
**Service excellence — Principles and
model**

Excellence de service — Principes et modèle

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ISO copyright office
CP 401 • Ch. de Blandonnet 8
CH-1214 Vernier, Geneva
Phone: +41 22 749 01 11
Email: copyright@iso.org
Website: www.iso.org

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

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For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 312, *Excellence in service*.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

Introduction

Customer expectations in today's competitive world have changed and are constantly evolving. Today, globalization and digitalization and the increased variety of products and services allow customers more freedom of choice. Every purchase and customer contact is a moment of truth.

Organizations often claim they put the customer at the centre of their business. However, in competitive markets it is essential to manage the whole organization around the customer and the experience offered. Organizations that do this will flourish. The optimal delivery of customer satisfaction can no longer be achieved by the offering of basic products and services expected by the customer. To be successful and to stay ahead of competitors, it is essential to delight customers by providing outstanding and differentiating experiences. This is the objective of service excellence.

This document describes the principles, elements and sub-elements for creating outstanding customer experiences. The basic foundations of implementing service excellence are the two lower levels of the service excellence pyramid (see [Figure 1](#)). Levels 1 and 2 are about meeting the expectations of customers and fulfilling the promises. They lead to customer satisfaction. The core service proposition (Level 1) is perceived by customers as delivering on promises. The customer feedback management (Level 2) results in dealing well with problems and queries. These are described in International Standards such as ISO 9001, ISO 10002 and ISO/IEC 20000-1. This document deals with the upper levels:

- individual excellent service provision (Level 3);
- surprisingly excellent service provision (Level 4).

These two levels create an emotional connection with the customer and lead to customer delight. The impact for the business is a strong brand image and attractiveness to new and existing customers as well as competitive differentiation.

Individual excellent service provision (Level 3) results in service that is perceived by customers as warm, genuine, personalized, tailor-made and value-creating. The customer experiences an emotional reaction by feeling valued.

Surprisingly excellent service provision (Level 4) results in service that is tailor-made and leads to emotions of surprise and joy. It is delivered by exceeding customer expectations. This can be achieved by delivering unexpected outstanding customer experiences. However, various approaches can be used to achieve customer delight.

The service excellence pyramid should be used to explain to managers and employees why an organization has to focus on both fulfilling the promises (Levels 1 and 2) and exceeding customer expectations by delivering excellent services (Levels 3 and 4).

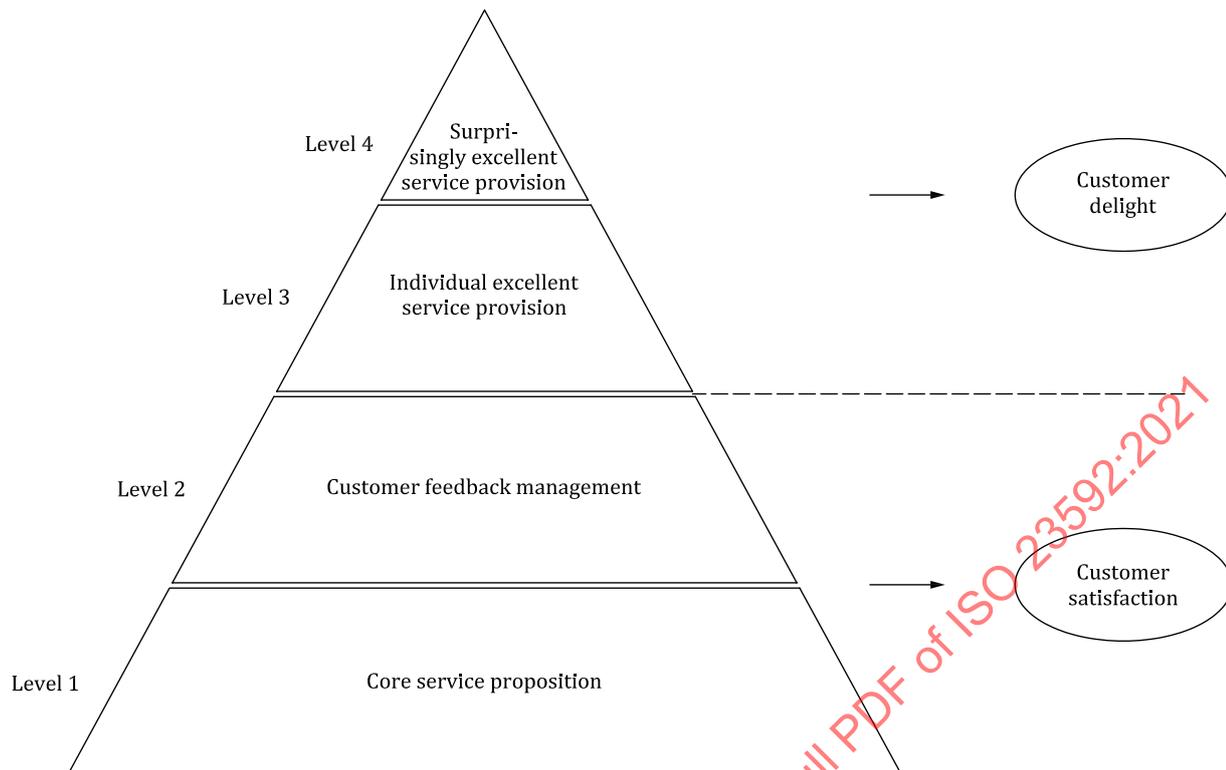


Figure 1 — Service excellence pyramid

This document defines the essential terms, describes relevant principles and builds up a model of service excellence. It delivers an all-embracing framework for further documents to deal with essential elements of the service excellence model in more detail:

- ISO/TS 24082¹⁾ offers principles, and activities of designing excellent services. It specifies the elements of the dimension “creating outstanding customer experiences” of the service excellence model. Thus, it is related to [7.3](#) of this document.
- ISO/TS 23686²⁾ provides an appropriate set of internal and external metrics and methods that can be used to measure service excellence performance, particularly the influencers and substantial effects of outstanding customer experiences and customer delight. It covers all the dimensions of the service excellence model. Thus, it is related to [7.4](#) of this document.

1) Under preparation. Stage at the time of publication: ISO/PRF TS 24082:2021.

2) Under preparation. Stage at the time of publication: ISO/WD TS 23686:2021.

Service excellence — Principles and model

1 Scope

This document specifies service excellence terminology, principles and model to achieve outstanding customer experience and sustainable customer delight. It does not focus on the provision of basic customer service but on the provision of excellent service.

This document applies to all organizations delivering services, such as commercial organizations, public services and not-for-profit organizations.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <https://www.iso.org/obp>
- IEC Electropedia: available at <http://www.electropedia.org/>

3.1

service excellence

capabilities of an organization to consistently deliver excellent services

Note 1 to entry: Capabilities reflect the four dimensions and nine elements of the service excellence model and their interplay.

3.2

excellent service

output of an organization with a high level of service provision performed between the organization and the customer to achieve outstanding customer experiences that lead to customer delight

Note 1 to entry: Examples of a high level of service provision are individual excellent service provision (Level 3) and surprisingly excellent service provision (Level 4) in the service excellence pyramid.

3.3

co-creation

active involvement of stakeholders in service design, delivery and innovation

3.4

customer

person or organization that can or does receive a product or a service that is intended for or required by the person or organization

EXAMPLE Consumer, client, end-user, patient, beneficiary and purchaser.

Note 1 to entry: A customer can be internal or external to the organization.

[SOURCE: ISO 9000:2015, 3.2.4, modified]

**3.5
customer delight**

positive emotions experienced by the customer derived from either an intense feeling of being highly valued or by expectations being exceeded, or both

Note 1 to entry: Further emotions like surprise can intensify felt customer delight.

**3.6
customer experience**

perception by a customer about their interaction with an organization, its products or services

Note 1 to entry: An interaction is related to a customer journey or the whole relationship with an organization, its products, systems, services or related networks. Interaction can be directly related or indirectly related to the organization. If a customer uses a product, system or service it can be referred to as a user experience for each interaction.

**3.7
outstanding customer experience**

significantly better than usual customer experience

**3.8
customer journey**

series or sum of customer experiences when engaging with an organization, its products or services

Note 1 to entry: "Series" is based on processes; "sum" is based on results.

**3.9
satisfaction**

perception of the degree to which expectations have been fulfilled

[SOURCE: ISO 9000:2015, 3.9.2, modified]

**3.10
service**

output of an organization with at least one activity necessarily performed between the organization and the customer

[SOURCE: ISO 9000:2015, 3.7.7, modified]

**3.11
service provision**

delivery and management of a service

[SOURCE: ISO 41011:2017, 3.1.2, modified]

**3.12
service excellence vision**

future aspiration of an organization for achieving service excellence

**3.13
service excellence mission**

commitment of an organization on how to achieve the service excellence vision

**3.14
service excellence strategy**

translation of the service excellence vision and mission into solid principles, objectives and actions in order to realize the goals

3.15

employee engagement

extent to which employees are committed to the organization, feel enthusiastic about their job and put discretionary effort into their work

Note 1 to entry: Engaged employees are motivated to go above and beyond what they are expected to do for customers and the organization.

4 Relevance and benefits of service excellence

Some of the greatest challenges for service organizations today are the growing demands, needs and expectations of customers and their declining loyalty. As customer needs and expectations expand, organizations should concentrate on optimizing the experience, using innovation at all touchpoints in customer journeys. Services should be continuously and consistently improved, in co-creation with the customer and all other stakeholders.

Service excellence describes an approach that enables the creation of outstanding customer experiences by individual and surprisingly excellent service provision resulting in delighted customers. Thus, service excellence leads to strengthening customer loyalty and consequently improves business success.

This cause-effect chain is shown in [Figure 2](#).

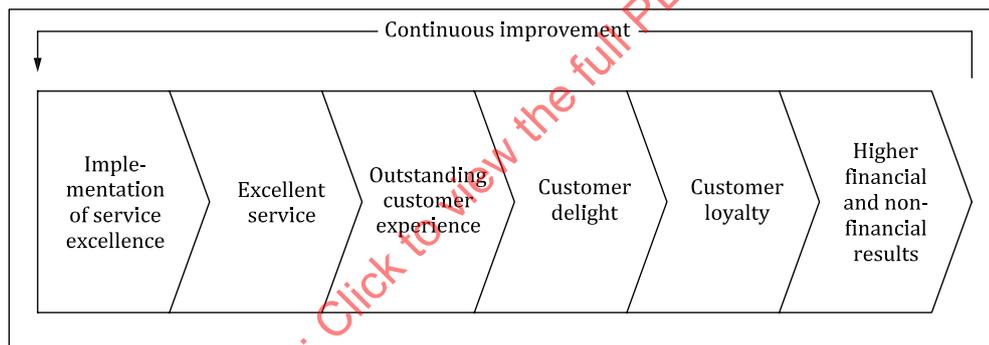


Figure 2 — Service excellence effect chain

Service excellence is a continuous process and requires investment in people, infrastructure and research. The organization can benefit from this investment in a number of ways, through for example:

- competitive differentiation;
- higher customer centricity reputation;
- customer preference;
- establishment and strengthening of long-term customer relationships (leading to a greater propensity to remain, recommend and repurchase, and thereby reducing the churn rate);
- cost-saving potential in the long term (e.g. lower failure costs, easier sale conversions and reduced advertising expenses for acquiring new customers);
- an excellent employer brand (leading to improved recruitment opportunities, higher levels of staff engagement and improved employee retention);
- improved customer co-operation and engagement;
- brand strengths, including positive brand awareness;
- help with managing networks with subcontractors;

- a boost to company efficiency;
- implementation of agility in organizations.

5 Principles of service excellence

Principles of service excellence include:

a) Managing the organization from outside-in.

The organization should design the desired experience from the customer's perspective. Once designed, resources and processes should be aligned in the sense of customer centricity on an ongoing basis.

b) Deepening customer relationships.

The organization should strive for a superior level of individual personalization and be focused on the customer needs and expectations throughout the relationship. A strong relationship can be fuelled by continuous communication, which should reflect the customer's desired level of interaction.

c) People make the difference.

The engagement of everyone in the organization, including partners, in achieving customer delight is of key importance.

d) Balanced attention to customers, employees, subcontractors and other stakeholders.

Customers, employees, subcontractors and other stakeholders are important and the organization should give a balanced focus of attention to them all.

e) Cross-functional management approach.

The organization should work through customer journeys with an integrated cross-functional approach.

f) Leveraging of technology.

Appropriate technology should be used to create outstanding customer experiences for staff, customers and partners.

g) Create value for stakeholders.

Implementing service excellence leads to additional sustainable value for stakeholders. Co-creation with stakeholders should be used to create enhanced value. Value can be monetary as well as non-monetary.

6 Service excellence model

The service excellence model (see [Figure 3](#)) contains four dimensions with nine elements which lead to outstanding customer experiences and delight.

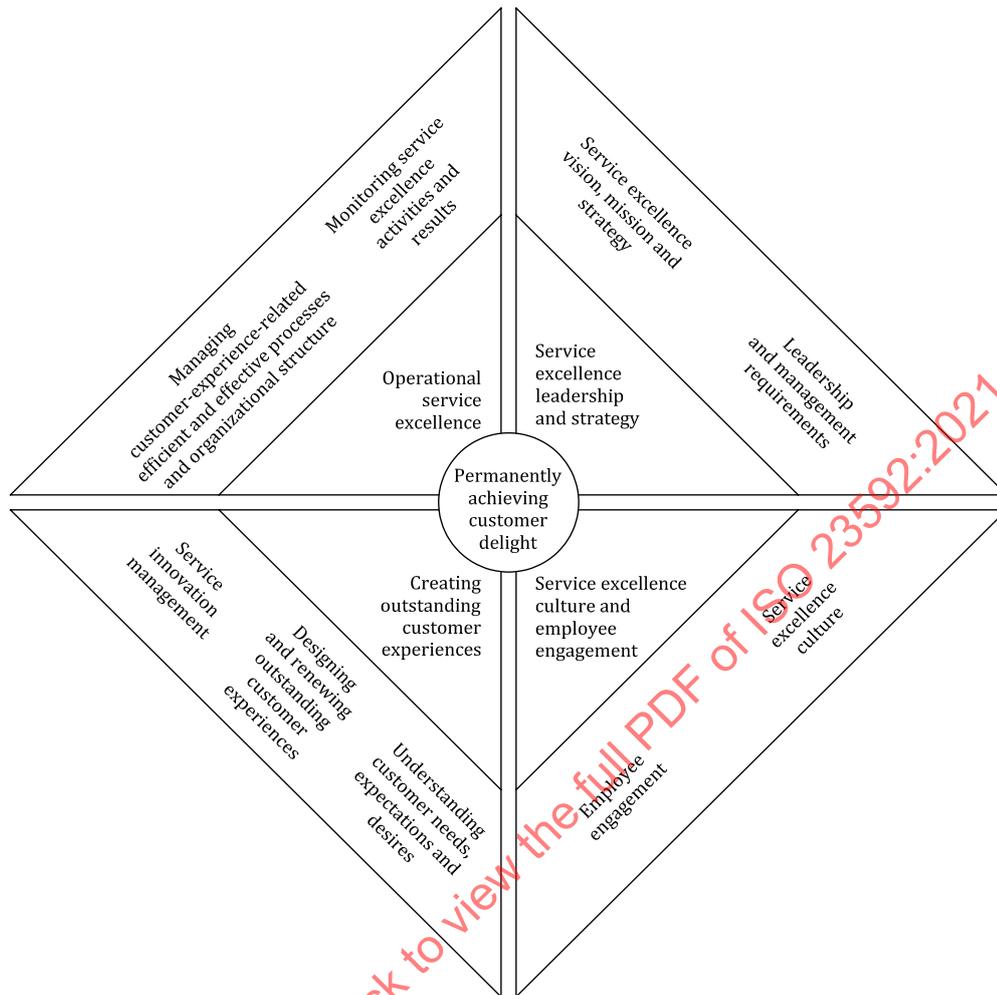


Figure 3 — Service excellence model

The objective of permanently achieving customer delight is at the centre of the model. The four dimensions and nine elements are equal with no sequence of implementation, although ideally a service excellence strategy should be in place.

7 Elements of the service excellence model

7.1 Service excellence leadership and strategy

7.1.1 Service excellence vision, mission and strategy

An organization shall define their service excellence vision, mission and strategy in the long term. The elements of service excellence vision, mission and strategy frame and determine the organization's targeted customer experience. They translate the principles and the design of outstanding customer experiences into all other elements of the service excellence model. Depending on the brand positioning of an organization, e.g. low-budget, premium or luxury brand, customer expectations vary regarding the aspiration level.

The service excellence vision, mission and strategy shall be aligned to each other and should be aligned to the organization's overall strategy. They should be created and reviewed by involving all stakeholders, including management, staff and customers. The vision, mission and strategy should be communicated to all parts of the organization. It should also be implemented throughout the organization to help

create a service excellence culture and to inform everyone about the decision making. This element is divided into three sub-elements:

a) Service excellence vision.

The organization shall have a service excellence vision in the long term which clearly states its aspiration to consistently meet and exceed customers' expectations and desires through exceptional service delivery. The vision should embrace the whole organization and should be based on a deep understanding of the needs and expectations of all relevant stakeholders as well as the external environment.

b) Service excellence mission.

The organization shall have a mission in the long term which will enable the development of a service excellence strategy that sets the goals and objectives to achieve the service excellence vision. The organization should evaluate the proposed mission statements from a customer and a feasibility point of view.

c) Service excellence strategy.

The organization shall translate its service excellence vision and mission into a coherent strategy in the form of documented strategic and operational objectives. The service excellence strategy forms an integral part of the overall organizational strategy and describes what the organization will achieve and how it will realize these objectives.

The service excellence strategy should be based on the seven principles and the other eight elements to achieve the results. The strategy shall be translated into actionable objectives, goals, programmes and other tools. Responsibilities and how the organization plans to implement these should be defined. The governance of service excellence has to be drawn up as a system by which the current use of service excellence is directed and controlled. The strategy shall be deployed to all relevant parts of the organization and reviewed regularly and whenever it is deemed necessary. This review should take into account any changes in the external environment that have the potential to affect service excellence.

Appropriate practices for the development and implementation of the service excellence vision, mission and strategy can include:

- 1) the production of an inspiring vision document which is widely circulated and gains acceptance by all stakeholders;
- 2) the realization of strategy workshops with key stakeholders in order to develop a service excellence vision, mission and strategy;
- 3) the setting up of customer advisory boards.

7.1.2 Leadership and management requirements

All board members and relevant managers at all levels have a vital role in determining, implementing and sustaining the service excellence strategy and shall be committed to service excellence. They shall demonstrate their leadership by developing and deploying the service excellence vision, mission and strategy in line with the overall strategic direction of the organization. They should develop the necessary purpose and service excellence values and make sure that the whole organization, including its people, is united towards achieving them. The mindset and commitment of top management to create an environment which allows employees to realize their full service potential is crucial in order to achieve service excellence.

This element is divided into three sub-elements:

a) Leadership.

Relevant managers at all levels should focus on service excellence and create a service excellence culture that captures the whole organization, including its key stakeholders. They should link the performance of the organization directly with the performance regarding service excellence.

Managers should:

- develop the service excellence vision, mission, strategy and purpose and ensure that it is communicated throughout the organization;
- regularly monitor and review the progress of implementation of the service excellence strategy and objectives by defining and using a set of relevant performance indicators;
- inspire employees on service excellence and create an environment and a culture of ownership, engagement and accountability;
- set the direction for service excellence innovation;
- receive regular customer feedback and use this information as an important input to the performance of service excellence as well as employee performance;
- ensure achievement of service excellence objectives through supporting and developing employees' knowledge and skills.

Appropriate practices for implementation can include:

- 1) implementing organizational development programmes supported by change management for service excellence conceived, delivered or both by a dedicated structure (e.g. service academies);
- 2) managers understanding and developing service excellence capabilities and using mentoring programmes and coaching for service excellence;
- 3) effectively engaging stakeholders by organizing 360° feedback involving also customers, peers and employees;
- 4) using feedback information as a key input for the development and review in the service excellence objectives;
- 5) managers setting and communicating the direction and focus on service excellence as well as sharing and promoting best practices;
- 6) creating a service excellence culture by involving managers for two days per year at minimum in a customer-facing unit.

b) Sharing efforts, defined responsibilities and objectives.

Managers, through strong leadership and leading by example, should create an environment in which employees are able to deliver outstanding customer experiences.

Managers should:

- translate the strategy into actionable operational objectives and programmes for departments, teams and employees so that each one is fully aware of their impact on service excellence;
- establish and communicate motivational and agreed service excellence targets;
- communicate the operational objectives to external stakeholders, including subcontractors, and ensure that the specifications given to them are properly understood and executed;

- develop the necessary service excellence governance so that:
 - service excellence is promoted and implemented;
 - service excellence performance is monitored and reported and all necessary improvement actions are initiated.

Appropriate practices for implementation can include:

- 1) Personal development programmes for all competencies and behaviours (e.g. training of emotional and social competence).
 - 2) The use of storytelling (e.g. recounting good or bad stories of service excellence).
 - 3) Cross-functional solution teams and customer experience board for monitoring service excellence performance.
 - 4) Management encouraging everyone to take ownership in shared activities and results.
 - 5) Management deploying programmes that ensure the acknowledgement of all employees' efforts as part of the results obtained.
 - 6) Translating the service excellence strategy [see 7.1.1 c)] into its organizational objectives with a balanced top-down, bottom-up approach as a part of the organization's regular planning and control cycle. The outcome of such a process is that each department, team and employee is able to link their own objectives and individual actions with the service excellence strategy. Employees should be able to regularly review their objectives and results.
 - 7) Roles and responsibilities relating to the provision of service excellence.
- c) Employee empowerment and engagement.

In a service excellence environment, employees should go above and beyond what they are expected to do for customers in order to deliver outstanding and personalized experiences.

Managers should:

- empower employees;
- engage the employees by requesting their input in decisions that affect the customer;
- provide the necessary support and encouragement to the employees for the effective implementation of their duties;
- assess the training needs based on individual competencies and provide the necessary training, coaching and support;
- be close to the employees and provide quick feedback relating to the delivery of their service excellence responsibilities;
- provide a work environment where employees are motivated to do their best towards achieving customer delight.

Appropriate practices for implementation can include:

- 1) management encouraging, supporting and enabling employees to reach their full potential by delegating authority and duties, for example delegating resource authority or customer compensation (e.g. budget authority), giving employees a freedom to act;
- 2) setting up a culture of team building;
- 3) enhancing the acceptance of empowerment by integrating this aspect into the reward system of managers;

- 4) training of management in dealing with empowerment measures;
- 5) using appropriate tools for achieving a deep and complete understanding of customers and speedily working towards service improvements;
- 6) the development of an effective communication system in which employees are engaged in decision-making processes as well as receiving regular feedback on service excellence performance and provision of support for personal development.

7.2 Service excellence culture and employee engagement

7.2.1 Service excellence culture

The organization's culture is key to how people think, feel and act in order to attain service excellence, deliver outstanding experiences and achieve customer delight. As such the culture is defined by service excellence values, attitudes and behaviours and is an important part of the corporate culture.

This element is divided into three sub-elements:

a) Defining the service excellence culture.

The service excellence culture should mirror the organization's values, attitudes and behaviours. This enables the execution of the service excellence strategy which ultimately leads to customer delight.

NOTE Examples of such culture can include commitment to excellence, passion, recognition, proactiveness, empowerment, openness to challenges and going above and beyond requirements.

The organization should:

- analyse, define and establish the service excellence culture through the organization's leadership team in close cooperation with employees;
- embed the service excellence culture in the corporate culture;
- ensure that all partners and subcontractors are in line with the service excellence culture;
- celebrate successes, compliments and other positive feedback from customers to establish a positive culture;
- adapt the service excellence culture in response to changes in the external environment if necessary.

Appropriate practices for implementation can include:

- 1) organizing strategy workshops;
- 2) documenting the service excellence culture in a code of conduct or a service statement and deploying it;
- 3) defining SMART (specific, measurable, achievable, relevant and time-bound) measures to monitor the progress of the implementation process;
- 4) implementing a culture of reflective practice and learning from failures.

b) Communicating the service excellence culture.

A continuous internal and external communication is essential to sustain and further develop the service excellence culture.

Managers should:

- continuously share their expectations with employees;

- demonstrate the behaviours that will be expected from employees to deliver service excellence.

Appropriate practices for implementation can include:

- 1) internal use of policies, codes of conduct, workshops, training, advertisements, websites, social media, interviews, speeches and surveys;
- 2) external use of service statements, websites, marketing campaigns, advertisements, social media, interviews, speeches, surveys, fairs and exhibitions, public relations and events with customers.

c) Implementing the service excellence culture.

As described in the other elements of the service excellence model, the culture should be ingrained in all practices of the organization.

The organization should:

- monitor continuously the implementation of the service excellence culture by collecting regular feedback from customers, employees and other relevant stakeholders;
- benchmark measures against other organizations over time to monitor progress.

Appropriate practices for implementation can include:

- 1) organizing strategy workshops;
- 2) documenting the service excellence culture in a code of conduct or a service statement and deploying it;
- 3) organizing internal fairs;
- 4) promoting intranet or enterprise social network communication;
- 5) including service culture targets in the individual target agreements for managers and employees.

7.2.2 Employee engagement

The organization shall use human resource processes and tools to stimulate and maintain shared values, beliefs and practices to create outstanding customer experiences. Management should ensure employees are enthusiastic and motivated to provide outstanding customer experiences and to delight their customers.

This element is divided into six sub-elements:

a) Recruitment and induction of new employees.

During the recruitment and onboarding phase, a strong focus should lie on the service excellence attitudes and behaviours of new employees.

The organization should:

- use various tools for sourcing, testing and selecting new employees with the best service excellence attitudes and cultural fit;
- use a clearly defined and substantial onboarding programme with a focus on the value of customers, their needs and expectations and the culture and values of the organization;
- actively involve the senior management.

Appropriate practices for implementation can include:

- 1) using recruitment and selection tools to verify service attitudes of potential employees;
- 2) utilizing aggregate customer feedback to help shape the recruitment and selection processes;
- 3) organizing mentoring or coaching on the job during and after the probationary period.

b) Continuous learning and development of employees

The delivery of outstanding customer experiences is seen as a profession for which a continuous learning attitude is expected from all employees, regardless of their level of experience.

The organization should:

- have a continuous learning programme on service excellence for all managers and employees;
- establish a continuous learning programme for employees with customer contact focused on the necessary skills for delivering outstanding customer experiences and customer delight.

Appropriate practices for implementation can include:

- 1) organizing apprenticeships, job sharing and secondments within other departments of the organization (or at the customer's organization);
- 2) using personal development plans to increase service excellence;
- 3) using professional actors for role playing during service delivery training scenarios;
- 4) recognizing and positively reinforcing desired service excellence behaviours.

c) Feedback of customers at an employee or team level.

Since the experience perceived by customers can strongly differ from the belief of the management in the delivered customer experience, organizations should regularly seek customer experience feedback.

The organization should:

- regularly use customer experience feedback and listening mechanisms, such as implementing internal and external customer surveys;
- use feedback to either reinforce positive behaviours or redesign negative interactions;
- analyse, share and action frequently obtained feedback from customers to individual employees, teams or both on their service delivery level;
- contact delighted or dissatisfied customers to strengthen the individual relationship and get more detailed information on the reasons for their emotionality;
- use the customer feedback to define and implement corresponding measures, action plans or both, and for appraisal and reward purposes;
- encourage employees to ask internal and external customers for their personal feedback (providing the customer gives permission), in order to improve the service given on an individual and organizational level.

Appropriate practices for implementation can include:

- 1) measuring customer experiences on a transaction basis (closed-loop feedback), relationship evaluations, complaints, suggestions and compliments;
- 2) evaluating the relationship periodically with customers; account managers and teams responsible for the relationship receive the results;
- 3) presenting customer feedback on a continuous basis to all employees;

4) encouraging and using customer reviews.

d) Evaluation and assessment of employees.

The service orientation of employees should be regularly evaluated. Employees should demonstrate that they have consistently helped and served customers in an outstanding way.

The organization should:

- integrate major targets or objectives on customer delight and deliver outstanding customer experiences within the job descriptions of employees, taking account of costs;
- support, recognize and celebrate role models, and take measures to address underperformance in achieving customer delight.

Appropriate practices for implementation can include:

- 1) use of evaluation and assessment tools based on excellence-driven key performance indicators (KPIs), including empathy;
- 2) use of target agreements with competences, results or both on an individual level.

e) Recognition or acknowledgement system

A recognition policy is one of the most important parts of the service excellence strategy.

The organization should:

- Promote a positive culture of recognition in which service excellence is the main objective.
- Establish formal and informal recognition systems focused on stimulating exceptional service behaviours. Financial reward, non-financial reward and recognition are dependent on the achievement of service excellence and customer delight.

Appropriate practices for implementation can include:

- 1) celebrating successes and wins;
- 2) implementing reward programmes or recognition systems for excellent service behaviour using regular 360 ° customer and stakeholder feedback;
- 3) use of non-financial rewards, for example, by involving employees in internal training, representing the organization in internal and external presentations and integrating them in service improvement or innovation task forces.

f) Employee feedback mechanism.

The organization shall collect feedback from their employees to strengthen employee engagement and improve service excellence.

The organization should:

- operate open listening and feedback routes to learn from employees, measure their engagement and use results for improvements.

Appropriate practices for implementation can include:

- 1) Organizing informal sessions with senior management and employees.
- 2) Setting up an email address for employees to directly contact board members and top management for submitting ideas, questions and complaints. Employees are guaranteed to receive a timely personal answer.

- 3) Conducting improvement-driven employee surveys, for example, employee satisfaction, commitment and motivation surveys.

7.3 Creating outstanding customer experiences

7.3.1 Understanding customer needs, expectations and desires

The organization shall undertake appropriate research and analysis to adequately understand customers' current and future needs, expectations and desires.

This element is divided into three sub-elements:

- a) Scope and depth of listening to customers.

The organization should have in place a permanent system which listens to and tracks the expectations and desires of customers, as well as existing and changing customer needs.

The organization should:

- install a customer listening system to identify what is valued by the customer, including expressed and unexpressed expectations, external factors, and rational and emotional dimensions of customer experiences.

Appropriate practices for implementation can include:

- 1) using methods like “voice of the customer”, laddering technique or other forms of observation and interviewing techniques;
- 2) organizing the co-creation of services with customers (e.g. crowdsourcing, experience-based co-design);
- 3) developing an understanding of future trends and organizing trend scouting.

- b) Organization of data acquisition and use.

The organization should consistently research customer needs, expectations and desires using various methods. This should be from a relationship perspective as well as through all customer journeys.

The organization should:

- regularly remind the staff to capture and document customer feedback (comments, expectations, complaints, suggestions and compliments), whether positive or negative, and quickly pass it on to senior management;
- use multiple data sources to understand cause and effect and to be able to validate data;
- collect varied data (e.g. preferences, expectations, relevant contacts and feedback) on an individual customer basis;
- make the data directly available to all employees during their contact with customers to enable them to deliver an exceptional individual service (i.e. real-time customer feedback tools);
- integrate data collected through digital service, e.g. from social media monitoring.

Appropriate practices for implementation can include:

- 1) using information from a customer relationship management (CRM) tool;
- 2) testing products and the service experience with customers before launch;

3) ensuring regular presence of the top management with employees on the front line (i.e. those in direct contact with customers).

c) Adapting to customer needs, expectations and desires.

It is usual for customers to expect products and services to remain adaptive and updated in response to changes, whatever the origin is (e.g. legal, social, technological, environmental, fashion, competitors, innovation).

The organization should:

- anticipate changes that can occur within the market place and in customer demands, and have the ability to adapt;
- use the results of the customer listening [see 7.3.1 a)] and translate expressed and unexpressed customer requirements into service requirements.

NOTE Anticipating needs means considering tomorrow's environment (e.g. products and services which are sold today are also future-proofed).

Appropriate practices for implementation can include:

- 1) conducting trend studies; following and anticipating trends;
- 2) organizing process re-engineering;
- 3) implementing ongoing change management;
- 4) using methods like "voice of the customer" in order to translate expressed and unexpressed customer requirements into critical service requirements.

7.3.2 Designing and renewing outstanding customer experiences

To achieve customer delight, an organization should design, implement and manage the delivery of outstanding customer experiences. This element is divided into four sub-elements:

a) Designing and documenting the customer experience.

The targeted experiences should be designed from the customer perspective, including customer needs and journeys and the emotional results for both customers and staff.

The organization should:

- document efficiently and effectively the customer experiences;
- review the document on a regular basis to ensure changing customer expectations, competitor activities, innovation trends and significant changes to the external environment are reflected.

Appropriate practices for implementation can include:

- 1) developing and using service blueprints;
- 2) researching emotions during customer journeys and creating customer segments, profiles and/or personas;
- 3) using the critical incident technique;
- 4) defining service attitudes aligned with brand values and translating these into employee behaviour and requirements for customer journeys;
- 5) using workshops for customers and employees to co-design customer journeys leading to the targeted customer experience, done in close cooperation with employees (experience-based co-design);

- 6) sharing customer experience documentation to overcome the silo mentality within an organization (i.e. by using internal online platforms).

b) Setting organizational service standards and delivering the service promise.

In order to deliver the desired customer experiences, the organization should set and maintain market-leading internal standards and regularly exceed its service promise.

The organization should:

- formulate the internal service standards from the customer's perspective and in the customer's language (outside-in);
- encourage the management to be responsible for the implementation of internal service standards at all levels;
- ensure that the staff fully understand the importance of these standards and are kept informed of their individual performance in relation to those internal standards, and also the organization's overall performance.

Appropriate practices for implementation can include:

- 1) Communicating explicitly formulated service levels or even total satisfaction to customers. This can be done with codes of conduct such as service guarantees, service or customer charters and service pledges.
- 2) Using internal service standards for all customer journeys.

c) Deployment of the customer experience concept throughout the organization.

The customer experience concept should document requirements for deployment.

The organization should:

- involve local teams and management in any deployment;
- ensure that, in the case of large organizations and organizations with decentralized teams, it should be adaptable for local use where teams will jointly construct it with their customers and relevant subcontractors within the framework of corporate standards.

Appropriate practices for implementation can include:

- 1) using creative brainstorming techniques and suggestion schemes;
- 2) implementing continuous improvement programmes dedicated to developing attentiveness towards the customer;
- 3) exchanging best practices with other organizations.

d) Service recovery excellence

Helping customers with arising or existing problems and complaints in an individual and surprising way is an important prerequisite for creating outstanding customer experiences and customer delight.

The organization should:

- design from the targeted customer experiences a service promise, service concept and service standards for delivering outstanding customer experiences to customers with problems, complaints or both.

Appropriate practices for implementation can include:

- 1) defining requirements of accessibility, ease and proactivity to deliver the targeted experiences;

- 2) organizing forward resolution (e.g. through predictive analytics); the organization knows what problems customers are likely to encounter and proactively inform them to avoid such problems;
- 3) communicating specific service guarantees to customers on the service level of service recovery.

7.3.3 Service innovation management

The needs and expectations of customers are changing and are often undiscovered or not even understood by the customers themselves. What surpasses customer expectations today can be a standard requirement tomorrow.

Organizations aiming at service excellence and customer delight shall improve their service provision on a continuous basis. This should be achieved by close cooperation with customers and other relevant stakeholders. Innovation can be gradual, by improving current practices, or breakthrough, by developing and implementing new practices. In this way, service innovation brings special added value to customers through, for example, new services and customer promises, and improved process performance that leads to a better service delivery and new business models.

This element is divided into two sub-elements:

a) Innovation culture

The organization should stimulate and foster a service excellence innovation culture from the perspective of customers and employees. It should encourage creativity, inventiveness and experimentation in order to introduce new ideas and practices.

The organization should:

- implement a collaborative, agile and open innovation culture;
- continuously explore opportunities and new technologies that facilitate innovation implementation;
- reward employees for innovative ideas and practices;
- allocate time and resources to implement innovations in an effective and speedy manner.

Appropriate practices for implementation can include:

- 1) use of idea-generating and capturing methods;
- 2) use of creativity techniques;
- 3) use of service design tools and methods;
- 4) organizing dedicated time slots for employees or teams to work on innovations;
- 5) organizing co-creation in innovation with customers and other stakeholders.

b) Structured innovation process.

The organization should have a structured innovation process to introduce service excellence innovations on a regular basis.

The process should consist of four steps: idea generation, conception, development and market launch. These steps are necessary to generate, manage and control the continuous large flow of service excellence innovations from multiple value perspectives (e.g. new services, core services, service delivery and supplementary services).

The organization should:

- have a substantial network of contacts (e.g. customers, organizations in the value chain, universities, start-up incubators and other relevant institutions) to help foster innovation;
- allocate sufficient time, resources and attention to the ongoing innovation process in order to reach its innovation objectives;
- design innovative processes for customer handling.

Appropriate practices for implementation can include:

- 1) making use of an innovation board, a board that meets on a regular basis in order to decide on new ideas;
- 2) the use of the innovation funnel, a concept to structure the innovation process by using specific steps and go or no-go decisions or control gates for each next step of the innovation process;
- 3) organizing co-creation, so that customers not only describe the current customer journey but also the ideal customer journey; in the last phase they help implement this ideal customer journey;
- 4) the use of a business model canvas for designing an innovative business model based on the links between value proposition, service strategy and targeted relationship and customer experiences.

7.4 Operational service excellence

7.4.1 Managing customer-experience-related efficient and effective processes and organizational structure

Organizations should possess adequate processes, technologies, techniques and organizational structures to enable them to handle existing and changing needs and expectations of customers as well as the external environment. Organizations should develop, implement and manage customer journeys that realize their customer experience concept and lead to outstanding customer experiences. In this regard, the entire service value chain, including suppliers and other organizations, should reflect the importance of an outstanding customer orientation. In addition, the needs of employees (e.g. employee feedback) should also be included.

This element is divided into three sub-elements:

a) Managing customer-experience-related processes.

An organization should align internal processes and its processes with partners in order to react to variations in customer needs, expectations and desires.

NOTE A customer-experience-related process management identifies, designs, implements, monitors, reports and improves all customer-experience-related processes to meet and exceed the needs, expectations and desires of customers.

The organization should:

- develop and implement customer-experience-related processes that deliver the targeted customer experiences and offer an individual and surprising excellent service.

Appropriate practices for implementation can include:

- 1) regular evaluation of customer-experience-related processes (e.g. mystery shopping, service excellence audits, monitoring KPIs of performance and social media);
- 2) evaluation of process quality from a customer's perspective (e.g. by customer journey monitoring, customer diaries and regular customer surveys);

- 3) regular improvement of customer-experience-related processes (e.g. error or complaint management, quality circle, user groups and customer communities to exchange on service and process ideas and needs);
- 4) regular revision of customer-experience-related processes.

b) Deploying customer-experience-related technologies and techniques.

Technologies and techniques should help the organization to deliver outstanding customer experiences. They can also help the organization to manage service excellence and support employees in their daily work.

The organization should:

- use adequate technologies and techniques to deliver outstanding customer experiences;
- handle the customer data in a safe way.

Appropriate practices for implementation can include:

- 1) use of graphical methods of displaying multidimensional or multivariate data (e.g. radar charts, spider charts) as well as customer interactions (e.g. via customer journey mapping);
- 2) use of toolboxes to strategically manage customer experiences by optimizing and synchronizing touchpoints (e.g. customer experience management);
- 3) provision of shared and consolidated databases (channel-independent) which allows crowd sharing between the organization and customers;
- 4) use of digital devices that recognize individuals and offer personalized information and options;
- 5) use of digital technologies to automatically serve customer requests, e.g. artificial intelligence, chatbots, voice-assistant systems;
- 6) use of technologies to create targeted experiences;
- 7) use of processes and technologies to create secure experiences e.g. secure and customer convincing data handling system and network monitoring for risks and breaches.

c) Management of organizational structures and partnerships.

An organization should have a structure that is flexible, especially with regard to the needs and requirements of customers and employees.

The organization should:

- be aligned to inspire the implementation of a customer-centric approach;
- be structured in line with customer-experience-related processes so that internal silos can be avoided;
- invest in close cooperation with partners and other relevant stakeholders who influence the experience of customers.

Appropriate practices for implementation can include:

- 1) Use of documentation and regular communication of service excellence elements in the services within the end-to-end processes. Representation of the entire value chain, including all internal and external service providers and necessary auxiliary processes that impact on customer delight for the organization.