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Good morning. So as Peter said, I'm Christian Palino. I'm a design strategist at Adaptive Path. Since this is a short talk, and I like talks that kind of ask questions, this is gonna be one of those. It's gonna be a bit of a hypothesis.

How many of you are service designers? Anybody raise their hand? Anybody? One, two – all right, there's a few of you. Okay. Good.

So the place that this talk really starts for me is with coffee and the sort of service offering of coffee, and how, in particular, it's very different here in America than it is in Italy, where I lived for some time. I'll assume with this audience that we've all been to a Starbucks, a Peet's Coffee, and we know what that experience is like a little bit.

How many of you here have been to Italy? Raise your hand if you've been to Italy. That's a lot of people. Raise your other hand – raise both hands if you've been to Italy and drank a coffee there. Yeah, there you go. Okay. So a lot of you know what it's like to drink a coffee there. I'm gonna put up a little video here, as well, of this.

Essentially, I think what's interesting is that, in the two contexts, sort of the American one and the Italian one, all of the touch points are really pretty similar. In fact, some of them are downright identical. You know, payment, ordering, getting the coffee, putting the sugar in your coffee – all of those elements are really pretty identical. But the service offering itself is really, really different. The experience of that is really different.

Now, it would be really easy for me to think, "Oh, well, that's just the way that Italians drink their coffee. They do it standing up at the bar." But then I remember the grandmother of my wife, who always says this to me, which is [*Recites a comment in Italian*], which is "You drink your coffee sitting down or else you're gonna be poor." So it's not so easy to just write it off and say that it's the way it's done in Italy.

So we're gonna leave coffee for just a moment. I'm gonna come back there. Let's start with service a little bit. I wanna provide just the working definition so that we know where we're coming from.

I like the Sasser, Olsen, and Wyckoff definition, which is kind of old but, I think, really useful. There's four points to that. The first is intangibility. The offering is largely or wholly intangible. Think of a savings account or a car rental service. The second is heterogeneity, which is gonna be really important for this talk. The offering's different each time it's consumed: the order of events, the touch points encountered, the decision making. Each time they tend to change. The third is inseparability. So production and consumption are inseparable. Delivery and consumption are all often simultaneous. Customers help shape the quality of that sort of delivery. The fourth is perishability, that the offering can't be stored in inventory. It's time-dependent and it's time-important.

So these are the four that we'll work with: intangibility, heterogeneity, inseparability, and perishability.

So like any practice, sometimes it's really useful to sort of divide it into two parts. There's plenty of examples of this. In service, there's examples of this. Robert Glushko talks a lot about the front stage/back stage. Front stage represents interactions customers have with the service itself; back stage, those parts of the service value chain the consumer can't see. There's top-down/bottom-up. I'm gonna offer a different one that we're gonna use for this talk, and that's formal and informal, so the formal elements of the service and the informal elements of the service.

The formal, I think, are kind of – it's rational. It runs on rules. And it operates on a program. And in many ways, it can be evaluated based on these things. The informal is where all the human aspects lie, so values, emotions, myths, expectations. This part of the service tends to be a lot less scripted and a lot less consistent. Again, these aren't sort of – they don't happen at separate times, but for thinking about them philosophically, we sort of parse them apart, these two.

And what I'm interested in this context is the informal ones, so thinking about how we might design for the informal as well as those formal ones. Let's take a quick example: if we think about air travel. Some of the examples of formal parts of the service: searching for the flight, booking it, checking in, boarding, things you could probably script pretty well. The informal, we might think about evaluating flights, price anxiety, seat negotiation, all the sort of human parts of the service that happen that maybe we're not designing necessarily touch points for. So just an example of thinking of these two parts.

Another example that will help us to think about informal, I think, is to sort of focus a little bit on the delivery of the service and use the example of hotels, which is pretty common to lots of service design examples, of where the service can be different. So the question is something like: the Best Western and the Four Seasons, what makes them different? At the sort of paper level, they look really similar, but in their delivery is where they really differentiate. The place where – essentially on paper, check-in, finding your room amenities, they all look the same, but it happens differently in these two different contexts.

So what we're really talking about are the informal elements of the service, the ones that help to drive those moments of delivery, the space between those touch points, and how we essentially kind of operate in that space and inherently design for it.

Looking to sort of an alternative context, maybe outside service offerings could provide us another example. I often think about sports. In sports, a coach has his players; he's got his plays; he understands the rules of the game, the field, all the tactics. But a really good coach also understands the variable of emotion. He can think about in a way – you can kind of categorize or account for the speed of the baseball, the position of the batter, his stance. But it's really, really hard to categorize and account for what the bat feels like in the batter's hands. And there's a variable there that really has a lot to do with how that interaction plays out on the field.

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So how can we design for the informal? How can we account for the human qualities in the service, the mental and the emotional variables that contribute to the experience, and the lasting impression of the service offering?

To think about this, let's start with touch points, which are where a lot of us spend a lot of our time, designing touch points. I think designers really like the physicality of touch points. It's easy to be seduced by them, and it's sometimes even easier to sort of evaluate touch points. Touch points facilitate the interactions with the service offering. You can think about a savings account, right? The points of information-gathering, the transactions, how you deposit money and withdraw money, tools for monitoring it.

But the touch points themselves, they don't really communicate the value of the service, not even in their collective sum, I don't think. You can't just take that group of touch points and go, "Well, there's the service." There's a lot that happens between touch points that really can't be considered just by designing those touch points themselves.

An example of this would be, how do you visualize an equity fund? You can't just sort of draw a picture, right? If we sort of draw boxes and sort of envision that Web interface, it really doesn't do justice to sort of communicating that that's a service offering for an equity fund.

You could think about a customer journey. I think that what happens is that we tend to think about the customer journey in these sort of linear paths, right? We can sort of note a moment in the touch point and then where it goes, and then the next sort of boxes and arrows. But services are really, really terrible at following a linear progression. If we think back to our service definition, heterogeneity is one of those four qualities. Services are much better at being inconsistent than they are at being consistent.

So services aren't like products, and they're not like commodities, and they don't follow that consistent narrative. So in many ways, it's really hard to script a service, and especially to script a service just through the series of interactions with touch points. If one defines the touch points in a service and then connects them in the flow, what happens to the human variables? What happens to the emotions? What happens to the behaviors, the expectations that are there? And what happens when the service is used in unanticipated ways, unintended ways, sort of the idea of abuse scenarios?

So if services are different than products, if they're intangible, if they're ever-changing, if we're sort of only able to have creation and consumption be separated and imperishable, the value of creating fixed plans for services can be, I think, kind of highly overrated. As Eisenhower was famous for saying about warfare, plans are worthless. But planning is really useful, and I think there's something there for us.

So let's come back a little bit to the question. Services, intangibility, heterogeneity, inseparability, perishability. But services, they don't sit in a box, right? And they can't be stacked on a shelf. So our design question is, how do we design for those informal

qualities, right? We can design for the formal ones really well, but there's those informal ones. Where can we look for inspiration?

And so, lately, I've been looking to cinema and to theater, and sort of more specifically, to this guy, to Eisenstein and to Soviet montage theory. Montage theory basically addresses the medium of film, its condensed nature, that ideas can essentially arise from the collision of independent shots. And I think that's a bit of a model for thinking about touch points in those spaces.

What I'd like to do is take a quick look at an example of film montage. How many of you have seen *The Godfather* here? I'm guessing y'all have seen – hold on, raise your hand if you haven't seen *The Godfather*. Andrew, where are you? Oh, there you are. Okay, all right. So for anybody who's not familiar, we're gonna see a little montage shot. There's some classic 1970s violence in here. If that bothers you, you wanna look away. Just giving you fair warning. So let's have a look at this.

*[Video plays of the christening and multiple-assassination scene in The Godfather]*

All right, so there's our film clip, our example of montage. So we can think of the various shots in this scene as touch points: sort of the shot of the church, the firearm, the blessing, the mafia boss, the assassin, the shot of the baby being anointed. Each of these shots has its own inflection and its own meaning. But where these shots are assembled into a scene, the cuts between each shot, the mental and emotional space formed between the images provides a third meaning – a greater meaning, in this case.

So thinking about this, this is where we come back to coffee. So in a way, I was thinking about these touch points and the coffee experience and thinking that this is really the place where these things come together. I think that the meaning and the value of the service is present in the space that's sort of between the touch points here: in the coffee, in the case of the shots in the film montage. So between ordering and receiving, between coffee and paying – those informal elements, those human elements, and the sort of mental leaps that you make between those touch points, that's what really sort of shapes the offering and its impression.

So to design for this, we need to consider more than just, again, that string of touch points. We consider the space between. So if the service is different each time that it's consumed, then the combined meaning of any two or more touch points is inherently more valuable than the touch points themselves.

In fact, were we to ask Eisenstein or one of his contemporaries, like David Mamet, they'd probably say that if you chose the right shots or the right touch points, you probably wouldn't really need to design them too much. You might even be able to use the sort of archetypal example and be able to assemble them appropriately to get a better meaning.

So if montage can provide us a model for constructing the value in the service offering, what methods do we have to envision the service beyond touch points? We're already

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using storyboards in service design, which come from film. But are there other things we can look for? How can we explore the space between those touch points?

So I think that cinema and the theatrical arts really provide a better starting point for designing for services than looking for how products and commodities are designed. So for example, if intangibility and heterogeneity are defining qualities of services; if, as Eisenhower said, planning is more valuable than the fixed plans, then perhaps we need to look at something more flexible, maybe like improvisation.

I'm not the only person to advocate for improvisation in design. There's many people: Brenda Laurel, Eric Dishman, Kristian Simsarian, my former colleague Nathan Waterhouse. I think there's really a lot of value in using improvisation to consider services and for really designing that space between them.

But design improvisation's really seen very little adoption, and I think that's likely because the nature of it being very intangible and that it's hard to evaluate and hard to capture. Given that services are intangible, that lack of tangibility really shouldn't be a barrier, but I think it is. And I think that's probably linked to how we measure and evaluate services, but honestly, that's a talk for a different time, a different issue.

I think improvisation is really about the value of, again, the sort of planning over the plans, developing the skills and the inputs, and the way the influences and the approaches to sort of respond on demand, to respond off script, as it may be.

So film gives us storyboards, and cinema can give us montage as a potential model for thinking about the value of service. What about structuring services? I think that cinema also has something there for us, and I really think that that's in dramatic structure.

As David Mamet would advocate, dramatic structure is an organic codification, right? You've got a thesis, you've got antithesis, and you've got synthesis. It's a structure that we seek out. If I ask you to tell me a story about the weather or about sports, you'd give it to me in a sort of dramatic way, and you'd probably give it to me with that dramatic structure. Yet when we think about services and these long narratives and how they play out in space and time, I think we tend to naturally avoid some of those tools that are right there for us, to think about how we might craft some of those arcs. So why not look to that structure?

So montage, storyboards, improvisation, dramatic structure – all examples of methods that we as designers could borrow to explore services, to explore designing for the unscripted, and for those human aspects, those informal aspects.

So to kinda summarize: services, they're not like commodities or products. They've got intangibles that we need to design for. They can't only be focused on – you can't only focus on designing for the touch points, rather, 'cause those touch points don't communicate the value of a service.

So a service value, I think, is defined in the space that comes between those touch points. And I really think that film is a place where we started to look for storyboards, and we could continue to look for some other inspiration and some other methods. That might get us further than designing like we design for products. Thank you.

*[End of Audio]*