

GROWING BEYOND PRODUCTS

Designing a service-centric business model for an indoor gardening product

GOAL

This Master thesis explores the potential for elho Group, Europe's market leader in sustainable synthetic plant pots, to innovate in the indoor gardening industry by developing a Product-Service System (PSS). It explores the intersection of consumer behaviour and strategic business model innovation, identifying key challenges, opportunities, and drivers that influence the adoption of new PSSs. It discusses how an understanding of these factors can inform strategic decision-making and future growth strategies.

PROCESS

The research and design process was structured using a systemic design approach, by using the Double Diamond model. Key activities included extensive **literature reviews**, empirical research on **consumer behaviour**, **product testing**, **industry and competitor analysis**, and several **co-creation**. These activities helped identify the drivers and barriers influencing the adoption of PSS in the Indoor Smart Garden (ISG) market, offering valuable insights into consumer perceptions of current market offerings. The findings guided the development of a solution tailored to meet consumer needs while addressing existing gaps in the market.

INSIGHTS

Qualitative interviews with "millennials" revealed key factors influencing PSS adoption, including **cost sensitivity**, **lack of flexibility** and **trust**, as well as **emotional benefits and service attributes**. For ISG products, **aesthetics**, **customizability**, and **ease of use** were crucial. Participants preferred natural designs that fit into their living spaces. External analysis showed a competitive landscape of small, similar brands, with **dissatisfaction arising from poor performance**, **high prices**, and **bad customer service**.

Launching an elho ISG PSS is a **high-risk venture** requiring full commitment and strong service differentiation. Elho must offer **modular, customizable designs** that fit interiors while maintaining **affordability**. Success depends on **lifestyle integration** and **high consumer interaction**. Elho's future vision focuses on becoming a trusted partner in plant care, supporting consumers with sustainable products and services that nurture both users and plants.

RESULT

The proposed solution, Tuyn, empowers consumers to maintain and grow a range of home-delivered herbs effortlessly. With an automated watering system, AI-driven guidance, and a flexible offerings, Tuyn adapts to individual preferences, making indoor gardening both convenient and personal. The system is enhanced by a mobile application that provides customized plant care instructions, helping users seamlessly integrate their herbs into daily routines. With a customizable design, Tuyn fits perfectly into urban living spaces, offering both functionality and aesthetic appeal.



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