

Steps to resident-driven services

How to develop sustainable living services for resident communities?



Foreword

Steps to resident-led services is a guide for SMEs and those interested in developing environmentally responsible services produced by the Askel (Step) project of the LAB University of Applied Sciences. The guide provides key information on how new types of services for sustainable living can be developed together with resident communities. The guide gives information on the project that piloted the sustainable services of three companies with resident-led service design methods and presents the necessary steps to develop your company's services sustainably.

The Askel – Co-developing services for sustainable living project (2020–2021) designed environmentally responsible services for resident communities together with companies. The aim of the project was to make it easier for residents to change to more sustainable everyday life and help companies create new, environmentally responsible business activities. Resident-led service design strengthens the demand and supply between residents and companies. New, sustainable services support the growth of business activities in the region and strengthen the communality of resident communities, increasing the attractiveness of residential areas and the region.

The Askel project was carried out in cooperation with two resident communities, the Anttilanmäki-Kittelä residents' association and the Asunto Oy Jalkaranta-Metsä housing cooperative. Three companies participated in the development of their service ranges: Lahti Energy Ltd, CoReorient Oy and Torikauppa Pupu. The Regional Council of Päijät-Häme funded the Askel project. The authors of this publication work at the Institute of Design in the LAB University of Applied Sciences.



LAB University of Applied Sciences

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Resident community as a service pilot target

The Lahti-based residents' association Anttilanmäki-Kittelä, where members are interested in sustainable living, was a partner of the Askel project and the members were test targets for the services. The developed service models' scalability from a detached house area to an apartment building environment was worked on with the Jalkaranta-Metsä housing cooperative members.

In the first project phase, the residents were interviewed to survey the environmentally responsible activities of the residents in the Anttilanmäki area and any related challenges and wishes. In spring 2020, 15 residents of different ages living in different households participated in the interviews.

Sustainability was already visible in the everyday lives of many residents. The residents' association Anttilanmäki-Kittelä had already prepared its own circular economy action plan to support the development of the area. Communality has helped develop environmental responsibility in this living district.

The interviews revealed matters related to residents' interests, acquisition of information and its challenges, motivation, competence and obstacles in relation to actual activities, and the significance of social interaction and support. The most interesting themes to be developed were saving energy, borrowing goods and sharing expertise in the area, and adding vegetarian food to the diet and learning how to prepare it. Companies that were suitable for the themes and committed to developing sustainable service models during the project were included. The services involved in the project were: Reiot, Anttilanmäki lending platform and "Kasviskassi" (vegetable bag).

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In the Anttilanmäki-Kittelä area, a core group of approximately 20 residents works to improve circular economy in everyday life, and more residents participate in events and communal work. Many are interested in changing their everyday lives to a more sustainable direction.

Silja Kostia, chairman of the Anttilanmäki-Kittelä residents' association





Reiot


Housing condition measurement service

Reiot is a service for measuring property conditions that helps the user monitor energy and water consumption as well as observe the impact that measures of reducing consumption have on their property. The Reiot service is part of Lahti Energy's environmentally responsible service range. Reiot's customer base consists of municipalities, cities and housing cooperatives. Following the Askel project, Reiot was developed to suit the detached houses residents' needs.

Home condition measurements allow residents to monitor their home's resource consumption and air quality. Monitoring your personal consumption often motivates to introduce corrective measures, and reducing consumption saves both money and the environment. The benefits of Reiot become concrete for the resident of a detached house in the sales or renovation phase when the residents want more information about the operation of their home. The service must be easy to install, the measurement results easy to compare and data security and reliability must be in order. The measurement results must clearly indicate how the homeowner can carry out repairs and saving measures.

In the development of the service, it was noted that the service was easy to use, but the residents want clear signs of the usefulness of the service before procuring it. Understanding the measurement results requires the resident to familiarise themselves with the topic, which may seem difficult for some users if the resident is not particularly interested in their consumption. However, the service is an easy way to monitor the savings made through your choices in home consumption.

Reiot journey



The condition of the house is worrying. There are plans to sell the house.



Chooses a suitable service package and orders it from the web pages.

From the resident association info hears about the Reiot service. Checks it also on Internet.

Gets guidance by e-mail before the installation to use the service.

Installs self and activates the measurements through the web page.

Collects the device package from the nearest post office.

In two weeks current status is measured and makes small changes.

The changes are shown, the service offers comparison information and tips for actions.

At the end the customer removes the equipment and returns them through post. The customer gets a final report and tips relating to the results.



Anttilanmäki lending platform


Peer lending platform for the resident community

The digital lending platform developed by CoReorient makes it easier to borrow items and share knowledge in the resident community. Lending items you do not need often to other people reduces the need to make new purchases. Sharing knowledge locally, on the other hand, increases the sense of community in the area. Local lending was a popular topic in the interviews, and the aim of the Anttilanmäki-Kitelä residents' association has been to develop the lending activities in the area for a long time. The lending platform allows lending both items and facilities of the residents' association as well as personal items and knowledge of the residents.

The requirements for the lending centre were that the digital platform is easy to use and affordable, the loaned items are taken good care of and the agreed rules are clear. A closed user group creates confidence in lending your personal items to others, even when you do not know the borrower. To start with, the lending service had to be planned with two different service paths, one of which takes into account the borrower's and the other the lender's perspective.

During the development process, it was noted that people are likely to only become users when there is a high need for some item or skill. The introduction of the lending centre requires a lot of communication and time to enable residents to find the new service. The digital platform could be supported by a physical facility where the lendable items could be stored. The solution will hopefully promote communality in the region, and with time, the new operating method may become a part of the residents' everyday lives.

Borrowers journey



One should cut the bushes but the skills and tools are missing.



Looks through the tools and skillful cutters and find a suitable helping hand.

Signs in to the resident association's Lending platform.

Connects to the bush cutter and agrees about the task.

The borrower works as a helping hand and learns at the same time. Things get to be done.

The fence cutter arrives at the agreed time with the tools.

Receives instructions on disposing of cutting debris.

As agreed pays a small fee and offers some food.

Provides some recommendations about the cutter to the Lending platform site.



Vegetable bag

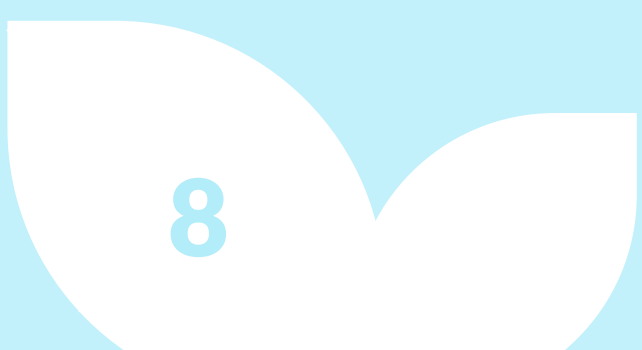
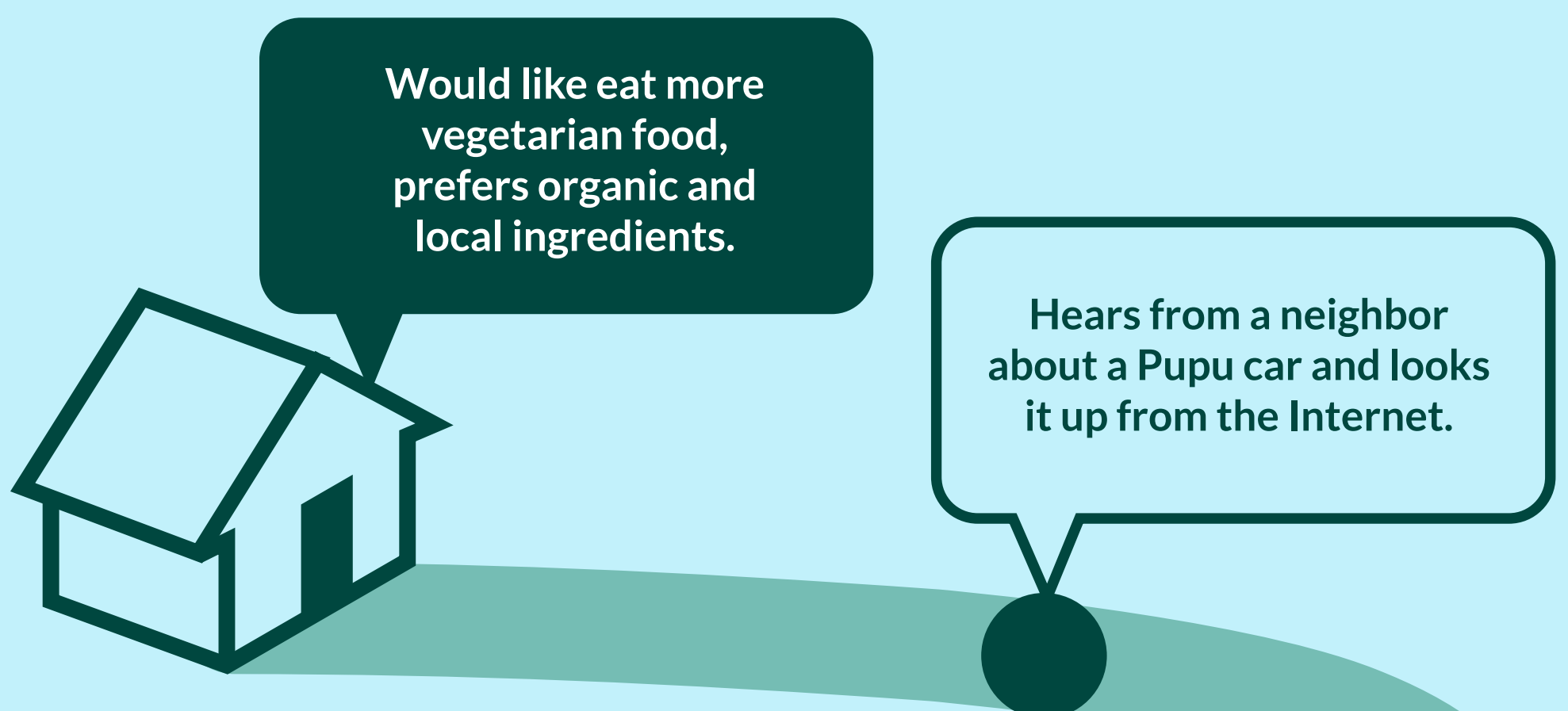
A bag of seasonal goods to help prepare vegetarian food

Marketplace stall Torikauppa Pupu's service idea "Kasviskassi" (vegetable bag) contains vegetables from local farms and suitable weekly recipes. The aim was to reach customers who could not get to the marketplace, allowing them to order a bag in advance and have it delivered to the residential area. The vegetable bag containing a ready recipe helps learn vegetarian cooking and increases the use of seasonal vegetables in everyday life. The transition to a vegetable-rich diet is an important step in both mitigating climate change and preserving biodiversity.

The vegetable bags were planned with a particular focus on the residents' willingness to learn about healthy cooking that utilises seasonal vegetables, making access to locally produced vegetables easier and the need to be able to customise the contents of the bag.

The accessibility of the service was found challenging during the development phase. The residents could not find the Facebook page, which was used as the ordering platform, independently. The raw materials available in local farms influence the content of the recipes, which made the predictability of the bag contents challenging. The service was considered an interesting idea that helps adopt a new operating method, as long as the resident can easily find the service.

Vegetable bag journey



Orders with an Internet form a bag for 4 and some extra vegetables.

Gets excited about the Week's Recipe Bag including both the ingredients and the recipe. Decides to order.

Chooses a collection point from the Pupu car route and adds own information.

Hakee kassin sovittuna aikana Pupu-biilin pysäkiltä.

Gets the order confirmation to the e-mail.

Fetches the bag on agreed time from the Pupu car stop. Pays the groceries with a card.

Cooks easy and good vegetarian food following the recipe.

Shares the success in Instagram and joins the Pupu Facebook group. Orders again next week.



Acknowledging customer perspective

Responsibility as part of business activities is increasingly important both in Finland and internationally. This is reflected in the growing interest of consumers and businesses and, for example, financiers' increasingly loud demand for responsible business. Business activities are governed by laws and regulations related to responsibility, in addition to which pioneering companies take measures to anticipate future requirements.

With regard to environmental responsibility in particular, it has been studied that people have a positive attitude towards environmental protection and responsibility, but they do not actually take many responsibility measures (White & Habib 2018, 9). A study conducted by Mirja Kälviäinen (2020, 202–208; 2019) revealed that people would be happy to receive help to improve their environmental responsibility. They are interested in services and products that could help them make more responsible choices in everyday life. The difference between ideas and actions and the interest in narrowing this gap has potential from the perspective of companies.

When approximately 70% of Western carbon dioxide emissions are produced as a result of household consumption, companies have room to work with consumers in particular. By developing their own activities to a more responsible direction and helping customers live more responsibly, the company can gain a competitive advantage.



Targeting corporate responsibility in low-carbon housing and everyday solutions aimed at consumers gives an opportunity to engage consumer and promote corporate responsibility to customers and other stakeholders in a transparent and credible manner.

Mirja Kälviäinen (2020)





Customer-orientation is the key to the development of sustainable services.

How do you know how to help a customer become more responsible? This can be achieved by developing products and services together with the customers, i.e. in a customer-driven manner. So, by developing together, not just asking for their opinion afterwards. The customer's perspective provides a direction for development, and co-development typically brings better results from both the customer's and the company's perspective. You should remember that "customer-driven" does not mean "let's do everything the customer wants, no matter the cost". In customer-driven development, the company's needs and resources must be taken into account to ensure that the company's activities and the value the customer receives are on a sustainable basis.

Understanding the customer is an essential part of customer-driven development. Systematic utilisation of customer understanding from the beginning to the end of development work leads to the most successful outcome. A company can gain customer understanding by collecting and studying information it already has on its customers and by engaging customers directly in development work.

In addition to the company's own information, customer understanding is a popular research topic, which is worth taking an advantage of. Mirja Kälviäinen's study "Palvelumuotoilulla käyttäjälähtöistä ympäristövastuullisuutta" (2020) on user-driven themes of design, psychology of influencing and consumer research provides practical information for customer-oriented development. For example, it is important to understand that in the case of environmentally responsible services, simple rational information or interest does not make the customer act.



Sustainable development of services

There are plenty of tools and methods for customer-driven development in service design. Service design proceeds in roughly four stages:

- 1 Determining the baseline situation, overall picture and possible underlying cause
- 2 Clarifying the challenge to be solved on the basis of the report
- 3 After clarification, developing a solution by experimenting
- 4 Solution finalisation and deployment

Customers are consulted and actively involved in development work and planning at different stages of the process. Customer understanding is based on quantitative data, qualitative understanding and direct interaction. Service design methods were also utilised in developing the services involved in the Askel project.

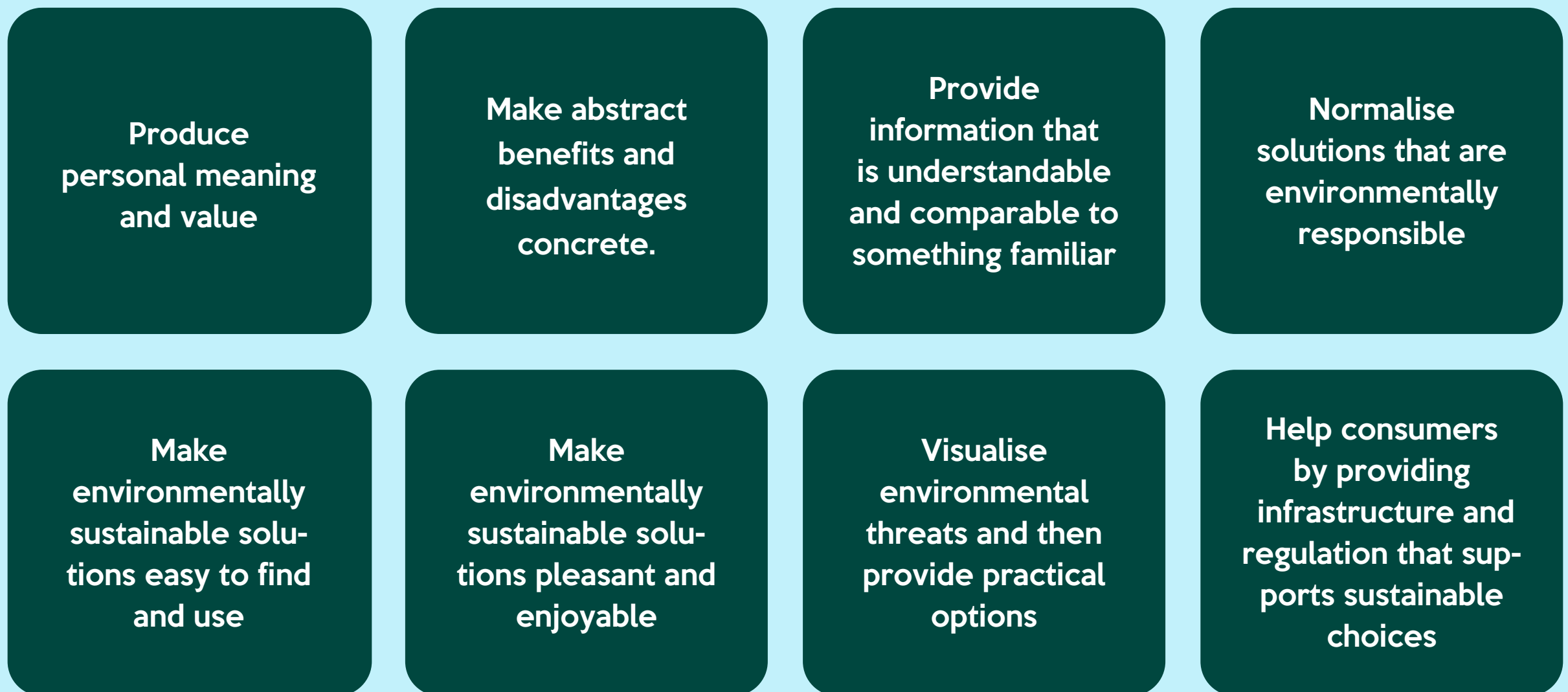
In order to develop environmentally responsible products and services, Mirja Kälviäinen has, based on her research, created “green design instructional cards” that support customer-oriented design and development (2020, 211–213). The instruction cards highlight issues to be taken into account in the development from the customer’s perspective (Figure xx). The Askel project utilised the cards in developing environmentally responsible services for everyday living, but the cards provide excellent support for customer-oriented development in general.



Picture 1: Residents were involved in the development work in a Askel workshop. (Photo: Riikka Flink)



Green design instructional cards:



(Kälviäinen 2020)

The same study by Kälviäinen clarifies that, in order to achieve change in the middle of busy everyday life, we need a process that supports change. It should be both a service process and a process that supports discovery, enthusiasm, competence and learning a new habit. (Kälviäinen 2020, 202–208).

In the Askel project, the process was described from the customer's perspective by using a basic tool of service design, the Customer Journey. It describes the customer's progress and experience with the service before, during and after the service. The Customer Journey can be used, as necessary, to provide an overview or to describe and analyse a very detailed phase of the service or an interactive situation.



We have experienced that service development should involve the end customer as early as possible. A customer-driven approach ensures that the service is the kind from which customers can benefit and that has commercial potential.

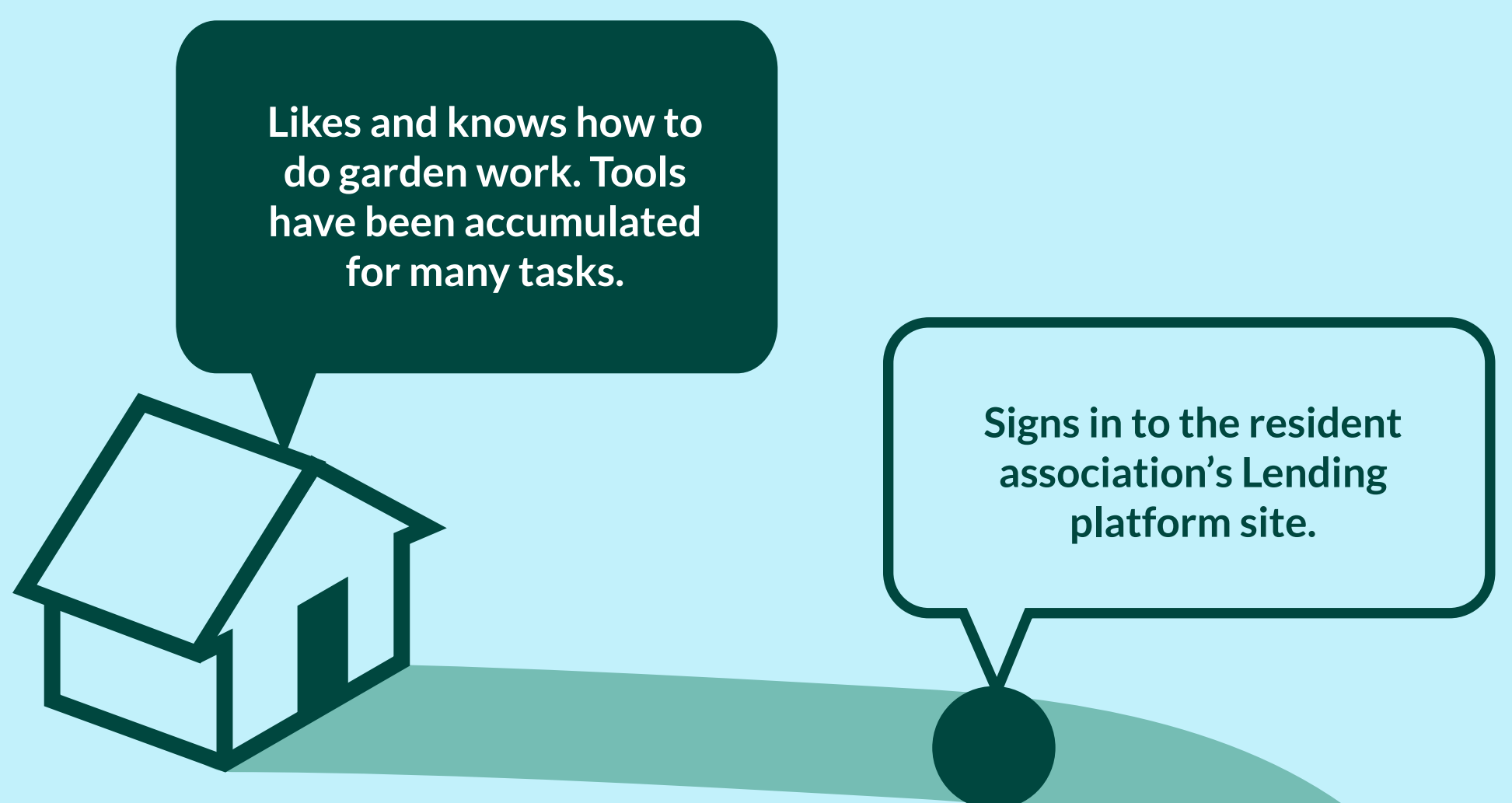
Juha-Pekka Moisio, Lahti Energy

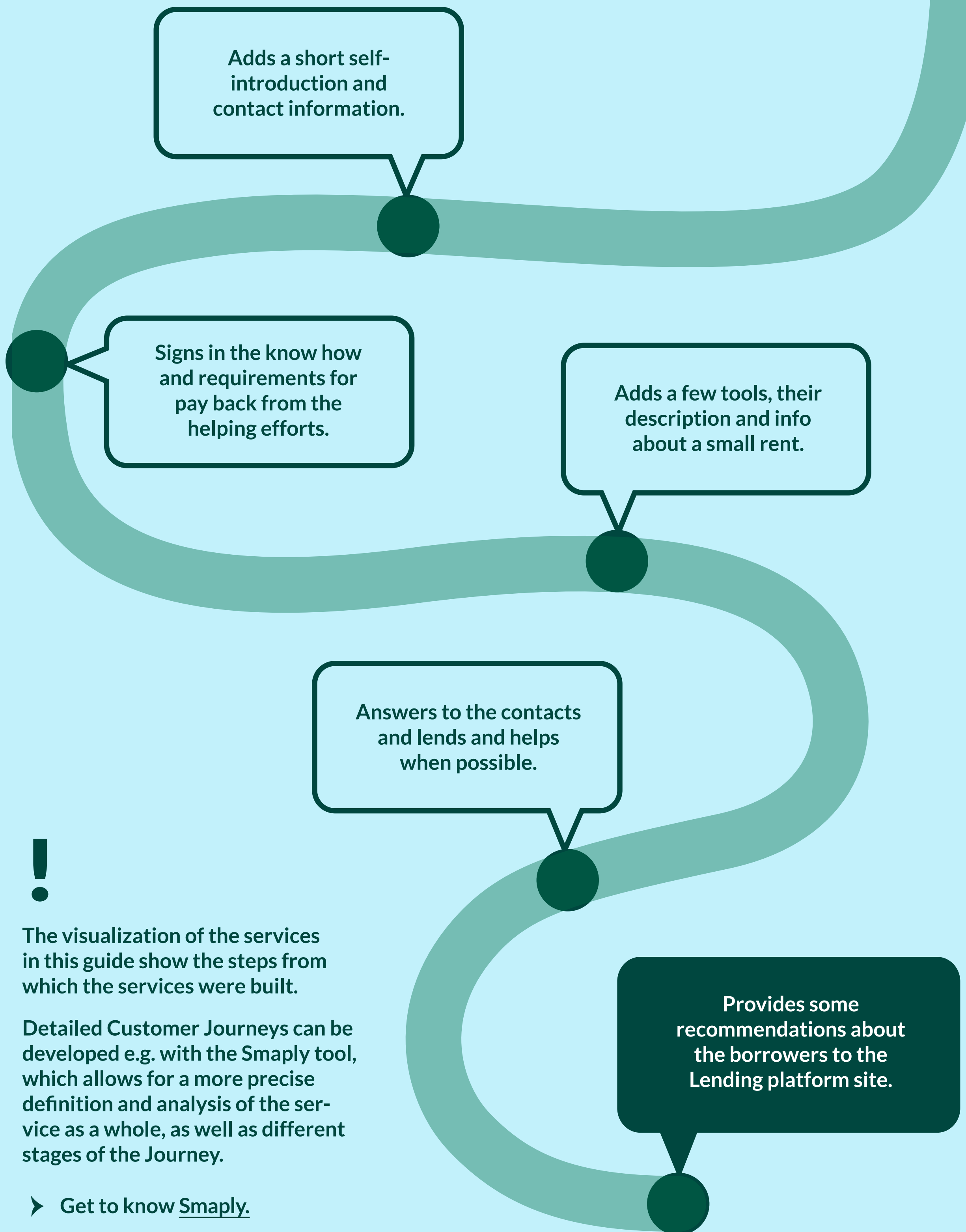


The Customer Journey allows you to describe and develop a completely new service or an existing one. The journey must be based on information, not on guesses. In other words, customer understanding is an important basis. The Customer Journey is also an excellent tool for comprehensively developing customer experience. The path helps highlight both challenging, unutilised and successful parts, and build a smooth overall experience for the customer.

In the Askel project, customer-driven development started with a survey and interviews with residents, i.e. the customers. Three companies were invited to participate based on the results, and the development of their service concepts started in a workshop together with the residents of Anttilanmäki-Kittelä. The work was based on the Customer Journey, which was complemented and modified together. Based on the workshop and considering the resources of each the company, the Customer Journeys were developed for actual service experiments (Figure xx, Reiot or Lainaamo, second path). They served as a framework for pilots. The experiments progressed at their own paces, and they all provided useful information for service development. The experiment data was taken to each of the Customer Journeys for further development.

Lenders journey





The visualization of the services in this guide show the steps from which the services were built.

Detailed Customer Journeys can be developed e.g. with the Smaply tool, which allows for a more precise definition and analysis of the service as a whole, as well as different stages of the Journey.

➤ Get to know [Smaply](#).



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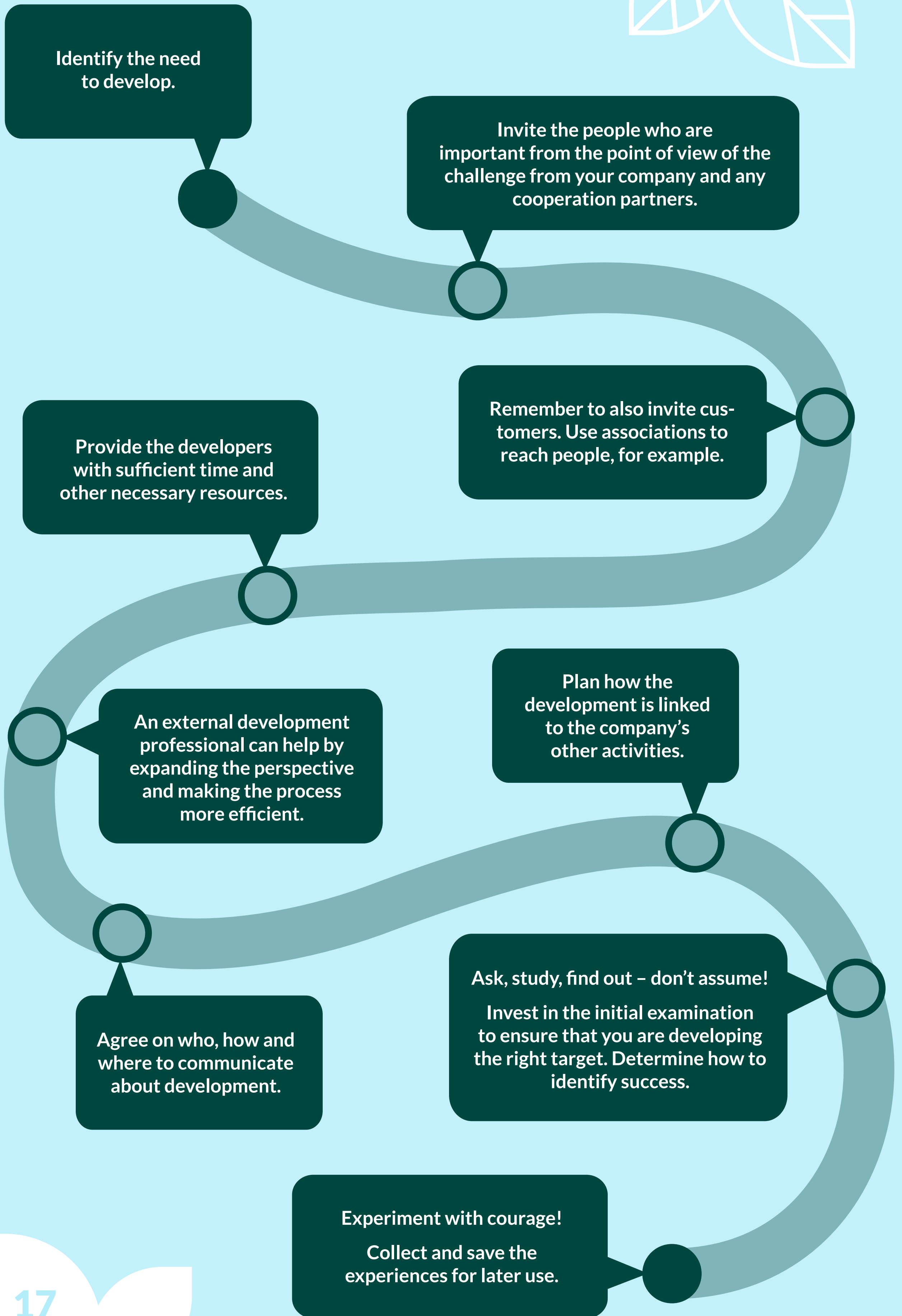
A topic I found interesting and the novelty intrigued me. The experiment is beneficial to me personally, making it sensible to participate. It did not require too much commitment.

A resident participating in the service experiment

As a general observation on customer-oriented development, you should reserve enough resources for it, particularly time, the same as for any other development. The development must be carefully prepared and planned. Fitting the schedules of parties that are essential for development can be challenging. The content of the meetings must be carefully planned so that the meeting promotes progress, instead of being just for fun. Effective communication is important between those involved in development and within the company. Customer-driven development interests both customers and cooperation partners, so you can use development work in corporate social media posts, for example.

It may be difficult to find customers to participate in the development work, resilience being rewarding. For environmentally responsible housing and living services, an active residents' association may be a crucial factor in reaching customers. With regard to other services, you should examine whether the target group has an association or party with whom to cooperate. Consider finding and engaging customers in the development as marketing the company and the future service.

The following page contains steps to help your company get started with developing customer-oriented services that are environmentally responsible. There are also a few links to more information on the topic. Once the first customer-oriented development project is finished, you should examine how the project went and how to continue. Please reserve some time to answer the following questions in addition to the general final analysis: What were the indirect benefits of the project? Did the development process reveal something useful, or something you can use elsewhere? How could your process be improved? How and where can customer-driven activities be utilised in the future? At best, the customer-oriented approach is not limited to development, but involves the company's entire operation. The combination of responsibility and customer orientation is a strong foundation for a successful business.





You can learn more about sustainable development and the related service design from the following information sources:

- [Sitra](#)
- [UN Agenda 2030 goals](#)
- [Kälviäinen: Palvelumuotoilulla käyttäjälähtöistä ympäristövastuullisuutta](#)

References

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White, K. & Habib, R. 2018. SHIFT – A review and framework for encouraging environmentally sustainable consumer behaviour. Sitra Studies 132. Helsinki: Sitra. [Cited 20 Aug 2021]. Available at: <https://www.sitra.fi/julkaisut/shift/>

