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Marketing Spa Services More Effectively to a Younger Audience Using Service Design



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Abstract

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This thesis was written as part of the Bachelor of Business Administration degree at Kajaani University of Applied Sciences. The purpose was to improve the customer journey and marketing of the client, Kiannon Kuohut Virkistyskylpylä, a spa located in Suomussalmi, Finland.

The aim was to attract more young people to use their services after the commissioning party noticed a lack of customers from that demographic group. The goal was to create a customer satisfaction survey aimed at the target audience to understand their concerns with the service. The survey was a mix of quantitative and qualitative questions to receive improvement ideas for the service design of the spa. The survey was conducted between 3.10.2022-17.10.2022.

The theoretical part consists of definitions of service design and a service design toolkit designed as a project by Jyväskylä University of Applied Sciences. In addition, the responses from the survey were placed into the theoretical framework of a service design toolkit to improve the spa experience for young people.

Improvement suggestions were devised with the service design toolkit for the spa to use if they want to renew parts of their service to improve the customer experience for young people, which was the aim of this thesis.

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1 Introduction

A spa is a divisive environment: while other people enjoy the element of water and the activities associated with it, other people see the spa as the place where they are forced to learn to swim and where there is not a single ounce of privacy. This divide is prevalent among youngsters, and this way of thinking has also been noticed by my employer and the commissioning party, which is experiencing a lack of young customers. Often, we have pondered with my colleagues on how to appear more welcoming toward the local youth. That is why I was motivated to investigate how we can change the service design to be more appealing to youngsters. My views are also supported by an opinion survey released by Suomen Uimaopetus- ja Hengenpelastusliitto ry, which states that supervisors of spas do not believe that the number of youngsters using their services will increase in the coming years (SUH, 2016). Furthermore, a different customer satisfaction survey cites the lack of privacy on the premises as the main reason some do not visit spas, along with youngsters having the presumption that most spas are unclean, which does not make them attractive to visit. (SUH, 2016.)

As service design is at the forefront of this thesis, the theoretical background consists of a definition for the term, along with an explanation of the term customer journey, customer value, customer persona, and customer pain points. I will also explain the service design toolkit and its tasks in detail.

This thesis aims to improve the customer journey and marketing potential of my commissioner, Kiannon Kuohut Virkistyskylpylä. I analyzed significant pain points in the services they provide. Then I devised suggestions for those problems with the help of a theoretical framework called a service design toolkit developed by Jyväskylä University of Applied Sciences. The goal is to reach youngsters and discover ways to motivate them to use my commissioning party's services. The research questions for this thesis are: how can the spa's services be more effectively marketed to youngsters? What can the spa do to improve the customer journey for youngsters? How can the spa motivate youngsters to stay as customers?

I collected the research data for this thesis with a customer satisfaction survey. The analyzed responses to this survey were then put into the framework of the service design toolkit, which yields improvement suggestions to improve the service design of the client. Finally, the

commissioner decides if they want to use these improvement suggestions to attract more youngsters to use their services. The improvement suggestions form the discussion and conclusion part of this thesis.

As stated before, the commissioning party of this thesis is my long-time employer, Kiannon Kuohut Virkistyskylpylä, a medium-sized spa owned by the municipality of Suomussalmi, located in the region of Kainuu, Finland. The publicly funded spa is located near the center of the town. The spa is connected to a hotel of the same name and a Coronaria service point, both privately owned. The spa offers a public swimming pool, a cafeteria, a golfing simulator, a gym, and a spinning studio. The resort employs nine people, including lifeguards, swimming instructors, cash clerks, and office assistants, along with their supervisor, the sports secretary of the municipality. The spa has regularly scheduled water exercises taught weekly in the swimming pools and offered personal training services in the gym. Customers can also rent the spa for private events, such as birthdays. (Suomussalmi, 2022.) Introductory statistics indicate that the spa has around 53 255 customers yearly (Neuvonen, 2011). This number might have changed due to the decreasing population of the municipality, but not drastically. Suomussalmi itself currently has 7 644 people living there.

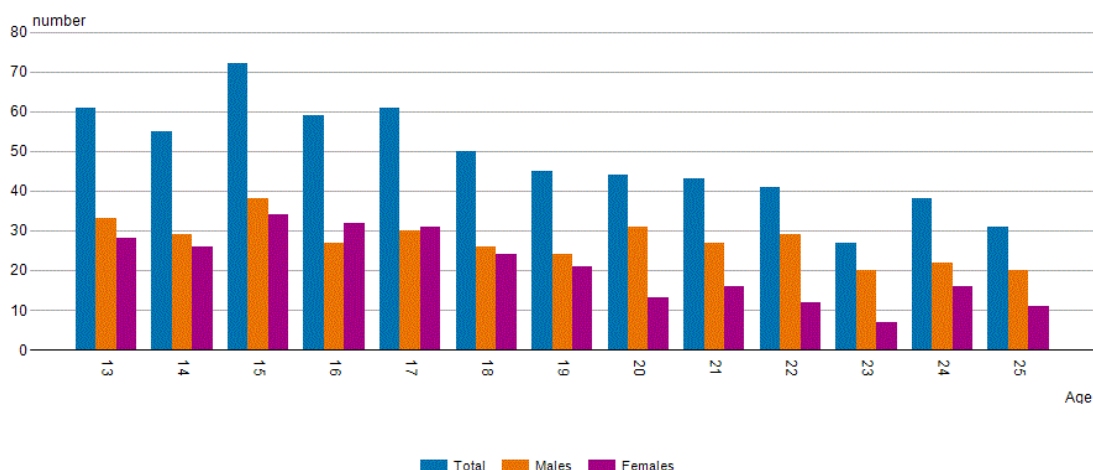


Figure 1. Preliminary population structure by Sex and Age. Suomussalmi, Population, 2022M10* (Tilastokeskus, 2022)

The demographic group I want to advertise the spa more effectively to are the local youngsters, ages 13 to 25. The graph above shows 665 people in this statistic group, around 9

percent of the total population. My commissioner has yet to reach this customer group, and there is a vast potential in my eyes to make them use my commissioner's services if only specific needs are met. From prior research related to Kiannon Kuohut Virkistyskylpylä, we can see that the number of youngsters using the spa's services was around 28,7 percent of the 53 255 total mentioned above (Neuvonen, 2011). While this is a sizeable number of youngsters, this percentage can be skewed by miscalculated statistics because most youngsters who visit the spa are there because of school lessons. This phenomenon means there is a lack of customer retention among the local youth, so they do not visit the spa in their free time to swim, go to the gym, or do other activities. Despite this, the youngsters of Suomussalmi seem to exercise, as prior research shows that in a sample group of 245 Suomussalmi youngsters, 95 percent exercised on their own initiative (Järvenpää, 2014). This research further confirms that there is a lack of motivation within the community of youngsters to visit the spa. It is also unlikely to be a case of Suomussalmi youngsters being unable to swim, as a survey conducted by Suomen Uimaopetus- ja Hengenpelastusliitto ry concluded that 76 percent of all Finnish sixth graders could swim. Only differences in the P.E. lessons of municipalities contribute to the number of youngsters unable to swim (meaning that some schools in various parts of Finland do not schedule swimming lessons in their curriculum.) (SUH, n.d.)

As an employee of the spa and a person who grew up in Suomussalmi, I can safely say that the schools there regularly schedule swimming lessons taught by professional swimming instructors for their students. In my opinion, no youngster in Suomussalmi is unable to swim. My view is further confirmed by one of the swimming instructors at the spa, who talked to an interviewer at Yle and stated that in 2019, all sixth graders of Suomussalmi passed the national swimming test (Krogerus, 2019).

2 Theoretical Background of Service Design

This chapter will define the central concepts relating to the research. The service design toolkit and its tasks will also be explained and answered. The service design toolkit is the most crucial theory of the group, as the research methods (survey questions) were based on steps introduced in it. Furthermore, the data received from the surveys is critical in making one of the steps in the toolkit work.

2.1 Service Design

The first broad concept defined is service design, which clarifies parts of the service design toolkit. Service design is a new field that rose to prominence in the early twenty-first century when the world moved from an industrialized, goods-oriented logic to a service-dominant logic, where the customer comes first (Sistig, Chen, Ruiz, Corona, Mager, 2020). It attempts to understand the customers a company is serving. An idea of the customers' needs, behaviors, and choices is critical in making a business work, as a company cannot control these customer behaviors. Still, service design can make it more tangible to the company. As customers are increasingly interested in the value of the products they consume, service design allows all businesses to answer customer concerns about value. (Reason, Lovlie, Brand, 2015.) For example, suppose a customer feels they are not receiving their money's worth from a personal training lesson. In that case, service design allows the personal trainer to step into the customer's shoes and understand in which area their lesson is lacking. Perhaps the lesson is unclear and unconcise, or the personal trainer is not friendly enough. Service design allows the personal trainer to tailor the service to be better for this singular customer, as every customer has different needs and concerns.

Another term important for this research is customer pain points.

To quote Merriam-Webster:

Pain point: a persistent or recurring problem (as with a product or service) that frequently inconveniences or annoys customers

When you're in an established market, you have an established customer; their needs and pain points are clearly laid out on your competitors' review sites. – Billy Polson (Merriam-Webster, n.d.)

In a nutshell, the pain points are the obstacles a customer faces, which in a spa could be the lack of privacy or the price of tickets. Service design is meant to reduce customer pain points and make the business more empathetic towards the consumers, increasing customer satisfaction and experience, building better relations with the company, and increasing customer retention. Service design places customer experience and feelings at the top of every other aspect of business, which can differentiate a company using service design in a saturated market focused only on making a profit without caring for the customer. (Törrönen, 2019) Service design is also said to be a trial-and-error-oriented concept, as it constantly evolves and grows, which also means that the products and services that service design has been applied to are under constant refinement, responding to the needs and wants of the consumers. (JAMK, n.d.)

Service design is also closely related to customer journeys, a concept defined as the actions customers take before, during, and after the purchase and use of a service. It is the primary way a customer interacts with a company and how a company can figure out how to market its services. For example, a customer who has not yet heard about the company is marketed to differently than a customer who is a regular customer. (Mailchimp, n.d.)

The main advantages of understanding the customer journey are that a company can understand its customers more profoundly, such as their motivations or behaviors for using the company. It also allows companies to identify their touchpoints, the parts of the company the customer interacts with, such as an online storefront or a reception desk. If these touchpoints have pain points, they are also easier to notice by understanding the journey a customer takes. All this builds customer loyalty and improves their experience with the service. (Mailchimp, n.d.) A customer journey can be mapped, which means going over all the touchpoints and trying to think of what the customer might encounter. For example, later, one of the tasks in the service design toolkit asks the user to map out a customer journey.

Another important term for this research is customer value. Customer value is defined as the benefits a customer gains from the service they are using, balanced out by the pain points they face when interacting with it. When thinking of a spa, for example, customer value is

what the customer gains from the service, such as fitness or friends. While the qualities that make customer value go down are the pain points the customer faces, such as lack of privacy or the high price of tickets. Customer value is increased with customer satisfaction, which is why keeping the customers happy and responding to their feedback is essential. When satisfied, customers are more likely to remain a regular at the service or advocate for it, as they see value in it. (The Team at CallMiner, 2020.)

A term in several tasks of the upcoming service design toolkit is customer personas, fictional characters that portray a type of customer. They are used in marketing to create a "stereotypical" portrait of a particular customer segment, which in my research are youngsters. Like many other marketing tools, they are used to customize services for user groups and to understand a group of customers better. A typical customer persona template includes a name, an age, an occupation, particular personality traits, and buying behaviors. (Bynder, 2022) The customer persona used in this thesis is based on the authors' experiences of a typical young customer who visits Kiannon Kuohut Virkistyskylpylä so that mileage may vary between users of customer persona templates.

2.2 Service Design Toolkit

Various service design toolkits are available in academic sources, with changes in each publication. The toolkit this thesis follows is a project published by Jyväskylän University of Applied Sciences. The reasoning for this choice is that it is the most familiar one to the author, as they have studied it during lectures at KAMK. The central diagram of the toolkit must be looked at to establish a logical frame of reference to follow through this chapter. It goes as follows:

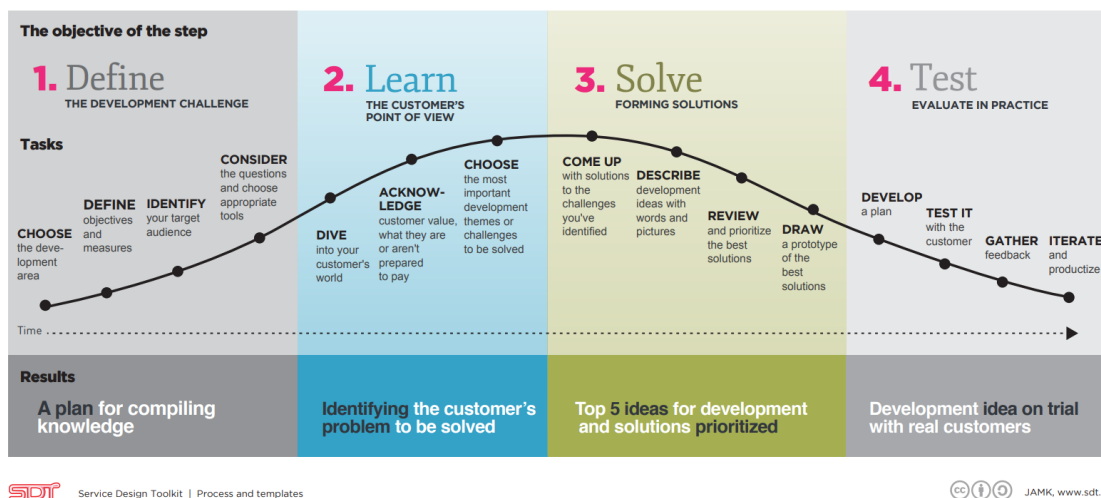


Figure 2. Try out the tools of service design (JAMK Jyväskylä University of Applied Sciences, n.d.)

As service design is constantly evolving, the service design toolkit is more so a collection of tools that helps the researcher collect their thoughts coherently rather than a simple formula that guarantees success. The toolkit is intended to allow a company to see how the customer sees its service and what parts of its' customer journey can be improved. Looking at the above picture, we can see that the toolkit has four steps: Define, Learn, Solve, and Test. (JAMK, n.d.) This thesis will only focus on the first three steps, as in the fourth step, the development suggestions are used in practice, and the commissioning party decides later whether they want to do that.

Step 1. Define

1. Define THE DEVELOPMENT CHALLENGE

What is the target of the development? >	<input type="checkbox"/> New service:	<input type="checkbox"/> Existing service:	Tools 1A: Draw the service pathway
What are the objectives of the development? Why do you want to improve your service? >	What do you want to achieve? What is the problem to be solved? E.g., increasing online reservations, increasing the value of one-off purchases, encouraging your customers to stay longer, gaining new customers, getting customers to recommend your service etc.		
How will success be measured? >	<input checked="" type="checkbox"/> Business metrics for measuring success. E.g., 10% increase in online reservations, 5% increase in sales.	<input checked="" type="checkbox"/> Customer experience metrics for measuring success. E.g., increased recommendations, increased regular customers.	
Who are your service's customers and how can they be reached? >	Think about what customers you are particularly targeting. If you're looking to gain customers who do not yet use your service, think about how they can be reached. E.g., other locations, events, online forums etc.		
What do you not yet know about your service's customers? >	Think about research questions that could help you improve your service. What would you like to learn? How do your customers use your service? What would you like to understand about your customers' purchase behavior?		
Move on to step 2 to examine your customers.	Tools 1B: Research questions and methods		

SDT Service Design Toolkit | Process and templates

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Figure 3. Step 1. Define – The Development Challenge (JAMK Jyväskylä University of Applied Sciences, n.d.)

The first step of the toolkit, Define, starts with choosing what area of service is being improved upon and whether it is an existing or a new service. Then, the improvement objectives must be selected, and the question of why the service is being improved must be asked; in particular, what is the user of the SDT hoping to achieve by using the framework? It can be anything, from more reservations to increasing customer retention. Finally, the Define step ends in figuring out which customers the user wants to target and describing what they do not yet know of their target demographic. There are two tools associated with this step: customer pathways, marked by 1A, which details how the customer interacts with the service, and research questions, marked by 1B, which allows the user to figure out the best way to study their customers. (JAMK, n.d.)

In the case of this thesis, Kiannon Kuohut Virkistyskylpylä is an existing service that is to be developed. It is an established, publicly funded business and is well-known by the

population of Suomussalmi. The next task the toolkit asks the user to do is to use the customer pathways tool, which is detailed below. The tool goes as follows:

Tool 1A

1A | Draw the customer's service pathway

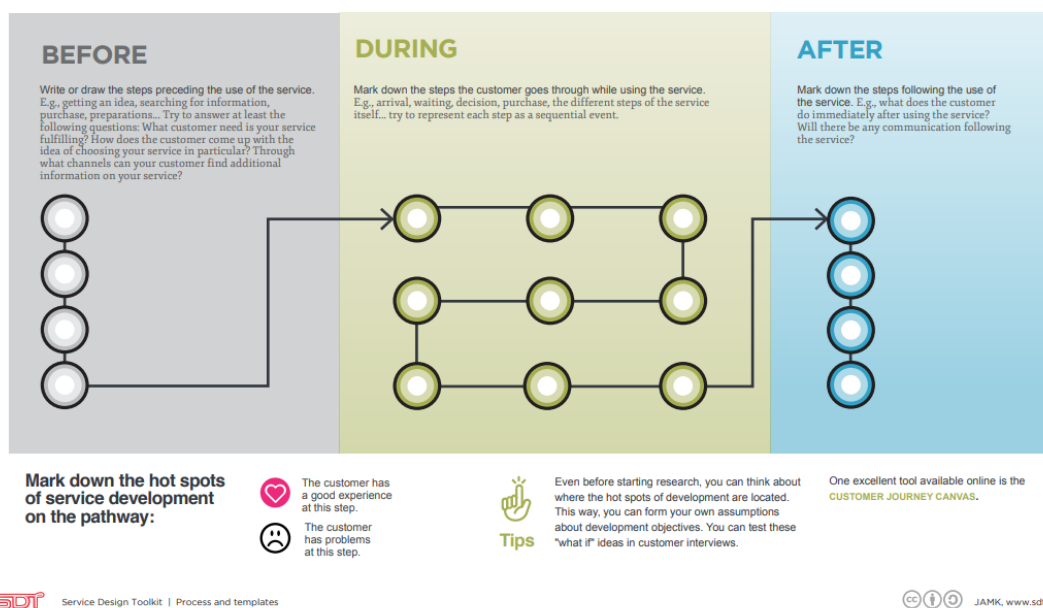


Figure 4. Tool 1A – Draw the customer's service pathway (JAMK, n.d.)

As previously defined in Chapter 2.1, the customer pathways tool is designed to map the customer journey when they are using the service.

The toolkit suggests the user use an online tool called "customer journey canvas" to map the steps and mark the hot spots of service development. A canvas template created by Lucidchart was used for this thesis. The Lucidchart template uses a customer persona for the journey. For example, a canvas following a hypothetical young customer at Kiannon Kuohut Virkistyskylpylä looks as follows:

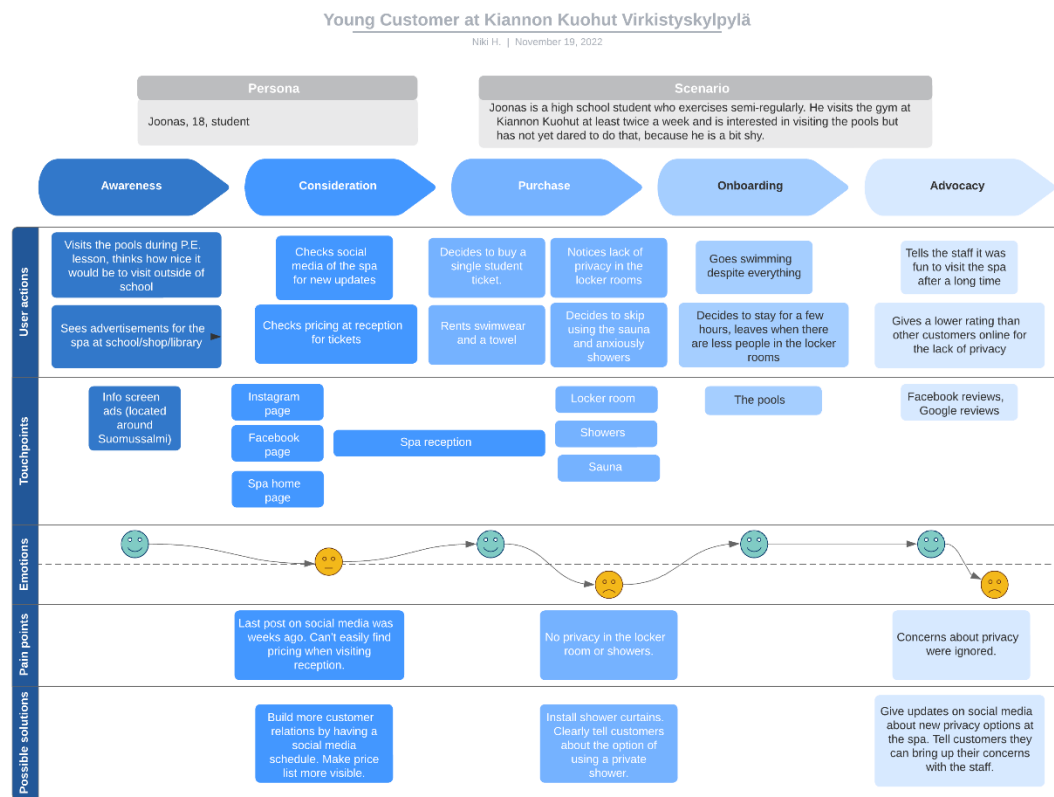


Figure 5. Young Customer at Kiannon Kuohut Virkistyskylpylä, journey mapped on a template called "5 stage customer journey map example" (Lucidchart, n.d.)

This customer journey map follows an imaginary student named Joonas, who has issues with privacy and transparency at the spa. While Joonas has good experiences interacting with the staff and at the pools, his pain points lie in the lack of social media posts updating the customers about, for example, events at the spa. Another pain point is the lack of privacy in the locker rooms and showers, as Joonas is reserved. These pain points are some parts of the service that can be improved. (Appendix 1.)

Looking back at the Define step, the next step is to ask the question: what areas of service does the user want to develop, and what does the user want to achieve by expanding the service? The toolkit lists examples such as increasing reservations, gaining new customers, and increasing customer retention (JAMK, n.d.). Analyzing the customer journey map I made, the areas the spa should develop are the social media presence of the spa and reducing the lack of privacy in the locker rooms and showers. By developing the service on these pain points, the spa could attract more youngsters interested in visiting the spa and increase this demographic group's

customer retention. After this, the toolkit asks the user how successful development steps are measured. Success can be measured in either business metrics, such as an increase in the percentage of sales, or customer experience metrics, such as an increase in customer recommendations (JAMK, n.d.). Success, in the spa's case, is measured by customer experience, as the staff at the spa can quickly notice it. For example, suppose there is a significant increase in youngsters visiting the spa. In that case, it means the service had been developed in a way that has improved the social media usage of the spa, and the privacy issues have been dealt with adequately. The toolkit also asks whom we are targeting and how we can easily reach them (JAMK, n.d.). In the spa's case, youngsters are the group we are targeting, and they can most easily be reached by internet and social media advertising. As shown in prior research, youngsters are more technologically competent than ever. They have an excellent grasp on the practical side of the internet, which means posting quality content for them is effortless to do through, for example, Instagram Reels ("Suomessa asuvien 13-29 -vuotiaiden sosiaalisen median palveluiden käyttö & läsnäolo," 2016).

The most significant part of the Define step is the last task, which is about creating research questions in the toolkit's other steps. To this end, the toolkit poses the question: what does the user not yet know about your service's customers? It is here where the user must think about the customers and what they would like to learn about their behaviors and thoughts when purchasing and using the service. (JAMK, n.d.) A supporting tool marked 1B can be used here to create research questions. The tool looks like this:

Tool 1B

 **1B** | Select your tools and design your study


**What are the research questions?
How could different tools be applied?**

Think about what in particular you want to know about your customers and their experience. E.g., how your customers make choices regarding different services, what influences their purchase decisions, what new things your customers would be interested in, what your customers wish for in a vacation, why customers would choose your competitors' services instead of your own, what kind of additional services your customers would appreciate...

List your questions here and circle the most important ones, then think about which of the supplied tools would best help you in finding the answers.

Tools for understanding


1. Stand by and observe



What can you do: Observe how customers use your service or other similar services. Identify the customer's entire process, including what happens before and after using the service. Observe from a distance or walk through the customer's entire pathway yourself. Take photos of the steps or other things that might draw the customer's attention.

Suitable especially for: Improving the user experience of an existing service and understanding the customer's actions and any difficulties they might face.


2. Cooperate and communicate



What can you do: Think of a few questions regarding your service in advance. However, let your partner take lead of the conversation at first and try to talk about everything related to your topic. If the conversation is about to run dry, you can revitalize it with the questions you came up with.

Suitable especially for: Identifying the customer's hidden needs. Be alert, try to "read between the lines" and decipher what your customer is really thinking of.

3. Have your customers share their experiences



What can you do: Ask your customers to describe their service experiences in their own words. Avoid leading questions. Once you hear something interesting, you can get further into your customer's thoughts by asking them "why" several times in a row (5 Whys -method).

Suitable especially for: Figuring out value determination. Memorable service situations usually involve experiences that are particularly good or bad. Mapping them out is essential.

SDT Service Design Toolkit | Process and templates


 JAMK, www.sdt.fi

Figure 6. Tool 1B – Select your tools and design your study (JAMK, n.d.)

The tool asks the user to think of questions they would like to ask their customers. Questions such as: what influences the customers' decisions to use the company's service, what influences the customers' buying decisions, what is something new the customers would like to see, and what kind of services would the customers appreciate? This brainstorming is a prelude to choosing the most critical research questions on which the user should focus. The questions should be relevant to the area of service being improved upon. After selecting the best research questions, the toolkit offers three research methods: observation, communication, or surveying. If the user chooses to stand by and observe, they must follow their customers closely and see how they react to different touchpoints in the service. This observation allows the user to find the general pain points in the service. These pain points can be documented by, for example, taking pictures of the spot. Suppose the user chooses to communicate directly with their customers. The user interviews them to see their concerns with the service while also trying to find out

what the customer thinks about their service. Questioning the customer allows the company to tailor the service to answer needs that might not be so apparent through observation. Finally, if the user chooses to survey the customers, they ask the customer to describe their experiences with the service in their own words. By avoiding leading questions, the user can ask the customer why they feel that way, particularly about a particular point in their service. This surveying allows the user to see where the service's most memorable parts, good or bad, are, as the customer is more likely to remember those experiences. (JAMK, n.d.)

As stated in the introduction, the research questions for this research were as follows: how can the spa's services be more effectively marketed to youngsters? What can the spa do to improve the customer journey for youngsters? How can the spa motivate youngsters to stay as customers? Because observing singular customers in a spa environment is difficult and uncomfortable for the customer, and interviews are hard to arrange due to differing schedules, the chosen research tool for this thesis was having the customer rate and share their experiences. The chosen research method is a mix of closed and open-ended customer satisfaction surveys introduced in the next chapter.

Step 2. Learn

2. Learn

THE CUSTOMER'S POINT OF VIEW

What does your service look like from the customer's point of view? Where are the bottlenecks in the service?

Try to list the things, needs or goals that your customers seek to accomplish through your service. Go through the customer's service pathway and think about which points produce good experiences and where customer's major challenges and bottlenecks are located.

This is what the customer appreciates:

These are the customer's challenges:

Tools
1A, 2A: Analyze the customer experience

How is customer value created?

What aspects of the service is the customer willing to pay for? Why do customers make repeat purchases? What factors lead to customers recommending your service?
E.g., reliability, promptness, individuality, proximity, simplicity, efficiency, expertise etc.

Tools
2B, 2C: Examine value determination

Choose the most important development objectives and form questions about them.

TOP 3 customer experience problems to be solved / development objectives. E.g., the customer feels the service is too expensive, family activities haven't been taken into account in the service.

1.

2.

3.

Questions regarding the development objectives. E.g., how could the value of the service be increased? How could doing and experiencing things together be emphasized?

1.

2.

3.

Tools
2B, 2C: Examine value determination

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Figure 7. Step 2. Learn – The Customer's Point of View (JAMK, n.d.)

With the research questions settled on, the next step in the service design toolkit is Learn. In this step, the user steps into the customer's shoes and tries to see the service from their point of view, which allows the user to know where the pain points happen in the service. This step also looks at what the customer is willing to pay for and why they remain loyal to the service, also known as customer value. Finally, the step ends with the user formulating development objectives and questions, which are concerns the customer might have and how these concerns might be solved. The tools associated with this step are the customer pathways. This SWOT-like graph allows the user to figure out what the customer might think of their service, make suggestions on what to ask and discuss with the customer, and create customer profiles from typical traits a customer has. (JAMK, n.d.)

The toolkit's first question in this step asks what the service looks like through a customer's eyes and what they appreciate or do not appreciate. If looked at through the lens of the customer persona created in tool 1A, Joonas, then he enjoys customer service. However, at the same time, he does not appreciate the lack of social media presence and privacy. These two negative aspects constitute pain points in the service and affect the customer's perception of the spa. Therefore, the toolkit provides a new tool marked 2A to delve deeper into customers' minds. The tool looks like this:

Tool 2A


 **2A** | See your service through the customer's eyes


Figure 8. Tool 2A – See your service through the customer's eyes (JAMK, n.d.)

This tool is a SWOT-like graph that poses several questions for the user to think about, all from the customer's perspective. The question categories are based on the theme of senses: first, what does the customer think and feel? What thoughts about the service are they not saying aloud, and what in the service motivates them? Second, what does the customer see? What does the service look like to them, what do the people using and providing the service seem to like to the customer, and what is enticing them to use it? The most important part of this category for this research is the question of what kind of obstacles they encounter in the service, which makes them not want to use the service. Third, the user is asked to think about how the customer acts in the space where the service is provided. What do they say, what is their attitude towards the service and service providers like, and are they likely to give a good or a bad review? Finally, the toolkit asks what influences the customer's opinion of the service. Is it a recommendation from their friend, or do the service providers' advertisements influence them? The toolkit

user can create a more empathetic connection with their customers by answering these questions, especially if they think about what the customer is trying to achieve by using the service and responding to possible disappointments as soon as they arise. (JAMK, n.d.)

Answering these questions by inspecting the perspective of the spa's customer persona, Joonas, we can investigate the mind of a typical youngster visiting the spa:

What is Joonas thinking about, and what is he feeling like now? Joonas is there to achieve his fitness goals, and a part of those goals is to take up swimming. However, because Joonas is not the most excellent swimmer, he thinks other people will laugh at him. Therefore, Joonas is afraid to ask for advice from the staff because he believes they will ignore his concerns.

What does Joonas see? When Joonas looks around the spa, he sees people who are better swimmers than him, at least in his mind. While the staff seems friendly, they are too busy to talk to Joonas, so he does not have anyone to answer his questions. When Joonas proceeds to the locker rooms, he sees his first obstacle: no divider between the lockers. There are also no shower curtains in the showers. This perturbs Joonas, as he has a bad case of locker room anxiety.

What does Joonas say? While Joonas seems anxious to the staff, he might say nothing is wrong. Instead of bringing up the issue, the staff is supposed to know it automatically, which is a disconnection in communication between the service providers and the customer. While Joonas does not say anything at the spa, he might tell his friends outside the spa that it is uncomfortable to visit there because of the lack of privacy.

What does Joonas hear? Joonas mainly hears about the spa from their social media, though he does not like how rarely they post. Joonas might also listen to recommendations from older family members about the spa's services but not from other people his age.

With the pain points of the service located, a service's value points must also be examined. The toolkit asks what qualities in the service produce customer value and why customers are willing to come back to and repeat purchases at the company. The toolkit offers two tools to determine customer value, marked 2B and 2C. The tool marked 2B is detailed below:

Tool 2B

 **2B** | Tips for discovering customer value

Customer routines and habits

Think about how you can generate value by supporting the customer's actions. *E.g., how does one prepare to use the service, what everyday situations relate to using the service, what routines do the customers have?*

Guidelines for good interviews

1. **Get involved** in situations where the customer is using the service. That is the most natural environment for discussing what works and what doesn't.
2. **Discuss**, don't interview. Try to establish a relaxed setting that feels natural for the customer to occupy and communicate in.
3. Find out the best and worst **experiences** the customer has had. This will reveal a lot about what the customer retains memories of.
4. Find out why your customers would or wouldn't **recommend** your service. Discuss services other than your own. Recommendations always reveal the most about value determination.
5. Show the customer your **"what if"** ideas. Even dumb ideas may bring about interesting conversations. Remember that the customer might not necessarily be able to tell you what they want. Using pictures as a stimulus works well, as an example.
6. 5 Whys -method. Ask **"why"** five times. Every question should let you deeper in on what essentially influences the customer's choices.

Practical example of five questions:


Customer:
Interviewer:
Customer:
Interviewer:
Customer:
Interviewer:
Customer:
Interviewer:
Customer:
Interviewer:

Preconceptions and obstacles

Think about how you can generate value by tearing down these obstacles. *E.g., what prior bad experiences does the customer have, how could travelling be made easier, what might prevent the customer from trying the service?*

Appreciations and expectations

Think about how you can generate value by offering things that the customer desires and appreciates, whether consciously or unconsciously. *E.g., what is important for the customer, what interests and inspires them, what problem will the service solve, how will the service help them?*

 Service Design Toolkit | Process and templates


 JAMK, www.sdt.fi

Figure 9. Tool 2B – Tips for discovering customer value (JAMK, n.d.)

This tool is about thinking of the positive points of a company's service and determining what the customers value. The user is asked to describe customer routines and habits to determine what the company can do to support the customer's positive actions. The more positive interactions the customer completes in the service's space, such as performing a routine, the more value they attach to it. The user must also consider the preconceptions customers might have about the service and the obstacles they might face when interacting with it. By reducing these obstacles in the service, the customer value increases, as they can continue with positive interactions without concerns. Finally, the company can genuinely ascend its service value potential by thinking about something extra that supports the customer's positive interactions and adding it to the service. Another way of using this tool is to directly interview customers on what they think the service should be like and what they want to see to increase the value they receive from the service. The toolkit also suggests that the interviewer asks "why" the customer chooses a particular type of service around five times during the interview. (JAMK, n.d.)

As no one will be interviewed during this thesis, it is only natural to describe what a typical young customer might value in the service of Kiannon Kuohut Virkistyskylpylä, point by point.

The spa can quickly generate value by supporting customers in their fitness endeavors. As a publicly funded company with a collection of exercise equipment and possibilities under one roof, it is the municipality's first choice to start an active lifestyle. The more regular exercising becomes for the customer, such as an unmotivated youngster, the more value the spa gains from them. They are more likely to return and renew their subscription, as it is easiest to do at the spa, and they already have a habit of exercising there.

The spa can easily remove obstacles in their service to increase customer value further. For example, considering the pain points already established, installing shower curtains is a small investment that increases customer satisfaction tenfold. Also, making the private shower more accessible with signs and the like could help. Having a social media schedule is also doable but requires a commitment from the staff.

Finally, after the spa has addressed the pain points, the customers should be easily satisfied by making exercising at the spa generally more accessible. For example, suppose students are not enthusiastic about the prices of tickets. In that case, there could be a "buy ten, receive one free" type of benefit for youngsters to motivate them further to stay as customers long time, even if they pay less than other customers.

To further inspect customer value, the toolkit also offers the tool marked 2C. It looks like this:

Tool 2C

 **2C** | The different behavior models of customers

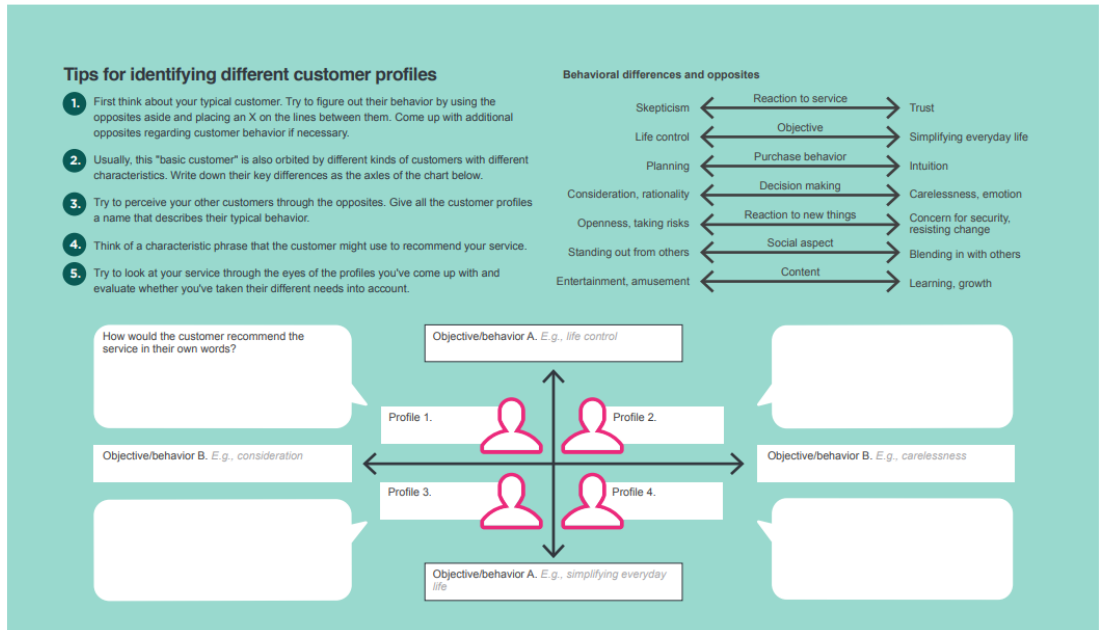


Figure 10. Tool 2C – The different behavior models of customers (JAMK, n.d.)

This tool in the kit asks the user to identify different types of customers and to see if the service fulfills their needs. The tool starts with the user creating their typical customer and then filling out the customer profiles on the axle with the opposites of that customer. The tool also asks the user to think of ways the customer(s) would recommend the service. This tool allows the user to think of the service from various views. (JAMK, n.d.)

As the focus is on marketing the spa's services to youngsters, this task will be skipped, as a customer persona representing the customer group has already been created.

After analyzing the customer experience and the service value, the user of the toolkit should have some ideas about the areas that need improvement in their service design. The final task in the Learn step of the toolkit is to choose the top development objectives and form questions about them. For example, if the customer feels that the service is too expensive, the question for the user should be: how can the value of the service be increased? (JAMK, n.d.)

In the case of Kiannon Kuohut Virkistyskylpylä, and considering the research questions, the top development objectives are:

1. The customer journey of youngsters has flaws in it = What obstacles do youngsters face at the spa, and how can we, the spa, alleviate them?
2. Youngsters are not motivated to visit the spa and stay as customers = What events, activities, or benefits can we, as the spa, offer youngsters to stay motivated and to increase customer retention?
3. The marketing of Kiannon Kuohut Virkistyskylpylä does not reach youngsters = How would youngsters like to see the spa marketed, and where?

It is these three development objectives on which the customer survey questions were based around on in this thesis. Their significance will be explained further in the next chapter.

Step 3. Solve

3. Solve

FORMING SOLUTIONS

Generate ideas by forming questions about the development objectives.

Tips
At first, think of solutions without filtering ideas too much. At this point, quantity is more important - the ideas shouldn't be reviewed until later on. Even the bad ideas should be written down, as they may have the beginnings of a good idea.

Choose the best ideas. Identify the idea that is the easiest and fastest to test in practice.

Move on to step **4** to evaluate your ideas.

1. Question regarding development objectives. E.g., how could the value of the service be increased?

Ideas for solutions.
E.g., the service includes something that can't be acquired or experienced elsewhere.

2. Question regarding development objectives. E.g., how could purchases be made easier?

Ideas for solutions.
E.g., a trial of the service is on offer at the place of lodging.

3. Question regarding development objectives. E.g., how could narratives be put to use?

Ideas for solutions.
E.g., each customer gets a personal horoscope that draws on local folklore.

List the TOP 5 ideas that generate more value for the customer, then pick the idea that is the easiest to test with real customers and designate it for further development.

- 1.
- 2.
- 3.
- 4.
- 5.

Tools

3A: Help for ideas

Tools

3B: Prioritizing Ideas

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JAMK, www.sdt.fi

Figure 11. Step 3. Solve – Forming Solutions (JAMK, n.d.)

With the development objectives detailed, the user can move on to the third step in the toolkit, Solve. This step is about forming solutions to the development objectives made at the end of the second step. The user starts by generating questions about the development objectives, which are answered by developing solution ideas. The idea is to obtain as many ideas as possible, so this step can be considered an extensive brainstorming session. The wheat is then separated from the chaff, and only the best solutions remain. These ideas are the easiest and cheapest to put into practice. This step involves suggestions from the authors to form quality questions based on different themes and teaches the reader how to prioritize quality in ideas with the help of a matrix. (JAMK, n.d.)

For the user to develop quality solutions for the development objectives, the toolkit offers two tools, 3A and 3B. The first tool looks as follows:

Tool 3A

3A | Tips and perspectives for forming ideas

Below is a list of themes and questions that allow you to try out how your idea could change through different suggestions. You can also use them to come up with quick product ideas that you can pitch as "what if" questions while interviewing customers.

Theme	Example
Changing scale	<i>Could there be a free trial version of the service? What would be the lite version of the service? How about the premium version? How could scaling the service into different versions affect its desirability and perceived value?</i>
Bundling and chaining	<i>What larger wholes could the service be bundled into for different profiles? What kinds of service chains would customers appreciate?</i>
Extras and added value factors	<i>What new things (free or paid) could be added into the service in order to encourage a certain customer profile to recommend it? E.g., trials, instruction, products, partnerships...</i>
Crowdsourcing	<i>What things about the service might the customers want to build or tailor themselves? How could feelings of influence, personalization and individualism be added into the service?</i>
Customer service and considerations	<i>What are the most important encounters for the customer? How could the experience be improved with personal customer service? What small gestures could generate recommendations for your service?</i>
Sustaining the length of the experience	<i>How can you inspire your customers to talk about the service at home a couple of months after participating? How can you aid the creation of narratives? What keepsakes can you give from the experience?</i>
Attractions	<i>If an entirely new service had to be established for the chosen customer profile, what would it be?</i>
Time and availability	<i>Is there a certain point of time where there is enough vacant capacity to use for some other purpose, or alternately at a lower price, or low season?</i>
Purchase	<i>In what context should the service be sold to the customer? What new channels or partnerships are available? Could there be any incentives for the customer to commit to a purchase earlier, e.g., bundles?</i>
Earnings models	<i>If the service were free, how could money be earned from customers? If payment were optional, how should the service be built? Are there any interesting new payers or purchase models, e.g., group buying?</i>

Figure 12. Tool 3A – Tips and perspectives for forming ideas (JAMK, n.d.)

This tool offers themes and questions that show the user that creating solutions is not as easy as it seems, as the solution can change if the question is changed. Therefore, these questions should be considered when the user comes up with solutions to the development objectives. (JAMK, n.d.)

While these tips are helpful, they will not be utilized when improvement suggestions are created for the spa. On the other hand, the tool marked 3B looks as follows:

Tool 3B

3B | Evaluation and prioritizing

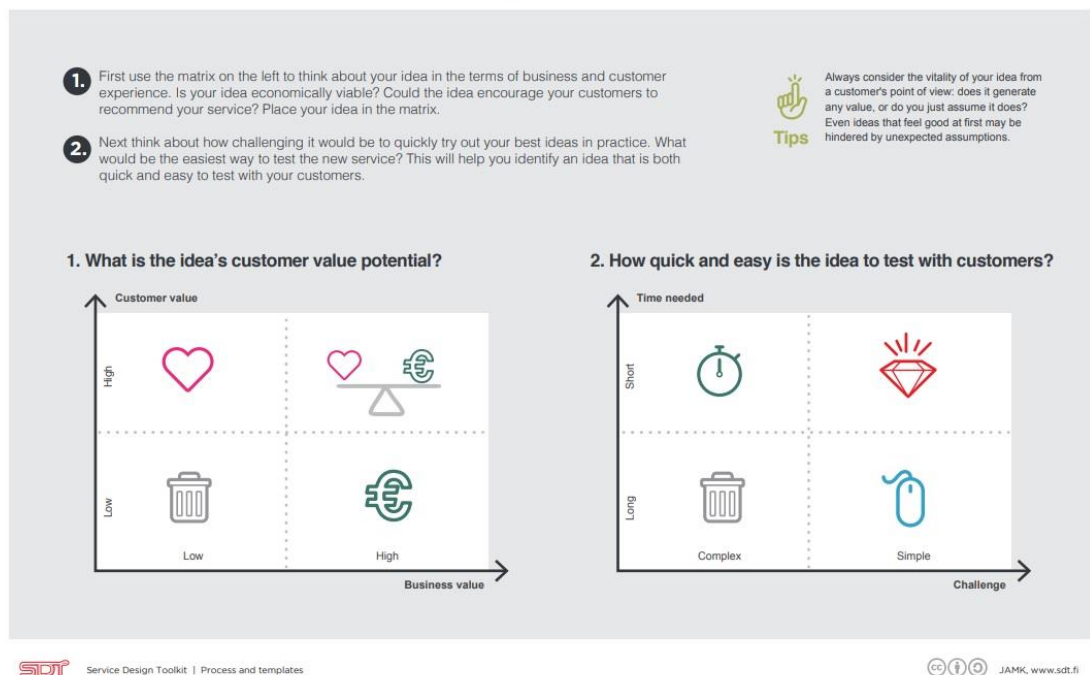


Figure 13. Tool 3B – Evaluation and prioritizing (JAMK, n.d.)

These graphs allow the user to think about their solutions in a critical light. For example, the diagram on the left allows the user to evaluate how much value the solution brings both the customer and the company. In contrast, the chart on the right allows the user to determine how much time the solution takes and how challenging it is to do. (JAMK, n.d.)

This graph is looked at more closely in the discussion and conclusion part of this thesis. The improvement suggestions are categorized on whether they increase or decrease the


potential value of either the business or the customer, whether the suggestions are easy or hard to do (do the suggestions require a long-time commitment from the spa's staff), and how fast they are to achieve.

Step 4. Test

4. Test


EVALUATE IN PRACTICE

Describe the development idea and refine it into a business model.


 **Tips**
No points for artistry here - the less effort you can spend on a coherent portrayal of your idea, the better. Even a well formed question can be sufficient. Be creative and bold - you will find that people are glad to share their opinions with you.

Briefly describe the kind of service you are about to test. Answer at least the following questions: For whom? What? How? You can use words or illustrations in your answer. If your idea involves an extensive service renewal, you can use the Business Model Canvas (tool 4B) as a planning aid.


Tools
4A, 4B: Illustrating development ideas



Plan a quick experiment.

 **Congratulations!**
Now you can test the service with customers. Remember to collect information from your experiment. You can use tool 4C as an aid.

Resources. What actions and utensils are required to test the idea quickly with customers? E.g., cardboard and pencils, an illustration.	Investments. What are the projected expenses for the experiment? E.g., 20 hours of work.	Measures and observation. What measures and means will be used to determine the idea's functionality during testing? E.g., effect on sales, weekly monitoring.

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Figure 14. Step 4. Test – Evaluate in Practice (JAMK, n.d.)

The last step in the service design toolkit is Test. In this step, the development ideas formed in the previous step are turned into tangible parts of the business. For example, a new marketing campaign idea is actualized by the user for the customers to see. Before that, the toolkit proposes that the user experiment with available materials and resources to determine how practical the development ideas are. The tools for this step are a prototype graph to determine how the new service works, a business model canvas to figure out how the company has changed with the new, and a feedback form for the new service. (JAMK, n.d.)

As this thesis only focuses on the first three steps, these tasks will not be answered in detail because it requires putting the theoretical development suggestions to actual use.

Nevertheless, for the sake of the commissioner, the tools are supplied in this thesis. They look as follows:

Tool 4A

4A | Draw the first prototype

<p>The name of the service</p> <input type="text"/>	<p>How does it work?</p> <p>From a customer's perspective, what does the service involve?</p> <input type="text"/>
<p>Promise to the customer</p> <p>The marketing message to be delivered - a reason to purchase the service.</p> <input type="text"/>	
<p>A picture of the usage situation</p> <p>Draw stick figures, cut a picture from a magazine or something along those lines.</p> <input type="text"/>	<p>Who is it particularly designed for?</p> <input type="text"/>
	<p>How can it be purchased?</p> <input type="text"/>



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Figure 15. Step 4A – Draw the first prototype (JAMK, n.d.)

This tool allows the user to map out the testing version of their new service to be part of the business model. The user must think of the following qualities before putting their development idea into practice: what is the name of the service, what is the reason for the customers to buy the service, an "imaginary picture" of where and how the service is used, how the service works from the customer's point of view, to whom is it designed for, and how is the service purchased? The user has the prototype of their new service by having answers to these questions. (JAMK, n.d.)

Tool 4B

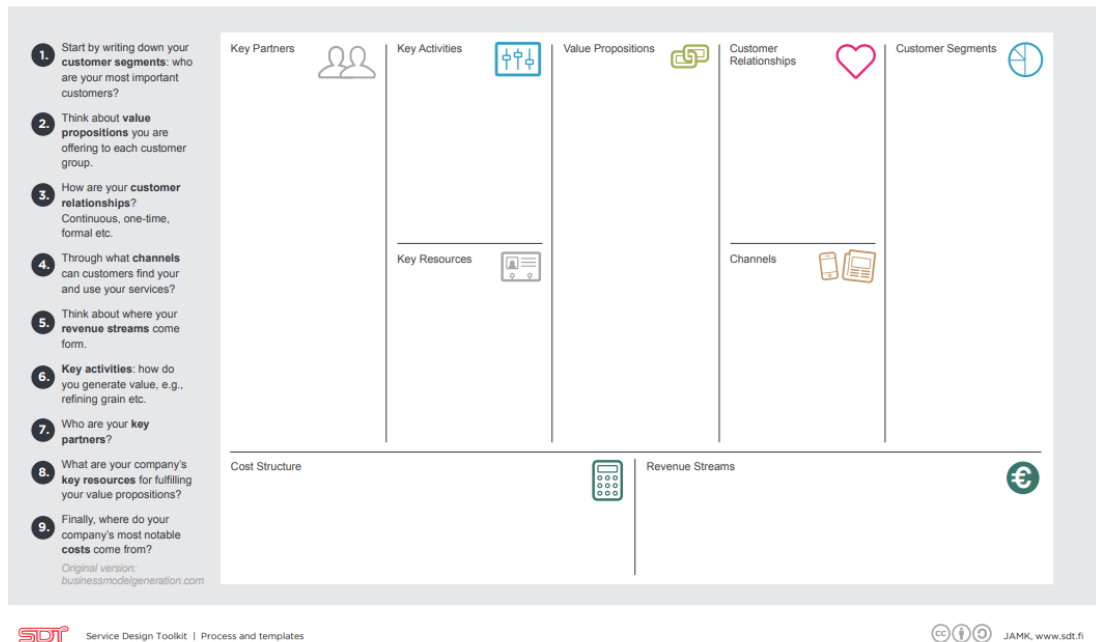


 **4B** | Business Model Canvas


Figure 16. 4B – Business Model Canvas (JAMK, n.d.).

If the development idea for a new service requires the business model to be revamped entirely, the user can use this canvas to plan how to renew their business model, with nine steps. First, the user must think of their new customers. Which are the most critical customer groups after the business is revamped? Then, the user must consider the value these new customers receive from the renewed business and how customer relations are handled. After this, the user must consider how the service is provided to the customers. It can be physically or digitally, for example. Next, when considering revenue streams, the user must consider where the money comes from and the activities that generate cash. In addition, costs must be considered. Finally, the user must consider which key partners and resources they use to run the new service. (JAMK, n.d.)

Tool 4C

4C | Collect information, improve and productize your service

<p>Customer feedback on tests</p> <p>Gather feedback through forms or interviews. Try to find out whether the test has had an effect on customer experience. Have the customers noticed the test? Did they consider it an improvement? Will the test lead to increased recommendations?</p>	<p>Your own thoughts and reflections</p> <p>Did the test work according to expectations? Did it reveal any surprising information? Did the test show interesting potential? Should the test be made permanent? Would it be a smart investment?</p>
<p>Changes in the observed measures</p> <p> Business measures</p> <p> Customer experience measures</p>	<p>Lessons and suggestions for improvement</p> <p>What has been learned from the test? How could it be improved? Could there be any alternative solutions that would work better? How could the test be further commercialized and sold more effectively, e.g., through partners?</p>



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Figure 17. 4C – Collect information, improve and productize your service (JAMK, n.d.).

This tool allows the user to receive feedback on the renewed business model with the improved service idea attached. The user is tasked to gather customer feedback to see if the improvement meets customer needs. The user should also measure either the business metrics improvements or customer experience metrics improvements. Furthermore, the user should supply their thoughts about the service and if it worked as expected. Finally, the tool asks if the improved service could be improved further. By answering these questions, the user can see if the enhanced service is worth keeping. (JAMK, n.d.)

This final tool concludes the whole service design toolkit used as a theoretical framework for this thesis.

3 Research Methods

As stated in the introduction, the research problems for this thesis are: how can the spa's services be more effectively marketed to youngsters? What can the spa do to improve the customer journey for youngsters? How can the spa motivate youngsters to stay as customers?

As stated before, a survey was the most convenient way to gather data on the youngsters' spa opinions. Therefore, the questions were themed around the development objectives outlined at the end of the toolkit's step Learn, which were as follows:

1. The customer journey of youngsters has flaws in it = What obstacles do youngsters face at the spa, and how can we, the spa, alleviate them?
2. Youngsters are not motivated to visit the spa and stay as customers = What events, activities, or benefits can we, as the spa, offer youngsters to stay motivated and increase customer retention?
3. The marketing of Kiannon Kuohut Virkistyskylpylä does not reach youngsters = How would youngsters like to see the spa marketed, and where?

Surveys gather data on behaviors, attitudes, and opinions about a particular problem. A good survey has many academic traits attached to it, including having a defined problem (the research questions) and a wide range of answer options so that the respondents can answer accurately, portraying their experience. Appropriate wording avoids bias the surveyor may have from affecting the respondent. (Relevant Insights, 2022.)

Survey questions can be closed, which provides pre-determined answers for the respondent. This produces quantitative data and can be measured as statistics. The questions can also be open-ended, where the respondent can answer the questions asked in a free-form manner. As open-ended questions rely on the respondent's experiences, they produce qualitative data, which must be coded to conclude the data. (Mora, 2022.) The survey made for this thesis had a mix of closed and open-ended questions to avoid leading questions, which was noted as a problem by the thesis supervisor during the planning phase of the survey creation.

A survey that is designed in a good way is both valid and reliable. Validity means that the survey accurately measured what it was trying to measure. In contrast, reliability means that the survey is consistent and can be repeated in the same conditions. Increasing the validity and reliability of surveys can be done by presenting the questions in a way that is understood the same way by all respondents. In addition, the questions must be worded in a neutral way to avoid extreme responses. The survey can also be pre-tested on a small group of people to receive feedback. (VoxCo, n.d.) Finally, to ensure that the survey is reliable, the writing of the questions will be as extensive and descriptive as possible while remaining unbiased, so there will not be any misunderstandings. The survey cannot be pre-tested, however.

The sample is purposive. To quote DeCarlo:

To draw a purposive sample, a researcher selects participants from their sampling frame because they have characteristics that the researcher desires. A researcher begins with specific characteristics in mind that they wish to examine and then they seek out research participants who cover that full range of characteristics. For example, if you are studying mental health supports on your campus, you want to be sure to include not only students, but also mental health practitioners and student affairs administrators. (DeCarlo, 2018, p. 10.2)

In this case, the characteristics that are looked for are that the participant must fit the age group of 13-25 and be willing to share ideas on what they would like to see changed in the spa's service design.

The questions in the survey were separated into four different categories. In the first category, the respondent gives basic info about who they are (sex and age), which services they use that the spa provides (pools, gym, spinning studio, or none), and how often (daily to never). The respondents were also asked whether they were part of any sports club to see if they preferred the services other fitness outlets in the municipality offer. (Appendix 2.)

In the second category, the respondent answers questions about their customer journey and the perceived quality of the customer service. They are asked to rate how much they agreed with several different Likert scale statements and then explain why they felt that way.

The third category was like the second category, but the customer journey questions were replaced with asking if the respondent is interested in swimming or other water-based

activities. In addition, the open-ended questions asked what would motivate the respondent to take up a hobby at the spa.

In the final category, the statements were repeated but replaced with marketing questions. The respondents were asked for their ideas on improving the spa's social media marketing and where they would like to see the spa marketed.

The closed questions of this survey are done with a Likert scale (one being "strongly disagree" and five being "strongly agree"), and the respondents were asked to rate their satisfaction with different parts of the service. After giving a number rating, the respondent is asked to describe how they would improve the service in their own words, which constitutes the open-ended part of the survey. With the questions formatted in such a way, I hope to capture qualitative data, which is essential in creating the final improvement suggestions. Not all open-ended answers are included in the results, as they are redundant "I do not know" answers, so only the most noteworthy comments were addressed.

The survey was released to the public in a mixed format. A link to the Google Forms was released on the spa's social media, and a QR code to the form was supplied to two schools, the youth center and the spa. The survey was also printed for several classes to answer during one of their lessons. All in all, there were far more physical answers than digital ones. The survey was conducted between 3.10.2022-17.10.2022. The respondents could contact the author if they had questions, but no contact was made.

4 Data Analysis and Interpretation

The data from the surveys is shown here in both charts and writing. Only the closed questions had charts attached, as the open-ended questions required freeform writing from the respondent. Analysis and interpretation of the data are written underneath the charts, and the best picks of the thematically coded open-ended answers are mentioned in cursive. All in all, the survey was answered by 51 respondents, from which three had to be discarded due to legibility issues. The total number of accepted answers was 49.

Background Info

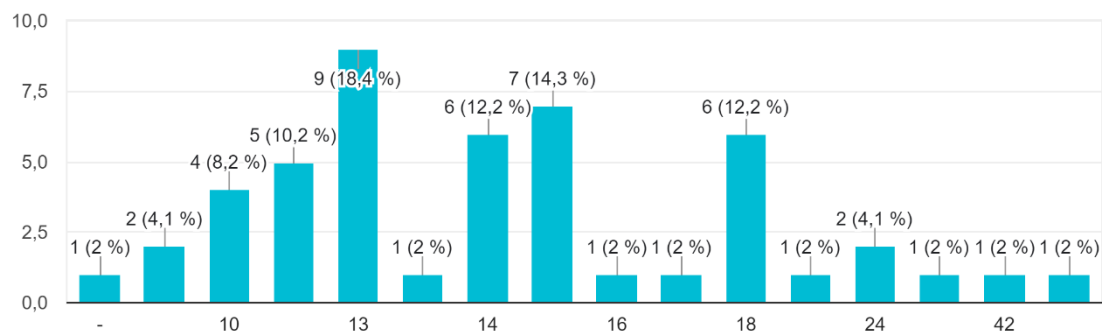


Figure 18. Your age in numbers (n=49)

People of all ages answered this survey, the youngest being two eight years old and the oldest being 65. However, the survey reached the intended audience, with nine answers from 13-year-olds, seven from 15-year-olds, and six from 14-year-olds.

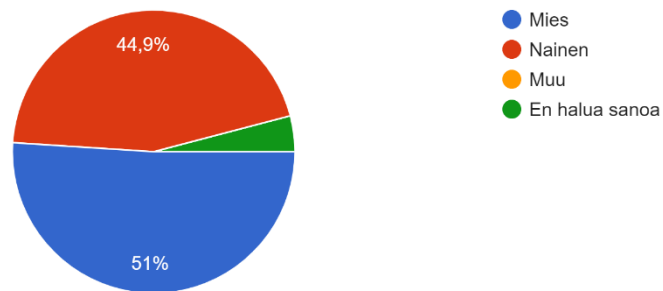


Figure 19. Your gender (n=49)

The deviation was about half male and half female, with only two respondents not wanting to state their gender. There were no "other" answers.

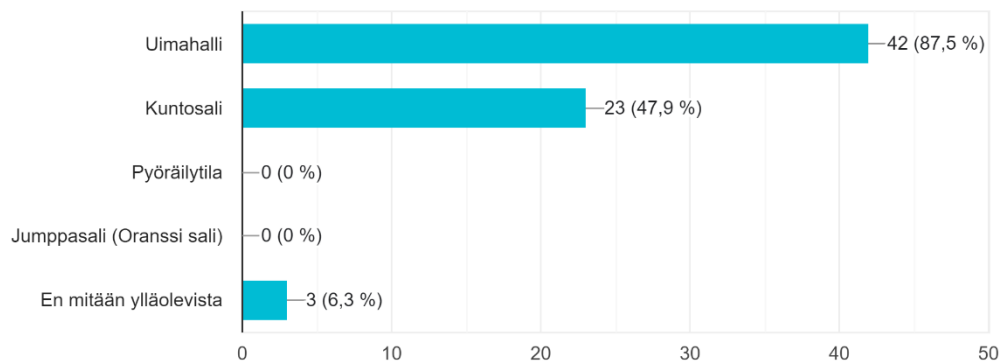


Figure 20. Which of the spa's services do you use? (n=48)

With 42 responses, the swimming pools were the most used service, with the gym having half of that at 23. Only three respondents do not use any services listed. None of the respondents use the spinning studio, even if they use the pools or the gym.

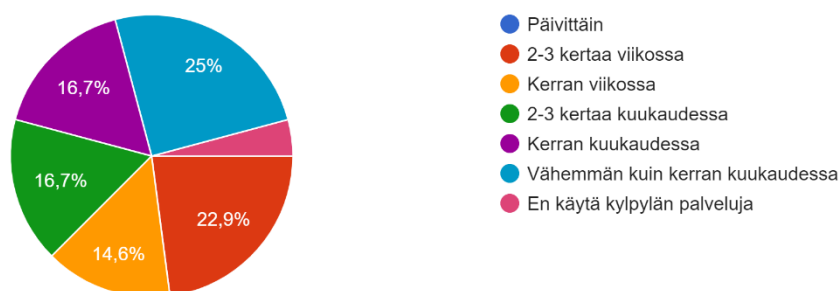


Figure 21. How often do you use the services listed? (n=48)

Around half of the respondents are active customers of the spa: 25 percent of respondents use the services they chose daily, and 22,9 percent of respondents use the services they chose two to three times a week. The other half of respondents use the spa more rarely: 14,6 percent visit once a week, 16,7 percent visit two to three times a week, and 16,7 percent visit once a month. These respondents are more likely to be students who visit during their P.E. lessons. Two respondents stated that they do not use any service at any length of time.

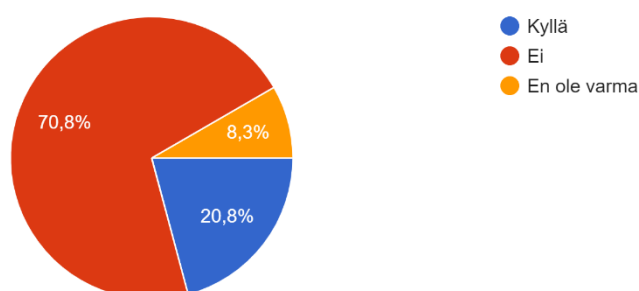


Figure 22. Are you a member of a sports club? (n=48)

Most respondents do not belong to a sports club, with 70,8 percent of responses being "no." Only 20,8 percent of the respondents belong to a sports club, and 8,3 percent are unsure if they belong to any sports club.

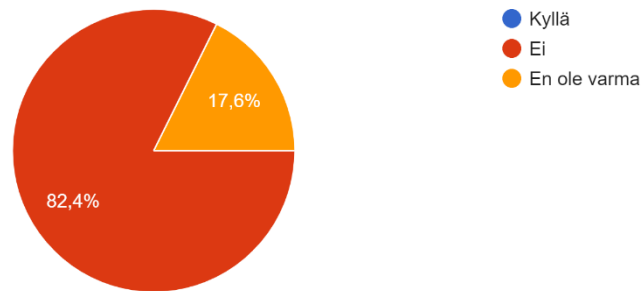


Figure 23. Does your club use the spa's services if you belong to a sports club? (n=34)

A follow-up question for the respondents who answered "yes" to the last question. Those who belong to a sports club state that their club does not use the spa's services, with 82,4 percent of the responses being "no." 17,6 percent of respondents are unsure if their club uses the spa's services. All in all, these responses imply that even if the respondent belongs to a sports club, they are willing to use the spa's services as well, meaning that using one service does not exclude the other.

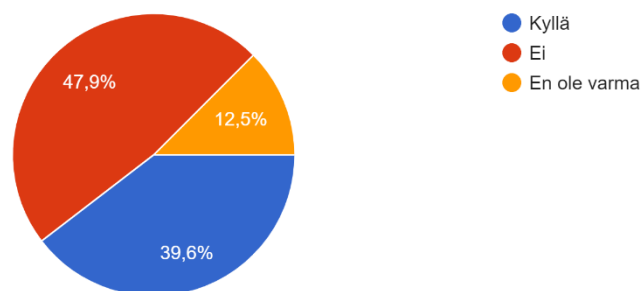


Figure 24. Do you follow Kiannon Kuohut Virkistyskylpylä on social media? (n=48)

Most respondents do not follow the spa on social media, with 47,9 percent of the answers being "no." On the other hand, 39 percent of respondents do follow the spa. In comparison, 12,5 percent of respondents do not know if they do, which is a possible sign that the spa's social media presence is confusing and sporadic, so customers do not recall if they have even followed the spa on, for example, Instagram.

Questions about the spa's atmosphere

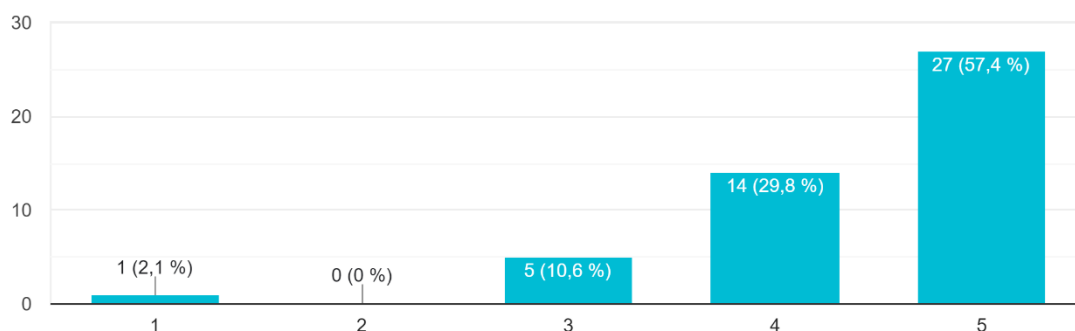


Figure 25. In my opinion, the spa is a fun and lively place (n=48)

The spa's atmosphere seems to be in order, as most of the respondents agree with the statement, with 29,8 percent agreeing and 57,4 percent strongly agreeing. 10,6 percent of the respondents had a neutral opinion. Only one respondent strongly disagreed with the statement.

The most noteworthy open-ended answers included comments that indicated a lack of lighting in the gym's locker rooms and that more fitting music could be played in the spa. There should be more art around the premises. These comments make it clear that while the general atmosphere is good, there could be more lights around the premises and better music to enhance the mood further.

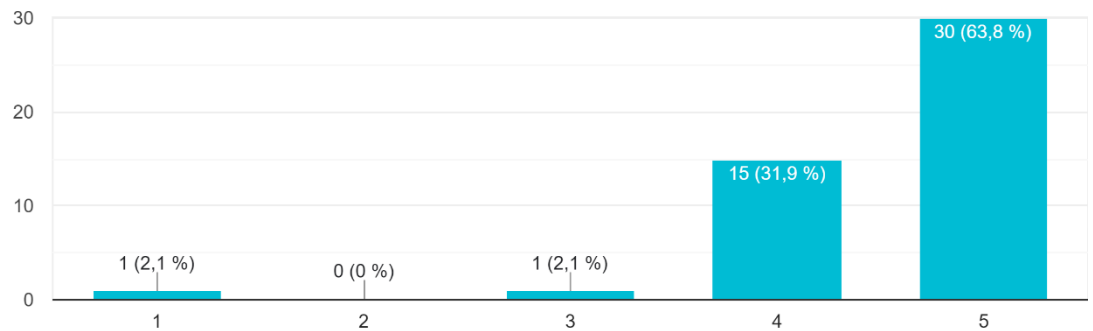


Figure 26. The customer service at the spa is good, and the staff makes me feel welcome (n=47)

Like the answer above, people think that the customer service from the staff is good, with 31,9 percent of the respondents agreeing with the statement and 63,8 percent strongly agreeing. On the other hand, one respondent had a neutral opinion. Furthermore, one respondent strongly disagrees with the statement.

The most noteworthy open-ended answers included comments that indicated the customer service is good as it is.

When the respondents were asked **what they consider the most significant pain points in their customer journey**, the most noteworthy open-ended answers included comments indicating that there is a lack of privacy in the showers and the steam sauna, that the tickets are expensive for a student's budget; and that the opening hours are too short.

Looking at these answers, we can see that the respondents' most significant pain points lie in privacy, pricing, and scheduling issues. These are issues that should be taken into consideration when improving the service design. When the respondents were asked for **suggestions to improve these pain points**, the most noteworthy open-ended answers included comments indicating that the spa should install shower curtains or opaque glass stalls; and that the spa should reduce ticket prices. The improvement suggestions included answers to both privacy concerns and pricing concerns but no recommendations for the scheduling issues.

Questions about the spa as a sports facility

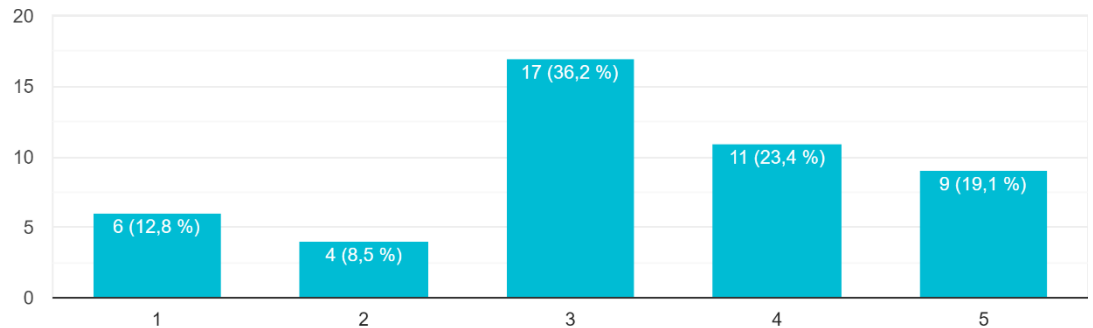


Figure 27. I am interested in swimming as exercise (n=47)

This statement is very divisive. Most of the respondents had a neutral response to being interested in swimming as exercise, this answer having 36,2 percent of the responses. 23,4 percent agreed with the statement, and 19,1 percent strongly agreed. On the other hand, 8,5 percent of the respondents disagreed with the statement, while 12,8 percent strongly disagreed. The respondents who were not interested in swimming could be customers who mainly use the gym.

The most noteworthy open-ended answers included comments indicating that the respondents wished for more swimming groups and group activities; and that the tickets should be made cheaper, which was mentioned four times.

Interpreting these comments, the main change that would motivate the respondents to take up swimming as exercise is if there was already an informal swimming group or group activity at the spa. In contrast, a cheaper ticket price would entice others.

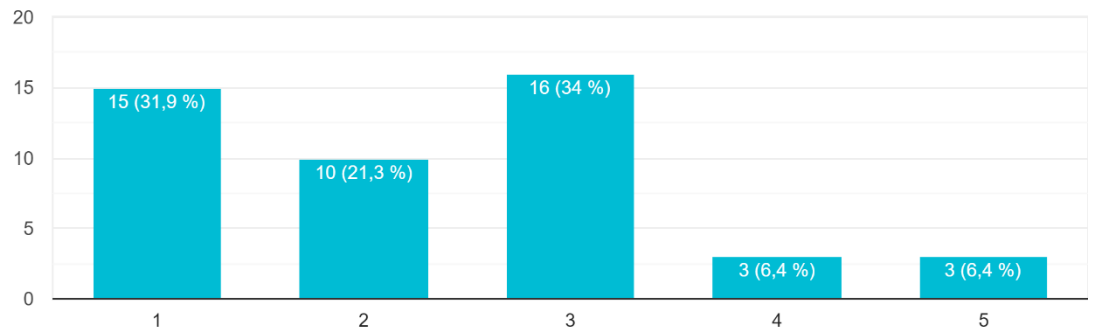


Figure 28. I am interested in competitive swimming (n=47)

The respondents do not seem to be interested in competitive swimming. Thirty-four percent of the respondents were neutral, 21,3 disagreed with the statement, and 31,9 percent strongly disagreed. Only 6,4 percent of the respondents agreed with the statement, and 6,4 percent strongly agreed.

The most noteworthy open-ended answers included comments indicating that the respondents would be interested in competitive swimming if they had a friend or a group that was already swimming

As with the casual swimming question, the respondents would be more motivated to swim competitively if there was already an established group, and the group would be easier to contact (compared to the ones that already exist.) A communication issue prevents customers from joining the existing competitive swimming groups.

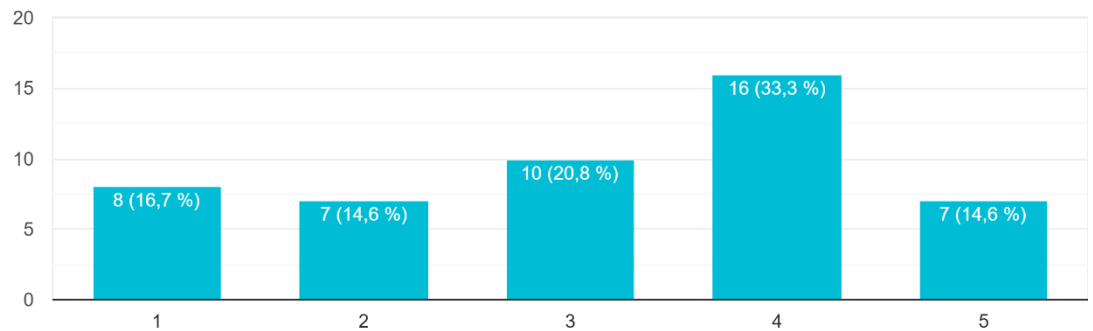


Figure 29. I am interested in other water-based activities, such as kayaking or lifeguarding (48 responses)

This statement is also very divisive. 20,8 percent of the respondents were neutral. 33,3 percent of the respondents agreed with the statement, and 14,6 percent strongly agreed. On the other hand, 14,6 percent of the respondents disagreed with the statement, and 16,7 percent strongly disagreed. If marketed correctly, other water-based activities could make more customers interested in them, but as it stands, customers are not so sure about them.

The most noteworthy open-ended answers included comments that indicated the respondents would be interested in other water-based activities if they had a friend who was already doing it or if there was a course for it.

As with the other questions, the group aspect is essential to the respondents. Also, one respondent said that marketing is crucial in bringing these hobbies to life.

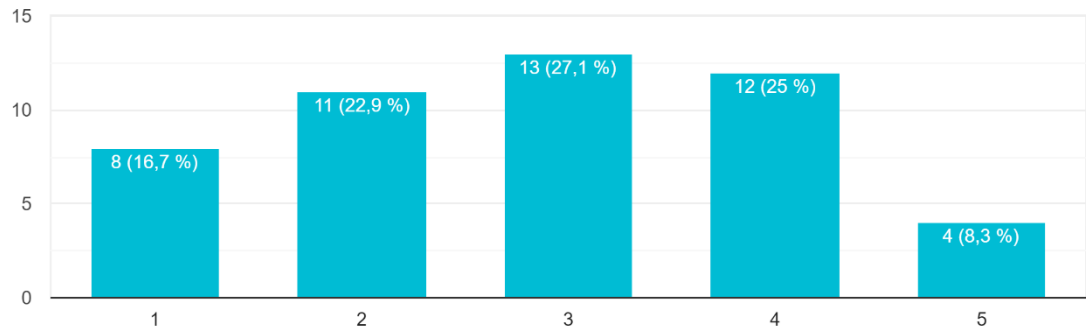


Figure 30. I am interested in joining an event showcasing water-based skills and activities (48 responses)

As with the previous question, there is a division. 27,1 percent of respondents were neutral on the statement. Twenty-five percent of the respondents agreed with the statement, and 8,3 percent strongly agreed. On the other hand, 22,9 percent disagreed with the statement, and 16,7 percent strongly disagreed. Marketing these events could make more customers interested, as they do not seem interested now.

The most noteworthy open-ended answers included comments that indicated the respondents would be interested in such an event if they were spectating but not being part of the showcase. Another prominent proponent would be a good day and time for the event.

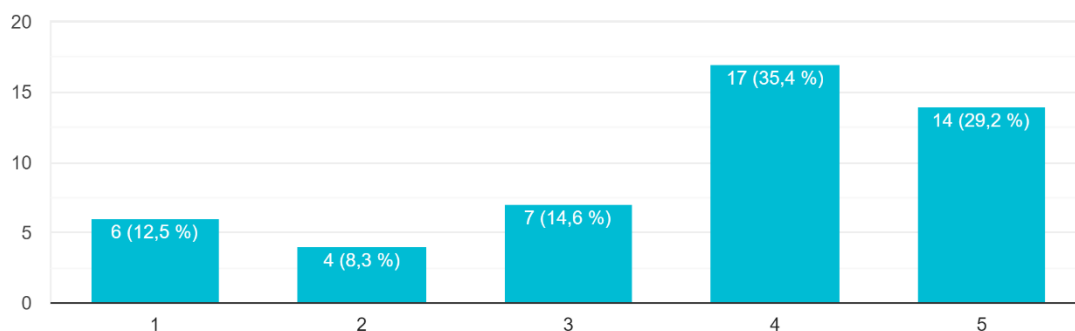


Figure 31. A "sports pass" type of benefit system, which would offer, for example, free tickets, would motivate me to use the spa's services more (48 responses)

A sports pass system would motivate most of the respondents. 35,4 percent of the respondents agreed with the statement, and 29,2 percent strongly agreed. On the other hand, 14,6 percent of the respondents were neutral about such a system. Only 8,3 percent disagreed with the statement, and 12,5 percent strongly disagreed.

When the respondents were asked **what other benefits would motivate them to use the spa's services**, the most noteworthy open-ended answers included comments indicating that price reductions and free tickets would encourage them to use the spa's services more.

Questions about social media

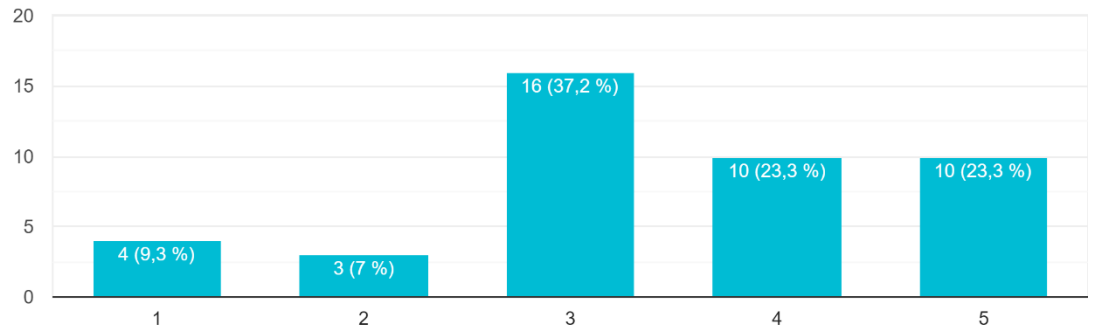


Figure 32. In my opinion, the spa's social media communication is good, and it reaches me (n=43)

Many respondents agree that the spa's social media communication is at least adequate. 23,3 percent of respondents strongly agree with the statement, and 23,3 percent agree. In addition, 37,2 percent of the respondents were neutral about the statement. Only 7 percent of the respondents disagreed, and 9,3 percent strongly disagreed with the statement.

The most noteworthy open-ended answers included comments indicating that most respondents agree that more posting should be done on the spa's social media channels but stating that the spa should not create content forcibly. Moreover, the comments also noted that the spa's social media channels are not advertised anywhere, which should be changed to increase customer interest.

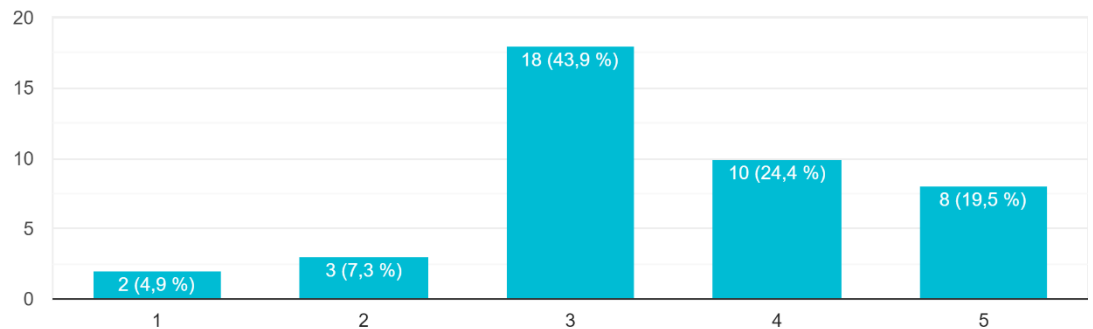


Figure 33. In my opinion, the spa posts often enough on social media (n=41)

Most respondents agree that the spa posts often enough on social media. 19,5 percent of the respondents strongly agree with the statement, and 24,4 percent agree. However, 43,9 percent of the respondents were neutral about the statement. On the other hand, 7,3 percent of the respondents do not agree with the statement, and 4,9 percent strongly disagree.

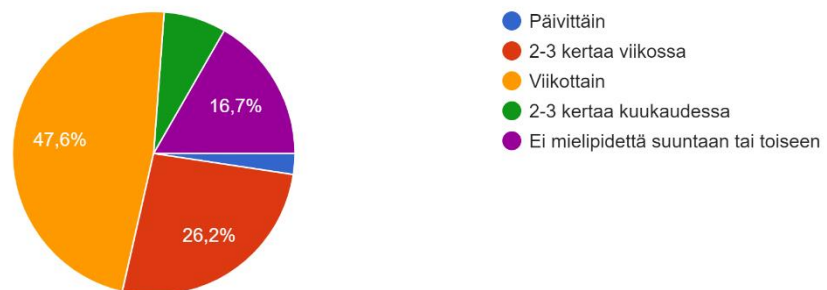


Figure 34. In my opinion, the spa should post... (n=42)

Most respondents believe that the spa should post weekly on their social media channels, with this answer having 47,6 percent of the responses. However, 26,2 percent of the respondents believe the spa should post two to three times a week, while 16,7 percent do not have an opinion on the posting schedule. Only a minuscule number of respondents believe that the spa should post several times a month or daily.

When the respondents were asked **which new social media channels they would like to see the spa using**, the most noteworthy open-ended answers included comments

indicating that TikTok is a social media channel in high demand, as it was mentioned 14 times. One of the responses also stated that the local high school would hold a course for entrepreneurs that teaches how to use TikTok as a marketing tool.

When the respondents were asked **what other suggestions for the spa's marketing strategy they had**, the most noteworthy open-ended answers included comments indicating that they believe the spa's marketing should use more high-quality photos and videos. They also think that the spa should delegate the handling of their social media channels to someone young.

5 Discussion and Conclusion

The survey results indicate that the swimming pools and the gym are the most used services, and they are used daily or two to three times a week. In addition, most respondents are not part of a sports club. Those who belong to a sports club indicate that their sports club does not use the spa's services. Finally, only half of the respondents followed the spa on social media, and the results suggest that the other half were unaware of the spa's social media presence.

The spa's customer service and the atmosphere are adequate and should not be changed, except for some lighting problems at the gym's locker rooms, and some wished the spa played more fitting music. The respondent's issues with the service are a lack of privacy in the locker rooms, showers, and saunas; the ticket prices are high for lower budgets, and the business hours are not suitable for some.

Most respondents are not interested in either casual or competitive swimming alone, but they would be interested in generally swimming as a group. However, some answers indicated that the pre-established groups were hard to join, or the respondents were unaware of their existence. The respondents were interested in an event showcasing water-based activities, such as lifesaving or kayaking, primarily if it is held during a school day. The respondents are enthusiastic about a sports pass benefit system granting them free tickets or price reductions if they invest time in using the spa's services.

The spa's social media usage is adequate, but the channels they are on should be advertised more. The respondents think the spa should post on its social media channels weekly. However, forcing content out for the sake of it should be avoided. If the spa registered new social media channels, the respondents would like to see TikTok the most. The respondents also noted that the spa should only post high-quality pictures and videos and that someone younger-minded should update the social media channels.

For the suggestion improvements, tool 3B, introduced in Chapter 2.2, becomes more relevant. As stated previously, the improvement suggestions are categorized on whether they increase or decrease the potential value of either the business or the customer, whether the

suggestions are easy or hard to do (do the suggestions require a long-time commitment from the spa's staff), and how fast they are to achieve.

Keeping these details in mind, below are **service design improvement suggestions** for Kiannon Kuohut Virkistyskylpylä. These suggestions were formed with the help of the survey responses. They are also the primary aim of this thesis. The suggestions are not presented in any order. The suggestions include the following:

The spa should **create a social media schedule**. The spa should post content on its social media channels at least weekly, four times a month, plus any news, events, and announcements. Having scheduled posting means the customer value of following the spa on social media increases but setting up a consistent schedule takes time and dedication.

The spa should **create a TikTok account**. TikTok is popular among youngsters and seems to be a favorite of the local youth, which means the customer value increases, but as with the social media schedule, making videos, editing them, and keeping the posts consistent takes time and might be hard to implement.

When creating content for social media channels, the spa should **be informal to build a sort of "understanding" with youngsters**. The spa should avoid posting content for the sake of it, as oversaturation can be seen as desperation. An example of informal content could be something as simple as "a day in the life of a swimming instructor." The main trick in creating a social media channel for a company is NOT to be seen as young and hip, as it quickly leads to second-hand embarrassment from the audience they are trying to target. Furthermore, when creating content, e.g., taking photos or shooting videos, the quality MUST be high definition. To this end, the spa should buy a digital camera for photoshoots.

The spa should also **send one of the spa workers to the lesson taught by the high school's entrepreneurship course students**, in which creating content for social media is taught to companies by youngsters, the demographic the spa is trying to target. This lesson could be an excellent opportunity to build customer relations and to understand how youngsters would like to see the spa marketed.

The **social media channels** that the spa has should be advertised in a tangible form on the premises. For example, a small whiteboard at the cash register with all the social media

channels listed is an easy way to grow the spa's social media presence. The spa having the social media channels advertised means customer and business value increases, and this solution is incredibly fast and easy to accomplish.

One suggestion for the **spa is to try a "sports pass" or "buy ten, receive one free" benefits system** aimed at youngsters to increase customer retention in that demographic group. The question about such a benefits system was well received, and the local youth thinks the student tickets are still pricey, even with a discount. Therefore, the customer value of spa services increases, but business value decreases. However, it also takes time to establish, as these decisions need to be approved by the municipality's leading organ. That is why it is suggested that the spa tests this first with the tools detailed in the Learn step of the service design toolkit.

The spa should also **market the existing swimming clubs more** (physically at the spa or sending out advertisements to the school, for example) or create an informal swimming group for youngsters. The survey responses strongly indicated that the respondents would be more motivated to take up swimming if there was an existing group for it. This solution increases customer and business value both but takes time to establish.

The spa should also **create an event where other water-based activities are showcased or market such events to a broader audience**. The answers indicate that the respondents would like to learn about skills such as lifeguarding. When creating the event, the timing is critical for most respondents. For example, the local youth would like to join the event during a school day, while adults are likelier to participate during a weekend.

The spa should **also improve privacy in the locker rooms and showers**. Most respondents are anxious to visit the spa due to privacy concerns. However, some quick fixes could alleviate the problems they face. With these solutions in place, customer value would increase, and the solutions are rapid and easy to attempt. The spa should invest in curtain showers or opaque glass stalls in the showers. Also, the private shower should be advertised more loudly. Also, the spa should consider putting a divider in the locker rooms and advertise the private changing rooms more. Another suggestion would be to make towels mandatory in the unisex steam sauna.

These are suggestions that are both **cheap** to accomplish and **do not take vast amounts of time** when looked at through the lens of tool 3B. However, there could be more

suggestions to uncover, especially if the questions were asked in an interview format so that all possible hidden ideas are put up the air. Also, the survey was available to everyone but aimed at youngsters. So, the adults' responses could skew the answers, so the suggestions could be something youngsters did not consider.

As stated in the introduction, a spa visit can seem daunting to some customers, but by putting in some work, the staff can alleviate all the preconceptions a customer might have. By listening to feedback and allocating resources to the pain points in the service, the spa can ensure that every customer has a good time in their care. By having a dedicated schedule and a staff member who remembers to follow it, the spa can ensure that its social media presence is constantly refined. Furthermore, while organizing events might not seem cost-effective, they are an excellent way to build long-lasting customer relations. These are the basic tenets my service design improvements were based on. I genuinely hope the commissioner, Kiannon Kuohut Virkistyskylpylä, considers them in some way when improving the spa's service design.

Suppose the spa uses my suggestions to improve the service design. In that case, further research can be done into the topic of youngsters' customer experience by conducting a feedback survey after some time has passed from adopting the new changes. Furthermore, this research's validity and reliability can be increased by doing the following: conducting a pre-test for the survey to see if the questions are related to the problem at hand; limiting the survey to only youngsters; increasing the size of the sample by making the survey run for an extended period; and by spreading the survey on a larger scale, so the regular customers of the spa do not skew the results.

To close off this thesis, I shall review my research questions to see if this research answers them. The first question was: how can the spa's services be more effectively marketed to youngsters? The spa's services can be marketed more effectively towards youngsters by having a weekly posting schedule and using TikTok as a marketing platform. What can the spa do to improve the customer journey for youngsters? The spa can improve the customer journey for youngsters by removing their pain points in the lack of privacy, pricing concerns, and scheduling issues. Finally, how can the spa motivate youngsters to stay as customers? Youngsters are motivated by group activities and by having a benefits system in place for them. All in all, I consider this research a success.

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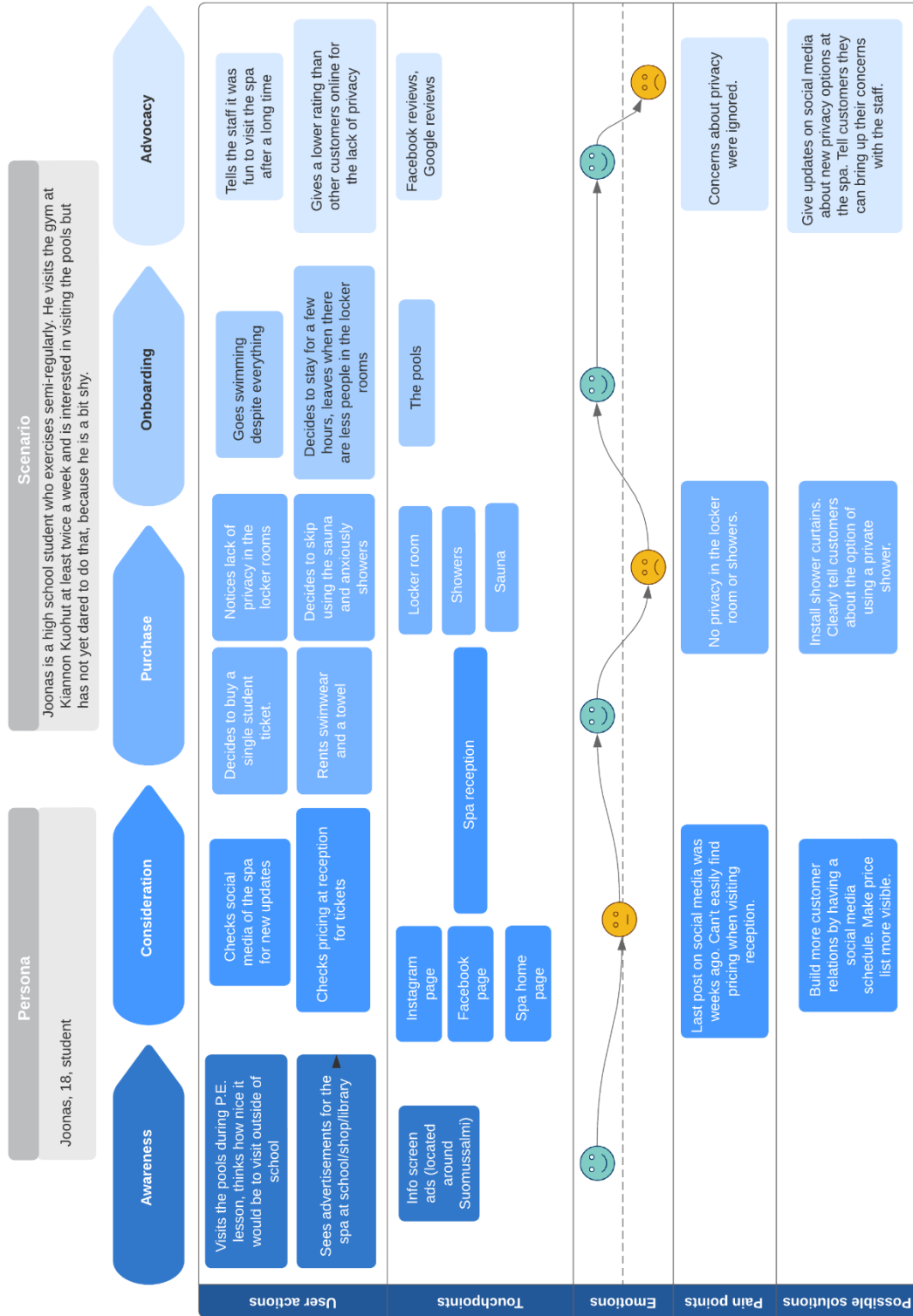
Appendices

The customer journey map and the survey are included as pictures at the end of this thesis.

Appendix 1. Customer Journey Map

Young Customer at Kiannon Kuohut Virkistyskylpylä

Niki H. | November 19, 2022



Appendix 2. Survey

Nuorten kylpylätottumusten kartoittaminen

Edessäsi olevaa kyselyä ja sen vastauksia käytetään opinnäytetyötä varten. Kyselyn toteuttaja on Niki Heikkinen. Kysely on toteutettu yhteistyössä Kiannon Kuohut Virkistyskylpylän kanssa. Kyselyllä kartoitetaan erityisesti nuorten (12-25 vuotiaiden) kylpyläpalvelujen käyttöä, ja vastauksilla pyritään kehittämään ja uusimaan kylpylän toimintaa ja markkinointia. Kyselyyn on vastattava **17.10.** mennessä.

Kaikkien vastanneiden kesken arvotaan **3 kappaletta 20 euron lahjakortteja** kylpylään! Arvonnun voittaneille vastataan henkilökohtaisesti.

Jos haluat liittyä arvontaan, kirjoita kyselyn alkuun nimesi, puhelinnumerosi ja sähköpostiosoitteesi. Kaikki antamasi yhteystiedot ovat luottamuksellisia, eikä niitä käytetä opinnäytetyössä.

Mikäli sinulla ilmenee kysyttävää, voit ottaa yhteyttä sähköpostitse:
nikiheikkinen@kamk.fi

*Pakollinen

Yhteystiedot

Täytä yhteystietosi arvontaa varten. Arvontaan ei ole pakko osallistua. Yhteystietoja **ei** käytetä opinnäytetyössä ja ne hävitetään heti, kun arvonta on suoritettu.

1. Nimi

2. Puhelinnumero

3. Sähköpostiosoite

Perustiedot

Perustiedot-osiossa annat vastauksia, joita käytetään apuna muiden osioiden tulkinnessa.

4. Ikäsi numeroissa *

5. Sukupuolesi *

Merkitse vain yksi soikio.

- Mies
- Nainen
- Muu
- En halua sanoa

6. Mitä kylpylän palveluja käytät? (Voit valita useamman vaihtoehdon)

Valitse kaikki sopivat vaihtoehdot.

- Uimahalli
- Kuntosali
- Pyöräilytila
- Jumppasali (Oranssi sali)
- En mitään ylläolevista

7. Kuinka usein käytät palveluja? Valitse vaihtoehto, joka on lähinnä omaa kulutustasi

Merkitse vain yksi soikio.

- Päivittäin
- 2-3 kertaa viikossa
- Kerran viikossa
- 2-3 kertaa kuukaudessa
- Kerran kuukaudessa
- Vähemmän kuin kerran kuukaudessa
- En käytä kylpylän palveluja

8. Oletko jonkin liikuntaseuran jäsen? (esimerkiksi Suomussalmen Palloseura, Suomussalmen Rasti...)

Merkitse vain yksi soikio.

- Kyllä
 Ei
 En ole varma

9. Jos kuulut liikuntaseuraan, käyttääkö seurasi kylpylän palveluja?

Merkitse vain yksi soikio.

- Kyllä
 Ei
 En ole varma

10. Seuraatko Kiannon Kuohut Virkistyskylpylää sosiaalisessa mediassa?

Merkitse vain yksi soikio.

- Kyllä
 Ei
 En ole varma

Kylpylä
asiakastilana

Tässä osiossa annat vastauksia kylpylän tiloihin ja asiakaspalveluun liittyen. Vastauksien on tarkoituksena selvittää, mitä hankaloittavia tai estäviä tekijöitä palveluissa on.

14. Millaisia ehdotuksia sinulla on kylpylän **asiakaspalvelun** parantamiseksi?

15. Mitkä ovat suurimmat **esteesi** kylpylän palveluita käyttäessä? Esteeksi lasketaan tekijä, joka voi estää sinua nauttimasta kylpylän palveluista täysin sydämin. Esteitä voi olla esimerkiksi yksityisyyden puute tai viat tiloissa.

16. Millaisia ehdotuksia sinulla on näiden **esteiden vähentämiseksi**?

Kylpylä
liikuntapaikkana

Tässä osiossa annat vastauksia, jotka auttavat kehittämään kylpylän tarjontaa liikunnan saralla.

20. Mikä sai sinut kiinnostumaan uimisesta **urheilulajina**?

21. Olen kiinnostunut muuhun veteen liittyvästä toiminnasta, kuten melonnasta tai vesipelastuksesta.

- 1: Olen täysin eri mieltä
- 2: Olen eri mieltä
- 3: En ole samaa enkä eri mieltä
- 4: Olen samaa mieltä
- 5: Olen täysin samaa mieltä

Merkitse vain yksi soikio.

	1	2	3	4	5	
Täysin eri mieltä	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Täysin samaa mieltä

22. Mikä sai sinut kiinnostumaan muuhun veteen liittyvästä toiminnasta, kuten melonnasta tai vesipelastuksesta?

26. Millaisia ehdotuksia sinulla on etuihin, joita kylpylässä voitaisiin käyttää liikuntamotivaation ylläpitämiseksi?

Kylpylän
markkinointi

Tässä osiossa annat vastauksia, joiden perusteella parannetaan kylpylän markkinointia ja saavutettavuutta sosiaalisessa mediassa. Huomaathan vastatessasi, että Kiannon Kuohut Virkistyskylpylä käyttää markkinointiin sekä Facebookia että Instagramia.

27. Mielestäni kylpylän sosiaalisen median viestintä on onnistunutta ja tavoittaa minut.

- 1: Olen täysin eri mieltä
 2: Olen eri mieltä
 3: En ole samaa enkä eri mieltä
 4: Olen samaa mieltä
 5: Olen täysin samaa mieltä

Merkitse vain yksi soikio.

	1	2	3	4	5	
Täysin eri mieltä	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Täysin samaa mieltä

28. Millaisia ehdotuksia sinulla on kylpylän sosiaalisen median **saavutettavuuden** parantamiseksi?

29. Mielestäni kylpylä julkaisee uusia päivityksiä sosiaalisessa mediassa riittävän usein.

- 1: Olen täysin eri mieltä
 2: Olen eri mieltä
 3: En ole samaa enkä eri mieltä
 4: Olen samaa mieltä
 5: Olen täysin samaa mieltä

Merkitse vain yksi soikio.

	1	2	3	4	5	
Täysin eri mieltä	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Täysin samaa mieltä

30. Mielestäni kylpylän pitäisi julkaista päivityksiä:

Merkitse vain yksi soikio.

- Päivittäin
 2-3 kertaa viikossa
 Viikottain
 2-3 kertaa kuukaudessa
 Ei mielipidettä suuntaan tai toiseen

31. Jos kylpylä ottaisi käyttöönsä **uusia** sosiaalisen median kanavia, mitä sovelluksia ehdottaisit? Huomaathan vastatessasi, että Kiannon Kuohut Virkistyskylpylä käyttää markkinointiin jo Facebookia ja Instagramia.

32. Millaisia muita ehdotuksia sinulla on kylpylän sosiaalisen median markkinoinnin parantamiseksi?

Kiitos
vastauksistasi!
:)

Jos osallistut arvontaan, niin muistathan tarkistaa, että jättämäsi yhteystiedot ovat oikein! Alla olevaan kenttään voit jättää vielä muita kyselyyn liittymättömiä kommentteja tai mietteitä, mitä sinulla on.

33. Kommentteja:

Google ei ole luonut tai hyväksynyt tätä sisältöä.

Google Forms