Chapter 26: Concluding remarks

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Writing a conclusion is an interesting task for multifaceted books. It is especially so here, since disparate disciplines are illuminating each of their views, and their contribution, to trust and innovation. A conclusion not only sums up the contents of a book, but it also offers a chance to look forward and see what you would do next, based upon the work presented. In this conclusion, we have asked each of the editors to write their own conclusion to the book, from their own position, yet based upon having read, and put together, contributions from all authors.

Therefore, this chapter is divided into four separate conclusions. One from each editor, in which they sum up what they have gained from the book, and where they would go next. We hope that this compares and contrasts the views in the book, and at the same time, that it offers something for you as a reader. Either by confirming something or by challenging it. Both are important, and we hope they help take you further in your own journey of developing innovation and trust.

26.1 TOR W. ANDREASSEN

Contributing to this edited book was an honor and a huge learning experience and during the process of reading and re-reading the manuscripts I experienced several ahas!

My first aha was not the complexity of service innovation but rather the importance of trust in innovation, that is, trust works on both sides of the adoption equation. Based on experience or hearsay customers form an opinion about the firm on a number of attributes like service quality, frontline employees' competence and skills, and the provider's degree of customer orientation in general. In sum, these impressions or experiences contribute to maintaining, improving or reducing trust. When deciding whether to adopt, an innovation from a firm blessed with high trust represents less risk for customers. Increased probability of adoption and later retention improves the probability of successful diffusion and commercialization. Vice versa for firms with low trust.

But trust is not only an antecedent to adoption. It is also a consequence of adoption. The firm's innovation must deliver on the promise, that is, improve customer value added. Customers adopt the new offering trusting that the innovation will make their everyday life better. When it does, trust is maintained. If not, trust is deteriorating.

My second aha was related to future thinking and how this approach not only provides a mental training of likely (and unlikely) futures, but also aids innovators in limiting the sector where firms should develop new innovative solutions, that is, areas where they are weak and exposed to competition. By limiting the search range, innovators can dig deeper in their search for new solutions. The importance of this must be seen in relation to the low success rate of innovation.

My third aha was related to service design thinking. While design is well recognized as important in constructing the market offering and customer experience including emotional response, the importance of service design thinking in forming organizational structures is less known. The experience-driven organization is a new and rewarding phenomenon. Bottom line: service design and design thinking is a critical management variable in the pursuit of increased customer value. The new being the customer perspective and seeing or experiencing

the various touch points through the eyes of the customer. Most firms, if not all, optimize each task within a function for cost efficiency and not for maximizing the customer journey for effectiveness. Discovering kinks in the service experience is huge for customer-oriented managers who want to deliver excellent customer experiences.

For managers, there are two strategies for reading the book: (a) from beginning to end or (b) dive into one chapter and get updated on some of the latest thinking within the field. Readers following strategy (a) will have a reading experience where the knowledge dissemination within each chapter will lead up to the next and towards the final chapter: commercializing innovations. As such, the book works as a textbook in service innovation courses.

26.2 SIMON CLATWORTHY

As an editor with a particular focus upon the service design part of the book, my conclusion is in a pragmatic tone, rather than an academic one. It took me some time to get a holistic feel for the book, but the more I worked on it, particularly the other chapters, the more I could see how the book fits together and works as a whole. In the image of the innovation journey at the beginning of the book, when giving guidance about how the book is structured, the design cycle stood out to me as being complex, multifaceted and the most crucial – it requires not only multiple skills, but also the skills to manage multiple skills. Indeed, the design phase is not only a hunt for newness, it is newness with relevance, within a strong business model such that it can be delivered by the organization and taken up by the market. This cycling and interrelation between all of these aspects is the core of delivering innovative service. In many ways, these can be related to the three pillars of design thinking, described in Chapter 11; Viability, Feasibility and Desirability.

The role of technology in this book is interesting. Coming from a period in which technology has been central in innovation, and often a means in itself, technology does not

have its own section in the book, yet it is, at the same time, everywhere in the book. I think this sums up the role of technology in innovation – it is central but it is a means to an end. Whether this is to support a better customer experience, a different offering, a platform for a new business model or a means for customer co-creation, technology is everywhere, and a major driver.

The link between business model innovation and service design has become very clear during the book's development. The service design part focuses upon designing for experience, whilst the business model part highlights experience-centric business models. It is here that the reciprocal relation between the two becomes evident. Great customer experiences need to be designed for, and their service design will often challenge, and at least strongly influence, the business model (as well as being influenced by it). In Part 3 we see how the customer experience has to be integrated throughout the firm's business model, and from Chapter 8, the importance of the value proposition, customer interface and relationships. The term 'brand experience' is a clear overlap between the two areas, and Chapter 13 shows how service designers design for brand experiences, whilst Chapter 9 shows how this forms the core of the experience-centric business model. Therefore, going forward, service design and business model design are likely to benefit from working together, to both develop innovative and desirable service concepts and to ensure that they can be embedded in the business models. This Yin-Yang relationship is something that shows great promise.

Service design also has a reciprocal role in relation to organizational culture and structure. In Chapter 19, the term design-centric culture is introduced, and seen as particularly relevant to service organizations and trust. The chapter argues that design needs to spread to the whole organization, as it is the important and perhaps the most important value in the culture. This links closely to Chapter 15, in which service design leadership is seen as a means of infusing an organization with a service design thinking culture and approach.

Together, these can be seen as facets of a design focus, or more specifically, an experiential focus throughout the organization.

The third area, and one which perhaps is the most obvious overlap, is that between service design and service co-creation. In Chapter 16, the importance of a customer focus is shown, and particularly within service, the role of customer co-creation. The continuum between co-creation of a service design and the co-creation of service value is highlighted, and this underlines the importance of a customer orientation. In Chapter 11, service design is described as inherently experience-focused and user-centric, with an approach to co-design together with, rather than designing for. Again, the focus here is upon the customer experience, since it is clear that a well-designed experience requires both customer involvement during the design and during delivery, in other words, co-creation of a design, and co-creation in its delivery.

The multiple reciprocity between these areas, during what we term the 'design' phase, (visualized and described in Chapter 1), is something that in hindsight might seem obvious, since all are now oriented around the customer experience. However, if we look for research identifying, describing and guiding the reader about these relationships, we will find very little. This overlap has emerged during the past few years, and generally, any research that exists identifies the overlap between areas without venturing further towards integrating them. Therefore, one major conclusion of this book, when seen through my eyes, is the importance of research that transcends the existing categories and focuses as much across as within. As a design colleague once told me, the interesting things in design happen in the spaces in between. In innovating for trust, we have identified plenty of these, and I hope that you find them as relevant and challenging as I do.

26.3 TORE HILLESTAD

Editing and contributing to this book has been a truly rewarding and an amazing journey. I guess this is the result of having had the opportunity to explore an emerging field in its early stages, using a cross-disciplinary approach within the broad and complex phenomena that service design, trust and innovation represent. Because technology, user preferences and value creation are dramatically changing and appear to be more complex and sophisticated than ever, the contribution of this book primarily relies and benefits from using multiple lenses. I think it is important for practitioners to be able to successfully cope with and make the most of disruptive changes, both within and around service providers. However, to fully capture the essence of these important phenomena, it is of profound importance to also recognize the need for cross-disciplinary research and approaches. It is only in this way that we can increase our understanding and gain insight into service innovation, and, ultimately, conceptualize and develop new theoretical models in the area that both researchers and practitioners can exploit and benefit from. The complementary perspectives and disciplines in this book provide synergies that help us to better understand the nature and challenges associated with developing more agile and innovative organizations, and creating trust both within organizations and in relation to customers and external stakeholders. In the following, I will try to share some reflections on some of these synergies, and thereby address what I find to be the key takeaways.

An important precondition and argument in this book is that both offerings and organizations have to be infused to deliver on trust, as highlighted in the model in the introduction. The concept of infusing has been around for quite some time in organizational theory in general, and in institutional theory in particular. It usually has references to values as an important and vital force for both understanding and shaping identity, preferences, choices and behavior within organizations. In this book, however, the relationship between internal and external values and preferences has been addressed from perspectives anchored in

organizational behavior, design thinking, marketing and co-creation, which are important in order to build and maintain trust. The true benefit of this is to be able to turn organizations in the direction of an 'outside-in mindset,' using different perspectives and relying on the interplay between the values and interests of the customer. This reduces barriers between the organization and its environment, and gives primacy to action, while improving the speed and quality of the decisions that matter most. It stimulates and fosters trust. This is opposed to the conventional 'inside-out mindset,' which has – and indeed still is – hampered organizations that are seeking, but still struggling, to become more customer- and experience-centric. Using building blocks from co-creation, organization culture, service design and marketing, this book contributes to solving the puzzle of developing more experience-centric and agile organizations through its cross-disciplinary approach. Basically, it emphasizes and elaborates on the potential associated with being able and willing to put 'design thinking' at the heart of the enterprise, to gain customer insight and create trust. Hence, organizations have to be infused, and this needs to become a core competence. The book provides an important and somewhat innovative contribution at the intersection between relevant disciplines. Above all, it implies that this is an unfinished and ongoing research area. Therefore, the notion of how organizations can be infused to become experience-centric organizations should be continuously extended, evolved, challenged and explored through further research.

Perhaps the most crucial imperative in this book and in the topics we explore from different angles is transformation: transformation in technology, business models and customer preferences and values – and how organizations should carry out revolutionary changes to adapt and be able to create customer value as conditions in the marketplace continuously evolve. Transformation is largely about understanding the interplay between behaviors and how psychological switching costs, both among employees within organizations and among customers, are the driving forces behind the transformations. In both

cases, trust may prove to be a moderating mechanism. Given that trust can stimulate customers to engage in co-creation and accept more risk, and also contribute to more agility and willingness to change within organizations, the book shows that trustful relationships may represent a source of competitive advantage for organizations.

Finally, commercializing innovations concludes the scope of the book by linking innovation to economy and profitability, which, at the end of the day, all companies, managers and owners rely on. This is important to recognize, as well as the fact that certain areas in organizations need to be conventional and stable to deliver services of high quality, which is a precondition for building and maintaining trustful relationships.

26.4 MARIKA LÜDERS

If there is one over-reaching claim that we propose throughout the different contributions of this book it is the importance for firms to consider their trustworthiness as a core asset in all of their activities to innovate. Innovation is risky business, and a premise for succeeding is therefore to act in ways that strengthens trust. From working with on the book, and reading the different contributions, I hence propose the following overarching claim: if a company performs as a trustworthy actor throughout the innovation journey, chances are good the company will succeed with its innovations.

Notice that our claim does not imply that a company that does not perform as a trustworthy actor cannot succeed with its innovations. That would be an invalid deductive argument of denying the antecedent. However, there are evidently a couple of difficulties with our claim, and I will address and discuss these in my concluding remarks.

First, an assessment of whether our claim is true requires research that provides ways of measuring and evaluating what it means for a service provider to perform as a trustworthy actor throughout the innovation journey. The contributions of this book shed light on the trustworthy company, and do this from multidisciplinary perspectives. Part 1 on trust and

service innovation sets the stage, arguing that both intra-organizational and inter-organizational trust characterize the most innovative companies. In marketing research, for example, trust is a common variable to include when measuring acceptance and adoption of innovations. Part 1 moreover reviews benchmarking studies of what makes an actor trustworthy, typically represented as a number of antecedents such as skills/competence/ability, benevolence and integrity. Certainly, long and multifaceted innovation journeys make it difficult to assess the trustworthiness of a company throughout the different phases. We have therefore organized the structure of the parts and chapters to examine trust and trustworthiness throughout the stages from understanding trust, via planning for trust and designing for trust, to ultimately commercializing for trust. Taken together, the contributions of this book hence suggest ways of examining what it means for a company to perform as a trustworthy actor. Yet the book overall only in a limited sense provides evidence for the claim that if a company performs as a trustworthy company, it is likely that it will succeed with its innovations. As a slightly near-sighted editor, I find some indications in Part 5 on co-creating services. If we consider websites for crowdsourcing ideas and suggestions for service innovation itself, the difficulties in succeeding with leveraging 'the wisdom of crowds' is associated with the trustworthiness of the crowdsourcing company.

A second difficulty with our claim is that it is logically valid only if we can argue that a company that did not succeed with its innovation cannot have performed as a trustworthy actor. Certainly, there must be examples of the contrary; of commercially unsuccessful innovations brought forward by benevolent and competent companies with high levels of integrity. Yet a complete model for explaining successful innovations cannot have only one exogenous variable: trustworthiness cannot be the only variable. Trustworthiness might be a required but not sufficient premise. Alternatively, to put it bluntly: it does not help to be trustworthy if your services are not interesting or commercially appealing.

Therefore, whereas the title of this book, *Innovating for Trust*, puts trust in the middle of the equation, the contributions of this book rest on additional foundations. To conclude, I emphasize two re-occurring and interrelated notions used in this book: customer experience and customer-centricity. Customer experience is the sum of the brand, the value proposition offered to customers and the multitude of ways the customer meets and interacts with the service provider (see Chapter 11). A customer-centric company puts the customers first in everything they do in order to provide beneficial customer experiences, satisfaction and loyalty. This pair of notions form a pivotal point for the arguments proposed in the different contributions. Foresight is about identifying future customer needs (Part 2). Customer-centricity must be an integral part of business models (Part 3). Service design is putting customers first in order to design service offerings that create mutual value (Part 4). Companies attempt to involve customers in innovation activities in order to match their preferences and needs (Part 5). Innovative companies need to anchor customer-centricity throughout their organization (Part 6). Finally, comprehensive insight into what customers want enables companies to efficiently communicate and commercialize innovations (Part 7). Customer-centricity is very likely a way to strengthen trustworthiness *and* create innovations customers want.