- In a service company, important parts of the "product" are being designed by the front-liners every time they serve a customer
- They are uniquely positioned to read customer needs. You need to provide them with information (about costs) and incentives.

- Most companies throw away a lot of information about customer needs.
- Mistakes, indifference and abuse may make it too costly to use this information
- However, the gains are long-term, while the costs are short-term.