

Service Design and Tourism

Master's Thesis

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Figure 1. (image created on www.wordle.net)

Executive Summary

Today, 1 in 11 jobs are supported by the travel and tourism industry and tourism accounts for 9% of global GDP. The industry consists primarily of SMEs (small and medium sized enterprises) and is a highly interdependent industry, in which the tourism experience typically consists of a 'bundle' of services from different service providers. Technology has also changed the playing field by allowing customers access to 'real time' reviews of service quality and price comparisons, making service quality and perception of service quality the main contributing factors in the purchase decision. Because of the unique nature of this service sector, specific methods are needed to develop successful, satisfying services in the eyes of the customer, to encourage innovation and offer a means for gaining competitive advantage. Service design is such a method.

This paper explores service design theory in terms of the tourism industry and aims to answer the following research question: How and why has service design been utilized within the tourism industry? The majority of the research is primary data in the form of qualitative interviews conducted with academics and professionals in the service design field. Secondary data in the form of case studies of tourism service design projects are also analyzed to supplement the findings from the interviews and resulting in a multi-method qualitative research design. This paper draws on theory from service design, design thinking and from general services management.

The study has shown that service design can help tourism businesses to develop innovative ideas which are more satisfying to the customer, putting their needs and desired before those of the company. Service design is a relatively new method of working many managers are not yet aware of it and can be intimidated by the somewhat messy, holistic, iterative process. However, service design as a method and field is slowly gaining respect as more and more successful case studies are shared throughout the industry. The research suggests that as service design gains more exposure and becomes better known, more tourism companies will embrace it and in turn, gain competitive advantage and improve their service offerings in the eyes of the customer.

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Introduction

Today, approximately 10% of jobs worldwide are supported by the travel and tourism industry. As an industry, tourism is highly fragmented, consisting of mainly SMEs. This fragmentation has resulted in an industry with low barriers to entry, needing little capital investment and relatively few employees to run each individual business. The outcome is that most tourism businesses cannot take advantage of economies of scale or scope and instead must rely on superior service quality and innovation to keep customers satisfied. The fragmented industry has also resulted in a highly interdependent sector, consisting of 'bundled' services, which are supplied by several different service providers together making up one travel experience. The implication of this is that interdependence is that for a tourism business to truly manage their customer's experience they must be aware of not only their own service quality but also those of their direct and indirect partners.

The needs and desires of customers have changed over time. Today, it is not enough for a tourism service to simply function; it must also provide a meaningful and unique experience. A general service offering such as a hotel room or an international flight is not enough to differentiate from competition. As the tourism industry has grown and globalized, competition has also increased globally; meaning that customers now have access to choices of service offerings from around the world. This has not only increased competition but has also begun to commoditize some tourism products, forcing these tourism firms to find an alternative means of competing in the industry. Pine and Gilmore introduced the world to the 'Experience Economy' and it is a reality that now defines the tourism industry and can provide competitive advantage. Technology has also changed the playing field by allowing customers access to 'real time' reviews of service quality and price comparisons, making service quality and perception of service quality the main contributing factors in the purchase decision. Because of the unique nature of this service sector, specific methods are needed to develop and innovate successful, satisfying services in the eyes of the customer.

Service design is an interdisciplinary approach for improving and innovating services specifically. The key to service design is that it keeps the customer as its main focus and works toward improving a service with the customer in mind. The process is iterative, co-creative and focuses on 'learning by doing'. In essence, service design is, "the blending of the experience economy with more traditional customer experience management to create a superior service experience and offer a competitive advantage(Lockwood, 2010).

The following paper explores the relationship between service design and the tourism industry, how the methodology has been applied to the tourism industry thus far, highlighting the benefits and challenging of applying this methodology and exhibiting why service design is a suitable method for improving tourism service offerings.

Research question, Purpose & Delimitation

Research Question

How and why has service design been utilized within the tourism industry?

Purpose

The purpose of this paper is to explore the field of service design within the tourism industry and to answer the above research question. As directed by the research question, this paper will first describe the current environment of both the tourism industry and the field of service design. It will then explore the relationship between these two fields and discover how firms and individuals within the tourism field have employed the service design methodology to the tourism industry thus far. It will then continue with a discussion of the benefits and challenges of applying the service design methodology. This discussion will then serve as an argument for why service design is a suitable methodology for improving tourism offering and bringing innovation to the tourism industry. This study will therefore serve as a 'jumping off point' for future studies of these two fields.

Delimitation

In this thesis, I plan to explore service design theory in terms of the tourism industry. Because there has been relatively little research conducted on service design specifically in connection with the tourism industry, this will be a more general study. For the purpose of this paper, the tourism industry is being looked at broadly: including but not necessarily limited to, sectors such as aviation, hospitality, cruise lines, public transportation, tour operators and destinations. Once there is a better understanding of the current state of affairs of service design in tourism, then more specific studies can be undertaken. T

Research Structure

The structure of this master's thesis is organized into 6 main sections, which will be briefly described here.

The first section is the Introduction; it will introduce the reader to the subject of this research project and presents the problem statement, which will be addressed in the subsequent sections. The second section, presents the theoretical framework from which this author is writing and researching from. It includes the current theories used to discuss the tourism industry, services, the experience economy, service design and design thinking and helps the reader to understand the nature of the subject matter more deeply. The third section presents the methodology used by the author to design, conduct and present this research. In the fourth section, the author presents the resulting findings of this study and in the fifth section the author discusses these findings through deeper analysis rooted in the theory of the subject. The sixth and final section of this paper presents the authors conclusions, which were ascertained though the completion of this study.

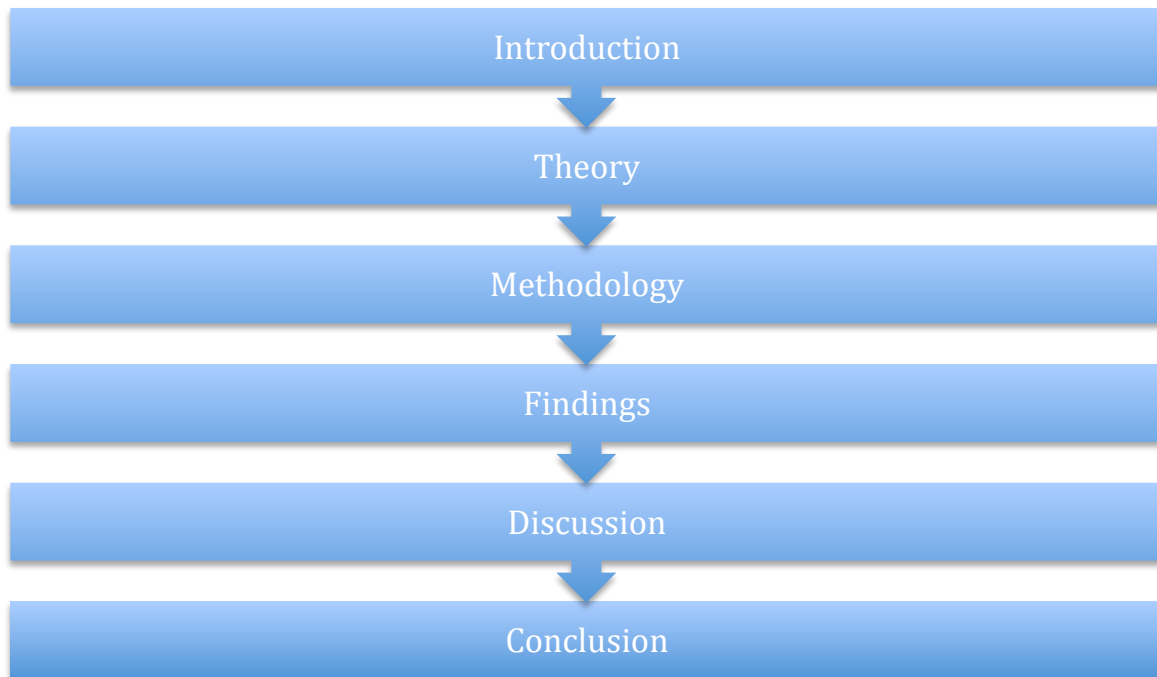


Figure 2.

Theoretical Framework

Tourism industry

The tourism industry is one of the oldest industries in the world, with its roots traced as far back as ancient Mesopotamia, Babylon, Phoenicia and ancient Egypt. The first recorded cruise journey was made by Queen Hatshepsut to the Land of Punt for the purpose of peace and tourism in the year 1480 B.C.E. (Goeldner & Ritchie, 2009). The invention of the wheel and modern roads increased the ability to travel in the ancient world. There is evidence that Roman tourists travelled, bought souvenirs and even used guidebooks (Goeldner & Ritchie, 2009). The oldest hotel still in operation today can be found in Japan: Nisiyama Onsen Keiunkan, operating since 705 C.E. ("Oldest hotel," 2014). It should be noted however that the concept of purchasing accommodations while traveling is far older, dating back to the Caravansaries or inns along caravan routes which dates as far back as 2000 B.C.E. (Goeldner & Ritchie, 2009). The first specialist travel agent was likely Thomas Bennett (1814-1898) who arranged private tours in Norway for visiting British nobles (Goeldner & Ritchie, 2009, p. 52). Lufthansa began the first scheduled air service in Germany in 1918 and the first transatlantic passenger flight was in 1927, with 1 passenger (Goeldner & Ritchie, 2009, p. 55).

Today, it is still an incredibly relevant and important industry. According to the UN World Tourism Organization, "an ever increasing number of destinations worldwide have opened up to, and invested in tourism, turning tourism into a key driver of socio-economic progress through export revenues, the creation of jobs and enterprises, and infrastructure development" (UNWTO Tourism Highlights, 2014, p. 1). Tourism currently accounts for 9% of global GDP (direct, indirect and induced impact) and for every 1 in 11 jobs. The number of international tourists has grown steadily from 25 million in 1950 to 1087 million in 2013 and is expected to continue to increase, reaching approximately 1.8 billion by the year 2030 (*UNWTO Tourism Highlights*, 2014). "The global Travel & Tourism industry's total contribution to GDP in 2013 grew by 3%, outperforming overall GDP growth for the third consecutive year" and is expected to grow by 4.3% in 2014 ("Travel & Tourism Trends and Economic Impact: May 2014," 2014). As of the World Travel and Tourism Council's

June Report, the year-to-date travel and tourism indicators for the first half of 2014 indicate that the tourism sector will continue to outperform and outpace the growth in the wider economy (“Travel & Tourism Trends and Economic Impact: June 2014,” 2014).

According to Goeldner and Ritchie, “tourism may be defined as the processes, activities and outcomes arising from the relationships and the interactions among tourists, tourism suppliers, host governments, host communities, and surrounding environments that are involved in the attracting and hosting of visitors” (Goeldner & Ritchie, 2009, p. 6). This widespread industry includes (but is not necessarily limited to) the following sectors: transportation, accommodation, food service, attractions, events, retail travel agencies and tour operators (Stickdorn & Frischhut, 2013). In addition to covering a myriad of sectors, tourism can and must be considered from at least four perspectives in order to gain a full understanding of what tourism truly is. These perspectives are the tourist (seeking an experience), the businesses providing tourist goods and services (viewing tourism as an opportunity to make a profit), the government of the host community or area (viewing tourism as a significant economic factor in their jurisdiction) and the host community (viewing tourism as a source of culture and employment) (Goeldner & Ritchie, 2009). The official definition accepted by the UN World Tourism Organization is “Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes” (as cited in Goeldner & Ritchie, 2009, p. 7)

Advancements in technology have greatly affected the tourism industry, particularly through the emergence of Web 2.0, a concept coined by Tim O’Reilly in 2005 to describe the new, dynamic type of websites emerging in the Internet (O’Reilly, 2005). Instead of simply relaying information in a static form, similar to a book or pamphlet, websites have become interactive, connecting customers and users around the world, allowing for user generated content, providing a platform for actively rating services and exposing customers to the comments of other service users, rather than only the marketing materials from a particular business (Wilson, Zeithaml, Bitner, & Gremler, 2012). One of the most influential Web 2.0

innovations within the tourism sector was the development of peer review websites, such as Trip Advisor. According to the 2013 World Travel Market Industry Report, 27% of UK travelers utilize peer review websites before and during their holidays (“World Travel Market 2013 Industry Report,” 2013). Beyond peer review sites, social media (such as Facebook, Twitter, Instagram, etc) are also widely used by consumers in the tourism planning process and have an affect on the ultimate purchase decision. According to the European Travel Commission, approximately one-fifth of leisure travelers turn to social media when making travel plans (“Travellers and Social Media | ETC Digital,” n.d.). Also, according a recent global PhocusWright survey, “over 80% of travellers read numerous reviews before making a decision in which hotel to stay, and 53% indicated that they would not be willing to book a hotel that had no reviews. Over 50% checked reviews before choosing a restaurant and 44% for an attraction (“Travellers and Social Media | ETC Digital,” n.d.).

The term ‘prosumers’ has been developed to describe these customers who have moved beyond simply consuming information and are now actively producing it and sharing with an unlimited community via online tools such as peer review websites or blogs. These customer rating websites now offer a real-time overview of service quality and price comparisons between services, essentially making much of the tourism sector transparent (Stickdorn & Zehrer, 2009). This transparency in turn makes it more difficult to compete on price alone, as customers can easily compare prices. This therefore increases the importance of both service quality and perceived service quality (matching the delivered service to the service expectations) in the survival of a tourism business. “The purchase decision is increasingly dependent on the assessment of other tourists complementing – if not to some extent even substituting – the service providers’ own marketing communication” (Stickdorn & Zehrer, 2009). Therefore, it is crucial for tourism businesses to do their best to manage this customer assessment, ensuring that customer expectations are met and preferably exceeded, thus building trust between the customer and service provider.

Though there are many large, global tourism companies, the tourism industry is primarily made up of small and medium enterprises or SMEs; in Europe alone 99% of tourism businesses have fewer than 250 employees and 94% have fewer than 6 employees (Stickdorn & Zehrer, 2009). This high percentage of SMEs has resulted in a very fragmented industry with countless players. The benefit of such a fragmented industry is that there are relatively low barriers to entry, limited capital investment, fewer necessary staff and low operating costs. Despite these benefits, there are also serious disadvantages to entering such a fragmented industry. SMEs have low growth rates and do not benefit from economies of scale and scope as larger companies do. They have minimal capacity for diversification, are less likely to be able to internationalize and often have less access to capital markets (Stickdorn & Zehrer, 2009). The way for these tourism SMEs to cope with these disadvantages is to deliver high level of service quality. Because the purchase decision is now primarily based on customer satisfaction and perceptions of other customers' previous experience and satisfaction, this offers an opportunity for SMEs to compete with larger companies and chains by offering high service quality and continually improving upon it (Stickdorn & Zehrer, 2009). "A firm's service orientation is a decisive factor in the improvement of profit, growth, and both customer and employee satisfaction and loyalty" (Stickdorn & Zehrer, 2009, p. 3).

Another important aspect of the tourism industry is how interdependent it truly is. Typically, the tourism experience involves multiple services that are provided by multiple service providers, which together make one tourism experience for the customer. An example of this might be: the experience begins with a customer seeing a movie that takes place in Paris, thus sparking a desire to visit Paris. That customer then visits multiple travel websites to begin the planning process. They then book their flight with an airline, such as Air France, which they either book directly with the airline's website or with a third party booking site such as Expedia. They then book their hotel, and again, this may be done directly with the hotel or through a third party or 'middleman'. The customer then takes a taxi to the airport, interacts with multiple service providers at the airport, flies to Paris, and takes a taxi to the hotel. During their stay they may visit museums, take tours, go on

a full day excursion, eat in restaurants and/or go shopping. And finally upon returning home, they very often review the different aspects of their trip via various peer review platforms. As one can clearly see, “tourism product bundles are seldom provided by one single provider, but are rather linking together various services offered by different regional SME service providers.” (Stickdorn & Zehrer, 2009, p. 4). This requires a holistic view when it comes to management in these businesses, recognizing the importance of the interactions of these different services and service providers to ensure a high quality tourism experience for the customer. The concept of co-creation in service design, to be discussed in detail later in this paper, is one way of achieving this holistic view.

In their yearly outlook, Destination Marketing Association International listed Service Design among the 10 top trends to watch out for in 2014 in Destination Marketing, partly due to the success of the Service Design & Tourism Conference held in 2013 in Florida. DMAI also notes in their report that service design is mainly about creating the best possible service for the *customer*, which is a crucial focus for tourism businesses. Interestingly, in this list they also mention two additional trends: Responsive Design - creating a website configured for all devices, which is reminiscent of interaction design and Embracing the Collaborate Economy - working together with other DMOs and stakeholders to decide the best way to move forward within today’s ever-changing business and technology environment, which is essentially co-creation (Fairley, 2013). Therefore, the DMAI is actually making a strong case for service design as 3 of the top 10 trends for 2014 all relate to the discipline and methodology of service design. This demonstrates that these methods are relevant and are now being utilized to bring competitive advantage to tourism businesses.

Services

“Tourism is a service-intensive industry that is dependent on the quality of customers’ experiences and their consequent assessments of satisfaction or dissatisfaction” (Zehrer, 2009). Tourism products are services, ones that are primarily intangible (though they may include some tangible elements). They

cannot be stored on a shelf to be resold tomorrow if they are not sold today. Instead, the value for today is lost; this is true for tours, hotel room nights, seats on a flight, etc. In most cases a tourism product is produced at the same time it is consumed, for example, a tour guide 'produces' a guided tour at the same time the customer 'consumes' that tour. Also each and every tourism product/experience is different and cannot be identically repeated because an important factor in the creation of a tourism experience is the interaction between the customer and service provider. It is crucial to remember this distinction when managing tourism businesses. Services management requires a different set of methods and techniques to succeed than does product management and as such tourism must be aware of these different service management methods and be willing to employ them, in order to ensure the successful continuation growth of their tourism business.

Services are defined as being deeds, processes and performances and are, for the most part, intangible and typically consumed at the same time it is produced (Wilson et al., 2012). Within the current paradigm, services are described as having 4 distinct characteristics, which distinguish them from products. These characteristics sometimes referred to as "IHIP" are as follows: intangibility, heterogeneity, inseparability, and perishability (Lovelock & Gummesson, 2004). Wilson et.al. define these terms in *Services Marketing*. Intangibility means that a service is an action of some sort and not a tangible or physical product. Heterogeneity means that no two services are exactly the same, because services involve human interaction; no two employees are the same and no two customers are the same. It is therefore impossible to exactly replicate a service in the same way every time; each encounter will be unique. Inseparability refers to the fact that in general, services are consumed at the exact time they are produced. In some cases the customer is actually a part of the production process or interacts with other customers, thereby influencing others' experience. In some other cases, the producer (employee) actually becomes part of the product itself. Finally, services cannot be saved, stored, resold or returned and are thus described by the term perishability. (Wilson et al., 2012)

Despite this widely used definition, research has continued on this subject and these 4 characteristics have since been shown to not be generalisable across all services (Stickdorn & Schneider, 2013). As of now, the question of what is a service is still unresolved and no single definition has been agreed upon. On one hand, Vargo and Lusch (2004) argue that everything is a service and base their argument around the service-dominant logic (as cited in Stickdorn & Schneider, 2013). On the other hand, Lovelock and Gummesson (2004) argue that “new ways need to be found to understand the specific qualities of organizing for and consuming services” (as cited in Stickdorn & Schneider, 2013). This inability to clearly define what ‘service’ is, translates into a difficulty describing those services, which then in turn also makes those services difficult to innovate; how can one successfully innovate something that they do not fully understand and cannot clearly describe? According to the 2005 report by The Organization for Economic Co-operation and Development “Boosting innovation in services is central to improving performance of the service sector ... the sector has traditionally been seen as less innovative than manufacturing and as playing only a supportive role in the innovation system” (Wilson et al., 2012). Therefore, services are in need of new methods to increase their ability to successfully innovate.

Though the debate continues over how to actually define services, in order to begin to recognize the differences between services and products the traditional marketing mix has been expanded to also include people, process and physical evidence when working in services marketing in order to fully acknowledge the broader aspects of what services encompass (Wilson et al., 2012). Marketing is about *organizations* creating and building relationships with customers to co-create value. Design aims to put *stakeholders* at the center of designing services and preferably co-design with them (Stickdorn & Schneider, 2013, p. 50). This is the key difference between service marketing and service design; services marketing focuses on the *organization* while design focuses on *people*. Customer satisfaction is what determines the success and competitiveness of any service product in the end. This customer satisfaction is, in turn, determined by the comparison of customer expectations and the actual experience of service delivery. “Matching or even

exceeding of customers' expectations ... is crucial for generating customer satisfaction and needs to be constantly designed and measured" (Stickdorn & Schneider, 2009, p. 1). This is where service design comes into play. "Service design not only accepts that service is different [from products], but also acts on this premise by employing features that include co-creation, constant reframing, multidisciplinary collaboration, capacity building, and sustainable change" (Lockwood, 2010, p. 160).

Tourism and innovation

According to Brown, "leaders [of businesses] now look to innovation as a principal source of differentiation and competitive advantage" (Brown, 2008, p. 2). Industries that can benefit the most from innovation are ones that have become saturated and whose customers can choose products and services from anywhere in the world. Thanks to the fragmentation of the industry and the technological advances which have been made, tourism is one such industry (Peters & Pikkemaat, 2005). The tourism industry is ever changing; it deals with relationships between people (companies/employees and customers) and is continually affected by advances in technology and interactions between the various service providers who together create a tourism experience. Because of this, innovation is viewed as a major contributor to competitive advantage; offering companies the opportunity to deliver higher quality services at a lower cost (Ravar & Iorgulescu, 2013).

Despite its importance to business success and competitive advantage, research on innovation in the tourism field is relatively new, first appearing in the 1980s and increasing in the 2000s, so the body of research on the subject is much smaller than that of innovation in other fields (Nagy, 2012). The reason for this may be the complexity of the field of tourism itself. There are many varying definitions of both tourism and innovation, particularly service innovation. Currently, much of tourism innovation research relies on qualitative and explorative studies, though there is a push for more defined research and the development of firmer definitions, which would allow for comparison of innovativeness (Hjalager, 2010). Innovation within service was first formally studied by Richard Barras in 1986 and then was

later expanded upon by various other authors. Gallauj and Weinstein (1997) point out the challenges of services innovation: (1) the fact that innovation theory was based on manufacturing and did not directly apply to service innovation and (2) that because services are intangible, service innovation is therefore difficult to measure (Nagy, 2012).

The most widely used definition of innovation is that expressed by Schumpeter (1934), which introduced the five areas of innovation for a company: “(1) generation of new or improved products, (2) introduction of new production processes, (3) development of new sales markets, (4) development of new supply markets, (5) reorganization and/or restructuring of the company” (Peters & Pikkemaat, 2005, p. 2). It is important to remember that Schumpeter’s view of innovation applied primarily to products and manufacturing (Nagy, 2012). Despite this, they can be used as a start for discussing tourism innovation as Hjalager (2010) discusses, though she modifies it slightly to better-fit tourism. New products, or in the case of tourism – new services and/or service products, refer to anything the customer views as new. This may be entirely new or simply new to the company. It is perceivable to the customer and may directly affect the purchase decision. A tourism firm may also employ process innovation, which refers primarily to back-of-house operations and processes. These innovations typically deal with efficiency, productivity and workflow and often utilize technology. Eventually this type of innovation will lead to an improved service which customers recognize, however, they may not be aware of the actual innovation which improved the service. Managerial innovations are also primarily behind the scenes, but they deal with management-employee relations, employee satisfaction and empowerment and internal collaboration rather than work process. A fourth type of tourism innovation, called management innovation by Hjalager, really refers to marketing innovation, is often utilized by tourist boards and destination management companies (DMCs). This type of innovation deals with changes in communication with customers, the relationship between customer and service provider, and co-production of a brand, such as marketing a destination for wine tourism via wine sales in a supermarket. The final tourism innovation type that Hjalager discusses is

institutional innovation, which is “a new, embracing collaborative/organizational structure or legal framework that efficiently redirects or enhances the business in certain fields of tourism” (Hjalager, 2010, p. 3). An example of this is franchise businesses when they were first introduced. Though these categories offer a more structured way to view and study innovation in tourism, it is important to remember that within tourism and services in general, the lines are blurred and the categories are interrelated.

According to Peters and Pikkemaat (2005), there has been a relative lack of radical innovations within the tourism industry when compared with incremental innovations; therefore innovation rates are considered to be low within the industry overall. “It should also be noted that innovation has become a buzzword, which in many cases is used without deeper reflection for anything that is moderately novel” (Hjalager, 2010). So how much innovation is really happening within the tourism industry? Hjalager claims that there is no true answer to this question due to the inconsistent definitions of tourism and the difficulty in clearly measuring tourism to allow for comparison. In her review of tourism innovation research, Andrea Nagy (2012) discovered three common points about innovation in the tourism industry: (1) size seems to influence a tourism firm’s capacity for innovation (the larger the firm, the more innovative), (2) involving employees and guests/customers in the innovation process is important within tourism, and (3) using information technology to innovate is important for tourism firms. General service studies have also revealed that often service providers choose not to innovate because they do not think their customers will notice the improvement and are unsure that customers will be willing to pay for such an improvement (Hjalager, 2010). Despite the challenges and relative lack of formal research on the subject, “the need for innovation is critical in order to win in [the] dynamic and highly competitive market of tourism” (Oktadiana & Furinto, 2009, p. 1).

Experience Economy

Just as services are considered to be distinctly different from goods, so are experiences distinctly different from services, according to Pine and Gilmore when

they introduced the Experience Economy (1998). As services increasingly become commoditized, as goods did before them, now businesses are turning to experiences as a source of differentiation and competitive advantage. However, it is not enough to simply wrap traditional offerings in an experience.

To realize the full benefit of staging experiences...businesses must deliberately design engaging experiences that command a fee.... An experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event (Pine & Gilmore, 1998, p. 98).

Because an experience is the result of the interaction between an individual and the 'stage', it becomes personal, emotional, and even spiritual in some cases and no two experiences are exactly alike

Pine and Gilmore claim, that just as IBM moved from offering their services for free with the purchase of their goods to selling their services as their main business; so too will other businesses evolve from including an experience for free with an existing product or service to charging an admission fee just for the experience alone, aside from the other goods or services offered. And charging this admission fee will force the business to create a better experience, one that is worth the fee (Pine & Gilmore, 1998). In order to successfully charge a fee for an experience, a business must first design the experience. Pine and Gilmore (1998) outline 5 key experience-design principles to help companies advance into the experience economy.

The first principle is to theme the experience. A company must envision a theme that is well defined, concise and compelling, which drives all elements of the experience toward a cohesive story line, which captivates the 'guest'. The second principle is to harmonize impressions with positive cues. A company must fill the experience with clear and positive cues that are consistent with the theme and creates an impression of the experience within each customer. The third principle is to eliminate negative cues. A negative cue can distract from the theme and diminish the experience; therefore these should be eliminated and/or transformed into positive cues to result in a better customer experience. The fourth principle is to mix

in memorabilia. People already spend billions of dollars on memorabilia and pay a premium on this memorabilia in order to remember a positive experience such as a concert, sporting event or vacation. If a service experience is engaging enough, customers will want to buy memorabilia to remember it and extend the experience. The fifth and final principle for designing memorable experience is to engage all five senses. By engaging more senses, a company can enhance the theme and make it more memorable. Of course, these five principles are not a guaranteed recipe for success, but they are a guideline and a starting point.

Today, more than ever, customers are demanding positive experiences. Pine and Gilmore have introduced the concept of the Experience Economy and laid the groundwork of what a memorable experience should be in order to be successful. The next step in this process is determine how to actually design a service that includes a memorable experience and satisfies the needs and desired of the customer. This is where service design enters the scene.

Service Design

Service Design. According to the authors of “This Is Service Design Thinking” there is no single definition for the field or the approach; it is interdisciplinary in nature and, as such, utilizes various methods and tools from a wide range of disciplines and is continually evolving (Stickdorn & Schneider, 2013). Richard Buchanan, a Professor of Design and Innovation at Case Western Reserve University states

Frankly, one of the great strengths of design is that we have not settled on a single definition. Fields in which definition is now a settled matter tend to be lethargic, dying or dead fields, where inquiry no longer provides challenges to what is accepted as truth (as cited in Stickdorn & Schneider, 2013, p. 28) However, even though there is no firm definition, there is a common language used to discuss the field, methodology and process of service design. In their book, Stickdorn and Schneider (2013) begin by providing several examples of definitions of service design to show the variety of available definitions for the field and also to

introduce this common language and vocabulary used within the field. Here are some of those definitions:

The Copenhagen Institute of Interaction design (2008): Service Design is an emerging field focused on the creation of well thought through experiences using a combination of intangible and tangible mediums.... Service design as a practice generally results in the design of systems and processes aimed at providing a holistic service to the user. This cross-disciplinary practice combines numerous skills in design, management and process engineering.... Service design is essential in a knowledge driven economy. (as cited in Stickdorn & Schneider, 2013, p.30)

Stefan Moritz (2005): Service Design helps to innovate (create new) or improve (existing) services to make them more useful, usable, desirable for clients and efficient as well as effective for organizations. It is a new holistic, multi-disciplinary, integrative field. (as cited in Stickdorn & Schneider, 2013, p. 31)

Engine Service Design (2010): Service Design is a design specialism that helps develop and deliver great services. (as cited in Stickdorn & Schneider, 2013, p. 32)

Frontier Service Design (2010): Service design is a holistic way for a business to gain a comprehensive, empathetic understanding of customer needs (as cited in Stickdorn & Schneider, 2013, p. 32)

LiveWork (2010): Service Design is the application of established design process and skills to the development of services. It is a creative and practical way to improve existing services and innovate new ones. (as cited in Stickdorn & Schneider, 2013, p. 33)

31 Volts Service Design (2008): When you have two coffee shops right next to each other, and each sells the exact same coffee at the exact same price, service design is what makes you walk into one and not the other. (as cited in Stickdorn & Schneider, 2013, p. 33)

As one can clearly see from the small set of definitions above (countless more definitions of service design exist), though they differ, many words and terms appear again and again such as: holistic, cross/multi-disciplinary, improve, innovate and deliver great services, etc. “The core of service design is to orchestrate user [customer] experiences” (Bailey, 2014, p. 1). Service design is, in essence, the blending of the experience economy with more traditional customer experience management to create a superior service experience and offer a competitive advantage (Lockwood, 2010)

According to Marc Stickdorn and Jakob Schneider (2013), service design thinking can be illustrated through 5 core principles: user-centered, co-creative, sequencing, evidencing and holistic. “Services are created through interaction between a service provider and a customer [and] the inherent intention of a service is to meet the customer’s needs” (Stickdorn & Schneider, 2013, p. 36), therefore, it is natural for service design to keep the customer at the heart of the process and be user-centered. To do this, the service designer and company must move beyond simple statistical customer descriptions to a genuine understanding of the customer needs, desires and behaviors. Each customer experience is different because each customer is different; the service designer must be able to understand these different points of view and keep them in mind when designing or redesigning a service in order to design services in a wider context using a common language all will understand (Stickdorn & Schneider, 2013).

The service design process is inherently co-creative. Because service designers have a user-centered point of view, they understand that there are multiple people involved in the service delivery, both various types of users or customers, and also additional stakeholders such as frontline employees, back office employees, managers and also non-human interfaces. In order to design a successful

service and service experience, it is important to keep all stakeholders in mind and to involve them in the development process. It is therefore the job of the service designer to create an environment where ideas between all stakeholder groups can be freely shared and discussed, to act as facilitator among these groups, and to encourage the co-creation of ideas. In doing so, this co-creation and discussion will also ensure a smoother implementation of the final solution as all stakeholders will have previously been involved in the design process and will feel some ownership over the idea and solution (Stickdorn & Schneider, 2013).

It is crucial to remember sequencing when designing a service. Services are dynamic, meaning that they involve actions and are ever changing. They are not static like a product on a shelf. A simple way to think about sequencing of a service is to think in terms of a timeline: pre-service period, actual service period and post-service period (Stickdorn & Schneider, 2013). This service timeline (sometimes referred to as a customer journey) can then be further broken down into individual service touchpoints, which can be human-human, human-machine, machine-machine and even indirect touchpoints such as online reviews, tourism websites, guidebooks, mouth-to-mouth recommendations etc. Often these indirect touchpoints 'bookmark' the service sequence, serving as the beginning of the sequence, sparking interest, offering information, etc, and also marking the end of the service with the customer sharing their experience and opinions (Stickdorn & Schneider, 2009). These service touchpoints create service 'moments', which together create the customers' overall good or a bad service experience. "A superior service should keep a sense of expectation without exacting strain upon the customer.... [and hold] the customer's interest with a good narrative" (Stickdorn & Schneider, 2013, p. 41). For this reason, service designers must consider the entire sequence of the service, including backstage processes, to ensure that the service flows well, and like a theatrical performance, rehearsals (prototypes) are needed to ensure and excellent service process (Stickdorn & Schneider, 2013).

Often services occur behind the scenes, unnoticed by the customer, however, it is important to make a service tangible so that it may be appreciated and remembered by the customer. Physical evidence, similar to memorabilia as

discussed by Pine & Gilmore in *Welcome to the Experience Economy*, can enhance customers' experience by adding something tangible to an intangible experience, thereby triggering positive emotional memories and associations and extending the service experience into the post-service period. "Utilizing this [evidencing] effectively has the potential to increase customer loyalty and for customers to recommend the service to others" (Stickdorn & Schneider, 2013, p.42).

Services do not happen in a vacuum; they occur in a physical space involving people and physical object and an environment. While it is not possible for a service designer to consider every single aspect of a service, the aim should be to consider the wider context of the service and what is involved. It is important to remember the environment the service takes place in, remembering to align all five senses with the narrative of the service process. It is important to consider alternative sequencing of the service and to revise this sequencing as necessary. It is also important to consider the service provider and to be sure their company culture is aligned with the service process offered. "Service design thinking supports the co-operation of different disciplines towards the goal of corporate success through enhanced customer experiences, employee satisfaction, and integration of sophisticated technological processes in pursuing corporate objectives" (Stickdorn & Schneider, 2013, p. 45).

Service Design Process

"Design seeks in practice to identify problems and latent needs in various aspects of people's lives that can be used to inspire creative generation of facts" (Stickdorn & Schneider, 2013, p. 56). To do this, service design follows an iterative process model, consisting of design, testing/prototyping and analyzing/measuring, followed by refining the idea and redesign. This cycles is then repeated many times until a solution is found. Within this iterative process, it is crucial to involve stakeholders early in the process to give a holistic view of the situation being dealt with. It is also very important to have management buy-in to support the process and facilitate implementation of the final solution and ideas. Further, as service design is intrinsically human centered, it is fundamentally important to understand

the customers' interactions with the service, both by stepping into the customer's shoes and viewing the process through their eyes, and also by designing the service with the intention of offering the customers consistent, valuable and desirable experiences throughout their interaction (Stickdorn & Schneider, 2013).

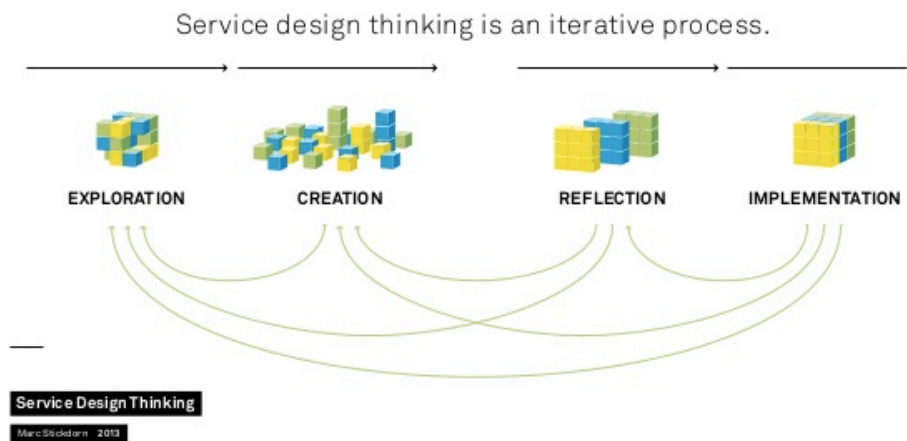


Figure 3. (Stickdorn & Schneider, 2013)

The reality of the service design process is that it is non-linear, iterative by nature, and can be difficult to visualize and describe. One commonly used visualization is “The Squiggle”, which illustrates just how messy the process can seem in the beginning. It is an iterative process and is often necessary to circle back through the various stages of the process several times, constantly revising, changing, updating and refining the idea(s) until finally a clear solution is found.



Figure 4. “The Squiggle” by Damien Newman(Newman, n.d.)

Despite the inherent ‘unstructured nature’ of the service design process, the Double Diamond model can be used to give the process a loose framework and make it a bit easier to comprehend. Within this model there are four stages. The Design Council UK calls these stages: Discover, Define, Develop and Deliver. Engine refers to the process as: identify-build-measure. LiveWork calls it: insight-idea-prototype-delivery. Designthinkers calls it: discovering-designing-building-implementing. Stickdorn & Schneider use the terms: Exploration, Creation, Reflection, and Implementation, which will be used to organize the following section. (Stickdorn & Schneider, 2013) Though this multi stage process goes by various names and takes various forms, ultimately the process follows the same pattern of divergent and convergent thinking: identify the problem at hand and its influencers – work iteratively on ideas until the solution is found – implement the chosen solution.

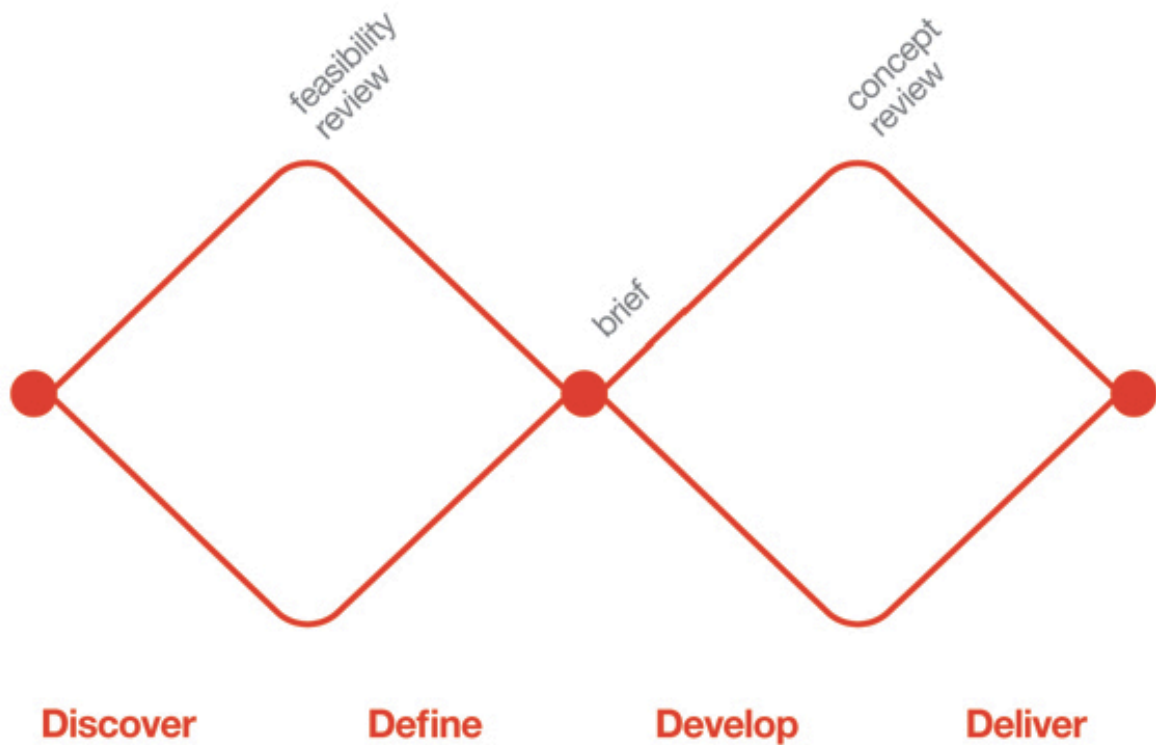


Figure 5. Double Diamond Process (“Design Processes,” n.d.)

Exploration

The first task in the service design process is to gain insights and understand the service provider. What are their goals? What is the company culture? How open are they to the service design process? How much freedom does the service designer have in the design process? Once the designer understands the context of whom the service provider is, they must identify the problem to be worked on and understand it from the service provider point of view. The next task is to discover what the real problem is from the perspective of the customer, keeping in mind the big picture and gathering as much data and insight as possible. In the words of Stickdorn & Schneider (2013), "It is not about trying to find the solution immediately – it is about finding the problem first!" (p. 129). The final task in the discover phase is to visualize these findings and to visualize the structures of the intangible service.

Creation

This second phase is a generative phase of the design process; coming up with ideas, testing them, refining them and retesting. "One of the main features of service design thinking is that this approach is not about avoiding mistakes, but rather about exploring as many as possible mistakes" (Stickdorn & Schneider, 2013, p. 130). The key is to make the mistakes early and learn from them. The other important part of this phase is to include as many stakeholders as possible to ensure that the final solution is holistic in nature. Though the customer is of course at the heart of the service design process, it is important that the final solution satisfies the needs of all stakeholders to ensure the smooth adoption and implementation of the solution.

Reflection

The third phase can be referred to as reflection or development or prototyping. At the heart of this phase is testing the ideas. The challenge here is the fact that services are intangible by nature so it is "important to prototype service concepts in reality or circumstances close to reality" (Stickdorn & Schneider, 2013,

p. 133). It is also crucial to design the prototype in such a way that the customer can envision the proposed service and give meaningful feedback.

Implementation

The fourth and final stage of this process is the implementation of the solution or idea that results from the service design process. Because this stage involves change, which can be challenging, it is important to have management and employee buy-in and input throughout the process to ensure successful implementation (Stickdorn & Schneider, 2013).

Service Design Tools

Service design is a multidisciplinary field and as such it utilizes many different tools and methods to design a service solution appropriate for each company and situation. As all service designers will agree, there is no right or wrong combination of these methods and no set formula for the service design process. The role of the service designer is simply to employ an iterative process, using whatever tools help them to move forward to improve a service. The other role of the service designer is to create a collaborative environment to work in and inspire co-creation between all members of the team. Several of the frequently used tools are described below, though this list is neither complete nor the rule of service design.

One tool that can be used within service design is the AT-ONE Workshops. This is a tool, or really a series of tools, which can be employed at the beginning of the service design process to focus on what a service is and ensure a user-experience focus. AT ONE is a series of 5 separate workshops; each with a specific focus on a potential source of innovation, and these workshops can either be completed together or individually. The 5 workshops are:

A – Actors: focus on collaboration across a value network, looking beyond traditional silos

T - Touchpoints: focus on making the experience consistent across the many touchpoints

O – Offering: focus on the close link between the service offering and the brand

N – Need: focus on the needs, wants and desires of the customers

E – Experiences: focus on the customer experience, which is the differentiator in today's economy

Stakeholder maps are a visual representation of the individuals or groups involved with a service. It is important to recognize all stakeholders, both internal and external, to get a complete overview of who is involved with a given service and the service experience. Further, it is important to note the interests and motivations of each stakeholder and how they interact with the service and each other. In this way, it becomes easier to see who must be involved in the service design process and who must be considered when developing a solution. (Stickdorn & Schneider, 2013).

An important part of the service design process is stepping into the shoes of the customer and viewing the service through their eyes, without the bias of management, employees, etc. Two hands-on ways of doing this are service safaris and shadowing. A service safari sends a team “into the wild” as Stickdorn & Schneider (2013) say, to experience service first hand, noting what makes for a positive or a negative service experience. This ‘safari’ should be documented, though there is no set method for doing this. Shadowing is similar in which the service design researchers observe the service and the behaviors of those involved. The difference is, in shadowing, the goal is to remain unobtrusive observer while a service safari’s goal is first hand experience (Stickdorn & Schneider, 2013).

Interviews and various methods of questioning are frequently used in the service design process are frequently used to gain more information and deeper insights into the service experience form various perspectives. Contextual interviews are ones that are held in the service environment so the interviewer may also observe in addition to question. This allows for greater detail and a better understanding of the external environmental factors on the service experience. The 5 whys are another technique used by interviews to gain a deeper understanding of

a problem. The technique is to pose a series of 5 why-questions, each triggered by the previous question to move from the surface problem down to the root of the problem.

Sometimes it is a benefit for the researcher to gain insights without being present, thereby eliminating the possibility of affecting the responses. Cultural probes serve as one way of doing this. Typically the observation is completed via user self-documentation, whether that is through a diary, camera, video, etc and the researchers give instructions and guidelines throughout the process. This method often results in very deep and intimate insights into the service experience. Similarly, service designers also use a method called mobile ethnography. This process is similar to cultural probes but rather than the researchers structuring the process and directing the individual, in mobile ethnography the individual structures the research process themselves. This method is often facilitated by the use of technology such as smartphones. This method provides insight into the service entirely from the point of view of the customer with no influence from the researcher or service design team (Stickdorn & Schneider, 2013).

A customer journey map is a tool used to visualize the entire service experience of the customer from start to finish, noting all customer touchpoints. The goal of this visualization is to contain enough detail to give insight into the customer experience, but to be simple enough to be easily understood by all. By visualizing the entire customer journey, the service design team is better able to pinpoint the problem areas and the opportunities within the service experience. It also converts the service into a more tangible form; one which may be more easily compared with others (Stickdorn & Schneider, 2013).

Another frequently used tool is the creation of 'personas' or fictional profiles of customer groups which allow the service design team to more clearly define the different interest groups and to visualize the different perspectives of a service. These personas are developed from the insights gained from other methods such as interviews, shadowing, stakeholder maps, etc. Once the personas have been developed, the team can move further to develop 'a day in the life' or a typical day of each persona. This offers more background information and puts the perspectives,

needs, motivations, etc of the persona into context, giving a holistic view of the service interaction. This can then be taken a step further by the use of expectation maps, which defines the expectations of a customer or persona at each point in the service. This helps to define where the service is successful and where it is experiencing problems (Stickdorn & Schneider, 2013).

A core part of the service design process is brainstorming and coming up with ideas. The role of the service designer here is often that of a facilitator, bringing structure to the brainstorming session and helping it to progress smoothly and naturally. Many tools are used in brainstorming such as SWOT analysis, mind mapping or any other ideation technique. Service designers often use the question 'What if' to explore the wide range of possibilities surrounding a service, no matter how outlandish. This allows the group to explore how well the service might be able to adapt to and cope with future changes or potential industry game changers. The process can then move on into design scenarios from these what if questions, developing hypothetical stories around an aspect of the service. Design scenarios function in a similar way as personas, putting the service into a more relatable form in order to analyze and understand it. Storytelling is an additional way to present deep insights into the service experience. Often paired with personas, they provide a storyline which give the scenario context and help it to remain relevant as the idea or solution is disseminated through the organization to be implemented (Stickdorn & Schneider, 2013).

Once the service design team has gained insight into the service, the customers and the stakeholders, it is then time to visualize the service and the proposed ideas through various methods of prototyping. This allows the service design team to learn by doing and to quickly test, change and retest ideas. One way to do this is to create a storyboard. Though similar to a customer journey map, a storyboard depicts the sequencing of various real-life or hypothetical scenarios, often in the form of a comic strip, while a customer journey map is based on what currently happens throughout a service, focusing on customer touchpoints. A storyboard can be used as a sort of prototype, visualizing a particular scenario and allowing for analysis and sparking discussion. A desktop walkthrough serves a

similar purpose but it is a 3-D representation using tools such as Legos rather than 2-D illustrations. A third method involves physically acting out the scenarios, referred to as both service staging and service roleplay, both of which borrow techniques from theatre rehearsal. Service staging involves acting out the scenario. These techniques allow for consideration of more subtle details such as tone and body language, which are important to consider but can be easily forgotten when using other methods (Stickdorn & Schneider, 2013).

One useful visualization tool sometimes used in the service design process is the Customer Lifecycle Map, commonly used in marketing. This helps to visualize the entire relationship between customer and service provider, from initial contact through the end of the relationship and may involve several different customer journeys. This technique helps to highlight where customers abandon a service provider. By knowing this, a company may be able to change the provided service to meet the customers' changing needs and thereby retain the customer. The Business Model Canvas is another visualization tool used to describe, analyze and design business models. It helps to identify the priorities and intentions of an organization, as well as identify their strengths and weaknesses.

Finally, the ultimate visual tool used in service design is the Service Blueprint. This is a clear visualization of all aspects of a service, both front-of-house and back-of-house, and including the perspectives of the user, the service provider and other stakeholders involved. This should be created collaboratively as it will reveal where team work is necessary between departments and it also will reveal if there is any overlapping of tasks which may be simplified or streamlined. It also shows clearly the relationship between back of house and front of house processes. The Service Blueprint "provides a clear roadmap for the actual service delivery" (Stickdorn & Schneider, 2013, p. 205). It is important to remember that this should be a 'living document', continually revised and refocused as customer needs change and evolve, and serving as a guide for the continual delivery of excellent service (Stickdorn & Schneider, 2013).

Design Thinking

Underlying the entire service design process and methodology is a broader methodology and way of thinking known as design thinking. Tim Brown, President and CEO of IDEO design firm, originated the concept of design thinking, which he defines as “a methodology that imbues the full spectrum of innovation activities with human centered design ethos” (Brown, 2008, p. 1). What he means by this is that it is the thorough understanding of what people want, need, like and dislike, by way of direct observation that drives innovation forward (Brown, 2008). Design thinking is “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 value and market opportunity” (Brown, 2008). Design thinking can be applied to products, services, and experiences alike. Design thinking provides the mindset and paradigm for people and companies to begin working with service design (Lockwood, 2010).

Historically, design was only applied in the downstream phases of product development, making an already developed idea more beautiful or aesthetically pleasing. However, now, more and more companies are involving designers earlier in the process, “asking them to create ideas that better meet customer’s needs and desires” (Brown, 2008, p.2). Design thinking is not meant to replace this historical role of design as an art or craft. Instead, it is an additional methodology, meant to be employed by companies to inspire innovation (Lockwood, 2010).

Great design satisfies both our needs and our desires.... as more of our basic needs are met, we increasingly expect sophisticated experiences that are emotionally satisfying and meaningful.... Design thinking is a tool for imagining these experiences as well as giving them a desirable form (Brown, 2008, p. 7).

According to Brown (2008), design thinking and the design process in general is an iterative process, constantly changing and evolving as the designer learns. Typically this process moves through 3 stages: Inspiration, Ideation and Implementation. Inspiration begins with a problem, an opportunity or both and ‘inspires’ the search for a solution. Ideation is the process of “generating,

developing, and testing ideas that may lead to solutions” (Brown, 2008, p. 4). Implementation happens once a final idea is decided upon and it is put into practice. Because of the iterative nature of design thinking, projects will likely cycle through these stages (mainly stages 1 & 2) many times before reaching the implementation stage. Two important tools used during the ideation stage are brainstorming and prototyping. Brainstorming involves coming up with ideas and creating scenarios and is then followed up by prototyping to test these ideas and scenarios. The ultimate goal of prototyping is not to end up with a final product; the goal is to learn. Therefore, “prototypes should command only as much time, effort, and investment as are needed to generate useful feedback and evolve the idea” (Brown, 2008, p.3).

To be a design thinker, Brown (2008) states that one does not have to be a designer, but one must have (or develop) certain characteristics. Design thinkers have empathy; they can view the world from multiple perspectives and imagine solutions desirable for the user. Design thinkers have integrative thinking and optimism; they see beyond the black and white either/or choices and are optimistic that no matter what, there is a solution superior to those currently in existence. Design thinkers experiment and move beyond incremental improvements. Finally, design thinkers collaborate, both within their own discipline and also with experts from other disciplines to arrive at the best solution (Brown, 2008).

Methodology

The following chapter describes the methodology used by the author to design and conduct the research in this study. “Planning is vital in any kind of social research. Failure to plan is to run the risk of losing control of the project and failing to complete it successfully” (Blaikie, 2010, p. 1). The research onion, proposed by Saunders, served as the basis for organizing the methodology section and also for developing the research design of this paper.

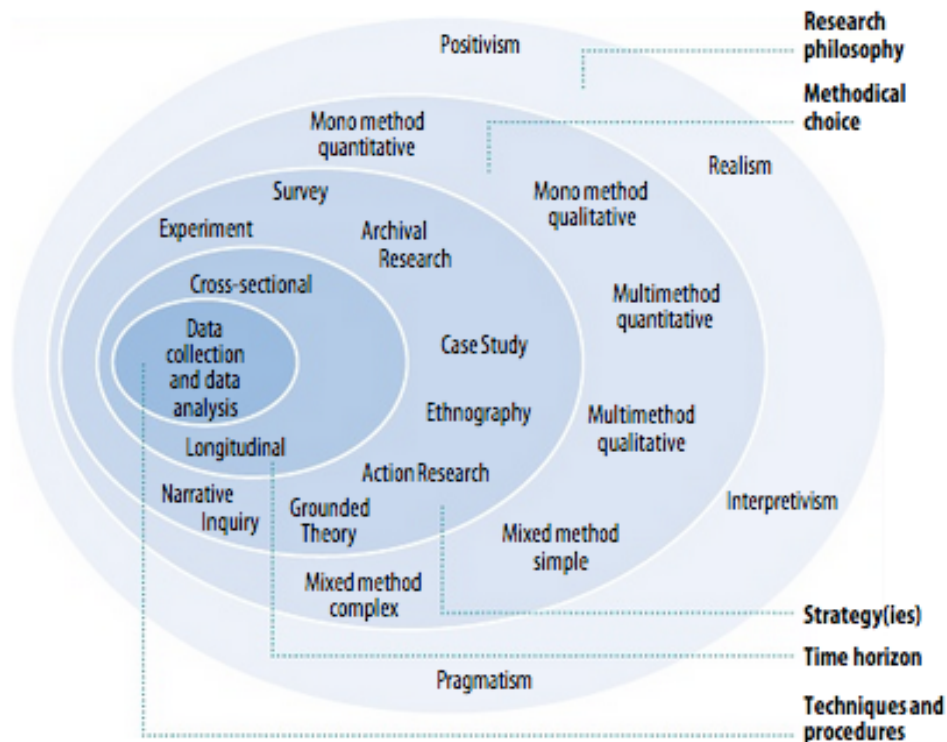


Figure 6. (Saunders & Tosey, 2012)

Research Philosophy and Approach

The outermost layer of the research onion introduces the idea of the research philosophy, which in turn shapes all other decisions within the research process. The main factor that shapes the research philosophy is how the researcher views knowledge and knowledge creation (Saunders & Tosey, 2012). The following sections will delve deeper into this concept and how it has affected and shaped this particular paper.

Research Philosophy

“How a researcher views the world, her or his taken-for-granted assumptions about human knowledge and about the nature of the realities encountered, inevitably shape how a research question is understood and the associated research design” (Saunders & Tosey, 2012). Therefore, it is crucial to recognize and address the personal research philosophy of this author, so that the reader may more fully understand the underlying assumptions, which shaped this research design and process.

The research philosophy from which this author has researched and written is interpretivism. Within this philosophy, “the researcher is more concerned with gathering rich insights into subjective meanings than providing law-like generalizations” (Saunders & Tosey, 2012, p.1). Reality is considered to be the product of people and is interpreted through the meanings of the participants (Blaikie, 2010). The interpretivist researcher focuses their study on people and social phenomenon, rather than on objects and therefore must have the quality of empathy and be able to understand the social situation being studied and also the meanings that the observed people give to the particular situation (Saunders & Tosey, 2012). The researcher views their research as a “function of a particular set of circumstances and individuals at a specific time” (Saunders & Tosey, 2012, p.1). From this research philosophy, one can also determine the author’s epistemological assumptions, which are constructivist. Within constructivism knowledge is viewed to be a result of peoples social interactions. As an observer, and even as a participant, the researcher is not able to observe these social phenomena removed from their own beliefs and assumptions; therefore it is impossible to make factual statements that the knowledge gained is true (Blaikie, 2010). Based on the qualities and characteristics of this research philosophy, it is most appropriate to collect and analyze qualitative data. In addition, because the research is a collection of personal interpretations and therefore does not necessarily represent a fixed reality, generalization is difficult. In such a situation it is most appropriate to focus the research on in-depth data collection with a smaller sample size (Saunders & Tosey, 2012).

Researcher's Stance

The researcher's stance that this author chose to take for this research project is that of the faithful reporter. "The aim is to report a way of life by allowing the research participants to 'speak for themselves'...[and] thus the researcher's task is to present the social actors' point of view" (Blaikie, 2010, p. 51). In this way, the author aimed to gain knowledge and opinions directly from experts within the field of service design. The author understood that by choosing this researcher's stance, empathy was necessary in order to understand the current situation from another's point of view and not necessarily from the researcher's personal point of view. This was also a logical decision as empathy is a key part of service design theory and therefore it is logical for the researcher to employ empathy when studying service design.

Approach

For this paper, the inductive research strategy has been used. Inductive reasoning is typically used when analyzing a 'what' question and to give generalizations about a social phenomenon (Blaikie, 2010). This research strategy was chosen by the author to seek understanding of the current use of service design in tourism. The author is primarily seeking to explain and describe the current situation and interaction between these two fields, rather than test a specific theory or hypothesis, which would instead require deductive reasoning. Inductive reasoning also makes no claims on the outcome of the research, relying on the data and data analysis to provide the conclusion. The author also recognized that inductive reason can also be useful for prediction and evaluation and is therefore a useful strategy for answering the second portion of the research question, what are the future opportunities for the interaction of service design and tourism.

Research Design

The second, third and fourth layers of the research onion (the middle layers) guided this author in the formulation of a research design.

Methodical choice: multimethod qualitative research design

When creating the research design for this research paper, the author made the decision to use the multimethod qualitative design. The decision to use qualitative, rather than quantitative data was guided by the author's research philosophy. Interpretivism lends itself better to using qualitative data (Saunders & Tosey, 2012). The decision to use qualitative data was also guided by the field of service design itself. As a field it is still in its infancy and therefore is a relatively small field with fewer players than other, more mature fields. Also, due to the innate nature of service design itself, as an innovative and highly individualized process (meaning each service design process follows its own unique path and process appropriate to the situation at hand), making broad generalizations is difficult. Therefore the author made the conscious decision to focus on in-depth qualitative data. Due to various limitations, mainly a lower than desired response rate to the interview inquiries (which will be expanded upon in the limitations section), the author made the decision to add a second source of data (published case studies) in order to give a more balanced picture of the current interaction between service design and the tourism industry. This developed the research design in what Saunders and Tosey (2012) refer to as a multimethod qualitative design, the use of more than one qualitative data collection technique (p. 2).

Strategy: Narrative inquiry (interviews) and Case studies

The first strategy this author chose to employ in this study is narrative inquiry, in the form of in-depth interviews. The choice to use narrative inquiry stems from the researcher's philosophy of interpretivism, as it maintains the belief that people understand and give meaning through narratives based on individual experiences and interpretations (Trahar, 2009). Interviews help the researcher to "get close to the social actors' meanings and interpretations, to their accounts of the

social interaction in which they have been involved” (Blaikie, 2010, p. 207). This method therefore offers a way to gain a deep understanding of what is happening within a ‘social interaction’, in this case, the field of service design as used by the tourism industry.

With the use of an embedded research procedure (discussed by Blaike 2010) this author supplemented the data gained from the interviews with data collected from short case studies. These case studies were provided by service design firms on their websites as examples of their work and therefore serve as excellent concrete examples of how service design as a methodology has and is being utilized by firms in the tourism industry.

Time Horizon: Cross-sectional

The timing of this study can be considered cross-sectional, capturing a snapshot of the current situation of service design in tourism. The interviews were conducted over 3 month period (late April 2014 to late July 2014) and as such give information on this topic at the current time and does not give information about any changes within the industry. Due to the time restrictions of this particular study, a more in-depth longitudinal study looking at the changing and evolving relationship between service design methods and the tourism industry was not possible.

Some may consider the collection timing of the case studies to be historical data collection, however, the author views these cases as cross-sectional. These case studies do not contain the specific dates of the project, but because it is common knowledge that the service design field is still in its infancy, with the first firm claiming to work solely with service design (LiveWork) founded in 2001, these cases are considered to be relatively recent and are still able to offer insight into the current state of the field. Therefore, in the eyes of the author, the time horizon of the entire study is considered to be cross-sectional.

Data Collection

Data Collection (Interviews)

For the purpose of this paper, the author chose to collect primary data in the form of qualitative interviews. Due to the fact that service as a field is still young, the global pool of available experts, practitioners and service design firms is quite small. Further, by limiting this paper to service design within the tourism industry, this pool becomes even smaller. Therefore, for the purpose of this paper and research inquiry, in-depth qualitative interviews were a much more appropriate data collection strategy to choose. These interviews were conducted with experts and practitioners in the field of service design, particularly those with some experience applying service design methods to a case in the tourism industry.

Primarily, the interviewees were in their office or workspace during the interview and the author (as interviewer) was in a home or school environment. The source of the data was from a semi-natural setting and dealt with reported behavior, in which the interviewees were asked to report on their experience with service design in general and on their experience with service design as specifically related to tourism.

The selection of the data was carried out as a single stage non-probability sampling. This sampling style was chosen due to the nature of the field being studied. The service design field does not involve a large number of individuals or firms. It is difficult to generalize across because (1) the field is in its infancy; firms used these service design methods under a variety of names (2) firms have different ways of working which do not always follow the theory, which is still being developed, (3) the nature of service design is iterative and specific to each individual project, and therefore difficult to generalize. For this reason, a small sample size is considered to be acceptable and single stage, non-probability sampling is considered appropriate.

Primarily judgmental or purposive sampling was used to select interview subjects. According to Blaikie (2010) judgmental sampling is to be used when it is “impossible or costly to identify a particular population, i.e. where there is no available list of the population elements” (Blaikie, 2010, p. 178). This is certainly the

case when it comes to service design. It is a globally used method and firms exist in many countries (though there are noticeable clusters in Europe), it still remains a relatively undefined field, with practitioners utilizing these methods under a variety of names (such as service design, customer experience consulting, interaction design, etc), and no single list exists detailing all firm worldwide working with these methods. Blaikie (2010) also suggests using this type of sampling when the author is selecting some cases of a particular type, in this instance, cases (people) working with service design in tourism. Therefore, this author decided that judgmental sampling was the correct choice for this paper.

The author began by investigating the theory of service design. This theory guided the search for individuals to interview. The author then performed many Internet searches for firms using service design. The author then formulated a list of suitable firms and individuals who seemed to be of the most used to this project to contact. The choice of who to contact was guided by the theory of service design, services, and tourism industry and was also based to a large extent the personal judgments of the author. Once a list was formulated, the author reached out to these firms first by email and after by phone calls, requesting to set up an interview with someone in the firm to discuss the topic of this research project. A short dialogue typically occurred between the firm and the author and then an interview date was scheduled. The response rate was lower than the author had originally hoped for. A total of 21 firms and individuals were contacted and 8 interviews were scheduled and conducted. The original goal for this study was to conduct 10 interviews. This lower response rate may have been due to the non-probability sampling, though likely it was also due to the busy schedule of the individuals contacted, the short timeframe within which this paper had to be completed and the fact that this research process is being completed during the summer season when many individuals are away from work on summer vacations.

In addition to judgmental sampling, to a certain extent, snowball sampling was also used within this research process. At the end of each interview, the author asked who else in the field would be helpful to speak with and whether or not the

interviewee was willing to make that connection. The author then followed up on those leads to attempt to schedule an interview with the suggested person(s).

The interviews were conducted via Skype due to geographical distances between the interviewer and interviewee. Interviews were recorded via call recorder software purchased from ecomm. Each individual was asked in advance if they were all right with the interview being recorded and were informed that the recording was purely for the purpose of this research paper. It should be noted that the interviews were conducted at various times of the day because scheduling was solely based on the interviewees' schedule. This, however, did not seem to affect the data collection process or the findings. Third party individuals then transcribed these interviews for the author. The author then reviewed each transcription with the original recording to ensure the reliability of the transcription that has been made. Validity of an interview transcription is much more difficult to determine due to oral and written language following different sets of rules (Kvale, 2009). However, as the purpose of this paper is primarily descriptive in nature, the author determined that a reliable, near verbatim, transcript of the interview would suffice and that closer attention to the nuances of the interview, including pauses, body language, etc. was unnecessary. The transcriptions were made to assist the author in the analysis stage of the research process, allowing for a deeper analysis of the topics discussed and data gathered during the interview and avoiding a superficial analysis.

The interviews all began as in-depth and semi structured interviews but then typically evolved into an unstructured interview/conversation. The author began each interview with a set of general questions reproduced on the following page:

<i>Interview Questions Guide:</i>
<i>1. How do you work with Service design?</i>
<i>2. What path led you to a career working with Service design?</i>
<i>3. What, in your opinion, can service design offer a service business that other methods cannot?</i>
<i>4. What can service design offer to the tourism field? Broadly or specifically.</i>
<i>5. What are the opportunities service design offers to tourism businesses?</i>
<i>6. What are the challenges in utilizing service design in tourism businesses?</i>
<i>7. Have you worked on any service design projects with a tourism related company? If yes, can you please tell me about it? (details, process, challenges, successes, etc)</i>
<i>8. What do you see as the future of the service design field broadly and also in relation to the tourism field?</i>
<i>9. Do you have any 'go to' service design methods that you always use or recommend? What is your usual process?</i>
<i>10. Can you connect me with anyone else in the service design field that has worked on projects with a tourism related company?</i>

Figure 7. Interview Guide

When dealing with interviews it is important to be aware of the power asymmetry between the interviewer and the interviewee (Kvale, 2009). The author/interviewer began in the power position, asking questions, specifying the topics that should be discussed and directing the interview. The interviewer then allowed these interviews to take a natural course, allowing the interviewee to take over the power position and to segue into other related topics they wished to discuss and share. The reason for this was that the author wanted to learn the personal opinions, insights and experience of each interviewee. As this occurred, the author asked follow-up questions to progress then interview, dig deeper into a subject matter and to learn more about, for example a particular project or method of working. When necessary, the author directed the interview back to the intended subject by asking another direct question from the interview guide.

Data Collection (Short Case studies)

Secondary data was also used to supplement the primary interview data. This secondary data was in the form of short case studies of service design projects completed with relevant tourism firms. This data was added to the research as a part of the emergent multimethod research design, which developed during the research process. Due to the lower-than-desired response rates from the interview request, the author chose to utilize these published cases to supplement the data collected during the interviews, in an embedded process (Blaikie 2010). The case studies were collected from the websites of several service design firms that had made these cases available to the general public for the purpose of education and marketing.

Service design firms include these cases in their home website as examples of their previous work and successes. This record of previous work helps to create awareness of the methodology and to inspire interest and buy-in with new and potential clients. This is useful as the field of service design is still in its infancy and its methods are not yet widely known across industries and firms. The data source of these case studies may be considered by some to be social artifacts or records of past activity, however for the purpose of this paper the author considered these cases to be current enough to be relevant and to contribute to a cross-sectional study. It is important to remember that these cases have been recorded and presented by the firm that conducted the project and therefore may contain bias in its account of both the project and its outcome. The cases were collected from the following firms: LiveWork, Engine, and Frontier.

These case studies were also collected via single-stage non-probability sampling using both judgmental and snowball sampling. The judgmental sampling consisted of the author searching through the websites of relevant service design firms for case studies and using personal judgment to determine which cases were relevant to the tourism industry, while the snowball sampling occurred when individuals being interviewed mentioned a particular project or case which could be found on their company's website.

Data Reduction and Analysis

Data Reduction

“Data produced by most methods of collection require some manipulation to get them into a suitable form for analysis” (Blaikie, 2010, p. 208). When dealing with qualitative data, researchers typically use either open or axial coding, developing themes or typology construction. This author chose the data reduction method of developing themes as a way to reduce the data from both the interviews and the case studies into more meaningful data, which could then be analyzed. Due to the fact that when dealing with qualitative data it is impossible to separate data reduction from data analysis, this thematic reduction and analysis method will be described in greater detail in the following section.

Data Analysis

As was introduced in the previous data reduction section, this author chose to use the thematic data reduction and analysis method. In order to carry out thematic analysis, one must first create a code to reduce, summarize and/or condense the data collected data. The author created an initial code based on the research question and on the interview guide. The author then also created an emergent code based on additional information provided in the interviews. These two codes when then used to find overarching themes within the data. These themes were then analyzed.

During the research process, what was initially designed as a single method qualitative study consisting only of expert interviews developed into an emergent multimethod design (Saunders & Tosey, 2012). Due to the lower response rate to the interview requests than initially desired , the author began looking elsewhere for additional supplementary information. The author then discovered that many of the service design firms published case studies as examples of what they had accomplished on past projects. The author used these case studies to supplement the data collected during the interviews using an embedded procedure. The author utilized thematic coding to analyze this data as well.

For the purpose of this study, the author decided that descriptive analysis was sufficient to answer the current problem statement and research question and that it was not necessary to develop a new theory from the collected data.

The unit of analysis used for the interviews was that of the individual being interviewed. Because of the small sample size and because of the individualistic nature of the service design field and methodology, it was appropriate to choose this unit of analysis. The unit of analysis used for the case studies was each individual case study project. This was the appropriate unit of analysis to choose because of the nature of service design. A key aspect of the service design methodology is that each individual problem and project determines the design process and methods to be used. Further, the iterative process that service design follows results in each project following a unique path, with no two projects following exactly the same course. Therefore, service design projects cannot easily be generalized across and therefore are better analyzed individually rather than grouped together

Findings

Interviewees' Background

One of the initial findings from this study was that today's practitioners of service design have very varied backgrounds and each taken their own individual path, which then led them to the field service design. Each person interviewed came from a field other than service design and none had formal training in service design specifically. Instead, it was their collection of personal experience, work experience and developed skill set which led them to find service design and begin working with it. Their explanations also help to verify the theoretical claim that the field of service design is still in its infancy as most interviewees claim to have come across the term service design only in the last 10 or so years, though many were doing it before then, just under another name. According to Adam Lawrence, they can be considered the 2nd generation of service designers. The 3rd generation of service designers is being trained now in bachelor and master's programs specifically focused on service design. These 3rd generation service designers will be the first generation to have formal training in the service design methodology in their higher education (A. Lawrence. Personal communication. April 30, 2014). The following section described the backgrounds of the individuals interviewed for the purposes of this paper.

Adam Lawrence

Adam Lawrence, together with a partner, runs the organization WorkPlayExperience. They do not actually use the term service design in their literature because they claim not to have official background in design. Instead they call themselves a customer experience and service innovation company and use service design as a tool to innovate services. Adam's background is an education in psychology, then work in marketing, particularly within the automotive industry, followed by work in product development. He then worked in theatre for several years before discovering Service Design and founding WorkPlayExperience. He is also an associate of Marc Stickdorn (another individual interviewed) and Adam and

his partner assisted Marc in developing the service Design in Tourism Conference in 2012 and 2013 (A. Lawrence. Personal communication. April 30, 2014).

Robert Bau

Robert Bau is currently a professor of service design at the Savannah College of Art and Design (SCAD). During the interview, he explained that he had always been interested in the interaction between service and design or business and creativity, so he decided to take 3 degrees: one in business administration, one in graphic design and one in advertizing. Through his career he has worked as a strategist and consultant and had worked in the fields of advertizing, branding and innovation. In 2005 he came across the founders of Engine (service design firm in the UK) and became intrigued by the field of service design. He then took an MBA in design management. This experience then led him to join SCAD and assist them in building up their BFA and MFA in service design programs (R. Bau. Personal Communication. May 13, 2014).

Troy Thompson

Troy Thompson currently runs the consulting firm Travel 2.0, a service design consultancy specifically geared towards tourism, primarily destinations. Troy's background is a bachelor's degree in fine arts followed by work in the entertainment industry and some work in sports industry. He moved into tourism work, specifically destination marketing, about 10 years ago when he began a job with the Arizona state tourism office. After working with destination marketing for a few years he began a strategic planning consulting firm, Travel 2.0. About 4-5 years ago, while doing research he came across term and methodology service design and adopted the way of working. He now considers himself to be a service designer (T. Thompson. Personal communication. May 15, 2014).

Rune Yndestad Møller

Rune Møller currently works at LiveWork, which became the first firm to focus solely on service design in 2001. Despite working for a service design firm,

Rune is not a service designer; he is a business designer. His background is in business and consulting. He has been working with LiveWork for about 2 years now. According to Rune, the position of business designer was created in order to work on the gap the LiveWork had been seeing between what they had designed and what was actually implemented (R. Møller. Personal communication. June 17, 2014).

Melvin Brand Flu

Melvin Brand Flu also works for LiveWork and is also a business designer, not a service designer. He is one of the managing partners of the company. His background is in strategy and business consulting. Throughout the interview Melvin expanded upon the reason LiveWork now employs business designers in addition to their service designers in order to better implement the solutions they design. This will be expanded upon later in this section (M. Flu. Personal Communication. June 17, 2014).

Bob Cooper

Bob Cooper is the owner and founder of Frontier Service Design. His background is in marketing, with particular focus on telecom and technology companies. He then moved on to start an interactive marketing agency. Throughout his career, Bob's work revolved around service businesses and he called himself a business designer. The primary focus of his work surrounded the technology and media industries. Then in about 2007 he came across the term service design and its accompanying methodology. After researching this new methodology, Bob realized how well it fit with the work he was already doing with service businesses, so he founded Frontier Service Design and now calls himself a service designer. (B. Cooper. Personal Communication. July 23, 2014.)

Marc Stickdorn

Marc Stickdorn is one of the major authorities on service design, particularly as it relates to the tourism field. He is one of the co-editors of the text *This is Service Design Thinking*, which is one of the main theoretical books used for this research

paper, and he has written numerous papers and studies on the subject. He is an external lecturer at MCI – Management Center Innsbruck and is also a service design consultant on numerous projects worldwide (M. Stickdorn. Personal Communication. July 24, 2014). It should be noted here that during other interviews, when asked whom else this author should speak with about service design and tourism, several interviewees referred me to Marc Stickdorn.

Gemma Ginty

Gemma Ginty is a service designer currently working for Engine Service Design in the UK. Her background is in design, as a trained architect. She then went on to get an MBA, which would allow her to bring design capabilities to more strategic business problems. From this background in both design and business, Gemma developed a skill set which fits service design; as a designer she is able to visualize the problem and the research and the solutions, she has the empathy to understand the problem from multiple points of view and she has the business knowledge to understand the company or problem at hand and the authority make the case for why service design is a good investment. The design training also allows Gemma to take a systems thinking point of view as opposed to linear, which is crucial when working with service design (G. Ginty. Personal Communication. July 31, 2014).

Benefits of Service design

A major focus of the data collected for the purpose of this paper is the many benefits of utilizing service design, particularly for a tourism related business. The main characteristic that all 8 individuals interviewed mentioned was the fact that service design is focused on the customer. This human-centered approach is different from most other business and consulting approaches, which typically place the organization at the center. The customer-centric approach is particularly relevant to the tourism industry, which has changed greatly due to the growth of the Internet. According to Marc Stickdorn (and supported by the industry research this author has conducted) “tourism is about the customer.” The travel purchase

decision is now largely determined by the customer's feelings. This purchase decision is also greatly influenced by social media and peer review sites. Therefore, the best way to win the purchase is to manage the customer experience before, during and after the service offering, thereby ensuring a positive presence online and securing future purchases (M. Stickdorn. Personal Communication. July 24, 2014). Service design provides a method for doing just that. The human-centered aspect also provides a method of refocusing on the customer in a business that has become standardized and industrialized, as has happened with many tourism businesses as the industry has grown (A. Lawrence. Personal Communication. April 30, 2014). According to Marc, "its not enough to standardize, It's about questioning those standards from a customer perspective and then adapting it to improve customer experiences" (M. Stickdorn. Personal Communication. July 24, 2014). Similarly, Troy pointed out, that by refocusing on the customer, tourism businesses such as the DMO, can regain relevancy that had been lost due to technological advancements of the Internet and information sharing (T. Thompson. Personal Communication. May 15, 2014).

Service design also serves as an answer to the current trend of the experience economy. Today, people expect more from a service than they once did; the focus is no longer on function, but on experience. Experience is the differentiation, particularly in an industry such as tourism in which the choices of what to do or where to go are nearly endless. Service design is a method of innovation and differentiation (T. Thompson. Personal Communication. May 15, 2014).

Finally, service design visualizes problems differently; it works as systems thinking rather than linear thinking, having the ability to visualize the entire journey and experience at once (G. Ginty. Personal Communication. July 31, 2014.). This makes service designers very good at framing and reframing problems (R. Bau. Personal Communication. May 13, 2014). The focus is learning by doing, prototyping, trying out new ideas in a desktop walk through or rehearsal exercise, gaining insights and moving forward.

Service Design Toolkit and process

Something that all 8 individuals interviewed had in common is their discussion of the 'service design toolkit'. Each interviewee discussed many different tools and methods that may be used in service design. They also each referenced going through a multi-stage process when working on a service design project. Stages of this process go by many names but always refer to the same basic process of divergent and convergent thinking that can be exhibited by the double diamond process, which was even mentioned specifically by name by Gemma and Robert. An unexpected point shared by many on the interviewees was that this process did not change based on industry. They all agreed that they approach each problem or challenge in a similar way, using their process to define the problem at hand. This then in turn determines the tools that should be used to proceed.

The toolkit shows the multidisciplinary nature of service design as a methodology. Adam shared insight into this fact by explaining that the customer journey map comes from interaction design, stakeholder maps come from marketing and service blueprints originated in NYC hotels in the 1880s (A. Lawrence. Personal Communication. April 30, 2014). According to Robert, it is not enough to pick up four or five tools; it is about building a comprehensive toolkit (R. Bau. Personal Communication. May 13, 2014). This toolkit of relatively simple methods provides common language and allows "a whole bunch of people with their own expertise have a sensible conversation... based around one common thread... the customer experience" (A. Lawrence. Personal Communication. April 30, 2014).

Co-creation

The key skill that service design brings to the table is the ability to facilitate co-creation (M. Stickdorn. Personal Communication. July 24, 2014). "We can't just be that solo designer, you have to be able to co-create with other people all of the time" (R. Bau. Personal Communication. May 13, 2014). This is particularly important for an industry like tourism. Any service in the tourism industry does not stand alone; it is a part of a network, dependent on partners (both direct and indirect) to provide the full tourism experience (G. Ginty. Personal Communication. July 31, 2014). This

network and interconnectedness of the industry makes it difficult to manage the customer experience. However, by involving relevant stakeholders and partners in the service design process and working together co-creatively, there is an opportunity to manage a greater portion of the customer journey and experience. The role of the service design team is to facilitate this co-creation; to bring the various stakeholders together from both within the organization and from without

The co-creative method of working also helps to inspire buy-in from all stakeholders involved and helps with the implementation process. Front-end employees will feel more ownership of the new idea because they have been involved in the design process (A. Lawrence. Personal Communication. April 30, 2014). “If you can bring [the] change from within, it is far more powerful and it sticks more” (G. Ginty. Personal Communication. July 31, 2014).

Adam revealed a rather surprising aspect of this co-creative nature of service design. In his experience, co-creation has moved beyond individual projects and into the field of service design itself. Service designers are able to contact their competitors to ask for help if they are stuck on a project and together they will find a solution. The community is focused on sharing knowledge and tools, which is also supported by the fact that so many of the service design firms publish not only their case studies freely but also their work processes, articles on service design and tips for providing excellent service design. Adam believed the reason for this is twofold; one reason is that co-creation is so central to the methodology that it is natural to share knowledge and expertise when needed and the second is that because the field is so new, they are far from saturating the market, meaning that success of the competition actually helps to create awareness of and interest in the field as a whole, bringing new business to all (A. Lawrence. Personal Communication. April 30, 2014).

Challenges of Service Design

Despite the many benefits of the service design methodology, there are still several challenges that the field faces. Firstly, the field is still new; firms are unfamiliar with the methodology and do not yet trust the design research which has

been completed so far. Businesses believe that they do not need service design because they think they know their customer (M. Stickdorn. Personal Communication. July 24, 2014). However, service design looks beyond standard stereotypes, segments and quantitative statistics, gaining deeper and truer understanding of who the customers really are.

Clients can also be intimidated by the very nature of the methodology, which is iterative in nature, involves all stakeholders (including those from outside the organization) and embraces mistakes as part of the process. In addition clients find the idea of prototyping to be intimidating and are afraid of putting unfinished ideas in front of their customers. “However, if [service designers] are able to convince [firms] to do that, they see the power of it within minutes and they are convinced” (M. Stickdorn. Personal Communication. July 24, 2014). All those interviewed agreed, that once the hurdle of making the case for service design has been crossed, firms are quickly able to see the powerful insights and ideas that service design can offer them.

Additionally, service design is not yet a protected field, meaning that there are no predetermined qualifications to be a service designer, as there is for fields like medicine and law. This is supported by the varying background of those interviewed for this paper, not one followed the same path to service design. Because of this, clients are not always sure what kind or what level of service design they will be getting from a particular firm and setting initial expectations is difficult (G. Ginty. Personal Communication. July 31, 2014).

Finally, Melvin and Rune discussed a challenge of service design, which according to them, has not yet been addressed by most service design firms or even by the academics of the field. The challenge is that of implementation. Within LiveWork, they noticed a “clear gap between what is designed and what is implemented” (R. Møller. Personal Communication. June 17, 2014). For this reason, they have added business design as a complement to their existing service design to determine each firm’s capacity and capability for innovation and change. The service designers will then design within those constraints. Though this may not result in the most exciting innovations, it will result in innovations, which the firm

can realistically implement (M. Flu. Personal Communication. June 17, 2014). This notion was also supported by Gemma who discussed the fact that service designers are good at designing service, but not so good at measuring that service and the results of the innovation. She felt that more tools were needed to enable service designers to do this (G. Ginty. Personal Communication. July 31, 2014). As Melvin explained, “If you can’t implement it, it’s not going to be successful” (M. Flu. Personal Communication. June 17, 2014).

Future of Service Design

All those interviewed agreed that a major element in the future of service design is greater awareness of the field. As the field progresses, more cases and success stories will be shared and awareness of service design will spread. Another contributing factor is the increasing presence of service design in schools. Degree programs now exist focusing on service design, offering the workforce individuals with formal service design qualifications, thus eventually formalizing the field. Service design is also being introduced to many of the top tier business schools and eventually will trickle down to other schools as well.

This increase in awareness of service design as a field will also lead to an increase in the awareness of the methodology used. This in turn can open up opportunity for SMEs, which are unable to pay for external consultants to help them innovate their business. Once the methodology is better known, a sort of DIY methodology will emerge. According to Marc, this will be a “breakthrough moment for service design in tourism” because the tourism industry primarily consists of SMEs. (M. Stickdorn. Personal Communication. July 24, 2014).

Examples of Service Design in Tourism Industry

In general, there was a consensus among the interviewees that tourism as an industry was not particularly innovative and that any innovation that may have entered the industry typically came from the outside. Also, any innovation currently happening within the tourism industry tends to come from larger players who have greater capacity and larger budgets, which allow these larger companies to enlist

the help of a service design consultant (M. Stickdorn. Personal Communication. July 24, 2014). However, there have been several documented cases of service design helping to bring innovation into the tourism industry. To answer this question, how is service design currently being utilized by tourism businesses, the author used two sources of data for analysis. The first source of data was the interviews. During each interview, the interviewer asked the interviewee to discuss any projects they had been involved with or were aware of within their company that applied service design to a tourism related business. Because of the low response rate from the interview inquiries and also due to the relative lack of familiarity many of the interviewees had with the tourism industry, the author turned to published case studies from service design firm websites to provide additional data on service design projects within the tourism industry. This section is divided according to sector within the tourism industry.

Airlines and Airports

Engine has published several cases relating to projects they have completed with airports and/or airlines and Gemma also shared a brief story about another airport related project that Engine worked on. Heathrow airport in particular has worked with Engine a great deal, 3 projects between Engine and Heathrow are published on Engines website, though more may have been completed. Heathrow enlisted the help of Engine's service designers to solve various challenges such as designing an information hub to provide international travelers with the information they need in a more enjoyable and efficient way. Together they also redesigned the premium passenger security experience and revamped the experience that connecting passengers have as they move through the airport. In each of these cases Engine promoted a customer centered view of the experience and facilitated a co-creative innovation process between the various stakeholders involved in an airport project, both front of house and back of house ("Heathrow information hub - Engine," n.d.).

With Aeroportos de Portugal (ANA), the state-owned company that operates Portugal's 8 major airports, Engine was brought in to help them change their

focus from infrastructure to that of a service provider. ANA realized that because of the changing environment within which they were operating infrastructure was not enough to survive and that the way of the future was to focus on the customers. Engine helped ANA to build a new brand and a strategy for implementing this new customer-centric focus (“Aerportos de Portugal Case - Engine ,” n.d.).

Engine service designers were also enlisted to assist the in-house service design team of Virgin Atlantic with the redesign of their flagship space in Heathrow Airport. The goal of this project was to match the Virgin pre- and post-flight airport experience with their in-flight experience. The challenge with this is the alignment of the various stakeholder involved in an airport experience to create one cohesive customer service experience. This is what service design can bring to such a project, the ability to understand both the customer and also the restrictions of the infrastructure they are operating within. All of these factors were combined and exhibited on the customer journey map, aligning front end with back end processes and ensuring a feasible implementation of the new design. According to Engine and the statistics provided by Virgin, this new design has led to a 75% decrease in check-in times and a 30% increase of the Customer Service Index (“Virgin Atlantic Case - Engine,” n.d.).

Finally, Gemma mentioned a project Engine worked on with a new airport (she did not provide names. The challenge with building an airport is that they very quickly become out-of-date. By enlisting the help of a service design team, this new airport hoped to gain insights into what the ‘airport of the future’ might be and to get themselves away from conventional ways of thinking about airports. Though Gemma did not share the ultimate results of this project (she may not yet know herself), this example of how service design can bring fresh ideas and unique insights into a project

Cruise

During her interview, Gemma Ginty described one tourism related service design case with a major cruise line. This cruise line was a leader in the sector and as such was feeling pressure from their competitors but was finding it difficult to

keep up with the dynamic demands of the cruise industry. In this case, Engine service design was brought in to jump-start and facilitate the innovation process, focusing on a re-design of the luxury self-serve dining experience. To do this, the service design team began with the research stage; undercover shopping at various luxury businesses (outside of the cruise industry) to gain an understanding of what a luxury experience is and should be. They then facilitated the process of brainstorming what the new luxury cruise self-service dining experience could be, including the roles of the staff, the displays and how to maintain innovation in this space to combat the static nature of service offerings during a cruise voyage. For this particular project, the cruise line chose to only utilize engine for the research and idea generation stages. They plan to implement the solutions that came out of this process next year when they dock the ship for a redesign (G. Ginty. Personal Communication. July 31,2014).

Destination marketing (destinations and attractions)

Troy Thompson is a service designer who focuses solely on tourism destinations, working mainly with CVBs (Convention and Visitor Bureaus), DMCs (Destination Management Companies) and DMOs (Destination Marketing Organizations). One case that Troy shared during his interview was a project he worked on with the Saint Paul, Minnesota DMO. According to Troy, many DMOs are losing relevancy because of the changing tourism market and in particular the evolution of the Internet, which now makes it possible for tourists to find necessary information regarding their planned trip quickly and easily. This is where service design can make a difference, helping to create a unique, customer focused service experience and therefore reestablishing the DMOs relevancy. In the case of Saint Paul, they were looking to revamp their visitor center experience. After going through the stages of the service design process and focusing on the needs of the customer rather than on the traditional way for a DMO to operate, it was discovered that a mobile visitors center would be more effective and more cost efficient than a permanent stationary visitors center. Together they prototypes this idea and then

eventually implemented it last year. According to Troy, the mobile visitor center has been a huge success (T. Thompson. Personal Communication. May 15, 2014).

LiveWork has published two cases of projects they have worked on with a destination or attraction and Melvin Brand Flu also shares some insight into these cases. One was a project with North Norway Travel, and inbound travel agency striving to better promote the destination Tromsø (“North Norway Travel Case - Livework,” n.d.) and the second case was a project completed with the Royal and Ancient Polar Bear society (“Royal and Ancient Polar Bear Society Case - Livework,” n.d.). The goal of each of these cases was to increase the number of visitors and maintain relevancy of the destination by focusing on the customer experience. According to Melvin, the main insight that service design was able to bring to these projects was the understanding that it was not enough to focus on the ‘during’ portion of the service. In order to truly provide excellent customer experience it is important to be aware of and to design the ‘before’ and the ‘after’ as well (M. Flu. Personal Communication. June 17, 2014). It should be noted that at the end of his interview, Rune mentioned the Tromsø case as a great example of when service design alone was not successful and that the project should have included a business design element to work with the implementation of the design (R. Møller. Personal Communication. June 17, 2014). This author attempted to set up an interview with the service designers who worked on that project to gain more information but received no response to that inquiry.

Hotels

Marc Stickdorn shared 3 cases of service design being utilized by hotels. He began by talking about the hotel industry in general, discussing how innovation within the hotel industry could be mainly seen to be happening within the larger players. An example of this is Hyatt Hotels. According to Marc, they have now embraced the idea of design thinking and are partnering with IDEO and the D school at Stanford University. The result of these partnerships and design thinking is that Hyatt now has 9 prototype hotels around the world, which are free from regulation. Their purpose is to try out new ideas with actual customers, get feedback and

iteratively improve the idea until it is ready to be rolled out in their standard hotels. This is the first time this author has come across such a thing within the tourism industry (M. Stickdorn. Personal communication. July 24, 2014).

Another case that Marc shared was a project he worked on with a single hotel to revamp their lobby experience. The project began with a customer journey map, which revealed the check-in process as a low point in the customer experience. The check-in desk at this particular hotel was one long counter; similar to those of an airline check-in. Marc recommended prototyping. Initially the hotel director said no because of the assumed costs of an architect to change the structure. However, service design prototyping aims to test ideas at the lowest possible cost, so Marc and the team built a new check-in table out of cardboard to test. They then added a laptop and check-in staff and began the prototype test. They observed guest reactions and saw that the guests actually preferred this new check-in table to the long counter. The team then utilized some ethnographic techniques such as observation and interviews to learn more about customer behavior. They noticed that many of the guests continually peeked around the laptop to see what the hotel staff was typing and to verify information. From this observation, the service design team revised the prototype, which is one of the advantages of prototyping, the ability to make quick changes and immediately see the affect of that change. The revised prototype sat the guest and hotel staff at an angle rather than across from each other, allowing both to view the computer screen and creating a more personal and immersive check-in experience. According to Marc, this hotel then implemented the check-in desk solution. This same hotel has also begun to work with service design continually internally though something they call customer experience sprints. These are 6 month long processes which begin with customer journey mapping, finding negative spots and iteratively improving those. After 6 months they begin the process again, dealing with new issues that have arisen (M. Stickdorn. Personal communication. July 24, 2014).

A third project that Marc was involved in was for an Austrian ski resort. For this project, the service design team was brought in at the very end of the development process, two weeks before the blueprint finalization date. This resort

had already undergone 2 years of development. The goal of the project was to be a family friendly ski resort. After completing a customer journey map, personas and 'day in the life' exercises, they build a tabletop walkthrough with LEGOS to act out the customer journey. From these tools, the service design team could see that the resort team had actually forgotten about children in their design, even though 'family friendly' was the goal of the resort. The service design team then moved on to facilitate a brainstorming exercise to improve the design and make it more family-friendly. The service designers were able to take a multidisciplinary approach and facilitate a co-creative work environment that lead to a better solution being found. Through the service design methodology, the design of this ski resort was evaluated and improved in only 2 weeks. This new design was then built over the winter and according to Marc, has already received exceptionally good ratings from families (M. Stickdorn. Personal communication. July 24, 2014).

In addition to Marc's personal descriptions of service design in hotels, the author came across 2 cases dealing with hotels published by the service design firm Engine. The first case explains a project Engine worked on with Virgin Hotels ("Virgin Hotels Case - Engine," n.d.). Virgin Hotels is the latest venture of the Virgin Group and is aiming to open its first hotel in Chicago. Virgin approached Engine to "assist with the brand proposition and translate it into the design of the guest experience" ("Virgin Hotels Case - Engine," n.d., p. 1). The service design team first began with the vision of the guest experience, focusing on community rather than exclusivity. They then researched the hospitality market and the target audience of the intended Virgin Hotels. Understanding the target audience and what they desire through the use of key personas is a key step in developing the appropriate guest experience. Together with the Virgin team, the Engine service designers developed service features and touchpoint ideas throughout the customer journey and made use of technology to ease these interactions. Each of the ideas was then assessed and the more appropriate and more effective ideas were chosen to be a part of the Virgin hotels experience. By involving Engine and the service design process from the beginning, Virgin hotels now has a cohesive, branded guest experience when they

intend to implement when they open their first property in Chicago (“Virgin Hotels Case - Engine,” n.d.).

The second hotel case provided by Engine details a yearlong project they worked on with IHG (InterContinental Hotels Group), one of the world’s largest hotel groups consisting of seven brands, 4,500 hotels in over 100 countries. IHG enlisted Engine service design to help them with a group wide project focused on providing excellent and consistent service across all 7 brands worldwide. Taking on a project such as this requires a great deal of collaboration and cooperation between the myriad of stakeholders from the various brands and properties worldwide that are involved. This is a challenge that service design as a methodology and process is well equipped to handle as it holds co-creation as central to the process. Engine began first with a pilot program in Holiday Inn (one of the 7 brands) to define “differentiation, an ideal guest experience and key opportunities”, involving all necessary stakeholders in the process (“IHG Case - Engine,” n.d., p. 2). This pilot program was a way for Engine to test (prototype in a way) the tools needed to determine the distinct features of each individual brand and also tools necessary for implementing a consistent experience across all brands. Engine the built upon these tools “to create a detailed program to enable all seven brands to simultaneously (“IHG Case - Engine,” n.d., p. 2). At the end of the one-year project IHG had four key deliverables that were actually feasible for them to accomplish and implement and which they are working to implement in the near future across their seven brands.

Public transportation

Through the research process, the author found 2 cases of service design being applied to public transportation. In one, LiveWork applied it to the Danish Rail system (“DSB - Livework,” n.d.) and in the other LiveWork applied it to the London tube for the purpose of improving experiences during the 2012 Olympic Games in London (“Experiencing London better - Livework,” n.d.). The goal of both of these projects was to improve customer experience when using the public transportation system and the services. To tackle these large projects, the service designers used

customer journey mapping to gain deep understanding of the current customer experience and to pinpoint the customers' touchpoints throughout the experience. The journey mapping also helped to identify customer expectations of the service and looked at the full customer journey before, during and after the actual transportation service. To accomplish the customer journey map, the service designers spoke with customers and shadowed them as they moved through the transportation system. Once the information was gathered, the service designers facilitated the creation of an actionable service design plan to address the experience issues determined in the customer journey map. The implementation of both of these projects has begun according to LiveWork.

Tour operator

The research for this paper revealed one example of service design being applied to a tour operator. Robert Bau was working with a design consultancy at the time, teaching them to do service design, as they were a more traditional design firm. Together they took on a service design project with TUI Nordic. TUI had just completed a process of mapping their business processes with another consulting firm and decided that they were also interested in mapping the customer experience to be sure that they were providing consistent service. This project was completed over several months, utilizing many service design tools and concluded with a service blue print of TUI Nordic's entire service experience, including before, during and after the actual service delivery. This service blueprint was then merged with the company's business processes, which the service designers discovered were not very customer focused. The merging of the two maps (business processes and service blueprint) helped to create a more cohesive and customer-centric service offering that was still aligned with the main business processes (R. Bau. Personal Communication. May 13, 2014). It should be noted that Robert did not share the results that this mapping process had on TUI's business.

Not Implemented Examples

In addition to the implemented cases described above, Bob Cooper also shared two projects he worked on applying service design to tourism firms, but which were ultimately not implemented. The first case was a project Bob undertook with a large hotel chain. The goal of the project was to develop a new in-room service that could drive new revenue streams for the hotel. Based on Bob's experience with technology and various technological interfaces, the solution chosen was an interactive TV in each room. This TV would be connected to the Internet, allowing the guest to surf the web, stream movies, etc. and would also serve as an e-commerce interface allowing the guest to purchase items from the room, such as the brand of mattress used in the room. This solution was never implemented due to bandwidth issues (and cost associated with increasing bandwidth) and also because the service design advocate within the firm left the firm.

The second project was with American Express Business Travel, dealing with the issue of how to keep the human travel agent relevant in today's tourism economy. Bob took the team through the service design process, brainstorming solutions, and focusing on the unique skills of the human travel agent. However, according to Bob the project just fizzled out and was never continued nor implemented. In Bob's opinion this is what happens in large companies when the innovation process is not being pushed from the top down (B. Cooper. Personal Correspondence. July 23, 2014.).

It is important to mention that through the process of the eight completed interviews, these were the only tourism related service design projects the author was told about in which the solution was not implemented.

Discussion

The purpose of this paper is to address the following research question: How and why has service design been utilized within the tourism industry? As can be seen from the cases and data presented in the findings section, there are firms in the tourism industry that have embraced the methodology of service design to solve the problems and challenges that they are facing. In most cases, the results have been positive, however, it is important to note that service design firms are unlikely to publish cases that have been unsuccessful so a deeper study would have to be undertaken to determine the true rate of success of service design projects within the tourism industry.

For the purpose of this paper, these examples and cases illustrate that firms in the tourism the tourism industry have begun to embrace the service design methodology and that the methodology is capable of producing innovative ideas, thereby providing the firm with a competitive advantage over their competition. The research also exhibits that though cases of tourism businesses utilizing service design exist, they are still few and far between. Each person interviewed was hard pressed to discuss more than a handful of tourism related service design projects they had worked on or were aware of (aside from Troy Thompson and Marc Stickdorn who focus on the tourism industry in particular). This indicates that service design still has a great deal of unexplored opportunity for growth within the tourism industry. The data collected presents service design as an excellent method of gaining competitive advantage and differentiation over competitors in the tourism industry as the process results in innovative solutions, which satisfy the needs and desires of the customers. Also because so few firms are currently utilizing this innovation technique service design has not yet become 'the norm' within the industry and therefore presents a unique way to offer firms differentiation and competitive advantage. The following discussion will explore why service design is a suitable innovation methodology for the tourism industry.

Focus on 'Service'

The tourism industry is, first and foremost, a service industry and as such, it must be treated differently than a product based industry. It is now considered to be common knowledge that different methodology is needed when managing services. However, according to the theoretical research, most innovation theories are based on the manufacturing process and product development. Therefore, they are not directly applicable to service businesses. Service design on the other hand provides an innovation methodology that is specifically intended for innovating services and is therefore the most appropriate method for innovating and improving upon tourism service offerings (Lockwood, 2010).

One surprising fact that came out of the data was that in the eyes of the service designer, there is no difference from one industry to the next in how they begin and move through the service design process. This means that services designers approach a tourism firm in the same way they would approach an insurance firm or a bank or a healthcare firm. In their eyes, a service is a service and they being the process in the same way. Of course, as the process progresses, the specific situation then dictates what tools and methods are appropriate. Though this was surprising at first, the individuals interviewed all pointed out the same benefit. The fact that service designers have worked in numerous fields and have applied the methodology in the same way, allowing only the details of the case at hand to dictate what to do next, allow them to cross-pollinate between different industries, sharing ideas and methods which would otherwise have been unknown.

Service Quality

High service quality and exceptional customer experiences have come to be major source of competitive advantage within the tourism industry today. As can be seen from the research, the tourism industry is global industry and is one made up of primarily small and medium sized firms (SMEs). Due to their small size SMEs are typically unable to take advantage of economies of scale or scope to achieve competitive advantage in the market. Instead they rely on their unique service offering and service quality as a means of competition. Service design is a method of

improving and innovating service offerings. Though some of the data shows that currently service design is more often utilized by larger firms at this time (likely because they are more likely to have the budget to hire a service design firm for assistance), it does not show that service design is only available to large firms. Marc Stickdorn spoke about several projects he completed with small firms, for example the hotel lobby project was one single hotel. There is also nothing about service design, which limits its applicability to large firms. Service design can be successfully applied to any size firm to increase the service quality and innovation level. As the service design methodology becomes better known, Marc predicts that a more DIY approach will evolve, which SMEs can apply to their business without the help of a service designer (to avoid the fees due to their limited budgets). This, therefore, may be the answer to innovation on a grander scale within the tourism industry, because it primarily consists of SMEs.

Another trend in today's economy, which has affected the tourism industry, is the idea of the experience economy. This combined with current technological advances have turned the focus from functioning services to ones that provide unique and meaningful experiences. Functioning services have become commoditized, to a certain extent, in the tourism industry. Simply offering a service such as a hotel room or a flight or a tour is now not enough to compete in the industry. Customers now desire a meaningful experience in addition to the service itself. According to Pine and Gilmore (1998), in order to provide an experience, one must deliberately design it. Service design also answers this trend by focusing on the customer as opposed to the organization. By keeping the central focus on the customer, and by matching their needs and desires with the capabilities of the firm, service design is able to develop the greatly desired 'experiences' to accompany services within the tourism industry.

The evolution of the Internet and information sharing has also widened the choices available to customers to create global tourism competition. According to Tim Brown, this is what creates the need for innovation and differentiation. From the customer perspective these technological advances are excellent; they are now able to easily view all possible tourism destinations and options quickly and easily,

and are able to compare price, quality, offerings etc to help them make their decision. However, this presents a huge challenge to the business of the tourism industry. Instead of only competing with local businesses, they are now competing on a global scale. This places an even higher importance on providing high service quality to customers.

According to the individuals interviewed, service design is the perfect answer to the challenges existing in the tourism industry today. The data and cases also support the claim that service design can help the tourism industry to move beyond the common incremental innovations to more radical innovations. An example of this is the mobile visitors center in Saint Paul, MN, which goes to where the customer. It is a huge departure from their standard operating procedure of having one stationary visitors center and an excellent example of what the process of service design can offer.

Human-Centered

As a service industry, tourism should logically keep the customer at the center of focus; however, research has shown that in many cases this is no longer true. As the tourism industry has grown, it has become industrialized and in many instances, standardized; it has lost focus of the customer experience. With the emergence of the Internet, new technology and the evolution of web 2.0, the average tourist no longer accepts this standardization. The Internet has provided the tourist with seemingly endless amounts of information, expanding their tourism purchase choices globally. Social media has given customers the opportunity to share images, video and information about their tourism service experience in real time. Peer review websites have allowed customers to share ratings and opinions of service providers. All of this information sharing is open to the public and beyond the control of the service provider. Research has also shown that social media is commonly consulted when making tourist plans and decisions and is highly relied upon. The result is that the service provider is no longer solely in control of their image, brand and external marketing communications. The implication of this is that in order to win and retain customers, tourism businesses must now focus on

providing an excellent service experience throughout the customer journey, thereby ensuring a positive image portrayed through social media and peer review sites and winning new business. This is particularly crucial because research has shown that tourists place higher weight on recommendations from peer review sites and other social media than they do on personal recommendations from friends or family.

Service design provides the tourism industry a means for managing and innovating their customer experience. By keeping the customer at the center of this process, service design discovers the true behaviors, wants and needs of the customer and then designs a solution to match the capabilities of the firm to those needs and wants. Service design also moved beyond typical customer segments and quantitative statistics in describing the customer, revealing deeper customer behaviors.

Today, the customer makes their purchase decision about a tourism service based on perceived service level. The customer builds up an expectation for a service based on past customer reviews shared on peer review sites, social media, etc. It is then the job of the tourism service provider to meet and hopefully to exceed this expectation. In this case, the customer will be satisfied and likely will rate the service positively. If the service provider does not meet the service expectation, then they likely will receive a negative review from that customer, decreasing the perceived value of their service which will likely hurt their business. Therefore, to ensure business success for a tourism service, it is crucial to manage these service perceptions, and to keep them in a stable or positive trajectory.

Co-creative

One of the challenges with tourism as an industry is that it is difficult to separate one service from another in the customer journey and overall experience of the tourist. It is rather, an interdependent industry consisting of service bundles. As such, one must take a more holistic view when managing a tourism business and one must understand the complex interactions and interrelatedness of the industry in order to successfully compete within the arena.

Service design is able to handle this challenge in several ways. First, as designers, service designers are able to visualize the entire customer journey and experience and all (or most) of what affects this experience by taking a systems thinking approach as apposed to a linear thinking approach. They are able to view the customer experience from a wider context and are able to understand not only the service itself, but also the environmental factors, which affect the service. Secondly, service design holds co-creation as one of its core principles. In fact, all eight of the individuals interviewed discussed the importance of co-creation in the service design process.

Service designers aim to facilitate co-creation of ideas and solutions between all the relevant stakeholders involved in the service offering, resulting in a solution pleasing to all. This is important for many reasons. One, by including all relevant stakeholders in the design process, the end solution will address the concerns of all involved. It also creates a sense of ownership of the solution among all involved employees and inspires buy-in for the process and solution, particularly from the front-end employees who typically are the ones implementing the solution with the customer. This will therefore help to ensure a smoother implementation process.

The final benefit of co-creation is the addition of fresh ideas and perspectives to the design process. The service designers initiate this due to their varied backgrounds and experience working with service design across numerous different fields, enabling them to cross-fertilize ideas across industries. Additional fresh ideas and perspectives are then bought into the service design mix by involving external persons in the process. These may be customers, stakeholders from adjacent services or even experts from unrelated fields. The important aspect is to involve individuals who are not typically consulted, therefore bringing in new ideas and perspectives.

Implementation

Finally, it is important to discuss the idea of implementation. As Melvin shared during his interview, “if you can’t implement it, it’s not going to be successful” (M. Flu. Personal Communication. June 17, 2014). According to the

research collected, presented and analyzed in this paper, this author believes that it has been fairly conclusively proven that service design is capable of developing unique and innovative ideas for tourism businesses that address the specific needs and desires of the customer. These ideas, if implemented, will surely offer the tourism business competitive advantage. However, this competitive advantage can only be gained if the tourism business fully implements the idea.

An unexpected result of the data collection was the notion that service design is not always effective. This idea was put forth by Melvin Brand Flu of LiveWork and supported by Rune Yndestad Møller of LiveWork. Both agreed that service design was excellent at creating innovative ideas but that it was not nearly as good at facilitating and supporting the follow through and implementation of these innovative ideas. This is the reason LiveWork has spent the past few years investing in the addition of business design to complement their service design. The service designers will develop the innovative ideas and the business designers will ensure that implementation is both possible and ultimately accomplished. This idea about lack of implementation of service design solutions was further supported by the two tourism related projects Bob Copper worked on, neither of which was actually implemented.

Despite these surprising findings regarding implementation from three of the individuals interviewed, the other five did not seem to find implementation to be a challenge. The others did not mention implementation as a challenge when asked what the challenges of service design were. They also shared many successfully implemented projects with me (as described in the findings section). When asked about the implementation of projects, these other five interviewees all seemed to answer similarly, that implementation ultimately depended on what the client wanted. Some clients come to service designers wanting the full process including an implemented solution. Others come to service designers because they just need some fresh ideas. In this second case, implementation is not requested or necessarily desired by the client.

Based on the research conducted, both theoretical research and data collection, this author sees two possible reasons why there may be a gap between

what is designed and what is actually implemented. One reason may be that the service design team did not take into account the capacity and capabilities of the firm they are working with and the firm was unable to implement the chosen solution. This is the reasoning LiveWork has adopted and is the reason they are adding business design to their capabilities to audit the firms capabilities from the beginning and design within those constraints. The other reason may simply be that the client does not want implementation or is not ready for it. As explained by several interviewees, some firms approach service design simply to inject new ideas into their firm, gaining inspiration and nothing more.

Limitations

As with all research, this study was faced with certain limitations, which must be addressed in order for the reader to understand findings and discussion in the correct context. The primary limitation of this research project was that of time. In addition, this study faced the limitations that typically accompany the use of interviews, a small sample size and low response rates.

As mentioned, the main limitation of this study was time. The author was limited by both the given amount of time to complete this master's thesis and was limited in time due to personal circumstance. Another timing limitation was that this study was conducted over the summer months, primarily April through August. This time of the year is a common time for people to take vacation from work; therefore, this limited the number of people available to participate in research interviews. The main result of this timing limitation was a lower response rate than initially desired and therefore resulted in a small sample size. Further, the low response rate and small sample size makes it difficult to generalize across the population of the service design field and tourism industry. However, due to the fact that relatively little research on the interaction between service design methodology and the tourism industry currently exists, these limitations were not considered to be severe enough to discredit this study. Finally, a limitation that accompanies the use of interviews is the gap between what the interviewee reports and the reality that exists. Because qualitative interviews are often based on the opinion and interpretation of the interviewee, there is no guarantee that what they report is the exact reality. This limitation was dealt with through the author's choice of writing from an interpretivist paradigm.

In the future several things can be done to avoid these limitations. Firstly, it would be helpful to have a longer period of time devoted to the data collection portion of the research process. This would be helpful as the study relies upon individual participation by professionals in the service design field. These service design professionals are themselves limited by busy work schedules, therefore having a longer period devoted to data collection will likely result in more positive responses and in a great number of interviews scheduled. Another recommendation

for future attempts at a similar study would be to undertake data collection during a season other than summer so as to avoid summer vacations, again likely resulting in a higher response rate.

Implications

The main implication of this study is increased awareness about service design as a methodology and particularly about the benefits service design can provide to tourism businesses. Currently, the body of research that exists on the subject of service design is still relatively small, so any study on the subject provides new insights and examples and is considered useful. Further, the body of research focusing on service design as applied to the tourism industry is even smaller. This paper serves as a descriptive study of the relationship between the methodology of service design and the tourism industry, exhibiting the value a tourism business can gain from working with this service design methodology. Beyond a descriptive capacity, the eventual implication of this study, and similar future studies, is the wider adoption of the service design methodology within the tourism field. This will then lead to a more innovative industry with greater focus on the customer (tourist).

Conclusion

This paper has explored the relationship between the service design methodology and the tourism industry and has endeavored to answer the research question: How and why has service design been utilized within the tourism industry? To investigate this question a qualitative study was undertaken and both primary data was collected in the form of in-depth interviews with professionals from the service design field. Secondary data, in the form of short published case studies of service design projects completed with tourism firms, was then used to support the data from the interviews and completed the emergent multi-method qualitative research design which guided this study.

The findings revealed that several firms within the tourism industry have discovered the benefits of utilizing service design to improve their service offerings and encourage innovation. These firms entered into the service design process with service design firms to address the challenges of today's tourism industry and to inspire (and ultimately implement) innovative new ideas to their service offering. Most importantly, these innovative changes were ones based around the needs and desires of the firms customers, and thereby were meant to ensure both positive customer experience and also positive perceived customer experience. The findings also show that the tourism industry as a whole has not yet fully embraced service design as the research has shown that relatively few firms have employed the method thus far. Therefore, service design and the tourism industry still have a great deal of opportunity.

Ultimately, the data collected has supported the theoretical claims of what service design is capable of. All of the interviewees agreed that the service design methodology is the ideal way to improve and innovate service offerings. They also agree that when it comes to applying the service design process, the industry it is applied to does not change the methodology in any way. This therefore shows that, because tourism is a service, service design can be applied. The various cases discussed during the interviews and exhibited through the case studies support this claim. It is the conclusion of the author that service design is an excellent method for

firms in the tourism industry to tackle the various challenges facing the industry and is a method capable of improving their service offerings to give the customers what they want and to give the firm competitive advantage in the global marketplace.

Future Research

As a descriptive study, this research paper has examined the relationship between the service design methodology and the tourism industry. It has been shown that service design offers an excellent way for tourism businesses to innovate and respond to today's socially connected experience economy. However, due to time limitations, this particular study has only scratched the surface of this interesting and important crossover of fields. This author recommends future research to go deeper into the two fields, speaking with individuals on the tourism business side of completed service design projects in addition to the service designers themselves to get a more balanced view of the benefits and challenges these projects present. Based on the current research, this author maintains that interviews are an appropriate data collection method for service design studies, however, a larger sample size would be beneficial. It would, also, be interesting to focus the study on service design's interaction with SMEs, as these represent the majority of the firms within the tourism industry.

Another interesting research direction that future researchers may take could be an in-depth study researching how service design can help the DMO (destination management organization) regain relevancy. The Internet has made information gathering and research prior to a vacation incredibly easy and as such has diminished the need for a traditional DMO and their associated visitors centers. By taking a customer-centric point of view, service design can help these DMOs refocus their efforts on something more valuable to the customer (tourist). This was touched upon in this study and it would be interesting to take this idea further with deeper analysis and case studies.

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