
Service excellence — Principles and model

Excellence de service — Principes et modèle

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PROOF / ÉPREUVE



Reference number
ISO 23592:2021(E)

iTeh STANDARD PREVIEW (standards.iteh.ai)

ISO/PRF 23592

<https://standards.iteh.ai/catalog/standards/sist/198183ae-aabe-4daa-9c84-83887eb09494/iso-prf-23592>



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Published in Switzerland

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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).

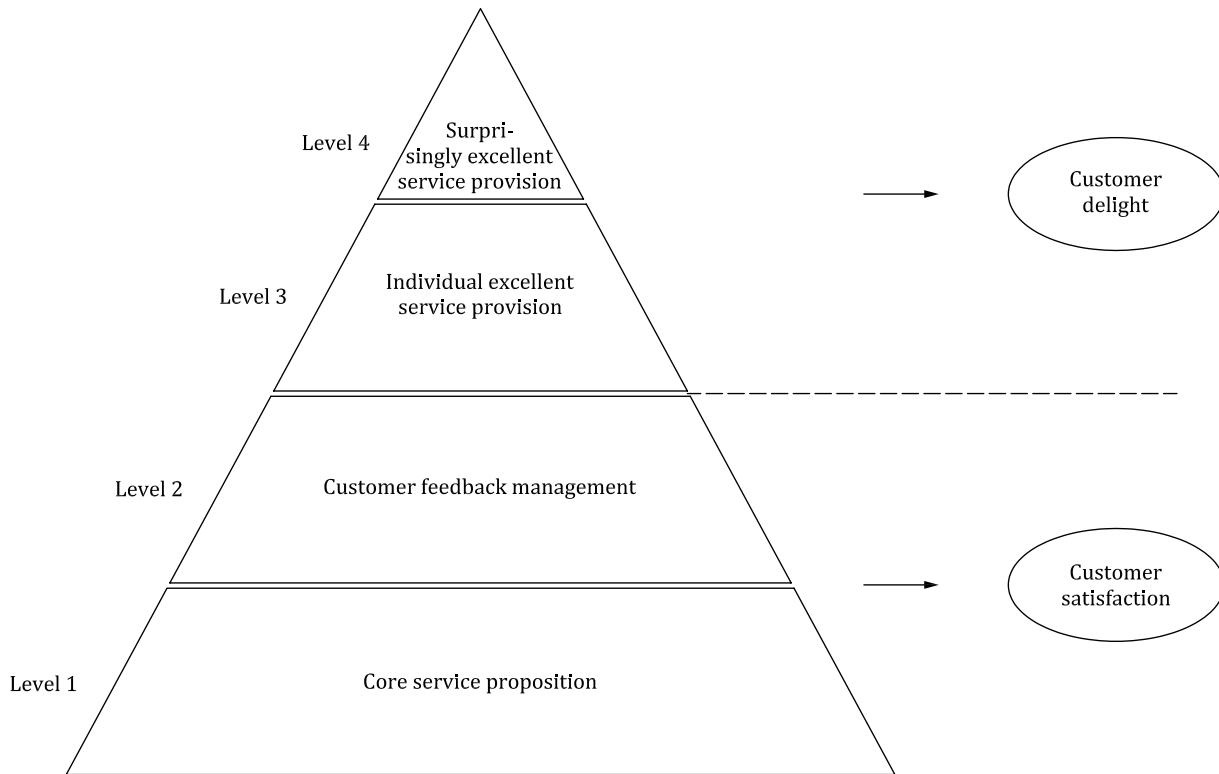


Figure 1 — Service excellence pyramid
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This document defines the essential terms, describes relevant principles and builds up a model of service excellence. It delivers an all-embracing framework for further documents to deal with essential elements 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/DTS 24082:2021.

2) Under preparation. Stage at the time of publication: ISO/AWI 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]

**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

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

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**3.10
service**

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

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[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.

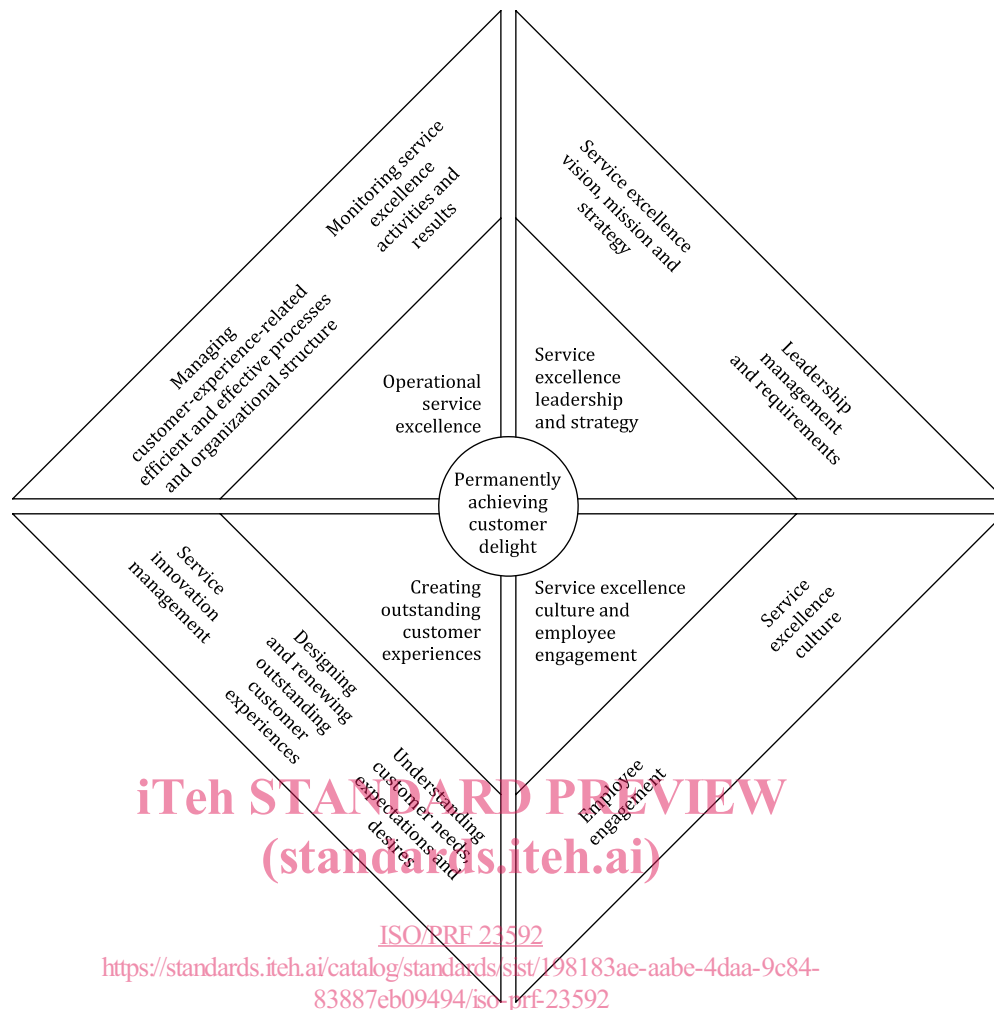


Figure 3 — Service excellence model

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, are 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.