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**SERVICE DESIGN AS A TOOL FOR
CITY SERVICE DEVELOPMENT: CASE OF ESPOO**

Bachelor Thesis

Program: International Business Administration

Specialization: Marketing

Supervisor: Jana Kukk, PhD

Tallinn 2018

I declare that I have compiled the paper independently and all works, important standpoints and data by other authors have been properly referenced and the same paper has not been previously being presented for grading.

The document length is 12 180 words from the introduction to the end of conclusion.

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ABSTRACT

This paper explores the role of service design in developing city services. The aim of this Bachelor's thesis is to identify the role of service design on developing public services in a Finnish municipality, in a City of Espoo. The theoretical framework of the research is formed around the concept of service design and service-dominant logic. The research has been carried out with qualitative methods. Different approaches and ideas have been sought using several methods. The methods used in the thesis were interviews, mind map, and literature review of service design. As part of a Bachelor's Thesis research, the author interviewed civil servants responsible for the development of different units in the city of Espoo.

The importance of services and customer experience in the present society is increasing its role continuously. Also in the public sector, including cities, one must be aware of how the customer feels about the service and how to bring the customer to the center already on service development phase. On city context, by utilizing service design methods, it is possible to involve customers (on city context: residents, companies and communities) on this process and simultaneously also enhance comprehensive customer understanding among the civil servants. Design practice can help to understand the service-dominant logic, and a services perspective may help to open new roles for design practices. On the theses, the author focuses on studying use and usability of service design methods and tools at the City of Espoo, which is known as one of the forerunners among the Finnish cities on this. In Espoo various tools of service design has already been used already on a longer perspective. Also, new tools and their application areas are constantly studied but they should be adapted even more actively.

Keywords: Co-creation, city services, service design, service-dominant logic, public sector

INTRODUCTION

In the current thesis, the author examines the potential of service design in a public sector, especially in developing of municipal services. The thesis will give an understanding of service design as a concept and its applicability for public sector needs. This chapter will introduce the general background of the topic, establishing the actuality of the research topic and research problem. This is followed by the research questions, propositions and methods. An overview of the structure is also presented in the chapter.

“Everything as a service” is almost as a slogan nowadays. Services have one goal to help a customer. Services became an important topic in marketing from the 1970s onwards as researchers realized that the economic value of services was beginning to exceed that of other kinds of activity (Schneider and Stickdorn 2010, 42). We are surrounded by services, and almost everything is available as a service. Services are intangible, unique moments, which are created at the same time when they are delivered and/or used (Koivisto 2007, 30). For example, the office cleaner makes sure everyone can enjoy the office at its best, our mail is delivered, we book appointments, books, and holidays online, and the hairdresser cut us a new haircut. Services have surrounded us for centuries but are still becoming increasingly important for the economy (Wetter-Edman 2014, 30).

The business structure has changed rapidly in Finland: the forest and electronics industry's share of value added has declined and the importance of services has increased. Service sectors play a key role in the Finnish economy, as more than two-thirds of the value of GDP is generated in services. (Confederation of Finnish Industries) The share of services is even higher than that of statistics, as statistics lack the share of services produced by industry. The service business term covers the services of all types of businesses, not just the services of the services sector. (Koivisto 2007, 14) Wetter-Edman (2014, 31) states that one component of growth of service

sector is the re-positioning of service industries from a specific industry to being a component of all kinds of business, such as hospitality and tourism.

A transition from an ownership-based-economy to sharing economy on a strong trend of our time. A younger generation tends to appreciate more freedom and flexibility that financial commitments and ownership of things. (Frenken and Schor, 2017) As an example, if you live in a city you do not need to own car or bike, thanks to well-functioning public transportation combined with the bike or car sharing services. Based on these, one can tailor an individual Mobility as a Service package, based on one's wants and needs. This is something to be considered also on developing city services, provided by the municipality. People do not want to be told anymore what, and what kind of services they should use, but instead they want to make their own choices. This approach challenges the public organization to adopt new, customer-centric tools for service development. Customers' needs and aspirations are changing with development, so the service providers must be ready for new trends all the time. Customer requirements are growing and they are willing to pay for more services. In service design, it is important to know what the customer wants. (Koivisto 2007)

On the contrary to businesses, the business logic in the public sector is different. The aim is to not to make customers (residents and or companies) use as many services as possible, but instead to provide them with the services they need, on time and on the cost-effective way. People are also encouraged to use private sector services besides of public services. As an example, an ideal health service's customer is "happy, healthy and not here", as stated Espoo city (www.espo.fi). Also, customer experience has recently risen to the core of many corporate strategies and even in many public-sector organizations. In Espoo Story, which is a city strategy for 2017-2021 the first value to be mentioned is "resident and customer orientation".

Utilizing service design expertise in the public sector has been growing for a long time. A more customer-oriented approach is understood to be a prerequisite for success, and as part of the design, the organization's culture and strategy are seen to support people-oriented services and business development. (Mager, 2016) Design has been recognized as a possible discipline to deal with the present society problems such as the aging population or the smooth running of services. For more and more cases, design methods are applied and public organizations are

motivated to apply different design tools to developing services. (Lee et al. 2013) In addition, public services are moving towards residents participation when residents' rights in decision-making are stronger.

Service design is a powerful tool for developing services to meet better the expectations of existing and future customers. Both public and private organizations face the need for constant renewal of their service portfolio. In addition, it creates the need for re-designing working methods and organizational structures, even in the short term, to effectively respond to the demands of providing services. Both employees and stakeholders need to monitor these ongoing changes and could access the new services and practices as easily as possible. (Kurronen, 2015)

These above-mentioned changes bring new challenges to the field of service design as there is a growing demand for reorganized or totally new public sector service solutions. In the public sector, more human-centered approaches and services are needed. Moving to new and less well-known operating models is indispensable. From changing superficial operating patterns, there is a need for a wider overall behavior change to which service design has capacity to provide.

On this Bachelor's thesis, the author discusses the service design methods and their applicability for the municipal services development context. For the thesis, the author has interviewed civil servants from Espoo and studied material related to Espoo city and its' services. The second biggest city in Finland, Espoo, has been one of the forerunners in Finland on adapting the service design as an essential tool for city development. Also, some practical level examples from the city of Espoo will be discussed, with pros and cons. Limiting the research topic to the city of Espoo was an easy choice. While searching for information about service design initiatives in the public sector in Finland, a city of Espoo was often mentioned as a forerunner. The author has witnessed also this growth and development with her own years within last 24 years. It has been interesting to observe the urban development and to see how the city responds to the challenges of the modern world.

The aim of this Bachelor's thesis is to identify the role of service design on developing public services in a Finnish municipality, in a City of Espoo. The author find the answers to the

research, how service design can effectively support city organizations on their service development. This Bachelor's thesis aims to tackle this with the following research questions:

- 1) Which values service design can provide the city service development with?
- 2) What kind of challenges there are on utilizing the service design methods on developing the city services?

The bachelor thesis is structured as follows: the first chapter presents the theme of the Bachelor's thesis and the theoretical background. This aims to build a comprehensive framework that makes it easier for the reader to understand the review. The second chapter describes the research methodology of the thesis how the research is conducted to achieve the purpose. The third chapter, the results of the research are presented and discussion of related to the interview of service design in a City of Espoo.

1. THEORETICAL FRAMEWORK

This chapter describes theoretical grounds of the thesis. It aims to give an overview of the theoretical body of knowledge on the topic, identify the research gap and to describe the positioning of the research.

1.1. Role of services

Services play an important role in modern society. According to World Bank (2015), “the service sector has increased its shares of the world economy during the past two decades, while the relative share of agriculture and industry fell in most developed areas”. From the product centered mindset, successful organizations have moved towards offering mainly services. Even products, which markets are full, organizations need to find new ways to offer more value. In recent decades, people's mindset has changed and services are consumed more compared with the products (Bellos and Ferguson, 2015). In business, an essential question is how to get customers to buy and use their services when the options are virtually unlimited. Companies investigate purchasing behavior factors when deciding on product development and marketing, to reach the largest and loyal customer base for their services. Today's customers, besides the functionality, need comprehensive experiences. (Dong & Liu 2016, 1).

Services can be used to develop products and, for example, to gain a better understanding of the customers' needs and the conditions in which their products work. These services provide better feedback on products that help in product development and improvement. (Bellos & Ferguson, 2015). To differ from other same function driving products, branding has worked on positioning in the last years and marketing has pushed the promotion of those products. The other weapon is to add services to support products competitiveness and to add value. Many

products are working as a platform for services, for example, a mobile phone which is as a product enabling the platform to use the service of communication. (Moritz 2005)

Technology has a significant role in services and is constantly evolving what offers new possibilities for providing services. Almost 70 percent of the world population is using a mobile phone (Statista) where you can find application of all kinds with different features and benefits. The relationship between customers and service providers have changed with the development of technology. For example, you can check-in to a flight on your phone and go through the airport without talking to anyone and without any physical interaction. Technology brings more possibilities as well as new challenges. With the internet and different devices as mobile phones and laptops, it gives a rising opportunity to add value. For example, one can pay in a restaurant by phone or buy a bus ticket to your phone. (Moritz 2005).

The need for planning services is due to the complexity of the customers. The services seem to offer a solution between the standardized product characteristics and the non-standardized needs and requirements of customers. No machine or robot can respond to the specific needs of customers effectively. In the core of services is always a human being (Polaine et al. 2013, 41) thus designing user-centered services provides a new dimension that leads to a fresh, stronger relationship between the organization and the customers. (Moritz 2005, 27)

1.2. Service design

Designing and creating services in principle is nothing new because services are part of the economy. The service model from the field of expertise is an approach introduced in the 1980s to improve existing services or to develop new and better ones. The first mention of the field was made in 1984 by G. Lynn Shostack of Harvard Business Review, entitled "Design Services to Deliver". (Moritz 2005, 66) Service design is designing the overall experience of a service as well as the whole design process and strategy to make the services use practical, easy, and desirable (Moritz 2005, 39). Service design can provide useful and valuable experiences through services and create greater value for the customers (Cao et al. 2017).

In the literature, service design has been discussed from the perspectives of designing interactions, designing experiences and touchpoints, and applying design principles and tools to the development of services (Wetter-Edman, 2011) but there is no common agreement on the definition of service design (Stickdorn, 2010). Service design purpose is to improve the services quality and to design according to the customers need in a user-friendly way by planning and organizing people, infrastructure, communication and material components of a service (Mager, 2009).

During the last decade, the development of service design has been driven by the growing attention to the role of design in product and service development, the growth of the service economy, the emergence of the experience economy, and the development of networked media technologies (Wetter-Edman, 2011). As a discipline, service design is often associated with service development, management, operations, and marketing (Blomkvist et al., 2014). Wetter-Edman (2014, 39) describe service design as interdisciplinary, integrating expertise, and practices from different disciplines (e.g. interaction, design ethnography, and product design) as well as service marketing management practice and research. Design has changed from design-oriented design to user-centered design where good example is that instead of a new fridge, design of a service concept could bring fresh food. The user-centered design process focuses on customers, their tasks, goals and beliefs and is developed and designed from the customer's perspective. (Novoseltseva, 2017)

Service design as being human-centred (Mager 2009; Miettinen 2011; Sangiorgi 2014) is described as “the capacity and methods to investigate and understand people’s experiences, interactions and practices as a main source of inspiration for redesigning or imagining new services” and “the capacity and methods to engage people in the design and transformation processes” (Sangiorgi 2014). A human-centered approach requires sensitivity, something that needs to be developed. Humans are complex creatures, and the human-centered approach encompasses this complexity. Service design takes customers and stakeholders into the process by using co-creational practices and participatory design approaches (Wetter-Edman 2011).

According to Forrester Research's Vendor Landscape: Service Design Agency Overview (2015), service design companies typically operate in five areas:

- 1) The development of front-end innovation;
- 2) The physical and face-to-face experience where customer service processes are aligned to support customer operations;
- 3) The formulation of digital experience design that seeks to perceive and promote customers' activities across multiple channels (e.g. mobile application, desktop application, social media);
- 4) The organizational change management within which culture and working methods are created, whereby the function of separate units operating in organizations is aligned around a coherent customer experience; and
- 5) The business process consulting, combining customer research, business analytics, and application development to enable customer-centric solutions.

Service design offers an ability, capacity, and the aptitude to extract perceive, analyze and translate the perspective of the customers, through in-depth research and business knowledge (Moritz 2005, 39). service design is growing in importance and has become a crucial capability to survive in the service-dominant economy. Especially successful and innovative companies worldwide have realized that service design is needed (Mager 2009, 30).

1.2.1. Key elements of service design

Business service offerings not only meet customer needs but also provide customized customer experiences for the right customer group. Service customers are thought too often only after designing the service entity. Such thinking may be expensive for the company. Service design provides new service experiences by bringing customers' needs into the core of service development without forgetting the company's business goals. The success of service design begins with the understanding that the customers of the services understand their own context and how this perception of the customers can be transferred to the business. (Miettinen & Valtonen 2012, 9)

Service design is understanding customers, organizations and markets, developing ideas, translating those into feasible solutions and helping those implements. The core of service design is to place the customer first and organization second. (Andreassen et al. 2016) Service design is involved in the ongoing life-cycle of services and provides continuous development.

Along with the process tradition, there has been a growing interest towards describing the activities taking place inside the processes. In this context, various principles and methods for service design have been proposed. (Moritz (2005, 47) Companies need to tailor the services flexibly and quickly to changing customer situations. Stickdorn and Schneider (2010), outlines five key principles of service design thinking that are user-centered, co-creative, sequencing, evidencing, and holistic. The author has chosen to tell more about these features because those describes diversely the service design and increase understanding of its processes.

- 1) **User-Centered.** Stickdorn and Schneider (2010, 26) states that the service should be experienced through the customer's eyes. People can be seen in the center of the service design and it is important to understand the users of services, their behavior, motivation factors, needs and values. To make the service successful, people must be part of the process and nowadays. The user-centered design considers age, gender, social status, education and professional background, influential factors, product usage expectations and demands as well as many other important things that may vary in different segments. User-centered design is an in-depth study of users' habits, their connections with the product, to their vision of how the product should look like and behave. Design does not only operate on a specialist level anymore. (Novoseltseva, 2017)

- 2) **Co-creative.** Co-creation refers to customer's empowerment and supports the increasingly important role customers may have in the process of value creation. It helps to understand the reality that potentially there is more than one customer group, and each group has a different needs and expectations. The character of service being co-created in the interface between service providers and customers require a need for understanding a wider range of people than only customers and users (Wetter-Edman 2014, 79). Getting the customer involved in the service process may affect in result by increased customer loyalty and long-term engagement what in point of view of a company can mean better turnover. (Stickdorn & Schneider, 2010) According to Mager (38) "Co-creation also concerns the service offering: by definition, most services are co-produced, so design integrates customer as active parts into the service delivery process, seeing them not as passive customers but active partners and co-creators of value."

- 3) **Sequencing.** Every service is a sequence of interrelated actions taking place over a certain time. Customer journey starts when he or she is realizing a need. Services should be visualized by sequences or key moments in a customer's journey. Stickdorn and Schneider suggest thinking service as a movie: we need to consider the service timeline when designing a service because the rhythm affects the mood the customer. Before any service goes public, it needs to be tested on a different kind of customer groups. According to Stickdorn and Schneider (2011), every service process follows a three-step transition of a pre-service period (getting in touch with a service), the actual service period (when the customers experience a service) and the subsequent post-service period.

- 4) **Evidencing.** The evidence of a service can prolong the service experiences. The evidence of a service can be in some different forms: bills, posts, emails, souvenir or other products. Think about a souvenir you bought from a holiday - it may bring you back to that experience you felt at that time. Physical evidence can trigger the memory of positive service moments and thus, through emotional association, continue to enhance customers' perceptions of the service they have received. Though, it is not always a good thing, think of a junk mail as an example of evidencing gone wrong. (Stickdorn & Schneider 2010, 35-36).

- 5) **Holistic.** Nowadays customers want holistic experiences and are ready to pay more (Dong & Liu 2016, 1). To create value, service must be designed from a holistic and human-driven perspective. Companies must be able to create value with innovations to answer customers wants and needs. Honestly, it is impossible to consider every aspect of a service but keeping an illusion of a holistic way is the right way. Depending on the service moment, the focus should be on the environment where the service takes place. (Stickdorn & Schneider 2010, 45)

By combining the above principles and the basic conditions of service, we can get a better understanding on why service design is necessary. The process is complex and generic, and it needs a better relief, which is conducted through the following section.

1.2.2. Service design process

The service modeling process is constantly evolving, which is why there is not only one correct process. While many of those use different terms, all of those have the same ideologies and similar processes: understanding the problem and collecting views, innovating and handling new concepts, designing and implementing prototypes. As Moritz (2005) points out, the stages are usually presented in chronological order but the process is, rather, highly iterative. Also, Stickdorn and Schneider have agreed in their book “This is Service Design Thinking” (2011) that the design process is nonlinear and it is iterative. Iterative means that at each stage of service design process it is possible to take a step back or start again from scratch. It is important to remember that it is difficult to consider different aspects, views and perspectives. The designer must make decisions about the customer, the budget, and the resources. (Stickdorn and Schneider 2010)

The premise of service design is to think about service as a product and to focus on the customer's experience. The idea is to develop a concrete service process that focuses on providing value to the customer in the best possible way. It is essential for the process to be developed that stakeholder representatives are involved in developing it. The customers have a central role regarding information, innovations, and creativity. Only by spending time with customers can give in-depth customer information. It is important to create the most versatile and in-depth understanding of what creates value for the customer. This will also reveal the hidden needs of the customer, which gives the company the opportunity to stand out and give it a competitive edge. The service experience can start long before the customer is connected to the service provider - and the service experience can continue for a long time after the end of the connection. The service must be designed so that it is a customer experience. The quality of the service must be clearly measurable. Measuring the service experience should be clear indicators. (Mager 2009, 35-39).

Literature and practice of referring to different frames, which consist of three to seven or more of the stage, but those all share the same mindset even though the choice of words is different. In the early stages of the service design project, a project team is selected, containing people

from different levels and areas of the company. It is important that the goals are defined for the project. The project is usually caused by a change in the market, the company has a need to differentiate, improve efficiency or increase the value of customers. Mager (2009) introduces four-stage process model: discovery, creation, reality check, and implementation. Moritz service design process model (Figure 1) brings many of the proposed service design process models together (Moritz 2005, 154-158). He defines six stages of service design process: understanding, thinking, generating, filtering, explaining, and realizing,

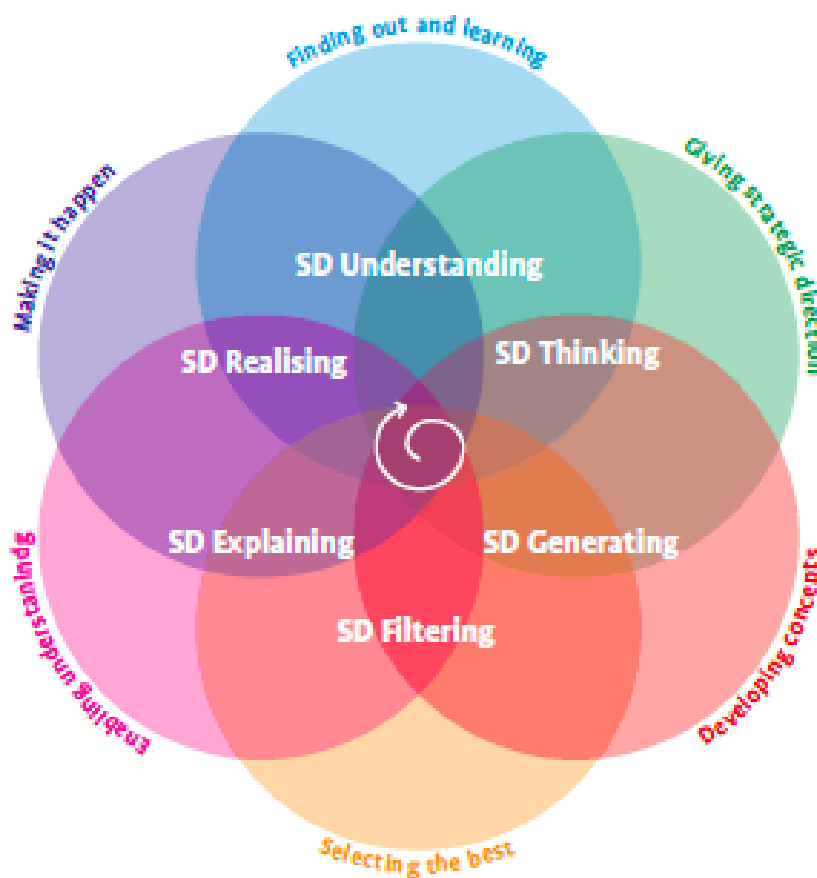


Figure 1. Service design process model

Source: (Moritz 2005, 149)

The author has chosen to tell in more detail using the iterative four steps by Stickdornin (2011): exploration, creation, reflection, and implementation (Figure 2. below). **Exploration** is the first step in which service designer must find a real problem. The most important tasks at this stage are to understand the company, its goals, the problem from the business point of view, the real problem from the customer's point of view, to collect the insights (using ethnographic approaches) and visualize the findings. In This is service design thinking book, Mark Jones,

Lead of Service Innovation at IDEO, says that from his perspective the design process begins with understanding the product's context of use, and observation of customers' experiences by moving into the field to observe customers and how they interact with the product. (Stickdorn 2011, 120-121)

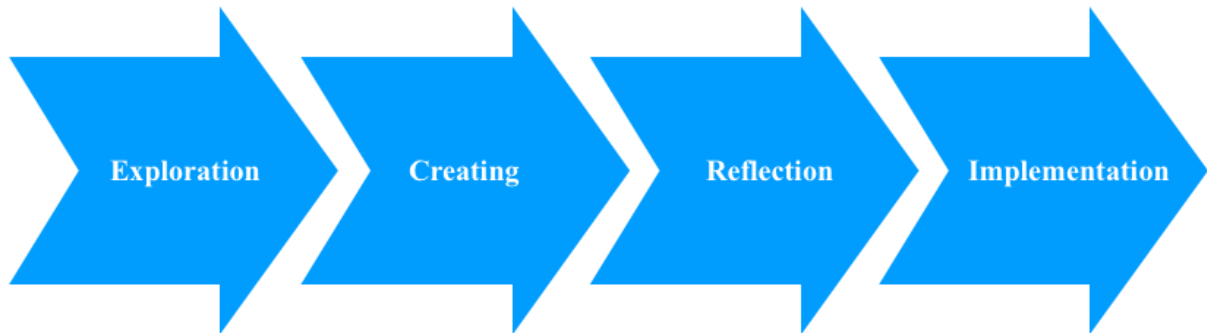


Figure 2. Approach to structure design process
Source: Stickdorn (2010)

Creating is the second stage of service design process. Testing ideas and concepts, making mistakes and learning, finding alternatives for identified problems during the first phases, and collecting views - these are some of the primary tasks of a service designer. Co-operation is key at this point. According to the five principles of service design, Stockdorn & Schneider (2010) suggests that it is important to work user-driven by creating comprehensive solutions for total solutions and creating a comprehensive concept.

Reflection stage is about experimenting - building prototypes and testing the ideas developed during the earlier phases with customers to get feedback from reality. Service design is experimental and iterative in nature. The most important challenge at this stage of the process is to address unsatisfactory services, "because you cannot just put the service on the table and ask customers what they think" (Stickdorn & Schneider 2010, 132). The service designer must bring emotional commitment.

Implementation is the last step in the service planning process. During this phase, the change should take place. For a service designer to succeed, he needs support from both management and employees. It is therefore important that all stakeholders are involved at an early stage of the process. Ideally, the implementation of the change will be followed by another study to

evaluate its progress. This leads to iterative thinking of service models. (Stickdorn & Schneider 2010, 135). The process is also an iteration at each stage and each workshop.

People's experiences cannot be designed because those are personal and so will the results of the provision vary itself. We can design service processes and service environments but not human experiences or imagery. Experiences and images are filtered through human personal history and worldview and each person perceives his participation in a certain activity differently, no service experience and flow can ever be the same. (Moritz 2005, 29-30)

The main challenge with service design methods and tools is to make a purposive connection to goals in the design and research process. As there are lots of methods, there are as lots of different tools. Service design tools have a significant role when developing new services and those have described as core in design. (Wetter-Edman 2014, 78) There are many practical tools for design at the micro level of customers experience and interactions but at the macro level of service design, there is a perceivable gap (Mager 2016, 24). Tools provide a framework for the service development process. Methods can and should be customized to fit into their own styles of work and context. Not all of them fit in every stage. The same tools can be used in different stages of the service development process. For example, methods for acquiring customers data can be used to evaluate prototypes. The same tools and steps are often used several times in succession. New information will find new ideas and needs that sometimes require a renewal of the stage. (van Dijk et al. 2010, 140-141).

Depending on the stage of process or the purpose of the object, different tools are used. In the early stages, stakeholder mapping for example, is a good tool to give an analytical overview of the relations of different groups involved within a service in a visual or physical way. To to improv the customer orientation of existing services, Customer Journey Mapping is well suited. It describes the interaction process between the customer and the company with a complete customer orientation, where breaks and problems are revealed when the customer moves from one service to another. In addition, when developing customer interface features, there is disagreement between different stakeholders, where the customer's point of view emphasizes the solution: the customer's experience becomes a goal that combines different people, which encourages decision-oriented co-operation. (Stickdorn & Schneider, 2010)

Overall, the service design tools brings to the service design process a visual description of the service and it helps to understand the big picture of the whole experience. It is often made by collaboratively with different departments or teams which is a good way to bring all together and to see each team's responsibilities (van Dijk et al. 2010, 200-202, 270). In addition, methods from social sciences are used to gather insights about people's desires, experiences, motivations, and need (Polaine et al. 2013, 38).

1.2.3. Benefits and challenges of service design

Good service design benefits both the service provider and the customers. It enables the organization to improve its business by reducing disadvantages in its own processes and it offers the possibility to create added value, stand out alongside competitors, make better use of resources and facilities, and connect with customers. Service design can help to create new possibilities and formulating old things in a new way. The service design enables the markets to be enhanced through new concepts. Service design provides economical value both in the private and public sector (Miettinen et al., 2011, 14). Customer who uses the service or product what is developed by service design, it enables the easy use of services and products more efficiently and time-saving. Moritz (2005, 51) points out, the use of service design methods brings important benefits to the service business. Moritz (2005, 57) lists the following benefits of service design of point of view or an organization:

- 1) A true understanding of the market needs,
- 2) Higher value of the resources available,
- 3) Changes organizational culture,
- 4) New perspectives on future development,
- 5) Higher effectiveness,
- 6) Better efficiency,
- 7) Connects Organization and customers,
- 8) Higher quality service experience as a basis for success,
- 9) Differentiation against competition,
- 10) Brand affinity.

Design has an impact on the living conditions (improved aesthetics, usability and recognition) and the economic impact (increased sales, profits and the economy) (Koivisto 2007, 26-27).

Koivisto mentions some of the benefits of service design:

- The use of design results in lower production costs if it is used to build a more efficient production method;
- Design can have an impact on sales growth if it is more responsive to customers' preferences;
- Design can allow a unit price increase.

A successful service design is a clear, comprehensible and consistent service regardless of the channel used. **The purpose of the service design is to find the answer to the value of the service to the customers.** When a company responds to the needs of a customer, it can develop its customers more diverse, more desirable and more attractive services. (Moritz 2005, 4) Polaine et al. (2013, 38) highlight that instead of adding service design on top of a business proposition it can offer a paradigm shift in corporate culture and provide sustained value and innovation.

Because of the abstract nature of the service, it is difficult to measure its quality because more qualitative than quantitative measures are available. The measurement of quality is a problem service design is still to face and find a solution. (Moritz 2005, 30)

Due to the abstract nature of a service, its quality is difficult to measure, as there are more qualitative than quantitative measures available. Quality measurement is one of the problems of service design, which is still to be encountered and which needs to be solved. (Moritz 2005, 30.) Sangiorgi (2014) raises one of the main challenges to support the growth and sustainability of new ventures when working from outside in.

1.3. The role of service design in public sector

The thesis distributes with the development of city services by utilizing service design methods so it is important to distinguish the difference between traditional service development and service design. Traditional service development often utilizes collected customer feedback and market research related to sales. Service design, instead, involves customers in development

work and focuses on customers, customer understanding, and customers information, since customers feedback alone cannot be used to evaluate the actual customers experience. The customers data collected by service design includes deeper information about the customer than the basic customer information. (Miettinen et al., 2011, 13-14). Lee et al. (2013), implies that designers should consider that developing and applying design-based, human-centred approach in the public sector is a radical innovation and requires a change in culture and behaviour, time, resources, and support from the management.

“The role of service designers within the public sector is to help people think differently about the challenges they face, help people move away from starting with a solution, and support them to truly understand what the issue is they are trying to solve. Positively disrupting the status quo and opening up possibilities for new types of service models is essential.” Simon Penny, Founder of the Shropshire Council iLab (UK)

Service design is proposed as a way to change the innovation culture and practices in public sector by focusing on people, interfaces and relationships. It seeks to shift the focus from the process to user experience and needs, as well as to re-establish the relationship between public sector and citizens to equal interaction. (Sangiorgi 2014) Service design is responding to future challenges as the profession of design changes and the planning has moved to experience-based co-design. This is one of the reasons why service design has increased its role both in the private and public sectors worldwide.

Service design in the public sector often is used to develop existing services rather than designing new (Thurston 2009, 153) In order to develop services of the public sector, there is a need to get deep insights from different perspectives and cooperate with relevant stakeholders. Service design has recently gained support in the design and development of public services and the public sector is already the largest client for service design. The relationship between public service and residents has extremely changed during the last decades (Mager 2016, 10-11). Design has been recognized as a possible discipline to deal with the present society complex problems such as the aging population or the smooth running of services. For more and more cases, design methods are applied and public organizations are motivated to apply different design tools to developing services. (Lee et al. 2013) Taking service design methods

into the use, requires personal support and training. Thurston (2009, 151) implies: “the service design must start looking at how methods and processes can spread within organizations to show true value in the public sector.”

Jarkko Kurronen wrote in Aalto-University publications (2015) series how designing is an important part of public sector innovation. In the public sector as well as in business, it has been noted that old business models are rigid for today's rapidly changing challenges. The purpose of the development of public sector services is to make services more user-friendly and improve the functionality of services for citizens. When target groups take advantage of the service, feedback is collected to further development of the service. In the public sector, the development of services generally aims to save resources. For example, digital services can automate things, after which self-care can be managed via self-service. With service design, services are designed to be user-friendly and easy to use. Digitalisation is one of the main drivers what should be seen as a core interface between public service providers and citizens (Mager 2016, 9) .

1.4. Service-dominant logic

Vargo and Lusch launched the concept of service-dominant logic in 2004. They describe the service-dominant logic as value exchanged trading cycle in which physical goods are used to provide a service(s) (Vargo and Lusch 2006, 44). Service-dominant logic emphasizes that value is (a) created by customers, companies and other actors; (b) operators assess the context; and (c) the results of the activities and interactions of operators during which resources are integrated and used (Skålen et al. 2015; Vargo and Lusch 2004). Goods provide a new value of beyond the tangible, allowing physical goods to become instruments for endless service opportunities. (Vargo and Lusch 2006, 15, 20) The fundamental proposition of service-dominant logic is that the organization, market, and the society are the substitution of the service that is defined as a value co-created. In this sense, all companies are service companies and all markets focus on the service. (Vargo and Lusch 2004)

Furthermore, Vargo and Lusch (2010, 45), provide the service-dominant logic framework which favors service opportunities as open opportunities to satisfy the customers' needs. In this

context service facilitators (business) provide their customers with a value propositions. Different customers have different needs, it is understood that businesses and service providers are trying to understand the dimensions of those needs. Lusch (2010, 57) suggest that the process does require a more in-depth understanding of the development of a service value propositions and a clear understanding of the role of the customers in the service as well as their standpoint. The same way as services can be a result of value creation (Grönroos 2011, 2). In other words, it requires customers' context analysis, which includes the customers as active participants in the search for the value propositions of the service. The companies cannot deliver value but only value propositions. (Grönroos 2012, 135; Skålen et al. 2015) Therefore, customers determine value by accepting the proposal as a reasonable value proposition, separating the value added by the businesses or true value proposition of companies (Vargo, 2008).

Service-dominant logic is captured by eleven foundational premises (Lusch and Vargo 2004, 2008, 2014), where the five axioms provide the core aspects of the framework. Figure 4. represent updated foundational premises from 2004 to 2014 (Figure 4.).

	FP	Premise	Explanation/Justification
Axiom1	FP1	Service is the fundamental basis of exchange.	The application of operant resources (knowledge and skills), “service” is the basis for all change. Service is exchanged for service.
Axiom2	FP6	Value is co-created by multiple actors, always including the beneficiary.	Implies value creation is interactional.
Axiom3	FP9	All social and economic actors are resource integrators.	Implies the context of value creation is networks of networks (resource-integrators).
Axiom4	FP10	Value is always uniquely and phenomenologically determined by the beneficiary.	Value is idiosyncratic, experiential, contextual, and meaning laden.
Axiom5	FP11	Value co-creation is coordinated through actor-generated institutions and institutional arrangements.	Institutions are the taken for granted norms and beliefs that exist in a system. These are the unspoken rules which guide our behaviors and actions in relating to the world around us.

Figure 3. Axioms of Service-Dominant Logic
Source: Vargo and Lusch (2004, 2016)

Despite the initial deployment of the Vargo and Lusch infrastructures, they have realized that some of the original frameworks could come from other, and that is why they identified five FPs from this extended eleven set to particularly fundamental, mainly service-dominant logic axioms. Many of the concepts underlying these concepts (e.g. value co-production/co-creation, value propositions and experiences), and therefore also framework programs, are not exclusively outside the service-dominant logic or inventions. Rather, the service-dominant logic tells about the transition to current markets in which marketing is a promoter of ongoing processes of voluntary exchange through collaborative, value-creating relationships among actors (for example, individuals and organizations). (Skålen et al. 2015)

Still in 2008 (Lusch and Vargo) stated that the customer is always the value creator. Later, in 2014, they agreed that value is co-created by multiple actors, always including the beneficiary. One of the most important features of service-dominant logic is co-creation of value. As seen in five axioms, three of these five are particularly linked to creating value, so even axiomatically, the importance of co-creation value is paramount. The value is always determined individually based on the unique experience of the beneficiary, it can be concluded that the service-centered view is inherently customer-oriented. Logic tells current marketing views where marketing can be considered as a catalyst for ongoing processes of voluntary exchange through collaborative, value-creating relationships between different actors. (Vargo and Lusch 2004; Grönroos 2012)

Understanding the service-dominant logic makes it important to understand more concretely what features of services have and why those differ from products. From the service-dominant logic point of view, the service provider's service needs to be defined in its service activities:

- 1) The way in which the service is delivered;
- 2) A service always generates experiences in their service customer. Therefore, the service experience is the customer's direct feeling experience of the service;
- 3) A service outcome is not necessarily the end of the action that takes place to perform a service, rather the benefits and results of the service for the customer which, simultaneously generates value for the customer, meaning, it generates benefits the customer. (Grace 2002, 123)

1.4.1. Service-dominant logic relevance for service design

Service-dominant logic is suitable for this research because it underlines the value of skills and co-creation (Vargo & Lusch, 2004, 2-3). Co-creation of value is a core concept in service-dominant logic. The customer is a co-creator of value and the organization makes a value proposition. The customer and organization create value together and central view in the literature is that service-dominant logic refers to value-in-use. The interaction between the producer, the manufacturer or the service provider and the customer has then significant areas of value creation. Moreover, in fact, there may be more actors in this respect than the producer and the customer, which means that the network connection is appropriate under the service-dominant logic. (Vargo and Lusch 2008, 7-8)

According to Lusch and Vargo (2004, 1-2), the focus in business and marketing has moved forward from concrete products and its related services to changing and sharing intangible services, skills, and knowledge. This has changed marketing logic more integrated and it highlights the relationship between a customer and organization and co-creation. Developing products and productizing services without co-creation increases the costs of marketing and weakens the opportunities to answer customers' changing needs. (Vargo & Lusch 2004, 12)

The willingness of a customer to participate in co-creation of a product or a service is something that cannot be taken for granted. Customers are more likely to spend time and put effort into co-creation of value in goods and services when there is a possibility of significant differences in value appearing from the effort (Etgar, 2008). Service design is concerned with the design of services, in practice and in research, which makes sense to compare the design discipline with the service-dominant logic.

Description of the service of the service-dominant logic perspective and service process in which customers actively participate in the creation of value to interact with the service provider's role in planning has then become to understand how actors relate and act in the creation of this system to create value. Service design practices that were before the Service-Dominant logic, were often related to other design disciplines such as interaction and industrial design which compares, for example, interaction and interaction planning services to justify its adoption of tools and concepts in this field. (Wetter-Edman, 2014)

2. RESEARCH METHODOLOGY

This chapter introduces the chosen methodologies of the thesis. The research was conducted by studies, reports, literature and interviews that are related to the research theme.

2.1. Choice of the methodology

In order to achieve the aim of research and to answer research questions, the author has conducted a twofold research. The first part of it consisted of an analytical literature review to identify the research object and the need of service design in public sector. Regarding service design, literature has sought to get an understanding of what it is, what its main elements and tools are and how it can be utilized in urban planning. The second part was qualitative research based on empirical data gathered via interviews. Five civil servants of the City of Espoo were interviewed to get an answer to research questions. The purpose of the interview was to identify the interviewees' experiences and ideas on service design in the development of city services in the City of Espoo. The interviews also sought to find answers to the challenges and benefits of service design. The data has been analyzed by using qualitative analysis method. The analysis of the results also examined a few part of the questionnaire conducted by the city of Espoo (2017).

2.2. Characteristics of data collected during interviews

The choice of interviewees was made based on the view of the phenomenon. Each interview was held in Finnish and afterwards translated to English (Appendix 2. & 3.). To get answers to author's research questions, five semi-structured interviews were conducted in April 2018. For the interview were selected the top-level managers and persons who have been part of developing services with service design methods what made them relevant to answer author's

questions. The interviewees' list grew through interviews when people interviewed came to the attention of those who have also been an important part of a project that has used service design.

The following questions were:

- What is your area of responsibility in the city of Espoo?
- How is service design related to your job?
- Name some project/-s where Service Design tools have been utilized in the city context.
- Have you utilized external service design expertise on the project/-s?
- In your opinion, what is most challenging related to service design on city context?
- In your opinion, what are the key benefits of service design on city context?

All the interviews are working closely on developing city services and have been in a project where service design tools have been used for utilizing services. From table 1. the reader can see their position and relation to service design.

No. of interviewed	Position	Relation to service design
1	Development Manager at the Service Development Unit of City of Espoo	Coordinate city collaboration with the Aalto University's Designing for Services (DFS) course.
2	Manager of Economic Development, Head of Competitiveness and International Affairs Unit	Utilizing design tools occasionally
3	Project Manager at the city of Espoo in 6Aika strategy, Open innovation platforms	Part of a team that makes tools for the city to co-creation, experimenting, utilizing, and opening data and build up the innovation ecosystem
4	Environmental designer of City of Espoo	Cooperation with Aalto University's Designing for Services (DFS) courses students and bringing the point of view of public administration
5	Director of Development, Education, and Cultural services of City of Espoo	Enabling the development and bringing new challenges for developing. Brought service design tools for use

Figure 4. Interviewed profiles

The interviews were conducted by mobile phone. During the interviews, the author wrote down the key words and recorded the interviews with another phone. Interviews gives a general

picture and answers to research questions. Thus, the names or titles of people are not relevant to the results of research but more important is to understand their relationship with the city of Espoo and the development of services.

2.3. Data analysis

The author has applied Braun and Clarke (2006) thematic analysis framework to data drawn from interviews. Thematic analysis is a generic approach to data analysis that enables data sources to be analyzed in terms of the principal concepts or themes (Braun and Clarke 2006). These themes are developed by the analyst to enable the data to be reduced to key ideas. This process may be based on prior categories, or on categories that become clear to the researcher only as the analysis proceeds. Thematic analysis, as by its name, includes content capturing based on themes. Thematic analysis is guided by a specific research question(s) and its goal is to identify themes and use those to address the research. (Maguire and Delahunt 2017)

Braun and Clarke (2006) suggest that thematic content analysis can be divided into six phases:

- 1) Become familiar with the data,
- 2) Generate initial codes,
- 3) Search for themes,
- 4) Review themes,
- 5) Define themes,
- 6) Write-up.

The first step in qualitative data analysis is reading the transcripts and familiarization with the data. Getting to know the material means reading the material as long as it's familiar. This work precedes any efforts to identify themes or test theories, but during the reading process, some broader understanding of the data will begin to emerge. In the second phase, is generated initial codes that tell the most relevant content of the material. In the third stage, the author begins to perceive the themes of the material or arrange the encoded parts of the material into potential themes. Subsequently, at the fourth stage, the themes are examined at two levels: in relation to themselves and in relation to the material. At this stage, the themes should be internally coherent but also to comprehensively and essentially depict the whole of the material. At the fifth stage,

themes are named and created a concise definition that should reach the core issues of each subject in relation to itself and to other themes. In the final stage, an analytical report is written to read the results in detail and convincingly. (Maguire and Delahunt 2017)

Thematic analysis is a flexible method, easy to learn and implement, and is suitable for an inexperienced researcher. The results of the analysis are generally easy to understand. The theoretical analysis is suitable for use when a "dense" description of the material is needed and can also show the convergence and differences in the material. It can also be used to show the main points about large material. Temporary analysis can also bring unexpected views and provide both social and psychological interpretations of the material. (Braun and Clarke 2006)

3. RESULTS AND DISCUSSION – CASE: ESPOO

This chapter will present an outcome of the interviews. At first, the author gives a brief description of City of Espoo and a role of service design in city development. It is understood nowadays also in public sector, that services need to be designed in a user-orientated way. Good service design enable cities and other public sector organizations to provide customers with services to meet people's expectations better. The customers of the city can be residents as well as companies and communities, but in this review, the author focuses on services for residents.

What needs to be done to be able to provide services that meet expectations of customers better in a short and long run? How service design can support on this?

3.1. City as a Service

Espoo is the second biggest city in Finland with 280 000 residents and 14 100 employees, next to capital city Helsinki. The population of Espoo has grown tenfold within last 50 years, and growth continues. In 2017 growth was 3800 new residents, of which almost 70% speak some other mother tongue than Finnish or Swedish. This fast growth with a risen number of residents with a foreign language as their mother tongue challenges the city services in a novel way.

Espoo conducts an annual survey ('Palveluiden laatu') about the residents' and companies' feedback of the municipal services of their home city. On this survey (2017), the services of Espoo got a better overall grade than the comparison municipalities: Jyväskylä, Kouvola, Salo, Mikkeli, and Lahti (Figure 5). The respondents were asked the overall grade for services in Espoo from a scale of four to ten.

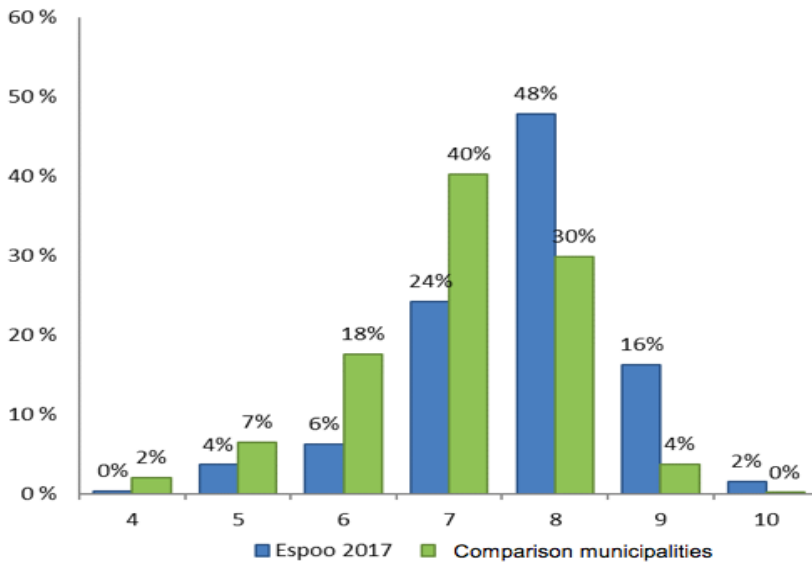


Figure 5. Breakdown of the overall rating in services provided by the city

Source: FGG, Kuntapalvelut in Espoo (2017)

Based on the figure 5., the residents of Espoo are more satisfied for the services provided by their home city than residents of the comparison municipalities. Because collaboration, co-creation and participating are essential on service design the author wants to take a deeper look also into another statistic from the survey. The residents were asked, how satisfied they are with the opportunities for participating and influencing in their own municipality. The results are illustrated in figure 6.

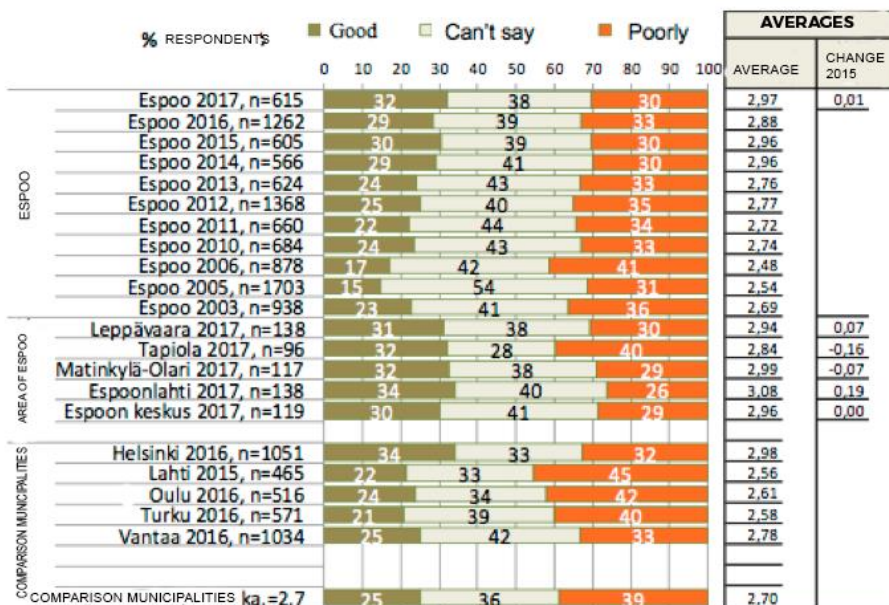


Figure 6. Breakdown of the overall rating in services provided by the city

Source: FGG, Kuntapalvelut in Espoo (2017)

Nearly one-third of residents of Espoo considered the opportunities for participating and influencing as good (figure 6.). On the other hand, almost the same number of respondents think that the possibilities of participating and influencing are poor. However, on a comparison with the cities of Helsinki, Lahti, Oulu, Turku, and Vantaa, only Helsinki got better grades than Espoo. Both the cities of Helsinki and Espoo has put a lot of emphasis on open dialogue and participatory practices with their residents. This can be seen from the results where they were clearly forerunners when compared with the other cities.

This annual survey gives valuable insight into the present status of services and impulses for service development, but it is understood that also other sources of information is needed. Therefore, the city of Espoo is actively adopting service design tools and methodologies get the even wider understanding of a status of municipal services as they are seen by the residents, and how they should be developed further.

As a base for an understanding status of Espoo and its' development targets better, the author examined the strategic goals, objectives, and measures of Espoo, set by the city council for term 2017-2021. The list is part of The Espoo Story as the Espoo City strategy is called. The strategic goals set in the Espoo Story are divided into four headlines:

- Culture, education, and well-being,
- Vitality, competitiveness, and employment,
- Environment, construction, and traffic,
- Economy, personnel, and management.

The author has compiled a list (Figure 6.) of objectives that could be developed by utilizing service design methods but also in which shows that Espoo aims to bring residents and services even more closer to city development.

Objective	Measure
Experimentation culture will be adopted.	– Personnel will be encouraged to try things out and constantly develop their operating methods.
The communications of Espoo will be interactive and modern.	– In accordance with the Espoo is Media thinking, the city personnel, residents as well as companies and organizations in Espoo will communicate about Espoo.
The services of Espoo will be shaped for the customer.	– Experts by experience will be utilized in service production, and operations will be developed using the Lean method.

The objective is to correct all errors.	<ul style="list-style-type: none"> – Customer satisfaction will be constantly monitored, and feedback will be processed in the units.
Espoo will be the number one city for digital and intelligent services – City as a Service.	<ul style="list-style-type: none"> – The concepts of mobility, school, Service Centers and Life and Living services will be further developed. – License services and other services will be developed in a client-oriented way, and their accessible availability will be ensured when moving to digital services. In key services, the possibility of using paper documents will be retained.
People and businesses will get good service in Espoo in the national languages and in English.	<ul style="list-style-type: none"> –English will be made the third service language in Espoo. – In addition to Finnish and Swedish, all services and forms will also be made available in English.
The share of walking and cycling in the overall traffic Espoo will be increased.	<ul style="list-style-type: none"> – The city bicycle experimentation will be evaluated, and its future will be decided on. – The cycling and walking network will be improved by increasing the smoothness of bicycle traffic, updating the planning instructions of bicycle routes and improving the bicycle route infrastructure.
Espoo will have a distinctive and extensive cultural offering.	<ul style="list-style-type: none"> –The district library model of five town centres will be strengthened and self-service in small libraries will be developed. –The culture and sports path (KULPS!) will be strengthened. –Participatory and distinctive urban culture will be strengthened in all town centres. –The growing offering of events will strengthen Espoo’s internationality, attractiveness and vitality.

Figure 7. Objectives and measures of the council term 2017–2021 set by the City Council
Source: The Espoo Story (2017)

Espoo wants to be a city where everyday life is easy and services are smoothly available. A lot of service development utilizing service design methods has already taken place in collaboration with the key stakeholders of Espoo - the residents, companies, universities and research institutions, but the city wants to actively develop itself further on this.

3.2. The value of service design in developing the Espoo city services

The interviewed civil servants of the city of Espoo were unanimous that service design brings added value. Their answers differed somewhat, but it may also be explained by their roles and responsibilities in the city of Espoo.

The most important added value which service design can bring into the development of city services is the involvement of residents in the service design process. When city services are designed for residents. Therefore it is very important that their voice is heard and they have an

opportunity to be involved in the process. The customers' feedback and ideas are an important source for service development. Based on the experiences of the interviewees, service design enables a city to cooperate better with the residents and encourage for co-creation. There are often different starting points but common understanding is needed to resolve the challenge or problem. Different starting points cannot prevent consensus and should be discussed at the beginning of the project. Service design could be better utilized in co-operation patterns when participants come from different starting points and require common understanding. This could, for example, encourage the co-operation between experts and residents.

Interviews brought up the importance of using service design tools as visualization tools. There is a constant flow of information to residents which is usually seen in black and white with lengthy forms and confusing procedures. The visuals can be used to draw attention from the residents and to make the considered subject easier to understand and to create a common understanding. Furthermore, it helps to build a bigger picture of the complex structure of services and defining the service. As you move into concepts in the development process, visualizations and data sharing are important tools for understanding among the participants, service providers and decision-makers.

Service design provides good tools to optimize customer relationship management and management. In the public sector, it is important to find the right customer segments for city services in order to maximize the effectiveness of services. The purpose of public sector services is not usually to increase customer numbers such as the business side, where service design is intended to find the most customer-friendly services for the services. Instead of maximizing profit, the goal of developing urban activities and services is to socially influence.

Based on interviews, following words and word combinations were:

- Customer focus,
- Visualization,
- Common understanding,
- Residents,
- Personas,
- Workshops.

3.3. Challenges on developing city services with service design methods

In the public sector, things do not happen by clicking on the fingers. In designing or developing city services, the first option is usually not a service design and most often service design is implemented through university courses or for some good reason. There would be more demand for service design, its experiences, and practices. Based on the interviews, utilizing service design is one of the challenges. This can be the result of a lack of time, resources or inexperience. Continuous development and cooperation aim to bring different tools into practice. The interviewees emphasized, for example, the importance of planning, the choice of participants, stakeholder participation and cooperation.

Since projects, where is utilized service design methods, are mostly used for external assistance, creating a common understanding is challenging. In addition, a challenge is creating a common understanding between the customer and the service provider of what is an actual target for service design. This decision must be based on an understanding of usability of different service design tools for different needs. For this reason, transparency through the process is important, as well as the problems and objectives clearly set out right from the start.

Nearly each interviewed implied that one of the biggest challenges in service design on city context is in an active participation of stakeholders in the process. At the beginning of the process, recruiting and motivating the relevant people to participate in the process can be challenging as well. Influencing things is important for people already from a young age but when getting older, the ease of making things becomes an important criterion. Would you be able to involve residents, for example, by digital means? As mentioned earlier by the author, a consensus between the customer and the service provider is important to achieve a certain goal. Often the problem arises when there is a lack of consensus, what is the target for service design. This decision must be based on an understanding of usability of different service design tools for different needs.

So far there are only few service designers working in the City of Espoo. Whenever service design is required, external expertise is always used. It is either service design consulting office or Aalto University's (usually from Designing for Services DFS course) students. Another challenge is to give all needed support for designers. It is hereby necessary to be able to put

oneself in the position of other disciplines and to be able to understand each other's language and methods. You can expect only that much what you are willing to contribute yourself to the process. Since service design is cooperation and co-creative as by nature, one can not assume that a service designer would be able to work alone or in their team.

Based on interviews, following words and word combinations were:

- A common understanding,
- Active participation,
- Passive role,
- Teamwork,
- Communication.

3.4. Utilizing service design tools in a City context

The tools of a service designer differ from those of a product designer - the service designer uses people's feelings that are changing all the time. The need for tools needs to be identified, but they may change or the tool may gain new dimensions during the process. All the interviewees were asked to name project/-s where service design tools have been utilized in the city context. Within this question could give a background of the interviewed and as well as started a discussion on the projects to get to know, what are the most useful service design tools in the city context. The author explains few of the cases and discusses how the service design tools have been used in the projects.

CASE: Iso Omena service center

Service design was ordered by the City of Espoo to develop customer-oriented services to Iso Omena service center (*Palvelutori*). The service center had been in operation for about a year and the aim was to involve the customers of the services both in the use of premises and in the development of various services. At the same time, more enthusiasm was sought for the commonality of people who are working there. As a result, an open participatory approach was established to find common customer relationships with the service provider and various customer groups were involved in workshops.

Through the involvement model, the service center and its employees learned more courageously to use the model of involving in the future in the development of activities and services. Feedback from customers and users is actively collected, they are invited to participate in queries and events, and to identify customers' needs. The author mentions a few benefits from this, such as the ability to function and visibility of the associations, the ease and timely handling of the affairs on a single visit, and the easy access by the public transportation. In this project, the methods were interviews and workshops. The results of the facilitation were visualized and reviewed together with the team of the project. The results were discussed and evaluated (validation) at several review points. The results were illustrated and visualized to facilitate validation and to create a common overall picture. The project proceeded with iteration, which is characteristic of service design.

Design thinking and service design skills are increasingly being built into internal organizational capabilities to give the organization long-term and lasting benefits. The aim is to change the organization's own culture so that a customer-oriented way of thinking ultimately breaks the whole organization.

CASE: Kuntakanvas

'Kuntakanvas' (in English: municipal canvas) is a municipal sector's strategic tool for structuring and managing operations. The city had the first version of the tool coded and deployed but the interface required both visual design and user-oriented design of the user interface. The aim was to develop the functionality and usability of the existing conceptual tool, to implement user-driven manuals and create content for marketing material.

In the beginning, the designer examined the functionality of an electronic tool and took note of the customers feedback that Espoo had already collected from its customers. The designers continued to make their own interviews and put forward a variety of prototype alternatives on which they were chosen, and the design was continued in stages. To find a visual look in the workshop, "mood cards" were used to help the service designers catch up with the idea of the color scheme and the types of icons that would be useful to fit the tool. This assignment also progressed step by step, making intermediate evaluations, prototypes and the customer, Espoo, made alternatives through choices and guided the designers' work in the right direction.

Different tools for different projects

As in any other projects, the use of tools varies. In every project, a wide range of methods was used to get insights from both the organizational and customers points of view. One of the greatest attributes of service design in the development of city services is visualization. Visualization can be used to bring the information more clearly. Based on the interviews, following words and word combinations were:

- Co-creation,
- Experimentation,
- Business model canvas,
- Workshops,
- Prototyping and testing,
- Personas,
- Contextual interviews.

Using tools for understanding customers, stakeholders, and environment is required and can be implemented. For example, by encouraging to experimentation, prototyping, and testing and in turn, the city contribute to improving public services. Service design has various approaches and toolkits. In daily service design, designers should select the ones they need based on practical problems to properly solve the problems emerging in service-oriented design (Cao et al., 2017).

When talking about workshops, it is important that sessions be shared and each participant represents their own skills. Processes and workshops should be implemented so that they are efficient and fairly fast. That is why good background work is needed. Documentation is also important in the development and follow-up of good practices, which are the advantages and challenges of the process, documentation also helps in new learning processes. During the service development process, it is important to identify key tools such as service paths and profiles that can share a common perception of user experience.

CONCLUSION

Service design means the organization to illustrate complex challenges, future knowledge, scenarios, ideas, concepts, and processes in the operating environment. It deals with everything from small details to business strategy and works in between how it is today and how it is tomorrow. In the service design process, ideas are in the middle, ideas for better service, keeping the customers' perspective with the developing. Public sector utilizes service design tools to act differently, more flexible, time-saving and to provide more efficient services to add value for customers. At present, service design is a kind of approach and mindset that utilizes design and other methods suitable for development work. Developing and defining its own challenges to service design also brings it's multidisciplinary. The service design process speeds up service development and ensures that the service meets customer needs and is operationally sensible. To provide a holistic experience, more and more industries are oriented towards service formatting.

Service design is experimental and iterative in nature. Service design emphasizes the experience of a service event from a customer's point of view. Experiments are conducted using service prototypes. Prototypes are fast-priced and cost-effective coarse-scale models (service samples, model templates, user interfaces) from the designed service concept. They are used to testing and ensure that the concept developed corresponds to customer needs, is understandable and valuable to its customers. The feedback from the target group's customers enables the solution to be further processed and improved before the final solution and launch of the service. Prototyping is also a way to minimize the risks of a development project failure.

Service design, like other design disciplines, drawn in different areas and fields. There's not only one description of service design and in this paper, is examined different definition. Stickdorn and Schneider (2010) outline five key principles to keep in mind when re-thinking a service: user-center, co-creative, sequencing, evidencing, and holistic. They suggest that there are four steps in the service design process: exploration, creation, reflection, and

implementation. In other words, the experience is viewed through the customer's perspective, all stakeholders are included, the service is viewed as a movie and the intangible needs a tangible meaning. Furthermore, Moritz (2005) describe service design as interactive and ongoing and "the design of the overall experience of a service as well as the design of the process and strategy to provide that service". Although there are many descriptions, all drive the same principles.

Utilizing service design expertise in the public sector has been growing for a long time. A more customer-oriented approach is understood to be a prerequisite for success, and as part of the design, the organization's culture and strategy are seen to support customer-driven services and business development. Utilizing the methods of service design can be achieved not only by better customer experience and employee experience but also by bringing them economic benefits, efficiency and competitive advantage to the service provider. Well-functioning digital services can, for example, reduce the time spent on traditional customer service. Moving from a problem-based thinking towards a solution-orientation was considered as one of the solutions that designing services could bring to the public sector challenges.

In developing city services, listening to the voice of customers and their involvement became particularly important. Additionally, the new and fresh ideas of external aid, service designer, add value to the project. Methods for service design could be used even more in collaborative projects that will be based on different starting points. Combining the various tools, a common understanding of a common goal would be found.

The challenge for service design is to bring together a public sector perspective focusing on efficiency, as well as the citizen's perspective of quality and ease of access. Co-design aims to meet this challenge to succeed in creating a common language between different stakeholders and perspectives. Thinking outside the box is necessary to develop old services and fix problems. To increase and manage the involvement of stakeholders is challenging and the city must come up with ways to get residents involved actively in the processes.

The author wishes to understand the challenges of utilizing the service design methods on developing of city services. Participation in the service process has made challenges and the service provider should think about how to attract the most important stakeholders to participate. There should be more planning and thinking how to do it together. The tools of service design would provide the answer. For some service design, it is still a strange concept,

making it difficult to bring its tools into service development. Concepts and tools for service design should be familiar to those utilizing them. Service design tools are usually used for varied and more than one tool during a project. Based on the interviews and the projects that interviewed brought in the discussion, the business model canvas, personas, and co-creation are almost always involved. The service design process can not be implemented successfully, without understanding the most important methods and opportunities.

In recent years, the field of design has become a more global, rapidly changing and transformable area. Design should not be seen only in the field of arts but should be able to connect to almost all fields. The role of service design has expanded from the development of customer experience to the planning of employee experience and organization strategy. In Finland and around the world, the need for service design and its tools has been noted. In the Cities and municipalities see public service users, i.e. residents, an increasingly important resource for cities and municipalities.

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APPENDICES

Appendix 1. Structure of the interviews

Purpose and objectives:

The purpose of the interview was to identify the interviewees' experiences and ideas on service design in the development of city services in the City of Espoo. The interviews also sought to find answers to the challenges and benefits of service design.

Starting the interview:

- Introduces and explanation of the purpose of the interview
- Tell shortly about yourself: what is your responsibility in the city of Espoo? And how service design has been related to your job?

The following questions were asked in each interview:

- Name some project/-s where Service Design tools have been utilized in the city context.
- What challenge was resolved with the project/-s?
- What tools of service design have been utilized in the project/-s?
- Have you utilized external service design expertise on the project/-s? If yes, what?
- Are the results of projects and proposals for action exported to practice? If so, what?
- In your opinion, what is most challenging related to service design on city context?
- In your opinion, what are the key benefits of service design on city context in Espoo?

Appendix 2. Transcripts

Q1: Interviewer: *"Mikä on vastuualueesi Espoon kaupungilla? Miten palvelumuotoilu on liittynyt työtehtäviisi?"*

Interviewee 1: *"Olen kehittämisspäällikkö palvelukehitysyksikössä. Yksi tehtäväni on koordinoida DFS – kurssia Espoossa."*

Interviewee 2: *"Toimin Espoon elinkeinopäällikkönä sekä konserniesikunnassa, Elinkeino- ja kaupunkikehitysyksikkö, Kilpailukyky- ja kansainväliset asiat –ryhmä. Vastuualueitani ovat kilpailukyky ja kansainväliset asiat -ryhmän johtaminen, elinkeinopolitiikka, kaupungin elinvoimaisuuden edistäminen, kaupungin edunvalvonta elinkeinoasioissa, elinvoimaisuudesta vastaavien konserniyhtiöiden omistajaohjaus, alue- ja ekosysteemikehittäminen, Innostava elinvoimainen Espoo -ohjelman johtaminen, investointien ja osaajien houkuttelut. Palvelumuotoilu ei suoraan vastuualueena kuulu tehtäviini, mutta se on työkalu jota hyödynnän sopivan tilaisuuden tullen palvelujen kehittämisessä."*

Interviewee 3: *"Olen ympäristömuotoilija Espoon kaupungilla. Olen DNS-kurssissa mukana lähinnä reppaamassa kurssilla ja tuomassa julkisen hallinnon näkemystä. Co-design ja kaupungin ympäristön rakentaminen asiakkaiden kanssa. Tukea lähiympäristön kehittämistoimintapiteitä."*

Interviewee 4: *"Yhtenä tehtävänäni näen kehittämisen mahdollistamisen ja uusien syötteiden tuomisen kehittämistoimintaan. Tätä kautta olen myös tuonut ideoita ja työkaluja palvelumuotoilusta (informaatiota, koulutusta ja työkalupakin) meidän toimijoille ennen kuin siitä puhuttiin vielä kaupungilla, joskus 2012."*

Interviewee 5: *"Toimin kehittämisspäällikkönä Espoon kaupungin konserniesikunnan palvelukehitysyksikössä. Työni on hyvin monipuolista, strategian eli Espoo-tarinan toimeenpanoa, palvelukehityksen konsultointia kaupungin eri yksiköille sekä palvelujen ja toiminnan digitalisoinnin edistämistä ja tukemista. Keskeisimmät sisäiset sidosryhmät ovat kaupunkikehityksen yksikkö, strategiayksikkö ja tietohallinto. Muita keskeisiä yhteistyökumppaneita ovat valtiovarainministeriö, Aalto-yliopisto ja Teknologian tutkimuslaitos VTT. Palvelumuotoilu liittyy hyvin läheisesti palvelukehitykseen. Palvelumuotoilun ja sen eri menetelmien avulla on mahdollista pureutua haasteen/ongelman juurisyyhyn, lisätä asiakasymmärrystä, kerätä asiakaskokemusta, kuvata prosesseja ja toimintamalleja sekä visualisoida tuloksia ja tavoitetiljoja. Haasteen tai kehittämiskohteen ei välttämättä tarvitse olla aina asiakaspalveluun tai asiakasprosesseihin liittyvää vaan palvelumuotoilun fasilitaatiomenetelmät auttavat ratkomaan myös mahdollisia organisaation ongelmia. Oma roolini on tuoda osaksi kaupungissa tapahtuvaa kehittämistä palvelumuotoilun tarjoamat mahdollisuudet. En itse juurikaan fasilitoi palvelumuotoilua, mutta olen usein osana prosessia ohjaamassa palvelumuotoilua ja autan kehittämisen tarpeessa olevaa yksikköä määrittelemään haasteensa ja tavoitteensa. Joskus se on yllättävän vaikeaa haasteen keskellä olevalle yksikön johtajalle, koska hän näkee tilanteen niin läheltä. Kaupungilla on siis palvelumuotoilua varten olemassa puitesopimuspalvelumuotoilun toimijoista, joilta palvelua on mahdollista tilata. Olen ollut kilpailuttamassa kyseistä sopimusta ja vastaan sopimustoimittajiemme kontaktoinnista ja seuraan palvelumuotoilijoiden työn laatutasoa."*

Sujuva ja luottamuksellinen yhteistyö on ollut tärkeä osa toimittajahallintaa. Jokainen palvelumuotoilukeikka kehittää ja opettaa niin muotoilijoita kuin julkisen sektorin toimijoita.”

Q2: Interviewer: *”Missä palvelumuotoilua hyödyntävissä projekteissa olet ollut mukana?”*

Interviewee 1: *”6Aika avoin osallisuus: useita palvelumuotoilu -sessioita esim. avoimen osallisuuden toimintamallin tekeminen.”*

Interviewee 2: *”A Grid –projektissa, josta lähetän sinulle raportin liitteeksi.”*

Interviewee 3: *”Erilaisissa, mutta esim. Leppävaara-projekti. Olen osa ympäristö muotoilutiimi, jonka osaksi kuuluvat asuinpalvelut.”*

Interviewee 4: *”Muutamia mainitakseni, ensimmäinen oli joskus tämän vuosikymmenen alussa geologisen tutkimuskeskuksen MENOMAPS-hanke sekä kulttuuriyksikössä tehtiin neuvolassa jaettu kulttuuripakkaus vastasyntyneiden perheille ja Sivistystoimen kulttuuripakki kaikille Sivistystoimen henkilöstölle käyttöön.”*

Interviewee 5: *”Palvelumuotoilua tilattiin Espoon kaupungin Palvelutorille asiakaslähtöisten palvelujen kehittämiseen. Palvelutori oli ollut toiminnassa noin vuoden ajan ja tavoitteena oli osallistaa palvelutorin palvelujen käyttäjiä niin tilojen käytön kuin eri palvelujen kehittämiseen. Samalla haettiin entistä enemmän vahvistusta palvelutorilla työskentelevien henkilöiden yhteisöllisyyteen. Tuotoksena syntyi avoimen osallisuuden toimintamalli, jossa löydettiin palvelutorin yhteiset asiakkuudet ja eri asiakkuusryhmiä osallistettiin yhteisiin työpajoihin. Toinen merkittävä palvelumuotoilu-case liittyi sähköisen liiketoimintamallinnuksen työkalun nimeltä Kuntakanvas palvelumuotoiluun. Tässä tapauksessa kaupungilla oli olemassa työkalun ensimmäinen versio koodattuna ja käyttöön otettuna. Käyttöliittymä kaipasi niin visuaalista muotoilua kuin käyttöliittymän muotoilua käyttäjälähtöisemmäksi.”*

Q4: Interviewer: *Mitä palvelumuotoilun metodeja niissä on hyödynnetty?*

Interviewee 1: *”Esimerkiksi personointia ja business canvasta.*

Interviewee 2: *” Tutkimusprosessin aikana käytettiin laajaa valikoimaa menetelmiä, joilla paljastetaan näkemyksiä sekä organisaation että käyttäjän näkökulmista. Erilaisia visualisointimuotoja käytettiin informaation tunteen, keskittyä ideation ja auttaa laatimaan hankkeen lopullinen ehdotus.”*

Interviewee 3: *”Eri metodeja tulee hyödynnettyä, mutta hyödyllisimpiä meille on ollut mm. Personointi ja visualisointi palvelumuotoilun keinoin.*

Interviewee 4: *” Eri toimijat ja heidän eri kielensä ja käytäntönsä tuotiin saman, yhteisen, asian äärelle palvelumuotoiluharjoitusten avulla.”*

Interviewee 5: *” Palvelutorin toimeksiannossa metodeina olivat haastattelut ja työpajat.*

Fasilitointien tulokset visualisoitiin ja katselmoitiin yhdessä projektiryhmän kanssa. Tuloksista keskusteltiin ja arvioitiin (validointi) useassa tarkastelupisteessä. Tuloksia havainnollistettiin ja visualisoitiin validoinnin helpottamiseksi ja yhteisen kokonaiskuvan muodostamiseksi. Projekti eteni siis iteroiden, joka on ominaista palvelumuotoilulle. Kuntakanvas-casessa UX-suunnittelija kävi läpi sähköisen työkalun toiminnallisuuksia ja huomioi käyttäjäpalautteen, jota Espoo oli jo käyttäjiltään kerännyt. Suunnittelijat tekivät vielä omia haastatteluja ja esittivät niiden pohjalta erilaisia prototyyppi vaihtoehtoja, joista valittiin soveltuvin ja suunnittelua jatkettiin vaiheittain. Visuaalisen ilmeen löytämiseksi työpajassa hyödynnettiin ”tunnelmakortteja”, joiden avulla palvelumuotoilijat saivat kiinni ideasta, minkälaista värimaailmaa ja minkä tyyppisiä ikoneja työkaluun olisi tarkoituksenmukaista sovittaa. Tässä toimeksiannossa edettiin myös vaiheittain, tehden väliarvioita, prototyyppisiä ja asiakas eli Espoo teki vaihtoehtojen kautta valintoja ja ohjasi muotoilijoiden työtä oikeaan suuntaan.”

Q3: Interviewer: *”Onko projekteissa ollut mukana oman organisaationne ulkopuolista palvelumuotoiluosaamista? Jos on, mitä?”*

Interviewee 1: *”Konsulttitoimistoja. Tästä kannattaisi jutella mm. V. Vihulan kanssa.”*

Interviewee 2: *”Palvelumuotoilijat olivat Aalto-yliopiston opiskelijoita.”*

Interviewee 3: *”Ainut mahdollinen keino on käyttää ulkopuolista apua. Palvelumuotoilua ei käytetä yleensä ilman jotain kurssia tai hyvää syytä, miksi sitä pitäisi käyttää. Työpajoja voisi käyttää vieläkin paljon enemmän ja tällä hetkellä niitä käytetään sisäisesti aika suppeasti.”*

Interviewee 4: *”Kyllä, Aalto yliopiston palvelumuotoilun opiskelijat.”*

Interviewee 5: *”Espoolla on kilpailutettu puitesopimus palvelumuotoilijoista palvelu- ja organisaatiokehittämiseen (yht. 7 palveluntuottajaa).”*

Q4: Interviewer: *”Mitkä ovat mielestäsi suurimmat palvelumuotoilun haasteet?”*

Interviewee 1: *”Yhteisen ymmärryksen luonti asiakkaan ja tilaajan välillä eli mitä palvelumuotoillaan. Se ymmärrys, mihin ongelmaan palvelumuotoilu -vasara sopii. Osallistujien rekrytointi ja motivointi.”*

Interviewer 2: *”Suurin haaste palvelumuotoilussa on tilaajan ja sidosryhmien aktiivinen osallistuminen palvelumuotoiluun ja palvelumuotoilijoiden kaikenlainen tukeminen heidän työssään. Saat tulokseksi vain niin paljon, kun panostat itse prosessiin. Haasteita a Grid-projektissa: Kuuden organisaation sisällä pystyimme saavuttamaan vain rajoitetun määrän yksilöitä ja enimmäkseen korkeampia. Emme myöskään voineet tavoittaa edustajia yhdestä kuudesta organisaatiosta. Rajoitetussa aikataulussa emme päässeet käyttämään laajoja näkökulmia, jotka olisimme halunneet. Tämä pätee myös asiakkaiden haastatteluihin. Luotimme voimakkaasti omiin verkkoihimme tunnistamalla ja tavoittamalla pienyritykset ja aloittajat. Tämä merkitsi sitä, että suurin osa haastatteliijoista oli hyvin yhteydessä Aalto-yliopiston tarjoamiin palveluihin tukevaan ekosysteemiin.”*

Interviewee 3: *”Suurin ongelma on se, että suunnittelussa ei käytetä tarpeeksi yhteistyötä sidosryhmien kanssa, ja palveluidenmuotoilu tuo mukanaan työkalut tähän. Tietyllä tapaa*

suunnittelussa on puutteita ja monet asiat menevät hyvin satunnaisesti. Kutsuttu ja mukana, mutta "osallistumissuunnitelman" viestintä- ja markkinointisuunnitelmien puutteiden kokonaissuunnittelussa!"

Interviewee 4: *"Palvelumuotoiluun heittäytyminen kuntakentällä ja sen mahdollisuuksien ja menetelmien ymmärtäminen."*

Interviewee 5: *"Palvelumuotoilussa pätee samat haasteet kuin muissakin konsultatiivisissa toimeksiannoissa. Oli muotoilija sitten oman organisaation toimija (esim. palkattu palvelumuotoilija) tai ulkoa ostettu toimeksianto, pätee molemmissa tapauksissa sama sääntö: palvelumuotoilusta saa parhaat tulokset, kun selvittää ensin itselleen ja yksikölleen tavoitteen, mihin pyritään ja tunnistaa minkälaisiin haasteisiin haetaan ratkaisua. Palvelumuotoilijaa tai paremminkin tiimiä (työskentelevät hyvin usein tiimeissä) ei saisi jättää haasteen kanssa tuuliajolle, vaan muotoilutyötä on ohjattava, tehtävä yhdessä väliarvioita ja korjata tarvittaessa suuntaa, esim. vaihtamalla työpajan osallistujia, osallistujamäärää, metodeja jne. Vastuuta ei voi ulkoistaa palvelumuotoilijoille, koska he eivät tunne organisaatiota perin pohjin, eikä heillä ole mandaattia toimia organisaatiossa. Palvelumuotoilusta odotetaan helposti pelastajaa, mutta mikäli työhön ei osallistu huolella panostaen niin tuloskin voi mennä hutiin."*

Q5: Interviewer: *"Mikä on mielestäsi palvelumuotoilun hyödyntämisen suurin lisäarvo Espoole?"*

Interviewee 1: *"Saadaan käyttäjien ja asiakkaiden ääni kuuluviin. Ulkopuolelta tulee myös uusia ideoita."*

Interviewee 2: *"Suurin lisäarvo on palvelumuotoilijoiden uniikin ammattitaidon tuoma hyöty asiakkaan tai käyttäjän perspektiivin tuomisessa palveluiden kehittämiseen. Ulkopuolisen palvelumuotoilijan käyttö lisäksi mahdollistaa tuoreen perspektiivin ja oletuksista vapaat toimenpide-ehdotukset."*

Interviewee 3: *"Ehdottomasti visuaalisuus! Asioiden visualisointi tuo meille paljon apua. Yksi tärkeimmistä palvelumuotoilun hyödyistä meille on, että voidaan visualisoida tietoa ja rakentaa ja kehittää käyttäjäprofieja. Asiakaskeskeisyys on myös yksi tärkeimmistä hyödyistä."*

Interviewee 4: *"Palvelumuotoilua voitaisiin hyödyntää enemmän yhteistyökuvioissa, joissa tullaan hyvin eri lähtökohdista ja tarvitaan yhteistä ymmärrystä. Näin voitaisiin esim. edistää asiantuntijoiden ja kuntalaisten yhteistoimintaa esim. yhteiskehittämistä. Näin erilaiset lähtötasot eivät olisi esteenä yhteiselle ymmärrykselle."*

Interviewee 5: *"Palvelumuotoilu tarjoaa hyviä välineitä asiakkuuksien ja palvelujen hallinnan ja ohjauksen optimoimiseksi. Julkisen sektorin toiminnassa on tärkeää löytää oikeat asiakassegmentit kaupungin palveluille, jotta palvelujen vaikuttavuus olisi mahdollisimman hyvä. Julkisen sektorin palveluiden tarkoituksena ei useimmiten ole tarkoitus lisätä asiakasmääriä (vrt. terveys- ja sosiaalipalvelut) kuten bisnespuolella, jossa palvelumuotoilun avulla tarkoituksena on löytää palveluille mahdollisimman tyytyväisiä asiakaskuntia. Voiton maksimoimisen sijaan kaupunkien toiminnan ja palvelujen kehittämisen tavoitteena on yhteiskunnallinen vaikuttavuus."*

Appendix 3. Interview transcript in English

Summary of interviews.

	Interview 1	Interview 2	Interview 3	Interview 4	Interview 5
Title and responsibility area	Development Manager at the Service Development Unit of City of Espoo	Manager of Economic Development, Head of Competitiveness and International Affairs Unit	Environmental designer of City of Espoo.	Director of Development, Education, and Cultural services of City of Espoo	I worked as a Development Manager at the Service Development Unit of the Espoo City Conservation Office. My work is very varied, implementation of the strategy, ie Espoo-story, service development consulting for the city's various departments and services, and the promotion and support of digitization activities.
How is service design related to your job?	One of my tasks is to coordinate city collaboration with the Aalto University's Designing for Services (DFS) course. On this course students tackle complex, service related challenges, given by private and public organisations.	Service Design is not a part of my regular work, but I gladly utilize its' tools occasionally.	I'm part of DFS-course, mainly to help students and bringing in the views of the public administration. Co-designing and building a city environment with users. Support for the development of neighborhood development measures.	As one of my tasks, I see enabling of the development and the introduction of new foods into development activities. Through this, I have also brought ideas and tools from service design (information, training and toolkit) for our operators before it was still talk of the town somewhere.	My role is to bring the opportunities offered by service design into the development of the city. I myself hardly facilitates the service design but I am often part of the process to guide service design and help in need of development units to identify challenges and goals. Sometimes it is surprisingly difficult for the head of unit in the middle of the challenge because s/he sees the situation so close.
Name some project-s where Service Design tools have been utilized in the city context	The six largest cities in Finland have joined forces to tackle their common urban challenges. The Six City Strategy (6Aika) is implemented with cooperative projects which enable the cities to experiment in a larger context than just one city. They engage the whole urban community to create smarter and more open cities. Service design is widely used method at 6Aika -projects, e.g. related to open participation projects, where has been multiple service design sessions with e.g. open-access approach.	On the A Grid project, on which the DFS team helped us on addressing the opportunities and challenges associated with the relocation of six organizations which all serve businesses of varying sizes in Espoo, into a shared facility at the startup-accelerator hub found at the heart of Otaniemi campus. The Grid Project (attached report)	To name some, the project of Leppilvaara, the team of environment design and residential services.	The Civil Service Toolkit. The first was the MENOMAPS project of the Geological Research Center at the beginning of this decade. The project was designed to explore nature and explore it through digitalisation. The different Actors and their different languages and practices were brought to the same, common, field service training exercises.	Service design was commissioned by the City of Espoo "Palvelutoni" to develop customer-oriented services. The service center had been in operation for about a year and the aim was to involve the users of service provider services both in the use of premises and in the development of different services. At the same time, more enthusiasm was sought for the commonality of people working in the careers' careers.
Have you utilized external service design expertise on the project-s?	Yes, service design consulting offices	Yes, Aalto University DFS course students	The only solution is to use external help. Any service design processes are not taking into development without a course or other good reason. The use of workshops is still low internally.	Yes, Aalto University's service design expertise.	Espoo has an agreement with service designers for service and organizational development (total of 7 service providers)
In your opinion, what is most challenging related to service design on city context?	Creating a common understanding between the customer and the service provider of what is an actual target for service design. This decision has to be based on understanding of usability of different service design tools for different needs. Recruiting and motivating the relevant people to participate on service design process.	The biggest challenge in service design in an active participation of stakeholders for the process. Other challenge is to give all needed support for designers. You can expect only that much what you are willing to contribute yourself on the process.	The main problem is that the planning is lacking of how to cooperate and service design would bring the tools for this. Still not planning enough. Many things go very madly. Invited and involved but in the overall design of the shortcomings of the "Participation Plan" communication and marketing plans!	Taking service design more in city development and understanding its possibilities and methods.	The same challenges apply to service design as in other consultative assignments. Whether it was a designer or an outsider, the same rule applies in both cases: the best form of service design is to find out first and foremost the purpose for which it is sought and to identify the challenges to be solved. Service designers, or rather teams, should not be left with a challenge to the wanderer, but the design work needs to be steered, done together with intermediate evaluations and, if necessary, corrected, for example, by exchanging participants in the workshop, the number of participants, methods etc. The outsourcing of responsibility can not be outsourced to service designers, they have no mandate to act in the organization.
In your opinion, what are the key benefits of service design on city context?	The voice of residents and other customers is heard. It is good to get ideas and feedback from outside of your own organization.	The greatest added value is the unique expertise of service designers which brings customer / end-user perspective into service development. Additionally, the use of external service design professionals provides you with fresh perspectives and suggestions for action, which are free of old assumptions.	Visible Benefit: visualization of things. One of the biggest features of service design is that it is possible to visualize information and develop user profiles. To illustrate the message, instead of plain text and speech. Customer focus.	Service design could be better utilized in co-operation patterns when participants comes from different starting points and requires common understanding. This could, for example, encourage the co-operation between experts and residents. Different starting points would not prevent the common understanding.	Service design provides good tools to optimize customer relationship management and management. In the public sector, it is important to find the right customer segments for city services in order to maximize the effectiveness of services. The purpose of public sector services is not usually to increase customer numbers (see health and social services), such as the business side, where service design is intended to find the most customer-friendly services for the services. Instead of maximizing profit, the goal of developing urban activities and services is to socially influence.