

# CTF SERVICE RESEARCH CENTER



CTF - SERVICE  
RESEARCH CENTER



”CTF is one of the leading Service Research Centres in the world. It has a reputation for quality research that is both academically rigorous and also practical and relevant to the issues that face managers across the service sector.”

*Professor Robert Johnston, Warwick Business School, University of Warwick, UK.*

## A LEADER IN SERVICE RESEARCH

The Service Research Center (CTF - Centrum för Tjänsteforskning) at Karlstad University, Sweden, is one of the world's leading research centers focusing on service management and value creation through service.

Established in 1986, CTF now has 50 researchers and research students who are variously involved in business administration, working life science, sociology, and psychology.

Professors and senior research fellows are associated with the center as research supervisors. CTF is involved in research, undergraduate and graduate education, and cooperation with companies and other organizations in various areas of managing service.

## WELCOME TO CTF

CTF is a multidisciplinary research center at Karlstad University. The aim is to ensure that CTF is at the leading edge of international research. We cooperate closely with service businesses, manufacturing companies, and public-service providers.

We also form partnerships with universities and researchers all over the world. Since 1988, we have coordinated the International Academy of Service Research and Education (IASRE), which is an international network comprised of 24 research centers worldwide.

CTF is responsible for Europe's most influential periodical in the field of service research – the International Journal of Service Industry Management (IJSIM). We also organize the biennial 'Quality in Services' (QUIS) symposium, which is attended by leading researchers and business executives from around the world.

CTF collaborates with the university in the teaching of graduate-level courses. It also provides commissioned courses for clients, and offers external seminars and conferences.

### **Business idea**

CTF contributes to the scientific knowledge on value-creation through service.

### **You can become involved**

We develop and conduct research projects in close collaboration with leading business and public organizations.

By participating in joint research, you and your organization can contribute to the acquisition of new knowledge about the quality and value of goods and services. Such new knowledge can provide you with a holistic perspective and a deeper understanding, thus enhancing your own potential for success.

For CTF, participation in empirical research with business represents a valuable opportunity to share the experiences of the business sector. If you are interested in cooperation, please contact us.



## AREAS OF RESEARCH

### **Service quality and quality development**

Quality in services has to do with satisfying needs and meeting the realistic expectations of customers, employees, and owners – whose interests are often in conflict. Areas of research include customer dissatisfaction and complaints-handling, quality measurement, and service guarantees. We also investigate such questions as how quality adds value in customers' perceptions of services, and how feelings and experiences influence customers' attitudes and behaviors.

### **Work environment and competence issues**

Many of our projects are concerned with new organizational structures and their effects on employees. Among other things, we study interactions between customers and employees in the service encounter, deregulation and its effects on employees in conjunction with the introduction of new organizational structures, and communication and dialogue between managers and employees in groups and within the organization as a whole. In one of our programs, we study the purchaser-provider model in the business sector. Another area of our research is concerned with the working conditions of self-employed persons and small businesses.

### **Service development and customer involvement**

Businesses and public-sector organizations spend considerable sums of money on the development of new services. However, research shows that a large proportion of these new services fail. At CTF, we study various aspects of service development, including communication, organization, procedures, and effects.

We are also involved in the development of methods to identify the types of services that are in demand, the factors that contribute to success, and how to avoid failure. Our research focuses on the customer, because we believe that the customer's perspective is vital to success in the service-development process.

### **Customer satisfaction and customer experience**

Because services are intangible, it is difficult for customers to evaluate them before consumption. It is therefore important for service organizations to develop indicators of customer satisfaction and customer experience. This area of research is concerned with understanding, developing, and applying measurements in ways that can provide an organization with reliable data on which to base decisions. This area of research includes the concept of 'customer orientation' – that is, whether an organization is focused on responding to customers' preferences. Although many organizations measure customer satisfaction, it is apparent that they often fail to apply their findings to improve operations in accordance with customers' preferences.

### **Service concept and added value through service**

The term 'service logic' refers to the ability of a firm to recognize aspects of their offerings as being 'services', and then to add value to these services for customers in various ways. Our research focuses on the economic and social implications of such 'service logic' in the private, public, and voluntary sectors. Among other things, we study the ethical and environmental consequences of the value-creation process.



”I have long admired and benefited from the many contributions emanating from the CTF. Within the global services community, CTF and its leaders are widely recognized and highly respected for their research and other contributions.”

*Professor Stephen W. Brown, Director Center for Services Leadership, W. P. Carey School of Business, Arizona State University, USA.*



”CTF has acquired the position of an international leader in service research. It is a great instance of sustaining progress, achieved through successful integration of scholarly research with the practice of service in business and government.”

*Professor Evert Gummesson, School of Business, Stockholm University, Sweden.*



## PUBLIC TRANSPORT RESEARCH

Since 1996, CTF has been involved in research into public transport. A team of ten researchers and doctoral students from various academic disciplines has conducted a large number of studies on various issues in this area.

By adopting a service-oriented and market-oriented approach, this research stimulates and facilitates the development of public-transport services that are adapted to passengers’ needs and preferences. The research findings have enabled providers to develop an enhanced awareness of their service procedures and their passengers’ needs in developing new and improved transport services.

Over a period of ten years, VINNOVA will be financing the establishment of a Vinn Excellence Center in public-transport research at CTF. The Service and Market-Oriented Transport (SAMOT) Research Group enables scholars and managers in this sector to interact and collaborate in the research and development of public transport. This research

has three priority themes: perceptions of public transport; customer offerings; and regulation and institutional frameworks.

SAMOT is a cooperative venture among several parties, whose shared aims are that SAMOT should become:

- a leading player in developing and disseminating research-based knowledge from a service perspective in the public transport sector;
- a strategic priority of Karlstad University;
- an example of how the Vinn Excellence Center model can function successfully in the social sciences; and
- a contributor to sustainable development in the public-transport sector by supporting a customer oriented regeneration of the sector.

Industry partners in SAMOT include: AB Stor Stockholms Lokaltrafik, Veolia Transport Sverige AB, Värmlandstrafik, Karlstadsbuss, Göteborgs Spårvägar, Göteborgs stad, and Svenska Lokaltrafikföreningen.

## THE NEW SERVICE ECONOMY

Research into the ‘New Service Economy’ by CTF, at Karlstad University, is one of seven national research projects to receive support for a period of six years from the (Swedish) Knowledge Foundation. The aim of the foundation is to create joint development projects between business and new universities. The project at CTF is the first within the social sciences to receive support on a large scale from the Knowledge Foundation.

Ten research projects are being conducted in close cooperation with a number of businesses, including Volvo Aero, Länsförsäkringar, TeliaSonera, Uddeholm Tooling, and IKEA. The overall objective of the research is to develop, with the help of users, concepts and models for new services.

The projects occupy approximately 20 researchers and research students working in a range of fields, including business-to-customer (B2C) services and business-to-business (B2B) relations. In the

first category of B2C services, one of the projects (conducted in association with TeliaSonera) is examining the requirements of different categories of mobile telephone customers and the reasons for customers’ changing service providers. In the second category of B2B relations, the Volvo Aero project is addressing the structures and mechanisms that evolve within long-standing relationships between companies.

An example of valuable conceptual work in the ‘new service economy’ is a model that was developed in conjunction with the Swedish Institute for Quality (SIQ) to estimate the link between quality work and profitability.

Swedish and international undergraduate and graduate students play an important liaison role with the companies involved in the various projects. It is envisaged that they will become ‘ambassadors’ in the dissemination of the research results.



## CuDIT

Our commitment to a customer orientation finds expression in the Customer Driven IT Development (CuDIT) initiative. The purpose of CuDIT is to investigate ways in which users can contribute to new services by becoming involved at an early stage in development processes.

Our CuDIT studies have therefore focused on the important role that users can play in developing better ideas for new services. Users are invited to interact actively with the service company to enable both the company and the users to gain a better understanding of needs, opportunities, and limitations. The value of this approach was demonstrated in several experiments involving students from Karlstad University and people from outside the university. Participants were asked to suggest at least one mobile phone service that would be of benefit to them personally. A reference group of professional service developers was simultaneously asked to identify mobile phone services that they believed would be of interest to consumers within the same target group. External independent groups then assessed the various suggestions. The results showed that the users' ideas were considered to be more innovative and to create more value for customers than those of the professional developers.

Experiments of this type helped us to develop a methodology whereby companies can obtain valuable input from users. The methodology enables companies to learn more about their customers latent needs compared to traditional market-research techniques.

## SERVICE INFUSION IN MANUFACTURING COMPANIES

The focus of many manufacturing industries has shifted from the purely technical aspects of their products to the services and experiences associated with those products. Our involvement in a large number of projects has enabled us to develop expertise in this trend towards 'service infusion' in manufacturing companies and the creation of value at the interface between products and services.

We also study the structural changes required in redefining a company from a purely manufacturing entity to one that also offers services to its customers. Such restructuring is required to control quality in services and customer relations, as well as in products. In addition, companies must develop systems to charge for services and realize customer value.



## MEASUREMENT OF CUSTOMER SATISFACTION

Our approach to the measurement of customer satisfaction requires close contact with customers to develop a relevant measurement instrument that can explain their attitudes and behavior. An important aspect of our approach is a recognition that customer satisfaction is not a maximization problem; rather, it is an optimization problem. In particular, the return on invested capital must be optimized in the context of limited resources and the need to prioritize areas of investment. It is therefore necessary to link questionnaires about customer satisfaction to different contextual circumstances, including overriding financial targets and various patterns of desirable customer behavior.

By enhancing understanding of customer satisfaction as an optimized construct, this type of research is useful to all companies and public organizations that measure and use the construct. A range of companies and public organizations have accepted this approach and now use the research results in their measurements. Our research also shows that organizations that commit resources towards understanding customers have more satisfied customers and are more profitable.

## TRANSFORMATION OF THE PUBLIC SECTOR

Public-sector organizations are facing profound structural changes as a consequence of increasing demands from their customers and clients in the general public. Public-sector organizations are increasingly being called upon to adopt modern efficiency measures, quality assurance, process orientation, and customer orientation. These demands extend to the personnel within the organizations.

In a number of projects we have sought to form a picture of the changes occurring in the workplace by focusing our research on the experiences of employees. One project, which examined bus drivers' perceptions of changes to their operating procedures, revealed that the drivers felt that they had lost more than they had gained in terms of their job content and service role. Another project, which studied the structural conflicts between management and employees during a process of change, revealed that management and employees had entirely different notions of what should be changed and what should be preserved.



## INTERACTION AND ACTIVITIES

### International Academy of Service Research and Education (IASRE)

[www.ctf.kau.se/international.shtml](http://www.ctf.kau.se/international.shtml)

CTF coordinates the worldwide network of the International Academy of Service Research and Education (IASRE). The network is comprised of 24 research centers, all of which have a focus on service research. Members of the network meet at various international conferences.

### Partners

[www.ctf.kau.se/sponsors.shtml](http://www.ctf.kau.se/sponsors.shtml)

CTF works in partnership with businesses, public organizations, and providers of research finance. Prospective partners can join us by paying a general membership fee or by collaborating on a specific research project.

### Quality in Services (QUIS)

[www.ctf.kau.se](http://www.ctf.kau.se)

CTF organizes the biennial 'Quality in Services' (QUIS) international research symposium, which attracts leading researchers, business executives, and public-sector managers from all over the world. The latest research findings are presented during the symposium. The aim is for business executives and researchers to enter into a dialogue and share experiences.

QUIS has been arranged since 1988 by CTF in association with Arizona State University and the University of Warwick. The symposium is held alternately in the USA and Sweden.

### Quality Management in Government

[www.ctf.kau.se/akademin.shtml](http://www.ctf.kau.se/akademin.shtml)

Since 2002, CTF and the Swedish Administrative Development Agency (VERVA) have presented a joint program for government agencies entitled 'Quality Management in Government'. The program provides an opportunity for researchers and representatives

from various agencies to discuss the ongoing changes in central government administration. Under the auspices of the program, individual agencies can initiate research and development within their own operations and can acquaint themselves with similar initiatives in other agencies. The aim of the program is to provide government agencies with increased knowledge-based support in their operational development.

### International Journal of Service Industry Management (IJSIM)

[www.emeraldinsight.com/ijsim.htm](http://www.emeraldinsight.com/ijsim.htm)

The International Journal of Service Industry Management (IJSIM), which is Europe's most influential scholarly journal in the field of service research, is administered by CTF. The aim of IJISM is to publish refereed research articles on a range of subjects under the broad umbrella of service management – including service quality, customer satisfaction, relationships, service development, customer complaints, service guarantees, productivity, and networks. The journal receives contributions from researchers in various disciplines and from practitioners in the service sector.

### Aktuell Tjänsteforskning and CTF Newsletter

[www.ctf.kau.se/aktuell.shtml](http://www.ctf.kau.se/aktuell.shtml)

[www.kau.se/nyhetsbrev.shtml](http://www.kau.se/nyhetsbrev.shtml)

CTF publishes a biannual magazine in Swedish entitled Aktuell Tjänsteforskning. The magazine presents examples of current research projects and describes various CTF activities. A bimonthly electronic newsletter also provides information about CTF's operations.

### Literature

[www.ctf.kau.se/publications.shtml](http://www.ctf.kau.se/publications.shtml)

Every year, our researchers contribute to the academic literature by producing a large number of publications of various types – including articles for academic journals, research reports, books, and dissertations.



## Contacts

Bo Edvardsson, Ingrid Hansson, Linda Rahkola, Anders Gustafsson, Margareta Friman, Patrik Larsson, Thomas Sigfridson *Chair CTF Board*

## ORGANIZATION

CTF's operations are led by two directors, supported by a management committee.

CTF also has an executive board chaired by a business appointee. The CTF executive board includes representatives of partners, the faculty, and the research students.

The operation is organized into various groups of researchers. The two largest groups are the 'User-Driven New Service Development' and the 'Service and Market-Oriented Transport Research Group'. Each of these groups has its own reference group and academic board.

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## PARTNERS

• AB Storstockholms Lokaltrafik • AFSMI • Banverket • Veolia Transport Sverige AB • Effect Management AB • Färdtjänst i Göteborg • Göteborgs Energi AB • Göteborgs spårvägar • Helsingborgs stad • Karlstadsbuss • Karlstads kommun • Kollega AB • Landstinget i Värmland • Svenska kyrkan • Länsförsäkringar AB • Länsstyrelsen Värmland • Metso Paper AB • Region Värmland • Räddningsverket • SIDA • SKL, Sveriges kommuner och landsting • Statskontoret • SIQ, Institutet för kvalitetsutveckling • SLTF, Svenska Lokaltrafikföreningen • SCB, Statistiska Centralbyrån • STFI Packforsk AB • Swebus • Värmlandstrafik • Svenska Fjärrvärmeföreningens Service AB • Telia Sonera • Transek AB • Uddeholm Tooling AB • Volvo Parts • Volvo Truck • Volvo Aero • Verket för förvaltningsutveckling -VERVA • Vattenfall Utveckling AB • Vägverket • IVF - Industrieforskning och utveckling AB • Kvaerner Pulping AB • VW Kunden Club GmbH, Germany • Whirlpool • Riksbankens jubileumsfond • KK-stiftelsen, Stiftelsen för Kunskaps- och kompetensutveckling • Stiftelsen Lantbruksforskning • Berit och Carl Johan Wettergrens stiftelse • Svenska Elföretagens forsknings- och utvecklings AB • VINNOVA, Verket för innovationssystem • The Packaging Arena • The Paper Province • Compare Karlstad • Centrala studiestödsnämnden • Bolagsverket • Ekonomistyrningsverket • Försäkringskassan • Pliktverket • PPM Premiepensionsmyndigheten • Skatteverket • SIS, Statens Institutionsstyrelse • Socialstyrelsen • Utrikesdepartementet • EICO Researchers • The International Academy of Service Research and Education, IASRE • Arizona State University, USA: Center for Services Leadership, W. P. Carey School of Business • Swedish School of Economics and Business Administration, Finland: CERS, Centre for Relationship Marketing and Service Management • Warwick Business School, University of Warwick, United Kingdom • Texas A&M University, USA: Department of Marketing, Lowry Mays College & Graduate School of Business • University of Auckland, New Zealand: Department of Marketing & International Business • Université de Droit, D'Economie et des d'Aix-Marseille, France: Institut d'Administration des Entreprises, IAE • Stockholm University, Sweden: School of Business • Maastricht University, The Netherlands: Marketing Department • Tama University, Japan • Manchester School of Management, United Kingdom • Ludwig-Maximilians-Universität München, Germany: Institute of Marketing, Faculty of Business Administration • Cranfield University, United Kingdom: Institute of Marketing, Faculty of Business Administration • University of Maryland, USA: Robert H. Smith School of Business • Katholische Universität Eichstätt-Ingolstadt, Germany: Ingolstadt School of Management • Universiteit Leuven, Belgium: Department of Toegepaste Economie • Edificio Egade-Itesm, Mexico • University of Westminster, United Kingdom: Harrow Business School, The Services Business Markets Research Centre • University of Victoria, Canada: Faculty of Business • Indian Institute of Management, India • Griffith University, Service Industry Research Centre, Australia • Gadjah Mada University, Yogyakarta, Indonesia • Norsk Senter for Tjenesteforskning, Oslo Markedshøyskole, Norway • European Commission, EU, 6th Framework Programme • École des Hautes Études en Sciences Sociales, Paris, France • Catholic University of Paris, France • Diaconal Research Centre, Oslo, Norway • Uppsala Institute for Diaconal and Social Studies, DVI, Uppsala University, Sweden • Centre for European Studies, University of Exeter, United Kingdom • Department of Sociology, University of Padova, Italy • Faculty of Law, Department of Social Work, University of Zagreb, Croatia • Department of Social and Political Research, University of Latvia, Latvia • Department of Theology and Religious Studies, University of Durham, United Kingdom • Department of Church and Social Studies, Helsinki University, Finland • Institute of Theology and Philosophy, Agder University College, Norway • Department of Practical Theology, University of Würzburg, Germany • Institute for Diaconal Research, University of Heidelberg, Germany • Centre for Social Morphology and Social Policy, Panteion University, Greece • NUS, National University of Singapore • Open University, Malaysia • Trisakti University, Jakarta • Fraunhofer Institute, Stuttgart • *Names of partners and providers of finance relate to February 2007*

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