

Circular Economy in Service Design 10cr

Based on Laurea UAS course pilot in 2020
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Kaupallinen käyttö sallittu vain KiertotalousAMK-hankkeen 2018–2020 (OKM rahoituspäätös OKM/302/523/2017) partnereille.

17.10.2020

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Service Design Project with circular design challenge

As a part of Circular Economy in Service Design

Päivi Harmoinen & Johanna Lunkka
Laurea University of Applied Sciences



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Circular Economy case


- Project work is based on circular design challenge by a company or an organization. The purpose is that service concepts, which are developed by student teams, will be based on a circular business model.
- Design challenge requires proper negotiations between UAS and the company, to understand current situation, and what are the objectives of the company related to circular economy, what is the expected from the project, what is the concrete outcome of development work.
- Also, it's important to agree the scope of the solution, so that it's possible to cover with 7cr period.
- Following case template can be used to guide negotiations with UAS and the company.



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Päivi Harmoinen & Johanna Lunkka, Laurea UAS  2020.

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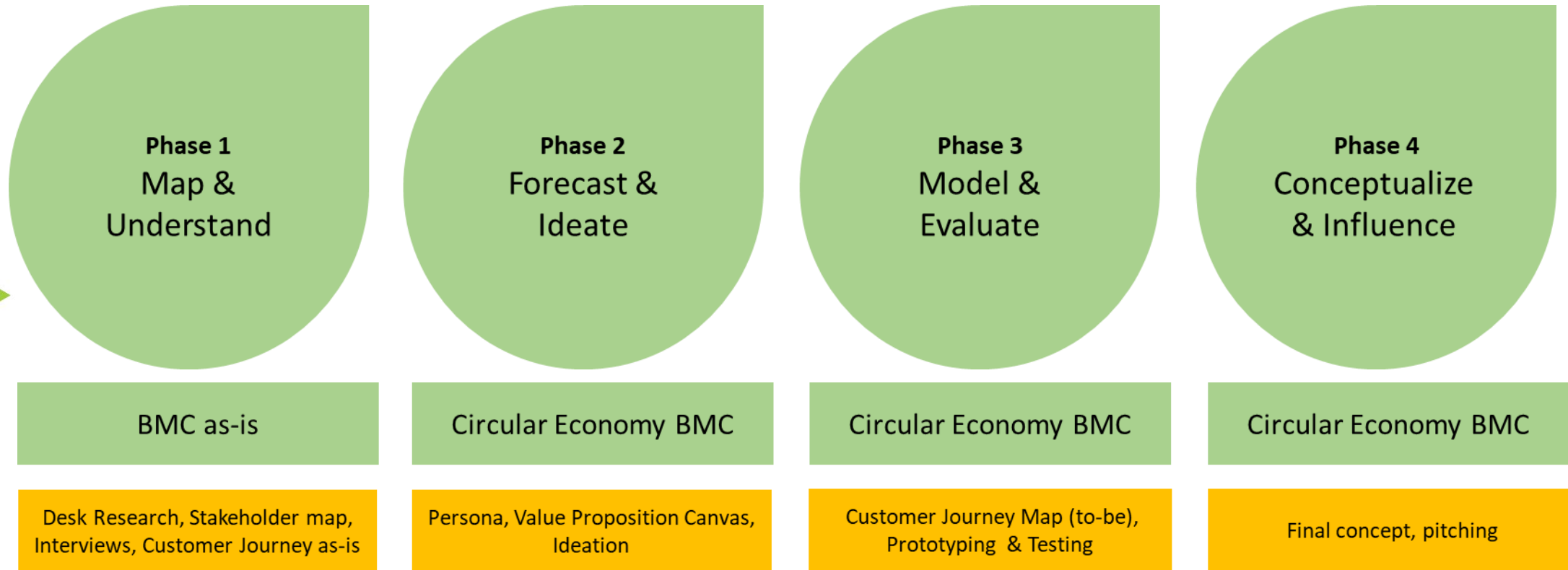
Description of Service Design for Circular Economy case / design challenge

Case title:	write here
Company / organization:	write here
Contact person details:	write here
Case description <ul style="list-style-type: none"> • Regarding circular economy, what is the problem of the company? • What is the objective of development project? • Which circular business model is the target? • Any limitations? 	write here
User and stakeholder groups <ul style="list-style-type: none"> • who are the target customers / users / employees? • which stakeholder groups are involved in the circular challenge? 	write here
What is the expected outcome of development work? <ul style="list-style-type: none"> • how to measure success / impact of the end results? (e.g. key performance indicators) 	write here
Teachers / coaches?	
Confidentiality? Which materials / outcomes can be openly share to others?	write here
How will case company support the development work? co-creation etc. - design challenge intro, mentoring of students, evaluation of end results of the final seminar	write here

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Design project phases and tools & methods



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Learning Objectives in Map & Understand phase

In this first phase you are doing research to generate “a big picture” of the context. You need to understand the operating environment from company and customer point of view and what is real problem /design challenge to be solved. Purpose is to gather information how customers, users and stakeholders act, and which problems and needs they have in their daily life.

In this phase it's important to gain deep customer insight as a basis for further development steps in next design phases.

This phase is a combination of charting out the existing situation while scanning the horizon and envisioning future pathways and business opportunities.

Phase 1 Map & Understand

Outcomes:

- Customer Insight gained: Persona and Customer Journey (current state) created based on:
- Desk Research
- Interviews & Observation



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Methods & tools in Map & Understand phase

- Desk Research incl. preliminary and secondary research
- Pestec-analysis
- Stakeholder mapping
- Business Model Canvas (current state)
- Interviews
- Observation
- Customer Data Analysis
- Customer Journey (current state)
- Persona
- Service design methods & tools can be found here: Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world : a practitioner's handbook. Canada: O'Reilly.
<https://www.thisisservicedesigndoing.com/>
- Business Model Canvas, see website:
<https://www.strategyzer.com/>
- Pestec-analysis, see website:
<https://www.bbc.com/bitesize/guides/zgfrpbk/revision/1>



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Team task in the project

- Student teams develop service design concept according to 4-phase service design process.
- Team task results are collected into one document, called "service design portfolio", which students return at the end of project.
- Map & Understand –phase team task consists of 8 steps. For most of the tasks, there are templates of service design and circular tools, like "Persona" and "Customer Journey Map".



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Team task Map & Understand phase: steps 1-2

Step 1: Conduct Desk Research

Start gathering information about current situation of case company business and operational environment and its future development path.

Conduct desk research: search information on internet, social media, newsletters, possibly earlier studies, which company has done, and other relevant sources. Do benchmarking of best practices, and Pestec-analysis when needed.

Summarize your findings in the Business Objective and Context template (by LSC) in your Service Design Portfolio.

Sources:

Lean Service Creation Handbook: see Futurice's templates e.g. Business Objective & Context, Immersion
https://assets.ctfassets.net/pqts2v0qg7kz/4p1lqoP3nqC2OVpg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf

Step 2: Create a Stakeholder Map

Start identifying the key stakeholders of your design challenge. List the most important stakeholders by using a stakeholder map template.

Start by adding the most important stakeholder (normally the customer) from the inner circle, and then continue with other key stakeholders.

Sources:

Service design methods & tools can be found here:
Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world : a practitioner's handbook. Canada: O'Reilly.
<https://www.thisisservicedesigndoing.com/>



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Team task Map & Understand phase: steps 3-4

Step 3: Immerse your knowledge

After you studied the business context and objectives of your project company, continue researching the potential customer (service user). What is the assumed problem and need of the project company's customer?

Conduct desk research: search information on internet, newsletters, possibly earlier studies, which project company has done, and other relevant sources. Benchmark best practices of other companies and industries.

Summarize your findings in the Immersion template in your Service Design Portfolio.

Sources:

Lean Service Creation Handbook:

https://assets.ctfassets.net/pgts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf

Pestec-analysis, see website:

<https://www.bbc.com/bitesize/guides/zgfrpbk/revision/1>

Step 4: Create Business Model Canvas (current state)

Based on desk research and company case introduction, complete the current state business model canvas of the company / organization.

Read more detailed instructions in the theory part and utilize the Business Model Canvas e.g. by Strategyzer.

Sources:

Business Model Canvas, see website:

<https://www.strategyzer.com/>



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Team task Map & Understand phase: steps 5-6

Step 5: Do Customer Grouping

Based on desk research, make your first assumptions, who are the potential customer groups / segments? Remember, different customer groups have different needs and problems.

Summarize your findings in the Customer Grouping template in Service Design Portfolio.

Sources:

Lean Service Creation Handbook: see template “Customer Grouping”

https://assets.ctfassets.net/pqts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf

Step 6: Conduct interviews

Interview key stakeholders to understand the design challenge and to define the customer need/problem.

After you've done customer grouping, it's time to go out, meet and interview key stakeholders including potential customers about their problems, needs, wishes, frustrations. Find stakeholders based on the segmentation and book the interview appointments. As a team, do around 5-8 interviews. It's recommended to conduct the interviews in pairs, face-to-face or remotely. Prepare carefully and follow the instructions how to proceed with interview preparations.

Based on the interviews and observations, define what kind of persona is the typical user of the service. Read the detailed instructions. Summarize your findings in the Insight template in your Service Design Portfolio.

Sources:

Service design methods & tools can be found here:

Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing: applying service design thinking in the real world : a practitioner's handbook. Canada: O'Reilly. <https://www.thisisservicedesigndoing.com/>

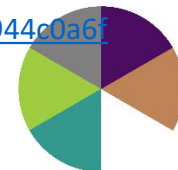
Lean Service Creation Handbook:

https://assets.ctfassets.net/pqts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf



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Team task Map & Understand phase: steps 7-8

Step 7: Analyzing customer data and creating a Persona

After having done desk research and completing interviews, analyze and consolidate interview research data e.g. by using an Empathy map model or Research Wall.

Create 1-3 personas and select one Persona which is the most potential based on segmentation, interviews and your insight. Visualize the Persona by using a Persona template, e.g. from Smaply.

Sources:

Customer Data Analysis by using a Research Wall and What is a Persona, see ebook:
Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing: applying service design thinking in the real world: a practitioner's handbook. Canada: O'Reilly. <https://www.thisisservicedesigndoing.com/>

How to create a Persona, see video by Smaply:
<https://www.youtube.com/watch?v=Ted7JHoAY94>

<https://www.morethanmetrics.com/>

Step 8: Create a Customer Journey Map (current state)

Based on the desk research and interviews (all information which you have gathered) create a customer journey (current state). The idea of the customer journey is to think about how the customer currently accomplishes their need now, and use as a starting point to figure out how your service could improve the process. You should ask questions like:

- what does the customer do to fulfil their need now and why?
- where do they go?
- what kind of emotions might your customer feel during their journey?
- what kind of touchpoints does the customer encounter on the journey? these are the places where the customer might interact with the service
- what is the real problem that needs to be solved?

- Use Customer Journey Map template e.g. from Smaply.

Sources:

Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world : a practitioner's handbook. Canada: O'Reilly. <https://www.thisisservicedesigndoing.com/>

How to create a Journey Map, see videos by Smaply.com:
<https://vimeo.com/morethanmetrics>



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- Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world: a practitioner's handbook. Canada: O'Reilly.
- Stickdorn M., Hormess M., Lawrence A. & Schneider J. 2018. Service Design Doing Method Library. Online companion. Sebastopol: O'Reilly.
- Stickdorn, M., Schneider, J. 2012. This is service design thinking: basics, tools, cases: Netherlands: BIS Publishers.
- K.Ojasalo & al article. New Framework: Service Innovation Process grounded on Foresight and Service Design. 2015
- Circular Design Guide <https://www.circulardesignguide.com>
- Ellen MacArthur Foundation <https://www.ellenmacarthurfoundation.org>
- Design Forum: http://www.designforum.fi/assets/files/PDF/Ecodesign/EcoDesign_Sprint_esite_.pdf
- Futurice: <https://leanservicecreation.com/material/LSC%20Handbook%201.82.pdf>
- Circular Business – Collaborate and Circulate (Kraaijenhagen, van Oppen, Bocken)
- Circular Design Guide <https://www.circulardesignguide.com>
- Ellen MacArthur Foundation <https://www.ellenmacarthurfoundation.org>
- Sitra www.sitra.fi
- Leyla Acarogly / Disruptive Design Model: <https://www.leylaacaroglu.com/>
- Systemic Design Toolkit: <https://www.systemicdesigntoolkit.org/>
- Osterwalder, A. & Pigneur, Yves. The Business Model Canvas. Viitattu 26.1.2020. <https://strategyzer.com/canvas/value-proposition-canvas>
- Service Design Ideadeck 2016.



Learning Objectives in Forecast & Ideate phase

In the second phase, based on the research conducted in previous phase 1, you will map and analyze current and future needs of potential users by using trend analysis and persona tools.

You will develop ideas and potential solutions to improve the current situation. You will learn which service design tools to use in this phase, and how to apply them in practice.

Phase 2

Forecast & Ideate

Outcomes:

- *Understanding of users' current and future needs*
- *Trend analysis*
- *Ideation - new potential solutions (ideas to be tested in the phase 3)*



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Methods & tools in Forecast & Ideate phase

- Trend Canvas
- Ideation
- Idea cards based on ideation
- Value Proposition canvas
- Circular Business Model Canvas (BMC)

- Ideation:
Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world : a practitioner's handbook. Canada: O'Reilly.
<https://www.thisisservicedesigndoing.com/>
- Circular Business Model Canvas in Circular Design Guide:
https://www.ellenmacarthurfoundation.org/assets/design/Business_Model_Canvas_Final.pdf
<https://www.circulardesignguide.com/>
- Value Proposition Canvas by Strategyzer:
<https://www.strategyzer.com/canvas/value-proposition-canvas>
- Consumer Trend Canvas:
<https://trendwatching.com/x/wp-content/uploads/2014/05/2014-05-CONSUMER-TREND-CANVAS1.pdf>
- Sitra Mega Trends
<https://www.sitra.fi/en/news/here-they-are-the-most-important-trends-of-the-2020s/>
- Consumer trends: see Trendwatch.com, Fjord, Futurice etc.



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Team task Forecast & Ideate phase: steps 1-2

Step 1: Identify the main trends affecting your customer group/s in the future

Get familiar with the materials in theory part. Decide with your team which trends you will focus on and fill in the Trend Canvas template.

Note, you must study at least 2 trends, which you can find in these links or in the material under the theory section. Remember to focus on those trends that will most likely affect the business planning in the circular business!

Summarize your findings in the Trend Canvas in your Service Design Portfolio.

Sources:

- Consumer Trend Canvas:
<https://trendwatching.com/x/wp-content/uploads/2014/05/2014-05-CONSUMER-TREND-CANVAS1.pdf>
- Sitra Mega Trends
<https://www.sitra.fi/en/news/here-they-are-the-most-important-trends-of-the-2020s/>
- Consumer trends: see Trendwatch.com, Fjord, Futurice etc.

Step 2: It is time to start the ideation.

You have now gained customer Insight as well as identified how trends will affect. It's time to bring all this information together and start ideating. Get familiar with the materials and tools in Ideation theory section.

Use the following Ideation canvas (Lean Service Creation) to start your ideation process.

Here are the steps you need to take in order to fill in the Ideation canvas:

Step 2.1 Define

Define user need/problem (this comes in the center of the canvas and is based on your interviews and other previous research)

Step 2.2 Identify

Identify negative and positive feelings, emotions and outcomes related to defined user need / problem and mark them onto the ideation canvas.

Sources:

Service design methods & tools can be found here:

Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world : a practitioner's handbook. Canada: O'Reilly.
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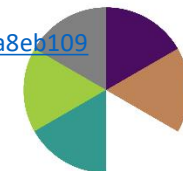
Ideation Canvas: see Lean Service Creation Handbook:

https://assets.ctfassets.net/pqts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf



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Team task Forecast & Ideate phase: steps 2-3

Step 2: Continue ideation...

In this part you will utilize an ideation tool (choose the best option for your team from the material of book *This Is Service Design Doing*). One recommended simple tool to start your ideation is HOW MIGHT WE -questions (HMW), which is described here:

You can use HMWs or any other methods for this phase, remember to describe in your service portfolio which methods did you choose and why. It is good to document your ideation as text and maybe some pictures taken, too. You can use digital or traditional tools for this.

HMWs are done individually based on the user need/problem in canvas, negative and positive feelings in canvas. HMWs are turning the negatives to positive questions.

HMWs amp up the good in positives. Use ideation wall to share your HMWs with your team.

With your team discuss or vote the most meaningful / most inspiring ones and bring those HMWs into Ideation canvas. Select together 1 HMW directly from the canvas and move into generating ideas. See an example how to create HMWs from your insight and user need / problem on next page.

Sources:

How Might We and other ideation methods:

Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. *This is service design doing : applying service design thinking in the real world : a practitioner's handbook*. Canada: O'Reilly. <https://www.thisisservice.designing.com/>

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OKM/302/523/2017) partnereille.



Step 3: Continue your ideation by sketching: Crazy 8s and solution sketching

Continue your ideation by Crazy 8s and solution sketching. This is the recommended way to develop further your ideas.

3.1. Crazy 8s and solution sketching are based on the HMW or the preliminary idea that your team chose in the previous phase.

Crazy 8s and solution sketching are done individually and it takes about 55 minutes.

Take a piece of paper (A4) and fold it so that it creates eight frames. Sketch a variation of your ideas based on HMWs one on each frame. Spend 1 minute per sketch. 8 sketches x 1 min = 8 minutes. Go fast and go messy, Crazy 8s won't be shared with others. Now you have 8 ideas based on customers needs, fears and expectations

Step 3.2 Individually continue to Solution sketching.

The solution sketch is each person's best idea, put down on paper in detail. Choose your best idea from Crazy 8s. Create a three-panel storyboard by sketching in three sticky notes on a sheet of paper (See examples on storyboards and sketching [Google Ventures on How sketching can unlock big ideas.](#))

Make it self-explanatory. Ugly is okay, words matter. Give it a catchy title. Keep it anonymous.

Step 3.3 From individual work to team effort.

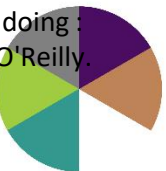
Share your solution sketch with your team using idea wall. Together decide which 3 are the most appealing to continue working with. Use Idea portfolio or other methods to choose your team's solution sketches. See Idea Card template next page.

Sources:

Service design methods & tools can be found here:

Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. *This is service design doing : applying service design thinking in the real world : a practitioner's handbook*. Canada: O'Reilly. <https://www.thisisservice.designing.com/>

Sketching: <https://www.dreamerux.com/articles/2b583883jifdiv8g1s42i01e0l8caa>
www.designsprintkit.withgoogle.com



Idea Card

NAME OF THE IDEA	
DESCRIPTION OF THE IDEA	Which <u>circular business model</u> does the idea represent?
	How does the idea <u>promote circular economy</u> ?
VALUE FOR THE END USER	
WHAT IDEA WILL CHANGE AND WHAT IS ITS INFLUENCE FROM PROJECT OWNER'S POINT OF VIEW?	RISKS/THREATS



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Team task Forecast & Ideate phase: steps 4-5

Step 4: Create a Value Proposition Canvas

Continue working on the value proposition. Remember to co-ordinate with Circular BMC and in the value proposition always evaluate both environmental, social and economical effects of the new proposition.

Use the template “Value Proposition Canvas”.

Sources:

Value Proposition Canvas by Strategyzer:
<https://www.strategyzer.com/canvas/value-proposition-canvas>

Step 5: Create Circular Business Model Canvas

Based on your research and analysis, value proposition and current state BMC you will start working on the Circular Business Model Canvas.

Read through the theory, how circular BMC is different from Business Model Canvas by Strategyzer. Use the template shown on next page.

Sources:

Circular Business Model Canvas in Circular Design Guide:
https://www.ellenmacarthurfoundation.org/assets/design/Business_Model_Canvas_Final.pdf
<https://www.circulardesignguide.com/>

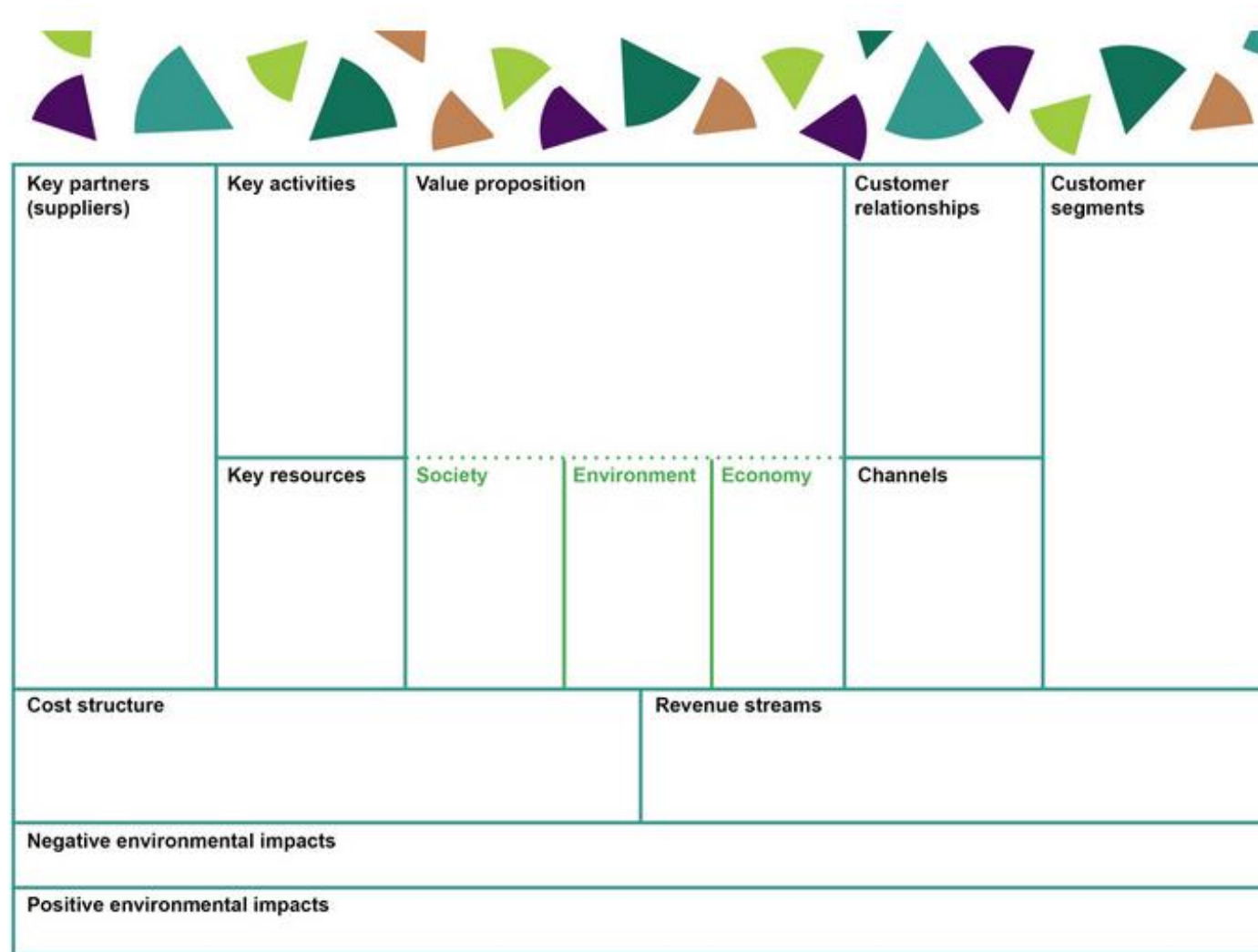


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Circular Business Model Canvas



Source: Circular Business, Collaborate and Circulate, Christiaan Kraaijenhagen, Cécile van Oppen, Nancy Bocken 2018.



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Kaupallinen käyttö sallittu virallisesti OKM/302/523/2017) partnerin kanssa.

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Learning Objectives in Model & Evaluate phase

In the third phase you will find out if the developed service concepts are working as you thought. You will create prototypes and gather feedback from potential customers about the service concept - what is working well and what should still be improved.

In this phase it's important to concretize outcomes by visualization, and finalize the service concept based on the potential customer feedback.

Phase 3 Model & Evaluate

Outcomes:

- Service concepts are visualized
- Prototypes are created and tested with potential customers.
- Service concepts are finalized based on feedback.



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Methods & tools in Model & Evaluate phase

- Concept & Value Proposition
- Prototyping
- Customer Journey (Future State) or Service Blueprint
- Evaluation: Testing and Validation based on potential customer feedback
- Circular Business Model Canvas (BMC)

- Ojasalo K., Koskelo M. & Nousiainen A. 2015. Foresight and Service Design Boosting Dynamic Capabilities in Service Innovation. In: Agarwal R. et al (eds.). The Handbook of Service Innovation. London: Springer-Verlag, 193-212.
- Customer Journey, Service Blueprint and Prototyping methods & tools: Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world: a practitioner's handbook. Canada: O'Reilly. <https://www.thisisservicedesigndoing.com/>
- Flowers E. & Miller M. 2017. Practical Service Blueprinting. Your guide to generating actionable insights for service experiences. www.practicalservicedesign.com
- Knapp, J., Zeratsky, J., Kowitz, B. 2016. Sprint: How to Solve Big Problems and test new ideas in Just Five Days <https://laurea.finna.fi/Record/laurus.88555>
- Circular Business Model Canvas in Circular Design Guide: https://www.ellenmacarthurfoundation.org/assets/design/Business_Model_Canvas_Final.pdf
<https://www.circulardesignguide.com/>
- Concept & Value Proposition: See Lean Service Creation Handbook: https://assets.ctfassets.net/pqts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf
- Kolowich L. 2018. How to Write a Great Value Proposition. Hubspot. <https://blog.hubspot.com/marketing/write-value-proposition>



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Team task in Model & Evaluate phase

Based on the solution / idea you have chosen in the end of the phase 2 (Forecast & Ideate) the next step is to put the idea into something real and test it.

Read the instructions, make a timetable and set up e.g. a skype meeting with your team members or meet face-to-face. Reserve adequate amount of time for workshops.

Your team's task is to carry out the following steps:

1. Define your first version of concept and value proposition
2. Build a prototype
3. Test your preliminary concept (prototype)
4. Define a customer journey or a service blueprint

Return the following outcomes in Return box by the deadline:

1. The concept and value proposition canvas
2. Your prototype in visual format
3. The Validation Canvas
4. The Future Customer Journey OR Service Blueprint (choose one)
5. Circular Business Model Canvas
6. Description and summary

Remember to describe and summarize your working process, explain how you've used given service design tools, canvases and templates in your Service Design Portfolio. Please note, you can add extra pages, as many as needed, to explain and visualize your work in this phase.



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Team task Model & Evaluate phase: steps 1-2

Step 1: Define your first version of concept and value proposition.

Find the template for Concept & Value Proposition in Lean Service Creation Handbook. Follow the instructions and fill in the canvas.

Sources:

Lean Service Creation Handbook: see "Concept & Value Proposition" canvas
https://assets.ctfassets.net/pgts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf

Step 2: Build a prototype.

Clarify the target of your concept or idea. What is your value proposition?

Talk and think about potential prototype options. How could you present your idea to your potential customer? You have various methods and tools to choose from.

Choose your approach and start working. Remember to keep your prototype clear and understandable. Concentrate on one prototype and build only one version of it. Your prototype in visual format (use screenshots, exported images, photos) placed in your Service Design Portfolio.

Your prototype can be e.g. Fake Ad, fake landing page, application mock-up, customer journey, service scenario. Pick your favourite and most useful in this context.

Sources:

Customer Journey, Service Blueprint and Prototyping methods & tools: Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing: applying service design thinking in the real world: a practitioner's handbook. Canada: O'Reilly.
<https://www.thisisservicedesigndoing.com/>



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Team task Model & Evaluate phase: steps 3-4

Step 3: Test your preliminary concept (prototype) and conduct testing interviews.

Plan your interview script. See video “the Five Act Interview” guidelines at <https://youtu.be/U9ZG19XTbd4>

Recruit your interviewees. They can be the same persons which you have interviewed earlier when gaining customer insight in phase 1 (Map & Understand). You can interview new potential users or customers as well. The most important thing to keep on mind is that your interviewees should represent the potential customers. A good amount of interviews / test sessions is approx. 4-5. When you start to get similar reactions and feedback from your interviewees you have reached enough information.

After interviews write down and make analysis of your key findings during the testing phase. What worked? What didn't? Did your solution solve the challenges? What should be changed (further development). Fill in the validation canvas.

Sources:

Lean Service Creation Handbook:
https://assets.ctfassets.net/pgts2v0gg7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf

Step 4: Define /update the future customer journey map or create a service blueprint.

Clarify the target of your concept or idea. What is your value proposition?

At this stage when you have created your first version of concept and tested it with your customers it is time to create a new customer journey or a service blueprint reflecting the current status. How is the customer journey within your concept? How does the solution support customers needs and decision making? What are the essential touchpoints and what happens in each of them?

Define the customer journey OR create a service blueprint. You can choose the format yourselves. Visualize your outcome.

Sources:

Customer Journey, Service Blueprint and Prototyping methods & tools:
Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world: a practitioner's handbook. Canada: O'Reilly. <https://www.thisisservicedesigndoing.com/>



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Team task Model & Evaluate phase: step 5

Step 5: Update Circular Business Model Canvas

Continue working on the value proposition. Remember to co-ordinate with Circular BMC and in the value proposition always evaluate both environmental, social and economical effects of the new proposition.

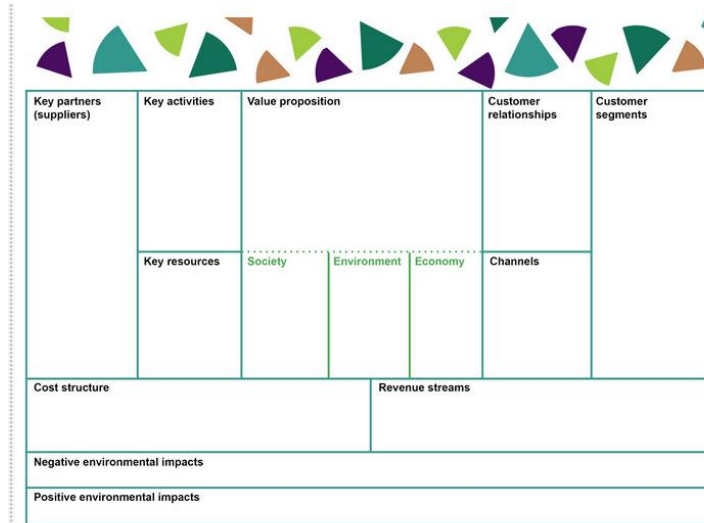
Focus on the building blocks on the left side of Circular Business Model canvas.

Sources:

Circular Business Model Canvas in Circular Design Guide:

https://www.ellenmacarthurfoundation.org/assets/design/Business_Model_Canvas_Final.pdf

<https://www.circulardesignguide.com/>



Source: Circular Business, Collaborate and Circulate, Christaan Kraaijenhagen, Cécile van Oppen, Nancy Bosken 2018.

You have already drafted the first version of Circular BMC in Forecast & Ideate phase. You focused on the right side of the map, covering **Customer Segment, Value Proposition, Customer Relationship and the Channels**.

Now in Model & Evaluate phase it's time to concentrate more on the left side of the circular BMC. You will focus in **Key Resources, Key Activities and Key Partners**, which are crucial for circular business. At the same time try to estimate the **Costs and Revenue building blocks**, how they change in circular model.

Circular design thinking is an iterative process of continuous learning and developing. It means that you may need continuously iterate the business model, by developing Circular Business Model Canvas in all service design phases. Naturally the whole canvas is somehow in your process all the time. Remember to take into consideration and evaluate the effects of your new solution to society, environment and economy. You can already try to estimate the positive and negative environmental impacts.



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Learning Objectives in Conceptualize and Influence phase

In the fourth phase you will finalize the service concept and circular business model canvas. You will prepare service concept presentation for the company, who introduced the design challenge in the beginning of the project.

Launch means preparation of a pitching presentation by utilizing NABC-model structure, and selling the concept and getting the feedback.

Phase 4 Conceptualize & Influence

Outcomes:

- Final Circular Business Model
- Final Service Concept
- Pitching presentation



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Methods & tools in Conceptualize and Influence phase

A variety of tools, templates and techniques can be used in this phase. To introduce your idea and how it is turned into business you need the finalized service concept, how the concept is turned into business and very importantly how you present (or pitch) your service concept to the decision-makers.

In Conceptualize & Influence -phase you can use following service design tools for finalizing and introducing your service concept.

- Finalization of service concept
- Value Proposition, Persona, Customer Journey Map (future state) or Service Blueprint
- Finalizing Circular Business Model Canvas
- Pitching the service concept (“final presentation”)
- NABC-model (Needs, Approach, Benefits, Competition)

- Ojasalo K., Koskelo M. & Nousiainen A. 2015. Foresight and Service Design Boosting Dynamic Capabilities in Service Innovation. In: Agarwal R. et al (eds.). The Handbook of Service Innovation. London: Springer-Verlag, 193-212.
- Customer Journey, Service Blueprint and Prototyping methods & tools: Stickdorn, M., Lawrence, A. and Hormess, M., Schneider, J. 2018. This is service design doing : applying service design thinking in the real world: a practitioner's handbook. Canada: O'Reilly.
<https://www.thisisservicedesigndoing.com/>
- Knapp, J., Zeratsky, J., Kowitz, B. 2016. Sprint: How to Solve Big Problems and test new ideas in Just Five Days
<https://laurea.finna.fi/Record/laurus.88555>
- Circular Business Model Canvas in Circular Design Guide:
https://www.ellenmacarthurfoundation.org/assets/design/Business_Model_Canvas_Final.pdf
<https://www.circulardesignguide.com/>
- Concept & Value Proposition: See Lean Service Creation Handbook:
https://assets.ctfassets.net/pqts2v0qq7kz/4p1lqoP3nqC2OVPg8tsY6C/4ab5eb944c0a6f8aba8eb109f557239a/lsc_031219.pdf
- NABC-model:
<https://youtu.be/iHiLAJGDGt4>, <https://youtu.be/H0iOtKzzOaQ>
- How to give a perfect pitch?
<https://youtu.be/Njh3rKoGKBo>



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Team task Conceptualize & Influence phase: steps 1-2

Step 1: Finalize circular Business Model Canvas

Finalize Circular BMC for your service concept. Circular BMC is a good visualization tool to present your service idea to the decision-makers. You need commitment and positive decisions from them be able to proceed with the idea in practice.

Please define carefully the social, environmental and economical impacts as well as the positive and negative environmental impacts.

Sources:

Circular Business Model Canvas in Circular Design Guide:

https://www.ellenmacarthurfoundation.org/assets/design/Business_Model_Canvas_Final.pdf

<https://www.circulardesignguide.com/>

Step 2: Finalize the Service Concept

Finalize Concept and value proposition, prototype, customer persona(s) and future state customer journey (or service blueprint) after you have prepared the Circular BMC.

You can go back and forth these documents simultaneously in finalizing them. One change in one of them may cause changes in other ones.



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Team task Conceptualize & Influence phase: step 3

Step 3: Prepare pitching presentation

Prepare your final pitching presentation structure and content:

Format: ppt, prezi... video clips can be included.

Pitch presentation duration: 5mins. /team

Use NABC-model as structure of your presentation

Visualize presentation!

Sources:

NABC-model:

<https://youtu.be/iHiLAJGDGt4>

<https://youtu.be/H0iOtKzzOaQ>

How to give a perfect pitch?

<https://youtu.be/Njh3rKoGKBo>

Finalize Concept and value proposition, prototype, customer persona(s) and future state customer journey (or service blueprint) after you have prepared the Circular BMC.

You can go back and forth these documents simultaneously in finalizing them. One change in one of them may cause changes in other ones.

Sell your idea!!

Presenting the idea in a compelling and concise way is fundamental when needing approval from the management team, investment decision, financing decision from a bank, or making a public offering of a company.

In addition to written documentation, visualizations and prototypes, there is a need to be able to present the idea orally. And in doing so you have 30 seconds to make an impact. During that time your audience decides whether she/he wants to listen further and whether you are credible or not.

This takes us to the art of pitching. In pitching your words, speech structures, gestures, emotions, tone of voice, and especially whether you are able to draw your audience's interest make all the difference.

NABC

A efficient way of creating impactful pitches is the NABC model. The abbreviation stands for Need, Approach, Benefit and Competition. By addressing all these points in you presentation helps convince your audience about the advantages of your solution.

Need: What are the needs and desires of the service users and the provider organization?

Approach: What is your unique approach for addressing this need?

Benefits: What are the specific benefits for your stakeholders?

Competition: How are the benefits superior to the competition and other alternatives?



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