
**CONCEPT OF SERVICE BUSINESS DEVELOPMENT TO CREATE A
COMPETITIVE ADVANTAGE IN THE DIGITAL AGE**

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Abstract

The objective of this article is to synthesize the concept of service business development to create a competitive advantage for success in the digital age. Using the synthesis of theories and related research Developed into a conceptual framework consisting of various factors, namely Customer support Employee level management Supervisor level management Which leads to a competitive advantage to success in the digital age. Moreover, this article shows how the service business can develop and create a competitive advantage for success. Service businesses must consider three main factors: customer support. Employee level management and supervisor level management.

Keywords: conceptual framework, service business development, competitive advantage

Introduction

Service business is Business operation that is a product exchange activity That is not in the form of clear money. There are models that meet the consumer's satisfaction and expectations are often consumed with something that is automated, such as a travel business. Hotel business or residential business Legal business Beauty business Entertainment business related to transport education business Financial transaction business and restaurant business etc.

Because the service business is a business that does not exist. Not in the form of a product using sensory touch The quality of the service will satisfy the consumer or not. Depending on the practice or guidelines in the operation of the service. To know the expectations or needs of the various consumers and inevitable Which each person will have different preferences such as Entering the restaurant service Some consumers have high expectations or demands. And did not expect only food but have expectations of care and attention or get the impression from a service source or location that consumers choose to use the service, etc. The world of doing business services comparable to another competitor of all types of businesses of all ages that curb success If management is not known enough in the business world, it is a world that has changed. Very quickly from the original

In this digital age communication tools play a very important and easy role in people's lives today. In the past, there was little for people to have, such as a computer or a notebook. Nowadays, for a few years now, everyone has a computer or laptop in almost every house. This means that at present, our world is constantly changing our lives. The service is the same. There is a level of competition that is increasing in intensity steadily. Service business development It is therefore very important to do service business.

Objective

The purpose of this article is to synthesize a conceptual framework. It consists of various factors that affect the development of the service business to create a competitive advantage in the digital age.

Benefits

To get a conceptual framework for applying the service business development to create a competitive advantage this will affect the service business in the digital age.

How to conduct the study

This article is conducted by reviewing relevant literature, theories and research. To find factors affecting the development of the service business to create success in the digital age And synthetic as a conceptual framework along with a summary of the results In order to get a guideline for applying to the service business in the digital age.

Literature review

Competitive advantage refers to the ability to compete according to quality. Competition in businesses that operate in the same business category or similar. They have to compete in sales, both production and quality in order to be the business that dominates the market as much as possible. Generated by acquiring valuable resources (Norburn & Burley, 1994)

The importance of competitive advantage. It helps them to look for ways to effectively adapt to compete in the digital age. In ways that result in the best product quality In providing services to consumers at low cost Creating products and services of the highest quality In providing excellent customer service achieving lower costs than competitors Providing a more suitable location product design success in creating a competitive advantage The organization must strive to provide the best for the customer. From the customer's point of view or consumers see it as something that is worthwhile and is willing to pay whether in terms of product quality cheaper price (John Collins, 2003, p. 102)

The service business to gain a competitive advantage must come from the basics such as customer support: Adopting new ideas or what customers want to develop business all the time. It must support the needs of customers to make the most of them. At the same time, corresponds to customer needs first.

Factors affecting service business development to create a competitive advantage in the digital age.

Many scholars have the opinion that to be able to develop the service business to create a competitive advantage for success. There are factors to consider:

Product customization (Adaptive Design) refers to the process resulting from the study of application requirements. and then bring that requirement to study in order to design the feature and suitability that is consistent with the production process (Process) on the limitations of the appropriate raw materials and costs with the aim of responding to the use and creating demand for consumers. (Golestein, 1968, p.3) In this study, the implications of customizing products for

customers in this study refer to product designs that can be customized by the customer. Therefore, customize the product so that customers can mix and match by using a product component called "module" to be assembled by each person's concept. (Nayak, Chen, Simpson, 2002) In terms of use, it can be designed for customers to customize and use according to their needs. For example, kitchen utensils There is a container design that is both a pot. And the pan can depend on use by adding a handle to serve as a pan or pots as needed in many types of businesses such as furniture and kitchen utensils are designed in a way called. Modular Architecture. or sometimes called "Module Driver" (Jiao et al., 1998) uses a knowledge-based computer engineering principle. Used in product design It takes in to account product features in different dimensions, such as weight, assembly and deployment, an organization that has the ability to adjust products to suit their customers in a timely manner, known as the "Agile Production Organization", which requires the ability to quickly and easily. A combination of knowledge, human resource competencies and technology (Bart, 2008) Of the organization.

Having the ability to customize the product to suit the customer (Adaptive Design) That allows customers to customize according to their own needs It was a concept that Dell, the computer manufacturer, was as successful as it sounded great, and it was a strategy that was used to customize another product with the "Adaptive Design" character. It is a modular computer design. Dell will no longer build computers for sale at retail stores. Customers wishing to purchase a device from Dell must request it through an online order. That you want to use the machine in any way. The company will assemble parts to suit each customer used differently. This process in the "Business Model Canvas" model is to use the principle of providing products that provide the best value for customers in terms of quality and quantity. (Osterwalder, 2004) Customer support is the convenience of purchasing online and promoting collaboration with customers. As for the assistant to design products according to their own needs. In doing so, it requires the Company's ability to manage resources. That makes the price of the product less expensive than the competition. Based on a production partner (Bocken, Rana & Short, 2015).

Cooperation management with customers (Collaborative Management) refers to the development of the concept of customer-oriented (Customer Oriented) by wanting to meet the needs of the customer up to the internal level (Customer Insight). Customer demand and customer coproducer are proactive management, in the past, customer coproducer was passive management (Solveig Wikstrom, 1995. , p. 6-19). Because when the owner of the product is introduced, it will develop or design as the customer suggests. But the current management

Cooperation with customers (Collaborative Management) It is the duty of marketers to support and promote through all forms of communication, including the use of computer technology so that customers can help them design the products that they want. Agranoff & McGuire (2003, p.4). It has been defined that collaborative management with customers means "building a relationship between the company that owns the product and the customer with the aim of obtaining a message that expresses the need for product design to meet customer needs. Will lead to a feeling of satisfaction in the product/service Later when it receives the desired updates Looking at this issue in a marketing strategy.

The importance of management factors in cooperation with customers studying the importance of customer collaboration, Schierholz, Kolbe & Brenner (2007) scholars have discussed how important it is to manage collaboration with clients: Balancing corporate investments and customer needs there is something important

1. To increase sales of products and services of the company continuously for a period of time.
2. To create a positive attitude towards products or services and the company makes customers know how to use the products Can properly remember And have a good image for the company and its products or services in Long term.
3. To make customers loyal to a brand or service. If the company has products for sale multiple product lines Customers purchasing the Company's products in a particular product line are impressed by on the positive side, there will be a large opportunity for the company to successfully cross-selecting products.
4. To allow customers to recommend products or services to others. There was a word of mouth. (Words-of-Mouth) positively about a product which is more credible than the advertised claim.

From the concept of the customer cooperation management to be successful, it is important to There is a mix of business strategies. Coordination from both the mainline and the support line Including the use of technology and information systems Information in driving possible it To make action the fruition (Mohammed & Rashid, 2012)

Physical satisfaction (Physical Satisfaction) Marketing work starts with the knowledge of the physical satisfaction of the consumer the next step is to study the physical satisfaction of different consumers. These physical pleasures are not created by society or by marketers. In human physical satisfaction, which often differs according to demographic basis. And even with the same demographic each consumer is also different on individuality, with physical satisfaction based on Needs and Wants to meet the emotional needs that often go. Related to society of each person will have a relationship among themselves (Needs & Want Relation). This principle is based on Maslow's Hierarchy of Needs fundamental theory and then extends from necessity to fundamental factor to the factor of physical satisfaction (physical satisfaction) such as having a factor to enhance physical health. The body (Health) and the presence of factors to strengthen the intelligence is education (Education) and next to physical satisfaction (Demands) is the ability to respond (Demands), which depends on the ability and preference to purchase the product/service. (kullabs.com, 2020) These three areas of knowledge are Needs, Wants, and Demands. It is a very important factor within the consumer in marketing. This is to support marketers in deciding to produce products. To deliver in order to respond to customers according to goals and create competitiveness in the market. The view of "necessity" on the body, also known as physical, in consumer psychology. It describes the term "necessity" as the difference between what is expected or expected and the existence of an individual. So the person tries to find a solution. To obtain the expected factors in response to their own needs, for the benefit or to complement the missing parts to be completed. In this regard, in order to assess the necessity Also needs to be assessed (Devin W.Trainor, 2014).

Competitive advantages The meaning is strategies to create competitive advantages. In ways that result in the best product quality to provide services to consumers at a lower cost than competitors. There is a better suitable location. Or any other that can be compared to competitors There must be a difference in three areas: a low-cost leadership strategy. Differentiation strategies (Differentiation strategy) and market focus strategy. Or only part (Focus or niche strategy), Dunn, Norburn & Burley (1994, p.131-141) define a competitive advantage. Abilities resulting from obtaining valuable resources with such a high performance innovation ability. The exclusivity itself is different from others. Cannot be imitated It is a business strategy based on a competitive advantage. When does the business have a competitive advantage? Will be able to compete with competitors and retain customers There are many ways to gain a competitive advantage, such as creating products and services of the highest quality. In providing excellent customer service Achieving lower costs than competitors Providing a more suitable location It's better to design branded products and services here. For the value Finances paid by the buyer Success in creating a competitive advantage The organization must strive to provide the best for the customer. From the customer's point of view or consumers see it as something that is worthwhile and is willing to pay Whether in terms of product quality Cheaper price. (John Collins, 2003, p. 102)

The conceptual framework gained from the study.

From the sequence of steps, the relationship of the elements affecting the service business development is shown in the above order. The results can be synthesized as a conceptual framework for the development of service businesses to create competitive advantages for success in the digital age, as shown in Figure 1.

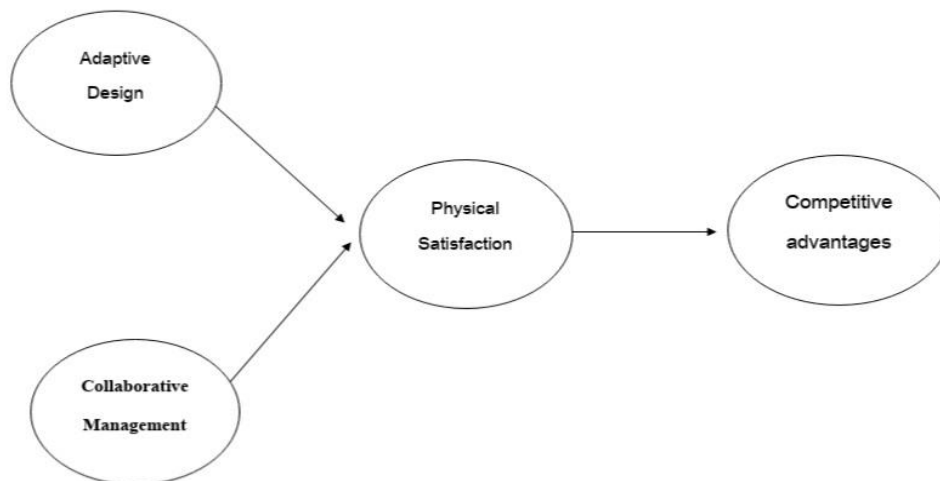


Figure 1 Conceptual framework of service business development to create a competitive advantage in the digital age.

Source: from literature review Related theories and synthetic as a conceptual framework.

From the conceptual framework of service business development to create competitive advantages above, it shows that Factors that are important to the development of the service business to gain a competitive advantage are Adaptive Design Collaborative Management and Physical Satisfaction, so businesses should take these factors into consideration. To be able to aim at creating a competitive advantage in the digital age.

Sum up.

Applying the concept of service business development to create competitive advantages to develop the service business to happen It must include an important factor, Adaptive Design Collaborative Management and Physical Satisfaction. On the part of support by achieving physical satisfaction. Another important issue for marketers to focus on is success in the digital age. Especially in the event that the product cannot show its identity. Making the product not much different. Competitive advantages can therefore make a difference in the perception of consumers. For the reason that there are many competitors and the ability of manufacturing technology results in the appearance of physical products that can be similar or identical (Epstein, 2007; Varian, 2006). Hence, making a physical difference (Product Differentiable) for a product is difficult. The fact that products can be easily imitated This makes creating an identity and intangible difference a problem. Therefore, the approach developed later is Emotional creation of product identity for customers such as Perceived Value, Brand Awareness and Brand Recognition (Fader & Hardie, 2007; Epstein & Yuthas). 2007) in order for customers/consumers to keep these things in mind, which becomes that brand-buying behavior.

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