



Snapshot on Research into Internationalisation of Services

Ganz, Walter; Zähringer, Daniel

Fraunhofer Institute for Industrial Engineering, Stuttgart

Institute for Human Factors and Technology Management of the University of Stuttgart

Stuttgart, March, 14th, 2007

www.iao.fraunhofer.de

Project information

- The survey was conducted within the framework of the project »Services Made in Germany« by the Fraunhofer Institute for Industrial Engineering IAO.
- The project is funded by the German Federal Ministry of Education and Research (BMBF) under the subsidy ID 01HQ0529.
- For more information about the research project, please refer to the Internet address <http://www.services-made-in-germany.de/>
- This publication including all its parts is protected by copyright.



Bundesministerium
für Bildung
und Forschung

Contents

- Management summary Sheet 4
- Design of the study Sheet 5
- Significance of the research topic
»Internationalisation of Services« Sheet 7
- Scientific cognitive interest in the
internationalisation of services Sheet 9
- Selected subject areas in the
internationalisation of services Sheet 18
- Service industries in research on the
internationalisation of services Sheet 30
- Success factors in the internationalisation of services Sheet 35
- Emerging topics in research on the
internationalisation of services Sheet 39
- Summary Sheet 44

Management summary

- The results summarise the subjective assessments of the services research experts interviewed.
- The field of research of internationalisation of services is attached a high importance among the participating experts.
- Socio-cultural aspects and the effects of internationalisation on global service organisations are core subject areas in research on the internationalisation of services in the opinion of the persons interviewed.
- The systematic development and adaption of services to international markets are emerging topics for the majority of the participants.
- Apart from in-depth research on individual aspects of the internationalisation of services, a special challenge lies in the integration and consolidation of the work to obtain a holistic services perspective.

Services Made in Germany

Snapshot on research into internationalisation of services

■ Objective:

Assessment of the current state of research and

evaluation of the relevance of research issues for the internationalisation of services

■ Target group:

A panel of more than 100 international service-research experts

30 renowned service-research experts as participants

■ Method:

Online questionnaire about the following subject areas:

- Research objects
- Research topics on the internationalisation of services
- Service industries
- Success factors
- Emerging topics

index

You can log in on the questionnaire using the login name and password :

Responses are not anonymous. The results will summarize the response identifying information will be stripped of before publication.

The questionnaire consists of six sections. The first section asks you to academic research on the internationalization of services (3 questions). 5 (11 questions) are concerned with research goals and topic areas of internationalization. detail (16 questions) and fact minutes to answer

If you have any further questions, please contact us by phone +49 (0) 711 809-1234

page start 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 finish

Guided questions - Research on the internationalization of services

How would you rate research intensity in the following areas in the past? Where do you see a need for action in the future?

Research on the management of multinational service companies (holistic view on being international)

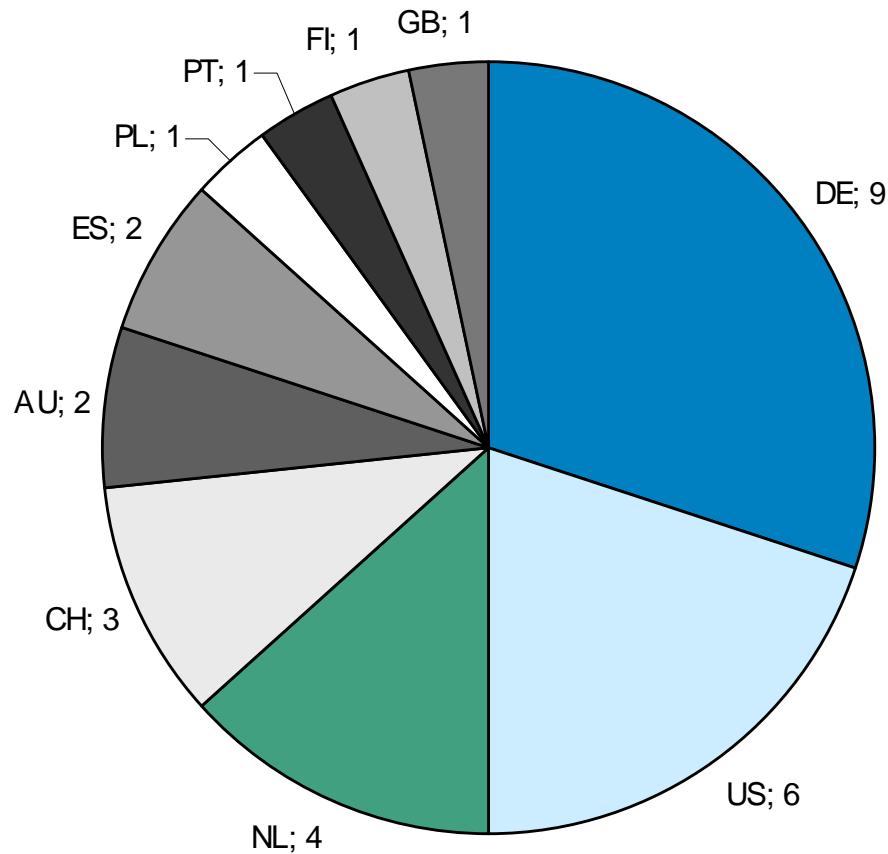
	low				high	reset
Research intensity (in the past)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Need for action (in the future)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Research on metrics adequate for the problem and their efficient adaptation to the framework conditions prevailing in different countries service markets (atomistic view on going international)

	low				high	reset
Research intensity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Participants by nations



- The majority of researchers participating in the survey are from European countries. One fifth of the participants are from the United States of America.
- The results reflect an assessment of Western services researchers. An assessment on the internationalisation of services by Asian and Oceanic service-sector experts is not included in the study.

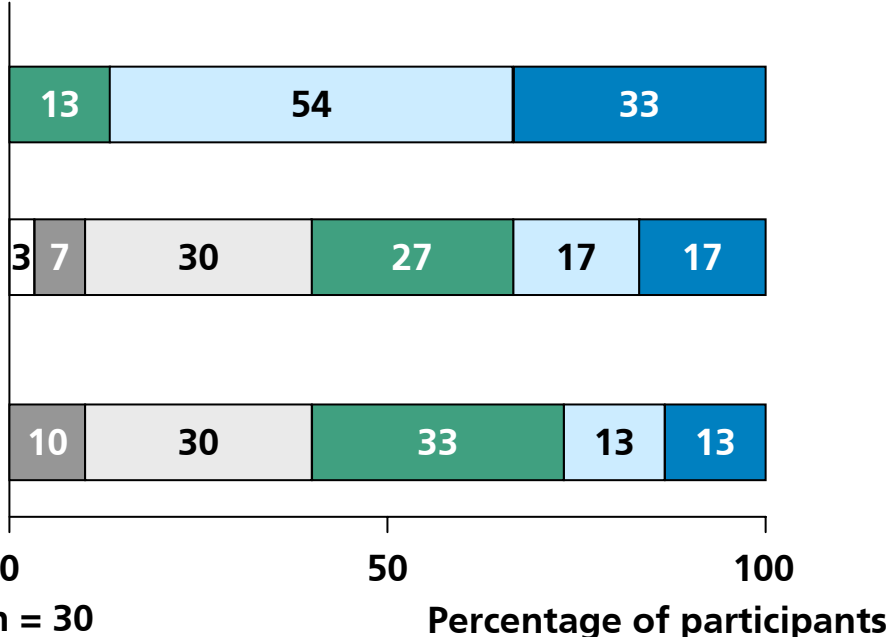
Importance of the research topic »internationalisation of services«

How important was the internationalisation of services in the last 5 years ...

... in general

... for the research institute you represent

How intensively have your research institute and you personally worked on the research topic



Totals greater or less than 100 percent are due to rounding of single values.

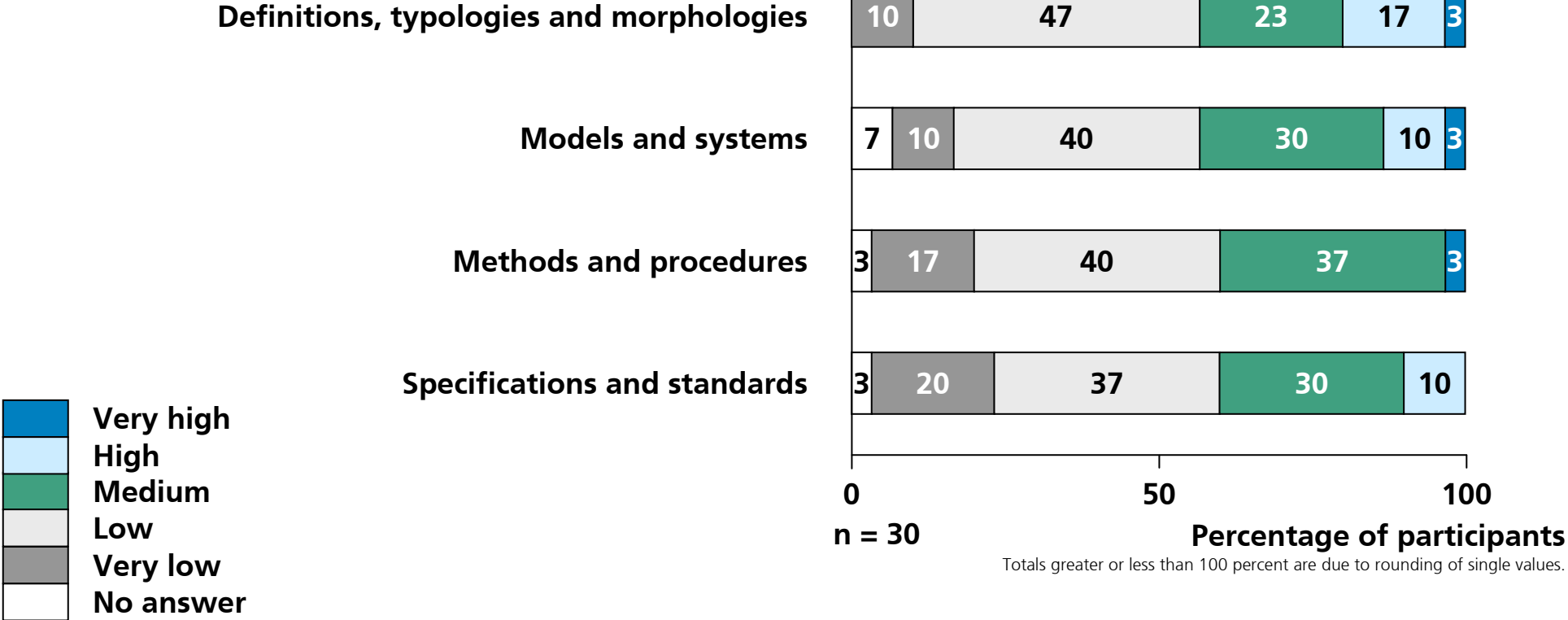
- Very high
- High
- Medium
- Low
- Very low
- No answer

Intensification of the research activities on the internationalisation of services

- About four fifth of the researchers interviewed rated the issue of internationalisation of services as »important« or »very important«. However, only one third of the participants rated the subject as having a »high« or »very high« importance for their own work and/or for the work of the research institute represented by the participant.
- In Germany, the project »Exportability and Internationalisation of Services« provides good conditions such that an above average number of the German researchers are dedicated to the issue.
- New themes and the further development of existing issues are indicative of an additional need for research.

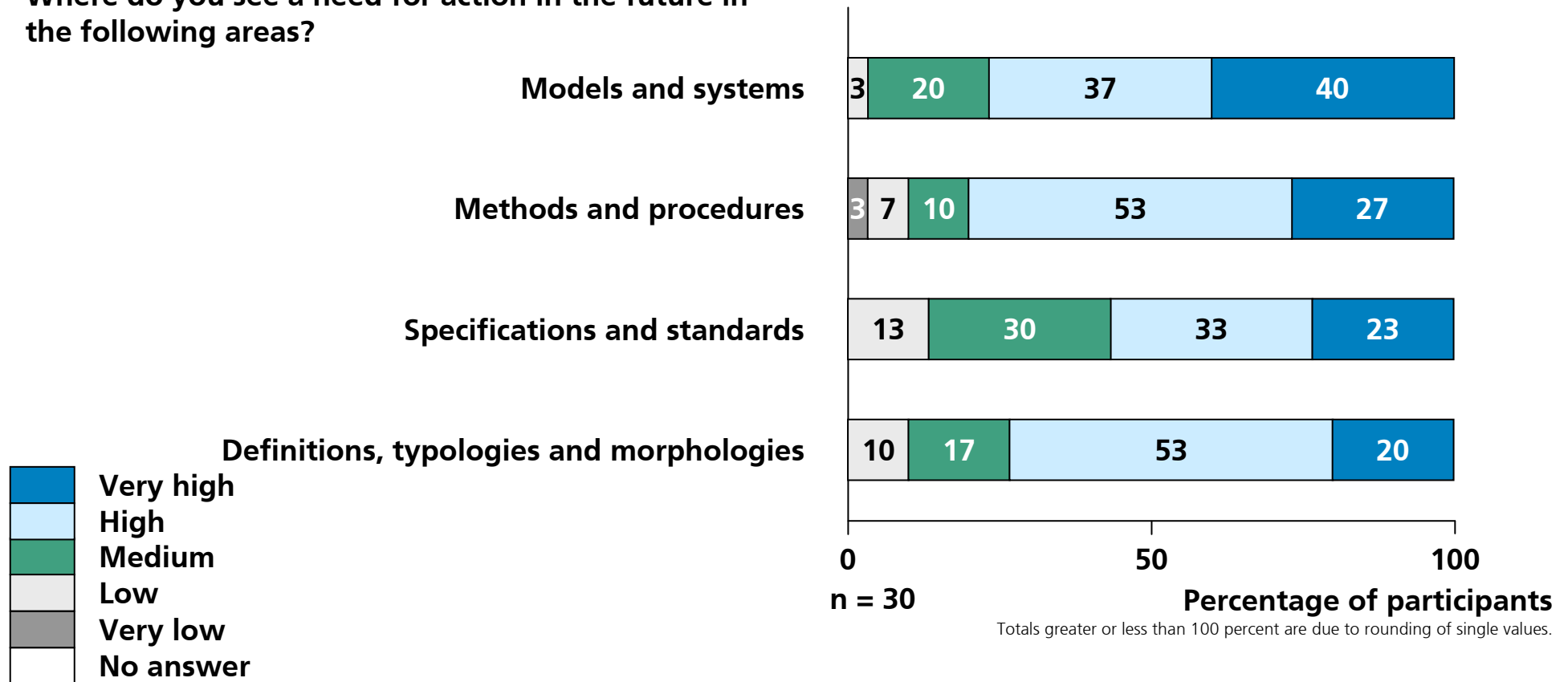
Focus of the scientific cognitive interest of the research work in the past

How would you rate research intensity in the following areas in the past?



Focus of scientific cognitive interest of future work

Where do you see a need for action in the future in the following areas?



Change in the focus of scientific cognitive interest between past and future

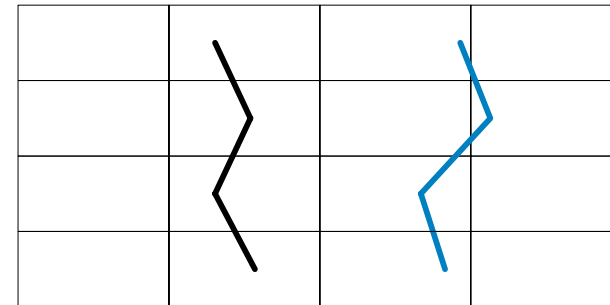
Methods and procedures

Models and systems

Specifications and standards

Definitions, typologies and morphologies

very low 1 2 3 4 5 very high



Average values of the ratings on research intensity in the past

Average values of the ratings on research intensity in the future

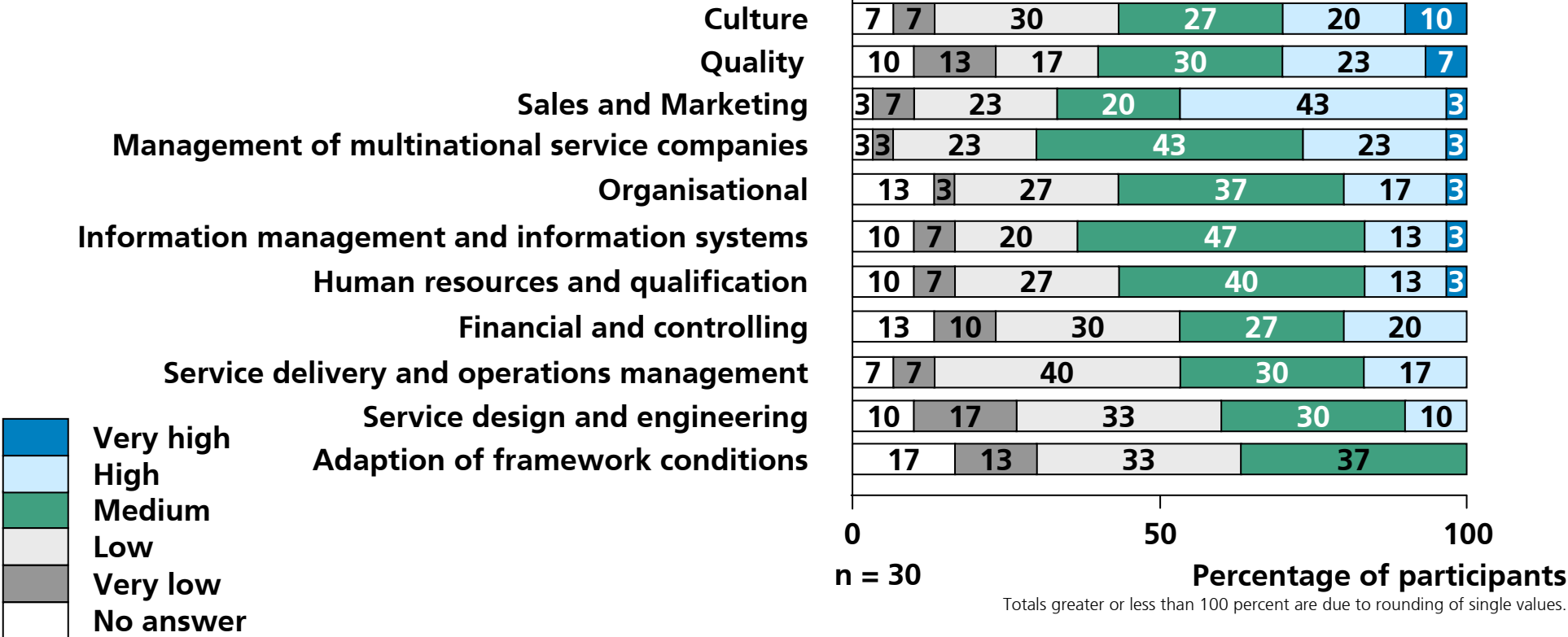
- In order to be able to reflect the change between the assessments for the past and those for the future, the answers were assigned the numerical equivalents from 1 for »very low« to 5 for »very high«. The corresponding average values are calculated on the basis of interval scale level.
- The »No answer« category has not been considered in determining the average values.

Models and systems on cause/effect relationships will be at the core of the future research activities

- So far, the description and systematisation of the phenomena associated with the internationalisation of services was in the focus of research. In future, the researchers interviewed rather tend to attach importance to models and systems for analysing and describing cause/effect relationships in the internationalisation of services.
- A significant increase of importance is noticeable across all objectives of cognition. This fact emphasises that the researchers interviewed will attach a higher importance to the issue of »internationalisation of services« in the future. The most significant increase in importance is evident for the development of methods and procedures for the internationalisation of services.

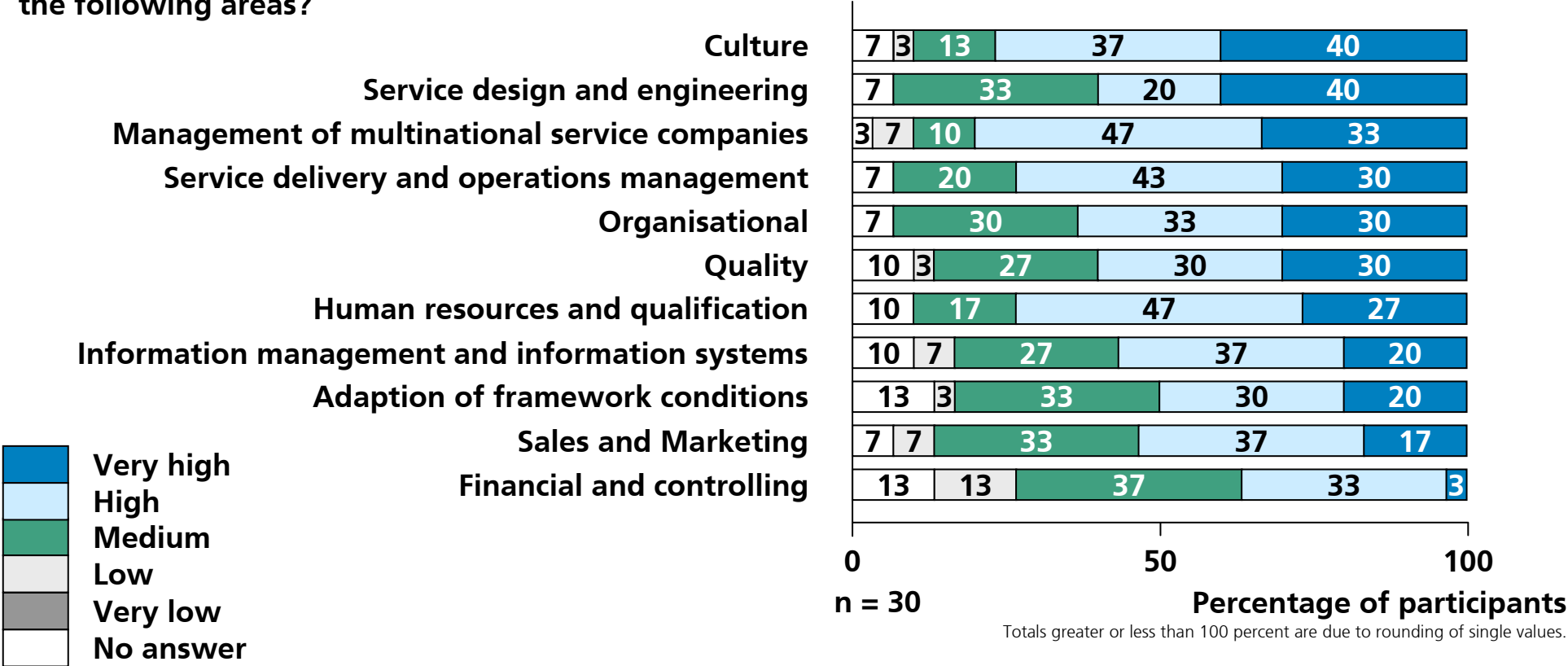
Assessment of the focus of the scientific cognitive object in the past

How would you rate research intensity in the following areas in the past?



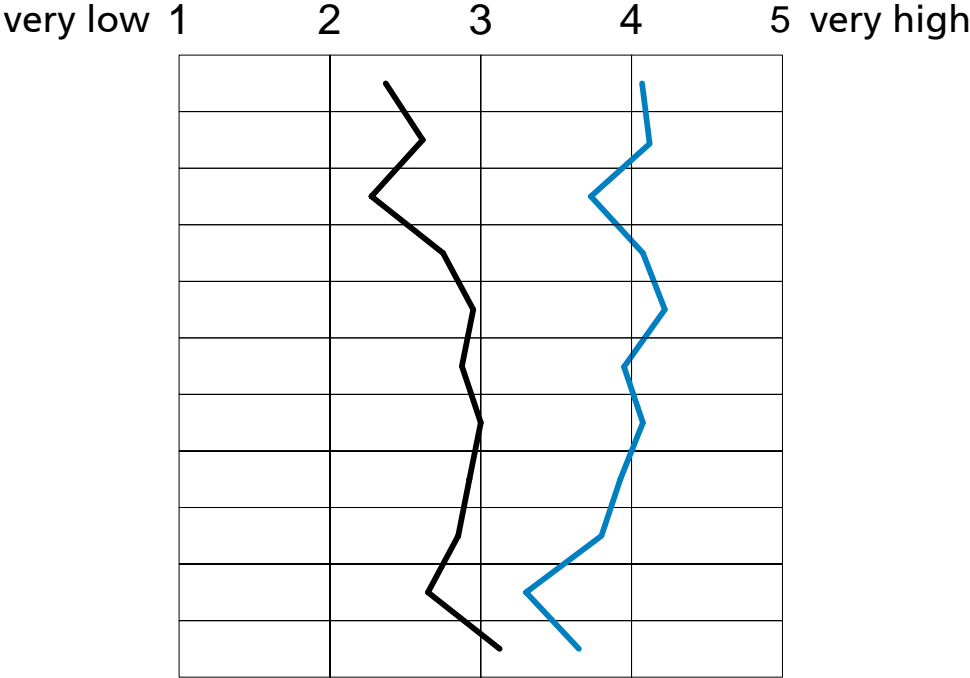
Assessment of the focus of the scientific cognitive object of future work

Where do you see a need for action in the future in the following areas?



Change in the assessments on the focus of the scientific cognitive object

- Service design and engineering
- Service delivery and operations management
- Adaption of framework conditions
- Human resources and qualifications
- Culture
- Organisational
- Management of multinational service companies
- Quality
- Information management and systems
- Financial and controlling
- Sales and marketing



Average values of the ratings on research intensity in the past ———

Average values of the ratings on research intensity in the future ———

Culture has been and will continue to be at the focus of research on internationalisation of services

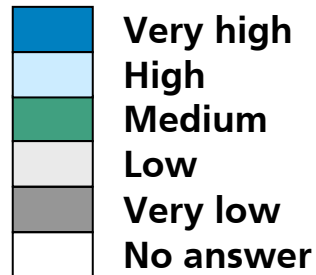
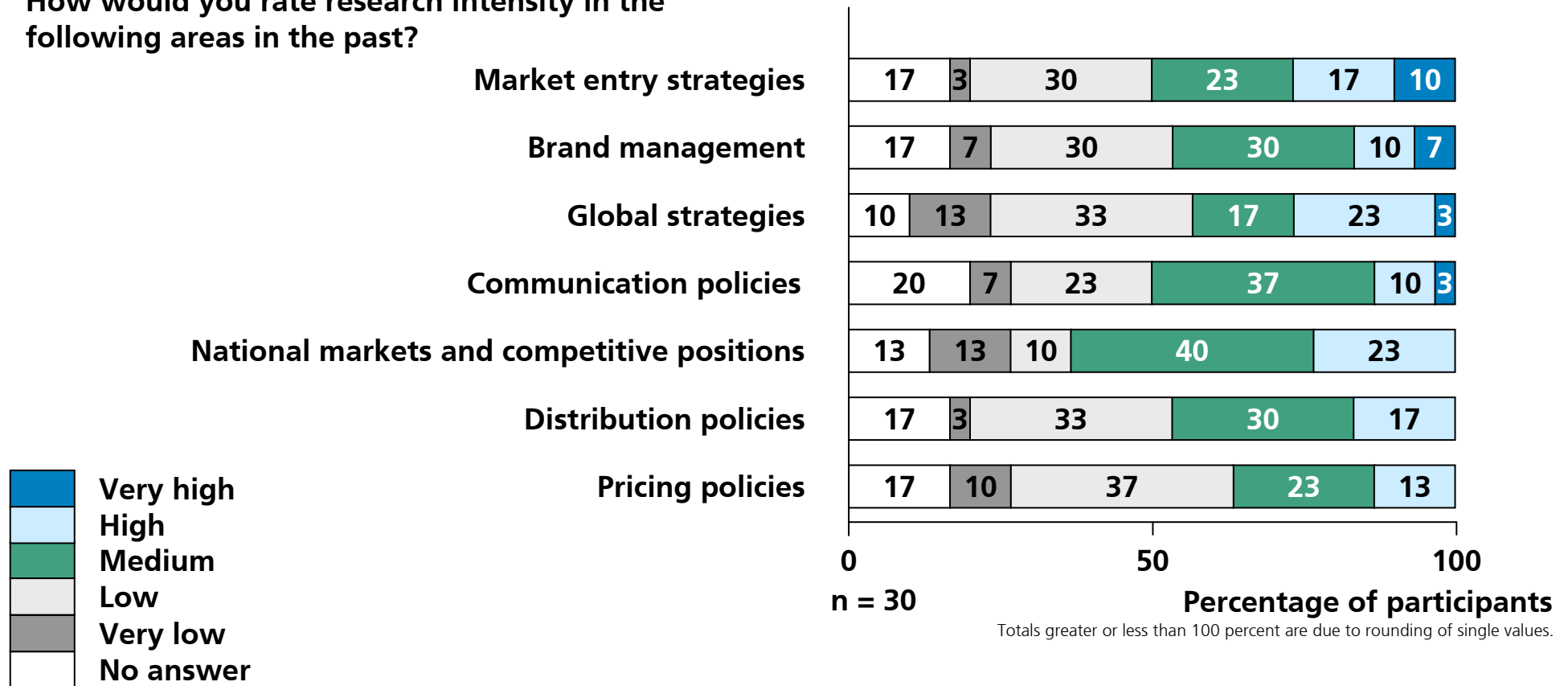
- While culture, quality and marketing have dominated the research activities to date, the researchers interviewed see the future focus on the systematic development of services and the control of multi-national service enterprises - in addition to socio-cultural aspects.
- Since services by definition always involve human beings – employees and customers – socio-cultural aspects have hitherto had a high importance. In the opinion of the researchers interviewed, the present research activities should be intensified.
- According to the participants' view, a holistic and systematic approach for the development and control of international services and service organisations will complement the research on internationalisation of services that has previously been characterised by specialised disciplines such as sales and marketing.

Approaches for service design and engineering experience with the greatest increase in importance

- The greatest increase from the ratings for the assessment of the importance of the research topics in the past to the ratings of the future importance is found in the subjects of »service design and engineering«, »service delivery and operations management« and »adaptation of framework conditions«.
- Services involve big challenges for finance and controlling particularly in business practice. The researchers interviewed had assessed the past and present research activities on financial economy and controlling-specific issues as rather low. The majority of the researchers interviewed see only a low need also in the future. It must be anticipated that the cognitive interest of business practice and science drift apart. One service expert mentioned controlling as an emerging topic.

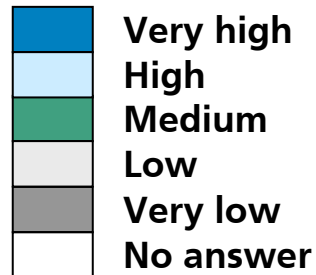
Research intensity in the following subject areas in the past

How would you rate research intensity in the following areas in the past?



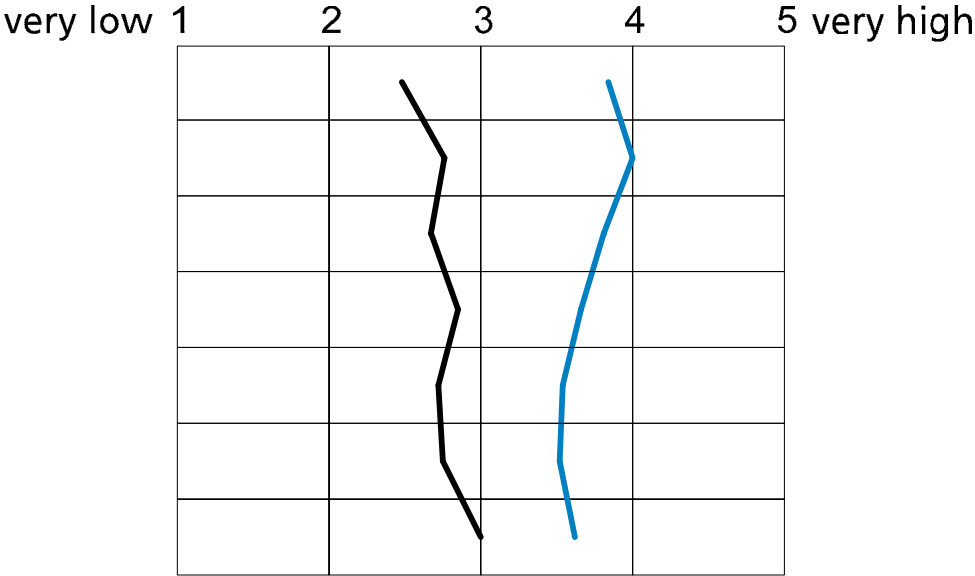
Research intensity in the following subject areas in the future

Where do you see a need for action in the future in the following areas?



Change in the assessments of the importance of the subject areas between past and future

- Pricing Policies
- Brand management
- Global strategies
- National markets and competitive positions
- Distribution policies
- Communication Policies
- Market entry strategies



Average values of the ratings on research intensity in the past ———

Average values of the ratings on research intensity in the future ———

Brand management and pricing policies are subject areas with a high increase in importance

- In the participants' view, the subject area of market entry strategy has been at the core of research so far in addition to brand management and global strategies. In the future, issues on national markets and country-specific competitive positions will enter into the focus along with the fields of research of brand management and global strategies.
- All of the subject areas listed on the sheets 18, 19 and 20 are attached an increase in importance by the participants. The researchers interviewed attached the highest increase in importance to the subject areas of »pricing policies« and »brand management«.

Research intensity in the following subject areas in the past

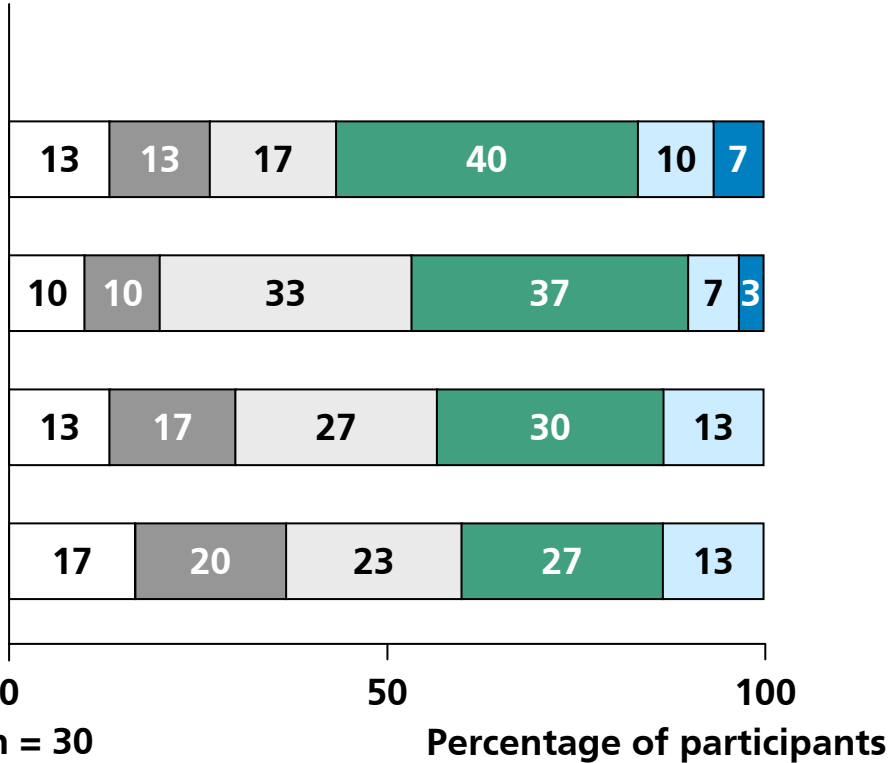
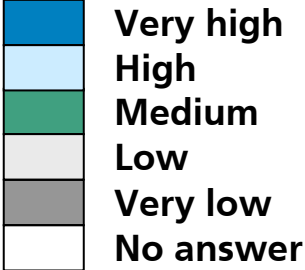
How would you rate research intensity in the following areas in the past?

Peak / off-peak times and workforce

Planning and the required extensions of forecasting

Decentralisation and centralisation

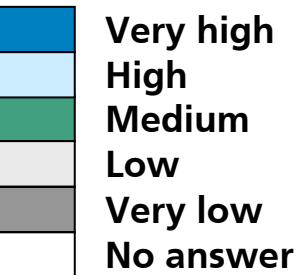
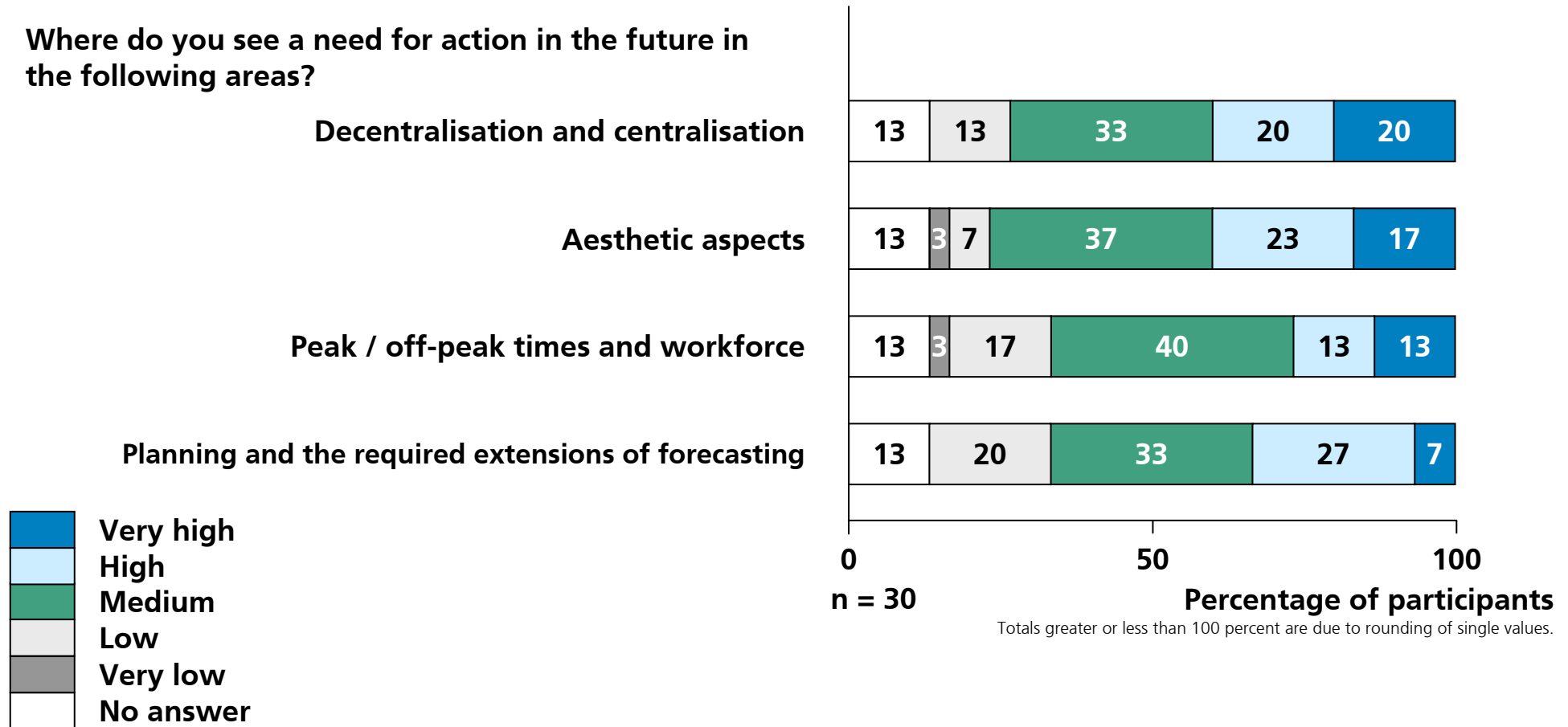
Aesthetic aspects



Totals greater or less than 100 percent are due to rounding of single values.

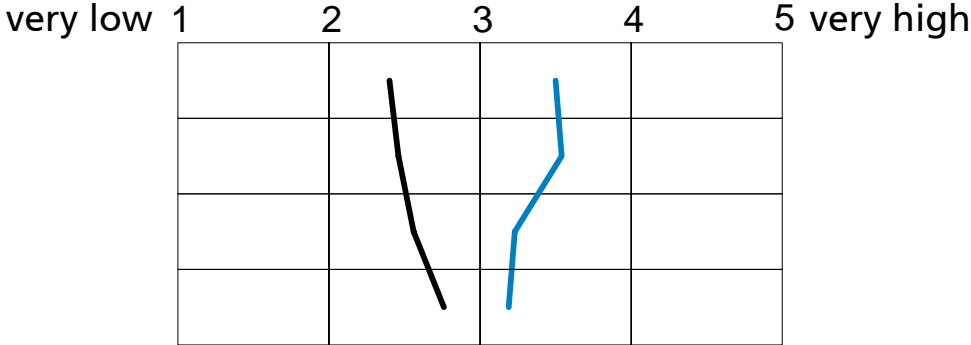
Research intensity in the following subject areas in the future

Where do you see a need for action in the future in the following areas?



Change in the assessments of the importance of the subject areas between past and future

- Aesthetic aspects
- Decentralization and centralization
- Planing and the required extensions of forecasting
- Peak / off-peak times and workforce



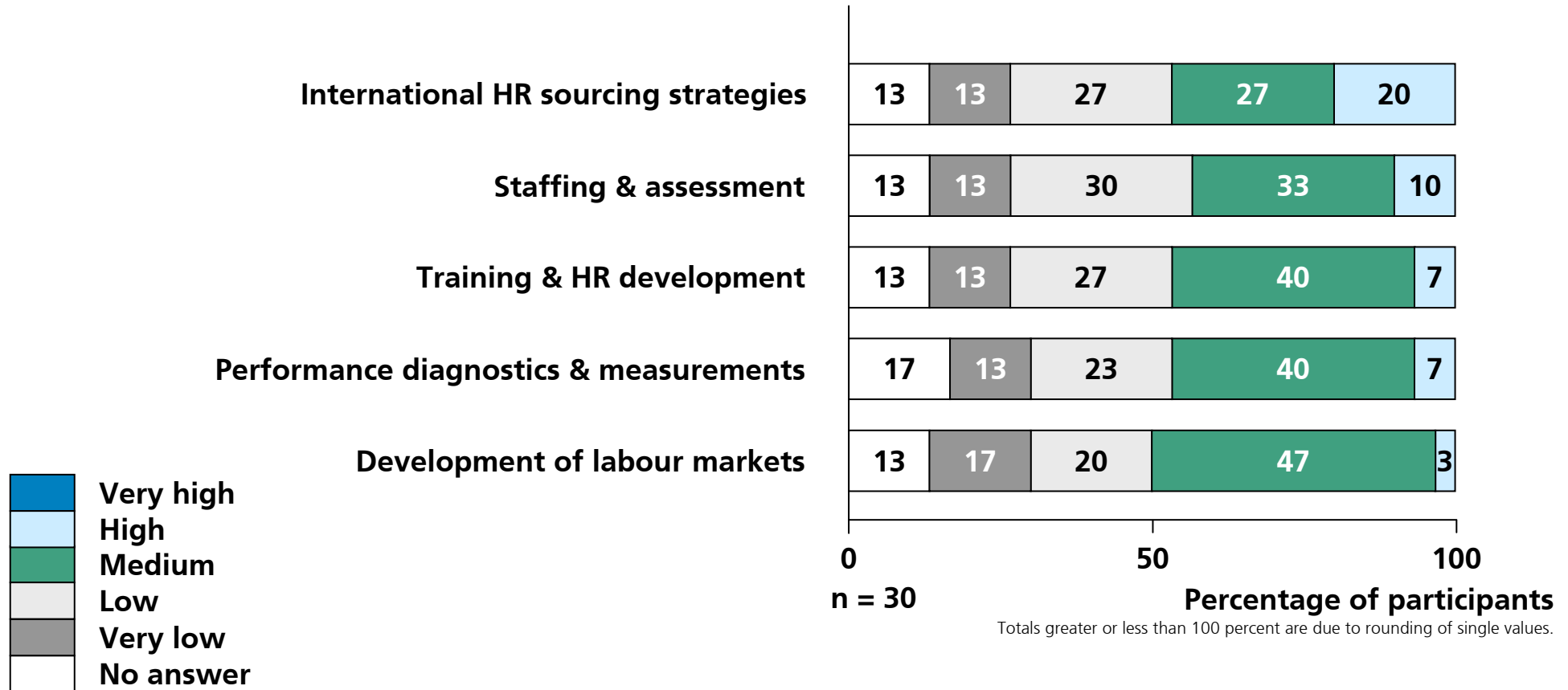
Average values of the ratings on research intensity in the past

Average values of the ratings on research intensity in the future

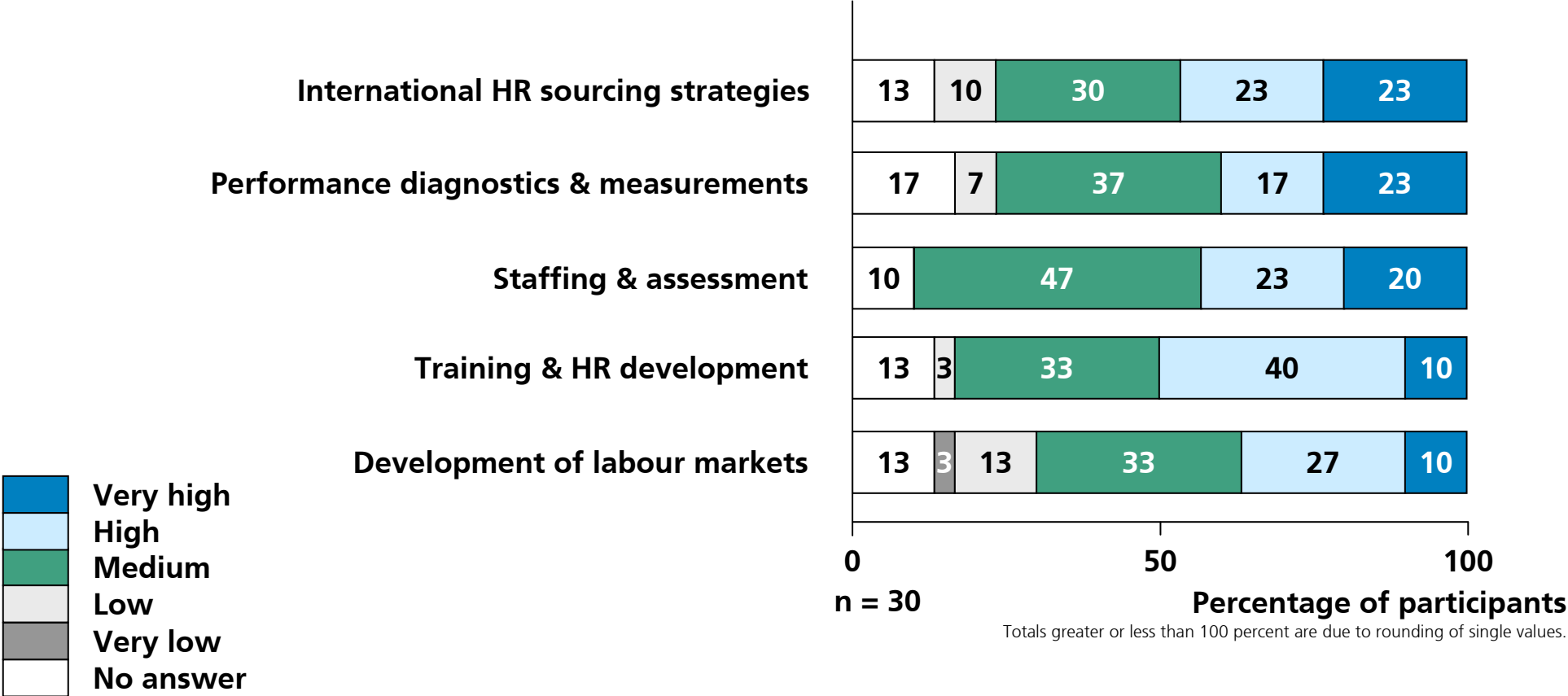
Organisational issues on centralisation or decentralisation and aesthetic aspects as emerging topics

- While capacity planning and coordination instruments have tended to be at the focus of the research activities in the opinion of the participants, the future research interest will rather turn towards organisational issues of centralisation or decentralisation as well as aesthetic aspects.
- Among the subject areas listed on the sheets 22 to 24, the fields of research »aesthetic aspects« and »decentralisation and centralisation« show the highest increase in importance.

Research intensity in the following subject areas in the past

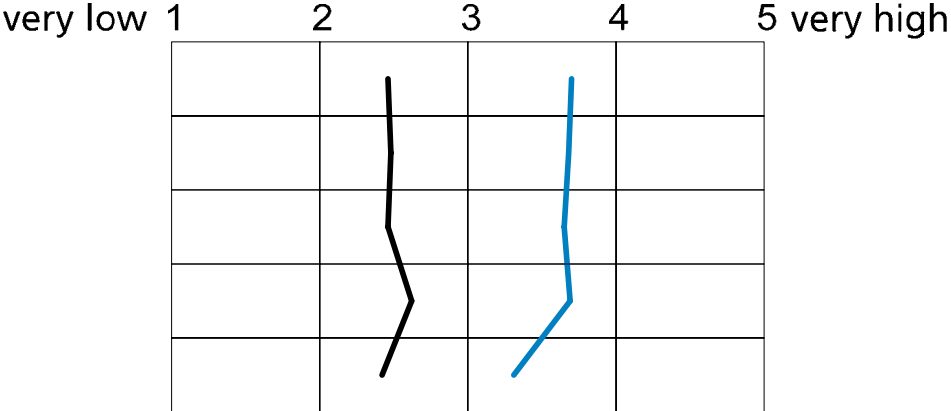


Research intensity in the following subject areas in the future



Change in the assessments of the importance of the subject areas between past and future

- Staffing & assessment
- Performance diagnostics and measurement
- Training & HR development
- International HR sourcing strategies
- Development of labor markets



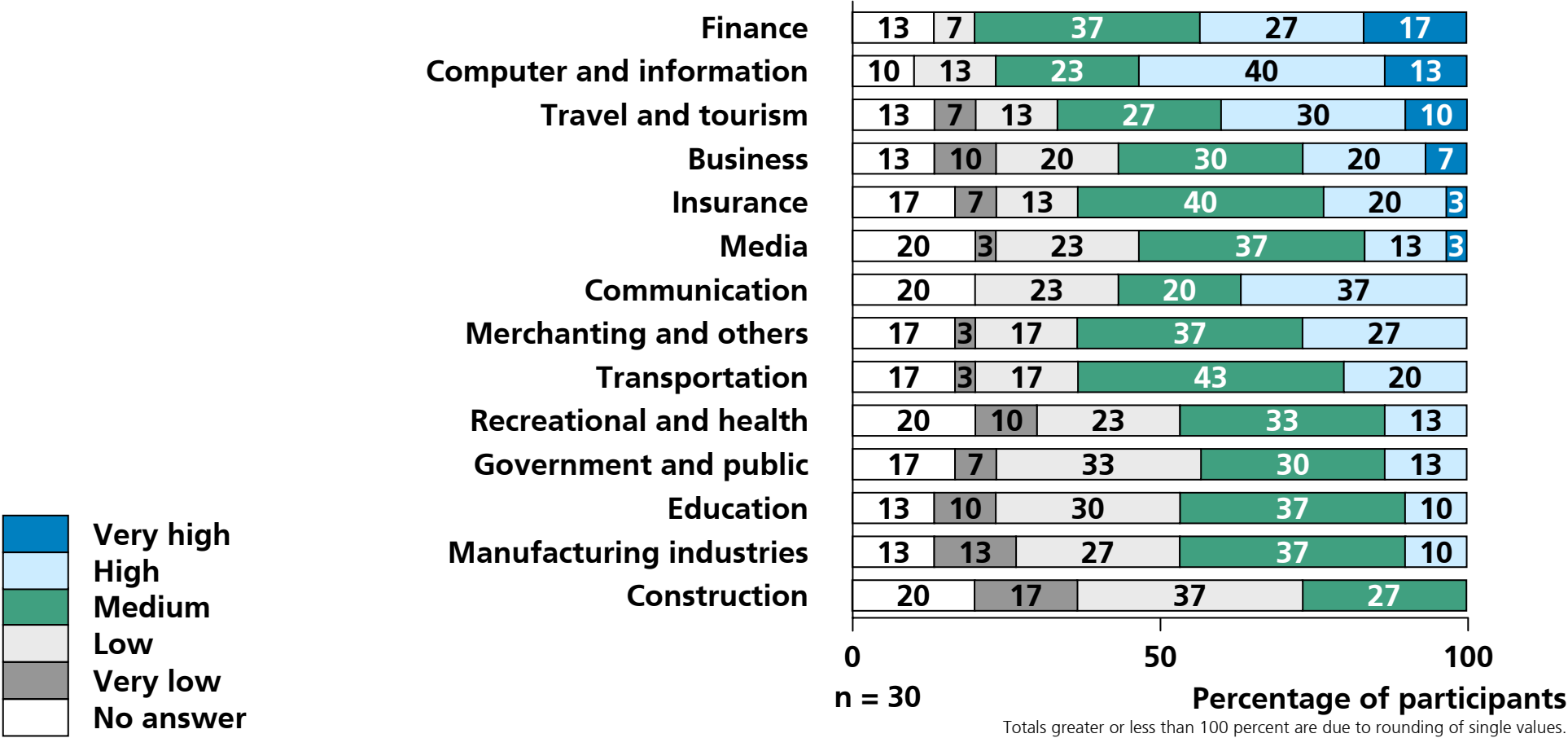
Average values of the ratings on research intensity in the past

Average values of the ratings on research intensity in the future

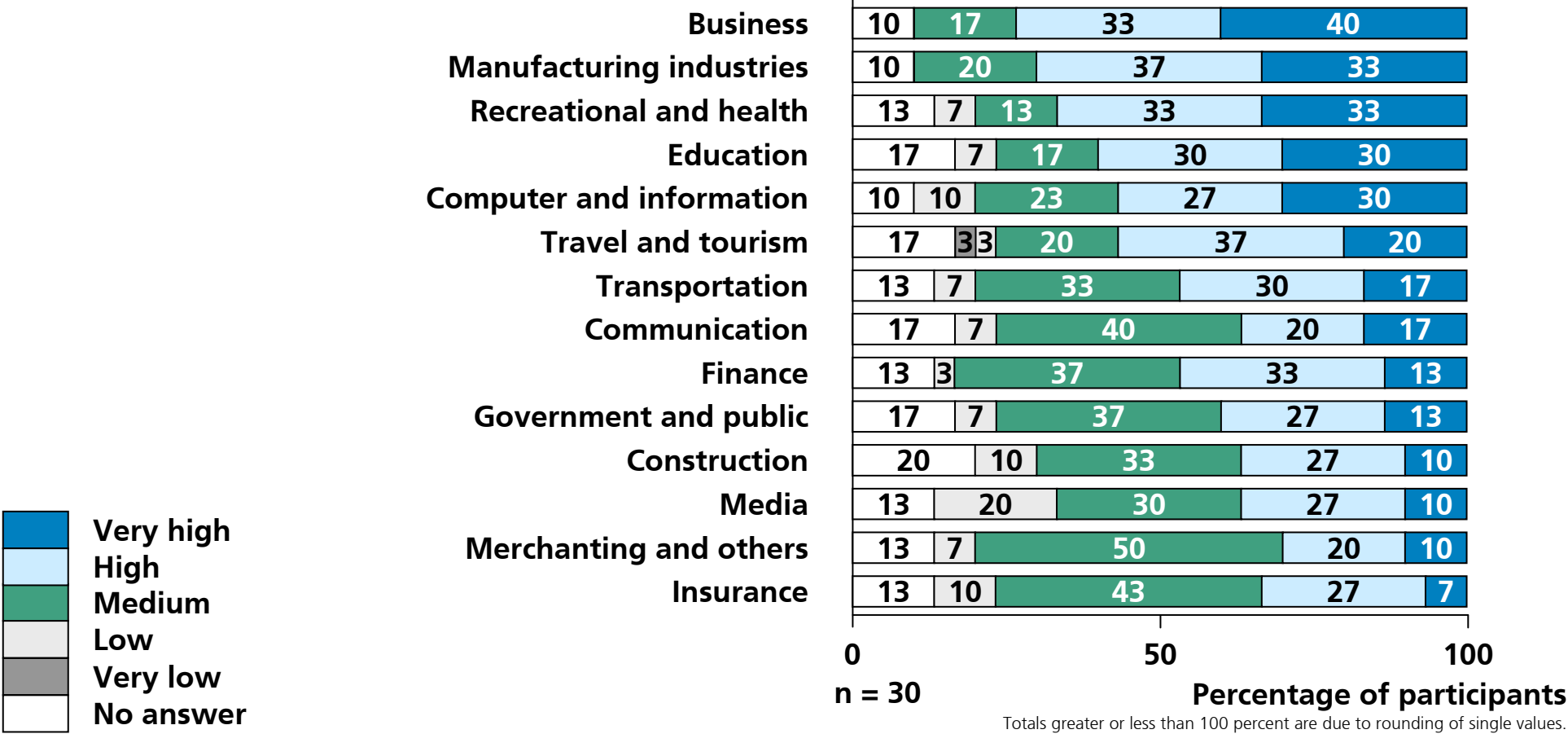
»International HR sourcing strategies« as an important subject of research on the internationalisation of services

- In the participants' view, issues on human resource management in the internationalisation of services has received relatively little consideration in research in the past. In the future, the interest in research will rise in all of the subject areas mentioned on the sheets 26 to 28.
- The researchers interviewed rated the subject area of »International HR sourcing strategies« as the most important one for both past and future. When comparing the past importance of the subjects of research mentioned on the sheets 26 to 28 with the future importance, the issue of »staffing & assessment« shows the highest increase in importance.

How would you rate research intensity in the following areas in the past in relation to each service industry?

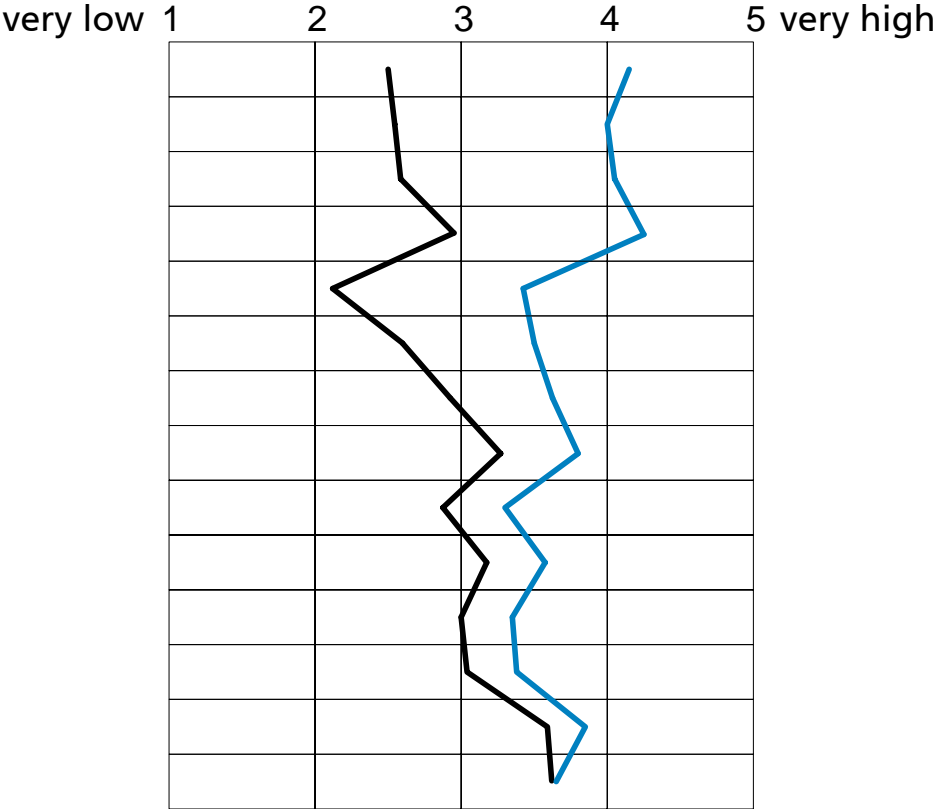


In which service industries do you see a need for action in the future?



Change in the assessments of the importance of the service industries between past and future

- Manufacturing Industries
- Education
- Recreational and health
- Business
- Construction
- Government and public
- Transportation
- Travel and tourist
- Media
- Communication
- Insurance
- Merchanting and others
- Computer and information
- Finances



Average values of the ratings on research intensity in the past —

Average values of the ratings on research intensity in the future —

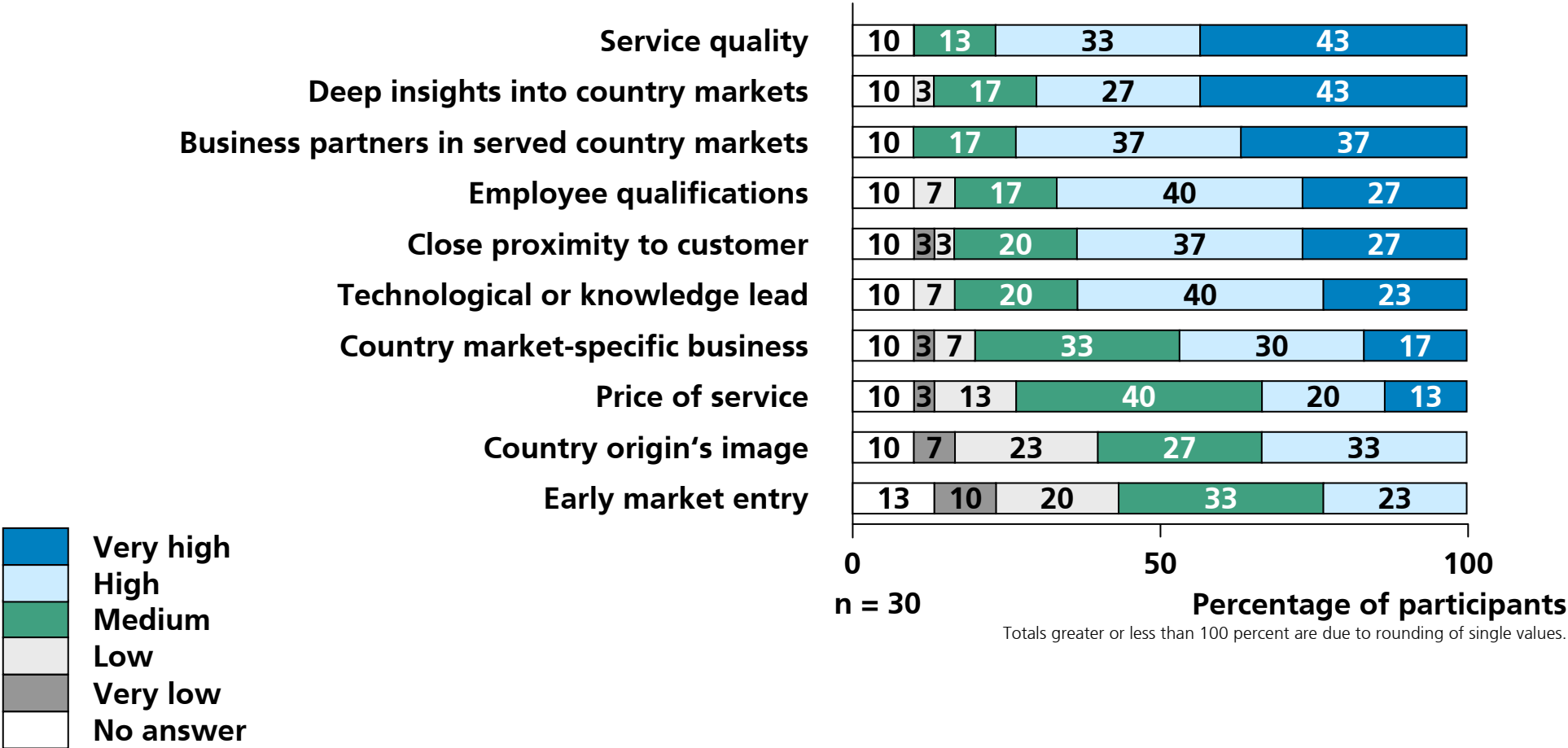
Business-to-consumer services tended to be in the focus of the research activities in the past

- In the opinion of the scientists interviewed, the subject of internationalisation of services had a high importance in research in the service industries of finance, computer and information technology as well as travel and tourism in the past.
- The research intensity for business services such as legal consulting, auditing, commercial consulting, advertising, market research, architecture and engineering services, etc. in the past 5 years was rated rank 4 by the participants.
- According to the participants' view, the construction and product support services industries had only a minor importance in research. Furthermore, it is remarkable that the past research intensity in education and health services is assessed rather low.

Extension of research activities on business-to-consumer services with research on business-to-business services

- According to the persons interviewed, one of the fields with the highest discrepancy between past research activities and future need for research is the field of manufacturing industry services.
- In addition to the manufacturing industry services, the research on the internationalisation of services reaches a high increase in importance in the industries of education and recreation & health as well as business services.
- Moreover, the interest of the participating service-sector experts in research on the internationalisation of services shows an above average growth in the construction service industry. Nevertheless the absolute interest in research on the construction service industry is still low.

How important are the following factors for the successful internationalisation or export of services?



Evaluation of generally relevant factors for success in the internationalisation of services

- The factors for success mentioned on the previous sheet were identified in a survey among 4,400 German enterprises¹. More than half of the enterprises participating in the survey are assigned to the producing sector. One fourth of the participating enterprises pertain to the retail and wholesale trade, another 15 percent are service enterprises offering business related services.
- Accordingly, the success factors for internationalisation mentioned give an impression of the success factors relevant in the business practice. In our survey, the service-sector experts had been asked to assess and complement the significance of the general success factors for the internationalisation of services.

¹) Lau, Alexander, Zywieth, Tassilo, Faix, Werner G. and Schulten, Annette (2005): Going International. Berlin: Deutscher Industrie- und Handelskammertag DIHK, 2005.

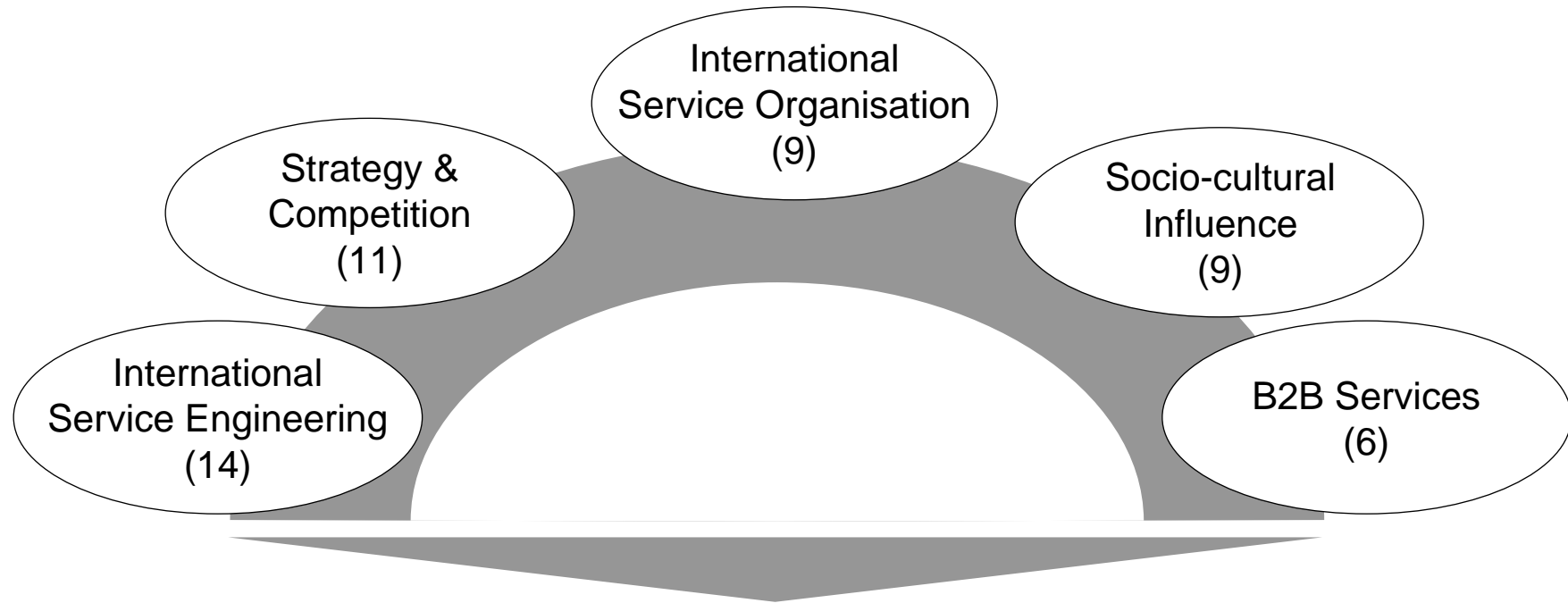
General success factors for internationalisation are also relevant for services to a similar extent

- The rankings of the success factors from the business practice study and the present survey among experts of services research highlight the quality of the service as the prime factor for success.
- Apart from the quality, »deep insights into country markets« and »business partners in served country markets« are some of the major factors for success in internationalisation. Nevertheless the success factor »business partner« was ranked behind the success factor »sound knowledge of the market« for the internationalisation of services.

Supplementary success factors for the internationalisation of services

- Other success factors mentioned by the service-sector experts encompass numerous aspects ranging from strategic to operative factors.
- The success factors mentioned were structured according to four groups. The numbers in parentheses indicate the number of success factors assigned:
 - »Systematic design of the service offering« (11)
 - »Competition and strategy« (6)
 - »Organisation and management« (6)
 - »Service brand« (3)
- Considering the independently expressed success factors, the scientists interviewed highlight the high contribution of systematic service design to success in the internationalisation of services.

Groups of future fields of research on internationalisation of services



Future topics of research in the internationalisation of services mentioned by the researchers interviewed

In parentheses, the number of single mentions within each group

Future fields of research on the internationalisation of services

- The fields of research mentioned reflect the spectrum of issues in the internationalisation of services. The diversity of mentions reflects the bandwidth of expertise addressed in the survey.
- The individual mentions can be summarised in the five fields of research of »International Service Engineering«, »Competition & Strategy«, »International Service Organisation«, »Socio-cultural Influence« and »B2B Services«.

Aspects for the systematic design of international services and specific internationalisation strategies for services are emerging topics

- The search for links between innovation and internationalisation as well as the digitisation, the standardisation and technological influences are selected single mentions that were assigned to the group of »International Service Engineering« in terms of the systematic new and further development of international services.
- According to the participants' mentions, there is a field of research in service-specific strategies to cope adequately with the opportunities and risks associated with the internationalisation of services. For example, the participants mentioned the research into “business models for the internationalisation of services” or “global sourcing strategies” as emerging fields of research.

Socio-cultural influence has been and will continue to be a core field of research in the internationalisation of services

- The topics summarised in this group of »socio-cultural influence« address an understanding of the socio-cultural influence with respect to single service products, service management and service organisations. The frequent mentions of culture-related subjects by the services researchers emphasise the high importance of this issue in the internationalisation of services.

The organisation of international service enterprises is another future field of research

- The »International Service Organisation« group comprises mentions on subject areas such as organisational structures and global governance as well as the structures of the social networks in international service organisations. Subjects of research such as the culture of learning and knowledge management in social networks or new R&D models might reinforce the innovative strength of international service enterprises.
- Again, the mention of manufacturing industry services and other professional services as emerging topics highlights the growing importance of research work in B2B service industries to complement the work done in B2C service industries.

Summary (I/III)

- The study reflects the aggregated subjective assessments of the participating service-sector experts. The results should not be considered as statements but - because of the explorative character of the study - rather as a stimulus for further discussion.
- The majority of the service experts interviewed rate the subject of research »Internationalisation of Services« as either important or very important. The subject area should be integrated according to its significance as an inherent part into the research activities of services science.

Summary (II/III)

- Research into the internationalisation of services has already reached a substantial degree of maturity. This assumption supports the participants' assessment in view of the fact that until now rather work on the description and systematisation of phenomena associated with the internationalisation of services had been undertaken. In the opinion of the participants, the importance of studies on the recognition of cause/effect relationships will increase in the future in order to be able to derive recommendations for action.

Summary (III/III)

- Service business is people business. It is therefore hardly surprising that especially issues on socio-cultural aspects take a prominent position in the research on the internationalisation of services. Furthermore, the design of multi-national service organisations with innovative power and the systematic design of the international service offerings will be in the focus of future research activities.
- A shift of the focus of research on the internationalisation of services from B2C service industries to B2B service industries becomes apparent.

Contact

Fraunhofer IAO
Walter Ganz, Daniel Zähringer
Nobelstrasse 12
D70569 Stuttgart

Phone +49 (0) 7 11/9 70-5 (W. Ganz)
Phone +49 (0) 7 11/9 70-51 40 (D. Zähringer)

Telefax +49 (0) 7 11/9 70-21 92
Email: Walter.Ganz@iao.fraunhofer.de
Email: Daniel.Zaehringer@iao.fraunhofer.de
www.dienstleistung.iao.fhg.de

