CHALMERS

Bringing Quality and Service Management to Start-Ups: Implementing a Framework for Service Development

Master's Thesis in Quality and Operations Management

AXEL SEGERTOFT
JOHAN ÖRTORP

DEPARTMENT OF TECHNOLOGY MANAGEMENT AND ECONOMICS
DIVISION OF INNOVATION AND R&D MANAGEMENT

CHALMERS UNIVERSITY OF TECHNOLOGY
Gothenburg 2025
www.chalmers.se

Master's Thesis 2025

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JOHAN ÖRTORP

Supervisor: Ida Gremyr, Innovation and R&D Management
Examiner: Ida Gremyr, Innovation and R&D Management

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Department of Technology Management and Economics
Chalmers University of Technology
SE-412 96 Gothenburg
Sweden
Telephone +46 (0)31 772 1000

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Abstract

The thesis focuses on developing a structured service development model tailored for a Swedish start-up (referred to as The Company) that supports non-profit sports organizations. The core aim is to help these organizations operate more efficiently and sustainably by offering services that reduce operational costs and increase revenue. The study explores three main research questions, focusing first on assessing the current service development of the company; second, on identifying the actors involved in value creation; and third, on how a model for new service development (NSD) can be tailored and designed to support the needs of sport organizations.

The study integrates theories on value co-creation theory, service creation and use of new service development models, and applies them to the context of sport organizations. It includes empirical data from interviews with various stakeholders (club managers, volunteers, members, and sponsors) and results in actionable insights and managerial implications for implementing the proposed conceptual NSD framework. The conceptual NSD framework focus on structured feedback loops and club segmentation, ensuring services are adapted to varying needs of amateur, semi-elite and elite sport organizations. The study showed that in the context of sport organizations, value co-creation and new service development requires engaging volunteers, members, and partners by relations building and focusing continuous feedback.

Keywords: Service Development, Value Co-Creation, Start-Ups, Sport Organizations, New Service Development (NSD), Volunteers Engagement, Customer Feedback, Non-Profit Management, Quality Management

Acknowledgments

This thesis was carried out during the spring of 2025 at Chalmers University of Technology in collaboration with The Company. We would like to express our sincere gratitude to everyone who supported us throughout this journey, both academically and personally. We extend our thanks to our supervisor and examiner at Chalmers, Ida Gremyr, for her valuable guidance, encouragement, and patience throughout the process. Your insights and support have been instrumental in shaping this work. We are also deeply grateful to the team at The Company for their engagement and support during the project. A special thanks goes to our supervisor at The Company, whose guidance and feedback have been crucial to our progress. Finally, we would like to thank everyone who participated in interviews, meetings, and took the time to answer our questions. Your contributions have been essential to the development of this thesis.

Axel Segertoft and Johan Örtorp, Gothenburg, May 2025

Contents

1
Introduction

1.1 Background

Service development is the process of designing, implementing, and improving service offerings to create value for customers and achieve competitive advantage (Johne and Storey, 1997). The research area for this thesis is service development models. Additionally, the topic lies at the intersection of service design and value co-creation in sports organizations, particularly within the non-profit sector. It involves exploring how frameworks such as New Service Development (NSD) (Kindström and Kowalkowski, 2009) can be implemented to enable value co-creation with non-profit sport organizations.

A key aspect of this research is the engagement of multiple stakeholders, such as volunteers, members and sponsors, in the co-development and delivery of services. Value in sports is co-created through dynamic interactions between stakeholders (Woratschek et al., 2014), where the co-creation of value relies on mobilizing underutilized resources, that are often critical yet overlooked in sport organizations (Bácsné Bába et al., 2024).

Gómez et al. (2008) classify sport organizations into three types: governing bodies, sporting event organizations, and sport-providing entities. In this report, a sport organization is defined as the last type, the clubs who offer sport activities both on competitive level and amateur level, focusing on enjoyment, health and inclusion. The structure of sport organizations varies depending on several factors, including the type of sport, the organization's size, and level of competition (Gómez et al., 2008; Escamilla-Fajardo et al., 2018). In this report, *elite sport organizations* refers to clubs that operate at the highest competitive level within their sport, typically involving professional or semi-professional players, more structured governance, and greater financial and human resources compared to amateur or semi-elite clubs.

Sport organizations, particularly non-profit clubs, operate in a complex and resource-constrained environment that differs significantly from traditional for profit service contexts. They are characterized by limited financial resources, reliance on volunteers, and informal governance structures, which together present challenges for systematic service development (Wicker and Breuer, 2013; Bácsné Bába et al., 2024).

Moreover, stakeholders such as volunteers, members and sponsors often contribute in multiple ways; not only by supporting the organization's operations, but also through emotional commitment and a desire to strengthen the surrounding community (Lundberg et al., 2025). These conditions limit the implementation of NSD

models, which typically assume structured organizations. Feedback mechanisms in sport organizations are often informal and unstructured, making it difficult to plan for service development and to iteratively adapt services based on end-user experiences. Value is not delivered to these organizations, it is co-created through continuous relationships across various actor levels (Woratschek et al., 2014). Therefore, an NSD model tailored to this context is needed, one that can incorporate decentralized feedback loops, support dynamic stakeholder involvement, and adapt specific needs of sport organizations operating at different levels of scale and strategic ambitions.

The research will be carried out in collaboration with a start-up, hereafter referred to as The Company. In short, The Company offers services to sport organizations that aim to simplify operations and reduce costs for the clubs while generating revenue for both the sport organizations and The Company. They identify common needs in the sport sector and develop services that respond to those needs using its existing network. Below in Figure 1.1, the three main actors in this service delivery are presented: provider, customer, and end-user. The Company are the providers of a service offering. Depending on the characteristics of the service, the offering can involve different levels of actors. Either the service only involves a direct interaction between the sport organization and the company, in that case the sport organization is both the customer and end-user. The other option is that the service involves a third actor, called consumers in Figure 1.1. In this case the sport organizations is only the customer, and outside actors, for members or sponsors, are the end-users.

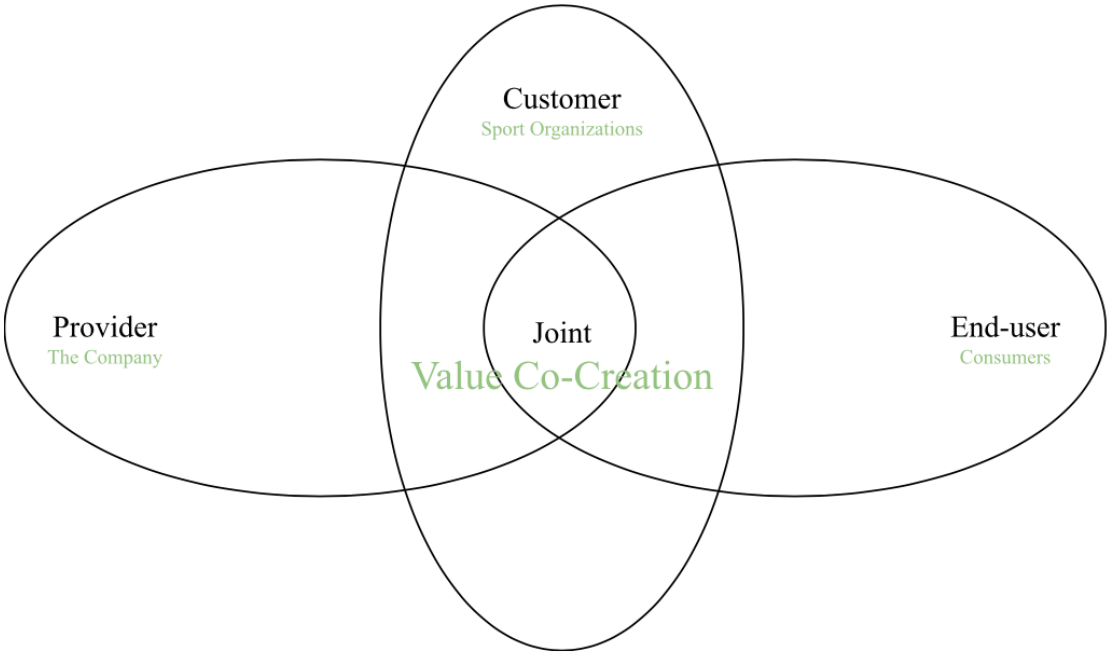

Figure 1.1: Spheres illustrating main actors

Two key areas where non-profit organizations encounter challenges are financial management and organizational structure. Non-profit sport organizations, in particular, often struggle with issues related to financial sustainability and effective management (Wicker and Breuer, 2013).

First, a sport organization is defined by the Swedish Tax Agency (2025) as a non-profit organization. A non-profit organization is driven by its purpose and instead of distributing profit to shareholders, the earnings are reinvested into the organization to serve its purpose (Helmut K. Anheier, 2014). Many sport organizations face a critical financial challenge, and are struggling to stay afloat. Wicker and Breuer (2013) explains that one way to overcome financial challenges is to promote young talents from the youth sector and engage them in competitive elite sport, which is the purpose for many sport organizations in Sweden today. Wicker and Breuer (2013) further explain that closely connected to financial issues, are challenges related to organizational structure.

Second, in non-profit organizations, organizational challenges occur related to management, governance and financial control (Wicker and Breuer, 2013). There may be non-competent individuals in decision-making positions, creating problems related to accountability, demands and knowledge (Wicker and Breuer, 2013).Another challenge is the usage of underutilized resources, such as volunteers or team members (Bácsné Bába et al., 2024). This presents a unique organizational challenge because, typically, organizations in other industries face a scarcity of human resources while having relatively more financial resources and a more structured organization. However, in this case, the situation is reversed (Gunneling and Hall, 2016).

1.2 Purpose

The purpose of this study is to explore how a structured service development model can be designed for a company offering services to sport organizations. The offerings aim to support these organizations in optimizing their operations and utilizing existing resources, ultimately contributing to improved financial sustainability. By analyzing current practices and identifying key challenges and opportunities, the study seeks to develop a model that guides the company in creating effective and adaptable service offerings tailored to the needs of sport organizations. Based on the background and purpose, three research questions are formulated:

1. What are the weaknesses and strengths in The Company's current service development?
2. What actors are (or should be) involved and how do they interact throughout the value chain?
3. How can a service development model be designed to develop service offerings tailored to sport organizations activities and practices?

Understanding the strengths and weaknesses of the current service development process is essential for identifying improvement areas, aligning with RQ1. Each stage of an NSD model, such as market sensing, development, sales and delivery, is important to ensure that services are relevant and competitive (Kindström and Kowalkowski, 2009). In dynamic and resource-constrained environments like non-profit sport organizations, this analysis becomes even more critical due to their limited capacity for iterative development processes (Edvardsson and Olsson, 1996).

Services are not created in isolation but emerge from dynamic interactions between actors at different levels (Woratschek et al., 2014; Grönroos, 2011). In the context of sport organizations, service development involves multiple stakeholders, including providers, customers and end-users; each contributing to value creation in different ways. This makes RQ2 relevant, as identifying these actors and understanding their roles is crucial for designing inclusive service offerings that align with customer needs.

NSD models are often not well suited for non-profit sport organizations, which tend to have informal structures, rely on volunteers and lack organized systems for gathering and using feedback. Existing NSD models are often designed for product-related services (Kindström and Kowalkowski, 2009). Therefore, exploring how a service development model can be adapted to the specific context of sport organizations is a key focus of RQ3.

1.3 Limitations

This research has limitations that should be acknowledged. Although literature on sport organizations from a global perspective will be utilized, the service development model will be specifically tailored to non-profit sport organizations in Sweden. As a result, the findings may have limited applicability to organizations operating in different national or cultural contexts due to differences in organizational forms, for example non-profit versus profit organizations.

Furthermore, the sport industry under investigation is relatively niche, which may present challenges in identifying a sufficient number of suitable actors for analysis. Consequently, the study will focus on a single company within a single sport, which may limit the generalization of the results. Today, The Company works exclusively with sport organizations from one specific sport, which ranks among the ten most popular in Sweden in terms of active players. Throughout the thesis, when referring to sport organizations, it should be interpreted as sports organizations within the sport in question.

Due to time constraints, the research will not conduct a full-scale implementation of the proposed service development model. Instead, the model will be evaluated theoretically, which may impact the depth of empirical validation.

2

Theoretical Framework

This chapter presents the theoretical framework which serves as the foundation for the analysis, discussion and conclusion. The theoretical areas aim to represent the perspectives needed to conduct the research and find relevant information, which have been gathered through a literature study. The main pillars are Service and Value Creation, New Service Development and Value Co-creation in Sports. Together these areas provide an understanding for service characteristics, how services are developed and how to enhance value co-creation, both in general and in sport organizations.

2.1 Service Creation, Value Creation, and Value Co-Creation

Defined by Parasuraman et al. (1985), a service is an intangible activity that creates value for the customer through interactions, processes and experiences, instead of the traditional physical goods exchange. The world economy has over time shifted more towards services and since 1970 the service share of the global GDP has increased from 53% to 67% (World Bank, 2021). This transition underscores the growing importance of understanding how value is created in service-based interactions.

Unlike physical goods, where value is embedded in the product itself, service value is dynamically co-created through customer involvement, requiring service providers to facilitate conditions that enable customers to derive value based on their unique needs and experiences (Prahalad and Ramaswamy, 2004; Bitner et al., 1990; Grönroos and Voima, 2013). Grönroos (2011) explains that value is uniquely determined by each customer through their own experiential and contextual process, accumulating over time.

Managing services effectively therefore requires a shift from a product-oriented, inside-out perspective to a customer-focused, outside-in approach (Grönroos, 2015). Key aspects of outside-in service management is to manage the operations based on deep understanding of customer needs and value creation processes, rather than internal efficiencies or structures (Grönroos, 2015). This service logic can be explained through the Service Dominant Logic (SDL) introduced by Vargo and Lusch (2004), which represented a pivotal shift in the understanding of economic exchange. SDL claims that value is always determined by the beneficiary, meaning that service providers can only present value propositions as a basis for *potential* value creation Woratschek et al. (2014). Value co-creation requires the consumer to integrate the provider's value proposition with their own skills.

According to Grönroos (2011), value co-creation occurs when the customer is active in the processes of creating the service, this being design, delivery and innovation. The service provider's role is to facilitate this process by offering resources and opportunities for value creation. Although value co-creation is seen as the basis in service businesses, the customer is not necessarily always involved in the value creation process. Rather, the business has the opportunity to co-create value with the customer under specific circumstances (during direct interactions), also depending in the characteristics of the service (Grönroos, 2011).

While value in services is co-created through interaction and experience, these principles require structured processes to be effectively implemented in practice (Grönroos and Voima, 2013). One approach to obtain these structured processes are New Service Development (NSD), providing a process oriented view for translating service logic into concrete service design and delivery (Gustafsson et al., 2020).

2.2 New Service Development (NSD)

The concept of NSD is focusing on the process of designing, testing and implementing new service offerings to meet customer needs and create value (Johne and Storey, 1997). A distinction between service innovation and NSD is desirable, to separate the two similar concepts. Gustafsson et al. (2020) defines NSD as "the process of developing a new product or service for a market", emphasizing the structured steps involved in bringing a new offering to market. While service innovation is defined as "a new process or offering that is put into practice, and is adopted by, and creates value for one or more stakeholders", highlighting a broader perspective that includes implementation, adoption, and value creation across a network of actors (Gustafsson et al., 2020). In this report, the focus will be on NSD as defined by Gustafsson et al. (2020), emphasizing that a new service is developed for a specific market, in this case the sport organization market.

Lusch (2015) argues that the research in service innovation in general has grown considerably. They suggest a definition of service innovation as "the re-bundling of diverse resources that create novel resources that are beneficial to some actors in a given context". Lusch (2015) presents "two schools of thought" of service innovation, where the first assumes that significant differences exist between product and service innovation (Edvardsson and Olsson, 1996), which means that newer theories and models for service innovation are required. The second school of thought is that service innovation is similar to product innovation and New Product Development (NPD), enabling service developers to adapt existing theories and models to service innovation. A common denominator for NPD models are a stage-principal, meaning the development process has clear phases or stages, for example the stage-gate model by Cooper (1990). Kindström and Kowalkowski (2009) combines both schools of thought and argues that the stage-principal can be borrowed from NPD models, but an NSD model or framework should redesign these stages, tailored to the unique characteristics of services. It should also be noted that Kindström and Kowalkowski (2009) considers the processes of manufacturing firms, with product development processes already in place. To further define the concept of service and how service innovation and development could be approached, service characteristics are defined

in 2.2.1, and then integrated in the suggested process framework by Kindström and Kowalkowski (2009) in 2.2.2.

2.2.1 Service Characteristics

According to Parasuraman et al. (1985), a key characteristic of NSD compared to NPD is that NSD focuses on intangible services that are produced and consumed simultaneously. The fact that services cannot be inventoried makes the development more complex. Johne and Storey (1997) explains that NSD in general requires less investment in infrastructure but instead demands more personnel training, technological support and process optimization. While NPD is capital-intensive, NSD is more knowledge- and human-resource-intensive, with successful NSD often relying on the employees' competences and relationship management (Edvardsson and Olsson, 1996). Compared to products, services cannot always rely on patents to protect the intellectual property, instead services has to rely more on brand reputation, relationships and proprietary processes (Cooper et al., 1991).

The same factors are present on the sales and marketing aspects of services. Grönroos (2015) emphasizes that NSD requires a relationship-based selling approach, whereas NPD can rely more on technical specifications and mass marketing. Due to the provider-customer relationship, Vargo and Lusch (2004) argues that since services are co-created, customer feedback is continuously integrated, resulting in a more iterative and dynamic process compared to the more linear approach of NPD. To manage and structure this continuous feedback, the provider can use several measurement parameters, for example Parasuraman et al. (1985) argues that the relevant factors of measurement are customer satisfaction, service quality, retention rates and long-term value creation. Table 2.1 below presents an overview of service characteristics in key areas for companies to operate.

Table 2.1: Service characteristics

Area	**Service characteristics**
Asset	Intangible, produced and consumed simultaneously
Organizational Structure	Knowledge- and human-resource-intensive
Property Protection	Rely on reputation and proprietary processes
Sales and Marketing	Relationship-based selling approach
Customer Interaction	Customer feedback are continuously integrated
Measurement of Success	Customer satisfaction, service quality, retention rates and long-term value creation

While these areas and service characteristics offer a useful conceptual foundation, gaining a clearer picture of how value is created in practice requires a closer look at the processes involved in co-creation. Especially in service contexts, it is important to understand how value emerges through interactions among actors. The next section 2.2.2 explores the concept of co-creation and its relevance for service development.

2.2.2 A Process Framework

In the paper *'Development of industrial service offerings: a process framework'*, Kindström and Kowalkowski (2009) present a circular four stage framework that aims to help traditional product development companies to develop new services connected to the existing products. Shown in Figure 2.1, the four stages of the circular framework is *market sensing*, *development*, *sales* and *delivery*. It is emphasized that the framework is not to be seen as a process model with separate phases, it is rather four overlapping stages.

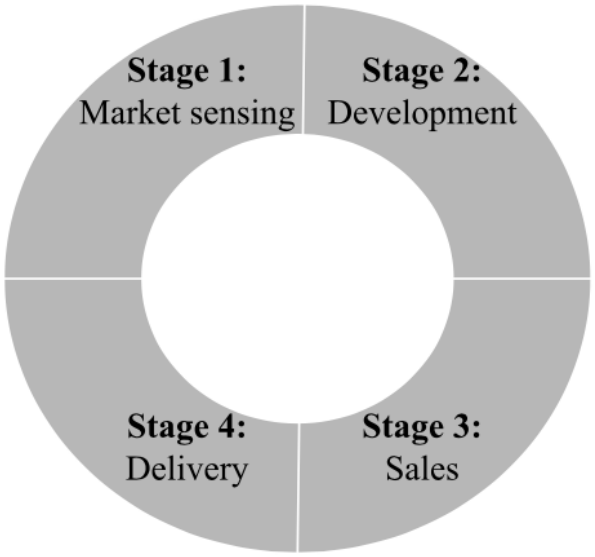

Figure 2.1: NSD Framework, adapted from Kindström and Kowalkowski (2009)

Kindström and Kowalkowski (2009) emphasizes that the reason for the framework being circular and not linear, as many traditional NPD frameworks, is that the company must go through the stages continuously and not be satisfied after completing stage 4. The authors also emphasize that the customer interaction is present in all four stages.

The first stage described by Kindström and Kowalkowski (2009), *market sensing*, involves scanning the market, identifying customer needs, and recognizing opportunities for service innovation. It consists of a thorough scanning of the potential customers, the installed base, competitors and internal organization. In short, this stage sets the conditions for the development stage. Traditionally, both within NSD and NPD, market sensing is a part of a development, but in this framework it is emphasized that the development of the service is based on the market sensing. Edvardsson and Olsson (1996) also highlight the importance of sensing the market, stressing the need to understand customer expectations and the dynamics of a service encounter, ultimately designing the service with as much customer information as possible. Additionally, Vargo and Lusch (2004) in their development of SDL emphasize that sensing customer needs early, enables the co-creation of value throughout the service life cycle. Adding to this, Voorhees et al. (2017) that the lack of a complete service portfolio of good quality may leave customers dissatisfied.

The authors emphasize that quality functions has to be in place at an early stage, before the service is delivered, to structure the customer needs identification.

In the second stage, *development*, Kindström and Kowalkowski (2009) focus on the actual creation and design of service offerings. It continuously requires significant customer interaction and feedback to ensure that the service is aligned with market needs. Unlike traditional NPD, services do not rely heavily on R&D but rather demand close collaboration between various business functions such as development, sales, marketing, finance etc. (Ordanini and Parasuraman, 2011). Michel et al. (2008) argues that service development should be done with the customer, not just for them. This means engaging the customer throughout the design process with activities like workshops, pilot testing or mapping the customer journey.

The third stage, *sales*, requires a shift from a product-centric to a customer-centric approach, emphasizing value-in-use rather than value-in-exchange. In line with Vargo and Lusch (2004), Gebauer et al. (2011) highlight that service delivery is inherently interactive, and customer feedback is continuously gathered through direct service encounters. The authors argue that this ongoing interaction enables firms to adapt offerings in real time, contrasting with the more episodic feedback loops found in product development. To communicate the value of a service, the sales team must develop new tools and competencies enabling the customers to realize the potential value (Kindström and Kowalkowski, 2009). Selling something intangible requires alternative approaches which are developed based on the previous two stages. In the description of Grönroos' 2015 relationship-based selling approach, the author states that being a good at sales does not necessarily rely on the professional salespeople, but also on the sales and communication skills by all customer contact employees interacting with customers.

The fourth and last step of the cycle, *delivery*, involves the actual execution of the service, ensuring that it meets customer expectations. Services are often people-intensive and require strong customer relationships, which is central in the delivery stage. Since the framework is circular, it is of importance to gather customer information in this stage, which can be used in the next iteration. Since services depend on customer experience, NSD firms need strong feedback loops and quality management systems in the delivery stage to be able to measure their performance and improve the service (Edvardsson and Olsson, 1996). According to Gremyr et al. (2022), customer feedback related to products is gathered by quality functions such as formal complaint systems, customer interactions, after-sales reports, surveys, sensor data and social media scanning. One aspect that Gremyr et al. (2022) highlights is that the personalized feedback (obtained through daily customer interactions) is more common for service and less structured and often does not reach the quality function systematically. It is of importance that the employee who meets the customer is actually aware of that feedback can come from these meetings (Grönroos, 2015). Even though the article by Gremyr et al. (2022) has a focus on product-related services, the structure of quality functions is central for service companies to obtain, measure and make sens of customer feedback.

While structured NSD frameworks guide how services are developed, the effectiveness of such models depends on the context in which they are applied. In the case of sport organizations, value creation is uniquely influenced by stakeholder involve-

ment and community dynamics. The next section explores how value co-creation plays out specifically within the sports sector.

2.3 Value Co-Creation in Sports

Despite their importance in promoting health, community, and competition, many sports organizations struggle with funding, limiting their ability to grow and sustain operations (Gunneling and Hall, 2016). However, through value co-creation, stakeholders can play an active role in overcoming these challenges by contributing their skills, time, and networks to enhance organizational sustainability.

While sport organizations vary in size, they share a common issue: underutilized resources, such as nonprofit workers and active members, whose potential contributions are not fully leveraged (Bácsné Bába et al., 2024). By fostering collaboration between stakeholders, organizations can co-create value through volunteer engagement, knowledge-sharing, and innovative resource utilization, ultimately strengthening their impact and long-term viability.

Woratschek et al. (2014) discuss value co-creation in relation to sport management, aiming both to enhance theoretical development and to provide sport managers with guidance on designing value creation as a collaborative, relational, and dynamic process involving multiple stakeholders. The authors argue that traditionally, managing both profit and non-profit organizations in the sports sector has centered on optimizing resources to develop products and services that deliver high value to customers. However, academia and industry increasingly acknowledge the role of customers and service networks in creating high-quality products and services.

Woratschek et al. (2014) further propose that addressing sport-specific management challenges requires moving beyond traditional marketing and management approaches. A perspective aligned with SDL emphasizes that value is not delivered by organizations but co-created though interactions among multiple stakeholders and realized in use (Vargo and Lusch, 2004). This logic, further elaborated by Grönroos (2015), positions customers as active participants in shaping value through experiential and relational processes. Applied to sport, as Woratschek et al. (2014) argue, this perspective acknowledges unique characteristics of the sport context, such as simultaneous cooperation and competition, volunteer contributions in service creation, the emotional engagement of fans, and the mix of profit and non-profit organizations. To support this, the Sport Value Framework (SVF) introduces ten foundational premises to enhance understanding of sport management phenomena and optimize decision-making, such as *Firms and customers can only offer value propositions*, *Value is always co-created by firms, customers and other stakeholders*, and *Co-created value is always value-in-use* (Woratschek et al., 2014). The framework helps in rethinking strategies in the field by emphasizing collaboration, shared experiences, and emotional engagement. Value in sport is not produced and then consumed; it is co-created by actors including fans, teams, sponsors, media, and volunteers (Woratschek et al., 2014), supporting that value emerges through relational and experiential processes shaped by all involved stakeholders (Grönroos, 2011). Additionally, Woratschek et al. (2014) highlight that value co-creation can

be examined at three levels based on the focus of analysis: intra-level, micro-level and meso-level. Intra-level analysis focuses on individual actors (such as sport organizations, customers, and stakeholders), micro-level examines interactions between them (dyadic, triadic, or more complex relationships), and meso-level explores the broader network of actors and their interconnected roles in value co-creation within the sports market.

2.3.1 Stakeholder Theory - the Network of Actors

Stakeholder theory (Freeman, 2010) emphasizes that organizations do not operate in isolation but are embedded within a network of stakeholders whose interests and contributions are essential to the organization's success. This perspective is relevant in the context of sport organizations, where the organizational structure influences how various stakeholders, especially volunteers, participate and contribute to value creation.

Fahlén (2006) discusses three key dimensions of organizational structure. The first, specialization, refers to the degree to which tasks and roles within an organization are divided into distinct activities, how responsibilities are allocated among individuals and groups, allowing for more focused expertise on specific tasks. Coaches and administrative staff are two examples of roles of specialization. The second one standardization, deals with the extent to which organizational procedures, practices, and outputs are uniform and regulated by formal rules and policies. Training regimens like training protocols that dictate how practices are conducted, and behavioral policies such as uniform codes of conduct for players, coaches, and volunteers that outline expected behaviors and responsibilities, are two two examples of standardization. The third, centralization, describes who holds the power to make decisions within the organization; board members, for instance. A study by Fahlén (2006) showed that high levels of the three organizational dimensions, such as clear task specialization, strict following of formal routines and policies, and centralized decision-making, were regarded more positively than low levels.

According to a population survey from 2024, voluntary work is comprehensive in Sweden (Lundberg et al., 2025); 52 percent of the population stated that they have participated in non-profit working at least once during the year of 2024. Since the first population survey in 1992, the category sport organizations have been the category with the largest share of volunteer workers. During 2024, 18 percent of all the non-profit workers declared that they had been working volunteer for a sport organization. A reason for sport organizations gathering the large number of volunteers could be the sport itself and high ability to foster children and young people. When they grow older, they continue to participate in the sport and thus can be recruited for non-profit work. The middle-aged (40-54 years old) have the largest proportion of people working voluntarily, which is also consistent with previous research on non-profit work (Wilson, 2000). In the middle-age, many parents have children active in sport organizations and therefore participates in voluntarily work (Lundberg et al., 2025). In the two oldest age groups, 64-74 and 75-85 years, the proportion of non-profit workers are also high, which is explained by retirees who have more time to work ideally. In addition, overall, health among the older people

has improved, and as a result more healthy pensioners can be more active voluntarily (Jegermalm and Jeppsson Grassman, 2009). However, the analysis of Lundberg et al. (2025) shows that a smaller portion of the nonprofits account for a large portion of the work. Thus, many people work voluntarily, but a smaller group accounts for the majority of the non-profit work. The theoretical model *Civic Voluntarism Model* (Verba et al., 1995) is used in the research by Lundberg et al. (2025) as a starting point. Resources and values are two key factors in people's interests of working non-profit, and closely related to values is motivation: people get involved in volunteer work out of conviction and the desire to make a difference. Additionally, social networks have an impact. People with strong social networks are more likely to be involved in volunteer work as the networks act as recruitment channels, offer social support and create a sense of belonging that motivates continued participation.

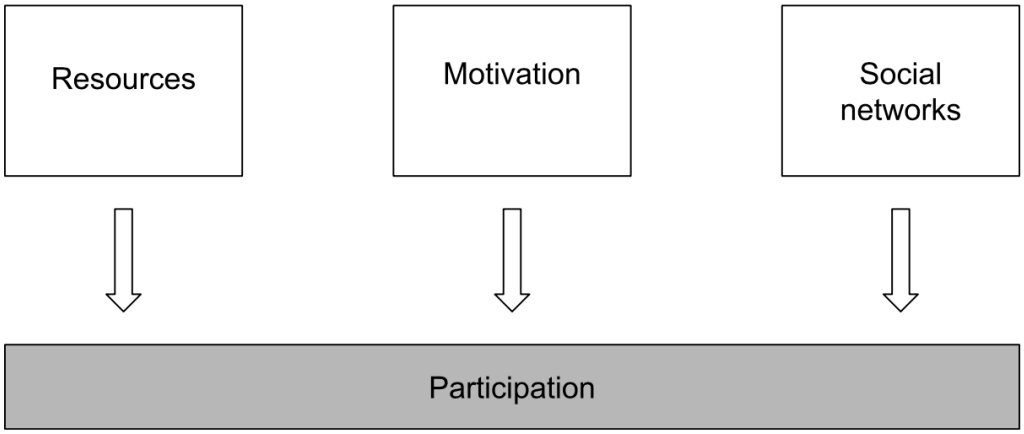

Figure 2.2: Civic Voluntarism Model, adapted from Verba et al. (1995)

2.4 Synthesis - Value Creation Spheres

The theoretical framework in combination with the background provides insights in the sport organizations and in the context of The Company, Figure 2.3 illustrates a sphere-model describing the relations and interactions between the relevant actors in that context.

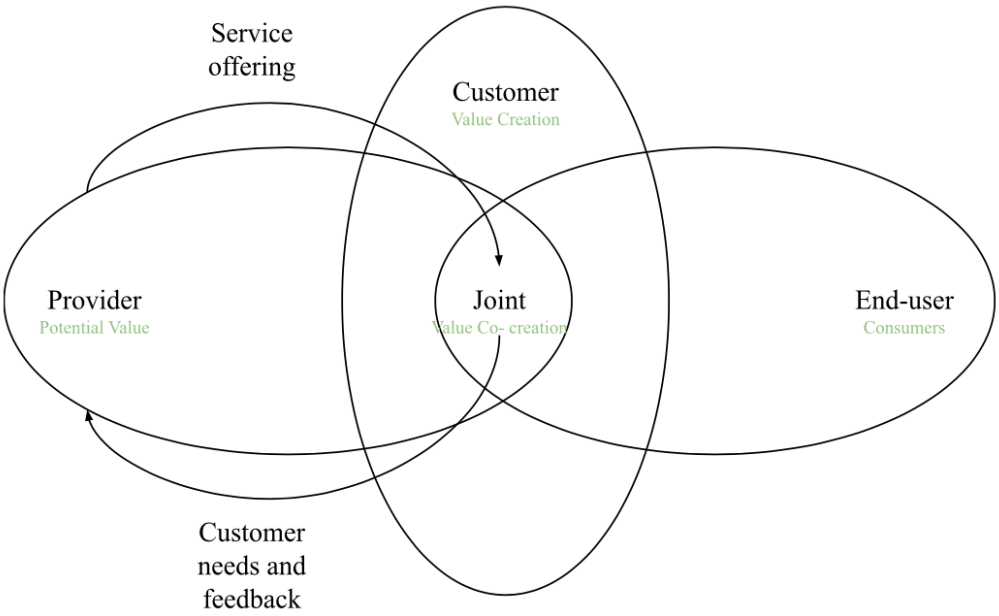

Figure 2.3: Sphere-model

In this thesis, the provider is the company and the customer are the sport organizations. In line with the insights on value creation from Grönroos (2011); Grönroos and Voima (2013), the provider facilitates the process by offering resources and opportunities for value creation. The role of the provider is to gather information (customer needs and feedback) from the joint sphere and the customer sphere, in order to use in their service development model. The service development model therefore has to be iterative and circular, similar to the NSD framework in 2.2.2 by Kindström and Kowalkowski (2009). This will result in service offerings, which are continuously customized and offered to the customer.

Customer feedback is gathered through social communication channels such as ongoing relationships and direct interactions with customers, in line with the value co-creation theory by Grönroos (2011). The focus on relationships is also supported by Kindström and Kowalkowski (2009) in the delivery stage of their process framework. In short, customer relationships permeates the theory of service, highlighted by Edvardsson and Olsson (1996) in section 2.2.1. Customer needs can be obtained through similar social communication channels, but is instead part of the earlier stage, market sensing, where Kindström and Kowalkowski (2009) emphasize that it requires a thorough scanning of potential customers and their needs.

The sphere model serves as a foundation for multi-level value co-creation perspective. As Woratschek et al. (2014) emphasize, value is co-created across intra, micro, and meso levels, involving individual actors, their interactions, and the broader network. As Grönroos and Voima (2013) argue, value emerges in joint processes, making stakeholder engagement central in service development within sport organizations. Woratschek et al. (2014) emphasize that value creation in sports in particular is co-created by all actors, illustrating the importance of capturing and engaging all actors on all levels.

3
Method

This study focuses on sport organizations and the method will have its foundation in the purpose and the research questions. The study will be based on literature studies and interviews, following a qualitative approach where theory is used to explore and analyze the experience of industry actors.

3.1 Research Strategy

The research strategy will be based on a qualitative approach. According to Bell et al. (2019) this strategy is appropriate for understanding complex processes, gathering insights from multiple perspectives, and allowing flexibility in data collection. The study is exploratory, with the aim of generating new insights within the area of service development and value creation for sport organizations.

The research is also exploratory in nature, since the topic of how to structure service development for a company supporting sport organizations has not been extensively studied, especially not the intersection of service development, non-profit management, and sports. Exploratory research is suitable when there is limited prior knowledge and when the study seeks to identify patterns, generate ideas, or uncover relationships (Saunders et al., 2023). In line with this, our research strategy aims to identify the challenges and opportunities for the company, while exploring the needs of sport organizations.

3.2 Research Design and Process

The study adopts a case study design, focusing on the company and sport organizations to investigate real-world applications and challenges. Eriksson and Kovalainen (2015)describe the features of case study as a qualitative approach widely applied in fields like business, law, sociology, and psychology. It centers on the detailed investigation of one or more defined cases within the real-world context. This method is especially useful for examining complex issues by collecting data from various sources to produce rich, contextual insights. In business studies, case research is often used to tackle practical challenges and deliver context-sensitive knowledge.

The research area is based on a general interest in sport, and an interest in the sport in question in particular from the researchers. The sport that is refereed to as 'the sport in question' is one of the ten most popular sports in Sweden in terms of active players. Due to anonymization, the sport will not be mentioned by name.

The researchers came in contact with The Company through contacts within the world of sports. Together with supervision from The Company and the university supervisor, the researchers identified a suitable scope for the case study. The sport in question was seen as large enough to be able to perform a study and create a degree of generalization, although the fact that it is a single case study limits this at the same time.

Bell et al. (2019) emphasizes that a case study allows for an in-depth examination of processes and stakeholder interactions, supporting a comprehensive analysis. The design integrates data collection (interviews) and literature study to ensure a holistic understanding (Bell et al., 2019). The literature study is conducted to understand the theoretical foundation and context of the area. Sources include academic journals, industry reports, and books. The selection criteria focus on relevance, credibility, and reliability, ensuring that the literature aligns with the study objectives.

By combining insights from stakeholders within the world of sports, with theory about topics such as value co-creation and NSD, the research design aligns with the goal of gaining new perspectives on value creation in sport organizations. The theory also covers the previous research done on voluntary workers in Sweden, a central part in non-profit organizations such as sport organizations. Due to the exploratory nature of the study, the process was not linear, but instead iterative and adaptable to new insights.

The research process was abductive, meaning that the authors go back to change the theoretical framework based on the findings from the interviews. The other options was to proceed with an deductive or inductive process.

Looking at deductive reasoning, it is a top-down approach that starts with existing hypothesis from theory, with the goal to test this against the findings from the study (Bell et al., 2019). In quantitative research this method is commonly used where premises are set, and if they are true, the conclusion is also true (Saunders et al., 2023). The data collections main function is to evaluate the hypothesis and prove if it is true or not. According to Saunders et al. (2023), it is basically about if the existing theory is false or true.

The other option, inductive process, is more of a bottom-up approach. The logic of this process is that you have known premises that are used to generate conclusions, which are untested (Saunders et al., 2023). According to Bell et al. (2019), if the process is inductive, theory is the outcome of the research. Furthermore, the focus lies in collecting qualitative data and gain theoretical insights in the research area. Even though inductive reasoning could be suitable for this research, an abductive process was seen as more suitable due to the exploratory nature.

According to Dubois and Gadde (2002), abduction is particularly useful in case study research where theories are developed and refined in an iterative process. It allows the researchers to engage in continuous interaction between theoretical framework, findings and analysis, allowing them to refine concepts as new insights emerge. Eriksson and Kovalainen (2015) identify three key characteristics of an abductive research approach. First, data collection and data analysis occur in an iterative and intertwined manner. Second, there is a continuous interplay between empirical data and theoretical concepts, the literature study, where theoretical frameworks are used

to sensitize and guide the analytical process. Third, the formulation and refinement of research questions is an evolving process that is revisited throughout the course of the analysis. Figure 3.1 below illustrates the iterative research process.

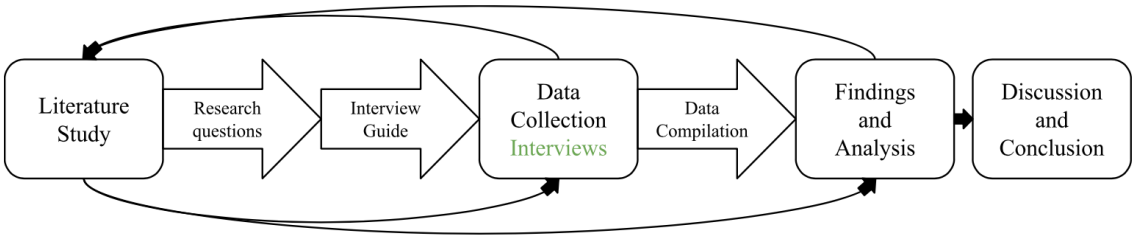

Figure 3.1: Abductive research process

3.3 Data Collection

The research started with an initial literature study to gain an understanding of the topic and define a scope. The literature study formed a foundation for the theoretical framework, enabling preparation for exploratory interviews. The primary data were collected during February, March and April 2025 and consisted of ten exploratory interviews, which served as the primary means of data collection.

The relevant organizations and actors is anonymized in this research. Below in 3.1, the organizations involved are presented with anonymized names, together with a short description.

Table 3.1: Organizations involved

Organization name	Description
The Company	The start-up company
Club A	Large sport organization
Club B	Medium sport organization
Club C	Small sport organization
SF	Swedish Federation for the sport in question

3.3.1 Interviews

The interviews were conducted through a variety of formats, including formal and informal meetings, phone calls, and video calls. To minimize interviewer bias and strengthen the consistency of data collection, most interviews were carried out jointly by both authors, who alternated between asking questions and taking notes. Although most interviews were auto-transcribed, real-time notes were also taken to capture immediate impressions, to highlight certain statements, and to identify potential misunderstandings or biases that might have influenced the interpretation.

According to Bell et al. (2019), with regards to sampling in qualitative research the goal is not statistical generalization but depth and richness of insight. Interviewees were selected using purposive sampling (Bell et al., 2019), focusing on individuals with relevant experience in service development and operations within

sport organizations. The purposive sampling of interviewees was based on the initial literature study and the authors knowledge, experience and contacts within the world of Swedish sport organizations. Since the authors have been active in sport organizations for many years, the experience and insights provided a foundation for sampling relevant interviewees. In some cases, snowball technique was used, where initial participants recommended others who could offer valuable perspectives (Bell et al., 2019).

An additional sampling technique was also used in some cases, theoretical sampling. Suitable when implementing a abductive method, theoretical sampling allows for choosing new participants based on what concepts or gaps emerge during analysis (Bell et al., 2019). An example of this was that more focus was put on interviewing potential end-users such as volunteers, youth players and partners. This approach, with a mix of sampling techniques, ensured that the data collected was rich, contextually grounded, and aligned with the study's exploratory purpose. Furthermore, looking at the different levels for analyzing value co-creation, introduced by Woratschek et al. (2014), the interviewees was selected with the aim to represent all three levels; intra, micro and meso.

The questions asked to the interviewees was mostly explorative and designed to get the interviewee to speak freely about their view of the topic. In appendix A.1, the interview questions are presented. Depending on the interviewee, different question blueprints was used, visible in appendix A.1. Below in Table 3.2, anonymized interviewees and their role are presented. The interviewees are presented in the order they were interviewed

Table 3.2: Interviewees, their role and time of the interview

Interviewee	Role	Interview Time
I_1	CEO Company	37 min
I_2	Employee Company	44 min
I_3	Club Director Club B	58 min
I_4	General Secretary SF	64 min
I_5	Club Director Club A	55 min
I_6	Former Club Director Club C	40 min
I_7	Volunteer for Club B	30 min
I_8	Youth player for Club B	24 min
I_9	Member/Parent/Youth coach Club A	43 min
I_{10}	Sponsor/Partner Club B	33 min

3.3.2 Timeline

When the scope of the research area was defined, the data collection process started with three exploratory interviews with actors within The Company, CEO I_1 and Employee I_2, and with one of their customers club manager for Club B, I_3. The interviews gave information of what The Company does today and what they want to achieve in the future with their services. Similarly, the customer explained their experience of the services provided today and elaborated on how it could be de-

veloped in the future. With the initial exploratory interviews, insights about the company and how they interact with their customers today were gained, forming base knowledge of existing offerings and processes.

In line with the abductive method, the literature study was continuously revised throughout the process, with empirical findings shedding new light on areas not previously taken into consideration, for example the initial interviews with the company indicated that it was not completely clear what role every actor had. This resulted in the foundation for the sphere model presented in 2.4. Inspiration to the sphere model came from Grönroos and Voima (2013) who presented a similar model but with only two actors, customer and provider. From this, the joint sphere was introduced and implemented in the new sphere model 2.4.

Two more interviews where held with different actors. The first one was with the general secretary of the Swedish Federation (SF) of the sport in question, I_4. With experience of working within sport organizations, in municipality politics, and now for SF, I_4 provided valuable insights in the world of sport organizations. The next interviewee was I_5, the club director of Club A, a large club with around 1700 youth members. With almost 50 years of experience in Club A, I_5 have been a key actor in the development of the organization. He has also been part of starting up two non-profit sport organizations from scratch, which has gained him a unique perspective in the world of sport organizations.

After identifying that Club B and Club A varied in size, a third club was approached, resulting in an interview with the former club director for Club C, I_6. This club was chosen to represent a smaller sport organization compared to the other two, although Club C still has an elite team. Additionally, Club C is an existing customer to The Company, although not to the same extent as Club B. The interviewee I_6 provided the research with valuable insights on existing services, but also information on organizational structure and operations of the club. After interviewing the three club managers and gaining insights on the clubs, a comparison between the organizational structure and financial posts could be presented. This was done to provide an overview of the similarities and differences of sport organizations within the area, setting the foundation for the analysis of potential service development areas for The Company.

The last set of interviews was done with actors that are seen as end-users. First, a volunteer I_7 from Club B provided insights on the motivation of being a volunteer and expectations on sport organizations. Since volunteers proved to be a central part of sport organizations, additional theory was added, for example a study by Lundberg et al. (2025) about the volunteer engagement in Sweden. This theory combined with interviews of all club directors led the researchers to focusing on more end-users, starting with a volunteer.

A youth player I_8 from Club B was interviewed which provided a perspective from a member of a sport organization. As a youth player and member, I_8 gave insights on potential improvement areas, motivation and expectations. Similarly, a member, parent and youth coach I_9 in Club A was interviewed and confirmed that as a member, parent and youth coach, you can be seen as a volunteer for sport organizations. I_9 described the assigned tasks you get as parent, and the support you get as a youth coach from the club. In addition to this, I_9 gave perspectives

on potential improvement areas regarding communication and structure. Finally, the last interview was conducted with a sponsor and partner I_{10} to Club B, which means that The Company is the provider for this actor. The findings showed that The Company is running the partner network for Club B, making I_{10} a customer and end-user to The Companies service offering. I_{10} provided the research with a unique perspective and for example pointed out flaws in The Company's feedback system.

When all interviews was done, the focus was on analyzing the data. The thought process behind the analysis is described more below in 3.4. In general the analysis followed the iterative nature of the abductive process. The analysis was divided in three parts, following the three research questions to ensure alignment with the purpose.

When the analysis was done, the discussion was outlined with a focus on three main areas of interest with relation to the purpose of the study, value co-creation in sport organizations, feedback structure and club segmentation. The aim with these areas was to be able to answer the three research questions by pinpointing the key areas of the study. This finally led to the managerial implications, explaining hands on how The Company and similar companies in the same context can implement and improve services in the world of sport. The conclusion was then presented with a summary of key takeaways of the study.

3.4 Data Analysis

Since the data was of qualitative nature, the interviews had to be categorized and put into context. This was done by reading through the interviews and manually categorizing quotes that were relevant to the research. Examples of categories is club financials, club organization or The Company's process and structure. By doing this, the analysis could be performed by combining findings with the theoretical framework.

In line with the abductive method, theory was added to the theoretical framework during analysis. An example of this was the focus on implementing quality functions and handle customer feedback, emphasized by Voorhees et al. (2017). The analysis was divided in three parts, the three research questions. The first question was answered with its base in the NSD framework by Kindström and Kowalkowski (2009). The NSD model became the foundation of the analysis providing a structure to analyze the activities of The Company in relation to theory. The second research question with a focus on actor involvement and potential co-creation was analyzed and presented by using the constructed sphere-model 2.4 and the actor involvement levels described by Woratschek et al. (2014). Lastly in the analysis, a new NSD model was designed and presented, with some adjustment in the existing stages activities, but mainly a new stage with focus on feedback.

3.5 Research Quality

The quality of research is a crucial aspect of any academic study, as it determines the trustworthiness, consistency, and usefulness of the findings. In business research,

this involves applying strategies that ensure the study is methodologically sound, ethically conducted, and clearly reported. Research quality can be judged through several key criteria, such as credibility, dependability, and transparency, which help establish confidence in the results. (Bell et al., 2019)

This study addresses research quality through four criteria presented in Table 3.3, introduced by Lincoln and Guba (1985) and further described by Bell et al. (2019). First, Bell et al. (2019) refers to credibility as the trustworthiness or believability of a researcher's findings. Techniques used to obtain this are respondent validation and triangulation. Second, transferability is used, which corresponds to external validity Bell et al. (2019). Instead of generalizing broadly, researchers provide thorough, detailed accounts so others can assess whether the findings apply to their own settings. Third, dependability refers to the need for a clear, documented research process so others can understand how the study was conducted and assess the soundness of its procedures (Bell et al., 2019). Lastly, confirmability refers to the extent to which the findings of qualitative research are shaped by the participants and not by researcher bias or personal interest (Bell et al., 2019). These strategies, described by Bell et al. (2019) as good research practice, collectively strengthen the robustness of the study's conclusions. In 3.3 below, the four criteria are defined and the application on this particular research is described.

Table 3.3: Quality criteria

Criteria	**Definition**	**Application on research**
Credibility	Trustworthiness and believability of the findings (Bell et al., 2019).	Both AI transcription tool and manual notes by one of the researchers were used during the interviews. Triangulation through interviews with diverse stakeholders.
Transferability	External validity, the ability for external actors to judge the relevance and applicability of the findings in other contexts (Bell et al., 2019).	Detailed context description of sport organizations and The Company enables external judgment.
Dependability	Focus on reliability, understanding how the study was conducted (Bell et al., 2019).	Transparent and documented research design; the iterative abductive process is thoroughly explained.
Confirmability	Asseses the objectivity of the researcher and if the researchers values have intruded (Bell et al., 2019).	Researcher roles, biases, and values is acknowledged and the data is grounded in stakeholder insights.

3.5.1 AI Assistance

As described in Table 3.3, AI was used as a transcription tool during the interviews. Additionally, to enhance the clarity, coherence, and overall readability of the thesis, AI-assisted tools were used to refine language and improve the flow of the text. These tools supported the authors in identifying grammatical issues, restructuring sentences, and ensuring consistency in terminology. While AI contributed to the linguistic quality, all content, interpretations, and conclusions were developed and critically reviewed by the authors to ensure academic integrity and alignment with the research findings.

3.6 Ethical Considerations

The research followed established ethical guidelines for qualitative research, as recommended by Bell et al. (2019), with special attention to first transparency, second voluntary participation, and third avoidance of harm.

To ensure ethical integrity throughout the research process, several measures were taken. All participants were informed about the purpose of the study and participated voluntarily. Informed consent was obtained prior to each interview, and participants were given the option to withdraw at any time. Additionally, all interviewees are offered to read the report before publication.

To protect the privacy and confidentiality of individuals and organizations involved, all actors have been anonymized in the report. Organizations are referred to using generic labels, for example Club A, The Company, and interviewees are identified only by role or code, for example CEO I_1. Sensitive or identifiable data has been excluded or reformulated where appropriate.

4

Findings

This chapter presents the empirical findings of the study, drawing on a series of interviews conducted with stakeholders within and in connection to sport organizations, and the service provider The Company. The results are organized according to the three main actors in the service ecosystem: the provider (The Company), the customer (sport organizations), and the end-user (such as volunteers, members and sponsors). For each of these stakeholder groups, the chapter presents key themes that emerged from the data, including the current service offerings, the structure and financial items of sport organizations, and the involvement of volunteers.

4.1 Provider

The Company is a start-up that provides services to sports organizations in Sweden. The organization consists of five full-time employees and one part-time employee. Additionally, a seventh individual is currently completing an internship at The Company. Employee 1, CEO I_1, who is also one of three owners, holds primary responsibility for The Company's operations and additionally serves as Sales Manager and Business Developer. Employee 2, I_2 is responsible for financial management and coordination, as well as overseeing community projects, digital design, and administration. To support her, Employee 3 assists primarily with administrative tasks, particularly hotel services and the management of food supply services. Employee 4 works exclusively with sales, focusing on offering The Company's services to businesses and sports organizations. Employee 5 is also engaged in sales but is additionally responsible for managing the partner networks. The part-time Employee 6 primarily assists the sales department. The intern, Employee 7, is responsible for event management, social media activities, and branding initiatives. In Figure 4.1 below, The Company's organization is visualized.

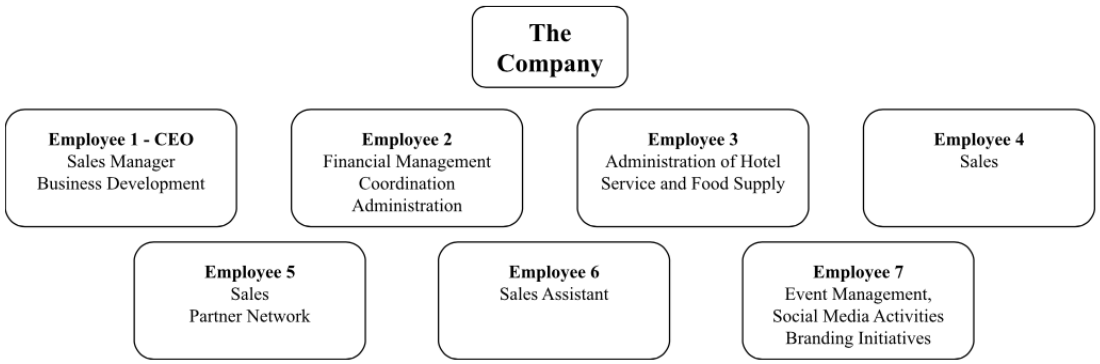

Figure 4.1: The employees and their roles at The Company

The Company's business model focuses on improving the financial situation of sports organizations by offering services tailored to their specific needs. Later in this chapter, examples of the service modules offered will be presented. In general, The Company seeks to leverage the business potential within the sports sector. Sports organizations have extensive reach within their communities, engaging hundreds of active youth players and their families, which The Company can capitalize on by partnering with these organizations as customers and collaborators. By identifying the needs and activities of each sports organization, The Company is able to design services that create a financial win-win for both parties.

4.1.1 Vision

When asked why The Company exists, CEO I_1 answered:

> *"All sport organizations want to operate like businesses, but they function as non-profit organizations, which I don't think is sustainable in the long run. We saw a need for external support to manage the business aspects, allowing the club to focus on being a club. The sport organization is our customer, but also our partner".*

Thus, The Company's business model enables sports organizations to focus on activities directly related to the sport itself, while The Company handles the business side of operations. The specific support provided is tailored to the unique needs of each organization, but in general, The Company aims to reduce costs and increase revenue. For example, some organizations, which host tournaments, aim to lower wholesale costs through The Company's partnerships with food suppliers. Others, such as Club B, seek assistance with more comprehensive services, including the management of partner networks and social media.

CEO I_1 emphasizes that The Company's goal is not to alter the structure or function of sports organizations: "Those who serve as chairpersons in clubs are more adept at their roles than we are. However, they often lack the resources, specifically time, which results in fewer working hours and, consequently, poorer outcomes." Having been actively involved in sports organizations for many years, CEO I_1 understands both the daily challenges they face and how The Company can

support them. "Our goal is to help sports organizations operate more like sustainable businesses, without compromising their core identity, by offering smart, cost-neutral service modules that unlock new value," CEO I_1 explained, and emphasized that, while doing all this, The Company remains a for-profit business.

4.1.2 Offerings Today

The company offers a range of service modules designed to support sports organizations in their daily operations. One employee explains: "The offerings aim to enable sports organizations to function more like sustainable businesses, without losing their soul, by providing smart, cost-neutral services that unlock new value" [I_2]. These offerings are tailored to meet the specific needs of each sports organization. Depending on those needs, the services may focus on reducing costs or increasing revenue through economies of scale, or providing opportunities for new business ventures. Four of the service modules are outlined below, with an overview provided in Figure 4.2.

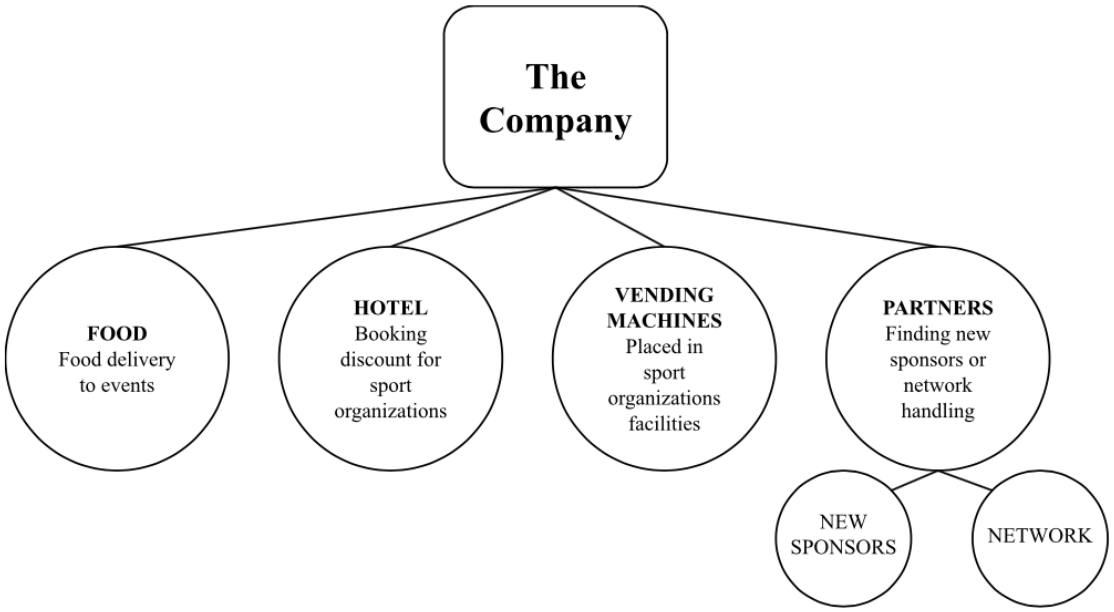

Figure 4.2: Four main offerings from The Company

4.1.2.1 Partner Network

The partner offering consists of two components. The first part, as illustrated in Figure 4.2, is the network service. This means that a sports organization can enter into an agreement with The Company, which ensures that the organization's sponsors become part of The Company's network. The second option involves The Company actively seeking new sponsors for the sports organization. In this case, the organization pays an annual fee, and The Company acts as a consultant with the goal of securing new sponsors, while also maintaining existing relationships through the network service, which is included as part of the offering.

CEO I_1 describes the partner module as a merger of business networks that creates value for both sports organizations and their partners. "By broadening the exposure base, The Company enhances its ability to provide sponsors with added value upon which to build lasting partnerships." Sponsors benefit from increased exposure and networking opportunities, which can lead to new business, while sports organizations are relieved from the responsibility of securing new sponsors or ensuring the satisfaction of their current sponsors.

CEO I_1 further emphasizes the core purpose of this offering: "Let the club focus on recruiting kids, and we'll manage their partner network, because that's what we're good at." According to Club Director I_6, one of the primary challenges sports organizations face today is managing their partner networks and attracting new sponsors. Historically, clubs would sign sponsors with personal connections to the organization, such as an owner of The Company whose child played in the club. Often, a billboard in the arena was the sole marketing material offered in return. However, this has since changed. Today, companies select which sports organizations to sponsor based on the offerings available in return. For example, Club Director I_6 had a promising potential sponsor who ultimately chose to support another sports organization due to its more developed partner network, featuring more companies and frequent networking events that offered greater business opportunities. Companies now recognize the value of networking, according to Club Director I_6. They are no longer just sponsoring a specific sports organization; they are paying for a place within a broader, more strategic network.

4.1.2.2 Food Supplier

The Company has an agreement with a food supplier, which allows it to offer designated food supply services to sports organizations. Every sports organization requires access to food during various activities, a need that CEO I_1 capitalizes on, stating: "For tournaments, games, and camps, food is essential. If we can offer sports organizations more affordable food due to our purchasing volume, it's a win-win." Through this agreement, The Company can provide meal boxes to sports organizations at a favorable purchase price. However, the portion sizes of the meal boxes are predetermined, and only a limited number of different dishes are available to choose from. The profit margin per meal box is minimal, which makes it essential for the service to operate on high volume to be financially viable. As the designated food supplier for numerous tournaments and camps, where thousands of meal boxes are required, the volume and, consequently, the revenue increase substantially. Revenue is shared between the food supplier and The Company based on the terms of their agreement. As a result, the food supplier benefits from increased sales through The Company, while The Company retains a portion of the revenue. Sports organizations also benefit by reducing their food expenses, which in turn improves their profit margins.

4.1.2.3 Hotel Collaboration

In alignment with its goal of providing essential services to sports clubs, The Company has established an agency agreement with a hotel chain. Similar to the food

supply service, hotel accommodation is a fundamental requirement for nearly all sports clubs. Through this agreement, The Company secures a 15% discount on bookings with the hotel chain, enabling it to offer more competitive pricing to sports organizations. Additionally, sports organizations receive a 5% kickback on the total booking turnover. This service can be utilized not only for the clubs' own teams when traveling, but also for visiting teams participating in their tournaments. "If we can negotiate a better price with a hotel for the club's tournament, and the club gets a kickback, that's pure value. Everyone wins," CEO I_1 stated.

4.1.2.4 Vending Machines

Another provider that The Company has entered into an agency agreement with is a provider of easy-to-set-up smart vending machine solutions. This provider, which specializes in modern, technology-driven vending machines, recognized an opportunity to expand its customer base through The Company and gain a foothold in the sports industry. The provider granted The Company the right to act as a reseller of its products, in exchange for a commission on each unit sold.

4.1.3 Customer Needs and Feedback

As The Company is still in its start-up phase, the focus has not yet been placed on establishing a formal customer feedback structure. Employee I_2 explains: "Given the relatively short period of time we've been operating, we haven't developed any feedback systems yet; it has primarily been based on customer relationships." One example of feedback involved some customers expressing that the food provided did not meet their expectations in terms of portion size. In this case, the communication channel has been to call or email the designated contact person at The Company. This feedback was then forwarded to the food supplier for resolution.

Regarding the identification of needs for new services, the process has largely been based on the experience and network of CEO I_1 within the sports industry. Some service modules have been developed almost by accident. For example, the food supply service emerged when CEO I_1 made a contact and realized that sports organizations frequently require food for events. This realization led to the idea of combining the food business with the needs of sports organizations. The core value of this idea lies not in the food delivery itself, but in the volume advantages that The Company can leverage, a principle that is central to many of its offerings.

Idea generation is not solely based on chance. An employee adds: "We work closely with clubs to understand what costs them money and what could generate income. From there, we build the service" [I_2]. The Company continuously leverages its knowledge and contacts within the sports world to generate new ideas and identify additional ways to support sports organizations.

4.1.4 Envisioned Future Areas

During the interviews, the participants were given the opportunity to envision potential future areas where The Company could assist sports organizations. Several of these ideas are presented in this section. For instance, CEO I_1 proposed leveraging

another essential need of sport organizations on game days: transportation to and from the arena. Travel related to youth activities, such as games and tournaments, is frequent during the season, with players often driven by their parents. The idea is to explore whether these trips could also serve as a logistics service for package deliveries. For example, if a package needs to be transported from point A to point B, and a youth team from point A is scheduled to play at point B, the sports organization, collaboration with The Company, could coordinate the transport and deliver the package during the trip. This could potentially generate additional income for the sport organization.

Another example of a future opportunity comes from Club Director I_3. He suggests creating an overview model that would allow sports organizations to identify areas where they might require assistance, such as organizing volunteers. "Every sports organization has the potential to generate value; they just need to identify the area in which they need help." This idea would also assist The Company in identifying specific customer needs for each sports organization.

4.2 Customer

In this study, sports organizations are considered the customers. The findings indicate that most sports organizations share a similar structural framework, though the size of the organization, as well as its income and expenses, can vary.

4.2.1 Structure

According to SF Secretary I_4, a well-structured organization is crucial for sports organizations: “It’s all about organization. Often, you have very capable individuals on the board, but when it comes to sports organizations, they sometimes relax and believe things will simply work out.” SF Secretary I_4 also emphasizes, based on his experience, that financial performance and sports performance are closely intertwined: “The more organized you are in terms of finances, the better you’ll manage sports performance as well.”

Since 2011, Club B has quadrupled its turnover, a result of competent individuals who have worked consistently and with a long-term perspective. According to Club Director I_3, this success can be attributed to a more market-oriented approach and a proactive search for revenue opportunities beyond sports.

SF Secretary I_4 also shares an example of a sports organization that initially struggled with its operations, particularly in terms of finances and structure: “One sports organization was in a really poor position. They managed to regain control over their finances, restructured their operations, and are now thriving again.” He asserts that many sports organizations in Sweden face similar challenges: “This is not unique to the sport in question; it applies across all sports.”

In general, sport organizations structure can be categorized in three branches showcased in Figure 4.3: market, sport, and back-office. Club Director I_5, Club Director I_3, and Club Director I_6 all mention similar roles within these categories. However, sports organizations differ in terms of organizational size and the number of members.

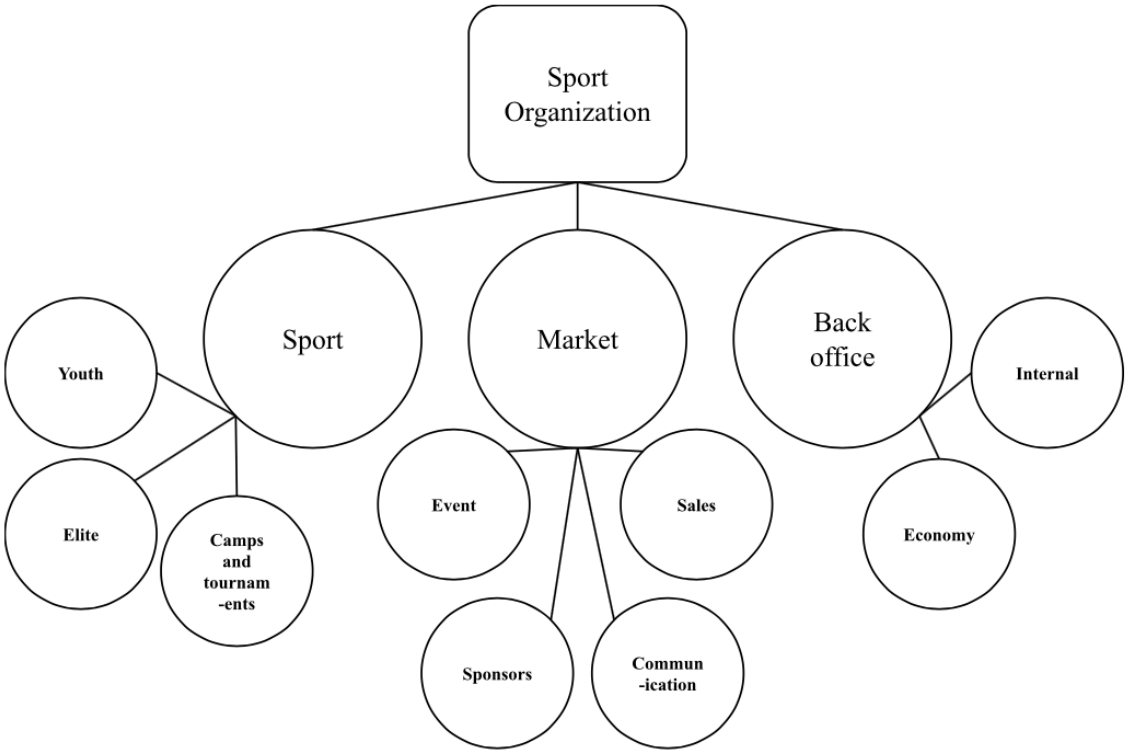

Figure 4.3: The main branches of a sport organization

4.2.1.1 Large Organization - Club A

Club A is one of the largest sports organizations in Sweden, with approximately 2,000 members, and as a result, it has the resources to manage all operations in-house. Club Director I_5 describes the general structure of the three in-house branches, which collectively consist of 15-20 full-time employees, fairly evenly distributed across the branches. The market branch is responsible for sales, events, sponsors, and communication. A key aspect of event management is organizing volunteers. The sport branch focuses on elite teams, youth development, and youth tournaments and camps. The club hosts its own youth tournament, although it operates as a separate entity due to its large scale. The third and final branch is the back office, which handles financial matters and internal operations. Club Director I_5 emphasizes the importance of cohesion within the organization, likening it to The Company: "All branches must work together and remain healthy, otherwise, it will not function."

4.2.1.2 Medium Organization - Club B

At Club B, there are four employees working in the back office. In addition to Club Director I_3, there is a full-time employee responsible for the youth sector, another full-time employee in charge of tournament operations and lotteries, and a part-time financial manager working at 60%. Additionally, two services are outsourced to The Company: a full-time service responsible for sponsors and the partner network, and an 80% service for social media management and match event coordination. Both

services work towards meeting budgeted sales targets.

When asked about the main advantage of purchasing services from The Company, Club Director I_3 highlighted the access to professional knowledge. “Previously, we had employees responsible for sponsors and social media, but they lacked the expertise needed to make improvements and drive development,” he explained. “The Company provides greater resources and a larger network, which has helped us find more and better partners and sponsors.” However, external assistance also presents some challenges. In the past, when all employees worked together in the office, discussing detailed issues was easier. “It doesn’t matter whether the employees are from the club or The Company, as long as they are in close proximity to one another,” stated Club Director I_3.

4.2.1.3 Small Organization - Club C

At Club C, Club Director I_6 describes the current structure, which consists of only one full-time employee. Due to financial constraints, the club has made cuts, and the full-time employee now holds an administrative role with financial responsibilities, in addition to sport-related duties. The organization does not have a dedicated youth development employee; instead, the responsibility is divided among a larger number of volunteers, known as youth officers, with one responsible for each age group. Club Director I_6 notes that this approach has worked well and resulted in cost savings, although it still requires evaluation: "Thanks to this structure, the youth officers have more time on the floor with the teams compared to if there had been only one full-time officer." Lastly, The Company handles most of the market-related activities, including managing sponsors and the partner network for Club C.

4.2.2 Finances

To understand the financial situation of sport organizations and identify areas where improvements can be made, both income and expense items are presented. Club Directors I_3, I_5, and I_6 highlight similar items as the most essential. The largest and most common income and expense items are presented in Table 4.1, with further explanations for each investigated sport organization provided in the subsections below.

Table 4.1: Incomes and expenses

Incomes	**Expenses**
Sponsors	Employees
Membership fees	Elite teams
Youth tournaments and camps	Events
Sales	Youth development
TV-revenue	Facilities
Grants	
Community projects	

4.2.2.1 Incomes Club A

Sponsors and Partners: A major source of income for sport organizations is sponsorship and partnerships, which are essential for their operation. Club Director I_5 mentions that when starting in the late 70s, there were not as many sponsors involved in sports. Today, however, it is a necessity for competing at an elite level. As mentioned earlier, Club A has a dedicated market branch that handles its partner network and sponsors. Club Director I_5 emphasizes the importance of goal setting, stating, "We set clear goals for all areas, including the number of sponsors and the revenue they generate." He further highlights that partners and sponsors should be considered an integral part of the 'sport organization environment', fostering an atmosphere where both parties benefit mutually.

Membership Fees: Membership fees represent another crucial income source, particularly for non-profit organizations in Sweden. Naturally, the more members a sport organization has, the higher the membership fee income. For most sports organizations, youth members contribute the majority of the membership revenue. With approximately 1,700 youth members, membership fees become a substantial portion of the financials.

Youth Tournaments and Camps: With Club A running a separate organization for its youth tournament, it demonstrates the potential for sport organizations to generate income through these activities. Internally, Club A organizes camps that attract youth players to the sport while simultaneously generating income from participation fees.

Sales: Sales contribute to revenue in various forms, including ticket sales for games, cafe sales, lottery tickets, and merchandise. For instance, the sale of lottery tickets has historically been a significant revenue stream for Club A, relying heavily on volunteers, including members and their families.

TV Revenue: Revenue from television can vary depending on viewership and the sport, but it represents a considerable income source for teams in the top division, such as both the men's and women's teams at Club A. However, this income is a privilege enjoyed by only a select few, as the majority of sport organizations do not compete in the highest divisions.

Grants: Club Director I_5 explains the grants received by Club A: "The largest grants are the national and municipal activity grants, which are awarded based on the number of players, training groups, and the frequency of activities." In Club A, the financial officer coordinates most of the grant applications. SF Secretary I_4 also emphasizes the underutilization of grants by some sport organizations, noting that many do not apply due to a lack of knowledge. For both large and small organizations, grants can be a significant income source, particularly those based on the number of active players.

4.2.2.2 Expenses Club A

Employees: Club Director I_5 states that employees are a big cost item, essential for the organization to function. The cost of employees naturally increases the bigger the sport organizations is. More members, sponsors, tournaments, and activities in general demand more employees. As mentioned, Club Director I_5 states that

Club A has 15-20 full-time employees. This doesn't include the elite team players or coaches.

Elite Teams: For elite sport organizations, such as Club A, the elite teams (both men and women) are a noticeable expense.

Events: Related to income-generating events such as games, tournaments, and camps, there are expenses in staffing cafes, security, and entrance hosts. However, this is an area where volunteers play a huge role. Club Director I_5 describes the size of volunteer engagement: "Around 60-70 people work every match, all volunteers." This is an example of the cost-saving benefit that volunteers provide for sport organizations in Sweden.

Youth Development: As with most sport organizations in Sweden, a significant part of Club A's activities is based on youth development. Sport organizations focused on youth development will have expenses related to travel, coaches, insurance, materials, and logistics. This is also an area where volunteers can play a crucial role as youth coaches. For example, Club A has around 300 youth coaches who are volunteers.

Facility: Club A rents most of its facilities from the municipality. The alternative would be to own the facilities, which demands a large investment but offers advantages such as full control over the booking schedule and the security of always having the option to sell.

4.2.2.3 Incomes Club B

Sponsors and Partners: Sponsorships represent a significant source of income for Club B. The Club Director, I_3, emphasizes the value of having an elite team in attracting sponsors: "All sponsor income is directed to the club, with benefits spread across all departments, not just the elite team." However, the elite team plays a crucial role in securing sponsors seeking visibility. Without an elite team, sponsorships often stem from local businesses or family members of youth players who wish to support their community.

Membership Fees: Membership fees serve as one of the primary sources of income for the club, with approximately 1,200 members. In recent years, the club has gradually increased membership fees in response to economic challenges. Compared to the other two clubs surveyed, this particular club has the highest membership fee.

Youth Tournaments and Camps: Club B organizes two youth tournaments, which serve as substantial revenue generators. Additionally, the club arranges youth camps during Swedish holidays, further contributing to its finances. Club Director I_3 highlights that while such events require planning, their successful execution brings value in several ways, not only financially but also in fostering intangible benefits such as community engagement, active living, and a sense of belonging.

Sales: The club generates income through sales of game tickets, food and beverage offerings in the cafeteria, lottery tickets, and merchandise. Aside from cafeteria sales, these revenue streams do not play a dominant role in the club's overall financial performance, especially in comparison to other income sources outlined above.

TV Revenue: As with Club A, the revenue generated from television broadcasting rights is a notable income stream for Club B, particularly as the club competes in the highest division for both men's and women's teams. Club Director I_3 describes the advantage of being in the highest division for TV revenue: "Today, the income from TV rights is relatively substantial, contributing significantly to the club's overall finances."

Grants: The ability to apply for grants varies among sport organizations, though according to SF Secretary I_4, all organizations have access to some form of grant opportunity. Club B regularly applies for various grants, including those based on the number of active players and the activities conducted at their facilities. Club Director I_3 notes that the club receives a significant amount in grants but acknowledges that some grant applications require considerable effort to complete. "We could probably double the amount we receive from grants, but writing the applications is a lot of work," he remarked.

Community Project: The club has also invested resources into executing a community project in a vulnerable area, which has attracted financial support from companies operating in that locality. This initiative has led to greater funding than expenses, generating a surplus that benefits the sport operations of the club. "Find your unique opportunity to increase income within your sports organization," advises Club Director I_3 when asked what advice he would offer to other sport organizations.

4.2.2.4 Expenses Club B

Employees: Club Director I_3 states that employees represent a significant cost item, integral to the smooth functioning of the organization. Club B employs six full-time staff, including two services contracted from The Company. The cost of employees naturally increases as the size of the sport organization expands. With a greater number of members, sponsors, tournaments, and activities, the need for additional staff grows, as evidenced by the disparity in the number of employees between Club A and Club B.

Elite Teams: Club Director I_3 explains that while elite teams may not always be financially profitable, they serve multiple important functions that are difficult to quantify. These include acting as role models for younger athletes and enhancing sponsor engagement, which are invaluable contributions to the overall success and visibility of the club.

Events: In order to host events such as games, tournaments, and camps, Club B leverages the support of volunteers, significantly reducing the associated costs. Volunteer roles typically include staffing the cafeteria, security, and serving as entrance hosts. This volunteer support is a crucial element in managing the financial demands of organizing such events.

Youth Development: Similar to Club A, Club B has a substantial youth program, which incurs several unavoidable expenses, including travel, coaches, insurance, materials, and logistics. However, many of the youth coaches at Club B are volunteers. Club Director I_3 states, "All youth coaches up to the junior level are non-profit workers." The financial burden would be considerably higher if both Club B and Club A were to employ all youth coaches, highlighting the significant cost-saving potential of utilizing volunteer labor in this area.

Facility: Facility costs are another key expense for sport organizations. Whether renting facilities or owning them, such costs are inevitable. In the case of Club B, the club owns its own facilities. While Club Director I_3 acknowledges that owning a facility does not always present a clear financial advantage due to ongoing maintenance costs, it provides the organization with greater flexibility and a safety net. Ownership allows the club the option to sell the facilities if necessary, which can offer long-term financial security.

4.2.2.5 Incomes Club C

Sponsors and Partners: Similar to the other two sport organizations, sponsors represent one of the largest sources of income for Club C. In the most recent season, the club experimented with partner management through The Company, which resulted in the acquisition of new partners. Furthermore, The Company's management of these partners has eased the workload of the non-profit workers who were previously responsible for this area.

Membership Fees: The membership fee in Club C is comparable to that of Club A. However, due to a smaller membership base, the total income generated from membership fees is lower than that of Club A.

Youth Tournaments and Camps: Club C organizes smaller tournaments and camps compared to Club A and Club B, but these still contribute to the club's revenue. Although not as large-scale, these events provide a valuable income stream for the club.

Sales: The sources of income from sales in Club C are similar to those in Club A and Club B, including revenue from game tickets, cafeteria sales, lottery tickets, and merchandise. However, the overall revenue from these sales is lower, primarily due to a smaller number of members and fewer visitors during elite games.

TV Revenue: Club Director I_6 explains that the TV revenue generated by Club C's men's team is almost negligible, as the team does not compete in the highest division. However, the women's team competes at the highest division, albeit the revenue generated from TV rights for women's sports is still lower compared to that of men's teams.

Grants: Club C applies for similar grants to those sought by Club A and Club B, which are an important income source for the organization. These grants provide significant financial support for the club's operations and activities.

Community Project: Both Club C and Club B have developed a more collaborative relationship through their affiliation with The Company. Leveraging this partnership, Club C was given the opportunity to implement a version of Club B's community project in a nearby vulnerable area. This initiative, as explained by Club Director I_6, aims to contribute positively to the local community while also securing financial support for the club.

4.2.2.6 Expenses Club C

Employees: Club C currently operates with a single employee, who holds the dual roles of club director and administrator, while also overseeing the sports section. Over the past few years, the club has typically maintained a staffing level of be-

tween 1.5 to 2 full-time equivalent employees, in addition to 1.5 full-time equivalent positions specifically dedicated to organizing a youth tournament. However, the decision to reduce the staff to just one full-time employee was made as part of a broader strategy to implement financial savings, with personnel costs being a significant area targeted for cuts.

Elite Teams: In Club C, no players, whether male or female, are full-time employees. While all senior players receive salaries, these are not comparable to those of the players at Club A or Club B. Consequently, the overall salary expenses related to the elite teams are lower than those in the larger clubs, although they still represent a considerable expense for Club C.

Events: Similar to the other clubs, Club C incurs expenses related to organizing events such as youth tournaments and camps. However, due to the smaller scale of the club and fewer active players and events, these costs are generally lower compared to those of larger organizations.

Youth Development: Similar to the other two clubs, Club C faces expenses related to youth development, such as travel, insurance, materials, and logistics. However, these costs are somewhat lower due to the fewer number of active players. Furthermore, as part of their cost-saving measures, the position of an accountant responsible for the youth sector was eliminated. Despite this reduction in staff, a new structure was introduced where a large number of youth coaches, working on a voluntary basis, share the responsibilities. While the new structure has not been fully evaluated, it has yielded cost savings and allowed for more practice hours between coaches and youth players, which appears to be beneficial for the club.

Facility: Club C rents its facilities from the municipality, incurring related costs, which are a standard expense for the club.

4.3 End-Users

In this case study, the concept of the "end user" can take various forms. Volunteers play a crucial role within a sport organization (the customer), and from the perspective of The Company, volunteers are also regarded as end users. This is because a volunteer might be an unpaid youth coach who eats a meal box from the food supplier on the way to an away game, directly interact with and consume a service offering. However, it could be argued that a volunteer working in a cafe during a club tournament is not directly consuming a service. Nevertheless, they are still considered an end user, as they are part of the sport organization. In this case, the volunteer functions more as a resource than a consumer, but their role still places them within the scope of service interaction. Additionally, not all end users are volunteers. Members of the sport organizations often act as end users, as they directly benefit from the services provided, such as the food supply and hotel deals. Furthermore, companies that are part of The Company's partner network through sponsoring sport organizations can also be considered end users, as they gain valuable business opportunities and establish relationships through their involvement.

4.3.1 Volunteers

Being a resource for the sports organization is an accurate description of a volunteer. As a volunteer, you contribute to whatever is needed for the organization's operations. Some individuals seek out non-profit work in sports organizations entirely voluntarily, while others take on volunteer roles with some resistance. The latter group mainly consists of parents of young athletes who are assigned work shifts during the club's youth tournaments.

These tournaments are highly valuable for sports organizations, primarily from a financial standpoint. To ensure the smooth running of these events, the commitment of parents and other volunteers is essential. Volunteer labor during tournaments typically includes tasks such as running cafes, filming games, and managing the secretariat throughout the events.

According to Club Director I_6, while volunteers generally understand the financial benefits these events bring, they often question why they, specifically, are expected to do the work, hence the resistance. CEO I_1 has observed a similar trend: "In the past, more people were willing to volunteer and actively sought out volunteer work compared to today."

However, there are also those who actively seek out volunteer opportunities. In an interview, Volunteer I_7 shared his perspective: "I do volunteer work because I care about the club and want to help it, but also to help myself feel good." He continued: "As a retiree, it is important to stay active. One doesn't feel excluded from society, but there can be a sense of distance. Being involved in an organization gives me a sense of belonging, a feeling that I am accomplishing something and making a contribution."

Volunteer I_7 also emphasized the value of building relationships with new people, describing it as a satisfying experience that helps expand a network of contacts, something he considers useful. As a retiree, he has ample time for voluntary work, which may not be the case for everyone. Nevertheless, he stressed that everyone can contribute in their own way: "Each person can contribute what they can, according to their abilities and the time they have available." He concluded: "It is thanks to us volunteers that sport organizations are able to function," and added: "By volunteering my time, I serve as a role model for others," likening the collective impact of volunteer efforts to "several small streams leading to a large river."

Employees of sports organizations coordinate volunteers by creating schedules that assign tasks and responsibilities. According to Club Director I_3, a key factor in successfully engaging non-profit workers is helping them understand how the organization operates; its values, its spirit, and its overall purpose, so that volunteers feel a genuine sense of belonging. When a third party, such as The Company, is involved, achieving this connection can be more challenging, as the connection between volunteers and the core values of the sport organization may weaken. Volunteers may feel less directly tied to the organization's mission and community when coordination and communication are filtered through an external partner. "The most optimal approach to utilizing volunteer labor is to have a clear structure and support system in place, while ensuring that the joy of the work and the sense of belonging to the organization are not lost," Club Director I_3 stated.

Satisfied volunteers tend to perform better, according to Volunteer I_7. He

emphasized that recognition and gratitude from the club are crucial for maintaining motivation. “Even something small, like a sandwich or a drink, can be enough when you’ve made a significant effort,” he noted. However, he also mentioned that there are times when he feels taken advantage of, for example when expected to perform tasks that should fall under the responsibilities of paid employees. These are the occasions when his motivation to continue volunteering decreases.

Club Director I_3 also highlights a key distinction between employees and volunteers: “An employed person can be held to specific requirements, but not volunteers,” he argued. This underlines the idea that one cannot expect the same level of commitment or results from a volunteer as from a paid staff member.

Club Director I_5 echoes this sentiment, stressing the importance of not becoming overly reliant on any single volunteer: “Volunteers can say no or quit at any time. The sport organization cannot make demands, only hope that they can be relied upon.”

4.3.2 Members

As members and youth players within a sport organization, different expectations arise. A youth player, I_8, from Club B explains: "I expect training, coaches, camps, and enjoyable activities with the team, among other things." Additionally, I_8 mentions that the primary expectation is for a safe and enjoyable environment where friendships are built. "I often arrive a few hours early for training just to hang out, but sometimes it can be a bit unexciting, as there is not much to do."

When participating in a tournament, players often have certain expectations in exchange for the participation fee they pay. I_8 outlines these expectations: "I expect accommodation, food, transportation when necessary, and of course, the opportunity to play games." In tournaments, teams frequently stay in schools, and while I_8r acknowledges the fun in that experience, they express a preference for hotel accommodations if the cost remains the same.

Additional expectations related to tournaments include the recording of games, highlight reels, merchandise, good food and snacks at the facilities, and a well-planned game schedule. I_8 emphasizes that there is potential for improvement in the latter two areas, specifically regarding better food options and a more efficiently arranged game schedule. "It is always better to play games in the same facility on the same day, so you do not have to travel too much."

Parents also play an important role within sport organizations, often volunteering their time and resources. I_9, a youth coach and parent, shares their expectations: "I expect some colleagues and perhaps some clothing for training sessions and games." There are also areas where improvements could be made, particularly in the organization of activities outside of actual training and games. "I believe the club should take responsibility for organizing tasks such as filming games, managing food logistics, staffing the cafeteria, and other duties." While these responsibilities are typically managed by the sport organization, I_9 points out that they are sometimes carried out in a disorganized manner, which often places additional strain on youth coaches.

"I am more than happy to help as a parent," I_9 continues, "but I believe there

needs to be more transparency and structure." It is noted that many of these tasks are recurring and relatively simple, and that clear instructions, such as knowing what needs to be done and when, would greatly help, particularly with tasks like staffing the cafteria.

4.3.3 Partners to Companies

Sponsoring companies provide financial support to sports organizations in exchange for benefits as outlined in the contractual agreement. Organizations choose to sponsor for a variety of reasons. Some do so from a marketing perspective, seeking visibility and promotional opportunities through the sports organization, while others have a personal affiliation with the club and wish to contribute financially without any particular agenda. However, CEO I_1 observes a growing trend: relationship-based sponsorships are becoming increasingly rare, as companies now prefer to sponsor sports organizations that offer greater business value, such as access to a well-developed partner network.

The enterprise where I_{10} serves as Sales Manager sponsors Club B. The sponsorship is partly motivated by personal connections, as several mandate holders have roots in the club and wish to support its activities, recognizing the important role it plays for young people. However, the sponsorship is also viewed as a business opportunity, providing access to the club's partner network. In recent years, the enterprise's involvement had been based primarily on personal relationships. "When I became the Sales Manager, it was not even of interest to assess the financial return on investing in the club," I_{10} explained. Currently, the enterprise seeks to combine personal engagement with commercial benefit through its sponsorship activities. According to I_{10}, being associated with Club B strengthens the enterprise's brand. During customer visits, they regularly highlight their sponsorship of the club, and when producing promotional videos, they have collaborated with Club B. In addition, they occasionally organize match-day events to enhance their visibility and hold raffles offering prizes aimed at strengthening their brand among the club's younger players. Despite these efforts, the enterprise has requested greater support from the club to improve its brand profiling, but with limited success. According to I_{10}, the club has shown little interest in providing the requested assistance and has also been inadequate in demonstrating appreciation toward its sponsors.

The enterprise seeks to bring its customers to Club B's games and use the events as opportunities for business development. However, given the current conditions at the arena, they are currently reluctant to do so. "In order to bring our customers to the games, the arrangements need to be improved," I_{10} explained. He further stated: "As sponsors, we would expect a sense of VIP treatment. We would appreciate being offered pastries and served food in a designated VIP area within the arena." I_{10} acknowledges that such improvements would require additional financial and logistical resources. Nevertheless, he maintains that investing in enhanced hospitality services would be worthwhile, as it could strengthen the club's sponsor relationships and attract new partners over time.

As a sponsor, I_{10} also wishes to have greater influence within the club by contributing in areas where the enterprise's expertise could be of value. He proposed

the idea of establishing a sponsor council. "Club B could make better use of us sponsors who are passionate about the club, particularly in areas where we have relevant knowledge. For example, we could work on issues such as how to attract more visitors to the games or how to secure additional sponsors," he suggested.

Since The Company assumed responsibility for Club B's partner network, I_{10} perceives that little has changed. In fact, he almost preferred how the network was managed previously. He acknowledges that a positive development under The Company's management is the increase in the number of companies within the network, which in theory offers greater opportunities for new business connections. However, he feels he has not yet had the opportunity to engage with these new contacts. I_{10} understands that building strong relationships with network members requires time. Nevertheless, he emphasizes that in order to develop a successful network, The Company must listen to its customers and better understand their needs. "Today, communication regarding feedback between The Company and their customers is virtually non-existent. I have provided input on which companies I would like to meet, but have not even received a response," I_{10} stated.

5

Analysis

The analysis will be based on the three research questions:

1. What are the weaknesses and strengths in The Company's current service development?
2. What actors are (or should be) involved and how do they interact throughout the value chain?
3. How can a service development model be designed to develop service offerings tailored to sport organizations activities and practices?

The research questions are answered based on the findings of The Company's activities, and analyzed with the theoretical framework as a foundation. Theoretical concepts such as the NSD framework is used as base to answer RQ1 and RQ3, while RQ2 uses value creation and stakeholder theory as a base.

5.1 RQ1: Strengths and Weaknesses in Current Service Development

To analyze what factors have been successful and not successful in The Company's existing service development, their activities will be analyzed through the lens of the NSD framework, described in 2.2.2 by Kindström and Kowalkowski (2009). The Company have shown entrepreneurial strengths and has continuously grown in number of employees since it started, but the service development haven not been particularly structured. Even though The Company have not hade a structured process, their activities can be categorized in the four stages described by Kindström and Kowalkowski (2009): market sensing, development, sales and delivery. This categorization is made to create a structure in the analysis.

Below in figure 5.1, the actors are visualized together with identified service development activities used by The Company today. The gray areas illustrates where the activity often occurs. However, the findings show that the process varies depending on the situation, and The Company is not always aware of the stages.

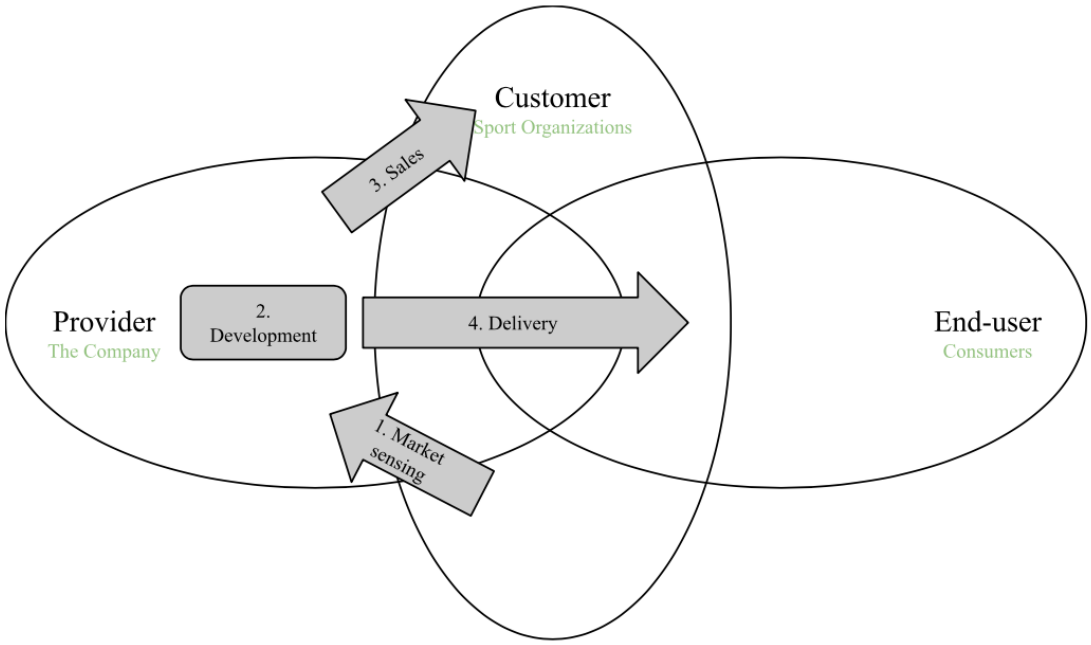

Figure 5.1: Actors and the providers service development process today

5.1.1 Market Sensing

The first stage of the NSD process framework is market sensing. Kindström and Kowalkowski (2009) describes that the activities suitable in this initial stage involves proactively identifying needs from the market, internal resources and competitors. Kindström and Kowalkowski (2009), Edvardsson and Olsson (1996) and Vargo and Lusch (2004) all emphasize that understanding the potential customers and gain a deep contextual understanding are vital when developing a service.

5.1.1.1 Strengths

The strengths in The Company's process today lies in the experience, network and entrepreneurial mind of the employees, in particular the CEO. The experience in the world of sports have provided the CEO with a deep understanding of the activities of sport organizations, simultaneously identifying their challenges and needs. The food supply and hotel collaboration emerged from practical experience and informal sensing. When Grönroos (2011) describes value co-creation, he emphasizes the relationship between the customer and provider as essential. It is continuous through the whole development process, but in the market sensing stage the close relationship between provider and customer can be a big advantage. This is supported by Kindström and Kowalkowski (2009) who emphasizes that close collaboration and interaction with potential customers enhance the ability to sense service opportunities. The CEO's relations to people in the world of sports is key for The Company in finding potential business opportunities. In addition to this, the CEO have relationships with business people outside the world of sports, creating a unique opportunity to combine the business world with the sport world. For example when the CEO

realized that all sport events need food, and he had a contact with a food supplier.

5.1.1.2 Weaknesses

Kindström and Kowalkowski (2009) emphasize a structured scanning of the market. Instead of using systematic tools and methods for market sensing, The Company has a more ad hoc way of working. This approach can demonstrably be successful in some cases, shown by the fact that The Company still is in business. However, both Edvardsson and Olsson (1996) and Gremyr et al. (2022) suggests that that to grow and improve a business, structured workflow is an important factor, which involves gathering customer needs and feedback. The activities of The Company in the market sensing stage is not consciously connected to any process, creating a more random way of analyzing the potential customers. There is no data collection system where customer needs and internal resources and competitors are registered. In summary, The Company uses informal and intuitive sensing, which has worked as a start-up. In the future, without formal methods, they risk missing broader patterns or long-term shifts in customer needs, which may prevent the improvement and development of existing and new services. This is supported by Voorhees et al. (2017) who emphasizes that the lack of a complete quality service portfolio may leave customers dissatisfied, meaning that the customers' experiences have to be evaluated before, during and after the service is delivered.

5.1.2 Development

According to Kindström and Kowalkowski (2009), the development stage focus on the actual creation and design of the intended service offering. Even though it is refereed to as a separate stage, Kindström and Kowalkowski (2009) emphasize that the development stage is not an isolated phase, it overlaps with market sensing, sales, and delivery. The findings show that this is true for The Company today. For example, when the CEO came up with the idea of food supplier offering, the market sensing stage and development stage occurred continuously. The market sensing was brief since it was based on the experience of the CEO, which led him directly to the development phase.

Furthermore, the development stage should involve continuous interaction with customers, creating an iterative development cycle. The continuous interaction with the customer reoccurs from several sources, for example Michel et al. (2008) points out that services should be developed with the customer, not just for them. That means customers should actively participate in shaping the service via feedback, co-design, or piloting activities.

Gustafsson et al. (2020) also clarifies that development of services differs from product development by being more knowledge- and resource-intensive, and relying heavily on employee competence and customer insight rather than R&D infrastructure. This is shown by The Company's operations where essentially no R&D infrastructure are in place. Instead the development relies on knowledge and experience of the employees, in particular the CEO. Ordanini and Parasuraman (2011) explains that service development demand more collaboration between various business functions such as sales, marketing and delivery. The Company does not actively work

with this, but due to the relatively small size, several employees have cross-functional roles, exposed by all the duties of employee I_2 and shown in figure 4.1.

In summary, the development stage has a few key characteristics that Kindström and Kowalkowski (2009) among others points out. These characteristics are cross-functional collaboration between departments (sales, marketing, delivery), iterative development cycles and co-creation with customers to ensure alignment with market needs.

5.1.2.1 Strengths

Regarding The Company's development activities, they have some strengths that has shown to be successful, one being responsiveness and customization. The Company adapts its service offerings based on the specific needs of each sport organization. For example, Club B outsources services of sponsor network, social media management, and match event coordination, while Club C only outsources the management of handling sponsor network. This aligns well with the flexibility and customization emphasized in NSD theory (Grönroos, 2015), where service value is defined through interaction and context. Furthermore, one employee describes: "We work closely with clubs to understand what costs them money and what could generate income. From there, we build the service" [I_2]. This shows that The Company are aware of their strength and edge, being able to adapt their service offerings to their customers.

Although informal, there is a degree of co-creation in some development situations, for instance, The Company's food module evolved from interaction with a club that frequently hosted tournaments. This reflects co-design as described by Michel et al. (2008). The service was developed in response to an activity that already existed, but it was just improved and resulted in lower cost for the club, and a new service for The Company that has continued to generate income when scaled up.

5.1.2.2 Weaknesses

The Company have implemented offerings and then tweaked them based on informal feedback. This approach might work in small scale and if you have a close relationship with the customer, as with Club B, but in general it is not desirable. Michel et al. (2008) describes that co-creation in development should be deliberate and embedded in the design phase, not just reactive.

Furthermore, The Company currently lacks a formal structure to facilitate collaboration across departments, which hinders its ability to align internal activities and systematically iterate development cycles. While cross-functional collaboration does occur organically, largely due to The Company's small size, this happens more by necessity than design. For example, Employee I_2, who holds financial responsibilities, is also involved in coordinating workflows and overseeing administrative tasks. This illustrates how small firms can maintain a degree of internal integration without formal structures. However, as the organization scales, such informal coordination becomes increasingly insufficient. According to Kindström and Kowalkowski (2009), cross-functional collaboration is a critical component of successful NSD, enabling a seamless flow of insights between sensing, development, and delivery stages.

Edvardsson and Olsson (1996) similarly argue that service development processes benefit significantly from structured internal collaboration, particularly because service delivery and development are closely intertwined. Without defined mechanisms for coordination, the company risks losing efficiency, continuity, and the ability to improve iteratively over time.

5.1.3 Sales

In service development, the sales phase is not merely about transaction, Vargo and Lusch (2004) suggests that it is about communicating the value-in-use of the service and engaging the customer in a relational, trust-based process. This differs significantly from selling tangible products, where features and specifications may dominate. Kindström and Kowalkowski (2009) emphasize that successful service sales require the development of new tools and competencies to convey intangible value, involve ongoing customer dialogue to adjust value propositions and must align closely with earlier stages (market sensing and development) to ensure consistency in messaging. Grönroos (2015) expands this by arguing for a relationship-based selling approach in service contexts. Grönroos (2015) emphasizes that sales in service rely on the sales and communication skills by all customer contact employees interacting with customers, not just the sales people. These theoretical perspectives align closely with how The Company currently operates; its sales process is highly relational and consultative, often relying on the employees to build trust with sport organizations and tailor service offerings to their specific needs.

5.1.3.1 Strengths

For The Company, sales is a big part of their activities. Almost all employees work with sales in one way or another, with at least three with full time commitment. After their service offering have been developed, most of the work is to sell to sport organizations or companies, depending on the service. For example, the partner module is all about selling the network concept to companies, including partner events or sponsor opportunities, in accord to the value-in-use theory by Vargo and Lusch (2004). Selling to sport organizations is dominated by the more tangible offerings, such as the food or hotel service. In line with Grönroos (2015) relationship-based selling approach, findings show that for The Company to sell, building relationships and trust with key actors in sport organizations, such as club directors, is essential.

In some cases, one strength is that The Company is effective at illustrating value-in-use, especially for services like the food and hotel service. For these offerings, a lot of the work lies in finding and convincing sport organizations that already are in need of these services, and present an offering to a lower cost. Sport organizations are shown how revenue is generated indirectly or how administrative burdens are reduced, a clear examples of communicating value-in-use.

5.1.3.2 Weaknesses

Something that might be a risk in the future is the reliance on a few people's experiences and contacts, mostly the CEO. Grönroos (2015) argues that all employees with customer contact are sales people, which should be emphasized for the employees at The Company. All employees has to be aware of this and be able to see new sales opportunities, identifying customer needs when in contact with existing or potential customers.

Another aspects that should be considered is to ensure consistency in messaging, described by Kindström and Kowalkowski (2009). Especially when delivering to sport organizations at different levels, the customer expectations can differ. According to Vargo and Lusch (2004), successful value propositions must be contextualized, sales should help customers envision how the service will integrate with their unique operations. For example, if The Company are to sell to the large Club A, they have to show how they can add value to their operations. When selling to smaller sport organizations as Club C, the challenge mostly lies in reducing costs and increasing revenue.

5.1.4 Delivery

The delivery phase is defined as the actual execution of the service where the customer takes part of the offering. In The Company´s context, the delivery stage can for example stretch from of a food order, to the food is delivered and consumed. Kindström and Kowalkowski (2009) points out that delivery should not be seen as the final step in the NSD, it is instead part of a continuous and circular process. This means that one of the most important aspects of delivery, other than actually deliver the service, is to gather customer feedback for future improvement. Edvardsson and Olsson (1996) emphasize that the delivery stage must include structured quality management systems to collect feedback, ensure consistency, and allow for improvements over time. The Company's operations today with informal, unstructured delivery mechanisms can result in missed learning opportunities according to Edvardsson and Olsson (1996). Gremyr et al. (2022) further argue that in service organizations, feedback occurs informally through daily interactions, but unless this feedback is captured and processed systematically, it often fails to reach decision makers or influence design. This connects to Grönroos (2015) point from the sales stage, that all employees has to be prepared to sell, but also be aware of potential feedback from customers.

5.1.4.1 Strengths

For service offerings like food and hotel service, the strength lies in the simplicity and functionality in the core deliverable. These services are clearly structured, easy to access, and deliver tangible benefits like cost reduction and income. Just like the previous stages, The Company has focus on relations with the customer during delivery, and emphasizes the win-win situation. CEO explains: "If we can offer sports organizations more affordable food due to our purchasing volume, it's a win-win". The combination of financial benefits for sport organizations and their

access to a contact person at The Company creates prerequisites for a successful business collaboration. In line with Grönroos (2015), if the delivery is personal and trust-based, it often improves the perception of quality.

5.1.4.2 Weaknesses

As explained by Gremyr et al. (2022) and Edvardsson and Olsson (1996), structured feedback mechanisms are key for service development and improvement. A clear weakness of The Company's operations today, explained by Employee I_2, is that there are no formal system for gathering, documenting or analyzing feedback. This is directly at odds with Edvardsson and Olsson (1996) and Gremyr et al. (2022), who stress that structured feedback systems are essential for improving service quality. A sponsor mentioned the lack of feedback management from The Company, showcasing a weakness in their delivery stage [I_{10}].

Furthermore, the lack of measured indicators like retention or customer satisfaction of creates challenges in seeing improvement. The only feedback system used today by The Company is direct contact with the customer, which often is oral. For example, when one customer complained that there was to little food one time, one employee at The Company talked to the food supplier directly. In summary, The Company should structure a feedback system, which enables the NSD process to be circular and iterative, improving quality of existing and future service offerings.

5.2 RQ2: Actor Involvement and Interaction in Value Creation

5.2.1 Main Actors

This section examines the three primary actors involved in the value creation process: provider, customer, and end-user. While the provider (The Company) initiates service offerings and facilitates the value creation process, actual value is realized through the engagement and internal capabilities of both customers (sport organizations) and end-users (such as volunteers, members, and sponsors). The analysis highlights how variations in resources, organizational structure, and roles influence each actor's ability to contribute to and benefit from value co-creation.

5.2.1.1 Provider

In Service-Dominant Logic (SDL), developed by Vargo and Lusch (2004), one of the foundational premises is that value is not delivered, but co-created. This means that The Company as a service provider does not create or deliver value in isolation, it can only present and offer a value proposition as a basis for potential for value, additionally aligning with one of SVF's premises *Firms and customers can only offer value propositions* (Woratschek et al., 2014). The actual value only emerges when the sport organization as a customer uses the service and integrates it into their own context and practices.

In the case of this research, The Company offers services like hotel booking, food supply, and sponsor network management. Each of these is a value proposition, but whether they create actual value depends on how sport organizations apply them. For example, a large sport organization, like club A, with an internal admin team might integrate the food service seamlessly and reduce costs; value realized. However, a small club without a developed structural format like club C, might struggle to coordinate use of the service, resulting in unrealized value. This shifts the focus from a transactional view, where value is embedded in a product or service, to a relational and experiential view, where value depends on how well the offering fits into the customer's operations, needs, and capabilities (Grönroos, 2011).

This concept is also supported by Grönroos (2011), who distinguishes between value-in-use and value-in-exchange. According to this perspective, The Company does not deliver value directly; they create the appropriate conditions, such as co-design, feedback loops, or customization, that enable sport organizations to realize value themselves. Participation in the partner network, for example, and benefiting from its associated advantages, constitutes value-in-use. In contrast, purchasing food boxes through the food supply service represents value-in-exchange. However, it could also be argued that the food supply service exemplifies value-in-use, as it includes not only the delivery of food, but also the underlying logistics and administrative support.

5.2.1.2 Customer

As discussed by Woratschek et al. (2014), The Company as a service provider does not create or deliver value on its own; it can only present a value proposition that serves as the foundation for potential value creation for the sport organizations. In practice, however, the ability of sport organizations to participate in this value co-creation varies significantly. For this collaboration to function effectively, the organization must possess the internal capacity to participate in service development activities.

As evidenced in the empirical findings, Club A, a large and professionally managed organization with multiple full-time staff and a structured internal system. They have distinct internal branches (market, sport, back office), employed personnel, and defined processes, and are therefore positioned to engage actively across the service development life cycle. They can provide timely feedback, co-develop modules such as partner networks, and adapt implementation to their internal context, thereby fully leveraging the co-creation potential. According to the study of Fahlén (2006), high levels of the three organizational dimensions of specialization, standardization, and centralization are perceived more positively than low levels. In the case of Club A, distinct internal branches, defined processes, and a structured internal system indicate on a high level of all three dimensions.

On the other hand, Club C, with its minimal staffing and reliance on volunteers, struggles to allocate the time and resources needed for active collaboration, and is considered to have low levels of specialization, standardization, and centralization. The characteristics of Club C could create a situation where services are passively received rather than co-created, and value remains unrealized due to weak integration in daily operations. This is not consistent with the perspective pre-

sented by Woratschek et al. (2014), which states that The Company may present a value proposition for potential value co-creation, but it is the responsibility of the sport organization to create the value. However, smaller clubs are more depending on The Company to identify new service, initiate solutions and manage relationships with third parties, such as food suppliers or sponsors. This reinforces a provider-dominated interaction model in which The Company assumes both the role of initiator and executor, a deviation from the ideals of service-dominant logic Vargo and Lusch (2004), where value is co-created through interaction.

To address this imbalance, The Company need to adopt a tiered engagement strategy, differentiating between high-capacity clubs that can be co-developers and low-capacity clubs that may benefit more from plug-and-play solutions with optional feedback channels. Such a strategy would ensure that all customers can participate in value creation to the extent that their structures allow, without excluding smaller organizations from the benefits of service innovation.

5.2.1.3 End-User

According to service-dominant logic (Vargo and Lusch, 2004) and the service value co-creation perspective (Grönroos, 2011), value is co-created through interactions among multiple actors, not delivered independently by a provider. In the context of The Company's ecosystem, this includes not only sport organizations but also actors such as club members, volunteers, and sponsors. However, the ability of these actors to participate depends on both their internal capacities and how accessible the collaboration process is. For instance, while Club A has the structure to engage end users actively, smaller clubs like club C often lack the time, competence, or organizational routines to involve them. This highlights the need for The Company to take an active role in enabling participation, by lowering entry barriers and offering structured, scalable collaboration formats. Without this, co-creation becomes uneven, as only the most resourced actors are engaged and the potential value remains unrealized.

Given that the capacity for engagement varies for sport organizations, the Civic Voluntarism Model (Verba et al., 1995) offers a useful framework for understanding patterns of participation. According to this model, actors are more likely to engage voluntarily when the activities align with their personal values and available resources, and when they are embedded in social networks that provide opportunities for involvement. A large, structured, and professional sport organization such as club A is more likely to attract and engage end users compared to a smaller, less structured organization like club C. To strengthen this statement, a Club Director [I_6] had a promising deal with a new sponsor, but the potential sponsor instead chose to support another sport organization, due to its larger and more developed partner network.

This disparity is further illustrated by the case of a sponsor, I_{10}, who expressed a clear interest in contributing more actively to the club. Although this sponsor already supported the organization financially, they also offered to volunteer time, share expertise, and contribute strategically, demonstrating both capacity and motivation to co-create value. From the perspective of service-dominant logic (Vargo and Lusch, 2004), such external actors can and should play an active role in the

co-creation of services when relevant resources and motivation are present. However, the club failed to capitalize on this offer, revealing a disconnect between the potential for value co-creation and how it is currently managed.

This example reflects a broader pattern identified multiple times; although clubs often have access to a wide range of volunteers and partners, their strategic involvement remains limited. From the theoretical lens of value-in-use (Grönroos, 2011), it becomes clear that the sponsor's potential contribution extends far beyond financial support (value-in-exchange). True value would have been realized through their active participation in shaping and enhancing the club's operations, relationships, or visibility. When such opportunities are overlooked, clubs not only miss out on valuable input but also risk weakening the motivation and long-term engagement of their stakeholders.

A youth member player stated: "I often arrive a few hours early for training just to hang out, but sometimes it can be a bit unexciting, as there is not much to do" [I_8]. This highlights an underexplored opportunity for sport organizations to facilitate value co-creation outside of core sport activities. According to Grönroos (2011), value-in-use is generated not solely through service delivery but through the entire experience perceived by the beneficiary. If the informal spaces before and after training are poorly designed or neglected, the club misses an important opportunity to strengthen member satisfaction and loyalty. From a service development perspective (Kindström and Kowalkowski, 2009), expanding the service offering to include structured social environments could substantially enhance value creation for youth members, reinforcing emotional engagement with the organization.

5.2.2 Interactions between Actors

Interactions between actors; from the provider, to the customer and the end-user, this study reveal both potential and limitations in how co-creation is currently practiced among the involved actors. The Service Logic Spheres model by Grönroos and Voima (2013) distinguishes between the provider sphere, joint sphere, and customer sphere, each representing varying degrees of interaction between the company and its users. However, in this research, a third sphere is integrated: the end-user sphere, illustrated in figure 5.2 below.

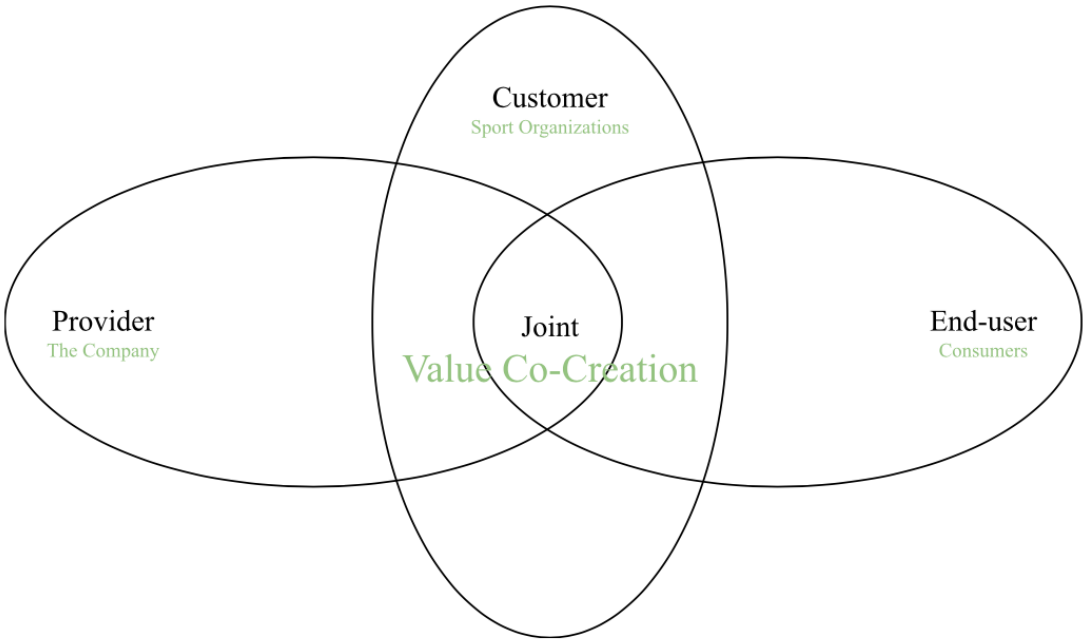

Figure 5.2: The three main actors and the overlapping interactions

In the provider sphere, The Company independently develops its service modules, such as features related to hotel bookings and food logistics, based on end user observations but without consistent, structured involvement from them. These offerings are largely shaped internally, relying on the CEO's personal relationships or prior knowledge rather than real-time, iterative customer feedback. While this allows for efficient development in the short term, it risks misalignment with actual user needs over time.

The joint sphere, where collaborative interaction is meant to occur between the three spheres, remains underdeveloped. Although some clubs have been involved in early-stage dialogues or on boarding conversations, these exchanges tend to be informal and one-off rather than systematically integrated into ongoing development processes. There is a noticeable absence of formalized co-creation mechanisms, such as structured feedback loops or pilot partnerships. This stands in contrast to principles from NSD literature, which emphasize iterative development and continuous involvement of customers throughout the service life cycle (Kindström and Kowalkowski, 2009).

Perhaps most critically, the combined sphere of customer and end user, such as members, parents, and volunteers, is often disconnected from The Company's service logic. This gap represents a missed opportunity to harness value-in-use insights, as described by Grönroos (2011), where actual value is realized through the application of a service in the user's context. Kindström and Kowalkowski (2009) argue that aligning delivered services with market needs is required for successful implementation, and Gebauer et al. (2011) highlight the importance of The Company being able to adapt its offerings in real time. To meet these requirements, the authors emphasize customer interaction and feedback, elements that appear to be lacking according to the interviews presented in the findings. The limited

structure in feedback loops affects continuous value co-creation (Grönroos, 2011). The sponsor associated with Club B, I_{10}, noted: “Today, communication regarding feedback between The Company and their customers is virtually non-existent. I have provided input on which companies I would like to meet, but have not even received a response”. Additionally, The Club Director I_3 reflects how poor interaction design weakens grassroots engagement: "When a third party, such as The Company, is involved, achieving this connection can be more challenging, as the connection between volunteers and the core values of the sport organization may weaken. Volunteers may feel less directly tied to the organization's mission and community when coordination and communication are filtered through an external partner." Without closing the feedback loop with the actual user experience at the grassroots level, The Company risks operating without key user needs, feedback, and real-world usage patterns.

One prominent factor influencing current value chain interactions is the reliance on trust and personal networks, especially through The Company's CEO and early adopters. While these connections can foster trust and speed up early collaborations, they are inherently informal and difficult to scale. The use of social capital in this way provides a foundation for ad hoc co-creation, but it lacks the institutional infrastructure needed for broader ecosystem engagement.

5.2.3 Actor Involvement Across Intra-, Micro-, and Meso-Levels

Introducing the intra-, micro-, and meso-levels based on the Sport Value Framework (SVF) (Woratschek et al., 2014) provides a structured way to analyze how value is co-created in the sport context. These levels help distinguish who the actors are, how they interact, and where limitations, gaps, or enabling factors emerge in the system.

5.2.3.1 Intra-Level

The intra-level perspective focuses on how individual actors such as sport organizations, sponsors, and members perceive and organize themselves in relation to value co-creation. According to the SVF, value co-creation begins within each actor's own structure, resources, and motivations (Woratschek et al., 2014). From this view, a sport organization's ability to co-create value is shaped not only by its formal capacity, such as number of employees, but also by its internal culture, openness to collaboration, and understanding of its own role in the ecosystem.

Club A demonstrates a relatively high intra-level capacity, characterized by clear internal roles and developed routines, which enable internal value co-creation. It is more formally organized, has clear internal routines, and demonstrates a strategic view of its relationships with external actors. This allows the club to better recognize and mobilize co-creation opportunities. Club C, by contrast, lacks internal structure and operates largely on uncoordinated and informal volunteerism. The absence of defined roles, strategic planning, or internal routines limits its ability to initiate or respond to collaboration.

This internal readiness aligns with the Civic Voluntarism Model (Verba et al., 1995), which suggests that participation depends on individual resources, motivation, and access to participatory structures. Club C provides a strong example of how limited financial resources can lead to a volunteer-dependent model that still functions effectively through internal organization. By eliminating the dedicated youth sector position and instead distributing the responsibility among a larger group of volunteers, referred to as youth officers, the club enabled these volunteers to spend more time working directly with the youth teams than would have been possible with a single full-time officer. This approach reflects the resource and motivation dimensions of the Civic Voluntarism Model: even in the absence of funding for staff, Club C has established participatory structures that empower committed volunteers to contribute meaningfully.

At the same time, the broader principle applies across stakeholder types: without sufficient intra-level capacity, co-creation cannot materialize. For instance, in Club B, a sponsor expressed willingness to contribute strategic support and expertise, yet the offer was never acted upon. This illustrates that even when external partners are motivated, value cannot be co-created without internal structures that enable engagement. In short, value-in-use Grönroos (2011) cannot be realized without sufficient intra-level foundation. This reflects a key premise of the SVF: *Co-created value is inherently value-in-use* (Woratschek et al., 2014).

5.2.3.2 Micro-Level

The micro-level focuses on the interactions between actors, for instance a sport organization and its sponsors, volunteers, or parents. When a third party, such as The Company, enters the value creation process between a sport organization and its volunteers, it alters the stakeholder dynamics. According to Freeman (2010), an organization's success depends on the strength of its relationships with its stakeholders. Traditionally, volunteers interact directly with the organization, and through this direct interaction a strong relational bond is formed, characterized by shared values and motivation, which are the two key factors influencing individuals' interest in engaging in non-profit work (Lundberg et al., 2025). However, when a third party provider like The Company intermediates this relationship, the direct line of communication becomes filtered. This filtering can cause several shifts, such as weakening of relational ties, where the bond between volunteers and the sport organization reduces as their primary communication instead occurs through an external actor; and a perceived mission drift, as volunteers often feel most engaged when directly serving the values of the sport organization. With a third actor mediating their tasks, volunteers may perceive their work as less mission-driven and more operational, thereby reducing intrinsic motivation. "I do volunteer work because I care about the club and want to help it, but also to help myself feel good" [I_7], showcasing how volunteers derive personal meaning from their contribution and highlighting the importance of reinforcing the emotional connection to the organization. The volunteer also stated, "Being involved gives me a sense of belonging, a feeling that I am accomplishing something and making a contribution", which illustrates the emotional value experienced by the volunteer; a form of value-in-use (Grönroos, 2011).

Another micro-level interaction is between the provider and customer. These relationships are central to SDL (Vargo and Lusch, 2004), which holds that value is co-created through interaction, not delivered individually. This also aligns with one of Woratschek et al.'s 2014 ten foundational premises of the SVF: *Value is always co-created by firms, customers and other stakeholders.* A prominent micro-level finding is the case of sponsor I_{10}, who expressed a strong desire to be more involved beyond financial support, offering time, skills, and strategic input.

5.2.3.3 Meso-Level

The meso-level shifts to the broader network in which sport organizations operate, such as municipalities or platform providers like The Company. These actors shape the enabling conditions for micro-level interactions and intra-level capacity-building. As noted by Woratschek et al. (2014), co-creation at this level involves coordinating roles and implementing communication channels that shape how value is created across the sport ecosystem. Different organizations need to work together in a coordinated way, aligning their responsibilities, expectations, and systems. Otherwise, co-creation efforts may fail due to misalignment or fragmentation.

All three clubs showed some signs of meso-level engagement, particularly with its municipality, where active partnerships and co-developed initiatives were visible, for instance renting facilities and applying for grants. Although some meso-level communication occur, there is more potential to create value. Clubs need more support to engage with the services The Company offers and to work with other organizations. The Company could help by acting as a guide or connector in the wider sport ecosystem, not just a service seller. Strengthening these meso-level links could also feed back into intra- and micro-level improvements; how they function internally and how they work with others.

In summary, Figure 5.3 illustrates the levels of interaction; intra, micro, and meso, within the context of sport organizations. The figure provides a structured overview of the main actors and indicates the level at which their interactions occur. The intra-level reflects interactions within individual organizations; the micro-level captures dyadic interactions between two actors, such as a club and a sponsor; and the meso-level addresses broader network interactions involving external organizations like municipalities or service providers. This layered visualization helps distinguish between different types of co-creation dynamics and highlights where value creation takes place.

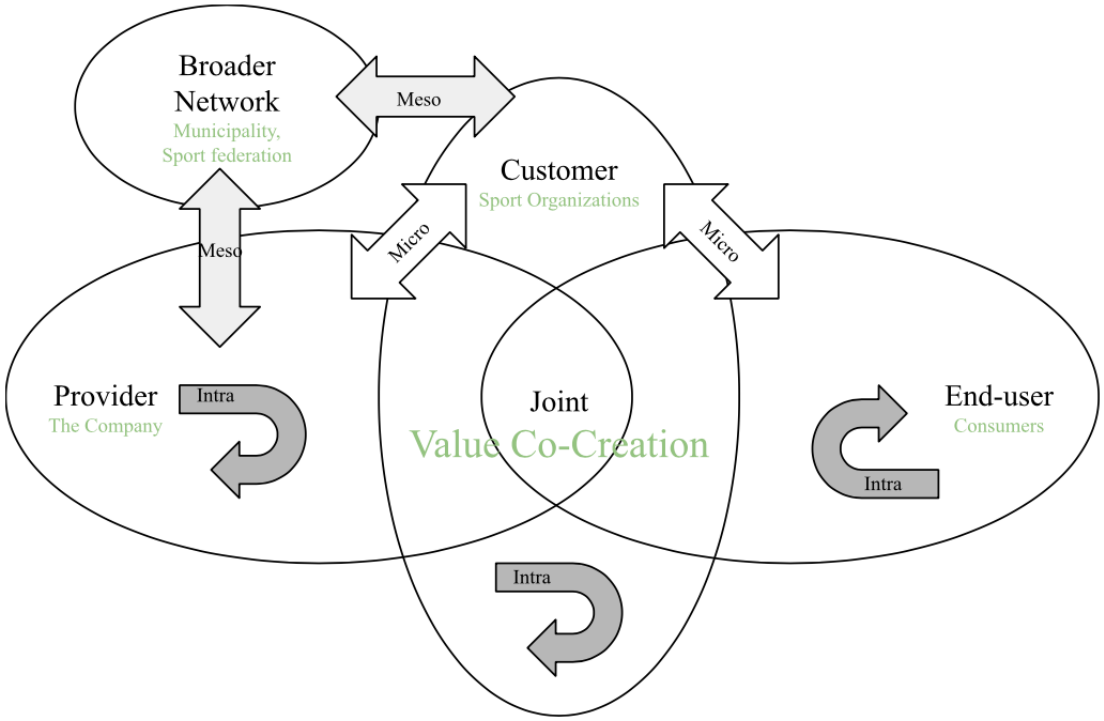

Figure 5.3: Actor involvement across the three levels

5.3 RQ3: A Model for Service Development Tailored to Sport Organizations

Departing from existing theory on service development and investigating how sport organizations operate, a service development model can be designed, tailored to the needs and activities of sport organizations. It is important to remember that The Company aims to be a profitable company, and a part of the business model is to utilize the resources and potential customer reach that sport organizations provide. The model will have its base in the NSD framework by Kindström and Kowalkowski (2009), but some activities within the stages will be redesigned with regards to the findings form this research. Below in Figure 5.4, the suggested conceptual NSD framework is visualized with five circular and iterative stages. The stages are presented with an overview of the level and activities, and the arrows from each stage represent the output transferred to the next stage as input. In addition to this, the circles with arrows between each stage illustrates the possibility to iterate back and forth between the stages.

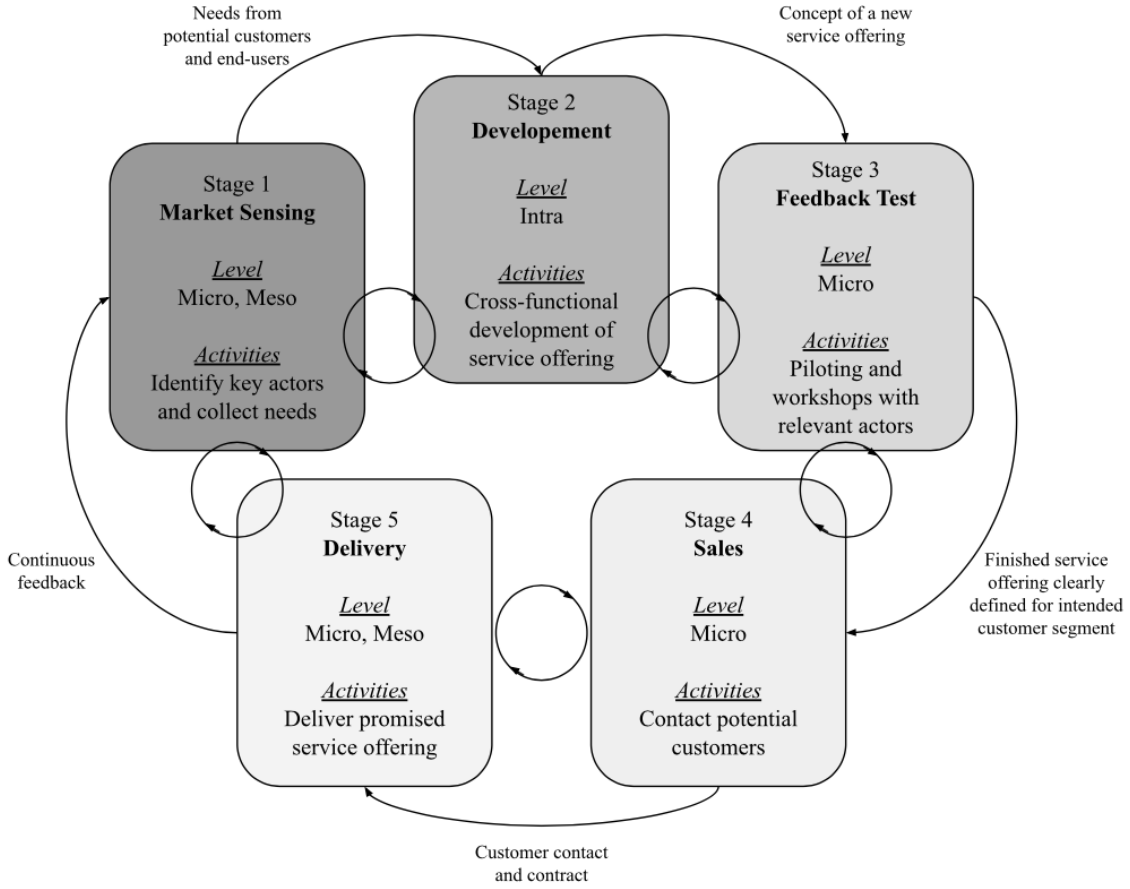

Figure 5.4: Suggested conceptual NSD framework

5.3.1 Stage 1, Market Sensing

The first stage is market sensing. As described in 5.1, one strength of The Company today is the experience and network within the world of sport. However the market sensing stage demands a more systematic approach, using established tools and methods (Kindström and Kowalkowski, 2009). First, a list where potential customers are defined are made, stating the intended customer and which key actors that could be of interest. The next step is to get in contact with the key actors and analyze the activities to understand the needs of the specific customer segment. The market sensing stage is partly about identifying customer needs synergies between similar customer. By doing this, the service will be consciously adapted to the intended customer segment.

A big part of the workload will be to find key actors, interview them, and summarize the common needs. Additional data could be collected through potential customer surveys. It is also of interest to specify specific individual needs for different sport organizations, although these needs should be de-prioritized during the service development. By having this prioritization of needs, the service can cover as many potential customers as possible, while taking specific needs in to account when possible. All this data should be gathered in a database with all customer needs in prioritization, which will be supplemented later with customer feedback.

In the world of sports, it is not only the customer that has to be considered. One unique aspect that the findings show is that end-users, such as volunteers, companies and members, are a big part of the service consumers. Often, it is not the sport organizations that experiences the service. To take all actors into account, end-user needs have to be collected and considered, which can be done with the same data collection methods described above, interviews and surveys. To identify the end-users, The Company can collaborate with the sport organizations and together target intended end-users for the specific service.

In addition to the formal steps described above, The Company should maintain their strengths in identifying potential services for sport organizations. Guided questions should be asked to key actors and intended customers and end-users, which can give birth to new ideas or points of view. By using the knowledge, experience and network of the employees, The Company can identify the right key actors, resulting in a more accurate need specification for the intended customer segment. In summary, the goal is to ground the service development in verified and repeatable needs from several actors, not intuition alone.

5.3.2 Stage 2, Development

The characteristics that the development stage should contain are cross-functional collaboration between departments, iterative development cycles and co-creation with customers. Naturally, the development stage spills over in the first stage since the development should be based on the identified needs from market sensing. In addition to this, the customer should continuously be part of the process (Michel et al., 2008), blurring the lines between the stages. Unique to sport organizations, actors like volunteers and members should also be considered in the development phase. The Company have to consider these actors as resources for the sport organization, but also end-users. One important part of the development stage will be to identify the involved actors for the specific service. By doing this, the service offering can utilize the sport organizations resources, enabling value co-creation.

Starting with the cross-functional structure described by Ordanini and Parasuraman (2011), The Company need to involve all departments of the company at an early stage. The departments need to give their input on potential challenges and possibilities with the previously identified customer needs. By summarizing the perspectives from all departments such as sales, marketing, financial and delivery, hopefully future implementation issues will be minimized. With all departments engaged in an early stage, The Company avoids running into big issues late in the process, fulfilling the needs, while saving money and time.

Working with iterative development cycles means that the service will never be completely finished. This will be described more in the later stages, but in general the whole process of the conceptual NSD framework is circular. The intended service can be tested and discussed with the customer by using piloting and close collaboration with selected potential customers. By doing this, co-design described by Grönroos and Voima (2013) is implemented, enabling future value co-creation. These activities can be done when the service is implemented as well to create continuous improvement, making the process circular.

5.3.3 Stage 3, Feedback Test

With a focus on value co-creation, feedback from customers and end-users are essential. By integrating a feedback test as a stage in the conceptual NSD framework, valuable insights can occur before selling and delivering the service. In this stage, it is important that quality functions described by Gremyr et al. (2022) are in place. The feedback test will be one or several workshops where The Company meets with the relevant actors for the intended service. For example, if a service are to be developed where volunteers will be part of the work, a workshop with representatives from The Company, the sport organization and volunteers will be involved. The Company will then present the service to the actors and they will have their say on the design. Then, a small scale pilot project is implemented and feedback is systematically gathered. By doing this, the actors are aware that they have to collect feedback and be critical. In-line with Grönroos and Voima (2013) description of co-design, this stage enables future value co-creation. A unique opportunity identified from the findings is The Company's close collaboration with club B, enabling workshops and pilot test with a real potential customer. These activities can be done when the service is implemented as well to create continuous improvement, making the process circular.

5.3.4 Stage 4, Sales

Selling to sport organizations can be a challenge due to lack of financial resources, time, willingness to take risks or organizational structure [I_4]. Even though The Company is a for-profit company, a part of their selling point is "to provide smart, cost-neutral services that unlock new value" [CEO I_1]. However, the service does not necessary have to be cost-neutral for the sport organization if The Company can show that it will generate financial benefits in the future, such as the partner offering.

Building on their strengths, The Company should keep focusing on relationship-based selling as described by Grönroos (2015). From the previous stages, they will have had contact with potential customers through market sensing activities. It is important to reconnect to these contacts and show that the service is developed and how it could help the sport organizations. To do this, the service offering has to have a consistency in messaging (Kindström and Kowalkowski (2009), clarifying what the actual service is. Working to contextualize and show how the service will be integrated and affect the customer is of importance. Going back to the identified customer needs for the intended customer segment is crucial to align expectations with upcoming delivery. Due to the difference in size among sport organizations, the whole NSD process might have to start over for different customer segments.

Combining this clarity with finding the right key actors, which The Company already do well through contacts, the sales stage have the potential to capture as many potential customers as possible. In addition to this, all employees has to be well-informed and ready to sell the service offerings if opportunity arise.

5.3.5 Stage 5, Delivery

Delivering the service is the stage where the customer receives the value-proposition, and The Company provides the possibility for value co-creation. Delivery is an ongoing process and aims to follow the promised service offering from the sales stage. Firstly, The Company has to ensure that all aspects that were promised is delivered. It could be something simple as the amount of hotel rooms booked are correct, or that special needs for food delivery is fulfilled.

During delivery, structured feedback systems are essential for improving service quality (Edvardsson and Olsson, 1996; Gremyr et al., 2022). Implementation of a feedback system has to be in place when delivery starts, gathering customer feedback continuously. This can be done through conversation with the customers, sending out questionnaire to both customers and end-users, or through observations. All this data are to be collected, categorized and prioritized in the database used in the market sensing stage. By doing this, The Company can decide which actions are reasonable and necessary to take to improve the service delivery in the future.

Just like in the previous stage that emphasizes that all employees have to be ready to sell, Gremyr et al. (2022) points out that all employees has to be aware of potential customer feedback. As described in 5.1, a strength of The Company is relationships to their customers, however this puts demands on the employees to pay attention for customer feedback. Sometimes the customer does not even know that they are giving feedback on the service, but if the employees are paying attention, they can learn to spot feedback, potential improvement areas or even new service opportunities. This has to be collected into the database as well.

With a focus on collecting feedback during the delivery stage, the process of the conceptual NSD framework becomes circular and iterates into a new market sensing stage.

6
Discussion

The discussion first presents three key areas: potential value co-creation in sport organizations, feedback structure, and the segmentation of sport organizations. In line with the purpose, a perspective of potential value co-creation can help discover how sport organizations are organized, setting the foundation for creating value with existing resources and improve financial sustainability for both The Company and sport organizations. Feedback structure has proven to be essential to engage all relevant actors and enable service implementation and improvement of a NSD framework in the world of sport. In addition to this, club segmentation aims to enable customizable services for different needs, creating guidance and structure for The Company in their service development.

Theoretical implications then describes how the research contributes to existing theories. Managerial implications presents how a conceptual NSD framework can be implemented in The Company, and perhaps other similar organizations. The stages will aim to provide service companies with the right tools to engage in non-profit organizations like many sport organizations, and further utilize the resources in the world of sports. Finally, limitations and future research are outlined.

6.1 Potential Value Co-Creation

The findings suggest that although the actors are present, the active collaboration required for true value co-creation (Grönroos, 2011; Woratschek et al., 2014), has not yet been fully realized. As emphasized by Woratschek et al. (2014), service providers can only offer value propositions; the actual value creation depends on the sport organizations' ability and willingness to engage with these offerings, a dynamic that appears only partially utilized.

End-users such as volunteers, members, and partners should all be part of the value co-creation process to maximize value (Grönroos and Voima, 2013). However, this is unfortunately not the case, as end-users are not fully involved in the service development process. This lack of end-user involvement is problematic because it leads to services that may not fully align with the actual needs, expectations, and experiences of those who ultimately interact with them. Without their input, important needs and perspectives may be overlooked, reducing the overall value created.

The level of specialization, standardization, and centralization in sport organizations can significantly influence the conditions for value co-creation. As Fahlén (2006) highlights, higher levels of these dimensions are often perceived more pos-

itively. In the findings, lack of clear role definition (specialization) and inconsistent practices (standardization) created barriers to support volunteer engagement and hindered implementation of service models. This reinforces the need for service development frameworks that can adapt to varied organizational structures while supporting more standardized processes where beneficial. The conceptual NSD framework proposed in this study addresses this by offering an iterative and circular process, along with built-in feedback stage; features that are valuable for clubs with low formalization.

Sport organizations often underutilize their network of volunteers, members, and partners as active contributors (Bácsné Bába et al., 2024). End-users are often seen primarily as sources of payment, rather than as a workforce or as contributors to innovation and service development. Likewise, The Company often views the clubs as customers but does not always integrate end-user perspectives into the service development process. The most value and best services emerge when more actors are actively involved, particularly the actual users of a service; the end-users themselves (Vargo and Lusch, 2004; Grönroos, 2011; Woratschek et al., 2014).

For example, consider the hotel collaboration service. Today, The Company offers teams and tournaments cheaper hotel bookings through an agency agreement with a hotel chain, a relatively successful service. However, there is additional potential value that could be co-created together with actual end-users, such as team leaders, parents and players. Involving end-users in creating the service reflects the active customer participation central to value co-creation (Grönroos, 2011). An "optimal sports travel package" could be developed, including not only discounted hotels, but also food options and transport to and from hotels. A more attractive offer would likely result in more bookings, increasing commissions for The Company, but also for the sport organizations. Including other services from The Company, such as the food supplier service, into this package could enhance cross-selling opportunities.

Regarding the food supplier service, The Company currently offers sport organizations or tournaments meal boxes. Since portion sizes are predetermined and only a limited number of dishes are available to choose from, the service may not fully meet customers' needs. Organizing workshops where players, coaches, and team parents can help design the meal packages tailored to their teams' specific needs could enhance value co-creation, and align with the iterative and collaborative service development processes emphasized by (Kindström and Kowalkowski, 2009). For instance, an elite adult team might prefer larger portions with specific types of carbohydrates, while a youth team facing time pressure between two games in a tournament might prefer lighter, more digestible options. More tailored deliveries could lead to higher customer satisfaction, resulting in stronger loyalty and increased revenues.

However, as order volume grows, tailoring every meal box to individual teams becomes increasingly complex and resource-intensive. Conducting workshops and producing customized orders requires substantial resources, resources that The Company may not has access to. Therefore, it is necessary to find an optimal approach that balances customer satisfaction with operational feasibility. One solution could be to employ more staff to fulfill more specific customer needs, although this would

lead to higher personnel costs and increased logistical challenges, as more employees would need to coordinate a greater number os diverse orders. Another solution could be to offer a few differentiated meal packages, each tailored to meet different potential needs. For example, one offering could be tailored for elite teams, including larger portion sizes and food appropriate to their specific demands, while another offering could be designed for younger athletes to better fulfill their needs. This semi-standardized approach would allow The Company to meet a wider range of needs without excessive resource demands.

Beyond service design, end-users are generally underutilized when it comes to co-create value during a service development process. In addition to using their perspectives as feedback in the service development process, the potential workforce of end-users, especially volunteers, remains underutilized. Today, it is often the volunteers who seek out the sport organizations, rather than the organizations actively reaching out to the volunteers based on what help they actually are in need of. This suggests that there is a lot of unused volunteer potential that clubs could benefit from. In a sports world often affected by financial challenges, every available resource becomes important. Without organizational structures that strategically manage and engage volunteers, valuable skills are lost; skills that could help with designing services, operational problem-solving, and most importantly all, reducing costs by using non-profit workforce.

A suggested solution is to shift both sport organizations and The Company from a volunteer usage mindset to a volunteer engagement and co-creation mindset. For instance, during member registration or initial new volunteer contact, clubs could implement skill mapping to understand how volunteers' expertise or networks could contribute to organizational development. Workshops could also be organized to allow volunteers to suggest improvements to club operations and service offerings. is also an interesting approach, to let the volunteers suggest improvements for club operations and services. This approach would not only generate innovative ideas but also foster stronger volunteer engagement and sense of belonging within the organization.

6.2 Conceptual NSD Framework

With a base in the NSD framework by Kindström and Kowalkowski (2009), the conceptual NSD framework from 5.3 has its focus on pure service companies, such as The Company. The NSD framework by Kindström and Kowalkowski (2009) is developed from studying product-centric companies that are to implement more services in their business model, which can be useful for those kinds of companies. However, for The Company who is focusing on only services, the findings in this study shows that complementing actions are needed, such as feedback focus throughout the whole process, with all involved actors.

Throughout the whole NSD process, there is a focus on customer and end-user involvement, providing the provider with structured service quality functions in relationship-based service settings, in line with Grönroos (2015). If The Company can succeed in designing the database (see in 5.3) where feedback and needs are gathered, the use of continuous feedback will likely result in improved service

quality. However the challenge will probably mainly lie in the gathering of the feedback, demanding critical and aware customers and end-users. This is strengthened by Edvardsson and Olsson's 1996 point that service firms need strong feedback loops and quality management systems to be able to measure their performance and improve. Due to The Company's relatively small size and the complexity of sport organizations described by Woratschek et al. (2014), it could be a challenge for The Company to collect all the data required, which is why stage 3, the feedback test, is implemented in the conceptual NSD framework with an aim to guide the service design in the right direction as early as possible in the development process.

In line with Michel et al.'s (2008) argument that service innovation should be co-created with the customer by using tools adapted to the context and actor, the conceptual NSD framework should consist of several methods to gather data, such as interviews, surveys and observations. Employees key actors in the relevant service need to be aware of how to identify and document valuable feedback, especially when it arises informally, as noted by Gremyr et al. (2022). It will be challenging to make sure that as much feedback as possible reaches the quality functions, putting demands on training the employees and informing the key actors, creating awareness of the intended continuous improvement.

Putting the feedback to use, Edvardsson and Olsson (1996) highlight the need for iterative NSD processes responsive to customer environments. In the context of the conceptual NSD framework adapted to non-profit organizations, the circular, feedback-driven, iterative process enables continuous adjustment of service modules based on feedback.

6.3 Club Segmentation

A challenge when developing services to sport organizations is the uniqueness of every club. Different sizes have different needs, but some needs are likely the same. Finding common needs and building a service from that, while at the same time providing personalized parts of a service, is key. This aligns with the SDL, which emphasizes that value is always co-created and context-dependent, necessitating both common offerings and personalized adaptations (Vargo and Lusch, 2004; Grönroos, 2011).

Even if the sport organizations in the study are active in the same kind of sport, they are still operating differently and are unique compared to each other. Every sport organization has different conditions to operate from, such as size (number of members and employees), financial situation, and strategic ambitions (whether they want to grow, stay stable, focus on youth, or focus on being elite). With these conditions to take into consideration, every club has its own needs. Some may be closely related to each other on some points, but there are no clubs exactly like another.

Therefore, with a provider like The Company who develops services to unique sport organizations, offering the same service to different clubs may not be the optimal approach. If The Company offers the same standard services to all clubs, it risks over-serving small clubs by offering services they cannot afford or use. In addition, it also risks under-serving big clubs by offering too basic or simplistic

services. Segmentation is key to avoid misalignment of value propositions.

However, designing services tailored to each specific club requires resources; resources that The Company does not have access to today. A suggested approach would be to develop a model that categorizes sport organizations into different segments, perhaps three levels: elite, semi-elite, and amateur. With a framework categorizing sport organizations into these levels based on criteria such as number of members and financial situation, The Company could offer semi-tailored services based on what sport organizations in the categorized segment usually need.

Naturally, sport organizations divided into the same segments would still not have exactly the same needs. But this approach of categorizing clubs, and dividing them into segments, would make The Company more prepared to offer more suitable services to specific clubs, without using too many resources needed for a tailor-made service offering. An example of this could be hotel stays, where an elite team is often in need of staying overnight when being on the road, while an amateur club does not need to utilize this service as often. The amateur club may not have a reasonable number of sponsors to be able to implement a partner network, while the elite club, with a larger number of employees and sponsors, already runs its own well-developed partner network. A semi-elite club, however, may have a reasonable number of sponsors but not the resources to handle a partner network, and therefore is in need of The Company's partner network service. The Company must balance economies of scale from their core services with customization through optional add-ons.

The Company has some core services that every sport organization is in need of. The hotel service is something every club could make use of, no matter how often the need is to stay overnight. The more the service is used, the more expenses are saved, but even if used only once, it would still imply some savings. Therefore, The Company could design modular service offerings, where some core services are offered to fulfill essential needs, with optional add-ons, more advanced services that only specific clubs are in need of. Modular service offerings allow providers to meet varying customer needs while maintaining manageable internal complexity (Kindström and Kowalkowski, 2009). This could entail full-service sponsorship consulting, potentially for a semi-elite club that does not have the resources to hire responsible employees, but has the finances to buy the service from The Company. The key is offering flexibility: to offer base packages with services that suit the majority, but also offer additional modules depending on clubs' needs and abilities.

Due to the close relation with Club B, The Company can utilize the knowledge within sport organizations. At the same time, they have to be aware of the differences between sport organizations, but the collaboration can serve as an indication of the needs of the intended customer segment. Depending on the size of the sport organization, The Company has to put in more or less effort later in the delivery stage. Furthermore, the proposed segmentation model could be directly integrated into Stage 3 of the conceptual NSD framework, the Feedback Test. After a service offering concept has been developed in Stage 2, selected sport organizations from the segmented groups, such as Club B, could serve as pilot test groups. Through close collaboration with these organizations, potential flaws in the service can be identified, evaluated, and ideally corrected before wider implementation.

In the future, it is anticipated that The Company will engage with more sport

organizations across different segments, providing an opportunity to further customize services based on the type of sport organization. For example, if The Company has a close relation to a smaller sport organization with a small number of members, they can develop services tailored to this segment, and then sell them to other sport organizations in the same segment.

Additionally, misclassifications, that some clubs may not fit neatly into segments, are a risk. A club might seem amateurish based on the member numbers, but operate professionally with good finances and employees; or on the contrary, an elite club might actually be informally managed and behave amateurishly. Segmentation based on surface characteristics, like size, can be misleading if the deeper reality is not understood. A misclassified sport organization could imply a wrong service offering, such as offering a core service to a club that needs advanced solutions, or vice versa. It could also imply wasted resources in time spent selling services that do not fit and require rework. Therefore, to reduce misclassifications, it is important to not only segment by size, but also include other dimensions like financial situation, organizational structure, and strategic ambitions. To understand the club's operations and be able to place the club in the right segment, conducting a simple but structured diagnostic, like a check-up, before offering services could be useful.

6.4 Theoretical Implications

The research provides a perspective on two main topics, value co-creation and NSD implementation in non-profit organizations. Firstly, the study adds depth to value co-creation services theory in non-profit organizations contexts. The blurred boundaries between customers and end-users in sport organizations emphasize the need to account for overlapping roles and informal contributions. This supports and expands Grönroos (2011) emphasis on experiential and context-driven value creation. Additionally, the findings align with Grönroos and Voima (2013) value creation spheres model, which distinguishes between provider, customer, and joint spheres. The study shows that in the case of sport organizations, these spheres frequently overlap, necessitating a more integrated and iterative approach to co-creation. Building on the value creation spheres model by Grönroos and Voima (2013), an additional sphere has been added, end-user, to illustrate the joint sphere with three actors. It also emphasizes the importance of structured, yet flexible processes for enabling value creation, particularly in settings where informal relationships and community dynamics dominate.

Secondly, the study demonstrates that existing NSD frameworks, particularly the circular model by Kindström and Kowalkowski (2009), can be adapted to services for non-profit organizations. With an added dimension of feedback focus on all actors involved, the conceptual NSD framework presented is contributing to an adapted service design, with a unique focus on how to utilize volunteers and members and continuous feedback integration. The findings present a view that there is underutilized value potential in the world of sports, maybe not in the elite, but in the masses.

6.5 Managerial Implications

Based on the results of this research, there are a few actions that The Company should take, where the conceptual NSD framework serves as a base and guide. In comparison to today, the activities should be based on the conceptual NSD framework stages: market sensing, development, feedback testing, sales, and delivery. It might be necessary to appoint an employee as responsible for the implementation of the conceptual NSD framework. In doing this, the existing services should be incorporated into the framework so that de iterative feedback process can enable service quality improvement. Focus on closing the feedback loop and thereby share back what changed due to feedback to foster trust and engagement. Something that has to be in place is the integration of feedback tools suitable for the service, for example regular surveys of customer and end-user satisfaction on the food service. With this, the database should be designed which enables categorization and prioritization of feedback and needs for each service offering, which could be a relatively simple spreadsheet, providing structure.

Regarding innovation and developing new services, it would be suitable to have regular meetings with all functions at The Company to brainstorm and listen to the customer interaction experience since the last meeting. This enables the possibility of starting the NSD process from scratch regularly, eventually creating new and financially beneficial services for sport organizations and The Company. Building on this, The Company should keep networking and be present in the world of sport. To be able to invent new services, the employees has to be close to sport organizations, meaning they should continuously reach out to potential customers and sell the existing services, but also pay attention to feedback and new ideas for potential new service areas.

To balance economies of scale with customization for specific customers, The Company should develop a system for club segmentation, as described in 6.3. Criteria have to de defined, for example number of members, volunteers and employees. It could also be to divide customers based on their sport level, elite, semi-elite and amateur. By doing this, The Company should categorize all sport organizations, within the sport in question, in Sweden, and reach out to a selected segment with a suitable service offering. Although time consuming, it is a necessary process for The Company to use as a base in their market sensing and sales process.

Something The Company should keep in mind is to focus on volunteers utilization when developing services, providing sport organizations with services where volunteers are integrated and can be engaged. By doing this, The Company can build trust in the world of sports by showing that they are aware of the clubs resources, providing a structure to volunteer utilization and creates conditions for value co-creation.

In general, there is potential for more service offerings in the world of sport. Sport organizations in Sweden engage thousands of people, creating communities and togetherness, and at the same time business opportunity. By combining the businesses like food supplier and hotel service with the volume of sport organizations, the potential for scalability is big. Having access to the people in and around sport organizations provides companies with a substantial potential customer base,

a prerequisite for doing business. To achieve this, scalability for has to be considered when developing a new service.

For similar companies entering the world of sport, success will depend on understanding that non-profit sport organizations are driven by relationships, community, youth engagement and enthusiasts. A standardized product-centric mindset must be replaced with a flexible, human-centric service approach, grounded in continuous interaction, trust, and co-creation.

6.6 Limitations and Future Research

A limitation with this research is that it is based on only one case study, one company operating in the Swedish sports sector, in a specific sport. This can limit the generalizability of the findings to other countries or types of service providers. Without additional cases, it is difficult to know if the observed findings are best practices, anomalies or common in similar organizations. However since the research is exploratory, these uncertainties lies in the nature of the study.

Although three different clubs are represented in the study, more clubs could have been investigated to gain a deeper understanding of the similarities and differences. Due to time constraint, the proposed conceptual NSD framework was not tested over time in full scale, meaning its impact on organizational outcomes remains theoretical or exploratory.

Future research could be done in several directions. Firstly, it could investigate how service development processes vary across national context or different sports. For example, sports may differ in organizational size and structure, number of active participants, levels of professionalization, and access to sponsorship opportunities. This could offer valuable insight into variations in volunteer engagement and funding models among non-profit organizations.

Secondly, the treatment of volunteers is an area that could benefit from further research. This report highlights the importance and value of utilizing voluntary workers within sport organizations. However, from an ethical perspective, it is also important to explore how volunteers are used. Their essential contributions may be at risk of being over-relied upon, potentially leading to burnouts. Motivation plays a key role in non-profit work, and unreasonable demands on existing volunteers are unlikely to support their ongoing engagement. Investigating how to promote volunteer well-being, and ensure they are not utilized in unethical ways, could be valuable for future study.

Thirdly, as mentioned in limitations, future research could include implementing and analyzing the conceptual NSD framework. Conducting a study on the process and outcomes would be of interest to discover strengths and weaknesses of the framework when implemented. In addition to this, it would be possible to do longitudinal studies of service partnerships between The Company and specific sport organizations as club B. By observing the development of partnerships between these actors over several years, patterns in work process, value realization and co-creation activities could be tracked and analyzed.

7
Conclusion

The aim of this study was to explore how a structured service development model can be designed for a company offering services to sport organizations. The first research question examined the strengths and weaknesses in the current service development practices of The Company. Using the NSD framework, it was found that while The Company demonstrates an interesting vision, and strong utilizing of its personal networks, it currently lacks a structured approach to feedback collection and iterative development. The second question investigated actor involvement in the value creation process. The findings, supported by theory and designed sphere models, highlight that service development in this context is highly dependent on the interplay between provider, customer and end user. Successful co-creation requires engaging volunteers, members, and partners during the service development process. The final research question led to the development of a conceptual NSD framework tailored to sport organizations. This model include an added focus on structured feedback loops and club segmentation, ensuring services are adapted to varying needs of amateur, semi-elite and elite sport organizations. In conclusion, the study contributes both theoretically and practically by presenting a service development model that enhances value co-creation, strengthens stakeholder collaboration, and improves operations, for example by enhanced resource utilization, for non-profit organizations.

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Appendix

A.1 Questions to the interviewees

The Company:

- Why does The Company exist?
- What do you see as the biggest challenges for sport organizations? (Shortcomings and opportunities?)
- Biggest challenges for The Company?
- Examples of failures and successes?
- How do you go about developing a service? Is there a systematic approach?
- How is the selection process carried out to find suitable partners?
- Do you have any leads (suggestions for interview subjects)?

Sport Organizations/Club Managers:

- What does the organization look like? What roles exist and what are their responsibilities?
- What are the biggest organizational challenges?
- What are your largest cost/revenue items in the club? Camps? Tournaments? Café?
- What are your biggest challenges?
- How do you think you could increase revenue/reduce costs? (Unused resources?)
- If you were to bring in external help, what could they contribute with? Give an example...

Companies:

- What are the biggest challenges when working with clubs/associations? What works and what doesn't?
- What are your biggest challenges?

General Secretary, SF:

- What are the biggest challenges for clubs/associations? Organizationally?
- Revenue and costs?
- What does the federation do to support clubs/associations?
- Grants (project support) to clubs for "developing the operations"—what does it mean to develop the operations (without becoming dependent on grants)?

DEPARTMENT OF TECHNOLOGY MANAGEMENT AND ECONOMICS
DIVISION OF INNOVATION AND R&D MANAGEMENT
CHALMERS UNIVERSITY OF TECHNOLOGY
Gothenburg, Sweden
www.chalmers.se

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