



Hello HFTP Dubai Chapter members.

The Dubai HFTP Research and Innovation Center at the Emirates Academy of Hospitality Management has decided to briefly discuss two relevant topics: Application of Service Design and Staffless Stores. The HFTP Research and Innovation Center hopes this sparks conversation amongst HFTP Dubai Chapter members.

Service Design

By Mercy Kiprotich & Vladan Pantelic

With the increase in competition heating up especially in the hospitality industry, it is becoming crucial that hospitality companies differentiate themselves from competitors. In the spirit of differentiation comes the idea of service design. Service design is an idea that was developed in the 1980s whose purpose is to design and improve the relationship between service providers and their clients. (Deloitte, 2019). Its focus is on understanding the needs of the client and proper planning of both the human and non-human resources. It helps innovate or improve existing services to make them more useful, usable, desirable for clients and efficient as well as effective for organizations (Stefan moritz, 2005)

The service design thinking process

Every product is different and has a unique service experience in terms of the product, service provided and the persona of the customer. While implementing service design thinking, it is important to design a tailored experience for each consumer. The service design thinking has four processes; exploration, creation, reflection and implementation which are explained in detail below.

- Exploration – This involves research that aims to understand more about the consumer such as consumer journey, consumer characteristics and customer touch points. This involves building a journey map that tracks the user path and pains through qualitative and quantitative research (Designorate, 2019)
- Creation – involves creating a service design plan that will be delivered to the consumer. The aim of this stage to convert the exploration stage to an action plan.
- Reflection – in this stage, the team creates a prototype that is to be used to improve the customer experience. If the prototype requires further exploration, then the process is reviewed again from the beginning and the results are based on the new research.
- Implementation – After the prototype has been approved as satisfactory after feedback is applied, then the final design is implemented. The solution is tested in a realistic state and feedback collected from consumers to make improvements where necessary.

Service Design Use Case

Hyatt connected with the Design School (d. school) at Stanford University to use human centered innovation concepts to create change within the company. Stanford's design innovation helped Hyatt change their company culture. They sent key management and senior leaders to Stanford's three-day intensive course, "Human Centered Design" which pushed the managers to reframe their challenges and look differently at their opportunities. Hyatt went from simply operating hotels transitionally to a more enlightened environment providing caring experiences for both guests and employees. (Lute, 2019) Consequently, Hyatt went on to earn a spot in the 100 Best companies to work for in America.

Conclusion

Companies in the hospitality industry should not miss an opportunity to embrace both design thinking and service design. The design process changes the organization, opening it up to innovation. As companies and employees embrace design thinking, they continue to understand them and apply it in their routine activities. By doing so, companies will be able to differentiate themselves, succeed and provide more opportunities for innovation.



Staffless Stores

By Naftali Marlon Tanyongana & Janam Bharwani

With Dubai moving into a cashless period, it seems inevitable that Dubai would adopt technology to support that goal. This has already been seen to some extent in how the city's taxis have adapted to accommodate card payment options. One-such technology could be the integration of staffless stores.

It is here that I would like to note that this technology is still recent and that many of the perceived risks and benefits are educated speculation on the part of the article writer, making this more of a speculative piece. However, as a growing trend it is best to acknowledge the subject and its possible uses in the hospitality industry

The integration of staffless stores would aid Dubai's cashless aspirations by incentivizing customers to make purchases without the use of cash. Amazon Go's "just walk out" is an example of this, whereby payment is made automatically as one leaves the store, not only meaning a customer can pay without cash on hand, increasing potential sales, but also increasing convenience. A system like this could be tied to a hotels reward programs, allowing a link to be created between the hotels program and the resulting convenience.

The primary purpose of a staffless store is to reduce the staffing requirement of a store, meaning less people that the hotel is required to pay, or more people that the hotel can use in more skilled roles. This also means that there is a lower likelihood of human error and corruption to be expected from those providing the goods and services as there is no longer a human server.

Drawbacks

Unfortunately, a system like the staffless stores requires a significant initial investment due to the technological requirement, as well as the utility costs required to continually operate it. The system will also need personnel trained to maintain it, a role that likely has few transferable skills within hospitality departments and that does not have a lot of room for progression.

Examples

The implementation has been performed in different ways though there are not an excess of examples to choose from, these are some of the more heavily researched, funded, and innovative approaches.

- Amazon GO: One of the more famous examples due to the brand behind it, Amazon Go is a convenience store that can competitively match prices with its competitors.
- Alibaba Tao Café: An exclusive "staffless" cafeteria that uses facial recognition software to link an account and handles the payment. This approach is likely more fitting for a hospitality brand, and better for a transitional integration period as it incorporates staff, with the system primarily handling the payment.
- Japanese Staffless Stores (Suica): Staffless stores in train stations like Suica operate by card rather than without interaction. This could allow guests to be able to pay for products and services with their room key, or a hotel loyalty card for example.

These are heavy oversimplifications of ideas on how the systems can and could work, but consider a more in-depth review by following the news articles below and observing how they are used in other industries.

<https://www.techinasia.com/japan-staffless-store-train-station>

<https://medium.com/syncedreview/amazon-go-vs-alibaba-tao-cafe-staffless-shop-showdown-3f3929393d62>

http://ualresearchonline.arts.ac.uk/12672/1/Uni-Commerce_Chinese_Retails_Rush_to_Convergence_scr.pdf

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