Service design strategies for customization: implications of conflicting emotions and concerns

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SERVICE DESIGN STRATEGIES FOR CUSTOMIZATION
IMPLICATIONS OF CONFLICTING EMOTIONS AND CONCERNS

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ABSTRACT
This paper examines conflicting emotions and concerns in hotel stay experiences, their implications and emotion-oriented strategies for customization of hotel features and service. Luxury vs eco-friendliness, exploration vs familiarity, enjoyment vs cost, novelty vs practicality are the most common conflicting concerns. Their implications are discussed under the wider context of sustainability, economic austerity and long-term growth of tourism. Conflicting emotions often arise because some hotel features and service are out of hotel guests’ control. Increasingly, hotels are offering guests more control through customization. The model of emotion-oriented customization strategies for hotels is proposed to shed light on three broad types of hotel customization strategies that evoke calculative emotions, explorative emotions and pleasant surprises. Design emphases shift from functional, sensorial, to meaning-oriented as the nature of service changes from transactional to relational. Real-world examples in the hotel industry demonstrate the application of the strategies.

Keywords: Service design, customization, conflicting emotions, strategy, hotel

INTRODUCTION
Apparently, the research area of design and emotions continues to flourish in recent years. Not only has it witnessed a constant increase in methods and tools, but also an ever-expanding scope that goes beyond products and interactions to include experience and systems. Similarly, service design is one of the experience-oriented design domains that are growing in importance, as evidenced by a growing interest from both academia and industry. At the intersection of emotion-oriented design and service design, there are many possible research opportunities that will invigorate these fields with knowledge and insight. It is worthy to direct some research effort towards investigating users’ emotional responses in the wider context of design for experiences and service.

This paper attempts to contribute to the growing scope and connections between emotion-driven design and design for service. Specifically, this paper aims to share research insights regarding conflicting emotions and concerns in hotel stay experiences, as well as to contribute knowledge about the interconnections between types of customization strategies, their emotional outcomes and the nature of service design.

This paper consists of two main parts. The first part elaborates on a research study about conflicting emotions and concerns evoked by hotels. Findings are summarized and discussed as four main conflicting concern pairs. Implications are explained regarding design for flexibility and the changing definition of luxury from generic excess to personalized details.

The second part of the paper focuses on discussing emotion-oriented customization strategies for hotels. A model is proposed to explain three common types of customization strategies in relation to the design emphases and intended emotional outcomes. Real-world examples of customization practices in hotels are given to demonstrate application of customization strategies.
OBJECTIVES AND METHODS
The research study reported in this paper is a follow-up study of two previous studies that aimed at identifying design opportunities by examining emotions elicited by hotels. A short overview of the previous studies and the motivations for follow-up are stated here before explaining the current study.

THE PREVIOUS STUDIES
Two concurrent studies were conducted to understand hotel-evoked emotions experienced by female business travelers during hotel stays. Photo elicitation and in-depth interview were the main research methods. In the photo elicitation study, twenty-seven research participants took photos during their hotel stays to record things, places and events in hotels that evoked their emotions. Photos were collected and followed up by discussions. In the in-depth interview, thirty-two interviewees discussed their pleasant, unpleasant, and anticipated experiences of hotel stays in semi-structured interviews. The collected data were analyzed with reference to the appraisal theory in psychology (Ortony, Clore and Collins, 1988; Lazarus, 1991, Frijda, 1993; Roseman and Smith, 2001).

The comprehensive findings include: Types of hotel-elicited emotions, their triggers, hotel guests' concerns, design strategies and suggestions to improve hotel stays, scenarios, conceptual models for hotel design and service design, and the concept of relational messages in design. Details of the research and the complete findings can be found in Lo (2010, 2011a, 2011b).

MOTIVATION FOR FOLLOW-UP
The data from the previous studies showed some interestingly contradicting emotions and concerns when hotel guests talked about their hotel stay experiences. While it is less common for research participants to express both pleasant and unpleasant emotions towards the same trigger in the photo elicitation study, ambivalent emotions were occasionally mentioned by respondents in in-depth interviews. The follow-up study was motivated by the belief that studying conflicting emotions and paradoxical concerns in detail may yield interesting insights that inform emotion-oriented service design and experience design. Indeed, the significance of studying concern conflicts is acknowledged by scholars in the field of design and emotions (Desmet and Dijkhuis, 2003; Desmet, Porcelijn, and van Dijk, 2005). For example, Desmet, Procelijn and van Dijk wrote, "...paradoxical concerns are interesting because they constitute a tension field by defining a design space that excludes existing design solutions." (Desmet, Porcelijn and van Dijk, 2007,148-149)

THE CURRENT STUDY
Using a modified critical incident technique as data collection method, a small-scale follow-up research study was carried out to specifically understand conflicting emotions and concerns experienced by hotel guests during hotel stays. A series of in-depth interviews with frequent travelers were conducted. While the original method of critical incident technique is usually used for reporting observations of incidents, the method allows room for adaptation according to the purposes of research. As Flanagan (1954) stated, critical incident technique is “…a flexible set of principles which must be modified and adapted to meet the specific situation at hand.”

Procedures
Seventeen frequent travelers in Hong Kong were recruited as research participants by a combination of criterion sampling and chain-referral sampling (Miles and Huberman, 1994; Kuzel, 1999; Patton, 2002). The basic criterion stated that the respondents must have made at least three trips to travel outside Hong Kong and stayed at hotels in the previous 12 months.

In one-to-one semi-structured telephone interviews, each respondent was asked to think about and describe episodes of conflicting emotions evoked by hotels during previous hotel stay experiences. Probing questions were asked to encourage the respondents to elaborate on details and explain why they felt those emotions.

Data Analysis
For the purpose of consistency, the theoretical basis for data analysis in this follow-up study is also appraisal theory in psychology, the same as the previous studies. The collected data were coded using an analytical template based on appraisal theory. Each episode of conflicting emotions was analyzed by
examining the trigger, emotions, appraisals and concerns. The number of conflicting concern pairs were narrowed down by grouping similar pairs together. Groups were then named with umbrella terms that best describe the essence of the concern conflicts.

FINDINGS AND DISCUSSION
Due to word limit for this paper, only four pairs of the most prominent conflicting concerns that cause contradicting emotions during hotel stays are summarized and explained concisely in the following paragraphs.

LUXURY VS ECO-FRIENDLINES
When extra amenities and service in hotels are offered beyond what are considered necessary by the hotel guests, they often evoke the mixed emotions of happiness and guilt. For some hotel guests, creature comfort becomes guilty pleasure.

For example, commenting on complimentary shower and skincare products in upscale hotels, one respondent said: “These days, there seems to be more and more packs and tubes of stuff in the bathroom. I appreciate the attention to details and surely feel pampered, but I also feel a bit guilty for being environmentally unfriendly – I don’t actually need all those stuff. The packages also generate lots of waste, all those plastic film and paper boxes.”

Another respondent pointed out that some disposable amenities in hotel rooms are made of high-quality materials and they caused contradicting emotions. For example, when she stayed at a hotel in Holland, she was pleasantly surprised by the high quality of the disposable slippers. But at the same time she also felt contempt because it is wasteful to throw away many disposable amenities when guests check out.

Given the widespread awareness and support of environmentalism, some hotel guests feel guilty for using unnecessary resource and producing waste because they consider these as irresponsible behaviors that act against the long-term goals of environmentalism and sustainable development.

The above examples show that some travelers are concerned about being eco-friendly and try to reduce waste as much as possible. In contrast, other travelers felt pleasant emotions when they noticed environmentally friendly measures in hotels, but they also felt unpleasant emotions because they are doubtful if hotels are using them as excuses to cut down on cost and increase profit by offering less to hotel guests. “Being green” may be interpreted as “being mean”. The tension stemmed from a conflict of interest between the hotel’s gain and the guests’ enjoyment.

For instance, as an environmentally friendly housekeeping practice, most hotels do not replace towels in bathrooms unless the guests indicate they wish the towels to be changed by leaving them on the floor or in the bathtub. One of the research respondents expressed ambivalent emotions towards this practice. Although she appreciates the good intentions of this practice, it makes her hotel stay less enjoyable. She said, “In the morning, I am in a rush to go out, very often I just forget to put the towels on the floor. If there aren’t extra towels, I end up using the same towels for too many days.”

EXPLORATION VS FAMILIARITY
This pair of conflicting concerns refers to the fact that guests like to take the opportunities of hotel stays to try something different, yet they would like to feel the familiar comfort of home. Some respondents expressed that the hotel is not just a place to stay the nights, but also an experiential point of the journey. That’s why they are eager to explore what a hotel can offer, such as trying the shower gel and lotion, eating special food, or using the swimming pool even though they don’t normally exercise. At the same time, they expect all the homey comforts. They need to sleep comfortably, cleanse, relax and feel revitalized.

Conflicting emotions arise when these two concerns contradict each other. For instance, a few respondents mentioned feeling content but bored when staying at some big chain hotels. One respondent commented, “Big chain hotels are always comfy and clean, pretty much the same standards. But they are boring.” Another frequent traveler also expressed the same opinion. She said drinks and
snacks available in the rooms of chain hotels evoked mixed emotions. Although she is glad that drinks and snacks are conveniently available, she dislikes the “boring” standard choices. She thinks it would be great if hotels offer choices of local snacks or local drinks for guests to try something different and have a taste of the local flavor.

The desire for exploration has facilitated the growing trend of boutique hotels in recent years. Many travelers are seeking out boutique hotels for special and unique hotel stay experiences. In the context of boutique hotels, mixed emotions are evoked differently when the concern for exploration is contradicted by the concern for familiarity. The hotel guest feels pleasant emotions (such as excitement and amazement) towards special hotel features but feels unpleasant emotions (like frustration and discontent) at the same time when they need to adapt to the unfamiliar aspects.

Some respondents commented that boutique hotels are special, quirky, and fun, but sometimes hotel amenities or spatial arrangements are too unusual, they need to make an effort to adapt to those unusual hotel features and environments. For example, a respondent was delighted to find a special coffee machine in the room at one of the boutique hotels she stayed at. The coffee machine was designed to look very stylish and it served six types of coffee. The respondent said, “I was delighted when I saw it. But when I actually used it I felt very frustrated. It did not work like a normal coffee machine and it took me quite a while to figure out how to use it. That’s frustrating.”

ENJOYMENT VS COST
Hotel guests often experience the dilemma of enjoyment versus cost. While extra touches such as souvenirs, welcome drink, and free gifts elicit delight and happiness, they also trigger unpleasant emotions when hotel guests think about the cost. As an example, one of the respondents said, “I like extra things that make my stay more enjoyable, but the cost of those things is probably included in the room rate. I would rather have fewer perks but pay less.”

From the travelers’ point of view, choosing a hotel is often a tradeoff between the price and the quality of the experience. They try to strike a balance between getting cheaper room rates and sacrificing too much comfort. This is especially true when the world’s economy is becoming unstable. Under such economic climate, both businesses and individuals respond with austerity. Cost considerations are becoming more important.

NOVELTY VS PRACTICALITY
The conflicting concern pair of novelty vs practicality shows a clash between attitude and standard. Novelty evokes pleasant emotions because new or unusual features create the wow effect. However, if the novel feature or service does not fulfill its practical purpose properly, unpleasant emotions arise and the experience quickly changes from positive to negative.

For example, one respondent recalled returning in the evening to the hotel room to discover that a little teddy bear with the hotel’s logo was placed near the pillow. He said, “I felt both happy and dissatisfied. It’s a surprise gift, which is nice, but I would prefer something more practical.” Obviously, the gift is of no relevance to this hotel guest. Therefore, it is appreciated as a gesture of goodwill but disliked for being low in practical value.

Very often, hotel guests are intrigued by the novel aesthetic quality of hotel interiors but disappointed by their usability. For example, a respondent remembered a stylish irregularly shaped semi-transparent desk in a hotel room. It was visually appealing and immediately evoked the emotion of amazement. However, it quickly turned into disappointment when she realized the irregular shape made working with a notebook computer on the desk very uncomfortable.

IMPLICATIONS FOR CUSTOMIZATION
The findings above have implications for many aspects of design for hotels. Based on relevance to this paper’s topic, this section focuses on discussing implications for customization strategies.
DESIGN FOR FLEXIBILITY AND CHOICES

Conflicting emotions arise because the same trigger is appraised based on contradicting concerns. From the hotel guest’s standpoint, conflicting emotions and concerns are difficult to resolve since many hotel features and service are not in the control of the hotel guests. Control refers to flexibility and choices: (1) Flexibility of hotel amenities and service to adapt to the individual guest’s specific situations. And (2) Choices offered to guests to make a decision between fulfilling their needs (goal-oriented), adhering to what they consider appropriate (standard-oriented), and getting their preferences (attitude-oriented) catered for.

FROM GENERIC EXCESS TO PERSONALIZED DETAILS

Traditionally, the hotel industry boosts luxury as a hallmark of excellence. Indeed the classification system for star ratings is based heavily on the variety and numbers of certain facilities, amenities and service available in hotels (Vine, 1981; AA Hotel Services, 2006). The conventional approach to create luxury is to provide excessive but generic features. In light of an increasing general awareness of environmental issues and sustainable development, this traditional view of luxury is changing.

The principle of customization is to give hotel guests what they exactly want instead of giving them excessive extras. As hinted above, the new luxury standard has shifted from extravagance in the sense of generic excess to personal attention at the level of specific, personalized details. This is part of the changes that hotels are making in response to the pressing issues of depleting natural resources and sustainable development. Other than interior design (such as recycled or environmentally friendly materials for hotel interiors), and product design (such as energy-saving electronic devices for hotels), service design also plays a role in reducing hotels’ negative environmental impact.

The following section offers a structured model to explain the connections between different types of hotel customization strategies, their design emphases and their intended emotional outcomes.

EMOTION-ORIENTED STRATEGIES FOR CUSTOMIZING HOTEL FEATURES AND SERVICE

Both hoteliers and researchers acknowledged that customization offers a competitive advantage and increases guest satisfaction (Hart, 1995; Gilmore and Pine, 2000; Gagnon and Roh, 2008). In order to gain insight into strategies of customizing hotel features and service, real-world cases of customization practice and hospitality literature on customization are studied from both strategic and service design perspectives. Afterwards, the model of emotion-oriented customization strategies for hotels is proposed here (see Figure 1).

The model outlines three broad types of strategies for customization: Subtractive, additive, and tailor-made. Starting from the lower left corner and moving to the upper right corner, the strategies increase in complexity of service design. Sophistication of both tangible and intangible elements also increases, with the top right corner being the most service-intensive.

Components of the model are explained in the following subsections. Real-world examples in the hotel industry are provided where appropriate.

TRANSACTIONAL OR RELATIONAL

The horizontal axis indicates two polarities of the nature of service: on one end is “transactional”, on the other end is “relational”. Borrowing the terms from marketing management, “transactional” refers to the traditional approach of operation based on discrete exchanges with no past history and no future plans (Weitz and Jap, 1995), often emphasizing one-off calculative gain or loss (such as price, economies of scale etc.) In contrast, “relational” type of service aims at attracting, maintaining and enhancing customer relations (Berry, 1983; Li and Nicholls, 2000). More precisely, ongoing relationships that involve “exchanges between parties who have an exchange history and plans for future interactions.” (Weitz and Jap, 1995, p. 305)

FUNCTIONAL, SENSORIAL OR MEANING-ORIENTED

The vertical axis shows the design emphases of the types of hotel features being customized. Starting from the functional features at the most basic level,
progressing to sensorial features and then topping at meaning-oriented features. These classifications are based on the model of emotional design for hotels (Lo, 2007, 2010).

- **“Functional”** refers to basic amenities and services that enable hotel guests to achieve certain basic goals and provide convenience. The focus is on practicality and functions.

- **“Sensorial”** are value-added features that enhance enjoyment by delighting one or more of the human senses (visual, auditory, olfactory, gustatory, and tactile).

- **“Meaning-oriented”** features aim at staging memorable and meaningful guest experiences. Meanings are not only limited to status or identity, but also include meanings that match with guests’ aspirations, such as individuality, wellbeing, social responsibility etc.

Details of the three types of customization strategies for hotels and the nature of pleasant emotions they intend to evoke are elaborated below.

**SUBTRACTIVE STRATEGIES AND CALCULATIVE EMOTIONS**

Hotels that use the subtractive customization strategy offer the most basic room features and cheap room rate by taking away some functional features or service that are not needed by every guest. When guests make bookings, they are given the choice to request those subtracted features or service depending on their needs, usually with an additional cost. The primary aim of this strategy is to reduce both the cost paid by the guests and the hotel’s operational cost when the rooms are used in their most basic form. This strategy is often used by economy hotels to target price-conscious customers who do not need anything more than just a place to sleep and cleanse, also travelers who are discreet about what they are willing to pay for.

The intended emotional outcomes for hotel guests are calculative pleasant emotions, such as the happiness of saving money, the contentment of getting value for money, and satisfaction from having control over which types of features they want to spend on. Also, since hotel guests know what to expect, they would not be easily disappointed by the bare basics. From the hotelier’s standpoint, this strategy has the additional value of managing customer expectations.

Tune Hotels is an example of an economy hotel chain that uses this subtractive strategy. Rooms in Tune Hotels are offered in the most basic form in small size,
with high standard of cleanliness and basic components including a bed, shower and toilet. On the online booking form or upon check-in, customers may choose to add optional features by paying a small cost for each item, including hair dryer, shampoo and shower gel, towels, TV viewing, daily room cleaning etc. Luggage storage, which requires the service of staff, is also an option that takes extra charge.

**ADDITIVE STRATEGIES AND EXPLORATIVE EMOTIONS**

In contrast, hotels that adopt the additive strategies offer rooms with comprehensive functional items. On top of that, guests are given choices to add special features that enhance sensorial enjoyment with or without extra cost. The aim is to improve the guest experience not just by giving hotel guests choices that match their needs or preferences, but also by promoting exploration and discreet enjoyment. Hotel staff will either prepare the additional features ready in the room before the guests arrive or deliver them on request. Boutique hotels that emphasize unique experience or upscale hotels with smaller room numbers can use the additive strategies quite effectively.

Because some options are offered as opportunities to try something different (such as branded skincare, types of pillows etc.), or to make the hotel stay more enjoyable and fun, the additive customization strategies intend to evoke explorative types of emotions, such as amazement, excitement, wonder and delight. From the hotel guests’ perspective, being able to choose hotel features that fit their needs or preferences makes them feel pleased or content.

An example is LOHAS Hotel in Nara, Japan. Several open shelves in a corner of the lobby are filled with pillows of different hardness and yukata (Japanese bathrobe) of different sizes and colors. Hotel guests can choose and take the ones most suitable for their needs. The self-service mechanism offers choice but is not service intensive in terms of staffing and procedures, which means the hotel offers customization within a reasonable cost and keeps the process simple and manageable.

Another example is Affinia Hotels, a boutique hotel chain in U.S.A. During online booking, hotel guests can customize their hotel stays by dragging and dropping icons representing sensorial options, such as a rubber duckie for the bathtub, fitness kit (which includes a yoga mat, stretching blocks, exercise DVDs), cupcakes, gel eye mask, and even an acoustic guitar.

**TAILOR-MADE STRATEGIES AND PLEASANT SURPRISES**

Using tailor-made strategies, hotels personalize amenities and service to fit each individual guest’s particular needs and preferences. Procedures involve hotel staff’s proactive observation and recording of guests’ needs and preferences. The information is then stored in a centralized customer database. Pleasant surprises are staged for individual hotel guest through personalized and meaningful features or service. Because these features and service exceed guests’ expectations, not only do they evoke pleasant surprises, but also leave long-lasting impressions that make the hotel stays memorable. Very often, the emphasis is relational, rather than practical. That means hotels make guests feel well cared for and pampered in a unique way. The ultimate goal is to build long-term customer relationship and achieve customer retention (Johnson, Olsen and Andreassen, 2009).

Unlike the previously discussed two types of strategies which require certain effort from the customers, tailor-made strategies are hotel-initiated and often do not require any specification from the guest. Hotel staff can quickly retrieve information from the customer database that shows the details of a particular guest’s hotel stay history. Then hotel features and service can be personalized accordingly, which may include room settings, welcome surprise, special service etc.

Because tailor-made strategies are service-intensive, directed towards individuals, and require maintenance of huge customer databases, only luxury hotels can afford to use this type of customization strategies. By personalizing according to the individual guest’s needs and preferences, these hotels are catering to the “markets of one” (Gilmore and Pine, 2008).
For example, a guest who just arrived at his room in the Ritz was delighted to find his favorite soft drink waiting for him on the table. Because he ordered this soft drink in his last stay, the hotel kept a record and prepared this pleasant welcome gesture for him in his second stay. Instead of a random courtesy gift (such as standard souvenir or unpractical extras), this welcome surprise is personalized to match this particular guest’s preference. In another case, a guest got a small cake and a card from the hotel for her birthday as surprise gift that made her stay memorable.

**VALUE OF THE MODEL**

The model of emotion-oriented customization strategies for hotels clarifies the relationships between:

- Types of hotel customization strategies
  - (Subtractive, additive, tailor-made)
- Design emphases
  - (Functional, sensorial, meaning-oriented)
- Intended emotional outcomes
  - (Calculative emotions, explorative emotions, pleasant surprises) and
- Nature of service design
  - (From transactional to relational)

Most importantly, the model shows how design can influence guest emotions with different design emphases using three broad types of customization strategies. This understanding is useful to service designers and hoteliers as it facilitates structured attempts to design for emotional impacts for customization of hotel stay experiences.

**CONCLUSION**

In terms of research findings and implications, this paper has contributed insights regarding conflicting emotions and concerns experienced by hotel guests. As to conceptual understandings of design strategies, this paper has contributed a systematic model to explain three common types of hotel customization strategies in relation to emotional outcomes, design emphases and the nature of service.

The discussion in this paper draws connections between emotion-oriented design and service design in the context of hospitality. When these research areas overlap, much room for future research is created. Given the continual growth of tourism and international travel (World Tourism Organization, 2012), lifestyles on the road have become a predominant part of life experiences. Studying the emotions in these experiences may yield interesting insights that inform the design of travel-related products and service. These are possible fruitful future directions for research.

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