

# A Multidisciplinary Design Model for New Service Offering Transfers and Internal Integration in Retail Chain Services

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**ABSTRACT:** *Service science proposes a multidisciplinary approach to analyzing services. Models of internal integration have been studied extensively in operations management and organizational design research. However, there are few applications of these multidisciplinary models to study retail chain service environments, where knowledge transfer of a new service offering must be communicated and transferred to remote service operators who are primarily responsible for effective execution. This paper explores how to mitigate new service offering 'stickiness' through an organizational design system that leverages information and communication technologies to promote internal integration practices and operational consensus in retail chain services. Furthermore, this paper offers a multidisciplinary framework of internal integration and several researchable propositions to advance scholarly service science research that will influence retail service practice.*

**KEYWORDS:** *Service Science, Retail Design Strategy, Service Operations Strategy, New Service Development.*

## 1. Introduction

This paper examines the successful knowledge-transfer and replication of new service offerings in retail chain services (RCS), using a multidisciplinary lens advocated by the emerging view of service science (Spohrer et al., 2007). Following Menor and Roth (2007, p. 826), we define a new service<sup>1</sup> in terms of the service concept bundle and/or delivery process, “as an offering not previously available to the firm’s customers that results from either an addition to the current mix of services or from changes made to the delivery process.” RCS organization “consists of multiple centrally-owned and, to some degree, managed outlets with the same name that sell similar merchandise (or services), have similar appearance, and follow similar business procedures” (Ghosh, 1990, p. 39). RCS may be centrally governed by a corporate office or support center, or may be part of a franchise network, and managing them requires a high degree of internal and external integration. Much of the American service landscape is dominated by RCS, including up to 30% of

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1 In this research, “new service offerings,” “new services,” and “service innovations” are used interchangeably.