



**LAUREA**  
UNIVERSITY OF APPLIED SCIENCES  
*Together we are stronger*

# Helsinki's Sneaker Spa Business Evaluation And Service Design

Duc Nhat Huy Mai

2017 Laurea





**LAUREA**  
UNIVERSITY OF APPLIED SCIENCES  
*Together we are stronger*

Laurea University of Applied Sciences

## Helsinki's Sneaker Spa Business Evaluation And Service Design

Mai Duc Nhat Huy  
Degree Programme in Restaurant Entrepreneurship  
Bachelor's Thesis  
October, 2017

Name: Duc Nhat Huy, Mai

### Helsinki's Sneaker Spa Business Evaluation And Service Design

Year	2017	Pages	38
------	------	-------	----

---

Helsinki's Sneaker Spa is the first provider of sport shoes and sneakers professional cleaning service, started by young entrepreneurs in 2017, the company named Sneakerheadz Oy and they are the main beneficial of this thesis.

The aim of the thesis is to make business evaluation and service design for the store, the smaller goal is pricing the services. These goals are crucial towards the early beginning of the company, also stating the seriousness of the company with investors or authorities. Sneakers and its culture worldwide in general and in Finland in particular is introduced as theoretical background.

To reach these goals, the author gathered knowledge from various sources, mainly from books and online materials took a small part in this thesis. For the service design process, Moritz service design theory was taken into the scope and the book also provides research methods to use in the research stage.

The pricing step was conducted following Polene book, as the author has big reflection on how to price the service with good strategy to balance the profit and gain the trust of customers. Inside this thesis, two main models are used to evaluate the business: SWOT analysis and Business model canvas.

Research stage requires both qualitative and quantitative methods, gathering data and insights from both normal people and professionals. Using group survey, in-depth interview, personas and camera journal brings the idea from imagination to evaluated real concept.

The thesis has reached its goals in the end, providing a ready to apply service, the price table and several factors of both advantage or disadvantages of the young company, therefore it can prepare for development in near future in changing market.

Keywords: Business, Service Design, Pricing, Sneaker Cleaning, Entrepreneur

## Table of Contents

1	Introduction.....	5
2	Sneakers .....	6
	2.1 Sneakers Culture In Finland.....	6
	2.2 Sneakers In Finland .....	6
	2.3 Sneakers Care In Finland .....	7
3	Service Design For The Store .....	7
4	Pricing For Service .....	11
5	Service Design Process .....	13
	5.1 Group Survey Theory And Process .....	14
	5.2 The Survey's Result .....	15
	5.3 In Depth Interview Theory And Process.....	16
	5.4 The In-depth Interview's Results .....	17
	5.4.1 Carl's In-depth Interview Result .....	17
	5.4.2 Anton's In-depth Interview Result .....	19
	5.5 Camera Journal Theory And Process .....	21
	5.6 Personas Theory And Process.....	21
	5.7 SWOT Analysis and Business Model Canvas .....	22
6	The outcomes.....	23
	6.1 SWOT Analysis And Business Model Canvas.....	24
	6.1.1 SWOT Analysis.....	24
	6.1.2 Business Model Canvas.....	26
	6.2 Pricing.....	29
	6.3 Service Design And Service Evaluation.....	30
7	Conclusion.....	32
	References .....	34
	Figures.....	36
	Tables.....	37
	Appendices.....	38

## 1 Introduction

Nowaday, sneakers have been a trend in fashion, with the rising of Adidas and Nike and other brands such as Reebok and Puma, sneakers recently are taking part of daily life for not only youngsters, but also seniors, for their comfort and stylish look. On the street of capital area, we can notice sneakers on many feet, from popular classic Converse Allstar, to the hype price of Yeezy Boost or Jordan Brand.

Moreover, Finnish people is said to be active people, therefore they bought plenty of shoes not only for their daily lifestyle, but for servere purpose such as running, football, exercising, gym and so on. Those shoes requires good care for long lasting use. At last but not at least, when it comes to winter with lots of snow, high priced boots must be treated well with qualified process.

This thesis project is implementing under the requirement of Solemate brand, which is well known in Finland for its sneakers treating liquid and kit. Moreover, its owned company Sneakerheadz is the main company which would opened soon to serve people in metropolitan area with their sneakers and sports shoes cleaning needs.

This thesis covers various goals from aspects for our entrepreneurs, in upcoming year we will start working in the unique service, of taking care and treating sports shoes, sneakers for fresh look and cleanness both inside and outside. This thesis would be a proposal to investors and the bank when we start to open the store.

There are several goals inside this thesis. Our first main goal is to show up the business model and evaluating the SWOT to consider the advantages and disadvantages which would come from both inside and outside of the company. Pricing is also a particular goal of this thesis. And the last is to build up a good and adaptable service design based on insights and datas to get a good experience from customers.

For convenient viewing of the thesis, the framework is listed and described as followed. Introduction is to express the the purpose, goals and framework of the thesis. Next chapter would describe briefly about sneakers and its culture worldwide and in Finland. Pricing for the service and service design theory are the big parts. Followed by service design process since it includes methods, execution and results. The outcomes are final results which attached closely to the goals of the thesis.

## 2 Sneakers

### 2.1 Sneakers Culture In Finland

According to idleman.com (2017), sneakers were invented in 18th century in US, when low class attached rubber to their sole to make the shoes more durable, with a flat sole to help their feet comfortable. In 1876, the first trainer company was opened in England, by Charles E Eaton, followed by Le Coq Sportiff, a French brand which is still in production. Since then, the development of sneaker continued to today. In late 1990s, sneakers is widely worn by both youngsters and senior, with brands such as Air Jordan (bumped by its collaboration from Nike and Michael Jordan with NBA's fever in that decades). (idleman, 2018)

Recently, 2010s, idleman (2017) states that sneakers are developed into a trend with investments from brands to make it more comfortable. For instance is Adidas, they developed BOOST for better sole quality and cushioning, Nike improved Flyknit technology for the upper to get lightweight shoes and breathable in summer. Its purpose is to result in one of the lightest, best fitting running shoes NIKE has ever made. (Nike News, 2018)

A fast look in Endclothing.com (2017), there are over 4.000 items for men, women and kids, the price is from 60\$ to 1159\$. In one section named "Boost", End is selling all type of Adidas sneakers with Boost technology, it shows the consideration of customers for what is trending at the moment, they want cushioning feel not only with running shoes but also with daily lifestyle. It could be concluded that sneaker has a long story of development, in recent years, sneakers are priced higher than before, with various technology applied for comfort feel, customers are changing from loafers, boots and classic shoes to what make them feel comfy and confident. (Endclothing, 2017)

### 2.2 Sneakers In Finland

Lately in Finland, there are several distributors if customers want their sneakers. There are Stadium and Intersport, two big distributors in various shopping centers related to sports goods. Moreover, there are Beamhill and Ponke shop which also sells hype products and high quality sneakers such as Y-3, Yeezy and NMD from Adidas. Jordan brands could be found in Ballzy stores. At last but not at least. Online stores with their developments from selling through their website is elascating with sneakers: adidas.fi, nike.fi, caliroots.fi, these retailers always offer good price, promotions and cheap shipping fees. Free-time sneakers needs of buying and its importance towards the market is defined, according to Jusso Laaksonen, Adidas employee from Finland (Yle, 2018)

Therefore, Finns can reach sneakers and sport shoes at their home or through shopping at stores. HYPEND from Facebook (2017) is a secret group for selling/trading sneakers and high priced fashion items is now having 11.250 members, it means that at least there are people caring about high priced products and of course, need some certified caring process for their goods. Another group is Sneaker market in Finland (2017), there are 6950 members now with various trading during a day. Recently in 17.9.2017, Sneaker Bash Finland has held their first event for sneakers lovers around Uusimaa state, with over 200 people participated, featured with Lauri Markkanen (NBA player from Finland), the event has shown that sneaker's culture over Finns are becoming more popular. (Sneakerbash, 2018)

### 2.3 Sneakers Care In Finland

Although there are several Youtubers uploaded their sneakers care process to their channel, it is not easy to follow those step with several kits required. The problem also related to "material", as there are many materials for upper and sole, such as suede, leather or knit, the care needs specific brushes, chemical products for each type of shoes. Recently, a whole process could not be found in Finland. Although it could be seen successful chain in some other countries, such as Vietnam, Singapore, US, but within Nordic side, perfect sneaker care is not considered now. (Sneakermarket Finland, 2018)

Therefore, opening a new store of sneaker care service is matching the need of a growing products, with good service, a sneaker spa would be considered as a salon/spa for sneakers, with cheaper price also. This "Helsinki Sneaker Spa" would be specifically scaling to fit the right needs of Finns, the business plan is set to focus on basic requirements of a service providers and market research for the unique service which is just appear in Helsinki for first time. (Sneakermarket Finland, 2018)

## 3 Service Design For The Store

Helsinki's sneaker spa revenue stream is mainly from offering cleaning sneaker service, our aim is to design a service for a memorable experience towards customers. Service design is an important part of the store, since the service is now unique, offering it in unique ways but maintain the good atmosphere and experience for the customers is highly recommended. Therefore, this section is about theoretical background of service design, it also demonstrates how to apply and what kind of research method is suitable for collecting datas for the store. Service is different from product, although the providers can offer both. According to Moritz (2017, 30), several aspects make service different from products, the comparison is listed

such as product has no client, products are tangible, products can be stored, etc. While service has the opposite aspects regarding those. Moritz also states (2017, 31) that service are complex experiences, the reason is because service are delivered with different touchpoints and levels throughout the service. Moreover, service quality is also difficult to measure, since gathering data from customers about service is mainly qualitative, as a result, service quality is believed to be uneasy control. (Moritz 2005, 32)

Designing service is a part of design field nowadays, John Thackara states that we are all desingers now. Moritz (2005, 34) mentions designing without functions is not recommended despite its beauty, the design should be centered to the client/consumer throughout the process. The model below describe the process of changing from "design centered design" to "user centered design". (Moritz 2005, 34)

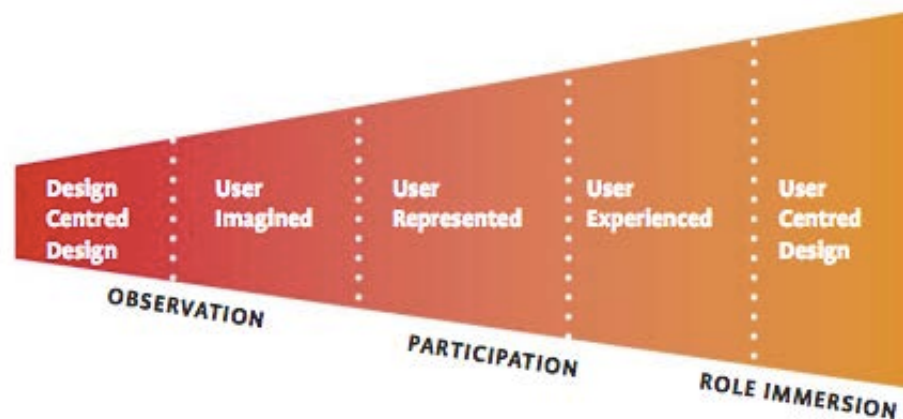


Figure 1: Moritz's Process Of Service Design From Design Centered To User Centered

The process (figure 1) indicates three main steps froms: observation, participation, role imer-son. Design centered design is the first part, bigger part is user imagined, the participation part is user represented and user experienced (linked with participation), and user centered design is the last one which is at the role immersion step.

Moritz (2017, 35) concludes that service designers nowadays should understand what consumer wants, needs, motivations, etc. besides how their business partners and sectors can deliver the service towards their customers. It is proved by Design Council that the more demanding and accurate designing process of a company is crucial towards their business's successful. (Moritz, 2017, 35)

In Helsinki's sneaker spa's case, insights, research, service proposition development, experience prototyping, testing are important towards the store as main approaches for our service design. Classic service design includes various approaches: insights, research,



workshops, service blueprinting, service proposition development, concept sketches and presentations, experience prototyping, testing and delivery. (Polaine 2013, 3)

The reason service needs designing is that designers know what is the insight of people who would like to use their service, so they can make it more confident when they would deliver a real value to them according to Polaine (2013, 5).

Helsinki's sneaker spa's is newly opened, therefore service design is important, from the insights to what it would offer, the efficiency means that service designers should make it affordable, uncomplex but giving real values to customers, for example: basic customers service point, fast check-in for the customers and clean, fresh when the shoes get to customer's hand. When services are designed carefully, using mixtures of efficient networks, technology and touch points, they could maximize the benefit to customers, and simplify the complex as much as possible. (Polaine 2013, 5)

Moreover, since there has been no professional cleaning service for Sneaker around Helsinki, a good service design for it would affect as many touch points as possible towards customers that change their thoughts about professional care for their sneakers. As Polaine (2013, 7) states with insurance company's case that people tends to trust their relatives more than insurance agent in this field, it would be affected to sneaker's field also. In our case (sneaker's clean up service), focus on touchpoints such as friends, sports team, athletes, for their recommendation (as a pro or a trustfull person) would be an advatage for us. There would be still some ideas of cleaning up sneakers/runners by throwing them to washing machine, or just drop it to waste service by parents or friends. (Polaine 2013, 7)

Stefan Moritz (2005, 123) mentions the process from concept to reality of sercive design which could be applied in Helsinki's sneaker spa's case, since it is a start up and need detailed service design. The process includes Understanding - Thinking - Generating - Filtering - Explaining - Realising. In each task, there is definition, description, tasks, tools and methods to achieve the goals which is set. The whole process would be needed times and methods to research, and detail the service. (Moritz 2005, 123)

First of all is Service Design Understanding, which is described by Moritz (2005, 124) is an important first task, which helps the designers understands "concept" and "reality" of a service. Inside this part, designers need to go further than familiar things which people experienced or expected, even the negative things. For example after changing flats's windows in student housing, a survey list was conducted inside the block and there is collection box before main door. The task contains smaller task for researchers (SD understanding is suggested to be conducted in project base), Moritz (2005, 125) plans for

several perspective to get the understandings from clients (goal, values, problems), contexts (Political, Social, Culture), providers (finance, skills, language, responsibility) and relationships (opportunities, other providers) with tasks which the author personally pick as important towards the Sneaker's cleaning service. In some recommended methods, experience test, context analysis, user survey are picks for deep understanding of customer. (Moritz 2005, 126)

Service design thinking is the next task after understanding. "Thinking is the area that gives service design direction and guidelines"- Moritz (2005, 127). Scoping the data from research of understanding task, then turn them to important insights, which could be useful in SD Generating process. In this sector, all tasks are important and worth scoping inside, however this part just require information and active thinking: identifying (criteria, problems, focus, underlying motive); setting (objective, goals, vision); planning and feasibility (requirements); analysis (competition, content); reviewing (insights, related components); direction (times plan, team setup). Methods which are useful for the thinking task are diagram, benchmarking, mindmap, etc. (Moritz 2005, 127)

Next step in the process is important towards the design, as this is designing, named SD Generating task. The difinition for this task is working to release intelligent, creative ideas which could crafting and making the service process consist and effective. The requirements for this part is creativity and information, insights from other segments, with the back-bone from service design mind and strategy. Moritz (2005, 133) states the importance of idea generating process, brainstorming based on insights and strategy, unlike random session (for example slogan or name brainstorming). Desspite that fact, the process is still required to be visionary, tangible and visual. Smaller task such as Developing contains ideas, solutions, process, creating (concepts, scenarios), finding (environment, inspiration, ways to work with clients), implementing (corporate design), crafting (evidences, touchpoints, interface). Within this process, methods such as brainstorming, feature true, think tank, experience sketching are applied. (Moritz 2005, 128)

The process continues with SD Filtering, Moritz (2005, 136) defines in which process ideas and solutions are carefully picked again by professionals and be crafted to be efficient finished service process. After all, the test would be conducted to measure the quality and performane. Filtering also requires information and datas from the strategy in SD thinking. The evaluations is the outcome of SD filtering with several aspect such as Economical, legal, subjective. SD Filtering would be handled with methods such as expert evaluations, card sorting, SWOT analysis. (Moritz 2005, 136)

For the future of the service's development, SD Explaining is set up inside the process. According to Moritz (2005, 141), SD Explaining works efficiently for different type of employees or stakeholders, with various level of imagination and education, which helps the boards collecting the ideas and suggestions throughout the service to develop the service later. The process of SD Explaining generally linked to SD Filtering and SD Realising. The tasks are checking out ideas and concepts (using sensualisation), processes (maps, models), interaction (animation, role play), experiences (prototypes, scenarios). Methods which could help is camera journal, visioning, try it your self, since the sneaker spa is unique in Helsinki. At last but not at least is the process of making the service (with ideas, concepts, solutions, etc.) being reality and deliver to the customers, named SD Realising. The tasks inside this process is testing (prototypes, models, processes, experiences); developing (business plan, touch points); providing (training, guidelines, instructions, specifications). The methods to finish the whole process are templates, mindmap, role script, business plan. (Moritz 2005, 142)

#### 4 Pricing For Service

A new company has many problems in the start, that is the reason for the stop of start-up companies. According to Jensen (2013, 101), competing against known brands, doubting quality, buyers have no feeling into the brand, buyers are having good service, and lowest price as much as possible to catch up eyes, are problems new products came out and faced. Preparing for the start is also making considerations for pricing it. Prices tell customers more details than expected. (Jensen 2013, 101)

For start-ups idea, hiring a pricing master from companies would cost 30.000 USD to 50.000 USD just to set a price with still risk percent of that would be a wrong price. That amount of money is a big sum also considering small or medium company, which they could use to invest in their service or product to have better quality and outlook. Using efforts and researches to indentify what is the best price for a products is a better way than hiring pricing consultant. Jensen (2013, 102) indicates from many researches she had made and read about, that quality and price at first sight make customers believe that they have relationship between them. The price which is lower/higher than competitive products would make customers a causation to re-consider about new product or service, according to Attribution Theory developed by Heider (1958). However, lower or higher product's price to get more purchase when launching a new product/service is not a good strategy, according to Lichtenstein, Burton, and O'Hara (1989), their studies about "Attribution due to the product" conclude that the low price makes customers think you know the quality is poor, and higher price than competitors would let people think your quality is better. (Jensen 2013, 105)

Beside of that, seven reasons people gave for not purchasing goods with largest discount is indicated from Marlene and Dr. Ron Drozdenko (2005), being on top is because of Poor Quality with 54%. The research would make entrepreneurs keeping their mind of "low-price" products think again, as cheap does not support quality, both from customer's and provider's perspective. (Jensen 2013, 106)

Polaine (2013, 5) also states that the price would affect customer's psychology towards a service. Polaine uses insurance as an example, when stating people feel that insurance is not transparent, they do not know exactly what they are paying for. Therefore, they compare insurance's deals by their price as they thought money is a good measurement for this. When it comes to sneaker's spa, as this is newly opened for the customers, people would think how their shoes are treated based on how much the store charges them. Adding promotions is a plus to gain customers for example youngsters and students, however, a fixed price to define the quality of the service is required for this specific store to gain trust for people handling sneakers at our shop. (Polaine 2013, 6)

High price is not only the quality confidence in new products, but it also helps the company in both revenue and profit. According to Jensen (2013, 3), at high price (which means more profit), you earn more profits with less products produced (which can costs you at first). Lower price is not a good deal, instead, to sell more products at low price, companies have to pay extra money of materials, working salary, and marketing to sell more, but just getting a revenue of low profit. (Jensen 2013, 8)

Although there are several ways of adjusting price for the products, there are still rules which should be followed strictly to prevent any misunderstanding with customers. The price itself is the first word that entrepreneurs tell their customers, and because of that reason, a price which says it is not a joke neither persuades that buyers are smart is what this part aim for. (Jensen 2013, 10)

First rule is Barriers. The barrier in pricing linked to "how the price look" at first sight. And according to Jensen (2013, 68), people tend to notice the left number more than the right number, cause millions, thousands are way important than cents. And because of that, having a 999 euros price is better than 1000 euros price, because customer do not have to say "thousand" when they were asked about the price of what they purchase. That what Jensen (2013, 68) indicates for a feeling of being smart from the customers, who always want to be a smart shopper with "90-something" for a price tag of 99\$ and "20-something" for a price tag of 28\$. Moreover, through the barriers, entrepreneurs could easily make their price a slightly up, for example 345\$ to 375\$ (which still keeps in customer's mind: 300-something), if only it does

not get over the set barriers and price positioning. This would make more profit, although it is small, but still have the same sale response from customers. (Jensen 2013, 69)

Second rule is about psychology, which is affected by customers who knows about the service/products you are offering, and also those who are sensitive with price and have negative thinking about the providers. Psychologically, people will be aware of 4 numbers, with or without the comma, there fore 1000\$ or 10,50\$ or 100,5\$ will make people notice about the price more and think of the price as an "expensive" price. The author indicates that high quality restaurant, or high quality service usually use the number "0" and "5" in their price, while lower standard use more "9". Furthermore, number "9" also gives people a thought of on sale products or service. (Jensen 2013, 71)

## 5 Service Design Process

Helsinki's sneakers spa is opened based on the needs of people who wants a good care of their sneakers and trainers. Moreover, since this is the unique service in Helsinki, there would be issues which only matter at this type of store. Listening to potential customers's demands and requirements, also their experience is a good way to demonstrate how the service should be. Therefore, most of this thesis's research methods are qualitative.

Qualitative data is analyzed through the way of coding and nodes. Indeed, the process of coding helps researchers to have high concentration of data so that they can understand what the qualitative data are important and how the qualitative data helps them to answer research questions. The process of coding of qualitative helps the researchers to collect all research materials about the study little in place so that they are easy to see patterns of data to have detailed explanations of research issues. The researchers need to create nodes from the qualitative collection. In order to understand our needs, people must use the method of conversation that suits them the most. (Brinkmann, 2013, 3)

Polaine (2013, 37) states that to know about the people receiving service, researchers must obtain them and get the accurate knowledge about what they need and when they need it, insights information is gathered by that. With Helsinki's sneaker spa case, the insights is about getting both quantitative insights (for instance by group survey) and also for qualitative data (in depth interview or customer's journey). (Polaine, 2013, 37)

However, according to Polaine (2013, 38), the data collected through qualitative research only provide "what" information more than "why" data. For example, he could research and collected that 70% of people asked do not ride the bicycle, but they do not give any reason "why" they do so. Therefore, statistic is useful but not in service design. Getting important

ideas from professionals are worthy also. In this thesis, the research are group survey (quantitative) and in depth interview (qualitative) for both big scale and insights. Customer's journey and service blueprints could come as an completed benchmarks. (Polaine 2013, 39)

### 5.1 Group Survey Theory And Process

According to Survey Monkey, an internet-based leading survey service for different types of requirements, survey are a list of questions asked from conductor towards populations or people to gather their preferences of one or several aspects of related issues in a field, the questions can be answered or left unanswered. The method is quantitative and in this Helsinki's sneaker spa case, group survey is suitable towards service design (as mentioned above) and also for pricing and customer expectations knowledge. The survey can be short as only single question (such as smiley feedback kiosk), or it could contains hundreds of question (for instance scientific project). The answer format could be multiple choice, open-end or scaling. Talking in interviewee's perspective, it could be easy to finish the survey with short and sweet arrangement, or it could be left unanswered in several questions if it is so deep into their privacy. (Surveymonkey 2018)

According to Survey Monkey, survey's advantages are covered with quick response (around 24-48 hours), easy for benchmarking since it could be redesign based on last survey and renew the cycle of respondents, also reach out more potential customers if they have an idea the products/services are available or soon to be. One more pro is that since survey are anonymously collected so the answers could be more candid than interviewing. On the other hand, group survey could be difficult to conduct if the contact is not enough and if the questionnaires do not include issue or feedback the customer wish to deliver. (Surveymonkey 2018)

SurveyMonkey reveals five steps to achieve a good survey: setting goals which is crucial, in a survey which issues should be covered, the ideal way is discussing carefully with shareholders or partners. The next step is to recruit the participants, considering several informations for instance age, sex and income, it is similar to targeting your customer segment. The third step is writing good questions and answer platform which is later discussed, followed with people preparation required (such as drinking or tasting before conduction). Lastly, budgeting, it costs conducting something like this, considering meeting survey will take times and human resource but worth guiding people, or internet based survey which can be widely operated and reached more customers. (Surveymonkey 2018)

Three tips SurveyMonkey (2018) offers are be quick, be incentive and be targeted. Sweet and short questionnaires would be likely to be completed, this tip requires careful thinking and or-

ganizing skills. Incentive survey can get people motivation to participate in it, such as promoting the product or service inside (10% off when finishing the survey). The last tip is targeting the respondents to the group, it is possible with UAS's email system for contacting and groups on social media to get our target customers answering. (Surveymonkey 2018)

Survey Monkey (2018) also provides good methods to build up questionnaires which helps participants feeling motivated to complete the survey. Since people have to pause their busy day for several minutes to help the survey completed, the questions should be well organised, with simple grammar, understandable concepts and contexts, if there is more detail which could be provided then it is better to put them inside the question. The downside of not speaking in people's own voice is that people will find it frustrating to complete, or worse, they would give random opinion which later affect the overall result of the survey. The issue inside questions should be made clear, it is better not to combine several "subjective" related to one field or issue, this would make the response confusing or sometimes false. In customer's opinion, everything is based on their own perspective, companies or stores should not be over confident, or pessimistic about their products or service, therefore in a survey, it is better to add "on average", "based on what you have experienced" inside the question so that neutral or happy or even unhappy person can reply it in their own voice and giving the true informations. (Surveymonkey 2018)

Starting the process of surveying, the video of the concept (<https://www.youtube.com/watch?v=FzHrMujKHaU>) would be shown to the surveyee, after that they were asked to answer 5 questions related to the service of cleaning sneakers. The approximate time for the whole survey is 5 minutes including the video watching step. Additionally, 10 people were selected to answer the questionnaires, picked both online and offline (in Leppaväära railway station) to keep the randomness. The questionnaire is attached in appendix part below.

## 5.2 The Survey's Result

After several days proceeding the survey throughout people from different age, sex, randomly, the result is gathered and the result is spoken for the service itself, in perspective of the demand, and evaluation.

In the first questions, 7 out of 10 people asked answered that they will use the service if it is available nearby their home. They added that nowadays sneakers are innovative, using special materials especially running shoes, therefore it is not only the service but also how the service would be applied to several kind of materials. "I felt that throwing my shoes to the washing machine is a bad choice".

The second question was asked after they watched the video of the service. The results vary from 2 to 4 at most, none gives 1 or 5. Only two people gave 2, four people gave 3 and 4 people gave 4. Overall, people suggested that this was fairly good service. And it still needs some development to be better, or someone was just curious about the backstage or the reliability of the service if it was not filmed.

Move on to the next question, regarding the price of the service, 4 people in 10 assumed the price of this service should be below 20 euros. However, six other think one pair of shoes, with the exact treatment could be charged around 20 to 25 euros. None of the surveyee think the service should be priced over 25 euros. For more detail, they suggest some other service could be added on to make the first price more attractive towards the customers.

When it comes to the perspective: price or quality focused, 5 people replied they need the real quality rather than cheap price. However, half of them still think it is not necessary to invest in technology to make it perfect, the price in their thoughts is still more important, since 20-25 euros would have them a hair cut.

The final question is believed to be added more value to the survey. With sneakers lovers, one wrote: "We love this service, the choice of technology and treatment are two big components. I hope you guys can make it the most of it, full of support". Beside of that, there is still some opposite idea that would help better the service, stating "Please provide the service with full options for customers, think clearly about the process, test the machines and its benefits because these are different material. I have 500 euros worth pair of sneakers, and I hope I can get what my shoes deserve". Therefore, since the benchmarking is just an copy from Vietnamese store, Helsinki's sneaker spa still needs development and careful review of the process before its launching.

### 5.3 In Depth Interview Theory And Process

For in-depth interviews, they are characterized by the interview length from 30 minutes to several hours, the greater depth compared with a typical questionnaire-based interview, and informal and fluid structure. They are used in the cases like the number of interviewees and subjects is quietly small, the collected information is expected to vary substantially, and in complicated ways from subject to subject, and the research topic is investigated as a preliminary stage in planning a greater quantitative research. One to one interviewer should put the context and interviewee in ease atmosphere. (Polaine 2013, 52)



According to Leeds University articles (2017), in-depth interview could be categorized in three different types. However, the interview is unstructured and it could be explored at any point which is important for the interviewer to collect more data from the opponent. Informal conversational interview is the first one, while interview, the flow is based on the context and they are helpful to those who wants to explore useful topics or investigation. Next type of depth interview is guided interview, when all issues in the checklist are still covered in the interview, but the interviewer still can explore in some specific area that they find interesting. This type is considered most useful by doctor Wenden (1982), as she stated that it would cover the needed information and also allow in depth probing. The last type is staddardised opened-closed interview, researchers list all questions carefully worded and arranged, to avoid confusing to interviewees. Probing is still considerable when interesting topics are found. Designing appropriate paper activies also makes the interview more engaging and interactive. (Polaine 2013, 54)

Still in Leeds University's article (2017), the techniques mentioned are also important for avoiding confusion in the conversation. First noticeable technique is related to questions in the list. The writer suggests that the questions should be asked clearly, in single question (one by one). During the interview, clear opened-ended questions are recommended for focused reply, usually asked to open the context before asking about the feeling (behavior/experience before opinion/feeling). Moreover, deep questions would make interviewees hesitate to give data and uncomfortable, meanwhile, keeping the spirit for free atmosphere to control but maintaining the control throughout the interview is required with the host. (Polaine 2013, 52)

#### 5.4 The In-depth Interview's Results

After conducting the in-depth interview with two of the professionals in service design and also sneaker lover in Helsinki, the author has gathered various data and feedback which is useful towards the development of service later.

##### 5.4.1 Operating Manager's In-depth Interview Result

Operating's questionnaires was designed as described above, mainly focusing on the potential of the project, pricing idea and customer service. The opening questions are about his evaluation of sneaker's culture in Finland, which he described as a newly, trendy market since sneakers are nowadays a part of youngsters and others who enjoys sporty life. Despite sneakers are in scope of people, the shortage of population lead Finnish market to the downside of not having much attention from big brands and also shortage of the quantity of hyped sneakers. He gives an example of Adidas Yeezy release within these years, stating that while in Germany or France, or at least in Sweden, the hype atmostphere are always higher

and better than in Finland. When being asked whether he would use any kind of professional sneaker cleaning service if available in Finland, he admitted that the service is necessary towards sneakers community, especially towards those who likes white/pink sneakers (which is trendy in 2017, 2018), to get their sneakers treated in the right and professional way.

The price of service which operating manager proposed to the next question, related to the ideal price he would willing to pay, was around 25 - 30 euros per one pair of shoes cleaned. The price should be tax included and also several discount or promotion could be applied but not less than 20 euros after discount. With this price range, Carl states that the only way to attract customers and prove the effectiveness of the service is to finish the shoes with a "wow" on customers feeling and mind, which requires making the shoes as new as possible no matter what. Beside of the quality of the process, the service should be nice and smooth since this could be a first type of business ever in Helsinki so customer might feel strange.

Discussing about the insights of entrepreneur in Finland generally and in Helsinki particularly, operating manager shows his pessimistic attitude towards the downside of being foreign entrepreneurs. "It is tough to do business in Helsinki" - he stated. However, since the traditional working environment in Helsinki is slow and steady, for example an email would be replied in 2-3 days, the service which would process in the quickly way would be counted as good service and bring the impression towards customers. The weaknesses and threats which might affect the business turns out, in operating manager's words, not the customers or quality, but the regulations, legislations and controls from the authorities, he mentioned that "tax" was always the problem for new born company and the new entrepreneur should always be beware of these paperwork rather than being so optimistic and care-free. Additionally, the service for Finn must be served in Finnish, operating manager's stated that it is crucial if the service is served in Finn, because of that Finnish would trust any provider who are significantly good at offering customer's journey in Finnish.

The next issue regarding to the customer service whether the back stage quality service are more important than the friendliness of the front stage service which he had experienced as operation manager in CheapSleep Helsinki. The answer was backstage and front stage must be equally considered. As he mentioned above, the backstage quality must give customer the "wow" impression, and beyond that, a good frontstage performance with smooth process served is also important. Fast and clean should be slogan of the business when it comes to sneaker cleaning service, recommended by operating manager. He added that because the customer of this service do care much about how their kicks looks on their feet, they would put in the high expectation of high quality and high priced sneakers, which means they should be rich and should have tried many kind of different service, the service must be taken

importantly otherwise if there is any competition and they have another better choice, they can leave for that although you were the first player in the ground.

Discussing about the downside, explanation from customers, because the price is not affordable to all of customers or comparing to other monthly service, same as a single men's haircut, same as two lunches, so there must be basic requirements before and after the shoes was received by the store. The explanation also could be because of the attitude of people in charge, when customers are not treated well in the front stage, operating manager added.

At last but not at least in the interview session is the marketing strategy for the company, or how to reach most customers as possible with his experience in helping other small company with digital marketing projects. He admitted that it is difficult and cost if using service or agency inside Finland, especially with small company. Since the company is going to be opened targeting rich young and active customers, it is crucial to reach them via Mobile phones. "Always shows up on their mobile phones to let them know that we exists" - Carl said. Combining the free stuffs and mobile phones app available, operating manager suggests us to use facebook and instagram effectively to reach customers. Facebook ads and instagram sponsorship are two main methods to become popular widely and effectively.

#### 5.4.2 Brand manager's In-depth Interview Result

The next in-depth interview which was also interesting is with a Finnish brand manager. Recently he is a representative of Solemate.fi, the young brand known for their good and ecological sneaker cleaning kit. Moreover, the brand manager is a sneakerhead who collects various heats during the year. He is known for his contribution also with Helsinki's sneaker Bash (a new fresh event for sneakers lovers in Helsinki). Our interview was deep in the potential of the service market, the professionalism and quality of the service.

At first point we started with the introduction part, the brand manager admitted that he was a sneaker collector. He also began trading sneakers in the past 10 years, owning several of collaborations and sell them to others, mostly in Russia. We continue with the questions of the potential of the market in Finland, whether Finns wear sneaker usually or not. The brand manager stated from any kind of ages would we spot sneakers, from popular daily choices from sports goods store to other high-end collectors, sneakers in particular or sport shoes in general are widely used in Finnish, therefore the market is big and worth trying for the service. He is currently owning sneaker care kit therefore he is also curious about the service using his products, implying definitely a try for that type of dry cleaning service. After several years serving inside Finnish's sneakers forum such as Hypend and Sneakermarket

Finland, he suggests the service to be offered in Helsinki area, but the price and the quality are issues which matter.

Discussing about the effect towards sneaker community of cleaning service, whether it would help raising gratitude towards sneakers or bringing down the sales of new-coming sneakers, the brand manager said the service are necessary, since it would help prolonging the age of the sneakers, in addition, he mentioned that the price of big brands for sneakers were growing doubled in the last 5 years, making it more comfortable, more stylish but also less affordable. Therefore pro-long sneakers's life and restoring them is a good choice for those who loved their sneakers and love being ecological. Without the professional treatment and cleaning, the life of sneakers would be shortened, moreover, with dirt and faded parts, the value of the sneakers would drop if these are special edition. He added the tricky materials are suede, premium leather and mesh, which require additional attention.

The next part of the interview involving the operations and additional services which could help the store in beginning path. Our concern was about how the store would maintain steady revenue in low season (winter) and to stay connected with the customers. The brand manager mentioned that winter boots need care also, waterproofing and anti-salt protection would be applied. Moreover, being third party for other sneaker/hype clothing exchange and resale would be our other tasks as well, since the store would be popular among hypebeast, legit check, reselling are two main jobs it could do to bring customer and also take revenue as third party or organize events which involving sneakers lovers community. The service quality is also asked whether the front-stage or back-stage are the critical. He answered that these are all equally important, starting with the smile at the reception and a happy feeling after receiving their perfect condition sneaker. Finnish usually use this type of service instead doing it by their own selves since it requires techniques and professionalism, however, if they pay such decent price for the service, they of course expect the service to be top-notch. Regarding the best service and putting the store as market leader, the brand design, trending, pricing and user experience are different aspects which the brand manager considered as matters.

At last but not at least, we discussed about important partnerships which could help the business, this is for the business model canvas. Concerning key partner, he suggested that the store should use Solemate's products as key partner to reduce the price to wholesale price and offering good quality which is proven. About marketing issue, the brand manager, same as the operating manager, mentioned social media as our first choice to reach customers, providing good digital marketing with facebook and instagram is also helpful if we can manage the budget well.

### 5.5 Camera Journal Theory And Process

The process of this method is simple and customer-cooperated. Clients are given a booklet and a camera to record the whole service process on their own perspective and write down their actual thoughts in each stage of the service to the journal, Moritz (2017, 224) explained. Nowadays smartphone with high quality recording camera could be a perfect tool for this process, several first person perspective videos show how they are served in the entire process which are posted on YouTube. This method would gather insights what client see and think throughout the whole process. (Moritz 2017, 224)

Camera Journal is the great qualitative method as they connect "real" client (who really cares about the service and other things inside the store) with the company, generate several important facts and insights for later development with their needs, goals and comments. Moreover, with camera journal posted by famous person (such as famous sneakerheads around Helsinki area), it is also a great tool to spread the service process out for customer as a marketing tool, as if it is certified as a good service from experts. (Moritz 2017, 225)

The sample concept is filmed at the store which is closely describe the service Sneakers Spa should offer. The camera journal is helped by Retro Kid as real customer. Below are his camera journal which is accepted to be used in this thesis:

<https://www.youtube.com/watch?v=JvsNWYJ4Wno>

### 5.6 Personas Theory And Process

Following the trend of customer service design, building various personas is a good choice to represent a group of users whose goals, attitudes or behaviours towards a product or service are similar to each other (Curedale 2011, 238). It is important to know about daily life of customer, creating a good source for service designers to provide the service according to Tuulaniemi (2011, 155).

Since Sneaker Spa would serve several types of customer, from youngsters to seniors, the background, action, behaviour and expectation from each one would be different. Creating personas provides more insights for service designers with accurate information, leading not to misunderstanding according to Curedale (2011, 237). Inside personas photos, except their picture, the background status should include name, age, relationship status and living condition. Information related to the service design is their thinking, vision or knowledge of the service, their behaviour and their expectation. Personas is a really good choice when it comes to ideate stage of service design, using customer point of view to generate the ideas, states Ojasalo (2014,77).

The author gather data from one of his friend and network. The personas are created with names, ages, character, action and the channel to achieve the service knowledge.

### 5.7 SWOT Analysis and Business Model Canvas

Since this is a business plan, some business models would be used as defining our partners, key activities, etc. for the whole view of the store. Moreover, within this service field, the service design theory is required to adapt the tiff customer's needs, pricing strategy would be applied also towards these area. Business plan for a start-up will be tailored according to whether you are seeking equity or debt finance. (Evans 2016, 13)

For better data and insights of customers, my first research method is group survey. In this thesis, customer's journey throughout the process will be applied also to define how we get our customer's satisfaction. Lastly, interviewing one or two potential customer whose passion is sneaker (sneakerhead) in Finland would help rating the process, its price and the willing to try the service of Finns themselves. These two methods are called the search for answers to research questions, it is data collection. (Krishnaswami 2010, 50)

First of all, SWOT analysis in included in the business plan which is proposed to governments and fund raiser. SWOT is an important part to define the advantages and disadvantages of the new entrepreneur in Helsinki, Finland. Since Sneaker Spa is the first store, it should be considered carefully from many perspective and SWOT analysis is the good way for investors and banks to see our potential and also what is missing. The business model canvas is included in this thesis, for the basic elements of this business to implementation, this methods will show a good vision of sectors which can affect the business, from outside to inside of the operations. If SWOT is used in business, it helps covering the niche in the business. (Mindtool.com, 2018)

Service design is a big part of the theory, since sneaker spa offers unique service in Helsinki, designing a service which could meet the needs of various type of customers to gain trust towards the company is necessary. In service design part, there are also some methods which could be used to match cleaning sneaker service. The appropriate design methods have to assure agility, openness for the system to support customers and knowledge workers in value cocreation. (Cheng 2009, 181)

According to investopedia (2017), business models are plans for company to define their revenue, profit and costs from an action of business, inserting key activities and also their partners if available. There are several types of business model, Entrepreneur's writer Peter.S Cohan (2017), lists 6 business models which could be used for start-

ups/entrepreneurs: holding auctions, cut prices to gain industry share and profit later, franchising. For a newly opened entrepreneur such as Helsinki's sneaker spa, Business Model Canvas and SWOT analysis are important for it at the moment to evaluate the market. The analysis of market and demand must come right up front in your business plan. (Evans 2016, 44)

SWOT analysis is a basic analysis system to identify business or people's circumstances/plans in four categories: Strengths, Weaknesses, Opportunities, Threats. This analysis can cover factors from both inside of the company/person (strengths, weaknesses) and outside (opportunities, threats) related to the specific situation, according to investopedia (2017). Therefore, using SWOT analysis in this case would help figure out how Helsinki's sneaker spa would survive in this competitive and changing market. Based on its starting point, through SWOT analysis, Helsinki's sneaker spa would be on point for investors if it would show it potential with less failing percentage. When demand falls and supply exceeds demand, that is the bad news for suppliers. (Evans 2016, 45)

Business Model Canvas is the structurized business plan without the overhead and improvisation of the back of the napkin. Business model canvas includes various sectors which needs to be covered and defined before starting the business. Inside the canvas, there are nine boxes for each sector to be filled in. It is shown how nine boxes could linked up together to paint how the organization or company will work. (Clark 2012, 29)

The first element is customer segments, which requires information about the customers of the business and who they are. The next box is about value proposition, which implies what customers really get from the service, the encouragement for customer to use the service. Third box is about the channels by which the business would distribute and connect to customers, promotions and delivery. Customer relationship is the fourth box, defines by what way the company interact throughout customer's journey with them. The fifth box is about revenue streams, showing how the revenue can get from the proposition being offered by the company. Next box is about key activities, which is the unique way to deliver the proposition to the customer. Key resources are those strategic asset must the business have to compete. The eighth box is key partnership, who is going to help the business in the short and long future. At last but not at least, the cost structures will link to the revenue stream, as they are count in the beginning. The expenses including key resources, performing key activities and working with key partners will be counted in the last box. (Clark 2012, 32)

## 6 The outcomes

After several implementation conducted throughout the entire thesis process, below are the outcomes of aspects mentioned in chapter 2 of the thesis. The outcomes are based on both

theory and implementation processes. These outcomes are strongly attached to the goals of this thesis, with the market evaluation and pricing, service design process, service evaluation from professionals and normal people. This is the final part of the thesis.

The first is SWOT analysis and business model canvas result based on data gathered inside the company. The price result comes after and finally the service design and also its evaluation from research methods.

## 6.1 SWOT Analysis And Business Model Canvas

Since Helsinki's Sneaker Spa is the first to open the service, the demand and market size is the most important to consider, right after that is evaluation of the company and its business model. The market size, in Uusima region (Helsinki, Espoo, Vantaa) is big enough to open a new store. Not only the sneakerheads but also those who use sneakers or sports shoes regularly. The target customers are: sneakers lovers, runners, sports teams. Members from Sneaker market Finland is calculated recently as 6000 people. Therefore, the store is targeted to get around 30-40 pairs per day to clean.

To serve people well, the team needs to evaluate themselves, the market, and the business model in specific way therefore they can prepare themselves for the upcoming business and changes of the market.

### 6.1.1 SWOT Analysis

The SWOT Analysis for Helsinki's Sneaker Spa:

<p><b>Strength</b></p> <ol style="list-style-type: none"> <li>1. Market leader in Helsinki</li> <li>2. Professional treatment</li> <li>3. Ecological process</li> <li>4. Direct supplies</li> <li>5. International crew</li> <li>6. Various languages spoken</li> <li>7. Good Connections</li> </ol>	<p><b>Weakness</b></p> <ol style="list-style-type: none"> <li>1. Weak financial status</li> <li>2. Finnish language barrier</li> <li>3. Legislation and Law</li> <li>4. Customer's trust is low</li> <li>5. Location (?)</li> <li>6. Low experience customer service</li> </ol>
<p><b>Opportunities</b></p> <ol style="list-style-type: none"> <li>1. Being unique</li> <li>2. Preparing for franchising in nordic countries</li> <li>3. Basement for cooperation with brands</li> </ol>	<p><b>Threats</b></p> <ol style="list-style-type: none"> <li>1. Bankruptcy may occur</li> <li>2. Competition may start</li> <li>3. Bad customer service / experience</li> <li>4. Legit fraud / luxury fraud</li> </ol>



4. Basement for building/organizing sneaker/hypebeast events	
--	--

Table 1: SWOT Analysis for Helsinki's Sneaker Spa Team

Table 1 shows how Helsinki's Sneaker Spa would face being the first player in this type of service. Our strength as market leader in Helsinki, therefore no competitor yet unlike other pop-up restaurant or beauty field. Sneaker spa determines themselves to deliver professional treatment with ecological process which matters to Finnish. We already have supplies from Solemate, the favourite sneaker cleaning kit provided from Russia. As the team now have 4 people, from 4 races and 4 nationalities, we are confident to deliver service in several language and have good connections around, especially we are all sneakerheads.

Weaknesses from our point of view are also worth considerate and heading our ways to resolution. Weak financial status which affects us most, our plan to have nice marketing content or good spot in the center is restricted by this reason. The next barrier for us is Finnish language, this issue is important in customer service and customer loyalty, especially when there is coming players. We are also unfamiliar with legislation and law, taxes in particular, which we need to figure out the resolution to get good records in authorities mentions. Since we are new comer, we expected that our customer trust percentage is low for that reason. However, we can resolve the problems by day to day better service. Location is important in this kind of service, our weakness is questionable since no clear spot picked yet.

Discussing about the opportunities of this type of service in general and our store in particular, I define these opportunities in short term and long term. For short term, we would be unique as mentioned. Our plan in first year is to make the store not only the place to clean sneaker, but also a place for sneaker heads to gather around and share their knowledge, passion and workshop, therefore we could be a basement to develop to a retailer for some fashion or tech brands, and to organize events for the community we created. For long term, our aim is to establish a franchise or more sneaker spa inside Nordic countries.

At last but not at least, our threats are bankruptcy since we are new entrepreneurs, competition from others if they decide to open the same model. Threats from customers could be bad experience from our service which can lead to disappointment and hesitation from others. Lastly is fraud, since sneakers are becoming more and more expensive regarding hype collections, being frauded by customers is not what we expected but still considered as threats we need to defend.

Scoping the SWOT analysis, there are several things to mention. The strongest to mention is that the company have is its position, the first professional sneaker cleaning service provider

In Helsinki. Our weakest side is language since we are all foreigners, it is also mentioned by one of the professional mentor in the in depth interview. Our biggest opportunity is being unique here, it could bring us a lot of experience and connections between customers and other companies. However, the threat of being unwell financialized could bring us trouble since this is the first challenge of our entrepreneurship.

#### 6.1.2 Business Model Canvas

The business model canvas below shows several aspects which could significantly affect the business or putting the sneaker spa under the scope of other professionalists considering its successful rate. Red - Yellow - Green and Blue showing level from the most to the least important elements.



Our key activities are delivering the service of cleaning sneakers, as well as sneaker restoration. We are active in also marketing field to reach customers. Maintaining the good shape of machines, the store and providing good customer service is also our key activities. Customers would know or heard of Helsinki's sneaker spa because of our convenience and professionalism, the store provide great value to people. Our most important element is bringing fresh and clean sneakers to customers, with professional care for different material, therefore, money and time would be saved. The confidence of our store comes from these resources: being unique and market leader in Helsinki, good location since we planned to locate it within center area. We are confident to deliver ecological and professional service, to not only those who use sneakers, but also various target customers from sports team to runners or even just a student.

The store itself would benefit from long-term relationship customers, such as sport teams or events. Also short term customer such as passer by or sneaker heads, who is targeted to be our loyal customer after experience the whole good service. Dividing customers to channels, various segments would be applied: from social media (facebook, instagram marketing strategy), flyers and promotions (inside schools, universities), from our partners (stores, gyms, events) and lastly from the shop location (travellers, passer-by).

Scoping the cost structure and revenue stream, as a new service born to town, the store aim to be cost driven, which put the quality of service over the price or quantity. Moreover, since the owners are young entrepreneur, the salary would take account for big parts of the cost. The location, as mentioned above, costs also since its attractive spot would help decrease the amount of money spent on marketing on social media, which is one of our elements in cost structure also. The shop itself would benefit from sneaker cleaning service and also selling other products for youngsters such as socks, backpacks, phone cases, headphones, and get commissions from the brands.

In business model canvas, the company shows its various components with which they can benefit and turn it to good revenue stream. The key partners are social media such as facebook and instagram, and solemate (providing the cleaning kit). Offering sneakers cleaning service is the key activity, with being unique and first is the key resource. For customer relations, sport teams provide the long term relationship, and other segments are sneakers lovers and runners. The company decided to focus on social media marketing, it is the biggest channel to attract customers, telesale for sports teams and gyms are also being considered. Since the company are four young people, the salary took account the most. Lastly, the revenue stream of the store is from the service itself and somehow commission from selling goods for other brands.

## 6.2 Pricing

Sneaker's Spa Helsinki is a new and unique service provider in Helsinki metropolitan area, therefore the challenge to price an affordable and also trustworthy price is critical to deal with. Moreover, since this is the new entrepreneur, the profit should also be considerably good enough to handle others costs which could make the store suffer.

Sneaker's spa mission is to bring a good and well treated service to customers, therefore the price should be a banner of "we offer trustable and professional service for you". Since Finnish are willing to pay higher price for service rather than product, it is well recognized to set the price higher, at least comparing to other related service such as nailing, barber shop. The ideal price range to give the customer a trusted feeling for their sneaker professional treat is around 20-30 euros plus taxes, comparing to a quarter of a finished nail work, same as one haircut from professional barber. At this price range, after careful calculation with Finnvera, the amount of shoes monthly at 25 eur/pair to get the break even is around 300 pairs, which is achievable in the first stage, the price also made ut easier for the store to prevent from financial crisis.

After defining the price range is under 30 euros for one pair of sneakers treated, which defines the service as professional care, the next step is to adjusting the price to become catchy and persuasive towards the customers. Instead of saying "I paid over 30 euros to clean these", it is better to hear that "I paid 20 euros something for this clean and fresh kicks". Therefore, at the first step called "barriers", the price could be around 24-28 euros. The next step is adjusting the price based on psychology. Since Helsinki's Sneaker Spa defines itself as professional, it should not contain ".99" in its price (which indicates something on sale. Furthermore, to charge more on some special service such as whitening boost, UV dedodorization, add-on service price is a good way to get more income.

Service	Price
Basic Clean	22 euros
Luxury Clean	29 euros
Restoration	45 euros

Add-on Service	Price
Whitening Boost	10 euros
UV-Deodorization	3 euros
Water-repellent spray	2 euros

Table 2: Final price for Helsinki's Sneaker Spa Services

The prices for services are set to attract customers (table 2), the raw service itself would cost 22 euros for basic cleaning a pair. With luxury sneakers (which costs more than 400 euros at retail, or optional) the price would be 29 euros. The whole process of restoration costs 45 euros. The services which are add-ons are whitening boost (10 euros), UV-deodorant (3 euros) and water-repellent spray costs 2 euros.

### 6.3 Service Design And Service Evaluation

According to theories and several researches conducted, it is accepted to emphasize the service design process in this newly open store. The service design is linked closely to the customers and it is suggested to focus on quality rather than the cost. The service design is based on the process of Moritz, with 3 big steps; observation, participation and role immersion.

The author tried to get the insights and personas of random people to see what they really need first, and then conducted a sample video which help them understand the service, and then the final step is to get feedback from people about the service process. By this way, the service is designed with full visuality and they can be understood straight away. Getting feedback from professionals and surveyee helps the service designer understand deeper in what the store needs to develop in the service.

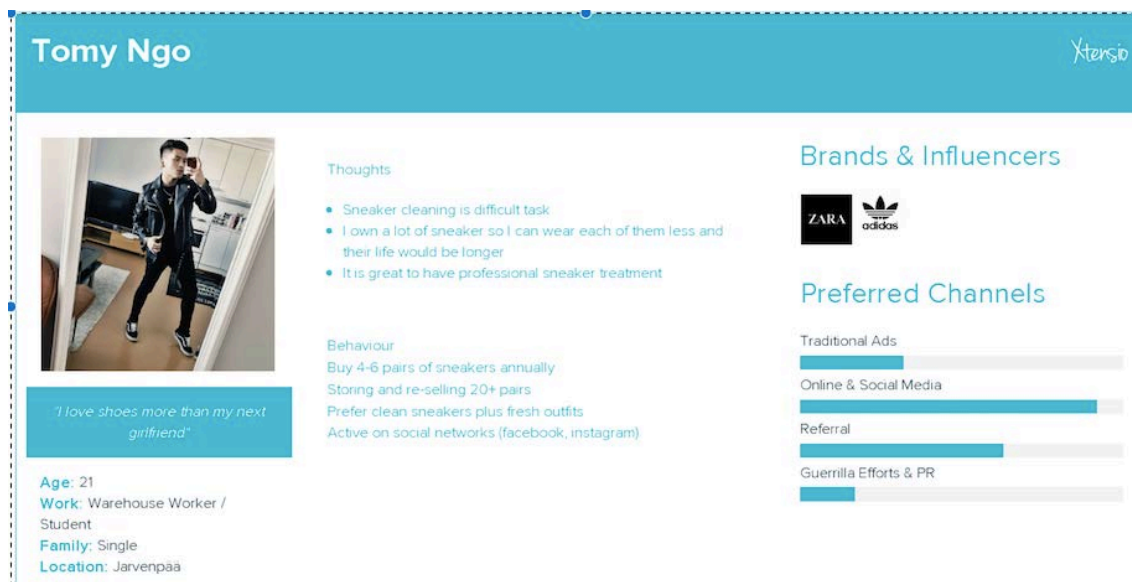


Figure 3: Tomy Ngo's Personas

The first persona, Tomy Ngo (figure 3), young and passionate sneakerhead living in Uusima region. He represents our first main target customer section. He has stunning sneaker

collection and so far being a trader in Helsinki who loves to buy and sells through internet, mostly via Facebook and Instagram.

He requires good care of sneakers, but admitted that cleaning them is difficult task, laziness and unprofessionalism is what people usually see having their sneakers cleaned by themselves. Since he is active on social media, he preferred advertisement on these channels, references from friends are also a plus.

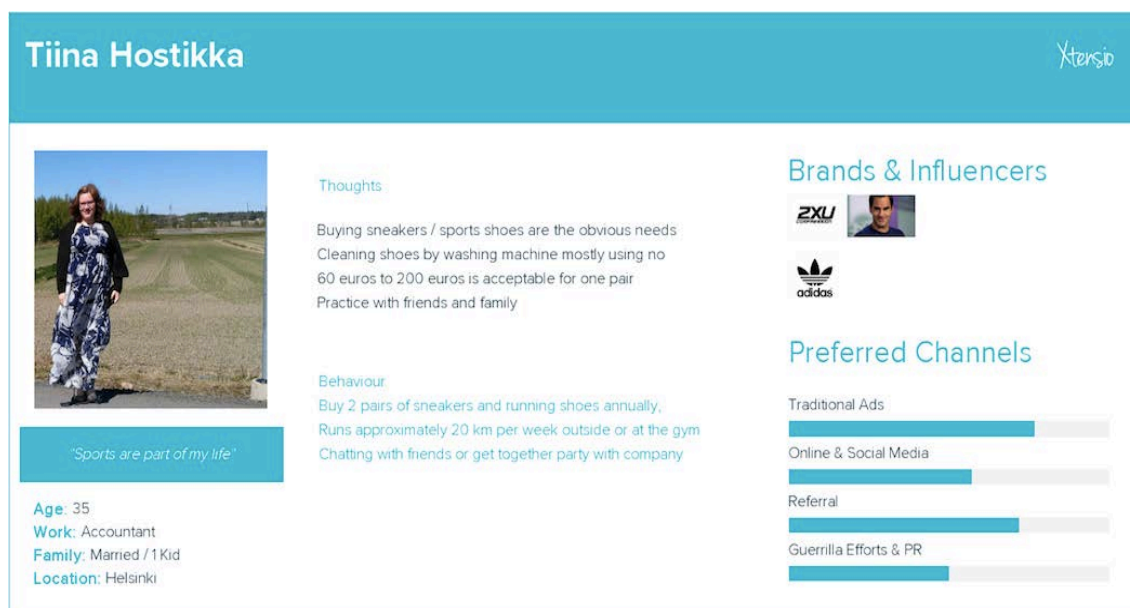


Figure 4: Tiina Hostikka's Personas

The next persona who would potentially be our customer, Tiina Hostikka (figure 4), a married accountant living in Helsinki region, with main hobbies are sports, especially running. Since she does not know about the concept and shoes development lately from brands, she still prefers to wash her shoes with washing machine. She usually practices sports within her friends and family members, not including professional level.

She mentions that two pairs of sneakers / running shoes per year is acceptable, since she runs weekly inside and outside about 20 kilometers per week. Although she is not really into social media, she still socialising with friends and companies in her free time. Traditional advertisements in newspaper or television and references are two types of reaching path towards her.

The customer journey is shown in the video, which could be summarized shortly: reception task (shoes condition checking and customer's info gathering), the cleaning happens with treatment and add-ons, the wrapping process, final check and payment. When it comes to feedback, the cleaning process which is not shown in the video clearly was the mention of

surveyee. They need the well treatment process with quality cleaning products, and also some need the price to be more affordable, especially with youngsters such as students.

The service model and customer's journey have been created, followed after several opened stores worldwide, whose models are used and seen as good service's quality by their customers. The author had asked for permission to use their customer's journey as documentation for the thesis and got approved.

Below are the link to the video:

<https://www.youtube.com/watch?v=tHWDqVB0n0M>

The service in benchmarking stage is evaluated well-designed in most case of survey, also stating that 20-25 euros is the right price range for the service, without other add-on. Therefore, the company is confident with more development from the benchmark and the service would be fit well with Finnish's point of view.

## 7 Conclusion

The aims of the thesis is business market research, pricing and service design for the new and unique concept of sneakers cleaning service in Helsinki. The entrepreneurs are four foreigners based in the company called Sneakerheadz. Because this concept needs to be consider carefully and detail enough for the business to start launching, the three goal above are crucial towards the company at the moment. The author is also one of the member inside the company.

Market is the first point to consider. Since this is the new concept, the question is how big is the market size and its demand. Inside Helsinki area, there are thousand of people using sneakers or sport shoes everyday, with many purposes. Our target customers are sneakers head and runners, long term customers are sport teams. The sneaker culture of Finland is getting bigger, with variety of sports engaged by people, the demand would be enough for the store to offer the service.

Business model canvas and SWOT analysis are two tools which are applied to the model to create the overview of the company and the business model. There are several of component which made the business stronger and cooperated with others partners, profiting from the service and comission is our target. Also being unique and the market leader is our key resource that could bring us the advantage. However, in the SWOT analysis, weak financial support in the beginning point would lead us to trouble, language barrier is important point that the company needs to focus on.



The pricing process is based mostly with Jensen ideal theory. The price needs to speak itself for the quality, therefore the service is high priced at the start, not to mention which would help the company cover back in other unexpected expenses. Finally, the price at 22 euros (equal to one hair cut in Helsinki) per one pair of shoes came out, there are also add-on for other services related. The price is also matching with the survey, with most people think the price range should be from 20-25 euros.

The service design is based on Moritz's theory, gathering insights and data from potential customers and their requirements for the service. Moreover, the conduct of interview with two of professional who is sneakers-passioned also gives the great idea of how the company should start designing the service and the downside which may affect the business. After those two steps, the video benchmark shows potential of the service, creating good sights of customers feedback and strengthen the belief that the service would work in Finland well after some more detailed development such as back stage process.

In the end, the thesis itself has reached its goal and the company's goal. Since this is the very first business, the support of others such as government, press, media and others party would help the service growing in the advanced way. The prototype of the service is created and it is the time for execution. However, deeper research on several aspect such as finance, locating point are also big part to get this service successful driven.

## References

Brinkmann, S. 2013. Qualitative Interviewing. UK: Oxford University Press

Clark, T & Osterwander, A & Pigneur, Y. 2012. Business Model You : A One-Page Method for Reinventing Your Career. USA: John Willey & Sons, Inc

Evans, V. 2016. The Financial Times Essential guide to writing a business plan : how to win to backing up start up or grown your business. Second Edition. Harlow : Pearson

Jensen, M. 2013. Setting Profitable Prices: A Step By Step Guide To Price Strategy. Hoboken : John Willey & Sons, Inc

Krishnaswami, O.R & Satyaprasad, B.G. 2010. Business Research Method. India : Himalaya Publishing House

Moritz, S. 2005. Service Design: Practical Access To An Evolving Field. Köln: Köln International School Of Design 2005

Ojasalo, K. & Moilanen, T. & Ritalahti, J. 2014. Kehittämistyömenetelmät. Helsinki: Sanoma Pro

Polaine, A. & Lavrans, L. & Ben. R. 2013. Service Design: From Insight To Implementation. Brooklyn, NY: Rosenfeld Media 2013.

Tuulaniemi, J. 2011. Alvelumuotoilu. Hämeenlinna: Kariston kirjapaino Oy

## Electronical Source

Endclothing. 2017. The latest footwear products on an online shopping store. Accessed 3.11.2017

<https://www.endclothing.com/eu/footwear>

Hypend Facebook Group. 2017. The Group for youngster interested in hype clothes and shoes. Accessed 4.4.2018

<https://www.facebook.com/groups/hypend/>

Nike Inc. 2016. The Nike Flyknit Technology. Accessed 1.11.2017

<https://news.nike.com/news/nike-flyknit>

The Idle Man. 2017. The history of sneakers. Accessed 11.10.2017.

<https://theidleman.com/history-of-sneakers>

Sneaker Bash. 2017. Sneaker Bash Event in Helsinki. Accessed 14.3.2018

<https://www.sneakerbash.com/who-we-are/>

Sneaker Market Finland Facebook Group. 2016. Sneaker Market Trading In Finland. Accessed 14.3.2018

<https://www.facebook.com/groups/SneakermarketFin/>

Survey Monkey. 2017. What is survey.

<https://www.surveymonkey.com/mp/survey-vs-questionnaire/>

Survey Monkey. 2018. For a better survey.

<https://www.surveymonkey.com/curiosity/10-online-survey-tips/>

Yle. 2017. The trending of sneaker culture in Finland. Accessed 25.3.2018

<https://yle.fi/uutiset/3-9431130>

## Figures

Figure 1: Moritz's Process Of Service Design From Design Centered To User Centered **Error! Bookmark not defined.**

Figure 2: Business Model Canvas Of Helsinki Sneaker Spa

Figure 3: Tomy Ngo's Personas

Figure 4: Tiina Hostikka's Personas

## Tables

Table 1: SWOT Analysis for Helsinki's Sneaker Spa Team

Table 2: Final price for Helsinki's Sneaker Spa Services

## Appendices

Appendix 1: The Questionnaire For Survey ..... **Error! Bookmark not defined.**

Do you need the service of sneaker cleaning?

Options: Yes, I need help / No, I can manage it myself

On the scale 1-5 (1 is worst, 5 is best), how much points can you evaluate to the service you just witnessed?

Options: 1-2-3-4-5

If you are offered this service, how much would you pay?

Options: Less than 20 euros; 20 euros - 25 euros; more than 25 euros

What do you care more from the service?

Options: Price / Quality

What do you recommend us more towards this service?

