This is an electronic reprint of the original article. This reprint may differ from the original in pagination and typographic detail.

Please cite the original version: Tossavainen, P. J.; Kaartti, V. & Alakoski, L. (2014) Co-designing a collaborative idea-generation model with stakeholders. In Marja Toivonen (Ed.) Services and New Societal Challenges: Innovation for Sustainable Growth and Welfare. 24th Annual RESER Conference, September 11-13, 2014, Helsinki, Finland. Espoo: VTT Technical Research Centre of Finland, 1340-1349.



Co-designing a collaborative idea-generation model with stakeholders

Päivi J. Tossavainen, Virpi Kaartti, Leena Alakoski

Laurea University of Applied Sciences

Business practices are changing when firms are adopting service business approach as a basis for the operations. Customer centricity and resource integration are among those initiatives requiring new ways of working. This paper reports a case study of an industrial service with a strong strategic implementation supporting service business approach. The empirical data of service development process comes from 13 stakeholding organizations and was collected in various methods. The paper explores the co-design process of a collaborative idea-generation model. The suggested model is based on the Double Diamond model. The novelty of the paper is the stakeholder engagement, which is extended from dyadic two counterpart activity to simultaneous many-to-many collaboration within idea generation phase in service development. The study suggests an approach that may reveal new insights into customer centricity and resource integration research.

1 Introduction

Collaboration during the service development process simultaneously with various stakeholding actors requires attention. Despite the popularity of co-creation, studies focus often on one-to-one collaboration and customer, client or user involvement is common (see Alam 2002, Bessant and Maher 2009, Marasco et al. 2011). There might be other stakeholding actors related to the service, who could be involved in collaboration. This wider stakeholder engagement is still less addressed especially in B2B setting. This paper addresses this shortcoming and extends the discussion to multiple stakeholder collaboration. Further, the paper addresses the influence of multiple stakeholders and the role they also have in developing the collaborative idea-generation model. The paper offers a deeper view on how the model was co-designed.

In service research, studies providing deep empirical evidence is lacking behind the extensive conceptual research. Therefore, this paper illustrates a study, which aimed to focus on concrete real-time activities and empirical evidence for the benefit of the academics and business practioners.

The purpose of this paper is to focus on contribution of engaging widely both internal and external stakeholders into the idea-generation part of the service development process. Building on empirical evidence, this paper contributes the understanding of stakeholder integration.

Some limitations apply to this paper. It investigates whether the process could be designed by applying service design approach. Following this approach, the paper explores and describes the case and explains how the co-designing of the collaborative idea-generation model took place. The model facilitates and mediates the integration of stakeholders into service development. Although internet and communication technologies (ICT), interactive technologies, and social media provide huge opportunities to engage stakeholders (Ramaswamy and Gouillart, 2010; Russo-Spena and Mele, 2012; Ind and Coates, 2013; Hatch and Schultz, 2010) this case study focused on face-to-face engagement.

The whole service development process needs to be followed through in order to have beneficial value propositions. However, in order to limit the focus of this paper, we elaborate and explore only the idea generation part in this paper. Empirically the paper provides a rich data by studying how participant activities are planned, facilitated, carried out, and analyzed.

2 Framing the joint idea generation approach in service development

The idea generation is studied from the perspective of service dominant logic (SDL) of marketing (Vargo and Lusch 2004). **Customer centricity** and **resource integration** are integral part of the logic and of the SDL literature. In SDL research, one of the main changes has been the question of the ownership of resources leading to resource integration paradigm (Vargo and Lusch 2004, 2008). There is little evidence of resource integration and customer centricity approaches. Yet, truly customer-centric models and multiple stakeholder–driven approaches are yet to be taken into businesses. In B2B context, resource integration has been discussed between one customer and one supplier relationship (den Hertog 2000). Customer centricity is hindered in firms due to the organizational culture, structures, processes, and financial metrics of the focal firm (Shah et al. 2006). In B2B context, and especially in the larger firms, the customer relationship interaction is commonly organized through the key account management system. (McDonald, Millman & Rogers 1997) Hence, direct connections between various positions, roles or professionals may be neglected. This in turn may lead to the situation in which issues, challenges or ideas for improvement are unlikely brought into the attention of the management responsible for the service development.

Literature (Frow and Payne, 2011; Han, 2010; Payne et al., 2008; Sanders and Stappers, 2008; Segelström, 2013; Vargo, 2008) suggests that if a service is considered as **a joint value creation** with wide array of stakeholding partners

such as employees, customers, users, fans, intermediaries, hobbyists, artists, designers, service design professionals, suppliers, authorities, and researchers, it also adds the network perspective into the discussion (Russo-Spena and Mele, 2012). Intrinsically, the terms joint value creation and co-creation emphasize this wider view of "all stakeholders" involved in the value co-creation (Prahalad and Ramaswamy 2004, Ramaswamy and Gouillart 2010). Yet, the discussion is typically limited only to customers and users, and dyadic interactions. In their recent review of co-creation, Ind and Coates (2013) found that literature seems to focus on the aspect of "creation" more than the "co", i.e. the togetherness aspect. Ramaswamy and Gouillart (2010) found that the ideas, suggestions, or contributions thus get a "short shrift." This paper acknowledges the importance to focus on the "co" aspect and extends the discussion on how it can be supported.

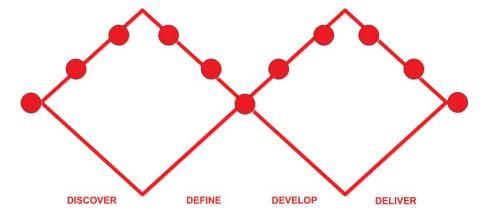
There is a wide variety of potential stakeholders for a service, i.e. **stakeholding actors**, who can bring value into the service development. In this paper, service is considered as a joint value creation process. We examine the case through the lenses of service development and service design research. We propose that it is mutually beneficiary if miscellaneous stakeholders are engaged into face-to-face, simultaneous joint activities, from various service business related organizations, in different levels of hierarchy and dissimilar positions. This in turn may increase the diversification through the broadness of the shared information and experiences, and the amount and quality of the development suggestions. Thus, this paper promotes the value of engaging all stakeholders (Prahalad and Ramaswamy, 2004b;Ramaswamy and Gouillart, 2010; Prahalad and Ramaswamy, 2004a; Gummesson 2008) in developing service. It explores and discusses how to enable multiple stakeholders into co-creation and how to use this activity to develop service. The paper results a novel model and illustrates how multiple stakeholders interact in the area of idea-generation in service development.

2.1 Understanding the development through service design model

This paper suggests that the idea-generation is an important part of the service development process and benefits the value propositions. Retrospective, structural, and sequential innovation processes are common and used in service innovation (von Koskull and Strandvik 2014). Therefore, this paper takes a look into service design methodology for a different approach. Moreover, the paper explores multi-actor participation and many-to-many engagement actions in real time.

Service development and design competences are distinctive competences. They rely on service approach knowledge and practical implementation skills. (Grönroos 2009, Ojasalo and Ojasalo 2009) From our perspective, new competences and knowledge is required to support firms to engage with service design, which is a collaborative process enhancing the value of service. Business practioners seem to need information and hands on opportunities to apply moderns methods and techniques they can use in development and deployment of service.

The service logic and service design approach emphasize customer understanding, which was critical criterion in selecting the development model. The service development processes in service design field were investigated. There are several process models with various phases and suggested activities (see for example BIS Publishers/ Stickdorn and Schneider 2010; Moritz 2005, Edvardsson et al. 2002). From those, the research team selected the Double Diamond design process model (Design Council, UK, 2005), DD –model in short. The DD-model (see the following figure) is a commonly used approach in service design. The model was developed by British Design Council in 2005. The process is divided into four phases: Discover, Define, Develop and Deliver. In the first phase, the user needs are identified in order to get an initial idea or inspiration to start the project. In the second phase, "Define", the needs are interpreted and aligned to business objectives. Thirdly, solutions are developed. This phase has a prerequisite of iteration and testing within the company and with the stakeholders. In the final phase of the design process, the developed service is finalized and launched in the market.



The Double Diamond Model, Design Council 2005

Figure 1. The Double Diamond Model (Design Council 2005).

Roughly the DD-model can be divided into two larger phases: The four phases form two separate entities for the development process (in the figure: squares) represents the designers thinking logic. Idea-generation phase and development phase. These processes can be managed differently, yet it typically is designer led and thus each phase includes typically used methods. For example the Discover and the Define phases include understanding, ideation, testing and communication activities. Previously mentioned activities in turn include various methods. The DD model is based on interaction among participants and supports continuous iteration activities. As such, it is structured and sequentially described. Yet, the iteration and dynamic properties of the model makes it usable model for real -time investigations.

The Double Diamond model provides a framework for service development. It may include various service design activities throughout the process. How participants provide their input into the process and iteration rounds is of importance. To perceive the phase dependency and iteration rounds is critical because it affects to the development process targets and outcome.

3 Stakeholder integration on idea generation phase

Research on complex socio-technical systems such as large business organizations requires novel approaches. Part of the SDL research focus on service design models, methods and tools used in order to solve the business service transformation paradigm. The service design approach is largely based on design discipline, and inherently supports the ethnographic studies. Yet, in service innovation literature, only recently, ethnographic approach is suggested as a contrast to mainstream retrospective approach (von Koskull and Strandvik 2014). Following this path, this paper explores the research project, reporting the real-time actions leading to the model. While primary method of participant observation is suggested (ibid.), this paper extends the methodological choices to cover actions during the study.

Qualitative research strategy was applied in a single case study setting in business-to-business (B2B) context in order to co-design a collaborative model. This is valid choce because researchers are unified about the central characteristics of a case study approach to be holistic and detailed in understanding (Carson, Gronhaug and Perry 2001; McKay and Marshall 2001; Gummesson, 2000, Howell 1994; Rapoport 1970). A case study may apply action research approach or vice versa (McKay and Marshall 2001). The investigated stakeholder integration project, the activities were performed and tested in real-time. As such the methodology for the study can be described as action research (AR). It is a methodological approach that embeds several streams and perspectives (Dick et al., 2009; Gustavsen, 2008; Reason and Bradbury, 2008; Coghlan and Coghlan, 2002) and as such can be described as an ethnographic method. The AR approach aims to take action and to create knowledge, and thus have both action and research outcome (Coghlan and Brannick 2014). Likewise, emphasized is the production of practical knowledge and the practical outcomes from working together with people and "ideally involving all stakeholders" (Reason and Bradbury 2008). Recently, Coughlan and Brannick (2014: glossary) defined action research as: "A family of related approaches that integrate theory and action with the goal of addressing important organizational, community an social issues together with those who experience them". Here, the operating word is "together". Thus it is a valid academic research method approach for this study.

This paper includes a case study which explores how to integrate miscellaneous stakeholders into a service development process. The context is an **industrial waste management service**. The co-designing activity was embedded in an externally funded research project, which aimed to improve strategic stakeholder integration within the case company. The authors of this paper participated to this research project (see Tossavainen 2013) and gained access on the case company, the service value proposition, processes, and stakeholders.

In the spirit of action research, the host organization and its stakeholders were involved with the study. The case company was Lassila & Tikanoja Oyj (L&T). The internal stakeholder team includes the actors of the study: The members represented various units of L&T and were environmental specialists, information technology (IT) development specialists, project managers, and customer service professionals, including resources outsourced to Elisa Ltd and the waste truck drivers. The externally composed stakeholder team was formed, engaged and empowered to participate. The stakeholding organizations were Parma Oy, Keslog Oy, Valio Oy, Puukeskus Oy, Scania Suomi Oy, Ovenia Oy, Stockmann Oyj, Caternet Finland Oy, and KONE Hissit Oy. The individual stakeholding actors represented various functions such as environmental management, quality control, logistics, sales, key account management, development, safety, and sustainability. Furthermore, the regulatory body responsible for the national sorting instructions, the Centre for Economic Development, Transport and the Environment (ELY) participated the study.

The investigated activities were performed and analyzed by a research team consisting of the 3 authors of this paper. An extended research team included the case company project manager.

3.1 Many data collection methods applied

Multiple data sources including informal discussions, expert interviews, participant observation, and documents were applied. Service design methods were use in order to collect multifaceted data especially in face-to-face events.

During the period of 2012-2013, the research team of authors 1, 2, and 3 participated the study by collecting data through interviews, discussions, participant observation and participating action research activities. The research project

was executed through series of face-to-face events, which provided good opportunities to collect data, observe, and investigate activities as stakeholder integration and service development evolved and unfolded.

The service under study was firstly elaborated by informal discussions and visits to the locations. The case company was visited, observed, and series of meetings were established in order to understand the value chain, service offering, and the challenges the case company is facing. Several key stakeholders within L&T were also interviewed in order to get an extensive in-house perspective. Informal discussions and thematic interviews in the stakeholder companies with the stakeholding actors were carried out.

Documentation was produced based on the data collection and the analysis, and it included produced stakeholder maps and service blueprints. The process descriptions were investigated along with other internal documentation of L&T. Waste management reports of the stakeholder organizations were evaluated. This empirical evidence which included interview protocols, recorded interviews, and company specific documents alongside with the analysis data was stored in a separate database.

Altogether, 13 organizations and over 35 people participated to the study. Engaging stakeholding actors into simultaneous joint activities, from various organizations, different levels of hierarchy, and dissimilar positions brought broad information and experience examples during the events. The stakeholding individuals were engaged in cocreation to design and build the collaborative platform and to develop the service for the benefit of all participants. The multiple data collection resulted in rich primary data. The extended research team was able to understand the different perspectives and challenges in the current service.

3.2 Rich data analysis

Service design approach was applied to design the model through the events of participation. Through series of meetings, preparation meetings, workshops, analysis events, and seminars, the researchers gathered a wide arrange of data from recorded and transcribed interviews, to field notes, discussion notes, photos, observations, and participant observations. Relevant documentation included process and service descriptions, reports and presentation materials. The analysis of the collected data was executed by research team and at times by the research team together with the internal stakeholder team. Discussions were held on need basis to capture and clarify relevant information. Each event was planned beforehand and documented afterwards. This resulted a vast amount of plans, timetables, drafts, sketches, memorandums, reports, list of actions, and photos of the activities.

The case study focused on developing current waste management service. The design process began with the Discover phase (see Figure 1) in which the business-to-business stakeholders of the case company were interviewed. The findings from this phase were used as triggers to inspire the participants to later generate ideas for solutions. The ideas were categorized and prioritized later on with the case company. This step of the process deepened the understanding of the customer needs and their importance. In the Define phase, the design brief was modified based on the user needs identified in the interviews and the business objectives stated by the case company's contact person. A face-to-face event was organized in order to engage and motivate the stakeholders and in order to conduct multistakeholder activities. Several methods of service development, service design and innovation were applied in order to discover and define the service development needs. Many methods were modified and applied to fit better with simultaneous multiple stakeholder use. In this the joint development session, new methods and tools were applied to get better understanding of the chosen development target and to generate ideas to solve the identified problems or needs. Again the ideas were filtered, validated, and prioritized first with the stakeholders. This was a novel method and contradicts Ayuso et al (2011), who suggest that knowledge source from internal and external stakeholders has to be managed by the focal firm internally.

Following this activity, another event was planned, facilitated and executed. Based on the findings and analysis of the first engagement event and strong strategic guidance, the work continued. Now, the focus was shifted on another closely related service offering in order to fully use the integration of the ideas put forward by the stakeholders. There were also new stakeholding actors both external and internal brought into the event and engagement activities. The second event resulted, yet again, a good amount of validated ideas. Furthermore, the discussion among stakeholders brought new insights, suggestions, and concerns on the table. As an end result, the case company got the list of development proposals, which they can introduce to the management with the knowledge of their importance to the customers (not only one customer but several of them), the evaluation of their ability to implement the development ideas and how they were aligned to their company strategy

The original plan to develop waste management service was not prioritized by the stakeholding actors. Methods used revealed a vast amount of issues and themes that require further attention first in order to make service more customer-centric. It turned out, that ICT service around the waste management and waste sorting were more important for the participating stakeholders. The discussion on further activities continued separately in stakeholder organizations, case company and research team.

Based on the experiences, analysis, and results of the integration workshops, the research team continued further analysis with the case company team. In order to process the data collected into design drivers and further development initiatives required integrated efforts. Figure 2 depicts the essence of the collaborative idea-generation model. The stakeholders were involved in all the steps and various methods and tools were tested.

3.3 Co-designing the idea generation model

Service development is a long process and therefore this research focused on the idea generation phase. This was due to several reasons: In discussions with the case company L&T, it was important to start from the beginning of the process and to involve numerous stakeholders to broaden the needs and demands to improve the service. The strategic choice of the case company is to place the customer into the center of the development. As such, it is according to the service research fundamentals. Secondly, by starting with idea generation, the ideas and needs for change come from the customers, users and other service involved actors and not only from the internal development team. Furthermore, it allows to focus on more concrete actions and in-depth analysis on chosen ideas. This in turn may improve the outcome of the development process. The case company can then move forward with the service development process. In short, the idea generation phase sets the development phase in its validated course.

As the DD -model is very generic model for the whole service development process, the research team decided to apply it in a new way as described in the previous section. The extensive activities in format of meetings, events, and analysis sessions provided a platform to discuss, suggest, test, validate and execute developed ideas for the way of working. Co-designing collaborative idea-generation model with stakeholders was a result of all these collaborative activities, and individual efforts of each participating person. The stakeholders were invited to workshops in which several tools were used to integrate stakeholders into service development. The research team suggested the workshop idea, methods and activities to case company team. The research team was also responsible in facilitating the workshops in order to save time and efforts. Each workshop comprised sub sections with varying objectives, tasks, and tools. The storyline for the workshop was developed and operationalization of the workshop was carried out. After the workshop, memos were created and analysis was carried out.

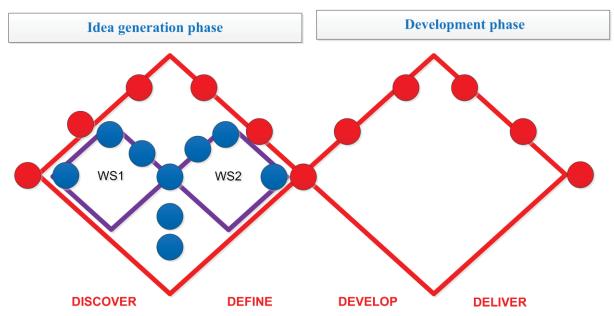


Figure 2. Modified Double Diamond model.

The figures 2 and 3 illustrate how the stakeholders were involved in each different step of the design process. The stakeholders may vary in different workshops but in every occasion they represented several organizations and functions of the stakeholder organizations. Their simultaneous participation was at most important to identify the most essential design drivers to guide the ideation phase and the design process further on. Through participating to the research project, the stakeholders learned to co-create. The stakeholders also learned service design and development process approaches, recent theoretical findings, and application of models and tools into practice.



Figure 3. Photos of the analysis session with the internal stakeholder representatives and the extended research team.

Categorization and analysis of the collected data tighter with the research team and internal stakeholder team provided another set of new knowledge and skills. In collaboration with all participants, i.e. the external business partners, case company representatives and the research team, the development activities were tested, redefined, executed and discussed. For all business practioners, the discussions and feedback sessions provided opportunities to elaborate the learnings, findings, and share knowledge. The practioners both internal and external stakeholders benefit from the research team which supported and facilitated studies, activities, and analysis processes. Yet, it provided enough examples to carry out similar tasks themselves in the future.

In the spirit of the action research the participants were actively involved in the testing and filtering of the ideas during the model development. Especially in the final definition phase the common understanding and view of the critical design drivers was collaboratively defined (see the figure 3). Separate analysis groups (working with the same data) found and categorized development initiatives first, which was then elaborated together before moving into integrating the results. Interestingly enough, the original waste management service initiative was not totally neglected, but modified with new development ideas to improve the digitalization aspect of the service.

4 Findings and expected implications

While the service business and developed service are becoming more and more complex, and may form systems of service, a more holistic view of the service is needed. Gummesson (2008) challenges the fragmentation of marketing and business functions and calls for more pragmatic and holistic approaches. Our investigation and experiences from this case study agrees with this notion. A wide array of professionals involved with the service development, their knowledge, experience, and professional skills can be harnessed into the service development and innovation.

Empirical evidence and insights from the case study suggest that a service provider (the case company) can strategically leverage simultaneously various stakeholders in service development process. This can also be an effective way to get insights not only from user or customer but a larger group of stakeholding actors both internally and externally to capture and prioritize ideas. Further, stakeholder understanding is pivotal for identifying design drivers that are used first in idea-generation phase and later applied in development activities. This paper also reveals that double-loop in idea-generation is valid due to continuation of deeper examination of the development ideas. The study suggests co-designed collaborative innovation model as a useful approach(see figure 4) to take into account service development opportunities and exploit the stakeholders' knowledge.

This novel model engages both the internal and the external stakeholders into action i.e. service development. It changes the role of a stakeholder from a passive information provider and co-producer to a truly collaborative partner. Collaborating actors from diversified fields of industry, different levels of hierarchical roles, and specialized positions, may also learn from each other. Co-designing collaborative idea-generation model with stakeholders resulted in two-way; first, the learning of joint activities, i.e. the collaboration part of the development. Second, the generated ideas are rigorously validated and prioritized for further actions.

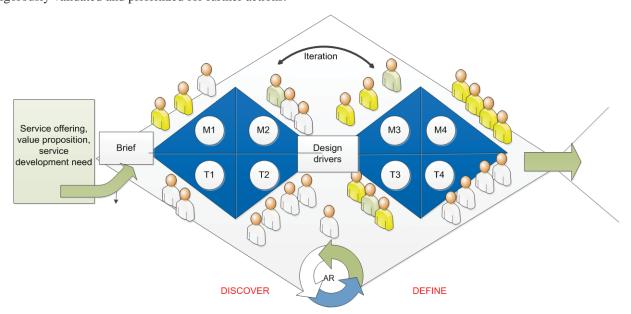


Figure 4. Collaborative idea-generation model.

As this paper focused on the process of revealing how the co-designing of the collaborative idea-generation model was created, the model is not further elaborated. Figure 4 depicts the iteration rounds and action research approach with sets of methods and tools that can be used in various phases.

The concept of balanced centricity states that all stakeholders have the right to satisfaction of needs and wants (Gummesson 2008). This research however suggests that there needs to be a place for negotiation of ideas and development initiatives beyond the individual needs and wants. This requires a platform and a model to conduct the needed activities. Facilitation is crucial for the success of the activities.

In simultaneous collaboration the stakeholders identify the biggest service development potential as suggested in the co-development model. This results in collaborative prioritization of following development activities beneficial to all parties. The empirical data discussed and the key performance indicators (see the following table) show that the model is a valid model to be conducted in service development.

The following table summarizes the main KPIs of the research project.

145 +Ideas were generated workshops 35+ persons involved and participated Workshops, seminars for the external stakeholders, All events and sessions with the internal stakeholders the study ranging from truck drivers to authorities 13 Organizations participated with the Workshops and seminars partner firm; customers authorities, outsourced, internal 1 + 6Partner firm participants Continuous participation of the study; meetings, workshops, seminars; planning, analyzing, carrying out, exploring, monitoring, validating, evaluation. 35+ Co-creation events held to design Informal discussions, interviews, in-depth analysis of and develop the project and service the documents, meetings, workshops, seminars, actions, participant observations

Table 1. Key performance indicators of the research project

4.1 Theoretical implications

This paper contributes the academic discussion in various ways. The theoretical implications of this paper validates the theoretical frameworks of balanced centricity and stakeholder-centric approach. Further, these theoretical frameworks are applied uniquely in service development context. Integration of wider variety of stakeholders into service development contributes current discussion and extends the resource integration concept towards deeper collaboration by providing a theoretically based new collaborative idea-generation model.

The empirical results contribute to resource integration discourse and stakeholder engagement. Multi-simultaneous face-to-face approach was unique because typically dyadic relations prevail. The study contributes to service research in providing the empirical evidence and strengthens the theoretical framework.

Moreover, the paper contributes the service development process discussion. In collaboration with variety of stakeholders, the DD-model was modified in several ways: The idea generation requires more time, and many methods and tools to be applied in order to capture the experiences and knowledge of the stakeholders. Iteration rounds are significant and increase the understanding of the service value-in-use.

In order to capture the essence of the balance centricity, true stakeholder integration with extended amount of resources to develop the service, more methods could be used. This would inherently also mean that those methods need to be modified for the simultaneous use of larger amount of people.

4.2 Managerial implications

The paper shows that the stakeholders are motivated and committed to the joint development and capable of working collaboratively when the face-to-face meeting is facilitated.

The stakeholders (individuals) did not know each other. All previous activities between the case company and the stakeholder company was bilateral. Thus, the understanding of the complex service system, the needs, and the requirements for it, were only partial. To build development initiative based on each bilateral interaction may be time and resource consuming. Further, it requires extensive skills in capturing the essence and convergence various issues into holistic view. By inviting, facilitating and integrating multiple stakeholding actors at the same time, in face-to-face event, into specific activities means that there is a lot more issues discussed, shared and negotiated from various perspectives at once. It brings the essence of customer understanding and reduces the time needed for converging the ideas. The converging takes place simultaneously while the stakeholders are provided means to discuss and deliberate ideas found. Through this integration of stakeholding individuals in various firms and expertise areas, and through live collaboration, the service was not only understood more extensively but also further developed.

The managerial implications of this paper suggest that facilitation is a key competence in service development. Capability to understand the context holistically and apply existing methods, techniques and tools in novel ways with stakeholders is pivotal.

5 Discussion

A generic service development model such as the Double Diamond model (Design Council 2005) fits well with B2B context and also with larger organizations. However, the study shows and results suggests that those generic models can be further developed and modified. The model developed during in an externally funded research project in collaboration with the participating stakeholders is a good example of the co-designing activities and application of the customer-centric approach and moving towards stakeholder centricity. Furthermore, the results indicate that integrating resources not only for the sake of the research project but also for the sake of business benefits is pivotal. There is no room for short cuts in getting customer understanding. Moreover, in larger organizations, it is crucial to get customer information, experiences, and professional expertise in full use by integrating those stakeholding resources available simultaneously in collaborative activities.

5.1 Conclusions

Getting the B2B customer understanding is the first priority for L&T. Leveraging knowledge from the stakeholder companies was a strategic choice. It is according to the company level strategy and according to the recent developments in service thinking. As such it was a good fit the research project objectives. Although the service paradigm was already introduced in the partner firm, service development and service design methods and tools were new to the firm. And the role of the research team was to introduce them and innovation methods to the partner firm and their customers.

As a result of the research project, the partner firm had an opportunity to try out various new methods and tools, and thus learned to use them in real-life situation. This allows those methods and tools to remain in the toolbox of the partner firm for later use. For academics, the co-designing of the project itself and also the collaborative idea-generation model with various stakeholders was a positive outcome of the project. The partner firm professionals who participated to the project got direct input and understanding from the participating stakeholders. This information created together and shared among the project participants lead to learning among the participants. New knowledge was co-created, which was a basis for new argumentation that allowed the experts of the partner firm to justify development ideas and the use of the customer-centric strategy.

5.2 Future research suggestions

This paper illustrated a study that resulted with a new collaborative idea-generation model. The proposed model warrants limitations while it was co-designed in one business-to-business setting and context. As this study focused on the idea generation phase of the DD model, it would be beneficiary to extend this approach and test this model to the latter part of the model. Furthermore, the move from customer-centricity to balanced centricity (Gummesson 2008) or stakeholder centricity requires further studies on both theoretical construct creation level as well as in practical empirical level.

As this was a single case study, the research project did not test the model in other contexts. It would be beneficiary to test the model again either in the same context or in other B2B context to validate the preliminary findings of the research. Furthermore, it would be beneficiary to study where the origin of the enthusiasm for development and for the trust for many-to-many stakeholder engagement comes from. This would be a new phase in the beginning of the model created.

Another research opportunity would be simplifying and unifying the terms in different fields and sectors of studies. The co-design seems to be a worthy theme to carry out more research, and maybe further develop the terminology and meaning of the constructs.

References

- Alam, I. (2002): An Exploratory Investigation of User Involvement in New Service Development. Journal of the Academy of Marketing Science, Summer 2002 vol. 30 no. 3 pp. 250-261.
- Ayuso, S., Rodriguez, M.A., Carcia-Gastro, R. & Arino, A.A. (2011). Does stakeholder engagement promote sustainable innovation orientation. Industrial Management and Data Systems, 111(9), pp. 1399-1417.
- Bessant, J. & Maher, L. (2009): Developing radical service innovations in healthcare the role of design methods. International Journal of Innovation Management, 13(4), pp. 555-568.
- BIS Publication/ Schneider, J. and Stickdorn, M. (2010): This is service design thinking. Basics tools cases. BIS Publishers. Amsterdam. Netherlands.
- Carson, G., Gronhaug, K. & Perry, C. (2001): Qualitative Research in Marketing, Sage: London.
- Coghlan D. and Brannick T. (2014): Doing Action Research In Your Own Organization, London, UK.: SAGE.

- Coghlan P. and Coghlan D. (2002): Action research for operations management. International Journal of Operations & Production Management 22: 220 240.
- Den Hertog, P. (2000): Knowledge-Intensive Business Services as Co-Producers of Innovation. International Journal of Innovation Management, 4(4 (December 2000)), pp. 491–528.
- Design Council (2005): Eleven lessons: managing design in eleven global brands. A study of the design process. http://www.designcouncil.org.uk/
- Edvarsson, B., Gustafsson, A., Johnson, M. D. & Sandén, B. (2002): New Service Development and Innovation in the New Economy., Lightning Source.: USA.
- Frow, P. & Payne, A. (2011): A stakeholder perspective of the value proposition concept. European Journal of Marketing, 45(1/2), pp. 223-240.
- Grönroos C. (2009): Service Management and Marketing, Customer Management in Service Competition (Palvelujen johtaminen ja markkinointi). WSOYpro.
- Gummesson, E. (2008): Extending the service-dominant logic: from customer centricity to balanced centricity. Journal of the Academy of Marketing Science 36, pp. 15-17.
- Gummesson, E. (2000): Qualitative Methods in Management Research, Thousand Oaks, USA, Sage.
- Gustavsen B. (2008): Action Research, Practical Challenges and the Formation of Theory. Action research 6: 421-437.
- Han, Q. (2010): Practices and principles in service design. Stakeholders, knowledge and community of service. PhD PhD, Doctoral thesis., University of Dundee, Dundee, UK.
- Hatch M.-J. and Schultz M. (2010): Toward a theory of brand co-creation with implications for brand governance. Journal of Brand Management, 17.
- Howell, F. (1994): Action Research & Action Learning in Management Education and Development. The Learning Organization, 1(2), 15-22.
- Ind N. and Coates N. (2013): The meanings of co-creation. European Business Review 25: 86-95.
- Marasco, A., Masiello, B. & Izzo, F. (2011): Customer interaction and innovation in Creative-Intensive Business Services: a framework for exploring co-innovation in advertising agency-client relationships. . Reser2011. Productivity of Services Next Gen Beyond Output / Input, 7. 10. September 2011. Hamburg, Germany.
- McDonald, M., Millman, T. & Rogers, B. (1997): Key account management: theory, practice and challenges. Journal of Marketing Management, Vol. 13 No. 8, pp. 737-757.
- McKay, J. and Marshall, P. (2001): The dual imperatives of action research. Information Technology and People, 14(1), 45-59.
- Mortiz, S. (2005): Service Design. A Practical Access to an Evolving Field. Köln International School of Design. http://stefan-moritz.com/Book.html
- Ojasalo, J. and Ojasalo, K. (2009): Creating Competences in Service Innovation and Design. The SID Master's Programme for Practitioners Combines Business and Design Competences. Touchpoint 3, 3. pp.58-59.
- Payne A. F., Storbacka K. and Frow P. (2008): Managing the co-creation of value. Journal of the Academic Marketing Science: 83-96.
- Prahalad, C. K. & Ramaswamy, V. (2004): Co-creation experiences: The next practice in value creation. Journal of Interactive Marketing, 8(3), pp. 5-14.
- Ramaswamy, V. & Gouillart, F. (2010): Building the co-creative enterprise. Harvard Business Review, (October), pp. 100-109.
- Rapoport, R. (1970): Three Dilemmas in Action Research. Human Relations, 33, 488-543.
- Reason P. and Bradbury H. (2008): The SAGE Handbook of Action research, London, UK: SAGE.
- Russo-Spena, T. & Mele, C. (2012): Five Co-s in innovating: a practice-based view. Journal of Service Management, 23(4), pp. 527-553.
- Sanders, E. B.-N. & Stappers, P. J. (2008): Co-creation and teh new landscapes of design. Preprinto fan article submitted for consideration in CoDesign 1-16.
- Segelström, F. (2013): Stakeholder Engagement for Service Design. How service designers identify and communicate insights. . PhD PhD, PhD thesis., Linköping University. Department of Computer and Information Science. Linköping. Sweden.
- Shah, D., Rust, R. T., Parasuranam A.; Staelin, R., and Day, G. S. (2006): The Path to Customer Centricity. Journal of Service research, Nov 2006, 9 (2) pp. 113-124.
- Tossavainen, P.J. (2013): Beyond sporadic actions: How to approach multi-party stakeholder collaboration in service development, Journal of Business Market Management, 6(4) pp. 171–191. Available at http://jbm-online.net/index.php/jbm/article/view/64.
- Vargo, S. L. & Lusch, R. F. (2004): Evolving to a New Dominant Logic for Marketing. Journal of Marketing, 68(January), pp. 1–17.
- Vargo, S. L. & Lusch, R. F. (2008): Service-dominant logic: continuing the evolution. Journal of the Academy of Marketing Science, 36(1), pp. 1–10.
- Von Koskull, C. and Strandvik, T. (2014): Discovering the unfolding of service innovations. Journal of Business and Industrial Marketing, 29(2), pp. 143-150.

Author address

Author(s):

Päivi J. Tossavainen, D.Sc. Laurea University of Applied Sciences Service Innovation and Design Vanha Maantie 9, 02650 Espoo, Finland. paivi.tossavainen@laurea.fi

Virpi Kaartti, M.Sc. Laurea University of Applied Sciences Service Innovation and Design Vanha Maantie 9, 02650 Espoo, Finland. virpi.kaartti@laurea.fi

Leena Alakoski, PhD. Laurea University of Applied Sciences Service Innovation and Design Vanha Maantie 9, 02650 Espoo, Finland. leena.alakoski@laurea.fi