

# Beyond the consumer lifecycle

A service framework for PostNL  
to develop personalized value propositions  
by empathizing with consumer life events



## Beyond the consumer lifecycle

*A service framework for PostNL to develop personalized value propositions by empathizing with consumer life events*

### Author

Lilly Deijmann

### Master thesis

Msc. Strategic Product Design  
Faculty of Industrial Design Engineering  
Delft University of Technology

### In collaboration with

PostNL

### Graduation Committee

*Chair* | **Dr. Giulia Calabretta**  
Faculty of Industrial Design Engineering | TU Delft  
Department of Design, Organization and Strategy

### Mentor | Dr. Rebecca Price

Faculty of Industrial Design Engineering | TU Delft  
Department of Design, Organization and Strategy

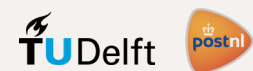
### Company mentor | Ir. Lydia The

Senior Service Designer | PostNL

### Problem owner | Bc. Nadine van der Klugt

Manager Marketing Communication & Business Development | PostNL

November, 2020



## PREFACE

*Dear reader,*

*In front of you is the final deliverable of my graduation project of the Strategic Product Design master at the Delft University of Technology. Starting at the faculty of Architecture and graduating seven years later as a strategic designer from the faculty of Industrial Design Engineering, I can now look back and say that it has been quite a journey. Although I never would have ever thought that I would complete the last phase of this journey almost entirely from my bedroom in Delft, looking back at the past six months, I am proud to present to you my final work, which I could not have completed without the support of a number of people.*

First and foremost, I would like to thank PostNL for providing me with this opportunity. Thank you, Lydia, for making me feel part of the team as much as possible and your endless support throughout the project. I really valued our weekly check-in moments, in which you took the time to listen to my all thoughts and ideas while keeping me on track. Thank you, Nadine, for letting me take up this design challenge and your support throughout the project. I would like to thank the rest of the people from the Consumer department who created time to listen to my ideas and provide fruitful feedback. And thank you, to all the people who participated in the interviews and the validation moments.

In particular, I am very grateful for my supervisory team, who continuously supported me during the past six months. Although the last time we saw each other in person was before the start of the project, I have always felt that I could count on your presence whenever I needed it. Thank you, Giulia, for your feedback and calming words, which helped me to gain confidence in myself and my design process. Thank you, Rebecca, for your weekly pep-talks and your encouraging words that gave me the mental strength to move forward and reach my full potential.

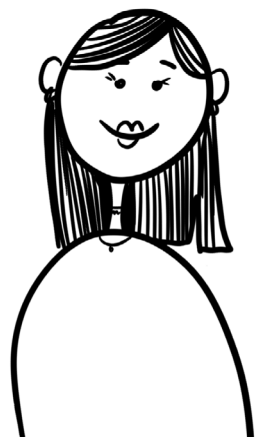
I would like to thank my friends and family, who have always been there whenever I needed it. Thank you, Jules, for taking hours to listen to my stories and give your honest advice. Thank you, to my roommates who always could cheer me up and made me laugh during these crazy times. Thank you, Fred, for your supportive feedback whenever I asked for it. Thank you, mom and Coco, for enabling me to pursue my ambitions and believing in me.

Finally, I would like to thank you, Jeff. You proofread my report word by word and, without having any experience in the field of design, you were able to provide me fruitful feedback throughout the project. Whenever I needed it, you cheered me up, made me laugh, calmed me down, boosted my confidence and listened to my thoughts. We always make jokes about you being my rock, but we both know it is the truth.

Enjoy reading!

**Lilly Deijmann**

19-11-2020

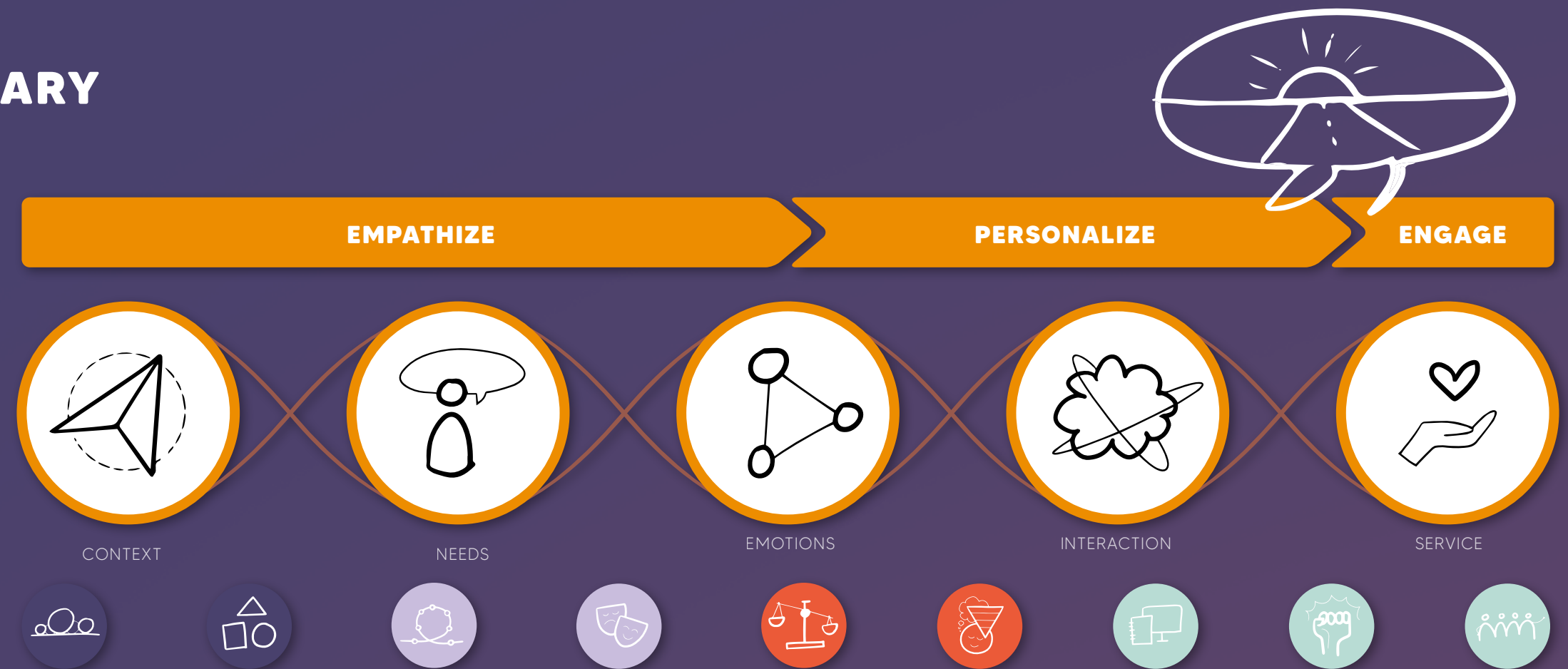


# EXECUTIVE SUMMARY

Due to rapid developments in information and communication technologies, our world has moved from an industrial era to a digital era in less than a century (Calabretta & Kleinsmann, 2017). Within the postal sector, new technologies and changing customer demands have led to a dramatic shift in the strategic priorities of all post and parcel players (Accenture, 2019). As a result of digitization, e-commerce is an expanding and fast-growing industry, putting pressure on current postal infrastructures. At the same time, numbers in physical mail have been declining for years, since emails are a cheaper and quicker means of communication (KPMG, 2019). Furthermore, post and parcel organizations are forced to constantly improve their customer experience in order to respond to the ever-changing demand of the consumer (Accenture, 2019).

This project is in collaboration with PostNL. Already for over 220 years, PostNL is the one that is delivering mail and parcels in the Netherlands and abroad. Like other post organizations, PostNL has been facing serious challenges in transforming their traditional services. Next to regular parcel delivery and mail delivery, PostNL provides several additional services to their consumers. One of them is their relocation service, which forwards mail to a consumer's new address after moving house and can inform organizations about their new address as well. Until now, the relocation service has been a valuable part of PostNL's business, serving thousands of customers per year, each paying a fixed price for a certain amount of weeks. But with declining numbers in sent mail and with consumers having an increasing amount of digital contact with companies and organizations, PostNL stated that the service is losing relevance and needs a revision.

In line with this observation, the purpose of this thesis was to research how PostNL can develop a (new) value proposition for the relocation service that at the same time can contribute to their ambition of becoming digitally relevant. In other words, it was aimed to investigate what should be the next step of the relocation service. However, after initial explorative research, it was found that current development processes within PostNL, in general, are still more technology-driven rather than consumer-driven. In order to define the next step of the relocation service, a more holistic approach is deemed necessary. Therefore, this thesis proposes the following problem statement:



▲ Figure 1 - The service framework proposal

**How can PostNL get an in-depth understanding of their consumers to develop value propositions that at the same time contribute to PostNL's ambition in becoming digitally relevant?**

Within the research phase of this project, a literature review is carried out as well as empirical research in which consumers were interviewed. This resulted in the detection of an opportunity gap for PostNL which states that understanding and responding to the needs and emotions of consumers during these life events can be a strategy for PostNL to overcome their challenges in digital transformation. To communicate the opportunity gap, a future vision is sketched in which PostNL is seen as the ultimate connector for consumers and businesses in a digital world.

The design phase further explores the proposed strategy and researches how PostNL can turn this vision into reality. By using a research-through-design process, PostNL is presented with an effective approach to understand and respond to consumer life events.

The end result is a service framework for PostNL employees (service designers and business developers), that stimulates to empathize with the needs and emotions of consumers during life events and includes a step-by-step approach to develop personalized value propositions that respond to these needs and emotions (figure 1). To show PostNL how these insights and the approach can be embodied in a service to emotionally engage their consumers, the revision of the relocation service is used as a case study. The outcome of the case study is communicated through the use of a persona, a service blueprint and a digital prototype. The latter has been presented to consumers and validated the enhanced digital experience of the relocation service. Furthermore, the service framework comes with future milestones that aim to show PostNL how to further develop this service in the future, making use of data and B2B partnerships.

The service framework, the outcome of the case study and the future milestones were validated within several validation sessions with employees from different internal departments. Within these sessions both the framework, the outcome of the case study and the future vision were assessed according to their desirability, feasibility and

viability. This resulted in several concrete recommendations for PostNL to implement and further develop the proposed service framework. Based on the validation, it is concluded that the service framework can contribute to PostNL's ambition to become digitally relevant.

Reflecting back on the initial assignment, this thesis aimed to define the next step of the relocation service by reframing the problem, taking a holistic approach, sketching a future vision, designing a service framework and using the revision of the relocation service as an example of how to use the framework. In addition, the insights and the final outcome of this thesis do not only contribute to PostNL's ambitions for the relocation service but can be used as an inspiration for many other cases within PostNL. Within the field of design, this thesis can be seen as an advocacy for looking at consumer needs and emotions in a more holistic context in order to get in-depth insights. It demonstrates that if you, as a designer, take up the challenge to reframe the given problem, follow your intuition and take a design-led approach towards the initial assignment, it is possible to design truly valuable services and strategies that look beyond the consumer lifecycle.

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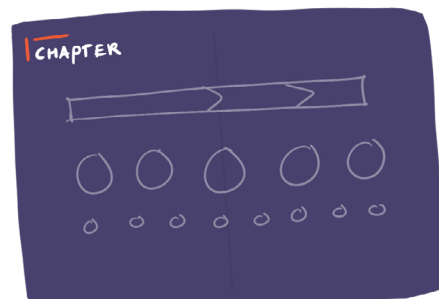
## Main chapters

The thesis consists out of eight main chapters. The start of a new chapter is recognizable by a red coloured spread

2

## Explanation about the process

Each chapter comes with a visual explanation about the concerned approach, recognizable by the green coloured areas



3

## Key decision or deliverable

A purple coloured spread means the chapter or visual explains an important decision or deliverable

4

## Key take-aways

Each main chapter is concluded with a key take-aways chapter, recognizable by the lilac coloured areas. No time to read? Just read these chapters to get a quick overview



5

## Abbreviations

B2B	Business to business
B2C	Business to consumer
BD	Business development
CX	Consumer experience
UX	User experience

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postnl

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# 01

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## Introducing the project

This chapter provides the introduction to the project, the stakeholders and the initial assignment. Furthermore, it explains the project approach as well as the structure of the report.

# INTRODUCTION

Due to rapid developments in information and communication technologies, our world has moved from an industrial era to a digital era in less than a century (Calabretta & Kleinsmann, 2017). Businesses, organizations and consumers are constantly facing new challenges and the impact of digital transformation is felt in many fields. Within the postal sector, new technologies and changing customer demands have led to a dramatic shift in the strategic priorities of all post and parcel players (Accenture, 2019). As a result of digitization, e-commerce is an ever-expanding and fast-growing industry, putting pressure on traditional postal infrastructures. At the same time, numbers in physical mail have been declining for years, since emails are a cheaper and quicker means of communication (KPMG, 2019). Next to running new business models that reduce costs and realize growth, post and parcel organizations are forced to constantly improve their customer experience in order to respond to the ever-changing demand of the consumer (Accenture, 2019).

This project is executed in collaboration with PostNL, which has been the only Dutch postal company for a long time (PostNL, 2020) and for over 220 years, has been the main organization in charge of delivering Dutch mail and parcels. Like other postal organizations, PostNL has been facing serious challenges in transforming their traditional services. And it is not only their core service which requires revision. Next to regular parcel and mail delivery they provide several additional services to their consumers, such as their relocation service, which forwards mail to a consumer's new address after moving house and can inform organizations about such an address change.

## Initial project assignment

Until now, the relocation service has been a valuable part of PostNL's business, serving thousands of customers per year, each paying a fixed price for a defined amount of weeks. But with declining numbers in sent mail and with consumers having an increasing amount of digital contact with companies and organizations, PostNL stated that the service is losing relevance and needs a revision. In order to make the relocation service more future proof and valuable, PostNL already took some actions to redesign the service. A few years ago they started to

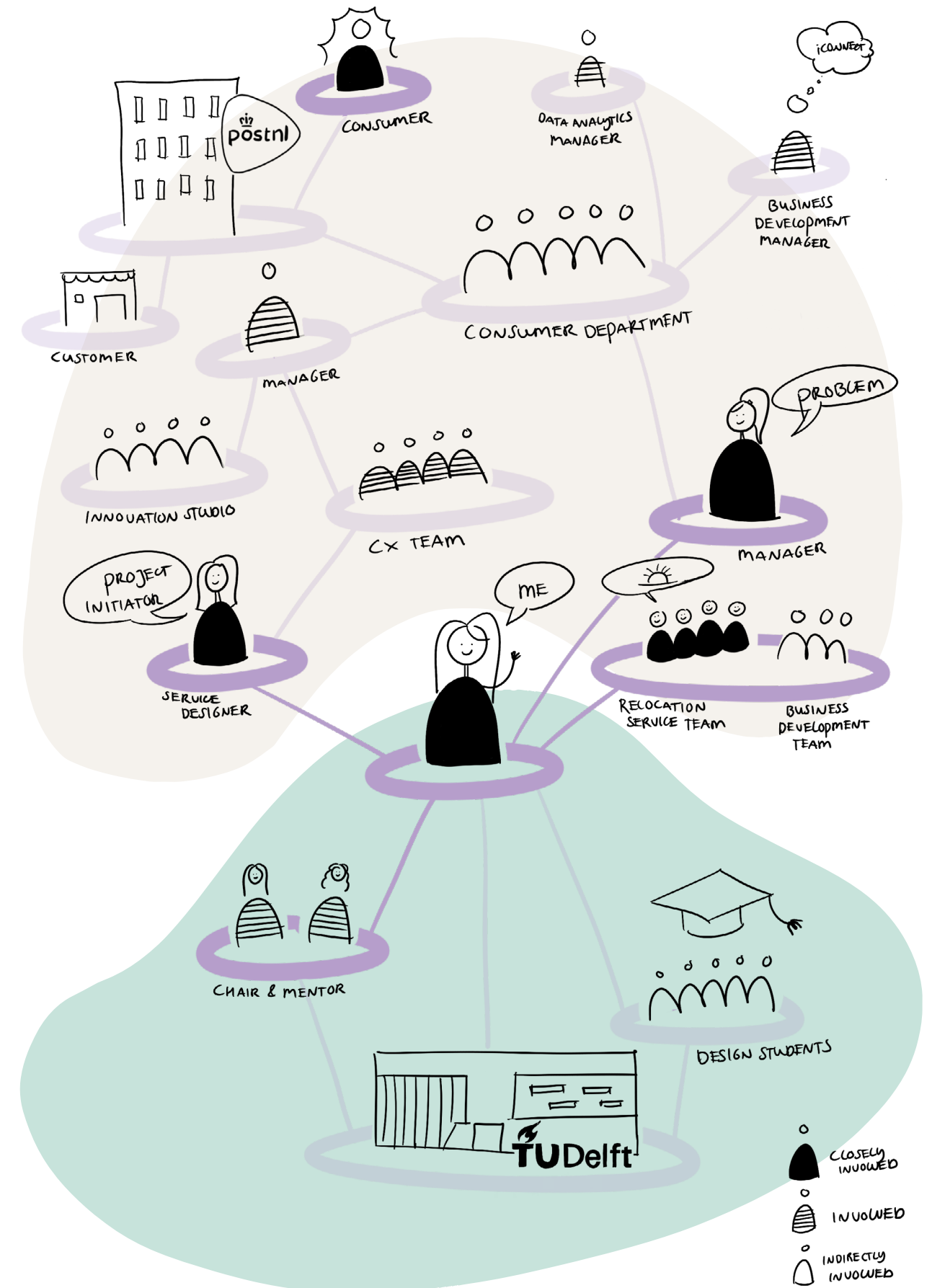
develop the concept of iConnect, a platform that aims to permanently facilitate the connection between users and organizations. However, the team responsible for iConnect struggles with turning their vision into reality. They believe that the development goes slowly, that the concept lacks substantiation and that validation is missing.

Thus, PostNL feels the need to have a validated vision for the future of the relocation service, in which they can keep providing value to the consumer in a digital world. In addition, they would like to have a validation of the future service concept of iConnect and a plan on how to develop, position and communicate this service concept in order to reach that vision. In line with this need, the purpose of this thesis was to explore what should be the next step of the relocation service (see also appendix A). To be more specific, the following research question was formulated:

How can PostNL develop a (new) value proposition for the relocation service that at the same time can contribute to their ambition of becoming digitally relevant?

## Project stakeholders

Several stakeholders take part in this project. Figure 2 shows these stakeholders and their main interests in this project. A division can be made between the primary stakeholders from PostNL and the stakeholders from the TU Delft. The problem owner is Nadine van der Klugt, manager of the Business Development (BD) team within PostNL. She manages the team within the BD department that is responsible for the relocation service. The project initiator is Lydia The, senior service designer within the Customer Experience (CX) team of PostNL. From the TU Delft the project supervisors are Giulia Calabretta and Rebecca Price, both from the faculty of Industrial Design Engineering (IDE). Furthermore, several secondary stakeholders can be distinguished, like PostNL's consumer (B2C), customer (B2B) and strategic managers. In chapter 02, these stakeholders and their interest are further analyzed and explained.



▲ Figure 2 - Overview of the project stakeholders. A division is made between closely involved, involved and indirectly involved stakeholders

# PROJECT APPROACH

As stated in the previous chapter, the initial assignment of this project was to investigate what should be the next step of the relocation service in a digital world. Within the field of design, integrating design methods and thinking within business management is seen as a way to innovate and provide new value propositions to customers (Price & Wrigley, 2016). Therefore, it was proposed to take a human-centered design approach in which several research and design techniques are used in order to find an answer to the proposed question in the initial assignment: "How can PostNL develop a value proposition for the relocation service that at the same time can contribute to their ambition of becoming digitally relevant?" Furthermore, it was expected that the insights, recommendations and design principles resulting from this project can be used for other digital services, and thus are valuable for PostNL in general.

This project presents the opportunity to accelerate the development of a digital service by delivering a validated human-centered vision. However, due to the COVID-19 crisis, the majority of the project had to be done remotely and digitally. Therefore, no real life experience of the company and its people was possible and no face to face interviews or observations were possible. During the research phase as well as the design phase this has been taken into account.

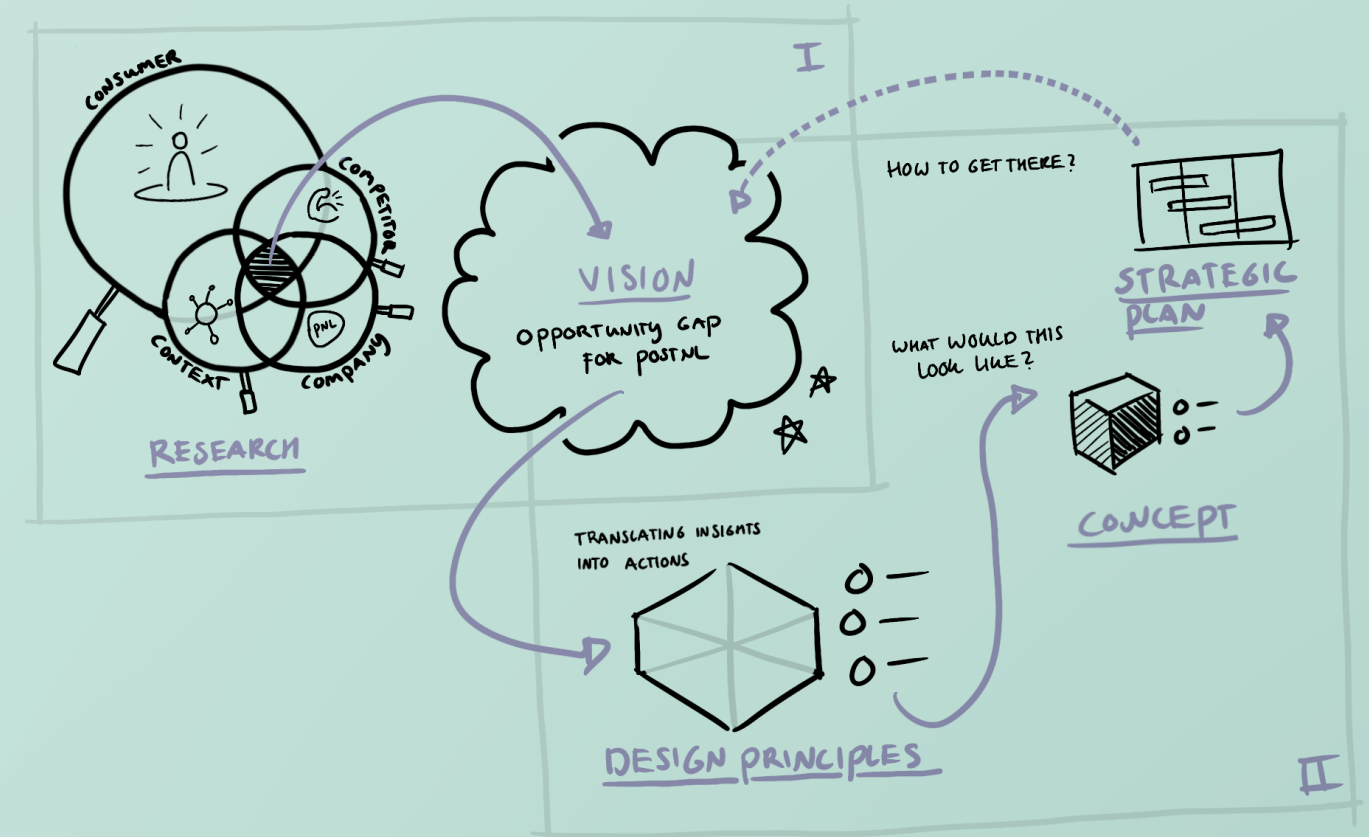
The set-up of the project is based on the classic Double Diamond model (British Design Council, 2019), which divides the design process in a research phase and a design phase. The goals and activities within each phase are based on the approaches of user-centered design, service design and the classic design thinking model. The overall project approach is illustrated in figure 3. Besides the question as proposed in the initial assignment, It is chosen not to define all research questions beforehand, but rather look at the end of every phase what would be necessary for the design process.

## Part I - Research

The first part of the project was focussed on conducting research and defining the future vision. The proposed research and design activities are based on a mix of different methods from the field of design. Because of the open nature and apparent complexity of the assignment in which many stakeholders have interest in the outcome of the project, the initial part of the project asks for a thorough understanding of the current strategy and context that is operated in. This is combined with an external analysis, in which the context of PostNL and the relocation service as well as their competitors are analyzed through conducting desk research and literature research. The main focus is on conducting in-depth consumer research, in which the behaviour, needs and values of consumers are researched to identify opportunities to improve their experience (Reason, Løvlie & Flu, 2015). The outcome of the internal as well as external analysis define the scope of the consumer research. Through qualitative research, user-centered key insights and principles are created, and based on these insights, a vision is developed on what role the relocation service of PostNL can have in the future.

## Part II - Design

The second part of the project consisted of designing the strategy on how PostNL can (re)design the service and achieve this desired vision. Based on the insights from the research phase, the solution space and the corresponding strategy are defined. The strategy will have integrated design principles that can be used as guidance through the design and implementation phase of the service. In addition, a demonstrative concept was designed that was prototyped and tested externally with the end-user as well internally with PostNL, to show PostNL how these design principles can be embodied and integrated into a service. Finally, a future milestones and recommendations are formulated on how the concept and the strategy could be further developed in the future.



▲ Figure 3 - Visual overview of the project approach, divided into two parts: research and design

## Personal ambitions

Next to the initial assignment, personal ambitions regarding this project were also taken into account in defining the project approach. Throughout my bachelor in Architecture at the faculty of Architecture and my master Strategic Product Design at the faculty of IDE, I developed competencies that I aimed to further develop within this project. Among others, these competencies are: effectively carry out stakeholder management and alignment within a big corporation, gain experience in facilitating (digital) co-creation & creative sessions, and

furtherly develop skills in rapid prototyping, by applying a build-measure-learn methodology in the developing phase of the project. Furthermore, my personal ambition for this project was to be able to look back after finishing the project and to say that I had a positive and healthy learning journey of which both PostNL and myself can be proud. Whether and how these personal ambitions are fulfilled within the timespan of this project can be read in chapter 8.2 at the end of this thesis.



# REPORT STRUCTURE

The previous chapter described the two main phases of the project approach on a holistic level. Throughout the project, an explorative and iterative mindset was taken, in which many decisions were initially based on intuition and later were substantiated with proof from literature research as well as qualitative research. To make sure that the outcomes of this process are documented in an understandable and readable way, the insights generated during this project are structured according to the four phases of the Double Diamond (British Design Council, 2019). Figure 4 presents the chapters of the report linked to these four phases of discovery, defining, delivering and developing.

**Discovery** - During the discovery phase, the initial assignment was explored (divergent thinking) to understand the context and the underlying problem (chapter 02). This formed the starting point for the literature review (chapter 03) in which challenges of other national postal services were explored, as well as strategies to overcome these challenges. Based on these findings, an opportunity gap for PostNL could be defined.

**Define** - By identifying the opportunity gap, it was possible to scope the consumer research. During the define phase, in-depth interviews with consumers were conducted about their needs and experienced emotions during life events (chapter 04). These insights were translated into nine actionable life event principles, that could be used during the rest of the process. The findings from the first diamond enabled the formulation of the design vision and design brief (chapter 05), which functioned as a starting point for the second diamond.

**Develop** - During the developing phase, a research-through-design approach was taken to explore the design brief and possible outcomes. In line with the design brief, a step-by-step approach was described and a demonstrative service concept was developed and tested (chapter 06).

**Delivery** - During the delivery phase, the different findings and sub-deliverables from the project were brought together in one encompassing framework (chapter 07), which is validated internally with PostNL. Furthermore, future milestones and recommendations are formulated on how to further develop the framework in the future.

# KEY TAKE-AWAYS

- Within the postal sector, new technologies and changing customer demands have led to a dramatic shift in the strategic priorities
- The initial assignment of this thesis is about how PostNL can develop a (new) value proposition for the

- relocation service, which helps consumers that are moving to a new address
- For readability, the report is structured according to the four phases of the Double Diamond
- 

01 | Introducing the project

02 | Understanding the context

03 | Theoretical foundation

04 | Empathizing with consumer needs

05 | Imagining the design vision

06 | Developing the service framework

07 | Delivering the strategy

08 | Concluding the project

DISCOVER

DEFINE

DEVELOP

DELIVER

▲ Figure 4 - Structure of the report according to the Double Diamond



# 02

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## Understanding the context

This chapter focuses on the initial exploration phase of the project, in which PostNL is analyzed as well as the current vision of the relocation service. The chapter concludes with a definition of the problem, which functions as the starting point for the remainder of the thesis.

## CONTEXT EXPLORATION

In order to scope the project and get a clear understanding of the problem, the first part of the project is focused on exploring the project context and background. The aim of the initial exploration is to understand and identify the perceived challenges and unanswered questions PostNL is dealing with. PostNL's current culture, strategy and vision are analyzed, as well as the strategy and (re) development of the relocation service. This section forms a basis for the upcoming research chapters.

In the first weeks of the project, numerous informal interviews with employees were conducted and extensive desk research was carried out. The informal interviews included 24 conversations with people from different departments within PostNL, including service designers, customer journey owners, business developers, sales managers, data analysts, UX designers and strategic managers. During these conversations, the strategy and vision of PostNL, as well as the strategy of the relocation service, were discussed. Next to conducting desk research, the analysis included the attendance of several online internal events, which provided insights into the daily practices and priorities of PostNL, as well as their ambitions for the future.

To provide a concise overview of these insights, it is chosen to structure the results of the initial analysis according to the Golden Circle of S. Sinek (2010). This model can be used to inspire companies to focus on their beliefs (WHY) behind their operations (HOW) and delivered services (WHAT). In this case, it is used to map the current products, the strategy and vision of PostNL. An extra circle was added to explain WHO PostNL is actually serving. The same is done with regard to the relocation service, to get a more specific understanding of this particular service within PostNL.

***“We have deep roots in society, and through our operations we connect with millions of stakeholders on a daily basis.”***

- Herna Verhagen, CEO PostNL (2020)

### 2.1.1 ABOUT POSTNL

#### WHAT?

Not only has PostNL been a major player within the Dutch Postal industry for a very long time, it has also been the one and only postal company within the Netherlands for quite a while (PostNL, 2020). Today, PostNL's core business includes the activities of collecting, sorting and the delivering mail, parcels and other goods. PostNL's assets consist of their infrastructure, their data and their technological capabilities, including their channels and systems to deliver their logistic services. Online, they maintain 5,8 million unique accounts and have over 200 000 businesses that make use of their business portal. And in striving to deliver mail and parcels on time and to the right address, they have access to the front door of nearly 8 million Dutch households every day. Today, PostNL also offers many other services in marketing solutions, food logistics, data solutions and health logistics.

#### WHO?

Within PostNL a distinction is made between customers and consumers. The consumer is someone who receives or sends mail or parcels, often not directly paying PostNL. Customers do directly pay for services provided by PostNL and can vary from large organizations to people that run a small business by themselves. However, consumers still interact with the brand and thus still are important to take into account. To make it even more complex, a person can be a consumer and a paying customer of PostNL at the same time. For example, the CEO of a large organization can pay PostNL for their services during daily business operations, while acting as a Dutch (consumer) citizen that receives letters and orders parcels at his home address simultaneously.

***“Physical delivery service remains our core. But we have to provide this service with a perfect digital journey, supported by data and algorithms.”***

- Marcel Krom, CIO PostNL (2020)

#### HOW?

Currently, PostNL's business units are divided into Mail, Parcels and Customer Excellence (including Online services). The latter is established to create a stronger focus on the consumer. To serve consumers and customers, PostNL is working with two main customer journeys: a consumer receiving mail or parcels, a consumer sending mail or parcels and paying customers that want to send their products. Recently, they developed the Orange Compass (see appendix B) to create brand alignment and “to guide everyone within PostNL on how to put the desired customer experience first.” (PostNL, 2020). Other projects that aim to enhance the CX are the development of a consumer segmentation model (appendix B), the customer journey factory and the innovation studio. Technologically, they have the ambition to gather consumer data to deliver personalized and integrated services (PostNL, 2016). Nevertheless, optimizing logistics, saving costs and managing the basic delivery operations still seems their main focus.

#### WHY?

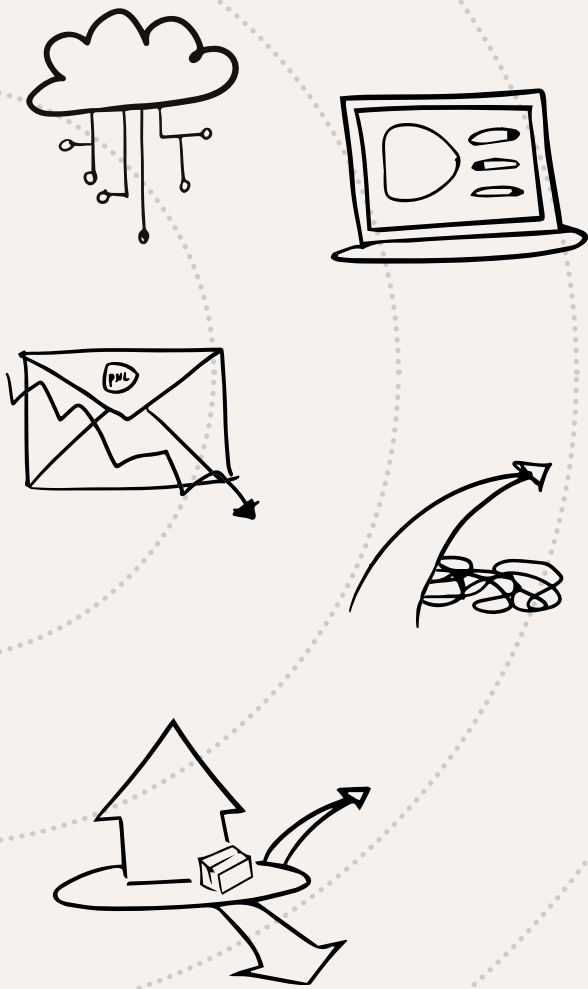
PostNL's ambition is to become the favourite deliverer within the Netherlands (PostNL, 2020). They want to achieve this by developing services that connect the digital and physical, so that digital transactions result in seamless physical deliveries. Because of declining numbers in mail, they feel the urge to accelerate their digital transformation and transition to a full-service logistics service provider, offering services beyond their core activities. Retaining societal relevance is one of their biggest challenges. Nevertheless, they still believe in the value of physical mail as well: “It continues to catch people's attention, and is always nearby and reliable.” Furthermore, PostNL takes great pride in their CX and aims to maintain a steadily developed reputation. As a former state-owned company, PostNL always has had a brand that was known for their integrity and reliability. Transforming their business comes with preserving this position.



***“We remain the indispensable link between senders and receivers, and the connection between the physical and the digital world.”***

- PostNL (2020)

## 2.1.2 ABOUT THE RELOCATION SERVICE



### WHAT?

Already since the end of the last century, PostNL has been providing the relocation service to their customers. Just like back in the day, today the service has two main functions: forwarding mail and informing companies. Only six years ago they started to provide this service online. Before that, it always had been a booklet consumers could fill in to request the service. The current service focusses on serving consumers during their stressful event of moving house. For PostNL's business, the service is especially interesting because the service is profitable from both B2C and B2B perspectives. Furthermore, the service is unique in its proposition since it does not seem to have other competitors within the Netherlands.

### WHO?

Looking at today's numbers, the relocation service is still a very profitable service for PostNL. However, the team sees some challenges in staying valuable for the consumer. Currently, the relocation service is most used by a specific target group: consumers around the age of 51 years old that are part of a traditional (wealthy) family (see appendix C). While interestingly enough, most moving house events take place in the age category of 18-30 years old within the Netherlands (CBS, 2019). In optimizing the relocation service, the team wants to find out whether the target group can be expanded to younger consumers. Another challenge they perceive is that the current form of the service is often misunderstood by consumers, especially regarding which features are free and which are not. Furthermore, it seems that it is sometimes hard to deliver the promise of informing different parties, since the service is depending on the processing capabilities of the companies that need to be informed.

***“Actually, our biggest competitor is the consumer that rather does the tasks himself”***

***“We find it hard to think from the perspective of our consumer. We tend to only think from the perspective of the solutions we can offer”***

### HOW?

Next to consumer experience related challenges, the team is faced with another major challenge. The mail market is continuing to decline in the Netherlands, and volumes have been dropping by around 10% in 2019 (PostNL, 2020). Simultaneously, they observed declining numbers of the relocation service as well. Therefore, PostNL started to define what the future of the service should look like. Almost 5 years ago, the idea of iConnect was conceived: the service should move to a platform that connects consumer and business parties in having updated personal data (other than only an updated home address). A lot has been invested, but till this day, the concept has not been realized. The current development team consists of sales and marketing educated people, who have to keep the relocation service up and running while developing a completely new service proposition at the same time. The concept has been tested with consumers, but it seems that foundational consumer research has been skipped. A central question seems to have been how much the consumer is willing to pay for the service, leading to a developing process which is mainly solution-orientated rather than consumer need-orientated.

### WHY?

Hence, it seems that PostNL's ambition for the relocation service tends to focus on the viability side of the Innovation Sweet Spot (IDEO, 2020). On the desirability side regarding B2C, “being able to receive the most important information” seems to be positioned as the most important consumer need in both the optimization process of the relocation service as well as the development process of the iConnect service concept. The initial proposition of iConnect aimed to move the proposition of the relocation service from “Your mail automatically received at your new home address” to “Your personal data managed and shared with relevant organizations in a secure and easy way”. However, the team is doubting whether this proposition offers the value the consumer is looking for. They are looking for a vision for the service that ensures them of providing value to the consumer, so that they are able to move forward.

***“The name iConnect seems to be infected... So much has been invested, but it is not going anywhere”***



***“We miss a vision and someone who owns that vision”***



# DETECTING ASSUMPTIONS

The previous section described the findings from the exploration research activities. From the internal interviews it appeared that within the strategic development process of the relocation service there were a lot of unanswered questions for PostNL, both on a strategic level as well as with regard to the relocation service. Without taking enough time to find an answer to these questions, the development process continued. Design disciplines such as strategic design and service design can offer alternative solutions, that question the assumptions that subtext the actual problem (Calabretta & Gemser, 2017). Doing this can result in a reframing of the challenge and ultimately point towards unexpected solutions. Therefore, it was decided to collect these unanswered questions and group them into different assumption clusters.

An overview of these clusters is presented in figure 5. By mapping out these assumptions and presenting them to the client, it was possible to discuss and manage expectations for the rest of the project. The assumptions are formulated as questions in order to use them as guidance and a form of evaluation throughout the process. At the end of the report 5, it is discussed whether these questions have been answered and to which extent.



## ASSUMPTIONS REGARDING THE STRATEGY OF POSTNL

- 1.1 Since mail is declining, do we have to move to a data-driven business model or can we keep to our core?
- 1.2 How can we provide more services to our consumers that are somehow related to our core business?
- 1.3 How can we provide value for consumers during other life events? Which life events?
- 1.4 How relevant are updated data changes for consumers during life events?
- 1.5 How can we deliver value to different consumer segments?
- 1.6 How to deliver services that are more empathic, rather than functional?

## ASSUMPTIONS REGARDING THE RELOCATION SERVICE

- 2.1 How can we target a younger target group?
- 2.2 How can we connect the relocation service to other journeys?
- 2.3 How can we work together with other services of PostNL?
- 2.4 How to deal with this kind of services? Let them burn out slowly or should we invest?
- 2.5 How to continue the relocation service? Do we optimize or are we going fully for iConnect?

## ASSUMPTIONS REGARDING THE ICONNECT PROPOSITION

- 3.1 What value do consumers see in sharing their data with businesses to stay in contact?
- 3.2 To what extent are people interested in an overview of business relations (iConnect)?
- 3.3 How should the concept of iConnect be integrated into our current service or should it be a product on its own?
- 3.4 To what extent is PostNL in the right position to provide the concept of iConnect anyway or should it be developed under a different brand?
- 3.5 What are consumers willing to pay for the service?

▲ Figure 5 - Overview of the assumption clusters

## PROBLEM DEFINITION

The synthesis of the exploration activities resulted in a problem definition and reframing of the initial assignment. From understanding the context, it appeared that PostNL, despite their strong brand, their well-known name and high level of reliability, sees a challenge in keeping this position when becoming more and more digital. PostNL's biggest fear is to lose relevance in a world that becomes increasingly digital. They take different actions to make sure this does not turn into reality: focussing on delivering a seamless customer journey, while optimizing their logistic process on the background of their business. While doing this, they bump into different barriers that withhold them from becoming digitally relevant. Looking more closely at the actions they have taken, it can be stated that their current strategy is still more technology-driven rather than consumer-driven. PostNL is struggling with developing propositions that are truly valuable for the consumer and that at the same time contribute to PostNL's brand on a strategic level.

The redesign of the relocation services can be seen as an embodiment of this problem. In doing an attempt to decide what should be the next step for the services, the team is struggling. The development process is a blurry process in which the development of the relocation service and the development of the future proposition are mixed. It looks like important steps in the development are skipped and the consumer needs, which are very important, did not get enough attention. In the process of wanting to quickly validate and research a proposition, PostNL got stuck on focussing on the basics, rather than taking the time to discover what is really of value to the consumer.

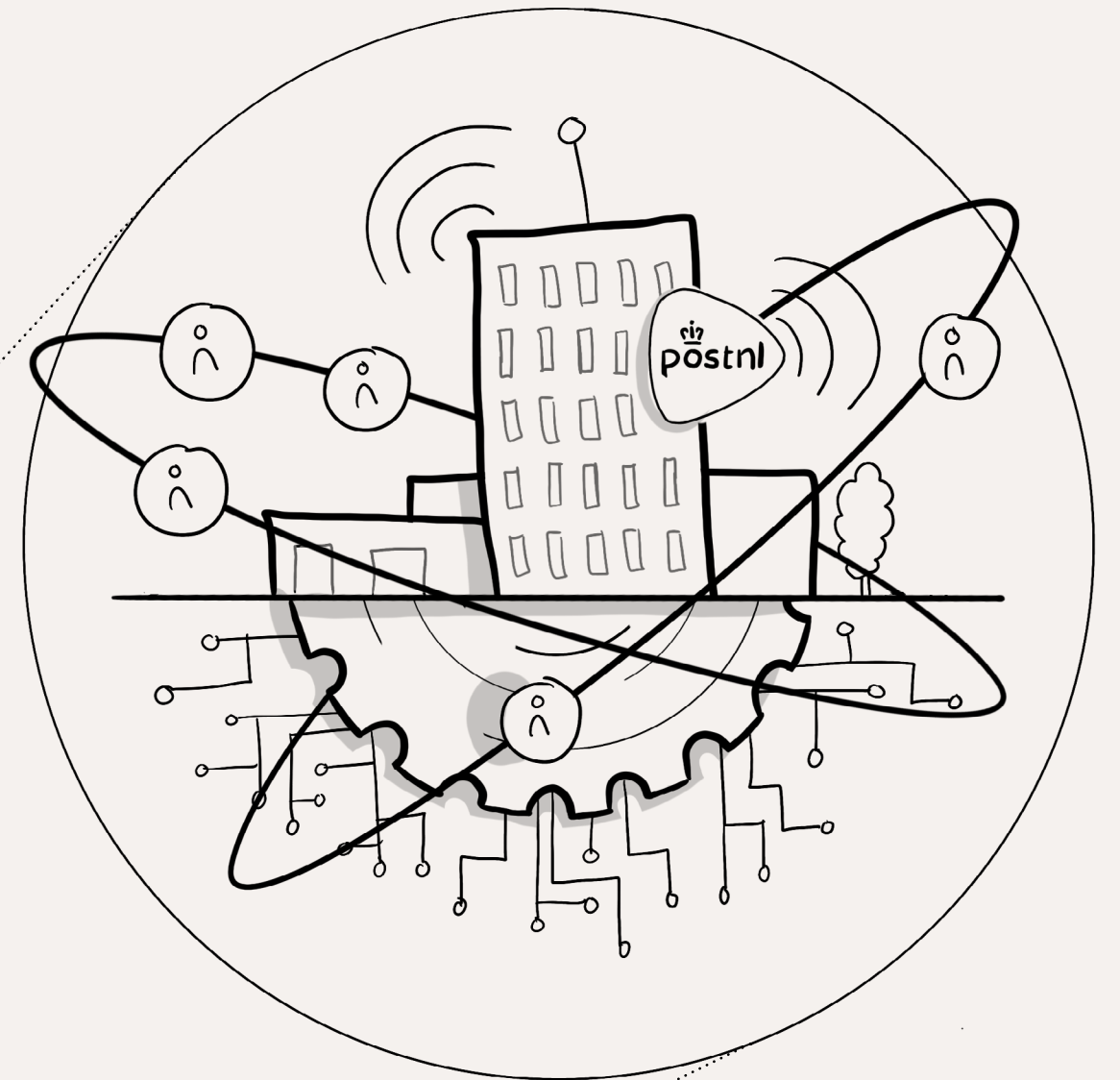
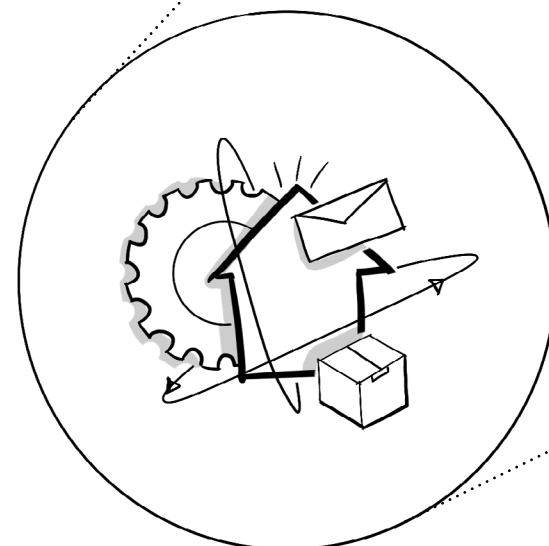
PostNL's strength is their unique position within the Dutch postal sector. With their infrastructure, their network, their data assets and their technological system, they have the capability to provide value to their consumers on many levels. But what is missed, is an in-depth understanding of consumer needs and values in a broader context, rather than only looking at the short interaction moment of sending and receiving. The team is very motivated

to work on improvements, but lacks a clear vision. According to the design leadership matrix, which can be used for project positioning (Calabretta & Gemser, 2016), this project needs alignment and engagement. In other words: A clear vision, a validated value proposition, in-depth consumer insights and consumer empathy. Therefore, the problem statement is redefined as:

How can PostNL get an in-depth understanding of their consumers to develop valuable propositions while becoming digitally relevant?

While finding an answer to this problem statement, the redesign of the relocation service will be used as a case study for PostNL. The initial assignment as described in chapter 1.1 therefore remains relevant within this thesis:

How to develop a value proposition for the relocation service that can contribute to becoming digitally relevant?



▲ Figure 6 - A holistic approach is necessary to tackle the given problem behind the initial assignment regarding PostNL's relocation service

## KEY TAKE-AWAYS

- PostNL's ambition is to become the favourite deliverer within the Netherlands, by developing services that connect their consumers with their customers
- The original focus on the relocation service is actually based on this broader ambition. PostNL is not only looking to improve the relocation service, but is also looking for a clear

development vision to do so. However, current development processes are more technology-focussed than consumer-oriented

- Therefore, the problem statement is redefined to: How can PostNL get an in-depth understanding of their consumers to develop valuable propositions while becoming digitally relevant?
-



# 03

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## Theoretical foundation

This chapter describes the literature review that forms the foundation for the consumer research. Furthermore, it describes the detected opportunity gap for PostNL, based on the findings of the literature review.

# LITERATURE REVIEW APPROACH

As proposed in chapter 1.1, this initial assignment of this project asked for a thorough understanding of the behaviour, needs and values of consumers to identify opportunities for the service (Reason, Løvlie & Flu, 2015). After an initial exploration phase, as documented in chapter 02, the underlying problem of the initial assignment was identified. A more holistic perspective will be taken to the given problem context, by researching how PostNL as an organization to get a more in-depth understanding of their consumers, rather than only looking at the consumer needs within the moving house context.

However, in taking a more holistic perspective, a clear foundation and scope for the consumer research is still lacking and a more broadened understanding of the postal sector is missing. Therefore, a literature review is conducted to further explore the context and the problem statement and to identify an opportunity that could help scope the consumer research. In that way, that the explorative literature research can form a theoretical foundation within this thesis.

The detected assumptions in chapter 2.2 (page 24) will be used to identify three search areas that could be used as a guidance throughout the literature research. Moreover, to structure the literature review, each topic is accompanied by a research question.

## Search area I - Challenges for national postal services

The aim of this search area is to get an understanding of the context of the postal sector. The focus is especially on other national postal services and their perceived challenges: Are they facing the same obstacles and what actions are they taking to tackle these problems?

> What are the current challenges of national postal services in becoming digitally relevant?

Based on assumption 1.1, 1.2, 2.3 & 3.4

## Search area II - Success factors for digital transformation

Not only the postal sector is facing challenges in digital transformation. Also organizations from other fields have been experiencing different barriers. The aim of this search area is to get an understanding of what the possibilities and requirements are for organizations to overcome these challenges.

> What digital transformation strategies do businesses and organizations apply to become digitally relevant?

Based on assumption 1.1, 1.2, 1.5, 1.6 & 3.4

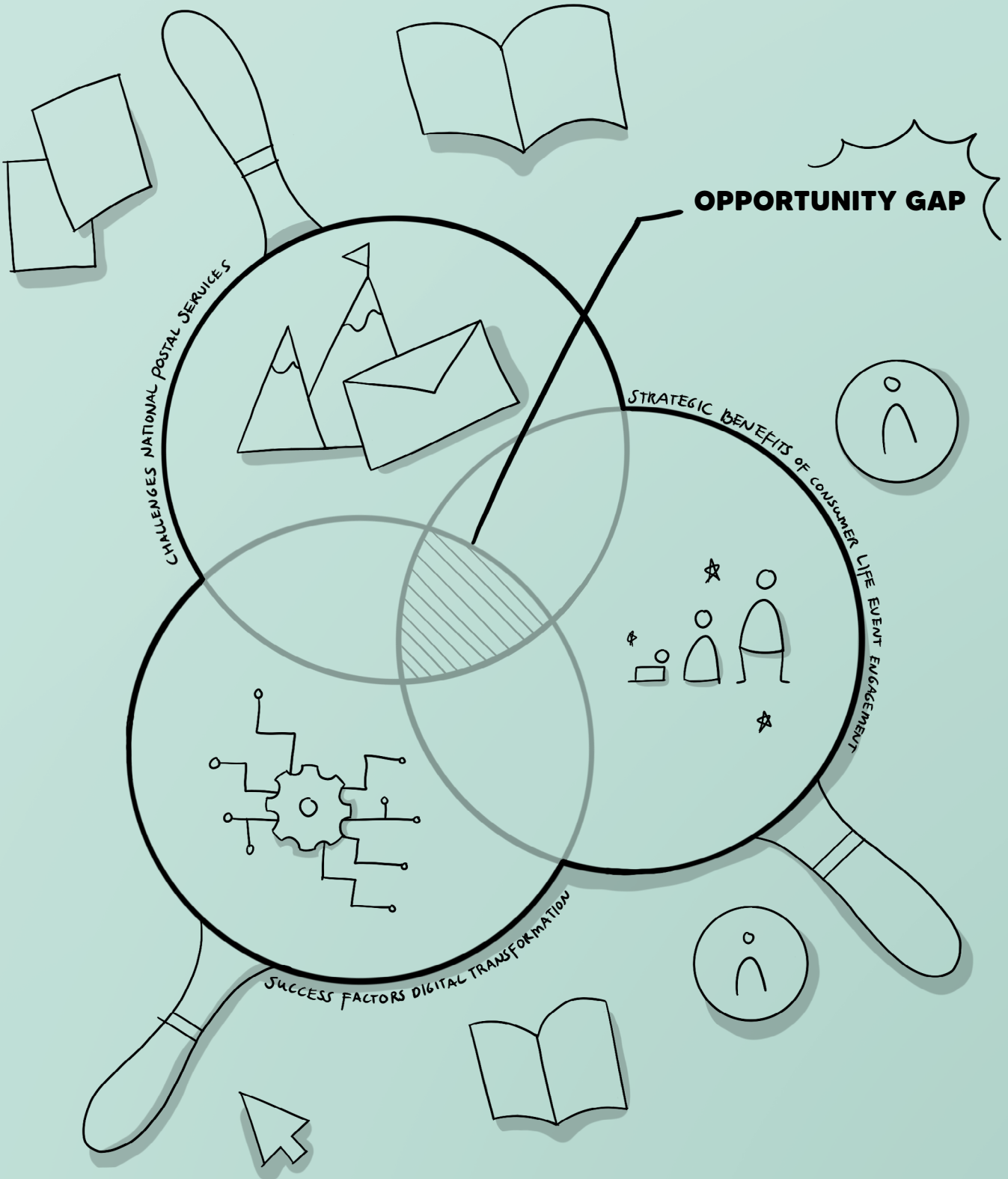
## Search area III - Strategic benefits of consumer life event engagement

The relocation service aims to provide value during the moving house life event of the consumer. The service concept of iConnect aims to widen the scope of the context to provide value during other life events as well. In line with these services, the understanding of the context around life events will be explored to find its potential benefits for PostNL during their digital transformation.

> How can understanding the context of life events contribute to becoming digitally relevant?

Based on 1.3, 1.4 & 2.2

Scientific literature review will be used to try and answer the corresponding questions, supported by evidence found in the popular press (online magazines and news articles). In addition, large postal services within and outside of Europe will be analyzed, by going through recent annual reports to discover their challenges, and defined strategies. Analyzed postal services are DHL (Germany), Posten (Norway), Royal Mail (United Kingdom), USPS (United States), Australia Post (Australia), Swiss Post (Switzerland), PostNord (Sweden).



▲ Figure 7 - Visual overview of the literature approach with the identified search areas



# CURRENT CHALLENGES FOR NATIONAL POSTAL SERVICES

RQ1 What are the current challenges of national postal services in becoming digitally relevant?

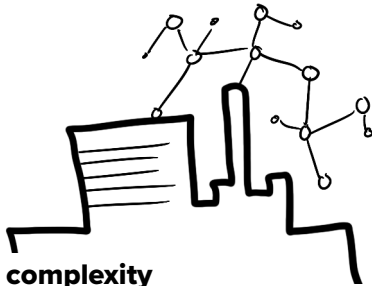
The last couple of decades, the postal sector has had to deal with numerous challenges. Rapidly changing consumer needs and behaviour are putting pressure on the postal sector to innovate and transform their way of working inherently. Especially national postal services, that are often matured, traditional and large organizations, are struggling to keep up with the changing and increasingly digital world we are living in. And while they are struggling, the COVID-19 crisis taught us that our society can not live without these organizations. They make sure brands and consumers stay all interconnected while everyone is staying safely at home. So what type of organizations or these national postal services? Why are they struggling, while at the same time, they appear to be a vital part of our society? The following section aims to answer these questions by describing five current key challenges of national postal services.

1

## Dealing with large scale complexity

National postal services are enormous and complex organizations. Most national postal services have been operating in the field for a long time, some already for a couple hundreds of years. And it all started with what they are still doing to this day: being the main method of communication between people and organizations (KPMG, 2019). Serving millions of national and international consumers, businesses and organizations, they have a vital role in our society in keeping important infrastructure up and running, as well as ensuring the transport and distribution of medicines, food and other critical goods to the population (PostenNorway, 2019). And it is not only consumers and external parties that are depending on their vitality, they are an important source of employment as well. In Europe alone, the postal sector employs about 1.8 million people (European Commission, 2020), while in the United States only the United States Postal Service (USPS) even employs about a half million people (USPS, 2020).

Next to their own complex nature, the environment that national postal services are operating in is highly complex and competitive as well, on both B2C and B2B level, and on both national and global level (Deutsche Post DHL Group, 2019). Unluckily, many national postal services have been notably slow in developing alternative business models, allowing competitors to capture lucrative parts of the market (Ashkenas, 2009). Suddenly, they have to battle with young and innovative companies trying to keep their service the most lucrative option within the market. A tough job, given the fact that most of them never have been purely commercial enterprises as they started from governmental and societal interest in connecting governments and citizens (KPMG, 2019). Furthermore, their fixed-cost nature of the business and their national service obligation make it difficult for these incumbents to restore profitability by cutting costs. (KPMG, 2019). However, looking at these large, complex organizations with millions of customers, in rapidly changing environments, it is not surprising to see these organizations are struggling to keep up (Ashkenas, 2009).



2

## Keeping up with technological developments

For a long time, the letter post retained a dominant position in the transmission of written messages (KPMG, 2019). But since the end of the last century, the postal sector got presented to some serious challenges when facing the arrival of the fax machines, followed by the world wide web and mobile phones. The world has started to move more and more towards digital communication, putting pressure on the postal sector and its core business (Ashkenas, 2009). Letter volumes that had been growing steadily in the 19th and 20th century suddenly went into decline in the 21st century caused by these disruptive technological innovations and with that the long-standing and reliable income for many postal services (McKinsey, 2019). Also, technological innovations within their own field of logistics, varying from drones and robotics to blockchain and artificial intelligence, have been pushing postal incumbents to establish and frequently update their understanding of these innovative fields (McKinsey, 2019).

Both these internal as well as external disruptions are forcing national postal services to transform their businesses and daily practices. This need to innovate and transform is widely understood. UPU (2019) aims to use organizational processes and technologies to gather information about online client behaviours and preferences, as well as personal data. “The goal is to identify opportunities, better understand customers, improve interactions, and deliver the right products and services.” Also, Swiss Post (2018) indicates they are working on delivery drones and autonomous shuttles, and would further like to explore how applying the Internet of Things and Artificial Intelligence can improve their processes even more.

Yet a lot of postal companies struggle to develop the capabilities to innovate. The transportation sector has ranked for years as one of the least digitally advanced industries in various studies, including McKinsey Global Institute’s Industry Digitization Index (McKinsey, 2019). Many national postal services still seem to have their main focus on optimizing operational efficiency, streamlining internal processes, and reducing costs, rather than innovating. For example, Royal Mail (2018) indicates in their annual report that they aim to focus on “faster

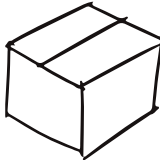
delivery” and “more tracking information”. According to Heilemann (2017), the lack of “digital DNA” along with legacy infrastructure and rigid processes are often to blame. With everything moving to digital, having an excessive amount of data to track and preserve, concerns like technology and information security are new priorities the sector has to deal with. To unlock the potential value of enhanced data access, postal players will certainly need to invest in advanced analytics and optimization systems (McKinsey, 2019).

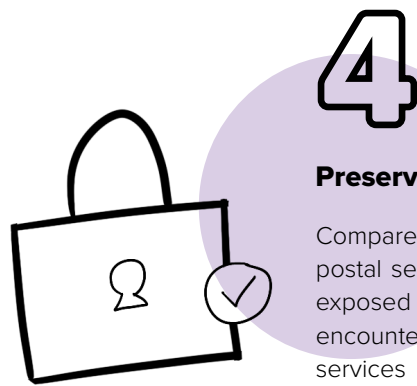
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## Reinventing their core business

Although technological developments have caused letter volumes to decline, it also enabled postal services to open the scope of their core business from only mail to transferring packages. One might say that this has saved national postal services: while mail volumes are declining, parcel volumes are increasing more than ever (McKinsey, 2019). Royal Mail (2018) claims that e-commerce is even responsible for generating two in every three parcels sent in the UK and it still continues to grow. PostNord (2020) indicates that e-commerce currently represents around ten percent of total retail in Sweden and by 2025 it is forecast to have increased to between a fifth and a third of the total. Though letter revenues are in decline almost everywhere, parcels are now more important than letters terms of revenue, typically growing even faster than letters are falling. This means that post is once again a growing business. (KPMG, 2019)

However, this addition to their original business of transferring mail, caused national postal providers to reposition, rearrange and sometimes reinvent main parts of their core business. New internal processes and systems had to be established. Letterboxes and post offices have become unnecessary. Having less





#### Preserving their trust position

Compared to many other service-oriented companies, national postal services have a unique position. Often consumers are exposed to their brands from a young age and have many encounters with the brand later in life. So for national postal services and their brands, trust has always been a central theme. Having been established from a societal interest, in many countries they were (and still are) seen as responsible and trustworthy organizations owned and run by the government (KPMG, 2019). It is expected, that a letter is reliably transferred to the receiver with respect to one's privacy.

Today, it is more usual for postal services to be provided by an independent corporation, subjected to economic regulation (KPMG, 2019). And despite the adoption of technological innovations and the extension from their core business to both mail and packages, trust is still a main concern for national postal services. For example, within the e-commerce market, trust is being essential, since there is no face-to-face interaction and customers must wait to receive their purchased goods (UPU, 2019).

Nevertheless, it appears that keeping a trustworthy reputation is not easy. With digitization, new consumer expectations regarding privacy and trust started to evolve. Once lost, trust is hard to regain (Lindroth, 2020). In addition, when the EU introduced the new General Data Protection Regulation (GDPR) in May 2018, all of a sudden people were worried about data misuse and therefore became more selective about sharing their data (Fjord Trend Report, 2019). Organizations, including national postal services, suddenly were under great pressure to preserve their trustworthiness, while keeping their day to day business up and running.

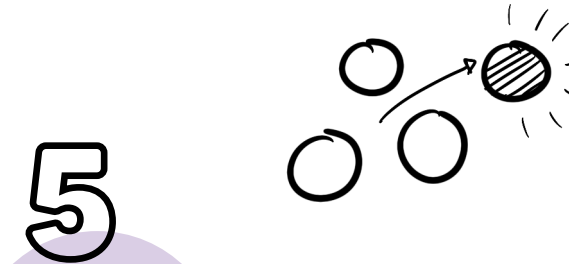
The urgency to preserve their trustworthy name can also be traced back in most of today's vision and mission statements of different national postal services. Words associated with the word trust have passed many brand value statements: being present, on time, sustainable, reliable, precise and predictability (Posten, 2020; Deutsche Post DHL Group, 2019; Royal mail, 2018). Others, like the Australia Post (2020) and Posten Norge (2020), focus on building trust relationships because they believe that can result in true loyalty.

physical touchpoints, postal companies are forced to find ways to continue and connect to their national communities. Not to mention dealing with the fierce competition from new entrants to the parcel market (KPMG, 2019). Furthermore, within this rapidly changing environment, consumer needs and expectations are changing rapidly as well: consumers now want to have control over when, where, and how their goods are delivered and at what cost (PostNord, 2020).

In order to meet present and future customer requirements, many national postal services try out different ways to reinvent their core business. DHL (2019) is not only providing their service nationally but they are also aiming to further expand their network globally. Swiss Post (2019) aims to accelerate their transformation guided by their vision: "We connect the physical and digital worlds, setting new standards with our products and integrated solutions. We make it easier for our customers to operate in today's complex environment, giving them greater scope to succeed." In the past years, they have entered new markets, like E-health. UPU (2019) believes that "it is crucial to establish strong partnerships in order to accelerate business model implementation, considering the strong competition in the e-commerce market with plenty of well-prepared players." All in all, meeting consumer needs seems to be the most important focus in reinventing their core business. The Australian Post (2020) acknowledges the need to successfully develop and deliver relevant products and services in a manner that fosters trust with our customers, balances quality and speed-to-market, supports strategic objectives and allows us to capitalise on growth opportunities.

**"Swiss Post does everything it can to make your life easier – whenever, wherever and however it suits you."**

- Swiss Post (2018)



#### Differentiating their values from competitors

With the rapidly growing e-commerce market, the postal market has become increasingly competitive. Online retailers all aim to deliver the most efficient, convenient and flexible service to their customers (Royal Mail, 2018). Not to mention the ever changing needs and expectations of the consumer, who expects to use a seamless, omnichannel service. This again, puts extra pressure on postal services to keep up and constantly improve their current processes and services. The ability of a postal service to keep pace with developments and respond to consumers' and customers' expectations in terms of flexibility and convenience is crucial (PostNord, 2019). But these values have become widely adopted by competitors in related sectors. Since convenience and flexibility have become increasingly common, it seems that it is not enough anymore to only focus on these values (Van Belleghem, 2020).

To move the entire organization to action, postal incumbents should create a shared vision for the future of the company (McKinsey, 2019). Already, national postal services have done different things to differentiate themselves from potential competitors. Some take a somewhat moderate approach by explicitly sticking to their core of being efficient and precise. For example Royal Mail (2018), who wants to be recognized as "the best" delivery company in the UK and across Europe. Others tend to put more emphasis on the social and societal part of their core business. PostNord (2020) aims to connect people and business - reliably, efficiently and on time. Their slogan: "We make everyday easier". Also Swiss Post (2018) aims to focus on the everyday life of their customers: "Swiss Post does everything it can to make your life easier – whenever, wherever and however it suits you." >>

>> The same goes for Deutsche Post DHL Group (2020), who emphasize their purpose on connecting and improving lives: "We make life easier for our customers, creating added value and providing meaningful benefits to society, by enabling trade and helping businesses to grow, while focussing on our core competencies." Others, have been responding to consumer demands regarding sustainability. Now, PostNord (2020) and PostenNorway (2019) explicitly focus on sustainability in their strategy and Swiss Post (2018) makes it a priority on their agenda for the future.

Obviously, creating a vision and repositioning the brand is not enough to differentiate from competitors. With a shared vision, postal incumbents should gain alignment on clear, tangible initiatives that will move the company forward (McKinsey, 2019). Some national postal services have taken different strategies to turn their words into action. For example, Posten (2019), stating that their purpose is to make a difference in everyday life and in peoples' lives, developed services aimed for specific target groups. They now provide a free extra service for students moving house.

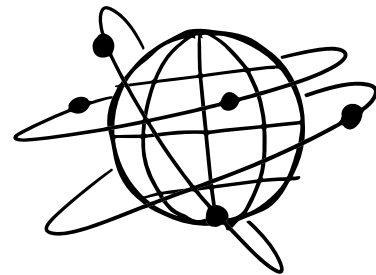
Nonetheless, from the analysis on national postal services, it became clear that most strategies still mainly are focussed on stimulating the efficiency and seamlessness of their core activities. In general, customer experience is seen as a crucial KPI that will naturally lead to higher new customer conversions and sales of services and products. But while many aim to deliver a better customer experience, at this moment improving customer experience means focusing on improving the delivery experience: developing a fixed delivery point, digital stamps, overnight parcel express, parcel to neighbour etc. In addition, within this process of enhancing their customer experience, tools for customer satisfaction (KTI and NPS), KPI's, feedback, surveys are still often used as the deciding factor to check whether customer needs are met (Posten, 2019).

**Convenience and flexibility have become increasingly common, it is not enough anymore to only focus on these values**

- van Belleghem (2020)

# SUCCESS FACTORS FOR DIGITAL TRANSFORMATION

RQ2 What digital transformation strategies do businesses and organizations apply to become digitally relevant?



*In less than a century, we moved from an industrial era to a service era and now to a digital era, due to rapid developments in information and communication technologies (ICT) (Calabretta & Kleinsmann, 2017). The asset of billions of people connected by mobile devices, in conjunction with unprecedented processing power, storage capacity, and access to knowledge via smart machines, creates enormous opportunities for improvements in the efficiency, effectiveness, sustainability, and innovativeness of product and service offerings through a variety of aspects (Demirkan, Spohrer, & Welser, 2016). Organizations and businesses have become aware of the fact that they should come in action and many of them have made digital transformation their number one concern (Tabrizi, Lam, Girard, & Irvin, 2019). But what are these actions that organizations need to take? What are the secrets of businesses that are succeeding in digital transformation? The following section aims to explain the concept of digital transformation. Thereafter, several success factors that businesses can pursue in accelerating their digital transformation are described, based on existing strategies that are supported by Human-Centered design activities.*

## ► What is digital transformation?

Digital transformation can be defined as the profound and accelerating transformation of business activities, processes, competencies, and models to fully leverage the changes and opportunities brought by digital technologies and their impact across society in a strategic and prioritized way (Demirkan, Spohrer, & Welser, 2016). The overall goal of digital transformation is to increase the productivity and creativity (decision making, connectivity, innovation, and augmentation) of individuals and organizations (Demirkan, Spohrer, & Welser, 2016). And this seems of high urgency, given the challenges that came with the digitization of our society. Building honest relationships between companies and customers is important to sustained business success. However, as we move into the digital age, the way in which we connect has changed (Straker & Wrigley, 2016a). With the increased significance of ICT technologies, many touchpoints are becoming digital (Calabretta & Kleinsmann, 2017). So companies that always have been depending on physical touch points, like PostNL, need to increase their productivity and creativity in order to quickly find new ways to stay in touch with their customers.

## ► How can Human-Centered Design contribute to digital transformation?

- Current literature demonstrates the capability of designers to create innovative and engaging product solutions (Straker & Wrigley, 2016a). Taking a Human-Centered Design approach keeps the potential user at the heart of the process, which in turn keeps an organization on the right path for a successful digital transformation journey (Cognizant, 2018). Design practices have grown in their ability to address the digital and physical continuum in a holistic manner and to cope with the continuous evolution of omnichannel contexts when developing digital concepts (Calabretta & Kleinsmann, 2017). Therefore it is stated that designers can complement marketing in developing omnichannel strategies using their ability to translate omnichannels into seamless experiences. (Calabretta & Kleinsmann, 2017).

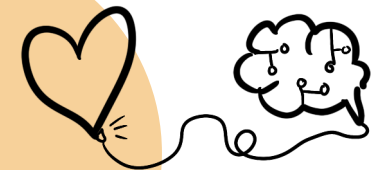


## Build strong relationships with consumers

In these times of digitization, organizations are required to rethink the traditional concept of customer relationships as new technologies continue to empower customers (Straker & Wrigley, 2016b). Customers are better informed than ever before, which has resulted in an environment where customer expectations are high and loyalty is rare (Straker & Wrigley, 2016a; Van Belleghem, 2020). The design and management of a company's channel is an opportunity to strengthen company engagement with customers, but does require companies to possess new forms of knowledge and processes that allow them to create deeper engagements with their customers (Straker & Wrigley, 2016a). And if the customer is immersed in the experience and brand throughout recurring engagements, it has the potential to significantly affect the perception of company value (Verhoef et al., 2009, as cited by Straker & Wrigley, 2016a). In addition, the ability to create engaging interactions with customers via digital technology could earn a customer's trust (Straker & Wrigley, 2016a). And organizations that can say they are trusted by their consumers can even put their customers' trust as an asset to extend new financial offerings (Fjord Trend Report, 2020). Furthermore, the built relationship between consumer and company is not only important today. Building a strong relationship is also important for future planning, as well as the continued process of understanding what is needed to maintain the strong relationship over time (Straker & Wrigley, 2016a).

**A loyal customer can only be developed if the relationship is deepened by growing a strong emotional connection between consumer and company**

- Straker & Wrigley (2016a)



## Connect emotionally with consumers

Building a strong relationship between company and consumers seems to be crucial for a safe and prosperous future. However, recent literature states that just interacting with consumers on a frequent basis is not enough. Instead, a loyal customer can only be developed if the relationship is deepened by growing a strong emotional connection between consumer and company that results in positive experiences (Straker & Wrigley, 2016a). Pleasant emotions pull us to products that are beneficial whereas unpleasant emotions will push us away from those that are harmful to our well-being (Desmet, 2008). Customers having positive experiences can result in benefits such as financial and competitive advantages, due to the higher user involvement with a digital channel (e.g. time spent, number of pages viewed, amount of personal information revealed) translating into firm revenue (Trusov et al., 2010, as referenced in Straker & Wrigley, 2016b). In addition, memorable positive experiences lead to positive behaviors toward a company and in turn loyal customers (Khan, 2012, as referenced in Straker & Wrigley, 2016a). Emotional motives of brand loyalty are more likely to result in stable and enduring relationships between consumers' and brands (Amine, 1998, as referenced in Montijn, 2018). Moreover, failure to engage customers emotionally may even result in underperformance, loss of competitive advantage, and/or missed opportunities (Straker & Wrigley, 2016a).



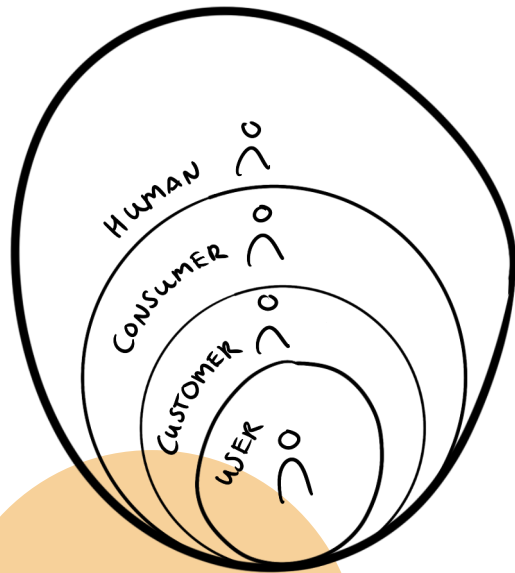


Figure 8 - The four levels of lifecycles (Reason, Løvlie & Flu, 2015)

### Take an holistic perspective

But how do you achieve emotional connection? In order to deliver meaningful experiences, companies need to look at the value chain from the perspective of the customer and collaborate closely with their customers in order to fulfil their individual and changing needs (Calabretta & Kleinsmann, 2017). Looking from the perspective of the customer can require to take a holistic perspective that puts the customer in their broader context: as a human. By zooming out to see the larger picture, you will see your customers in the context of their daily lives (Cognizant, 2018). In design, and especially in service design, this way of looking at the customer is known as understanding a customer lifecycle. The customer lifecycle describes the relationship between an organization and its customers (Reason, Løvlie & Flu, 2015) and helps us to understand how people behave in different roles, as humans, consumers, customers and users (figure 8). The human lifecycle is particularly important for innovation, since companies that discover and meet latent needs could differentiate themselves from competitors (Reason, Løvlie & Flu, 2015). Nevertheless, each level can provide a different perspective and recognises the different aspects of experience within a lifecycle from the detail to the fundamental truths, which can make it possible to be specific about what influences peoples' decisions and behaviour (Livework, 2020). This broader, independent and unbiased point of view will help you find rich opportunities for creating customer and business value (Cognizant, 2018).

### Gain deep consumer insights

Customers want to build relationships and emotional connections and will respond to brands that show interest in them and their feelings (Morgan, 2019). While taking a holistic perspective can help in understanding the customer, at the same time it is necessary to focus on gaining deep consumer insights into how and why customers behave in order to deliver emotional digital engagements (Straker & Wrigley, 2016b). Deep customer insights (DCI) are defined as an intimate shared understanding of the spoken and latent (current and future) needs of the customer (Price & Wrigley, 2016). Asking a customer the 'why question' reveals insights to the emotional and symbolic content of products through a deeper understanding of broader changes in society, culture and technology (Price, Wrigley & Straker, 2015). The act of gathering deep customer insights can fulfill the role of measuring performance or customer experience in qualitative formats quickly with an emphasis on building understanding through empathy (Price & Wrigley, 2016). Furthermore, by gaining emotional insights, companies are able to generate digital channel engagements, which align with customer's needs and values rather than internal operational motivations (Straker & Wrigley, 2016c). Therefore, the use of integrating DCI methods within businesses is a way to innovate and provide a new value proposition to the customer (Price, Wrigley & Straker, 2016). In other words, rather than simply reacting to questions and instructions, companies should be delving deeper by inviting customers to interact (Straker & Wrigley, 2016a). Only with these insights companies can understand in as much detail as possible if the business is to translate these needs into operational requirements (McKinsey, 2019).

**The human lifecycle is particularly important for innovation, since companies that discover and meet latent needs could differentiate themselves from competitors**

- Reason, Løvlie & Flu (2015)

### Use data in a transparent and enabling way

Companies need to be engaged with their customers on a deeper level to understand not only what they want but also why they want it in order to keep up with their ever changing needs and expectations (Price, Wrigley, & Straker, 2015). However, for many years traditional corporate strategy has been led by macro data, analyzes of industry trends and competitors, and technology assessments carried out by specialists focused on quarter-to-quarter sales (Price, Wrigley, & Straker, 2015). The last couple of decades, with the increasing digitization of our society, businesses and organizations have been exposed to a growing quantity of market and customer data (Calabretta & Kleinsmann, 2017), big data that is among others generated by millions of touchpoints with customers (Cognizant, 2018). Today, having a digital platform with appropriate integrated data and processes is seen as one of the most fundamental technology enablers for successful digital transformation (Cognizant, 2018).

Organizations that focus on becoming fully data-driven, tend to make decisions based almost exclusively on the business data available to them without any human intervention (Oracle NetSuite, 2020). However, collecting and managing data comes with several data cyber risks regarding privacy, security, regulatory and even in the field of ethics (Deloitte Tech Trends, 2019). If organizations want to be able to pursue and use data in a strategic way, they must design for transparency. In other words, they should clearly demonstrate the value both data owner and data user can gain, as well as designing products and services that give the individual greater control (Fjord Trend Report, 2019). This in order to make sure that they are collecting only the data they need to build new products and services, and that they are managing and storing that data responsibly (Fjord Trend Report, 2019).

**If used properly, organizations can adapt their products and services according to data generated by their customers**

- Cognizant (2018)

>> So instead of seeing data as a currency that directly can be turned into value (Deloitte Tech Trends, 2019), companies should embrace their opportunity to improve customer-perceived service quality by for example personalizing the service to the individual when appropriate (Demirkan, Spohrer, & Welser, 2016). Personalization is often seen as a digital strategy by which companies leverage consumer data analysis and digital technology to deliver individualized messages and product offerings to current or prospective customers (Montijn, Calabretta & van Erp, 2018). Organizations can particularly analyze customers and predict their future behavior through data mining, the extraction of hidden predictive information from large databases (Rygielski, 2002). If used properly, organizations can adapt their products and services according to data generated by their customers (Cognizant, 2018). This enables companies to make proactive, knowledge-driven decisions (Rygielski, 2002). But while personalizing, they should also empower consumers to know how, where and why their data was used in their personalization framework and make clear what they will get in return (Fjord Trend Report, 2019). Because as stated by van Belleghem (2020): If organizations prove to us that they can be trusted with our behavioral, contextual and emotional data, only then they can become true partners in our lives.



# STRATEGIC BENEFITS OF CONSUMER LIFE EVENT ENGAGEMENT

**RQ3** How can understanding the context of life events contribute to becoming digitally relevant?

The following section proposes that understanding consumer life events can be a strategy for organizations like national postal services to not only overcome their challenges in digital transformation, but also reach their full potential by achieving the aforementioned success factors. First, the concept of life events is explained. Subsequently, three benefits are mentioned that aim to describe how understanding life events can enhance a digital customer experience.

## ► The experience of a life event

Within many organizations basic demographic variables such as age, income or birth groups are used to research consumer needs (Mathur, Lee & Moschis, 2006). However, recent developments in information technologies and marketing intelligence make it possible for researchers to gather information on various types of events that people experience over their life course (e.g. marriage, graduation, retirement and even the onset of health problems) (Mathur, Lee & Moschis, 2006). Life events have been a widely researched topic within the fields of psychology, psychiatry and sociology (Mathur, Lee & Moschis, 2003). Life events can be defined as periods of transition in someone's life that are associated with significant changes in one's behaviour and lifestyle (Mathur, Lee & Moschis, 2003; Andreasen, 1984). For example, expecting a first child, one is preparing for the transition of having a new role and becoming a parent, which results in having different needs and values. An overview of other life event types is presented in appendix D. The experience of a life event is often accompanied by the experience of stress, since a more or less balanced state prior to the event is disrupted by change and forces the individual to readjust to the new situation (Mathur, Lee & Moschis, 2003). Evenmore,

literature has shown that changes in life status can lead to serious physical and emotional problems (Andreasen, 1984; Kessler, 1997).

Besides emotional impact, literature indicates that for many people the break with the past which is inherent in the occasion of a status change can represent an opportunity to rethink and reorganize their lives (Andreasen, 1984). As a result, people experiencing life events might change their preferences for specific brands, products or services in their attempt to restore balance and relieve frustrations and tensions (Mathur, Lee & Moschis, 2003). Contrarily, other consumers might tend to hold on to some elements of stability, which could intensify their current brand and product preferences (Andreasen, 1984). In both occasions, recognizing and engaging with consumers during life events could create opportunities for marketers and business developers to build their customer base and position their products (Mathur, Lee & Moschis, 2003; Andreasen, 1984).

## Understand life events to spot market gaps and opportunities to innovate

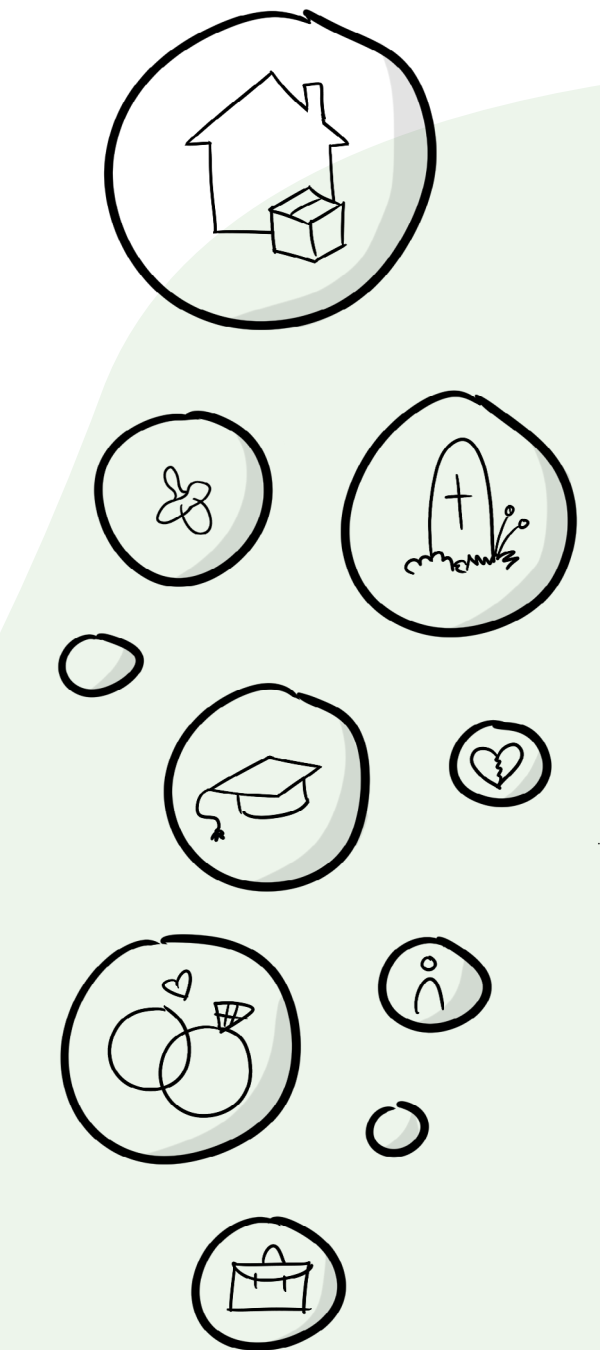
By creating value throughout the entire consumer lifecycle, the role of design in innovation has been growing towards a strategic capability at the heart of the business (Calabretta & Kleinsmann, 2017). Within the field of service design, the human lifecycle is used to describe how consumers behave in certain stages in life, from childhood to death (Reason, Løvlie & Flu, 2015). As described by Reason (2015), key to this view are taking into account transitions and major life considerations such as leaving home or starting a family. Therefore, it can be stated that understanding consumer life events can be used to map a human lifecycle in order to get insights of what really matters in people's lives beyond what your company can offer. This way of looking at the consumer can let us understand the general human experience, regardless of specific products and services people use, which can help in spotting gaps in the market and innovate new propositions (Reason, Løvlie & Flu, 2015).

## Understand life events to sensitize consumer data

For organizations that are exposed to large quantities of consumer data, it can be a challenging task to categorize this data, assess their quality and identify their impact on and potential for value creation (Calabretta & Kleinsmann, 2017). In line with the previous described benefit, it is suggested that collecting data about consumer life events could help organizations to identify new patterns and provide them with deeper insights about their consumers. For example, behavior can be predicted surrounding the life event of retirement, find other people in a similar life stage and determine which consumers are following similar behavior patterns (Rygielski, 2002). In addition, the focus on life events can stimulate the analysis of data over a period of time to predict changes in detail (Rygielski, 2002). It can help us to identify characteristics of consumers that set them apart from similar consumers as more likely in the short term to change their consumer needs, wants, attitudes, and behavior (Andreasen, 1984). In the end, if organizations are able to effectively manage their consumer data, this can help build an intimate relationship between businesses and their customers (Rygielski, 2002).

## Understand life events to become consumers' partner in life

In order to be visible and secure their B2C relationships in a digital world, companies have to look for ways to build a strong emotional bond and eventually become a partner in life for their customers (van Belleghem, 2020). A recent trend shows that more and more companies are already shifting from focusing on customer journeys to life journeys. In line with the previously described benefits, it can be stated that by understanding a consumer's life and his life events, companies are able to understand how they can provide personalized omnipresent added value (van Belleghem, 2020). This mindset means a shift from "How can we include the consumer in our journey?" to "How can our company offer value to the life journey of the consumer?" (van Belleghem, 2020). Various organizations from different fields have already started to adopt this mindset. For example, Google shifted their mission from "organizing the world's information" to "making every part of people's life as easy as possible", which resulted in their investments in health. Also other organizations, like insurances, banks and travel companies (Booking.com, Center parcs) have been looking into the lives of their consumers. Even Spotify has disrupted the music sector by providing personalized service features that respond to consumers needs and values on a holistic level, like their mood and event-categorized playlists (van Belleghem, 2020).



*It means a shift from "How can we include the consumer in our journey?" to "How can our company offer value to the life journey of the consumer?"*

- van Belleghem (2020)

## OPPORTUNITY GAP FOR POSTNL

The aim of this chapter was to conduct a literature review to further explore the context of the problem statement and form a theoretical foundation for the remainder of the project process. In the end, five challenges were identified that national postal services currently are facing in digital transformation. Furthermore, five success factors were defined that organizations in general should pursue in order to become digitally relevant. Last, three strategic benefits of understanding consumer life events were presented. These benefits aimed to describe how understanding consumer life events can be a way to achieve the aforementioned success factors.

In synthesizing the results from the three different search areas, an opportunity for PostNL was discovered through structuring the findings from both this chapter, as well as chapter 02, into a SWOT-analysis, which can help to systematically analyze the strategic position of a company and determine directions (Boeijen et al., 2014). However, seeing an existing context through the lens of another domain can support the creation and exploration of novel solutions (Boeijen et al., 2014). Therefore, it was chosen to use a metaphor in order to communicate the identified opportunity gap in a vivid and appealing way. The overview of the SWOT-analysis can be found in appendix E.

### The fuel for PostNL's delivery vehicle

For more than two centuries, PostNL has been delivering mail in the Netherlands and abroad. Their strong brand, their well-known name and high level of trust is represented

by a delivery vehicle, one of PostNL's most famous touch points. Currently, the vehicle of PostNL is loaded with different challenges in becoming digitally relevant while preserving their trust relation with their consumer (chapter 2.1 and 3.2). Luckily, the success factors to overcome digital transformation are clear (chapter 3.3). But while PostNL is standing still and looking for ways to pursue these success factors, they see that competitors are also striving to win the heart of the consumer. Other postal services are facing the same challenges and are already trying different strategies to overcome these obstacles (chapter 3.2).

What PostNL needs is the right kind of fuel, that speeds up their ambition to become digitally relevant. Looking at PostNL's assets, infrastructure and their Dutch roots, it is proposed that understanding the life of their consumers can be the opportunity, the fuel, for PostNL. Using this kind of fuel they are able to move forward, overcome their challenges, pursue the success factors and become the favourite deliverer within the Netherlands.

### From discovering to defining

The outcomes of the literature review identified an opportunity for PostNL to understand and engage with consumers during life events. The current literature however, explains the effects of life events rather than providing insights into the experience of a life event. Therefore, a thorough understanding of the behaviour, needs and values of consumers during life events is lacking. The next phase will focus on consumer research in order to define these in-depth insights about the consumer life events.

## KEY TAKE-AWAYS

- Many national postal services still seem to have their main focus on optimizing operational efficiency, streamlining internal processes, and reducing costs, rather than innovating
- National postal services have a unique position, in which trust is a critical and central theme that must be preserved
- The human lifecycle is particularly important for innovation, as companies that

discover and meet latent needs are able to differentiate themselves from competitors

- Consumer life event engagement can be the fuel for PostNL to move forward and overcome their challenges
- Benefits of understanding consumer life events are: spot market gaps and innovation opportunities, sensitize consumer data, become consumers' trusted partner in life



▲ Figure 9 - Visual metaphor of the detected opportunity gap for PostNL. Consumer life event engagement can be the fuel for PostNL to move forward and win the heart of the consumer in order to become their favourite deliverer



# 04

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## Empathizing with the consumer

This chapter describes the empirical research that was done to explore and empathize with the behaviour, needs and values of consumers in the context of life events. As a result, nine life event empathy principles were defined that serve as a guidance in understanding consumer life event experiences.



# EMPATHIZING APPROACH

From the context exploration, it was concluded that PostNL needs an in-depth understanding of the needs and values of their consumers in a broader context. The outcomes of the literature review identified an opportunity for PostNL on how they can do this: understanding and engaging with consumers during life events. However, life events are complex, faceted and understanding the nature of one's life event experience can be complicated (Paykel et al., 1971). For example, identical events may carry different implications for different individuals. Still, using deep consumer insight methods have the potential to offer personal shared understanding of the unspoken, latent current and future needs of the consumer (Price & Wrigley, 2016). So to get in-depth consumer insights in the context of life events, exploratory qualitative research is conducted in which several consumers were interviewed about recently experienced life events

## Research goals

The empirical research had two main goals. First, it was aimed to develop a foundational understanding of consumer needs and values in the context of life events. This foundation should help PostNL employees to empathize with consumers in the broader context of life events. Second, in line with assumptions 1.2 and 1.3 from chapter 2.2, it was aimed to already explore opportunities for PostNL to provide value for consumers during life events. This exploration would help scoping the design phase in a later stage.

## Research questions

To structure the interview process, several life event research questions are formulated:

1. What does a consumer do, feel and say before and after experiencing a life event?
2. What are common needs, values and pain points of consumers during life events?
3. What are differences and/or similarities in the behaviour, needs, values and pain points during life events between consumers?
4. What are differences and/or similarities in the behaviour, needs, values and pain points of consumers between different kind of life events?

## Methodology

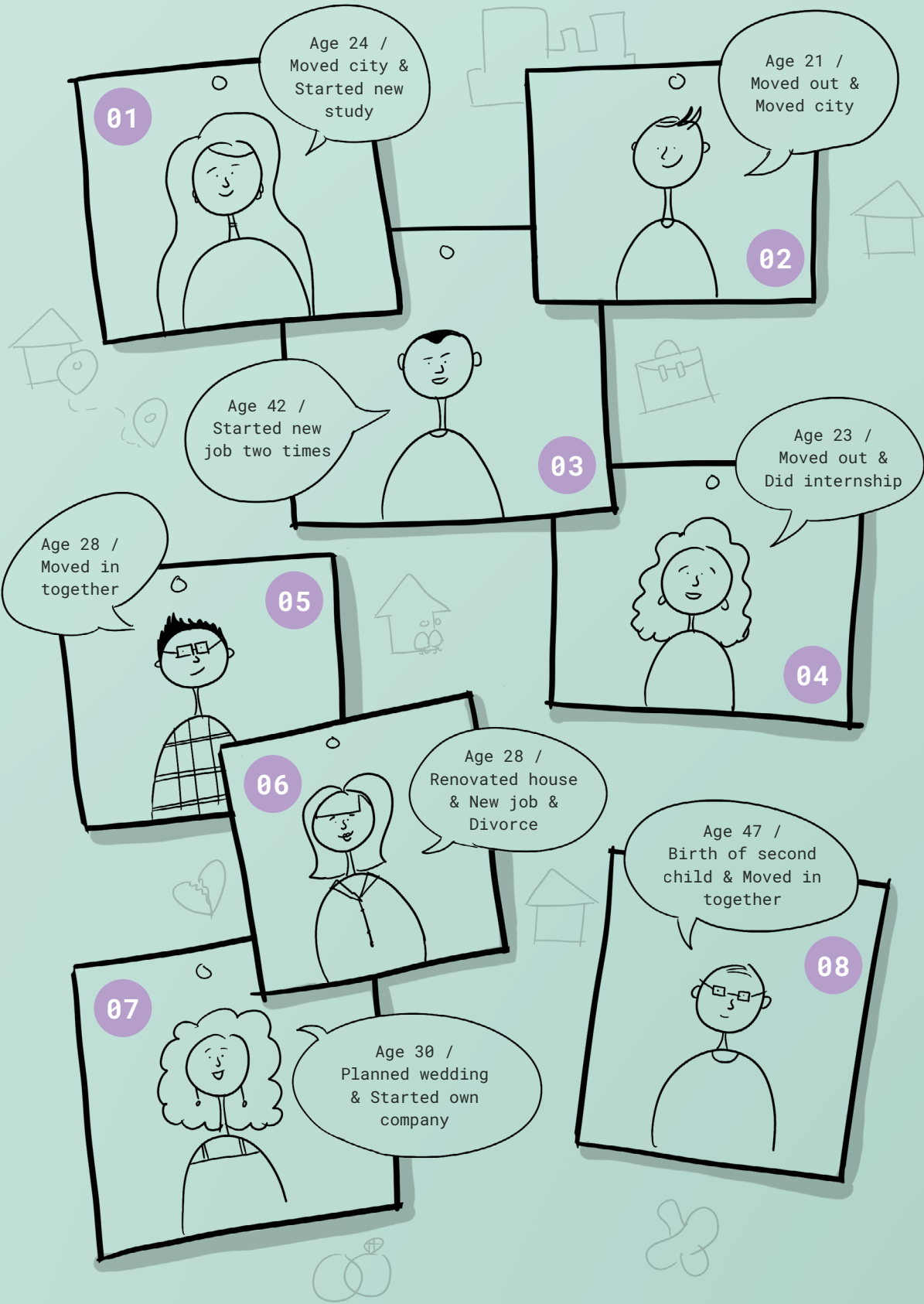
Since the subject of life events can be very personal and sensitive to the participants, it was intended to guide the interviewees into a casual and informal conversation in which they would feel safe and secure to talk about personal issues. To reveal tacit and latent consumer needs, a generative design approach would be the most suitable for this type of explorative research (Sanders & Stappers, 2012). Eventhough the research had to be conducted digitally (making this approach was more challenging), adjustments were made in order to obtain an in-depth understanding of consumer needs in a generative way anyway.

The interviews lasted one hour and were semi-structured to be able to go in-depth on certain topics (see appendix F for a detailed version of the interview guide). Also, questions were formulated in a creative and reflective way, focussed on reasoning of the consumers. In addition, three exploration topics were formulated, based on the detected assumptions in chapter 2.2: dealing with change (assumption 1.3), dealing with obligations (assumption 1.4 and 3.1) and using (digital) services (assumptions 1.4 and 3.4). These topics were used as guidance during the semi-structured interviews and would help in exploring opportunities for PostNL to provide value for consumers during life events. Furthermore, participants were sent a preparation booklet with some exercises (see appendix G) to prepare in advance. Exercises in the booklet were based on the formulated research questions and the defined exploration topics. During the interviews, the booklets were used as stimuli.

As mentioned earlier, the interviews were conducted digitally. This opened the opportunity to engage the PostNL team and help them empathize with their consumers, by inviting them to watch the interviews live and ask questions at the end of the interview.

## Participant selection

Participants were recruited through the use of purposive sampling. The interviewees were balanced to ensure equal proportions in terms of gender, age, education and different types of recently experienced life events. In the end, an amount of 8 participants were recruited (see figure 10).



▲ Figure 10 - Visual overview of the recruited participants, their age and the experienced life events that were discussed during the interviews

EMERGED INSIGHTS

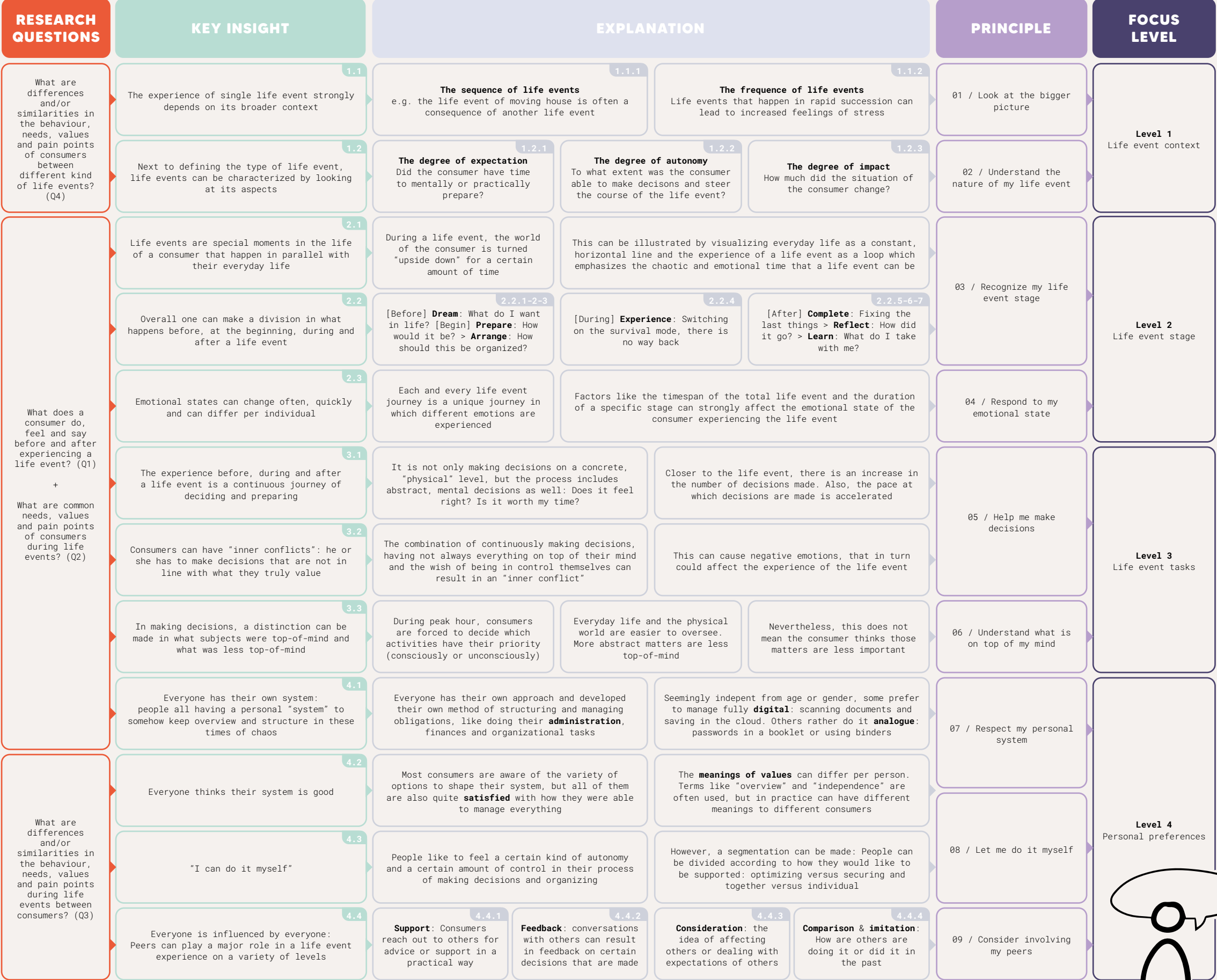
During the interviews, a large quantity of raw data was collected. The interviews were video recorded and transcribed, which made it possible to carefully structure and analyze the raw data. Quotes from participants were coded according to topic and relevance. Furthermore, the interpretation of the meaning of the quote was captured, to make it easy to recall quotes and interpretations in the sensemaking phase.

From analyzing to sensemaking

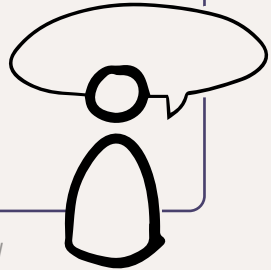
During the process of transcribing, initial thoughts and insights were captured and documented in Miro. This helped to iteratively structure and visualize insights, while going repeatedly through the raw data. Furthermore, this way of working gave the possibility to engage PostNL employees. The insights were shared and discussed with service designers, a business development manager and a consumer data manager. This helped to get early stage feedback, test possible relevance of the initial insights, but most of all prevent the results from being biased.

From insights to principles

During the sensemaking phase, many insights emerged around the previously mentioned research questions. Figure 11 presents an overview of these insights, structured and explained per corresponding question. To make the insights more actionable and applicable, nine life event empathy principles were formulated. Figure 11 illustrates the insights linked to a specific principle. The principles are structured according to four different “focus levels” that emerged from the sensemaking process (see figure 13). The next subchapter describes the formulated principles. An extended version of the analysis can be found in appendix H.

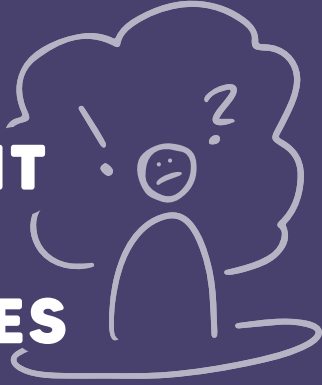


▲ Figure 11 - Summary of the emerged insights, the numbers are refering to the numbered insights from appendix H



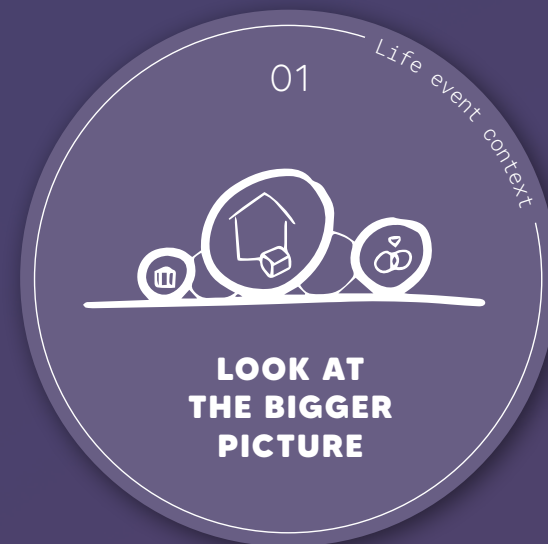
## CHAPTER 4.3

# LIFE EVENT EMPATHY PRINCIPLES



As described in chapter 4.1, the main goal of this research was to develop a foundational understanding of consumer needs and values in the context of life events. The following section entails this foundation in the form of nine guiding principles that can be applied in designing services for (specific) life events. Each principle is shortly described and explained by an illustration and key quotes from the interviews. The principles serve as a guidance in empathizing with consumers throughout the rest of the design process in this thesis. Furthermore, the principles can serve as guidance for PostNL employees to empathize with consumers in other case studies around life events as well.

The principles are numbered and structured according to four different "focus levels" that emerged from the sensemaking process (see figure 13). The first level starts holistically and with each level the principles are getting more specific and concrete. The first two principles (level 1) stimulate to look at the context of the life event. The second two principles (level 2) encourage to look more closely to the life event experience regarding the stage of a life event and the emotions that are experienced. The two principles from level 3 are with regard to the tasks a consumer has in managing his or her life event. The last three principles (level 4) stimulate to take specific personal preferences of a consumer into account. When using the life event empathy principles it is strongly encouraged to use them in the sequence of the focus levels.



▲ Figure 12 - The nine life event empathy principles



## 4.3.1 EXPLAINING THE PRINCIPLES

### Level 1 | Life event context

#### 01 Look at the bigger picture

**WHAT?** - The experience of a single life event is strongly depending on its broader context, since life events are often related to each other (sequence) and can take place in rapid succession (frequency) **WHY?** - Understanding this can say a lot about a consumer's behaviour and needs during the experience of a specific life event **HOW?** - Plot the life events of a consumer over time on a consumer life journey

*"It is quite strange... by making the decision of starting a new study I simultaneously made the very big decision to move to another city" - p1*

#### 02 Understand the nature of my life event

**WHAT?** - Two consumers can experience the same type of life event, but the nature of their life events and the way they experience it can be totally the opposite **WHY?** - Understanding this can say a lot about a consumer's behaviour and needs during the experience of a specific life event **HOW?** - Assess a life event based on three different degrees: The degree of expectation, autonomy and impact

*"I had to deal with a lot of insecurity. I had to tell myself: keep going, just keep going. There was no way back, I had to go on." - p3*

### Level 2 | Life event stage

#### 03 Recognize my life event stage

**WHAT?** - Life events are special moments in the life of a consumer that happens in parallel with their everyday life. Every life event experience is unique, but overall one can make a division in what happens before, in the beginning, during and after a life event **WHY?** - Determining which stage a consumer is situated in the life event journey can tell us about the behaviour, needs and values of that consumer at that certain moment **HOW?** - Stages can be characterized by their main activity: dreaming, preparing, arranging, experiencing, completing, reflecting and learning

*"I have always said: if something comes my way, then I really do it. And although I waited a bit longer, now I'm really happy!" - p4*

#### 04 Respond to my emotional state

**WHAT?** - Each and every life event journey is a unique journey in which different emotions are experienced. Emotional states can change often, quick and can differ per individual **WHY?** - Understanding the emotional state can tell us what a consumer emotionally values and how to respond to these emotions **HOW?** - Analyze which emotions are experienced and whether these emotions are connected to a particular life event stage

*"I'm just impatient haha, that often comes up, especially during these types of situations" - p3*

### Level 3 | Life event tasks

#### 05 Help me make decisions

**WHAT?** - The experience before, during and after a life event is a continuous journey of deciding and preparing. In addition, consumers can have "inner conflicts": he or she has to make decisions that are not in line with what they truly value **WHY?** - Understanding which and how many decisions have to be made during a specific life event, plus understanding what consumer values can help the consumer make decisions, resulting in a positive experience **HOW?** - Provide a few concrete options to the consumer and help them understand which of these options might be the best for them and why

*"On the one hand I want stability, but I choose for change... I have to make compromises" - p6*

#### 06 Understand what is on top of my mind

**WHAT?** - During peak hour, consumers are forced to decide which tasks have their priority and take up their headspace. Everyday life and the physical world are easier to oversee. More abstract matters are less top-of-mind **WHY?** - Understanding what is top-of-mind in certain life events and life event stages helps to understand how they process the information, which can teach us how

and when to approach consumers **HOW?** - Understand which position the task has in the top-of-mind pyramid, find out if consumers want to have the specific task more top-of-mind. Adjust the service and communication to these findings

*"The first thing we did was making a list of all things we have and everything that we still needed to buy" - p5*

### Level 4 | Personal preferences

#### 07 Respect my personal system

**WHAT?** - Everyone has their own approach and developed their own method of structuring and managing obligations, like doing their administration, finances and organizational tasks. Some consumers prefer to manage their system fully digital, others rather do it analogue **WHY?** - Acknowledging and understanding the differences in the variety of personal systems is important to respect consumers in their way of doing and not having to force them to do things differently, which reduces the adoption likeability **HOW?** - Provide options for different personal systems within services

*"I just like it when I have it physically in front of me. If I have it on paper then I can easily access it and have a better overview of things." - p7*

#### 08 Let me do it myself

**WHAT?** - Although people are open for support, most would like to feel a certain kind of autonomy and a certain amount of control in their process of making decisions and organizing. However, there are differences in how people want to have autonomy **WHY?** - Understanding if a consumer has an optimizing or a securing approach, and whether he or she rather works together or alone can teach us how to approach and support the consumer **HOW?** - Recognize in which segment the consumer can be positioned, provide options for each segment and make the consumer feel independent and in control

*"I'd rather just do it all myself... I find it hard to leave it to someone else. If you are doing it yourself, then you can be sure it goes right" - p4*

#### 09 Consider involving my peers

**WHAT?** - Peers can play a major role in a life event experience on different levels: support, feedback, consideration, comparison and imitation. **WHY?** - Understanding social influences can help us to understand what consumers value in their life event, which in turn can open opportunities for new consumers **WHAT?** - Provide options to involve peers, like showing reviews and providing options to share with peers

*"I found out what I had to do by thinking, asking, looking how others have been doing it..." - p2*

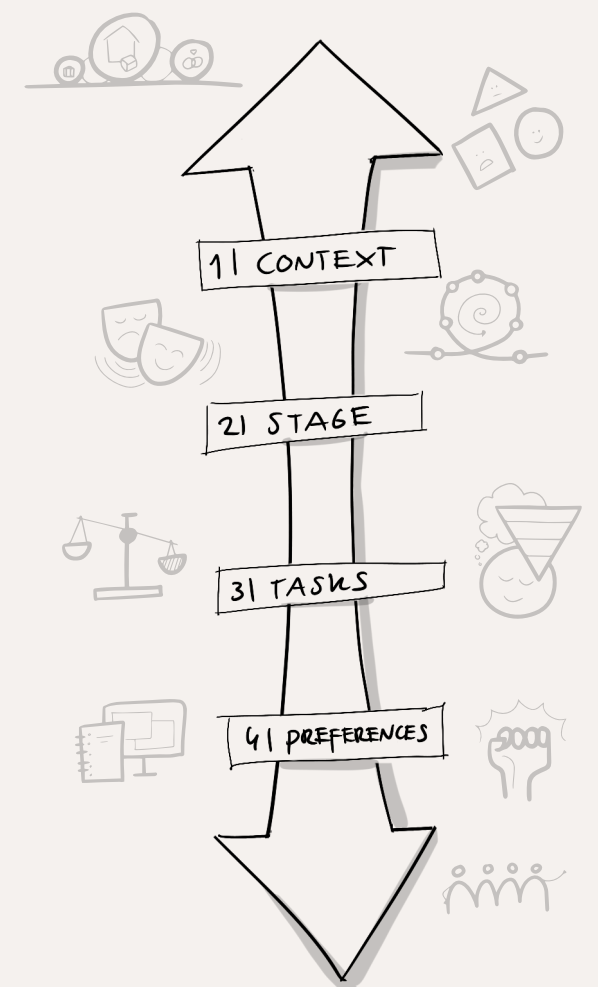


Figure 13 - The four focus levels of the principles

# REFLECTION ON RESEARCH GOALS

The analysis of the interviews and the subsequent sensemaking of the insights resulted in the formulation of nine life event empathy principles. As described in chapter 4.1, the empirical research had two main goals. The following section aims to reflect on the goals and to see to what extent the goals have been met.

## 1 Develop a foundational understanding of consumer needs and values in the context of life events

The first goal was in line with the defined opportunity gap for PostNL in chapter 3.5. Many insights emerged from the interview analysis. However, the research had some limitations. A total of eight participants were interviewed, therefore only a few types of life events have been taken into account and no conclusion can be made about the quantities of the insights. Yet, by taking an explorative approach and by going in-depth during the interviews, it was possible to provide insights on a holistic level. These insights gave a good overview of the common needs, values and pain points of consumers during life events. In addition, the insights showed us that there can be many differences between life event needs and values as well. To make sure the insights could function as foundational guidance in empathizing with consumers during life event experiences, nine life event empathy principles were defined.

## 2 Explore opportunities for PostNL to provide value for consumers during life events

The second goal was based on assumption 1.2 (How can we provide more services to our consumers that are somehow related to our core business?) and 1.3 (How can we provide value for consumers during other life events? Which life events?). It was aimed that the exploration would help to scope the design phase later in the project. Therefore, several topics were discussed with the interviewed participants during the interviews (see chapter 4.1). This resulted in several additional insights regarding the relocation service of PostNL and consumer's perception of PostNL in general. These insights will not

be integrated into the process of defining the empathy principles, since they are too specific. In consultation with PostNL, these insights are still deemed relevant to take along in the project. The insights can be used to answer several questions as defined in the assumption clusters (chapter 2.2), so the following section describes these insights in the form of "additional learnings" structured according to the assumptions they answer.

### Specific additional learnings for PostNL

There is no perceived fit with the current form of the relocation service  
(Assumption 2.4 & 2.5)

From the interviews, it appeared that during a moving house event consumers experience problems with managing tasks, though not of high urgency. They indicated that they would value overview, convenience and support to not forget anything, also regarding address changes. The fear of missing important information was not always the main reason behind these values. One participant indicated: "I just want to have everything fixed at once" (p6). Another indicated: "I do not want to be a burden for my old roommates who have to deal with all my mail" (p1).

Despite these perceived problems, it appeared that overall the interviewees were not familiar with the relocation service of PostNL. Half of them had heard of the service, although it was not always clear for them what the value of the service was ("I think that you still have to contact a lot of businesses myself" - p2) or that they misunderstood the function ("Are they going to move my furniture?" - p4). The other half of the interviewees were not even aware of the service ("I do not know other services of PostNL other than sending a card" - p1). Furthermore, some were aware of the service but have forgotten to use it ("I totally forgot about it" - p5). Although extended (quantitative) research is necessary to confirm this statement, from these insights it was concluded that there is no perceived fit between consumers and the current form of the relocation service. There are opportunities for improvement regarding awareness, clarity and entry point timing of the service.



Consumer do not need a platform to manage shared personal data with organizations  
(Assumption 1.4, 2.5, 3.1, 3.2 & 3.4)

During the interviews, participants were asked about their behaviour and needs in managing tasks and obligations during life events. Managing personal data changes and/or staying in contact with organizations appeared not to be top-of-mind or of high urgency. In addition, because of specific personal preferences in managing their obligations, it is assumed that using an online platform would only be valuable for a niche market. ("I write down everything in a notebook. That has become my contact list actually" - p7). Furthermore, consumers often mentioned the issue of privacy: "I only want to share it when it is necessary... And then I still prefer not to share my phone number" (p8). Although extended (quantitative) research is necessary to confirm this statement, from the interview it was concluded that consumers do not necessarily feel the need for a platform, like the service concept of iConnect, to permanently manage shared personal data with businesses and organizations. During certain specific life events however, the value of services that enhance overview and relieve stress is undeniable.



Consumers see opportunities for PostNL to deliver value during life events  
(Assumption 1.3 & 3.4)

At the end of the interviews, participants were asked about their experience with PostNL during their life events. It appeared that for almost every participant, PostNL has unwittingly been part of their life event one way or another. And when asking them to think of ways PostNL could have supported them in their life events, consumers already could mention several ideas: "Confirmation that the wedding guests received the invitation would have been very helpful" (p7), "Maybe a checklist for what I have to think of when moving house or during my divorce..." (p6) and "A nice idea might be to have personalized stamps with a picture of my newborn" (p8). Asking consumers to compare PostNL to other organizations, they often mentioned other Dutch organizations like NS, banks or insurances. "Regarding customer service, I think you can say those organizations have the same norms and values as PostNL" (p8). Although extended (quantitative) research is necessary to confirm this statement, from these insights it is highlighted that consumers see PostNL as a logical party to deliver value during important moments in their lives. This is in line with the defined opportunity gap in chapter 03.

# KEY TAKE-AWAYS

- The empirical research focuses on a foundational understanding of consumer needs and values in the context of life events, and the exploration of opportunities for PostNL to provide value for consumers during these life events
- By interviewing eight consumers, insights were collected about the needs and values in the context of life events
- From the interview insights, nine principles emerged which can serve as a guidance in empathizing with consumers
- In addition, from the insights it is highlighted that consumers see PostNL as a logical party to deliver value during important moments in their lives



# 05

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## Imagining the design vision

This chapter describes the transition between the research phase and the design phase of this thesis. It envisions a future position for PostNL and describes the formulated design brief that forms the starting point of the design phase.



## IMAGINING APPROACH

This chapter aims to describe the transition between the research phase and the design phase as proposed in the introduction chapter of this thesis. From understanding the project context in chapter 02, it was possible to position the project according to the design leadership matrix (Calabretta & Gemser, 2016). It was stated that the project outcome should result in alignment and engagement and that one way to achieve this, is to sketch a future vision that can help organizations incorporate a future-oriented, long-term perspective (Calabretta & Gemser, 2016). Furthermore, developing a vision can help steering the conceptualisation phase within a design process (Boeijen et al., 2014). A vision can include what the company wishes to offer to people in a future context, without defining the means whereby the design can achieve this (Hekkert & van Dijk, 2011).

The outcomes of the previous chapters together can be seen as the starting points to develop the design vision. In chapter 02 the problem was defined: PostNL needs to develop value propositions that at the same time can elevate PostNL's digital relevance. In chapter 03 an opportunity for PostNL was identified: understanding consumer life events can be the fuel for PostNL to move forward in their digital transformation. And chapter 04 contains an in-depth exploration of the context of life events and formulated nine life empathy principles.

### Creative session with design students

With these starting points layed out, it is time to connect the dots and start imagining the future context. In order to do this, a creative session with two external strategic design students was facilitated. The two main goals of the session were: (1) Getting input for the vision development, by combining our expertise and experience in the field of design; (2) Getting input for formulating a design brief, by outlining the solution space that was needed to reach the vision.

The session was held online and lasted approximately two hours. The online whiteboard Miro was used to capture ideas and stimulate interaction to build upon one another's ideas. A variety of different creative techniques (Heijne & van der Meer, 2019) were applied to let the design students explore and empathize with the problem

context. Additionally, the participants were stimulated to think of metaphors and analogies that could describe a future position for PostNL. Subsequently, several "How to"-questions were formulated to help outlining the solution space. The complete set-up of the creative session, including the slides that were used to guide the participants through the different steps and techniques, can be found in appendix I.

### Outcomes of the session

Throughout the creative session, the future vision for PostNL was discussed and how that vision can be realized. In short, the concluding outcomes of the session are the following:

1. A future position for PostNL was envisioned, in which PostNL would be able to provide seamless delivery experiences and personalized value propositions to their consumers and customers, by combining a life event-driven as well as data-driven approach.
2. To realize this vision, it is required to provide PostNL with a service framework which illustrates how to understand life events and create personalized interactions that respond to consumer life events.
3. Within the service framework, it is especially necessary to emphasize the emotional experience of consumers during life events to guide PostNL in creating personalized interactions that respond to these emotions.

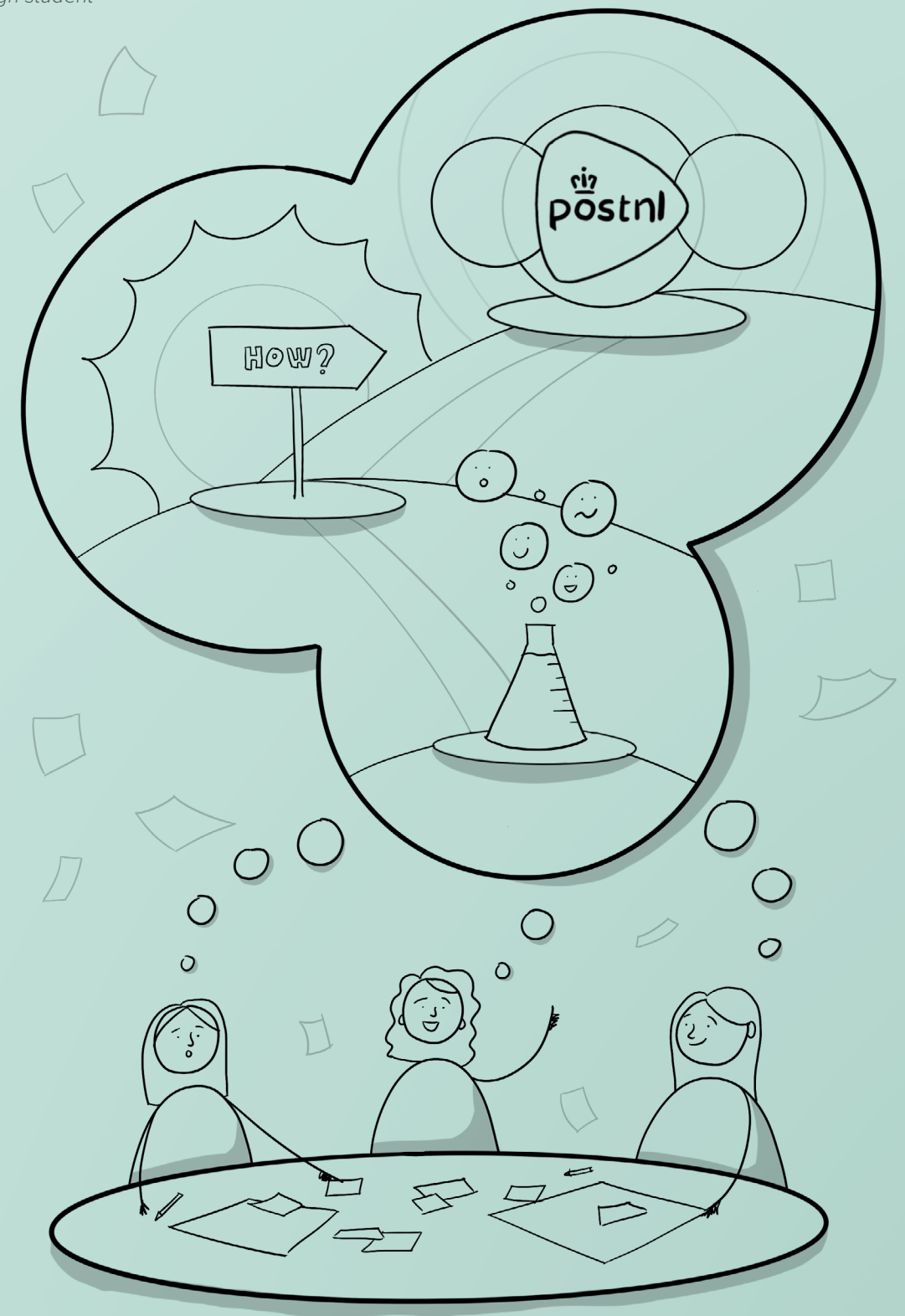
Based on these outcomes, the envisioned future position for PostNL is sketched and explained in the next subchapter, supported by a design brief that forms the starting point of the design phase and includes the requirements that should be integrated in the design of the service framework.

**"...They could be our guardian angel or a safety net as they open up their infrastructure and network in order to help us throughout our lives"**

- Strategic design student

**"Nowadays, we are all dealing with an overload of information. I can see PostNL taking the position of our organizer..."**

- Strategic design student



▲ Figure 14 - Visual overview of the imagining approach and the concluding outcomes: A future position, the requirement of a framework, and the emphasis on emotions

## A FUTURE VISION FOR POSTNL

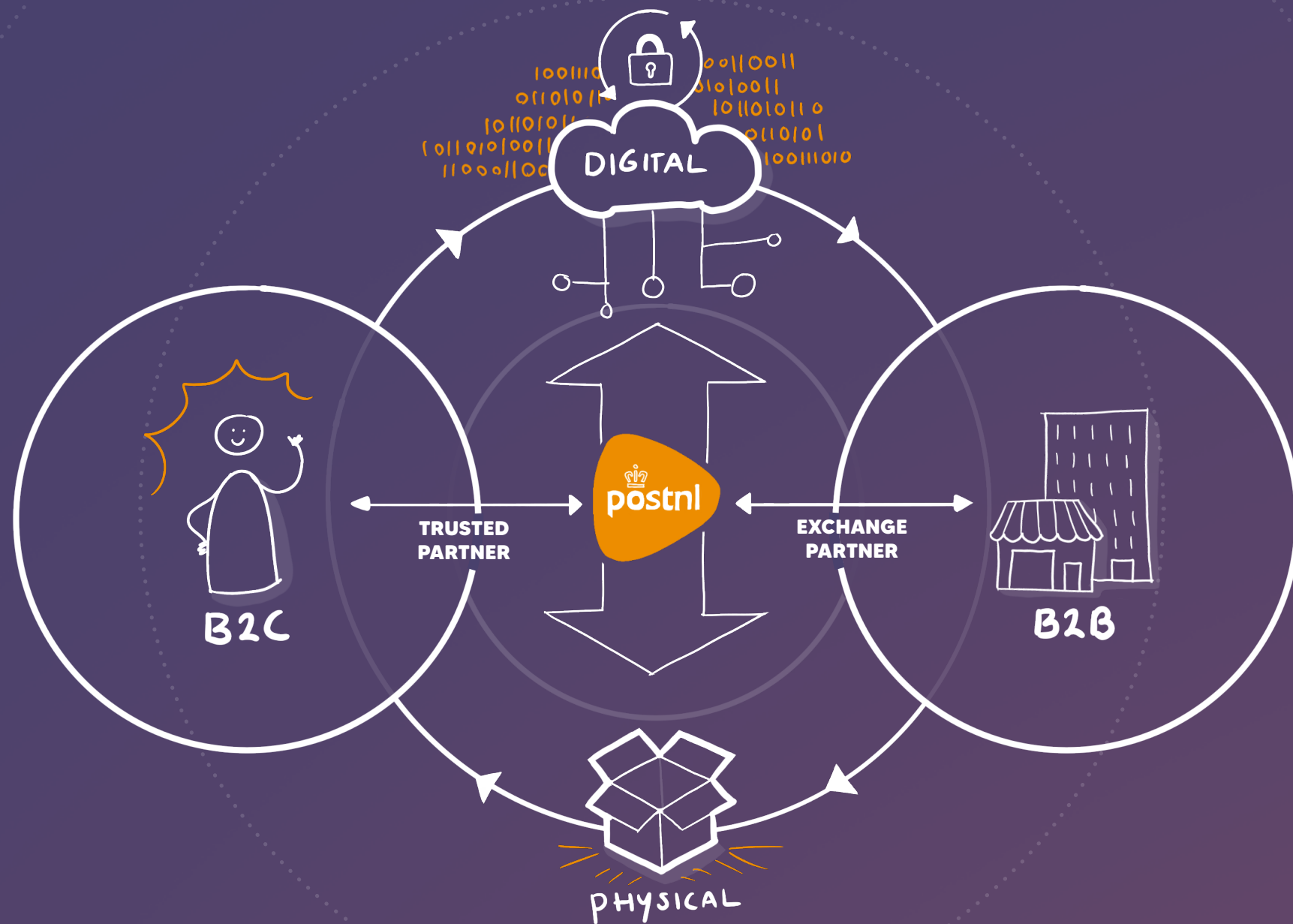
As described in the previous section, one of the outcomes of the creative session with design students was an envisioned future position for PostNL. After multiple iterations, this future position is presented through the use of a diagram that integrates different elements. The diagram is based on a diagram used by PostNL to describe the vision behind the iConnect service concept. The following section aims to describe the future position supported by the structure of this diagram.

### PostNL as ultimate connector

PostNL's strength is their ability to connect. With their mail and parcel delivery services they are able to connect consumers with businesses through connecting the digital with the physical world. They are the indispensable link for businesses that mostly have digital touchpoints, but need to deliver physical products and messages to their customers.

### A trusted partner for consumers

As a former state-owned company, PostNL has always had a brand that was known for their integrity and trust. In an increasingly digital world, PostNL can and must preserve this trust position. Evenmore, while respecting and protecting our privacy as a main priority, PostNL has the ability to become a true trusted partner in life for consumers. They have the ability to engage with us through the delivery of micro-services that are personalized to our needs and emotions within our lives. By supporting and connecting with us emotionally during important life events, they are able to grow a trust relationship that lasts a lifetime.



▲ Figure 15 - The wheel of value with PostNL in the middle as ultimate connector

### An exchange partner for customers

Connecting consumers and customers, PostNL has to serve both parties at the same time. For their customers (individuals businesses and organizations) that want to make use of PostNL's service infrastructure, PostNL can be an important exchange partner. Next to delivering paying customers the promise of a seamless delivery experience for their own consumers, PostNL and customers can exchange aggregated (anonymous and privacy-respecting) consumer data to understand their consumers better. This can result in an enhanced customer experience for both.

### PostNL's wheel of value

So what happens if PostNL manages to strengthen these partnerships with consumers as well with their customers? The result can be explained by picturing how different value streams are flowing between the described worlds and stakeholders, with PostNL in the middle of it all. If PostNL is engaging with consumers by being their trusted partner, consumers are increasingly interacting with PostNL, which can result in them sharing more and more personal data, including data about their needs and values. This allows PostNL to exchange rich consumer data on the B2B side, which can result in enabling their business partners to promise seamless customer experiences to their consumers. As a consequence, PostNL is able to turn this promise into reality, by actually delivering the promised seamless customer experience. The enhanced seamless CX in collaboration with PostNL can in turn contribute to PostNL's position as their trusted partner, which completes the circle. The described value streams can be seen as a wheel mechanism. If PostNL can manage to constantly enhance these value streams, the wheel can keep spinning, and with that, strengthening PostNL's position as ultimate connector.

# DESIGN BRIEF

Besides envisioning a future position for PostNL, the previously described outcomes of the creative session encouraged the design of a service framework that shows PostNL how to reach that vision. To set a clear starting point for the design phases within this project, a design brief was formulated. The brief includes a concise recap of the problem statement, identified opportunity, future vision. In addition, design goals were defined and a design statement was formulated that integrates these design goals. Furthermore, several requirements were defined that should be integrated in the design of the service framework. The design brief functioned as guidance throughout the design process.

## DESIGN STATEMENT

“Design a **service framework**<sup>1</sup> for PostNL employees<sup>2</sup> (service designers and business developers), that stimulates them to **empathize** with the life event context of consumers<sup>3</sup>, and includes a step-by-step approach to develop **personalized** value propositions that aim for emotional engagement<sup>4</sup>, in order to strengthen PostNL’s future position as **ultimate connector** in a digital world<sup>5</sup>.”

### Problem statement

The initial assignment (chapter 01) asked to define the next step of PostNL’s relocation service as the world becomes increasingly digital. Chapter 02 however, presented the underlying and much broader assignment: What would be the next step for PostNL in general? Having found this underlying issue, it was proposed to take a more holistic perspective to the given problem context: *How can PostNL get an in-depth understanding of their consumers to develop value propositions that at the same time contribute to PostNL’s ambition of becoming the favourite deliverer in a digital world?*

### Future vision

In chapter 03 an opportunity for PostNL was identified: understanding consumer life events can be the solution to this problem, which was supported by the findings from the empirical research as reported in chapter 04. To provide PostNL with a point on the horizon to work towards, a future position for PostNL was envisioned in subchapter 5.2, in which they would be able to deliver seamless delivery experiences and personalized value propositions to their consumers and customers by combining a life event-driven as well as data-driven approach.

### Design goals

As discussed in the creative session with design students, it was encouraged to provide PostNL with a service framework that guides them in realizing the vision. Moreover, different design goals of the service framework could be defined: (1) Show PostNL how to understand and empathize with consumer life events; (2) show PostNL how to create personalized interactions that are responding to the needs, values and emotions within these life events; (3) stimulate PostNL to focus on the emotional experience of consumers during life events, in order to ensure PostNL’s ability to engage and connect emotionally with their consumers.

### Design statement

Based on these design goals, a design statement was defined. The formulation of the design statement is constructed according to the brand positioning statement as proposed in branding literature (Van der Vorst, 2017). This statement includes the description of a product category<sup>1</sup>, target group<sup>2</sup>, and benefits of the aimed design on different levels: functional<sup>3</sup>, emotional<sup>4</sup> and self-expressive<sup>5</sup>.

## 5.3.1 DESIGN REQUIREMENTS

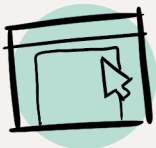
Based on the different aspects of the design brief, the following design requirements are formulated that define the most important characteristics for the design to be successful (Boeijen et al., 2014). The design requirements are structured according to the different aspects included in the design statement and form a basis for the next chapter in which the framework is developed.



The design of the service framework should show how different familiar **service design tools** can be used throughout the application of the framework



The design of the service framework should be communicated through a **concrete and simple visual** that makes it understandable for PostNL employees



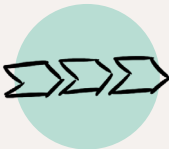
The design of the service framework should come with a **manifestation** of how a potential service concept could look like when applying the service framework



The design of the service framework should be actively integrating the **9 life event empathy principles** defined in chapter 04



The design of the service framework should use the context of the initial assignment regarding **the relocation service** as a case study



The design of the service framework should come with a step by step **demonstration** of how the framework can be used in practice



The design of the service framework should come with **future milestones** that show how the framework can be further developed in the future making use of data

# KEY TAKE-AWAYS

● PostNL’s strength is their ability to connect. With their mail and parcel delivery services they are able to connect consumers with businesses through connecting the digital with the physical world ● By supporting and connecting with consumers emotionally during important life events, they

are able to grow a trust relationship that lasts a lifetime ● To realize its vision, it is required to provide PostNL with a service framework which illustrates how to understand life events and create personalized interactions that respond to consumer life events ●





# 06

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## Developing the service framework

This chapter shares the development of the service framework. It describes the developing approach, a step-by-step approach to redesign the relocation service. Furthermore, it presents the final service concept.



## DEVELOPING APPROACH

In order to design the service framework, a research-through-design approach is applied for the development phase within this thesis. Rather than stopping research activities after entering the design phase, this approach stimulates to use designing activities as a way to produce knowledge (Stappers & Giaccardi, 2017). Especially the activity of iteratively developing prototypes plays a central role, which is followed by activities of reflecting, measuring, discussing, and analyzing the effect of these artefacts. The approach acknowledges that the designer never has enough information during a project and the act of rapid prototyping allows testing of early product and business details, forms and nuances (Tschimmel, 2012).

### Research questions

To structure the research-through-design activities, three design-research questions are formulated as guidance throughout the developing phase. The questions are based on the aforementioned design goals (chapter 5.3).

1

**EMPATHIZE** - How can PostNL understand the needs and emotions of their consumers during life events?

2

**PERSONALIZE** - How can PostNL personalize their interactions in a way so that they respond to these needs and emotions?

3

**ENGAGE** - How can PostNL deliver services that embody these personalized interactions to emotionally engage their consumers?

### How to design for emotions?

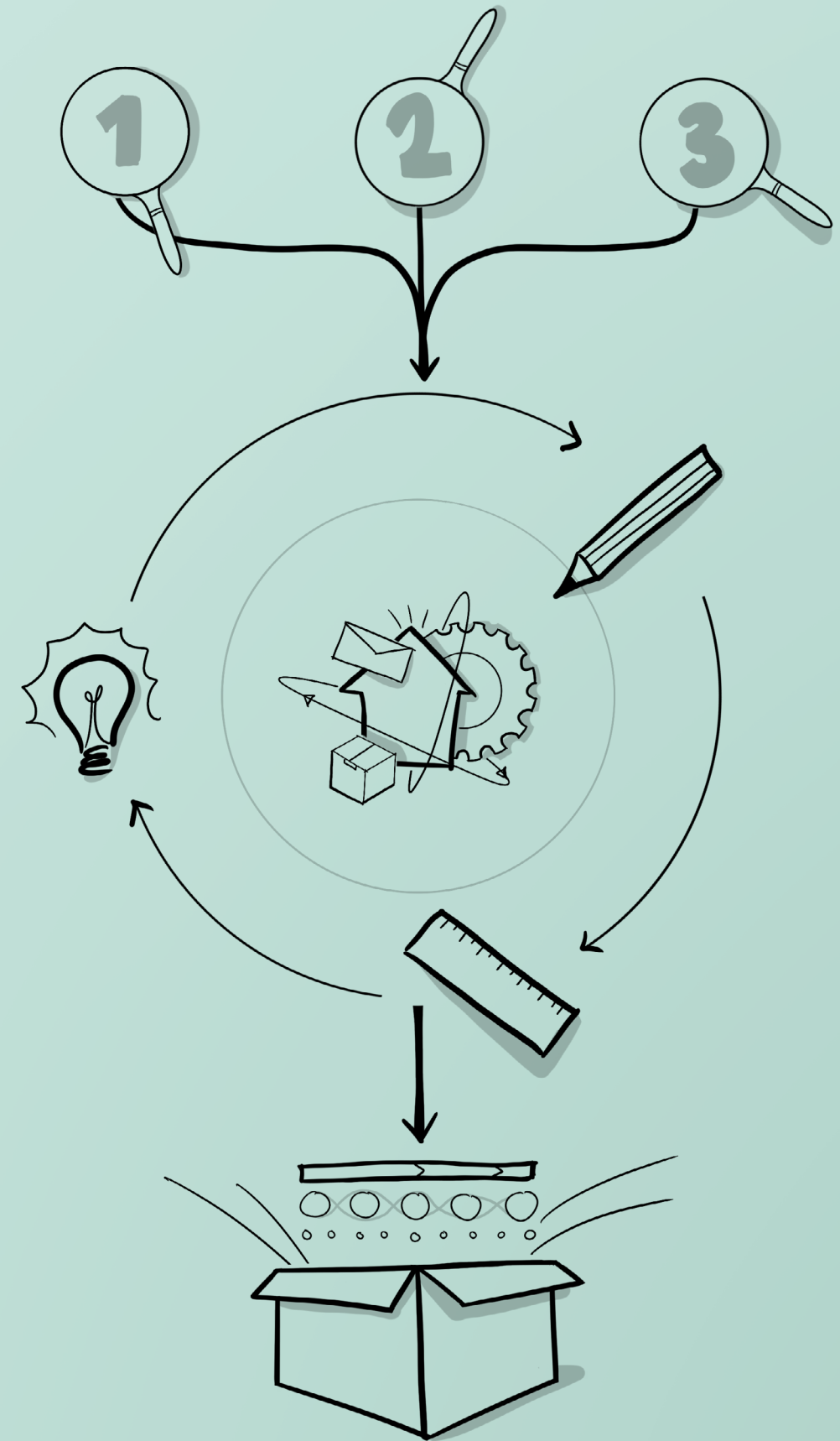
After formulating the research-through-design questions, the design phase of this project is started. The outcomes of the creative session with design students clarifies

the need to emphasize the emotional experience of consumers during life events to guide PostNL in creating personalized interactions that respond to these emotions. However, during the process of prototyping, testing, discussing and iterating, it was found that there was a need to better understand the concept of emotions. As stated in chapter 04, the formulated life event principles can be used as a guide in empathizing with consumers throughout the design process in this thesis. The principles stimulate to analyze the needs and emotions of consumers in a specific life event or life event stage. However, the principles do not provide guidance supported by scientific research on how one can respond to and design for these experienced emotions. Therefore, design literature will be consulted to find an existing approach or model that can be used as scientific guidance in understanding and designing for emotions.

Based on the presented design brief and requirements, the model should meet the following conditions: (1) it should proactively stimulate to put consumer needs central within the design process; (2) it should give directions on how to develop a value proposition and or a (digital) product that fits with consumer needs; (3) it should proactively integrate and explain the aspect of emotions; (4) It should have a simple and understandable format that can quickly be understood by internal service designers and business developers of PostNL. The following sections explain which theoretical model is applied and how the earlier taken steps are structured to comply with the chosen model.

### The relocation service as case study

As described in chapter 5.3, the service framework should come with a step by step demonstration of how the framework can be used, as well as a manifestation of what a service concept could look like when applying the framework. This is done by taking the initial assignment regarding the relocation service as a case study. The end result is a new service concept for the relocation service. The step-by-step approach of how this is achieved using the service framework is described in detail on page 76.



▲ Figure 16 - A visual overview of the approach to develop the service framework, using the revision of the relocation service as case study

# APPLYING THE EMOTION-DRIVEN DESIGN MODEL

In the search for an existing approach or model that could be used as scientific guidance in designing for emotions, different theories within design literature were analyzed. Finally, it was chosen to apply the emotion-driven design model of Pieter Desmet (2002). The emotion-driven design model indicates that emotions arise from encounters with products or services that are appraised as having beneficial or harmful consequences for the individual's concerns (Desmet & Hekkert, 2007). Desmet & Hekkert (2007) define the model as a basic model that applies to all possible emotional responses elicited by human-product interaction and identifies the three universal key variables in the process of emotion elicitation: (1) concern, (2) stimulus, and (3) appraisal. These three variables, and their interplay, determine if a stimulus (which can be a product or any other stimulus) elicits an emotion, and if so, which particular emotion is experienced (Desmet, 2002).

To understand the use of the emotion-driven design model, different case studies were analyzed in which the model has been applied (see appendix J). From these case studies, general steps were defined that can be used as guidance in the application of the emotion-driven design model as proposed by Desmet (2002). An extended explanation of the defined general steps can be found in appendix K. The remainder of this section describes the fit with the research of the model, by describing how the model meets the four conditions defined in chapter 6.1. Furthermore, it is described what adjustments are made to make sure the steps could be applied within the design phase of this project.

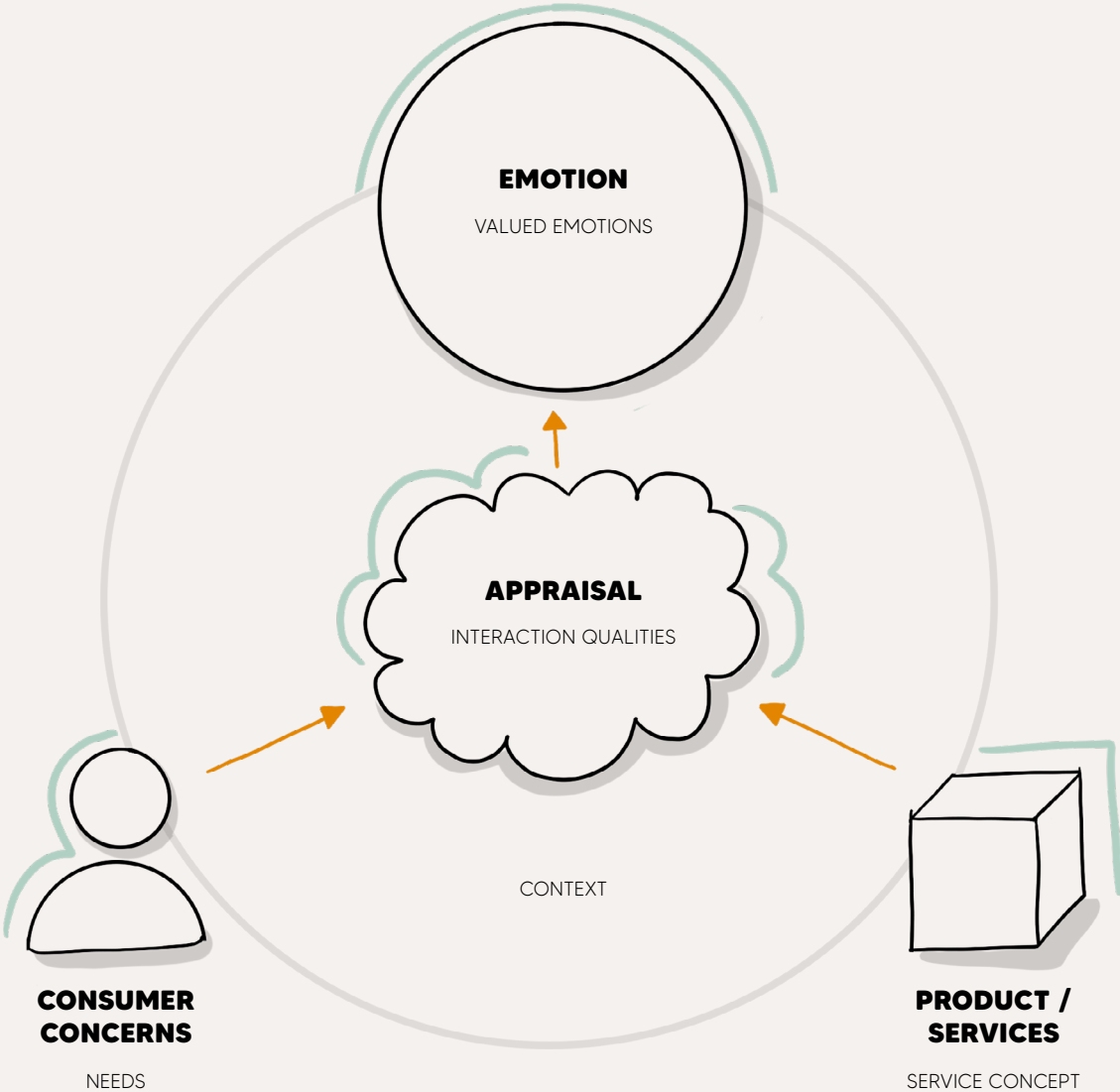
### Meeting the conditions

The case study analysis gave a good indication of how the model can be applied in practice and whether the model is meeting the conditions, formulated in chapter 6.1. When using the model, Desmet (2003) emphasizes the need to understand a user's concerns given the context in which the product is or will be used. In addition, the model aims to focus on product concept rather than features, which forces the designer to let go of the functional aspect and first start envisioning the desired outcome.

Therefore, the model meets the first condition by proactively stimulating the consumer needs to be central in the design process. Moreover, the model visualises the eliciting process of emotions (Desmet, 2002) by giving the targeted emotions a prominent place in the approach. Thus, it proactively integrates the design for emotions and subsequently meets the third condition. Targeting positive emotions stimulates product purchase intentions, repurchase intentions and product attachments (Desmet, 2012). Furthermore, the model gives the possibility to research emotions both through a qualitative, as well as quantitative research (Desmet, 2002). Therefore, the model is meeting the second condition, since it can be used to develop a (digital) product that fits these consumer needs. The mindset cultivated by this framework can provide guidance and structure for emotion-driven design practices (Montijn, Calabretta & van Erp, 2008), making it simple and understandable for PostNL employees and thus meeting the last condition as well.

### Adjustments made to fit the research

As described in the previous paragraph, the initial model as proposed by Desmet (2002) meets the conditions to be applied to the case study of redesigning the relocation service. However, to increase the fit with the research even more, small adjustments are made to the general steps in applying the model. Because one of the final outcomes of the framework should be that it stimulates to empathize with the life event context of consumers. Therefore, it is proposed that the first step includes the definition of which context - and thus which life event - the final service concept should be designed in. Secondly, it is proposed that the consumer needs should be defined first, to understand which emotions should be selected as basis of design. Notwithstanding, this should be done in an iterative process, in which both consumer concerns and emotions are constantly evaluated. In a feedback moment with a PostNL customer journey, it was discussed that the concept of "target emotions" might not be the proper way to engage other PostNL employees to a more emotional, rather than functional, design approach. Therefore, the third and last adjustment is with regard to using the term "valued emotions", rather than "target emotions". With this adjustment, the focus is more on what the consumer would appreciate in their interaction with the service, rather than what PostNL wants them to feel.



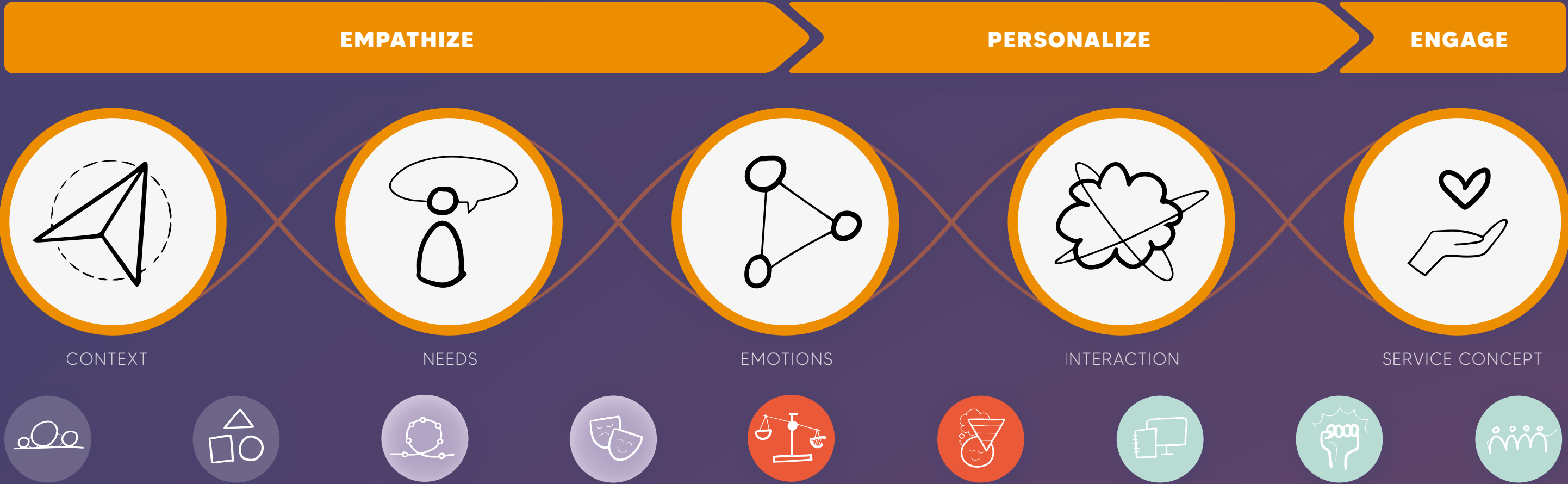
▲ Figure 17 - The Design for Emotion model (Desmet, 2002). The bold printed words are according to the original model, the light printed words are the interpretation as used within this thesis

### Getting feedback from an expert

The fit with the research as well as the implemented adjustments were discussed with an expert in emotion-driven design: Dr.ir. Değer Özkaramanlı, researcher and assistant professor at the Twente University of Technology. The feedback discussion resulted in the following two key take-aways: (1) Firstly, the expert indicated that it was possible to make these adjustments and to use the experience model in the proposed way. However, it is important to make a clear distinction between the scientific model (obtained for psychology literature) and how it is interpreted to fit this research. If the model is integrated into a process, make a different

illustration or visual that explains a process. (2) Secondly, be aware that the goal of emotion-driven design is not that the consumers experience emotions that are exactly the same as the target emotions. When you are going to test the designed service concept, it is recommended to use the 25 positive emotion cards from Desmet (2002). Let the participants choose the card that represents their emotions the best and ask them why. This can result in very interesting insights about your service design that you can take with you in further development. These insights have been taken into account in the development of the service framework.

# SERVICE FRAMEWORK PROPOSAL



▲ Figure 18 - The designed service framework

Through a highly iterative development process, in which the proposed research-through-design questions were answered by prototyping, testing and discussing, the final layout of the service framework is established. This service framework integrates different elements that were defined in the previous sections of this thesis. The main structure of the framework is built up according to three main stages that are based on the formulated design goals from chapter 5.2. Furthermore, the defined steps to design for emotions (chapter 6.2) were used to describe the step-by-step approach on applying the framework and are ordered according to the main stages. The defined life event empathy principles from chapter 4.3 are positioned as the base of the framework, since it is encouraged to use the principles throughout all stages and steps. The following sections will describe each layer of the service framework in more detail.

### A step-by-step approach

In short, the proposed steps include defining (1) the life event context of the consumer, (2) the relevant consumer needs, (3) the emotions valued by the consumer in her or his personal context, (4) defining which interaction qualities the service should have personalized to these needs and emotions, (5) designing and delivering the actual service concept.

### Three different mindsets

The proposed five steps can be divided into three different stages. These three main stages can be seen as three different mindsets someone is going through when applying the service framework to a certain case study. Within the first stage, the act of empathizing is key and includes the step of defining the context, the consumer needs and the valued emotions. Within this stage, it is encouraged to fully immerse in the world of the consumers to understand their needs and emotions within the given

life event context. The third step of defining emotions is the interaction between the first and second stage, of which the latter is led by the act of personalizing. The needs and emotions have been defined and now it's time to define what could be a personalized interaction that responds to the specific needs and emotions of the consumer. Within the third and last stage it is time for the development of the actual service concept or (personalized) proposition. After a process with multiple iterations and switching back and forth between different mindsets, the outcome of the final stage should aim for an increased emotional engagement with the consumer.

### Integrating the life event empathy principles

Foundational to the service framework are the nine life event empathy principles. As proposed in chapter 4.3 these principles can be used in designing services for (specific) life events by guiding the designer in empathizing with the consumer. By positioning the principles as the foundation

of the service framework, it is encouraged to use these principles throughout the use of the service framework. In the first stage they can be used to empathize. Within the second and third stage they can be used as a way to check whether the principles are still taken into account.

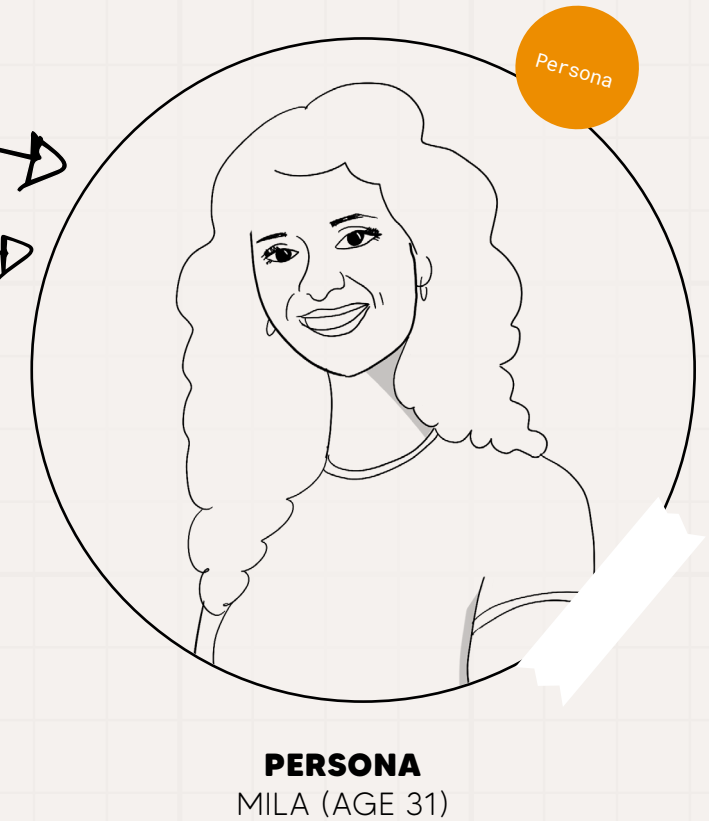
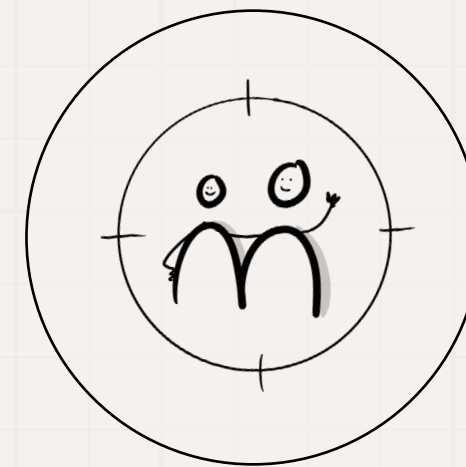
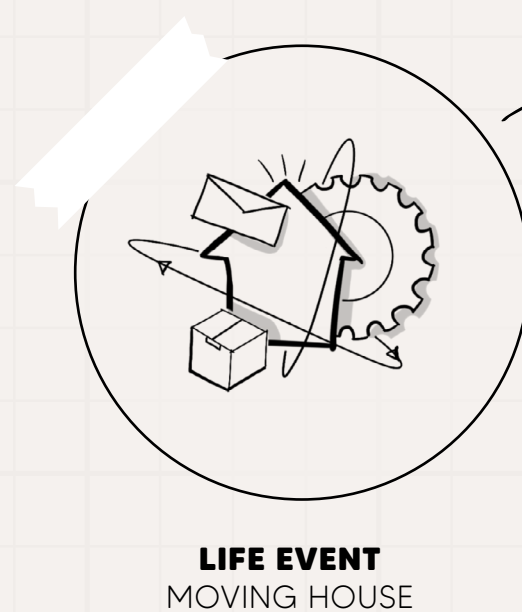
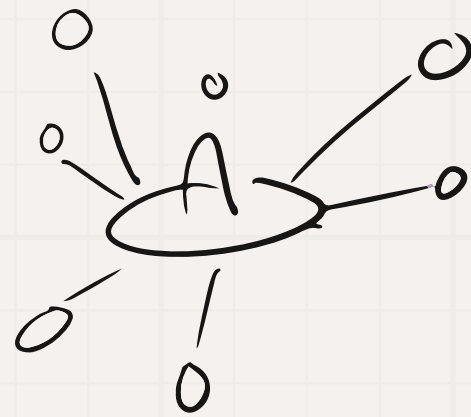
### Demonstrating the use through a case study

The remainder of the section will focus on explaining the use of the step-by-step approach. As mentioned earlier, this is done by taking the initial assignment of defining the next step of the relocation service as a case study. By starting from the context of the potential consumer of the service and subsequently going through each step, it was possible to come up with a redesign of the relocation service that is emotionally engaging. Each step comes with a brief explanation of the goal and the activities done to reach that goal. Service design tools that are used are highlighted.





## 6.3.1 DEFINE THE CONTEXT

**GOAL**

Define the context of the design to scope the research and design activities throughout the process. The context can relate to a specific life event, life event stage or a specific user scenario. It is encouraged to not focus on the current service or its features, but take a consumer-oriented approach. To scope the process evenmore, it can help to define a target group. Align the context definition internally to make sure the process is directed to a desired outcome.

**METHOD**

The context can be defined by taking different aspects into account. In this case, some of the detected assumptions from chapter 2.2 were included in the process.

**Life event**

In this particular case study, the initial assignment from chapter 1.1 regarding the relocation service, forms the starting point for the context definition: the final service

concept should be designed for the moving house life event.

**Target group**

Chapter 02 mentions that PostNL has recognized that the current relocation service is dealing with declining numbers. The current relocation service team constated that the current users of the service are mostly traditional families with an age of around 50 years or older. So in their process of looking for possible solutions, the relocation service team wondered whether it would be beneficial to target a new and younger target group (assumption 2.1: How can we target a younger target group?)

Because a “younger” target group is still too broad, the target group is narrowed done to a more detailed level. This was done by a quick desk research, exploring recent house moving data within the Netherlands. It was found that there is an increase of 6% in the amount

of young unmarried couples living together, that are moving house (CBS, 2020). In addition, younger generations are having increased digital expectations of digital services (van Belleghem, 2020). Both findings are seen as indications that it could be relevant for PostNL to look into the needs and values of a younger target group in a moving house life event.

**OUTCOME**

This results in the creation of a persona: Mila. A persona is an archetypal representation of intended users, describing and visualizing their behaviour, values and needs (Boeijen et al., 2014). Creating a persona helps to empathize with the potential user of the service, rather than having to design for “a group”. At this point the persona only describes her situation (moving house) and her age (based on the target group). The next steps of the process are used to get to know Mila by defining her needs and emotions.





STEP 01



STEP 02



STEP 03



STEP 04



STEP 05

## 6.3.2 DEFINE THE CONSUMER NEEDS

Persona



*"I really look forward to live together"*

*"I feel overwhelmed by all the choices I have to make"*

## This is Mila

She is 31 and in two weeks she will move to a new apartment in Amsterdam where she is going to live together with her boyfriend Kevin

She has to plan her moving house event next to her full time job. At night she spends hours to browse for furniture and decorations, while planning the administrative hassle around the event

It is stressful, but excited at the same time

Consumer story

Consumer profile

I want...  
(Goals)

...to **spend time** on things like **decorating** (exciting) and saying **goodbye** to my roommates (sad)

...to be **no burden** for my **roommates** making them the ones to deal with my mail

...an **easy way** to **update** my address and not **miss** any important mail and packages

I think...  
(Standards)

...that a service should **take care** of these tasks, while giving me the ability to have **overview** and **control** whenever I want

...that a service should take care of these tasks, while **respecting** and **guarding** my personal information

I like...  
(Attitude)

...services that are **simple** and understandable, and don't cause any extra **hassle**

*"I rather spend my time on decorating the house"*

## GOAL

Create a shared understanding of the needs and values of the target group in the defined context. In this case, we aim to get to know what Mila needs and values in her moving house experience.

## METHOD

Mila's needs can be revealed by empathizing with consumers that are in the experience of a moving house life event, using the life event empathy principles (chapter 4.3). In this case, her needs and values are based on insights from the life event interviews (chapter 4.2) and the creative session with designers (chapter 5.1). Furthermore, an additional creative session with consumers moving house was done (see appendix L). These insights were also taken into account. The life event empathy principles are used as a guidance in formulating the needs.

## OUTCOME

The result is a consumer story, describing her situation, a consumer profile, consisting of concrete formulated consumer needs, to summarize Mila's needs in a concise overview. Her needs were structured according to the guidelines of the classic emotion-driven design model (see chapter 6.2). First, Mila's goals are defined ("I want..."), which tells us something about what Mila aims to achieve in her specific situation of moving house. These goals can be seen as simple "jobs-to-done", but can also tell us what Mila wishes to achieve with regard to certain values or dreams she has on an emotional or social level. Second, some standards can be defined ("I think..."), which tell us about what Mila demands from a service. Last, an attitude concern can be defined ("I like..."), which tells us what Mila can appreciate within a certain product or service. The defined consumer profile should fit the life event empathy principles.



▲ The nine life event empathy principles





### 6.3.3 DEFINE THE VALUED EMOTIONS



#### GOAL

Based on the defined needs, define the positive emotions that consumers value in their context. These positive emotions form the starting point for the next step.

#### METHOD

The process of choosing these emotions is foremost based on Mila's needs in the specified context. The question "What positive emotions would Mila value in her personal moving house experience?" is central in the process. The set of positive emotions as proposed by Desmet (2012) are used to analyze and choose the valued emotions. During an iterative process, emotions were selected and assessed and the life event empathy principles were actively integrated in the selection process as well. As described in the previous

subchapter 6.2, these emotions should also be in line with the aimed brand strategy of the PostNL.

#### OUTCOME

Finally, based on the consumer needs and values within the specified context, the emotions of confidence, relief and joy were chosen as valued emotions for Mila within this particular case study. To make sure there would be a fit with the brand strategy of PostNL, the valued emotions were connected to the Orange Compass and verified with a Consumer Journey owner from the Customer Experience department within PostNL. It is important to take into account that for a different type of (life event) context or different consumer needs, the choice of valued emotions also differs. For example, the emotion of "Joy" would not be valued in a moving house event of a more serious nature (e.g. divorce or loss of a loved one).

"I am in control, I know what to do to achieve my goals"



Confidence



Relief

"I can trust the service with taking care of my administrative tasks and respecting my privacy"

"I am excited for this event and look forward to it"



Joy

#### Valued emotions

##### Confidence

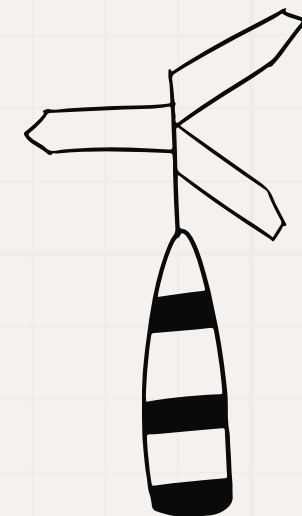
- *Brand fit:* Orange Compass "Denk met me mee"
- *Principle fit:* 05 / Help me make decisions and 08 / Let me do it myself

##### Relief

- *Brand fit:* Orange Compass "Maak het waar"
- *Principle fit:* 03 / Recognize my life event stage and 06 / Understand what is top of my mind

##### Joy

- *Brand fit:* Orange Compass "Maak me blij"
- *Principle fit:* 02 / Understand the nature of my life event and 04 / Respond to my emotional state







STEP 01



STEP 02



STEP 03



STEP 04



STEP 05

## 6.3.4 DEFINE INTERACTION QUALITIES



Brainstorm



"How to" questions



DECISIVE



TRANSPARENT



LOYAL



ATTENTIVE



CHEERFUL

Interaction vision

### GOAL

Having defined the context, needs and valued emotions we can slowly start thinking about possible services that respond to the needs and emotions. The goal is to define the qualities that the interaction between the consumer and the service should have to actually evoke the valued emotions.

### METHOD

It is important to take into account that interaction qualities are not about the function or the appearance of the service (e.g. give overview or be simple). It can help to think of these interaction qualities as personality traits (e.g. calm or elegant). Therefore, it is encouraged to define the interaction qualities through the formulation of an interaction vision. In this case, this design tool was used to envision the interaction between Mila and a potential service concept. The valued emotions formed the starting point for the interaction vision. Several techniques can be used to communicate an interaction vision, like an analogy, an image, a collage or a video. In this case, it was chosen to use an analogy.

### Brainstorm session

Envisioning an interaction analogy is not easy and requires some experience in creative thinking. Therefore, it was decided to involve two external design graduate students into the process. A creative session was facilitated to brainstorm about possible analogies that could represent the three valued emotions at the same time. Central in the session was the question: "What analogy entails the emotions of confidence, relief & joy?" First, several creative techniques (Heijne & van der Meer, 2019) were used to let the students empathize with the context, needs and emotions of Mila (see appendix M). Subsequently, the students brainstormed on analogies for each emotion independently and lastly, the students were asked to think of analogies that describe the three emotions at the same time.

### OUTCOME

The outcome of the session was the envisioning of the interaction between Mila and service as "hanging out with your best friend". Hanging out with your best friend means that you are together and that you have good

conversations. There are no secrets for each other and you feel understood. But most of all you have fun together.

### Interaction qualities

Finally, required qualities of the interaction were defined based on the interaction analogy in combination with the three valued emotions. Furthermore, the empathy principles (chapter 4.3) were used to check whether the qualities would fit Mila's life event experience.

**Decisive** - When Mila has a lot of (important) decisions to make while she is under time pressure, she can ask her friend for feedback. Her friend will help her to make decisions, by showing her the available options and explaining which options might fit her best. (*Life event empathy principle 05 & 08*)

**Transparent** - Mila and her friend have no secrets for each other. When asking for help, her friend gives her clear advice, explaining what she could expect,

what steps she has to take and what the possible consequences of that step are. (*Life event empathy principle 06*)

**Loyal** - Mila's friend is very loyal to her. Her friend knows her personal preferences in handling such challenges. Mila can always count on her support, whenever and wherever. (*Life event empathy principle 07*)

**Attentive** - Her friend has a lot of experience herself and is able to come up with good and out of the box ideas that could help Mila in her specific stage of her moving house experience. (*Life event empathy principle 01, 02 & 03*)

**Cheerful** - Her friend is excited for Mila that she is finally going to live together with her boyfriend. She understands that the event is stressful, but by communicating her feedback in a cheerful way, she also is able to elevate Mila's joyful experience. (*Life event empathy principle 04 & 09*)





STEP 01



STEP 02



STEP 03

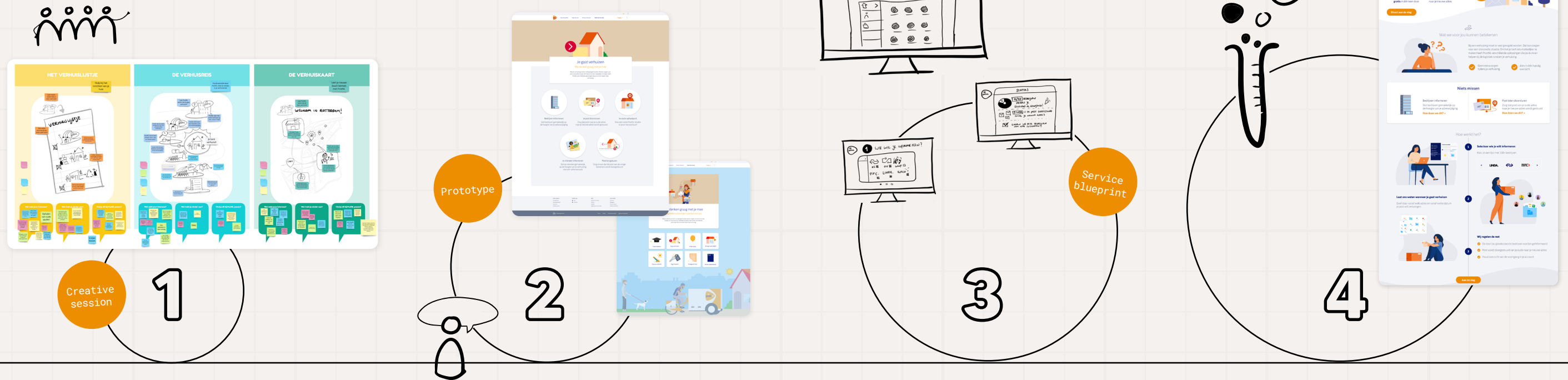


STEP 04



STEP 05

## 6.3.5 DESIGN SERVICE CONCEPT



### GOAL

Design the service concept and service features through a cycle of iterations and evaluations. Involve consumers throughout the process to test early prototypes.

### METHOD

Until now, we mostly focussed on the context, needs and emotions of Mila during her personal moving house experience. The function and the appearance of the service have not been taken into account as much as possible throughout the process. However, in the process of understanding consumer needs and values to define Mila's profile and valued emotions, we already learned a lot about what consumers value in a service. Now it's time to look back at the process and collect our findings. Reflecting on the process, we can describe several iteration cycles that we have gone through in developing a service for Mila in her moving house experience.

### OUTCOME

Along the way, the gathered learnings have already been integrated into the development of the service concept and some of the detected assumptions were

taken into account during the development process. In addition, based on assumption 3.3 (How should the concept of iConnect be integrated in our current relocation service or should it be a product on its own?), the feature of "an overview of companies" is integrated into the development process of the service, in order to test whether the feature would be seen as valuable by the target group.

#### The first cycle

Within the creative session that was organized with consumers moving house (appendix L), consumers were presented to several stimuli. The stimuli consisted of "low-fidelity sketches of "fake" service concepts (provided by PostNL) that aimed to provoke discussions around the concepts. The following conclusions were drawn from the creative sessions:

- The functions of the service should be (somehow) related to the core business of PostNL in order for consumers to accept the service from PostNL
- Integrate an additional service: Managing incoming mail from the previous residents
- Integrate PostNL's existing service of "address book" since consumers were very enthusiastic about the idea

- Explain/show consumers what value PostNL can provide during other life events
- Integrate an overview of (to be) informed companies and organizations into the service

#### The second cycle

After the creative session, several conceptual prototypes and a first set of wireframes were designed. These prototypes were presented to two consumers from the target group, resulting in the following remarks:

- Clearly explain the problem that the service aims to solve
- Communicate the pricing model in a simple and transparent format

#### The third cycle

A service blueprint was visualized to make a visual overview of all bits that should constitute the service (Reason, Løvlie & Flu, 2015). The service blueprint is presented in chapter 6.4, page 82.

- Design the use flow of the service divided into before, begin, during and after
- Respond to the different stages of a moving house life event

#### The fourth cycle

In the final cycle, a high-fidelity prototype of the service concept was designed. The prototype aims to integrate all the aspects that were formulated during the design process: it is about her life event and it is envisioned that she is the one using the service. Specifying a specific consumer story helped to empathize with the needs, values and emotions of consumers moving house. The defined interaction qualities were used as main guidance in designing the service and in addition, the lessons from the interaction cycles were integrated into the final service concept as well.

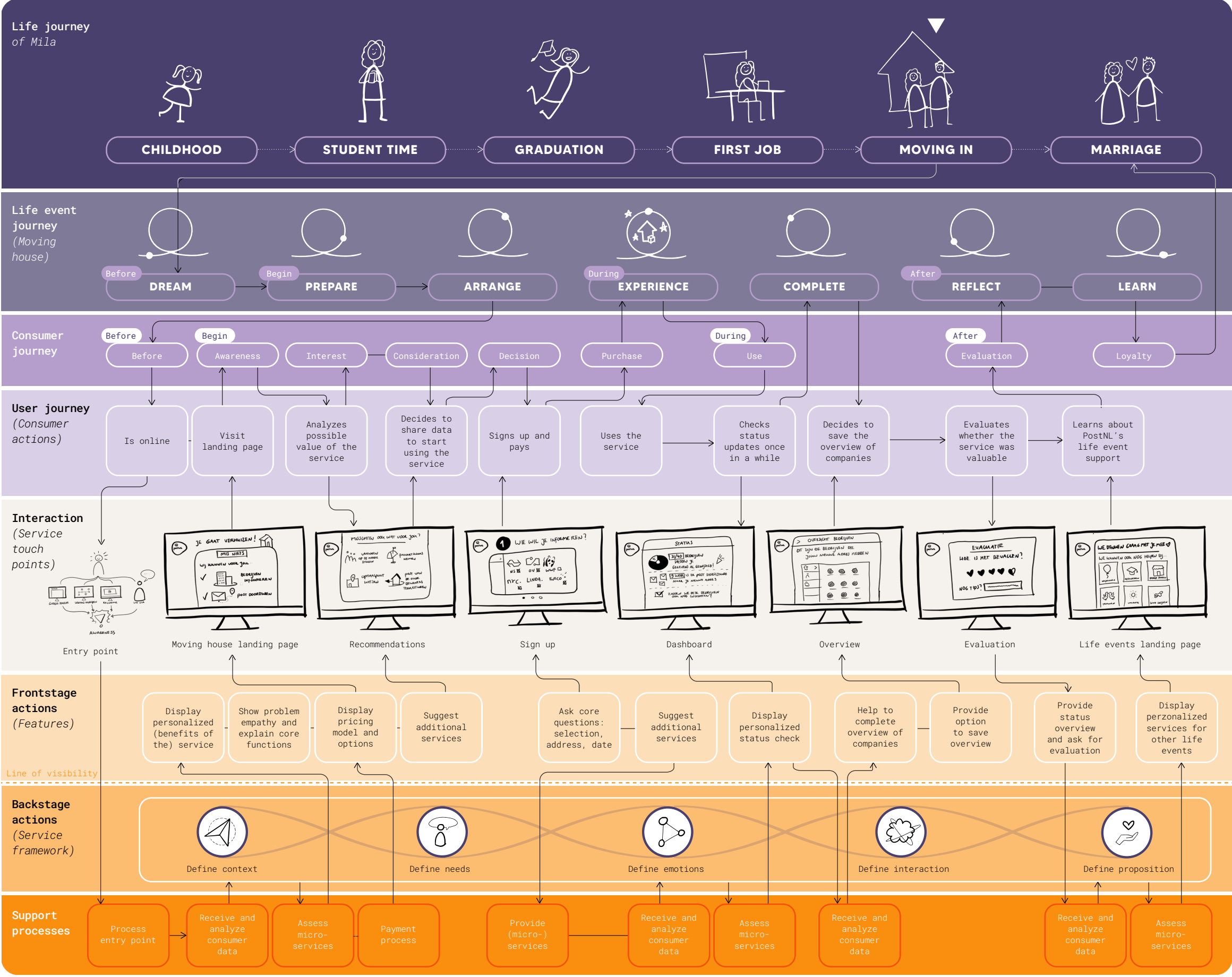
It is important to take into account that the chosen valued emotions, as well as the interaction vision and the defined qualities function mainly serve as tools to have input and guidance within the process of designing an engaging service concept. In other words, it is not required that, in the end, consumers experience the exact same emotions or qualities. The holistic goal is for consumers to experience an empathic and engaging service, of which they perceive its value related to their personal context.

# SERVICE BLUEPRINT

One of the outcomes of the step 5 “designing the service concept” was the design of a service blueprint. A service blueprint gives a visual overview of all bits that constitute a service (Reason, Løvlie & Flu, 2015). The service blueprint that was developed is an adjusted version of the classic service blueprint. Figure 19 presents a visual overview of the developed service blueprint.

Overall the developed blueprint can be divided into three parts based on the three main stages of the service framework. It integrates the basic layers of a classic service blueprint. However, besides the steps the consumers are going through while using the service (user and consumer journey), two journeys are added. The life event journey aims to describe the life event stage the consumer is in (based on insights from chapter 04). The life journey describes on an even more holistic level what life stage the consumer is in. Adding these journeys stimulates the designer to empathize with the consumer and think of a more holistic level in which the service is used.

The bottom part of the service blueprint can be linked to the personalization stage. The integrated layers describe the process of defining the valued emotions and the personalized interaction qualities, while the middle part shows the actual delivery touchpoints of the service. It is the layer in which the upper and bottom part come together and represent the service that emotionally engages with the consumer.



▲ Figure 19 - The developed service blueprint for the final service concept



# FINAL SERVICE CONCEPT

By using the initial assignment of the relocation service as a case study, it was possible to design the service framework (chapter 6.3). The outcome of using the framework is a new service concept for consumers in a moving house experience. The service concept aims to integrate all the aspects that were formulated during the design process and functions as a manifestation of what a potential service concept could look like when applying the service framework. The aim of this chapter is to explain the service concept. First, the unique selling points of the service concept are described to clarify the novelty of the service compared to the current relocation service. Subsequently, through the communication of several deliverables, it is explained how the service concept integrates the defined interaction qualities as well as the learnings from the iterative design process.

## UNIQUE SELLING POINTS

- The core functions of the service are still forwarding and informing. However, now central in the communication of the service is the life event experience, which makes it easier for the consumer to relate the value of the service to their personal situation
- The service is communicated through the use of empathic illustrations and language responding to the needs and emotions consumers have in a moving house experience
- The structure of the service is flexible, which makes it possible to personalize the presentation of the service's core functions, use steps and pricing model according to a consumer's specific life event stage, needs, emotions and personal preferences
- The service proactively recommends other (micro-) services relating to the specific life event stage, needs and personal preferences of the consumer
- The service delivers value to the consumer at the right time throughout different stages of the moving house life event (before, during and after)
- The service makes the consumer aware of the other life events PostNL is providing value for based on the specific life stage, needs and personal preferences of the consumer

## Goals of the service concept

As described in the design brief (chapter 5.3), one of the design requirements was that the service framework should come with a manifestation of a possible outcome of using the service framework. Therefore, it is important to take into account that the service concept is not the final design of the service, but a manifestation of the outcome of the case study using the service framework. To further develop the service, many more iterations of making prototypes and testing with the consumer are necessary. Nevertheless, the manifestation should show PostNL what a potential service concept could look like when applying the service framework. Furthermore, the manifestation should provide enough input for consumers to understand and test the concept.

To make sure the service concept functions as a manifestation two goals of communicating the service concept to employees and testing consumers are defined:

- 🎯 Communicate the proposed use flow of the service concept
- 🎯 Communicate the proposed visual style and language of the service, using PostNL's brand identity as a basis

## Communicating the service concept

In internal consultation with PostNL, it was decided to communicate the concept through a desktop version of the service. In the development process of making the prototypes, a UX designer provided feedback to make sure PostNL's brand identity is correctly communicated. Conclusively, the service concept is communicated through the following set of deliverables:

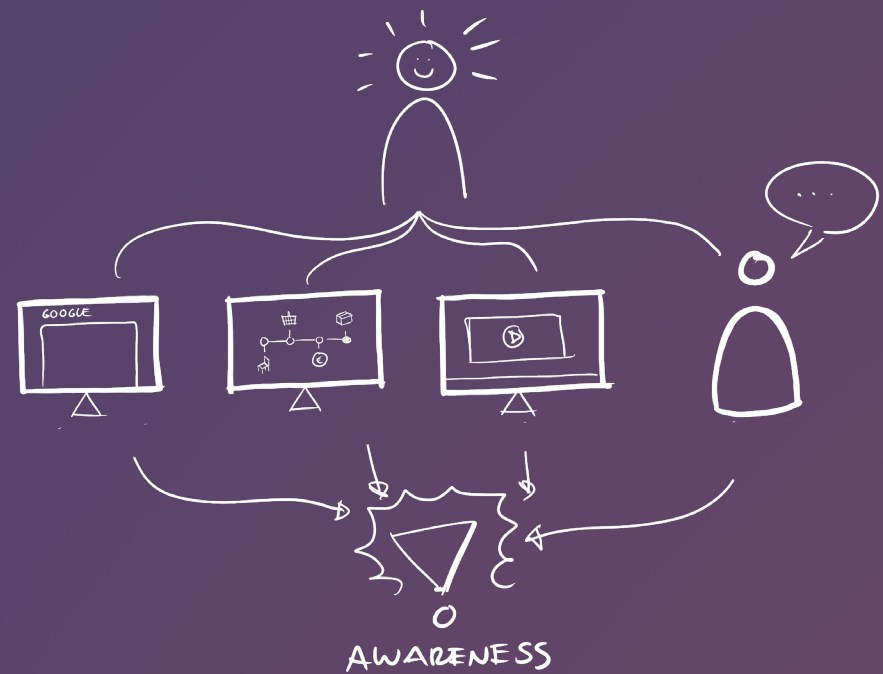
- 💬 A use scenario of a consumer using the service
- 💻 A high-fidelity prototype to manifest the moving house landing page
- 📱 A low-fidelity storyboard to manifest the general use steps of the service
- 💻 A high-fidelity prototype to manifest the general life events landing page

## Using Mila's story to explain the concept

Imagining a use scenario helps to explain and understand the service concept design. Based on the service blueprint (chapter 6.4) a use scenario was described in which the persona Mila is using the service concept throughout her moving house experience. The following pages present the manifestation of the service concept and the reasoning behind the design decisions, based on the steps Mila is going through in using the service (divided in before, begin, during and after). Concurrently, it is indicated how the defined interaction qualities (figure 20) from chapter 6.3.4 are integrated into the design concept.



◀ Figure 20 - The defined interaction qualities



### Entry point

Mila is in the preparing stage of her moving house life event. During her preparation activities, she often browses the internet and talks with friends and family about her life event. Mila becomes aware via one of the entry points: via Google search, via one of PostNL's partners (e.g. moving house services or websites), online advertising or a recommendation from peer to peer

## 6.5.1 THE MOVING HOUSE LANDING PAGE

### Top menu

She arrives on the moving house landing page. From the top menu, she sees that she has arrived on an additional service webpage of PostNL, next to the classic services of sending and tracking. Because Mila's account is still logged in from last time, PostNL is able to personalize the webpage according to her needs.

### Header

The title tells her that this specific page is about her moving experience and that PostNL can offer her value during her life event. The two core functions of the service are briefly mentioned.

### Problem empathy

The problem that the service is responding too is described in an empathic and emotionally engaging way, to let Mila know that PostNL understands her situation. Two emotional benefits of the service are mentioned.

### Personalized offer

Based on Mila's needs in her life event stage and her personal preferences, the core functional benefits are highlighted and presented to her. The subtitle communicates her personal main concern. If Mila wants to know how the core functions of the service work in practice, she can read the explanation by clicking the link.



Figure 21 - High-fidelity prototype manifesting the moving house landing page

### Explanation of the steps

The use of the service is explained in three steps, supported by empathic illustrations. In addition, previews of the service are displayed to explain what Mila can expect during the use of the service.

### Personalized preview

To explain Mila which companies can be informed when using the service, a couple of brands are to be previewed. Based on Mila's personal data from her PostNL account, an estimation is made of which companies are most relevant to Mila.

### Pricing model

The pricing model of the service is presented in a simple and transparent way. It shows Mila's options and explains her the costs and gains per option. Furthermore, based on what we know of Mila regarding her personal needs in her life event stage, the best option for Mila is highlighted in order to help her make decisions more easily.

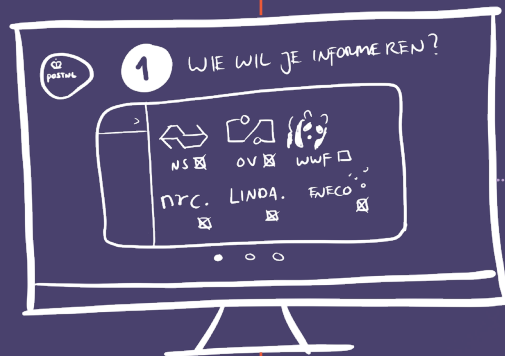
### Personalized recommendations

Based on what we know about Mila, PostNL is able to proactively recommend other (micro-)services relating to the specific life event stage, needs and personal preferences of Mila. In addition, she can read more about each service by clicking the links. The recommendations that are displayed here are existing PostNL services as well as new service ideas based on insights gained through involving consumers during the development process.

### Call to action

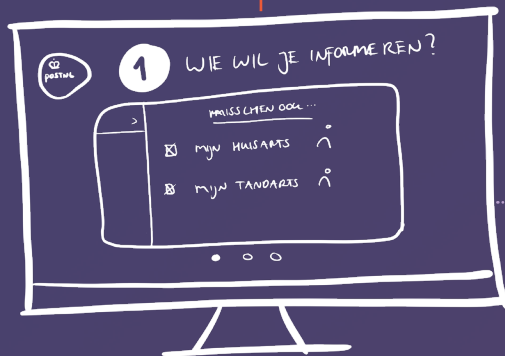
Multiple times throughout the landing page, Mila gets the option to start using the service, or scroll further and read more about the service contents.

## 6.5.2 THE GENERAL STEPS OF USING THE SERVICE



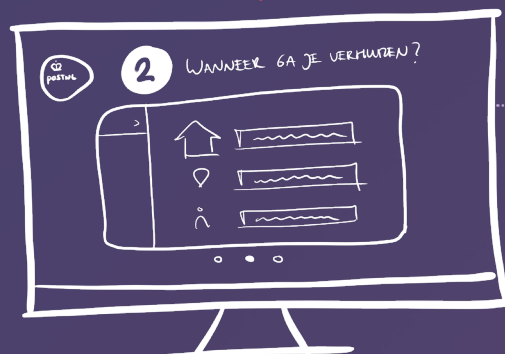
### Inform companies & organizations

Mila sees value in the benefits of the service and decides to use the service. The first step for her, is indicating which companies and organizations she wants to inform. She is presented an overview of all the companies she can choose. The list is organized in categories and structured according to personal needs.



### Option to inform extra parties

Within the first step of informing, the service also gives Mila the option to inform extra parties that are not on the list. Mila would like to inform her doctor and her dentist as well. She has to fill in the contact data herself. PostNL emphasizes how this private information is secured and handled with care.



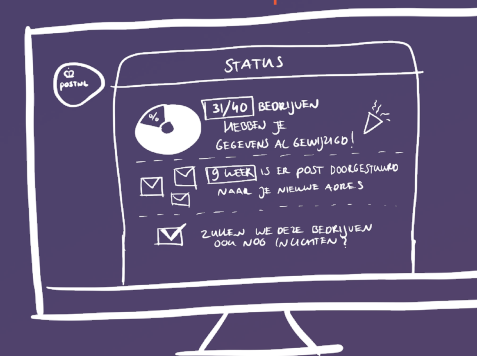
### Sign up

After selecting all the parties she wants to inform about her new address, Mila is asked to fill in some basic information: her name, old and new address and date of moving house. This step comes after the selection process so that she still has some time to orientate the service before she has to share personal information. She chooses her pricing option and pays for the service in advance.



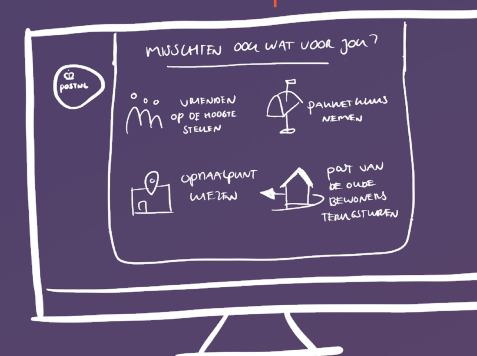
### Handover

After selecting the parties and indicating from which date onward she wants to have her mail forwarded, PostNL lets Mila know that from that point they will take it over from her. PostNL explains to her how the service works from now on and wishes her good luck with her moving house event.



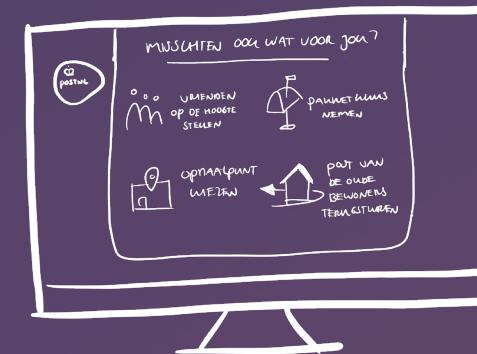
### Personalized status check

After signing up for the service, Mila can continue her preparations for her upcoming moving house event. The service gives her the option to check the status of the service anytime she wants. In the status update, she can see how many and which parties have been informed. Also, she sees how many letters have been forwarded to her new address. Furthermore, based on this info, PostNL recommends which other parties she can add to the informing list.



### Option to save overview

While the service is up and running, the service has generated an overview of all the parties that have been informed. The service gives Mila the option to save this overview within her PostNL account in case she needs the overview again during another life event. Based on her personal preferences, she is also given the options to print the list or to save it to her mobile phone.



### Personalized recommendations

Based on what we know of Mila regarding her situation, PostNL is able to proactively recommend other (micro-)services relating to the specific life event stage, needs and personal preferences of Mila. Every time she does the status check, the recommendations are updated as well.



### Evaluation

Mila has paid for the service for a certain amount of months. When the service has ended, Mila is asked to evaluate the service. PostNL asks her for feedback to improve the service. Furthermore, PostNL asks her if she would like to extend the service for a certain amount of time.



### 6.5.3 THE GENERAL LIFE EVENTS LANDING PAGE



#### Top menu

After the service evaluation, Mila is led to the general life events landing page. From looking at the top menu, she sees that she has arrived on the main webpage of PostNL's additional service. Because Mila's account is still logged in from last time, PostNL is able to personalize the webpage according to her life stage and her needs.



#### Header

The title tells Mila that on this page she can see during what other important moments in her life PostNL can support her. The two main steps of the service are briefly mentioned: explain your situation and we look for (postal related) solutions that fit your personal situation.



#### Problem empathy

It is briefly explained why PostNL provides services for life events in an empathic and emotionally engaging way. Two emotional benefits are mentioned as well.



#### Engaging explanation video

To elaborate on why PostNL provides services for life events, a short explanation video is displayed. In an emotionally engaging way, PostNL explains what, how and why they provide value during important moments within the life of consumers.



#### Personal situation engagement

At the end of the webpage, Mila is given the option to share her situation and see what PostNL has to offer her in each situation. Just like the life event menu, this overview is personalized to Mila's life stage, needs and personal preferences as well.



Scan or click me to experience the prototype yourself!



Figure 21 - High-fidelity prototype manifesting the general life events landing page

# CONSUMER VALIDATION



The final service concept shows how an outcome from using the service framework can be manifested. To validate the outcome of the service framework, the service concept was tested with consumers, focusing on the desirability of the service concept. In addition, to validate the use of the service framework, the insights from the consumer validation are structured according to the formulated research questions as described in chapter 6.1.

### Methodology

Six consumers of PostNL participated in the user test. The participants were recruited based on the defined target group (chapter 6.3.1): It was required that they were young adults that just moved house or were about to move house, preferably moving in together with their partner. The participants were not familiar with PostNL's current relocation service. The test was conducted digitally, using Miro to capture insights and stimulate interaction. Within approximately 50 minutes, the consumers were led through the test, using the online whiteboard Miro as guidance. The test was structured according to the three mindsets of the framework: empathize, personalize and engage. The complete test script and stimuli can be found in appendix N.

EMPATHIZE PERSONALIZE ENGAGE

**Phase 1 | Empathize** - Each participant was asked about their recent or future moving house experience. Subsequently, the participants were asked what kind of (postal related) problems they experienced personally during their moving house event. This was done to understand what kind of personal needs a specific participant had.

**Phase 2 | Personalize** - The participant was guided through the prototype version of the service. For every step the features were verbally explained in empathic language (e.g. "PostNL understands your situation can be stressful"). If possible, the explanation was personalized to the needs of the specific participant, based on the insights from the first phase. Subsequently, the two high-fidelity landing pages were presented to show the visual style and give the participants an indication of what the service could look like in "reality".

**Phase 3 | Engage** - It was tested to what extent the service had reached engagement with the participant, on

an emotional as well as a functional level. The participant was presented to an empty pricing model to discuss if and what price they would pay for the service. In addition, the 25 positive emotions cards were presented to the participant in Miro. Each participant was asked to choose the three cards that were most relevant to his or her experience and explain why. Furthermore, the participant was asked if he or she would recommend the service to others and if so, what he or she would tell their peers.

### Insights and opportunities for improvement

**1 EMPATHIZE** - The service concept empathizes with consumers' needs and emotions in relation to their life event

By discussing the positive emotions, participants could indicate that they felt understood and recognized regarding their life event specific needs and emotions. On the one side, participants indicated: "I felt sympathy, because PostNL says they understand that moving house can be stressful and they want to help me" and "I felt a sense of respect, because PostNL acknowledges that I have stress, and reminds me that we all have stress in such events, so it is OK to feel overwhelmed". On the other side, PostNL should acknowledge the hassle of a moving house event, but it is not necessary to over-empathize: "It is still a nice-to-have, not of high urgency."

Participants were especially positive about the status update: "I really like this, it provides insights that support me in having overview. I feel in control". Another participant said that for him the service elicited relaxation: "I have the feeling I can sit back and let it go now". Furthermore, others implied they felt joy:

"I have ticked off a task, time for the next step: moving house!"

Opportunities however, are still present to increase empathy. Although the prototype includes an option to read more about the operational process behind the core functions, it seems beneficial to explain this earlier in the general three-step explanation of the service, because several participants had questions about it: "How do these informed parties process my new address?"

and "I'm curious how this works behind the scenes and whether it does not cause any more hassle, like letters that are wrongly forwarded etc." Another opportunity is to emphasize how PostNL covers the issue of privacy, since several participants asked questions about this topic: "How is PostNL managing and saving all these personal data?" and "Is this according to the AVG restrictions?".

**2 PERSONALIZE** - The service concept is personalized to consumers' personal preferences, needs and emotions regarding their life event

In line with the life event empathy principles, participants appeared to have different needs and personal preferences, despite them being from the same target group and the apparently same situation. Since the prototype came in one version, it was not possible to show the participants different "personalized" versions based on their personal preferences. Nevertheless, it can be stated that the current version of the service concept already provides options for several different personal needs. Some participants indicated that they were only interested in the function of informing parties. Two participants only wanted to use the function of forwarding mail, but both mentioned different reasons. One could relate with the subtitle of "not missing anything", the other one indicated: "I'm not afraid to miss anything. The reason for me is that in this way I don't have to hop by my old place all the time to pick up my mail". In addition, participants were enthusiastic about the additional recommended services: "Wow, returning mail from the previous residents... that sounds good! Having to deal with their mail is one of my daily irritations haha."

Furthermore, it was interesting to see how different participants had different personal preferences. There are some opportunities for PostNL to respond to these differences even more. For example, several consumers asked the question: "Is it also possible to forward parcels?". Also, the service can ask consumers to what extent they want help with selecting parties to inform. One participant gave as feedback: "PostNL should give me an option to automatically generate the list, to help me even more with creating an overview. I would give them access to my mailbox". While another participant said the opposite: "I would find it creepy if PostNL could fill it in

automatically, but if I can fill it in myself I would really like that". In addition, one participant indicated that he would like to receive push notifications regarding the status check of the service: "I would like PostNL to remind me to update the list with companies once in a while."

**3 ENGAGE** - The service concept stimulates consumers to engage and build a relationship with PostNL

All participants indicated that they saw value in the service and they were willing to pay for the service:

"A lot of headache is being taken away here, that is worth my money" and "Because it is PostNL, I trust the service with taking care of it". Nevertheless, there were differences in which functions the participants wanted to pay for. One participant said that she would pay for making the list, the process of informing parties and have that overview. Another one indicated that paying for the informing function was not an option for her: "I can do that myself." It is encouraged to keep the distinction between the two main functions in further development. Furthermore, it is recommended to provide an explanation about the reasoning behind the pricing: "When I switched banks, I did not have to pay for forwarding things... So why in this case?"

All participants indicated that they would recommend the service to others, if they had a good experience with the service: "If they can prove to me it really works, I would recommend this to everyone who is going to move house" and "I can totally picture it. Having dinner with friends, all in the same situation and then I give it as a tip while we sit at the table!". Others indicated that they would recommend the service to their family: "For me it is a nice-to-have, but I know that for my parents this is really what they need". This showed that there is an opportunity to stimulate peer to peer interaction.

Lastly, participants indicated that they were positively surprised by PostNL providing value for other life events: "I really want to click on these buttons haha, because I'm curious what PostNL can offer during these other moments" and "Wow of course... When they can help us with this, PostNL can also help us when a loved one has passed away".



# INPUT FOR FURTHER ITERATIONS

As described in chapter 6.4, the presented service concept is not the final design of the service. To further develop the service, many more iterations of making prototypes and testing with the consumer are recommended. Yet, testing the service concept with consumers provided many insights. This chapter categorizes these insights and translates them into concrete input for further iterations. The input is presented in the form of starting points that again can be tested with consumers. The starting points are structured according to the nine life event empathy principles (chapter 4.3) to stimulate the focus on empathy within further developments. This form of structuring enables the possibility to reflect and assess the service according to principles, which results in additional input for further iterations.

## 01 Look at the bigger picture

- Research which life events often precede a moving house event
- Explore and define new entry points for the service based on these insights
- Explore which other (micro-)services can be recommended based on these insights

## 02 Understand the nature of my life event

- Not every moving house event is joyful. Research other natures of moving house life events and decide how to respond to these types of moving house life events

## 03 Recognize my life event stage

- The current service concept focusses on the arranging stage of moving house. Research how the service can respond to other moving house event stages, like dreaming, preparing (before) and completing and reflecting (after)
- Explore which brands, companies and organizations are often used during these stages. Research whether these parties are open for partnerships in spreading awareness of the service to create new (push) entry points

## 04 Respond to my emotional state

- Provide some explanation about the operational process of the service to increase consumers' feeling of the service taking care of their worries
- Give an indication about the accuracy of the service and what happens if the service fails
- Ask for consent, explain how PostNL handles personal data with care and that it is AVG-approved
- Clearly indicate in which parts of the service personal data is secured extra carefully (for example in the UX/UI design: use a darker shade and provide the options to hide text)

## 05 Help me make decisions

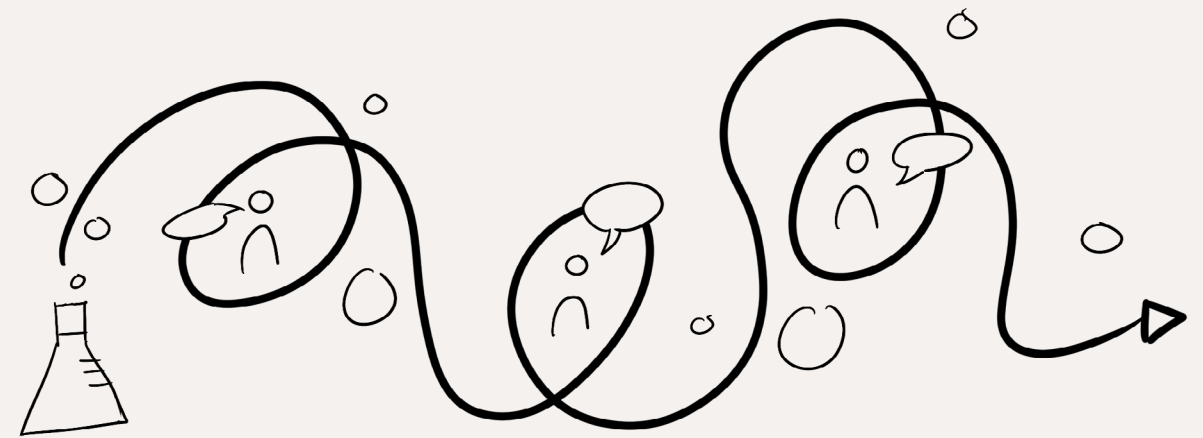
- Show the added value of the service, in comparison to communicating the new address to the municipality
- Research willingness to pay, build three desirable options for the pricing model and explain the reasoning behind the pricing

## 06 Understand what is on top of my mind

- Identify which other main concerns are there for using the service, besides: "Don't miss anything". For example: "Leave nothing behind" or "Everything arranged in one go"
- Research how to segment consumers according to these main concerns and how the service can be personalized based on these concern segments
- Test internal feasibility and viability of the idea of the micro-service that manages incoming mail from the previous residents
- Currently the services is focused solely on mail. consider to provide options to inform parcel-related parties and to forward parcels to the new address

## 07 Respect my personal system

- Ask consumers to what extent they want help with selecting parties to inform (let them fill in themselves or automatically generate)
- Research the possibility of adding the option of forwarding parcels next to forwarding mail
- Improve the UX and UI design by finetuning the navigation, readability and explanation of the service



- Test if consumers want to have a preview of which mail is forwarded (like "Mijn post" is currently doing for regular mail)
- Make a version of the service that is suitable for Android and iOS
- Provide options to print or save the "overview of companies"

## 08 Let me do it myself

- Provide the option to turn on push notifications if mail is forwarded or if there are new suggestions to add parties to the overview in order to involve consumers and gain control
- Be transparent about which parties the consumer still needs to inform himself

## 09 Consider involving my peers

- Stimulate peer to peer sharing, by providing options to share the service with peers through social media and/or to get a reward for sharing the service
- Show peer reviews of the service to communicate the value of the service

### From developing to delivering

Taking a research-through-design approach resulted in the development of the service framework as proposed in chapter 6.1, using PostNL's relocation service as a case study. The outcome of the case study is a new service concept for PostNL consumers experiencing a moving house event. The new service concept can therefore be seen as an outcome of applying the service framework. Hence, the previous chapters indirectly showed the benefits of the service framework: It can be used to design service concepts that empathize with and are personalized to consumers' needs and emotions in relation to their life event, and stimulates consumers to engage and build a relationship with PostNL. Therefore, the service framework is deemed successful in meeting the described design goals. Furthermore, it shows that the service framework has the potential to be used as guidance in realizing the future vision. To validate and secure the latter, the next chapter delivers a strategy to further develop the service framework.

# KEY TAKE-AWAYS

- A service framework is created, based on the emotion-driven design model (Desmet, 2002), using the nine life event empathy principles as a foundation
- The service framework integrates the three main stages of empathizing, personalizing and

- engaging
- Applying the revision of the relocation service as a case study, the consumer validation confirms that the designed service concept puts the life event experience central, rather than its functionalities





# 07

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## Delivering the strategy

This chapter describes the strategy to further develop the service framework. Based on insights from the internal validation, concrete starting points and future milestones are formulated. Furthermore, the chapter evaluates the final design of the service framework and aims to reflect on the initially detected assumptions.

## BRINGING IT ALL TOGETHER

After defining the opportunity gap and the future vision for PostNL, the previous chapter described the development of the service framework. The aim of the current chapter is to bring all the different elements together and show their connection: Why and how should PostNL this future vision? And last, what can they do, starting tomorrow? Figure 22 illustrates the connection between these elements. To start answering the last question, different use cases are described of how the service framework can be used in practice. Furthermore, the service framework, as well as the future vision and the case study outcome are internally validated with employees of PostNL. The input from the validation sessions is used to formulate concrete starting points, map future milestones and evaluate the design of the service framework regarding desirability, feasibility and viability. The chapter ends with final recommendations for PostNL.

### Use cases of the service framework

As stated in the design brief (chapter 5.3), the aim of developing a service framework for PostNL employees was to give them guidance in realizing the future vision. The following section provides an overview of other use cases of the service framework (see also figure 22).

#### A | Revision of current services and value propositions

The initial assignment (chapter 1.1) and the detected assumptions (chapter 2.2) indicated that within PostNL there was the need to revise the relocation service. To develop and demonstrate how the service framework can be used in practice, the case study of the relocation service was applied. The outcome of the case study in chapter 06 showed how it is possible to design an enhanced service experience that responds to the needs, values and emotions of a consumer within the given context of the service by using the service framework. Given the outcome, it is stated that other current (micro-)services of PostNL can also be revised using this service framework.

#### B | Innovation of new services and value propositions

The service framework stimulates the user of the framework to empathize with the life event context of consumers. As described in chapter 3.4, this holistic approach can let one

understand the general human experience, regardless of specific products and services people use, which can help in spotting gaps in the market and innovate new propositions (Reason, Løvlie & Flu, 2015). Thus, the service framework can be used to innovate new services and value propositions.

#### C | Acceleration of new service development processes

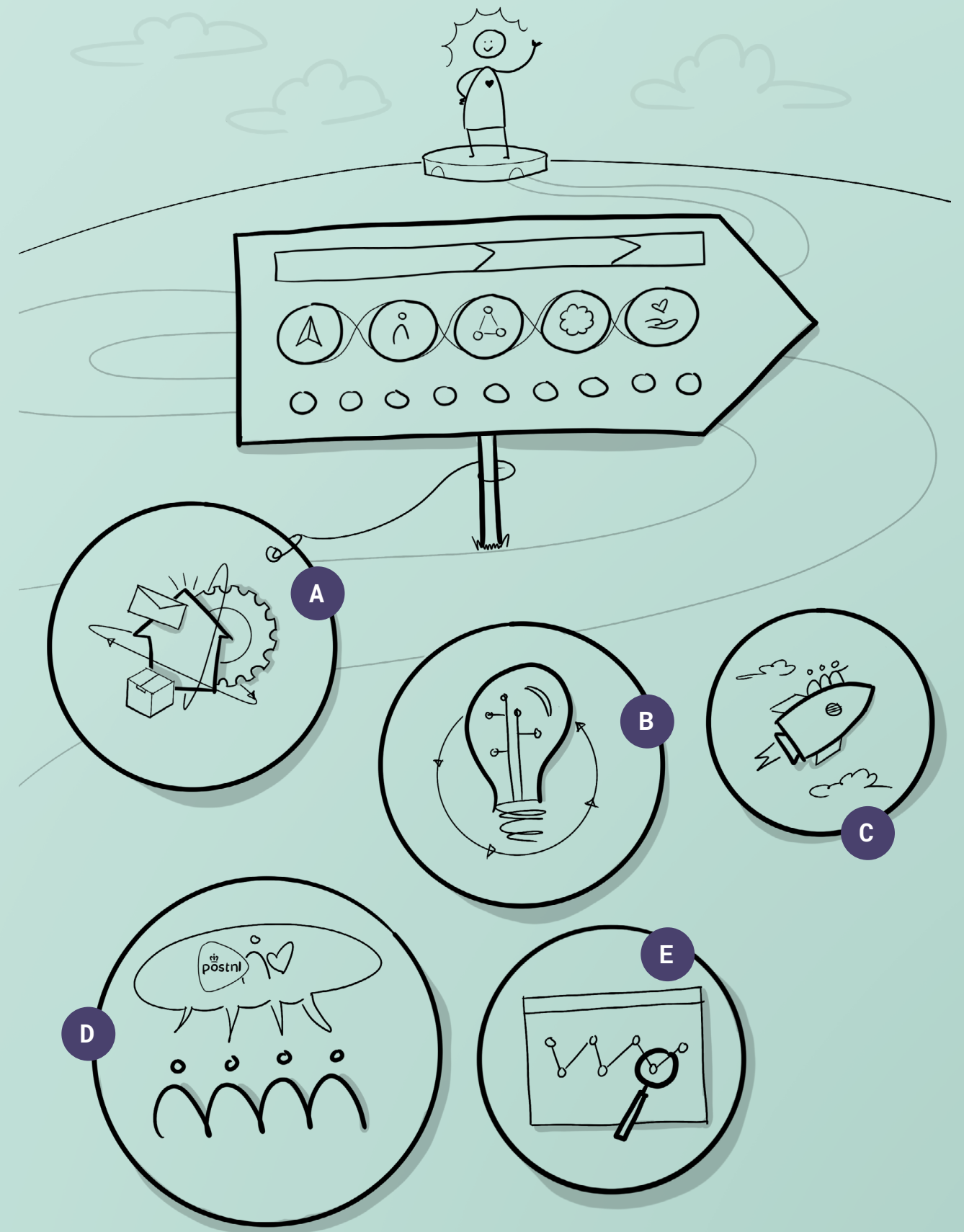
The service framework includes a step-by-step approach to empathize with consumer life events and develop personalized emotionally engaging service concepts. Furthermore, the service framework is demonstrated with a case study that serves as inspiration and guidance for service development teams to empathize with consumer life events. By providing the team with a fresh perspective on consumer needs, the service framework can be used to accelerate development processes of new services.

#### D | Stimulation of co-creation and collaboration

In general, the step-by-step approach and the case study showed that the service framework not only stimulates to empathize with the context of the consumer, but also can form food for thought and input for discussions within the development process. It can help to define the purpose of a revision or innovation process and to stimulate a team to think of different service use scenarios. Furthermore, by stimulating to choose valued emotions that are in line with the Orange Compass, the service framework encourages to also take into account ambitions of PostNL's brand. Because of these reasons, it is stated that the service framework can stimulate co-creation and collaboration within and between teams.

#### E | Supporting data-driven personalization

As described in chapter 3.4, collecting data about consumer life events could help PostNL to identify new patterns and provide them with deeper insights about their consumers. Furthermore, the focus on life events can stimulate the analysis of data over a period of time to predict changes in detail (Rygielski, 2002). Therefore, next to providing guidance for teams within PostNL, the step-by-step approach that comes with the service framework can be used as the back-bone to sensitize consumer data and deliver data-driven personalized services and value propositions.



▲ Figure 22 - A visual overview of the connection between the elements: PostNL should engage with consumer life events to become the favourite deliverer (Why?), the service framework guides them in how to achieve this vision (How?) and the different use cases show how the service framework can be used (What?)

# INTERNAL VALIDATION

Within the development of the future vision, as well as the proposal of the service framework, several statements have been made about PostNL and what actions they should be taking. To create common ground and increase the probability of use, the future vision, the service framework and the outcome of the case study are presented and discussed during several validation sessions with employees from different internal departments. Insights gathered during these validation moments are structured according to the different deliverables. Together, these insights are used as input to formulate concrete starting points, map future milestones and evaluate the design of the service framework based on desirability, feasibility and viability.

## THE FUTURE VISION A MEANS TO INSPIRE AND ALIGN



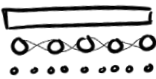
The opportunity gap (chapter 3.5) and the future vision (chapter 5.2) were discussed multiple times during the regular check-in moments with the relocation service development team. The main goal of these discussions were to validate whether the team would see value in the proposed future vision and if it would help them in the revision of the relocation service. By taking the team through the different steps of this project (starting with the initial assignment, to defining the problem, all the way to the service framework and the outcome of the case study), the aim was to explain the future vision. In the end, the team was asked to capture their feedback according to the desirability, feasibility and viability in a Miro board (appendix O).

Overall, it can be concluded that the team got inspired by the vision and that they already see opportunities to align their day to day practices with the vision. One team member said: **“I really see value in creating cohesion within our department by focussing on consumer life events. I already see opportunities to link together several services.”** Another team member indicated: **“Instead of marketing every specific micro-service, we can now promote a whole package connected to a life event.”**

Furthermore, the future vision was also discussed with several employees outside the team, which increased the

validation of the future vision’s ability to inspire and align. A business development manager said: **“This really touches us where it hurts: the lack of the emotional aspect within our organization.”** (...) **“Maybe we can take a moment to put on paper how we can start this innovation process within our innovation studio?”** A data and analytics manager indicated: **“Now that I see this, I think we really have to start looking at our current propositions and connect them to consumer life events. But even more so, we have to take that holistic approach to spot opportunities, by talking with the consumer. And we should do it fast, before anyone else is going to take that position.”**

## THE SERVICE FRAMEWORK A MEANS TO GUIDE



The use of the service framework was tested with a team that was working on a new micro-service for PostNL consumers, called “address book”. The team, consisting of a customer journey owner, a business developer and a UX designer, stated that the service at this moment is very functional and that they want to have a more empathic approach in their development process, but they don’t know how. During a two hour session, the team was guided through the service framework and the additional step-by-step approach. The goal of the session was to gain an understanding of the potential value in applying the service framework, as well as defining recommendations for further development. The session plan, as well as the Miro board lay-out can be found in appendix P. In the end, by choosing the life event context of marriage and defining a persona called Lisa that wants to plan her wedding, it was possible to define specific needs and valued emotions. However, due to time limitations, the steps of defining interaction qualities and designing the service concept were only quickly discussed.

Overall, it can be stated that the service framework has the potential to inspire employees to have a more holistic and contextual approach in understanding the consumer and how to provide value. The customer journey owner stated: **“It is good that it makes you think from a whole other perspective** about our

services and to let go of the functionality”. In addition, she stated: **“We often find it hard to pinpoint to one specific consumer, because we want to serve everyone.** Interesting to see how it can work to define a persona and use that throughout the process to empathize with consumer needs.” Furthermore, the UX designer stated that discussing the emotions and working with the positive emotions cards was really valuable: **“Now the emotions of the consumer can really be taken into account during the process.”**

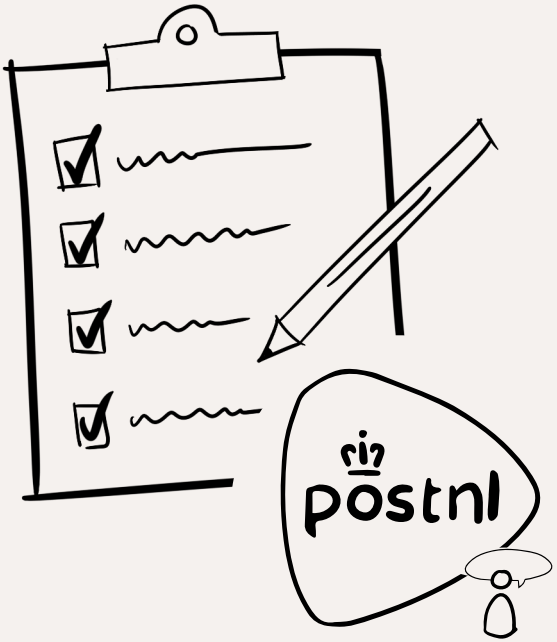
During the session, the team also highlighted potential required improvements for the framework. For example, the team stated: **“The step from defining the interaction qualities to concrete service concepts was quite big.”** Furthermore, the team concluded that two hours was too short to find concrete results and it is strongly recommended to plan multiple, longer sessions for applying the service framework to make sure there is enough room for discussion (see also chapter 6.3).

## THE CASE STUDY OUTCOME A MEANS TO IMAGINE AND LEARN



Next to validating the outcome of the case study with consumers, the final service concept was also presented to employees from different departments. To show the prototype, the employees were guided through the user scenario as presented in chapter 6.4. Discussing the outcome of the service framework with employees showed them its potential in practice. Furthermore, it helped them to concretize and imagine the future vision. To illustrate, the data and analytics manager indicated: **“This really appeals to the imagination. I really do believe in this [the general life events landing page]. We can not only provide value for moving house, but also deliver value for events like weddings and childbirths. If we do this right, it can really contribute to the extension of our consumer database.”**

Moreover, several employees indicated that the current prototype is suitable for further developments. A business developer within the relocation service said: **“The prototype you made looks very implementable. An advantage of this setup is that you can really start**



personalizing the service for specific consumers.” The business development manager said: **“With this setup we can actually get started right away.** By presenting these additional recommended services to consumers and tracking the amounts of clicks, we can see whether a micro-service is perceived as valuable.”

### Input for the delivery phase

The internal validation presented fruitful feedback for the current framework and its application during future PostNL endeavours. This feedback was gathered and used as input for delivering the strategy:

- Starting points for further development
- Strategic plan with future milestones
- Reflection on the initially detected assumptions
- Evaluation of the design of the service framework regarding desirability, feasibility and viability
- Final recommendations for PostNL



CHAPTER 7.3

STARTING  
POINTS FOR  
FURTHER  
DEVELOPMENT

The internal validation showed that PostNL sees potential in the vision as well as in the service framework. In addition, the outcome of the case study helped in imagining what potential service concepts can look like when realizing this vision. However, the internal validation also taught us that there are still several questions to be answered and assumptions to be validated for PostNL in order to get them started in realizing the vision. Within the timespan of this thesis it was not possible to cover all these questions and assumptions. Nevertheless, with the input from the internal validation it was possible to formulate some concrete starting points for PostNL that can give them guidance for further development of the vision and service framework. The following section aims to describe these starting points according to different topics. When applicable, references are made to the chapters that are useful to read in relation to the corresponding starting points.



INVESTIGATE VALUE WITHIN  
OTHER LIFE EVENTS AND CREATE A  
LIFE EVENTS CUSTOMER JOURNEY

PostNL can provide value to consumers in many life events. In line with the initial assignment, this thesis focused on the moving house life event. Now it is time to set up an explorative research that aims to define in which other life events PostNL can provide value. The service framework and the life event empathy principles can be used to structure this process. Furthermore, PostNL's innovation studio can be used to explore and validate possible business cases of life events services.

In line with PostNL's current consumer strategy to establish a Customer Journey Factory, it is recommended to create a life event customer journey that integrates the journeys of different types of life events. Therefore, the life events that PostNL wants to focus on should already be defined. Also, to structure the development process, it should be decided which life events have priority over other life events. Next to the moving house event, PostNL already provides some services for the life event of losing a loved one, as well as starting a business. Therefore, these life events can be seen as good next focus points. In addition, chapter 4.4 showed that major life events of marriage, childbirth, and the micro-life events of a birthday or a holiday show decent potential. Chapter 7.4 suggests how the focus on different life events can be mapped over time.

- Chapter 4.3 | Life event empathy principles
- Chapter 4.4 | Additional learnings for PostNL
- Chapter 6.3 | Service framework proposal

CONSIDER HIRING A LIFE  
EVENT JOURNEY OWNER

The internal validation taught us that PostNL is looking for ways to have more overview over the different customer journeys and business units to enhance business development processes and customer experience improvement. Based on the outcomes of this research, it can be concluded that PostNL should consider hiring a life event journey owner, next to their customer journey owners of "sending" and "receiving." The life event journey can be the ambassador of the needs, values and emotions of consumers during different life events. If a team struggles or wonders whether a micro-service could be valuable for different user scenarios, they can reach out to the life event journey owner. This can help to stimulate looking beyond the basic consumer lifecycles.

FURTHER DEVELOP AND IMPLEMENT  
THE SERVICE CONCEPT FOR THE  
MOVING HOUSE LIFE EVENT

The outcomes of the case study provide a starting point for further revision developments of the relocation service. To structure the development process, it is recommended to map a moving house customer journey that includes the different phases of a moving house event in more detail. Also, it is encouraged to align on a development and implementation plan. The service framework can be used as a guidance in taking into account different needs and preferences between consumer segments. For example, it is encouraged to research the possibility of adding the option of forwarding parcels next to forwarding mail. Furthermore, it is recommended to involve consumers throughout the process and to integrate a build-measure-learn approach that helps to quickly validate assumptions.

- Chapter 4.4 | Additional learnings for PostNL
- Chapter 6.3 | Service framework proposal
- Chapter 6.4 | Service blueprint
- Chapter 6.5 | Consumer validation
- Chapter 6.6 | Input for further iterations

IDENTIFY AND CONNECT  
MICRO-SERVICES TO LIFE EVENTS

Next to defining the life events focus, it is recommended to identify which other micro-services PostNL is currently providing within an internal creative session. The case study showed how this was done for PostNL's current services, by linking "adressbook", "post kluis", and "vast ophaalpunt" to the moving house event. It is strongly encouraged to not make a strict division between services regarding mail, parcels or online, to have a complete and unsorted overview of the services. Having all these services in one overview creates the possibility to connect these micro-services to life event journeys, based on the outcomes of the consumer research. Mapping a service blueprint can help with this. When a micro-service is connected to the personal context of a consumer, it can help consumers to see the value of a specific micro-services, as was shown in the outcome of the case study (chapter 6.6). In addition, it is recommended to investigate how these services can be connected by using consumers' PostNL account as the central back-bone.

- Chapter 4.3 | Life event empathy principles
- Chapter 6.3 | Service framework proposal
- Chapter 6.4 | Service blueprint

INVESTIGATE HOW CONSUMER  
DATA CAN BE SENSITIZED USING  
THE SERVICE FRAMEWORK

Within PostNL's current consumer strategie, steps have been made to establish one central point to manage consumer data from. The last use case (chapter 7.1) shows that the step-by-step approach that comes with the service framework can also be used as the back-bone support to sensitize consumer data and deliver data-driven personalized services and value propositions. In order to be able to identify new patterns and get deep consumer insights from large data quantities, it is strongly encouraged to accelerate the establishment of the central point in which all the consumer data is gathered. In addition, it should be investigated how the service framework can be used to sensitize consumer data. Questions should be answered like: How can a life event (stage) be identified? How can needs and valued emotions be identified? How can services be personalized based on these identifications? This will help to get a complete overview of consumer needs and segments, which can in turn help with discovering value proposition opportunities within life events and connect micro-services. Therefore, it is recommended to facilitate a session in which business development managers, data analytics managers and service designers can discuss how it can technically be achieved.

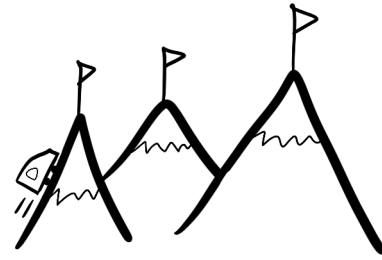
- Chapter 3.4 | Benefits of life event engagement
- Chapter 6.3 | Service framework proposal
- Chapter 6.4 | Service blueprint

EMPHASIZE EMOTIONS IN  
THE ORANGE COMPASS

As described in chapter 7.1, the proposed service framework can form food for thought and input for discussions among employees. By stimulating to choose valued emotions that are in line with the Orange Compass, the service framework encourages to also take PostNL's brand ambitions into account. To make sure that consumer emotions are taken along in the development of value propositions and service concepts, it is encouraged to take a moment to revise the Orange Compass and think of which positive emotions are associated with the three pillars. The case study (chapter 6.3) can be used as an example. In addition, it is recommended to find common ground within PostNL on which positive emotions are to be stimulated and integrated in the design of new services, to set PostNL apart from its competitors.

- Chapter 6.3 | Service framework proposal

## FUTURE MILESTONES



The previous section presented concrete starting points for PostNL that provide guidance in starting the realization of the vision and the further development of the service framework. In addition, the input from the validation sessions was used to map future milestones that aim to guide PostNL in the development process. A business developer, data analyst and business development manager were involved in mapping the future milestones. In order to discuss milestones for B2B partnerships, a data architect from Data Solutions was involved as well. In consultation with them, a holistic strategic plan is composed which shows future long-term milestones according to different horizons. Rather than having a short-term roadmap, the future milestones stimulate the employees within the department to be inspired and imagine a future vision. Figure 24 shows the strategic plan and the future milestones plotted over time. The following section explains the milestones per horizon in more detail.

### Destination ultimate connector

The structure of the strategic plan is based on the structure of a design roadmap. In general, a classic roadmap on the strategy of design innovations takes the future vision as its destination (Simonse, 2017). Within this thesis, a variety of statements regarding PostNL's future vision were presented. In line with the design statement (chapter 5.3), the future position of PostNL within its vision (chapter 5.2) is defined as ultimate connector, to emphasize the relation between PostNL and the consumer, as well as the relationship with business partners. It highlights the importance of maintaining and strengthening these relationships. To create internal alignment within PostNL, also among employees that were not directly involved in the project, it should be communicated that reaching this position will result in achieving PostNL's ambition of becoming the favourite deliverer. In line with the defined opportunity gap in chapter 3.5, the focus on consumer life events can be seen as the fuel to reach the future ambition.

In internal consultation, the time pacing of the last horizon was set 5 years from now. The strategic plan is built up from different layers, which can be divided into four different categories: The first category is regarding the consumer, which visualizes the value for each life event, and the quality of the customer experience. The second

category describes the service integration and the focus on personalized value propositions, while category three is all about the (technological) development process and the specific application of the designed framework. Finally, category four visualizes the strength of PostNL's position as connector between consumers and customers.

### HORIZON 1 - INVEST & PREPARE

2021

The first horizon focusses on investments to prepare for growth in the second horizon. The starting points (chapter 7.3) form the foundational guidance. At the end of the horizon in 2021, PostNL has both enhanced and created new micro-services that respond to the needs, values and emotions of consumers during the life event of moving house, the loss of a loved one and starting a business. This is done by using the service framework and the additional step-by-step approach. At this point, the needs and emotions that the service responds to are still general for most consumers. Life event-oriented and brand-driven focus is important while developing value propositions, rather than already looking into specific needs of segments, in order to have a low threshold in the first stage. In parallel, PostNL has defined in which other life events potential is present to provide value to consumers and prioritized which life events should be focussed on first. The term "relocation service" is not used anymore. Instead, internal employees use "moving house experience" as the term to talk about the micro-services that relate to the moving house life event. Furthermore, to no longer have a strict division between mail and parcel services for the consumer, PostNL is working on merging the systems. For example, in their moving house services, consumers are now able to forward their parcels as well. The technological system to generate data-driven personalized propositions is not yet fully developed in this stage, but the central point to manage consumer data has been established. The enhanced services are resulting in improved consumer experience, which leads to increased direct value B2C and B2B for the moving house micro-services.

### HORIZON 2 - GROW & EXPAND

2022

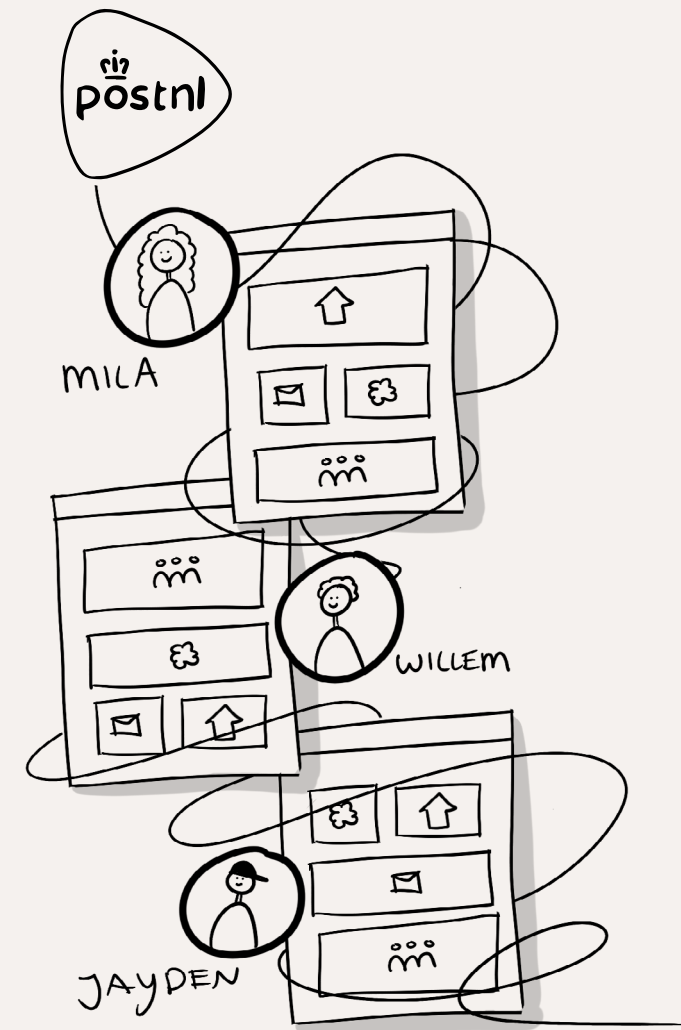
Horizon 2 is the transition phase between the first and the last horizon: PostNL is growing and expanding their consumer life event strategy. At the end of the horizon in 2022, PostNL has enhanced and developed new

micro-services that respond to the needs, values and emotions of consumers during several life events. Now PostNL also provides value for the major life events of marriage, childbirth, and the micro-life events of a birthday and a holiday. In addition, through the use of the service framework, PostNL now is able to provide value to specific consumer needs and emotions from different segments. Moreover, PostNL is implementing the service ecosystem that integrates the micro-services connected to the different life events, using PostNL's consumer account as a basis. For the life events of moving house, losing a loved one and starting a business, PostNL already delivers personalized data-driven propositions that respond to very specific consumer needs. Consumers now become aware of the micro-services at the right moment, which leads to increased perceived fit and use of the services. In turn, the enriched and personalized experience of the PostNL account leads to an enhanced customer experience of PostNL in general. Having more and more consumers that are actively using their PostNL account adds to the number of validated accounts and home addresses, which in turn leads to an increased delivery reliability for B2B parties. Also, PostNL has established new B2B partnerships connected to consumer life events.

### HORIZON 3 - FAVOURITE DELIVERER

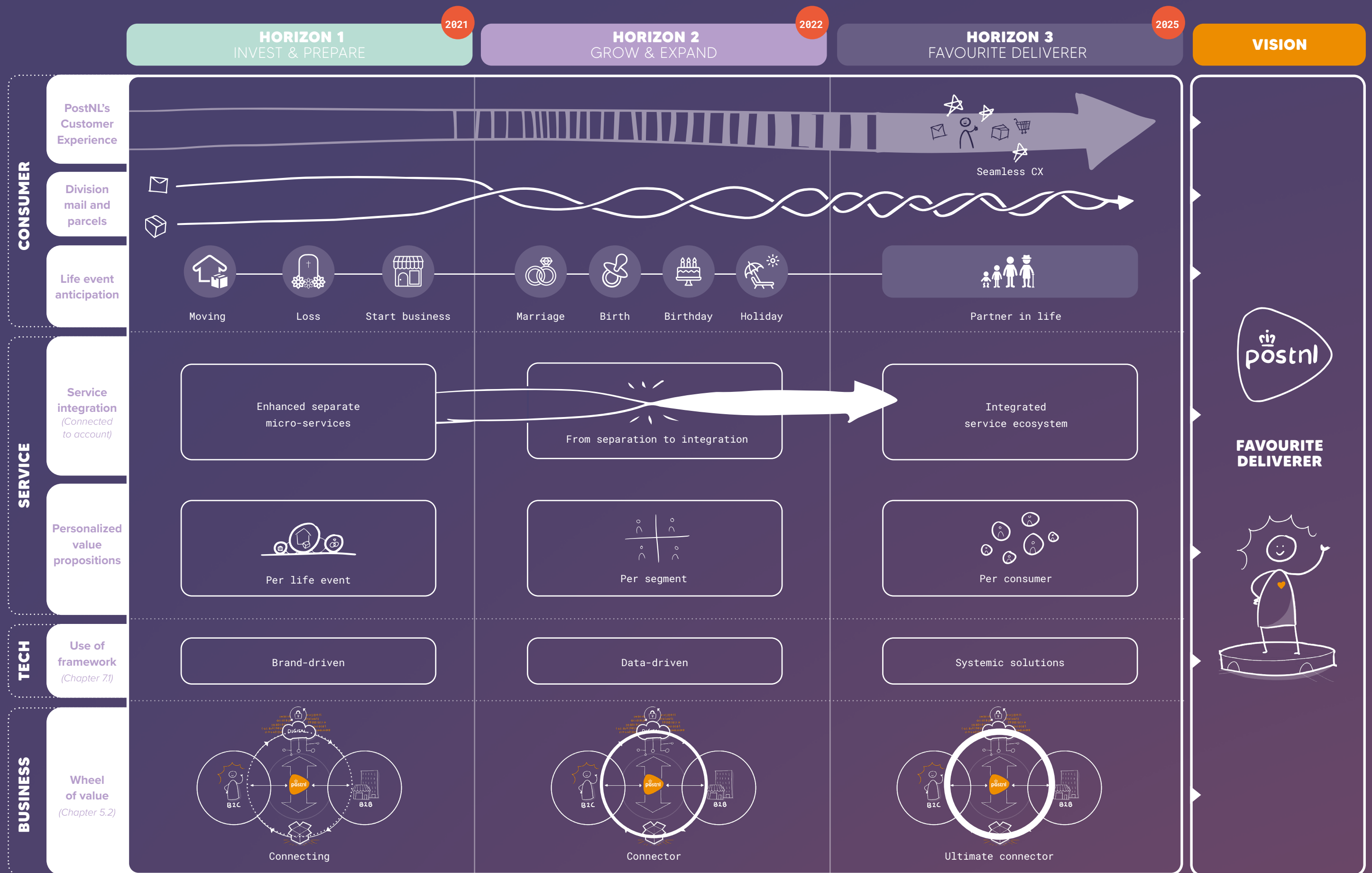
2025

The third and last horizon is the final phase of the strategic plan, but forms the start of PostNL as the true indispensable connector of consumers and customers through connecting their physical and digital world. At the side of the consumer they have become the trusted partner that provides value across the complete consumer life journey. PostNL is providing a fully integrated service ecosystem that has the ability to deliver unique highly-personalized value to consumers at the right place and time (figure 23). Furthermore, for the consumer, the division between mail and parcels services is now fully blended. On the back-end of the ecosystem, there is strong synergy between all business units. The consumer database is constantly used to revise, improve, track and innovate value propositions and service concepts. At the side of the B2B partnerships, PostNL has become an important exchange partner. PostNL has realized seamless delivery experiences, which has resulted in an extended and rich consumer database. Consumer data is used to optimize mail and



▲ Figure 23 - In 2025, PostNL provides services that are personalized to consumer's needs and values during life events

parcel streams which directly leads to increased volumes of mail and parcels. Furthermore, exchanging aggregated (privacy-respecting) consumer data with their business partners helps both sides to understand consumers and deliver even better customer experiences. As privacy is a top priority within PostNL, the consumer data that is shared is carefully aggregated so that exchanged data can not lead back to a specific consumer. The aggregated data is used to enrich data profiles per postal code area and to increase the reliability of e-commerce transactions. Having built strong relationships in a digital world and managing to constantly enhance the value streams B2C as well as B2B, the wheel of value (chapter 7.4) keeps spinning, in turn strengthening PostNL's position as ultimate connector. The increased sympathy and trust in PostNL has led to consumers and businesses preferring PostNL over other postal companies. And with that, PostNL has reached their ambition of being the favourite deliverer.

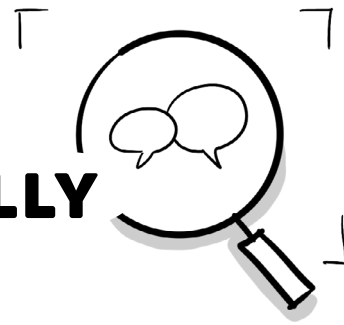


▲ Figure 24 - The future milestones structured according to three horizons



## CHAPTER 7.5

# REFLECTING ON THE INITIALLY DETECTED ASSUMPTIONS



*In the initial exploration phase of the project, it was found that there were several unanswered questions for PostNL regarding their strategy, the next step of the relocation services, and the proposed service concept of iConnect. These unanswered questions were collected and clustered into three assumption clusters (chapter 2.2). Throughout the project, the assumptions have been taking into account to scope and guide the research and design activities. In delivering the final strategy, it is now time to discuss to what extent these questions can be answered, based on the outcomes of the research and design phase of this project.*

### ASSUMPTIONS REGARDING THE STRATEGY OF POSTNL



#### 1.1 Since mail is declining, do we have to move to a data-driven business model or can we keep to our core?

- By taking a consumer-oriented approach, rather than technology-oriented, it was aimed to answer this question within this thesis. The presented design vision in chapter 5.2 sketched a future position for PostNL as the ultimate connector, connecting consumers and businesses through connecting their digital and the physical world. With that, it indirectly gave an answer to this question: PostNL has the ability to combine their core to a data-driven business model.

#### 1.2 How can we provide more services to our consumers that are somehow related to our core business?

- By understanding the life event context of the consumer and empathizing with their needs, values and emotions, while involving internal expertise, it was able to reveal opportunities for new core related services. The proposed service framework in chapter 6.3 provides guidance on how to do this.

#### 1.3 How can we provide value for consumers during other life events? Which life events?

- The outcomes of this research taught us that it is possible to provide value to consumers during life events. The outcomes especially showed the potential of events like starting a business, marriage, the loss of a loved one, the birth of a (first) child. Furthermore, the research shows that there is even potential in providing value for micro-life events, like birthdays and holidays. One of the starting points stated

that explorative research is necessary to define which life events have priority.

#### 1.4 How relevant are updated data changes for consumers during life events?

- From the interviews of chapter 4.2 and the additionally formulated life event empathy principles it was concluded that for most people, this is not an issue that is top-of-mind during their life event experience. Nevertheless, from the interviews, it was also concluded that there are many personal preferences in managing things like administration during life events. For some people, it can be more top-of-mind than for others. It is important to acknowledge these differences and provide value for different segments.

#### 1.5 How can we deliver value to different consumer segments?

- The service framework stimulates to personalize a service concept or value proposition, by understanding specific consumer needs. As the case study showed in chapter 6.3, it can help to define a persona that represents the consumers from a specific segment in order to empathize with these specific consumer needs. This can help deliver value to different consumer segments. Furthermore, if data is used in a transparent and enabling manner, it can help to recognize different segments as well. This can help with empathizing, personalizing and engaging with consumers from different segments.

#### 1.6 How to deliver services that are more empathic, rather than functional?

- The service framework stimulates to look at consumer needs from a holistic perspective. It requires to let go of functional service aspects and look at the values and emotions of consumers in a specific context. This approach can result in services that are more empathic, rather than only functional.

### ASSUMPTIONS REGARDING THE RELOCATION SERVICE



#### 2.1 How can we target a younger target group?

- As described in chapter 2.2, this question was taken into account in the case study, by focussing on young unmarried couples that just moved in together. The target group was interviewed and involved in the early stage of the development process, by organizing creative sessions and validation sessions in which they were

presented to low-res prototypes. This resulted in an enhanced service concept for the current relocation service that is valued by a younger target group. The case study serves as an example for other cases in which this question is posed.

#### 2.2 How can we connect the relocation service to other journeys?

- By taking a more holistic approach, it was possible to have a fresh perspective on the relocation service. This resulted in the ability to connect other relevant micro-services to the moving house experience of the consumer. Furthermore, this connection was actively integrated into the service concept by presenting these additional relevant micro-services to the consumer throughout the user journey of the service concept (chapter 6.6).

#### 2.3 How can we work together with other services of PostNL?

- As stated in the previously answered question, taking a more holistic approach results in having a different perspective on the relocation service. Rather than only looking at the functional aspect of the service or focussing on the B2B value of the service, this approach resulted in discovering opportunities to connect other services to the moving house experience.

#### 2.4 How to deal with this kind of services? Let them burn out slowly or should we invest?

- Even more important than analyzing numbers regarding the services is involving consumers in answering this question. The insights from the empirical research (chapter 4.2) and the outcome of the case study shows that - if the service is optimized to respond to their needs, values and emotions in their life event context - consumers still see value in the functions of the relocation service. Therefore, it is encouraged to continue the service and invest in optimization, while following the recommendations from this thesis.

#### 2.5 How to continue the relocation service? Do we optimize or are we going fully for iConnect?

- The outcomes of this thesis state that the relocation service should be continued. The starting points for further development (chapter 7.3) and the future milestones (chapter 7.4) provide recommendations on how to continue the relocation service. In addition, it is not recommended to further develop the concept of iConnect. Nevertheless, the final service concept that was the outcome of the relocation service case study (chapter 6.3) showed how the iConnect features still can be integrated into the optimized moving house experience service.

### ASSUMPTIONS REGARDING THE ICONNECT PROPOSITION



#### 3.1 What value do consumers see in sharing their data with businesses to stay in contact?

- As stated in question 1.4, during a life event experience, for most people this is not an issue that is top-of-mind. Nevertheless, the insights from the empirical research (chapter 4.4) and case study (chapter 6.3) taught us that some consumer segments can find it more valuable than others to have their data updated with businesses. However, most of the reason behind this was often their fear of chaos, missing important messages, not being a burden to the new residents, rather than explicitly wanting to "stay in contact".

#### 3.2 To what extent are people interested in an overview of business relations (iConnect)?

- The consumer validation in chapter 6.6 shows that people are interested in an overview of business relations within (a specific stage of) their moving house event experience. However, it appeared that consumers also see the issue of privacy. Therefore, it is important for PostNL to respond to different needs and values regarding privacy among consumers.

#### 3.3 How should the concept of iConnect be integrated into our current service or should it be a product on its own?

- As stated in the answer to 2.5, the final service concept that was the outcome of the relocation service case study (chapter 6.3) showed how the iConnect features can be of value when integrated into the optimized moving house experience service.

#### 3.4 To what extent is PostNL in the right position to provide the concept of iConnect anyway or should it be developed under a different brand?

- The vision in chapter 5.2 presents a future position for PostNL as ultimate connector. In line with this vision, one could state that PostNL would be in the right position to provide iConnect. However, as stated in the answer to 2.5, it is not recommended to further develop the concept of iConnect. Nevertheless, it is not necessary to exclude the concept of iConnect forever. As described in the future milestones (chapter 7.4), PostNL should find a way to constantly revise and innovate new service concepts by taking a holistic consumer-oriented approach. The proposed service framework can help with this. Doing this, in the far future, it might even appear that iConnect can be of value for consumers after all.

#### 3.5 What are consumers willing to pay for the service?

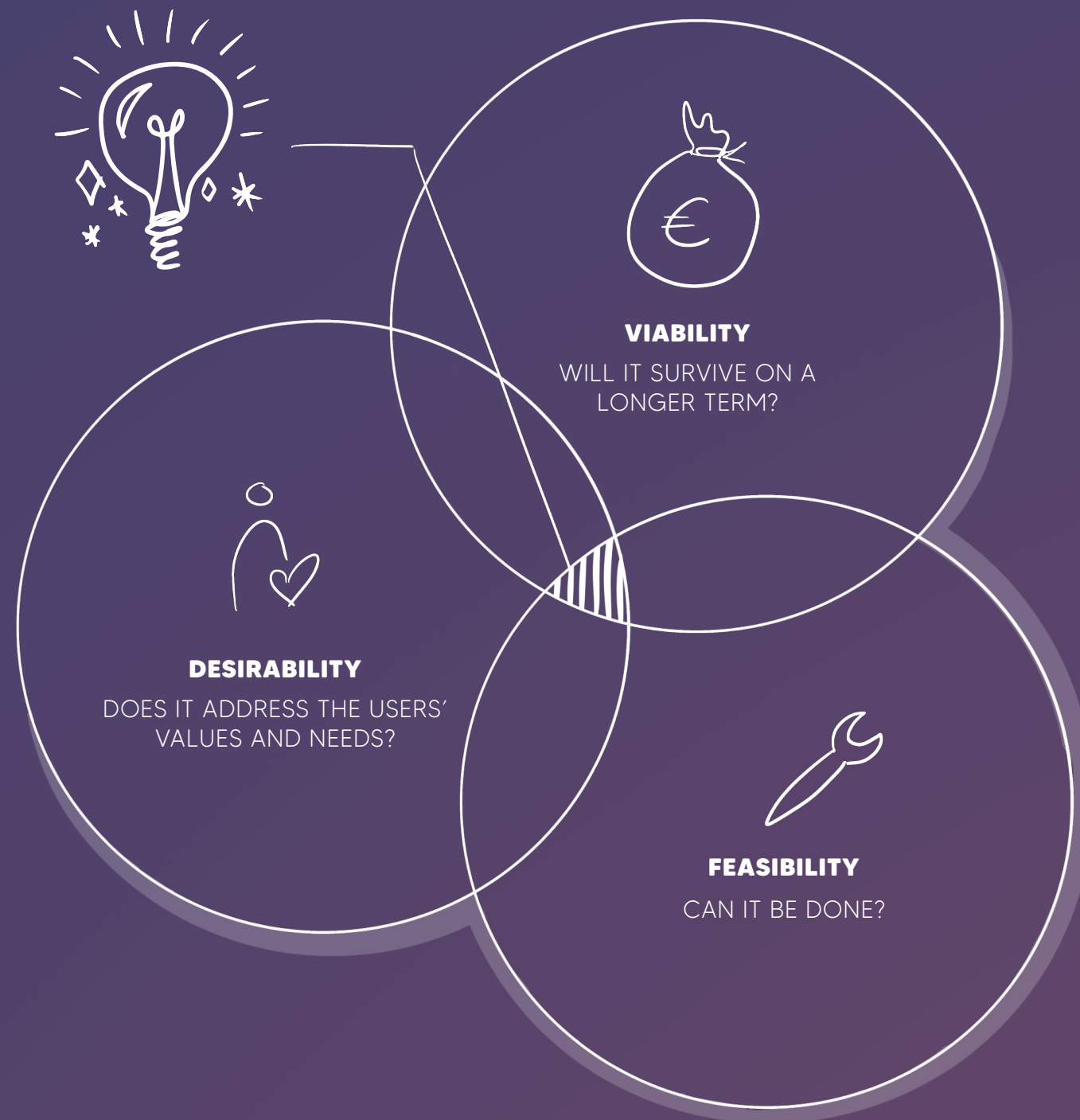
- The context analysis from chapter 2.1 showed that this question was one of the leading questions in developing the service vision of iConnect. By setting aside this question for a moment and taking a holistic approach focussed on consumer needs and values, it was possible to come up with a service concept that consumers are willing to pay for (chapter 6.6). However, further research has to be conducted to define how much consumers are willing to pay.

# DESIGN EVALUATION

The design phase of this thesis aimed to further explore the proposed strategy and research on how PostNL can achieve their ambition of becoming the favourite deliverer, by understanding and responding to consumer life events. The starting point of the design phase was the formulation of the design brief (chapter 5.3): Design a service framework for PostNL employees (service designers and business developers), that stimulates them to empathize with the life event context of consumers and includes a step-by-step approach to develop personalized value propositions that aim for emotional engagement, in order to strengthen PostNL's future position as consumers' trusted partner in a digital world. In line with the design brief, a service framework was developed and demonstrated through the revision of the relocation service. Delivering the final strategy, it is now time to evaluate the final design of the framework according to desirability, feasibility and viability.

## DESIRABILITY

- **Manifestation:** Presenting the moving house service concept to consumers showed us how needs and values during life events can be addressed when taking a holistic perspective in the development approach of service, using the service framework as guidance.
- **Consumer validation:** Presenting the moving house service concept to consumers showed us that taking emotions into account in developing the service can lead to an increased service experience that engages emotionally with the consumer.
- **Principles:** The 9 life event empathy principles that were formulated based on in-depth consumer research are actively integrated into the service framework. Assessing the moving house service concept showed that these principles can be used to address consumer values and needs during life events.



▲ Figure 25 - Evaluation of the design according to desirability, viability and feasibility

## VIABILITY

- **Internal validation:** Employees confirmed the value of the sketched opportunity gap and the envisioned future position as a means to spark the imagination and alignment within the department.
- **Internal validation:** The relocation service team confirmed that having a holistic approach towards the service enables them to see cross-sell opportunities between other services that in turn can lead to increased use of other services within PostNL. Furthermore, it has the potential to reduce marketing costs for each and every individual service, since now the focus can be on promoting life event experiences in general.
- **Internal validation:** The relocation service team indicated that the enhanced service concept has high potential to result in increased use numbers, leading directly to higher revenue B2C and B2B. In addition, increased use numbers lead to increased validated mail addresses. Indirectly, this can lead to saving return costs and optimizing mail and parcel streams.
- **Future milestones:** The relocation service and additional business developers indicated that an additional benefit of receiving more personal data from consumers when providing value across their life journeys is the potential to optimize mail and parcel delivery experiences in general.
- **Future milestones:** The Data Solutions data architect confirmed that achieving the future milestones can result in enriched data profiles per postal code area and increased reliability of e-commerce transactions, resulting in increased revenue B2B.

## FEASIBILITY

- **Demonstration:** Employees confirmed the usability of the service framework as a means to guide and inspire, as it is communicated through a simple visual, comes with a step-by-step demonstration of how to use this in practice and integrates familiar service design tools.
- **Case study:** Employees confirmed that demonstrating the case study of the relocation service increased the usability of the service framework and helped to understand what could be the value of using the service framework.
- **Manifestation:** Data experts and a UX designer confirmed the feasibility of the designed data-driven features of the proposed service concept. Furthermore, business developers indicated that the service concept formed a good starting point for further developments
- **Future milestones:** Data experts and business developers were involved in formulating the starting points for further development and mapping future milestones, which increased the feasibility of the service framework and the future vision

# FINAL RECOMMENDATIONS

Based on the input from the internal validation, starting points for further development as well as future milestones were formulated. In addition, it was possible to reflect on the initially detected assumptions and evaluate the design of the service framework. To conclude the delivery phase within this thesis, this chapter concludes with final recommendations for PostNL. It is strongly encouraged to take these recommendations into account for further developments of the service framework and the additional service strategy.

**Define the business case**

This project defines an opportunity gap and future vision for PostNL to engage with consumer life events. Additionally, a service framework was developed to guide PostNL how they can arrange their service development processes in line with the proposed future vision. Within the timespan of this thesis, it was not possible to define a detailed business case. Therefore, a financial analysis of the required investments should be done and an estimation should be made of the maintenance and operational costs of running the integrated service ecosystem. In addition, an estimation should be made of the expected revenue and return of investments. Next to the financial analysis, the KPIs should be formulated that define the transition to a new horizon. Furthermore, since this thesis is mainly focused on B2C, further research should be conducted on the B2B side of the strategy. In line with the future milestones, it should be defined which (new) business partners need to be involved and how to effectively collaborate with them in order to realize the strategy.

**Make privacy a main concern**

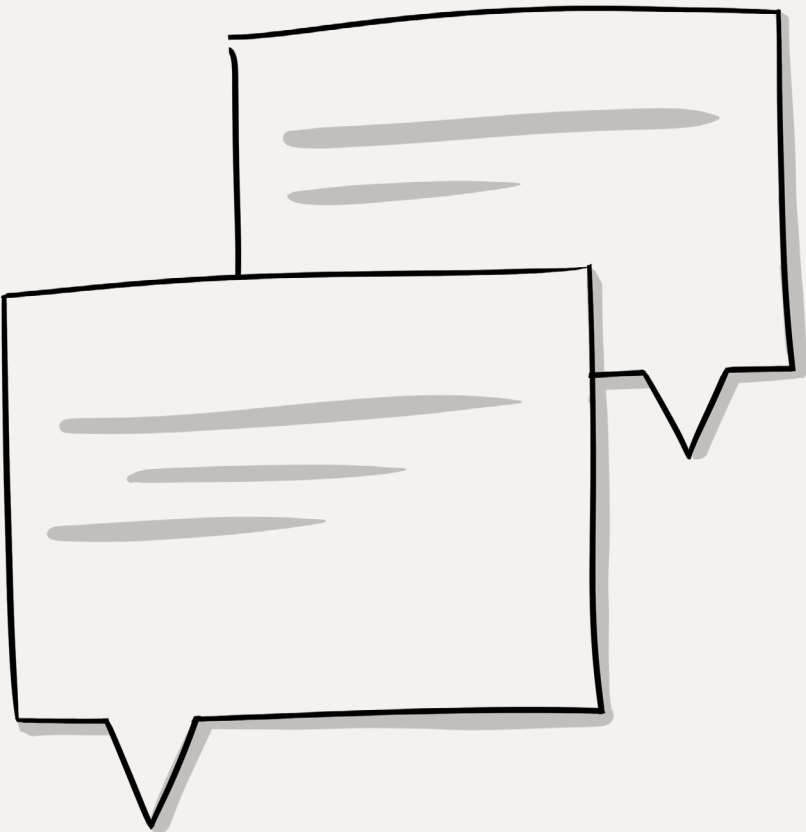
The proposed strategy visualizes a vision for PostNL in which PostNL would be able to deliver seamless delivery experiences and personalized value propositions to their consumers and customers, by combining a life event-driven as well as a data-driven approach. To protect the privacy of the consumers, it is important to consciously take this aspect into the process of developing new services and value propositions. The consumer research and the final consumer validation emphasize, that for consumers this is still a hot topic.

**Dare to dream and take ownership**

PostNL's strength is their unique position within the Dutch postal sector. In order to keep that position within an increasingly digital world, transformation of operations and day to day practices is necessary. PostNL needs the right kind of fuel that speeds up their ambition to become digitally relevant and this project states that consumer life event engagement is the fuel that they need. It takes strong ownership and a visionary mindset to achieve alignment within the organization, and change familiar business and operation practices. These aspects are necessary to use that fuel, become an innovative digital frontrunner within the postal sector and grow into the favourite deliverer within the Netherlands.

**Look beyond the consumer lifecycle**

Strong ownership and a visionary mindset are important, but not enough. The proposed service framework functions as the foundational guidance in engaging with consumer life events. Putting this service framework into practice requires a culture in which a designerly mindset is fully accepted and embraced. The outcome of the case study is the living proof that a process that starts fuzzy, includes many iterations and combines the continuous involvement of consumers results in a valuable and engaging service concept. But design is more than a process or a tool to improve the experience of a single service. It provides a cultural element in which there is room for trial and error, in-depth discussions and explorative research. A culture in which it is embraced to look beyond the basic consumer lifecycle, by taking a holistic approach and following up with a deep-dive into the unknown to discover in-depth consumer insights. Only then it is possible to really empathize, personalize and engage with consumers and become their trusted partner in life.



# KEY TAKE-AWAYS

- Next to revising current services, the framework can be used for innovation, acceleration, co-creation and data-driven personalization
- It is recommended to PostNL to hire a life event journey owner that can be the ambassador of the needs, values and emotions of consumers during life events
- In the upcoming five years, PostNL should focus on creating an integrated service ecosystem that delivers personalized value per consumer
- Putting the service framework into practice requires strong ownership, a visionary mindset and a design embracing culture





# 08

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## Concluding the project

This chapter describes the overall conclusion of the project by discussing the initial assignment, the defined problem statement and the design brief. Finally, the thesis is concluded with personal reflection.

# DISCUSSION

The initial assignment of this thesis was to research how PostNL can develop a (new) value proposition for the relocation service that at the same time can contribute to their ambition of becoming digitally relevant. In other words: what should be the next step of the relocation service. After initial exploratory research, it was found that, in general, current development processes within PostNL are more technology-driven rather than consumer-driven. This withholds them from developing propositions that are truly valuable for the consumer in an increasingly digital world. So in order to define the next step of the relocation service, a more holistic approach is necessary accompanied by the following problem statement: How can PostNL get an in-depth understanding of their consumers to develop value propositions that at the same time contribute to PostNL's ambition in becoming digitally relevant?

Extensive research was conducted that shows an opportunity gap for PostNL: PostNL needs to understand and respond to the needs and emotions of consumers during life events to overcome their challenges in digital transformation. The subsequent iterative design phase resulted in a service framework for PostNL that shows employees how to empathize with the needs and emotions of consumers during life events. The service framework comes with a step-by-step demonstration on how to use the framework in practice, as well as a manifestation of the outcome. By taking the revision of the relocation service as a case study in developing the service framework, the initial assignment was taken into account as well. In the end, a new service concept for consumers moving house was designed.

Reflection on the problem statement

The outcome of the demonstration, as well as the subsequent consumerv validation and the internal validation, confirms that the service framework can be used to get an in-depth understanding of consumers and design digital service concepts that are empathic, personalized and engaging. In addition, the service framework is delivered with a strategy on how to further develop the framework, making use of data and B2B partnerships. The strategy includes a future position for PostNL, several use cases of the service framework, concrete starting points for further development, a strategic plan with future milestones and several recommendations that need to be taken into

account. Discussing the strategy internally confirmed multiple times that the service framework can be used to develop value propositions that can contribute to PostNL's ambition in becoming digitally relevant. Redefining the problem statement helped to define the next step for the relocation service.

Reflection on the design statement

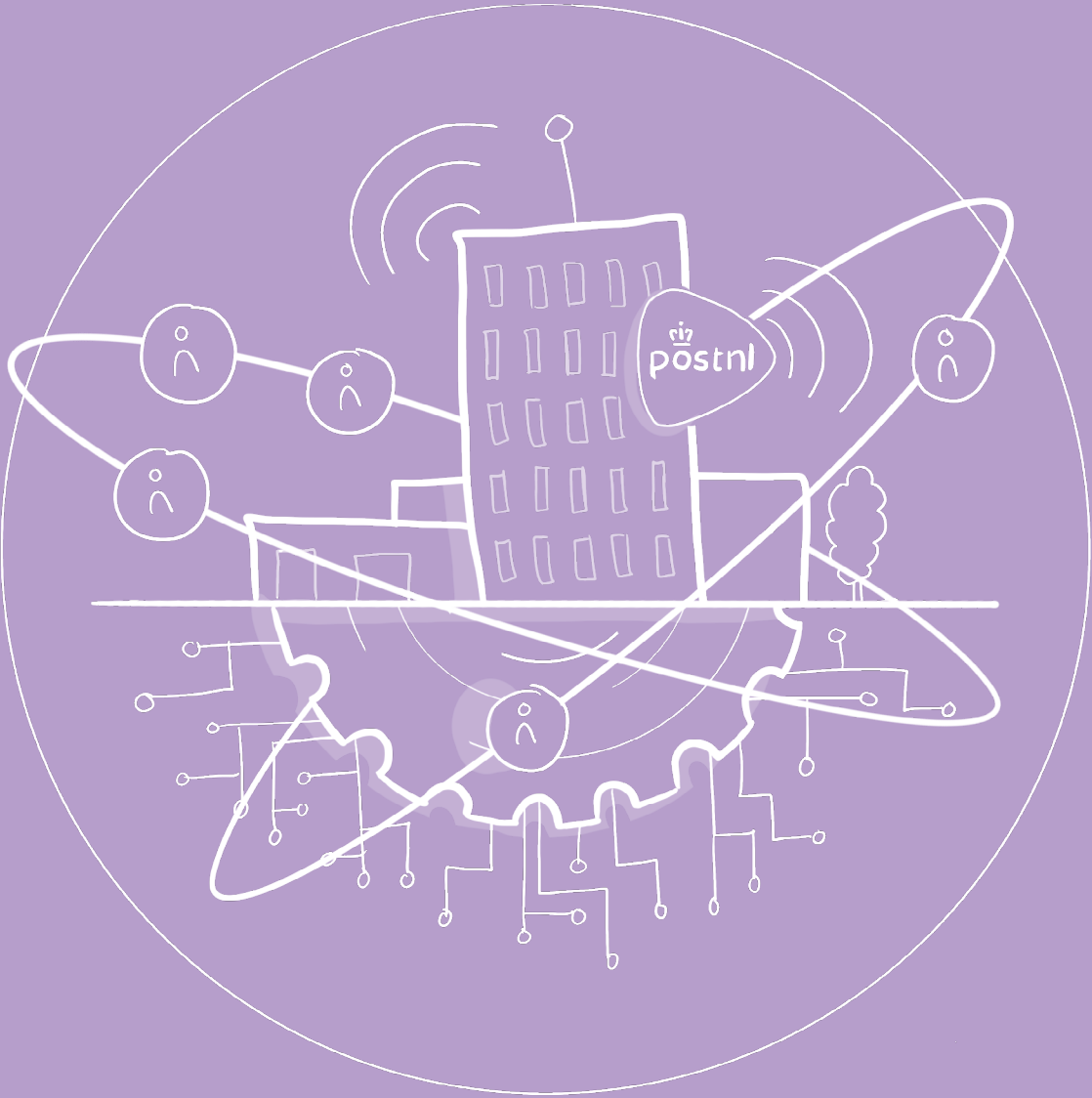
Reflecting on the formulated design statement, it can be concluded that the final design achieves the defined design goals as described in the design brief (chapter 5.3): It shows PostNL how to understand and empathize with consumer life events, how to create personalized interactions that are responding to the needs, values and emotions within these life events and it stimulates PostNL to focus on the emotional experience of consumers during life events. However, to ensure the service framework is actually going to be used and furtherly developed within PostNL, it requires strong ownership, a visionary mindset and further transformations towards a culture in which design is fully embraced.

Relevance for PostNL

Reflecting on the initial assignment, the insights and the final outcome of this thesis do not only contribute to PostNL's ambitions for the relocation service but can be used as an inspiration for many other cases within PostNL too. The service framework has the potential to be used within other organizations as well, but it is PostNL's unique position within the Dutch postal sector, including their infrastructure, their network and their brand, that will make the application of this particular service framework unique within the postal sector.

Relevance for the field of design

The deliverables of this thesis, like the life event empathy principles and the service framework, can be used as input in many different design cases. But above all, within the field of design, this thesis can be seen as an advocacy for looking at consumer needs and emotions in a more holistic context in order to get in-depth insights. It demonstrates that if you, as a designer, take up the challenge to reframe the given problem, follow your intuition and take a designed approach towards the initial assignment, it is possible to design truly valuable services and strategies that look beyond the consumer lifecycle. Ones that take into account that we are not simply consumers, but humans with needs, values and dreams.



▲ Figure 26 - The proposed problem statement: PostNL needs in-depth understanding of their consumers to become digitally relevant

# REFLECTION

*When I started to search for a graduation project, I looked for a challenge that asked for visionary thinking and a human-centered design approach, preferably within an environment that was completely new to me. And there, in the middle of a world crisis, PostNL gave me the opportunity to take up such a challenge. Half a year later we are still in that crisis, but my graduation project has come to an end. Now it is time to reflect on my journey and personal learnings.*

## Having a systematic mindset

During this project, I learned a lot about myself as a designer. I learned that I am very systematic and analytical throughout my design process. I am able to deconstruct a topic, conduct exploratory research and extract insights from abstract matter. This is my strength but also appeared to be a weakness. I discovered that sometimes I find it hard to squeeze down all my findings to a concise story that helps me to scope. Becoming aware of this during the project, I challenged myself to put my systematic mindset aside in the design phase. At times, I did find it challenging to present “unfinished” prototypes and early-stage concepts of my ideas. But in the end, I am proud to say that I managed to embrace a research-through-design approach and design both the service framework as well as the final service concept. In the future, I want to further develop my research-through-design skills, like rapid-prototyping, and learn how to combine this approach with my systematic mindset to get the best out of both.

## Trusting my intuition

Despite my systematic mindset, interestingly enough, this project taught me that I have strong intuition as well. I learned that I am able to work independently and manage a project by myself. I like to take time to unravel the given assignment and find the real problem that is behind it: What is it that the client really wants and the user actually needs? Reflecting back, I can say that I sensed the opportunity gap for PostNL quite fast and that I actually used the rest of the timespan to construct and prove my point to others and to myself. In the end, it appeared that my intuition was right, although I often questioned myself throughout the process. This taught me that I should try to rely less on the validation of others and I have trust in my intuition.

## Working from home

Due to COVID-19 restrictions, this project was done almost entirely from home. Although this helped me to focus on my project and learn to work with online tools like Miro, it was also challenging at times. Having started the project with a relatively open brief, it soon turned out that the given problem context had many stakeholders with unanswered questions. Getting to know and managing all these stakeholders and their expectations from behind my desk was not always easy. There were times I felt distanced from the client because there was no possibility to quickly validate assumptions and decisions with stakeholders unless an online meeting was scheduled. In addition, working from home made me realize how much I missed the discussions with other design students at the faculty. At times, a quick informal conversation would have helped me to test an idea and get the thoughts out of my head.

## Designing in a corporate environment

During this project, I learned a lot about subjects that I barely knew anything about before. I learned about the world of life events, designing for emotions and the complexity of designing digital services that are data-driven, while dealing with privacy regulations and responding to consumer needs. Additionally, this was the first time ever working in such close collaboration with a corporate client. Doing my graduation project in collaboration with PostNL taught me a lot about the corporate environment and the complexity of the logistics sector. The corporate language, its structure, the politics: it was all new to me. Within an environment that is mainly led by figures and large volumes of data, it was not always easy to have a qualitative design-led approach. In future projects, I want to gain more experience in effectively and concretely communicating my insights within a corporate environment, while preserving the focus on the needs and emotions of the consumer. To future design students graduating in such an environment, I would like to say: stay true to yourself and have faith in your abilities as a designer to empathize, align and communicate. In the end, you will be proud of your achievements.







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## APPENDICES

**The appendices can be found in a separate file attached to this document**

### **01 Introducing the project**

A - Approved project brief

### **02 Understanding the context**

B - About PostNL

C - About the relocation service

### **03 Theoretical foundation**

D - Type of life events

E - SWOT-analysis

### **04 Empathizing with consumer needs**

F - Consumer life events interview guides

G - Preparation booklets

H - Insights consumer life events

### **05 Imagining the design vision**

I - Creative session with design students

### **06 Developing the service framework**

J - Case study analysis emotion-driven design model

K - Defined general steps emotion-driven design process

L - Creative session with consumers moving house

M - Creative session with design students

N - Consumer validation final service concept

### **07 Delivering the strategy**

O - Internal validation relocation service team

P - Internal validation address book team



