

# Facilitating the design of humancentered and memorable travel experiences

Nina Kostamo Deschamps

2020 Laurea

Laurea University of Applied Sciences

# Facilitating the design of human-centered and memorable travel experiences

Nina Kostamo Deschamps Degree Programme in Service Innovation and Design Master's Thesis December 2020

#### Laurea University of Applied Sciences Degree Programme in Service Innovation and Design

Abstract

Master of Business Administration

Nina Kostamo Deschamps

#### Facilitating the design of human-centered and memorable travel experiences

	Year 2020	Pages	101
--	-----------	-------	-----

In the fast-changing world with increasingly empowered customers, human-centricity and designing meaningful experiences have become crucial topics amongst businesses to stay relevant, attract customers and differentiate from others. The approach of putting customers at the centre, applying human-centered design and creating superior experiences are dominating the strategic discussions. However, studies show that a majority of businesses are struggling to operate in a customer-centric way. In small businesses, lack of resources and competences are often preventing to understand the needs and keep up with ever-changing aspirations and trends, and as a result, designing great customer experiences becomes challenging.

The objective of this thesis is to explore how design thinking, service design and experience design can help small travel entrepreneurs to design more memorable experiences. The theoretical framework draws from the customer-dominant logic, design thinking and experience design. The methodological approach is qualitative, applying instrumental case study approach, and benefiting from the field of design thinking and service design. To understand the needs, challenges and opportunities of new travel entrepreneurs to design experiences, research data was gathered through desk research, content analysis, thematic interviews, observations and feedback collection during an on-site experience testing event, followed by a co-creation workshop and concepting.

Three objectives were achieved in this design project. Firstly, new travel entrepreneurs gained knowledge on human-centric design from the travellers' perspectives and built an understanding on the concept of defining moments and journeys and the significance of emotions to create memorable experiences. Secondly, this project showed the value of experience testing and co-creation to gain valuable feedback and customer insights to learn and iterate. Thirdly, it could be jointly concluded that for entrepreneurs it is a change journey to improve experiences by applying human-centric design. It requires a mindset shift and continuous learning to acquire relevant knowledge skills and tools Keywords: customer centricity, customer experience, customer dominant logic, design thinking, experience design, human-centered design, travel, service design

# Table of Contents

1	Introd	luction	6
	1.1	The call for designing human-centered and memorable travel	
	exper	iences	6
	1.2	Research and development objectives	8
	1.3	Instrumental case: new travel entrepreneurs in Finnish Lapland	10
	1.4	Key concepts and delimitations of thesis	13
	1.5	Structure of the report	16
2	Theor	retical frameworks and approaches in designing memorable	
exp	oerien	ces in the context of travel	17
	2.1	Customer-dominant logic	18
	2.2	Design thinking mindset for human-centered design	22
	2.3	Service design	28
	2.4	Experiences, experience design and experience-centricity	32
		2.4.1Experience Economy	32
		2.4.2Experience-seeking traveler	34
		2.4.3Experiences, experience dimensions and memorability	35
		2.4.4Experience design and experience-centric organizations	43
	2.5	Concluding the theoretical framework	45
3	Resea	rch approach, design process and applied service design methods.	47
	3.1	Case study methodology	47
	3.2	Double diamond as a design process	47
	3.3	Divergent and convergent thinking	49
	3.4	Discover phase and applied service design methods	51
	3.5	Define phase and applied service design methods	56
	3.6	Develop phase and applied service design methods	60
4	Resul	ts	72
	4.1	Results: human-centered as of mindset	73
	4.2	Results: understanding of experiences and experience design	
	conce	epts	74

	4.3	Results: positive travel experience outcome, focused on	
	memo	prability	76
	4.4	Results: mindsets, knowledge, skills, and tools to develop human-	
	cente	red and memorable travel experiences	79
	4.5	Results: facilitating new travel entrepreneurs to design memorabl	е
	and h	uman-centered travel experiences	84
5	Concl	usions	88
	5.1	Recommendations	89
	5.2	Further research	89
Ret	ferenc	es	91
Fig	ures		01
Tal	oles		03

#### 1 Introduction

Experiences are everywhere. The experience economy, the concept initiated 20 years ago, is here. Yet, experiences are multi-faceted and existential. This research and design project focuses on this interesting and complex topic within the travel and tourism industry, which is, in the end, by nature the business of selling experiences. The perspective chosen is the small travel entrepreneurs' ultimate need to design and facilitate memorable and meaningful experiences for travelers.

# 1.1 The call for designing human-centered and memorable travel experiences

Design is the key driver of innovation and change within organizations around the globe (Yee et al. 2017). One of the largest industry sectors of the world, the tourism and travel, accounting for 10.3% of global GDP and creating over 330 million jobs (WTTC 2020), is largely dependent on the global economic, social and environmental contexts. Consequently, to address ever-changing situations and needs, continuous monitoring and agile redesigning of travel businesses' offerings, models and marketing communications are required. Many events, such as 9/11 in 2001, the financial crisis in 2008 and, more recently, the COVID-19 pandemic outbreak in 2020, have caused immense and global downturn consequences and disruption for the travel and tourism. At the same time, while people's behaviors tend, as a result, change, their needs and motivations to travel are still valid. Recent figures have showed that dreaming of travel has not slowed despite of pandemic (Skift 2020). Therefore, those businesses who are able to innovate, adjust or even design new types of offerings and models are not only showing resilience and ability to stay in business despite of challenging times, but also creativity, relevancy and willingness to address people's needs.

Contributing to 5,7% of GDP compared to average of 2.5% in Finland, the travel and tourism is also one of the main economic forces in the region of Lapland in Northern Finland. In 2019, there were a total of 3,1 million overnight stays, of which majority were registered by international travellers in Lapland (House of Lapland 2019). In fact, the internationalization rate of travel in Lapland is the largest in Finland. However, since the population in Lapland keeps decreasing (Lapin Luotsi), many communities are struggling with diminishing services and job losses. To maintain current inhabitants, attract new ones and keeping services, travel entrepreneurship has been considered as one solution to the issues mentioned. For local inhabitants, a travel business can provide either additional revenues or, in some cases, become as the sole source of income, enabling self-employment and better opportunities to stay in the region. While motivation to launch entrepreneurial activities might be high, many of those who are willing to become travel entrepreneurs, or have recently started an

enterprise, are lacking skills and knowledge to design and manage their offerings (Suomen Yrittäjät 2017).

Apart from massive changes as a result of increased global competition, technological evolution and the emergence of new markets, including the sharing economy and peer-topeer services, it is argued that the most crucial impact for businesses is the changes in customer behaviour, and challenges in adapting and making sense of new empowered customers (Heinonen and Strandvik 2017, 1). The power balance between providers and customers has shifted from businesses to the customers (Heinonen & Strandvik 2017, 2; Newman & McDonald 2018, 13).

Not surprisingly, changes in travel industry have also been considerable in a relatively short period of time. Due to digitalization and fast advancements in technology (Frochot & Batat 2013, 16), customers have "endless" devices and channels to seek information, make purchases, entertain, connect and educate themselves. Available information is massive: in travel alone, customer can read peer reviews and contribute to travel communities on hundreds of sites and make price comparisons and direct bookings. Although information availability and direct online buying opportunities might already be considered as self-evidence by many today, it was not a long ago when physical travel agencies were the places to go to get information on destinations, make flight and hotels bookings and, and collect mandatory paper airline tickets and hotel vouchers. Another key change that has shaped travel landscape and customer expectations largely is the sharing economy that have brought in global, user-friendly and outcome-driven platforms available to all internet users to book services and experiences with a few clicks. As consequences of these digitalization advancements and waves of constant innovations, the customers are not only empowered, but also increasingly demanding, resulting fierce competitions within businesses.

To differentiate, experiential competitors have grown in importance. To stay relevant and attractive, businesses who continuously reshape their offering, or even their business models, due to shifting expectations, can eventually be in better control of customer experience and continue to satisfy their customers' needs (Fjord 2015). Putting the customers, or humans, first is therefore vital. Having said that, this idea is not new. Theodore Levitt, a scholar often called as a founder of modern marketing, already pointed out in the 1960s that the entire business should be viewed as "a customer-creating and customer-satisfying organism" and as such, an industry should start with the customer and his or her need (Levitt 1960, 56). Levitt also emphasized that "given the customer's needs, the industry develops backwards, first concerning itself with the physical delivery of customer satisfactions" (Levitt 1960, 56). What is new now is the experience economy is here (Pine 2020), which calls for differentiation, relevancy and meaningfulness. This can be shaped through innovation, creativity and experience design. As Mootee (2013, 127) puts it, innovation through experience design offers

businesses a high degree of differentiation in some of the most omnipresent product and service categories.

All in all, acknowledging the topics mentioned above, providing support with design thinking, service design and experience design to local entrepreneurs in Finnish Lapland in their efforts to design and shape travel experiences becomes a purposeful task, which has even increased during this thesis process due to COVID-19 consequences that have heavily impacted the overall travel and tourism landscape, jeopardized many business plans and forced to rethink the business models and the experience offering.

As such, design thinking and experience design approaches in the context of the travel and tourism industry were chosen for this research based on my long professional experience and the desire for further development in this experience-led industry, but also due to an opportunity to apply directly my learning as a result of Master's studies of Service Innovation and Design. In my current work as an Experience Design and Transformation Lead in the world's largest digital agency, I apply human-centered design, coaching and design thinking to facilitate organization-wide change projects for leading global brands to help them to transform their operations towards customer-centricity and create new experiences and relevant offering. Originally from Lapland, I however started my career in the travel and tourism industry. Working with different types of travel businesses, from Disneyland Paris and a tour operator of Finnair Group in Paris to Amadeus IT Group based in Nice and Madrid to Visit Rovaniemi in Lapland, have given me a broad view and valuable insights on this dynamic industry. Through this thesis work, my intension is thus to apply previously acquired knowledge and consequently help new entrepreneurs to develop and design meaningful and human-centric experiences and this way contribute to the development of Lapland, which I still call home and where my family lives.

Next the research and development objectives will be presented.

### 1.2 Research and development objectives

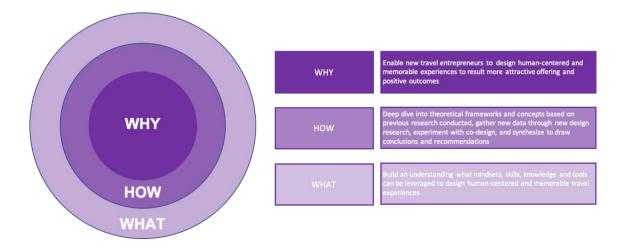
This thesis work is, first of all, aiming to understand the challenges of new travel entrepreneurs in designing experiences and, as a result, to build a holistic view on humancentered mindsets, and service and experience design knowledge, skills and tools that can be help to facilitate travel entrepreneurs to create memorable experiences. The customerdominant logic and design thinking are explored to highlight the importance of understanding the customers and how businesses' offerings are embedded in customers' lives. Service design and experience design are discussed, and especially the term *memorable* travel experience is broken down into more details. Empirical work is carried out using design thinking, i.e. human-centered approach to innovation, service design, and experience design. Interviews, content analysis, immersive observations during the experience testing event, and the co-design workshop were used to gather insights. The research follows the double diamond design process from discover to develop phases. This process will be explained in the chapter three.

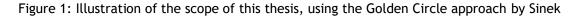
Research questions	The results linking theory and empirical parts, presented in the chapter	Approaches taken in this development work	Literature review – theories covered in the chapters	Empirical work in this development project	Selected empirical methods covered
#1 - What is the concept of human-centerednessas of mindset?	4.1	Exploring design thinking (DT) and customer-dominant logic (CDL) as of mindsets and approaches for human- centeredness	2.1 & 2.2	Interviews to understand the travel entrepreneurs current state & their viewpoints	in the chapters 3.3: interviews 3.4: empathy map 3.5: observations
#2 - What are the concepts of experience and experience design?	4.2	Reviewing the literature of experience economy, experience-seeking traveler, experiences and experience design	2.4	Feedback on experience descriptions before the testing, experience testing and observations, co-design workshop	3.5: experience testing, feedback collection, observations, co-design workshop
ł3 - What makes a travel xperience memorable?	4.3	Literature review of theories of Pine & Gilmore, Frochot & Batat, Ritchie et al., Tung & Ritchie, Kim et al., Heath & Heath etc.	2.4	Observing and validating what resonates amongst travellers	<ul><li>3.3: content analysis of emails, interviews</li><li>3.5: experience testing, feedback gathering, co- design workshop</li></ul>
44 - What is required in terms of mindsets, knowledge, skills, and tools to develop human- centered and memorable travel experiences?	4.4	All mentioned above	2	Synthesizing and sensemaking as a result of the development work	3.3: interviews 3.5: observations
#5 - How to facilitate new travel entrepreneurs to design memorable and human- centered travel experiences?	4.5	All mentioned above	2	Synthesizing and sensemaking as a result of the development work	3

To summarize, this development project aims to answer the following research questions.

Table 1. The research questions linked with key concepts and empirical work

Using Simon Sinek's Golden Circle (2009, 37), knowing also as "Starting with Why", this development project aims to explore design thinking, service design and experience design and link them with memorable travel experience concept to propose an approach how to facilitate new travel entrepreneurs in their journey to understand their customers better and increase the ability to design more human-centered and memorable travel experiences (figure 1).





The terms used here are explained in the chapter 1.5. Next the case context will be introduced.

# 1.3 Instrumental case: new travel entrepreneurs in Finnish Lapland

This chapter explains briefly the context of travel industry globally and then zooms in on the key facts of this sector in Finland and in Lapland specifically. Information on the importance of entrepreneurship in the travel sector and the selection of instrumental case enterprises are provided. The research method as such will be discussed later in the chapter three.

The travel is one of the world's largest sectors. According to Skift Research (2019), prior to COVID-19 pandemic, it was estimated there will be 1.3 billion international tourism departures in 2019. In Finland, the travel industry can be considered to be the same size than the agriculture or forest industries and bigger than the food industry. In 2017, the total travel related consumption, including the spending of Finnish and international travelers in Finland, was 15 billion euros. There are nearly 29 000 enterprises in this sector in Finland, employing over 140 000 people. The foreign overnights are reaching 6.8 million annually as shown in the below infographic (figure 2). Apart from Finland's neighboring countries, Germany, the United Kingdom, China, the United States, France, Netherlands and Japan are all important markets in terms of number of visitors and tourism related revenues. (Business Finland 2018.)

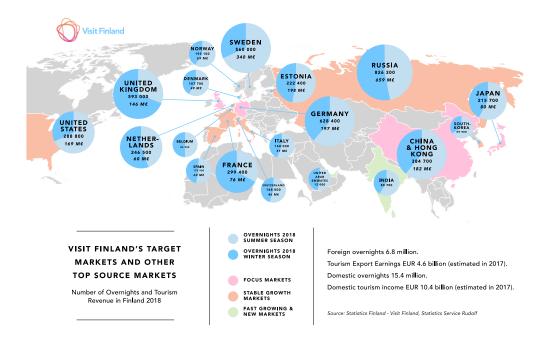


Figure 2: Target markets infographic (Business Finland 2018)

Tourism is also one of the most important sectors in Finnish Lapland. Lapland in the northernmost region in Finland, covering 30 % of total area of Finland. In February, there were 178 530 inhabitants in Lapland (Lapin Luotsi). In 2018, there were 3 million registered overnight stays, of which the share of international overnights represented 52 %. Prior to 2020 pandemic, the overall sector has been growing, and the growth in international tourisms was nearly 6 % compared to previous year. It is also noteworthy that Lapland can be considered as a driver for tourism in entire Finland. International visitors are originating from over 140 countries. Tourism brings approx. 1 billion euros in income revenues and its employment factor is also significant, as demonstrated in the below infographic, produced by the House of Lapland (figure 3).

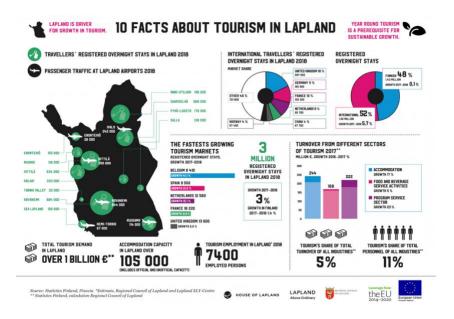


Figure 3: Infographic on Lapland tourism facts and figures (House of Lapland 2019)

What comes to entrepreneurship, it is important to underline that Finland is a country of small enterprises. Excluding primary production, there were a total of 286 042 enterprises in Finland in 2018 (Suomen Yrittajät 2020). It is also noteworthy that 93% of the enterprises are with less than 10 employees, and 71% are, in fact, self-employed. A number of enterprises have been increasing rapidly.

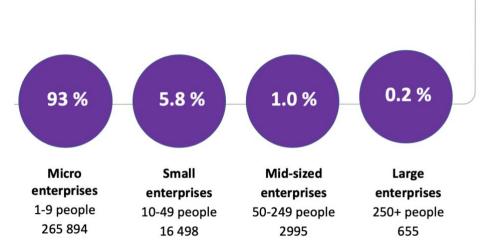


Figure 4: Key figures of entrepreneurship in Finland (Modified from Suomen Yrittäjät 2020)

What comes to actual case enterprises selected for this particular project, in the beginning of this thesis work there was another project on-going in the village of Kairala in the Eastern Lapland with an objective to spark an interest amongst locals to start new travel enterprises and ideate new travel experience offerings. As a result of this development project, four entirely new winter-themed travel experiences aimed for international travelers were created. These offerings were not yet tested nor put in sales. Due to convenience, this sample was selected to be an instrumental case to build an understanding on the challenges of new travel entrepreneurs in designing experiences.

### 1.4 Key concepts and delimitations of thesis

This chapter defines the key concepts discussed throughout this thesis. The concepts are organized in alphabetical order.

#### **Customer experience**

Customer experience term refers to the sensory, cognitive, emotional, social, and behavioural dimensions of all activities that connect the customer and the organization over time, including all touch points and channels (Bolton 2016, 4-5.)

#### Customer-dominant logic

Customer-dominant logic is a theoretical framework that underlines the need for customerfirst approach for any business to be successful. Since customers are empowered, businesses need to continuously monitor customers' behaviour to offer meaningful services (Heinonen & Strandvik 2015, 472.)

#### Design

Design, in essence, can be defined as "the human capacity to shape and make our environment in ways without precedent in nature to serve our needs and give meaning to our lives." (Heskett 2002, 5). Design is considered as an active, extensive and broad function to make and shape our environment and everything with it from tangible products to intangible services, experiences and processes.

What comes to good design, one simple way to put it is: good design solves the right problems. The added value of design in business is to discover the key problems and solve these problems for both the customer and the business. Embedding design to an organization can help to create meaningful experiences, solve complex problems and add value at social, economic, and environmental levels. (Lockwood 2009, 94.)

Businesses relies on design to ensure the end results are effective enough to connect with customers and help them realize the value they are looking for. As the interface between businesses and customers takes on new forms and touchpoints continuously, design plays a vital role in defining improvement opportunities. (Newbery & Farnham 2013, 5.)

In management, interest in design has been two-folded. On one hand, the role of design within innovation and new product development has been assessed, and on another hand, considering of management as a design science, as opposed to a natural science (Kimbell 2011, 43).

#### Design thinking

Design thinking can be considered as an innovation process and a valuable method to discover unmet needs in order to create new product and service concepts or transform businesses through solving "wicked" problems. The process as such is collaborative, conceptual, iterative, and it includes idea formulation and demonstration. (Lockwood 2009, 83-84.)

Tim Brown writes about the evolution from design to design thinking as "the story of the evolution from the creation of products to the analysis of the relationship between people and products, and from there to the relationship between people and people" (Brown 2009, 41-42).

Design thinking provides a structured process that helps innovators break free of counterproductive tendencies that prevent innovation. As such, it can be seen as a social technology that blends practical tools with insights. (Liedtka 2018, 74.)

#### Experience

According to Pine & Gilmore (1998, 98), "Commodities are fungible, goods tangible, services intangible, and experiences memorable". Therefore, as Pine & Gilmore argue, experiences can be considered to be the highest level of economic offering and add extensive economic value. As a result, we have moved from a service economy to an experience economy. This concept was introduced in the "Experience Economy" book by Pine & Gilmore in 1999, still widely topical and cited. What is also important to understand in this concept is how a customer's feelings, circumstances and expectations affect the experience, which is why people can't never had exactly the same experience, even when experiencing the same event. To put it simply, experience is a subjective value, not an objective value.

#### Experience design

Experience design can be seen as the practice of designing products, processes, services, events and environments with a focus on the quality and enjoyment of the total experience (Norman 2013, 4). Besides being holistic, experience design is also systematic and multidisciplinary approach to develop meaningful contexts of interactions on physical and cognitive levels, look at opportunities, frame problems, and evaluate solutions so that the customers are receiving and recognizing the maximum value and encouraged to keep engaged with the business. The underlining assumption is that it makes sense to provide quality customer service and engagement at any stage. Experience design connects value

identification, creation and delivery through offerings across the overall customer relationship (Mootee 2013, 128-129; Newbery & Farnham 2013, 8-9.) Hence, the term experience design can be used to refer to the development of experience-centric services, with an expected outcome of the encouragement of customer loyalty by the creation of emotional connections through an engaging, compelling, and consistent context (Zomerdijk & Voss 2010, 68, 77.)

#### Human-centered design

Human-centered design, known also as HCD, is an approach that puts human needs, capabilities, and the behaviour first, and then designs to accommodate those needs, capabilities, and ways of behaving (Norman 2013, 8). In this report, the term *human-centered* is chosen to be used to secure consistency, instead of terms such as human-centric, human-centred, customer-centric or people-centric.

#### Service design

Løvlie, Downs & Reason (2009, 173), defines service design as "design for experiences that reach people through many different touchpoints and that happen over time". Service quality can be defined by how well the touchpoints work together from the customer's point of view. Hence, the key to the design of services is the focus on how an experience indeed flows across different touchpoints than the quality of a touchpoint in isolation. As such, terms experience design and service design are somewhat used as synonyms.

#### Travel

According to World Tourism Organization, travel refers to the activity of travellers, whereas a traveller is someone who moves between different geographic locations, for any purpose and any duration. The visitor is a particular type of traveller and consequently tourism is a subset of travel. In this thesis, the terms "travel" and "traveler" are chosen to be used throughout this report, instead of tourism, tourist or visitor.

#### Delimitations of the thesis

This thesis does not focus on designing new business models or entirely new travel experience offering but rather focuses on providing recommendations for travel entrepreneurs how to develop further their customer understanding capability and their existing experience offering. The process ends with the first delivery of the concepts and initial feedback gathering but does not go through additional iteration stages.

#### 1.5 Structure of the report

This chapter presents the structure of the thesis. The thesis consists of complementing theoretical and empirical parts. The first chapter covers the study topic and context as well as introduces key research objectives, questions and concepts. The importance of customer centricity and ability to design meaningful customer experiences in today's fast-changing world with empowered, always-on customers, are highlighted. This chapter also provides an overview of global travel industry and then focuses on current key facts of the tourism sector in Finland and more specifically in Lapland.

The second chapter focuses on the theoretical framework, and introduces selected theories, i.e. customer-dominant logic, design thinking, service design and experience design in a more detailed manner. The third chapter describes the design process and applied design methods and tools.

The fourth chapter summarizes the empirical work, the findings and results. Emerging themes resulting from the desktop research, interviews and email content analysis are presented. Thanks to sense making and synthesis, key patterns and insights are concluded. This section is complemented with experiences testing feedback and observations, and the workshop outcomes. These outputs are used to design and form a concept proposal for small travel service providers. The proposal includes principles and elements to enable businesses to embed design thinking and experience design into their daily operations towards building a human-centric culture and memorable travel experiences.

Finally, the fifth chapter provides the conclusions, reflects on the value of the study and suggests further opportunities for research. Structure of the thesis is illustrated in the figure 5.

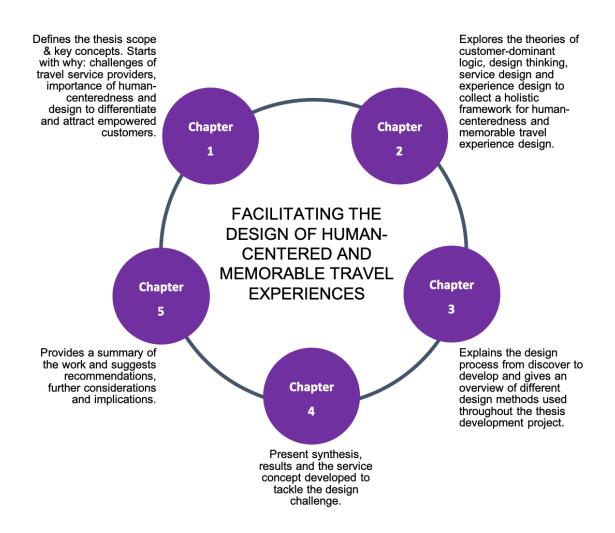


Figure 5: Structure of the thesis

# 2 Theoretical frameworks and approaches in designing memorable experiences in the context of travel

This chapter focuses on the theoretical framework of the research by exploring the main perspectives and principles of design thinking and customer-dominant logic (CDL) as of mindsets, service design as of valuable methods and tools, and customer experience (CX) with travel experience design as of crucial knowledge in the context of developing memorable and human-centric travel experiences (figure 6).

At first, customer-dominant logic is introduced by taking a glance at the evolution of different marketing management paradigms, especially linked with the relatively recent development from a service dominant logic to customer-dominant logic. Moreover, the customer-dominant logic, as a current perspective, is explored in a more detailed manner and, its consequences for businesses are discussed. This will be followed by introducing another important mindset, design thinking. A special focus will be given to the main

principles of this human-centered design approach. Next, service design, experience design and customer experience concepts will be described, especially in the context of designing memorable travel experiences. Finally, these theoretical approaches will be linked together to contribute to the research question on the capabilities and mindsets required to develop human-centered and memorable travel experiences.

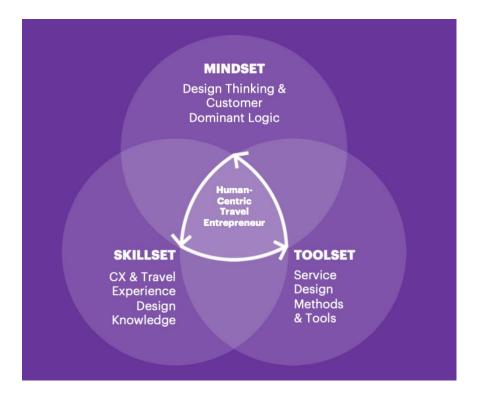


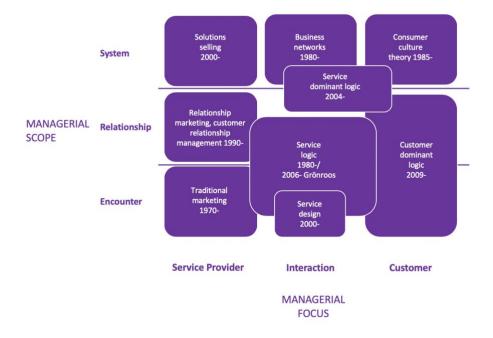
Figure 6: Theoretical framework of the thesis

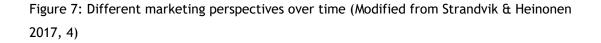
# 2.1 Customer-dominant logic

One of the key reasons why customer-dominant logic has become relevant for businesses is rapidly transforming customer behaviours. Since customers are empowered thanks to increasing technology developments and globalization, it has resulted accelerated connectivity, transparency and unpredictability (Heinonen & Strandvik 2017, 1). Consequently, and importantly, the power balance has changed in favour of the customers. This means businesses need to make constantly sense of customers in this dynamic environment, revise and adjust their business models and offerings. New recipes require to be explored and innovated to enable to overcome the challenges of being seen and chosen by connected customers. It also recalls businesses to constantly reflect on the value and relevance (Heinonen & Strandvik 2017, 1-2). These changes have attracted scholars to develop new concepts and perspectives in order to explain the new success factors in business. As a result, scholars in Europe, and more specifically in the Nordic School of Service Management, have developed and researched the customer-dominant logic increasingly

during the last years. From scholars' viewpoints, two main observations have led to customerdominant logic. First of all, Heinonen & Strandvik (2017, 2) have observed boosted business dynamism due to increased transparency and complexity, whereby customers are influenced by various interactions and sources. Second of all, customers are active and embedded in the own context, and therefore, subjectively aiming to achieve their own goals. Both observations emphasise the importance of moving from service provider's logic that assumes the provider having the control, markets being stable, customers as targets and interactions led by providers (Heinonen & Strandvik 2017, 3).

Before elaborating the customer-dominant logic further, it is valuable to review how marketing paradigms have changed over time and what are the key differences of customerdominant logic compared to service dominant logic. To compare different paradigms, Heinonen & Strandvik (2017, 3-4) suggest using two dimensions: the managerial focus and managerial scope. The shift in managerial focus, i.e., emphasis put when designing strategies and offerings, has gradually moved from a provider focus to an interaction focus, and, more recently, to a customer focus. The scope, i.e., how broadly the offering and its context are considered, has changed from being transactional exchange to relationship between the provider and the customer, and further on, to the system view (figure 7). Interestingly, service design in this view proposed by Heinonen et al. has a very limited focus. Nevertheless, in this research paper, service design is considered to have a more holistic approach than shown in the below, as it will be explained later in this thesis.





At this stage, it is advisable to clarify further the terminology used. In the customer-dominant logic theory, the term "dominant" refers to customers having, as the name suggests, a dominant role in the business or organization. Hence, a provider applying CDL is dominated by customer-related aspects rather than by products, service, costs or growth. "Provider", on the other hand, is used to indicate a seller, supplier, business or organization, or individual who provides an offering to a customer. The term "offering" refers to whatever the provider is selling, including thus products, services, solutions, value propositions, or relationships. Finally, the term "customer" has a broad meaning covering the actor, buyer, consumer, client, or user who purchases and uses the offering (Heinonen & Strandvik 2015, 473, 476).

Customer-dominant logic of marketing highlights the primary role of the customer. It underlines the importance of understanding the customers and how companies' offerings should be embedded in customers' lives. The focus is on how customers, in their ecosystems, engage different types of providers and how customers use and apply different service elements in their own lives (Heinonen & Strandvik 2015, 472.) Instead of a more traditional view where a provider is determining how customers can be involved in their activities, the interest should be in how customers prefer to involve providers in their lives. In practice, this shift is crucial and has multiple implications (Heinonen & Strandvik 2017, 5).

The customer-dominant logic is demonstrated to have a broader view on the customer than within service dominant logic (Heinonen et al. 2010, 532-535; Heinonen et al. 2013, 105, 115). Considering this holistic view, the challenge for a provider is to manage both onstage and backstage actions so they can provide support to independently orchestrated activities by customers, as Heinonen (et al. 2010, 535) puts it. Another major difference with previous theories is the role of customers. Levitt in 1960 and Drucker 1974 (Heinonen et al. 2010, 532, 535-536) were both highlighting the importance of customers and were pioneers in this thinking. However, in their important work, customer had a more passive role, whereas in the customer-dominant logic, the customer's role is active (Heinonen et al. 2010, 532, 535-536).

Additional major difference with previous theories is related to value formation in service (Heinonen et al. 2013, 105). In customer-dominant logic, value is not only created in the interaction, and it is not necessarily controlled by the company. Hence, the concept of value co-creation does not always hold true in customer-dominant logic. In fact, value formation is seen as an emerging process and it is the customer who determines the value in relation to her or his ecosystem. Furthermore, value is socially interpreted and experienced "in an experiential-phenomenological manner". Therefore, value should not be seen in a siloed way, since the reality of the customer is often, if not always, interconnected to the realities of others. These points lead to the understanding that value is always collective and shared, although the level of degree might vary (Heinonen et al. 2013, 105). Moreover, Heinonen (et

al. 2010, 537) points out the customer uses all inputs, i.e., current and remembered, to form an impression of value influenced by cognitive and emotional perspectives.

In comparison with other logics, the customer-dominant logic can be considered to have the following foundations, as summarized by Heinonen and Strandvik (2015, 477):

- marketing as a business perspective,
- customer logic as the central concept,
- offering seen through the customer lens,
- value as formed and not created and
- the prevalence of customer ecosystems

Furthermore, the following table summarizes the key concepts and approaches of the customer-dominant logic.

Key Concepts of CDL	CDL Approach
Customer logic	All customers act logically, based on their own goals, activities, aspirations, dreams, resources, experiences and reasoning. Customer logic is representing the identity of the customer.
Holistic customer view	Customers' different activities, experiences and resources are linked to each other, forming a system of their own.
Customer activities	Focus should be on customer activities and how providers participate in these activities and task. Three levels of customer activities are core activities, related activities and other activities. All levels need to be considered to understand customer holistically. In contrast of interactions, more important are the core activities and experiences that are directly connected to the use of the service.
Customer ecosystem	The customer's ecosystem represents a constantly changing influencer that affects his or her activities and services experiences. This is where the value is experientially formed.
Value	Value is the customer's subjective interpretation, which can change dynamically. It is not always co-co-created. Value is constantly emerging when an offering is used either mentally or physically in the customer's context. Value formation is only partly visible to the provider.
Driver of business dynamics	Based on the choices made by the customer
Business success	Based on understanding which role a provider might have in the customer's life and being able to fulfil it in a profitable way. Key challenge is to identify and understand the customer logic, as it explains the customer's actions, reactions and experiences.

Table 1: Key concepts of customer-dominant logic explained (Adapted from the text of Heinonen & Strandvik 2017, 7-12)

To conclude, customer-dominant logic starts indeed with the customer understanding and really positions the customer at the center. The focus is on what customers are doing with services to accomplish their own goals. It also reminds customers never use services in a vacuum. This then implies any given service is integrated into the customers' ongoing experiences and, therefore, service providers should be interested in the customers' experiences and goals holistically, beyond one service process. Starting with the customer-dominant logic recalls for a mindset change, as Heinonen (et al. 2013, 115) underlines. Focusing on the customers in their own life and ecosystem context requires new type of thinking, and doing, from the service providers. As such, service providers are usually restricted by capabilities, resources, existing business models and strategies. Thus, the main

challenge for providers is to step outside of their own world and logic. The customerdominant business logic includes a sufficient understanding of both, customers' and providers' worlds and logics. When providers create their service offerings, they should mirror the activities and experiences that occur in the customer context (Heinonen & Strandvik 2015, 476.) As a consequence, design thinking, service design and customer experience design will be helpful to form this view, as it will be explained in the following chapters.

#### 2.2 Design thinking mindset for human-centered design

As discussed earlier in this paper, in the fast-changing world where constant innovation is seen as a must to stay competitive and relevant, design thinking mindset with the set of principles and tools can be considered as an invaluable way to understand people better and help businesses to innovate in new and creative ways. In fact, traditional business thinking, and tools tend to be more focused on rationality and objectivity, and therefore, it is said they do not fit well in situations where human experiences are the decision drivers. As such, design thinking taps into capacities we all as humans have but that are overlooked by more conventional problem-solving practices (Brown 2009, 4). Design thinking has gained popularity in recent years, and it is seen as an exciting paradigm, inspired by the way designers work, for innovation and problem solving across fields, ranging from IT and business to education (Carlgren et al. 2016, 38; Dorst 2011, 521). It is fair to say there has been a considerable amount of hype surrounding the concept (Hassi & Laakso 2011, 1). However, there is no single definition, and it is even largely misunderstood or oversimplified (Carlgren et al. 2016, 38; Mootee 2013, 29, 38-39). Hence, it has been a difficult concept to conduct research (Carlgren 2016, 38) and, as a result, many scholars have increasingly reconceptualized the role of design thinking, notably in business, in recent years (Groeger et al. 2019, 1402). Due to unclarity of the term, a question how businesses understand and apply design thinking becomes a relevant question. According to research conducted by Carlgren et al. (2016, 48), organizations' understanding of design thinking differ largely, depending on their needs, their sources of knowledge and context. Yet, to structure the further research and discussions, there is a need for dynamic and flexible definition of design thinking, which takes into account its multiple facets.

While design thinking can be assessed from various perspectives, in this paper, the interest is to explore it from the mindset angle. Nevertheless, the definition of a design thinking mindset is not straightforward. According to Dosi et al. (2018, 1991), there is still disagreement on what the core elements of the design thinking mindset are in the academic literature. Although definitions may vary, fundamental attributes of a design thinking mindset are relatively consistent (Groerger et al. 2019, 1402). All in all, this chapter explores design thinking concept by first summarizing the definitions provided by some of the most

distinguished design thinking thought leaders and then providing an overview of key abilities or elements enabling design thinking mindset.

In 1969, the book "The Sciences of the Artificial", by a well-known economist and professor at Carnegie Mellon University Herbert Simon, was published. It is said this book laid the foundations on the idea of design as a way of thinking. It clarified the distinction between critical thinking as an analytical process of breaking down ideas and a design-centric mode of thinking as a process of building up ideas. Simon emphasized that the act of designing was core to management because anyone interested in turning or transforming an existing situation into a preferred one had to pay attention to design (Mootee 2013, 29). This notion was also highlighted e.g., by Richard Buchanan, the Professor of Design and a solicited keynote speaker, as he argues that there is no area of contemporary life, whether it is a plan, project or working hypothesis, where design is not a significant factor in shaping human experience (Buchanan 1992, 8). Indeed, design can be seen as transformative and oriented in improvements (Karpen et al. 2017, 388-389).

One of the most widely quoted definitions of design thinking is currently provided by the author and CEO and President of IDEO, Tim Brown. According to Brown (2009, 4), "design thinking is a human-centered approach to innovation that draws from the designer's toolkit to integrate the needs of people, the possibilities of technology, and the requirements for business success". As Tschimmel puts it (2012, 1-2), design thinking is understood as a complex thinking process, which leads to transformation, evolution and innovations. Mootee (2013, 32) defines design thinking as "the search for a magical balance between business and art, structure and chaos, intuition and logic, concept and execution, playfulness and formality, and control and empowerment". Mootee (2013, 32) also highlights how design thinking forms a framework for a human-centered approach to strategic innovation and new management paradigm for value creation. Don Norman (2013, 8), a well-known professor and the author of the famous book "The Design of Everyday Things" published in 1988, emphasize human-centered design as "an approach that puts human needs, capabilities, and behavior first, then designs to accommodate those needs, capabilities, and ways of behaving." He also argues it is a design philosophy that always starts with developing a good understanding of people and the needs the design is intended to meet (Norman 2013, 9).

As mentioned, while listening and considering the real needs, aspirations and desires of people is the first step, it is equally important to then focus on feasibility and viability considerations so that the solutions proposed do not only address what people need and value but also that they make a solid business sense. Hence, design thinking is, in the end, finding the sweet spot of feasibility, viability, and desirability (Kelley & Kelley 2014, 19-21).

Frequently design thinking is said to include empathy with users, a discipline of prototyping, and tolerance for failure, which can lead for creating new kinds of interactions and developing a responsive organizational culture (Kolko 2015). As Lockwood (2009, xv) underlines, "design thinking in services involves multidisciplinary teamwork, prototyping, as a means for dialogue, open design architectures, and integration between functional and emotional connections".

Ultimately, design thinking has a set of mindsets and principles that should be understood, adopted and applied. A designerly approach to innovation is deeper than a ready-to-apply toolbox. It is the mindset that helps to become human-centric and develop deeper empathy and innovation practices. Ideally, it should be grounded in principles and attitudes that define how we see the world, guide our behaviour and provide a mindset for action (Beverland et al. 2017). Dosi et al. (2018, 1992) define mindset as "the set of attitudes, opinions, beliefs, and behaviours that characterize an individual", mostly developed by experience. Groeger et al. (2019, 1402) recaps design thinking mindset to include the underlining values, cognition and resulting behaviours that find their way into the beliefs of people and organizational culture, over time. In 2018, Dosi et al. conducted a literature review to identify the most commonly mentioned design thinking mindset elements in scientific journals. Based on this structured research, 19 different mindset constructs were found as shown in the following figure (figure 8).

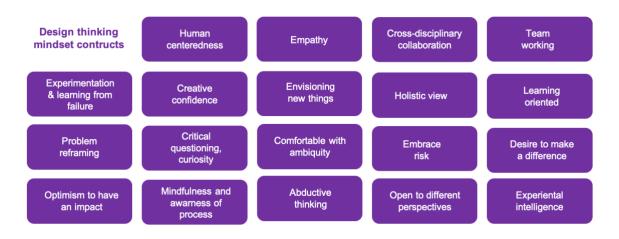


Figure 8: Design thinking mindset constructs based on literature review (Modified from Cosi et al. 2018, 1994)

Next, some of these main abilities, or mindset constructs in other words, are discussed in a more detailed manner based on literature review compiled for this thesis.

#### Human-centricity, empathy and collaboration

Research has shown that successful innovation through design thinking has always the humancentered point of view. Human needs are the start and the end point of design, and consequently, design process always starts with empathizing with those who will be benefiting from the design, whether the focus is on users, customers, or employees. Hence, it can be concluded design is human- and meaning-centred in nature (Karpen et al. 2017, 388). As design thinking is human-centrered, it calls for empathy. According to the University of Oxford, empathy is "the ability to understand and appreciate another person's feelings and experience". Mattelmäki (2008, 68) defines design empathy as "the skill of trying to look at the world from another person's perspective, making interpretations and imaging how it could feel or look like." The focus is given to understanding people's emotional and rational needs and wants, their real problems, behaviours, values, motivations, including also unarticulated, unknown or unmet needs (Kolko 2015; Mootee 2013, 66, 69; Liedtka & Ogilvie 2011, 6). Actually, design thinkers' challenge is to capture those latent needs and aspirations, that are not necessarily articulated by people. (Brown 2009, 40.)

Empathy can even be seen as "a gateway to better and sometimes surprising insights that can help distinguish your idea or approach", according to Kelley and Kelley (2014, 85). To capture the needs and jobs-to-be-done and build a holistic view on human insights, various research methods, such as observations, interactions, and immersion activities, are systematically used. Deep empathy for people makes observations invaluable sources of inspiration. Aim is to understand why people do what they do with an objective to understand what they might do in the future. Observing people's behaviour in their natural context, shadowing, immersive interviews and speaking to "extreme" users will spark new insights (Kelley & Kelley 2014, 21-22). However, this human-centered approach is not limited to design research but it expresses itself in the collaborative way design thinkers work with others and in participatory methods of co-creation. In participatory design process, users or customers are seen as partners from research to solutioning. Co-creation enables to increase the effectiveness of innovation process (Tschimmel 2012, 4). Karpen (et al. 2017, 388-389) confirms design is co-creative and inclusive in nature. In addition to empathizing with different people, learning from others is a core ability of design thinkers (Carter 2016).

To summarize, empathy can be seen as an important enabler to design more humancentrered experiences as an empathic approach helps to build a deeper understanding on people benefitting from the design and, in turn, insights captured can be used strategically to build meaningful experiences. In addition, it is said people with an extensive sense of empathy possess a shared feeling for what's going on in the world that helps them to see new opportunities faster than others and courage to try out (Patnaik & Mortensen 2013, 62). The question of methods and tools enabling empathy will be discussed further in the design process chapter.

#### Experimentation

Design is emergent and experimental in nature (Karpen et al. 2017, 388-389). "Everything yields to experiment" is said to be the favourite motto of potter Josiah Wedgwood, who is also argued to be one of the world's greatest inventors (Dodgson & Gann 2018, 1-3). The word experiment is originating from Latin word "experimentum", meaning a test, a trial, an experiment or an experience, as well as the Latin word "experiri" that can be considered to mean the word "try". Currently, the word experimentation is understood as "a scientific procedure undertaken to make a discovery, test a hypothesis, or demonstrate a known fact" or as a verb as "try out new ideas and methods" or "to perform a scientific procedure to determine something" (Oxford Dictionary of English 2010, 615-616). Design thinking is action oriented: learning-by-doing and courage to experiment are crucial mindsets to have. One could state a large part of design thinking is actually design doing (Mootee 2013, 64). Brown (2020, 13) amongst many others, links the experimentalism as a character or mindset to have in design thinking. Individuals and organizations that master the mental matrix of design thinking share of an attitude of experimentation (Brown 2009, 71). As design thinkers pose questions and explore constraints in creative ways, they are open to new possibilities and directions (Brown 2009, 71), which, in turn, can result more significant innovations (Brown 2020, 13).

Liedtka (2013, 29) emphasizes how important it is to learn to experiment. The benefits of experiments include testing the assumptions of a hypothesis and playing with ideas to learn and iterate, while manage risks with a relatively low-costs manner. This learning, often from failures, enable to reduce risks in development of new products and services (Mootee 2013, 70). Prototypes, such as storyboards, experience journey maps, models or mock-ups, help to bring in multiple stakeholders to the process, which oftentimes leads to new insights, better solutions and new possibilities of discovery. The same method, drawing and making things, have been used by scientists over time to unlock some of the greatest secret of nature (Kelley 2016, 108-109). Thus, prototyping and creating tangible sharable artifacts to learn and iterate become crucial. (Mootee 2013, 68). Rapidly experimenting can also be considered as an ability of quickly generate ideas through brainstorming and by eliminating the natural tendency to block ideas (Carter 2016).

#### Creativity

All innovation begins with creative ideas. Furthermore, it is widely argued all people are and can be creative, but sometimes they need discover again their creative confidence, meaning "the natural ability to come up with new ideas and the courage to try them out", as defined by Kelley & Kelley (2012). Creativity can be considered as the production of novel, i.e.,

something that is original and unexpected, and useful, i.e. something that is appropriate and adaptive, ideas in any domain, whereas innovation is the successful implementation of creative ideas (Amabile 1996, 1154). It is also defined as "the incubator and cultivator of new ideas, which are born from existing knowledge and combined to form a new neural pathway in the brain, leading to a personal original thought (Griffins & Costi 2019, 9).

Creativity can indeed be viewed from various angles, using e.g., social, developmental, cognitive, and biological perspectives. It is highlighted design thinking employs a set of interacting mechanisms and processes such as attention to design problem and acquisition and integration of memory, leading to new creative design ideas (Reimann & Schilke 2011, 51). Design thinking enables bringing creativity to next level. It develops a culture that embraces questioning and ambiguity, fosters creativity and reflection (Mootee 2013, 72.)

#### Visualization

Design is explicative and experientially explicit in nature (Karpen et al. 2017, 388-389). Visualization refers to the transformation of information into images, making ideas tangible and concrete. A simple drawing can remove ambiguity and helps to think, and know, differently (Liedtka & Ogilvie 2011, 49). Design thinkers create meaning through design process using tools such as maps, models, and sketches. Visualization is, in essence, helping to capture the information required to form meaning (Mootee 2013, 71-72), elaborate ideas and think through (Tschimmel 2012, 4). Cross (2011, 12-13) confirms the designers needs to interact with external representation to explore both the problem and the solution. The activity of sketching can be seen to provide "a temporary, external store for tentative ideas and supports the 'dialogue' that the designer has between problem and solution" (Cross 2011, 12-13). The importance of externalize thoughts throughout the design process in the form of drawings and sketches was also discussed by Lawson (1990, 96) who highlights the purpose of doodles, models and sketches to enable to store spatial ideas to be evaluated and manipulated. Visualization can be used throughout the design thinking process from early phases to document and make sense of observations, later to capture new concepts and test them (Liedtka & Ogilvie 2011, 49). Indeed, early prototyping is a way to visualize and test ideas (Tschimmel 2012, 4). Finally, the ability to visualize helps design thinkers to communicate better by reducing risks, building a shared understanding and being "a natural precursor to doing", as confirmed by modern brain science (Liedtka & Ogilvie 2011, 49, 52).

#### Holistic way at looking at problems and context, while dealing with ambiguity

Design is holistic and contextual in nature (Karpen et al. 2017, 388-389). Moreover, design thinking promotes being comfortable with change and, thus, it integrates strategic foresight. One of key design abilities is to navigate ambiguity. Since design is loaded with uncertainty, it is important to have an ability to recognize the discomfort of not knowing (Carter 2016).

Design thinking invites to explore uncertainties and anticipate the futures (Mootee 2013, 67). Strategic foresight can also be defined as a discipline of its own that "uses a range or quantitative, qualitative and intuitive skills to map out the many future possibilities tomorrow contains" (Raymond 2019). Working with unknown should be seen an opportunity throughout the process of discovery to producing tangible outcomes. (Mootee 2013, 67).

Design thinkers must embrace ambiguity, a chance for discovery and freedom to see things differently to enable innovation (Meinel & Leifer 2011, xv). As a result, it encourages new ways of looking at problems. Framing and reframing are vital to explore approaches to truly address complex and ambiguous issues in innovative ways (Mootee 2013, 65). As American inventor, engineer and businessman Charles F. Kettering said: "A problem well stated is a problem half solved."

Following figure (figure 9) recaps the key elements of design thinkers' mindset, which were briefly explored in this paper.

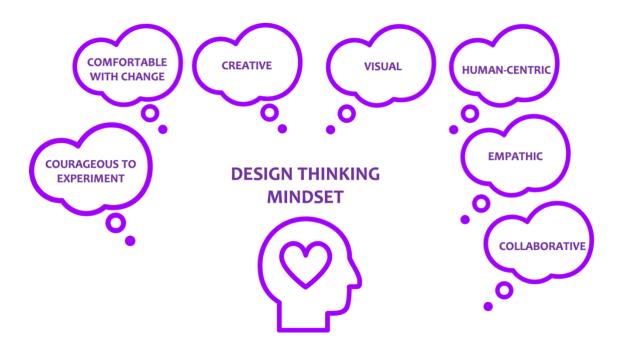


Figure 9: Key elements of design thinker's mindset based on the literature review

#### 2.3 Service design

This chapter gives an introduction on the importance of services. Moreover, it defines the key concepts of services and service design and explains the roots of service design shortly.

"The world is becoming characterized by services", highlights Ostrom et al. (2010, 4). According to World Trade Report 2019, services has become the most dynamic element of international trade and the global economy. Services, as a matter of fact, account for three quarters of GDP in developed economies, whereas developing economies are similarly becoming increasingly services-based. Trade in services has been expanding in a faster pace than trade in goods since 2011, with an annual growth rate of 5.4 % from 2005 to 2017, reaching 13.3 trillion USD in 2017. Driving factors for this increase are consumption patterns, liberalization, technology and digitalization, which have enabled significantly easier trade and opened numerous opportunities across different players (World Trade Organization 2019, 7-8, 12). The digital revolution has, in fact, radically changed and disrupted the services sector (Reason et al. 2015, 11). This also holds true amongst micro, small and medium sized enterprises who have been able to leverage the facilitation by internet and new technologies, and consequently, enjoyed a faster access to international markets. Additionally, a large number of jobs is created by service sector, and services are contributing to economic inequality reduction. As services require smaller fixed costs of productions, with lower investments, it is simpler to launch and run a service enterprise (World Trade Organization 2019, 7-8, 12).

According to Grönroos & Gummerus (2014, 208), and following the established service logic theory, "service is support for an individual's or organization's everyday processes in a way that facilitates this individual's or organization's value creation". In both service logic and service-dominant logic, meaning of service can be translated to "application of knowledge and skills to resources to support someone's value creation" (Grönroos & Gummerus (2014, 213). As Kaivo-oja puts it, services can be considered processes, performances, or experiences for the benefit of another, on behalf of one person or organisation (2012, 71). The definition of service can also be put as simple as "something that helps someone to do something" (Downe 2020, loc 163). The common nominator for all services is that they help us to achieve our specific goals, regardless of how many service providers they might be to make it happen. It is the user who defines what the service is (Downe 2020, loc 205, 257). From the management perspectives, services have been influenced by different social science traditions, and they can be approached from several fields, including marketing, operations and information systems (Kimbell 2011, 41). Since services are so crucial for the global economy and the employment, it is interesting to examine services from design perspectives.

Service design can be considered as a relatively new field of expertise that has been developed since the last 30 years. However, the roots of design and service design are in crafts and prehistorical arts and organized tribal planning (Kuosa & Westerlund 2012, 5, 14). The history of services, on the other hand, can be traced back to the emergence of the agrarian age, i.e. ca. 12,000 B.C when the first big nomad tribes settled down and as a result, creation of money, division of labour and professions were enabled and especially skilled people dedicated themselves to help other people for economic incentives (Kuosa & Westerlund 2012, 14-15). Craftsmanship, art and design have further evolved together over

the time, and formed new disciplines and competences. It is argued that service design is one of the best examples of cross-disciplinary mix of these three expertise areas (Kuosa & Westerlund 2012, 15).

Often, it is also emphasised the role of industrial design, started in the 1920s, to shape the origins of service design. Some of main industrial designers in the United States, such as Raymond Loewy, Walter Dorwin Teague, Norman Bel Geddes, and Henry Dreyfuss, had all in common the drive and use new industrial technology to improve people's standard of living. Since then, the focus has gradually shifted from efficient production to sustainable consumption and quality of live (Polaine et al. 2013, 18). In addition to industrial design, service marketing has had an important influence in service design (Reason et al. 2015, 11). Eventually, service design was formalised together with its "two sibling concepts" design thinking and co-design (Kuosa & Westerlund 2012, 5).

As such, service design is responding to major economic, social and technical trends. Trends can be defined as the direction along which particular forces, such as products, services, processes, models, or even people, travel (Raymond 2019). Since services have become economically important in mature markets, there is a high potential to drive loyalty (Reason et al. 2015, 11) but also to answer increasing customer expectations. To differentiate, businesses are focusing on delivering superior customer experiences, and indeed, individuals have increasing expectations regardless of the industry (Reason et al. 2015, 11). Fjord, the design and innovation agency of Accenture Interactive, has labelled it as liquid expectations, i.e., "a cultural shift raising our expectations for the best-in-class experience across categories" (Fjord). To design these superior services and experiences, service design has a major role.

Birgit Mager, President of the Service Design Network, uses the following definition to define service design: "Service design choregraphs processes, technologies and interactions within complex systems in order to co-create value for relevant stakeholders". Service design, thus, uses design processes and methodologies in order to create services that are useful, usable and desirable from the user perspective and valuable and different from the provider perspective (Service Design Network). According to Teixera et al. (2019), "service design is a multidisciplinary approach that is key to service innovation, as it brings new service ideas to life". What comes to the term of service innovation, it can be considered "to create value for customers, employees, business owners, partners, and communities through new or improved service offering, service processes, and service business models" (Ostrom et al. 2010, 5).

Hence, Løvlie, Downs & Reason (2009, 173), defines service design as "design for experiences that reach people through many different touchpoints and that happen over time". Service quality can be defined by how well the touchpoints work together from the customer's point

of view. As highlighted by Polaine, Løvlie & Reason (2013, 22), often an individual bit of the service is well designed but the service itself is not. This approach often results issues since people tend to judge how well everything works together to provide the value they are seeking for. Service designers are working on simplifying complex services and delivering real value (Polaine et al. 2013, 18). Each service can be broken down into steps and each step further into smaller tasks. Although each step and task need to be well-designed, in the end, it is the context of the whole service that makes the difference for the customer or service user. Moreover, it is the user who defines what the service is (Downe 2020, loc 205, 257).

According to Stickdorn et al. (2018, 20), service design can be explained and viewed in many ways. It can be considered as a mindset, i.e., a collection of attitudes that determine our responses to various situations, in which service design is pragmatic, hands-on and cocreative, interested in finding a balance between human needs, business relevance and technological opportunity, while focusing first on needs. This explanation is somewhat similar to design thinking definition as discussed in the previous chapter. On the other hand, service design can also be seen as a process that is driven by the design mindset, trying to find innovative solutions through iterative research and development. Service design can also be explained through tools that can create a common understanding, initiate and stimulate meaningful conversations and developments (Stickdorn, et al. 2018, 20). Furthermore, service design can be known in bringing in a shared language between disciplines to allow cross-functional cooperation. Finally, it is also a management approach enabling incremental innovation of existing value propositions or radical innovation for completely new services, products or businesses (Stickdorn, et al. 2018, 21).

In practice, service design thinking has a very similar principles than design thinking. According to Stickdorn and Schneider (2011-2012, 34), service design is user-centred, i.e. services should be experienced through the customer's eyes, co-creative, i.e. all stakeholders should be included in the service design process, sequencing or visualization, i.e. the service should be visualized as a sequence of interrelated actions, whereas evidencing implies that intangible services should be visualized in terms of physical artefacts, and, finally, holistic, i.e. the entire environment of a service should be considered.

To produce memorable service experiences, service design must be taken holistically, collaboratively and ideally embedded on the organizational culture of the service provider, confirms Zehner (2009, 344). Next, experiences and experience design will be explored. Furthermore, the differences between services and experiences will be discussed. The service design process and tools will be introduced in the chapter 3.

# 2.4 Experiences, experience design and experience-centricity

This chapter explores the concepts of experience economy, experience and experiencecentric service, experience design and experience-centric organization (figure 10). Furthermore, it aims to clarify why these concepts are vital in the context of creating, adjusting and managing new travel experiences. The dimensions of memorable travel experiences are also discussed, as well as what is meant by an experience-seeking traveller.

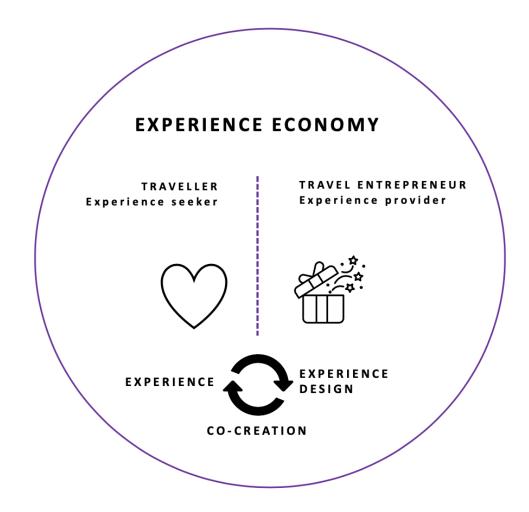


Figure 10: Multi-faceted experiences and experience design concepts explored in this chapter

# 2.4.1 Experience Economy

"The history of economic progress consists in charging a fee for what once was free. We will increasingly pay companies to stage experiences for us, just as we now pay for services we once delivered ourselves" is one of the quotes of B. Joseph Pine & James Gilmore introducing the concept of experience economy in their ground-breaking book published in 1999. It crystallized the idea of importance, or even a necessity, of creating desirable customer experiences, and the evolution of moving from services era to experience era where

experiences attract and engage customers by delivering memorable events. As highlighted previously, over twenty years later, it is still topical. Designing for experience has been an important theme for a long time, e.g., in service operations strategy (Voss et al. 2008, 248) and travel industry (Bastiaansen et al. 2019, 651; Scott & Le 2017, 30). What is new is the fact that the experience economy is now here; it is no longer emerging (Pine 2020). Availability of technology, intense competition, rising affluence of time, and needs for differentiation are all contributing in favour of experience economy (Pine & Gilmore 2011, loc. 368). Indeed, service providers are increasingly managing customer experiences to enhance differentiation and increase customer loyalty (Zomerdjik & Voss 2010, 67).

In experiences, the main terms are staged, memorable, and personal as opposed to delivered, intangible, and customized. The following table (table 2) summarizes the key terms and evolution from commodities era to experience economy, following the work of Pine and Gilmore.

Economic offering	Commodities	Goods	Services	Experiences
Economy	Agrarian	Industrial	Service	Experience
Economic function	Extract	Make	Deliver	Stage
Nature of offering	Fungible	Tangible	Intangible	Memorable
Key attribute	Natural	Standardized	Customized	Personal
Method of supply	Stored in bulk	Inventoried after production	Deliver on demand	Revealed over a duration
Seller	Trader	Manufacturer	Provider	Stager
Buyer	Market	User	Client	Guest
Factors of demand	Characteristics	Features	Benefits	Sensations

Table 2: Evolution from commodities to experiences (adapted from Pine & Gilmore 1998)

Pine & Gilmore (2011, 23) argue goods and services are not enough to create new job and revenue opportunities. As mentioned previously, the world is full of services, and frequently these services can be easily interchangeable. Simply put, every business is competing against everyone else in terms of customers' time, attention and money. Time is said to be the currency, or the value driver, of experiences: customers are paying for time they spend with businesses. Hence, time is the core difference between services and experiences, according to Pine (2020). In services, one of the main drivers is *time saved*, whereas in experiences, it is about *time well spent*. Many services can be considered purely transactional where customers

value safety, consistency, convenience and efficiency. In experiences, or experience-centric services, overall execution is excelled and "authenticity in evoking the intended emotional response and engagement" is secured. (Voss et al. 2008, 249).

One of the key arguments of Pine & Gilmore (1998, 98) is that experiences can be considered to be the highest level of economic offering and add extensive economic value. To nurture economic growth, "the staging of experience should be pursued as a distinct form of economic output", according to Pine & Gilmore (2011, 23). In all, experiences are emotional events that engage each of us in a personal way (Pullman & Gross 2004, 552). As the experience should ultimately provide time well spent, staging experiences is about offering this to the customers. Businesses should thus design time the customers spend with them (Pine 2020).

Besides, research have shown people are willing to pay more for a personalized, memorable and distinctive experience. Businesses that deliver experiences use their basic service offering and, additionally, add unique features to differentiate and make every touchpoint a memorable encounter. In return, businesses can not only charge higher prices but are also in better position to resell and provide value that will be remembered (Pine & Gilmore 1998).

### 2.4.2 Experience-seeking traveler

The notion of experience has played, and is continuing to play, a remarkable role is hedonist consumption, such as culture, art, leisure and tourism (Frochot & Batat 2013, loc 319). In the end, travelers want to have experiences and they seek experience opportunities proactively (Volo 2009, 122). Tourism marketplace for experiences exists virtually anywhere outside the usual environment, such as home and work, and the contracted or committed time, e.g. time required for paid work, household work or family care, as Volo puts it (2009, 122) based on previous research conducted by sociologists.

In the marketing literature, the concepts of subjective consumer and new consumer have been highlighted. Following a review of marketing literature, conducted by Frochot & Batat (2013, 10), the following dimensions of behavior and characteristics related to new consumer could be identified: experiential and hedonistic, responsible and ethical, postmodern and paradoxical, empowered and competent, co-producer and co-creator, as shown in the following figure (figure 11).

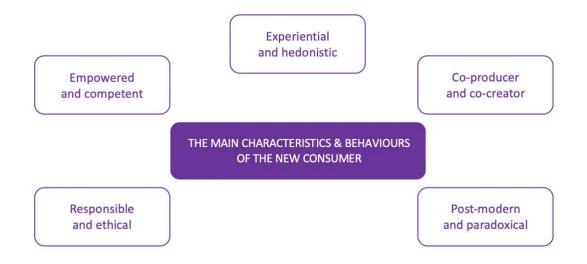


Figure 11: Main characteristics of the new consumer (adapted from Frochot & Batat 2013, 10)

In a nutshell, responsible behavior reflects that the consumer is aware of his or her economic power and decides to behave according to his or her own value system, such as so called ecoconsumer who assesses the social and environmental consequences prior to consumption. In terms of paradoxical behavior, there are multiple dimensions. To give an example, new consumer is always-on and connected thanks to smart phones and internet, but at the same time, isolation has been increased, and human relations 'dehumanized'. Another example is the popularity of nostalgic objects, which have been updated with the latest technologies. What comes to emotional, hedonistic and experiential behavior, today's consumers are looking for affective memories and sensations to create holistic personal experiences. Hedonism is considered as a source of happiness, and integrates several dimensions, e.g., enjoyment, fun and playfulness. Empowerment was already discussed in the introduction chapter, but as a summary, today's consumer can be seen as competent as he or she possess different kinds of knowledge and skills, and knows how to use them meaningfully, e.g., in new situations to satisfy his or her symbolic and tangible needs. This also translates to consumer's ability to control his or her choices and be in control over the relationship with companies, as discussed within the customer-dominant logic chapter. As a result of empowerment, consumer as a co-producer refers to the fact that he or she can create new meaning for the company's offering to meet his or her needs. Finally, the postmodern traveler values individualism, customization and à la carte offering as opposed to mass tourism. (Frochot & Batat 2013, 10-16.)

### 2.4.3 Experiences, experience dimensions and memorability

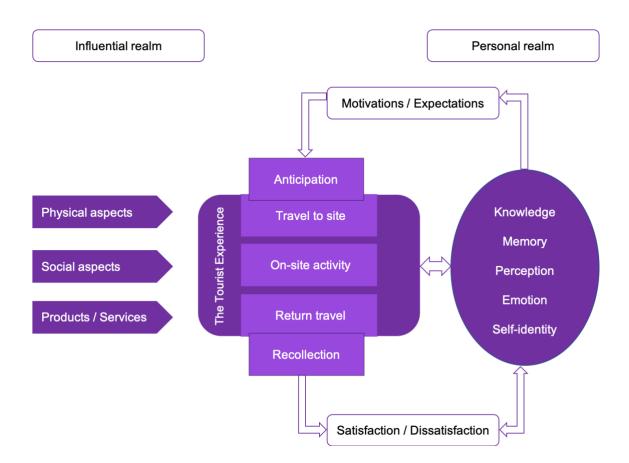
It is important to clarify the term experience more thoroughly at this stage in the context of this thesis. As it is said experiences are *memorable*, providing the *highest economic value*, and always *subjective* from a person to a person. Experiences can also be defined as the

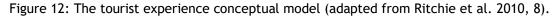
emotional connections through engaging, compelling and consistent contexts (Pullman & Gross 2004, 553). What makes designing and managing experiences more challenging for service providers is that fact that they are indeed subjective and personal. Multiple factors are beyond the control of a service provider: people always interpret situations, and thus experiences, based on their cultural background, prior experiences, mood, and personality traits, to list some examples (Pullman & Gross 2004, 552).

Experience is a concept that is unavoidable in modern marketing strategies (Frochot & Batat 2013, loc 31). It needs to be noted that experiences have been a central theme for scholars and businesses in travel and tourism already for a long time (Bastiaansen et al. 2019, 651; Scott & Le 2017, 30; Zatori 2016, 377). Moreover, as emphasized previously, experiences are the core of travel and tourism (Pine 2020; Tussyadiah 2014, 543; Volo 2009, 122).

Travel experiences can be studied from various perspectives, such as psychology, sociology, phenomenology, geography and management (Scott & Le 2017, 43). From marketing and management perspectives, it is widely understood that to survive and succeed in the competitive market, in the era of experience economy, is to distinguish enough to gain attention and offer unique and differentiated products and services to enable memorable experiences and value-adding for travellers (Binkhorst & Den Dekker 2009, 311; Tussyadiah 2014, 543). Yet, there is a need for building a conceptual clarity on experience theory specifically in the field of hospitality, tourism and leisure (Bastiaansen et al. 2019, 651; Volo 2009, 122).

Tung & Ritchie (2011, 1369) defined tourism experience to be "an individual's subjective evaluation and undergoing (i.e., affective, cognitive, and behavioral) of events related to his/her tourist activities which begins before (i.e. planning and preparation), during (i.e., at the destination), and after the trip (i.e. recollection)." In tourism research, emotions, hedonism and subjectivity are important components of the traveler's experience (Frochot & Batat 2013, 79).





Ritchie et al. (2010, 8) combined the nature of tourist experience in one model based on dominant literature review, where different dimensions, including phases, influences and outcomes, are taken into account. In this model, the tourist experience is composed of the events related to travel to site, on-site activity and return travel, but also the anticipatory phase with planning and recollection phase where the travel is being remembered. The anticipation and recollection phases are slightly leaking into the experience itself. During the experience activity, there are three influencing categories present: physical aspects referring to elements in the place, social aspects include various social influences, while products are services referring to factors like service quality. Personal realm is in-person elements such as knowledge, memory, perception, emotion, and self-identity. The actual outcomes can further develop afterwards through reflection and recollection. The personal reals will feed into future experiences and expectations.

A lot of research focus has been given to experience dimensions. In the management literature, experiences are frequently described through key attributes (Voss et al. 2008, 249). According to Pine & Gilmore (1998, 101-102), experiences can be considered using four dimensions (figure 13). These are aligned to travel and tourism (Pine 2020). Pine & Gilmore define experiences in terms of type of customer participation varying from passive to active and the social interaction from absorption to immersion. The richest or the most robust experiences, where people can enjoy, learn, escape, and "just be" are the ones that hit the sweet spot of the four realms of an experience (Pine 2020), addressing thus all four dimensions of aesthetic, escapist, educational, and entertaining. Another angle to pay attention is the customer participation, which can differ from passive, observation-like experiences, to active, in which customers play key roles on creating the experience. Having said that, even if people are seen as passive, they do contribute to the visual and aural event of the others experiencing the same event. Moreover, there is the connection, or environmental relationship, that unites customers with the event, which can also vary from absorption to immersion. Furthermore, when a business is able to blur the distinctions between different dimensions, the experience can be enhanced. Hence, experience design becomes meaningful towards the objective of hitting the sweet spot. (Pine & Gilmore 1998, 101-102; Pine 2020).

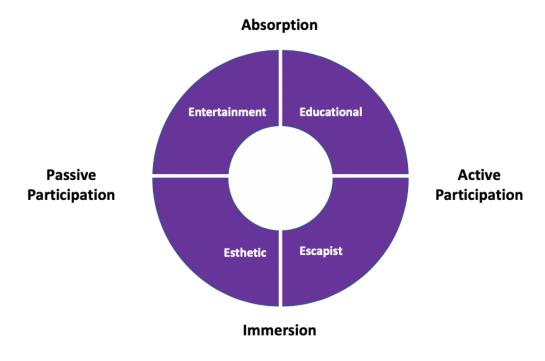


Figure 13: The four realms of an experience (Adapted from Pine & Gilmore 1998, 102)

#### Memorability and emotions in experiences

As mentioned previously in the key concepts chapter, Pine & Gilmore (1998, 98) famously argued "Commodities are fungible, goods tangible, services intangible, and experiences memorable". The notion of memorability becomes thus a vital element to understand in relation to experiences. When a person buys an experience, he or she pays to spend time enjoying a series of memorable events that a company stages to engage him or her in an inherently personal way (Pine & Gilmore 2011, loc 303). It is said emotions are the key

ingredient of an experience since as experiences are only memorable and meaningful when they evoke emotions (Bastiaansen et al. 2019, 652). As Ekman (1992) states, emotions are biologically based responses to situations that are seen as personally relevant and constitute the main driving force of human behavior. There are three levels of emotion expression: experience, i.e. how people "feel" them, expressive behavior, i.e. how people act them out, and physiology, i.e. the changes in body that accompany emotions, such as increased heart rate. As such, linking experiences and emotions with memorability is not a new thinking. In fact, as summarized by Pullman & Gross (2004, 553), the research conducted by Dewey in early 1960s already proposed an experience engagement requires emotional involvement. According to research conducted more recently, when people are asked to talk about their most memorable experience, they do not talk about topics like functionality, additional features, efficiency or value for price; instead they tend to describe their emotional impacts, e.g. being delighted or surprised (Thomke 2019, 57).

As per current view, to capture the memorability of an experiential episode, there is a need to focus on the emotional processes that occur within a person over time. (Bastiaansen et al. 2019, 654), as illustrated in the figure below.

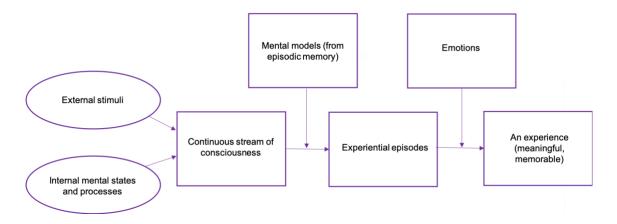


Figure 14: Conceptual model of the experience construct (adapted from Bastiaansen et al. 2019, 655)

Tung & Ritchie (2011, 1377-1380) developed a concept with four experience dimensions that are seen to enable memorability. According to this, four dimensions include 'affect', referring to positive emotions and feelings, 'expectations', i.e., positive surprises beyond the planned agendas, 'consequentiality', i.e. personal importance such as enhanced relationship and self-discovery and finally, 'recollection', i.e. activities to reflect back with stories and photographs to support the memorability.

Kim, Ritchie & McCormick (2012, 18), on the other hand, developed a model with seven dimensions that they consider helping with memorability of travel experiences. This model

includes hedonism, novelty, local culture, refreshment, such as a sense of freedom, meaningfulness and involvement as well as knowledge (table 3).

Experience dimension framework	Details
Four experience dimensions by Pine & Gilmore 1999	<ul> <li>Aesthetic, e.g., looking inviting and comfortable</li> <li>Educational, e.g., including an educational dimension, where visitor can develop new knowledge or skills</li> <li>Entertainment, e.g., having enjoyable content</li> <li>Escapism, e.g., allowing people to be immersed</li> </ul>
Four experience dimensions to enable memorability by Tung & Ritchie 2011	<ul> <li>Affect: positive emotions and feelings (e.g., happiness, excitement)</li> <li>Expectations: fulfillment of intensions, descriptions of surprises encountered above and beyond the planned</li> <li>Consequentiality: personally perceived importance from the outcome of the trip (e.g. enhancing social relationships, intellectual development, self-discovery, overcoming physical challenges)</li> <li>Recollection: the efforts made and actions taken to remember the experience and reflect back, or even willingness to re-experience (e.g. telling stories, showing photographs)</li> </ul>
Seven dimensions of memorable tourism experience by Kim, Ritchie & McCormick 2012	<ul> <li>Hedonism, e.g., thrilled about having a new experience, exciting</li> <li>Novelty, e.g., once-in-a lifetime experience, unique</li> <li>Local culture, e.g., local culture, people</li> <li>Refreshment, e.g., liberating, sense of freedom</li> <li>Meaningfulness, e.g., learned about me, did something important or meaningful</li> <li>Involvement, e.g., visited a place where I really wanted to go, enjoyed activities, which I really wanted to do</li> <li>Knowledge, e.g., exploratory, new culture</li> </ul>
Four elements of defining moments by Heath & Heath 2017	<ul> <li>Defining moments should include at least one of the following elements to make an experience memorable: elevation, pride, insights and connection.</li> <li>Moments of elevation, i.e. to peak moments that makes us amazed, joyful, engaged, motivated, e.g., social occasions</li> <li>Moments of insights, i.e., moments that will result realizations and transformations, e.g., a clear insight, self-discovery</li> <li>Moments of pride, i.e., honor achievements, e.g., spontaneously recognizing someone's skill, showing real courage</li> <li>Moments of connection, i.e., enabling people to deepen and strengthen their relationships with others, the feelings of warmth, empathy, unity and validation.</li> </ul>

Table 3: Experience dimension frameworks

Moreover, Moscardo (2017) compiled for her research purposes a list of factors linked with positive consumer and tourist experiences' outcomes (figure 15). The list includes familiar reviewed elements such as novelty, emotions, engagement and exploration.

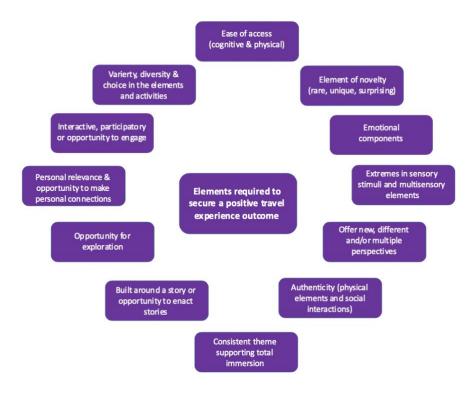


Figure 15: Elements required to secure a positive travel experience outcome (created from the research paper of Moscardo 2017)

Based on the research conducted for this research, authenticity and storytelling are particularly impactful elements for the success of the travel experience. In the travel context, authenticity is considered as travelers' perception and enjoyment of genuine experiences, which affect travelers' emotions, satisfaction and post-travel behavior, such as loyalty. (Girish & Chen 2017, 1552; Kolar & Zabkar 2010). What comes to storytelling, it is said that it involves co-creation between the host and travelers to follow, fill narrative gaps, re-contextualize based on individual's own experiences and engage with imagination (Chronis 2005, 389).

Furthermore, one angle to explore within experiences is time. To make an experience a distinct economic offering, customers should pay for the time they spend with the experience. The concept of the defining moment becomes relevant (Pine & Gilmore 2011, loc 100, 113).

As Heath & Heath (2917, 4) underline we all have "defining moments" in our lives, that is those meaningful experiences, which we remember. Based on the research, they have concluded that when people are remembering their past experience, they tend to forget most of the details and focus instead on a few particular moments, i.e., the defining moments. Moreover, when people assess their past experiences, they usually concentrate in two key moments: the best or the worst moment, which is known as "peak" and the transitions, oftentimes the ending. This is called peak-end rule (Heath & Heath 2017, 8).

According to Health & Heath (2017, 12), defining moments include at least one of the following elements: elevation, pride, insights and connection. Next the four elements to make an experience memorable according to Heaths will be introduced in a more detailed manner.

Firstly, moments of elevation are referring to peak moments that makes us amazed, joyful, engaged, motivated. These types of moments people tend to experience in social occasions, such as in birthday parties and weddings, when they are onstage giving a presentation, or competing at an event, or then spontaneously, such as on vacation. Heath & Heath (2017, 55) underlines the fact that to meet customer expectation, reliability and competence are required, but to exceed customer expectation, and thus create a memorable experience, there needs to be the behavioral and interpersonal parts of the service, pleasant surprises that come with human interactions. Three topics have been recognized to elevate a moment: boosting sensory appeal where the reality is "upgraded", raising the stakes where there's a productive pressure, and "breaking the script" where something unexpected is strategically added to enhance the experience. (Heath & Heath 2017, 55, 60-62, 71).

Secondly, moments of insights in this context are referring to defining moments that will result realizations and transformations. These moments can also be created with, what is called, "tripping over the truth", including a clear insight, time pressure, and discovery by the audience themselves, and "stretching the insight" where a person needs to place himself in a new situation with a risk of failure. (Heath & Heath 2017, 95-96). As such, moments of insights can be considered to spark discoveries about ourselves or the world around us.

Thirdly, moments of pride honor achievements. Often, these moments can come when someone spontaneously recognize our work or skill, targeted at particular behavior and achievements, and thus making a positive difference in someone's life (Heath & Heath 2017, 139, 148, 157, 194) or when we stand up for something showing real courage (Heath & Heath 2017, 140). To create moments of pride, it should include meaningful interim milestones to be more achievable and engaging (Heath & Heath 2017, 194). Finally, moments of connection enable people to deepen and strengthen their relationships with others. These moments include the feelings of warmth, empathy, unity and validation. To spark the connection, there is a need for shared meaning (Heath & Heath 2017, 194).

### 2.4.4 Experience design and experience-centric organizations

It is important to develop a further understanding on how the travel experience offering can be enhanced so that experiences become memorable (Scott & Le 2017, 43). As Thomke (2019, 57) emphasizes, the research has shown that memorable experiences can drive customer decisions as much as, if not more than, price and functionality. For the reasons mentioned earlier in this thesis, due to intense competition and the consequent need for managing customer experiences, experience design has become an interesting and popular topic (Pullman & Gross 2004, 551), notably within travel service providers. As such, in recent years, the field of customer experience (CX) design has grown rapidly (Thomke 2019, 57).

It is argued the defining moments can be proactively created, and the experiences staged. Nevertheless, as discussed earlier, experiences are always subjective and personal, which then implies that the role of travel businesses is about the facilitation of an environment that enhances the likelihood and probability of delivering memorable experience, which, in the end, is created within each traveler. Hence, the importance is to understand what are required elements of memorable travel experience and use this knowledge proactively when designing the overall experience (Tung & Ritchie 2011, 1369).

Pullman & Gross (2004, 551) explains the experience design to be "an approach to create emotional connection with guests or customers through careful planning of tangible and intangible service elements". According to Newbery & Farnham (2013, 8-9), experience design takes a systematic approach to look at opportunities, frame problems, and evaluate solutions to ensure that customers are receiving and recognizing the maximum value in a way that keeps them engaged. With this approach, it is assumed all stages of a customer relationship should provide quality. Indeed, this more holistic view is the key factor within experience design. Voss et al. (2008, 249) underline experiences are complex and have both cultural and behavioural connotations. This implies the importance of acknowledging the role of behavioural science in designing for customer experience. Business should not, therefore, oversimplify of becoming an experience provider.

For service providers, it is crucial to understand the need for designing the defining moments for the travelers, i.e., experiences that will become memorable and meaningful. The term experience-centric organization becomes an important notion here. Clatworthy (2019) clarified differences between so called customer-centric and experience-oriented organizations (table 4). According to Clatworthy (2019, loc 1438 of 4832), the experiencecentric organization knows, above all, what experience it wants its customers to have. Therefore, it also understands how to design that experience throughout the traveler's journey, over time and across different touchpoints, giving emotional benefits, and how to adjust continuously. Journeys and touchpoints will be discussed in a more detailed manner in the following chapter.

Criteria	Customer-Centric Organization	Experience-Oriented Organization
Focus	Value is created by providing what customers want, including over the long term	Value is created by providing experiential benefits based on what customers want
Basic philosophy	What services should we offer to make our customers loyal and satisfied?	How can we adapt our services to provide experiences based on what customers say they want?
Basic approach	Externally focused. Development of customer- initiated solutions	Externally focused. The addition of experiential benefits to functional benefits.
Organizational structure	In flux from earlier siloed organizations; customer responsibility visible on organizational chart	An incremental change from customer centricity that brings marketing and design closer together; increased focus on experiential metrics.
Key terms	Customer insights, voice of the customer, Net Promoter Score, life stages, customer lifetime value	Experiential benefits, customer insights, Net Promoter Score, customer lifetime value
Orientation	Services delivered over time and across touchpoints to provide relevant experiences and satisfy customer needs	Services delivered over time and across touchpoints to give emotional, in additional to functional, benefits
Brand orientation	Early orientation toward service delivery	Orientation toward customer experience as part of service delivery
Customer experience seen as	Something that supports customer satisfaction	Something that is central to customer satisfaction.
Typical quote	"We need to offer something customers need, if we are to survive".	"We need to add something experiential to customer's needs".
Tactic to progress	Move the conversations with the customer from "What do you want" toward "Tell us more about yourself".	Shift from customer needs to customer experience as the starting point for all discussions.

Table 4: Differences between customer-centric and experience-oriented organization(adapted from Clatworthy 2019)

In order delight customers, organization needs to be proactive about customer needs, both expressed and latent and understand what they mean in customers' context. Equally vital is the ability to respond these needs with agility (Clatworthy 2019, loc 1438 of 4832). The customer data needs to be integrated to build a holistic and future-fit view. In fact, more data is captured and analyzed, more opportunities the organization has not only to understand the customer but also to be ahead of them. To stay relevant, the organization is also required to constantly scan trends and translate these trends into experiences. As organizations do not work in isolation and being influenced by trends and culture helps them to design and redesign experiences. (Clatworthy 2019, loc 1466 & 1478 of 4832).

Apart from understanding the customers, their journeys and different touchpoints, on the other hand, also all employees, or the travel service provider, know their roles in delivering the desired customer experiences and are eager to hear what customers want to tell them, rather than making assumptions or seeking answers they want to hear. To develop more relevant and meaningful experiences, it is important to acknowledge employees are onstage,

so to speak, and consequently, they need to behave in an engaging way with their customers. This approach requires preparation so that interactions become truly engaging encounters. (Rossman & Duerden 2019, loc. 4166).

In experience design, it is important to understand the key role of the space in which experiences occur. The spaces, and elements within the space, as such, should be strategically planned, designed, and organized (O'Dell & Billing, 2005, 16). Hence, "experience designers intentionally arrange key elements to create experiencescapes", as O'Dell and Billing argue (2005, 16). Experiencescape can be seen as a stage for the experience provider, where participants are actors. The provider or experience designer need to think of all the key elements as the interaction between the elements in this space and the participants will create an experience. Each element is unique, so that even one of them is removed, the experience changes (Rossman & Duerden 2019, loc 3506, 3521).

Businesses should also focus on building an experience around one theme. According to Pine & Gilmore, the most engaging themes are changing the customer' sense of reality by metaphorically transporting them to a different era, location or setting or providing a multidimensional alteration of reality to be immersed in, creating a new combination of space, time or matter, making the experience multi-locational and fitting the culture of the organisational creating the experience. As a result, business should focus on strengthening the single them. There are many possible ways to do this. To give some examples, a business can many sensory experiences to improve engagement, integrate elements to enhance memorabilia and extend the experience, such as giving away a physical reminder.

Next a summary of the theoretical findings will be provided, before moving on the empirical part of the development project.

## 2.5 Concluding the theoretical framework

To conclude the chapter two and theoretical part of the thesis, the following main findings and key themes can be drawn.

Design thinking and customer-dominant logic were explored to understand human-centered approaches and mindsets to facilitate the customer understanding in order to improve relevancy and meaningfulness of experiences designed by travel entrepreneurs. This is crucial since customers are empowered and the power balance is indeed in favour of customers in the new dynamic environment.

To be able to reply the research questions "What is required in terms of mindsets, knowledge, skills and tools to develop human-centered and memorable experience" and "How to facilitate new travel entrepreneurs to design memorable and human-centered experiences", there was a need to first understand these concepts from the theoretical point of view, and summarize previous research conducted on these topics.

Starting with the mindset, the customer-dominant logic and design thinking position the customer at the center. This emphasizes the vital need for travel entrepreneurs to develop an understanding on the customer logic. As such, it can be challenging as it recalls for a mindset change, since the interest should be on customers' experiences holistically, beyond the service or experience the travel business is providing. Travel entrepreneurs should proactively and constantly gain insights on travelers' lives, needs and aspirations. The focus should also be on what travelers are doing to accomplish their own goals.

In more practical terms, in order to gain this valuable customer understanding, design thinking focuses firstly on desirability. Multiple service design methods and tools consequently enable empathy and develop a deeper view on behaviour of people and their needs and aspirations. These customer insights should be applied in travel experience design. Service design encourages prototyping, testing and iteration based on continuous feedback received from customers.

Moreover, in travel experience design, travel entrepreneurs should understand the importance of staging or orchestration experiences, which evoke emotions and therefore, are more personal and easily remembered. As discussed earlier, for memorability, previous research has shown that e.g., hedonism, novelty, local culture, a sense of freedom, meaningfulness and involvement as well as knowledge can all increase memorability (Frochot & Batat 2013, 79; Kim, Ritchie & McCormick 2012, 18). The key notion in experiences is time well spent, following the findings of Pine and Gilmore, and authenticity in evoking the intended emotional response (Voss et al. 2008, 249).

Furthermore, in travel experiences, phases are important from dreaming to remembering, or recollection, as highlighted previously. Consequently, in designing experiences, travel entrepreneurs should also envision to nudge different moments of a traveler's journey. Here service design can be a major contributor. In fact, service design is sometimes defined as designing "for experiences that reach people through many different touchpoints and that happen over time" (Løvlie, Downs & Reason 2009, 173). Several service design methods, such as journey mapping, are often leveraged to help to visualize the overall experience with an aim to design every single step and task. Overall execution of experiences should be excelled (Voss et al. 2008, 249).

Taking these points into account, the following chapter describes the research approach and explains overall design process conducted for this thesis.

# 3 Research approach, design process and applied service design methods

The purpose of this chapter is to describe the research approach, the case study methodology as well as design process and selected methods and tools applied throughout the development project. At first, the overall approach is discussed, then the meaning of divergent and convergent thinking during the creative design process is explored and finally the design process phases with selected methods are presented.

# 3.1 Case study methodology

This research was conducted as an instrumental case study research. As explained by Robert E. Stake (1995, 3), case study can be considered instrumental when there is a need for general understanding and the research is used to "get insight into the question by studying a particular case". In the scope of this research, the objective and key phenomenon studied was the topic of memorable travel experience design by new travel entrepreneurs, rather than understanding it from the perspectives of a unique experience provider. Moreover, it is noteworthy that case study approach is not sampling research, meaning that the ultimate purpose is not to understand other cases although it is valuable to select a case that could be seen as typical or representative of other possible cases (Stake 1995, 4).

As Boblin (et al. 2013, 1267) highlighted the instrumental case study approach introduced by Stake is assessed to be constructivist. In other words, truth is relatively and dependent on the perspective taken. Discover and interpretation occur concurrently. As such, the research follows the regular approach for the case study, that is developing a holistic understanding of a phenomenon with real life from the perspectives of involved people.

# 3.2 Double diamond as a design process

The double diamond design process, developed by the British Design Council in 2005 (Design Council, 6-7) was used from discover to deliver phases, as illustrated in the figure 16. This process was chosen as it is simple and to the point approach, which was thus evaluated to be the most suitable for this development project.



Figure 16: The design process used in this thesis project (adapted from Design Council 2005)

Design thinking mindset and service design approach, methods and tools were selected to conduct the empirical part of the development project. Although design thinking was already discussed in the chapter 2.2, a few key points are a worth of mentioning in relation to the design process. Design thinking is fundamentally exploratory, and it likely results unexpected discoveries along the way. While sometimes these new discoveries can be integrated into the ongoing process without disruption, they can also inspire to refine assumptions and change plans entirely (Brown 2009, 16). Moreover, design thinking is dynamic and iterative process, requiring ongoing definition, assessment and visualization. As Mootee (2013) explains "it is a continuous learning experience arising out of a need to obtain and apply insights to shifting goals". Tools mentioned here are referring to concrete models, such as journey maps, which follow a specific structure and are often built on given templates, whereas as methods are procedures to accomplish or approach something, e.g. interviews as a research method. Thus, tools can be considered to represent "what" we use, while methods describe more "how" we create and work (Stickdorn et al. 2018, 36).

Moreover, it can be fruitful to highlight at this stage the benefits of design thinking, following the summary provided by Liedtka (2018, 76), which also explains the approach for this development project.

Problem	Design Thinking	Improved Outcome
Innovators are:		
Trapped in their own expertise	Provides immersion in the	A better understanding of those
and experience	user's experience, shifting an	being designed for.
	innovator's mindset toward	
Overwhelmed by the volume	Makes sense of data by	New insights and possibilities
and messiness of qualitative	organizing it into themes and	
data		

	patterns, pointing the innovator	
	toward	
Divided by differences in team	Builds alignment as insights are	A limited but diverse set of
members' perspectives	translated into design criteria,	potential new solutions
	moving an innovation team	
	toward	
Constrained by existing biases	Fosters articulation of the	Clarify on make-or-break
about what and what doesn't	conditions necessary to each	assumptions that enables the
work	idea's success and transitions a	design of meaningful
	team toward	experiments
Lacking a shared understanding	Offers pre-experiences to users	Accurate feedback at low cost
of new ideas and often unable	through very rough prototypes	and an understanding of
to get good feedback from	that help innovators get	potential solutions' true value
users		
Afraid of change and ambiguity	Delivers learning in action as	A shared commitment and
surrounding the new future	experiments engage staff and	confidence in the new product
	users, helping them build	or strategy

Table 5: Design thinking benefits (modified from Liedtka 2018, 76)

Moreover, the service design principles were taken into account throughout the design project. It needs to be noted these principles are similar to design thinking principles, but to keep the scope of this research focused, they will not be further analysed here.

Key Principles of Service Design			
Human-centered	Consider the experience of all the people affected by service		
Collaborative	Stakeholder of various backgrounds and functions should be actively engaged in the service design process.		
iterative	Service design is an exploratory, adaptive, and experimental approach, iterating toward implementation.		
Sequential	The service should be visualized and orchestrated as a sequence of interrelated actions.		
Real	Needs should be researched in reality, ideas prototyped in reality, and intangible values evidenced as physical or digital reality.		
Holistic	Services should sustainably address the needs of all stakeholders through the entire service and across the business.		

Table 6: Service design principles applied throughout the development project (adapted from Stickdorn et a. 2018, 27)

# 3.3 Divergent and convergent thinking

Creative process is often said to include both divergent and convergent thinking. Usually, any design process starts with the phase where thinking and possibilities are as broad as possible. As the design process evolves, possibilities are more focused and narrowed down. This is, in fact, referring to divergent and convergent thinking and in design process, diverging and converging are conducted multiple times, so that the best idea will pass the cycle to become a market-ready solution (IDEO.org 2015). As this thinking was applied throughout the development project, the theory will be explained next.

This theory has its roots back in the 1950s. An American psychologist, well remembered for his studies of the diversity of human intelligence and creativity, Joy Paul Gilford (1897-1987) proposed the concept of divergent thinking in 1950s and linked this type of thinking to creativity. Divergent thinking involves a search for options with respect to a problem for which there is no unique answer, and generation of alternatives involves finding many combinations that may provide multiple possible answers. Guilford listed several characteristics related to divergent thinking, also known as FFOE model. FFOES stands out for fluency, flexibility, originality and ability. Fluency refers to the ability to produce great number of ideas or solutions in a short period of time, flexibility is the ability to simultaneously propose a variety of approaches to a specific problem, originality is the ability to produce new, original ideas and finally elaboration is the ability to systematize and organize the details of an idea and carry it out. (New World Encyclopedia). In convergent thinking, on the other hand, a unique solution to meet the prescribed criteria is sought. Guilford (1975) pointed out divergent and convergent modes are not necessarily used in isolation but rather in continuation so that divergent approach leads to a convergent solution. This way both thinking can be seen contributing to creative insights and solutions. More importantly, "all genuine problem solving requires at least a minimum of creative thinking" (Guilford 1975). In other words, the objective of divergent thinking is to multiply options to create choices, such as different insights and alternative visions of new service offering or interactive experiences. When testing competing ideas against one another, there is an increased likelihood that the outcome will be bolder, more creative, compelling and disruptive. Convergent thinking, on the other hand, is a practical way of deciding among existing alternatives. (Brown 2009, 66-67.)

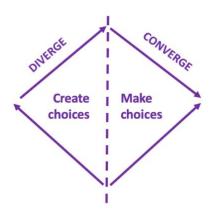


Figure 17: Difference between diverge and converge in design process (Adapted from Brown 2009, 67)

Design phases and design methods used are explained in the following subchapters.

#### 3.4 Discover phase and applied service design methods

In the first phase of the design process, called 'discover' in the double diamond model, inspiration and insights are gathered, needs identified, and initial ideas developed. The designer is looking for new, fresh ideas, which might eventually lead into some new concepts (Design Council, 6-7). The service design research enables researcher to understand people, their motivations, and behaviors, empathize with them, and build up an understanding on their practices. Immersive research allows to learn about the context and, above all, remove assumptions (Stickdorn 2018, 96). In all, designers are seeking to understand, while being open to creative possibilities.

The initial design challenge prior to conducting any research was the following: "How can design thinking and experience design bring value for better understanding the customers' needs and consequently help to design meaningful and customer-centric travel experiences?". The researcher initiated this study idea due to insights gathered previously through several work engagements over two decades. As a result of being exposed to thousands of travelers', tour operators' and media requests on their interest of Lapland and having helped them with their trip plans, travel packaging, or story coverages, it has been interesting to notice that, despite of changes in travel landscape, the travelers' needs on one hand, and the challenges of small entrepreneurs on another hand have remained relatively stable. Using this previously gathered knowledge as an overall input, content analysis, interviews and trends scanning were chosen to develop a deeper understanding on the current context and build empathy by gathering needs, challenges and aspirations of small travel service providers and travelers. The following figure (figure 18) demonstrates the first research activities conducted during the discover phase of the development project.

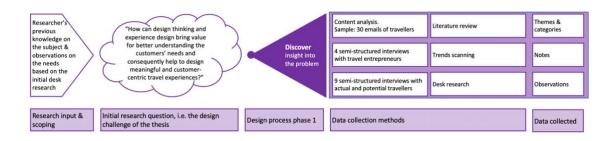


Figure 18: From the development project initiation to discover phase activities

Content analysis, interviews and trends scanning will be explained in the next section. What comes to literature review, it was covered in the chapter 2. The desk research refers to researcher's preparation in the beginning of the design research, where online travel communities and forums were screened to get understanding on the types of questions and discussions that travelers are currently having on Lapland to better understand the current context and perspectives. As Stickdorn et al. (2018, 117) puts it, this type of desk research is less about finding answers and more about finding the right questions to ask in the actual research.

What comes to interview and email sampling method, convenience sampling, known also as an opportunity sampling, was used. It refers to the sampling that uses people who are easily available (Curadale 2013, 248).

# Content analysis

According to Silverman (2011, 58), content analysis is amongst the three most widely used methods in data analysis. The advantage of content analysis is to organize data for the research purposes and make sense of a large amount of data. Content analysis is, above all, a textual method where a researcher establishes categories and count the number of frequencies of mentions per category (Silverman 2011, 64-67). Content analysis can be used on all types of written texts, while the choice of data collection method affects the depth of the analysis, as Bengtsson points out (2016). In qualitative content analysis, data are presented in words and themes, enabling to draw interpretation of the results (Bengtsson 2016).

When data is available and ready to be analysed, there are four main stages in the content analysis (figure 19): the decontextualization, the recontextualization, the categorization and the complication.

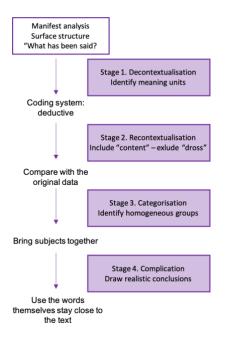


Figure 19: Data analysing stages used in the content analysis (adapted from Bengtssson 2016)

In the first stage called decontextualization, gathered data should be read carefully in advance and understood before any coding, indexing or breaking the text down into smaller meaning units takes place (Bengtsson 2016; Löfgren 2013). According to Graneheim & Lundman (2004, 106), the meaning unit refers to the connectivity of words, sentences or paragraphs through their content and context. This should be followed by careful definition of the categories that are relevant for the particular topic. To identify categories, one should pay attention to topics that have been mentioned in several occasions, are surprising, have explicitly been mentioned to be important, or relate to a relevant theory or a concept. As such, setting up the categories is most likely an iterative process as some initially developed categories might later no longer be needed and categories might need to be refined or linked to each other establish possible hierarchies between (Bengtsson 2016; Löfgren 2013).

What comes to codes, they can be generated either inductively or deductively. In case of a deductive nature of the research design, a coding list is created before the start of the analysing process. The recontextualization stage comes after the meaning units have been identified and the researcher check the content accordingly using coloured pencils or other similar method to distinguish each meaning unit. The actual research questions should naturally be kept in mind continuously to include meaningful data in the analysis. (Bengtsson 2016.)

In the stage 3, called the categorisation, the meaning units must be reduced. This is often needed when data are based on interviews. Moreover, themes and categories are identified.

Since the researcher has supported a travel blog called Destination Laponie since 2012, a sample of the emails sent to Destination Laponie by French travelers were selected as the first primary source of content to analyze further for the research purposes. To give background information, Destination Laponie provides insights on Finnish Lapland as a travel destination to French-speaking travelers with a special focus on culture and authentic experiences. The French clientele planning their trips to Lapland frequently contact Destination Laponie travel blog by email to request additional travel planning support and advice. Hence, 30 travellers' emails were selected as one of the data sources, due to content relevancy and accessibility to this data. Emails were written in French and sent in the period of November 2017-August 2018. Emails selected for the analysis was chosen based on their relevancy for the research purposes.

Following the model highlighted by Bengtsson (2016), the emails content was analysed and categorised with the following coding method (table 7).

Meaning unit	Condensed	Code	Sub-heading	Category	Theme
	meaning unit				

Table 7: The coding model used for the content analysis (based on Bengtsson 2016)

Main themes and other insights were used for the jobs-to-be-done, empathy map, and journey maps later in the project.

## Interviews

In-depth interviews are one of the qualitative research techniques that can help researcher learn more about various topics such as specific experiences, processes, services, attitudes, needs, problems, ideas, and understand different perspectives on a chosen subject. These interviews are usually conducted in a semi-structured way (Stickdorn et al. 2018, 121). To build up a comprehensive understanding of the emotions, motivation and ways of thinking, gain insights that can otherwise easily remain hidden, and above all, to build empathy, it is useful to launch interviews at early stage in the design process (Lewrick et al. 2020, 57).

Interview process includes deeply studying people, exploring their behaviours and the meaning behind those behaviours, making sense of the data using interpretations, analysis, and synthesis and, finally, using gathered insights in informing and designing a new service or another solution to solve problems (Portigal 2013, 3). To make able to process data collected, interviewer should preferably take field notes and photos, audio or video record (Stickdorn et al. 2018, 121).

It is important the researcher is aware of possible interference of personal experiences in interview context. However, there are strategies to minimize these risks. In semi-structured interviews, while the researcher plans a general focus and shapes the discussion, participant have a considerable freedom to direct its progress. (Crouch & Pearce 2012, 112.)

To complement data collection and gather insights in the beginning of this development project, 13 semi-structured interviews were conducted with four groups of people. The very first interview was conducted with a French traveler, who was planning her first trip together with her family to Lapland. She had contacted the travel blog Destination Laponie for support to get her trip organized. She was re-interviewed a few months after her trip. Then four travel entrepreneurs, who were either planning to launch, or had recently launched, their small travel business in Lapland, were interviewed in September 2018. These people were selected due to fact that they were simultaneously participating in a local project on experimental rural tourism collaboration and were thus interested in the topic. Finally, seven international travel students were interviewed in December 2018. The selection of these students is explained in the later chapter. Moreover, all the people interviewed, with an exception of a French traveler, participated in a two days co-design event in January 2019.

Interviewees	Interview period	Phase
French traveller prior to her trip to Lapland	January 2018	Discover
French traveller after her trip to Lapland	April 2018	Discover
Travel entrepreneur 1	September 2018	Discover
Travel entrepreneur 2	September 2018	Discover
A person planning to start a travel enterprise 1	October 2018	Discover
A person planning to start a travel enterprise 2	October 2018	Discover
Experience tester & workshop participant 1	December 2018	Discover
Experience tester & workshop participant 2	December 2018	Discover
Experience tester & workshop participant 3	December 2018	Discover
Experience tester & workshop participant 4	December 2018	Discover
Experience tester & workshop participant 5	December 2018	Discover
Experience tester & workshop participant 6	December 2018	Discover
Experience tester & workshop participant 7	December 2018	Discover

Table 8: Interviews conducted during the discover phase of the project.

The interview theme was given prior to the interviews but not the detailed questions. An interview guide was developed upfront to facilitate the discussions. The questions were openended to enable people to talk about their experiences in their words to gain deeper insights. Each interview took from 40 to 60 minutes. The interviews were recorded with consent of the

interviewees, which helped with transcription. Transcripts were then produced, and the content was analyzed using relevant color coding to capture needs, challenges and aspirations. Collected data points were used to design the workshop content, and they worked as valuable inputs to develop jobs-to-be-done, empathy maps and journey maps at the later phase of the project.

#### Trend spotting

According to Trendwatching (2019), "trends emerge as innovators address people's basic human needs and wants in novel ways". A trend as such can be defined as a new manifestation among people, related to behaviour, attitude or expectation, of a fundamental human need, want or desire (Mason, et al. 2015, 46). There are three fundamental elements that drive all trends: basic needs, drivers of change and innovations. Basic needs refer to needs, wants and desires we all have, such as honesty, freedom, transparency, fairness, recognition, identity, self-improvement, entertainment, social interaction, simplicity, and security. Drivers of changes have two categories: shifts and triggers. Shits are the long-term macro changes, such as climate change, urbanization and aging population. These changes shape the nature and direction of consumer trends. (Mason, et al. 2015, 52.) Triggers, on the other hand, are more immediate changes, such as political events, environmental incidents, and new technologies. Finally, innovations are important too, as they inform on how the market is changing, what are the new entrants, new services, or experiences. However, main emphasis should be on the sweet spot between basic needs, drivers of changes and innovations. This tension can be evaluated by understanding customer expectations and gaps between what is currently being offered. (Mason, et al. 2015, 48.) Trend spotting and scanning are vital to anticipate the drivers and motivators of customers (Mason, et al. 2015, 47). Trend spotting is about observing and detecting visually the early signals of a vogue, swing or drift in social interaction of people and products whereas trend scanning is the systematic detection of changes already underway along its forecasting horizons of estimated impact (Simonse & Hultink 2018).

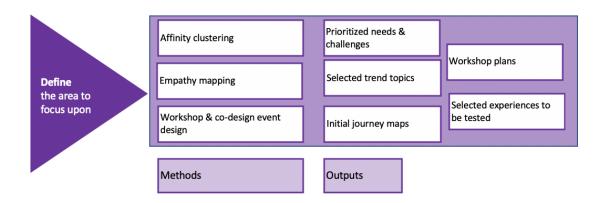
In this development project, key trends impacting on travellers' behaviour were collected from various sources, Trendwatching, Skift, Fjord and Euromonitor, and the main trends were summarized using affinity mapping and then listing the most frequently mentioned ones. Moreover, a visual board on Pinterest were developed to provide further inspiration. Trend insights were used as an input for the co-design workshop.

#### 3.5 Define phase and applied service design methods

The define phase of the double diamond model is about sense making. At this stage, designers try to understand the possibilities identified by reviewing what matters most and prioritizing. The overall goal is to develop a clear understanding on the design challenge (Design Council, 6-7). In the define step, the findings will be processed and synthetized to form a point of view that will inform design. Moreover, in the sensemaking, a special attention is given to empathy. As Brown highlights (2009, 49-50) observations and notes do not lead anything, if there is no empathy, i.e., willingness to connect with the people at the deeper level. Making sense of insights is thus done through empathy.

Based on the discover phase activities, collected data was analysed, processed, prioritized and developed in the define phase of the development project. The methods selected for the define phase were affinity mapping to process interviews and link them with the content analysis and trend spotting. Moreover, empathy maps and jobs-to-be-done were created as well as initial journey maps. Journey maps were further developed during the workshop. Moreover, the co-design workshop and experience testing event were scoped, planned and detailed logistics were organized.

Finally, the research questions were revised based on the collected results. At this stage, the research questions were reframed to the ones introduced in the chapter 1.2





#### Affinity mapping

Invented by Jiro Kawaita in 1960, according to Curadale (2013, 35), affinity maps or diagrams are valuable tools for organizing and analyzing data, structuring information in a logical way, discovering affinities, find thematic patterns and identify insights. This method can reveal new direction, uncover hidden relationships and help the design team to find a shared understanding. (Curedale 2012, 111; Luma Worksplace 1; Service Design Tools 1). Affinity mapping were used for several times during the development project. The first time they became useful to map and cluster the key themes as a result of interviews. This activity

enabled to identify the key insights for the design process going forward. Insights were then used to build jobs-to-done, empathy maps, initial journey maps and they also worked as a support to select the methods for the co-design workshop.

#### Empathy mapping

An empathy map can be seen as a tool to understand people the designer is designing for. As such, it is used to build a better understanding of behavior, feelings, thoughts, attitudes, concerns, needs and aspirations of a customer. The term customer is used here in its wider definition, as explained earlier in the chapter 2. The overall aim is to empathize with the customer, reveal the underlying "why" behind actions and decisions and obtain in-depth insights.

As such, they can support on improving the overall experience. Empathy mapping is a valuable method, especially in the beginning of the design project after an initial research is conducted to consider the main elements of an experience and systematically analyze each part to identify the main components on one hand, and potential problems on another hand. Although there are different versions available, the empathy map canvas is at minimum split into four quadrants, says, thinks, does and feels, but can also include sees, hears and a summary of the person emphasized with. The results will help to capture where the person has problems, referred as pains, benefits, referred as gains and his or her tasks, referred as jobs-to-done. (Curedale 2016, 214; Lewrick et a. 2020, 93; Osterwalder & Pigneur 2010, 131; XPLANE.)

During this development project, two empathy maps were crafted based on insight captured during the discover phase: one covering the profile of a traveller and another one covering the profile of new travel entrepreneur. Empathy maps were brought into the workshop to develop empathy prior to developing journey maps.

### Experience testing and co-design event design

Workshops can be considered as the key working format of service design (Stickdorn et al. 2018, 388). This strategic design method involves bringing the design team and stakeholders together to explore issues related to the people designed for and co-design solutions (Curedale 2013, 101). Often planning, organizing and securing logistics and availability of relevant people can be a fairly challenging task. Hence, as a facilitator and designer, it is important to use this opportunity well and work proactively before, during and after the workshop toward successful results.

For this development project, it was decided to put two important events together: an experience testing event and a co-design workshop. As explained in the introduction, in the village of Kairala, in the Eastern Lapland, there was a project on-going simultaneously with an

objective to spark an interest amongst locals to start new travel enterprises and ideate new travel experience offerings. As a result, four entirely new travel experiences aimed for international travelers during the winter seasons were developed. These offerings were not yet tested nor put in sales. Thus, a 2.5 days co-design event was organized with short- and long-term objectives. On one hand, travel entrepreneurs were interested to get their new experiences tested to receive early feedback in order to iterate and enhance them further, while the researcher was, above all, interested to assess the question of human-centeredness of travel entrepreneurs and memorability of travel experiences from the viewpoints of travelers.

As an initial step, travel entrepreneurs were interviewed individually in August 2018. Moreover, a joint meeting was organized to gain an understanding on the context, the needs, motivations, and challenges of travel entrepreneurs. Based on all inputs, a co-design event was developed.

The recruitment of workshop participants was started in September 2018. Although ideally the co-design event participants would have included real travelers, for practical reasons, it was decided to invite international travel students instead. An invitation (figure 21) to apply for the event was sent to representatives of tourism school programs in Finland and through several tourism education social communities. The applications received were screened by the researcher and the selection was done based on diversity, expertise and motivation to participate. All event participants were interviewed via Skype or by telephone in December 2018 to gain understanding their usual travel behavior, their prior knowledge on Lapland, and their expectations and aspirations.

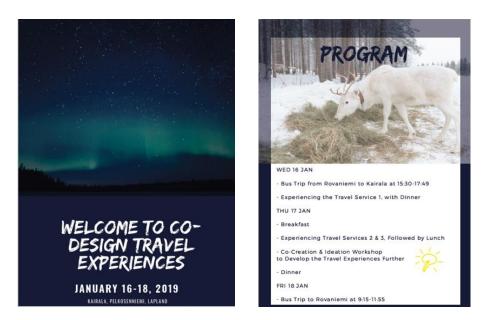


Figure 21: Invitation for the experience testing and co-design event

It is indeed encouraged to have multidisciplinary participants as diversity brings different expertise, viewpoints and knowledge that are highly valued in testing and co-creation processes. In all, the event had diverse participants, of which seven were international tourism students from China, Vietnam, Spain, Italy and Finland, two local travel entrepreneurs, two people who were still planning to start their own travel business and one Pelkosenniemi community representative, whose task is to help people to launch new enterprises.

The researcher was responsible for putting together the program, select the most suitable methods, as well as organize logistics, in relation to transfers, accommodations, food, and workshop requirements. In terms of event timing, mid-January was chosen as the winter conditions are usually good then, and the availability of people was easier to organize. Local entrepreneurs provided the descriptions of their freshly developed experiences in Finnish and the researcher translated them to English and, consequently, organize the overall flow and the order for the testing and co-design workshop.

Before continuing, it is important to clarify the terms "co-creation" and "co-design" since these terms are often used as synonyms. The term "co-creation" refers to any act of collective creativity, shared by two or more people. "Co-design" can be seen collective creativity applied across the whole span of a design process and can, therefore, be seen as a specific instance of co-creation. In this sense, co-design is referring to the creativity of designers and people not trained in design working together in the design development process (Sanders & Steppers 2008). Consequently, the workshop held in this project is called a co-design workshop.

Moreover, co-design in service design project has multiple benefits, as previous research has shown. Co-design impacts positively the project itself, customers or users, and organizations involved, and improves idea generation and the services. Longer term effects usually include, to give some examples, higher satisfaction and loyalty of customer or users, improved innovation projects, practices, processes and capabilities, and better relations between service providers and customers (Steen et al. 2011, 58.)

In all, the experience-testing and co-design event planning took two months. The overall flow and methods of the event will be explained next in the develop phase description.

# 3.6 Develop phase and applied service design methods

After discover and define phases, the develop phase takes place where solutions are ideated and created, prototyped, tested and further iterated. The iterative process helps designers to improve their ideas further (Design Council, 6-7). During this development project, the experience testing with observations and feedback collection as well as co-design workshop were organized.

# Experience testing

The co-design event started with testing freshly developed experiences. As mentioned previously, these experiences were still in the prototype stage, and thus, were not yet promoted or sold to potential travellers. The experiences to be tested were not revealed to participants upfront to keep their views as fresh and authentic as possible.

In a nutshell, the tested experiences included a home-dinner evening, a reindeer feeding event with a local reindeer herder including a sleigh ride by snowmobile, an ice fishing trip with a sleigh ride by snowmobile and an open fire cooking event in the small village of Kairala, located in Pelkosenniemi in Finnish Lapland (figure 22). The experience testing took place in January 2019. International travel students took the roles of travellers and they were experiencing them as guests. The travel entrepreneurs were delivering the service experience as planned.

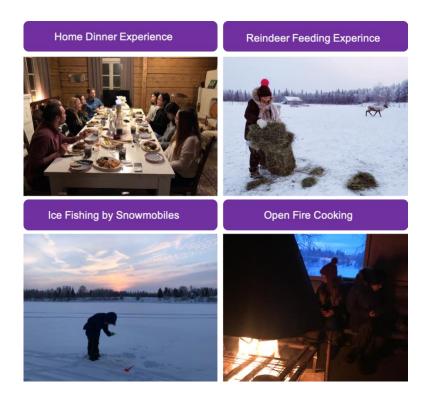


Figure 22: Four experiences tested in Kairala village

## Feedback collection

Feedback capture grid is a structured and quick way to collect the test results. It aims at documenting results in a simple format, while obtaining thorough understanding what works

well, what doesn't, what questions does the experience arises amongst the participants and what type of improvement ideas the participant see and imagine (Lewrick et al. 2020, 217-218).

During the experience testing, the experience testers provided structured feedback using feedback capture grid. Prior to each experience, each participant were asked to read individually the experience description and provide their feedback individually and silently with feedback capture grip method. Moreover, right after each experience, experience testers were asked again to provide their fresh feedback based on their experience using the same method. In practice, each participant was using post-its and symbols to categorize their feedback. These were handed over to the researcher. As a guidance, it was highlighted how giving feedback could be considered as a gift and open feedback was appreciated to able to further iterate the experience.



Figure 23: Examples of feedback collected before and after an experience testing

#### Affinity diagram to find key themes prior to workshop

Prior to co-design workshop, all the feedback collected was clustered to likes, wishes, questions and opportunities by the researcher with affinity mapping. Each cluster was named. In this case, the clusters found were opportunities, challenges, and like, i.e. the positive experiences during the service. The key themes of affinity clustering were presented to all participants in the workshop to provide insights prior to ideation. This enabled to build a shared understanding on the context and opportunities and find focus areas to further development and improvement the experience.



Figure 24: Affinity clustering of the home-dinner experience.

Key themes were used in both building as-is journey maps as well as inspiration points to start the ideation in the workshop.

#### Observation during the experience testing event

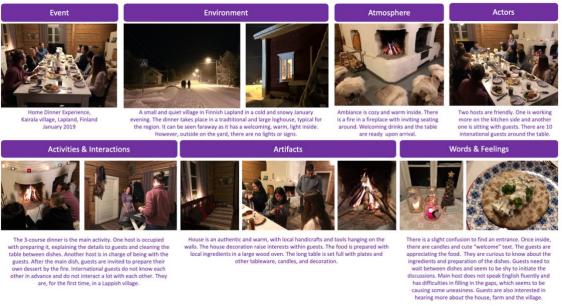
By observing and reflecting, valuable insights into the unwritten rules that guide us through life can be gained (Brown 2009, 237-238.) In non-participant observation, researchers collect data by observing behavior without active interaction. The researcher should behave like "fly on the wall", observing situations that are relevant to the research question. This method is valuable to get richer insights and it may reveal themes that people would not evoke verbally in surveys or interviews, to give example. It is equally meaningful to observe what people are doing but also what they are not doing. (Stickdorn 2018, 122). Moreover, observation relies on quality, not quantity (Brown 2009, 43.)

During the experience testing event, the researcher participated to all four experiences as a silent observer to gain additional insights of both travelers' and travel entrepreneurs' motivations and behaviors. To structure the observations, the following framework was used. This is a combination of multiple know ethnographic methods, and based on Spradley's 9 Dimensions, AIEOU, A (x 4), Sotirin and Posta.

Observation Topics	Observation Questions
Events	What is the context of the acts, actors and space?
Environment / Space	What does the environment and the physical setting look like? What is the nature and function of the space?
Atmosphere	What is the ambiance? What is the location and layout? Are there any peculiarities?
Actors & goals	Who are the actors? (e.g. ages, capabilities) What roles do the actors play? Who influences them? What the actors seek to accomplish in their acts? What are their interests? Are there any patterns of behaviour?
Activities	What happens? What are the persons doing? What is their task and purpose? What activities do they carry out? What is the sequence? What happens before and after? What are the outcomes? Is there any difficulties?
Acts / Interaction / Words	What individual actions are taken by actors? How do the individual systems interact with one another? Are there any interfaces? How do the users interact among one another? What is being said? How is it being said? What vocabulary is being used?
Feelings	What emotions the actors express in the events?
Objects / Artifacts	What objects and devices are used? Who uses the objects and in which environment? What are the functions, features and styles of objects?

#### Table 9: Questions shaping the observations

Observation research outputs were field notes, video clips and photographs, which were analyzed later in the process. Each experience observation was also resulting a summary (figure 25) using the same framework. This was helpful to inform the concept development.



#### Figure 25: Observation sample during one of the tested experiences

Moreover, it needs to be noted that each experience lasted from 2 to 4 hours, with multiple steps in-between. Therefore, to capture observations as comprehensively as possible, videos and photos were useful to be able to reflect back, make sense and use the insights for the design. Analysing context and situation thanks to photographs and videos revealed indeed many unsaid needs, and challenges that were taken into account to develop travel experiences further. To illustrate this point, it was insightful to notice how important photographing the experiences were although people said to be seeking authenticity, and simplicity, and acknowledging the rising trend of digital detoxing.

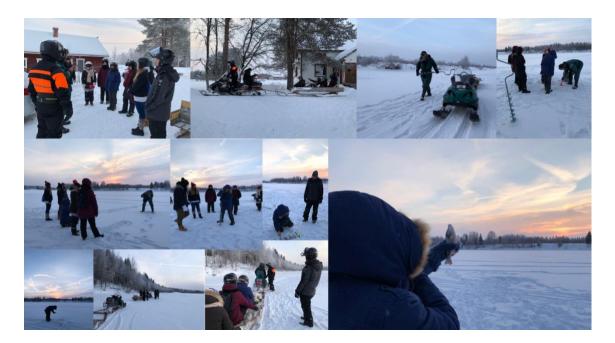


Figure 26: As each experience lasted for several hours, photographs and videos were useful to capture different moments throughout the experience.

## Co-design workshop process, methods and facilitation

The co-design workshop planning was discussed earlier in this report. This section focuses on the actual co-design workshop event, its process and the methods used. It also reflects on the importance of facilitation during the workshop to produce meaningful outcomes.

Following the experience testing and feedback gathering, a half-day co-design workshop was organized with 12 participants in Kairala village in Finnish Lapland in January 2019. The key objective of this workshop was to frame insights as a result of the experience testing, co-create travelers' journeys and ideate new development opportunities for tested experiences. It was also an opportunity to observe again the participants and capture additional insights on the needs and challenges.

Diversity was discussed in the define phase. Although diversity is appreciated, from a facilitator's perspective, it can make the facilitation more demanding, as people might have different levels of education, diverse ways of working, different goals and varied measure of success. A facilitator needs to move participants toward the same goal and, to do so, handle three levels simultaneously: process, group and individual. At first, a facilitator selects activities according to available time and outcome required, facilitates through the process, offers information to participants and consolidates the results to navigate toward a successful conclusion. Then, a facilitator facilitator helps individuals to be more creative, empathic or, for example, more analytical depending on the activity. (Stickdorn et al. 2018, 390-391). Additionally, in the workshops, managing energy is vital to maximize the results: good energy supports the process. (Van der Pijil et al. 2016, 34).

Managing these three levels can be seen as complex mission. (Stickdorn et al. 2018, 390-391). There are a few key concepts to consider succeeding with this complexity as a facilitator. A facilitator needs participants trust, as without the consent and trust facilitating will be a struggle. Another key concept is status of the facilitator, which is often multidimensional. A facilitator is a master of the process but also a servant of the group. Third concept is neutrality. It is crucial for a facilitator to be fair and unbiased, not to make judgements or take decisions. Usually, the focus should on the process, rather than content. Having said that, a facilitator needs to pay attention to the content to secure the progress toward the goals of the workshop. (Stickdorn et al. 2018, 392-393).

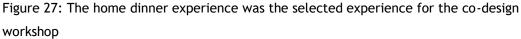
Next, the co-design workshop content (table 10) is discussed in a more detailed manner.

Workshop Content	Details	Duration
Welcome	Setting the tone and giving context, stating objectives and kicking off the workshop in a friendly and creative atmosphere	20 min
Focus area selection	Individual voting on the experience to be focused on. Voting on the experiences tested: one that works the best /is the most ready, and the one that needs the most development	20 min
Design challenge validation	Validating the voting results and reformulating the design challenge for the workshop with the statement starters (how might we)	10 min
Teaming up	Dividing the workshop participants into two diverse teams	5 min
Customer journey mapping	Working in two teams, generating traveller's experience journey from a to z, with phases, steps, touchpoints, emotions, expectation gaps	50 min
Sharing the customer journeys	Presenting the journey maps created, with focus on high and low moments and selecting the key areas	30 min
Sharing the clustered feedback collected during on experiences	As a design inspiration, sharing the experience testing feedback collected earlier and organized in relevant clusters	10 min
Ideation	Using Round Robin method to generate new ideas based on the statement starter customer journey highlights and experience insights	20 min
Sharing and discussing	Sharing all the ideas generated	30 min
Narrowing down	Placing the ideas on the Value / Difficulty Matrix, the value being the perceived customer value	15 min
Ideation	Ideating individually a vision for the village, with Insta-vision method, based on all the insight collected and discussed during workshop	10 min
Narrowing down	Dot-voting the most inspiring and engaging vision	5 min
Wrap-up	Concluding the co-creation workshop by highlighting what was covered, next steps and asking feedback from the participants.	10 min

#### Table 10: Co-design workshop content details

To ensure playfulness and everyone's contribution, the workshop rules were first explained, and the safe space was created with creative introductions and warm-ups. After this welcome session, international participants were then asked individually and silently provide their view on the previously tested experiences. Each of them wrote on separate sticky notes the experience that was the most desirable "as is", on one hand, and the experience that needed the most development and would thus benefit the most from the co-creation efforts on the other hand. As a result of this exercise, the jointly selected workshop focus was the tested home dinner experience.





The problem reframing is an important step before moving to ideation. There are three types of problems: simple (well-defined), poorly defined (ill-defined) and complex (wicked). Design thinking is suitable for all types of problem statements. However, it is said there are three essential prerequisites for good solutions: the design team must understand the problem, the challenge needs to be defined to allow for the development of useful solutions and the potential solution must fit the defined design space and design scope (Lewrick et al. 2018, 50-51). It is argued some of the most successful companies in business are known for tackling creative challenging with "how might we" approach. This formula ensures that the rights questions and the best wording is used to spark creative thinking and courage collaborating, as figure 28 demonstrates.



Figure 28: The "How might we" approach supports problem reframing (adapted from Berger 2012).

Consequently, the original workshop problem statement "How might we enhance newly designed travel experiences with the help of design thinking and service design to improve customer experience?" was reframed to "How might we develop further the home dinner experience to enhance guests' experiences?". This reframing allowed the workshops participants to focus and the topic was a better fit for the workshop timeframe.

The group was then divided into two multidisciplinary teams to map the traveler's as is journeys. Each team had a combination of local entrepreneurs and international tourism students from different countries. The journey mapping was relatively unfamiliar method for all participants, so the purpose and ways of working were explained comprehensively in the beginning of the activity.

In service and experience design, as discussed in the previous chapters, it is vital to develop a holistic view over entire experience and all the different touchpoints to ensure the most optimal customer experience. Thus, a customer journey map, or simply a customer journey, is one of the key tools in any service design project. The customer experience will be represented visually through its touchpoints. Touchpoints are referring to different moments of interactions. They should not be seen in isolation. This might be a complicated topic to understand at first, when each business tends to look at the service from their viewpoint, rather than from the viewpoint of a customer, and are therefore naturally biased towards their own offering and related touchpoints. The journey maps allow service experiences to be broken down into individual steps for further analysis on high and low moments, revealing thus pain points and cracks in services. Moreover, journey maps can inspire to develop new services before, during or after the actual initial service. (Design Council; Solis 2015, 144; Stickdorn & Schneider 2011-2012, 158-159).

As-is journey maps were developed from the inspiration phase to post-trip review. Both groups presented the highlights of the journeys to whole group to reveal key moments of the journeys, which initiated valuable discussions. A special focus was given to emotions being the key contributor on the successful outcome of the experience.



Figure 29: The teams were developing two as-is journeys maps, which were then shared and discussed together

After the problem reframing, it was a good moment to move on to ideation. Ideation, at its best, allows a generation of wide variety of possible solutions explored through generating a large quantity of diverse solutions. To ideate, Round Robin method was chosen as it allows people to build on each other's' ideas and develop original ideas further using various angles. Round Robin enables for the generation of fresh ideas and shaping them to uncover original concepts by passing ideation sheets from person to person to receive collective inputs. (Luma Workplace). Both tourism students and local travel professionals were participating in the ideation. After the ideation was completed, participants were invited to come up with catchy names for their concepts and present the highlights. Sharing ideas generated good discussions amongst the participants.

This was followed by placing the concepts on the Importance/Difficulty Matrix, which provides the first inputs towards prioritization. The x-axis was defined from the perspectives how much value and importance from the customer experience point of view the concept would provide, where the y-axis focused on the implementation challenge from the viewpoint of local service provider. The initial concepts were discussed together and their place in the matrix was built together through the discussions. In all, as there were 12 participants, 12 ideas were created and prioritized.



Figure 30: Round Robin was used as collective ideation method. The initial concepts were placed together in the Value Difficulty Matrix.

As a final step of the co-creation workshop, a visioning exercise was conducted. This visioning method included both sketching and text. Participants were encouraged to think all the experienced they had during the last two days. The visioning method results can guide towards the building the village brand and its individual experience offering and the related marketing communications.

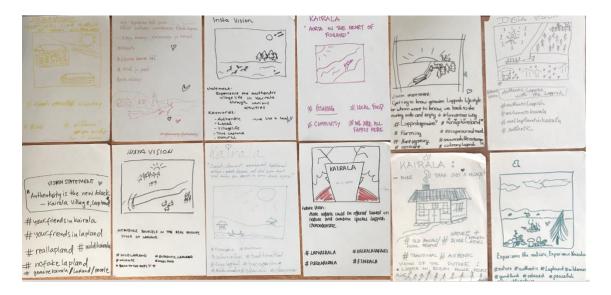
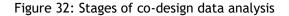


Figure 31: Visioning exercise during the co-design workshop

In the end of the co-design workshop, Visualize the Vote method was used to prioritize the key elements for the vision.



After the co-design event, data was further analyzed as illustrated below (figure 32). The results of this activity will be presented in the following chapter.



Prior to presenting the results, it needs to be noted that the final phase of the double diamond design process, i.e., deliver, where the end solution is tested, iterated, approved, finalized and launched (Design Council 2005), was decided to be put out-of-scope. In this overall design project, the first service concept suggestions were prototyped to help new travel entrepreneurs to design more memorable experiences. However, as they need further development, feedback and iteration, this stage was specifically decided to be placed out of scope for the purpose of this thesis.

## 4 Results

Following the theoretical background of the thesis, introduced in the chapter 2, and design process and methods introduced in the chapter 3, this chapter 4 discusses the results of the development work. The topics presented here are following the order of research questions of the chapter 1.2.

The overall design challenge was to understand how to facilitate new travel entrepreneurs to design memorable and human-centered experiences. Firstly, it was vital to understand the meaning of human-centeredness, memorability, and experience concepts, and secondly, the current state amongst new travel entrepreneurs in designing travel experiences. Exploring these topics could consequently lead to a proposal of the type of facilitation, i.e., support, which would make sense for travel entrepreneurs in regard to their task to design memorable travel experiences.

The following table (table 11) summarizes the research questions, approaches taken in this development work, the selected literature review, i.e., theories reviewed, empirical work approach and methods, and finally, where to locate answers to the research questions.

Research questions	The results linking theory and empirical parts, presented in the chapter	Approaches taken in this development work	Literature review – theories covered in the chapters	Empirical work in this development project	Selected empirical methods covered in the chapters
f1 - What is the concept of 1uman-centeredness as of nindset?	4.1	Exploring design thinking (DT) and customer-dominant logic (CDL) as of mindsets and approaches for human- centeredness	2.1 & 2.2	Interviews to understand the travel entrepreneurs current state & their viewpoints	3.3: interviews 3.4: empathy map 3.5: observations
#2 - What are the concepts of experience and experience design?	4.2	Reviewing the literature of experience economy, experience-seeking traveler, experiences and experience design	2.4	Feedback on experience descriptions before the testing, experience testing and observations, co-design workshop	3.5: experience testing, feedback collection, observations, co-design workshop
#3 - What makes a travel experience memorable?	4.3	Literature review of theories of Pine & Gilmore, Frochot & Batat, Ritchie et al., Tung & Ritchie, Kim et al., Heath & Heath etc.	2.4	Observing and validating what resonates amongst travellers	<ul><li>3.3: content analysis of emails, interviews</li><li>3.5: experience testing, feedback gathering, co- design workshop</li></ul>
#4 - What is required in terms of mindsets, knowledge, skills, and tools to develop human- centered and memorable travel experiences?	4.4	All mentioned above	2	Synthesizing and sensemaking as a result of the development work	3.3: interviews 3.5: observations
45 - How to facilitate new travel entrepreneurs to design memorable and human- centered travel experiences?	4.5	All mentioned above	2	Synthesizing and sensemaking as a result of the development work	3

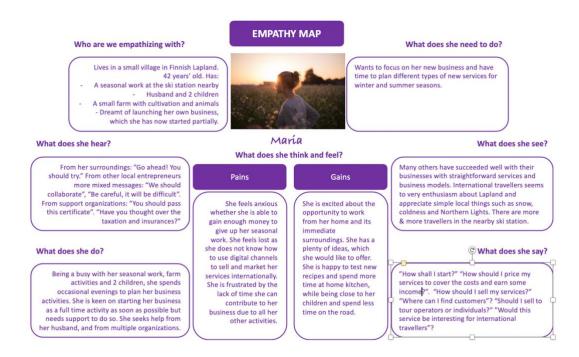
#### Table 11: Research results orientation

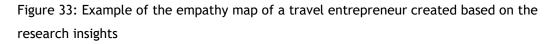
Next the results will be discussed one-by-one, following the order set in the beginning.

#### 4.1 Results: human-centered as of mindset

The first research question was to examine the concept of human-centered, called often also as human-centricity. Hence, customer-dominant logic and design thinking were explored to build a thorough understanding of these mindsets where customers, in the broader sense of the term, are truly put at the center. Consequently, to take a human-centered view, the customers need to be understood, and this, in turn, requires empathy. The customer understanding should be comprehensive and cover people's emotional and rational needs, aspirations, pain points, values, behaviors and motivations. As unarticulated needs are equally important, empathy and observation are key methods to go beyond the surface.

Following the theoretical work, human-centeredness of travel entrepreneurs were assessed using various methods. In the discover phase of the design process, travel entrepreneurs were interviewed, in the define phase empathy maps (figure 33) were created, and insights synthesized to make sense of the data gathered. Finally, during the develop phase, entrepreneurs were observed during the experience co-creation and delivery.





As a result of these research activities, following main insights can be shared. Personal reasons and motivations are the key drivers to establish an enterprise. These reasons are often linked to convenience factors, such as the willingness to stay in the region or have a possibility to work from home or its immediate surroundings. There are also financial factors, such as complementing the revenues. In all, the starting point of establishing and running a travel business is largely, if not totally, inside-out. Potential motivations linked to customers are not noticeable.

Moreover, customer understanding seems to be relatively low. There is no clear view who the customers are, or could be, let alone knowing their needs, aspirations and challenges. Hence, based on this research, it can be concluded that there is a gap in human-centeredness. Design thinking and customer-dominant logic would offer entirely new type of thinking and doing.

#### 4.2 Results: understanding of experiences and experience design concepts

The second research question was to understand the concepts of experience and experience design. The chapter 2.4 discussed about multi-faceted and complex experiences that are experienced within a person, on one hand, and co-created by experience providers and experience seekers, on another hand.

Designing holistic experiences can become a key differentiator for a business. It is argued that despite of subjectivity linked to the experiences, experiences can be, and even should be, staged. In the end, emotions and feeling of 'time well spent' are important drivers. Although

it is argued the experience economy is here, as highlighted by Pine recently (2020), a good understanding on the notion of experience and its different dimensions and how to proactively design experiences vary greatly. Even scholars are emphasizing the need for further research to establish a consistent model. Nevertheless, importantly travel and tourism industry is about selling and managing extraordinary experiences, using the term launch by Arnould and Price in the 1990s, which is why it is a vital topic also for new travel entrepreneurs.

Following the literature review, new empirical research was conducted where recruited experience testers were assessing their interest and motivation to join a travel experience based on its description, and as a consequence, experiencing it in real to assess their satisfaction on the actual experience. At the same time, the researcher was observing both travelers and travel entrepreneurs during the experiences to understand people, their behavior, emotions and motivations better. Insights were then synthesized prior to the co-design workshop where experiences were holistically reviewed with the help of journey mapping and new improvement ideas were generated and concepted.

To sum up, collected insights lead to the conclusion that experience dimensions and experience design are new concepts for travel entrepreneurs. Current view and ways of working seem to be rather technical, even focused on "transactional service side". Since entrepreneurs are all rather new in the domain, there was uncertainty and hesitation what would resonate amongst travelers in general, what would be an ideal flow and transitions points of the experience and what would be their own, i.e., entrepreneur's role in the experience co-creation and delivery. Currently, the starting point for the experience design is entrepreneur's own motivation to offer something that she or he is skilled at. They had not conducted any research to build a more complete understanding on the subject. Journeys mapping and holistic thinking, used in the co-design workshop, were new and, at the same time, eye-opening to entrepreneurs.

RE-TRIP				TRIP				POST-TRIP
Audray AUDREY'S STO	DRYBOARD							
		Bienvenue en Laponie!	22		A			Helen States Ingener
Audrey AUDREY'S JOL	JRNEY							
NSPIRATION	PLANNING	BOOKING	PRE-TRAVEL	ON THE GO	ON THE DESTINATION	EXPERIENCING HOME DINNER	RETURN TRIP	POST TRAVEL
AUDREY WHAT DOES	SHE DO7							
ioks for trip inspiration on interest and builds a visual board.	Plans the trip details by checking multiple sites, discussing with her family and contacting travel bioggers for edditional information and concrete tips.	Confirms the destination and the dates and starts the booking process by reviewing the latest prices on online travel agencies.	Vertifies if the family has necessary winter clothing and continues to contact local service providers for the activity details.	Takes a plane from Paris to Helsinki and another flight to Lapland. Upon arrival, rants a car with her family and drives 2 hours to their destination.	Has a rather packed schedule to experience different winter activities. In the evenings, relaxing with the family in the cottage.	Participates in the home dinner experience with her family in the village located a 30 minutes' drive from the cottage.	Drivers back to the airport and takes two flights to return back to France.	is eager to share her recent trav experiences with her surroundings.
AUDREY WHAT DOES	SHE THINK AND FEEL?							
excited and engages. Dreams of pending a long winter vacation in spland with har family, show thrites during the day time, faustion in a cozy cottage with a replace in the sverings.	Gets confused when trying to make sense when and where to go in Lapland.	Feels anxious when sees the prices and a limited number of flight options. After several evenings of comparison, is releaved when the bookings have been made.	Is impatient to start the family vacation. Get slightly concerned if her children will be property dressed for the cold weather.	Feels excitement but also worried as the flight arrives late, and the family needs to drive 2 hours in a darkness on a soowy read to the destination.	Feels relaxed. The children are happy with snow. At the activities reserved are thriting.	Carlous to visit a typical home and taste local dishes in an authentic setting. Worries if her family will find a common language.	The whole family feels sad to leave; the vacation flew by too guickly.	Feels happy to be back home wit as many new experiences.
Audrey AUDREY'S	5 EMOTIONAL JOURNEY							
-								

Figure 34: Example of end-to-end journey map created with emotional details in the codesign workshop with key insights on travelers and experience testing outcomes

Finally, it needs to be underlined the importance of the host's role in delivering and cocreating the experiences. Although being a host was rather natural for travel entrepreneurs during the experience testing, it could be evaluated the experience itself was not thoroughly staged and the narrative had not been scripted. The root cause for missing the staging, so to speak, is caused by the lack of knowledge of travel experience components and experience design elements. Upskilling, more careful planning and the usage of design tools could ease the task going forward but also enable to secure smoother experience for travelers.

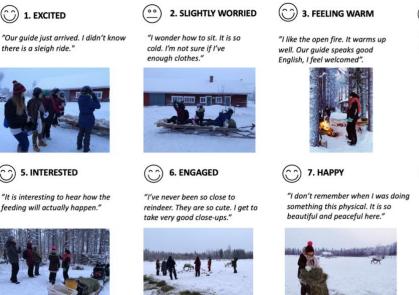
#### 4.3 Results: positive travel experience outcome, focused on memorability

The third research question was to explore what makes a travel experience memorable. In the literature review, dimensions of positive travel experience outcomes, and especially the memorability, given the overall research scope, were assessed. Based on the previous research conducted by scholars, there are several models that are including different dimensions or elements argued to be required to reach a positive experience outcome, as explained in the chapter 2.4.3. In the model of Pine & Gilmore (1998), the need for addressing the sweet spot of four dimensions, i.e., aesthetic, escapist, educational, and entertaining, is underlined. Ritchie et al. (2010, 8) are highlighting phases and influences. The anticipatory phase with planning and recollection phase where the travel is being remembered can actually be considered equally important in the overall travel experience than the on-site experience. In addition to influencing categories, such as physical and social aspects and service quality, there are in-person elements such as knowledge, memory,

perception, emotion, and self-identity, which are playing crucial roles. Multiple other factors, such as expectations, authenticity, hedonism, novelty, local culture, meaningfulness, involvement and meaning of moments are considered important, as previously discussed.

Consequently, in the empirical part of the development work, various research methods, e.g., content analysis of emails, interviews, experience testing, storyboards, observations and feedback collection, were used to shed a light to the question of how travel experiences are understood and what constitutes positive and memorable outcomes from travelers' and travel entrepreneurs' points of views. Since the literature review stressed the importance of emotions is especially securing a memorability of an experience, it was crucial point to assess and discuss during the empirical part of the work. What is noteworthy is that emotions vary throughout the experience. To showcase this, a special focus was given to this element by creating a storyboard with emotional details for each experience tested. These storyboards were compiled thanks to feedback collected after each experience, and complemented with observation results.

# Key insights on travelers: storyboards with travelers' emotional journeys during the experience



(a) 4. CONFUSED

"I wonder what is this juice? I hope our guide would sit down with us to chat."



8. WORRIED

" I am bit worried how this reindeer ride will go, it is my 1st time."



Figure 35: Emotional experience journey storyboard example

Based on this research, it can be concluded that from travel entrepreneurs' perspectives, a broad understanding of what constitutes a memorable travel experience is not evident. Having said that, some key elements are known "intuitively". Friendliness and availability of hosts, being attentive, authenticity, consistent theme and service quality were valued elements, which were highlighted by both travel entrepreneurs and travelers during the empirical work, although they had not necessary any theoretical background on the subject or practical tools in hand.

To recap the positive feedback captured after the experience testing, i.e., all four experiences tested during this development project, themes like authenticity, natural setting, a possibility to learn something new, uniqueness, and friendliness of hosts were most often mentioned and appreciated. These are also qualities to enable the memorability of an experience, as per theoretical review.

On the other hand, one important area of the development going forward is the storytelling. It is argued storytelling, which can be seen as a co-creation between the host and travelers, is a good way to engage, create memorable experiences and emphasize authenticity (Frost et al. 2020, 3). Based on the experience testing, storytelling is currently one of the biggest challenges. In fact, experience testers were all eager to hear and learn more, but either hosts were too occupied to secure the details of the experience, had not prepared sufficient amount of storyline, and, in some cases, lacked vocabulary to tell engaging stories.

Finally, it is often recommended to enhance the strongest points to make them even more powerful. Thus, during the visioning activity conducted during the co-design workshops, it was interesting to see how similar topics and themes both travel entrepreneurs and travelers were appreciating. As the following word cloud (figure 36) illustrates, topics like authenticity, local, nature and wilderness came out the most mentioned valuable elements, which were recommended to keep also in the future as a part of experience and to be leveraged in the branding and communications.



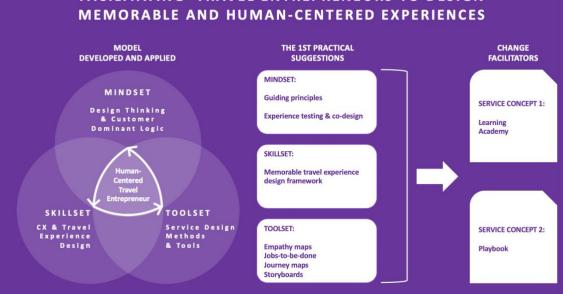
Figure 36: Visioning activity resulted elements to enforce in the experiences and related marketing communications

#### 4.4 Results: mindsets, knowledge, skills, and tools to develop humancentered and memorable travel experiences

After the co-creation process and further discussions with travel entrepreneurs, it was concluded that the experience testing and co-design event were highly valuable and worked as an "eye-opener" to enable new travel entrepreneurs to see their experiences from different angle. It helped them to learn what works and what does not, and but also what is needed to make an experience more satisfactory and holistic. Empathy maps and journeys maps, together with the concepts created in the joint ideation session, were all contributing in building a deeper empathy towards the travelers, and further understanding to see travelers' in their wider context.

Nevertheless, following the feedback and results sharing session with the entrepreneurs three months after the co-design event, it could be concluded that one-time event did not have a long-term effect to enable mindset shift of the travel entrepreneurs so that they would be more focused on customers in the future, nor it was not sufficient to upskill new entrepreneurs with necessary skills, knowledge and tools to help them to design and adjust their travel experience offering to become more memorable and human-centered. Due to this, the researcher then focused on ideating new concepts that would eventually help entrepreneurs in a longer term. As discussed earlier in this report, design process is, after all, exploratory, experimental and iterative.

Pulling all the development work together, the following visualization (figure 37) can be proposed to answer the main research questions: "What is required in terms of mindsets, knowledge, skills, and tools to develop human-centered and memorable travel experiences?".



# FACILITATING TRAVEL ENTREPRENEURS TO DESIGN

Figure 37: The development project results in a visual format

The elements of this visualization are discussed next.

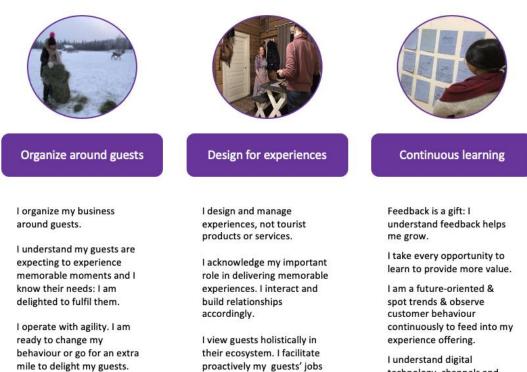
#### Mindset

The Venn diagram on the left side puts a human-centered travel entrepreneur at the center. In terms of mindsets, design thinking and customer dominant logic are proposed. For the skillset, understanding of customer experiences and being skillful in travel experience design are highlighted. What comes to toolset, applying service design methods and tools, notably empathy maps and journey maps, are encouraged. Furthermore, the results of this development project suggest guiding principles and frequent experience testing and co-design to kick-off the mindset shift toward human-centeredness.

As discussed in the theoretical part of the thesis in chapter 2, it is the mindset that helps to become human-centered and develop deeper empathy. Since the mindset should be grounded in principles and attitudes that define how we see the world and guide our behaviour, a set of guiding principles are proposed. Guiding principles, in fact, can be considered as ideas that influences when making a decision: even if the strategy changes, guiding principles should stay the same. In the context of this research, it was taken into account that the travel entrepreneurs are micro enterprises, meaning that the entrepreneur him/herself can truly make the difference and change. Suggested guiding principles are illustrated in the figures 38 and 39.



#### Figure 38: Guiding principles summary



throughout their journeys

and minimize frictions.

technology, channels and content as enablers for my guests to attaint the goals. Thus, I am ready to keep the pace and be available where they are.

Figure 39: Guiding principles' suggestions for travel entrepreneurs

#### Experience testing and co-design

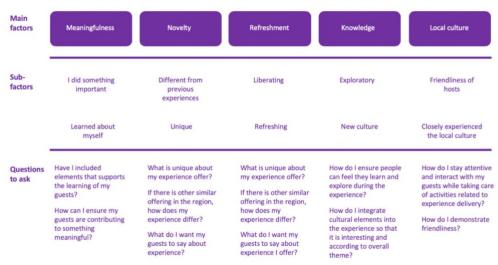
Apart from guiding principles, another practical suggestion for travel entrepreneurs is to continue with regular experience testing and co-design activities to enhance their offering, gain valuable insights and build a better customer understanding. Feedback from the experience testing and co-design event organized during this development work received positive feedback from all participants. The results gained from this type of event compared to efforts required are indeed encouraging and crucial in the longer term.

The experience testing and co-design workshop resulted thought-provoking and valuable insights, which enabled to assess the experiences from the travelers' perspectives and provided a possibility to zoom in the details and zoom out to understand the experience more holistically. As such, the event was supporting the change journey of the travel entrepreneurs towards human-centeredness. Concretely, as a result, entrepreneurs got a better understanding:

- on the importance of experience element details
- of their current challenges from the travelers' point of view
- new ideas how to develop experiences further to make them more successful
- confirmations what works well currently and how to reinforce these high moments going forward
- importance of co-design and listening the customer feedback
- importance of testing and iterating and
- how to use design thinking and service design methods and tools in practice

#### Skillset, i.e., knowledge and skills

Referring to skillset, customer experience and travel experience knowledge and skills are recommended to be able to design and deliver memorable travel experiences. As the 1<sup>st</sup> practical suggestion, memorable travel experience design framework can provide insightful focus areas for travel entrepreneurs. This framework includes elements of the memorable experience factors research conducted by Kim et al. 2010, complemented with trigger questions for entrepreneurs. This framework will be tested with travel entrepreneurs, and further complemented with the checklist, which will be developed after this thesis work.



Designing memorable travel experiences

Figure 40: Designing travel experiences framework draft

#### Toolset

Service design methods and tools are suggested to be applied by a human-centered travel entrepreneur. As discussed in the chapter 3, key principle of service design is being humancentered, considering the experience of all people affected by service. Multiple service design methods and tools were used during the development project. Empathy maps, jobs-todone, journey maps, and storyboards, for instance, were a part of the work and travel entrepreneurs gained the first practical know-how of these tools. Nevertheless, the main idea is to secure the empathy towards the travelers' continuously in order to build relevant experience offering and co-design memorable experiences. For that particular purpose, it would be advisable to continue using these tools as practical ways to keep the customers at the center and design experiences holistically taken into account the entire journeys, throughout all touchpoints.

#### Empathy map - Example on a traveler created in the project with key insights captured

The research insights on travellers were packaged in multiple formats to help to build empathy and understanding throughout the project and help to proceed towards the goals set. In this development project, two empathy maps were created as a result of semistructured interviews and complemented with additional information based on content analysis, desk research and observations during the co-creation workshop and the experience testing. It was considered important to use empathy maps to build a better understanding of both travellers' and travel entrepreneurs needs and structure the insights in a meaningful way to build empathy at the early stages of the project. Traveller's empathy map (figure 41) was one of the inputs for the journeys built during the co-design workshop.

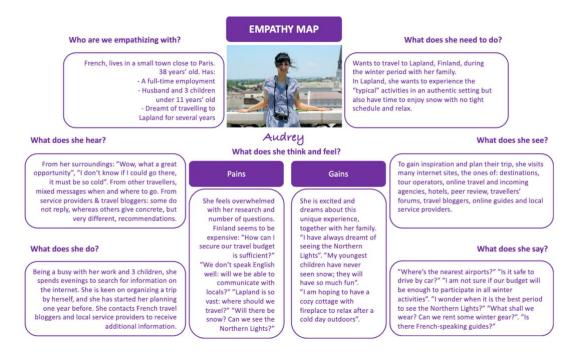


Figure 41: Empathy map on a traveller created based on insights gathered

Jobs-to-be-done - Example on a traveler's jobs created in the project with key insights captured

Insights on travelers' motivations captured in the content analysis were formulated to jobsto-be done statements (table 12).

Situation	Motivation	Expected Outcome
When I plan my trip to Lapland	I spend considerable time for searching information and prices in different sites	So that I can find the best combinations that suit my needs, schedule and budget.
	I contact travel bloggers for additional information and validation	So that I feel that I have received honest feedback and can validate my choices.
When I travel to Lapland	I want to experience as much as possible	So that I can feel it is a worth of money I spent.
		So that I can feel it is time well spent.
		So that I can leverage maximum this unique opportunity.
		So that I can offer a quality and extraordinary memories to my family members.
When I am in Lapland	I want to experience authentic and off the beaten track experiences	So that I can immerse myself in the local culture and experience something unique.

Table 12: Jobs-to-be-done statements based on the content analysis

## 4.5 Results: facilitating new travel entrepreneurs to design memorable and human-centered travel experiences

This section covers two proposals for the last research question "How to facilitate new travel entrepreneurs to design memorable and human-centered travel experiences?"

Following acknowledgement that travel entrepreneurs need further help in acquiring humancentered mindset and sufficient skills and tools to design memorable travel experiences, suggestions for next steps were made and two high-level service concepts proposed. However, as mentioned, due to need to iterate these concepts further, these service concept prototypes, are not further discussed in this thesis. The development will be thus additional project continued outside of this thesis with further testing with travel entrepreneurs and iteration based on the feedback. High-level service concept prototype 1: learning academy

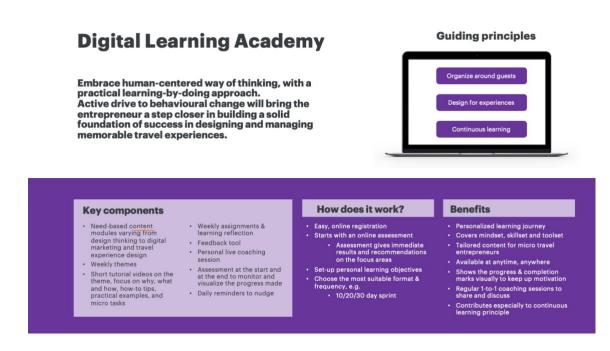


Figure 42: Digital learning academy concept for travel entrepreneurs

High-level service concept prototype 1: playbook

### Experience Design Playbook

Design human-centered travel experiences that are relevant and memorable with a help of this playbook. Fuel your growth and relevancy by learning what travellers value and get practical starting points how to spot trends and observe travellers, online and offline. Kick-start your change journey with this engaging and curated content. **Guiding principles** 





Figure 43: Digital learning academy concept for travel entrepreneurs

Finally, based on the key insights captured thanks to interviews, observations, experience testing and co-design workshop and further discussions, the following suggestions were crafted to support travel entrepreneurs with their challenges.

	challenges of the		with further guidance	and quick win suggestions
Category	What was said	Insight details	Guidance	Quick win
	by the			suggestions
Motivation to launch & run the business	entrepreneurs? "I want to work from home. This is why I started my business". "I want to gain additional revenues in my surroundings". "I would do this anyway, but now I can gain some income with this activity".	The starting point for launching a business is not necessarily to fulfill customers' needs or serve the customers in a meaningful way, but drivers are more individualistic and related to entrepreneur's own life choices and motivations. Instead they seemed to be linked to person's willingness to work from home or its near surroundings and/or gain additional revenues from the	To be relevant for customers in their own context, it is crucial to develop a comprehensive understanding what travelers' are after. Ideally, entrepreneurs are able to build a win- win situation to fulfil his/her aspirations and offer memorable experiences for travelers.	Conduct a short, such as a 10- day sprint, to read traveler's questions and comments on Lapland as a travel destination on popular travel sites, such as TripAdvisor, to get a flavor what the customers are appreciating, and what are their questions and concerns. At the end of this fact finding, make a short checklist or action plan for yourself of the points you need to tackle in your own offering and related communications.
Customer understanding	"Should I sell to tour operator or travelers directly? "I have no time to surf on the internet to get customer data. Where should I go anyway?	activity they would be doing in any case. Despite high motivation, travel entrepreneurs seemed to have a limited information on their potential customers. There was no clear plan how to get additional customer data, who the potential customers could be and how to reach them.	It would be vital to clarify the customer base in a more detailed manner to secure the relevancy of experience offering and understand the goals and motivation of these customers to develop suitable offering and related marketing communications. Also, understanding the trends, such as the rise of individual travelers, would be crucial to make future-fit decisions accordingly.	Familiarize with the content made available by Visit Finland and regional destination boards on typical travel profiles visiting Finland to get started. Discuss with your closest local tourism board and already well- established travel businesses to get an understanding on the type of customers usually visiting the region. Also, during the high season, observing travelers in busier places, such as in the nearby ski resorts, can give good insights on customers. Moreover, digital safari such as the one mentioned above can be useful and easy to conduct. Empathy and journey maps are helpful to be kept updated with newly captured information. In the longer run, establishing frequent feedback collection and analyzing method together with social listening and trend spotting can provide useful baseline on the customer understanding.
Skills	"I know digital marketing is important, but I don't how to do it".	One of the root causes for the limited customer understanding was the fact that many	Being a successful travel entrepreneur, fluency in languages is a key to be able to communicate and	There are several free online courses and guides on the basics of the digital marketing to get started.

		travel	engage with	Prioritize your focus areas: it is
		entrepreneurs lack required skills, such as fluency in languages and digital marketing. This hindered their possibilities to acquire the knowledge online but also publish relevant content in the right places to attract customers.	travelers, not only to run effective marketing communications and secure bookings, but also tell interesting stories to travelers during the experience itself. The same applies for the digital marketing: it is a vital skill to get at least an intermediate level to be able to be present where the customers are and interact with them fluently and fast.	not necessary to be present 'everywhere', but at least, to have an attractive website, which provides basic information, following the chosen theme and key attributes relevant to business. Additionally, one social media channel can provide useful presence and it will be a good way to gain additional insights of the customers.
Ways of working	"Where do l start?"	Entrepreneurs seemed to feel overwhelmed with the number of activities to take care of, which is not easy combination with a limited time they have. This may demotivate and/or hinder to take steps for building customer understanding.	Number of activities as a solo entrepreneur can indeed feel tremendous, especially in the beginning. However, small steps to create value will make the difference.	Spend a few moments to reflect what matters to most to design and manage memorable experiences and attract customers. Focus on clear priority areas that will bring on the most value. Create a clear roadmap and an action plan with small, manageable, steps.
Experience offering design	"This is what I was thinking to offer - I don't if it is attractive or not"	Entrepreneurs has ideated their offering based on what they know to do 'the best' or what they think could resonate with travelers. Hence, the experiences were not created based on customer understanding. Also, an understanding on what makes their offering unique vs. another provider was not clarified. Elements of a memorable travel experience are not clear, nor how to design an offering from a to z.	Although it is valuable to offer experiences on the domains where an entrepreneur have a passion, knowledge and skills, it is important to design it from outside-in perspective, zooming in and out to get the big picture as well as the details right. Moreover, crystallizing the unique features and value propositions will help to guide the actions and build on the strengths.	Leverage online guides created by multiple stakeholders on experience design, notably from Visit Finland to get started. Organize a regular testing session to gain valuable insights. Partner with other travel ecosystem partners to help with building a holistic view for design purposes. Redesign your offering using the dimensions of memorable travel experience as a checklist. Create storyboards to detail what is the experience you want your customer to have. In the longer term, engage with customers to be a part of your experience offering design.
Role and mindset	"I know my role"	Entrepreneurs seemed to acknowledge their important role in delivering a positive experience outcome, yet they were more focused on technicalities of the experience rather interaction and relationship	Knowing the importance of your role in delivering memorable travel experiences is a good staring point. To build a authentic, engaging and memorable experience, scripting the storyline upfront	Craft a storyline with details to cover the overall experience with an engaging narrative. Practice it upfront. Show your guests you care about them as individuals by making personal connection with each individual. Be attentive and observe your guests during the experience.

cu ac m be fo th su jo ha af	uilding with the ustomers. For ctual experience, indset seems to e very customer ucused, but inking does not upport the overall purney, i.e. what appens before or iter the actual operience.	and mastering it can be even more important than technical details. Making a personal connection and meeting customers as humans will be a powerful way to manager the interaction before, during and after the event.	Have plans in place if there is a need to have a more positive outcome.
---	--	--	---

Table 13: Summary of challenges and next steps recommendations

#### 5 Conclusions

The purpose of this thesis was to explore how design thinking and experience design can support small travel entrepreneurs in designing more memorable travel experiences. The starting point of the development project was to understand the needs and challenges of travel entrepreneurs and travelers. The theoretical framework explored themes from customer-dominant logic and design thinking to service design and experiences.

Throughout the master's thesis journey, importance of human-centricity became increasingly evident, while the challenges of travel entrepreneurs grew due to pandemic. As a result of travel restrictions and nearly global lockdown, Lapland travel scene has largely suffered in 2020 and it is said to lose over 60% of winter business (Yle 2020, 1). Yet, those businesses who have been able to adapt continue to be relevant as people still dream to travel, and new opportunities have opened. Local and domestic travel, sustainability and virtual experiences have indeed been key trends during this period of time. To give an example, Finnair just announced a virtual reality flight, under the Northern Lights, to meet Santa Claus in Lapland during Christmas with the help of a smartphone (Yle 2020, 2). Yet, the real experiences and authenticity are also continuing to be a big theme. When writing these closing words of thesis, one of the world's famous film directors, Francis Ford Coppola, has brought his grandchild to Lapland to visit an ice hotel and see reindeer (Yle 2020, 3). These examples demonstrate the potential of Lapland and importance of designing new travel experiences.

As discussed throughout the thesis, the key challenge, after all, is to truly adopt a mindset shift and kick-off a behavioral change towards human-centricity. Especially in the beginning of the entrepreneurship, the workload can be challenging, and capabilities limited. Due to novelty of entrepreneurship and a large number of activities that need to be performed, an entrepreneur can quickly feel overwhelmed. This can hinder the ability of an entrepreneur to take additional steps towards human-centricity despite a high motivation to serve customer the best possible way. With limited support, an entrepreneur does not necessarily have time or skills to build further understanding of the customers. Although the co-design event organized during this project provided many valuable and thought-provoking ideas within new travel entrepreneurs to shift their view towards humancentricity and understanding the experiences more holistically with ability to zoom in and out, this one-time event was not enough to make a long-lasting change towards designing memorable travel experiences going forward. As travelers' need nudges, so do travel entrepreneurs.

#### 5.1 Recommendations

The recommendation is to develop the service concepts prototypes further as they can provide tangible support for travel entrepreneurs. In all, this is a good time to reflect and redesign the experience offering. People around the world are eager to re-start travelling after the travel restrictions linked to COVID-19 are removed. Industry professionals are estimating travel industry will be bouncing back, while being reshaped toward a more sustainable model. People have had to time to reflect what is meaningful for them, and many are eager to shift their travel habits accordingly. Trends such as "back to the roots" and sustainability are becoming to be even more important than before and, as such, they can player in favor for travel entrepreneurs providing experiences in Lapland. However, to enable human-centricity, and ability to understand the customers, their needs and aspirations, mindsets and capability upskilling are needed. Yet, these change can also take place step by step, and many entrepreneurs have now more time than before to increase their competencies and reshape their activities accordingly.

Although travel has been the key theme of this development project, the design process used in this project could be applicable to any other field, as long as there is a challenge to solve and service and experience design skills available.

#### 5.2 Further research

There are many further research opportunities in the field of designing memorable experiences and building a journey towards human-centricity.

When researching relevant theories, it was noticeable how important are emotions in experiencing a memorable event. Although some research is done in this field, further exploring can be conducted especially on how entrepreneurs, or businesses in general, can leverage and evoke emotions meaningfully in experience design to increase memorability. Furthermore, in these times when digital is omnipresent, it would also be interesting to study more virtual experiences and how emotions can be evoked digitally and how virtual nudging can impact travelers throughout the journey. On the other hand, the question of helping small travel entrepreneurs to upskill in a way that is meaningful and manageable remains. Additionally, it would be valuable to evaluate and research further the results and impacts of introducing the service concepts proposed in this thesis. All in all, human-centricity continues to be a crucial theme across industries, from small to large companies in both B2B and B2C contexts. While many are still taking their first steps towards human-centricity, the leaders are already transforming towards the businesses of experience. What is certain is that experiences will be in great demand. After all, as Albert Einstein (Goodsreads) said: "The only source of knowledge is experience".

#### References

Printed sources

Amabile, T. 1996. Creativity and Innovation in Organizations. HBS Case Collection.

Bastiaansen, M., Lub, X. D., Mitas, O., Jung, T. H., Mário, P. A., Han & D. Trijbosch, W. 2019. Emotions as core building blocks of an experience. International Journal of Contemporary Hospitality Management, 31(2), 651-668. http://dx.doi.org.nelli.laurea.fi/10.1108/IJCHM-11-2017-0761

Bengtsson, M. 2016. How to plan and perform a qualitative study using content analysis. NursingPlus Open, 2, 8-14. https://www.sciencedirect.com/science/article/pii/S2352900816000029?via%3Dihub

Berger, W. 2012. The Secret Phrase Top Innovators Use. Harvard Business Review. September 17, 2012. https://hbr.org/2012/09/the-secret-phrase-top-innovato

Beverland, M.B., Gemser G. & Karpen I. 2017. Design, consumption and marketing: outcomes, process, philosophy and future directions, Journal of Marketing Management, 33:3-4, 159-172. DOI: 10.1080/0267257X.2017.1283908

Boblin, S. L., Ireland, S., Kirkpatrick, H., & Robertson, K. 2013. Using Stake's Qualitative Case Study Approach to Explore Implementation of Evidence-Based Practice. Qualitative Health Research, 23(9), 1267-1275. https://doi-org.nelli.laurea.fi/10.1177/1049732313502128

Bolton, R. 2016. Service Excellence: Creating Customer Experiences that Build Relationships. New York: Business Expert Press

Binkhorst, E. & Den Dekker, T. 2009. Agenda for Co-Creation Tourism Experience Research. Journal of Hospitality Marketing & Management Volume 18, 2009 - Issue 2-3: The Marketing of Hospitality and Leisure Experiences, 311-327. DOI: https://doi.org/10.1080/19368620802594193

Brown, T. 2009. Change by Design: How Design Thinking Transforms Organizations and Inspires Innovation. New York, United States: HarperCollins.

Buchanan, R. 1992. Wicked Problems in Design Thinking. Design Issues, Vol. 8, No. 2, 5-21. The MIT Press Stable. http://www.jstor.org/stable/1511637

Carlgren, L., Rauth, I., Elmquist, M. 2016. Framing Design Thinking: The Concept in Idea and Enactment. John Wiley & Sons Ltd. DOI: https://doi.org/10.1111/caim.12153.

Chronis, A. 2005. Co-constructing Heritage at the Gettysburg Storyscape. Annals of Tourism Research. 32. 386-406. DOI: 10.1016/j.annals.2004.07.009.

Clatworthy, S. 2019. The Experience-Centric Organization: How to Win Through Customer Experience. Sebastopol, California, the United States: O'Reilly Media, Inc.

Cross, N. 2011. Design Thinking: Understanding How Designers Think & Work. Oxford, the United Kingdom: Berg Publishers.

Curedale, R. 2013. Service Design: 250 Essential Methods. Topanga, United States: DesignCommunity College Inc.

Dodgson, M. & Gann, D. 2018. Innovation. A Very Short Introduction. Second Edition. Oxford, United Kingdom: Oxford University Press.

Dorst, K. 2011. The core of 'design thinking' and its application. Design Studies, Volume 32, Issue 6, 521-532. DOI: https://doi.org/10.1016/j.destud.2011.07.006.

Dosi, C. Rosati, F. & Vignoli, M. 2018. Measuring design thinking mindset. International Design Conference - Design 2018. Human Behaviour and Design, 1991-2002.

Downe, L. 2020. How to Design Services that Work. London, the United Kingdom: BIS Publishers.

Ekman, P. 1992. An argument for basic emotions. Cognition and Emotion, 6:3-4, 169-200. DOI: 10.1080/02699939208411068

Girish, V.G & Chen C-F. 2017. Authenticity, experience, and loyalty in the festival context: Evidence from the San Fermin festival, Spain. Current Issues in Tourism 20:15, 1551-1556. DOI: 10.1080/13683500.2017.1296821

Griffins, C. & Costi, M. 2019. The Creative Thinking Handbook: Your Step-by-Step Guide to Problem Solving in Business. London, the United Kingdom: Kogan Page.

Groeger, L., Schweitzer, J, Sobel, L, Malcom, B. 2019. Design Thinking Mindset: Developing Creative Confidence. Academy of Design Innovation Management Conference 2019.

Grönroos, C. & Gummerus, J. 2014. The service revolution and its marketing implications: service logic vs service-dominant logic. Managing Service Quality. Vol. 24, No. 3. Emerald Group Publishing Limited.

Frochot, I. & Batat W. 2013. Marketing and Designing the Tourist Experience. Oxford, the United Kingdom, Goodfellow Publishers.

Hassi, L. & Laakso, M. 2011. Conceptions of Design Thinking in the Management Discourse. Conference: 9th European Academy of Design Conference. Accessed 27 May 2020. https://www.researchgate.net/publication/274070930\_Conceptions\_of\_Design\_Thinking\_in\_t he\_Management\_Discourse

Heath, C. & Heath, D. 2017. The Power of Moments: Why Certain Experiences Have Extraordinary Impact. New York, the United States: Simon & Schuster.

Heinonen, K. & Strandvik T. 2015. Customer-dominant logic: Foundations and implications. Journal of Services Marketing, 29 (6/7), 472-484. https://www.emeraldinsight.com/doi/abs/10.1108/JSM-02-2015-0096

Heinonen K. & Strandvik T. 2017. Reflections on customers' primary role in markets. European Management Journal, 35, 1-11.

Heinonen, K., Strandvik, T. & Voima, P. 2013. Customer dominant value formation in service. European Business Review. 25 (2), 104-123. https://www.researchgate.net/publication/257875231\_Customer\_dominant\_value\_formation \_in\_service

Heskett, J. 2002. Design. A Very Short Introduction. New York, the United States: Oxford University Press Inc.

Karpen, I.O., Gemser, G., Calabretta, G. 2017. A multilevel consideration of service design conditions. Journal of Service Theory and Practice. Bingley. Vol. 27, Issue 2. 384-407. DOI:10.1108/JSTP-05-2015-0121

Keeley, L., Nagji, B., Walters, H., Pikkel R. & Quinn, B. 2013. Ten Types of Innovation: The Discipline of Building Breakthroughs. Hoboken, New Jersey, the United States: John Wiley & Sons, Inc.

Kelley, T. & Kelley D. 2013. Creative Confidence: Unleashing the Creative Potential Within Us. United States: Crown Business.

Kim, J-H., Ritchie, J. & Mccormick, Bryan. 2012. Development of a Scale to Measure Memorable Tourism Experiences. Journal of Travel Research. 51. 12-25. DOI: 10.1177/0047287510385467. Kimbell, L. 2011. Designing for Service as One Way of Designing Services. International Journal of Design 5(2), 41-52.

Kolar, T., Zabkar, V. 2010. A consumer-based model of authenticity: An oxymoron or the foundation of cultural heritage marketing? Tourism Management, Volume 31, Issue 5, 652-664. DOI: 10.1016/j.tourman.2009.07.010

Kolko, J. 2015. Design Thinking Comes of Age. Harvard Business Review. September 2015, 66-71.

Kuosa T. & Westerlund L. (eds.) 2012. Service design: on the evolution of design expertise. Lahti University of Applied Sciences Series A, Research reports, part 16.

Lawson, B. 1990. How Designers Think: The Design Process Demystified. Kent: Elsevier Science and Technology.

Levitt, T. 1960. Marketing myopia. Harvard Business Review 38 (4), 45-56.

Liedtka, J. & Ogilvie, T. 2011. Designing for Growth. A Design Thinking Tool Kit for Managers. New York, the United States: Columbia Business School Publishing.

Liedtka, J., King, A., Bennett, K. 2013. Solving Problems with Design Thinking. Ten Stories of What Works. New York, the United States: Columbia Business School Publishing.

Liedtka, J. 2018. Why Design Thinking Works. Harvard Business Review.

Lockwood, T. 2009. Design Thinking, Integrating Innovation, Customer Experience, and Brand Value. New York, the United States: Allworth Press.

Løvlie, L., Downs & Reason, B. 2009. Bottom-Line Experiences: Measuring the Value of Design in Service. In Lockwood, T. 2009 (eds.) Integrating Innovation, Customer Experience, and Brand Value. New York, the United States: Allworth Press.

Mason, H., Mattin, D., Luthy, M. & Dumitrescu, D. 2015. Beat accelerating customer expectations with trend-driven innovation. Hoboken, New Jersey, the United States: John Wiley & Sons, Inc.

Mattelmäki, T. 2008. Probing for co-exploring. CoDesign, 4:1, 65-78. Accessed 6 June 2019. DOI: 10.1080/15710880701875027

Mootee, I. 2013. Design Thinking for Strategic Innovation: What They Can't Teach You at Business or Design School. Hoboken, New Jersey, the United States: John Wiley & Sons, Inc.

Moscardo, G. 2017. Exploring mindfulness and stories in tourist experiences. International Journal of Culture, Tourism and Hospitality Research, 11(2), 111-124. DOI: http://dx.doi.org.nelli.laurea.fi/10.1108/IJCTHR-11-2016-0108

Newbery, P. & Farnham, K. 2013. Experience Design: A Framework for Integrating Brand, Experience and Value. Hoboken, New Jersey, United States: John Wiley & Sons, Inc.

Norman, D. 2013. The Design of Everyday Things. New York, the United States: Basic Books.

O'Dell, T. & Billing, P. 2005. Experienescapes: Tourism, Culture and Economy. Copenhagen, Denmark: Copehagen Business School Press.

Osterwalder, A. & Pigneur, Y. 2010. Business Model Generation. A Handbook for Visionaries, Game Changers, and Challengers. Hoboken, New Jersey, United States: John Wiley & Sons, Inc.

Ostrom, A.L., Bitner, M.J., Brown, S., Burkhard, K.A., Goul, M., Smith-Daniels, V., Demirkan, H. and Rabinovich, E. 2010. Moving forward and making a difference: research priorities for the science of service. Journal of Service Research, Vol. 13 No. 1, 4-36.

Pine, J. & Gilmore, J. 1998. Welcome to the Experience Economy. Harvard Business Review. July-August issue. Accessed 11 December 2019. https://www.researchgate.net/publication/299292969\_The\_Experience\_Economy

Polaine, A., Loevlie, L. & Reason, B. 2013. Service Design - From insight to implementation. Brooklyn, New York, the United States: Rosenfeld Media.

Pullman, M. E., & Gross, M. A. 2004. Ability of experience design elements to elicit emotions and loyalty behaviors. Decision Sciences, 35(3), 551-578.

Raymond, M. 2019. The Trend Forecaster's Handbook. Second Edition. London, the United Kingdom: Laurence King Publishing.

Reason, B., Lovlie, L. & Flu, M.B. 2015. Service design for business. A practical guide to optimizing the customer experience. Hoboken, New Jersey, United States: John Wiley & Sons, Inc.

Reimann, M. & Schilke, O. 2011. Product Differentiation by Aeshetic and Creative Design: A Psychological and Neural Framework of Design Thinking. In Design Thinking: Understand -Improve - Apply by Plattner, H., Meinel C. & Leifer, L. (eds.) Springer Heidelberg.

Ritchie, J. R. B., Lugosi, P., & Morgan, M. 2010. The Tourism and Leisure Experience: Consumer and Managerial Perspectives. Channel View Publications. Rossman, R. & Duerden M. 2019. Designing experiences. New York, the United States: Columbia Business School.

Sanders, E. & Steppers, P. 2008. Co-creation and the new landscapes of design. International Journal of CoCreation in Design and the Arts. Vol. 4, Issue 1: Design Participation(s).

Scott N. & Le, D. 2017. Tourism Experience: A Review. in Scott N., Gao, J. & Ma, J. (Eds.), Visitor Experience Design, CABI, Wallingford, 30-49.

Silverman, D. 2011. Interpreting qualitative data: A Guide to the Principles of Qualitative Research (4th ed.). London: Sage.

Simonse, LWL & Hultink, E-J 2018. Trend Scanning and Trend Spotting: In Pursue of Value Creation Directions in Design Roadmapping. in A Fernandes, C Karlsson & P Coughlan (eds), 25th IPDMC: Innovation and Product Development Management Conference. 2018 edn, vol. 25, Porto, Portugal, 10/06/18. https://pure.tudelft.nl/portal/en/publications/trend-scanning-and-trend-spotting(7929b80e-3cab-4efc-a38e-6c379ceb10b3).html

Solis, B. 2015, X: The Experience When Business Meets Design. Hoboken, New Jersey, United States: John Wiley & Sons, Inc.

Stake, R. 1995. The art of case study research. Thousand Oaks, California, the United States: Sage.

Steen, M., Manschot, M. & De Koning, N. 2011. Benefits of Co-design in Service Design Projects. International Journal of Design, Vol. 5, No. 2, 2011, 53-60.

Stickdorn, M., Hormess M., Lawrence, A. & Schneider, J. 2018. This is service design doing. applying service design thinking in the real world, a practioners' hand book. Sebastobol: the United States: O'Reilly Media Inc.

Stickdorn, M. & Schneider, J. (eds.) 2011. This is Service Design Thinking: Basics - Tools - Cases. Amsterdam, Netherlands: BIS Publishers.

Teixeira, J.G., Patrício, L., Tuunanen, T. 2019. Advancing service design research with design science research. Journal of Service Management. DOI: 10.1108/JOSM-05-2019-0131

Thomke, S. 2019. The Magic That Makes Customer Experience Stick. MIT Sloan Management Review.

Tschimmel, K. 2012. Design Thinking as an Effective Toolkit for Innovation. In: Proceedings of the XXIII ISPIM Conference: Action for Innovation: Innovating from Experience. Barcelona, Spain, 1-20. Accessed 30 April 2017.

http://www.academia.edu/1906407/Design\_Thinking\_as\_an\_effective\_Toolkit\_for\_Innovation

Tung, V. & Ritchie, J.R. 2011. Exploring the essence of memorable tourism experiences. Annals of Tourism Research, 1367-1386. DOI: 10.1016/j.annals.2011.03.009.

Tussyadiah, I. 2014, 543. Toward a Theoretical Foundation for Experience Design in Tourism. Journal of Travel Research. 53. 543-564. DOI: 10.1177/0047287513513172.

Volo, S., 2009. Conceptualizing experience: a tourist-based approach. J. Hosp. Mark. Manag. 18, 111-126.

Zatori, A. 2016. Exploring the value co-creation process on guided tours (the "AIM-model) and the experience-centric management approach. International Journal of Culture, Tourism and Hospitality Research. Vol. 10, No. 4. 377-395. DOI: https://doi.org/10.1108/IJCTHR-09-2015-0098.

Zehner, A. 2009. Service experience and service design: concepts and applications in tourism SMEs. Managing Service Quality. Vol. 19, Issue 3. Pp. 332-349. Bedford. https://search-proquest-com.nelli.laurea.fi/docview/198143403

Zomerdijk, L. & Voss, C. 2010. Service Design for Experience-Centric Services. Journal of Service Research 13(1), 67-82.

Yee, J., Jefferies, E., Michlewski, K. 2017. Transformations: 7 Roles to Drive Change by Design. Amsterdam, Netherlands: BIS Publishers.

#### Electronic sources

Business Finland. Target markets infographic 2018. Accessed 18 May 2019. https://www.businessfinland.fi/496e7b/contentassets/b3958186712d4f0d9a748de0304682cc/ vf-target-markets-infographic-2018.pdf

Carter, C. 2016. Let's stop talking about THE design process. October 2016. Accessed 30 April 2017. Available at: https://medium.com/stanford-d-school/lets-stop-talking-about-the-design-process-7446e52c13e8

Design Council. Design Methods for Developing Services. Accessed 30 April 2017. http://www.designcouncil.org.uk/news-opinion/design-process-what-double-diamond Design Council. The Design Process: What is the Double Diamond. Accessed: 8 December 2018. https://www.designcouncil.org.uk/news-opinion/design-process-what-double-diamond

Euromonitor International 2019. Top 10 Global Consumer Trends 2019. Accessed 20 February 2020. https://go.euromonitor.com/white-paper-EC-2019-Top-10-Global-Consumer-Trends.html

Harvard Business Review 2020. "The New Experience Economy" webinar in January 2020. https://hbr.org/webinar/2020/01/the-new-experience-economy

House of Lapland 2019. 10 facts about tourism in Lapland. Accessed 5 January 2020. https://www.lapland.fi/business/facts-figures/infographic-10-facts-about-tourism-in-lapland-2019/

Fjord 2015. Liquid expectations. Consumers are setting a different bar for experiences. Accessed on 15 December 2019. https://www.fjordnet.com/conversations/liquidexpectations/.

IDEO.org 2015. Field Guide to Human-Centered Design. Accessed 30 April 2017. http://d1r3w4d5z5a88i.cloudfront.net/assets/guide/Field%20Guide%20to%20Human-Centered%20Design\_IDEOorg\_English-ee47a1ed4b91f3252115b83152828d7e.pdf

Lapin Luotsi 2019. Lappi lukuina. Accessed 19 December 2019. https://lapinluotsi.fi/wp-content/uploads/2019/10/lappilukuina2019web.pdf

Luma Workplace. Round Robin. https://www.lumaworkplace.com/methods/round-robin

Löfgren, K. 2013. Qualitative analysis of interview data: A step-by-step guide. Accessed 7 October 2017. https://www.youtube.com/watch?v=DRL4PF2u9XA.

New World Encyclopedia. J.P. Guilford. Accessed 23 May 2020. https://www.newworldencyclopedia.org/entry/J.\_P.\_Guilford.

Oxford Dictionary of English 2010, 615-616. Accessed 23 May 2020.

https://books.google.fi/books?id=anecAQAAQBAJ&pg=PA616&lpg=PA616&dq=Latin+experimen tum+origin&source=bl&ots=T\_kwcxjJEP&sig=ACfU3U2M07rEMiFWELspnumskVAB6L7fbg&hl=fi&s a=X&ved=2ahUKEwiXxeDMrIjoAhVVxMQBHaNlBYIQ6AEwBXoECAkQAQ#v=onepage&q=Latin%20e xperimentum%20origin&f=false

Service Design Network. Meet Birgit Mager, President of the Service Design Network. Accessed 8 December 2018. https://www.service-design-network.org/community-knowledge/meet-birgit-mager-president-of-the-service-design-network.

Service Design Tools 1. Affinity Diagram. Accessed 1 June 2019. http://www.servicedesigntools.org/tools/.

Skift Research 2019. Skift Global Travel Economy Outlook 2020. Accessed 19 December 2019. https://research.skift.com/report/skift-global-travel-economy-outlook-2020/.

Skift 2020. Executive Q&A: Rethinking Leisure Travel in the Covid-19 Era. Accessed 20 October 2020. https://skift.com/2020/09/21/expedia-executive-qa-rethinking-leisure-travelcovid-19-era/

Suomen Yrittäjät 2017. Lapin matkailu kasvun vauhdissa, pysyykö osaaminen mukana. Accessed 5 June 2018. https://www.yrittajat.fi/lapin-yrittajat/a/blogit/y-vinkkeli/lapinmatkailu-kasvun-vauhdissa-pysyyko-osaaminen-mukana

Suomen yrittäjät 2020. Yrittäjyystilastot. Accessed 6 June 2020. https://www.yrittajat.fi/sites/default/files/yrittajyystilastot\_2020.pdf

Trendwatching 2019. The Future of Experiences. Accessed on 14 December 2019. https://www.youtube.com/watch?v=8diLoI7-NdA&t=1141s

University of Oxford. Faculty of Philosophy. Accessed on 14 December 2019. https://www.philosophy.ox.ac.uk/what-empathy

Yle 2020, 1. Survey: Lapland tourism to lose over 60% of winter business. Accessed 8 December 2020.

https://yle.fi/uutiset/osasto/news/survey\_lapland\_tourism\_to\_lose\_over\_60\_of\_winter\_busin ess/11611160.

Yle 2020, 2. Finnair offering VR flights to meet Santa Claus in Lapland. Accessed 8 December 2020.

https://yle.fi/uutiset/osasto/news/finnair\_offering\_vr\_flights\_to\_meet\_santa\_claus\_in\_lapla nd/11687407

Yle 2020, 3. Interview with Francis Ford Coppolo. Accessed 8 December 2020.https://areena.yle.fi/1-5033845

XPlane. Empathy Map. Accessed 30 April 2017. http://cdn2.hubspot.net/hub/375601/file-1450136163-pdf/worksheet\_03\_visual\_alignment.pdf?t=1493163386768

World Trade Organization. World Trade Report 2019. The future of services trade. Accessed 8 March 2020. https://www.wto.org/english/res\_e/booksp\_e/00\_wtr19\_e.pdf.

WTTC 2020. World Travel & Tourism Council. Economic Impact Reports. Accessed 8 March 2020. https://wttc.org/Research/Economic-Impact

### Figures

Figure 1: Illustration of the scope of this thesis, using the Golden Circle approach by Sinek . 10
Figure 2: Target markets infographic (Business Finland 2018)
Figure 3: Infographic on Lapland tourism facts and figures (House of Lapland 2019) 12
Figure 4: Key figures of entrepreneurship in Finland (Modified from Suomen Yrittäjät 2020) 12
Figure 5: Structure of the thesis 17
Figure 6: Theoretical framework of the thesis
Figure 7: Different marketing perspectives over time (Modified from Strandvik & Heinonen 2017, 4)
Figure 8: Design thinking mindset constructs based on literature review (Modified from Cosi et al. 2018, 1994)
Figure 9: Key elements of design thinker's mindset based on the literature review
Figure 10: Multi-faceted experiences and experience design concepts explored in this chapter
Figure 11: Main characteristics of the new consumer (adapted from Frochot & Batat 2013, 10) 35
Figure 12: The tourist experience conceptual model (adapted from Ritchie et al. 2010, 8) 37
Figure 13: The four realms of an experience (Adapted from Pine & Gilmore 1998, 102) 38
Figure 14: Conceptual model of the experience construct (adapted from Bastiaansen et al. 2019, 655)
Figure 15: Elements required to secure a positive travel experience outcome (created from the research paper of Moscardo 2017)
Figure 16: The design process used in this thesis project (adapted from Design Council 2005) 
Figure 17: Difference between diverge and converge in design process (Adapted from Brown 2009, 67)
Figure 18: From the development project initiation to discover phase activities
Figure 19: Data analysing stages used in the content analysis (adapted from Bengtssson 2016)
Figure 20: Define phase activities

Figure 21: Invitation for the experience testing and co-design event
Figure 22: Four experiences tested in Kairala village 61
Figure 23: Examples of feedback collected before and after an experience testing 62
Figure 24: Affinity clustering of the home-dinner experience
Figure 25: Observation sample during one of the tested experiences
Figure 26: As each experience lasted for several hours, photographs and videos were useful to capture different moments throughout the experience
Figure 27: The home dinner experience was the selected experience for the co-design workshop
Figure 28: The "How might we" approach supports problem reframing (adapted from Berger 2012)
Figure 29: The teams were developing two as-is journeys maps, which were then shared and discussed together
Figure 30: Round Robin was used as collective ideation method. The initial concepts were placed together in the Value Difficulty Matrix
Figure 31: Visioning exercise during the co-design workshop71
Figure 32: Stages of co-design data analysis72
Figure 33: Example of the empathy map of a travel entrepreneur created based on the research insights
Figure 34: Example of end-to-end journey map created with emotional details in the co- design workshop with key insights on travelers and experience testing outcomes
Figure 35: Emotional experience journey storyboard example
Figure 36: Visioning activity resulted elements to enforce in the experiences and related marketing communications
Figure 37: The development project results in a visual format
Figure 38: Guiding principles summary    81
Figure 39: Guiding principles' suggestions for travel entrepreneurs
Figure 40: Designing travel experiences framework draft
Figure 41: Empathy map on a traveller created based on insights gathered
Figure 42: Digital learning academy concept for travel entrepreneurs
Figure 43: Digital learning academy concept for travel entrepreneurs

### Tables

Table 1: Key concepts of customer-dominant logic explained (Adapted from the text ofHeinonen & Strandvik 2017, 7-12)21
Table 2: Evolution from commodities to experiences (Adapted from Pine & Gilmore 1998) 33
Table 3: Experience dimension frameworks       40
Table 4: Differences between customer-centric and experience-oriented organization         (adapted from Clatworthy 2019)         44
Table 5: Design thinking benefits (modified from Liedtka 2018, 76)         49
Table 6: Service design principles applied throughout the development project (adapted fromStickdorn et a. 2018, 27)
Table 7: The coding model used for the content analysis (based on Bengtsson 2016)
Table 8: Interviews conducted during the discover phase of the project.       55
Table 9: Questions shaping the observations       64
Table 10: Co-design workshop content details       67
Table 11: Research results orientation
Table 12: Jobs-to-be-done statements based on the content analysis       84
Table 13: Summary of challenges and next steps recommendations         88