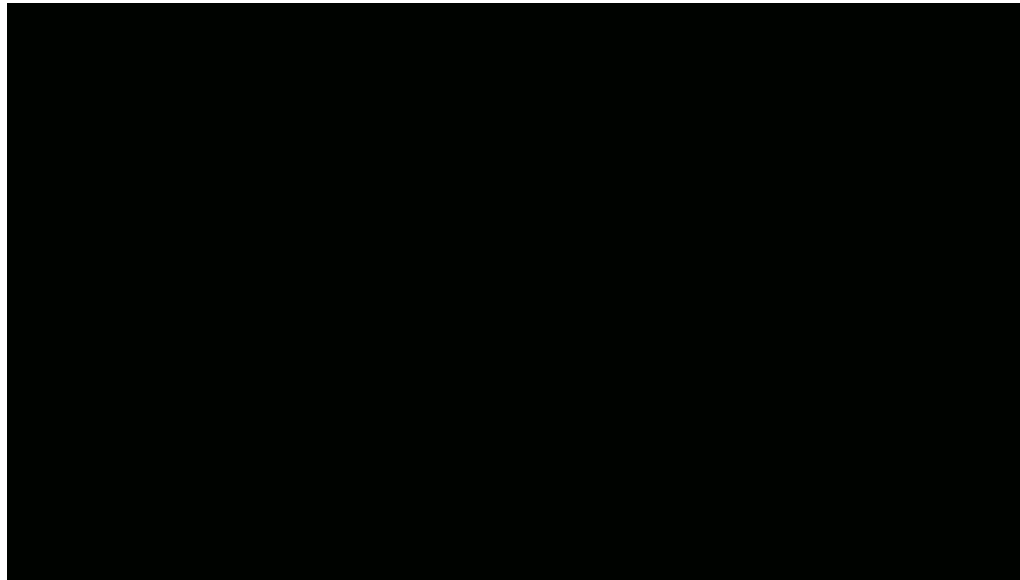
PURPLE

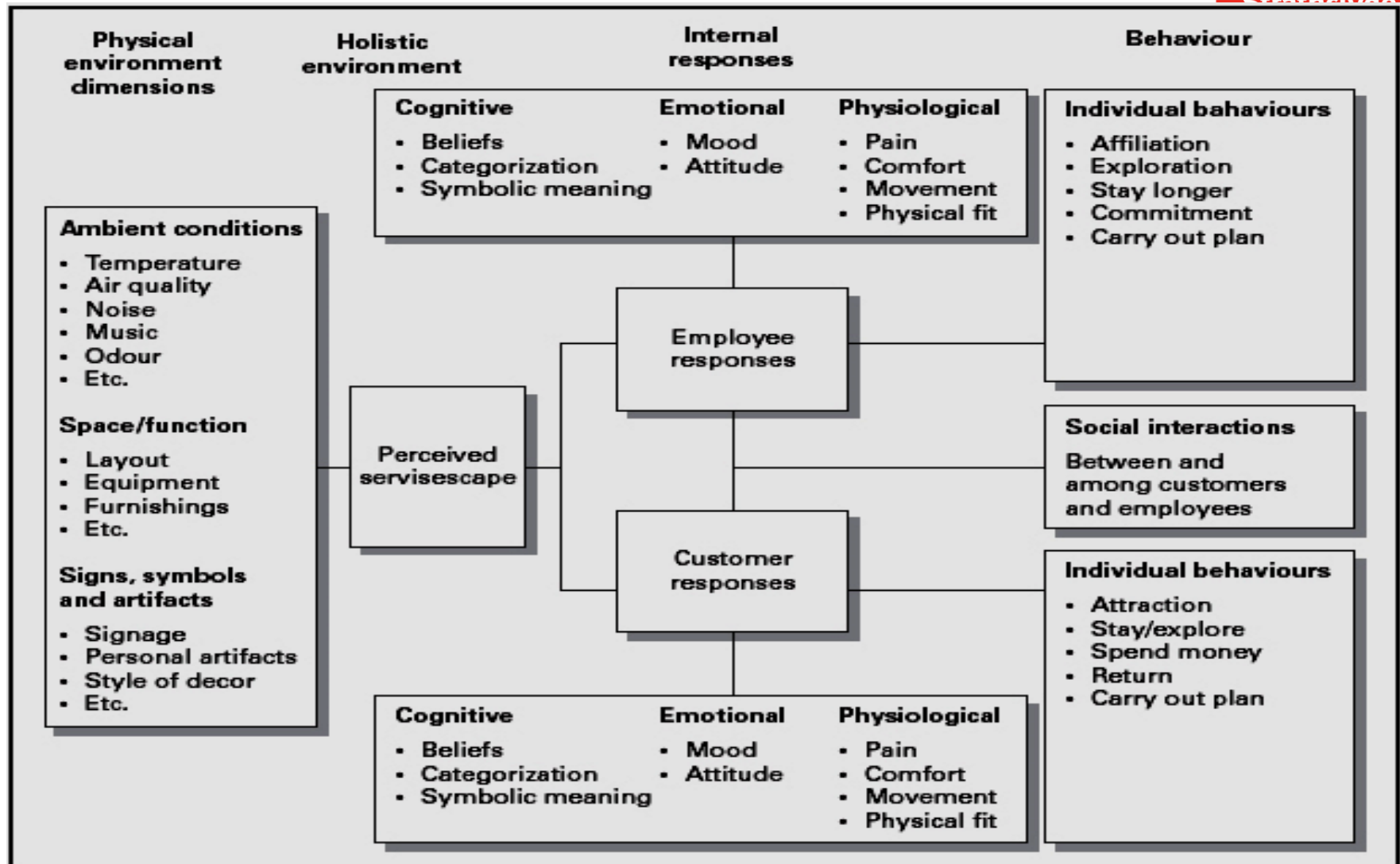
royal
mystical
victorian
decadent
vanity
romantic
elegant
stylish
sensual
eclectic

orkut



Smell





Holistic Impact

- **It is the holistic pattern of the stimuli that impacts on behaviour and brand perception.**
- **Need to note how the different elements of the servicescape fit together and support the brand.**

- Citizen M
- Ibis
- Rough Luxe
- Una Hotel Vittoria

Key Questions

1. What aspects of this servicescape have a positive influence or negative influence on customer perceptions of the overall service experience?
2. Which of the following characteristics (colour, lighting, shapes, sound, and smell) in each servicescape influences the customer's experience?

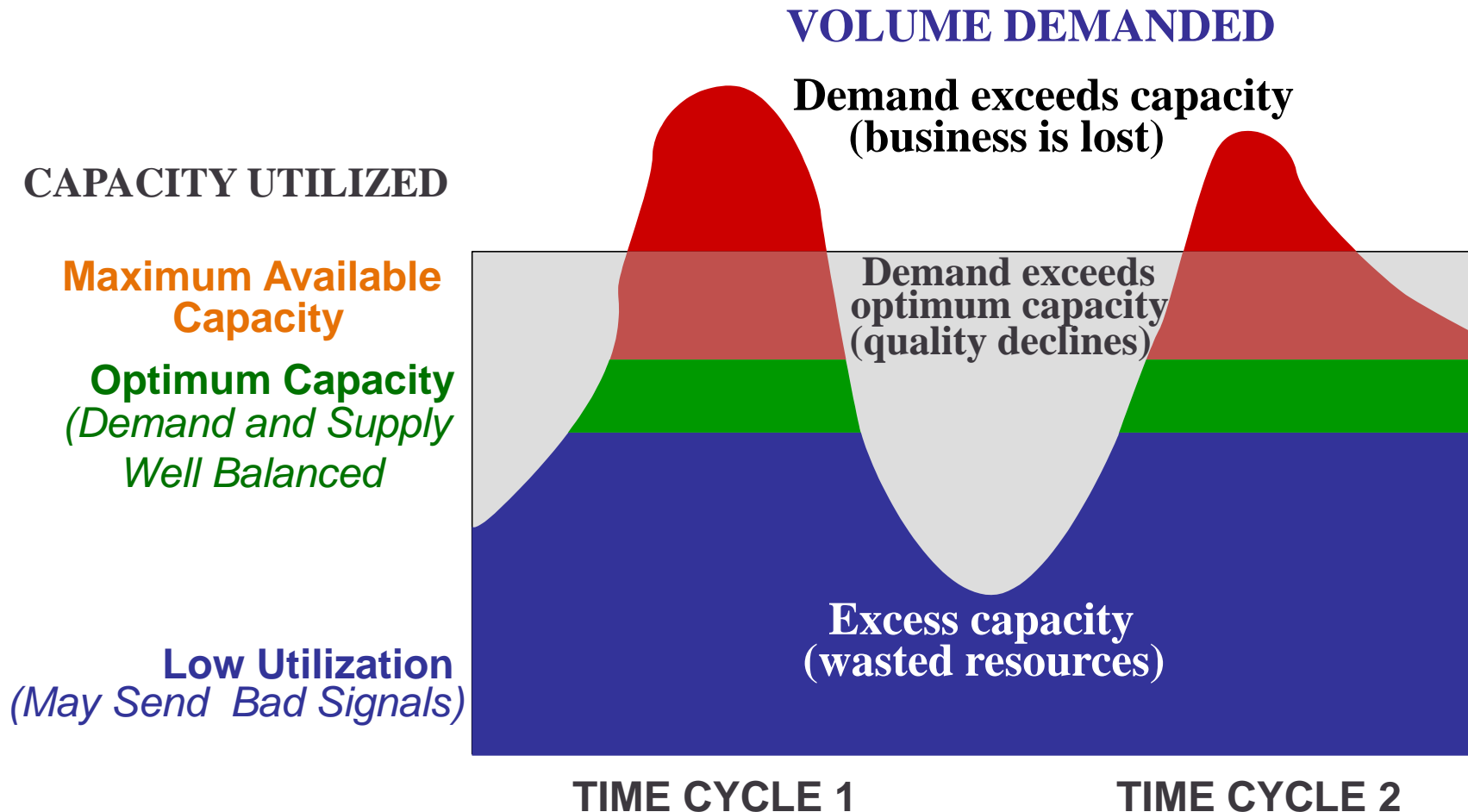
Shangri La – London Shard



Managing Demand

- Demand may:
 - exceed available capacity - turn people away
 - exceed optimum capacity - deterioration in quality
 - be balanced at optimum capacity
 - demand is below capacity - disappointing experience
- One service may have all of these at different times

Variations in Demand vs. Capacity



Yield Management/ Revenue Management

- To produce the best possible financial return from a limited available capacity
- Allocating the right type of capacity to the right kind of the customer at the right price to maximise revenue
- Mathematical modelling

Yield Management/ Revenue Management

- Relevant where:
 - Fixed and perishable capacity
 - Advanced bookings
 - Uncertain demand and customer behaviour(no show/ cancellation)

Yield / Revenue Management

- Yield Management in [Restaurants](#)
- Revenue Management in [Hotels](#)

Operational Measures

Amazon

Jet 2 – Boeing

Waiting in Line

- Improving customers' experience of waiting can be as effective as reducing the actual length of the wait.
- Transactions should seem brief
- Can be done by improving:
 - Operations or
 - Perceptions

Perceptions Management

(Maister, 1984)

- Unoccupied time feels longer than occupied time
- pre-process waits feel longer than in-process waits
- anxiety makes waits feel longer
- uncertain waits are longer than known, finite waits
- unexplained waits are longer than explained waits
- unfair waits are longer than equitable waits
- the more valuable the service, the longer people will wait
- solo waiting feels longer than group waiting

Queue Management

- social justice and equity is critical
- what is the acceptable waiting time
- use distractions to entertain and physically involve the customer
- make queuing unnecessary
- modify customer arrival time
- keep resources not serving customers out of sight
- employ more staff at times of high demand

Queuing

