
Editorial

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Despite receiving considerable attention from researchers, service organisations continue to struggle to develop and implement successful service strategies. The interface between firms and their customers appears to be a key reason for this. More generally, service interface is defined as the conceptual space where the internal and external service environments overlap, where customers interact with service employees, technology and the wider service environment, where service delivery operations interact with other operations of the firm and where other stakeholders, such as employees, interact with (and enact) the service operations of the firm. The service profit chain framework (SPCF) proposed by Heskett et al. (1994) describes these interfaces between customers, employees and other organisational features and is one of the best known models explaining sustainable competitiveness for service organisations. The SPCF captures both strategic and operational elements of the firm and provides an explanation of the elements that link internal and external service environments and consequently provides insights into the performance implications of managing service interfaces.

Examples of organisations that manage this interface more or less effectively are manifold. For instance, while simultaneously managing service quality and customer satisfaction, airlines also aim to improve efficiency in delivering services, with strategic concerns addressing the set of practices developed not only to drive customer satisfaction and revenues but also to reduce costs. Resultant operational initiatives focus on interfaces, which are dominated by customer interactions with airline employees and associated technologies.

Key questions for the successful management of service organisations include: What specific organisational practices, or bundles of practices, enhance the strategic performance of service organisations? What organisational systems and processes drive the effective and efficient implementation of service strategies? How can a service firm successfully integrate technology in managing its service interfaces? This special issue of

the *International Journal of Service Technology Management* reports on research examining the practices that organisations put in place to implement their service strategies and the collection of papers herein provides theoretical and empirical research that adds to our understanding of how service firms can manage their service interfaces to enhance their strategic performance.

In the first set of three papers, the researchers examine the strategic implications of services interfaces with the external markets. Herington and Johnson integrate relationship marketing orientation into the services profit chain and present an expanded conceptual framework to better explain strategic service interfaces. Su, Peng and Jin focus on quantitative models explaining differences in implementing quality strategies. They use system dynamics modelling within the context of a case study to illustrate performance differentials. Hock, Ringle and Sarstedt empirically examine customers' evaluations of different elements of the service interface. A second set of manuscripts focuses on the interface from the view of the employee: Gudergan and Lings suggest a conceptual model of employee decision making that examines service employee risk-taking behaviour and how this influences services strategy implementation; in a similar vein, Lee, Beatson and Lin also examine employee behaviour using empirical data to explain how salesperson stereotypes impact customer experiences within the sales interface. Following this theme, Sood and Lings examine the role of empowerment on the behaviour of service employees within the service interface and provide empirical conclusions about employees in service interfaces. Moving away from the focus on employees, Gudergan provides a conceptual explanation of how information and communication technologies are accepted in the customer interface within industrial services; Mathies provides empirical insights concerning the adoption of information technologies at the service interface in the hotel industry and finally, Beatson provides an empirical examination of the consequences of customers' use of self-service technology. Each of the contributions is summarised in the following sections.

The service-profit chain framework and service interfaces

Herington and Johnson propose the relationship-service-profit chain model, which they state contributes to the literature in terms of providing a clear distinction between what constitutes marketing and human resource management, how they should work together and the consequences of their cross-functional collaborations. The basis for the enhanced model is that the organisation should operate from a relationship perspective in the first instance (relationship marketing orientation). Only with a relationship marketing orientation can the necessary, general focus on relationship building be undertaken, which would pertain to providing quality for customers. Their conceptualisation provides a framework for assessing sustainable competitive advantage through superior profitability and revenue growth.

Service interface management as services quality strategy implementation

In their paper, Su, Peng and Jin discuss the problem concerning the implementation of service quality strategy and propose three interrelated models which can be used to identify factors affecting performance and their relationships. They structure these factors hierarchically and quantify their performance effects:

- 1 they offer business object models to describe the internal management elements
- 2 in their work they couple operational models to formalise relevant attributes among business object models
- 3 and develop system dynamic models to represent the underlying processes that affect the accomplishment of strategic objectives.

They complement their conceptual reasoning with the insights gained from a detailed case study concerning an auto financing company. They conclude that quantitative modelling can be helpful for service-quality strategy implementation in a dynamic environment.

Improving service interface performance

Hock, Ringle and Sarstedt illustrate how organisations can measure the impact of important drivers within service interfaces in a manner that allows them to better direct their efforts. Based on a standard service-delivery process they specify the factors that influence customer satisfaction. Findings from an empirical study and the use of structural equation modelling, establish relationships amongst the various drivers of service performance. They conclude with an importance-performance map-based assessment and derive recommendations for improving service interface performance and hence, customer satisfaction.

Frontline service employee decision-making and the service interface

In this conceptual paper, Gudergan and Lings examine a decision-making process that explains the amount of effort frontline service employees will expend in delivering a service in a business-to-business context. Using theories in behavioural economics and interactional and social psychology, they put forward a model of employee decision-making that provides a basis for better understanding how frontline employees handle service interfaces and how the latter affects the effort devoted to satisfying customers. They offer some managerial implications, which have the potential to enhance the marketing of business-to-business services.

Customer-oriented selling as a service interface

The service interface is a crucial component of a firm's external representation to consumers and other stakeholders and negative stereotypes of any part of this interface are therefore of concern. Lee, Beatson and Lin argue that, while stereotypes in customer-oriented selling situations are fundamentally consumers' schemas, it would appear that managers can take some actions to influence salespeople's behaviours in relation to such schemas to manage these service interfaces more effectively. For example, compensation schemes that emphasise teamwork and long-term service may help avoid the self-serving behaviour seen, in their study, as a key part of the negative salesperson stereotype. Measures such as this can help ensure a positive service delivery that is inline with organisational strategies. Sales staffs are recognised as a critical part of most firms' service interface and therefore managers need to be aware of how they are perceived by potential customers.

Empowerment in the service interface

Frontline employees constitute one of the key interfaces that service organisations have with their markets. Many strategies to enhance the ability of these employees to satisfy the needs of customers have been proposed. Sood and Lings examine the suggested strategy of empowering employees to enhance the customer orientation of the firm and consequently its effectiveness in serving the market. They report that the impact of empowerment in service organisations remains somewhat contentious. The focus of their study is the role of empowerment as an organisational service strategy and they report the consequences of this strategy for role stress, job satisfaction and the willingness of service employees to serve their customers.

Technology adoption in the service interface

The use of information and communication technologies in the provision of industrial after-sales services is of increasing importance. After-sales services constitute a crucial service interface affecting the value that can be generated in industrial settings. In his paper, Gudergan examines the impact of cultural factors on the adoption of communication technologies in the after-sales setting. Drawing upon theories of technology adoption and aspects of culture, he proposes that three dimensions of culture – individualism, power distance and uncertainty avoidance – influence the adoption of technology in industrial after-sales services. Moreover, he argues that the more individualistic customers are, the more they will avoid uncertainty and that where the power distance between individuals is greater, the adoption of new technologies in industrial after-sales services will be lower. The resultant variations in the adoption of information and communication technologies, in turn, affect the service interface. Gudergan concludes that cultural values in service interfaces are important elements to consider in managing service performance.

Technology adoption in the service interface

Incorporating concepts from the technology and IT adoption and acceptance literature, Mathies develops a model of IT adoption in SMEs and tests it in the context of hotels. Her results confirm existing research and show that the levels of IT adoption, as well as the type of IT systems in use, differ between small and medium-sized hotels. Medium-sized hotels use a larger number and more complex systems than smaller hotels. Mathies reports that the factors determining the level of IT adoption are:

- 1 individual characteristics of the owner-manager, in particular his/her innovativeness and IT knowledge
- 2 environmental factors, above all competitive pressures and in the case of medium-sized firms, perceived synergies through cooperations
- 3 firm characteristics, especially size and for small firms, the lack of financial resources and benefits.

The core difference between drivers of IT adoption in small versus medium-sized hotels is the crucial role of financial resources for the smallest hotels, compared to the importance of achieving synergies through cooperations and financial support for slightly

larger hotels. The results of this study highlight the crucial role of the entrepreneur in hotel SMEs. A knowledgeable and innovative manager-owner is more likely to acknowledge the opportunities of adopting IT systems. The proposed link between achieving better customer interfaces and the use of IT, however, could not be supported.

Self-service technology in the service interface

The incidence of self-service technology, where consumers delivers the service themselves through the use of technology, increasingly characterises the service interface between the firm and its markets. The majority of research into this service interface has focused on more traditional encounters, such as those involving the consumer and a service provider in person. Beatson's framework and an empirical study increase our comprehension of the potential impact of introducing self-service technology to service interfaces. In addition to the direct effects between satisfaction with personal service and self-service technology, overall satisfaction and affective commitment, she also investigates a series of moderating effects arising from consumer characteristics. Her study highlights the importance of personal service at the service interface and reports the impact of personal characteristics on customers' evaluations of technological service interfaces. Her findings emphasise the importance of social competency as a moderator in the technology-facilitated service relationship. By understanding consumer perceptions of self-service technology in the service encounter, service organisations will be better placed to develop strategies to deliver the services expected by their consumers, with the overall aim to improve consumer satisfaction and commitment.

With this collection of papers we have started addressing some questions that concern strategic as well as operational service interfaces. The papers contribute to developing knowledge regarding the strategic implications of service interfaces with external markets, advance our understanding of the service interface from the view of the employee and add to the body of literature examining technology aspects of the interface. With these contributions, this special issue provides theoretical and empirical insights that add to our understanding of how service firms can manage their service interfaces to enhance their strategic performance.

References

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