



Ministry of Economic Affairs

# INNOVATION IS SERVED

Innovation  
Lecture 2009



**HOW  
WOULD  
YOU LIKE  
YOUR  
SERVICE ?**

**INNOVATION  
IS SERVED**

Innovation  
Lecture 2009



M.J.A. van der Hoeven  
Minister of Economic Affairs

# Foreword

Dear reader,

I'm delighted to write the introduction for this compilation of practical examples of service innovation. 'Innovation is Served' has been designed to accompany the Innovation Lecture 2009, the theme of which was service innovation. By attending the lecture, you demonstrated that you recognise the importance of services for our economy. As a service economy, the Netherlands plays a leading role in Europe, and we intend to maintain this role by continuing to innovate. Seventy percent of Dutch GDP comes from service industries, and 80% of employment is related to these industries. Service innovation is, therefore, extremely important.

Our guest speaker was Jeneanne Rae – a true pioneer in the field of service innovation in the United States. I'm so pleased that she was willing to come to the Netherlands for the first time to share her experiences and that she was prepared to help in the preparation of this publication. In her introduction, she explains precisely why service innovation is so important.

This publication is full of inspiring examples, including Randstad Holding, winner of the Dutch Services Innovation Award 2009 (Nederlandse Diensten Innovatie Award 2009). In addition to presenting various examples, the publication offers plenty of practical suggestions to get started. All you have to do is work out what best suits your organisation. After all, service innovation requires a tailor-made approach. It's all a matter of trying, experiencing and learning.

I trust that the Innovation Lecture has provided you with new ideas, inspiration and contacts and that you enjoy reading this publication!

M.J.A. van der Hoeven  
Minister of Economic Affairs

# Contents

Foreword	3	<b>Customer Insights</b>	<b>26</b>
Why Service Innovation, Why Now?	7	Context Mapping	28
About Services	8	Customer Journey Mapping	30
Services Consist of Three Components	10	<b>Designing Concepts</b>	<b>32</b>
Battle of Concepts	12	Co-design Sessions	34
Service Innovation	16	Drafting Service Scenarios	36
Service Design	18	<b>Prototyping and Testing</b>	<b>38</b>
Service Design: The Process	22	Storytelling	40
Service Design: The Method	24	Experience Prototyping	42
		<b>Designing</b>	<b>44</b>
		Service Blueprint	46
		Developing a Business Model	48
		<b>Implementation</b>	<b>50</b>

**PRACTICAL EXAMPLES:**

Randstad Holding – Winner of the Dutch Service Innovation Award 2009	9
The Efteling   Mother and Guardian of the Fairy Tale	15
Confection Bakery   De taart van mijn tante	21
Heathrow Terminal 3 Facelift	25
Client-driven Service Innovation	27
Nurse Knowledge Exchange	33
Accessible Work   GO WEST	39
Services for Tomorrow's Road Users	51



*Jeneanne Rae*

# Why service innovation, why now?

The reason why service innovation is getting more and more attention lately is the fact that business is changing as never before. The growth of the service economy has been accelerated by the profound changes in capability brought to us in the current information age. This has led to new customer demands and expectations that organisations have to deliver upon. Customers are becoming the main reference point for your strategy, not your direct competition.

Delivering successful service innovations requires going beyond traditional innovation methods and mindsets. Organisations need to reallocate resources from pure science-based technology innovations to include more social research in order to understand user contexts and motivations. They need to employ more design thinking and design methods that already have proven to deliver valuable solutions in many other fields. It's crucial to invest in change management as part of every service development programme because unlike in manufacturing businesses, the collection of people, processes, and systems make up the 'factory' in service organisations.

Governments can play a significant role to foster more innovation in the service domain. Ranging from providing financial support like the Finnish government does to implementing policy changes like the Obama Open Government Initiative. Service innovation is not a replacement for what we know and rely upon. It's a valuable addition in order to solve the increasingly complex challenges we face today and tomorrow.

*Jeneanne Rae – Innovation Lecture 2009 Keynote Speaker*

# About services

We can define services in various ways, but there is always one constant. A service offers us benefits. A service helps us progress. We talk about goods and services in everyday life. However economics, goods and services are often referred to as products. If we compare a service to a product, it is primarily the differences that offer a better understanding of what a service entails. Products are tangible. They exist in a physical sense. They are designed and produced for consumption. Services are intangible. They are provided over time, whereby their production and acquisition take place at the same moment.

## PRODUCT-ORIENTED SERVICES

Take, for example, the auto industry, where all manner of car-related services are provided. At first, the focus is on ensuring that the product is bought by the consumer. However, this product's use requires a long series of services – from fuel to maintenance.

## PRODUCT-SERVICE COMBINATIONS

Take, for instance, Starbucks. You buy coffee, but are also provided with a full experience featuring wireless Internet access and a place to meet. In short, a service. These services often accompany products that have become commodities – raw materials or bulk goods.

## AUTONOMOUS SERVICES

These services can be found in the public, financial and care sectors. The distinctiveness of these services is enhanced through personalisation.



## RANDSTAD HOLDING – WINNER OF THE DUTCH SERVICE INNOVATION AWARD 2009

If you want a salient example of how service providers can structurally embed innovation into their organisations, consider Randstad. This organisation optimises its administrative processes on a large scale by developing new business concepts, by undertaking and implementing innovation in partnership with clients (co-creation) and by promoting an open corporate culture with room for bottom-up innovations.

Randstad supplies services in the field of flexible work and human resources. Its services cover temporary and permanent employment, in-house services, professional recruitment, search and selection, and HR solutions. The Randstad Group is the world's second largest HR service provider.

Although Randstad does not officially have an R&D department, it still offers plenty of room for innovation. Its relatively laterally structured corporate culture enables employees to more or less operate as independent entrepreneurs. They are actively encouraged to make incremental improvements and to develop entirely new service concepts. At Randstad, two groups are specifically responsible for innovation: International Accounts co-innovates with major clients and Business Concept Development identifies innovative concepts that have been developed within the organisation and implements best practices on a large scale.

The Service Innovation Award was created by the Dutch centre for service innovation Exser.

# Services consist of three components

## TECHNOLOGY

This includes all the resources needed to provide a service. Nowadays this includes, for instance, the Internet and other aspects of ICT. However, this term also includes a train that facilitates travel, a municipal service counter or a waiting room.

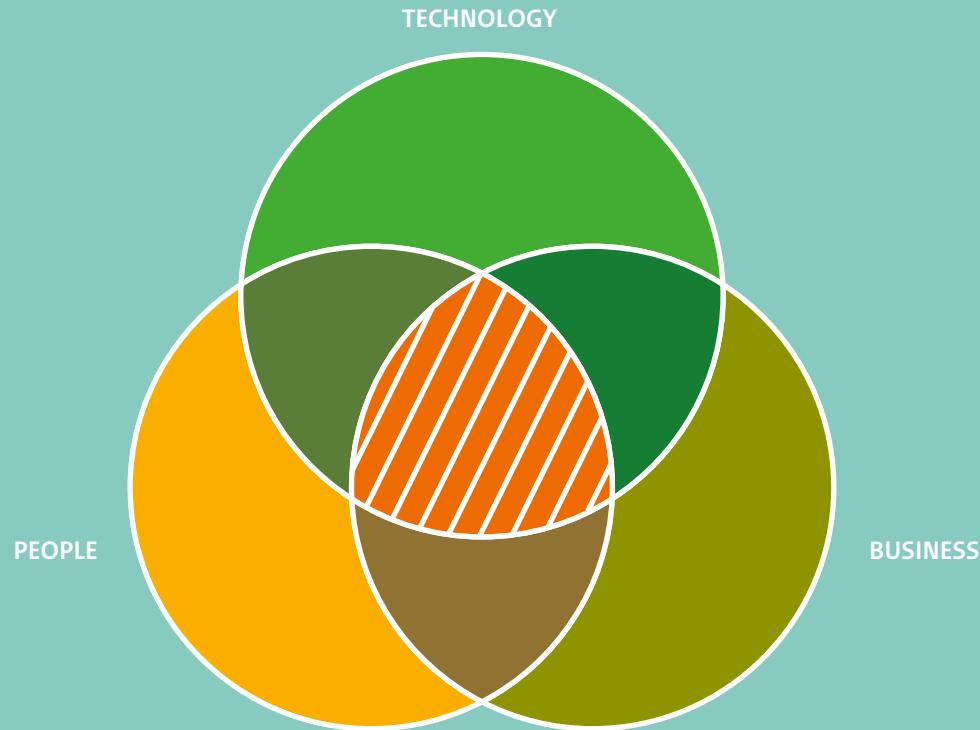
## BUSINESS

Services are provided with a certain economic goal. As far as commercial service providers (e.g. insurers) are concerned, the profit motive is of primary importance. In the public sector, the focus tends to be on providing effective services to citizens.

## PEOPLE

While every service involves people, the degree of human contact differs according to service. This contact involves both the provider of the service (e.g. a nurse) and the recipient of the service (e.g. the patient). Although technology can be applied to take the place of certain human roles (self-service), the recipient of a service is and will remain a person. Focusing on this component may be a challenge, but it also offers tremendous opportunities.

# Services



# Battle of Concepts

Service innovation. These days we can book a holiday in the sun from the comfort of our chair, we no longer have to brave the rain to do our shopping, and we can even consult weather radar images to see exactly where it is raining. Without really being aware of it, we have already grown accustomed to the advantages of service innovation. But who creates them? Is someone somewhere working on relevant R&D? Are there any critical success factors and best practices to track? Another key question is whether the government should play a role in promoting service innovation? It is essential to start asking ourselves questions like this. Many companies and sectors are not yet used to thinking in terms of services. This is all the more important precisely at a time when services can also be offered internationally. For this reason, we organised a competition as part of the Innovation Lecture 2009 via the 'Battle of Concepts' students and young professionals network. The twofold assignment was simple. Explore service innovation by means of a brief study. Develop a highly practical strategic approach for companies and organisations. Surprise us!

## THE ENTRIES

The Battle of Concepts competition generated several surprising results. It is also fantastic to see that service innovation has become the norm for students and young professionals – a fact reflected in the words of the person who submitted the winning entry 'Innovation-Framework': "All around us, new services are being created and existing services modified. We could call this service innovation." She speaks about the core of the innovation, namely that when you introduce something new or improve something that already exists, you are actually innovating, regardless of whether this involves a product or a service. What we often fail to see is that these innovations are rooted in an entire process. Innovation-Framework makes this process visible for services. The focus on SMEs is what makes this concept so valuable. For larger organisations like Google, KLM or Albert Heijn, it is a matter of course to reflect and assess their services. This concept, however, is designed to help smaller companies, provide them with practical suggestions and increase their awareness of the pitfalls.

The Battle asked participants to explore the current definition of service innovation. The responses were varied and provide a better understanding of the complexity of service innovation. After all, the dynamics of a public service is totally different to that of a maintenance service in a B2B environment. Staff in a museum work differently to staff in the telecom sector. The entries also demonstrate the difficulty of giving an unequivocal answer to the question of how to approach service innovation. However, the winning title, 'Innovation is Served', reflects the primary aim of ensuring that the client has a sense of being properly served.

## That is one of the reasons for this compilation of inspiring practical examples, infused with a bit of theory!

The various participants have rightly compared technological innovations in the realm of products with innovations in the realm of services. As regards purely technological innovations, the inventor (i.e. owner of an innovation) is easy to identify. Examples include the CD (Philips) or cyclone vacuum cleaners (Dyson).

However, this is more difficult when it comes to service innovations. Technological innovations also have the benefit of opportunities offered by the technology itself. Innovation in computers was only possible because we were able to make increasingly smaller processor chips. Moreover, if you compare today's cars with those made a decade or two ago, the key selling points are often the technical gadgets. This isn't the case when it comes to services, as they are simply less tangible.

There is a fundamental difference between services and products. Products can generate profit through innovations on the manufacturing side. A service is traded the moment it is provided. The challenge for companies and organisations is to respond appropriately. Various entries describe this very challenge as a wonderful opportunity to make a name for yourself and compete.

The difference that makes service innovation so exciting is people. While product innovations improve a product, the focus of service innovation is on people. The Battle of Concepts participants were well aware of this. You have to find out what's important to people. It is essential that you are alert to their needs. Companies can stand out by offering a pleasant experience to clients. This, however, may not always be the case. Ryanair innovated its services precisely by completely bringing them back to the bare essentials and leaving it

up to customers to decide whether they wanted to pay for them. In the words of James Teboul, “Service is front-stage: we are all in services...more or less!”

As part of the Battle of Concepts, participants were asked to develop a strategy – something for companies and organisations to put into actual practice. Many entries emphasised what we believe is at the heart of service innovation, namely: focusing on clients and knowing what people consider important.

## IN CONCLUSION

The Battle of Concepts participants identified several opportunities. These have to become our challenges:

- 1) Service innovation requires a focus on your client and your clients' needs.
- 2) Service innovation also offers an opportunity to more closely assess your company or organisation. Do your processes dovetail your clients' needs?
- 3) The success of service innovation is not easy to assess. For product innovations, profit figures can serve as a quantitative criterion. However, service innovation involves an unknown element of risk and is sometimes simply expensive. The return is not always easy to quantify.

If you would like to read more about these concepts, the top 20 entries of the Battle of Concepts are presented online ([www.innovationlecture.nl](http://www.innovationlecture.nl)).

# Life in an experience economy



## THE EFTELING | MOTHER AND GUARDIAN OF THE FAIRY TALE

What was originally an amusement park has evolved into a fully fledged brand. These days the Efteling no longer represents just roller coasters, but also hotels, golf courses, holiday parks, radio, theatre, etc. The question is how did it become so successful and how does it intend to continue providing a fun day out in the future.

With this in mind, a new strategic approach has been sought which provides a different perspective than that of simply running a business. The Efteling is now the 'mother and guardian of the fairy tale'. This evokes a clear image and guides future decision-making.

The strategy is developed, along the lines of the story of the Sprookjesboom fairy tale musical. This approach reintroduces young children to the fairy tales once commonly shared and loved by us all. In those days, there was no Pokemon and Hannah Montana.

In subsequently creating a TV series, books, theatre shows and other merchandise, they are able to create a new experience for today's children. As a result, they, too, will bring their children and their grandchildren back to the Efteling every year.

# Service innovation

Much of the Dutch economy (70% of GDP) involves services. The need for service innovation at national level is clear. The concept of service innovation is not new, having been around since the 1980s. However, the development of this field has gained speed in recent years with a shift in focus from improving internal (i.e. back-stage) processes to front-stage processes. This is where organisations interact with clients. The question is why service innovation has become so relevant now? The answer is the increasing importance of services and the availability of the necessary technology.

It is also becoming more and more difficult to compete on the basis of price. This applies in particular to products for which both price and quality are important. One of the key elements of services is the relationship between the service provider and the service recipient. As this relationship has to be nurtured and developed, it is much more difficult to replicate. This is why it is worthwhile to invest in high-quality and distinctive services. This substantially enhances the competitive position of organisations.

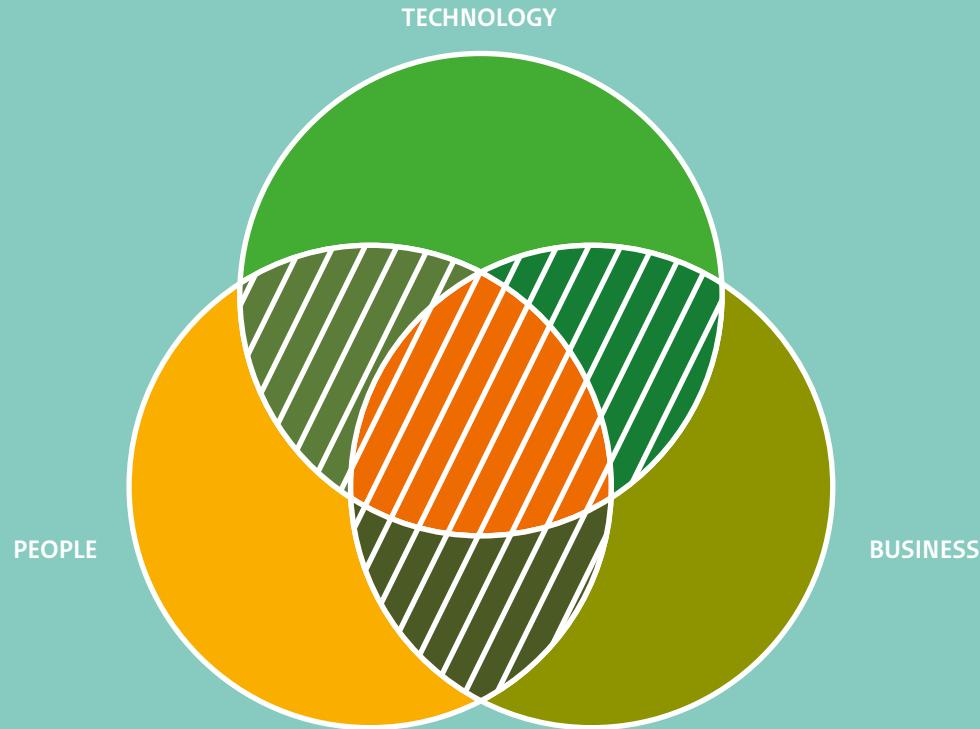
Companies always make substantial investments in attracting new clients. The problem is that this often comes at the expense of

contact with existing clients. The quality of the services provided to existing clients then declines. Service innovation offers a solution, enabling organisations to serve their existing clients better and more cost-effectively.

The Internet also plays a key role in service innovation and has increased transparency in a number of markets. Nowadays, it is easier than ever before for consumers to find a different supplier, to compare what is on offer and to switch to a different provider if that offers certain advantages. As far as service providers are concerned, there is a growing need to offer relevant services which create added value for their clients.

Each service consists of three components: technology, business and people. Each of these components can serve as a potential basis for service innovation. In the past, the focus was on technology and business. Standardisation was the primary objective, and management facilitated more efficient approaches to work. Service innovation is a radical alternative concept. It takes people as its point of departure. After all, the new services are being developed for them! Service innovation examines how technology and business can be applied accordingly.

# Service innovation



# Service Design

Service Design is a design discipline involving the application of design methods to create new, valuable services. Working from the perspective of the user, Service Design projects focus not only on the design of new services, but also on optimising the general experience and value of a service.

Many organisations believe they have to choose their goals. Should they achieve higher margins, for example, at the expense of the positive client experience? Or should they in fact focus on a superior client experience, while generating a lower profit as a result? In practice, it seems that people opt for an efficient process and make do with a reduced client experience.

Service Design proves that these two goals actually enhance each other by taking account of all interactions between the client and the organisation. It's simply a matter of identifying where, when and how services can be made more valuable for the organisation and the clients.

Service Design is different from all other forms of service innovation given its focus on the design of services. Incidentally, a sound definition of the word design is essential. Design is ubiquitous. It can be found in 'that one bicycle' and 'that one espresso machine'. Design is also apparent in how the webshop works and the signage at IKEA. The debate on the ultimate definition of design

will probably never end. That is why we have come up with this description: As far as designers are concerned, design is the process by which problems are defined and solutions generated – design as a verb.

## CORE VALUES

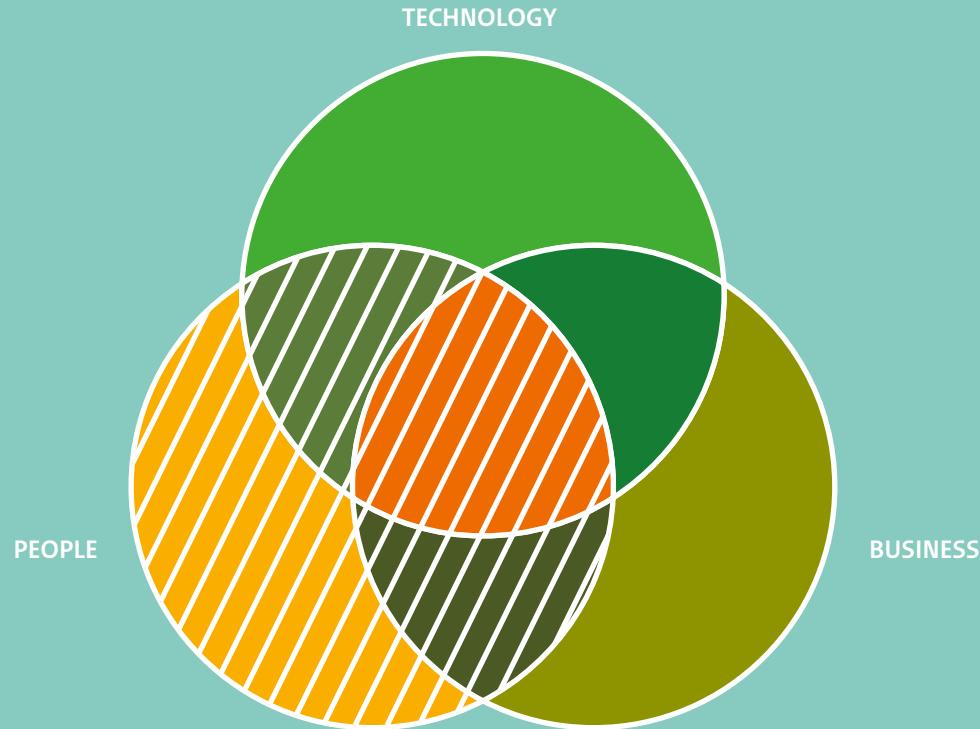
**The focus is on people.** That is a core value: placing people at the heart of the matter. Designing solutions to complement their lives. However attractive and smart a solution may be, if people do not need it, it will be of little value.

**Working with people.** That is the second core value: pursuing co-creation and co-design. Future end users and providers do not just tell their story, but actively work on the design of their future services.

**“The best way to predict the future is to design it.”**

*Buckminster Fuller*

# Service Design



**A comprehensive approach.** That is the third core value: taking a holistic approach. Improving a service means looking at the entire chain in which that service is provided. Improving the train journey experience involves more than better seats. Finding solutions for complex issues demands looking beyond your department, border and discipline.

**A design attitude.** That is the final core value. A design attitude may be essential, but what is it? It is the skill to explore unrefined ideas, scrap things quickly, take the time to investigate different directions before refining. It is the willingness to accept uncertainty in the process until a definitive solution path materialises. A design attitude does not focus solely on making choices, but on the development of opportunities which can lead to choices.

Design definitely does not mean aimlessly following creative impulses – quite the contrary. Design is a process involving various methods. Each has its own goal, tools, ingredients, working method and end result. A design is good partially due to the ambitions, demands and specifications at all manner of levels, and all manner of things take place on and in between those levels.

The designer takes numerous decisions at each level. Each decision helps to determine how effective the design ultimately becomes. The designer consistently looks backwards and forwards since design process is an iterative and interactive process. Design is the work of people, but what steps make up the design process?

**“Service Design is an emerging design discipline which applies design methods to create valuable new services.”**

# The client is key



## CONFECTION BAKERY | DE TAART VAN MIJN TANTE

There are also numerous appealing, yet small-scale examples which effectively illustrate what really matters in the experience economy. Consider the confection bakery in Amsterdam which has re-invented itself, transforming itself from a confection bakery for the hotel and catering sector to the maker of exceptional cakes.

Those who buy a cake from this company do not choose from a standard brochure and then add a photo or a name. No, first an 'informal' intake interview is held. A cake is then prepared which exceeds your expectations. Opting for this new approach means the confection bakery 'De taart van mijn tante' is able to create truly magical moments. What's more, it opens up new ways of making a name for yourself. For example, there is now a programme on the public broadcasting channel Nederland 3 which features cakes being made with children.

# Service Design: the process

Design – Service Design as well – is a process which involves the application of different methods. The process can be divided into five steps:

## CUSTOMER INSIGHTS

A search for a better understanding of the life of your client, end users or – even better – people in general.

## CONCEPT DESIGN

Co-creation and co-design with people – design new service concepts in close cooperation with the experts and the end users of tomorrow.

## PROTOTYPING AND TESTING

Test concepts as quickly as possible to find out what does and does not work. In the words of Michael Jordan, “I failed over and over and over again in my life, that is why I succeed.”

## DESIGN

Nothing can exist without design – a new website, behavioural guidelines or a new business model. They all have to be designed before they can be implemented.

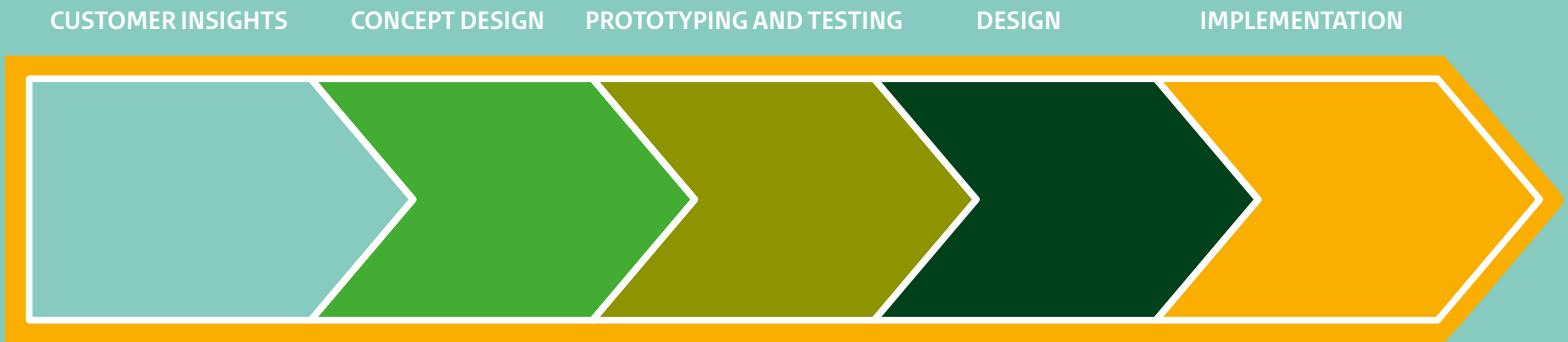
## IMPLEMENTATION

From new business models to the redevelopment of a space and from guiding behaviour to new ICT infrastructure – everything required to provide and use a new service.

“Design thinking can be described as a discipline that uses the designer’s sensibility and methods to match people’s needs with what is technologically feasible and what a viable business strategy can convert into customer value and market opportunity.”

*Tim Brown, IDEO*

# Process steps



# Service Design: the method

Each process step involves its own methods. It goes without saying, for example, that you use a different activity for Customer Insights than for designing a business model. The various process steps are used to introduce a number of methods. We describe the goal, tools, approach and result, as well as how you apply the method, which activities take place and why.

<b>Customer Insights</b>	<b>26</b>
Context Mapping	28
Customer Journey Mapping	30
<b>Designing Concepts</b>	<b>32</b>
Co-design Sessions	34
Drafting Service Scenarios	36
<b>Prototyping and Testing</b>	<b>38</b>
Storytelling	40
Experience Prototyping	42
<b>Designing</b>	<b>44</b>
Service Blueprint	46
Developing a Business Model	48
<b>Implementation</b>	<b>50</b>



### HEATHROW TERMINAL 3 FACELIFT

Now that British Airways is located in Heathrow Terminal 5, a lot more space has become available for Virgin Atlantic in Terminal 3, providing the perfect opportunity for Virgin to carry out a rigorous assessment of all services and in particular of how clients experience those services.

Virgin Atlantic's Service Design teams worked together with the London-based Engine service design. It may sound obvious, but – in their vision – it is not possible to design services without reflecting on who has to use them, what those people want and how they behave. Together with the design consultancy firm Engine service design, the public and staff were surveyed, monitored and studied. The entire journey made by a passenger through the terminal was broken down into sections and translated into storyboards and scripts. It sounds a lot worse than it actually is. After all, the goal was to improve the customer experience. Workshops were held to bring together the optimal elements to form a smooth whole. But what does this mean in practice? Since the new style Virgin has been operating in Terminal 3, appreciation of the new services has been deemed 'good to excellent' by 89% of Economy Class passengers and even 97% of Upper Class passengers. The results could hardly be any better! For example, a new check-in generates a 75% time saving. As regards Terminal 3's customer service indicator (CSI), this is currently 30% higher thanks to service innovation.

# Customer Insights

“Everyone is an expert of his or her own experience.”

An effective design of new services requires a complete and rich understanding of people and their context. This discussion often involves people, but in the majority of cases we should really talk about users or clients. A lot of stakeholders are involved in services – not just the service provider and the service recipient, but also those indirectly involved. In the care sector, for example, the services also affect the patient's family. Moreover, an airport is not just there for passengers. For this reason, in this step, we look at people, their behaviour and their context.

During a creative research process, we take a step-by-step approach to unravelling the entire context that applies to people. This generates the most valuable and most surprising insights. We involve all process stakeholders in order to learn from their perspective. In this step, we gain a keen insight into people's direct and latent needs. We identify their ambitions, doubts and desires.

The search for Customer Insights not only generates new information and understanding, but also more clarity about the issue at hand. The search uncovers opportunities that were not considered previously. The search is an inspiring one whose interactive character increases involvement. This creates a basis for support.

The acquisition of Customer Insights is based on different methods which all aim to enable people to tell their story. It is often insufficient to have people explain what they consider important. Why? Because they often do not know what they consider important. It is something that does not concern them at all at that point. However, if you help them, you give them the chance to reflect and visualise. For themselves as well.



## CLIENT-DRIVEN SERVICE INNOVATION

The IB-Groep wanted to improve its multichannel strategy. They wanted to find smart, new service concepts for the youngest segment of its target group, namely first-year university and 18-year-old pre-university students. In a short period of time, these young adults have to make all manner of – unfamiliar – arrangements for the course they are about to take. They are, of course, familiar with the Internet, but it still appears that they also try to contact the IB-Groep via more traditional channels. In order to get a better understanding of this phenomenon and to more effectively serve this specific group, STBY conducted a qualitative, ethnographic study for the IB-Groep.

The first research step involved identifying recent and actual experiences of young people with the IB-Groep's services. Their experiences were recorded during interviews conducted at their homes. The interview transcripts were then analysed, and the main features of the initial findings identified during a co-creation workshop with the interviewers and a representative of the IB-Groep client team. Following thorough analysis and reporting, a second co-creation workshop was held with a larger, more multidisciplinary client team, during which ideas for new service concepts were developed based on the insights from this study. The development of service innovation from the perspective of the target group was a refreshing experience for the IB-Groep. The insights gained through this study helped the IB-Groep optimise the services it currently offers via various channels – website, call centre and service desk.

# Context Mapping

## GOAL

Better understanding of people's worlds

## WHAT YOU NEED

- People
- Design team
- Facilitator
- Ways of mapping the environment (e.g. diaries, homework assignments, photo assignments and reply cards)
- Cameras and video cameras

Context Mapping is a technique for taking stock of people's environments. Where can we position these individuals? This question is important if you want a better handle on people's worlds – whether they are end users or clients. The technique offers a better understanding of what people consider valuable. You find out more about their preferences, emotions, values and expectations.

Don't just show the final result, but allow people to become involved. That way you create a basis of support among the designers and the people who have to use the new services. End users and other stakeholders cooperate actively, usually voluntarily and with pleasure.

## APPROACH

Invite clients, users or other stakeholders to take part in a creative session. Ensure that you get them in the right frame of mind beforehand by sending them a assignment. This assignment generates all manner of outcomes from diaries and photos to an autobiographical account.

During the creative session, you present the material submitted and give the participants time and space to comment on it. Sharing experiences and positive feedback of each other's work is a key element.

Via new assignments, you give participants the opportunity to gain a better understanding of their worlds. This can be a profound experience. Ask them, for example, to identify the most important people in their lives or have them to record what they would consider to be an ideal week's diary.

Together with your team, you can develop workable core insights on the basis of the rough data. These, in turn, can be used as the basis for design principles or for defining user characters or archetypes.

## RESULT

Context Mapping offers a rich and profound understanding of the lives of people, users or your clients. Once translated into design principles and/or characterisations, you can communicate your understanding to other departments in your organisation, such as new business development or marketing.



# Customer Journey Mapping

## GOAL

Taking stock of the entire service and the experiences of clients that use this service

## WHAT YOU NEED

- Clients
- Maps
- Paper
- Pens
- Camera

Customer Journey Mapping is used to map out a person's experience throughout the entire service process. It covers all touch points from the client's arrival to the provision of a service. What happens to that client and, more importantly, how does that client perceive the service? This involves touch points, people, time and all manner of channels in a company or organisation. A holistic approach is therefore also extremely important.

## APPROACH

Study the use of a service by inviting clients. Allow them to talk and explain their experiences when being provided that service. At the same time, record the customer journey on a poster depicting a flowchart of moments and channels. Focus on the highs and lows experienced by the client and ask for clarification.

## RESULT

A complete picture of the service's entire touch point chain. Understanding of how the client perceives the service and its provision. This understanding is recorded on a map or poster.

# Customer Journey Map



# Designing Concepts

## “Bringing ideas and dreams to life.”

In his book ‘Simplicity’, Edward de Bono explains that the human brain is ideally suited to work with concepts. The majority of people will understand what the word ‘thunderstorm’ means. Often you do not need too many details to exchange ideas. The great benefit of working visually is that you can communicate very complex information in a simple manner. How would you draw a thunderstorm? Working with metaphors is another way of processing information.

In this step, it is crucial to work in co-creation with the users of the service. The focus here is on the service providers and service recipients. However, we approach as broad a group of stakeholders as possible. In this, we have to hold onto different perspectives and not rely on preconceived notions.

We try to get a handle on the abstractions relevant to the stakeholders. What, for example, is meant by human dimension?

What significance do we assign to hospitable and pleasant? What if mobility is more important than, for example, owning a means of transport?

When designing new concepts/service concepts, we translate the knowledge and understanding we have gained into results we can present to a larger group. This step also produces results we can test.

“Concepts are the way the human mind simplifies the world around. If you do not use concepts, you are working with details.”

*Edward de Bono*



### NURSE KNOWLEDGE EXCHANGE

Shift changeovers on hospital wards are always tense procedures.

Think only about the information about the patients' care. During the shift changeover, it is important for essential information to be communicated properly and accurately. Which patients require extra attention? Who must not be allowed any fluids today? According to health insurer Kaiser Permanente and the US design consultancy firm IDEO, these shift changeovers can be improved. They devised a programme for improved information transfer which the nurses could tailor to their own needs.

By observing all shift changeovers at four hospitals, the designers were able to better understand how the information is actually transferred and what information is involved. The assessment also revealed – unsurprisingly – that each nurse sets his/her own priorities and has his/her own way of communicating information. In very close cooperation with nurses, doctors and care managers, a structured programme was then developed which covers all the information involved during a shift changeover. One key detail is that the involvement of hospital staff as co-designers in the design process generated substantial synergy. This was also the case when testing the prototypes. The programme is now in operation at dozens of hospitals.

# Co-design sessions

## GOAL

A co-design session can be used to include users of the service – with their collective knowledge and various backgrounds – actively in the design process. This ensures that the new concepts actually link up with the needs and ideas of those users.

Co-design sessions are an effective way of enabling people to express their preferences and needs. Give them the right tools and put them in the right context. This is all most people need to design future services at a conceptual level. The knowledge and information gained during the Customer Insights step serve as inspiration and provide direction for the session. This approach generates a lot of energy and is a good way of enabling users and experts to learn from each other.

## WHAT YOU NEED

- Experience experts (clients!)
- Experts in content
- Inspiring location
- Facilitators
- Customer insights
- Designers warming-up kit
- Step-by-step plan
- Design assignments
- Design tools (Post-its, easel pads, Legos, etc.)
- Photo wall

The end of a co-design session is the beginning for the designers. They base concrete services on the rough concepts.

## APPROACH

Bring together a group of selected and properly instructed people for a day. Engage them actively to devise solutions and new ideas for a specific service. The participants will have already been asked to think about the design before the co-design session. The session is supervised by – preferably – two facilitators. Their task is to use a structured step-by-step plan to get the most out of the participants.

A co-design session involves different steps: introduction, warming up, brainstorming, presentation, decision-making, concept development and final presentation. The facilitators monitor the process, content, mood and group dynamics throughout the day.

## RESULT

The concepts are designed by and with the users. This is the starting point for the development of service scenarios.

catie

• onderzoeken  
nu en later

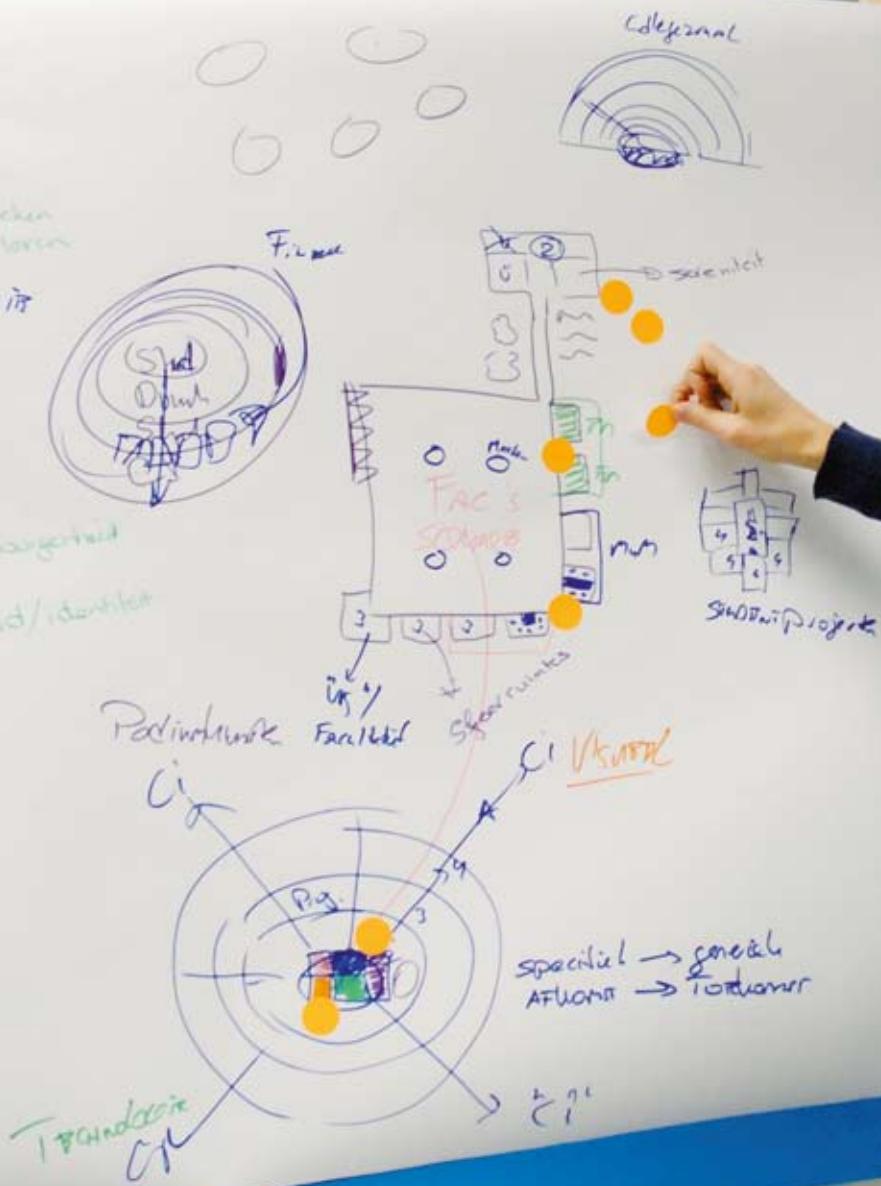
e/implentatir

mole  
acten

van  
onderzoek  
eer / geborgd

toeken

eigenheid / identit



# Drafting of service scenarios

## GOAL

To bring the service concept to a level at which it can be tested.

## WHAT YOU NEED

- Customer Insights
- Co-creation ideas and concepts
- Desk & Field Research
- Designers
- Copywriters
- Graphic designers
- Experts

A service scenario is the development of a new service concept to a level at which legitimate decision-making is possible. What do you record in a service scenario? This can include anything: touch points, target group, stakeholders, objectives and much more. A service scenario also helps to determine which concepts you want to test. A step-by-step plan for a pilot is often also drawn up at this stage.

## APPROACH

A service scenario is developed within the organisation. If you lack sufficient knowledge and experience, you should invite the right experts. They are there to help develop the scenario. Make sure there are experts in content and experts who can communicate the service scenario.

The process always starts with thorough Desk & Field Research. Define what the service generates, the stakeholders, the needs and the advantages and disadvantages. Substantiate your story with Customer Insights, quotes and a vision of the future. Draw up a step-by-step plan for the pilot. Visualise the service using clear graphic design.

## RESULT

A clear and complete portrayal of all aspects of one or more service concepts which are likely to succeed, presented at a level that third parties can join in the decision-making regarding the feasibility of those services.

## Open API

"Creatieve ontwikkelaars maken zelf nuttige toepassingen met Rijkwaterstaat data!"

## Augmented Reality Roads

"Een verrijkte werkelijkheid door je vooruit."

## RWS Verbindt

"Het vinden van een geschikte overleglocatie langs de weg was nog nooit zo eenvoudig."

Rijkwaterstaat moet samen in creatieve samenwerking ingaan met deelnemers om mogelijkheden te creëren voor meer interactie en waarde. Deze projecten zijn daarbij een voorbeeld van hoe Rijkwaterstaat kan helpen om deze samenwerking te stimuleren.

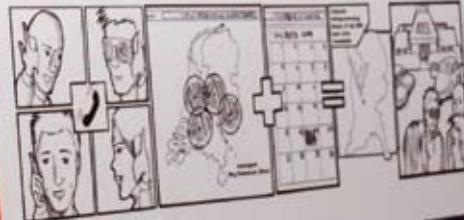
De website [www.rwsverbindt.nl](#) introduceert datums van alle projecten die in Nederland in staat zijn om gebruik te maken van de website. De website is te bereiken via [www.rwsverbindt.nl](#).



## Pilot

### RWS Verbindt

Rijkwaterstaat en deelnemers hebben samen de mogelijkheden van de technologie opgepakt om de mogelijkheden voor meer interactie en waarde te creëren. Deelnemers kunnen nu gebruik maken van de mogelijkheden die de technologie biedt om meer waarde toe te voegen aan hun projecten.



# Prototyping and testing

“The universe is made of stories, not atoms.”

*Muriel Rukeyzer*

How do you know whether the concept you have developed actually works as expected? The answer is by prototyping. The goal of prototyping is to try out concepts that are likely to succeed quickly, cheaply and as often as possible in practice. The main objective is to learn and find out what works and what does not. Prototyping is the ideal way to minimise the risk of costly mistakes at a later stage. This is therefore a suitable moment to adjust a concept accurately and on time.

A service prototype is different to the prototype of a tangible product. A service prototype is used to test the operation and more importantly how a service is perceived. Service prototypes come in all shapes and sizes, including such aspects as role play or a video. Think in terms of cardboard and tape. The aim is in any event to pilot the concept and learn something in the process. This may mean taking a different approach to your client. However, it could also mean changing the layout of a waiting room. Every concept requires an individual approach and application of methods and resources.

“Good service prototypes appeal to the emotions and avoid drawing attention to features, costs, and applications that can clutter the conversation and derail the excitement factor.”

*Jeneanne Rae in Business Week*



## ACCESSIBLE WORK | GO WEST

The Port of Amsterdam is the second largest port in the Netherlands, employing more than 25,000. However, if the port wants to compete or – more importantly – move ahead of the competition, it is important to grow, also in terms of staff numbers. This is where the bind emerges. Although the urban district Nieuw-West is situated closest to the port, only a few residents actually work in the port. Most of the residents have a low level of education and are unemployed. A strange situation given the port's proximity!

DesignThinkers developed a service scenario known as GO WEST to get things moving. The idea is to forge a bond between all stakeholders in Nieuw-West and the port, namely jobseekers, managers, companies and the public authorities – all people. Bringing everyone and all the available information together in a single virtual community will create a new tailor-made overview. This will help people to find employment and enable the port to flourish. GO WEST is not simply another employment scheme. According to the designers – and thanks to the efforts of all the stakeholders – tangible steps will also be taken, including a passenger hub in the port and a GO WEST office in Nieuw-West. The 'W bus' ensures mobility. Taking stock of the entire system, the stakeholders and the context of this highly complex situation has generated a helicopter view without losing sight of the human perspective. If it succeeds here, it will succeed anywhere!

# Storytelling

## GOAL

To find out how the new service will be received by users and other stakeholders. Facilitating improvement by means of a low-threshold approach.

## WHAT YOU NEED

- Positive and open attitude
- Genuine enthusiasm
- Constructive feedback
- Elevator pitch
- Story boards
- Photo scenarios
- Inspiration cards
- Video camera

You can use stories to help people ‘experience’ how a concept will work – as if it already exists. Working together in a group and listening to each other’s accounts creates space for constructive feedback. This helps to make a concept even better.

## APPROACH

Invite a number of clients and staff involved in the new service. While the storyteller shares his/her account, the remaining participants, serving as the audience, listen – preferably in silence. Give the storyteller space to choose a tool to support the account. Allow the storyteller to tell his/her story without interruption. Make notes if a brilliant question suddenly comes to mind. If you do not write it down, you will most certainly forget it in the heat of the discussion. Give the other participants time to ask questions and offer positive and constructive feedback. In this forum, everything is acceptable and nothing is wrong. What we do not need is a devil’s advocate. Depth is gained from the different participants who tell their story in turn and from different perspectives.

## RESULT

An understanding of the views of users and service providers regarding the newly designed service. A video summary of the accounts is also made.



# Experience Prototyping

## GOAL

Learning from practice at an early stage.  
You want the opportunity to minimise the risk of costly mistakes later on.

## WHAT YOU NEED

- Low-threshold attributes to illustrate the context
- Service providers and service recipients
- Scripts
- Observation tools

New concepts often look better on paper than they do in reality – much like recipes.

Experience Prototyping means testing assumptions in practice in a quick and cost-efficient manner. Why wait for six carriages if a row of seats is available? Why don't you quickly sketch your new user interface on cardboard? You can sit at a table and pretend it is a counter. This does require some skill. The skill is knowing what the core is of what you want to test. Then you will also know what you can leave out of your prototype.

## APPROACH

The players ease into their roles. They know the script and are serious about cooperating. Ensure that the location and the attributes do not form a distraction. Provide them with the necessary attributes. Have the participants role play the service a number of times. Observe the service process to identify points for improvement as quickly as possible and record everything as well. An iteration follows during which roles can be swapped.

## RESULT

Knowledge and understanding which can be used to improve the design.



# Designing

## “Making the new service concept actionable.”

This step consists of two parts. First, it is essential to map and record the consequences of a new service for the organisation. Should a new business model be conceived to serve your client even more effectively? What is needed and how are we going to structure it? Who can help us develop the new service? All the aspects have to be recorded – from the required investment to the implementation time and from the implications on staff to the expected yield. The result can be compared to and is often also referred to as a blueprint.

At this point in the process, all manner of resources are needed to implement the new service, which have to be shaped and designed. In very practical terms, this may mean that a new website has to be created with all the associated consequences for everything from the web pages to the back-end structure. However, it can also entail training people for their new task. The goal of this phase is therefore to gain an understanding of everything needed to actually implement a new service and to shape and design the appropriate resources.



# Service Blueprint

## GOAL

To record a diagram of the system, including the client-service provider service process and the identification of all necessary channels, components and relationships in between.

## WHAT YOU NEED

- Brand Values
- Customer Journey
- Service Blueprint Format

A Service Blueprint specifies the key elements and aspects of the service process.

It contains information on the front-stage and back-stage processes, clients, staff, environment, supporting processes and resources, etc. It also describes the significance of the interaction between the different elements and how these elements are interrelated.

A Service Blueprint offers an understanding of the elements which make a service tangible. Clients interact with the service via these tangible elements.

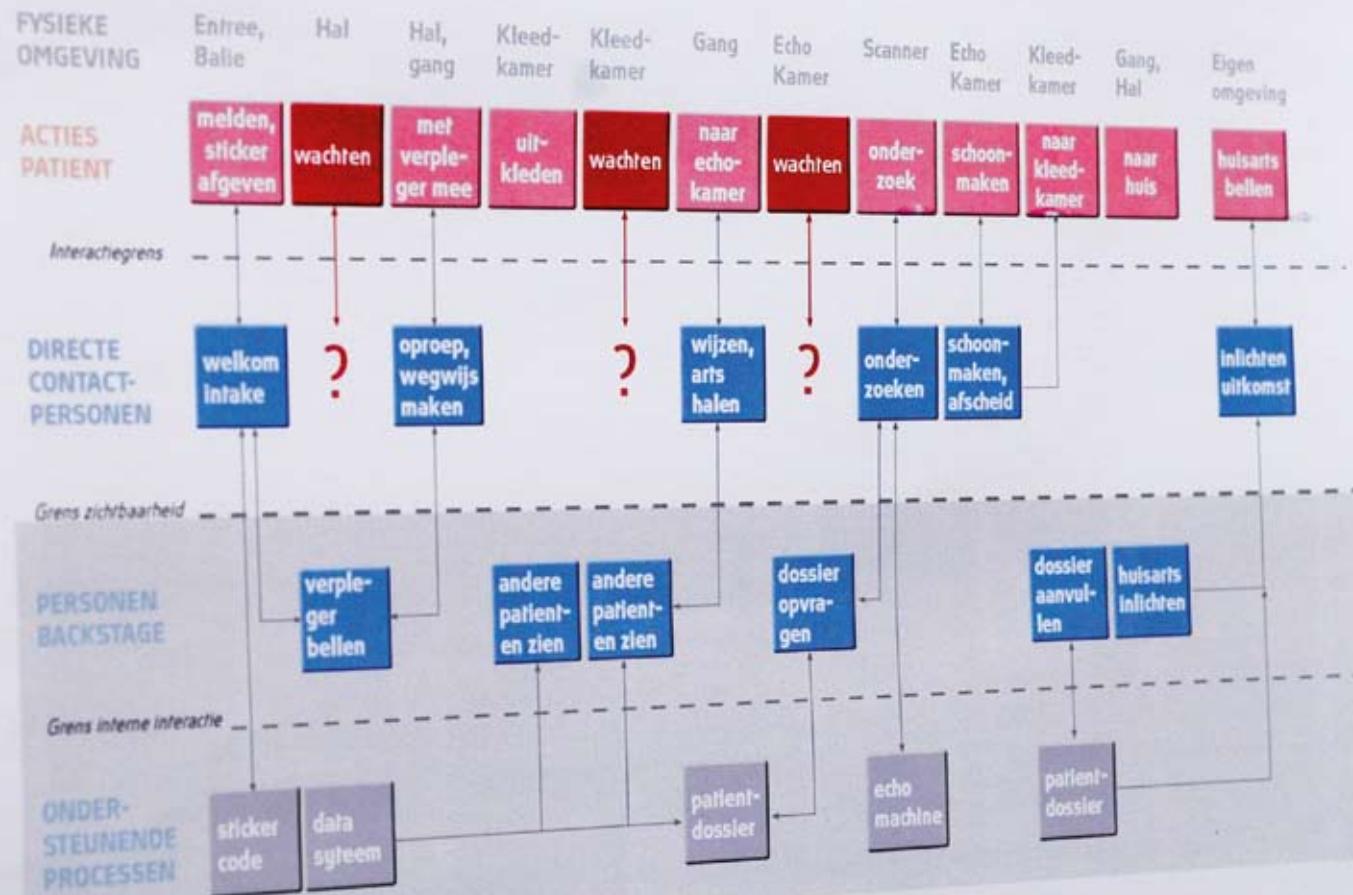
## APPROACH

A Service Blueprint starts by portraying the revised Customer Journey (i.e. the client's journey in accessing the service). The front-stage and back-stage elements of the new service are interpreted at each step on that journey. In cooperation with stakeholders within the organisation, these elements are linked optimally to ensure maximum benefit for the client.

## RESULT

The result is a diagram of how the client accesses the service. All necessary channels, components and relationships in between have now been recorded.

# Service Blueprint



# Developing a business model

## GOAL

To gain a better understanding of how the organisation can market a new service in a profitable manner.

## WHAT YOU NEED

- Knowledge of business resources, supporting processes, sales channels, communication channels and target groups
- Creative capacity to think outside of existing models
- Business model canvas
- Co-design session

Innovative business models are inextricably bound to service innovation. The development of a business model is a design process in itself. At the heart of a business model is the value for the consumer. The model not only offers insight into the flows of money associated with a service, but also into how business resources, supporting processes, sales channels and communication channels are used to make the service profitable.

## APPROACH

The development of a business model starts by clearly formulating the exact proposition. From this point of departure, we design the alternative business model during a series of co-design sessions. Together with stakeholders from the organisation, we explore the opportunities of innovating business model elements. A business model undergoes a number of iterations. Just like the service itself, the assumptions in the models also have to be developed into a prototype. In this way, a business model can mature on a step-by-step basis.

## RESULT

A visual model in which the interrelations of the different business model components are presented. The model also presents the income and expenditure flows.

We're holding a massive user research session with our  
and challengers, aiming to find breakthrough ideas  
and design tomorrow's ultra-relevant products.

# Business Model Generation

WRITTEN BY  
Alexander Osterwalder & Yves Pigneur

CO-CREATED BY  
1,000+ students and practitioners from 45 countries

DESIGNED BY  
100+ experts



# Implementation

Many books have already been written about the successful implementation of new services. Improving an existing service can be a simple task. If there are opportunities for new business, the implementation can have far-reaching implications. Implementation requires a special approach. The problem is that the degree of change is insufficiently taken into account during the introduction of new services. Some things are always important.

## SUPPORT FROM WITHIN THE ORGANISATION

Use change management to prepare your organisation for the change. Ensure transparency within the organisation so the importance of the change is actively communicated. Involve your staff in all the steps and clearly show what the change entails. What are the implications and opportunities? What is the appropriate organisational structure for implementing the new service? Does it fit in the current structure or must a new department or perhaps even a new company be set up?

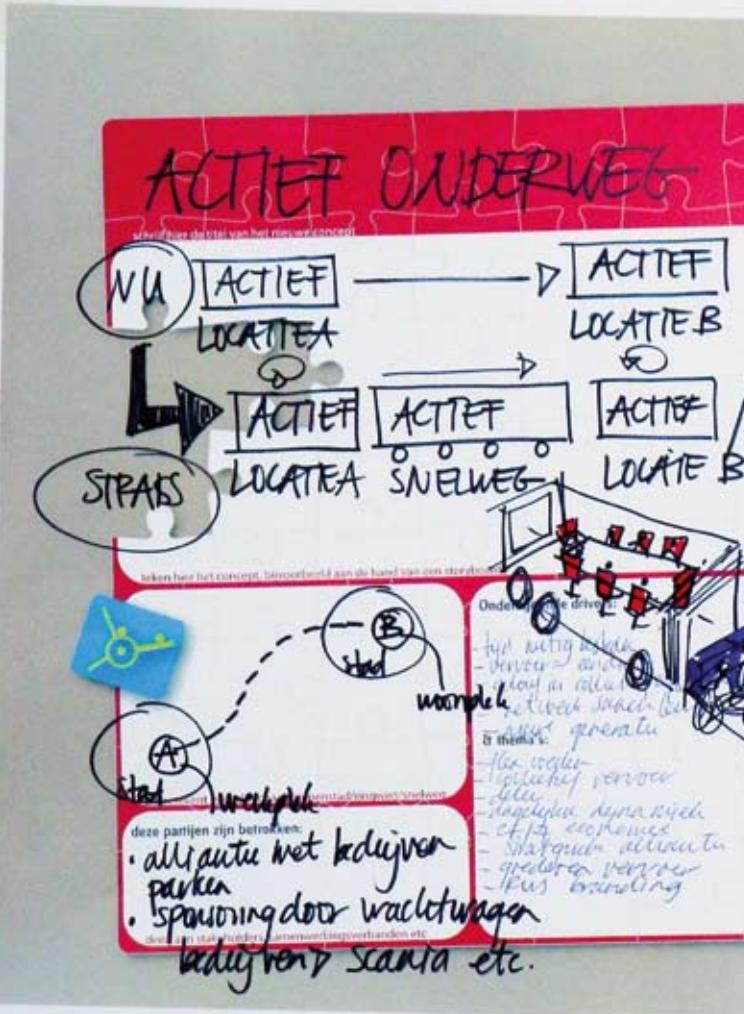
## MAKE CHANGE MEASURABLE

Monitor the service you provide and whether the values dovetail your client's expectations. Implement measurement standards for the goals set, such as productivity, efficiency and client satisfaction. Consumers assess services on the basis of quality. Reliability, consistency, empathy and alertness are the most important criteria to achieve.

## KEEP IMPROVING

The development of a successful service is not a one-off activity. Once implemented, you have to be prepared to make continuous adjustments and continue to improve the service. Pay attention to signals from the market! If you rest on your laurels, you will miss the boat. Continue to take a fresh approach to your services – at all times and with respect to all aspects.

NAPISKA / TORRIT / JEVIS / TAUW  
LEASE  
15-02-09



## SERVICES FOR TOMORROW'S ROAD USERS

The Directorate-General for Public Works and Water Management (Rijkswaterstaat, RWS) is constantly innovating, for example, by building quieter motorways and by making them safer, but also by assessing its own performance as a service provider, which helps people to move around as efficiently and enjoyably as possible. What role should RWS assume to improve its service to road users? Can new services be devised to serve tomorrow's users?

In the summer of 2009, 31Volts implemented a Service Design project for – and above all in cooperation with – RWS to design services for the road users of the future. Based on ten macro trends, including ‘belief in collective systems’ and the ‘wish for a car-free town centre’, various groups of road users designed new service concepts in co-design sessions. RWS can use these service concepts to make road use more effective and enjoyable. On behalf of RWS, 31Volts used these concepts to develop five service scenarios that are likely to succeed and which can be piloted. One of these services – RWS verbindt (Directorate-General for Public Works and Water Management links) – is designed to help people use the roads and consequently their time more efficiently. RWS is helping people to find the best location for an appointment, while also developing more and more comfortable roadside locations where people can work and meet.







This brochure is a publication of:

Ministry of Economic Affairs  
Postbus 20101 | 2500 AA The Hague  
[www.ez.nl](http://www.ez.nl)

© National government of the Netherlands | December 2009