

Typology of
organisation and
relation to
servicescape
complexity business
essay



The following essay critically analyses the strategic role that physical evidences play in a holistic environment, called the servicescape. The essay discusses the combination of environmental dimensions and their influence on customers and employees and how their behaviour can be mediated by the cognitive, emotional and physiological responses. This article is a practical reflection on the article by Ms. Mary Jo Bitner in which she related the combination of environmental dimensions to the internal responses of individuals, their behaviour and the ultimate effect on the organisational objectives. The researcher also visited two restaurants for the objective of completing this essay and the findings have been presented here under. This essay will conclude by defining different ways in which the effects of a servicescape are established on the organisation's outcomes.

Servicescape Framework

Initially, Kotler (1974) suggested that a servicescape framework is ' the design of buying environments to produce emotional effects in the buyer that enhance his or her purchase probability'. Later, Bitner used the term to describe ' the physical setting in which a commercial exchange is performed, delivered, and consumed within a service organisation.' In her seminal article, she demonstrated that three types of objective and measurable physical stimuli exist in an organisation and merge together to form a servicescape. She further elaborated that these stimuli could be controlled by the organisation and were able to improve or hamper both the customers' and employees' attitude towards the organisation. She further classified the numerous examples of such physical and derived stimuli into three dimensions of environmental stimuli (Bitner, 1992). The term has now been <https://assignbuster.com/typology-of-organisation-and-relation-to-servicescape-complexity-business-essay/>

enhanced to include '... any tangible component that facilitates performance or communicates the service' (Bitner and Zeithaml, 2003).

Consequently, the 'physical evidence' can be likened to a 'landscape'. As with any landscape of an area, it includes both the interior facilities and the exterior facilities of the organisation. The interior facilities include the interior design and decoration, the layout, equipment, air quality, signage as well as the temperature and ambience. The exterior would include facilities such as the landscape, parking, road and building signage, exterior design, and the surroundings. But the physical evidence goes on to include other tangibles such as the Stationery, brochures, business cards, employee uniforms, business reports, credit statements, and other intangibles such as webpages and blog posts.

The physical environment where services are delivered and experienced by the customers plays an important part in the formation of the perceptions of the customers and their future expectations about similar services (Bitner, 1992; Baker et al., 2002; Grewal et al., 2003). Hoffman and Turley (2002) described that a lot of different organisational objectives can be achieved and enhanced through a critical examination of the servicescape.

According to Bitner (1992), most organisations are invariably affected by their physical environments but to different degrees. Some service organisations such as hotels, restaurants, clubs and insurance companies are affected to a greater extent by the physical environment than other organisations such as ATMs and hot dog stands. It should be noted here that the physical environment does not just influence clients but it also has a

significant impact on the employees. Bitner noted that satisfied employees generate satisfactory services that go on to satisfy customers. Therefore, the business environment should not only cater to the needs and demands of the customers but also concurrently to those of the employees.

The following figure has been extracted from the original treatise by Ms. Mary Jo Bitner (1992) to describe the different types of service organisations based on the variation in the form in usage of the servicescape. The vertical aspect of the typology describes the type of organisation based on who performs actions within the servicescape. It has been categorised into a self service (customer only), interpersonal services (both customer and employee) and remote service (employee only). On one side, service is performed by the customer only in the level of employee activity is almost non-existent. The other extreme is signified by the 'remote service' organisations where customer involvement and interaction are non-significant (in relation to the servicescape). The figure, the horizontal aspect describes the complexity of the servicescape. It has also been categorised as lean and elaborate. Lee refers to those servicescape settings where there are very few elements involved and their intricacy is minimal. Other servicescapes that are very complicated and involve a bigger mix of elements and variables are termed as elaborate.

C: UsersKhalidDesktopo_c44bab260d23dc1e_002. jpg

Fig. 1: Typology of Organisation and Relation to Servicescape Complexity

As can be seen, some organisations such as a Golf Club are very client-oriented with huge emphasis on the servicescape. In such organisations, the servicescapes are well-developed to attract and satisfy customers. Other organisations also employing a significant emphasis on the servicescape at which are employee oriented include many professional services organisations, and here, the servicescapes are developed to satisfy the employees. On the other hand, there are organisations that do not depend a lot on the servicescape design and minimal effort is dedicated to the development of their servicescapes. However, attention is paid to whether the organisation is customer oriented or employee oriented to achieve maximum output from invested effort.

As has been described, the physical setting can enhance or hinder the realization of both internal organisational objectives and external marketing goals. Thus, the servicescape can enhance or diminish customer satisfaction and employee motivation and concurrently help in attracting and maintaining customers.

The overall servicescape framework consists of physical environmental dimensions which contribute to the holistic environment of the organisation. These physical dimensions, in combination, are termed as the perceived servicescape of the organisation and elicit internal responses from both employees and the customers. These internal responses contribute to both the individual behaviour of the customers and employees and their social interactions. These behaviours, in turn, contribute to the achievement of the

<https://assignbuster.com/typology-of-organisation-and-relation-to-servicescape-complexity-business-essay/>

objectives and goals of the organisation. Thus, organisations focus on achieving an optimal mix of physical environment factors and try to moderate the internal responses of both employees and customers to realize favourable behaviours and ultimately achieve the organisational objectives.

Untitled. png

Fig. 2: Bitner's Servicescape Model

The Physical Environmental Dimensions

Bitner (1992) classify the physical environment into three dimensions:

Ambient Conditions:

This aspect of the physical environment refers to the conditions surrounding employees and customers that can be sensed through the human five senses. These are the general conditions of the environment of the organisation and include temperature, voice, odour, air quality, et cetera. The conditions are usually prominent when they are extreme (either very cold or hot), the customer spends a lot of time in the environment, and they do not match his expectations.

Spatial Layout And Functionality:

These refer to the seamless layout of the organisation, especially equipment and furnishing, which is used to achieve maximum productivity in the most efficient and effective manner. These environmental conditions are most noticeable in self service settings and in circumstances where tasks are complex and there is little time to achieve them.

<https://assignbuster.com/typology-of-organisation-and-relation-to-servicescape-complexity-business-essay/>

Signs, Symbols, Artefacts And Branding:

These refer to the signage, icons and signals that amplify the message from the organisation to the intended customers. They also include the personal artefacts of the employees and staff members in the style and colour of the decor used to furnish the organisation. These are most important when repositioning a service, forming first impression, and when communicating new service ideas. They are also highly essential in highly competitive organisations where they are used to differentiate and achieve uniqueness from the competition.

Internal Responses to the Servicescape

Internal responses of both employees and customers in service organisations to the physical dimensions of the surroundings are classified as cognitive, emotional, and physiological. As such, these responses elicit overall behaviour of the participants in the servicescape and this behaviour can be classified as a function of the internal responses to the perceived servicescape. In fact, perceptions of the servicescape are the real reason that causes certain beliefs, emotions and physiological feelings that influence behaviours.

Cognitive responses:

Cognition refers to beliefs and as such, these responses influence people's beliefs both about the place, and the people and products found in that place. These responses include general beliefs, categorisations and assigning symbolic meanings to different objects to employees and customers.

Emotional responses:

According to Mehrabian and Russell, the emotion-eliciting qualities of an environment can be described along two dimensions; the pleasure-displeasure quality and the degree of arousal that place can elicit. These two dimensions describe people's emotional response to the environment of the organisation. Typically, the environment of any organisation can be located on these two dimensions. Research has shown that predictions about behaviour along these two dimensions are usually accurate. For example, environments that make people happy and cause them to enjoy themselves are likely to be places where people spend most of their time and money. In contrast, people usually avoid places that cause feelings of displeasure. Similarly, environments that cause arousal will usually be the places that people usually inhabit.

Physiological responses: