

ACTOR ROLES IN SERVICE DEVELOPMENT
-An analysis conducted from a Network Perspective

Patrik Gottfridsson

Karlstad University

S-651 88 Karlstad

Sweden

Patrik.gottfridsson@kau.se

Key word: Service, Service development from a network perspective

Abstract

The purpose of this study is to apply IMP-network theory on what could be addressed as service development in the Public Transport sector in Sweden, in order to increase the understanding of the different roles the actors participating in the service development process has, and which resources they contribute with. The Public Transport context in Sweden is a very complex setting with many actors controlling a number of resources needed in the process and conducting different activities in what's constituting the Public Transport service. By using the classical IMP-models considering "Actors, Activities and Resources" (Håkansson and Johansson 1992 and Håkansson and Snehota 1995) five important group of actors have been identified. The identified actor roles are; *the strategy creators (or the institutional initiators)*, *the prime movers*, *the competing actors*, *the supporting actors*, *the service provider and the users*. The primary contribution of this paper is the identification this novel typology of actors in the service development process.

Introduction

New service development (NSD) is recognized to be an area that is highly under-investigated in comparison to the importance services generally plays in people's life (see for example deBrentani, 1991; John & Storey, 1998; Martin & Horne, 1993; and Syson & Perks, 2004). Most of the research in the service development area has been with a focus on an intra-organizing perspective, *i.e.* focusing on how the development process has been carried out within an organization (John & Storey 1998). According to Stevens and Dimitriadis (2004) and Akamavi (2005) the existing service development models do not really catch the true character of how new services are developed. One reason for this is the lack of focus on the different actors that participates and influences the service development process. In the service context, the interaction and co-operation between various actors are vital and interaction and co-operation are an integrated part of a service offering (Grönroos, 1990). This logic indicates that interaction and co-ordination also constitute an important aspect of the service development process. A service could in many cases be described as being delivered via a network of interrelated actors who in many cases are outside the focal organisation. Therefore an inter-organisational perspective is needed to apply in order to increase the understanding of the deliverance of services as well as the development services. Despite this, an investigation of a number of literature reviews of the existing service development research shows that the interaction between the various actors and the context where this takes place is to a large extent overlooked (see for example Akamavi, 2005; John & Storey, 1998 and Jong & Vermeulen, 2003). According to Smith and Fischbacher (2005) there is for example no studies done based on the impact different actors has on the service development process.

One way to overcome this limitation in the service development research is to apply a network perspective in the studies of service development. Applying a network perspective on service development; *"...helps identify actor member's resources and facilitates understanding of the development of relationships"* (Syson and Perks, 2004 p. 263). According to the basic outlooks of the IMP-school, most organizations are dependent on resources held by others, and in order to get hold of these resources companies need to interact with other actors (deBurca, 1995 and IMP, 1982). A network is built up by three, to each other, related variables; *actors, activities* and *resources* (Håkansson and Johansson, 1992). In this, actor are central since they are the one who perform activities and control resources, and thereby must they, and the roles they play, be identified and understood in order to understand how services actually are developed.

Based on the discussion above, the aim for this paper is to investigate which actors that are involved in a service development process and what roles they play in the process. This is done by using the classical IMP-models considering "Actors, Activities and Resources" (Håkansson & Johansson, 1992 and Håkansson & Snehota, 1995). Our investigation contributes to the research by integrating the two rather broad theoretical settings, network theory according to the IMP-school and service development research. In this we contribute by using IMP-theory and thereby inducing an inter-organizational perspective with a focus on the actor roles in the development process in order to better understand how services are developed. The logic behind service development are in many cases so different from traditional product development that the phenomena is needed to be studied based on its own merits and not to be seen as a part of the theoretical field of product development. The main argument for this is that the service development process is more of an intellectual process (Sundbo, 1997), where most of the development works is about gathering knowledge and information in order to form service routines and service delivery systems. This contrast the development of products, where the development work often are centred on a clearly specified entity (*i.e.* physical product) and therefore the resource exchange is typically enacted around specified resource exchange requirements (Syson & Perks, 2004). Only a few of the previous IMP-research has been occupied with service development. One example is the above referred Syson and Perks (2004) who in their studies has investigated new service development with the specific focus on innovation processes within networks in the financial service sector. The primary contribution of this paper is the identification this novel typology of actors in the service development process.

The empirical context – the public transport area in Sweden

In some contexts there is, due to the institutional conditions, of even more importance to be aware of the actors involved in the process and the roles those actor plays. One such context is the service development that takes place in the public sector. In this context we have a complex constitutional structure with a wider variety of stake holders that must be involved, each with their opinions and agendas to be dealt with in the development process (Smith and Fischbacher, 2005). One such complex context due to the institutional conditions could be found when it comes to developing and delivering Public Transport in Sweden.

The public transport is a part of the public service in Sweden and the responsibility for the deliverance and the development of the public transport is legally divided between a numbers of actors (SLTF, 2002). As a result of this we have a number of actors that collaborates more or less actively within a framework of networks, in order to jointly create and provide the perceived customer offering, *i.e.* the public transport service. The complexity is high in this kind of network since we deal with a lot of actors on different levels with different authority and resources. On an aggregated level, the guiding principles for the public transport are decided by the government and are manifested in laws and formal guide-lines (SFS, 1997:734). This is then made operational by a representative for the governmental administration, called the Public Transport Authority (PTA) that has the responsible for the service offered in a specific geographical area (SFS, 1997:734). The actual services (the actual driving of the public transport) are out-contracted to external sub-providers, which are selected by a public tendering process regulated by the Public Procurement Act (SFS, 1992:1528). In order to create a Public Transport service of high quality, also other actors outside the actual dyad between the Public Transport Authority and the providers needs to contribute with resources and perform activities. Examples of those actors are landowners, technical consultancies, and other public authorities who hold resources needed to deliver the public transport service.

This gives, compared to the traditional service research, quite another picture of the context in which the services are developed within. As stated above, most of the traditional service development research has been focusing on the actors and resources within the organization and on how different stages in the development process should be carried out (Johnes and Storey, 1998).

Theoretical Points of Departure

From the discussion above, two main theoretical areas for this paper, service development and the classical IMP-model considering “Actors, Activities and Resources” (Håkansson & Johansson, 1992 and Håkansson & Snehota, 1995) could be identified as being the theoretical points of departure for this paper.

Service Development

In this study, the concept of service development is used in a broad sense. In our use of the concept, we include development of new services, as well as redesign and refinement of existing services. In addition to the discussion and definition of the object developed (*i.e.* the service), it is also important to define the procedural extension of the concept. In this study, we have chosen to include all activities from when an idea of a new service (or how an existing service could be refined) first turns up until the (new or modified) service reaches the market (Edvardsson et al., 2000).

Within the existing research about service development there exist, according to Johnson et al. (2000), a number of models that in different ways and from different perspectives describes and explains how services are, or at least ought to be developed. On an aggregated level those models could be divided into three broad categories (Johnson et al., 2000). The first category is the partial models describing a certain aspect of the service development process. In the second category we find the so-called translational models that to a large extent draws experience from models describing the development of physical goods and translate this knowledge into the service area. The third category of models is the comprehensive models that tries to describe service development from its own perspective and based on its own merits (Johnson et al., 2000).

Studying Johne and Storeys (1998) thorough literature review of the new service development area one could find that most of the models are focused on an intra-organizing perspective, *i.e.* focusing on the actors and resources within the organization and on how different stages in the development process have been carried out, or should be carried out. Later literature reviews (see for example Akamavi, 2005 and Jong & Vermeulen, 2003) gives basically the same picture of the focus within the research area. Most of the models existing in the service development research also describe the service development as a sequenced and structured approach to how the companies' services are developed. For example, we have Scheuing and Johnston's detailed model from 1989 consisting of fifteen sequential steps describing how service are, or at least ought to be, developed. Other authors have used models with fewer steps and more non-linear approaches to describe how services are developed (see Akamavi, 2005; Johne and Storey, 1998, and Jong & Vermeulen, 2003, for a review of different NSD-models). In most of these models, one could at least identify three rather broad phases that the service development process goes through (Lievens et al., 1999).

1. The planning stage
2. The development stage
3. The market launch stage

The first phase, the planning phase, consists of the up-front pre-development activities; such as idea generation and screening, preliminary market and technical assessment, market research, financial and business analysis, and concept development and evaluation. Smith and Fischbacher (2005) states that it is often difficult to establish from where ideas actually emanate, but in most cases the ideas are generated as a result of the meeting between different actors with different kinds off knowledge about and perspective on the business conducted. The next phase, the development stage, is very extensive and consists of for example developing and forming the service concept, the service system and the service processes needed for delivering the service, as well as in-house service testing with customers and front-line staff are included (Edvardsson et al., 2000). The third phase consists of pre-launch activities in form of marketing and training to the front-line staff, the marketing to the customer.

Albeit the above discussed models could be seen describing a very structured process, consisting of different phases or stages, the process seldom are that structured (Bowers, 1988; Edgett, 1996; Johne and Storey, 1998 and Martin and Horne, 1993). In reality, there exist a lot of overlaps between the phases and therefore the process could rather be characterized more as an iterative ad-hoc process than a sequenced one. If one to this adds that the interactive and co-coordinative aspects to a large extend is overlooked in most of the existing service development research (Syson and Perks, 2004), this results in that the existing service development models do not really catch the true character and the practice of how services are developed since they overlook important aspects of the service logic (Akamavi, 2005; Stevens and Dimitriadis, 2004).

The Network Perspective - Actors, Activities and Resources

According to Håkansson and Johansson (1992) a network is built up by three, to each other, related variables; *actors, activities* and *resources*.

Actors are those who perform activities and control resources. Actors can be individuals or a group of individuals (an organization or a part of an organization). Actors can therefore be seen on different organisational levels. By engaging in exchange processes with other actors, relationships are created. Actors could therefore be seen as embedded in network of relationships, giving access to other actors' resources. An actors control over a resource can either be direct through own ownership, or indirect by the relationship to another actor. By controlling resources and activities a company may not only gain access to important resources, the control could also lead to the development of knowledge that can improve the company's ability to achieve certain goals. An increased control by one actor means that some other actor decreases their control. Therefore one can spot reasons for conflict as well as co-operation in the network.

An activity takes place when an actor, or a number of actors, combine, develop or exchange resources by utilising other resources. The activities could either be a transformation or a transfer activity. Transformation activities are carried out within the control of a single actor, and change or refine a resource by using other resources. Transfer activities involve the shift of direct control from one actor to another. Activities are connected to each other, either direct or indirect, and constitute parts of activity cycles. A complete activity cycle contains always both a transfer and a transformation activity and therefore an activity cycle could never be fully controlled by a single actor.

Resources can be divided into tangible and intangible resources. Examples of tangible resources are different types of physical assets, such as production equipment, component, and material. Examples of intangible resources are knowledge, skills, and routines. All resources, either tangible or intangible, are viewed to be heterogeneous. Resources are, as noted above, always under control of some single actor or jointly by several actors. Depending on the scarcity of the resources the importance of controlling the resources differs. If there are a shortage of the resources, and if the resources are important for either the transformation or the transfer, it is important to getting control of the resources.

Research Method and the Cases Studied

In order to integrate the two above discussed theoretical areas, we have used an in-depth qualitative case study based on four cases with focus on service development within the Swedish public transport since we want "*...to collect a rich and detailed information across a wide range of dimensions about one particular case*" (Daymon and Holloway, 2002, p 106). The cases studied are specific service development projects running over a longer period of time with the focus to develop and transform the public transport in order to make the public transport more modern and easily available for different group of travellers. The selection of the six cases was based on the idea of systematic and intentional sampling of information rich cases, *i.e.* cases from which one can learn a great deal of the intended phenomena (Patton, 1991). In this study we wanted obtain information about Public Transport Authorities that works extensively with service development in order to provide a thoughtful description of how public transport are developed and project with complex settings (*i.e* many across involved in the process).

The data has been gathered by a combination of methods. The main method has been the use of semi-structured interviews made face-to-face and by telephones. In addition to the interviews, observations and documentary studies has been conducted in order to complement the data collected from the interviews. The interviews has been recorded and transcribed. The transcriptions of the interviews has been analysed by using the qualitative soft-ware programme Nvivo 7. This has been used in order to code the interviews and organize the statements in order to get an understanding of which different actor roles exists in the process of developing services

within the public transport area. The empirical analysis is not presented in this article, due to the limitation of page allowed.

The Cases

In the first case the empirical data has been collected from the re-construction of a bus-line between a neighbourhood with many elderly citizens, and a shopping and service location in a metropolitan area. Even though this could be seen as a minor re-construction of the public transport, the case shows the high complexity in this kind of efforts, due to the fact that many different actors with their own agendas and resources has to be involved in the re-construction efforts. Besides the actors from the local government, private house-owners and private shop-owners had to be involved in the work of creating the new service-line. Likewise has the involvement of interest groups for elderly and disabled been of great importance. The main focus on this case has therefore been to study the integration between the various actors from public as well as the private sectors that has been involved in the work.

In the second case a more comprehensive re-construction of the public transport solution within a sparsely-populated municipal has been studied. In this case the local politician wanted to create a totally new public transport solution in order to decrease the cost, as well as increase the accessibility and the attractiveness of using public transport. In order to achieve those goals, much of the effort was dedicated to integrate different groups of travellers (for example schoolchildren and commuters) to use the same public transport mode. This was done by re-planning travel routes and time tables, as well as re-building the physical entities supporting commuting. In addition to this, a great deal of effort was put into engaging the sub-contractors to increase the quality of the public transport service.

The third case was a study considering the re-construction efforts conducted in a metropolitan area during a number of years in order to make the public transport available for elderly and disabled people. In this case we have been following a number of minor projects that together has aimed at making the public transport more available to a broader group of travellers. Examples of achievements in this work are the development and implementation of a live traffic information system, the re-building of bus stops, the re-planning of traffic routes and a marketing campaigns informing of the higher degree of accessibility for elderly and disabled. The main experience from this case has been the engagement from a number of key actors and their roles in the transformation process.

The fourth case was a study about the development of a new ticket and information system. This development process was done in cooperation between six Public Transport Authorities in the middle region of Sweden. The project is a long-term project running over a period of 6-8 years from the initiating of the idea to the fully implemented system. By the time of this study, the phases with the development of the system requirements and specifications is in its final phase, and the next phase, the actual creation of the technology based systems and the test-launch, has been initiated. Until his point the work has been organized in larger project groups with participants from all the involved Public Transport Authorities. The project groups have consisted of approximate 25- 30 participants, representing different expertise areas from the Public Transport sector. Those groups have had regular physical meetings where they have discussed different aspects of the information and tickets system. In addition to this, smaller task groups have been created in order to work more focused on and creating technical solutions considering specific aspects of the task. Besides those actors from the Public Transport Authorities, a technical consultancy firm has been engaged in order to build the actual system. A formal project group consisting of four actors has the overall responsibility for the project. In addition to this there exists an advisory and management board consisting of amongst others the managers of the Public Transport Authorities. The formal owner of the system under development is a company owned by the Public Transport Authorities. The Ticket- and information system is based on a common standard created by a professional and industrial organisation for the Public Transport area.

The fifth case is also this about the development and implementation of a new ticket- and information system, but this time made in a larger city in Sweden. The project is in this case handled by a single Public Transport Authority, who thereby on their own has the authority to control the project. The development process is done together with a technical consultancy firm who are developing the hard- and soft ware to be used. This project is also a long-term project running over 5 – 8 years from the initiating of the idea to the fully implemented system. In the early phases, the project was managed as technical project, isolated from the operational personnel and the ongoing day-to-day operations at the Public Transport Authority. During the last few years, the project has been implemented in the day-to-day operations at the Public Transport Authority. During this integration with the operational level some alterations in the technical solutions as well as the way the project has been managed has had to be undertaken. From being run by a project group controlling the operations, the project consist to day of about 8-10 sub-groups responsible for developing and integrating different parts of the system. In this one main challenge is to make the system fit the needs and demands from the different groups of operational personnel. By the time of this study, the phases with the actual creation of the technology based systems and the test-launch is in its final phase and the system should be implemented in the day-to-day operation within six month. The Ticket- and information system is also this based on a common standard created by a professional and industrial organisation for the Public Transport area.

The sixth and final case studied is the work done by the above mentioned professional and industrial organisation for the Public Transport area in order to develop this joint standard for ticket and information systems in Sweden. This project started almost a decade ago by the idea of creating a ticket- and information system similar in all Nordic countries. During the last few years a formal organisation was created in order to gather the efforts and formalise the work with the standardisation of the requirements. Today the organisation is a private limited company with the task to control and organise the work under-taken in the area.

Some overlapping exist between case three and four, since the Public Transport Authority studied in case three are involved as an actor in the development of a new ticket and information system studied in case four. The new ticket and information system is also a part of the reconstruction work of the public transport system studied in case three. All other cases are separate case with no over-lapping when it comes to the actors involved.

Discussion and Implication (Research Findings)

In this section we will present the identified actors and their roles in the development and transformation in the studied cases. The discussion will be centred on the actors, activities and resources model (Håkansson & Johansson, 1992 and Håkansson & Snehota, 1995).

The Actor roles in the service development process

Like in Syson and Perks (2004) case, this multiple case study has helped to identify and create an understanding of which actors needed to be incorporated and managed in the service development process, and what their main role is in the process. From this study one could identify at least six different groups of actors; *the strategy creators (or the institutional initiators)*, *the prime movers*, *the supporting actors*, *the competing actors*, *the providers* and *the users*. Each of these groups has their own agenda and consists of individual actors that in various ways either supports or obstructs the development process.

If we start from the top with the group that in different ways initiates and gives the institutional base for the development we have a group that could be labelled as the ***strategy creators*** or the ***institutional initiators***. This group initiates the service development process by creating, and

sometimes changing, the guidelines for the service offering that should be delivered. One example of this could be found on in our cases where a proposition by the Swedish Government states that the public transport in Sweden should be fully available for all travellers, including senior citizens and disabled, from year 2010. This proposition has forced the local Public Transport Authorities to engage in different types of development projects in order to accomplish this regulation. This has resulted in that resources has had to be redirected from other projects as well as the day-to-day operations to give space to the, by the strategy creators, inflicted redesign of the public transport. In this example the *strategy creators (or institutional initiators)* are an actor on the macro-level, but this role as strategy creators could also be found on other levels in the context, closer to the day-to-day operations. This is found in our fourth and fifth case where the Managers of a number of Public Transport Authorities have decided that they should replace their ticket and information system and together undertake a project to develop a new system. By this decision they are in the same way, although on lower level, creating a new agenda for the way the organisations should work and how the resources should be used. On an overall perspective the main activities for this group is making strategic decisions about what should be developed or at least empathised in the offering. In addition to deciding about the strategies, these strategy creators, at least to some extend, also sets the financial frames by granting funds and directing other resources needed for realising the inflicted strategies.

In order to make the service development decided happen, there is a need for an actor role that more on the operational level handles the actual development process. In each of the studied cases one could notice one or several actors who were very engaged and enthusiastic about the development work and took it as a responsibility to make the service development happens. This actor role could be described as the *prime movers* in the development process. This actor role is the one translating and making the inflicted strategies operational by transforming them into concrete ideas about how the service should be developed in order to meet the strategies decided on a higher level. They are also the ones initiating and leading the project group's operational work, and when it comes to do the real development and transformation of the services, the ones that holds together the efforts to create the service concept and the service systems needed in order to implement the service. The prime movers could in some cases be an informal prime mover, with driving force to create a "good service" and sometimes with little, or in some cases next to none formal power.

In other cases the prime mover could be hired with the specific task to manage the service development process. Worth noting is that the prime movers could change from one time to another during the development process. In the first and fourth case the prime movers changed during the process, from being the actor with an idea of what is needed to be developed, to a recruited project leader with specific experience from running implementation projects. This situation are consent with the findings of Syson and Perks (2004), who argues that the network perspective incorporates a dynamic view of service development; actors move in and out of the new service process and the development .The prime mover could also be a group of individuals, motivating and engaging each other in the development work. For example this was the situation in the third case in which such a group of enthusiastic actors appeared. In this case the group consisted of a number of actors each with their different skill, but driven by the same eager to develop and make the public transport easier to access for elderly and disabled. The crucial task for this group is to get hold of needed information and different needed competencies from other actors and to create situations or arenas where the different information and competencies could be intervened and transformed to new service offerings. Their main resources are therefore information and knowledge about the system and the needs of the users.

One consequence of being a public service is the fact that the resources to use are somewhat restrained, since it is financed mostly by government spending, *i.e.* resources that are scarce and always under debate how to use most efficient. The use of resources for one purpose might obstruct the possibility for other projects. As a consequence in many cases the conflict over resources limits the development possible to undertake in the Public Transport sector. This creates a situation where we have a quest for the scarce resources and there might be a conflict between the different needs and interests. This gives another group of actors, the *competing actors*, consisting of those actors who

struggle to get hold of the scarce resources to their task. With those competing actors in consideration it is important to have actors with power to decide over the scarce resources engaged in the project. This group could be labelled as *supporting actors*, who have the power to decide over other actors' priorities. When it comes to the cases here studied the most important supporting actors were the local politicians who have the power to grant funds as well as give the appropriate support and to help with the prioritization between the different tasks. This formal support is important since it is a vital ingredient in the quest for manoeuvring space and resources to perform the task. Sometimes the supporting actors are also involved in the role as prime movers or as the strategy creators. This could for example be found in the fourth case where the managers of the Public Transport Authorities, deciding about the prioritization of the resources of the organization, were deeply involved in the actual management team of the development project. This gives more formal power to the projects undertaken and sending signals to the surrounding actors that the project is of importance and should be prioritized. The supporting actors could also be of more indirect kind in form of different interest, or pressure groups who creates support for the development work. Examples of this are interests groups for elderly and disabled who, by their participation in the daily debate, put pressure to the society and the politicians to create functional solutions (in this case easy accessible public transport).

Since the actual service is provided by actors outside the organisation of the public authority the actual *service providers* are an important actor in the development process. They are the actual provider and performer of the developed service and their motivation to be active and willing to compel in the development process is somewhat crucial. The providers obligated undertaking is regulated in the contract between the providers and the Public Transport Authorities (SFS 1997:734). Due to the fact that the providers are selected by public tendering there is little incitement for the provider to exceed the contractual agreement. Previous achievements do not help the provider to prolong the contract since a new public tendering must be held. The reason for this is the fact that the Public Procurement Act states that the price, given a certain level of service, should be the dominating factor deciding who will receive the contract (SFS, 1992:1528). Often the providers have to do prioritization between different engagements and spend their resources on the projects they believe deliver the most possible value.

The last group identified is the *users*, who have an important role in the process. First of all they are consumers using the service. In addition to this, they are co-producers participating in production process as well as in the development process by contributing with information. One common heard theme in service development is the importance to involve the customer (see for example Berry & Hensel, 1973; Von Hippel et al., 1999 and Pitta & Franzak, 1996), since they are the one that in the end should consume the product. One problem by involving customers is the disparate needs and wants different groups of users have. The differences could be of various sorts, from minor differences in the liking of a thing to the fact that the needs of some group prevent the accessibility for another group. One example of this is the situation that a wheel chaired person might find it difficult to drive the wheel chair to the bus stop due to the pavement setting needed to guide visually impaired persons.

Activities and Resources

From the theoretical discussion above one could identify at least four main activities are undertaken in the service development process; the strategic decision creating the foundation for the service development process, the translation of the strategies in to doable service (idea generation), the design of the actual service and the fourth activity which is the implementation of the developed service.

The first activity, the creation of strategies and the institutional initiating is discussed above. When it come to the seconds activity, the generation of ideas, it is like Smith & Fischbacher (2005) states often difficult to establish from where the actual idea emanates from, but in most cases the ideas are generated as a result of the meeting between different actors with different kinds off knowledge about and perspective on the public transport. In the first and third case this closeness to other actors with the same interests, but with somewhat different horizon, was an obvious driver of the idea generation. In those two cases the interviewed actors clearly indicated that it was the informal talk about their

line of business and the particular problems existing within their area that triggered the ideas. In the fourth cases what could be described as the ideas for how the new ticket and information system should look like was created in large project groups where the idea was to connect and confront different perspectives and knowledge about problems and technical skills hold by different actors. As a result of these meetings, product specifications that could be described as ideas emanated. This highlights the thesis that closeness between actors and informal communication mechanisms are appropriate means to generate this kind of knowledge (Syson & Perks, 2004). The main resource communicated was the information that was shared between the different actors. The information was then transformed into an idea, most often by the above described prime movers or a group of prime movers, about how the problems could be solved or the strategy made operational. Depending on the type of and the degree of newness or innovativeness there are different actors and different types of actors and network needed to be incorporated.

The third activity is the phase where the actual service is designed. This phase is the most extensive phases since it incorporates all activities needed to prepare the actual service. Given that we are talking about public service there are often call for formal processes with specified project groups, especially in cases where the development incorporate other formal actors, such as other local government committees or the contracted service provider. In this phase the resources involved are information as well as more tangible resources. The third and final phase is the implementation phase in which the finished service should be brought to the customer. The most important task here is to inform about the service to different groups of actors in order to make the interested in the new service.

From the cases it stands clear that the main contribution from other actors in the service development process is information, knowledge and expertise (Syson & Perks, 2004), *i.e.* intangible resources. Normally these intangible resources are implanted in the organisation and to some extent tacit, which makes the access for other actors somewhat difficult.

Reference list

- Akamavi, R. K., (2005), A research agenda for investigation of product innovation in the financial services sector, **Journal of Services Marketing**, 19/6, pp. 359–378.
- Berry, L.L. & Hensel J.S., (1973), Why some new bank products fail, **Bankers Monthly Magazine**, July 15, pp. 26-40.
- Bowers, M.R., (1988), Developing market-driven insurance products: A suggested model, **Journal of Professional Services Marketing**, Vol. 3, No ¾, pp.161-173.
- Burca de, S. (1995), Service Management in the Business-to-Business Sector: From Networks to Relationship Marketing; pp. 393- 419 in Glynn, W. B. and Barnes, J. G. (ed), (1995); **Understanding Service Management -Integrating Marketing, Organisational Behaviour, Operations and Human Resource Management**, John Wiley & Sons, Chichester.
- Daymon, C. & Holloway, I. (2002), **Qualitative Research Methods in Public Relation and Marketing Communication**, Routledge, London.
- Brentani de, U., (1991), Success factors in developing new business services, **European Journal of Marketing**, vol. 25, No 2, pp. 33-59.
- Edgett, S., (1996), The new product development process for (commercial financial services, **Industrial Marketing Management**, vol. 25.
- Edvardsson, B., Gustafsson, A., Johnson, M.D., & Sandén, B., (2000), **New service development and innovation in the new economy**, Studentlitteratur, Lund.
- Grönroos, C. (1990), **Service Management and Marketing: Managing the Moments of Truth in Service Competition**, Lexington Books, Lexington, Massachusetts.
- Hippel Von, E., Thomke, S. & Sonnack, M., (1999), Creating breakthroughs at 3M, **Harvard Business Review**, September-October.
- Håkansson, H. and Johansson, J. (1992), A Model of Industrial Networks in Axelsson, B. and Easton, G .(ed.), (1992), **Industrial Networks: A Review of Reality**, London, Routledge, pp. 28-34.
- Håkansson, H. and Snehota, I., (1995), **Developing Relationships in Business Networks**, International Thomson Business Press, London.
- IMP, (1982), An interaction Approach, in Håkansson, H. (Ed), **International Marketing an Purchasing of Industrial Goods – An interaction Approach**, John Wiley, London.
- Johne, A. and Storey C. (1998), New Service Development: a Review of the Literature and annotated Bibliography, **European Journal of Marketing**, vol. 32, No.3., pp. 184-251.
- Johnson, S.P., Menor L.J., Roth, A.V. & Chase, R.B., (2000), A critical evaluation of the new service development process, in Fitzsimmons, JA & Fitzsimmons, MJ (red), (2000), **New service development, - creating memorable experience**, Sage Publications inc. Thousand Oaks, California.
- Jong, de, J.P.J. and Vermeulen, P.A.M., (2003), Organizing successful new service development; a literature review, **Management Decisions**, 41/9, pp. 844-858.
- Lievens, A.; Monaert, R. & S'Jegers S, (1999), Linking communication to innovation success in the financial service industry: a case study analysis, **International Journal of Service Management**, Vol. 10, No. 1, pp. 24-37.
- Martin, C.R. & Horne, D.A., (1993), Service innovation: successful Vs unsuccessful firms, **International Journal of Service Industry Management**, Vol.4, pp.48-64.
- Miles, M. B. and Huberman, A. M., (2004), **Qualitative Data Analysis**, SAGE Publications, London.
- Patton, M. Q. (1990), **Qualitative evaluation and research methods**, Sage Publications, Newbury Park.
- Pitta, D. & Franzak, F., (1996), Boundary Spanning Product Development in Consumer Markets: Learning Organization Insights, **Journal of Consumer Marketing**, vol. 13, no 5, pp. 66-81.
- SFS (1992:1528), **Lag om offentlig upphandling**, (in Swedish), Stockholm
- SFS (1997:734) **Lag om ansvar för viss kollektiv persontrafik** (in Swedish), Stockholm.
- SLTF, (2002), **Public transport in Sweden- co—ordination and competition**, SLTF, Stockholm.
- Smith, A. and Fischbacher, M. (2005), New Service Development: a Stakeholder Perspective, **European Journal of Marketing**, Vol. 39, No. 9/10, pp. 1025-1048.
- Stevens, E. and Dimitriadis, S. (2004), New service development through the lens of organisational learning, evidence from longitudinal case studies, **Journal of Business Research**, vol 57, pp. 1074- 1084.
- Sundbo, J, 1997, Management of Innovation in Services, **The Service Industries Journal**, Vol. 17, No. 3, pp. 432-455.
- Syson, F. and Perks, H. (2004), New Service Development: a Network Perspective, **Journal of Services Management**, Vol. 18, No. 4., pp.255-266.
- Turnbull, P., Ford, D. & Cunningham, M., 1996, Interaction, Relationships and Networks in Business Markets: an Evolving Perspective, **Journal of Business & Industrial Marketing**, Vol. 11, No. 3/4, pp. 44-62