

# Chapter 3

## Service Customization Through Dramaturgy

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**Abstract** The customization of a service often depends on the “performance” delivered by front-stage service employees. Drawing on theories of dramaturgy and service marketing, we present a typology of four distinct and viable configurations for achieving different types of service customization. We explain how variations in the time pressure to customize a service, and the degree of customization required, combine to determine the characteristics of each configuration. With service organizations increasingly operating on a global basis, we discuss the

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fit between the preferences of different multicultural segments, the operational characteristics of a configuration, and the level of customization offered.

## Abbreviations

FSA Financial Services Authority

UK United Kingdom

### 3.1 Introduction

Mass customization has been one of the most studied and discussed topics of the last 10 years, in the area of operations management, and yet there has been very little research, conceptual or empirical, that examines how service organizations deliver effective forms of customization. This is the case despite the fact that operations management scholars have argued that there is a need for research on mass customization in service organizations (Da Silveira *et al.* 2001, Roth and Menor 2003), and that many service organizations would benefit from “segment of one” strategies (Peppers and Rogers 1999) for “molecular markets” (Day and Montgomery 1999).

With this chapter we seek to address this gap, by presenting a typology that reveals how service organizations might design and manage their processes based on different dramaturgy concepts (Clark and Mangham 2004, Gardner 1992, Goffman 1959, Grove and Fisk 1983, 1997, Grove *et al.* 2000, 2004, Haahti 2003, Ritti and Silver 1986). In particular, we focus on how the “drama” of the service encounters – the engagement of service employees and customers – can be designed to achieve different forms of customization. We suggest that these encounters can be viewed as some form of *adaptive performance* that is acted out by service employees (the actors) for customers (the audience). Using two key dramaturgy concepts, *scripts* (the set of rules and instructions that govern the content and delivery of a service process) and *improvisation* (the ability to rewrite and deliver a script), we explore the range of service customization that can be achieved.

To show how the nature of a service performance can be effectively designed to satisfy different customer expectations, we use two operations management dimensions: the relative time pressure to customize and the degree of customization required. Different combinations of these dimensions result in a typology of four service customization configurations (*embellished customization*, *predetermined customization*, *prompt customization*, and *intuitive customization*), each of which specifies an “operational type” that is defined by a set distinct operational characteristics (Bozarth and McDermott 1998, McCarthy 1995, 2004a).

The characteristics of the service customization configurations that we propose reveal how organizations can use dramaturgy concepts to provide a personalized service in terms of a change in content only, or a change in delivery only, or a change in both content and delivery. By content we mean the core service offering (e.g., a meal at a restaurant or a legal document drawn up by a lawyer) and by delivery we mean the interpersonal behavior that service employees use to deliver the core content of the service (e.g., variations in attentiveness, tone of voice, and gestures). With variations in these service characteristics we follow the contingency theory view of organizations (Hofer 1975) and argue that service organizations with customization configurations that fit specific and desired customization demands will achieve superior performance over those organizations with customization configuration misfits.

With this focus and using this approach, we make two core contributions: the use of dramaturgy concepts for studying customization and the creation of a typology for understanding how performances can be designed to deliver customized services. Together these contributions respond to the research gap identified by Johnston (1999, p. 117), who explained that “the service encounter is the crux of service delivery, yet how much do we know about which are the right scripts, attitudes, behaviors to achieve the desired effect?” These contributions, we believe, point to at least three major implications for researchers and managers. First, service organizations should concentrate on one customization configuration only to ensure high levels of configuration fit, otherwise they risk developing a mix of ineffective service customization capabilities. Second, while the effectiveness of the configuration depends on the nature of the service and the context of its operations, the two configurations at the extremes of our typology (embellished customization and intuitive customization), will tend to outperform the other two middle configurations (predetermined customization and prompt customization). Third, and in line with the theme for this section of the book – *Mass Customization and the Global Firm* – the nature of any customization by service performance should be designed to suit different nationalities or cultural segments.

## 3.2 Background

In this section of our chapter we highlight that there is limited operations management research on service customization and explain why service organizations can benefit from mass customization. From this review of the few studies that have examined the mass customization of services, we identify and justify two customization dimensions – the time pressure to customize the service performance and the degree of performance customization required – that bound and shape our typology. We then present the dramaturgy concepts that we use to explore the range of customization in a service customization configuration, and the associated capabilities.

### 3.2.1 *Customization of Service Operations*

While many researchers have debated and studied how industrial companies use mass customization principles to design, build and supply physical products (*e.g.*, Da Silveira *et al.* 2001; Duray 2002; Fogliatto *et al.* 2003; McCarthy 2004b, Salvador *et al.* 2004, Tu *et al.* 2001), there has been a dearth of research on how mass customization applies to the service industry. It is widely recognized that services differ from manufactured products in terms of intangibility (objects *versus* performances), heterogeneity (significant variations in how a service can be delivered and variation in types of customers and their requirements), and simultaneity (the production and consumption of services often occur at the same time) (see Kellogg and Nie 1995). There is perhaps less awareness of the fact that service organizations, relative to manufacturing organizations, have a greater ability and tendency to offer some form of customization. This is especially the case for services with high levels of customer-service employee engagement, as these encounters can be designed and managed to personalize both the content and delivery of the service (Czepiel *et al.* 1985, Lovelock 1984, Schlesinger and Heskett 1992). Pine and Gilmore (1999) have taken this idea further to suggest that what some industries offer, and indeed what consumers want from them, are not services, but experiences that are as distinct from services as services are from goods. The experience economy, they suggest, offers consumers a customized, transformative encounter.

Yet, despite this capacity for service organizations to customize, we know very little about the different “operational types” or “configurations” (Bozarth and McDermott 1998, McCarthy 1995) that underlie the design and diversity of different service customization offerings. Such knowledge is essential for pursuing the three main goals of operations management research: describing, explaining, and predicting the effects of different operational practices (McCarthy *et al.* 2000). Also, while services marketing research has shown that customers from different cultures and nationalities have different expectations about the content and delivery of a service (*e.g.*, Clark 1990, Donthu and Yoo 1998), there has been very little research, with the exception of that by Pullman *et al.* (2001), on what these differences mean when it comes to customizing service operations. Instead, prior research has focused on examining the information technology enablers for modeling, configuring and delivering different customized services (*e.g.*, Akkermans *et al.* 2004, Ansari and Mela 2003, Jiao *et al.* 2003, Meyer and DeTore 2001, Peters and Saidin 2000, Varki and Rust 1998), or has examined the challenges and benefits of trying to implement mass customization concepts in specific service sectors such as catering (Chen and Hao 2007), secondary schools (Waslander 2007), financial services (Winter 2002), and care of the elderly (Essen 2008).

Although the research on technology enablers is important for developing customization strategies for service operations, there are many types of services that are technology-light, relying instead on forms of interpersonal intervention and interaction to provide a personalized service (Bettencourt and Gwinner 1996). These interpersonal encounters typically occur in industries such as banking, management

consultancy, healthcare, and hospitality, where the service can be produced and consumed in the same physical location. They offer significant opportunities for designing processes that prompt or constrain different modes of “employee adaptiveness” (Thompson 1989) for creating and delivering effective customization.

We suggest that service organizations can move towards different types of mass customization through an analysis of the operational dimensions that prompt or facilitate different types of service customization. In response, we propose a typology, explained below, which uses concepts from dramaturgy and service marketing.

### ***3.2.2 Typology Dimensions: Time Pressure to Customize and Level of Customization Required***

Service customization is dependent both on the potential level of customization the service organization can offer and on the ability of the organization to realistically deliver the required customization within a specific time given the resources and constraints that the company faces. These two requirements correspond to Slack’s (1983, 2005) dimensions of manufacturing flexibility: “the range of states a production system can adopt” (2005, p. 1194) and the response, “the ease with which it moves from one state to another” (2005, p. 1194), both of which underlie the two operational dimensions of our typology.

The first dimension of our typology is the *time pressure* to customize, which relates to Slack’s (2005) flexibility response in manufacturing and to the notion that the ability to customize is affected by a firm’s ability to implement time-based manufacturing processes (Tu *et al.* 2001). We use the term “time pressure” as studies argue that this is the main factor that differentiates unplanned improvised behaviors from planned routine behaviors (Crossan *et al.* 2005), which significantly differentiate the “performance” of service encounters. Time, in particular the speed of service, has also been identified as a determinant of service quality (see Johnston 1999). As we focus on services that involve high levels of employee–customer interaction, the time lag between the requests and the subsequent responses can vary significantly. Consequently, we suggest that these lag variations create different time pressures to deliver a customized service that influences the type of customization configuration required. If the time pressure is low, then service employees have a relative abundance of time to adapt their behavior and the content and delivery of the service. They have the time to determine, plan, and react to any customization requests in a manner that is relatively controlled, detailed and considered. If the time pressure to customize is high, then service employees will rely on intuition and spontaneity, to sense and deliver customization in a real-time and highly simultaneous fashion. In sum, this customization dimension reflects the amount of time a service employee has to scan for and interpret the cues that signal a specific customer need *and* to then customize the delivery and content of the required service.

The second dimension of our typology, the level of customization, relates to Slack's (2005) flexibility range and has been an enduring theme in studies of mass customization in manufacturing (for a review, see Da Silveira *et al.* 2001). However, this prior research is unable to capture the degree of service customization as delivered by front-stage service employees, because it focuses on how the level of customization varies in terms of the manufacturing strategies followed, on the position in the value chain at which the customization occurs and on how and who adapts the products. Consequently, we draw upon the product and process innovation literatures (Dewar and Dutton 1986, McDermott and O'Connor 2002) and put forward simple and fitting categories for the magnitude of customization, in terms of both the content of the service and its delivery. We suggest that a low level of service customization (either in terms of content, delivery, or both) will involve employees incrementally adapting and using existing knowledge and resources (personal and organizational) to adjust a standard service. A high level of service customization, on the other hand, will require employees to access or develop new knowledge and resources, so as to radically alter a standard service either in terms of content, delivery or both.

### 3.2.3 *Dramaturgy*

The basic premise of the dramaturgical perspective is that people behave and express themselves according to the situations they face, *i.e.*, they put on an act. Goffman (1959) argued that this was a universal social trait, for as individuals we are torn between the desire to act spontaneously and the need to follow social expectations. He contends that we are conditioned to "put on" acts or performances. In these performances individuals endeavor to persuade others that they are indeed consistent and stable people who play their social roles well.

The dramaturgical perspective has gained much attention in the management literature in general (Gardner 1992, Ritti and Silver 1986, Pine and Gilmore 1998, 1999, Clark and Mangham 2004, Haahti 2003) and in the services marketing literature in particular (Grove and Fisk 1997, Grove *et al.* 2000, 2004). Both researchers and practitioners alike are interested in the fact that employees in service settings function in a very real sense as performers in a drama, and that many dimensions of the interaction can impact both the level of service that customers receive and the satisfaction they express. Hochschild (1983), for example, suggested the term "emotional labor" to describe how employees in a service setting perform when they are required to "feel", or at least to project the appearance of feeling and emotions as they engage in job related interactions. So, for example, employees in a service setting may feel sympathy for a customer's dissatisfaction and are indeed expected by the customer to display that they feel sympathy. As such interactions are central to many service organizations, management researchers have argued that all services are essentially a *performance*, which cannot be

held or stored – only experienced (Grove and Fisk 1997, Pine and Gilmore 1998, 1999, Grove *et al.* 2000, 2004). Indeed, Pine and Gilmore (1998, 1999) talk about the provision of experiences that go beyond mere services, they are personalized, transformative events that are deliberately staged, like any theatrical event.

We suggest that the metaphor of understanding services as *theater* is particularly useful for understanding and achieving service customization. It offers a novel approach that service organizations can use to control and manipulate the interaction of the customer with the point of service delivery. The specific drama or theatrical reality of a service operation can play an important role in creating and sustaining value in these types of service organizations, because “*how* the service is performed, *e.g.*, the courtesy and care that is displayed, is just as important as *what* is performed, *e.g.*, the specific tasks that are completed” (Grove *et al.* 2000, p. 21). We suggest that dramaturgy concepts can be used to study how service organizations control and benefit from two critical aspects of employee adaptiveness: the ability to adapt interpersonal behavior and the ability to adapt the core service offering (Bettencourt and Gwinner 1996, Gwinner *et al.* 2005). Also, as Gwinner *et al.* (2005) explain, prior studies on employee adaptiveness have tended to examine only one of these capabilities at a time, despite the fact that some services can be produced and consumed simultaneously. They also reveal that existing research has tended to view employee adaptiveness as a discretionary or “extra-role behavior” that is not formally mandated by service organizations in terms of how they design their processes, and control and reward employees. In contrast, we take the view put forward by Gwinner *et al.* (2005) that adaptive employee behaviors represent a capability that should be formally considered when designing and managing service processes for customization.

To examine how service organizations might use different forms of employee adaptiveness we focus on one of the three “Ps” of dramaturgy (Grove *et al.* 2000) – the *performance* and the types of scripts and improvisation capabilities required to deliver service customization configurations. The other two “Ps” – *participants* and *physical setting* – provide the basis for further research on how these elements can also be used to provide customized services. The participants are both the actors (the service employees) and the audience (the service customers); together they constitute how a service is delivered and received. The service customers may have varied expectations and needs, which they bring to the interaction. Often they must be physically present during the service delivery, just like a theatrical audience, regardless of how humdrum or spectacular the service encounter may be. Furthermore, in some situations, consumers may play a greater role than that of being a passive audience, they become a “*partial employee* of the service organization through co-production or even self-service” (Chase and Erikson 1987, p. 195).

The setting for dramaturgy is the performance interface, and this takes different forms for different services. It may be a physical venue such as a hotel or a restaurant, but equally nowadays it may be a website or a telephone conversation. In terms of service operations management, the interface involves decisions about controlling the flow of information, materials and customers, but in terms of dramaturgy, it also involves what has been called *atmospherics* (Kotler, 1973), which

are the features of the interface that produce emotional, physical, and in turn behavioral effects in customers. The interface then in itself serves the function of complementing the performance and setting the scene. As services are highly intangible, these experiences provide customers with extrinsic cues for judging the quality of a service (Zeithaml *et al.* 1988). Consequently, the performance interface offers a *servicescape*, a physical venue, or technological medium in which “the service is assembled and in which the service provider and customer interact, combined with tangible commodities that facilitate performance or communication of the service” (Booms and Bitner 1981, p. 36).

### 3.2.4 *The Service Performance: Scripts and Improvisation*

The performance elements of dramaturgy are the process and outcome of the service and its consumption. They combine the actions of both the customers and the service employees, with the effects of the physical setting. The performances given by service organizations are largely delivered to customers by front-stage employees with different levels of expertise and training (*e.g.*, lawyers, doctors, accountants, management consultants, receptionists, and restaurant servers), who engage with the customers. The performance is supported by a range of back-stage staff and systems, which are hidden from the customers. Consequently, for many types of service organizations “the primary determinant of successful customization is the ability and motivation of the frontline customer contact employees to appropriately implement customization strategies in real time” (Gwinner *et al.* 2005, p. 132).

We now turn to describe how personalized performances can vary in terms of how they are designed and controlled through the use of different types of scripts (simple *versus* complex, and fixed *versus* adaptable) and the use of service employees with capabilities that range from fully adhering to the script (*limited improvisation*), to adapting both the content and delivery of the script (*pure improvisation*) (see Table 3.1).

In terms of service operations, a script is a set of formal and informal instructions that specify or guide the actions of service employees. It is essentially the story of how the service experience will start, take place and end. Like service blueprinting or process mapping (Shostack 1984), scripts define the steps and actions in the process, when and where they happen, how they are delivered, the participants involved, what is said, how it is said, and the various props (service tools) to be used. While it is recognized that organizational scripts vary from strong to weak (Gioia and Poole 1984) depending on how precisely they seek to control and direct the steps and actions of a process, our dimensions of time pressure to customize and level of customization required combine to create conditions requiring scripts that vary in terms of how *simple* or *complex* they are, and how *fixed* or *adaptable* they are.



**Table 3.1** Service customization through dramaturgy

Dramaturgy concepts	Definition and examples	Customization implications
Performance	A performance is the process and outcome associated with the delivery and consumption of a service. It combines the actions of both the customers (audience) and the service employees (actors). For example, management consultants “put on a show” when trying to convince clients to buy their services	The nature of the performance can vary in terms of the level of what gets customized (the service delivery and/or the service content) and the time pressure to customize it
Scripts	Scripts define the steps and actions in the performance. They specify when and where they happen, how they are delivered, the participants involved, what is said, how it is said, and the various props (service tools) to be used. For example, servers working in a restaurant may have to wear a uniform and speak to customers in a very specific way	The nature of a customized service depends on how complex or simple the script is, or how fixed or adaptable it is
Improvisation	Improvisation is when a service employee rewrites and adaptively delivers a script for a service performance. For example, physicians alter their tone and style (customizing script delivery) and/or alter the service offering (customizing the content of the script) for different patients with different needs	The nature of a customized service depends on the type of improvisation capability, which ranges from limited improvisation (or highly compliant) to pure improvisation

If a script is simple, it consists of a small number of rules and instructions that focus largely on outcomes, rather than specifying in minute detail the way to achieve the outcomes. Complex scripts, on the other hand, consist of a large number of detailed rules and instructions that focus on defining all aspects of the how, the when, the who, and the what, for all of the service process activities. If a script is highly fixed, then the service organization strictly prohibits any deviation from the script. The service performance, both in terms of content and delivery, regardless of whether it is specified in a simple or complex way, must be closely adhered to. However, it is possible for scripts to be partly fixed, so that only the service content is fixed or only the service delivery is fixed, but not both. For example, when patients visit a laboratory testing service for blood tests and other specialized clinical tests, each service employee they engage with, from the receptionist to the phlebotomist, will follow a relatively complex and fixed script concerning the clinical steps involved in taking, labeling, and transporting the blood sample.

However, the interpersonal communication elements of the service delivery (*e.g.*, tone of voice, vocabulary, and gestures) may vary to suit the age, gender, and ethnicity of the patient. Conversely, if a script is highly adaptive, then employees with appropriate training and expertise are allowed to reactively and proactively adapt the service content and its delivery to suit the needs and expectations of the customer. They may be responding to customized needs that are predicted or unanticipated, and they may be trying to control and manipulate the customer to help ensure a successful performance outcome.

Delivering different types of scripts requires service employees to “act” in different ways, ranging from highly *limited improvisation* to *pure improvisation*. Each type of improvisation requires employees with certain service skills, and job specific experience and knowledge. Limited improvisation, for example, involves closely adhering to the predetermined rules, instructions, and standards that govern the delivery of a service. Service employees with limited improvisation capabilities will tend not to be “mavens”, *i.e.*, trusted experts who have problem-solving skills to deliver services in novel ways. Instead, employees with limited improvisation capabilities only “do things by the book” and are unwilling or unable to deviate from the script. As the need for more advanced forms of improvisation increases, this requires employees who are both trained and allowed to rewrite and deliver the script for a service process.

A review by Moorman and Miner (1998) found that improvisation had both a content aspect and a temporal aspect, which were present in a range of organizational and social activities that included sports, management processes, fire-fighting, music, education, theater, and healthcare. In terms of service performances, this means that improvisation involves what gets changed in a script (*i.e.*, instructions concerning the service content, the service delivery, or both), and when that change happens. The greater the change in script content and the shorter the time gap between rewriting a script and delivering the new action, the greater the level of improvisational capability. When the content and delivery are simultaneously adapted, in a spontaneous and seamless manner, we call this the level of *pure improvisation*.

### 3.3 A Typology of Service Customization Configurations

In this section we explain how the time pressure to customize and the level of customization required combine to produce different service customization configurations. To explore these combinations and the resulting configurations, we present a typology, based on a simplified matrix of time against level of customization. The scale for the time pressure to customize is either low (lots of time available relative to the type of customization required), or high (little or no time available relative to the customization required). Similarly the scale for the level of customization is either high (a radical customization involving a significant change in the content and/or delivery of the service) or low (little or no change in

		Degree of Service Customization	
		Low	High
Time Pressure to Customize the Service Performance	Low	<p><b>EMBELLISHED CUSTOMIZATION</b></p> <p><i>Performances</i> are rigid and highly planned, offering relatively modest customization that embellishes or incrementally adjusts a standard service.</p> <p><i>Scripts</i> are complex and fixed</p> <p><i>Limited improvisation</i> as the focus is on largely adhering to a predefined performance.</p> <p>Example: Telephone marketers who deliver a standardized telescript in a standardized way.</p>	<p><b>PREDETERMINED CUSTOMIZATION</b></p> <p><i>Performances</i> are adaptable and premeditated, offering significant customization that is anticipated and predetermined.</p> <p><i>Scripts</i> are complex and adaptable.</p> <p><i>Formulaic improvisation</i> that slowly and substantially adjusts the content of the performance.</p> <p>Example: Financial advisors who research and tailor investment portfolios to client needs</p>
	High	<p><b>PROMPT CUSTOMIZATION</b></p> <p><i>Performances</i> are highly rehearsed and rapidly altered, offering relatively modest, but fast customizations.</p> <p><i>Scripts</i> are simple and fixed.</p> <p><i>Rehearsed improvisation</i> that rapidly adjusts the delivery of the service.</p> <p>Example: Restaurant servers who alter their interpersonal behaviours for different customers, but provide a standardized offering.</p>	<p><b>INTUITIVE CUSTOMIZATION</b></p> <p><i>Performances</i> are highly spontaneous and creative, offering customization that is instantaneous and significant.</p> <p><i>Scripts</i> are simple and adaptable.</p> <p><i>Pure improvisation</i> that instantaneously and significantly adjusts the content and delivery of the service.</p> <p>Example: Paramedics who alter their interpersonal behaviours and tailor emergency medical procedures to suit different patients with different care needs.</p>

Figure 3.1 Typology of service customization configurations

the content and/or delivery of the service). High–low combinations of these two dimensions give rise to our four ideal configurations (see Figure 3.1).

### 3.3.1 Embellished Customization

The first customization configuration that we consider occurs when both the time pressure to customize and the level of customization required are low. This creates a configuration that we call *embellished customization*, as it involves a performance that is rigid and highly planned, so as to deliver minor adaptations of a standardized service in an effective and efficient manner. This configuration does not offer any radical customization of the service content or its delivery. It represents the lowest level of customization in our typology. At best, service employees may fine-tune their interpersonal behavior so as to deliver the service more efficiently and meet service targets. For example, consider telephone marketers and other similar call center type support services. These conversation based performances are highly scripted to ensure service repeatability and reliability. What is spoken, how it is spoken, and the call handling time are all highly controlled and even “recorded for training purposes”. There is little time pressure to adapt the service, as no significant customization of the service content and service delivery is allowed by the organization or expected by the customer. This configuration, and the call centers that exemplify it, represent a service customization that is so ra-

tional and scientific in nature that it has been called the “Taylorisation of white-collar work” (Taylor and Bain 1999, p. 109), after Frederick Taylor and his *Principles of Scientific Management* (Taylor, 1911).

In line with Frederick Taylor’s obsession with control, the performance delivered by embellished customization is based on scripts that are highly complex (*i.e.*, lots of rules and instructions) and very fixed in nature (*i.e.*, service employees are not allowed to rewrite the script). The scripts are delivered by highly compliant service employees who are often physically disconnected from or not visible to the customer (*i.e.*, they are backstage). This form of script delivery involves *limited improvisation* with this configuration, as employees (and sometimes the customers as well) are required to adhere to a detailed set of process instructions, rules, and standards. The service employees are selected and trained to deliver a standard “act” that limits the service content, and how it is delivered, to the rules specified in the script. Employees must follow the script to maintain process reliability and efficiency, and will use and be controlled by technologies and systems that help and constrain them to deliver the performance in a predefined way.

### 3.3.2 *Predetermined Customization*

The second service customization configuration in our typology occurs when the time pressure to customize is low and the level of customization required is high. We refer to this configuration as *predetermined customization*, because this combination of dimensions operationally suits a performance that involves significant customization of the service content, for anticipated or premeditated needs. For example, consider the service customization delivered by independent financial advisors in the UK. They are regulated by the Financial Services Authority (FSA), an independent non-governmental body that aims to ensure that they are appropriately trained and accredited to conduct their business with customers in a specific way. The advisors closely follow a complex script that is modularly adaptable, so as to suit the needs of different clients with varying financial circumstances. Thus, the delivery of the service is highly controlled and standardized, and the final content of the core service, the financial product options that are offered, will be customized according to the rules and regulations defined by the script.

To deliver this form of service customization requires what we call a *formulaic improvisation* capability, whereby the service provider has a relative wealth of time to adapt and compile the service content to suit the needs of the customer. The customization is formulaic as the change in service content can be predetermined and formulated into a set of service options. For example, once independent financial advisors have collected information about the circumstances and needs of their clients, they typically have a significant amount of time to research and then formulate a set of financial product options that suits those needs and circumstances. Formulaic improvisation occurs because there is the abundance of time to determine needs and then to devise the content of the core service offering (*e.g.*,

the financial products), while the complex and controlling nature of the scripts limit any radical customization of the service delivery itself (e.g., how the financial advisor determines the needs of the customer).

### **3.3.3 Prompt Customization**

The third service customization configuration that we propose occurs when the time pressure to customize is high and the level of customization required is low. We refer to this as *prompt customization*, as it involves rapidly customizing interpersonal behavior to adapt a service in a prompt fashion. This form of customization occurs because there is a high level of employee–customer engagement and significant process visibility (i.e., the service delivery employees are largely on the front stage), which together increase the expectation of customers that they be treated as individuals. However, in this configuration, customers typically understand that the content of the core service is relatively standardized. For example, casual dining restaurant chains such as Pizza Hut, Denny’s, or the International House of Pancakes, have relatively standardized but modular menus that allow incremental levels of customization for customers who typically want and appreciate this level and type of service content variety. However, as these types of restaurants tend to compete by emphasizing the delivery aspect of their service, the different types of customers that frequent these restaurants share the expectation that they will be greeted, served, and sometimes even entertained by a service performance that suits their needs.

To provide this prompt form of service customization requires employees to quickly and incrementally adapt and use existing and highly familiar knowledge and resources to deliver the personalized service. We call this *rehearsed improvisation* as it involves employees training and practicing how to act out a simple and fixed script. The script is simple in that the number of rules and instructions is relatively small and largely focused on service delivery outcomes, as opposed to detailing how every service activity should be performed. The script is fixed in that these simple, outcome-based rules must be closely adhered to. Thus, training is given to employees to ensure that they have the diversity of repertoires necessary to recognize, adaptively engage with, and deliver a customized service experience to different types of customers.

### **3.3.4 Intuitive Customization**

The final service customization configuration, which we refer to as *intuitive customization*, occurs when the time pressure to customize is high and the degree of service customization required is also high. While service organizations conforming to any of our proposed configurations will engage in some form of experience

that creates an emotional connection with customers (Pullman and Gross 2004), this final configuration focuses on using dramaturgy to create highly personalized connections with customers. Intuitive customization goes beyond carefully reformulating the core content of a service, or rapidly providing an incremental adaptation in the interpersonal delivery. It offers a highly enhanced form of service customization that aims to create memorable and positive impressions for customers. This configuration uses dramaturgy to make customers feel as if they have truly “experienced” a customized service, rather than consumed it.

To effectively engage with and learn from customers, service employees for this configuration must be able to perform tasks and manage the service encounter, with high levels of flexibility and effective attendance. This involves using highly adaptive scripts, which afford the service employees the freedom to tailor the content and delivery of a service to specific customer needs. The scripts are also simple in that they consist of a small number of simple rules that largely govern the desired output of service (*e.g.*, employees at Disney resort hotels are simply charged with making dreams come true), as opposed to detailing how every little action and task should be performed during the service. This script simplicity avoids cognitively overloading service employees, helping them to interpret the needs of different customers and situations, and then use their experience and skills to try to exceed their expectations.

To deliver such highly adaptive scripts requires what we call a *pure improvisation* capability. As defined earlier in this paper, improvisation is a capability that allows service employees to rewrite and deliver the script for a service process; it concerns what gets changed in a script and when that change happens. The greater the change in script content and the shorter the time gap between rewriting a script and delivering its content, the purer the improvisational performance. Studies of improvisation in organizations argue that this capability involves “intuition guiding action in a spontaneous way” (Crossan and Sorrenti 1997, p. 156), as well as “a large skill repertoire, the ability to do a quick study, trust in intuitions, and sophistication in cutting losses” (Weick 2001, p. 352). Thus, pure improvisation is not about undertaking pre-planning that tries to anticipate every service need and situation; it is a reactive and instinctive capability that senses the actions and reactions of customers, and then in real time, simultaneously adapts both the content of the service and how it is delivered, so as to satisfy the needs of customers.

Emergency service providers such as paramedics and the pre-hospital medical and trauma care they provide, exemplify this type of configuration. These service providers have the expertise and training to rapidly diagnose, treat, and transport a vast diversity of patient types, with an equally vast diversity of disorders and care needs. Sometimes the situations faced by paramedics, and other similar service professionals such as firefighters are so unusual and unfamiliar that it feels like “*vu jade* – the opposite of *deja vu*: I’ve never been here before, I have no idea where I am, and I have no idea who can help me” (Weick 1993, pp. 633–634). In such situations the successful customization of the service involves performances whereby the actors (*e.g.*, the emergency professionals) learn and act on the spot, so that the composition and delivery of unique life saving scripts is a seamless and just-in-time act.

### 3.4 Discussion and Implications

We believe that this chapter offers two core contributions to research on the mass customization of services, which will prompt future empirical research to test the role of scripts and improvisation in customizing the service encounter. First, by introducing and using dramaturgy, we present a novel and appropriate approach for envisaging and studying the two options that service employees have for customizing a service encounter: interpersonal adaptive behavior and service-offering adaptive behavior (Gwinner *et al.* 2005). To do this, we focus on the design of the service encounter (*i.e.*, scripts) and on the training and delivery capabilities (*i.e.*, improvisation) required. These concepts provide a novel and useful approach for facilitating future operations management research on how service performances may be customized to suit the tastes of different customers, both locally and globally.

Our second core contribution is the typology and its descriptive, explanatory, and predictive insights. Existing service typologies use customization combined with the degree of customer contact as one dimension and the degree of process labor intensity as the other dimension (Chase 1981, Schmenner, 1995, 2004). Our typology offers two different customization specific dimensions, the relative time pressure to customize and the degree of customization required to reveal how the speed and magnitude of the desired customization will affect the “performance” of the service encounter. The descriptions of each of the service customization configurations in our typology help to explain how the design and delivery of these encounters can vary for different customization dimensions. As we suggest in the next section when we discuss the implications of this typology, the configuration descriptions also provide a basis for developing and testing specific predictions about which service customization configurations will be successful under a particular set of circumstances and for testing which combination of scripts and improvisation options would be most effective under a particular set of circumstances. In sum, like typologies in general, ours provides a framework for other researchers to test how our proposed configurations and their variations might influence service performance. We now discuss three implications of these contributions that have relevance for both academic research and management practice concerned with the customization of service operations.

#### 3.4.1 Configuration Fit

In line with prior service management research on strategic fit and focus (*e.g.*, Schmenner 1986, 2004, Staughton and Williams 1994), we suggest that those organizations that ensure that their individual processes are focused on one service customization configuration are likely to be more effective than those service organizations that use multiple configurations at the same time or a hybrid of multiple configurations. This we suggest is largely because there are risks and trade-offs in trying to be configurationally ambidextrous. However, while this notion of

focused operations is consistent with Skinner's (1974) seminal work on the issue, most of the work that supports this view is based on firms operating in relatively stable environments (*e.g.*, Stobaugh and Telesio 1983, Hayes and Clark 1985). Consequently, others have argued that in more dynamic environments organizations should be less focused or specialized, as this helps them to quickly shift or adapt their operations in line with changes in their environment (see Mukherjee *et al.* 2000).

Thus, our typology and its configurations provide a theoretical basis for studying strategic fit issues in service customization. Researchers can empirically examine the fit of each configuration, within its external context, through the use of the customization dimensions that we suggest define and support each customization configuration. Researchers can also investigate internal fit by studying the consistency between the types of scripts and improvisation capabilities proposed for each configuration, as well as their consistency with variations in the two other dramaturgy elements: participants and physical setting.

### ***3.4.2 The Lure of the Diagonal***

Typologies of service strategies in general (*e.g.*, Schmenner 1986, 2004), product-process strategies (Hayes and Wheelwright 1979), and corporate strategies (*e.g.*, Porter 1980), all suggest that competitive forces compel firms to focus on attaining the extreme configurations available. The perception is that these extreme configurations offer the greatest potential for high performance relative to the other intermediate configuration options available, because they provide the greatest focus on either lowering costs or adding value. In our typology these extreme configurations represent a diagonal between the top-left quadrant (*i.e.*, the no frills customization – *embellishment*) and the bottom-right quadrant (*i.e.*, premium experiential customization – *intuitive*). The lure of this diagonal and its perceived performance returns provide an interesting proposition for empirical validation. One approach for doing this would be to identify service organizations in different industry contexts that conform to each of the configurations, and then to assess customer perceptions of service quality. This approach would acknowledge that even though the potential for greater effectiveness may be on this diagonal, the best configuration will depend on the characteristics of the service industry and its offering and location in the world.

### ***3.4.3 Global Services and Customizing the Performance***

Our chapter also has implications for understanding how service organizations should operate globally and address different cultural segments. In particular our focus on the service encounter as a theatrical performance provides a basis for



investigating the customization strategies that service managers might implement to address the different preferences for service customization that exist in different countries.

Prior research on service differentiation strategies for global markets can be simply divided into two camps (see Pullman *et al.* 2002). There is the view that global service organizations should not design processes that are significantly adapted for different markets and neither should a global service model seek to significantly customize the content or delivery of the offerings (Heskett 1987). Instead, service organizations should develop internationally strong brands and rely on the appeal and familiarity of the global service to create a force that will eventually overcome any service-cultural preference misfit that might exist. For example, McDonald's have successfully transferred their service operations model around the world, with limited adaptation of its content and delivery (Pullman *et al.* 2001). When this service strategy is both appropriate and possible, we suggest that it will involve service encounters based on our embellished configuration. This configuration offers process design characteristics (*i.e.*, complex and fixed scripts), and process delivery capabilities (*i.e.*, limited improvisation) that are consistent with the aim of largely maintaining a relatively standardized service offering. This approach to customization is so limited that it offers a people-based and service encounter approach to achieving global service operations that complements the "service factory" (Levitt 1972) and "industrialized intimacy" (Kolesar *et al.* 1998) models, both of which have typically relied on using information systems to track a customer's history and preferences for personalizing limited aspects of the service (Pullman *et al.* 2001).

The second major view of service differentiation strategies for global markets is that certain markets have cultural expectations that will require managers to customize and operate services that suit these needs (Mathe and Perras 1994). If such service customization involves significant adaptation of the service content, then this will require the complex and adaptable scripts and formulaic improvisation that define our predetermined customization. If a regional context requires a service to be customized primarily in terms of its delivery, then this would involve the simple and fixed scripts that characterize prompt customization. Moreover, if the expectations are such that both the content and delivery of the service must be radically altered on a regular basis, then this would suit the scripts (simple and adaptable) and the pure improvisation that defines intuitive service customization.

### 3.5 Conclusion

Although mass customization has captured the attention of academics and business leaders for nearly 25 years, prior operations management research on this topic has tended to overlook how mass customization might function in service organizations. As service organizations represent a growing segment of the overall business sector and are becoming increasingly globalized, we believe that it is

important to identify and examine the operational configurations necessary for delivering different types of service customization. Introducing ideas from dramaturgy and from service marketing, this chapter provides a novel and powerful typology for conceptualizing and studying the diversity and design of customization in service organizations. We believe the dimensions of the typology and the resulting performance configurations and their defining scripts and improvisation capabilities, provide descriptive, explanatory and predictive contributions that will have significant theoretical and practical impact.

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