Design insights emerging and converging

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# How consumers in China are redefining customer service—and changing everyone's expectations.

The Chinese word for service is fuwu (服务), which everyone in China who's older than fifty recognizes as part of the Communist slogan "serve the people" (wei renmin fuwu, or 为人民服务). In the sixties, this maxim was designed to foster the virtue of selflessness, in the name of social harmony and national progress. Although that idea still resonates, citizens of modern China are redefining the meaning of service in the context of one of the world's most powerful consumer-driven economies.

On the crowded streets of Beijing today, anybody with a few yuan in his or her pocket has more choices than they previously could have imagined. The abundance of choice—domestic and foreign brands, both authentic and fake—combined with China's manufacturing might is allowing service offerings to evolve. The rest of the world is waiting with baited breath to see how Chinese consumers will shape the offerings of tomorrow. This is a sampling of what we've observed so far.

TAKE ACTION Designing for the people

1.

#### Keep an open mind.

Too many visitors arrive in China with preconceived notions about its people. Many aspects of modern Chinese life are based on a centuries-old cultural phenomena, and it's important to try to understand the underlying reasons for why things are the way they are. Only then can outsiders participate in designing the nation's future.

2.

### Experiment.

Failure is easily forgotten amid rapid change. Use China's fast-paced evolution as license to try new things that you might not dare to attempt elsewhere in the world.

3

## Acknowledge diversity.

China is vast, complex country: What works in one region may not resonate in another. Most companies see the nation's major metropolises as primary targets, but in reality these cities represent a relatively small segment of the Chinese market.



## Reassurance Service

In a market that's flooded with products of questionable origin (think knock-offs, smuggled goods, or stuff that either fell off the back of a truck or failed to pass safety standards), Chinese consumers look for reassurance and proof that what they're buying is real.

Taobao.com, the Chinese equivalent of Amazon.com, delivers the convenience of e-commerce with a sense of confidence. The site allows shoppers to send instant messages to sellers to confirm details about a product, such as true fit, color, and whether it's in stock—a practice that has become a standard consumer behavior. Taobao's system enables people to ask questions, address any concerns and get responses to their questions in real time.

The site's official method of payment, Alipay, is also thoughtfully designed: in addition to being SMS friendly and linked to a customer's bank account, payments are not released to the seller until the customer confirms that the goods have been received and that they are as promised.

# Abundance Service

Despite its reputation as a suffocating bureaucracy, China is a place where virtually anything is possible and everything is available. Want a custom-made suit for less than US\$50? Knock-off Italian furniture? Unlocked iPhones? China has it all — if you know the right person on the right street corner. This no-holds-barred approach, or abundance service, has become legendary at places like Shanghai hot-pot restaurant Hai Di Lao (海底捞火锅店).

"THIS IS THE BEST FRICKING HOT POT RESTAURANT ON THE FACE OF THE PLANET!!!" wrote one reviewer. "It rivals the Ritz Carlton. Free drinks if you want them. They will bring new eyeglass-wiping cloths to wipe the steam from your glasses and offer to do it for you. ...there is a children's playroom, and there are small tables with Chinese Checkers and Chinese Chess. and they have a team of women who will give you a professional manicure. THIS PLACE IS AWESOME."

Note that this breathless review raves about the utterly satisfying dining experience, not the meal. The restaurant's reputation is for service—and, increasingly, that's what customers are coming to expect.





# Measured Service

Din Tai Fung is a Taiwanese restaurant chain that has risen from humble beginnings to international acclaim for its handmade steamed pork dumplings, or xiao long bao (小笼包). By providing highquality yet affordable street food and a consistent service experience, Din Tai Fung has earned loyal fans across Asia and even in the US. New cooks receive a minimum of two months training in order to maintain strict standards, which include rolling a dumpling skin that weighs exactly 5 grams and being able to twist exactly eighteen wrinkles in a row.

Din Tai Fung reflects the growing influence of Hong Kong, Taiwan, Japan, and Korea on China's service standards and expectations. It is likely that Chinese businesses will continue to seek inspiration from other Asian examples of excellence and innovation in service, rather than trying to imitate Western models, which often neglect the cultural nuances that are critical to long-term success.

# Adaptive Service

Although delivery services are prevalent in any big urban city, China has taken them to the next level. From purchases at brick-and-mortar stores to online shopping on Taobao, everything—including daily groceries and home-cooked meals three times a day—can be delivered.

Increasingly, people in China are asking, Why carry anything or risk over packing when so much can be delivered to any location, quickly and efficiently, and at little or no cost? Their answerbuy on the fly—is fast becoming a personal shopping mantra. To-your-door service is no longer added value, but an expected service from even the smallest neighborhood convenience stores. But what's most surprising are the ways that business owners close deals based simply on trust and understanding.

One expat's story: "My wife and I bought two mattresses from a local store in the furniture district of Shanghai, Xujiahui. We didn't have enough cash to cover the payment, as most local places still don't take credit cards. So the owner graciously allowed us to pay the delivery people when they delivered the mattresses the next morning. Our response was 'Really'?"

Really. By 8 the next morning, two deliverymen trudged up three flights of stairs with the mattresses, set them up, and took away all the packaging. The couple paid them the CNY3,200 (US\$500) balance for their purchase.



PATTERNS is a collection of shared thoughts, insights, and observations gathered from our work and the world around us. We invite you to join the conversation, so we can raise the bar and collectively develop richer design-thinking experiences.

Be a pattern spotter: Now that you've been exposed to a few different examples, don't be surprised if you start seeing *Serve the People* patterns all around you. Keep your eyes open and let us know what you find, especially if it's the next new pattern.

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