

Imaginary Customers: A Source for Service Innovation

Research paper

Purpose

The purpose of this paper is to illuminate how development project members imagine customer preferences as opposed to formal market research in service innovation practices. Marketing researchers have repeatedly underlined the importance of acquiring information about customer preferences in order to develop attractive services. In fact, it is almost an axiom of the service innovation literature that market research is a necessary precondition for a new service to be successful. Consequently, a large number of formal methods that capture this valuable information have been recommended in literature. However, despite this strongly advocated normative prescription, little is known about how customer information is generated in practice (Nijssen & Lieshout, 1995).

Methodology

An ethnographic methodology was used with multiple modes of data collection. Firsthand real-time data was collected through participant observations of project meetings and retrospectively through interviews and in informal discussions.

Findings

The development project members generated customer information through imagining customer preferences. Hence, instead of turning to the customer and formal market research, the managers turned to themselves as a source for service innovation.

Research limitations/implications

The present study provides a starting-point for further research on how customer information is generated in service innovation practices.

Originality/value

There is a lack of empirical investigations of how customer information is generated and used in service innovation practices. The current ethnography provides novel findings by illuminating the use of imaginary customers in service innovation.

KEYWORDS: Service innovation, customer information, imaginary customers, market research