

Developing a new service for organizing social events in Finland

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Abstract

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The purpose of this thesis is to develop a new service concept for people living in Finland by using service design methods. In this busy world, people frequently have no time to organize events on their own. Therefore, service design tools and methodology will be used as foundational pillars for the case company in this thesis in developing solutions for this issue, as well as bringing customer satisfaction from service delivery. This service concept is designed to save time and simplify the process.

In designing this new service concept, the theory framework focuses on services in general, ser-vice design, service design tools to understand customer requirement, and reshaping the service delivery structure to achieve optimal customer satisfaction. Using various service design tools and framework, the objective of this thesis is to collect customer feedback and shape the ser-vice structure accordingly. The second framework used in this thesis for designing the service concept is the lean startup approach.

The focus of the design of this new service concept is on customer co-creation and involvement, and is further supported by the service design process, service design tools, and lean methodology. The foundational design process utilized in this thesis is the double diamond de-sign model, as well as a few concepts that have been adopted from the lean startup approach. Interviews of potential customers were done in various phases to collect feedback. Personas, stakeholder mapping, customer journey mapping, and service blueprinting were done to under-stand the service delivery system. A Business Model Canvas was built to validate the quantita-tive and qualitative value the business delivers. As a part of the lean develop-ment process, the minimum viable product was launched as a Facebook page and a pilot event was carried out with a pilot customer to test the service concept.

The empirical study and theoretical discussion in this thesis have shown that customers were in need of a service concept that provides end-to-end service in order to easily organize an event. The aim of this service concept was to provide an innovative service pertaining to social events, to which the customers could contribute their ideas and skills and thus generate value out of the service.

Keywords: service design, lean startup, new service concept, events

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1 Introduction

1.1 Background about the case

Over the last decade or so, our lifestyles have changed. The professional aspect of our life has assumed paramount importance, and it takes a toll on our precious time. Our social life has also become very demanding. People are finding it increasingly difficult to plan and organize social events. For instance, they do not have enough time to organize birthday celebrations for their kids; whereas, on the other hand, children these days expect their birthdays to have a theme. Planning and organizing such events can be tedious for parents. They find it easier to organize a birthday party in a children's play zone, which is not always a cost-effective option. Here people just drop their kids, engage them in games for a few hours and celebrate the birthday. At times, they might hire event planners, as they have little time to plan the event themselves.

The rise of the digital age has altered consumer behavior over the past few years, as they can access online media to evaluate and choose from different services. The term consumer behavior is defined as "the behavior that a consumer displays in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfying their needs" (Schiffman et al. 2007, 3). The increase in social demands results in pressure on both the parents and the children to keep up with the times. This pressure dictates that they stay abreast of the latest trends in emerging markets.

The event industry is no longer considered as a part of administrative work. It is now regarded as one of the fastest growing global professions. (Silvers 2012.) In recent years, our society has embraced the latest developments in design and methods of decoration. Traditional middle-class and upper middle-class families have been spending a lot of money on events like theme birthdays. The event industry is a complex field that involves lots of action and co-operation. Different groups of people come together to create an experience. There have been economic, cultural and social changes in the market, and the paradigm shift in thoughts has engendered the ideology of "value of customers". The demand for "craftsmanship" in this field has risen, so the objective is to offer a service with personalized touch and co-create with customers. Creating and operating such an event is not a simple task, as it requires time, strong co-ordination, teamwork, field experience and proper organization skills. (Silvers 2012.)

According to an online report in Telegraph United Kingdom (2015), parents now spend more than 19,000 pounds over a lifetime for their children's birthday. Table 1 shown below breaks down the average cost of a child's birthday party in the UK.

Venue:	£150
Entertainment:	£100
Caterers for adults:	£100
Caterers for children:	£60
Bespoke cake:	£50
Party bags:	£40

Table 1: Average expenditure on a kid's birthday according Telegraph United Kingdom (2015)

New trends are emerging in the event industry. The latest trend is theme-based birthdays. A theme-based birthday is an event where all the birthday-related paraphernalia is selected based on the theme. For example, in a theme based on the movie Frozen, the objects are selected according to the frozen movie theme colors, which are blue and white, and the theme characters are also selected accordingly. Similarly, for a Lego theme, the setup is according to the Lego characters and color scheme. In an Angry Birds theme, the setup is prepared with Angry Birds characters. Figure 1 shows the setup used in different theme-based birthdays.



Figure 1: Theme birthday decor (kidspartyhub 2015)

The world is getting digitalized, and event organizers are likewise changing their approach. They use digital solutions in practice like online party planning, online invitations, supplies, etc. There are plenty of event planners available in the market who organize such events. This process is called as event styling. The thesis is about setting up a new service concept in

Finland. There is a scarcity of services related to organizing theme-based children's events in Finland. A few physical stores are available that offer party supplies. Therefore, the target is to design a new service concept using service design tools and provide satisfactory customer experience.

According to Polaine, Løvlie, and Reason (2013, 18), as designers we can deliver real value when we adopt the mindset of building a new service that is based on genuine insight into the end users. Based on my personal experience of not finding proper party supplies when planning my child's birthday, I gathered insights about the needs in the area of organizing social events in Finland. Therefore, the idea of designing this service concept came up. The target of this service concept will be to deliver end-to-end service and good customer experience.

1.2 Objective of the thesis

The objective of this thesis is to build a new service concept by using service design tools and methods. This new service concept would target a service ecosystem that provides different services related to organizing personal and social events, like birthday parties, baby showers and graduation ceremonies. The objective is to design a new service concept using service design tools and involve the customers in the entire process of service design and development.

Lean startup methodology will be applied to support the new service development. Lean startup concepts like the minimum viable product, looking for early adaptors and leaving the building and learning from customers will be used along with service design tools. During the design of this new service concept the focus will be on customer co-creation and involvement. This means that the service concept will be introduced to people as a pilot landing page and distributed among proper customer groups. This landing page will be launched via Facebook, which allows creating a free business page to cater to the fan base. The page will be created based on the research done in the service-understanding phase, which will entail interviews, surveys and shadowing. This will be done using the concept of minimum viable product from lean startup methodology and co-creating and improving the service pattern by taking continuous feedback from customers.

1.3 Services

When we look around our surroundings, we will find services in different forms like buses, hospitals, hotels, shops and libraries. Services have evolved from various touch points around us like people, available information, products and our own surroundings (Design Council). "Services are a series of interactions between the customer and the service system through

various touch points during the customer journey" Stickdorn (2010, 80). Interaction is the process in which the customers try associating themselves to our service.

Services were previously considered as design objects. The service sector has been recognized as a third sector beside agriculture and manufacturing. Moritz (2005) explains, that services are considered as a support system for adding value and competitiveness to the products. In the current market, services are a part of a complex hybrid product. For example, a cell phone is a hybrid product that plays a very important role in these days, but without the accompanying services, these fancy cell phones are of little value. Therefore, in this case, the service supported by the cell phone adds value to the product that is sold. This thesis will focus on several service development theories, and use services and service design as the backbone.

1.4 Introducing the case company

Celebrate Life is the new service concept that will be designed in the process of this thesis. This is an event-organizing company that will assist parents in arranging their special event in a unique style and hassle-free manner. The mission is to provide kids and parents a special day together without worrying about the whole event. The business goal is to design, conceptualize and realize customized themes for events. We offer end-to-end services for any event, from party invitation to return gifts. We put our attention to details and flexibility to meet our customer's individual requirements. We style parties for baby showers, anniversaries and birthdays for both kids and grown-ups. Be it any occasion, our focus is to turn it into a special experience for our customers.

It is a B-C type of business that deals with activities such as:

- Customized theme decoration (customized hat, banners, posters, cut-outs)
- Lighting audio and video
- Artists and entertainers (host, games, clown, magician, face-painting, tattoo, etc.)
- Photographer
- Return gifts
- Event venue options
- Customized party supplies
- Researching the event styling
- Locating venues for customers
- Arranging theme decor for the event
- Designing the event plan
- Finding catering services for customers

- Return gifts, games and entertainment
- Renting out theme decors

It is a small company of four employees, who work in IT for a living. They are very enthusiastic and passionate about celebrating the good things in life with a special touch. We serve in the Helsinki metropolitan area and we deliver customized party supplies all over Finland. It can be categorized as a service company as it organizes social events and provides services related to birthdays and other celebrations. The target is to help customers in organizing their children's birthday party with ease, and bring their dreams to life. The focus is to step in as independent planners and give their special events the attention that they deserve. The idea behind designing the business is closely linked to our interests. Here we are trying to turn our passion into a business by channeling our creative energies in the right direction

When we were children, birthday parties most often took place at home. There used to be a few close friends and relatives, a simple cake, balloons and music. However, there are new trends in a rapidly changing world. Parents want to celebrate their children's birthdays with themes, where they can pick up their kids' favorite animated character or colour and make it a memorable and fun day for the kids and their friends.

Arranging a theme birthday with all the little details is not easy. The decorations like balloons, table cover, backdrop, posters, cake, return gifts, etc. have to be in line with the theme. Food and games have to be arranged. Someone also needs to click photos and attend to guests. Often we strive too hard to make it a perfect day, and end up exhausted. It requires resources, money, preplanning and time management to get all the relevant things ready for the party. Especially in Finland, it is not always easy to get all theme-relevant supplies at one place and at a cheap price.

As this is a totally new service, we decided to adopt a lean approach by introducing our minimum viable product through social media. We are also constantly improving our service based on the feed-back received so far.

1.5 Structure of the thesis

The thesis consists of six main chapters.

Chapter 1 is introductory in nature, and elucidates the purpose, the objective and the structure of the thesis. It briefly describes the case company.

Chapter 2 provides perspectives in designing new services that comprise the service dominant logic and service concept, which is the background support for this thesis.

Chapter 3 focuses on creating the service concept using service design and lean start up.

Chapter 4 talks about service design process theory for this thesis, based on the double diamond model designed by the British council.

Chapter 5 highlights the results of the service design process.

Chapter 6 acts as the conclusion to this thesis by justifying why the service design tools were used and how the objective of this thesis was achieved.

The theoretical background is covered by service dominant logic, new service concept and customer co-creation. This new service concept is further supported by service design process and tools and lean methodology. Figure 2 shows the foundation pillar of the thesis. Where we can see that the new service concept as the outcome of the research made by service design process. Lean startup methodology is used as the supporting system for the concept. Co-creating with the customer in building user centric design with emphasis on user. Service dominant logic acts as a cover for the entire process and the new service concepts is build.

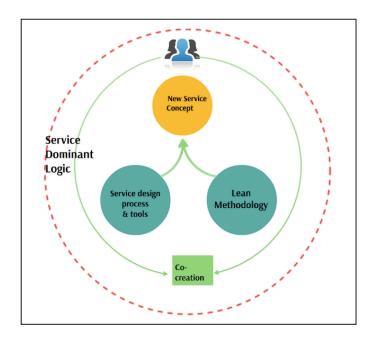


Figure 2: The foundational pillars of the thesis (image created by Titikshya Mohanty)

2 Perspectives in designing new services

2.1 Service-dominant logic and co-creation with customer

This section focuses on service-dominant logic (SDL), which is the foundation of this thesis. SDL will be later combined with service design method to develop the new service concept. Vargo and Lusch (2004) published service dominant logic as the new marketing theory. They suggest that there is a shift in focus from goods to services. SDL indicates that customers rather define and co-create value, rather than companies producing embedded goods as output.

As mentioned by Vargo and Lusch (2008, 4), there is already a shift from manufacturing to service economy in most of the developed countries, which implies that most of the economy is producing services rather than goods. A service is defined as "the application of competences (knowledge and skills) for benefit of another party" (Vargo & Lusch 2008, 3). The SDL explains service as the methods where one party does something for another party. The value creation is achieved by co-creation between the parties involved.

Vargo and Lusch (2004) suggested a shift from goods-dominant logic (G-D logic) to service-dominant logic (SDL), in which they put forward service, as the basis of economic exchange. It has been mentioned in SDL that goods are considered as mechanisms that distributes these services (Vargo & Lusch 2008). Later, the substance of the SDL was summarized as Foundational Premises (FP) (Table 2).

- . FP1 Service is the fundamental basis of exchange.
- . FP2 Indirect exchange masks the fundamental basis of exchange.
- . FP3 Goods are a distribution mechanism for service provision.
- . FP4 Operant resources are the fundamental source of competitive advantage.
- . FP5 All economies are service economies.
- . FP6 The customer is always co-creator of value.
- . FP7 The enterprise cannot deliver value, but only offer value propositions.
- . FP8 A service-centered view is inherently customer oriented and relational.
- . FP9 All social and economic actors are resource integrators.
- . FP10 Value is always uniquely and phenomenological determined by the beneficiary.

Table 2: Service-dominant logic foundational premises (source: Vargo & Lusch 2008, 7)

The FP6-FP8 are of primary focus, because they bring forward the relation between the customer and company. These are significant resources in value co-creation (Wetter-Edman, 2011, 52). Vargo and Lusch (2004, 5) pointed out that SDL is essential in recognizing and developing core competences and identifying potential customers.

As mentioned by Edvardsson et al. (2010, 5), the impact of service development is such that the customer should be involved in value creation. This value is achieved when customers are engaged in various stages of service development. It is necessary to observe the value of cocreational activity and perceive how the customer interacts during the service delivery process. Then the customers or users become the source where learning can be gathered from their experiences. By doing this, such situations can be avoided where services are developed and then found to be not compatible with customer's needs.

Co-creation with the customers and being user-centric

During the design or improvement of a new service or improving a new service there is always involvement of different stakeholders. This process is called co-creation. Co-creation or involvement is instrumental in engendering customer loyalty and long-term commitment, with the end results being customer and employee satisfaction. In this process, there is usually a smooth interaction between the customer and the employee. (Stickdorn, 2010, 37-39.)

Wetter-Edman (2011) has explained a concept called user-designer relation in co-creation practices. According to this concept, services can be more successful if co-created by designers and users. Figure 3 shows the user-designer relation in co-creation practices, which states that it is a co-creation between the designers and users to build a design object. Here the designers do not control the outcome, but facilitate the activity. In addition, they establish situation where more interaction takes place between them and the users.

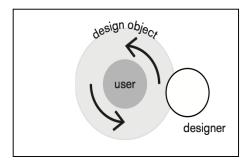


Figure 3: User-designer relation in co-creation practices. Wetter-Edman (2011,76)

Framework for customer integration within service development

According to Edvardsson et al. (2010, 2), the framework of customer involvement in a service development is shown in Figure 4. The framework has information about the customers in four modes, as the correspondent, the reflective practitioner, the tester and the dreamer distributed in two-dimensional context and situation. These modes are known as methods of customer integration into a service to get user-related information.

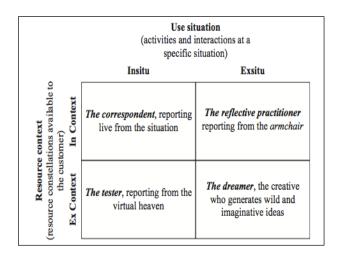


Figure 4: Framework of customer involvement (Edvardsson et. al 2010)

Mode 1: The Correspondent: In this mode, the customers are in a situation to use the service. Then they are in a position to tell about the real problems encountered and sometimes the solutions too.

Mode 2: The Reflective practitioner: In this mode, the customers are ordinary users who get involved in the process by polls or surveys. The customers are not directly involved in real situations.

Mode 3 The Tester: In this mode, the customer knows about the service and is ready to test the service in a real-life situation.

Mode 4: The Dreamer: In this mode, the customers are new to the service. They step in as real customers and generate information on real problems faced and the corresponding solutions. (Edvardsson et. al. 2010, 421.) The above four modes of customer integration are used to get information for developing the service concept.

2.2 The service concept and new service development (NSD)

The service concept

Service concept is the core of the service designing and development. It shows how an organization serves its customers. The focus while developing a service concept is to concentrate on customers need, brand value, effectiveness of the service, and the degree to which the service stretches itself to satisfy its customers. Service concept connects the customer needs to an organization's strategy. Delivering service needs integration of several processes like manpower and skills, and not much of the physical entities are involved in product development. (Goldstein et al. 2002,132.)

As Grönroos (2007) mentions, service concept is the starting point in developing a finished

package, which consists of all services that are needed to satisfy customer needs. He categorized this package into three groups like core, facilitating and supporting service. The core service is always the final target that is the reason for the service being in the market. This core service is to be used by the end customers and there are additional supporting and facilitating services. A service organization faces major challenges while delivering a service concept, such as taking decisions at each stage of service delivery and staying focused to deliver the required service to the targeted customer. It is important for customers to have the image of this service concept.

New service development (NSD)

New service development is a modification of an ongoing services or transformation of an existing service in another market in a different location. (Edvardsson et.al. 2000). This is explained by Johnson et al. (2000, 2) as an overall process that is used in the development of new service offerings.

In the NSD era, there is a mindset for innovations with customers rather than with the product. Whether it is a service or a product, it should be viewed as service logic innovation. Innovation in the service requires that it should always bring in some changes in the customer's thought-process that brings in value to the service. When it is about providing services, the focus should always be on the customer's need. (Goldstein et al. 2002,123). Michel et al. (2008, 2) state the example of the glucose monitoring machine that can be used to monitor our own glucose levels at home. This was something that was previously done by doctors. The design of this kind of product indicates understanding customer needs to be able to design a well-grounded product. It enables delivering an innovative service where the customer can combine his or her own skill to generate value out of the product or service.

Co-creation in NSD

A service is something that is generated by a process. And the customer is present during the entire process and affects the results by adding value and quality. So, the role of a customer must be made clear in service production (Edvardsson et al. 1996, 148-149.). Co-creation embraces openness. For example, Starbucks café encourages its customers to participate in the online community to get feedback and improvement suggestions. The diversity of feedbacks collected from different segments of the customers made the community a success. The major learning from such an approach would be to collate a wide range of ideas and feedback for innovative design concepts (Ind et al. 2012, 7-10.)

The intent of opening an organization for co-creation is best achieved or developed by collaboration. To co-create with customers, the most essential aspect is trusting people outside the

organization. (Ind et al. 2012, 11.) Openness and transparency is indispensable for co-creation involved in new service development. For instance, in the company Mozilla, most of the development has come to fruition because of the commitment of customers who have voluntarily contributed to the company's progress. In the initial days, in the face of tough competition from Microsoft, Mozilla embraced openness and the principle of co-creation. The customers got involved as volunteers in writing the code for crucial features of the company. Both Firefox and Thunderbird are outcomes of co-creation by a community of customers (Ind et al. 2012, 12-14). Co-creation involves the whole organization as a single process. New service development is about engaging the customers in the company to shape the service design.

Service logic perspective explains that the product or service should be designed in such a way that customers find new ways to implement the service on their own. Thus, the core innovation is finding new ways of solving together the customer's problem. Figure 5 shows the co-creation conceptual model that is proposed for success in the market (Gustafsson et al, 2012, 314). This model uses frequent, bidirectional and face-to-face communication while attempting to solve a problem. This enables trust and high-quality information exchange, and is termed as active communication (Gustafsson et al, 2012, 315). This framework gives an insight into customer requirement.

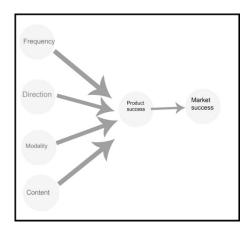


Figure 5: Conceptual model of customer (Gustafsson, et.al. 2012, 315)

Getting the customers inside the boundaries of NSD

Networking with customers and involving them in your service development is considered as a positive force. In recent days, the perception of the customer as a receiver of the outcome of a service has changed. The customer should be considered as a co-producer who significantly influences the outcome of a service. There are degrees of customer involvement, which range from passive acquisition of customer feedback to fading away of distinction between custom-

ers and designers (Edvardsson et al. 2006, 39). The most preferred level of involvement is extensive consultation and feedback. NSD depends on understanding and predicting variation in customer needs with the help from traditional market research (Edvardsson et al. 2006, 100). Customer participation and observation is essential in the development process. Therefore, involving customers in NSD is a major differentiating factor compared to the process in product development.

Chesbrough (2011) mentions that instead of a fixed object, our system in business should act as a semi-permeable membrane where things can flow in and out throughout the journey from the laboratory to the market place. This will lead to open innovation. Instead of restricting innovation to the realm of the organization, external ideas from individual contributors should be welcomed. For example, taking a project from outside might allow the internal team to work with the customers. Some of those technologies from the outside should be brought in. This is how open service innovation works in bringing in the right partners.

As shown in Figure 6, this new service development will keep co-creation as the core principle and focus on the four most important factors of NSD, that is, taking feedback from customer at every stage, which involves co-producing the service with the customer, validation of the service design with them and appreciating the participation of the customers.

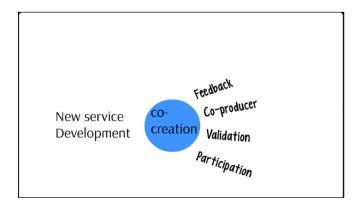


Figure 6: NSD for the thesis (image created by Titikshya Mohanty)

The activity carried out in service-based firms are different when compared to research and development(R&D)-based firms, so the investments done in both the cases are completely different from each other. Results from these investments are less visible in a service-based unit than in an R&D unit. In a service business, the offering exchanged or delivered is often not composed of physical elements, but it is a combination of certain skills, processes, knowledge and materials that are difficult to analyze. Marketing scholars use the term new service development (NSD) instead of service innovation, and Sundbo et al. (2011, 25) define innovation as "a method of making practical usages of creative idea or to develop an idea that is already

been invented."

3 Service design process and lean startup approach

3.1 Service design

Service design is a multidisciplinary method or an approach that integrates several design domains. It is an ongoing process that does not end after the service is launched. As defined by Mortiz (2005), service design is "the design of the overall experience of a service as well as the design of the process and strategy to provide that service." Service design is a tool that helps in designing, redesigning and marketing services with the goal of delivering a better service experience (Design Council UK). It is also a process of creating touchpoints and a way of defining how these touchpoints interact with each other at every stage. The traditional usercentered design or marketing approach says that designing is just for people, whereas service design is about designing with people. "People" here not only refers to the users but also to the people providing the service (Polaine et al. 2013, 41.)

The role of service designers is to focus on the creation of a new service concept and designing the service environment. Further, they research on the cross disciplinary service development that involves foresight and strategic work. They also plan and design the service-related marketing and communication. In addition, they guide the development of service process and the environment involved (Kuosa 2012, 22.) According to Stickdorn (2010, 128), service design is a process that enables designers to consider all the stakeholders involved in the service, and targets to keep the customer at the center of the process. This is an integrated view that helps in understanding the customers' needs.

3.1.1 Service design process

Several service design academics and practitioners have explained different process and methods. These process descriptions differ according to the stages, but the main characteristic remains the same. The simplest process description was provided by the British Council in 2005. This model describes the service design process. It is a linear process represented with two connected diamonds that together explain the continuous divergent and convergent characteristic of the service design process. The double diamond model has four phases - discover, define, develop and deliver as shown in Figure 7.

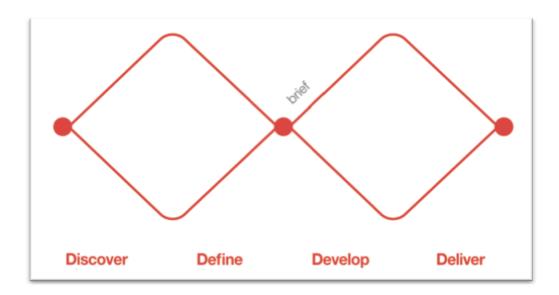


Figure 7: The Double Diamond of Service Process (The Design Council 2005)

Service design (SD) is an iterative process, and since design processes are nonlinear, it is important to explain it in the form of a structure (Stickdorn 2010,124). A simple process model, is suggested by Stickdorn et al. (2010,122-123), which involves stages like exploration, creation, reflection and implementation. These four stages are mentioned as a basic approach to a complex design process shown in Figure 8.

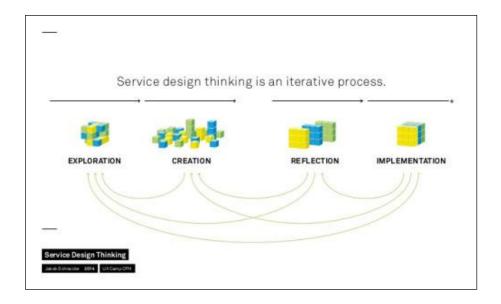


Figure 8: Service Design Process by Stickdorn (2010)

The SD process framework developed by Stefan Moriz is also considered important and is organized under the following six categories: SD understanding, SD thinking, SD generating, SD explaining, SD filtering and SD realizing shown in Figure 9 (Moritz 2005 122).

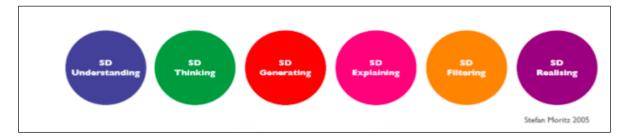


Figure 9: Service design process by Moritz (2005)

All the models set out by emphasize the value of understanding about the user and designing a service. The double diamond model will be implemented in this thesis. The detail description of the process is given below

Discover phase:

This is the starting point of the service design process. It is the phase where one gains insight into the new service development. Identification of user needs and development of initial ideas are explored in this process. This mainly includes the market study and user research. Additionally, this stage involves investigation of the context, constraints and resources by gathering data from the users of the service is carried out in this stage. One tries to identify the areas a company should be focusing on. This method explores beyond the customer needs, motivations, and contexts etc. It considers the client's goals in an organized way. There are many tools and methods that are used for service design understanding phase such as benchmarking, client segmentation, context analysis, interviews, shadowing and so on (Moritz 2005, 124-125.)

Define phase:

After the understanding phase, comes the stage where knowledge is synthesized into insight. This is a process of visualizing the ideas and concepts so that all the stakeholders can understand it. It provides an abstract of the future solution for the stakeholders, decision makers, and team members. In this stage, it is not required to define the detailed solution. Rather, the focus is on a design outcome or impact. This is similarly termed as service design explaining phase, where a shared understanding is created in a multi-disciplinary team (Moritz 2005, 142). The tasks in this stage include the visualization of ideas and concepts, creating maps and models for the processes, interaction using animation and role-play, and creating experiences using prototypes and scenarios. Several other methods such as cameral journals, mood boards, personas, etc. can also be used to explain the new ideas or concepts to various stakeholders. (Moritz 2005, 142.)

Develop phase

This stage is about creating relevant, intelligent and innovative ideas and solutions. In a service design project, relevant ideas must be developed, and strong concepts must be created and worked upon to form the final solution. The ideas and solutions that are created are based on insights and are in line with the strategy of the company (Moritz 2005, 132). The tasks in service design generation include developing ideas, solutions and processes, creating concepts and scenarios, finding environments, inspiration and ways to work with clients, implementing corporate design and crafting evidences, touchpoints, interfaces and experiences. Some of the tools used for this step are brainstorming, brain writing, idea interview, and experience sketching. In this stage, the internal team and key partners work with the design team to filter one or more concepts and identify the needs that were discerned in the discovery and define phase. (The Design Council 2013.)

Deliver phase

This stage involves developing and implementing the service or the prototype. It includes everything necessary to plan, specify and roll out a service. Service design realization can either test a prototype or implement the complete service itself. A business plan is provided along with a blueprint to specify how the whole system would work. (Moritz 2005, 144.) The most important tasks in this stage are testing prototypes, models, processes and experiences, developing business plan, blueprint, processes and touchpoints and providing training, guidelines instructions, specifications, and templates to the team. (Moritz 2005, 145.)

The tools such as blueprint, business plan, mind map, service prototype and scenario testing etc. are used for service design realizing (Moritz 2005, 145). Moritz (2005) concludes that customers should be involved in the complete service design process. This is the phase where the product is finalized, produced and launched, and feedback is gathered (The Design Council, 2013).

3.2 Lean startup approach

Lean concept is a unique approach used by entrepreneurs for creating and managing their product or business. Lean startup principle comes from the lean manufacturing revolution system in Toyota, which was developed by Taiichi Ohno and Shiego Shingo. This is a new concept that has become mainstream in the last few years. Lean startup approach is different from its traditional counterpart. Entrepreneurs gain certain degree of confidence in turning their business idea into a product by using lean startup methods. They believe in concepts like sketching their own hypothesis, starting with what is the riskiest, getting out of the building and agile development (Blank 2013.) Having a lean startup mindset doesn't necessarily enable a startup to be

more successful. Failure is normally detected in a rather early phase with low cost attached to it.

The "sketching your own hypothesis" concept advocates the replacement of the traditional business plan with a business model canvas. Starting with the riskiest part means not to start with the hardest part but to identify what is risky. "Getting out of the building" is described as customer development where ideas and hypotheses are tested by taking feedback from customers on each section of your business model. It is also believed that testing your ideas with only friends and relatives is not the correct approach, but rather you should look for real customers where you can get genuine feedback. In agile development, it is kept in mind that the product is continuously developed and tested at the same time with customer feedback. By doing this, long development cycles are avoided (Blank 2013.)

The thesis draws support from the lean startup approach. It will focus on certain concepts of the lean startup principles like, minimum viable product, the build-measure-learn cycle and early adopters.

Minimum viable product

Minimum viable product (MVP) is a technique that helps startups to begin the process of learning about their product quickly, rather than going with traditional method where the product enters the incubation period and struggles for product perfection. The goal of having an MVP is to test the fundamental business hypothesis or idea, and to continue the process of learning (Ries 2011,96). By having an MVP, the development of a product that a customer never needs is avoided. The idea behind this is to quickly build a minimum set of features for product deployment and initiate customer interaction with the product. MVP not only helps to get a product to the market faster but is also known to be a judicious way to minimize risk.

The Zappos example cited by Ries is helpful in this context. The founder of Zappos, Nick Swinmurn, started his business by testing his hypothesis. His customers were ready to buy shoes online. He did not build his own inventory. Rather he approached local stores and worked with their inventories. This gave him an idea about what people were looking for and within a year, Zappos became a billion-dollar business. His idea was simple in a manner that he bought shoes from the store for full price and sold to his customer thought a website. His approach was different and he did not follow traditional methods wherein you invest time and money for the whole product, rather he came up with the MVP. In other words, MVP is like the smallest version of an idea or product. It is the simplest preview for which one can obtain feedback and ensure that there is space to improve. The MVP is the initial attempt to deliver value to the customer. If proper efforts are made in interacting with potential customers,

their problem is tested and solution assumptions are made, then the first MVP can be called as "the first effort to deliver validate value to known customer" (Cooper et al. 2013, 172.)

The build-measure-learn loop building the minimum to learn the maximum

The build-measure-learn cycle is a feedback loop and is supposed to be the core component of the lean startup methodology. There are three stages in this loop, that is, build, measure, and learn. The fundamental aim of this loop is to minimize waste. The processes keep repeating, hence the name "build, measure and learn cycle" (Figure 10). The goal in the first stage is to build an MVP as quickly as possible. The build phase does not have to involve an actual product, but can only be the idea of the product. The next stage is the measure phase where the progress is checked. This involves measuring the results obtained from the build phase. Here the response to the MVP launch is analyzed to check if there is ample interest to continue product development, and if there are features and functionalities that need to be added or refined.

In the learn phase, learning and validating the decision of moving forward with the product is done (Ries 2011, 108-109). Startups following lean methodology usually gear up to be in this feedback loop (Ries 2011, 81). The most important lesson is to minimize the total time in completing the feedback loop and which results saving money and time (Ries 2011, 75-76).

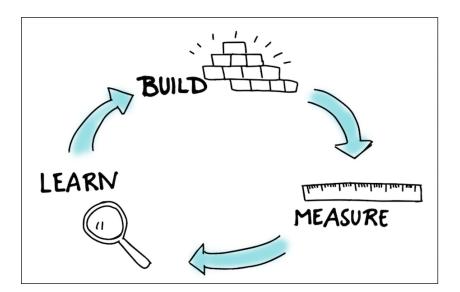


Figure 10: The build, measure and learn cycle (Extremeuncertainty 2016)

Early adopter

They are the key players when there is a new service innovation or creation of a new product. This is a group of people who adapt to new technologies. They are easily distinguishable from

other groups of customers especially when it comes to adapting to new technologies. (Kuosa 2012, 174.) They act as one of the most important aspects for startups. Especially in stages where startups are in the process of polishing their product, they step into demonstration and feedback phase. Here, the role of these early adopters becomes important and including them is a judicious decision. (Maurya 2012,103.) It is always recommended to find early adopters or customers who are in urgent need of the product. These customers tend to forgive mistakes and offer genuine feedback. (Ries 2011, 68.)

Early adopters are recognized and then interviewed to confirm that our solution idea benefits them. Then we wait for their feedback and invite them to participate in the design and validation of our idea. Customer behavior should always be considered while identifying early adopters. For example, if we are developing a mobile application, then it would not be relevant to approach a group of people who do not use smart phones (Cooper et al. 2013, 158-159). The practical way of identifying the needs of early adopters is to release the product in its early stages, because in the later stages, the abundance of other features will hide functionality that provides visibility about the product. (Cooper et al. 2013, 173.)

- 4 Service design methods and tools in different phases of the development task
- 4.1 Discovery phase

Online survey

This is a method that collects information in a short span of time from a large group of people. There are e-survey tools available online that help to collect data easily. Hague & Morgan (2013, 170) explain the online survey as a method in which the interviewee has time to think and reply to the questions asked. This research is targeted for a wider audience, and the research subject is distributed as questionnaires that offer insight at the end of the survey. Through this approach, the survey questions are delivered to a large quantity of people. The questionnaires for a survey should be accurate and well thought; one of the key features of a questionnaire is that the same question is framed in different ways and asked repeatedly in order to validate and verify the answer. This tailoring helps proper communication between the researcher and the respondent (Brace, 2008, 4).

While doing a survey, we should always communicate the specific questions to which the answers are needed, ensuring that the appropriate answers are conveyed back accordingly at the end of the survey. The questionnaires are defined as a "medium of conversation between two people, despite that they are remote from each other and never communicate directly." (Brace, 2008, 4.) It is a relatively inexpensive method that can be carried out very quickly in

comparison to traditional paper surveys, which usually become costly by the end of research even when considering the minimum costs. Whereas online surveys often cost nothing, there are hidden costs in traditional surveys such as the rental or purchase of recording equipment, travel fees, and phone charges. Wright (2005) mentions in his article that online surveys (or similar kinds of virtual communication) offer a platform for the researcher to gain access to people who share common interests, beliefs, and activities. It also helps when communicating with a group of people who might not be able to meet face to face or prefer to share their thoughts online.

Shadowing

This is a practice that gives detailed insight into what a customer's requirements are, what they are seeking, how motivated a person is while interacting with a service, and how they perceive a service. According to Poliane et al. (2013, 90), shadowing is also known as participatory observation and a method for understanding the service context and customer behavior. This is an approach that is usually done along with the user over a specified period while they engage with a service or product (Vianna et al. 2011, 53). Shadowing can be the act of observing an individual over a course of time in order to find patterns of actions, such as their mood, pace, timing, or body language, to name a few. It is done by a researcher who observes the customer while they are interacting with the service and is often recorded by video camera or taking still images. The most important thing the researcher should keep in mind is that they are not to intrude on the customer or influence them during this process (Moritz 2005,197).

This method is used when there is a necessity to get an in-depth understanding of the customer. As this is a process of following the customer while they are using a service, it gives insight into the customer's interaction with the service, and their behavior while using the service (Moritz 2005,197). Often while using a service or a product, a customer will tend to ignore the minor problems that he or she may encounter; such problems can be easily observed through shadowing.

Netnography

Netnography is a branch of ethnography, done over the internet. This is a qualitative research method that follows the ethnography technique in order to study varios areas such as online culture and communities (Kozinets 2002). It gives access to information in an online social situation, which may offer opportunities for consumer research and market relationships. This also provides marketing research insight into naturally-occurring behavior, such as methods of searching for information and word-of-mouth referrals. This is a method of secondary data collection without being in the field. Vianna et al. (2011, 53) explain it as research done by

using electronic media such as websites, blogs, or articles, as well as sometimes using non electronic media like books or magazines. It is also a method to excavate data from a huge collection of sources on the subject matter (Hague et al. 2013, 41).

Netnography is quite a flexible method in which a marketing researcher can easily choose an area of research based on interests and skill-set (Kozinets 2006, 4). According to Kozinets (2006), there are two preparatory steps that are necessary to be completed before being able to concuct a netnography research: First, there should be a specific marketing research question prepared beforehand and online forums identified pertaining to this question.

Second, they must educate themselves about these forums, groups, and people that they want to research. The data collected during this research offers the chance to identify opportunities and potential areas to be explored. Here we can obtain information from different stakeholders, mostly done by extensive internet searches, browsing through blogs, studying different websites, and reading magazines and books. The search is thus narrowed down to online communities. It is quite cheap, simple, and less time-consuming than traditional ethnography. (Kozinets 2006.)

Megatrends and trend-spotting

Forecasting is a method of developing one's own vision for the future and making linear systematic estimation and assumptions that existing trends will continue. It is about projection and prediction of future events, as well as rating the value of changes whose actual outcome have not been observed. (Kuosa, 2012, 24.) There are several tools for anticipating the future of organizations. These are categorized as megatrends, trends, weak signals, and wild cards. This report focuses on two of these: megatrends and trends.

Megatrends describe the kind of changes that are strongly present and exert a large impact around the globe, affecting various areas of life (Hiltunen 2013, 44). Megatrends are longlasting and take several years to develop. In comparison, trends last for a shorter period of time, such as two to five years. Trends are defined as "flow of transformation that cannot be changed easily it is a push of path dependency from history, which is believed to be continued in the future" (Kuosa, 2012, 37). Trends can be improved through time series analysis and spotted by experts who are aware of certain changes (Hiltunen 2013, 52). The best way of spotting a trend is to look for the weak signal, which is something that deviates from the standard situation in a known transformation (Kuosa, 2012 33).

Semi-structured interview with customers

A semi-structured interview is a verbal interchange through which an interviewer tries to draw information from an interviewee by asking questions. These questions are predetermined and defined before the interview. Semi-structured interviews are a set of predefined, open-ended questions prepared well in advance. (Gillham 2005, 70-79.) In the discovery phase, it is important to understand the customer's roles; it is also essential to see what the customer has experienced thus far and what they expect from the service. Involving the customer helps in exploring untouched areas that might come up as an answer to an interview question. This is one of the commonly-used quantitative methods for collecting data. A semi-structured interview is a flexible procedure that enables proper data collection and helps a researcher to further understand the research topic. It is an open framework that allows two-way communication. In this method, the background information for the research topic is already available and future investigation is required to get a clearer idea of the topic. This interview method is used to observe the user's goal. (Wilson, 2013.)

Stakeholder analysis or stakeholder maps

Stakeholder maps are visual representation of the various parties involved during the service production. With a stakeholder map, different stakeholders can be categorized according to their importance in the service development, helping to identify the most beneficial customers that generate cash flow. (Stickdorn 2010, 150-151.) It is a visual or physical representation of the relationships between different parties involved in and with a particular service. This helps a researcher to analyze and better understand who the key stakeholders are and what value they exchange. This also gives the designers information concerning the relations between involved stakeholders and acts as a proper tool for internal discussion about the service process.

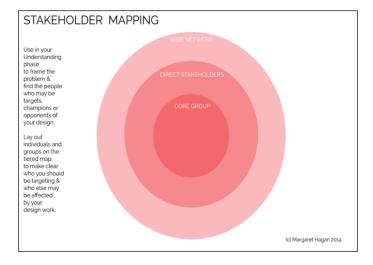


Figure 11: Stakeholder map by Margaret Hagan (Design Process Tools 2014)

A stakeholder map can be in many formats. Regardless of the format, any stakeholder map should identify both internal and external stakeholders their shared relationship (Stickdorn 2010, 153). All stakeholders exchange value in some form or another. However, the important point is to visualize how they relate. (Polaine et al. 2013,151.) Figure 11 shows the three groups into which the map is divided: the core group, direct stakeholders, and the wide network that is involved in the service process. For a stakeholder map, there is a side column where relevant internal and external stakeholders are listed. These listed stakeholders are then identified, analyzed, mapped, and prioritized. This is followed by drawing the relationship between various stakeholders and the customer, as shown in Figure 12.

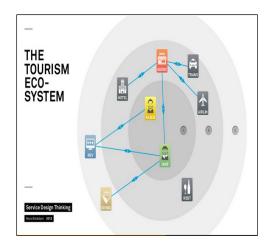


Figure 12: Stakeholder map of a tour providing company (Stickdorn and Schneider, 2010)

In the discovery phase the target was to reveal:

- the relevant customer base;
- the difficulties customer faces while arranging personal events, and availability of supplies relating to these events;
- how the customer prefers celebrating personal events;
- what the customer wants the service to be like; and
- stakeholder involvement.

Online surveying was the first method used to find out the relevant customer base and which group of customers are interested in using a service provider to organize their personal event. The shadowing method was chosen to find out what a customer deals with while planning their persoanl event, as well as what the available market resources are. Netnography was used, as it is a wide platform to research how customers prefer celebrating personal events. Semi-structured interviewing was the most important method for collecting feedback and reviews from customers during the service design. Lastly, stakeholder mapping was chosen for

the internal team to understand which people are involved in the design process of the new sevice concept.

4.2 Defining phase

Customer journey mapping

Customer journey maps provide a visualization of a customer's experience. These maps are made by identifying each interaction touch point in the service production from the customer's point of view. They can be made around personas, by virtual interactions with a website, or physical trips. (Stickdorn 2010, 158-159.) According to Stickdorn (2010, 159) "a customer journey map provides a high level overview of the factors influencing user experience, constructed from the user's perspective."

A customer journey map is simply a structured visualization of a service user's experience. When a user or customer interacts with a service, it creates a touch point, and these touch points are used to construct a journey (Stickdorn 2010,158). According to Meroni et al. (2011, 241), a customer journey map is a simplified form of a service blueprint and the birth of a storyboard. This method is built by mapping out the journey of the customer while receiving the service. This is also the process of identifying how the customer encounters the service and what the key action points are during this service encounter.

According to Polaine et al. (2013,105), as soon as we begin mapping the journey it brings an understanding of the customer's state of mind: what they are feeling, thinking, and doing at each point of their interaction with the service. This gives both an in-depth qualitative and quantitative insight into the overall customer experience.

The canvas is divided into three stages: the pre-service period, service-period, and post-service period. A certain persona is selected, and the journey of that person is visually represented as an overall experience. In this method, touchpoints are identified and defined. The customers' interaction and the emotions encountered the during the journey are shown in the map. Figure 13 shows an example of a customer journey map.

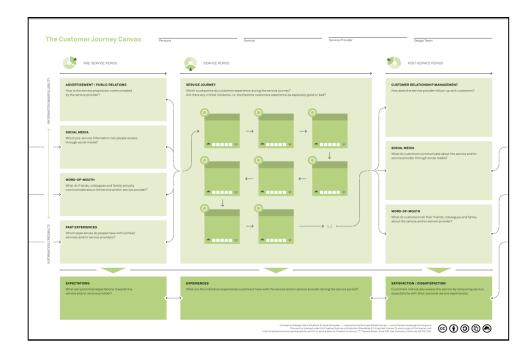


Figure 13: Sample Customer Journey Map (Stickdorn, 2010)

Personas

Personas are "hypothetical archetypes of actual users" (Cooper 2004, 124). They represent a particular group of customers and how they might be in person, covering information such as their name, age, sex, occupation, nationality, hobbies, likes and dislikes, etc. Stickdorn and Schneider (2010) discuss two kinds of personas: data-driven and ad hoc. Data driven personas are those derived from user research, whereas ad hoc personas are based on experiences (and sometimes assumptions). Personas can take on varios forms, and are delivered and presented as text and images. They can be quickly created at workshops, or more detailed personas can be created following research work. The output of the persona sketch can vary—the very basic form can be a sketch with the user information and photographs used as support. There might be detailed personas with in-depth information and supportive visual materials and sometimes videos too. (Design Council UK.) In the service design process personas have complementary functions as a character profile and can be presented or used in different stages of design process (Moritz, 228). They fulfil the purpose of associating user information with everyone involved, and are used for developing and verifying ideas (Vianna et al. 2011, 80).

Personas can be created with differing degrees of detail. Personas are usually given a name for the sake of easier correlation, and can also contain images and quotes to help establish empathy. As Stickdorn and Schneider (2010) discuss, the outcome is always better if personas consist of a real face and have real names or quotes.

Service poster

The service poster is a visual solution the service idea and the existing reality are linked together (ServiceDesignTools, 2015). It conveys the concept through the use of minimal text and use of appropriate colors. A service poster should be comprised of a picture that gives an immediate idea of the most important features of the service concept, allowing the designers to communicate with the stakeholders (Diana et al. 2009, 7). According to Polaine et al. (2013, 68), these posters are ways in which people can gain insight regarding a service through means of very little or no written material. It is also known as a service image or service picture (shown in Figure 14). Posters are images representing the creative aspect, as well as a method to simulate the visual and substantial proof of the services. A poster of this nature should be designed in such a way as to immediately visualize the main features of a service concept. (Diana et al. 2009,7-10.)

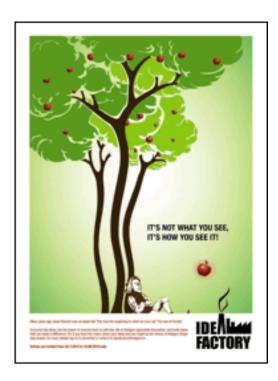


Figure 14: Sample service poster (Hem Singh Rathore, Coroflot 2011)

The target in this phase is to:

- gather knowledge to be synthesized into insight; and
- visualize crucial ideas and concepts.

Customer journey mapping is considered ideal the information collected from the discovery phases is represented in a visualized format to better understand the customer and service

interaction. The creation of personas helps sharpen the idea and creation of customer profile. The service poster gives a visual idea of the service existence

4.3 Development phase

Business model canvas

"Your Business Model is the Product" (Ash Mayura)

With the Business Model Canvas, Osterwalder and Pigneur (2010, 14) introduce a way to represent business models, which they define as "the rationale of how an organization creates, delivers, and captures value." This is most popular for describing, analyzing requirements, and designing the business model of a company. The idea behind this canvas is to focus on both the business and customer points of view. As mentioned by Osterwalder and Pigneur (2010), this canvas is a tool that resembles a painter's canvas, preformatted with nine blocks and allowing one to summarize how companies intend to generate revenue. The value proposition block is the core of the Business Model Canvas, which describes the quantitative and quantitative values a business models aims to deliver. Figure 14 shows a sample business model canvas proposed by Osterwalder and Pigneur

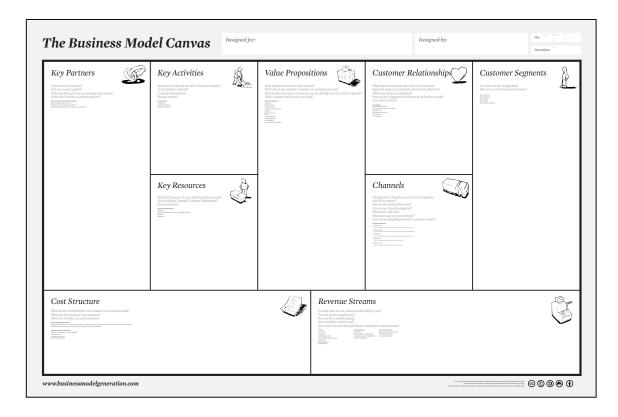


Figure 14: Business Model Canvas by Osterwalder & Pigneur (2010, 44)

The Business Model Canvas was further developed into the Lean Canvas and the Service Logic Business Model Canvas. These developments try to integrate more social factors and bring customer benefit further into the foreground.

According to Osterwalder and Pigneur (2010, 21-41), the nine building blocks are described below.

- 1. *Key partners*: the people involved such as partners, suppliers, and those who are responsible for the business model to function.
- 2. *Key activities*: the activities done in order for the business model to function, as well as activities involved in designing and delivering the product.
- 3. Key resources: the items required to create the value proposition.
- 4. *Value proposition*: described as the reasoning behind customer preferring a certain service over others; the value a business provide to the customers.
- 5. Customers segments: considered as the heart of any business model. The customer segments define the target audience that an organization wants to reach and serve. These can be comprised of several types. One should know which segment a business is targeted to. For example: mass market, niche market segmented market, or diversified platform.
- 6. *Cost structure*: costs incurred while working under a certain business model. It consists mostly of variable cost structure and is dependent on the key resources.
- 7. Revenue stream: a dynamic pricing structure where prices change based on the situation of the market and on the supply and demand.
- 8. *Channels*: the medium for customer interaction throughout the different phases of the customer life cycle, as well as the means through which a business communicates with each customer segment and delivers value to them.
- 9. *Customer relationship*: customer relationships describe the type of relationship and the experience that customer expects and the organizations plan to establish.

Service blueprint

Service blueprints were first introduced by Lynn Shostack in 1984. This method gives a clear picture of the existing service and the way in which a customer uses the services. This process can also be used for training a new employee and presenting a service to the client. Service blueprinting is a planning tool that helps in both the innovation of new services and improving existing services. The blueprint allows a company to test its ideas on paper and helps to find defects. It also encourages creativity and problem-solving capability. (Shostack 1984, 139.) Bitner et al. (2008, 68) describe services as processes or as a series of activities that are needed for services to function efficiently. Services are dynamic and open in certain periods

through the continuity of events. It is therefore essential to understand how customers experience a service. Blueprinting is the best way of representing these processes step by step, and is presented in the form of a matrix that provides visual representation of a complex system interaction. Here, different service contact points are mapped as viable and physical elements. The service blueprint map (shown in Figure 15) consists of five main elements: physical evidence, customer action, frontstage action, backstage interaction, and the support process. The map describes these elements and their interdependencies along the service journey, also helping to pointing out defects and overlaps. (Vianna et al., 2011, 87.)

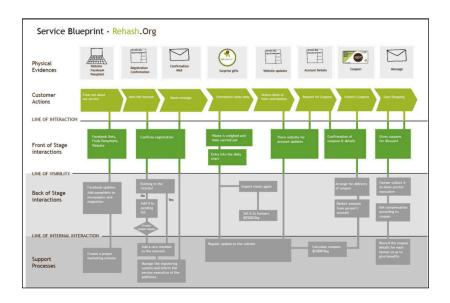


Figure 15: Shows the service blueprint of an online coupon service for an organic food service (Rehash.org 2012)

Figure 15 shows an area in grey shade that represents the two lines in a vertical axis, known as the line of visibility and line of interaction. Between these two lines is the point where the customer interacts with the service provider. The visibility line is the line that separates the activities seen by the customer and ones hidden from them. Above the line is the process through which a customer can viewed, heard, and observed. The internal interaction line is the line that separates the activity that has an immediate relation to the customer requirement (Seyring et al. 2009, 5).

Blueprints comes into use when there is a need to observe the service from different angles and make improvement in certain areas. It can be used in different phases of service development—if used early in a project, it acts as a valuable tool for analyzing an existing service. This also helps to get a clear picture of different roles and their interdependencies. Future translations of blueprints can be made into implementation plans. As plans they also serve to communicate the service processes and employees' expectations. (Bitner et al. 2008,

71.)

Having a blueprint clearly shows the actions of the customers invoved in using a new service concept (i.e. the customer engagement as a part of the service delivery process). (Bitner et al. 2008, 74.) A blueprint will capture the entire customer service experience from their point of view.

The target in this phase is to

- create relevant, intelligent and innovative ideas and solutions;
- develop solutions, and create concepts; and
- find environments, inspiration, and ways to work with clients, touchpoints, interfaces, and experiences.

Therefore, using a Business Model Canvas gives the opportunity of developing and creating new service concepts in sections and helps in analyzing the concept in accurately and directly. Developing a service blueprint will help to create the service environment and identify key touchpoints, as well as giving an idea about the service interface and how the user experiences the service.

4.4 Delivery phase

This is the fourth and final stage of service design process. This is the phase where we implement and deliver the final results of the service design process. Stickdorn (2010,134) mentions that when a new service is implemented, it always includes a change process. Implementing this change depends on the fact that everyone involved is assured of the service concept. Moritz (2005) refers to this phase of service design as a phase where things are made to happen, and that there should always be space for improvement. In addition, this is the stage in which prototypes are produced and business plans are written and delivered.

Although at this stage a service is taken to the market, it is by no means considered the end of the service design process—the service is introduced to an environment that always changes, so it is essential to constantly test, improve, and maintain it. (Moritz, 2005, 145.) It is crucial within this phase to ensure that feedback collected from the customers are in taken into account. In the beginning of this stage, certain things should be known: visions and missions should be stated clearly, a key service list should be finalized, a key stakeholder list should be decided, the target market should be identified, and key attributes should be specificied. The combination of this aforementioned checklist as referred to as creative identification. (Kuosa 2012, 77-78.)

There are three main objectives in this phase: launching the service, collecting customer feedback, and sharing lessons from the development process with the core team. (Design Council UK.) This is a stage when service performance is checked and validated. Methods like scenario testing, service prototyping, and post-release testing are done to evaluate the service, either in the market or within a group of people.

The design method used for this thesis during the delivery phase was to introduce the service concept and test the service concept as a pilot Facebook business page. Collected feedback from customers was in the form of Facebook comments and semi-structured interviews with customers. The reason for the early introduction of the Facebook page was the MVP Launch and post-release testing.

The service design process used for the development of the new service concept is shown in-Figure 16.

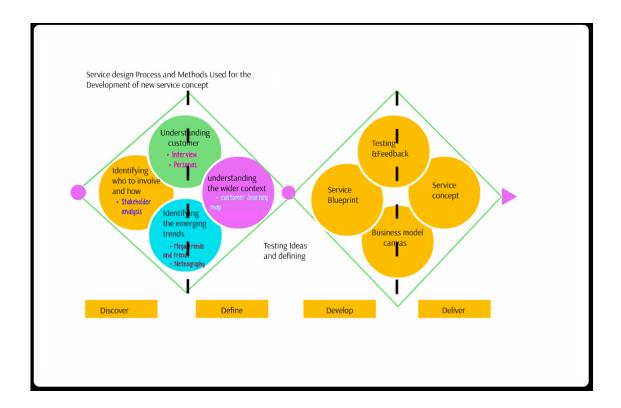


Figure 16: Service design process and methods used for the development of new concept (Image created by Titikshya Mohanty)

5 Results from different phases of service design

5.1 Results from the discovery phase

Online survey results

The survey for this thesis was carried out using an online tool surveycrest.com, which is a website designed especially for conducting online surveys. The survey was opened for four weeks, and the focus group was comprised of parents from my daughter's daycare, local Facebook communities, and groups and friends living within the Helsinki/Espoo area. The survey was done in English, as the target audience was the English-speaking community in Finland, Indians living in Finland, and expats from other countries. The audiences were approached via email and Facebook messages asking them to fill out the survey questions (found in Appendix 1). In total, 46 people filled out the survey, after which the survey was categorized for further analysis. The categorizations were broken down into nationalities: Finns, Indians living in the Espoo Helsinki area, and expat parents from other countries (such as the UK, USA, Brazil, and New Zealand). The survey was first given to a pilot candidate who had done this kind of survey before. The pilot candidate was able to point out a few mistakes, which were rectified before being put forward to the real audience. After the survey was closed, analysis of the collected information was done by using an affinity diagram as shown in Figure 17. This is a tool by which we can gather and organize our insights (Moritz, 2005, 202). This helped us to organize our information collected from the survey and made each group's preferences clear.

Three important questions from the survey were selected to be analyzed. The result from the analysis is in the form of a table (seen in Table 3 below).

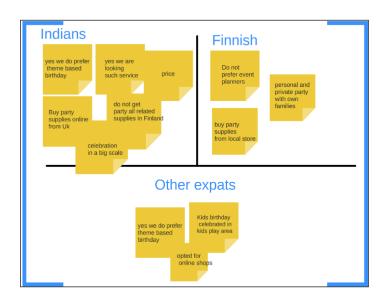


Figure 17: Survey result analysis

Three important questions from the survey were selected to be analyzed. The result from the analysis is in the form of a table (seen in Table 3 below).

	Indians	Finnish	Other expats	ALL respondents
	(N= 22)	(N=18)	(N=6)	(N=46)
	%	%	%	%
Personal (celebrating at	14	67	17	35
home)				
Renting a private venue	36	-	49	24
In a party hall or a restau-	32	6	17	19
rant				
I don't celebrate	-	-	-	-
HopLop or other play area	13	27	17	19
None of the above	5	-		3

Table 3: The results from the first survey question "How do you prefer celebrating your kids' birthdays?"

Tables 3 shows the analysis of data from the most important question of the survey: "How did people want to celebrate their kid's birthday?" The aim was to know if people were inter-

ested in having themed events, as well as if they were willing to rent private places for celebrations. It demonstrates that people in the Indian community were more interested in renting event places when compared to Finns.

	Indians (N=	Finnish	Other expats	ALL respondents
	22)	(N=18)	(N=6)	(N=46)
	%	%	%	%
Prefer theme-	68	50	67	61
based supplies				
Non-theme based	32	50	33	39
supplies				

Table 4: Survey participants' preferences of theme-based and non-theme-based birthday decorations

Table 4 shows the total results of whether or not people preferred theme-based birthday decorations. It was found that all the three groups were interested in having theme-based supplies. Therefore, there is a demand for theme-based supplies.

	Indians	Finnish	Other expats	ALL respondents
	(N= 22)	(N=18)	(N=6)	(N=46)
	%	%	%	%
Online	36	17	33	28
Local shop	23	61	33	39
3rd party service	41	17	33	31
I don't celebrate	-	-	-	
None of the above	-	1	-	2
No answer		4		

Table 5: Participants' answers to the survey question "How do you prefer buying party supplies?"

The idea behind the third survey question was to find out where people look for birthday styling-related supplies and if they would prefer a 3rd party for styling their event (see Table 5). The analysis of this showed that most of the Indians (41%) said they would prefer someone do the arrangements for them. In comparison, 61% of Finnish people said they would do the arrangement on their own and prefer buying supplies from the local shops, and 33% of expats

belonging to other nationalities said they would also prefer someone to arrange the supplies for them.

Figure 18 shows the overall survey results in percentage. Out of the 46 respondents, 47% (22) were Indians, 40% (18) were Finnish, and 13% (6) were expats. 68% of Indians responded that they preferred themed celebrations, and they wanted to know more about the service we provided. In contrast, 67% of Finnish respondents said they would like to do their own decoration, preferring to buy their party supplies from local shops and celebrating their children's birthday without using any such service. Thirty-five percent of expats (2) said that they would like to know more about the service and would use such a service. Therefore, it was clear from the survey results that target the audience of pilot customers were Indian and other non-Finnish nationalities. The survey contained the question "Would you like to have such a service?" Most of the Indians and expats living in Finland mentioned that they would like to know more about a service of this nature, and if given a chance they would hire someone to organize their personal events (i.e. children's birthdays, graduation ceremony, baby showers, and so on).

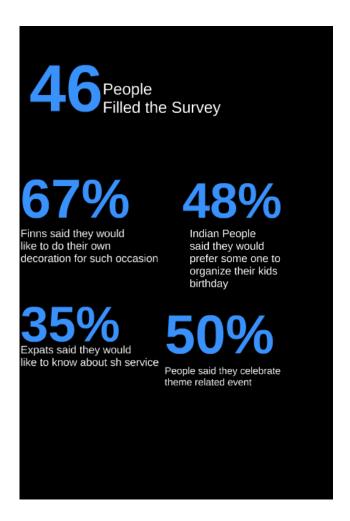


Figure 18: survey results in percentage (created by Titikshya Mohanty)

Shadowing

To supplement the ethnography process and to gain a service perspective for this research, the shadowing method was carried out by participatory observation. A customer approached us on Facebook who had little information about the new service concept; she was chosen as a pilot customer for shadowing. She was an Indian living in Espoo, Finland and was planning to celebrate her daughter's third birthday with a princess-themed party. Her plans were to buy the theme-based supplies from the local shop, booking a venue, arranging for a themed cake, organize goody bags for the guests, and purchase additional supplies to support the party. She agreed to be shadowed by our team while she was doing the arrangements. As an observer, the target was to get involved in activities such as her shopping, visiting rental venues, visiting cake vendors, as well as many other activities she would have to perform over those two

days in order to organize the party. Figure 19 shows how shodowing customer in a party supply store.



Figure 19: Shadowing the customer

The aim of this shadowing method was to gain an insight into what a person living in the Helsinki-Espoo area does when they organize a birthday party for their child. The target was to capture the customer's experiences as she plans her daughter's birthday party, observing where they go to buy supplies for the event styling, how they arrange a venue and other essentials, how much time they spend doing so, and what difficulties they face. In this case, the customer was shadowed for 8 hours in a two-day span of time. I accompanied the user during these days and observed how she organized the event. Figure 20 shows the details of what we did in these two days.

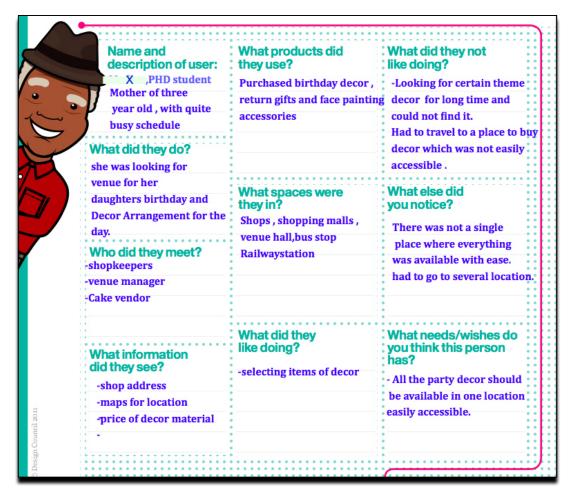


Figure 20: Shadowing results filled according to template (template taken from Design Council, 2011)

The results of the shadowing process (Figure 20), filled out on a template. This template used to record our findings was taken from the design council.

This template contained the following questions and results:

- Name and description of the use?
 Name x, she was a PhD student, mother of a three-year-old. With a hectic schedule in her day-to-day work.
- What did they do?
 She was searching for a venue for the event and doing arrangement like buying the event styling supplies, return gifts (goody bags), etc.
- Who did they meet?Shopkeepers from several shops, venue manager, and cake vendors.
- What information did they see?
 Shop address, maps for addresses, and compared prices online for event styling material.

- What products did they use?
 Purchased event styling supplies, return gifts, and face painting materials.
- What space were they in?
 Shops, shopping mall, venue halls, bust stops, and railway station.
- What did they like doing?Selecting theme-based items for the event styling.
- 8. What did they not like doing? Looking for these theme-based supplies for a long period of time, and not being able to find relevant supplies. Had to travel to different location that was not easily accessible to purchase supplies.
- What else did you notice?There was not a single location in which she could find all the event-related supplies.
- 10. What needs or wishes do you think this person has?
 All the event supplies should be available in a single location, in a different range of themes and colors.

There were two crucial lessons learned from this shadowing process: namely that people spend a lot of time finding supplies, and that arranging the decor is often stressful. This new service concept would be designed as to offer them end-to-end service, aiming to ease customers' lives by reducing their stress and saving valuable time. A busy working mother like the pilot customer would naturally find it difficult to spend so much time purchasing various items, organizing so many details, and travelling so much in the process. It would be one of the aims of the service to provide stress-free parties, so that parents can finally relax and enjoy the special day with their kids.

Netnography results

Through netnography, public online forums were used to identify and understand the needs of customer groups and decorating supplies in the market. This research technique enabled us to gather customer insight. With this method, it is easy to get results and study the online market situation. Here, the target for the research was to find out three things: how people celebrate birthdays in Finland, where they look for party supplies and what the available resources in this area are, and where they find renting spaces and event artists. The netnography research was conducted in three different focus areas: lifestyle bloggers in Finland, online shops, and rental venues/artists.

Lifestyle Bloggers:

Lifestyle bloggers document their experiences online regarding their current lifestyle. The blogs usually have a visual representation of their content, selecting topics and images that support their content in the blog. They represent events in the form of a personal journal and can cover topics like how people live, home decor, hobbies, and many other aspects of life.

Bloglovin' is a website where most of the lifestyle bloggers of Finland can be found. This was a very useful site for research. When searched for the word- 'synttärit' ('birthday'), it gives results of blogposts from all of its available bloggers. Figure 21 shows the search result of the website.

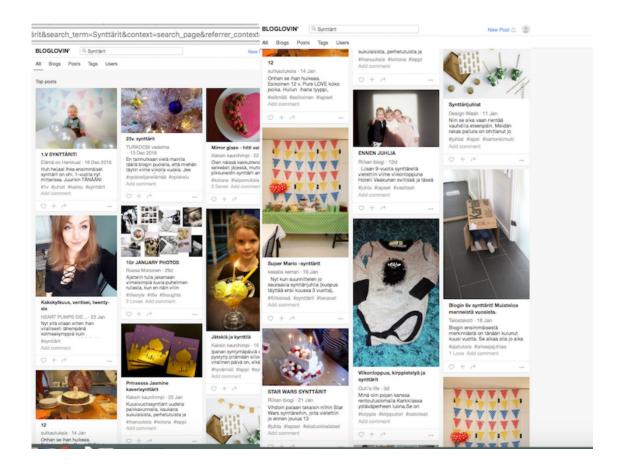


Figure 21: Search result from the web page Bloglovein

The netnography results show that most of them have celebrated birthday parties at home with themes like Lego, AngryBirds, Mario Brothers, etc. In a blog entitled *designwash*, the blogger Tiina Ilmavirta mentions that she celebrated her child's birthday with a color theme. She explains how she did the arrangements in a small amount of time:

"Juhlimme eilen Nukan ensimmäisiä syntymäpäiviä. Synttäreiden teema oli mustavalkokulta, joka sitten näkyi kutsusta lähtien siellä täällä. Järjestelyitä tuli tehtyä pikku hiljaa hyvissä ajoin..."

Translate

"We celebrated the Nuka's first birthday yesterday. The birthday party theme was black and white gold, which is then reflected from the invitation here and there. Arrangements was done little by little good time."

Netnography concerning lifestyle bloggers was done to study and understand how people in Finland celebrate their children's birthdays, as well as other examples of special occasions. It was observed that people generally preferred to have minimal decoration for their parties. They also provided links in their blogs as to where they looked for and purchased supplies. These were bloggers who mentioned they had been celebrating their party as a private event with little decoration. However, there were a few bloggers who preferred celebrating their children's birthdays with a different theme. A Pinterest board collected images and links to these blog pages (found in Appendix 3).

For this research, the target was to find online shops that provide party supplies in Finland. When netnography research for online shops was done, I found that there were Finnish online shops that provided themed supplies, although the results were only visible when searched in Finnish language. If these same terms were searched in English, the results were sparse and inaccurate. Figure 22 shows the Google search results, demonstrating this mentioned point, thus proving that this would be a difficult situation for customers who are not able to understand Finnish.

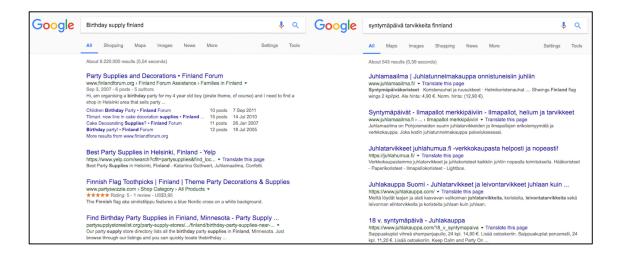


Figure 22: Google search result for online shops in Finland

Rental Venues & Artists:

Online research was done to locate party artists such as magicians, party entertainers, face-painting artists, and clowns. Additional research was done in order to find rental venues where one can organize their children's birthday party (Appendix 3). Several venues came up, but with restrictions: Firstly, those renting the venue are not permitted to bring their own theme-based decoration and supplies. Secondly, these venues offer food and cakes, but with limited menu options (problematic for vegetarians or others with allergy or dietary restrictions). Thirdly, these rental venues' charges can be costly (around 12 to 13,5 euros per child). The research provided me with a list of party entertainers like magicians and face-paint artists, but these options were also expensive. For example, magicians' charges were around 90 euros per 30 minutes. In addition, most for the artists did not speak English, making it problematic for children who do not speak Finnish.

Megatrend and trend spotting

- Megatrend 1: An aging population. Twenty-two percent of the world population will be over 60 in 2050 (UN DESA, 2010). As the population ages, there is significantly more to celebrate, and the company can provide the forum for the celebration. People will tend to celebrate this day and organize this day with events to chronicle this special occasion.
- Megatrend 2: Population growth. The more the growth of the population, the greater the scope of new evolving trends.
- Megatrend 3: Urbanization. As per prediction, almost two-thirds of the population of the world will be residing the cities by 2030 (UN DESA, 2010). The trend of celebrating occasions with themes and theme-related decor are seen more frequently in urban areas of globe than in rural areas. The megatrend of populations moving to cities will help the company to earn profit.
- Megatrend 4: Development of technology. This is the most important megatrend for the company, since almost all the work coordination is done using the internet in order to find clients, deal with clients, and advertise ideas to the clients.
- Megatrend 5: Internationalization. As the world is growing and societies become more
 multicultural, it also becomes easier to internationalize. It is therefore easy to locate
 international stores in even smaller cities. This works well in the case of the example
 company when purchasing supplies.

In the case of this thesis, the new service concept should focus on the latest market trends in Finland. In trend-spotting, the target of this research would be to figure out the following two questions:

- 1. Which themes are currently popular with children?
- 2. How do we communicate with a customer after receiving a contract?

Trend-spotting question #1: spotting the famous theme of the year and reuse these trends in decor.

There are a lot of emerging trends in the event industry that cannot sustain themselves without changing accordingly with new trends. The company is aware of the trends of their industry and tries to stay abreast with the newest trends. For instance, it is an event-organizing company specialized in theme decor supplies. The current trend is that customers are more interested in organizing theme-based events and managing every part of their event in certain themes such as color coordination. Therefore, the company invests money on decor that it considers will have a longer-lasting demand in the market. During current trend-spotting research, it was observed that Disney's *Frozen* theme is very famous among kids of ages 4 to 7 years.

For finding the latest trends for birthday themes, the website catchmyparty was referred to. It is a USA-based party idea website where people share their party photos, and is one of the largest party idea websites. When searching for Frozen-themed parties, the result (Figure 23) was 800 posts (versus 154 posts of Snow White parties, or 37 posts from Minnie Mouse parties). No other Disney movie has impacted event industries to this extent within current memory. It would be wise for the company to invest money in such themes, which can be reused several times in a year and bring profit on investments.

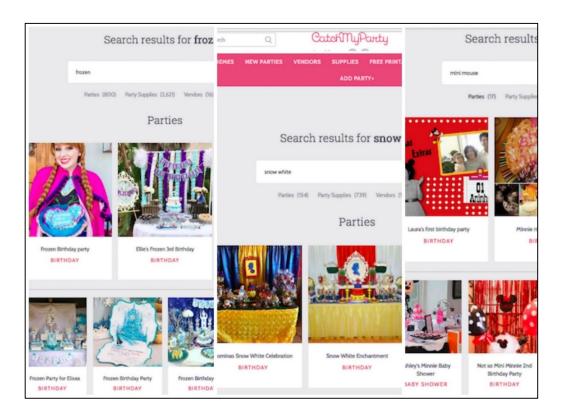


Figure 23: Search result from the catchmyparty

Trend-spotting #2: communicating with customers after receiving a contract

This is one of the biggest challenges for the company. Once it receives the contract there should be fast communication with the customer. This involves sharing styling ideas, color schemes, and designing the overall setup with a focus on latest social media trends. Spotting new trends in communicating customers and being in touch with them during the process by social collaboration platforms like Facebook Messenger and WhatsApp are both important actions. With these platforms, it is easy to send them ideas, designs, and findings. It is always good to give the customer easier ways to communicate; live chat and instant messaging are the best in this case. For presenting the overall idea, we used *Prezi*, and remote presentations are done to save time. Flickr is used for showing them our previous work in detail. YouTube videos were made and shared as needed. Google Drive was used to share our ideas when customers who rent our supplies (see Appendix 7).

Semi-structured interview results

In this thesis, the author selected semi-structured interview methods. This helped to achieve a deeper understanding of the customer's needs. A face-to-face interview method was conducted with nine interviewees. Interview times were each around one hour. The recording was done using a mobile phone and later transcribed. A notebook was used for jotting down important feedback during the interview. The preparation for the interview involved making a set of guidelines for setting up the interview question pattern. The audio recordings' data was stored and then later transcribed. The recordings were heard again and again, and noted word by word for further use. After all this, the conclusion was gathered from the interviews. As the interview was precategorized, it was easy to draw conclusions from each set of interviews. The interviewees were categorized into 4 different sets (as shown in Figure 24):

- customers who were new to the service;
- customers who used the service;
- customers who approached but did not use the service; and
- customers who used the service once but did not use it repeatedly.



Figure 24: Interview summary (image created by Titikshya Mohanty)

The first set of interviews were conducted in the early phase. The interview question set (Appendix 4) was targeted to potential customers who knew nothing about the service. The interviewee was given a brief introduction regarding the ideas behind the service and what we offer. The main aim of the first set of the interviews was to understand the lifestyle of different people. As a foreigner in Finland, I was not familiar with the lifestyle of people in the country. Therefore, it was important to study this factor.

Key questions raised during the interview:

- What kind of services would they prefer for personal event celebration?
- Did they or did they not wish to have an end-to-end service provider?
- How much money would they invest on such occasions?

The findings from this set were that, generally speaking, customers were keen on using this new service and were ready to spend money for such services. The customers were eager to celebrate their children's birthday, but due to busy schedules they had no time to do detailed arrangements. Some mentioned they had been looking for such service provider that could ease their work. For example, the designed interview had one question addressing this particular topic (found in Appendix 4, question no. 12). The direct quote from the interview is as follows:

"Q: Do you want a service provider who would be providing this kind of end to end service?

A: Yes, I was looking for someone would do such arrangement for my daughter's first birthday party. And I would love to use this kind of end-to-end service."

The second set of interviews were done later in the development phase with customers who had piloted the service. It was important to find out how people discovered us (such as through our social media presence) and whether it had made any difference when we posted something on our Facebook page. As the new service was a startup, there was not enough investment for service marketing. Most of the customers found the service from word-of-mouth referrals or social media. Another aim in this set of interviews was to find out and better understand their customer journey, their emotion during this journey, and whether our service was clear to them upon first explanation.

Key questions raised during the interview:

- How did they discover the service?
- How did former customers help us to promote our service?
- Were they satisfied at the end of the journey? Did we reach to their expectation?

This set of the interview findings were that the customer generally found us through social media, though some were recommended by friends. Either our social media posts showed up in their pages and they discovered us, or people who have used our service recommended us. The questions were targeted to find overall experiences, and the feedback from the customer was that sometimes they were confused during the process. However, on the day of the event they were satisfied with the service provided. Another finding that came up: a few customers said that they had tried on their own to do certain arrangements for their events like personalizing their kids picture and printing customized party supply, but that these services were time-consuming and very expensive in Finland.

For example, the interview had a question addressing this issue (found in Appendix 4, question nos. 8 & 12). Here are direct quotes from two of the interviews:

"Q: What was your first feeing when you entered the venue space on the day of the event? A: While the discussion of the event styling. I got confused in midway. I was not sure if you people would be able to reproduce what you promised. But the day when I entered the event space, I was quite impressed."

"Q: Did you feel any difference in your previous celebration and this?

A: The previous year I tried to personalize the theme by printing photographs and theme-related supply at home. But it was time consuming, not so professional, and expensive."

The third set of interviews were aimed at customers who approached us, but did not use our service. In the process, there were many customers who came to us, interacted with us for planning their event, but then never returned to use our service.

Key questions raised during these interviews:

- Why did you ultimately not use the service?
- What in our service design did not fit your expectation?

The findings from this set of interviews were that people did not like our packages or price structure. They did not want to spend so much money in organizing their event. After this feedback, we then redesigned our service module—some changes were made according to customer's demand. These interviews contained one questions focusing on these problems (found in Appendix 4, question no. 6):

"Q: Which part of the service did not match your requirement?

A: The price for the page was out of my budget. I was not willing for spend so much on event styling. I would have gone ahead with your service if you would come up with other offers like packages with less price."

The fourth set of interviews were aimed at customers who used our service once but did not come back to us again. The main aim in this set of interviews was to find out what issues there may have been initially that prevented customers from wanting to use our service repeatedly.

Key questions raised during these interviews:

- How did they celebrate their children's birthday this year?
- Why did they not choose us for the second time when planning to celebrate their child's birthday?

The findings from this set of interviews were that people tend to choose a themes birthday on their child's first, fifth, or tenth birthday or in other words the milestone birthdays. Budgeting was also a factor in why they did not choose us. For example, a question addressing this topic (found in Appendix 4, question no. 15), revealed information like the quote below:

"Q: Why did not you choose us for the second time while planning to celebrate your kid's birthday?

A: I did not want to have a larger celebration every year. It was his first birthday so I did a theme-based event with bigger budget. Maybe I will do such celebration when he is five or ten years old.

Stakeholder analysis or stakeholder maps

Stakeholder maps give a holistic view of different stakeholders connected to the service. For the thesis, stakeholder mapping was done to identify the different people involved in and affected by the new service. This was a day-long session involving the copartners of the company. The entire process was recorded and documented in a video (a video made during mapping session can be found in Appendix 7). Two different maps were made during this process. Figure 25 shows the first stakeholder map, which was a trial map. Figure 26 shows a final version of the map.

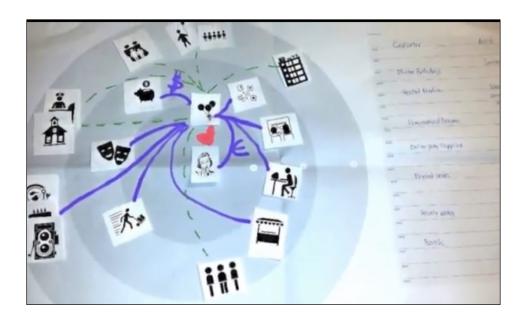


Figure 25: First trial stakeholder analysis done by the team

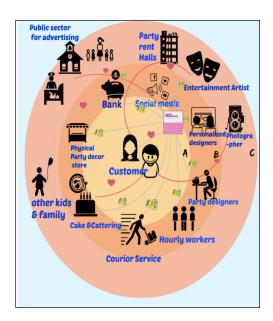


Figure 26: Final version of the stakeholder map for the new service concept (image created by Titikshya Mohanty)

The stakeholder mapping involved four different steps as explained below.

Identification:

In this step, a brainstorming session was conducted to identify the list of key stakeholders. The key stakeholders are customers, social media, online party suppliers, personalized party suppliers, courier services, cake and catering services, banks, and entertainment artists for hire. Other indirectly-involved stakeholders are venue-renting companies, cleaning service providers, photographers, daycares, etc.

Analyzing:

In this step, analysis of the individual roles were carried out. The team worked together to analyze different stakeholders and their positions. As seen in Figure 26, the customer is in the core group and other stakeholders (such as suppliers, social media, and designers) are in the direct stakeholder group.

Mapping:

This step was carried out to find the relationship between these stakeholders. This relationship is marked in Figure 26 either by money or relationship value between the customers and stakeholders.

Prioritizing:

The stakeholders were ranked as per their importance and placed on the map. Since all stakeholders are not of the same priority and importance, it is necessary to group or rank them at the end of the process. In this case, the most important stakeholders are in the core group, i.e. the direct stakeholders. However, some stakeholders are in the wider network and are linked to the service indirectly—photographers, entertainment artists, and party venues.

5.2 Results From the defining phase

Customer journey for the new service development

The customer journey of a customer who tries to use our service is shown in Figure 27. This was done with a pilot customer who approached us on Facebook and wanted to use our service to organize a birthday party for her daughter. This journey is divided into three stages: pre-, during, and post-execution.

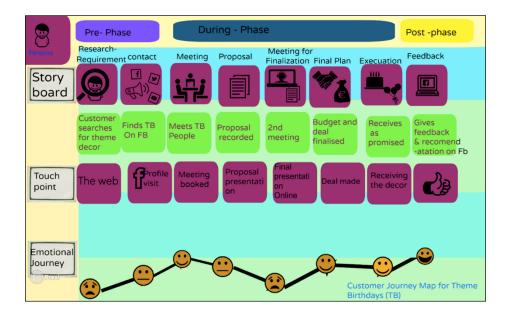


Figure 27: Customer journey map created by celebrate life team

Pre-execution phase:

Once the customer journey starts, the person wanted to arrange a birthday party for her four-year-old daughter. She looked for different themes online that suited her daughter's age and choice. Then, after analysis and discussion with her daughter, she decided on a princess theme. As she was very busy and found it difficult to arrange things for the party, she looked for party organizers on Facebook.

During execution phase:

She found *Celebrate Life* on Facebook, liked the photos and ideas, and decided to contact us. Then we set up a face-to-face meeting to discuss details and gather requirements. The customer was in touch through WhatsApp and Facebook chat. After discussion, the customer received a detail proposal with cost estimates. She checked over proposal and thought that there were things that ought to be changed, so she requested a second meeting to finalize the plan. During the second meeting, a final plan was approved and the budget was fixed. A week later, she had her third call with us via Skype. She was presented details such as the final cake picture, menu, catering service, gifts for the daughter's party guests, pictures of the venue, and stage decor ideas. It was then that she became more confident and felt happy that things were being properly planned. On the actual party day when the customer and her family entered, the venue was decorated and things like catering services, games, cleaners were arranged.

Post-execution phase:

The whole family had time to enjoy the birthday and provided good feedback. She

recommended our services to other friends via social media. Figure 28 shows a screenshot from the Facebook page.



Figure 28: Customer feedback from Facebook page

The customer journey process was documented as a video, and the video can be found in Appendix 9. Feedback from the customer after the event included improvement ideas regarding the first meeting, since she got confused since she could not visualize what we could provide her, as something like a catalogue would be able to provide. She recommended that we have more sample pictures in the form of a service catalogue or Facebook album. This customer journey map also gave a visualization on the customer's service experience and emotions.

Personas for the thesis

It is important to create personas to understand customer needs, their ways of thinking, and their motivation (Stickdorn, 2012, 178). It is also a good way to structure research data so it does not dominate our thoughts over collected information. Figure 29 shows the three different personas' names, ages, key attributes, and a quote that they believe in. This creation of personas helped to sharpen the ideation and creation of customer profile. Personas are a tool used to set up research-based examples of certain people or things that represent a particular type of customer (Moritz 2005, 62).

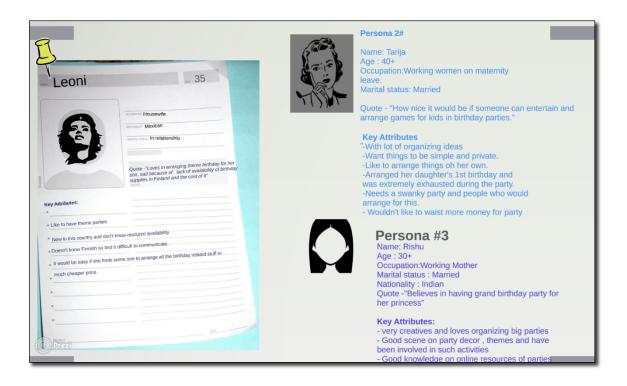


Figure 29: Personas created for the new service concept

Based on the research, three personas were selected for thesis. They are all real cases aside from pseudonyms used in place of their real name. For the new service concept, it was important to carry out research in order to understand what exactly the customers' desires and expectations were from the service provided. These personas were built after one-to-one interviews with several target audiences. There were many personas identified during the research, but the above three were separated based on their needs and used as primary personas for this thesis. The research identified personas based on their nationalities (like Indian, Finnish, and expats from other countries outside Finland) and needs (such as what they are looking for when celebrating their personal events).

Persona 1 (Leonie) would like to arrange a themed birthday for her son, but since she is new in Finland she feels confused as to where to find all the party styling supplies. She is a 35-year-old woman who has recently moved to Finland from Mexico City. She mentions that if someone arranges this whole event within her budget, she would more than likely agree to hire someone.

Persona 2 (Tarja) has lots of time to arrange party on her own and knows where to find the party styling supplies. She is 40 years old, from Finland, and on maternity leave. She wants the event to be simple and can do all the needed arrangements on her own. However, she

needs a helping hand during the event execution to handle arrangements, games, and entertainment.

Persona 3 (Rishu) would like if someone could arrange her daughter's birthday party according to her requirements and within her designated budget. Rishu is 30 years old, from India, and is an IT professional. She who would like to arrange big gathering for daughter's birthday but has no time to do all arrangements, hence wanting to use our service.

Three different personas were identified with different needs. Sketching the personas helped in condensing our research. The focus was narrowed down to a specific customer group. Their personalities were identified by looking for the characteristics that are specific and relevant to the service and its users. By identifying personas, it was easy to organize elements into groups that represents the users.

Service poster for the case company

Celebrate Life got a pilot customer who used the service for the first time. During this event, we had a chance to advertise our service concept to the people who were present at the party. For this, we created a poster with the team that depicted a very busy mother who is worried about organizing a party. We chose to give a tagline to the poster that would describe our service. We decided to present our service poster (version no. 1) to people in the party and collect their feedback. It was a A4-sized printed poster. The poster was placed on a table near the guests' gift bags so that when the parents were leaving they would be able to see the poster (as seen in Figure 30).



Figure 30: Image showing how the service poster was displayed during a pilot event (indicated by orange arrow)

There were several versions of the poster created. We had the opportunity to display these posters to certain groups of people and collect feedback. The first version was available to customers at the premiere event. Feedback was taken by face-to-face formal chat with the party attendees.

The feedback was that the poster was a bit confusing. The women in the Figure 31 looks quite stressed, and no one likes to see themselves in this way. They proposed to have a smart-looking mother in the poster. The speech bubbles were confusing because too many words were presented. We then tried to improve the poster based on the given feedback. The second version of the poster was used at the next event, and people came up with more feedback. For example, someone pointed out that the 'Like us on Facebook' link was missing and that the contact fonts needed to be bigger. The third version of the poster was then created (see Appendix 6).



Figure 31: Poster versions 1 and 2

5.3 Results from the development phase

Business model canvas

The Business Model Canvas is a tool used to describe, analyze, and design business models. There are a variety of Business Model Canvas tools available. For the new service development, we used the Business Model Canvas proposed by by Osterwalder and Pigneur. This canvas provides a high-level blueprint for our concept. Due to many different versions of the Business Model Canvas, it is easy to compare one's situation. As mentioned in the handbook by Osterwalder and Pigneur, a business concept that everybody can understand is needed. For this it is divided into several blocks. In Figure 32, the blocks are filled in accordance to the new service concept. This business model was created with the team of *Celebrate Life*. It was done collaboratively using the template provided by businessmodelgeneration.com. We used sticky notes to fill in the blocks. Filling out all the information could help us to understand who the key customers should be, from where they are generating the most revenue, different cost structures, and where an organization should focus in order to generate more revenue (Stickdorn 2013, 212).

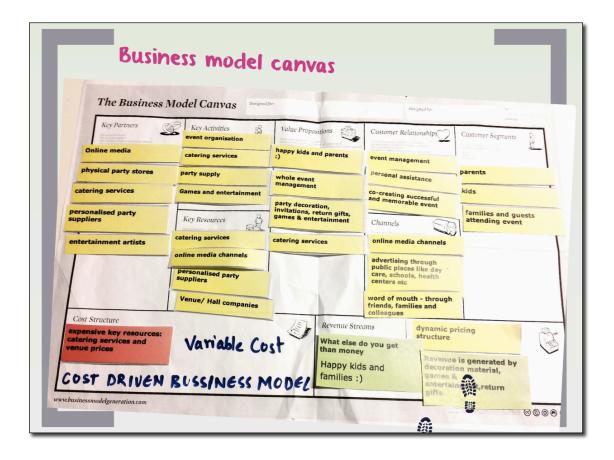


Figure 32: Shows the Business Model Canvas for the new service concept

We tried to generate a cost-driven business model, which is defined as a model that concentrates on minimizing cost and aims at producing and sustaining the cost structure. (Osterwalder & Pigneur 2010, 41).

The blocks filled in the above Figure 32 are explained as follows:

- 1. *Key partners*: Online social media platform like Facebook, Twitter, Pinterest and Google; physical stores, catering services, personalized party suppliers and entertainment artists such as face-painting artists, clowns, and performers.
- 2. *Key activities*: Event organizing, catering services, event supplies; game and entertainment providers; online media channels; personalized party suppliers, venue renting companies.
- 3. *Key resources*: Mobilizing resources such as catering services, online media channels, personalized party suppliers, venues and their offered services are all required to create value proposition. Utilizing and developing partner resources.
- 4. *Value proposition*: Happy children and parents, event styling and management, party styling, goody bags for guests, games, entertainment, and overall service experience.
- 5. *Customers segments*: Who we serve—customers like parents, kids, and families attending the events. Co-creation the value with the customer: taking proper feedback on time and

- changing accordingly where required. Interaction and co-production: asking the customer to refer the service to friends and family.
- 6. Cost structure: Mostly variable cost structure dependent on key resources like catering services and venue prices. With variable cost structure, the cost varies proportionally with the size of services delivered. In our case, the event management business has a variable cost structure. (Osterwalder & Pigneur 2010, 41.) The most important and expensive key resource are the personalized party suppliers. Personalizing the events was a unique feature, and most of the cost structure depended how much we spent on them.
- 7. Revenue stream: A dynamic pricing structure where prices change based on the situation of the market (supply and demand) (Osterwalder & Pigneur 2010, 33). In this case, it would be collected by the overall event expenditure, renting supplies, profits from games and artists, and goody bags for the guests.
- 8. *Channels*: Channels like online media, advertising channels like Facebook page, public platforms like kindergarten and schools; word of mouth advertising through friends, family, and colleagues.
- 9. *Customer relationship*: Through event management, personal assistance, and co-creating successful events.

The exercise of creating business models is worthwhile. The complexities of analyzing the startup and focusing on improving the process or innovating the current way of doing things can be made clearer with the Business Model Canvas. Following up with this tool on a regular basis gives a clearer picture of the company strategy and objectives. The nine blocks in the canvas are clearly categorized and brought clarity to our aim and identifying our priorities.

Service blueprint for the new service concept

The service blueprint was created for the new service concept. Figure 32 shows the blueprint of the case company. A customer journey map is created for the service concept and explained in section 5.2.1. A customer journey map is a visual document that captures the customer experience alongside the touchpoints and shows what the customer is doing or thinking. Similarly, a blueprint is also a kind of visual document that captures the delivery process across the touchpoints. Therefore, this blueprint gave me an idea of the backstage processes, as well as providing us with information that is invisible to the customers.

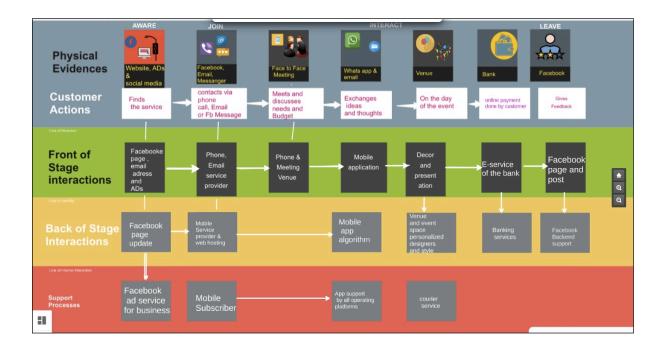


Figure 33: Service blueprint done for the new service concept

Typically, a service blueprint consists of four action phases: 'aware', 'join', 'interact', and 'leave'. The service process is shown accordingly in these four phases. This was chosen because it displays the customer-oriented, front-end elements and channels they involve. In this case, during the service blueprint creation it was found that the most important channel was Facebook and its ability as a platform to generate a business page. Through this, we are able to reach and interact with the customer via Facebook and other social media platform.

The *Celebrate Life* team built the service blueprint by using an online tool. The pilot_customer journey was studied during this process. As mentioned by Bitner et al. (2008) in their journal article, involving customers is a wise idea during this process. We started mapping down step by step occurrences during the service delivery process, and came across several points of disagreement and argument when deciding the backstage and frontstage involvement. However, one thing was always kept in mind: the customer was our main focus.

The service blueprinting for new services is outlined in Figure 34 as a customer-oriented process in four steps (Seyring et al. 2009,7).

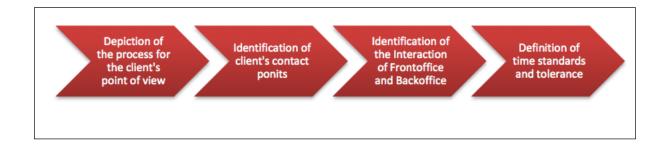


Figure 34: Service blueprinting process for new services (Seyring et al. 2009, 7)

The definition of the ideal customer interaction process is that the service concept is designed for young customers who are accessing the internet and social media. Therefore, the entire communication process could be done online with social media. With the first few customers we arranged for face-to-face meetings to discuss requirements and details. However, the service was later designed so that they could see the design details online and communicate with us using WhatsApp or Facebook messenger, thus saving everyone a lot of time.

Regarding the second section of Figure 34 ("Identification of the contact points between the customer and service provider"), most of the interaction for the service was directly between the customer and the service provider via email, social media messages, or phone.

The third section ("Identification of the interactions between the front office and back office") in our case would be very clear regarding front-office when proceeding with theme-related decor on the day of the event as per the customer's requirement. However, there would be many back-office tasks such contacting the designers for personalized decorations, ordering the theme-related supplies, and so on. These tasks are not visible to the customer.

With the fourth point ("Definition of time standards, tolerance") it is essential to determine how much time is required for the complete service delivery process. The thesis case is clear, and the customer is always informed in the beginning phase with estimated time and cost calculation.

5.4 How lean approach was applied for the service concept

As discussed in Chapter 3, the lean startup method was applied throughout various steps in creating and shaping this new service concept. The 'build, measure, and learn' approach was used, and the aim was to increase value for the customer.

Build phase:

Here a MVP was launched by the introduction of a landing page, i.e. the Facebook page of the new service concept. This was basically a prototype with enough sufficient core features to engage early adaptor's. This was introduced to a very small group.

Measure Phase:

Here the response to the MVP was measured, i.e. people started liking our page and recommending it to their friends. They sent us personal messages asking us to organize their events.

Learn phase:

Feedback was obtained from the early adaptors and reformative actions were carried out accordingly. For example, customers were asked what features they were looking for and how their service experience was. Using the feedback, the Facebook page features were changed. This formed the continuous feedback loop. Figure 35 shows how this approach was applied.

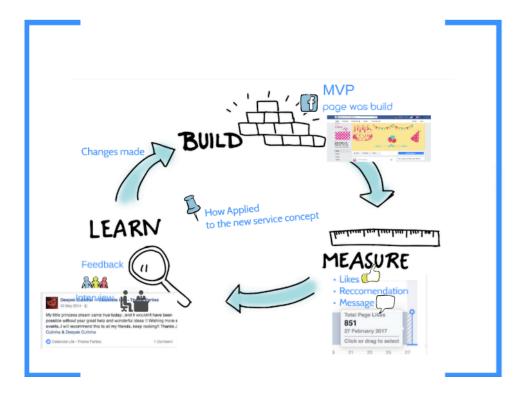


Figure 35: Showing how lean startup methodology was applied to the new service development (Image created by Titikshya Mohanty)

As per the lean startup methodology, talking to customers the fastest way to learn. The very first customer interview should be done to learn what we do not yet know (Maurya, 2012, 71). From the very first set of interviews (mentioned in section 5.1.2), a few early adopters were spotted out, and we tried to co-create the service with them. According to the lean startup

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approach, it is very important to find them and try to innovate a service with them. We also

found a pilot customer who was ready to try out our service concept.

The MVP (Minimum Viable Product) Launch

Based on the early interviews conducted, survey results and netnography results (section 5.1),

the MVP was designed as a Facebook business page free of cost. Here, the introduction of the

Facebook page was the MVP. Responses to the page were observed. The page was shared in

all the social groups on Facebook where people could spot the service, and once the Facebook

page started getting likes and responses other social media pages were created as supple-

ments (such as Instagram and Twitter). The service concept has its presence in many social

media platforms, the link to which can be found in Appendix 6.

Finding Early Adopters

Early adopters are people who have visibility, who discover a new product and are eager to

use it even though it might not yet be complete. Looking for the next trend can give them

great individual visibility, and they have an opinion that matters for the new service develop-

ment. In this case, our early adopters were spotted through an interview after the MVP was

launched. Once the Facebook page was launched, early adopters liked our page and turned up

with requests for styling their events. We were approached by them, and these early adopters

became pilot customers. Potential customers were spotted by networking and selected for in-

terviews before the service was launched. We set up meetings in person and did face-to-face

interviews. During these interviews, rather than selling we were listening to the customer in

an effort to figure out their needs were (accomplished by asking open-ended questions). Dur-

ing the first set of interviews we could spot people who were interested in trying our service.

These users were not influenced into beta testing our service. Rather, we learned what it

would take for them to pay to use such a service. Valuable information was gathered concern-

ing their difficulties in arranging an event on their own, and we were able to establish long-

term relationships with them.

This was the whole point of "getting out of the building" and trying out our service concept

the lean way. Above all, the lean startup principle helped us in building our service along

with the customers.

5.5 Results from the delivery phase: the final service concept

Final outcome: the service concept celebrate life

Based on gathered insight, a new service concept called Celebrate Life was developed. The aim was to create this service concept using service design methods and tools, as well as to co-create along with the customers. Lean startup up methodology was used in the process, and customers were involved in each step of the service development.

Celebrate Life can be described as a one-stop solution for busy parents looking to organize their dream parties and ease their life by simplifying tiring work.



Figure 36: Screenshot from the Facebook business page

The target was to launch the MVP, which was as a pilot Facebook page (FBCelebrateLife 2017). Figure 36 shows a screenshot from the business's Facebook page. This page (also known as the landing page) had 851 likes as of February 27, 2017, as shown in Figure 37. This pages shows all the activities going on within the service concept. Like customer enquiries on Facebook chat, the services delivered can be seen in the form of Facebook photos and videos shared, as well as customer feedback on the page. *Celebrate Life* has additional presence in other social media platforms such as Instagram, Twitter, Pinterest, and YouTube (links to each of these can be found in Appendix 7).

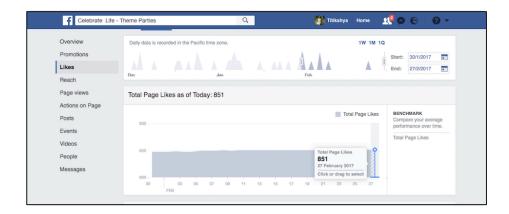


Figure 37: Showing number of likes on Facebook page (FBCelebrateLife 2017)

People contacted us using Facebook messenger, email, and mobile calls. Figure 38 shows a screenshot from Facebook messenger where people came to us with their questions and requests.

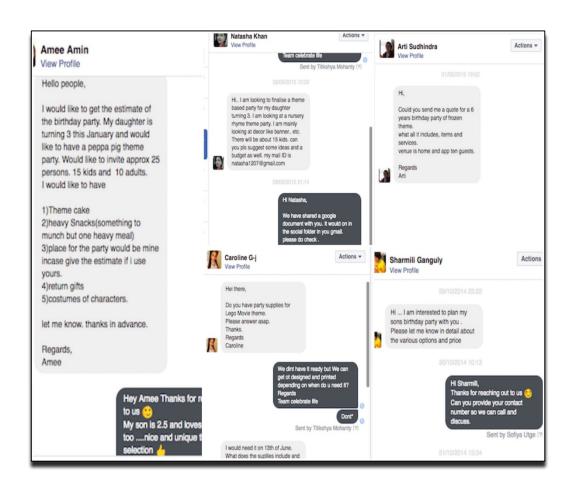


Figure 38: Customer messages in Facebook messenger



Figure 39: Customer feedback on Facebook page

Some requirements that came up repeatedly were later added as add-on-services. These two requirements ended up being our highest-selling services. The requirements included options like the rental of party supplies, and packages or services for smaller budgets. Not only was there a demand for birthday celebrations for young children, there were also requests for services for a 16th birthday party, a 30th birthday event styling, a graduation ceremony, and a christening ceremony. Celebrate Life has covered more than 20 event stylings in the last years. Customers from these pilot events were used for collecting empirical data through methods like interviews (see Chapter 5) after the event, providing us with insightful feedback. Improvements were made from collecting their feedback from real-time experience. This is a learning process for the new service design like the one mentioned in the 'build, measure, and learn' feedback loop in lean development (see Chapter 3). The first few pilot events were a learning process for all stakeholders involved, and helped the team to gather insight that was relevant to our customers. Event after event we could collect ideas concerning how to enhance the service experience. Figure 39 shows a screen shot of positive feedback.

Celebrate Life is an event styling service provider that specializes in personalized and themebased events. We use service design tools to understand the customer's needs and plan their events accordingly. Service design tools like customer journey mapping (Figure 27) are used to understand how the customer interacts with our service, what they liked, and what confused them.

The goal for excellent service development is to secure the relevant target groups and to discover what their requirement is. For this particular service development, the target group was determined from the understanding phase by doing online surveys and user interviews. It was very clear that the service concept was more liked by Indian parents living in Finland and expats from countries outside of Finland. The target group was also defined by age, gender, profession, and lifestyle, consisting mostly of people aged 28 to 35, female, and maintaining a mid-range lifestyle.

In this way, the service design tools used for the new service concept could come to life. Figure 40 provides justification as to why these tools were used.

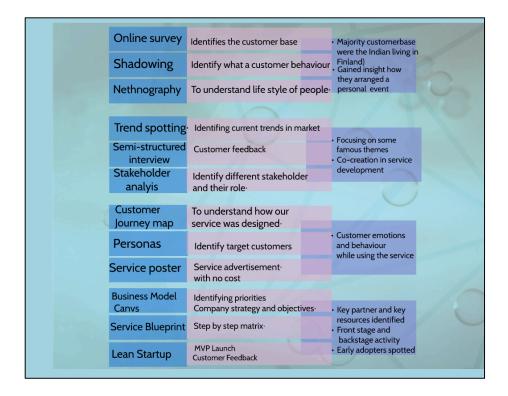


Figure 40: Service design tools used for the new service development (image created by Titikshya Mohanty)

6 Conclusion

This thesis was carried out with the objective to build a new service concept by using service design tools and methods. The outcome of the data collection and analysis gave insight pertaining to the service development, as well as how the service should be designed and operated. Using a semi-structured interview method, direct feedback was collected from pilot customers. The new service concept was designed keeping these pilot customers' issues in mind. Online survey and netnography research revealed aspects of the lifestyle of people in Finland, such as how they like to celebrate their social events. The research also helped to clarify the scope of the availability of this kind of service delivery. Online survey results concluded that our focus customer group would be in Indians living in Finland. Accordingly, we tailored our Facebook page in order to be more visible to them, such as sharing the page link in all Facebook communities and groups where Indian expats are more active.

Shadowing customers gave an insight as to how they organize their own event, as well as what difficulties they experience during the activities surrounding this. Shadowing a customer for a day was very helpful: observing how the customer manages time from their busy schedule, how they had to visit several places for arranging party supplies, and other various aspects aided us in identifying customer problems and how to simplify these processes and provide them a feasible solution for their problem. All the employees were introduced to service design methods and tools to understand the customers. The core team worked together to build the stakeholder map, business model canvas, and customer journey map.

As mentioned in the objective of the thesis, during the design of this new service concept the focus would be on customer co-creation and involvement. In the theory section (2.2), there was discussion concerning co-creation and openness of one's organization. In this case, feedback was collected after every pilot event and changes were implemented accordingly. Semi-structured interviews were conducted with customers who did not use the service; this kind of interview was conducted in order to understand why they chose not to employ these services. Feedback from these interviews was used to improve the service.

This thesis contributes academic ideas to startups in the events industry. It is a combination of service design tools and service-dominant logic (SDL). The thesis process could create a customer-centric service concept that is focused from the start on keeping the customer as the central point. Important stakeholders were identified very early and properly utilized in building the service concept. One can gain insight as to how the theory of the service concept was combined with service design tools in designing the new service concept. As mentioned in section 2.1, the first step in a service concept is to develop a complete package. The core service is the final target, with supporting and facilitating services added. In this case the final decor provided on the occasion would be the core service. Personalizing the decor would be the facilitating service, and additional services like finding the venue, hiring party artists,

or renting/reusing event styling supplies would be supportive services. Regarding co-creation, openness and transparency with customers is something very essential. In this case, customers were involved in new service developments, and continuous customer input was taken while designing this service concept.

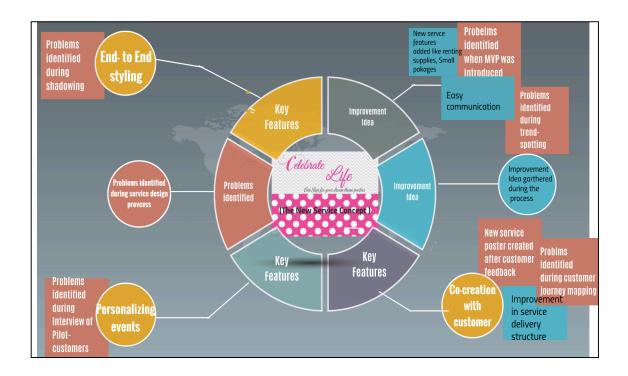


Figure 41: Showing the final summary of the service design tools used for the development of the service concept (image created by Titikshya Mohanty)

Figure 41 shows the how the new service concept was developed, as well as how key features were identified during the service design process. The three main key features of the new service concept were: personalizing event supplies, co-creating events along with the customer, and providing end-to-end styling. These three key features were identified during different phases of the service design process, though some new features were added later after the MVP was introduced. New ideas of communication with customers were discovered, such as utilizing images to present design details and supplies to customers (as shown in Appendix 8).

In general, the conclusion is that each time we organized an event our customers were satisfied and gave us genuine feedback. As explained in section 2.1, the service logic perspective states that service should be designed in such a way that customers find new ways to implement the service on their own. For example, a customer came up with the idea of re-using our supplies for rent, thus creating the key selling idea of *Celebrate Life*. We agreed with her and began this valuable addition to our service by renting her our supplies. This was also a

key in earning maximum profit. Another customer came up with the idea of hosting smaller events (in his case, arranging a surprise birthday party for his wife) with a small budget in a smaller space. Some asked for personalized theme supplies. Thus, the core innovation is finding flexible ways of solving customers' problems while working together. Initially the service was designed to provide an end-to-end service to the customer by means of a fixed package. Later, through co-creation and openness, the service model was refined by better understanding customers' needs. This enables the delivery of an innovative service whereby the customers can also combine their ideas and skills to generate further value out of the service. *Celebrate Life* will continue expanding the organization of personalized social events such as golden jubilee parties (50th anniversaries, 50th birthdays, etc.), milestone birthday celebrations, surprise parties for both children and adults, and wedding and baby showers.

Celebrate Life is a new service concept developed using service design tools and theory. It focuses on creating stunning personalized designs and transforming event spaces. It is the first of its kind to provide such a service in the Helsinki-Espoo region, and is a new concept for the Finnish market. Many people using this service for the first time gave positive feedback. Hopefully this will rapidly find a solid place within the Finnish market. Additionally, it is my hope that Finnish people will avail this service, as they are the ones who constitute the majority of the customer base.

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Appendix 1:Online survey Questions

This is a survey done for my Master's thesis in Laurea University of Applied Sciences.

Topic of the thesis is setting up of a new Business in Finland (The service is based on private events, like birthday parties, anniversaries, graduation parties and such. The company will deal with the supply of birthday decor and all requirements for an event to be successful)

Survey Title: How do people prefer to celebrate birthday parties in Finland.

Q 1: Name (Optional) & Country

Q 2: Number of kids and age of each kids?

Q 3: How do you prefer celebrating your kids Birthday?

- Personal (celebrating @Home)
- · Renting a Private venue
- In a party hall or a restaurant
- I don't celebrate
- Hop lop or other play area
- None of the above

Q 4: Have you organized a theme base birthday for your kids? If yes, where do you buy the supplies (such as decor, balloons etc.)?

Q 5: Where do you buy your supplies for a non-themed (generic supplies) birthday party?

Q 6: Have you always found what you are looking for?

Yes/No

Q 7: Do you purchase birthday decors online, If yes, from where?

Q 8: If given an option I would like to

Rent someone for organizing my kid's birthday party decor

Prefer to go to an online website

To buy decoration from the local stores and do my own décor

Q 9: Why did I choose the above option?

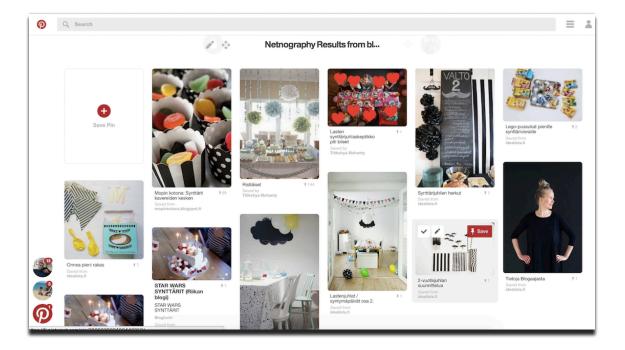
Q 10: To get more information about theme based birthdays, please leave your email id below.

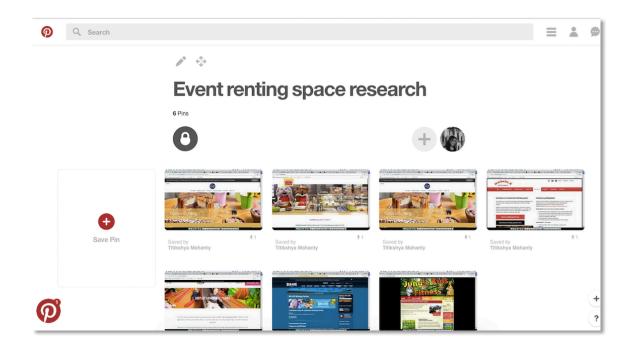
Appendix 2: Netnography results

Online shops	 http://www.br-lelut.fi www.juhlamaailma.fi/ www.confetti.fi http://www.juhlakauppa.com http://www.tiger-stores.fi http://lekmer.fi/ http://www.toysrus.fi http://www.somethingold.fi http://www.juhlax.fi
	http://www.decorahouse.com
Lifestyle Bloggers in Fin- land	 http://divaaniblogit.fi/kettukarkki/ http://divaaniblogit.fi/kesallakerran/ https://littletravellerthings.wordpress.com/2015/05/23/birthday-colours-a-little-tutu/ http://www.lily.fi/blogit/sara-g/1vee-bileet http://www.salamatkustaja.com/2015/02/lasten-synttarijuhlaskeptikko-piti.html http://decorahouseblog.blogspot.fi/2013/08/lasten-synttarit-prinsessajuhlat.html http://www.juhlahumua.fi/lastenjuhlat/ https://designwash.net/2015/01/05/ensimmaiset-synttarit/ http://www.idealista.fi/dotsandstripes/2014/01/26/lastenjuhlat-syntymapaivat-osa-2/
Event renting places & Artist	 http://www.kidsfitness.fi https://www.visitsealife.com/helsinki/en/koulut-ja-ryhmät/bdays_eng/ http://www.hoplop.fi/childrens-birthdays http://www.huimala.fi/fi/synttarit http://www.fazer.fi/lastenjuhlat?gclid=CM-WofnewcgCFaHacgodLosFjQ http://www2.mcdonalds.fi/day/perhekerho/synttarit/synttarit.php http://snadistadi.fi http://snadistadi.fi http://www.flamingospa.fi/vesipuisto/ryhmat/syntymapaivat/ http://www.ramiraita.fi http://www.kimwist.com http://www.kasvomaalaus.fi/

- https://www.facebook.com/pg/KasvomaalausFunArt-Duo/about/?ref=page_internal
- http://www.juhlaviihde.fi/tapahtumapalvelut/yksityistilaisuudet/lastensynttarit
- https://ohjelmatoimisto.wordpress.com/2015/04/07/riesa-pelle/#more-449

Appendix 3:Pinterest Board Screenshots for Netnography results Blogs and event renting spaces





Appendix 4:Semi-structured interview set

Interview question set 1

- 1. Do you celebrate your kid's birthday?
- 2. If yes, how do you celebrate is it very personal celebration?
- 3. Do you invite kids from their day care and school?
- 4. Do you know about theme based birthday celebration?
- 5. Have you ever celebrated any theme-based celebration?
- 6. What theme did you do?
- 7. Where did you buy the theme-based decor?
- 8. How much money do you spend in that?
- 9. Did you order a theme-based cake?
- 10. Did you look for a venue space?
- 11. What hassles did you face in doing this?
- 12. Do you want a service provider who would be providing this kind of end to end service?

Interview question set 2

- 1. How did you get to know about our service?
- 2. What did you first feel about the service?
- 3. Was everything clear when you first met us?
- 4. Which part of the service you liked most?
- 5. What about the budget, did it meet your exaptation?

- 6. Where do you think the service needs improvement?
- 7. Where in the service you think did not meet your exaptation?
- 8. What was your first feeing when you entered the venue space on the day of the event?
- 9. What was your kid's reaction?
- 10. Did you get feedback from your guest?
- 11. What addition do you want in the service?
- 12. Did you feel any difference in your previous celebration and this?
- 13. Will you recommend us to your friends?
- 14. How was communication with you?

Interview question set 3

- 1. What did you like our service?
- 2. How did you find us?
- 3. What in our service did not fulfill your requirement?
- 4. Did we give enough space to you to negotiate?
- 5. Do you think the service needs improvement?
- 6. Which part of the service did not match your requirement?
- 7. What about the budget?
- 8. Which are do you think we need improvement?

Interview question set 4

- 1. How did you get to know about our service?
- 2. What did you first feel about the service?
- 3. Was everything clear when you first met us?
- 4. Which part of the service you liked most?
- 5. What about the budget, did it meet your exaptation?
- 6. Where do you think the service needs improvement?
- 7. Where in the service you think did not meet your exaptation?
- 8. What was your first feeing when you entered the venue space on the day of the event?
- 9. What was your kid's reaction?
- 10. Did you get feedback from your guest?
- 11. What addition do you want in the service?
- 12. Did you feel any difference in your previous celebration and this?
- 13. Will you recommend us to your friends?
- 14. How was communication with you?
- 15. Why did not you choose us for the second time while planning to celebrate your kid's birthday?

- 16. What in our service did not fulfill your requirement?
- 17. Did we give enough space to you to negotiate?
- 18. Do you think the service needs improvement?
- 19. Which part of the service did not match your requirement?
- 20. What about the budget?
- 21. Which are do you think we need improvement?

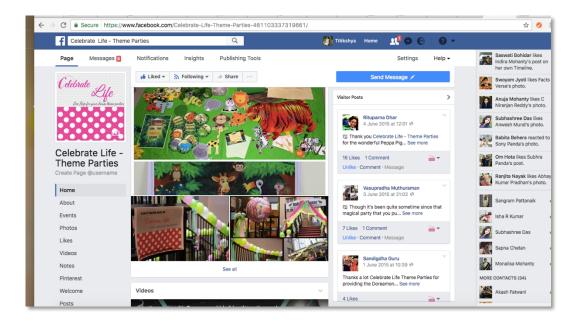
Appendix 5: Final design of service poster



Appendix 6: Links to all social media pages for Celebrate Life

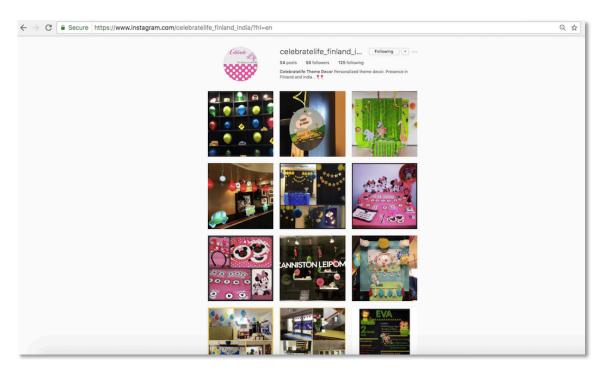
Facebook Page

https://www.facebook.com/Celebrate-Life-Theme-Parties-461103337319661/



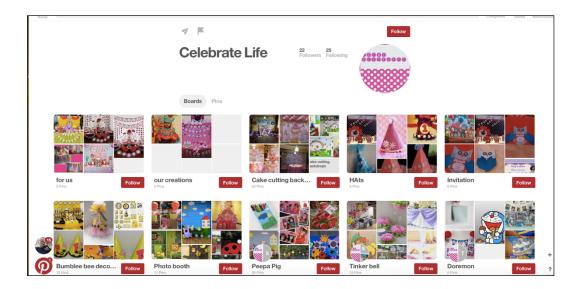
Instagram

https://www.instagram.com/celebratelife_finland_india/?hl=en



Pinterest:

http://www.pinterest.com/tbirthdays/



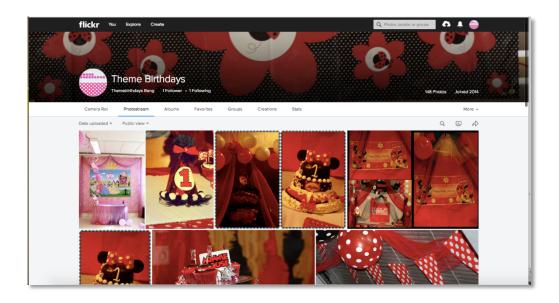
Twitter:

https://twitter.com/themebirthdays



Flickr

https://www.flickr.com/photos/117034234@N05/



Appendix 7: Prezi Presentation for Customers Showing supplies list

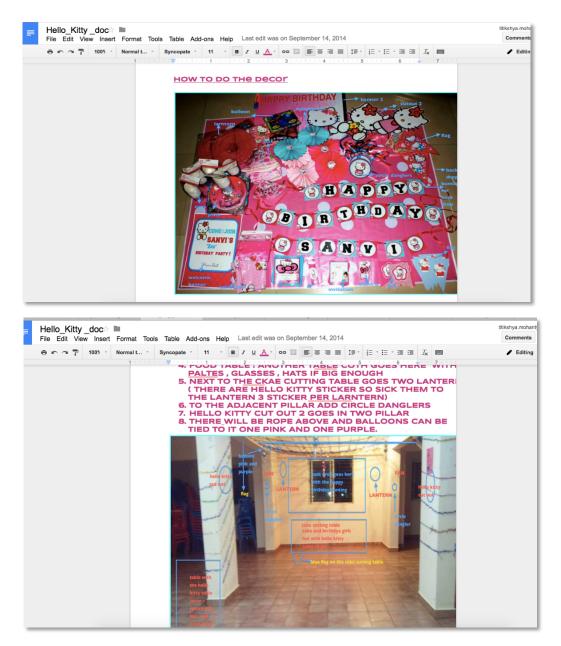








Appendix 8: Google drive document for customers to give an idea how to do the decoration if they rent supplies



Appendix 9: Links to the video recorded during the new service development

Link to the first pilot event https://www.youtube.com/watch?v=aQB9mYNBQdA

Video link for stake holder map workshop https://www.youtube.com/watch?v=ccEbieIFWP8

Video link for customer journey map workshop

https://www.youtube.com/watch?v=neoeQVCV6CA.