

Master's thesis

Master of Business Administration, Service Design

2026

Reetta Vahanen

Competitive by design

– case study on strategic renewal in solo business



Master's Thesis | Abstract

Turku University of Applied Sciences

Master of Business Administration, Service Design

2026 | 98 pages

Reetta Vahanen

Competitive by design

– case study on strategic renewal in solo business

This master's thesis examined how a solo business can regain competitiveness through strategic renewal by adapting design thinking as a dynamic capability.

The research was conducted as a two-year longitudinal case study (2023–2025) of the thesis author's own firm. The renewal process followed the five phases of design thinking. Data was collected through qualitative methods and iterative market testing, including user interviews, a Delphi study, netnography, competitor analysis, iterative prototyping, agile market testing, customer feedback analysis, and financial performance evaluation.

The findings showed that the systematic and iterative application of design thinking led to significant business model transformation. The company's value proposition, customer segment focus, revenue streams, and communication strategy changed substantially. Revenue grew overall by 80.4% during the renewal period.

The study suggests that while specific strategic choices might be context-dependent, the capability to implement structured experimentation through design thinking provides a transferable approach to strategic renewal in solo businesses.

Keywords:

strategic renewal, dynamic capabilities, design thinking, service design, business model innovation

Opinnäytetyö (YAMK) | tiivistelmä

Turun ammattikorkeakoulu

Master of Business Administration, Service Design

2026 | 98 sivua

Reetta Vahanen

Competitive by design

– case study on strategic renewal in solo business

Tämä opinnäytetyö tarkasteli, miten yksinyrittäjä voi palauttaa kilpailukykyä strategisen uudistumisen kautta palvelumuotoilun avulla. Tutkimuksessa selvitettiin, miten muotoiluajattelu toimi dynaamisena kyvykkyytenä muutostukien.

Työ toteutettiin kaksivuotisena (2023–2025) tapaustutkimuksena opinnäytetyön kirjoittajan omassa yrityksessä. Uudistusprosessi seurasi muotoiluajattelun viiden vaiheen prosessia. Aineisto kerättiin laadullisin menetelmin ja iteratiivisen markkinatestausten avulla. Tähän kuuluivat käyttäjähaastattelut, Delphi-tutkimus, netnografia, kilpailija-analyysi, iteratiivinen prototypointi, nopea markkinatestaaminen ja analyysointi sekä taloudellisen suorituskyvyn arviointi.

Tulokset osoittivat, että muotoiluajattelun soveltaminen johti merkittävään liiketoimintamallin muutokseen. Yrityksen arvolupaus, asiakassegmenttien painotus, tulovirrat ja viestintästrategia muuttuivat olennaisesti. Liiketoimintamalli kehittyi, ja liikevaihto kasvoi yhteensä 80,4 % uudistumisjakson aikana.

Tutkimus osoittaa, että vaikka yksittäiset havainnot saattavat olla kontekstisidonnaisia, muotoiluajattelu dynaamisena kyvykkyytenä tarjoaa sovellettavan lähestymistavan strategiseen uudistumiseen yksinyrittäjyydessä.

Asiasanat:

strategic renewal, dynamic capabilities, design thinking, service design, business model innovation

Content

List of abbreviations	7
1 Introduction	8
1.1 Background	9
1.2 Research problem	10
1.3 Methodology	11
2 Competitiveness design	17
2.1 Survival in hyperdynamic environments	17
2.1.1 Strategic renewal	18
2.1.2 Strategic renewal types	19
2.1.3 Strategic renewal versus competitive strategy	20
2.1.4 Renewal in small and early-stage businesses	20
2.2 From competitive advantage to dynamic capabilities	21
2.2.1 Basics of dynamic capabilities	22
2.2.2 Dynamic capabilities in sole proprietors	24
2.3 Business model design	26
2.3.1 Design thinking and cognitive biases	27
2.3.2 Competitiveness with business model innovation	29
2.3.3 Design thinking in small businesses	30
3 Renewal process	33
3.1 User empathization	38
3.2 Problem definement	42
3.3 Solution ideation	50
3.4 Prototype development	54
3.5 Market testing and iteration	57
4 Regained competitiveness	71
4.1 Business model canvas	71
4.2 Analysis of business model maturity	74
4.3 Overview of financial performance	75

5 Conclusions	78
5.1 Design of competitiveness	78
5.2 Design thinking in strategic renewal	80
5.3 Strategic renewal in practice	83
5.4 Validity and reliability	85
5.5 Future research	88
References	90

Appendices

Appendix 1. Feedback questionnaire.

Figures

Figure 1. Frame of reference.	12
Figure 2. Dynamic capabilities (Teece 1994; 2007; 2025) versus dynamic capabilities in sole proprietors (Nopo Olazabal & Goni Avila, 2022).	25
Figure 3. Business model canvas of the case company in 2023.	34
Figure 4. The case company's revenue in 2021–2023 (Rohkea Creative).	38
Figure 5. Initially identified themes from user interview responses.	40
Figure 6. Empathy map of the target audience.	42
Figure 7. Delphi study findings.	44
Figure 8. Findings from netnography.	46
Figure 9. Strategy canvas for the case company.	49
Figure 10. Examples of iterative, unstructured brainstorming.	52
Figure 11. Customer journey map of a solo service provider.	53
Figure 12. Service concept poster.	55
Figure 13. Service blueprint for <i>The Strategy Day</i> .	57
Figure 14. Screenshot of the sales page.	59
Figure 15. Examples of revised marketing messaging in 2024.	61
Figure 16. Customer satisfaction score (CSAT) of <i>The Strategy Day</i> .	62

Figure 17. Net promoter score (NPS) of <i>The Strategy Day</i> .	64
Figure 18. Partial screenshot of coding feedback.	65
Figure 19. Initial clusters from coding feedback.	65
Figure 20. Five main themes identified from feedback.	67
Figure 21. Results of testing new service iterations in 2025.	70
Figure 22. Revised business model canvas.	72
Figure 23. Case company's revenue in 2021–2025.	76

Pictures

Picture 1. Interview answer analysis process.	41
---	----

Tables

Table 1. Phases and methods used in the renewal process.	13
Table 2. Five states of business model maturity (Chen & Zhang, 2017).	32
Table 3. Maturity of the business model in 2023.	37
Table 4. Comparison of the key competing factors.	48
Table 5. Maturity of the business model in 2025.	75

List of abbreviations

BM	Business model
BMC	Business model canvas
BMI	Business model innovation
CSAT	Customer satisfaction score
DC	Dynamic capabilities
DT	Design thinking
DM	Direct message
MVP	Minimum viable product
NPS	Net promoter score
SME	Small and medium-sized enterprises
VRIN	Valuable, rare, imperfectly imitable and non-substitutable resources (Barney, 1991)

1 Introduction

The business environment of the 2020s is characterized by volatility, uncertainty, complexity and ambiguity, making it extremely difficult for businesses to survive (Weiß, 2025). In Finland alone, the number of women entrepreneurs decreased by 20 000 in the years between 2022 and 2024 (Suomen Yrittäjät, 2025), which illustrates the tangible effects of this landscape. Amongst this unpredictability, having a competitive advantage is not enough: instead, firms need to continuously adapt and renew themselves to remain viable (Dzingirai & Baporikar, 2022; Teece, 2009; 2025).

Earlier theories of competitiveness emphasized positioning and resource advantages as the primary sources of sustained performance. Porter (1985; 1998) argued that firms achieve competitiveness by carefully analysing industry structures and securing a favourable market position. Similarly, the resource-based view (RBV) suggests that unique and valuable resources provide a competitive advantage for firms (Barney, 1991). The challenge with these theories is that they assume a relatively stable environment, but fall short in turbulent conditions (Raoofian et al., 2025; Teece, 2009; 2025).

In rapidly changing markets, these sources of competitiveness often remain effective only until the environment shifts. To ensure sustained competitiveness, firms are not only required to have competitive positioning or valuable resources, but dynamic capabilities (DC) that allow them to continuously *sense* opportunities and threats, *seize* them, and *transform* the resources and operations accordingly (Teece, 2025; Teece et al., 1997; Teece & Pisano, 1994). Design thinking (DT) has been argued to function as a dynamic capability that supports sensing, seizing, and transforming on a practical level (Liedtka, 2020; Magistretti et al., 2021). Prior research also suggests that it contributes to business model innovation (BMI), which in turn has been associated with sustained business performance and long-term competitiveness (Anwar, 2018; Bashir & Verma, 2017; Balboni & Bortoluzzi, 2015; Zott et al., 2024).

Although studies and debates exist on dynamic capabilities and business model innovation, they greatly focus on larger organisations and remains theoretical rather than practical. In addition, the dynamic capabilities theory has been criticised for lacking standardised empirical applications (Gonzalez-Samaniego et al. 2023), which makes its practical implementation challenging to evaluate. Consequently, there is limited understanding of how strategic renewal is operationalised in small businesses and solo businesses, particularly in contexts of financial decline, despite the fact that solo entrepreneurs represent the majority of the business population in Finland (Tilastokeskus, 2024). To address this gap, this thesis examines how strategic renewal unfolds in a solo business through an in-depth longitudinal case study. By documenting a two-year renewal process, the study explores how dynamic capabilities are enacted through design thinking and how business model innovation materialises as a result. In doing so, it provides a practice-based understanding of how competitiveness can be redesigned in a small entrepreneurial setting.

1.1 Background

Remaining competitive in an uncertain business environment is critical for all firms to ensure survival, but it is particularly challenging during the early years of operation. Calvino et al. (2015) show that the period between years two and five is especially vulnerable, as many young firms exit the market during this time. This is also the vulnerable stage that the case company was operating within when its revenue began to decline. To avoid becoming one of the firms that fail within their first five years, strategic renewal became necessary.

The case company examined in this thesis, Rohkea Creative, represents one such firm navigating a vulnerable stage of development. Rohkea Creative is a one-person company operating in the online coaching industry. Founded by the thesis author in 2017 as a part-time venture, Rohkea Creative transitioned into a full-time business at the onset of the COVID-19 pandemic in 2020. Since then, it has operated in the online coaching industry, providing marketing coaching services to small and micro businesses, especially solo

entrepreneurs. Over the years, the company has offered several variations of its services, ranging from tailored 1:1 marketing coaching to online group programs and occasional digital products. At the beginning of the thesis process in 2023, Rohkea Creative primarily focused on 1:1 brand coaching for small businesses, with a customer base consisting mostly of early-stage entrepreneurs.

During the first two years (2020–2021) of being a full-time business, Rohkea Creative increased its revenue. After that, the revenue started to decline in year three by 18% from the previous year (2022) and continued to do so 22% in year four (2023). This coincided with increased uncertainty of the world and the difficult first 2–5 years that many businesses don't survive. At this point it became apparent that a renewal was needed in order to survive and stay in operation.

The challenge was that even though the thesis author had over 10 years of experience in marketing and knew that a change was needed, it was difficult to define where the problem lied with Rohkea Creative. Even more challenging was deciding what needed to change. When combined with the added difficulty of one being too close their own business – a challenge many solo entrepreneurs face (Grimes, 2018) – the thesis author and the sole proprietor of Rohkea Creative was facing an important question: how to renew the business in order to survive and hopefully renew the competitiveness of the company?

1.2 Research problem

“In a stable environment, efficiency is achieved by driving variation out of the organization. But in an unstable world, variation becomes the organization's friend, because it opens new paths to success.”
(Liedtka, 2018)

While strategy, competitiveness, and dynamic capabilities are extensively discussed in management research, much of the existing literature focuses on larger organisations. As stated earlier, small businesses and solo businesses in particular, remain comparatively underexplored, despite their economic significance. In Finland alone, there were approximately 320,000 entrepreneurs

in 2023, of which 230,000 were solo entrepreneurs (Tilastokeskus, 2024). Yet little is known about the processes of how these businesses renew themselves and remain competitive on practical level.

Dynamic capabilities (DC) have been argued to explain how firms maintain competitiveness in uncertain environments (Teece, 2025), while design thinking has been identified as one mechanism through which dynamic capabilities can be enacted in practice (Liedtka, 2014). Yet, despite the growing interest in both, empirical studies that explore how these mechanisms operate in solo businesses remain scarce. Consequently, there is a need for practice-based insight into how strategic renewal is operationalised in solo business settings. This thesis addresses this gap by examining how competitiveness can be redesigned in a solo firm through design thinking and business model innovation. The research questions guiding this study are:

1. How is competitiveness designed in a solo business?
2. How can design thinking facilitate strategic renewal in a solo business?
3. How does strategic renewal unfold in practice and what is required from a solo business to succeed in it?

1.3 Methodology

The theoretical part of this master's thesis examines strategic renewal in the context of solo businesses through three interconnected theoretical perspectives: dynamic capabilities (DC), business model innovation (BMI), and design thinking (DT). These perspectives are positioned within a broader framework concerning the design of competitiveness. In this study (see the frame of reference in Figure 1) competitiveness functions as the overarching objective. Strategic renewal is positioned as the mechanism through which competitiveness can be regained, particularly in situations of declining financial performance. In this way, it forms the conceptual foundation of this study.

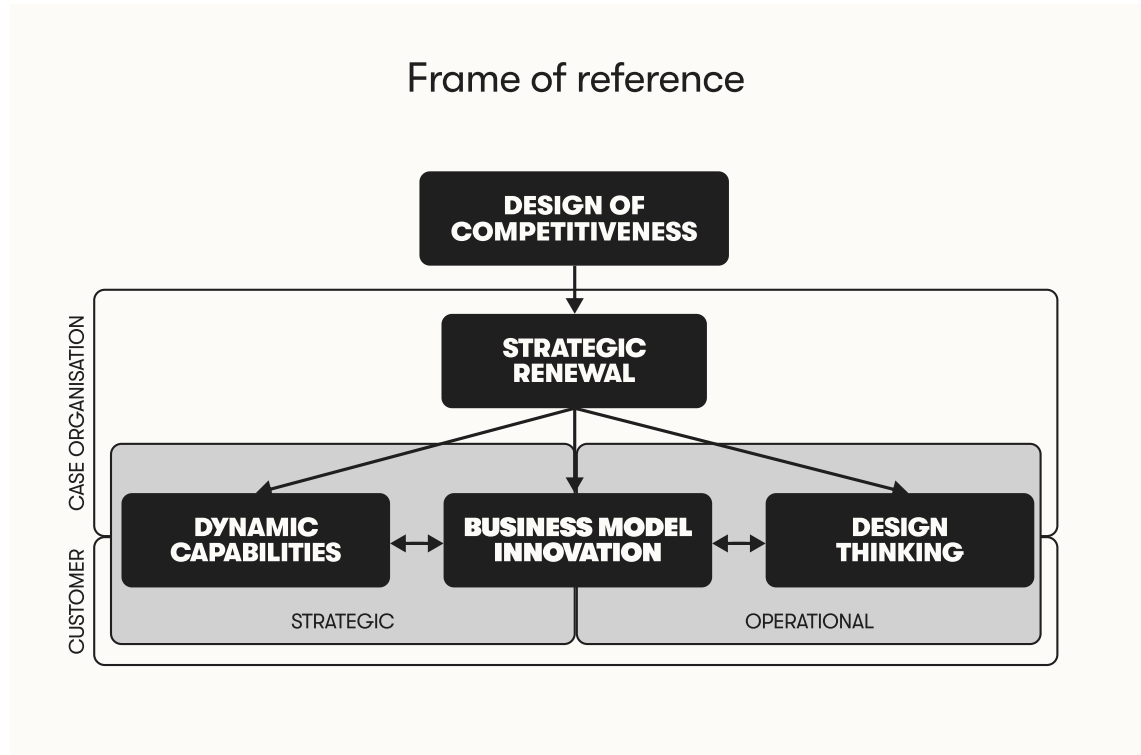


Figure 1. Frame of reference.

Dynamic capabilities, business model innovation, and design thinking are framed in this study as interrelated components of strategic renewal. Dynamic capabilities describe **what is required** from an organisation to be able to renew itself repeatedly. The dynamic capabilities theory explain the firm's ability to adapt to change. Business model innovation explains **what changes** during strategic renewal. It entails changes in how the company creates, delivers, and captures value. Design thinking, in turn, is framed as a dynamic capability that explains **how strategic renewal happens** in practice and provides a structured, iterative approach to change. In this study, dynamic capabilities represent the strategic level of renewal, whereas design thinking represents the operational level. Business model innovation combines both of these dimensions, as it is partly strategic and partly operational. Both the case company and the target audience are connected to all three aspects of strategic renewal: dynamic capabilities, design thinking, and business model innovation. In brief, the theoretical framework proposes that competitiveness can be redesigned through strategic renewal, enabled by dynamic capabilities, operationalised through design thinking, and materialised in business model

innovation. Together, these concepts form an integrated explanation of how renewal occurs and what changes as a result.

Building on the theoretical framework outlined above, the empirical part of this master's thesis represents a case study that examines how strategic renewal is carried out in a solo business using design thinking, with the aim of regaining competitiveness through business model innovation. The design thinking ideology takes a user-centric approach to problem-solving which can lead to innovation and differentiation, and it follows a five-step process (empathize, define, ideate, prototype, test) through which the problem is solved (Gibbons, 2016). The empirical part of this thesis follows the five-step design thinking process that takes place in the case company over a two-year period (2023–2025). Each phase consists of specific service design tools and methods selected to serve the objectives of that phase (see Table 1). The methods and their application are discussed in greater detail in the empirical part of this thesis.

Table 1. Phases and methods used in the renewal process.

Phase	Purpose	Methods	How methods are used
Empathize	To gather insights about the user in order to more deeply understand them (Gibbons, 2016).	User interviews Empathy map	User interviews are used to gather information about the user; empathy map is used to analyse and visualize the findings from the interviews
Define	To define the problem(s) the user is facing and define a problem statement for further development (Dam, 2025; Gibbons 2016)	Delphi study Netnography and competitor analysis Strategy canvas	Delphi study is used as a foresight tool; netnography and competitor analysis to understand the market through the user's eyes; strategy canvas is used to visualize the market and its gaps
Ideate	To generate a wide range of ideas and ideate a possible	Brainstorming	Brainstorming is used as an idea generation method and customer journey map is used

	solution (Murphy et al., 2022; Gibbons 2016)	Customer journey map	to visualize a hypothetical entrepreneurial journey
Prototype	To build a scaled down version of an idea for a possible service (Dam, 2025)	Service concept poster Service blueprint	Service concept poster is used to prototype a possible value proposition for a new service; service blueprint is used to conceptualize the service and its phases further
Test	To verify that the prototype achieves what it is supposed to achieve by testing it with real users (Gibbons, 2016)	Net promoter score (NPS) Customer satisfaction score (CSAT) Inductive coding	In this phase, feedback is gathered from the participants. NPS and CSAT are used to analyse the tested service; inductive coding is used to analyse open feedback

In the empathize phase, information and understanding of the user and their needs are gathered and deepened (Gibbons, 2016). In this phase, two methods are used: user interviews and an empathy map. User interviews are used to gather insights from the target audience. These insights are then visualized with an empathy map of the target audience.

The define phase focuses on articulating the user's problem (Gibbons, 2016). The phase begins with a Delphi study, which functions as a foresight tool to gain a deeper understanding of the marketing industry, both in the present and in anticipated future developments. In addition, netnography and competitor analysis are conducted to examine the market from the user's perspective. Based on these findings, a strategy canvas is constructed to visualise industry dynamics and identify potential gaps. Finally, a problem statement is created to guide the following phases.

The ideating phase focuses on generating a wide range of ideas for possible solutions (Gibbons 2016; Murphy et al., 2022). This phase includes unstructured, individual and iterative brainstorming that is used to generate a

wealth of ideas. In addition, a customer journey map is created to visualize and understand a hypothetical entrepreneurial journey of the target audience, and to spot a point in that journey where the case company's services can best benefit the user.

In the prototyping phase, a scaled-down version of a potential new service is developed for testing (Dam, 2025). First, a service concept poster is created to clarify and communicate the service's value proposition – meaning a written, explicit promise made by a company about how it delivers value-creating benefits to customers (Hassan, 2012). The concept is then further specified through the creation of a service blueprint, in which each phase of the service process is planned in detail to ensure readiness for testing.

The testing phase is used to verify that the prototype works as intended by testing it with real users (Gibbons, 2016). In this phase, a minimum viable product (MVP) is launched and tested within real business context. An MVP refers to a simplified version of a service which allows a company to learn how a service works with little development effort (Ries, n.d.). This MVP is then market tested, and feedback is gathered from the participants over a period of year. The feedback includes the net promoter score (NPS) and the customer satisfaction score (CSAT) that are used to quantify how participants experience the service. In addition, inductive coding is used to analyse open feedback and identify themes for further development of the service. Based on the insights gained by the feedback, three new service concepts are created and tested over a period of 8 months.

The effects of this strategic renewal process are measured with the changes and the maturity of the business model as well as changes in revenue. Changes in the business model canvas before and after this two years period are compared to each other, as well as the maturity of the business model in regard to its clarity on the following aspects: for whom value is created, what value is created, how value is delivered and how value is captured (Chen & Zhang (2017)). In addition, the changes in revenue over the years is measured and

compared to see how the incremental changes in the business affect the bottom line of the case company.

2 Competitiveness design

In *The Practice of Management*, Drucker (2007) argues that one question lies at the heart of strategic management: “What is our business?” The answer to this question determines how a firm competes, where it directs its resources and how it positions itself in the market. Answering this one question correctly can be key to significant business growth, while failing to answer it can lead to missed opportunities, rapid decline and even major business decline (Drucker, 2007, chapter 6). Competitiveness of a firm, therefore, is not accidental, but instead can be designed through deliberate choices about value creation, target customers, and strategic direction.

When the answer to Drucker’s question no longer aligns with market realities, competitiveness and survival of a firm is challenged. At this point, firms are required to reassess and redesign their business logic. This process is commonly referred to as strategic renewal, and it is described as the refreshment or replacement of organisational attributes that significantly affect its long-term prospects (Agarwal & Helfat, 2009). Designing competitiveness in dynamic environments requires more than static positioning (Raooftian et al., 2025; Teece, 2009; 2025). It demands capabilities that enable organisations to innovate, adapt and reconfigure continuously. The following chapters first discuss strategic renewal as the broader process. They then frame dynamic capabilities as the foundation for renewal, design thinking as the practical approach used to implement it, and business model innovation as the visible result of renewed competitiveness. These concepts are examined specifically in the context of a solo business, allowing the study to explore how renewal unfolds in a small-scale entrepreneurial setting.

2.1 Survival in hyperdynamic environments

Modern businesses operate in a hyperdynamic environment that is defined by blurred industry boundaries, heightened competition, rapid technological

changes and short product lifecycles (Raofian et al, 2025). To remain competitive in such an environment, companies need to constantly evolve and renew themselves. The survival, in addition to the success and failure of a company, is linked to the company's ability to change and meet the challenges it faces, which is why responding to these changes should be a top priority for companies (Dzingirai & Baporikar, 2022).

The goal of strategic renewal is to ensure the long-term survival and competitiveness of a company (Agarwal & Helfat, 2009; Schmitt et al. 2016). One driver for change is often poor financial performance of a company but even when companies share the same driver, their reactions to the situation can be opposite from each other (Gonzalez-Samaniego et al., 2023). Some companies choose strategic renewal while others stay inert. Inertia can happen even when managers acknowledge the need for change and have vision for what needs to be done. Nguyen et al. (2022) also argue that even when companies acknowledge the need for strategic renewal and aim for it proactively, only a minority of companies manage to achieve profitable strategic renewal.

2.1.1 Strategic renewal

Agarwal & Helfat defined strategic renewal in 2009 as “the process, content, and outcome of refreshment or replacement of attributes of an organization that have the potential to substantially affect its long-term prospects”. In 2016, Schmitt et al. argued that the term lacks common definitions and conceptual clarity, and suggested a new definition based on three primary elements of strategic renewal. These elements of strategic renewal according to Schmitt et al. (2016) are as followed: Strategic renewal (1) involves a transformation of the firm's core capabilities that are associated with competitive advantage, (2) affects the entire organization across different levels, and (3) is crucial to break path dependence and ensure the company's long-term survival. Based on these three elements, Schmitt et al. (2016) propose the following definition: “Strategic

renewal describes the process that allows organizations to alter their path dependence by transforming their strategic intent and capabilities.”

While there are different definitions of strategic renewal, Raoofian et al. (2025) have identified some typical attributes of strategic renewal. Firstly, strategic renewal affects the company’s sustained survival while also driving success. In addition, it has a considerable effect on the company, leading to repercussions for the entire organization. Thirdly, it aims to facilitate the organization-environment fit, and lastly, it is understood as a positive change, even though this aspect is still controversial (Raoofian et al., 2025).

2.1.2 Strategic renewal types

Strategic renewal can be divided into discontinuous transformations and incremental renewal, and while discontinuous transformations have received an abundance of attention, in a world characterized by increasing uncertainty, the importance of incremental renewal is inevitable (Agarwal & Helfat, 2009). To keep up with the changes of the world and sometimes even lead them, companies need to renew themselves in incremental ways. If done proactively, incremental strategic renewal can reduce the need for larger and more difficult transformation later on (Agarwal & Helfat, 2009).

Pedersen et al. (2024) share a similar sentiment to Agarwal & Helfat (2009), but instead of incremental renewal, they take a project-based perspective to strategic renewal. They argue that strategy literature often attempts to understand strategic renewal through practices and routines as recurring processes, while in practice, strategies are not enacted solely by employing routines. Instead, they are often developed by executing different projects. Based on this perspective, they define strategic renewal as “a change in strategic course, content and/or capabilities enacted through organizational projects, processes, and/or practices” (Pedersen et al. 2024).

2.1.3 Strategic renewal versus competitive strategy

Strategic renewal shares similarities with competitive strategy, as they both aim at ensuring competitiveness of a company (Schmitt et al., 2016). However, there are some key differences between the terms (Schmitt et al., 2016).

Literature on competitive strategy often discusses strategic renewal in context of strategies that aim to create competitive positioning, and offers both analyses, frameworks and strategies to do that (Porter, 1985; 1998). Strategic renewal differs from this at least in two ways (Schmitt et al., 2016): (1) Strategic renewal as a concept is broader than competitive strategy. It does not only refer to changes in a company's strategy but also to the company's scope, core capabilities and business design. (2) Competitive strategy explores specific strategies and their aspects, while strategic renewal focuses on the shift from one strategy to another. (Schmitt et al., 2016).

2.1.4 Renewal in small and early-stage businesses

The challenge with theories on strategic renewal is that most of them focus on large, established companies, and little research is conducted on small or early-stage entrepreneurs (Kirtley & O'Mahoney, 2020). How strategic renewal happens in small companies remains understudied. However, two key aspects are known from a study on conducted by Kirtley & O'Mahoney (2020). Their research reveals when and how early-stage entrepreneurial companies change their strategies. By examining 93 strategic decisions of seven different entrepreneurial companies, they identified that these companies changed their strategies only after receiving new information that conflicted or expanded their beliefs, and that strategic renewal – or a pivot – was not achieved with a single decision. Instead, change happened by incrementally exiting or adding strategy elements over time. These incremental changes eventually accumulated into a pivot (Kirtley & O'Mahoney, 2020). This finding corresponds to Agarwal & Helfat's (2009) perspectives on incremental strategic renewal as well the

project-based perspective of Pedersen et al. (2024) as (discussed previously in chapter 2.1.2).

Even though new information can be a catalyst of strategic change for small companies (Kirtley & O'Mahoney, 2020), receiving feedback can be difficult for entrepreneurs whose identity is often tied to their creative ideas (Grimes, 2018). This is why feedback can also trigger resistance instead of change, as entrepreneurs' ideas are deeply tied to their personal beliefs and self-concepts. For them, strategic renewal is not just a logical process but an emotional one that is deeply tied to who they are and how they see themselves (Grimes, 2018).

2.2 From competitive advantage to dynamic capabilities

Earlier theories on business strategy argued that competitiveness of a company could be achieved by analyzing the markets and finding a favorable, defensible position in it (Porter, 1985; 1998), or by having valuable, rare, imperfectly imitable and non-substitutable (VRIN) resources that would provide the company long-term performance from its competition (Barney, 1991). The problem with these theories is that they assume a somewhat stable environment that is not aligned with the realities of modern business (Teece, 2025; Teece, 2009, p.14). Instead of being stable or static, the contemporary business landscape is characterized by blurred industry boundaries, heightened competition, continual technological advancements and shortened product life cycles (Raoofian et al., 2025). Being successful at one point in time does not guarantee continued success or even survival (Jörn, 2016). To survive and grow in such an environment, having a competitive strategy or difficult-to-imitate resources is not enough. Instead, companies need to renew themselves constantly (Raoofian et al., 2025).

Winners and survivors in the global marketplace are companies that have the ability to demonstrate timely responsiveness and rapid innovation (Teece, 2025; Teece & Pisano, 1994). In addition to having a competitive strategy or VRIN

(valuable, rare, imperfectly imitable and non-substitutable) resources, companies need capabilities that allow them to create, find and exploit opportunities (Teece, 2025). In their seminal work, Teece & Pisano (1994) referred to this as dynamic capabilities. In addition, they argued dynamic capabilities explained how companies achieve and sustain competitive advantage (Teece et al., 1997; Teece & Pisano, 1994). Since its origin, the dynamic capability theory has been researched and in 2023, Gonzalez-Samaniego et al. argued that the theory is highly developed and closely associated with superior firm performance, although it still lacks some theoretical consistency and standardized empirical measures.

2.2.1 Basics of dynamic capabilities

Teece & Pisano (1994) originally defined dynamic capabilities as “the subset of the competences and capabilities that allow the firm to create new products and processes and respond to changing market circumstances”. Teece (2007) later updated this definition to include the company’s capacity to **sense** and shape opportunities and threats, to **seize** and shape opportunities and threats, and to maintain competitiveness through enhancing, combining, protecting and when necessary, **reconfiguring** the company’s intangible and tangible assets. The most recent definition by Teece (2025) states that dynamic capabilities are “the means by which managers of business enterprises foster and exercise organizational and technological capabilities and business strategy to address current and anticipated market and geopolitical conditions”. He also adds that companies with strong dynamic capabilities can establish and renew their competitive advantage periodically by not just responding but shaping the environment they operate in (Teece, 2025).

However, there are other definitions on dynamic capabilities. Helfat & Peteraf (2009), on the other hand, define dynamic capabilities as the abilities that companies to purposefully adapt, reconfigure and expand their resources in response to change. Eisenhardt & Martin (2000) take a different perspective to dynamic capabilities. They define them as not just abstract capabilities but

identifiable organizational processes. They argue that these specific processes are used to reconfigure resources in a fast-changing market. Winter (2003) defines dynamic capabilities as separate from the ordinary capabilities that companies do every day to stay in business. He refers to these ordinary or 'zero-level' capabilities as skills and routines that allow companies to make a living in their current environments. In contrast, dynamic capabilities or 'higher order' capabilities help companies adapt their operations – or the ordinary capabilities – to new environments and evolving markets.

Teece also makes a separation between higher-order dynamic capabilities and their microfoundations (Teece 2025; Teece, 2007). Higher-order dynamic capabilities are the company's capacities to sense, seize and transform opportunities and threats, whereas microfoundations are underlying mechanisms that enable these higher-order capabilities. The higher-order dynamic capabilities of company can be divided into three parts: (1) sensing opportunities and threats, (2) seizing opportunities or threats and capturing value from them, and (3) transforming, which means the continued renewal of a company and reconfiguration of its assets to (Teece, 2012). Microfoundations, on the other hand, are distinct skills, processes, structures, routines and behaviours that function as the building blocks of dynamic capabilities (Teece, 2007). While higher-order dynamic capabilities are company level capacities, microfoundations work on the individual level. This way, higher-order dynamic capabilities (the company level) do not exist without their microfoundations (the individual level).

The dynamic capabilities framework, while frequently used and cited, has received critique and been debated about. Eisenhart & Martin (2000), for example, argue that dynamic capabilities are just best practices, and therefore not a source of competitive advantage. Easterby-Smith et al. (2009) challenge the original definition because of its openness for interpretation. Gonzalez-Samaniego et al. (2023) instead argue that the dynamic capabilities theory is widely researched and highly developed. However, while being closely associated with superior performance, the theory still lacks coherence and standardized measures (Gonzalez-Samaniego et al. 2023). This is largely due

to the concept being inherently intangible, complex and often organization-specific, which makes studying it challenging (Schilke & Helfat, 2025).

2.2.2 Dynamic capabilities in sole proprietors

While Teece has linked dynamic capabilities to entrepreneurialism (2016; 2025), the theory itself focuses heavily on larger firms and well-structured organizations, leaving SMEs and sole businesses understudied (Nopo Olazabal & Goni Avila, 2022). Teece's emphasis is on entrepreneurial management or promoting entrepreneurship inside larger organizations (2016; 2025).

Specifically, he states that sensing as a capability is inherently entrepreneurial, as it involves listening to customers, studying markets, exploring opportunities and in general, scanning the business ecosystem. In addition, it means building and testing hypothesis about the market, all of which are entrepreneurial tasks (Teece, 2025). His argument is simple: the entrepreneurial side of large organizations needs to be studied to understand how they innovate and stay competitive (Teece, 2016).

Despite the lack of research on SMEs and solo businesses, Nopo Olazabal & Goni Avila (2022) have created a separate definition of dynamic capabilities for sole proprietors (see Figure 2). Based on their findings on studying sole proprietors in the music industry, they argue that sole proprietors develop dynamic capabilities through the four following components: (1) **recognition**, which means noticing shifts, opportunities and threats in the industry, (2) **assimilation**, which refers to integrating recognized opportunities and threats into business practices, (3) **restructuring** means reorganizing resources, networks and approaches when needed, (4) **focus**, which refers to an emotional and personal commitment, often passion or self-confidence (Nopo Olazabal & Goni Avila, 2022). While this framework shares similarities with Teece's widely discussed framework of dynamic capabilities, it has an added component that is not included in Teece's work or other definitions of dynamic capabilities in larger organizations. Nopo Olazabal & Goni Avila (2022) call this added component focus. It refers to the sole proprietor's ability to center and

direct attention and effort toward the things that matter for survival in a hyperdynamic environment. It is the internal strength of the person who leads the sole proprietorship. As opposed to Teece's original definition, this capability addresses the fact that the sole proprietor's emotional factors and prior experiences shape decisions and persistence. In short, there is an important emotional aspect that affects the dynamic capabilities of sole proprietors that is not shown at this point in larger organizations (Nopo Olazabal & Goni Avila, 2022).

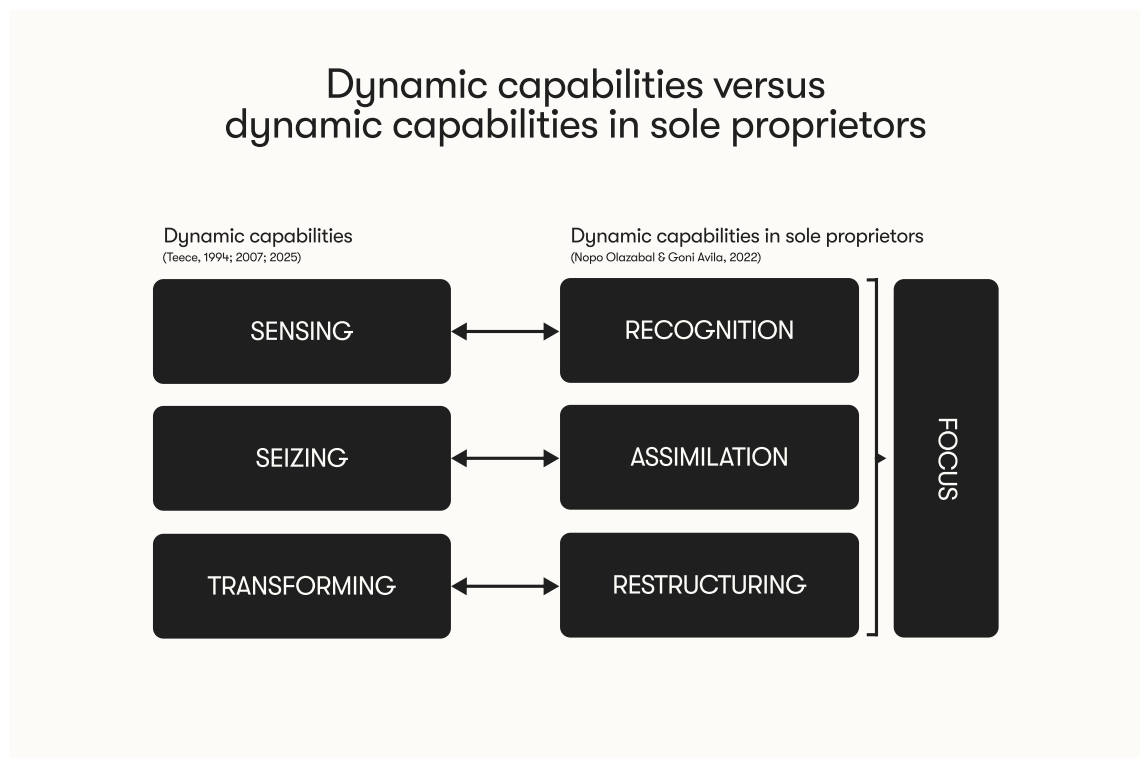


Figure 2. Dynamic capabilities (Teece 1994; 2007; 2025) versus dynamic capabilities in sole proprietors (Nopo Olazabal & Goni Avila, 2022).

Focus as the fourth dynamic capability in sole proprietors, has a significant effect on the three other dynamic capabilities (Nopo Olazabal & Goni Avila, 2022). According to their research, focus has a well-known influence on the permanence of the business, especially in a challenging industry. This shines a light on why different business abilities are hard to imitate: the competitiveness of a company is not only affected by its logical, identifiable or measurable capabilities but by an emotional component that is not often as easily seen as

other components. Nopo Olazabal & Goni Avila (2022) divide this capability into three categories: passion, foundation and self-confidence. Passion refers to things like internal drive and a high-level of commitment while foundation links the businesses to the individual's values, life stories and commitment to the business vision. Self-confidence, on the other hand, means believing in one's capabilities, feeling self-confident and being willing to take risks (Nopo Olazabal & Goni Avila, 2022).

Nopo Olazabal & Goni Avila (2022) also divide sole proprietors into two different categories: dynamic and resistant. Dynamic sole proprietors are the ones who actively and effectively apply the four components identified by their model (recognition, assimilation, restructuring and focus), while resistant one's struggle to develop or apply the full set of these components. Because of this, the dynamic sole proprietors adapt better to the competitive and changing environment they operate in, whereas resistant one's are less responsive and less well adapted to changes (Nopo Olazabal & Goni Avila, 2022).

2.3 Business model design

Design thinking has received attention as an approach to generate innovation in organizations due its ability to tackle the problems organizations face when encouraging innovation (Liedtka, 2014; Magistretti et al., 2021). It is a discipline that integrates design methods, technological feasibility, and business viability to transform human needs into customer value and market opportunity (Brown, 2008). However, it is often seen merely as a set of tools and practices aimed at generating product innovation (Magistretti et al., 2021) or as a facilitator of new technologies (Liedtka, 2020). According to Magistretti et al. (2021) design thinking is, in fact, a dynamic capability rooted in microfoundations and should therefore be framed as such. Liedtka, on the other hand, frames design thinking as a "social technology" that helps companies innovate by not just on a technological or product level, but by addressing the human barriers of innovation (Liedtka, 2020). In addition, design thinking helps address unmet

value, which is key for success in competitive environments (Bouman & Simonse, 2023).

Whereas Magistretti et al. (2021) argue that design thinking is rooted in dynamic capabilities microfoundations, Liedtka (2020) links design thinking with all three levels of higher-order dynamic capabilities. According to Liedtka (2020), design thinking promotes *sensing* capabilities by providing deep empathy with the customer-base, identifying unmet needs, reframing problems and counteracting blind spots and faulty assumptions. In addition, design thinking links to *seizing* opportunities with its prototyping and experimenting characteristics that help teams make decisions and reduce biases even in uncertainty. Finally, design thinking contributes to organizations' *transforming* capabilities by building commitment, making change feel real and helping teams identify and build capabilities that they need in order to stay competitive (Liedtka, 2020). This way, design thinking is not merely a linear methodology for product innovation nor a set of tools and practices, but when implemented into the business' operations, a strategic dynamic capability for companies (Magistretti et al. 2021; Liedtka, 2020).

2.3.1 Design thinking and cognitive biases

Design thinking has the potential to address unmet value – or the unrealized potential for value creation – by helping companies identify unmet user needs and innovate based on them (Bouman & Simonse, 2023). The problem with innovation, however, is that succeeding in it is often blocked or hindered by cognitive biases of people (Liedtka, 2014). These errors in how people think and decide can be, for example, projection bias, where people assume others think as they do, or hypothesis confirmation bias, where people seek evidence that confirms their pre-existing beliefs. Overconfidence can also have its effects on decisions, and lead to closing decisions prematurely (Liedtka, 2014). All of these biases can affect innovation and thus the success of company critically. However, design thinking has the ability to improve innovation by reducing their individual level cognitive biases, as it has a subtle way of getting around them

(Liedtka, 2014; 2018). Holguín Jiménez et al. (2024) argue that cognitive biases systematically emerge during the design process and can distort problem formulation, idea generation, and evaluation if left unaddressed. They demonstrate that designers are especially susceptible to this, but reflective and iterative design activities can mitigate cognitive biases by encouraging designers to slow down, question assumptions, and assess the situation. This aligns closely with Liedtka's (2014; 2018) argument that design thinking improves innovation outcomes by structuring decision-making in a way that counteracts human cognitive limitations rather than relying solely on individual rationality. Research on cognitive bias mitigation supports the idea that reducing bias requires not just individual awareness, but systemic support through structured processes and environments Dharanikota et al. (2025). Liedtka (2014) argues that design thinking helps mitigate human biases is by forcing the individuals taking part in it into reflective, empathy-driven and evidence-based thinking cycles. It does this by addressing deep-seated biases, providing structure for innovation, emphasizes user-understanding instead of assumptions and builds buy-in while reducing fears for those who participate in it (Liedtka, 2018).

Liedtka (2014) links design thinking to cognitive processes and explains this way how design thinking gets around these cognitive biases. She argues that by empathizing empathy, design thinking forces decision-makers to see situations from other' perspectives and counteracts projection bias. Iteration and prototyping elements of design thinking, on the other hand, reduce premature conclusions and overconfidence as teams learn through continuous feedback instead of assumptions. In addition, diverse idea generation help organizations avoid tunnels vision and confirmation bias. Finally, visualization of ideas makes abstract insights clearer for everyone, thus helping people make sense of complex information and avoid misunderstanding (Liedtka, 2014). In short, design thinking helps people think better by reducing cognitive biases, which can hinder innovation, thus leading to better results (Liedtka, 2014).

2.3.2 Competitiveness with business model innovation

In a hyperdynamic world, business model innovation (BMI) can be seen as the most powerful and sustainable source of competitive advantage (Bashir & Verma, 2017). Balboni & Bortoluzzi (2015) show that adapting business models can be crucial to enabling companies to survive in extremely dynamic and uncertain environments, while Bashir & Verma (2017) state that business model innovators can earn up to four times higher returns than product or process innovator.

Anwar (2018) argues that BMI has become the key driver for long-term business sustainability as it contributes to the value creation, delivery and sustainability of a company significantly, whereas Healy et al. (2017) and Cruz-Sánchez et al. (2026) state that novel business models or business model innovation are sources of competitive advantage, as companies with differentiated business models often outperform their competitors. Zott et al. (2024) describe business model as one of the most fundamental strategic design tasks for companies, and one that needs to be reconsidered from time to time depending on the speed of change in the business or the industry.

Teece's (2010) seminal definition describes business model (BM) as the "architecture of the value creation, delivery, and capture mechanisms a firm utilizes". In short, it is the organizational and financial architecture of a business. It describes the design of value creation, delivery and capture of a company (Teece, 2018). Its essence is in defining how a company delivers and capture value or, in short, how customers are served and how money is made. Creating a business model requires a company to define precisely its role in the environment it operates in (Zott et al., 2024, chapter 2). In short, business model can be defined as a system of activities that create value, deliver value and capture value (Cruz-Sánchez et al., 2026). These activities involve content (what activities are performed), structure (how these activities are linked) and governance (who performs the activities).

Business model innovation (BMI), on the other hand, refers to a “new configuration of a company’s value proposition, value-capture activities, and/or value chain organization” (Andreini et al., 2022) or as “the design and implementation of activity system that is new to the focal firm or new to the product-market space in which the focal firm competes” (Zott & Amit, 2015). It often represents an underutilized source of value, and in addition, can be harder to imitate by competitors than product or service innovation. If BM is defined as a system of activities, BMI then means changes in one or more activities. These changes can include things like adding new activities, linking activities differently or shifting who performs these activities (Cruz-Sánchez et al., 2026).

Business model design and business model innovation have been closely linked to dynamic capabilities, even though the relationship between them is fragmented (Cruz-Sánchez et al., 2026; Teece, 2018, 2025; Zott & Amit 2016). Teece (2018) writes that business model design is a key microfoundation of dynamic capabilities, and on the other hand, links it closely to seizing capabilities of a company (2025). Zott & Amit instead argue that business model design is a dynamic capability when viewed from a process lens. Cruz-Sánchez et al. (2026) state that BMI is rooted in dynamic capabilities. Findings from their literature review identify that key dynamic capabilities processes, such as strategic sensing, business model (re)configuration, resource alignment, and organizational learning, shape the BMI process. They frame BMI as not just an isolated innovation process but as an ongoing cycle of learning and transforming, which changes the question of BMI from “which components to change?” to “how do companies continually re-organize their capabilities amid uncertainty?” (Cruz-Sánchez et al., 2026). To add to that, Teece (2018) argues that the strength of a company’s dynamic capabilities affects its ability to design successful business models.

2.3.3 Design thinking in small businesses

For small and micro businesses, design thinking can offer unique benefits when incorporated strategically into their business models according to Abbas et al.

(2025). Especially for businesses that operate in creative fields, traditional business models often fall short in supporting the fluid, iterative nature of creative work, especially in digital domains where user behaviours, trends and platforms change at high speed. In addition, creative entrepreneurs are often emotionally invested in their work. This means that their business models need to not only support profitability but also take into consideration their personal values, visions and identities. Design thinking has the potential to bridge these gaps when incorporated not only as tools for problem-solving but strategic business models (Abbas et al., 2025).

Abbas et al. (2025) found out that incorporating design thinking as a strategic business model for creative entrepreneurs had a positive impact in multiple ways in their businesses. Firstly, entrepreneurs who integrated design thinking as business model reported higher product relevance and increased customer retention. In addition, these entrepreneurs managed to develop differentiated value propositions even when working in highly saturated markets. They were able to capture unique market segments and stand out from the competitions by moving beyond generic offerings and instead offer niche services to more specific customer groups. Finally, design thinking as a business model contributed to the long-term adaptability and sustainability of these businesses, even amongst rapid changes in customer behaviour and market disruptions. To sum up, Abbas et al. (2025) argue that integrating design thinking not just as a tool but as a business model offers a structured but flexible approach to operate in an uncertain environment for small and micro business in creative fields.

Research on business model innovation (BMI) in micro and small enterprises is scarce, despite growing interest in the topic in general (EINaggar & EISayed, 2023). What studies show is that dynamic capabilities of a company affect BMI in micro and small businesses, but in addition, the business owner's personal abilities to reconfigure and exploit the company's resources also impact the way a business creates market value. In fact, EINaggar & EISayed (2023) found in their study that the more uncertain the business owner feels about the external environment, the more inclined they are to think creatively and challenge the status quo. In addition, they found that the market orientation of the business

owner has a positive effect on the BMI, but surprisingly, their study shows that reactive market orientation instead of proactive has a greater impact (ElNaggar & ElSayed, 2023). This means that the business owners who acted reactively to market changes experienced a greater impact in their business than those who acted proactively.

Chen & Zhang (2017), on the other hand, have developed a five-state model on how small and micro firms evolve their business models (see table 2). The model contains five stages of business model maturity (seed, breakthrough, sprout, sapling, young tree) that address how their business models address for whom, what, how to create, and how to capture value. In the **seed** state, there is a vision for the business, but it still lacks knowledge of who it serves and how. In the **breakthrough** state, the business has gained clarity on who it serves and what its target audience is but lacks knowledge on how it creates value and delivers it. In the **sprout** state, the business has figured out how it creates value, but it lacks proper activities to deliver that value. In the **sapling** state, the business has managed to create proper activities to deliver value and generate revenue, but it lacks direction and implementation to generate profit. Finally, in the **young tree** state, the business has developed a fully formed business model: it knows its customer and the value it creates, and it has conceived a set of activities to deliver and capture value (Chen & Zhang, 2017).

Table 2. Five states of business model maturity (Chen & Zhang, 2017).

	Who value is created for	Value creation	Value delivery	Value capture
Seed	-	-	-	-
Breakthrough	is known	-	-	-
Sprout	is known	-	-	-
Sapling	is known	is known	is known	-
Young tree	is known	is known	is known	is known

3 Renewal process

The empirical part of this master's thesis is presented as a case study documenting a strategic renewal process aimed at restoring the competitiveness of the thesis author's company, Rohkea Creative. The renewal process was carried out over a two-year period (2023–2025), during which design thinking was applied as a dynamic capability. During this time, several smaller projects were conducted to incrementally transform the company. To document this renewal process systematically, the empirical part is structured chronologically according to the five stages of the design thinking process: empathize, define, ideate, prototype, and test. Each stage presents the goals of the phase, the methods used, and the insights that emerged from those methods.

The renewal process began in autumn 2023 with the question of why the case company was not attracting clients, particularly its intended target audience. This question guided the empathize phase, during which a deeper understanding of the users was developed. The insights gained were then carried into the define phase, where the core user problem was articulated to guide further development. In the ideate phase, multiple service concepts were generated. During the subsequent prototyping phase, one concept was selected and developed into a minimum viable product (MVP). The MVP was launched as a fully operational service in early 2024 and tested in a real business context. Feedback was gathered systematically throughout 2024 while the service was available for purchase. Based on the insights derived from this feedback, three additional service configurations were developed and tested by launching them as fully operational services in 2025. The results of this evaluation are presented in Chapter 4.

To evaluate the effects of this renewal process, the competitiveness of the case company is analysed on three levels before and after the two-year period: (1) changes in the business model, (2) the maturity of the business model, and (3) changes in annual revenue. Changes in the business model are examined

using the business model canvas as a visualisation tool depicting the core elements of the business (Osterwalder et al., 2010). Business model maturity is analysed using the categorisation presented earlier in the theoretical part of this thesis (see Chapter 2.3.3). Before presenting the chronological renewal process, the initial situation of the case company, including its business model canvas, analysis of the business model maturity and changes in revenue in 2023 when this process began are explained.

Business model canvas in 2023

Figure 3 presents Rohkea Creative's business model canvas at the beginning of the renewal process in 2023. While the complete canvas is shown, the following analysis focuses on the elements most relevant to the strategic challenges identified at that time. These are value proposition, customer segments, customer relationships and revenue streams.

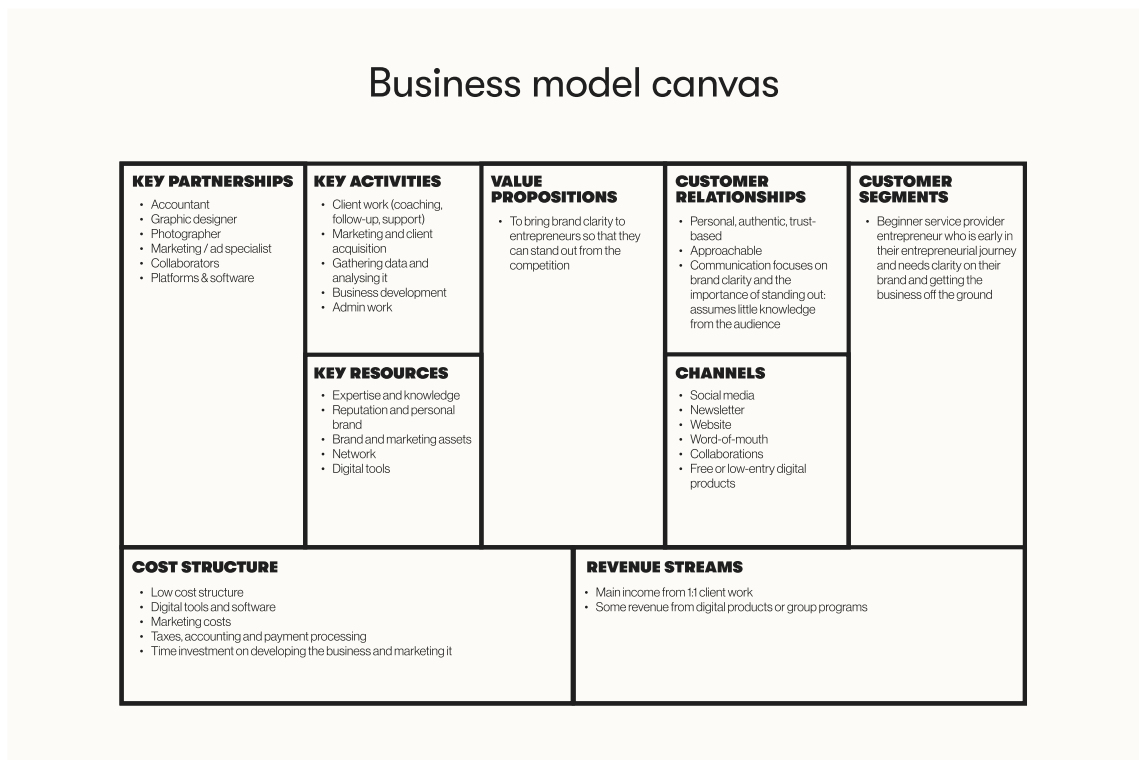


Figure 3. Business model canvas of the case company in 2023.

Value proposition: In 2023, the core value proposition of Rohkea Creative centred on 1:1 brand coaching services designed to help solo entrepreneurs clarify their brand identity and messaging. The services were typically structured as three-month coaching programs and were priced at approximately 1,500–2,000 euros. The emphasis of the offering was providing clarity, confidence, and differentiation in the market for the customer. While this value proposition addressed the needs of early-stage entrepreneurs, its attractiveness to more experienced entrepreneurs appeared limited.

Customer segments: The primary clientele of Rohkea Creative at the time consisted of early-stage entrepreneurs, often women service providers, who had limited prior experience in business or marketing. Many of them were in the initial stages of building their businesses and were seeking direction in defining their professional identity and attracting their first clients. However, although this segment formed the majority of existing clients, the strategic intention of Rohkea Creative was to increasingly serve more experienced entrepreneurs. A misalignment was therefore identified between the clientele that was attracted and the clientele that was intended.

Customer relationships (communication): Customer relationships were primarily built through communication that emphasized the importance of branding and standing out from competitors. The messaging assumed relatively limited business experience and spoke directly to the challenges faced by early-stage entrepreneurs. As a result, the communication style and positioning further reinforced the attraction of beginner-level clients rather than more established entrepreneurs.

Revenue streams: The majority of Rohkea Creative's revenue in 2023 was generated through the 1:1 coaching services. Additional income was derived from occasional digital products and group programs, although these represented a smaller share of total revenue. The company was therefore financially dependent on individual coaching engagements, which increased vulnerability in the context of declining revenue.

Business model maturity in 2023

The maturity of Rohkea Creative's business model in 2023 was analysed using the framework introduced in Chapter 2.3.3 (Chen & Zhang, 2017). This framework evaluates business model maturity based on the development of four dimensions: target audience, value creation, value delivery, and value capture. Although the business model canvas presented in Figure 4 appeared structurally complete, the declining revenue and the misalignment between the current and intended target audiences indicated that the model was not functioning effectively in practice. The maturity of Rohkea Creative's business model in 2023 can be analysed as follows:

Target audience (for whom value was created): In 2023, value was created primarily for early-stage entrepreneurs. However, Rohkea Creative's strategically intended target group was more experienced entrepreneurs. A misalignment was therefore observed between the existing customer base and the desired target segment.

Value creation (what value was created): At this point, Rohkea Creative created value primarily through 1:1 brand coaching services. However, the offering did not appear sufficiently attractive to the intended target audience, as reflected in the declining revenue and the gap between current and desired clientele.

Value delivery (how value was delivered): Value was delivered mainly through individual coaching engagements. While the delivery mechanism itself was clearly defined, it did not effectively support the strategic objective of attracting more experienced entrepreneurs.

Value capture (how value was captured): Rohkea Creative's revenue was generated predominantly through 1:1 coaching services, although some revenue came from occasional digital products or group programs. The declining revenue indicated that the existing value capture mechanism was not functioning optimally.

Based on this analysis (Table 3), Rohkea Creative’s business model can be classified as being in the **breakthrough** stage (Chen & Zhang, 2017), meaning that the target audience dimension was identifiable but the remaining dimensions were insufficiently developed or misaligned. However, because a gap existed between the current clientele and the intended target audience, even this classification remains limited. Overall, the business model at this stage can be characterized as relatively undeveloped and lacking maturity across several key dimensions.

Table 3. Maturity of the business model in 2023.

Audience	known
Value creation	-
Value delivery	-
Value capture	-

Rohkea Creative’s revenue in 2021–2023

As stated earlier, Rohkea Creative’s revenue had been declining for two consecutive years prior to the initiation of the renewal process in 2023 (see Figure 4). Between 2021 and 2022, revenue decreased by 18%, followed by a further decline of 22% between 2022 and 2023. This downward development signalled a negative trend in financial performance and underscored the need for strategic renewal. Figure 4 illustrates this development and provides a visual overview of the revenue trend prior to the initiation of the renewal process, serving as a baseline reference point for subsequent analysis. It was from this point that the design thinking process was initiated.

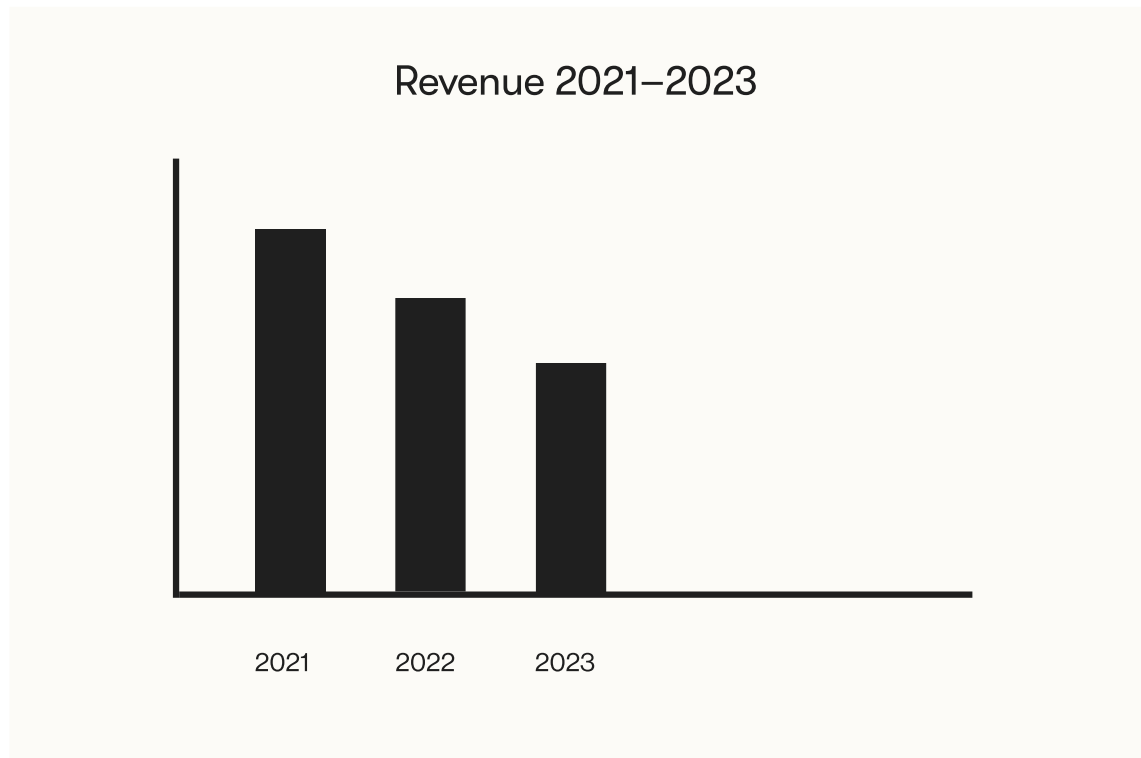


Figure 4. The case company's revenue in 2021–2023 (Rohkea Creative).

3.1 User empathization

In autumn 2023, the renewal process began with the empathize phase in during which a deeper understanding of the target audience was developed (Gibbons, 2016). In this phase, insights about the user (the intended target audience), were gathered in order to develop a deeper understanding of how they think, feel and act. At this point, it was unclear for the thesis author why the intended target audience was not choosing Rohkea Creative's services, and the empathizing phase was used to develop a deeper understanding on the situation. The purpose of this step was to replace assumptions with a clearer insight into the audience that would then form the basis for future development and business decisions (Gibbons, 2016).

User interviews

User interviews were conducted as part of the empathize phase to gain deeper insight into the perspectives of the target audience. In the design thinking process, user interviews function as a qualitative research method through which information about users' feelings, needs, motivations, mental models, and pain points is gathered in order to inform future development (Interaction Design Foundation, 2025a). In this study, the method was used to understand why Rohkea Creative was not attracting its target audience and how that could be changed. To develop this understanding, seven entrepreneurs were interviewed. The participants were selected based on their alignment with Rohkea Creative's intended target audience: service providers with viable businesses that had been operating for at least two years. Semi-structured interviews were conducted using eight guiding questions addressing their business situation and marketing practices:

1. What does your business look like at the moment?
2. What does your marketing look like at the moment?
3. How does a typical week of marketing look like for you?
4. What do you enjoy most about being an entrepreneur and marketing your business?
5. What frustrates you most about entrepreneur and marketing your business?
6. Why do you think that this is what causes you most frustration?
7. How are you planning to develop your business in the future?
8. What would make your business or marketing better for you?

After conducting the interviews, the responses were analysed qualitatively. The answers were grouped into thematic clusters (see Figures 5), and selected highlights were manually identified and examined in further detail (Picture 1). Based on this analysis, six thematic clusters were formed (Figure 5): creativity and freedom, time management, branding, feelings, focus and growth, and money and pricing. In addition, seven key insights were identified from the

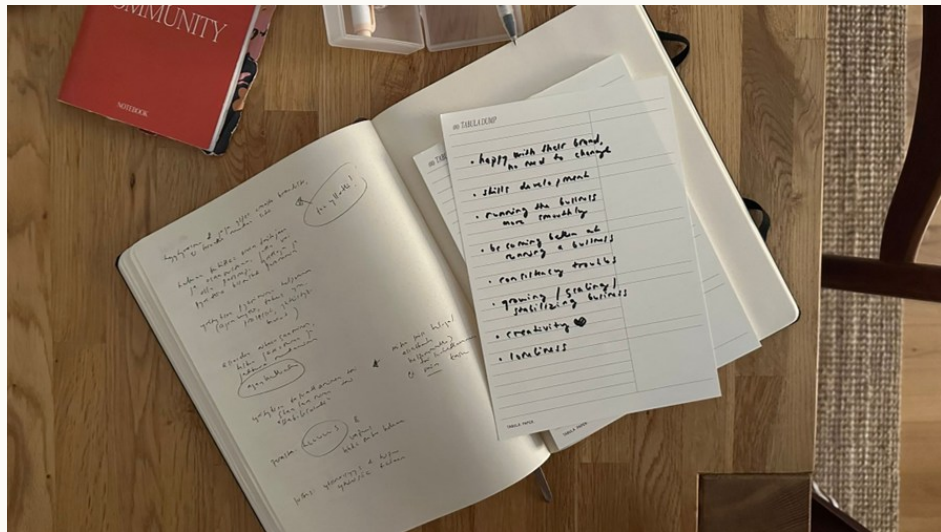
responses. These included feelings of happiness and pride related to their brands, a desire to further develop their skillsets, a need to make the business operate more smoothly, aspirations to scale or stabilize income, enjoyment of creativity and freedom, challenges related to time management and consistency, and occasional feelings of loneliness.

Identified themes from user interview

	A	B	C
1	Creativity and freedom	Time management	Branding
2			
3	<i>Examples:</i>	<i>Examples:</i>	<i>Examples:</i>
4	On my own creative terms	Finishing things	Satisfied with my brand
5	Freedom to choose	Creating my own schedules	Proud of my brand
6	Not forced to do things	Left unfinished	No need to change the brand
7	A desire to create something new	There just isn't enough time	Strong professional competence
8	Ideas constantly bubbling up	Routines	The business sustains itself
9	An intuitive and creative doer		
10			
11			
12	Feelings	Focus and growth	Money and pricing
13			
14	<i>Examples:</i>	<i>Examples:</i>	<i>Examples:</i>
15	Sometimes very alone	What to focus on	Money and pricing
16	Uncertainty	Growing the business	Doesn't come naturally
17	Mentally challenging	Scaling	Financial thinking
18	Inspiration	Outsourcing tasks	Managing the company's finances
19		The right target audience	Got a lot of clients
20		I'll change it again soon	Uncertainty about income
21			

Figure 5. Initially identified themes from user interview responses.

Analysing responses by hand



Picture 1. Interview answer analysis process.

Empathy map

In addition to user interviews, an empathy map was created during the empathize phase to analyze the previous user interview data in winter 2023. Empathy map is a visual canvas divided into four quadrants (what the user says, thinks, does, and feels) and is typically used to develop a shared understanding of the user (Gibbons, 2024; Service Design Tools, n.d.-a). In this study, the tool was applied to organize and interpret the data gathered from the user interviews in a more systematic and visual manner.

As depicted in Figure 6, participants expressed satisfaction with their brand and pride in their work, while simultaneously expressing a desire for less complexity in their daily operations. A need for greater financial stability was also articulated. They also reflected that performance was perceived as generally good, yet a desire for improvement remained, particularly regarding consistency and structured routines. Although revenue levels were described as acceptable, they were considered capable of being higher or more stable. In addition, it was

identified that the participants actively invested in professional development and sought to improve their business practices. Courses and programs were regularly purchased in order to strengthen skills and support business growth. In regards to their feelings, pride about their work and enjoyment about creativity were noticed. At the same time, experiences of loneliness and a desire for community were expressed, alongside occasional feelings of financial insecurity.

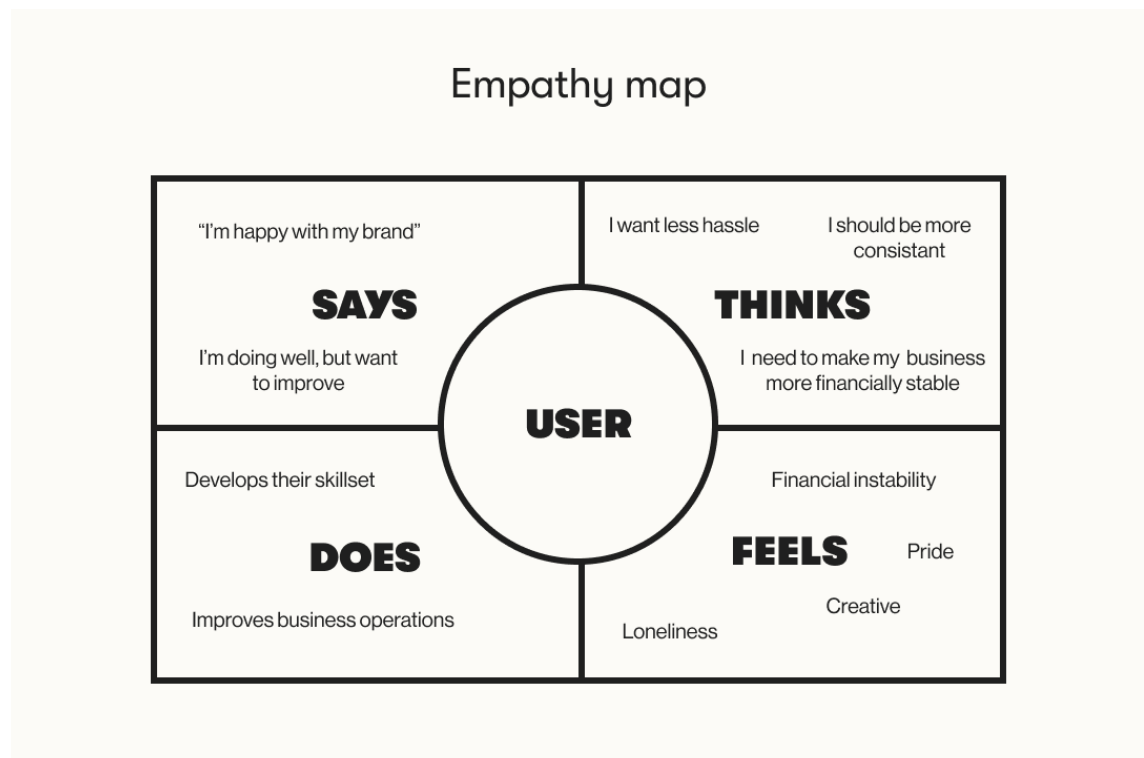


Figure 6. Empathy map of the target audience.

3.2 Problem definition

Following the empathize phase, the design thinking process continued with the define phase in winter 2023–2024, in which the user's problem was clarified and articulated (Gibbons, 2016). The purpose of this phase was to synthesise the insights gathered earlier and to identify concrete opportunities for innovation. By analysing the collected data, unmet user needs were specified and used to guide subsequent strategic development.

In this study, the define phase was conducted by deepening the understanding of both the target audience and the broader market context. In addition to the previous interview findings, further information about the market was gathered in order to contextualise the user insights. Based on this combined understanding, a clear and concise problem statement was formulated (Dam, 2025). This statement served as a guiding foundation for the subsequent ideation phase.

Delphi study

The define phase began with a Delphi study that was conducted to gain expert-based foresight to support the formulation of the problem statement. The Delphi method is a structured technique used to obtain a more reliable consensus from a panel of experts, particularly when addressing complex or future-oriented questions (Al-Qutaish, 2025; Okoli & Pawlowski, 2004). The method is characterised by anonymised participation and iterative rounds of questioning, in which responses are collected individually, synthesised, and then presented back to participants for further reflection and revision (Beiderbeck et al., 2021). Through this process, collective expert judgement is gradually refined.

In this case, five experts were selected to participate in the Delphi study. The participants worked actively in the field of marketing and their customer base consisted of solo service-provider entrepreneurs, who represented the intended target audience of Rohkea Creative. The method was used to explore how future-oriented marketing services for this segment might evolve, thereby complementing the user insights gathered in the empathize phase. The experts were presented with one guiding question: “What type of new marketing services will be crucial for solo entrepreneurs in the future (in 3–5 years)?” Following the first round, the responses were grouped and synthesised. The aggregated findings were then presented back to the participants, who were given the opportunity to review and revise their answers. This iterative process was repeated for three rounds until a clear consensus emerged. The results (see Figure 7) established three key parameters for the development of future

marketing services targeted toward solo entrepreneurs: (1) services should focus on a specific topic or area of business, (2) they should be hands-on and practical, and (3) they should prioritise implementation rather than information alone.

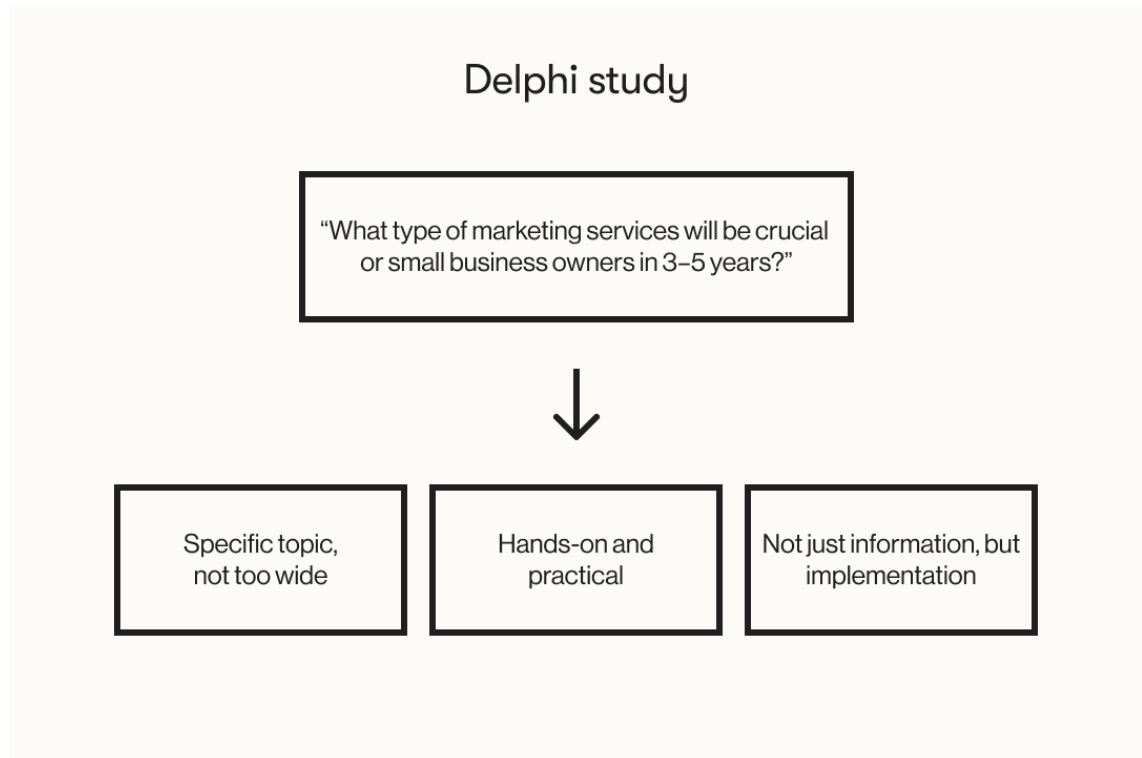


Figure 7. Delphi study findings.

Netnography and competitor analysis

Subsequently, during the define phase, netnography and competitor analysis were conducted to deepen the understanding of the broader market context in which Rohkea Creative operated. While the previous user interviews provided insight into the needs and experiences of the target audience, netnography and competitor analysis were used to examine the surrounding entrepreneurial ecosystem and competitive landscape. Netnography worked as a qualitative research approach adapted from ethnography and focused on the systematic observation of online cultures and communities (Kozinets, 2019; Kozinets & Gretzel, 2024), while competitor analysis functioned as a way to identify and assess competing actors in the industry (Hatzijordanou et al., 2019).

In this study, netnography as a method was applied as a form of digital immersion aimed at capturing the prevalent narratives surrounding women solo entrepreneurs (see Figure 8) at the time (winter 2023–2024). Observations were conducted across three types of online environments to ensure a comprehensive perspective: peer-to-peer communities, social media platforms, and traditional business media. Facebook groups, including *Yrittäjät* (Entrepreneurs), *Naisyrittäjät* (Women Entrepreneurs) and *Turun seudun naisyrittäjät* (Women Entrepreneurs of Turku) were examined as peer-to-peer communities. The unfiltered discussions of these Facebook groups provided insight into everyday concerns and shared experiences. The findings indicated that in peer-to-peer communities, relatively few online discussions focused directly on business development. Instead, broader themes and personal challenges appeared to dominate the conversations. Analysis of social media content, particularly Instagram posts by business influencers and coaches, revealed three dominant discourses. This phase included searching and analysing the social media content of both Finnish and international business influencers and women entrepreneurs. First, a “digital nomad” narrative emphasized digital products, passive income, and location-independent lifestyles. Second, the social media posts shared by business coaches focused on growth and scaling, often framed around structured “blueprints” promising increased revenue. Third, the content published on traditional business media, including *Kauppalehti*, *Taloussanomat*, *Talouselämä*, *Wall Street Journal*, *Forbes*, *Fast Company*, *Entrepreneur*, *The Economist*, *Harvard Business Review* and *Financial Times*, was overviewed and analysed from the perspective of a solo entrepreneur. It was observed that much of this content targeted managers and leaders within larger organisations, while topics specifically addressing solo entrepreneurs were comparatively limited. Overall, the netnographic analysis suggested a lack of nuanced marketing and business content tailored specifically to experienced solo entrepreneurs.

Findings from netnography

Facebook groups for women entrepreneurs	Little discussions on running a business; discussions revolve more around other topics.
Digital nomads	"By creating digital products you can generate passive income and work remotely in Bali while not working much at all"
Business coaches	"You can easily earn 20k-30k / month with this method I created by signing up to my program"
Spiritual teachers	"You can manifest your dream business and earn more by being in high vibration!"
Traditional business media	Focus on topics dedicated to managers who work in corporations or larger enterprises in general

Figure 8. Findings from netnography.

To complement this ecosystem-level analysis, a competitor analysis was conducted to examine the direct competitive environment of the case company. Competitor analysis as a method is commonly used to identify, evaluate, and assess competing actors within a market in order to understand positioning and differentiation opportunities (Hatzijordanou et al., 2019). In this study, eleven competitors were selected based on their similarity to Rohkea Creative in either service offering or perceived relevance to the target audience. These included companies providing business or marketing coaching services, as well as online courses related to business development. The competitors' offerings and messaging were extracted from their websites and organised into a comparative table for systematic review. Although the full table is not presented in this thesis for anonymity reasons, the key findings are summarised below.

Competitor analysis revealed that the market was saturated with highly similar offerings. Nine out of eleven competitors offered multi-module business or marketing coaching programs covering various aspects of business development. Eight of these programs extended over several months. One

competitor offered an online course focused on passive income, and one promoted a trademarked method for scaling a business. The majority of services (eight out of eleven) were priced between 2000€ and 3000€. Messaging across competitors was also largely homogeneous. Nine out of eleven companies used similar language centred around themes such as finding one's purpose, building a dream business, increasing sales, scaling, and achieving greater freedom. Two competitors differentiated themselves through more concrete messaging focused on measurable outcomes, such as reaching specific revenue targets (for example, "10k months with a proven method"). Only one competitor promoted the development of a distinctly new skillset. Together, the netnographic and competitor analyses indicated a saturated and conceptually repetitive market environment, with limited differentiation in both service structure and communication. These findings informed the formulation of the problem statement later in the define phase.

Strategy canvas

To synthesise the findings of the previous analyses, a strategy canvas was constructed to visualise the competitive landscape and identify opportunities for differentiated value creation. Strategy canvas is described as a visual analytical tool used to map key competing factors within an industry and to identify potential areas of uncontested market space (Mauborgne & Kim, 2017; Osterwalder et al., 2015). By plotting industry value curves across relevant factors, the tool enables a comparative overview of what customers currently receive and where gaps or imbalances may exist (Blue Ocean Strategy, 2024). In this study, the canvas functioned as a diagnostic instrument to translate earlier findings into a structured strategic comparison.

Following the user interviews (Chapter 3.1) and the Delphi study (Chapter 3.2), five key success factors for a potential service offering were identified: speed (duration of the service or program), specificity (degree of focus versus breadth), practicality (level of hands-on implementation versus abstraction), price (high versus low), and skillset development (extent to which a new skillset

is taught). Based on the competitor analysis (discussed previously in Chapter 3.2), each key competing factor was evaluated in terms of its average emphasis within the industry on a scale from 1 to 5. As the analysis shows (see Table 4), speed, specificity, practicality, and skillset development were assessed as relatively low (1), while price was assessed as relatively high (4–5).

In contrast to the industry averages, potential opportunities for differentiation were estimated for each factor. For example, if pricing was generally high within the industry, offering a lower price point was considered a potential avenue for differentiation. These comparative assessments were summarised in Table 4, which illustrated both the industry average and the potential direction for differentiation. The table indicated that services characterised by higher levels of speed, specificity, practicality, and skillset development (4–5), combined with a lower price point (1–2), could offer meaningful differentiation within the market.

Table 4. Comparison of the key competing factors.

Key competing factor	Industry average	Differentiation potential
Speed	<i>1 Low (services and programs are long)</i>	<i>5 High (fast services)</i>
Specificity of topics	<i>1 Low (variety of topics)</i>	<i>5 High (specific topics)</i>
Practicality / focus on implementation	<i>1 Low (focus is more on information)</i>	<i>5 High (focus is on implementation)</i>
Price	<i>4 High</i>	<i>1–2 Low</i>
Teaches a new skillset	<i>1 Low</i>	<i>5 High</i>

Based on these estimates, the strategy canvas was constructed (see Figure 9). The key competing factors were placed on the horizontal axis, and a scale from 1 (low emphasis) to 5 (high emphasis) was placed on the vertical axis. First, the industry's average value curve was mapped onto the canvas based on the previous analysis. Subsequently, a contrasting value curve was drawn to

represent a potential differentiated positioning aligned with the identified opportunity areas.

The final strategy canvas illustrated how the needs of the target audience were addressed by the industry on average and how Rohkea Creative could position itself differently across the five key competing factors. Through this visual comparison, earlier insights and estimations were translated into a strategic representation of potential uncontested value creation. Overall, the analysis suggested that increased competitiveness could be achieved by offering services that emphasised speed, specificity, practicality, and skillset development while maintaining a lower price point than the industry norm.

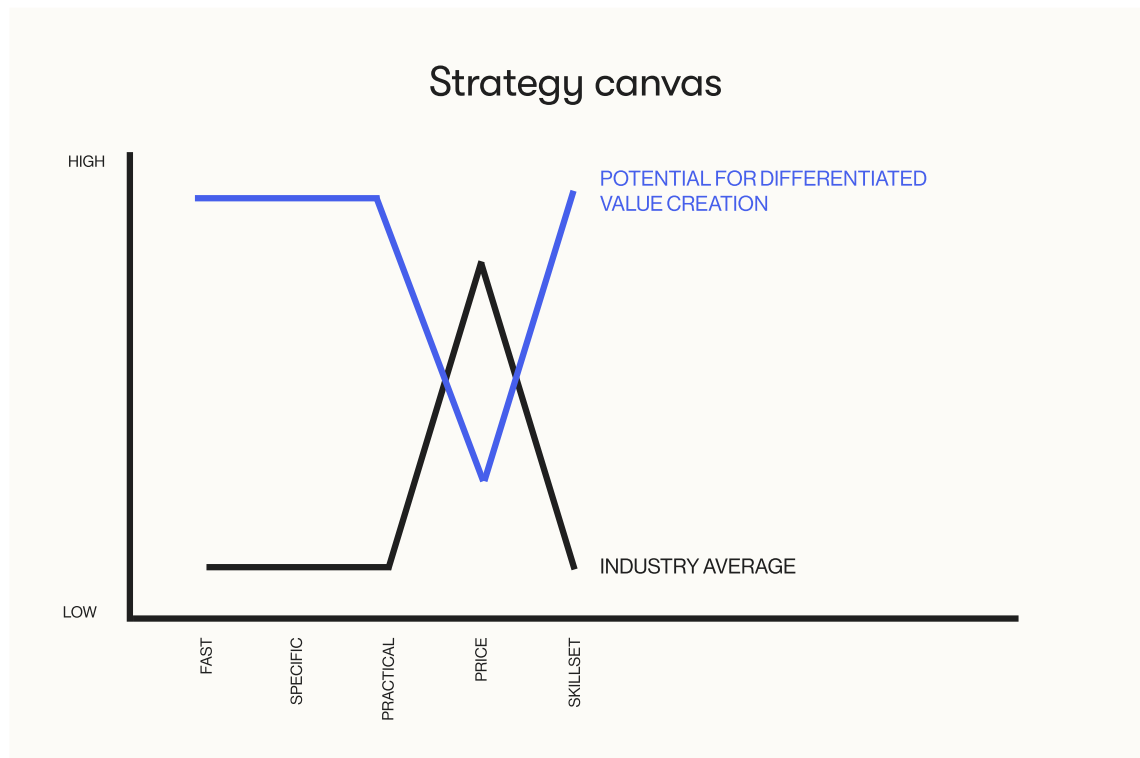


Figure 9. Strategy canvas for the case company.

Problem statement

A central objective of the define phase was the articulation of a clear, human-centred problem statement (Dam, 2025). In design thinking, a problem statement provides a concise description of the core issue to be addressed and

serves as a guiding reference for subsequent solution development (Interaction Design Foundation, 2025b). A well-defined problem is essential, as effective solutions depend on a precise understanding of what requires resolution.

Following the Delphi study, netnographic and competitor analyses (discussed in Chapter 3.2), and the construction of the strategy canvas, the findings were synthesised into a single problem statement reflecting Rohkea Creative's strategic situation. The statement was formulated based on the combined insights regarding user needs, market dynamics, and opportunities for differentiation. The resulting problem statement was defined as follows: **experienced solo service provider entrepreneurs lack access to focused, practical, and implementation-oriented marketing support that aligns with their stage of business development.** This problem statement synthesised the core unmet needs identified during the define phase and provided a clear direction for the subsequent ideation phase.

3.3 Solution ideation

Following the define phase and the formulation of the problem statement, the design thinking process proceeded to the ideate phase in winter 2024 (Gibbons, 2016). In this phase, a wide range of potential solutions was generated without prematurely limiting possibilities. Emphasis was placed on quantity rather than immediate feasibility or refinement, as the purpose of ideation was to explore multiple directions before narrowing the focus (Gibbons, 2016). Building on the user insights and the defined problem, the ideate phase was conducted to generate diverse concepts that could address the identified gap in the market. The aim was to explore new perspectives and alternative approaches that aligned with the needs of experienced solo service provider entrepreneurs. Through this process, a broad pool of ideas was created to inform subsequent prototyping and testing.

Brainstorming and idea generation

As part of the ideate phase, brainstorming was employed as an idea generation method to produce a broad range of potential solutions. Brainstorming is commonly used to generate an abundance of ideas, with emphasis placed on quantity rather than immediate evaluation or refinement (Murphy et al., 2022). Although originally conceptualised as a group-based creative technique, the method has also been adapted for individual use.

In this case, unstructured, individual and iterative brainstorming was used as an idea generation method (Figure 10). It was conducted through an individual brainstorming process that took place iteratively during a four-week period in winter 2024. Brainstorming was incorporated into the regular entrepreneurial workflow and took place at various stages rather than being limited to a single session. Concepts, strategic options, and potential solutions were mapped out in digital notes during these unstructured ideation sessions. This method made it possible to explore a variety of concepts without being constrained or evaluated beforehand. The notes also functioned as a reflective tool, allowing for the identification of promising directions and the comparison of ideas over time. Therefore, rather than being a single, isolated activity, brainstorming served as an iterative and reflective approach to concept development.

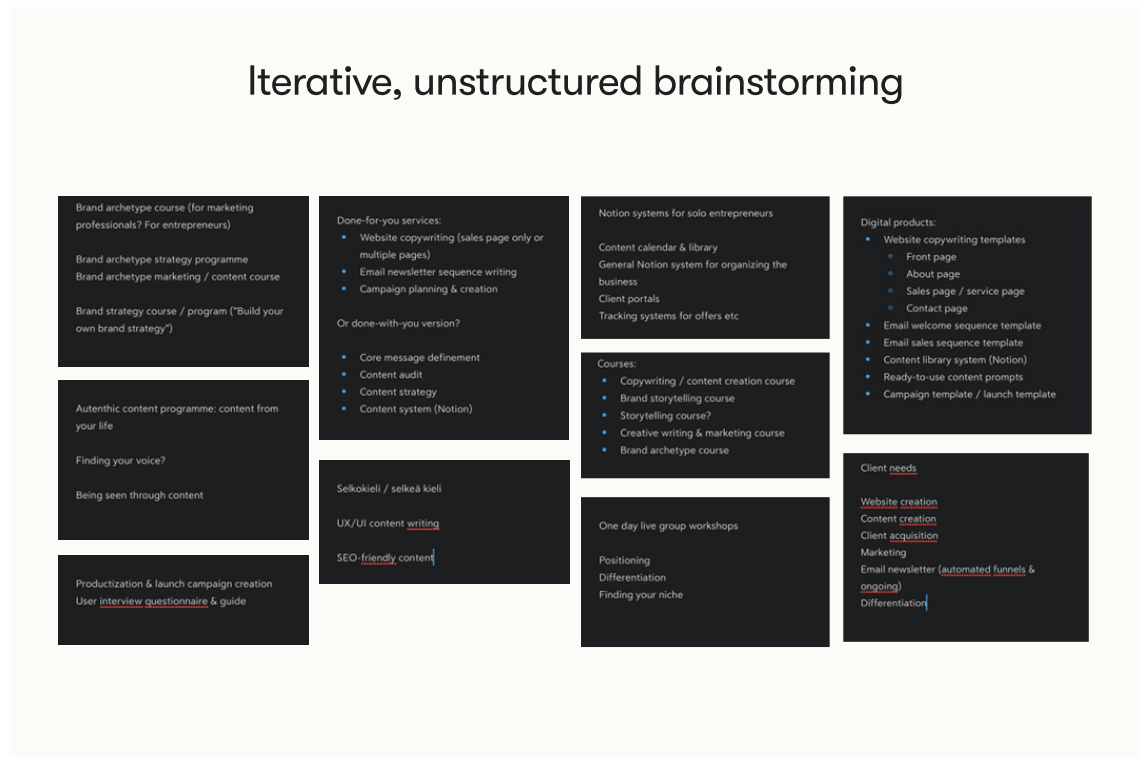


Figure 10. Examples of iterative, unstructured brainstorming.

Customer journey map

As part of the ideation process, a customer journey map was created to further explore the developmental trajectory of the target audience. Journey maps are typically used to visualise how a user interacts with a service over time (Service Design Tools, n.d.-b). In this case, however, the tool was applied as a creative and analytical sketching method to conceptualise the broader entrepreneurial journey of a solo service provider entrepreneur (see Figure 11). The objective of this exercise was to identify distinct phases within the entrepreneurial path and to determine whether a specific stage could function as a strategically relevant target position for Rohkea Creative. Rather than mapping an existing service interaction, a conceptual journey map was developed through the synthesis of empirical findings and experiential knowledge gained from working with numerous solo entrepreneurs.

Four key phases were identified in this conceptual journey (Figure 11). In the first phase, the entrepreneur initiates the business and focuses on establishing

a viable offering. At this stage, exploration and experimentation are central, and the primary objective is to generate initial revenue. In the second phase, experimentation continues as different services, target audiences, and positioning strategies are tested. Entrepreneurs often accept a wide range of opportunities in order to stabilise income and determine what works. Flexibility and responsiveness dominate this stage. In the third phase, a shift in mindset begins to occur. The entrepreneur no longer wishes to serve “everyone” but instead seeks clearer positioning and greater intentionality in client selection. A desire to become known for a specific area of expertise emerges, alongside a need for more focused service offerings. In the fourth phase, the business is refined and strategically narrowed. Services and target audiences are clearly defined, enabling the entrepreneur to operate with greater confidence, selectivity, and alignment. This stage represents a move toward sustainable growth and stronger professional identity.

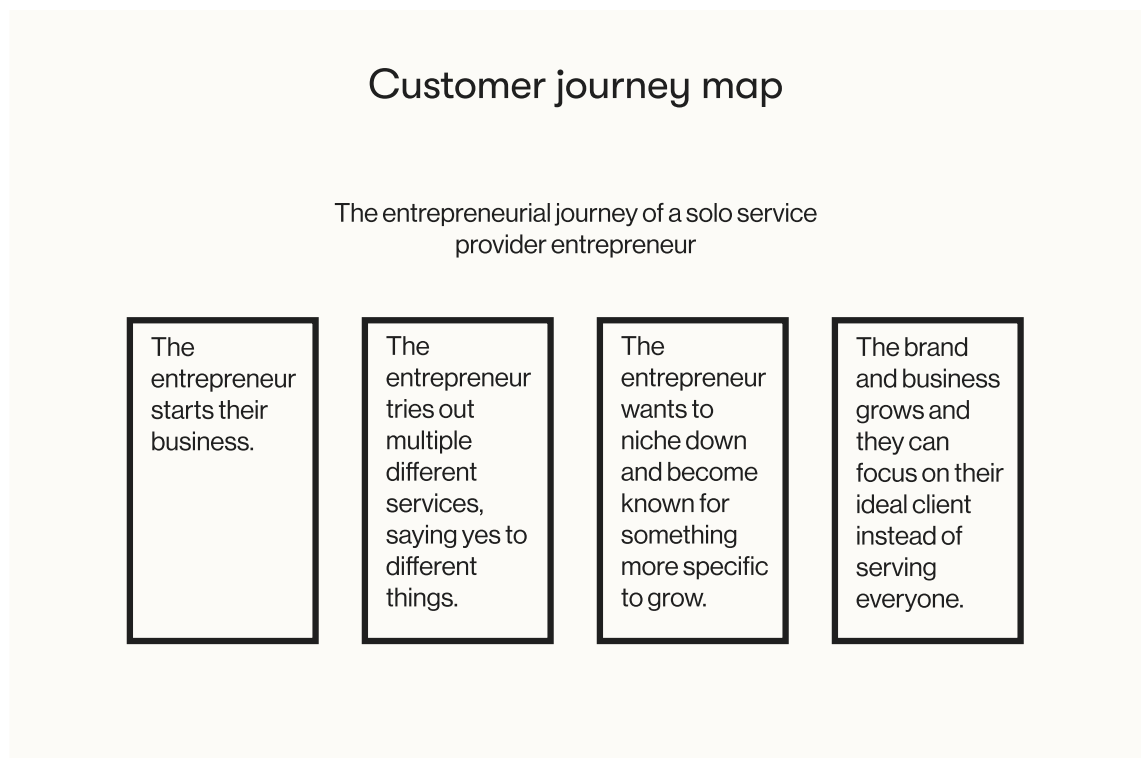


Figure 11. Customer journey map of a solo service provider.

Through this mapping exercise, the transition between the second and third phases was identified as a particularly relevant opportunity area. At this point,

entrepreneurs possess experience and operational stability but seek clearer positioning and structured growth. This stage was therefore recognised as a potential strategic focus for Rohkea Creative's future service development.

3.4 Prototype development

Following the ideation phase, the process proceeded to prototyping (Dam, 2025). In design thinking, prototyping involves transforming abstract ideas into more concrete representations in order to explore their structure, feasibility, and practical implications (Gibbons, 2016). Rather than functioning as a final solution, a prototype serves as an experimental version of a concept that can be further developed and refined. In this study, one possible idea was selected for further development. During this phase, the idea was transformed into a testable service offering.

Service concept poster

In this study, one particularly interesting service concept idea emerged for the thesis author during a hackathon event the author participated in earlier. This idea was selected for further development in the prototyping phase. The idea was chosen based on its alignment with the previously defined problem statement, the identified key competing factors and the stage in the entrepreneurial journey highlighted in the customer journey map. Specifically, the concept responded to the needs of entrepreneurs transitioning from experimentation toward more focused positioning and strategic growth.

As part of the prototyping process in winter 2024, a service concept poster was created to define and structure this selected service concept idea. Service advertisements are often used in service design as a simple prototyping tool, enabling the core value proposition of a concept to be articulated in a clear and concise format (This is Service Design Doing, n.d.). Typically presented as a poster combining visual elements and brief textual descriptions, this format

encourages clarity by requiring the essential components of a service to be explicitly defined.

To further concretise the idea, a service concept poster was developed as the first step (see Figure 12). The purpose of the poster was not to finalise the offering but to clarify its positioning, structure, and value proposition (or the promise) in relation to the earlier insights. As part of this process, the concept was given the name *The Strategy Day*. A concise slogan was formulated, and the core content of the service was translated into clear, market-oriented language. Through this exercise, the previously abstract idea was transformed into a structured and communicable service proposal. The concept was clarified, named, and strategically positioned, marking its progression from an emerging idea to a defined prototype aligned with the analytical findings of the earlier phases.



Figure 12. Service concept poster.

Service blueprint

In addition to the service concept poster, service blueprint was also developed during the prototyping phase to further specify and structure the selected

service concept. A service blueprint is a visual framework used to depict the delivery of a service by mapping the sequence of actions performed by both the user and the service provider (Service Design Tools, n.d.-c). It typically outlines the different phases of the service process and the supporting activities required at each stage. In addition to analysing existing services, the blueprint can be used to concretise and operationalise new concepts.

In this study, the service blueprint was employed to further elaborate the concept that had by this stage been named *The Strategy Day*. Through the creation of the blueprint, the service was broken down into eight distinct steps, covering the process from initial inquiry to post-service follow-up. The blueprint revealed the need to incorporate additional elements that had not been fully considered during the previous service concept poster exercise. These added elements included preparatory work for the client prior to the workshop, a structured support period following the workshop, and a formal follow-up meeting. Furthermore, supporting processes, such as the digital tools and software required to deliver each stage, were identified and specified.

In practical terms, the blueprint outlined a service process beginning with client inquiry and booking. As the service blueprint illustrates (see Figure 13), *The Strategy Day* was structured to extend beyond the workshop itself in order to address the need for practical implementation and continued support identified during earlier phases. The process begins with a client inquiry and booking stage. Following confirmation, an in-depth questionnaire is provided to the client to complete prior to the workshop day. This preparatory phase was incorporated to ensure specificity and focus during the session. After the workshop, the client is given access to a digital workspace containing the strategy document, an explanatory video, and structured next steps, including content prompts and implementation guidelines. The inclusion of these materials responded directly to the expressed desire for actionable and hands-on support rather than abstract guidance. The service is then followed by a one-month support period, during which the client can seek clarification and guidance while implementing the new strategic direction. A follow-up call is conducted after this period to review progress and address remaining questions. This extended structure was

designed to support implementation and reduce the sense of isolation that had been identified among solo entrepreneurs during the empathize phase.

Service blueprint

	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8
Customer Actions	Inquiry	Booking the date	Pre-work	Strategy day (workshop)	Post-session delivery	Feedback	Ongoing support for a month	Follow-up call
Front stage	Client reaches out via Instagram DM or email	I send booking link, client books via Google Calendar	Client fills out in-depth inquiry form	I-day workshop session with a lunch in the middle	Client receives Notion page with all materials (strategy, video, next steps)	Client completes feedback form	Client messages me for support via DM/email	Client attends follow-up call
Back stage	I check client's website/socials and assess fit	I update calendar availability and confirm fit	I review answers, update inquiry questions if needed, analyze client's business	I prepare materials, analyze client situation, facilitate live insights	I write strategy, upload materials, create a video and generate content ideas for them	I check the feedback consistently and analyze	I respond to their thoughts, ideas and concerns + follow their progress	I prepare feedback for the client, and afterwards update anything needed to Notion
Support processes	Maintain inquiry criteria list	Google Calendar / scheduling setup	Storing and organizing client responses	Workshop templates, structured flow	Notion setup, Loom archiving, file management	Maintain feedback records	Email / DM management	Notion archiving
Tools	Instagram, email, website	Google Scheduling / Booking confirmation email	Email	Google Meet, Miro, Figma	Notion workspaces, Loom, email	Google Forms	Email, Instagram	Google Meet, Notion
Client emotion	Curiosity, interest	Excitement	Reflection, anticipation	Confusion → aha moments → clarity	Clarity, excitement	Reflection	Supported, reassured	Confidence, certainty

Figure 13. Service blueprint for *The Strategy Day*.

Through the development of the service blueprint, the initial concept evolved from a high-level idea into a structured, operational and marketable service. This step was required to prepare *The Strategy Day* for the next phase of the design thinking process: testing. By clarifying the structure of the service with the service blueprint, its feasibility was strengthened for testing in real business context.

3.5 Market testing and iteration

Following the prototyping phase, the process continued with testing in winter 2024. In this phase the developed service concept was launched as a fully operational service to real users to market test it. In design thinking, testing aims to evaluate whether a prototype functions as intended and to assess how it is experienced in practice (Gibbons, 2016). The phase is typically iterative, as

feedback gathered during testing often reveals further development needs (Dam, 2025).

In this study, testing was conducted by launching *The Strategy Day* as an actual purchasable service in a real business context. Rather than being evaluated in a simulated environment, the concept was exposed directly to market conditions, allowing both customer interest and client satisfaction to be assessed. At this stage, *The Strategy Day* functioned as a minimum viable product (MVP). An MVP refers to a simplified version of a new product or service that enables validated learning about customers with minimal development effort (Ries, n.d.). Instead of fully optimising the offering prior to launch, streamlined version is introduced to the market in order to gather real-world insights. In this case, the service was launched in a functional but scaled-down form, allowing learning to occur through actual bookings, delivery, and client feedback. Through this approach, testing served not only to evaluate the viability and desirability of the service concept but also to generate actionable insights for further iteration and development.

Market testing

In the testing phase, the developed *The Strategy Day* functioned as an minimum viable product (MVP) and was launched as a fully operational offering. To introduce the concept to the market, a functional sales page was created and published on Rohkea Creative's existing website in February 2024 (see Figure 14). Unlike earlier prototyping tools, the sales page was not intended as a mock-up but as the official commercial presentation of the service. The page included a detailed description of *The Strategy Day*, its intended target audience, service structure, expected outcomes, deliverables, pricing, and booking instructions. By making the service directly purchasable, the concept was exposed to real market conditions and integrated into ongoing business operations.

Sales page

- In the testing phase, a sales page was created for the Strategy Day to communicate the value proposition, direct audiences from social channels, market the service for real audience and prompt inquiries



Figure 14. Screenshot of the sales page.

Once published, the sales page functioned both as a commercial platform and as a validation mechanism. Traffic was directed to the page primarily through social media marketing, where the service was actively communicated to the intended audience. Bookings and inquiries were enabled directly through the website, allowing customer behaviour to serve as an indicator of interest. This way, instead of testing the concept in a simulated research setting, the service was evaluated under authentic market conditions. Customer interest was measured through observable actions, such as the number of inquiries and confirmed bookings. These behavioural indicators provided insight into the desirability and commercial viability of the service while simultaneously generating revenue. Through this approach, the testing phase combined concept validation with real-world implementation, enabling the practical value of *The Strategy Day* to be assessed in an operational business context.

In addition to launching the service and publishing the sales page, Rohkea Creative's marketing messaging was revised to better align with the identified target audience. During the empathize phase, user interviews had indicated that

topics such as branding and brand clarity, previously central themes in Rohkea Creative's communication, were not perceived as particularly relevant by more experienced entrepreneurs. As a result, the messaging strategy was adjusted to reflect the themes that had emerged as meaningful during earlier research phases.

The revised communication focused on topics such as business growth, scaling, financial stability, creativity, and the development of new skillsets (examples are shown in Figure 15). These themes were directly derived from the insights gathered during the previous user interviews and subsequent analysis. By aligning the messaging with the articulated needs and aspirations of the target audience, the repositioning aimed to strengthen the relevance and attractiveness of the new service concept. Alongside the shift in messaging, a more intensive marketing effort was implemented. Content was published daily for a period of one month across Rohkea Creative's primary social media platforms, including Instagram and TikTok. This concentrated communication strategy was intended to accelerate the repositioning of the brand and increase visibility for *The Strategy Day*. Through this combined approach with revised messaging and a more intense content distribution the service was not only introduced to the market but embedded within a broader strategic repositioning of Rohkea Creative.

Revised marketing messaging

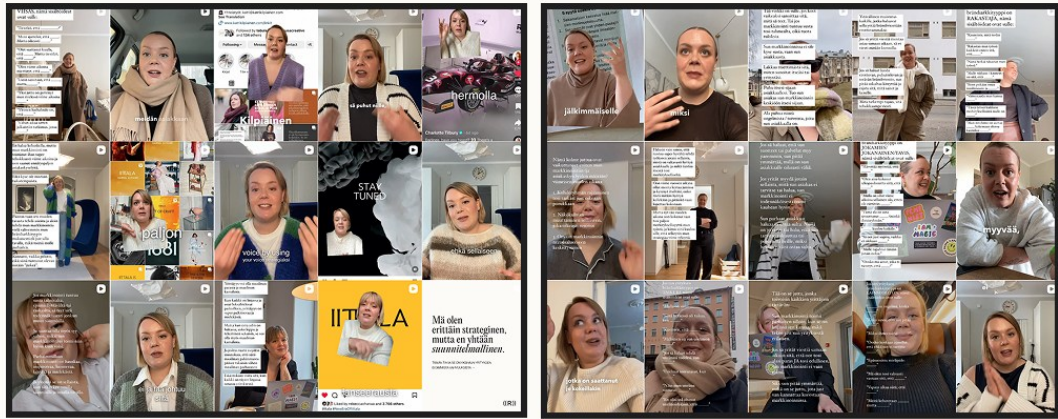


Figure 15. Examples of revised marketing messaging in 2024.

Feedback analysis

To complement the market-based validation of *The Strategy Day*, structured feedback was systematically collected from clients who purchased the service. While inquiries and bookings provided indicators of commercial interest, direct user feedback was required to evaluate the experienced value and perceived effectiveness of the service. Feedback was gathered throughout the entire year of 2024, during which *The Strategy Day* remained available for purchase. After completion of the service, participants were invited to respond to a feedback questionnaire administered through Google Forms (see the questionnaire in Appendix 1). During 2024, a total of 32 feedback forms were distributed to clients, of which 25 completed responses were received. This provided a response rate of approximately 78%, allowing for a substantive understanding of how the service was experienced by its users.

The questionnaire consisted of two closed-ended questions and six open-ended questions, enabling both quantitative indicators and qualitative insights to be

collected. The first closed question was the customer satisfaction score (CSAT). It measures how satisfied customer are with the company or its service (Qualtrics, 2020). It asks the customers to rate how satisfied they were with the company or its service on rating scale of 1–5 (1 = very unsatisfied, 2 = unsatisfied, 3 = neutral, 4 = satisfied, 5 = very satisfied). To calculate the CSAT score, the responses of 4 (satisfied) and 5 (very satisfied) are used, they have been shown as the most accurate predictors of customer retention. The CSAT is then calculated by dividing the number of satisfied customers (4 and 5) with the number of survey responses and then multiplying that by 100. The result is the percentage of satisfied customers (Qualtrics, 2020).

In Rohkea Creative’s case, there were 25 responses to the feedback questionnaire (see figure 16). Of these 25 responses, 25 people answered either 4 or 5. All these answers can be divided into the satisfied category. This means that out of 25 answers there were 25 satisfied customers and that the CSAT score of *The Strategy Day* was 100%. In short, it can be argued that 100% of the respondents were satisfied with the service.

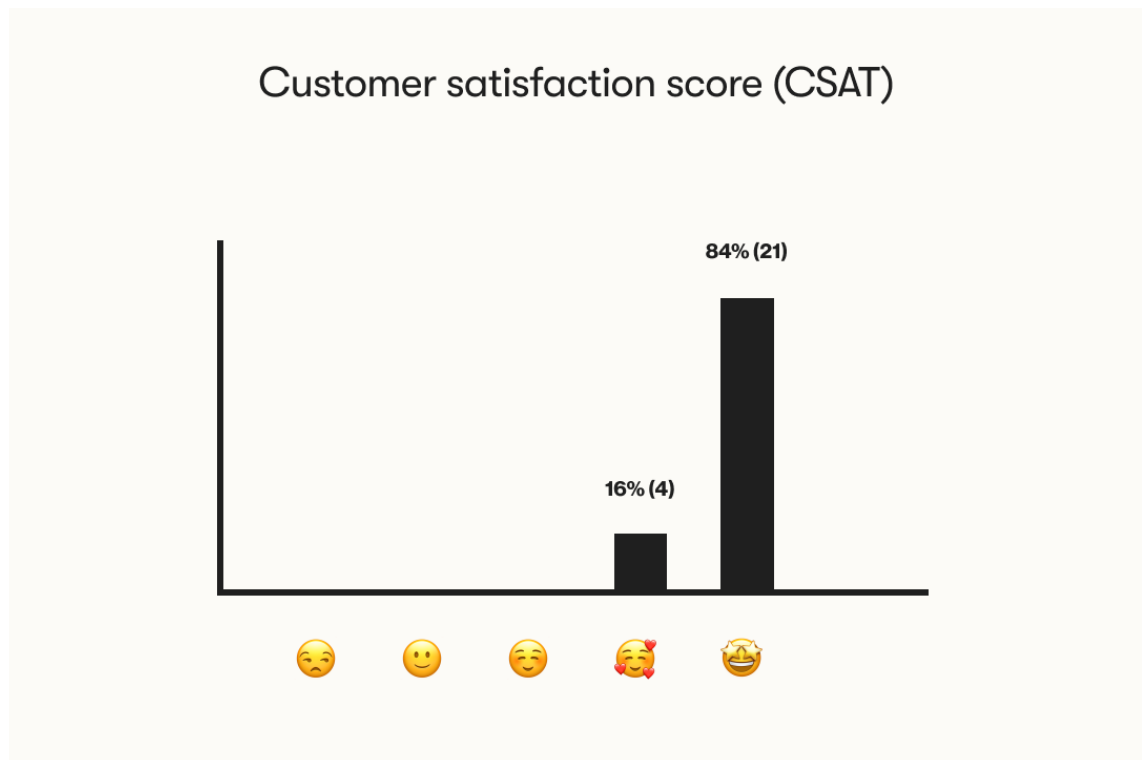


Figure 16. Customer satisfaction score (CSAT) of *The Strategy Day*.

The second closed question was the net promoter score (NPS). This is a customer loyalty metric, that is based on one core question: “How likely is it that you would recommend the company to a friend or colleague?” (Keiningham et al., 2007). The respondents answer this question on a rating scale that is typically either 0–10 or 1–10. Based on their answers, the customers are categorized as either promoters (those who gave a rating of 9–10) or detractors (those who gave a rating of 6 or less). Those who give a rating of 7–8 are considered passives, and they are not used directly in calculating the score. The actual net promoter score is calculated by deducting the percentage of detractors from the percentage of promoters. NPS can range from -100 to +100. A good NPS is typically above 30, but different industries show different scores (Keiningham et al., 2007). In the feedback gathered by Rohkea Creative about *The Strategy Day*, all 25 people answered either 10 or 9, when asked how likely they were to promote the service (see Figure 17). This means that 25 out of 25 people in this case were considered promoters. When using the NPS equation and deducting the percentage of detractors (in this case, 0%) from the percentage of promoters (in this case, 100%), the NPS of Rohkea Creative was 100.

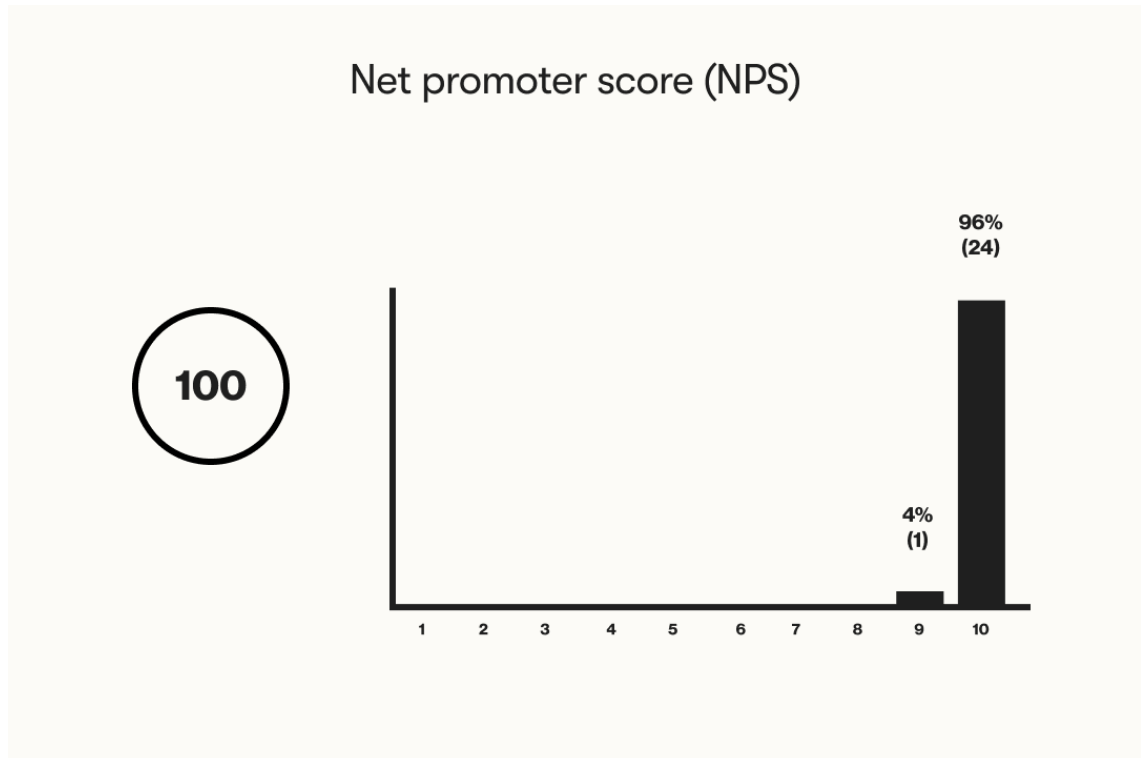


Figure 17. Net promoter score (NPS) of *The Strategy Day*.

The feedback form also included six open-ended questions (see Appendix 1). Answers to these questions were analysed by coding, which functioned as a qualitative research method (Bingham, 2023). In this case, inductive coding was used. This means that the codes were developed in the course of the analysis, as opposed to deductive coding, when codes are developed before the analysis (Bingham, 2023). First, the feedback was segmented into 182 individual units, where each unit represented a single idea, experience or observation expressed in the feedback (see Figure 18). Each of these units were treated as one data point.

These units were then grouped based on their similarity without predefined categories. This open coding resulted first into seven initial clusters (see Figure 19). These clusters were atmosphere and safety (38 mentions), articulation and clarity (32 mentions), practicality and tools (30 mentions), personalization and being heard (27 mentions), outcomes and impact (34 mentions), recommendations (18 mentions) and finally, follow-up needs and future direction (3 mentions).

Coding feedback

ID	Text	Koodi
N01	The clear structure and tasks helped me understand how differentiation is possible.	Process and structure
N02	The atmosphere of the day was relaxed, inspiring, and action-oriented.	Atmosphere and psychological safety
N03	Putting thoughts into clear words was effortless.	Articulation and clarity
N04	There were just the right number of questions, and they helped uncover the core message of the brand.	Articulation and clarity
N05	The material was clear and remained in use.	Concreteness & tools
N06	The recordings were useful.	Concreteness & tools
N07	I appreciated Reetta's insights and ideas.	Recommendations & appreciation
N08	Reetta has a strong ability to articulate things clearly.	Articulation and clarity
N09	The execution was highly effective.	Process and structure
N10	I looked forward to the day, and it exceeded my expectations.	Recommendations & appreciation
N11	Reetta captures the most important points from everything.	Articulation and clarity
N12	Even small but meaningful details were noticed.	Customization & feeling heard
N13	Themes were explored several times through practical examples.	Concreteness & tools
N14	You made sure I was able to keep up.	Customization & feeling heard
N15	You were able to see things clearly.	Articulation and clarity
N16	The atmosphere was warm, and it was easy to ask questions.	Atmosphere and psychological safety
N17	The professionalism was impressive.	Recommendations & appreciation
N18	The strategy day provided exactly the level of concreteness I had been hoping for.	Concreteness & tools
N19	Clarity for my own work and for the company's new direction.	Articulation and clarity
N20	Practicality.	Concreteness & tools
N21	You wrote down / articulated the necessary points super clearly.	Articulation and clarity
N22	Things were put on paper the same day → they stayed in mind.	Results and effectiveness
N23	The industry discussion and the combination of "our + your" perspectives was rewarding.	Process and structure
N24	The examples of social media posts and creators were useful.	Concreteness & tools
N25	The concrete approach clarified my own direction.	Concreteness & tools
N26	I received clear tips on wording.	Articulation and clarity

Figure 18. Partial screenshot of coding feedback.

Initial clusters from coding feedback

	A	B	C	D
1	Atmosphere & safety (38kpl)	Articulation & Clarity (32 kpl)	Practicality & tools (30 kpl)	Personalization & being heard (27 kpl)
2				
3	relaxed / warm atmosphere	you were able to articulate things clearly	concreteness	it felt like it was made just for me
4	a sense of psychological safety	the core message became clear	put on paper immediately	not a rigid formula
5	easy to ask questions	slogan	canvas	you took everything I said into account
6	felt seen as a person	my thoughts became organized	tools and exercises	questions tailored specifically to me
7	presence, not formulaic	"the thing that had been whispering in my	practical action steps	
8				
9				
10				
11	Outcomes & impact (34 kpl)	Recommendations (18 kpl)	Follow-up needs & future direction (3kpl)	
12				
13	a clear direction	I highly recommend	monthly check-in	
14	confidence in my own work	I recommend 6/5	let's return to this later	
15	the target audience was identified	a big thank you	let's review in a month	
16	differentiation	top-notch / magical		
17	website updated	worth every euro		
18	energy & enthusiasm			
19				

Figure 19. Initial clusters from coding feedback.

For the final themes, two clusters were deducted from the initial one's as their relevancy to further service iteration was considered insignificant. These were recommendations and follow-up needs and direction. The final result (see Figure 20) of the coding included 5 main themes. The first category was **atmosphere and psychological safety**, mentioned 38 times. The participants used words like warm atmosphere, feeling safe and mentioned the thesis author being present for them without rush. The second category was **outcomes and impact**, which was mentioned 34 times by the participants. They mentioned gaining a clear direction, identifying their target audience, gaining confidence and feeling energetic afterwards. Third category identified from the feedback was **sense-making and wording**, which was mentioned 32 times. The participants said that appreciated the thesis author's ability to word their business, clarify their core message or put to words what were not able before. The fourth category was **practicality and tools**, mentioned 30 times in the feedback by phrases like concrete, tools, practices and guidelines. The fifth category was **personalization and being heard**, which included 27 mentions. Here the participants used phrases like "the day felt like it was made specifically for me", the thesis author's questions were tailored for them, their answers were taken into consideration and there was no rigid formula.

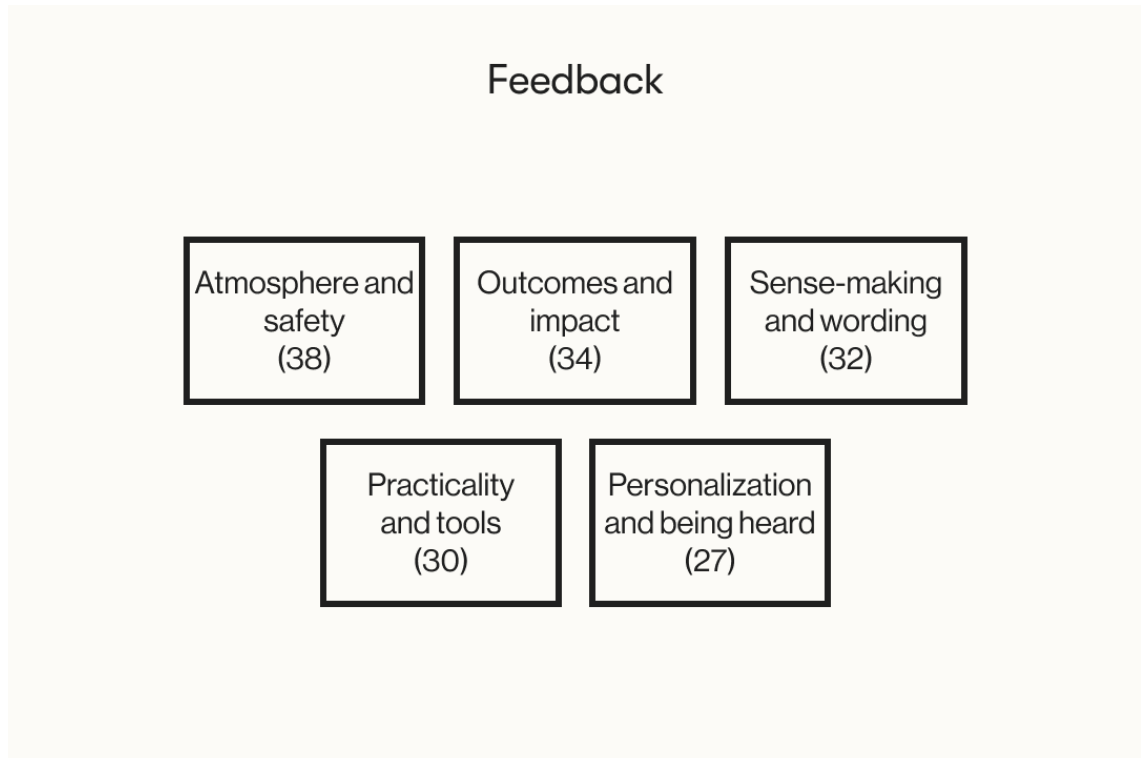


Figure 20. Five main themes identified from feedback.

After the open-ended feedback had been coded and analyzed, a key finding emerged. Even though five main themes were identified (as shown in Figure 20), one stood out specifically: sense-making and wording. As the coding showed, a significant number of respondents expressed strong appreciation for the support they received in articulating and communicating their business and service offerings more clearly. The thesis author's ability to help these respondents put their ideas into words and structure their messaging appeared to be particularly valued. Given that *The Strategy Day* had not been positioned as a strategy-focused offering instead of communication one, this result was somewhat unexpected. Prior to analysing the feedback, it had not been fully recognized how critical and meaningful this aspect was to the target audience. The key competing factors that were identified earlier had not included this (see Table 4), as it had not appeared before. The findings indicated that offering support in clarifying and verbalizing business concepts was another key competing factor or at least a key source of value for the target audience.

Iteration of new service configurations

Following the initial testing of *The Strategy Day*, the next step was iteration of new service configurations based on the gathered and analysed feedback. Analysis of the collected feedback revealed an important insight for Rohkea Creative's continued development. While the service was positively received, a recurring theme emerged: the target audience required and valued more support in articulating and communicating what they do. As previously stated, this need became evident during the analysis of open-ended feedback responses (see Figure 20). As the analysis indicated, clarity in communication was a central challenge for the target audience. Further analysis revealed that this insight aligned closely with the findings of the earlier Delphi study (Chapter 3.2), in which the importance of practical and implementation-focused support had been emphasised. Together, these findings suggested that while strategic direction was valuable, additional emphasis on concrete communication tools and messaging support was required. These findings led to further iterative refinement. Instead of refining *The Strategy Day* alone, the insights prompted the development of additional service concepts designed to address the identified need more directly.

During the iteration part of the testing phase, three additional service concepts were created and tested during spring, summer and fall 2025. These iterations were informed by the feedback gathered previously from *The Strategy Day* and the earlier identification of key competing factors. **In spring 2025**, the first new concept was introduced: a two-week individual content mentorship titled *Content Bootcamp*. The service retained the previously identified emphasis on speed, delivering intensive support within a short timeframe (see Chapter 3.2, Table 4 and Figure 9). In addition, the previously identified need for articulation and communication was emphasised. However, the price point was intentionally positioned higher than that of *The Strategy Day* in order to examine whether a lower price was indeed a critical factor in driving desirability. This allowed the previously identified low-price differentiation to be tested rather than assumed. **In summer 2025**, a second concept was tested: a one-time individual workshop

titled *Phrases That Sell*. This service was intentionally designed to address all previously identified key competing factors. It was structured as fast, specific, practical, and skill-oriented, while maintaining a relatively low price point. Like *Content Bootcamp*, the service directly responded to the communication-related insight that had emerged from client feedback (see Figure 20). **In autumn 2025**, a third concept was developed and tested: a four-week group mentorship program with individual support titled *Create a Campaign for Your Offer*. Similar to *Phrases That Sell*, this service focused explicitly on communication and practical implementation. It was structured to align with the previously identified key competing factors while introducing a group-based format combined with 1:1 elements.

With these iterations, the testing phase expanded beyond the validation of one single concept. Instead, a structured examination of alternative service configurations was conducted. Each new service was publicly launched and supported by a focused three-week marketing campaign. The offers were made available for purchase for a limited period of time in order to assess their desirability under controlled yet realistic market conditions. This strategy allowed each concept to be evaluated independently while maintaining comparability. By systematically varying elements such as format, pricing, duration, and thematic focus, the influence of these factors on customer interest and purchasing behaviour could be observed. Instead of refining a single offering incrementally, the process involved testing different configurations to determine which combination of factors resonated most strongly with the target audience.

The validity of the three tested service concepts (*Content Bootcamp*, *Phrases That Sell* and *Create a Campaign for Your Offer*) was subsequently analysed (see Figure 21). The results indicated substantial variation in market response. *Content Bootcamp* generated one confirmed booking, whereas *Phrases That Sell* secured 21 bookings and *Create a Campaign for Your Offer* resulted in 23 bookings during their individual campaign periods. These outcomes suggested a clear difference in perceived attractiveness among the tested service configurations. While *Content Bootcamp* incorporated practical elements, it was

positioned at a higher price point and its value proposition was more abstract compared to the two other services and. In contrast, both *Phrases That Sell* and *Create a Campaign for Your Offer* presented highly concrete and clearly articulated value propositions, combined with lower pricing structures.

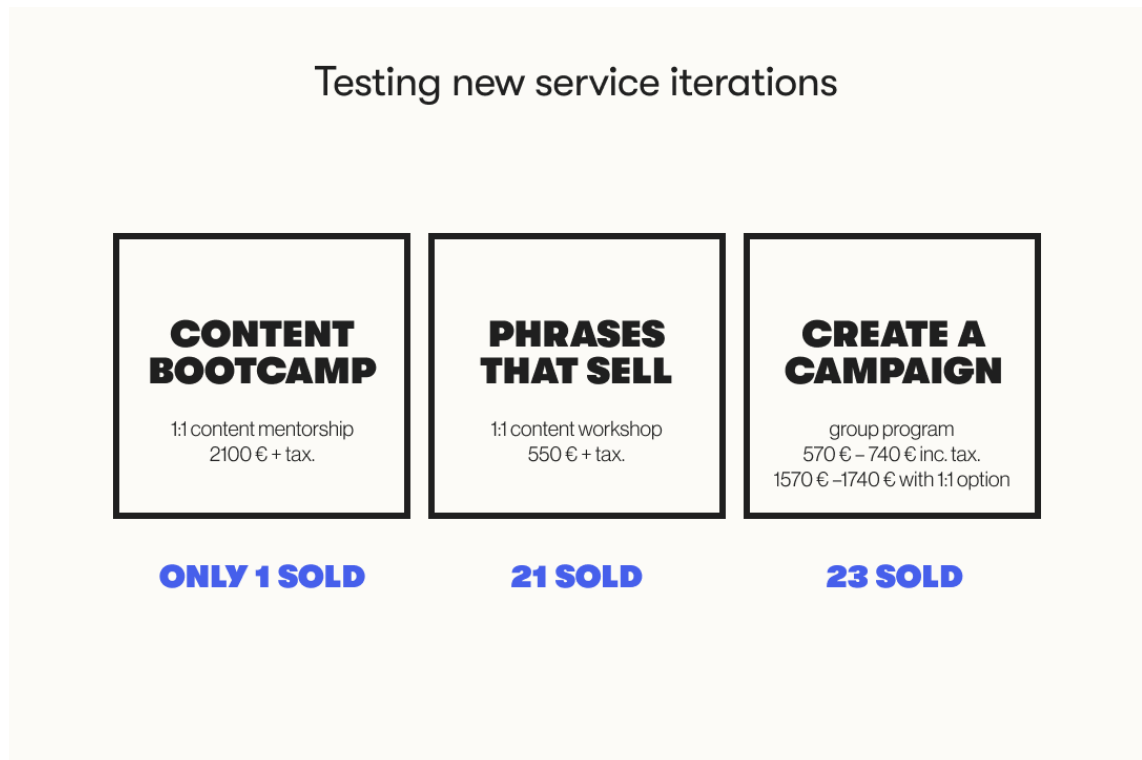


Figure 21. Results of testing new service iterations in 2025.

The comparative analysis indicated that concreteness of value proposition (or the marketing promise of the service) and lower pricing level were decisive factors influencing customer purchasing behaviour. Services framed around specific, immediately applicable outcomes and offered at an accessible price points generated substantially higher demand than a more abstractly positioned and higher-priced alternative. Overall, the findings reinforced earlier insights from the define phase and initial testing of *The Strategy Day*, confirming that the target audience responded most strongly to focused, implementation-oriented, and clearly defined service offerings.

4 Regained competitiveness

The empirical part of this thesis documented the two-year period of strategic renewal during which design thinking was implemented as continuous, iterative and project-based dynamic capability to the case company to sense and seize opportunities and threats and transforms its business model in incremental changes accordingly. This resulted in Rohkea Creative experiencing fundamental transformation in its value logic and operations. The concrete results of this process are depicted here in three thematic layers: (1) The **revised business model canvas** depicts the architectural changes of the renewal process, (2) **analysis of the business model's maturity** outlines the evolution of the case company's ability to create, deliver and capture value and (3) **a quantitative overview of the changes in revenue** over the years show the direct effects of applying design thinking

4.1 Business model canvas

The revised business model canvas (Figure 22) shows the four main areas affected by applying design thinking as a dynamic capability over two years. The main affected building blocks in the business model canvas were value proposition, customer relationships (mainly communication), customer segments and revenue streams. In 2023, Rohkea Creative offered 1:1 brand coaching for early-state entrepreneurs, and majority of the company's revenue came from these 1:1 services. The communication of the company focused on talking about the importance of having brand clarity, which spoke mainly to the early-state entrepreneur. The revised business model canvas shows the company's situation in 2025 after implementing changes incrementally over the years.

In 2023, the value proposition of the company was bringing brand clarity to entrepreneurs who wanted to stand out. In 2025, this has been changed drastically. During the renewal process, it first became apparent that the

company's target audience, the established entrepreneur, is happy with their branding, hence not having a need for brand clarity services. Instead, the process highlighted the need to be able to communicate what they do in a way that affects their client acquisition. This was later proven by testing services that spoke directly to this need. As a result, Rohkea Creative's revised value proposition states that the company helps established service providers communicate what they in a way that helps them sell more (or with more ease) and grow their businesses.

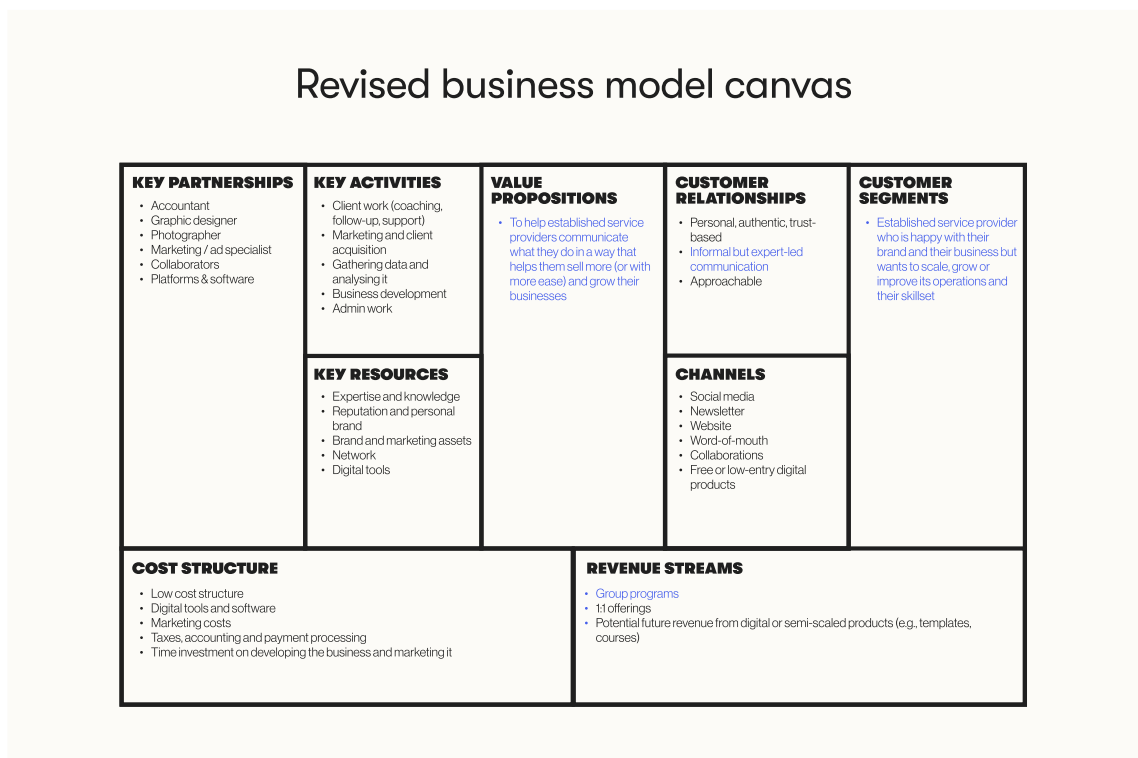


Figure 22. Revised business model canvas.

In 2023, the clientele of Rohkea Creative consisted mostly of early-state entrepreneurs or beginners. The thesis author's goal was to change the situation. The strategic renewal aimed to change the clientele from early-state entrepreneurs to established ones who have more experience and knowledge about marketing and running a business. This was achieved by firstly empathizing with the target audience and then using that information to develop services that spoke directly to their wants and needs on a level that they were at.

The revenue streams of Rohkea Creative changed drastically too over the strategic renewal process. In 2023, the majority of the company's revenue consisted of 1:1 coaching services, while some revenue came from occasional group programs or digital products. In 2025, the situation was different. Nearly half of the revenue came from group programs (one of these was *Create a campaign for your offer* that was discussed in more detail in chapter 3.5.4). Still majority of the revenue came from different 1:1 services, but the ratio had changed. In addition, a little more than half of the revenue in 2025 came from lower-cost services, whereas in 2023 almost all the revenue came from higher-costing 1:1 services. During the renewal process, the thesis author experienced financial success with fast, lower-cost, practical services, but to secure agility, survival and growth, future development goals include finding success in offering higher-costing or "premium" 1:1 services in addition.

Finally, the customer relationships block of the business model canvas changed too, mainly in regard to Rohkea Creative's communication style. In 2023, the company's communication focused on highlighting the importance of brand clarity and differentiating one's company. It assumed little knowledge of the topic from the audience. This resulted in attracting early-state entrepreneurs, who these topics spoke to. As the company's goal was to change its clientele and as the empathizing phase highlighted that the target audience felt no need for brand clarity, the company changed its communication to speak to this audience. As the revised business model canvas shows, in 2025 Rohkea Creative's communication focuses on topics that speak to an established service provider who has experience and knowledge on marketing and running a business. The communication happens on level that the early-state entrepreneur might find intimidating but resonates with the established one. In short, the communication assumes a level of experience that is aligned with the target audience. The topics revolve around growth instead of clarifying ones brand.

4.2 Analysis of business model maturity

To analyse the maturity of Rohkea Creative's revised business model, the five-state model created by Chen & Zhang (2017) is used. The model suggests that a business model can be classified as one of the following depending on its maturity on the following questions: for whom value is created, how value is created, how value is delivered and how value is captured. Based on these, the business model can be categorized as one of the following: **seed** (has vision, but lacks everything else), **breakthrough** (knows who value is created for), **sapling** (knows who value is created for and how it is created), **sapling** (knows who value is created for and how it is created and delivered) or **young tree** (knows who value is created for and how value is created, delivered and captured) (Chen & Zhang, 2017).

In 2023, Rohkea Creative's business model was in the breakthrough state, although even then can be argued as the company felt like its current audience was not ideal and value creation up for question as the services were not attracting enough clients, which can be seen in the declining revenue. In 2025, the situation is different (see Table 5):

For whom value is created: established service provider who has a knowledge and experience in marketing and running a business, but wants to grow it or make running it easier

How value is created: Rohkea Creative helps these entrepreneurs communicate more effectively so that they can ensure growth and affect client acquisition. This is valuable for these entrepreneurs as the majority of their marketing consists of different types of content, and if that does not work, their marketing does not work, and no amount of business coaching or online courses can change that if they do not change their content as well.

How value is delivered: by offering fast, practical, lower-cost (compared to premium coaching services), implementation-focused services, either in a 1:1 format or as group programs

How value is captured: with scalable products that allow Rohkea Creative to grow its revenue without being limited by their own capacity to work 1:1 with their clients

Table 5. Maturity of the business model in 2025.

Audience	known
Value creation	known
Value delivery	known
Value capture	known

Based on this, it can be argued that after the renewal process in 2025, Rohkea Creative's business model is in **the young tree state**, which is the final state of maturity. It has matured significantly from 2023, and not just on a theoretical level, but in practice with tested and validated changes. However, there is still room for improvement and development of maturity. As discussed in Chapter 3.5, Rohkea Creative succeeded financially with practical, lower cost services, like *Phrases that sell* and *Create a campaign for your offer*, but it did not find success with a higher-costing 1:1 service. To ensure and improve value capture, future development could focus on learning to sell these offers in addition to smaller services. This way, agility and value capture can be ensured for Rohkea Creative.

4.3 Overview of financial performance

In 2023, Rohkea Creative's revenue had been in decline for two consecutive years. The goal of strategic renewal was to change this so that survival of the company can be guaranteed. This is reviewed through a quantitative overview of the company's revenue over the years (see Figure 23).

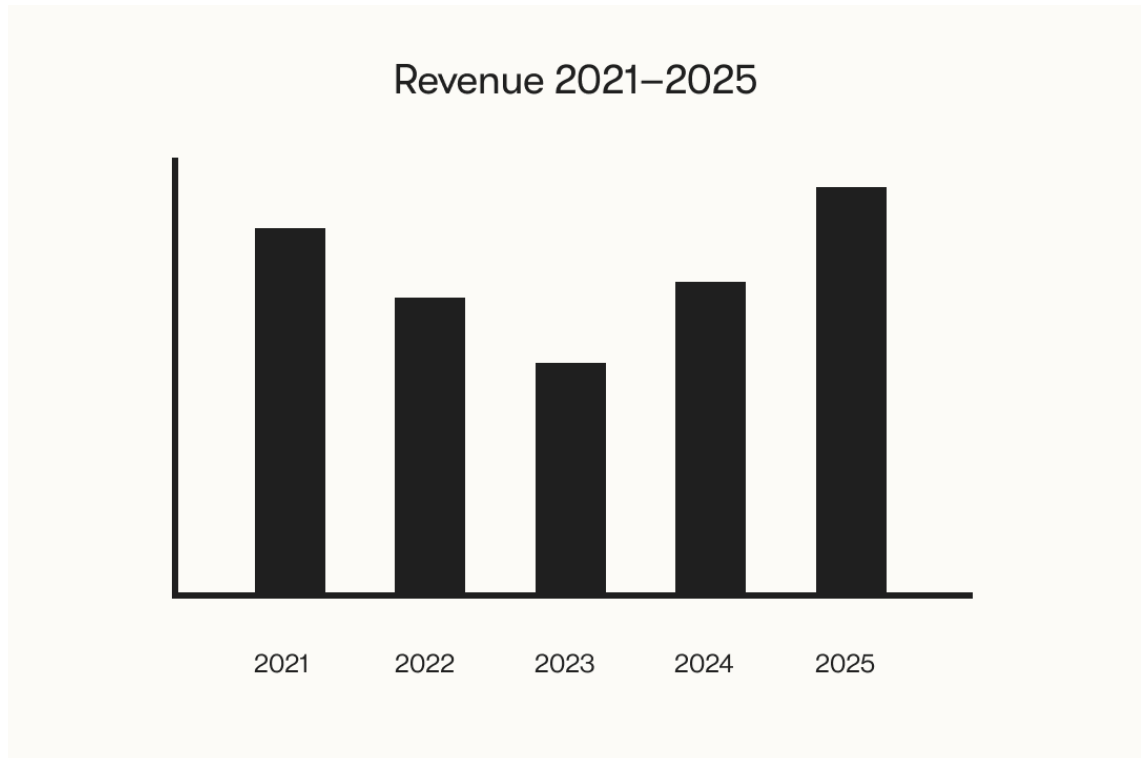


Figure 23. Case company's revenue in 2021–2025.

2024

The first changes in the company took place in the early 2024 as *The Strategy Day* service was launched. This was the main service Rohkea Creative offered this year. By changing drastically its services and offering this fast, practical concept that was targeted towards the established service provider, Rohkea Creative was able to see significant changes in its revenue immediately in the first year. This change resulted in 35,6% growth in revenue in 2024.

2025

The first quarter of 2025 the thesis author's focus was on other development projects, which meant that in the beginning of the year, the company's revenue took a dip from what could be forecast based on the success of 2024. However, in the second and third quarter, the company launched three new services as result of the design thinking activities (see more in Chapter 3.5.4). In addition,

the company sharpened its value proposition and started to focus more heavily on services that focus on developing the communication of its clients. These changes lead to the revenue growing 33,1% in 2025. Overall, the company's revenue grew 80,4% during the strategic renewal process in 2023–2025.

5 Conclusions

This master's thesis examined how design thinking as a dynamic capability can facilitate strategic renewal and restore competitiveness on a practical level in solo business. The theoretical part explained how competitive strategy falls short as tool for success in an uncertain world and argued for the importance of dynamic capabilities to ensure continued competitiveness. In addition, it framed design thinking as a dynamic capability that allows companies to adapt to change. Business model innovation was described as a design task and a driver of performance. The empirical part documented how design thinking as a continuous dynamic capability was applied and how it facilitated incremental strategic renewal over two years in the case company. The results showed how the business model of the case company developed and matured during this time, and the results of this change were backed up by the increase in revenue.

This thesis examined three questions. It studied how is competitiveness designed in solo business and how design thinking can facilitate strategic renewal in a solo business. In addition, it examined how strategic renewal unfolds in practice in a solo business, and what is required for it to succeed. In short, Based on the theoretical and empirical findings, this thesis suggests that competitiveness in a solo business is designed through an iterative process of strategic renewal, enabled by dynamic capabilities, operationalised through design thinking, and materialised through business model innovation.

5.1 Design of competitiveness

The primary research question this master's thesis set out to answer was how competitiveness can be designed in solo business. The theoretical part of this study argued that competitiveness in a hyperdynamic world can not be sustained with a competitive advantage, differentiated positioning or superior resources. The world changes too quickly for any of these to provide sustained competitiveness. Instead, companies need to adapt and change continuously.

For this, the theoretical part argues that dynamic capabilities are required. In addition, business model innovation instead of traditional business strategy was framed as a key driver for competitiveness. The empirical findings of this thesis support both. As the results depict, through the renewal process during which design thinking was applied as a dynamic capability, the business model of the case company matured, resulting in business model innovation. This business model innovation correlated with a significant increase in annual revenue. In short, dynamic capabilities and business model innovation contributed to the competitiveness of the case company.

Key part of designing competitiveness was identified to be the reframing of the value proposition, or the promise that the company makes for its audience. The theoretical part described value creation and value delivery as parts of business model, and the question of “what is our business” was identified as a core guiding question in strategic management. The empirical part of this study supports this. In the beginning, the case company’s value proposition did not align with the market needs. This aligned with the decline in revenue. By implementing design thinking as a dynamic capability, this misalignment was sensed and then addressed. After prototyping, market testing, feedback gathering and iteration, the case company was able to form a new value proposition that was based on qualitative data and quantitative measurements. This value proposition aligned with the target audience’s needs and wants, and as the results highlight, this alignment led to increased financial performance. This way, by reframing the value proposition to better meet the user needs, the company was able to restore its competitiveness. This also suggests that designing competitiveness is relational: to design competitiveness, user understanding and alignment with the target audience’s needs is essential. To summarize, this study argues reframing the value proposition is a key process in designing competitiveness, and the alignment of the firm’s value proposition with the target audience’s needs contributes to the competitiveness of the firm.

This study also suggests that competitiveness is not a one-time design task, but continuous, incremental and iterative process. The theoretical part argued that design thinking needs to be implemented as continuous, strategic process to

reap its true benefits, and the empirical findings from this study supports this. The empirical part documented how the case company gained some competitiveness by launching the first service configuration, *The Strategy Day*, but with gathering and analysing feedback, and then developing and testing new service configurations, the company's competitiveness strengthened further. This can be seen in the increase of the annual revenue. In 2024, when *The Strategy Day* was launched, the company's revenue grew significantly, but it continued to increase in 2025 with the new service configurations despite the fact that the first quarter of the year was focused on other development projects and that hindered the possible growth. In short, this thesis argues that competitiveness is not designed as a one-time project but through incremental changes and iterative experimentation.

To summarize, this thesis argues that competitiveness in a solo business is designed through continuous strategic renewal rather than through static competitive advantages. The findings suggest that competitiveness emerges from the firm's ability to sense misalignment between its value proposition and market needs, to experiment with alternative service configurations, and to reconfigure its business model accordingly. Design thinking functions as the operational mechanism enabling this process, while business model innovation materialises the outcome of renewal. In this sense, competitiveness is not a fixed position but an ongoing process of value redefinition and validation in close interaction with the market.

5.2 Design thinking in strategic renewal

This master's thesis examined how design thinking can facilitate strategic renewal in a solo business. Firstly, design thinking facilitated strategic renewal by operating as a dynamic capability that supported sensing, seizing, and transforming. While literature debates how design thinking should be positioned within the dynamic capabilities framework, the case study documented in this thesis suggests that the full cycle can be covered through design thinking when it is implemented as a continuous and iterative process. In the empathize and

define phases, the case company was able to sense misalignment between its offering and the target audience by gathering user insights and market understanding. In the ideate and prototype phases, these insights were seized by translating them into concrete service concepts and testing-ready prototypes. Finally, renewal was transformed into business model change through implementation and iteration: the company's value proposition shifted from brand clarity to communication and growth, the target segment moved from early-stage entrepreneurs to established service providers, and the revenue structure changed through new service configurations. In other words, design thinking functioned not only as ideation but as a mechanism for moving from insight to validated change. To summarize, this thesis suggests that design thinking facilitates strategic renewal functioning as a practical dynamic capability and contributing to all three higher-order dynamic capabilities processes: sensing, seizing and transforming (depicted in Figure 2).

Second, design thinking facilitated strategic renewal by making it easier to challenge assumptions and reduce the impact of human bias. The theoretical part of this thesis argued that innovation and renewal are often blocked by cognitive biases and emotional attachment to existing ideas, which can be especially pronounced in solo businesses where the business and the entrepreneur's identity are closely connected. This was supported by the empirical part of this thesis. This was highlighted several times during the renewal process. The design thinking approach challenged several biases during the renewal process and allowed the case company to combat them. This can be seen especially in the beginning of the renewal process, when the case company offered brand coaching services, but the user interviews highlighted that the target audience did not experience a need for this. This allowed the firm to alter its value proposition and its service offerings to better align with the target audience's needs. In addition, gathering and analysing feedback from the participants highlighted another (Chapter 3.5) key insight: the target audience's need for articulation and communication focused services. This was a new insight that had not been identified before in the process or by the thesis author. In short, design thinking contributed to strategic renewal by

tackling cognitive biases, providing user-centred insights and allowing the case company to create services that better aligned with the target audience's needs, thus contributing to the firm's financial performance.

Third, design thinking facilitated strategic renewal by providing a practical structure for execution in situations where the path forward was unclear. While strategic renewal is often discussed in theory, its practical application often remains unclear, as highlighted by the theoretical part of this thesis. This is particularly relevant in a solo business context. However, the documented process shows that design thinking functioned as a step-by-step roadmap that supported progress even when the solution was not known at the beginning. The process narrowed uncertainty phase by phase: first by clarifying the user and the problem, then by generating options, and finally by committing to implementation and learning through testing. This structured progression enabled renewal to be treated as an ongoing process rather than as a single strategic decision.

In addition, the case suggests that design thinking supports renewal most effectively when it is not treated as a one-time "design project," but as an ongoing way of working embedded in the business. Over the two-year period, design thinking became integrated into the company's development logic through repeated cycles of understanding, testing, learning, and iteration. This allowed the case company to create services that matched the target audience more closely, sharpen its differentiation in a saturated market, and improve financial performance. Overall, the findings indicate that design thinking facilitates strategic renewal by turning uncertainty into structured learning and by enabling business model innovation through continuous, validated experimentation.

To summarize, based on the theoretical and empirical findings, design thinking supported renewal in three concrete ways. Firstly, design thinking supported strategic renewal by functioning as a dynamic capability that allowed the company to sense, seize and transform accordingly. Secondly, design thinking reduced the role of assumptions and individual bias in decision-making, which

the theoretical part argued to often be a challenge for innovation, especially for solo entrepreneurs whose identity is closely tied to their ideas. Thirdly, design thinking provided a practical structure for turning uncertainty into implementable change.

5.3 Strategic renewal in practice

The scope of this master thesis was to understand how strategic renewal happens on a practical level in solo business and what is required from a solo business to renew itself. This study was built on the premise that while there are theories and studies on strategy, competitiveness and strategic renewal, there is still scarcity around how strategic renewal happens on a practical level, especially in solo business. This is what this thesis examined. The theoretical part of this master's thesis argued that strategic renewal does not often succeed even when the need for it is addressed and the required changes somewhat known. As said before, studies show that most strategic renewal processes fail. In this case, however, it can be argued that the case company is not part of this group, but the opposite, and by implementing design thinking as a dynamic capability, the company succeeded in strategic renewal. This is evidenced by the changes in revenue.

In addition, the theoretical part argued that strategic renewal is often enacted through projects and that it happens in small and micro businesses incrementally and only after new information is presented. The empirical part of this master's thesis supports these both. The case study showed how strategic renewal in this case happened incrementally and through smaller projects that eventually led to bigger transformation. In addition, change happened only after new information was presented for the thesis author during the renewal process, and that sparked the biggest changes. This can be seen clearly in the empathizing phase (Chapter 3.1) when user interviews made it apparent that the target audience was happy with their brand and did not need brand coaching services, which the case company at the time offered. This resulted in a drastic change in the services the company offers. In addition, analysing the

feedback in the testing phase (Chapter 3.5) revealed that the target audience valued getting help with their communication, and this resulted in another major pivot in the services that the company offers.

When it comes to the requirements for a solo business to succeed in strategic renewal, this study suggests that continuous adaptation is needed. The theoretical part explained that in a hyperdynamic environment, having a competitive advantage or valuable resources are not enough, as they can lose their effect quickly as the market changes. Instead, dynamic capabilities are required to sustain competitiveness over time. As for the case company, its declining revenue can be argued to have happened due to the company's lack of dynamic capabilities and excessive trust in its competitive advantage. This led to the decline in revenue, and after implementing design thinking as a dynamic capability, the company's revenue started to increase significantly. This way, the empirical part supports the theory that having dynamic capabilities, and especially applying design thinking as a dynamic capability, facilitates both renewal and sustained competitiveness of a company. When it comes to the case company, its revenue started to increase only after design thinking as a dynamic capability was implemented. In short, strategic renewal requires dynamic capabilities that allow firms to adapt to change, thus sustaining competitiveness over time.

The theoretical part also highlighted that for sole proprietors, there is one more dynamic capability in addition to sensing, seizing and transforming. This was called focus, and it entails the emotional and personal commitment of the business owner. Focus was argued to impact all other dynamic capabilities, and its importance was addressed as significant. While the empirical part does not specifically address the role of focus, it can be argued that a solo entrepreneur would not undertake an extensive and iterative renewal process without a strong focus dynamic capability. Even though positive changes appeared quickly in 2024 after launching a new service, the business model innovation matured only at the end of 2025. This suggests strong focus. In short, staying relevant and sustaining competition in an evolving world requires constant renewal, which requires immense focus capabilities from a solo business. To

summarize, this thesis suggested that a strong emotional focus capability is likely required to succeed in extensive strategic renewal.

In conclusion, this thesis demonstrates that strategic renewal in a solo business unfolds as an incremental, information-driven process built on experimentation and learning. Rather than implementing a single large-scale change, renewal progresses through smaller projects that generate new insights and gradually reshape the business model. Significant transformation occurs only after assumptions are challenged by real customer data. For strategic renewal to succeed in a solo business, dynamic capabilities are required, particularly the ability to sense changes in the market, seize emerging opportunities, and transform the business accordingly. In addition, the findings highlight the importance of sustained personal focus and commitment, as renewal depends heavily on the entrepreneur's persistence. Competitiveness is therefore not achieved through static advantages, but through continuous adaptation embedded in the entrepreneur's way of operating.

5.4 Validity and reliability

The validity of this study was strengthened through the longitudinal, iterative, and practice-based nature of the research design. The strategic renewal process was implemented over a two-year period and documented as a structured application of design thinking as a dynamic capability. Rather than relying solely on conceptual reasoning, development decisions were continuously tested and evaluated in real market conditions.

In addition, the theoretical foundation of this study is built primarily on peer-reviewed, current academic research in the fields of strategic renewal, dynamic capabilities, business model innovation, and design thinking. Emphasis was placed on recent scholarly contributions to ensure conceptual relevance in rapidly evolving business environments. To complement the academic literature and ensure practical applicability, selected practitioner-oriented sources were also consulted, particularly in relation to the applied use of design thinking.

These sources were used to bridge theoretical constructs with contemporary implementation practices while maintaining critical evaluation of their credibility.

Construct validity was supported by clear alignment between empirical insights and strategic actions. The revised value proposition, customer segment shift, service configurations, and communication strategy were all derived from systematically gathered data, including user interviews, a Delphi study, netnographic analysis, competitor analysis, and structured feedback from service participants. The identification of communication-related needs, for example, was not assumed but supported by repeated references in user feedback and reinforced by earlier Delphi study findings. This alignment ensured that design decisions were grounded in observable evidence rather than subjective preference.

Internal validity was strengthened through iterative testing and comparative experimentation. Multiple service configurations were launched under comparable conditions, including time-bound marketing campaigns. Differences in booking behaviour between *Content Bootcamp*, *Phrases That Sell*, and *Create a Campaign for Your Offer* provided behavioural evidence regarding the influence of pricing and value proposition concreteness. These observed variations allowed causal inferences to be drawn regarding the factors affecting desirability. In addition, the progression of the business model from the breakthrough state in 2023 to the young tree state in 2025 demonstrates internal coherence between strategic adjustments and improved value creation, delivery, and capture mechanisms.

Ecological validity was particularly strong, as all prototypes and iterations were implemented within an authentic business environment. Services were launched publicly, marketed to real customers, and sold under actual market conditions. The observed revenue growth of 35.6% in 2024 and 33.1% in 2025, resulting in an overall increase of 80.4% during the renewal period, provides quantitative evidence supporting the effectiveness of the strategic changes. Because these outcomes occurred in a real operating company rather than in a simulated setting, the findings reflect genuine market dynamics.

However, external validity remains limited due to the single-case design. The findings are closely tied to Rohkea Creative's specific industry context, audience, and market positioning. While certain mechanisms identified in this study, such as the importance of concreteness in value propositions or the role of pricing strategy, may be transferable to similar entrepreneurial settings, they are inherently context-dependent. Entrepreneurial markets, particularly those operating in digital environments, evolve rapidly. Customer expectations, competitive dynamics, and perceived value drivers may shift over time, meaning that specific key competing factors identified in this study (such as lower price points or fast implementation formats) may not hold the same relevance in other contexts or future market conditions. Nevertheless, the broader contribution of this study lies not in the permanence of these individual strategic choices but in the demonstrated use of design thinking as a dynamic capability. The iterative process of sensing changes, testing hypotheses under real market conditions, and transforming the business model accordingly represents a transferable approach to strategic renewal. While specific service configurations may become outdated, the underlying capability to continuously adapt through structured experimentation remains relevant across contexts and time.

In regard to the reliability of this study, it was supported through systematic documentation of each phase of the design thinking process and the strategic decisions undertaken. Interview questions, feedback forms, campaign durations, pricing structures, and service configurations were explicitly defined and recorded.

Comparability across testing cycles was enhanced by maintaining similar marketing durations (three-week campaigns) and limited-time availability for each new service concept. This reduced variability introduced by unequal exposure and allowed more consistent comparison of market response. In addition, quantitative indicators such as booking numbers and annual revenue changes provided objective measures complementing qualitative interpretations.

Nevertheless, complete replicability cannot be guaranteed. The entrepreneurial context is dynamic, and factors such as platform algorithms, economic conditions, and audience behaviour evolve over time. Additionally, the thesis author acted both as researcher and business owner, which introduces potential interpretive bias. To mitigate this limitation, design thinking was chosen as an approach and conclusions were grounded in documented behavioural outcomes (bookings, revenue figures, frequency analysis of feedback themes) instead of subjective evaluation.

Overall, the study demonstrates strong construct, internal, and ecological validity due to its data-informed design process, iterative testing logic, and measurable financial outcomes. While external validity and full replicability are inherently constrained by the single-case and context-specific nature of the research, methodological transparency and empirical grounding support the reliability and credibility of the findings.

5.5 Future research

While this case study provides a deep dive into strategic renewal in one solo business, it opens up avenues for further research into the intersection of strategy and design. As this case study shows the process and results of implementing design thinking as a dynamic capability in one specific company and industry, future research could implement this design thinking as a dynamic capability framework across a diverse range of solo businesses. This would help determine the sensing, seizing and transforming mechanisms function differently in different industries, businesses and contexts. In addition, this case study highlighted how design thinking works as a continuous dynamic capability. This opens up a possibility to for future research to develop a formalized, applicable model for solo businesses to implement design thinking as a dynamic capability into their businesses. Furthermore, this case study supports the earlier findings that design thinking as a business model benefits companies. Further research could include creating a “design as a business model” framework for solo businesses. This framework could account for the

unique challenges of solo businesses and bridge the gap between design as a business model in theory and in practice. In addition, during the case study, the value of content arose from the feedback received by the case company. In a digital world, content plays a crucial part especially in small and micro-businesses marketing. In a way, content itself can be seen as a dynamic capability, and while there are no studies on this topic yet, it would provide an interesting topic for future research. Future research could investigate how iterative creation, distribution, and analysis of content allows solo businesses to sense market shifts in real-time, seize opportunities and reconfigure their value proposition based on audience engagement data.

References

- Abbas, D., Siahaan, K., & Yusup, M. (2025). *Design thinking as a business model for empowering creative entrepreneurs in the digital era. Startuppreneur Business Digital (SABDA Journal)*, 4(2), 124–133. <https://doi.org/10.33050/sabda.v4i2.805>
- Agarwal, R., & Helfat, C. E. (2009). *Strategic renewal of organizations. Organization Science*, 20(2), 281–293. <https://doi.org/10.1287/orsc.1090.0423>
- Al-Qutaish, R. E. (2025). *Delphi method: A comprehensive literature review. International Journal of Software Engineering*, 12(1), 1–15. Retrieved from <https://www.cscjournals.org/library/manuscriptinfo.php?mc=IJSE-188>
- Andreini, D., Bettinelli, C., Foss, N. J., & Mismetti, M. (2022). *Business model innovation: A review of the process-based literature. Journal of Management & Governance*, 26(4), 1089–1121. <https://doi.org/10.1007/s10997-021-09590-w>
- Anwar, M. (2018). *Business model innovation and SMEs performance — Does competitive advantage mediate? International Journal of Innovation Management*, 22(07), 1850057. <https://doi.org/10.1142/S1363919618500573>
- Balboni, B., & Bortoluzzi, G. (2015). *Business model adaptation and the success of new ventures. Journal of Entrepreneurship, Management and Innovation (JEMI)*, 11(1), 119–140. <https://doi.org/10.7341/20151117>
- Barney, J. B. (1991). *Firm resources and sustained competitive advantage. Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
- Bashir, M., & Verma, R. (2017). *Why business model innovation is the new competitive advantage. The IUP Journal of Business Strategy*, 14(1), 7–17.
- Beiderbeck, D., Frevel, N., von der Gracht, H. A., Schmidt, S. L., & Schweitzer, V. M. (2021). Preparing, conducting, and analyzing Delphi Surveys: Cross-disciplinary practices, New Directions, and advancements. *MethodsX*, 8, 101401. <https://doi.org/10.1016/j.mex.2021.101401>
- Bingham, A. J. (2023). *From data management to actionable findings: A five-phase process of qualitative data analysis. The International Journal of Qualitative Methods*, 22, 1–11. <https://doi.org/10.1177/16094069231183620>

- Bouman, N. L. J., & Simonse, L. W. L. (2023). *How strategic design abilities address unmet value in service engagement strategies*. *Journal of Services Marketing*, 37(10), 22–34. <https://doi.org/10.1108/JSM-08-2022-0259>
- Brown, T. (2008). *Design thinking*. *Harvard Business Review*, 86(6), 84–92. <https://doi.org/10.1002/9781119208525.ch1>
- Calvino, F., Criscuolo, C., & Menon, C. (2015). *Cross-country evidence on start-up dynamics* (OECD Science, Technology and Industry Working Papers No. 2015/06). OECD Publishing. <https://doi.org/10.1787/5jrxtkb9mxtb-en>
- Chen, H., & Zhang, M. J. (2017). *The business model and early growth states of small businesses*. *Journal of Economics, Business and Management*, 5(5), 201–204. <https://www.joebm.com/vol5/512-TB0016.pdf>
- Cruz-Sánchez, O., Cruz-Cázares, C., & Hernandez-Vivanco, A. (2026). *Business model innovation from dynamic capabilities perspective: A systematic literature review*. *Journal of Business Research*, 204, 115835. <https://doi.org/10.1016/j.jbusres.2025.115835>
- Dam, R. F. (2025, July 18). *The 5 Stages in the Design Thinking Process*. November 7, 2025, <https://www.interaction-design.org/literature/article/5-stages-in-the-design-thinking-process?srsId=AfmBOorFQJ88ZKis0jDCwvFL-LzaPNicF5N0rmPFydm6WybHepiySzl4>
- Dharanikota, H., Howie, E., Hope, L., Wigmore, S. J., Skipworth, R. J., & Yule, S. (2024). Debiasing judgements using a distributed cognition approach: A scoping review of technological strategies. *Human Factors: The Journal of the Human Factors and Ergonomics Society*, 67(6), 525–545. <https://doi.org/10.1177/00187208241292897>
- Drucker, P. (2007). *The practice of Management*. Taylor & Francis.
- Dzingirai, M., & Baporikar, N. (2022). *Trends and patterns in turnaround strategies*. *International Journal of Sociotechnology and Knowledge Development*, 14(1), 1–15. <http://dx.doi.org/10.4018/ijskd.289039>
- Easterby-Smith, M. P. V., Lyles, M. A., & Peteraf, M. A. (2009). *Dynamic capabilities: Current debates and future directions*. *British Journal of Management*, 20(Suppl. 1), S1–S8. <https://doi.org/10.1111/j.1467-8551.2008.00609.x>

- Eisenhardt, K. M., & Martin, J. A. (2000). *Dynamic capabilities: What are they?* *Strategic Management Journal*, 21(10–11), 1105–1121.
[https://doi.org/10.1002/1097-0266\(200010/11\)21:10/11<1105::AID-SMJ133>3.0.CO;2-E](https://doi.org/10.1002/1097-0266(200010/11)21:10/11<1105::AID-SMJ133>3.0.CO;2-E)
- ElNaggar, R. A. A., & ElSayed, M. F. (2023). *Drivers of business model innovation in micro and small enterprises: Evidence from Egypt as an emerging economy.* *Future Business Journal*, 9(1), Article 4.
<https://doi.org/10.1186/s43093-022-00180-2>
- Gibbons, S. (2016, July 31). Design Thinking 101. *NN Group*. November 7, 2025, <https://www.nngroup.com/articles/design-thinking/>
- Gonzalez-Samaniego, A., Valenzo-Jimenez, M. A., Martinez-Arroyo, J. A., & Casanova Valencia, S. A. (2023). *Assessing the degree of development of dynamic capabilities theory: A systematic literature review.* *Problems and Perspectives in Management*, 21(3), 418–434.
[https://doi.org/10.21511/ppm.21\(3\).2023.34](https://doi.org/10.21511/ppm.21(3).2023.34)
- Grimes, M. G. (2018). *The pivot: How founders respond to feedback through idea and identity work.* *Academy of Management Journal*, 61(5), 1692–1717.
<https://doi.org/10.5465/amj.2015.0823>
- Hassan, A. (2012). *The value proposition concept in marketing: How customers perceive the value delivered by firms – A study of customer perspectives on supermarkets in Southampton in the United Kingdom.* *International Journal of Marketing Studies*, 4(3), 68–84. <https://doi.org/10.5539/ijms.v4n3p68>
- Hatzijordanou, N., Bohn, N., & Terzidis, O. (2019). A systematic literature review on competitor analysis: status quo and start-up specifics. *Management Review Quarterly*, 1-44. <https://doi.org/10.1007/s11301-019-00158-5>
- Healy, N., Mangematin, V., & Ravarini, A. (2017). *Business model innovation.* Emerald Publishing Limited.
- Helfat, C. E., & Peteraf, M. A. (2009). Understanding dynamic capabilities: Progress along a developmental path. *Strategic Organization*, 7(1), 91–102.
<https://doi.org/10.1177/1476127008100133>
- Holguín Jiménez, S., Godot, X., Petronijevic, J., Lassagne, M., & Daille-Lefevre, B. (2024). Considering cognitive biases in design: An integrated approach.

Procedia Computer Science, 232, 2800–2809.

<https://doi.org/10.1016/j.procs.2024.02.097>

Interaction Design Foundation. (2025a, August 23). *What are user interviews? - updated 2025*. The Interaction Design Foundation. <https://www.interaction-design.org/literature/topics/user-interviews>

Interaction Design Foundation. (2025b, November 25). *What is a UX problem statement? - updated 2025*. The Interaction Design Foundation.

<https://www.interaction-design.org/literature/topics/problem-statements>

Jörn, A. (2016). *Dynamic capabilities at IBM*. Anchor Academic Publishing.

Keiningham, T. L., Cooil, B., Andreassen, T. W., & Aksoy, L. (2007). A longitudinal examination of Net Promoter and firm revenue growth. *Journal of Marketing*, 71(3), 39–51. <https://doi.org/10.1509/jmkg.71.3.039>

Kirtley, J., & O'Mahony, S. (2020). *What is a pivot? Explaining when and how entrepreneurial firms decide to make strategic change and pivot*. *Strategic Management Journal*, 44(1), 197–230. <https://doi.org/10.1002/smj.3131>

Kozinets, R. V., & Gretzel, U. (2024). *Netnography evolved: New contexts, scope, procedures and sensibilities*. *Annals of Tourism Research*, 104, Article 103693. <https://doi.org/10.1016/j.annals.2023.103693>

Kozinets, R. V. (2019). *Netnography: The essential guide to qualitative social media research* (3rd ed.). SAGE Publications.

<https://books.google.fi/books/about/Netnography.html?id=Yx2yDwAAQBAJ>

Liedtka, J. (2020). *Putting technology in its place: Design thinking's social technology at work*. *California Management Review*, 62(2), 53–83.

<https://doi.org/10.1177/0008125619897391>

Liedtka, J. (2018). *Why design thinking works*. *Harvard Business Review*, 96(5), 72–79. <https://hbr.org/2018/09/why-design-thinking-works>

Liedtka, J. (2014). *Perspective: Linking design thinking with innovation outcomes through cognitive bias reduction*. *Journal of Product Innovation Management*, 32(6), 925–938. <https://doi.org/10.1111/jpim.12163>

Magistretti, S., Ardito, L., & Messeni Petruzzelli, A. (2021). *Framing the microfoundations of design thinking as a dynamic capability for innovation*:

Reconciling theory and practice. Journal of Product Innovation Management, 38(6), 645–667. <https://doi.org/10.1111/jpim.12586>

Mauborgne, R., & Kim, W. C. (2017). *Blue Ocean Shift: Proven steps to inspire confidence and seize new growth*. Macmillan.

Murphy, L. R., Daly, S. R., & Seifert, C. M. (2022). *Idea characteristics arising from individual brainstorming and design heuristics ideation methods. International Journal of Technology and Design Education*, 33(2), 337–378. <https://doi.org/10.1007/s10798-021-09723-0>

Nguyen, K., Peltoniemi, M., & Lamberg, J.-A. (2022). *Strategic renewal: Can it be done profitably? Long Range Planning*. <https://doi.org/10.1016/j.lrp.2021.102179>

Nopo Olazabal, V. H., & Goni Avila, N. M. (2022). *Dynamic capabilities in sole proprietorships: Theoretical model through grounded theory. Journal of International Entrepreneurship*, 20(4), 591–618. <https://doi.org/10.1007/s10843-022-00321-2>

Okoli, C., & Pawlowski, S. D. (2004). *The delphi method as a research tool: An example, design considerations and applications. Information & Management*, 42(1), 15–29. <https://doi.org/10.1016/j.im.2003.11.002>

Osterwalder, A., Pigneur, Y., Bernarda, G., Smith, A., & Papadakos, T. (2015). *Value proposition design: How to create products and services customers want*. Wiley.

Osterwalder, A., Pigneur, Y., & Clark, T. (2010). *Business model generation: A handbook for visionaries, game changers, and challengers*. John Wiley & Sons, Inc.

Pedersen, C. L., Ritter, T., & Andersen, T. J. (2024). *_A project-based perspective on strategic renewal_. Strategic Management Review*, 5_(3), 241–271. <https://doi.org/10.1561/111.00000069>

Porter, M. E. (1985). *Competitive advantage: Creating and sustaining superior performance*. Free Press; Collier Macmillan.

Porter, M. E. (1998). *Competitive strategy: Techniques for analyzing industries and competitors*. Free Press.

- Qualtrics. (2020, June 22). *What is CSAT and how do you measure it?* Qualtrics. <https://www.qualtrics.com/articles/customer-experience/what-is-csat>
- Raofian, A., Rajabzadeh Ghatari, A., Fakhra Manesh, M., & Palumbo, R. (2025). *Digging into the drivers of strategic renewal: A systematic literature review. International Journal of Organizational Analysis*, 33(12), 75–104. <https://doi.org/10.1108/IJOA-08-2024-4781>
- Ries, E. (n.d.). *What is an MVP?* Lean Startup Co. <https://leanstartup.co/resources/articles/what-is-an-mvp/>
- Service Design Tools (n.d.-a). *Empathy map*. <https://servicedesigntools.org/tools/empathy-map>
- Service Design Tools (n.d.-b). *Journey Map*. <https://servicedesigntools.org/tools/journey-map>
- Service Design Tools (n.d.-c). *Service blueprint*. <https://servicedesigntools.org/tools/service-blueprint>
- Schilke, O., & Helfat, C. E. (2025). *Unlocking dynamic capabilities: Pathways for empirical research. Journal of Management Scientific Reports*, 3(2), 71–87. <https://doi.org/10.1177/27550311251318724>
- Schmitt, A., Raisch, S., & Volberda, H. W. (2016). *Strategic renewal: Past research, theoretical tensions and future challenges. International Journal of Management Reviews*, 20(1), 81–98. <https://doi.org/10.1111/ijmr.12117>
- Strategy canvas: Blue ocean strategy tools and frameworks*. Blue Ocean Strategy. (2024, April 12). <https://www.blueoceanstrategy.com/tools/strategy-canvas/>
- Suomen yrittäjät. (2025, March 11). *Naisyrittäjien määrässä käynyt kato viime vuosina – Myös pienituloisia selvästi miehiä enemmän*. <https://www.yrittajat.fi/uutiset/naisyrittajien-maarassa-kaynyt-kato-viime-vuosina-myos-pienituloisia-selvasti-miehia-enemman/>
- Teece, D. J. (2025). *Dynamic capabilities and related paradigms (Elements in Business Strategy)*. Cambridge University Press. <https://doi.org/10.1017/9781009232890>
- Teece, D. J. (2018). *Business models and dynamic capabilities. Long Range Planning*, 51(1), 40–49. <https://doi.org/10.1016/j.lrp.2017.06.007>

Teece, D. J. (2016). *Dynamic capabilities and entrepreneurial management in large organizations: Toward a theory of the (entrepreneurial) firm*. *European Economic Review*, 86, 202–216.

<https://doi.org/10.1016/j.euroecorev.2015.11.006>

Teece, D. J. (2012). *Dynamic capabilities: Routines versus entrepreneurial action*. *Journal of Management Studies*, 49(8), 1395–1401.

<https://doi.org/10.1111/j.1467-6486.2012.01080.x>

Teece, D. J. (2010). *Business models, business strategy and innovation*. *Long Range Planning*, 43 (2–3), 172–194.

<https://doi.org/10.1016/j.lrp.2009.07.003>

Teece, D. J. (2009). *Dynamic capabilities and strategic management: Organizing for innovation and growth*. Oxford University Press.

Teece, D. J. (2007). *Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance*. *Strategic Management Journal*, 28(13), 1319–1350. <https://doi.org/10.1002/smj.640>

Teece, D. J., & Pisano, G. (1994). *The dynamic capabilities of firms: An introduction*. *Industrial and Corporate Change*, 3(3), 537–556.

<https://doi.org/10.1093/icc/3.3.537-a>

Teece, D. J., Pisano, G., & Shuen, A. (1997). *Dynamic capabilities and strategic management*. *Strategic Management Journal*, 18(7), 509–533.

[https://doi.org/10.1002/\(SICI\)1097-0266\(199708\)18:7<509::AID-SMJ882>3.0.CO;2-Z](https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.0.CO;2-Z)

This is Service Design Doing. *#tisdd method: Service advertisement*. (n.d.). <https://www.thisisservicedesigndoing.com/methods/service-advertisement>

Tilastokeskus. (2024, March 14). *Yksinyrittäjien määrä väheni vuonna 2023* [News release]. <https://stat.fi/fi/uutinen/yksinyrittajien-maara-vaheni-vuonna-2023>

Weiβ, M. (2025). *Navigating the VUCA landscape: A systematic literature review of organizational coping strategies*. *Journal of Innovation Management*. https://ijooes.fe.up.pt/index.php/jim/article/view/2183-0606_013.001_0005/957

Winter, S. G. (2003). Understanding dynamic capabilities. *Strategic Management Journal*, 24(10), 991–995. <https://doi.org/10.1002/smj.318>

Zott, C., Amit, R., & Giesen, E. (2024). Business model innovation capability: A game changer for sustaining a firm's edge. In A. Aagaard (Ed.), *Business model innovation strategy: Transformational concepts and tools for entrepreneurial leaders* (pp. 3–26). Palgrave Macmillan. https://doi.org/10.1007/978-3-031-57511-2_1

Zott, C., & Amit, R. (2015). *Business model innovation: Toward a process perspective.* In C. E. Shalley, M. A. Hitt, & J. Zhou (Eds.), *The Oxford Handbook of Creativity, Innovation, and Entrepreneurship* (pp. 395–406). Oxford University Press. <https://repository.upenn.edu/handle/20.500.14332/40499>

Feedback questionnaire

Appendix 1. Feedback questionnaire.

1. How happy were you with The Strategy Day? (scale 1–5)
2. How likely are you to recommend The Strategy Day to someone) (scale 1–10)
3. What did you enjoy the most about The Strategy Day?
4. What would have made The Strategy Day better for you?
5. Describe your situation before The Strategy Day
6. Describe your situation after The Strategy Day
7. What would say to someone who considers The Strategy Day?
8. Anything else you would like to add?