Do Living Labs work? Implications for innovation policy

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Aims of study

- 1. To understand 'if living labs (LLs) work' in terms of delivering the benefits claimed by those who set them up
- 2. To discover what the current evidence base for LLs suggests about their performance
- 3. To answer the Q: 'Is the LLs approach to innovation, at present, robust enough to warrant the promotion (and funding) it is receiving?'

The study draws on

- Authors' long time experience of being involved in living labs research and demonstration projects in a variety of different sectors, cities and countries.
- The belief that those engaged in research projects employing living labs should consider how the work they undertake supports and impacts on the wider society and communities involved, and not just on the research communities engaged in the projects.

Research context

- Due to their popularity as an innovation tool in practice, Living Labs have enjoyed an increasing attention by researchers, policy makers and practitioners.
- Despite the booming interest where innovation is generally perceived as taking place in real-life environments the actual performance of living labs remain an under-researched area.

The missing bits and the new challenges

- Lack of attention to the evidence offered by LLs proponents about the benefits living labs offer to the many sectors and stakeholders involved.
- It is yet to be demonstrated whether, in practice, Living Labs can speed up designing the best solutions to societal challenges or the sharing of public value, as many have suggested they do.
- As the concept of living labs is trending fast the calls are growing for more serious exploration of their utility for future policy and practice.

We addressed three key issues

- 1. What does the literature suggest are the defining *characteristics* of LLs?
- 2. What *benefits* do proponents of LLs say they deliver?
- 3. Do the LLs reported in the literature demonstrate these benefits?

Our research approach

- We sought to identify the key criteria required for establishing a proven case for the effectiveness of the LL approaches adopted.
- This is sought through understanding how key characteristics claimed for LLs relate to their objectives and whether these objectives are reflected in the benefits that Lls are claimed to have produced.

The ultimate aim was to indicate whether the evidence required to validate use of LLs as vehicles for innovation and as a value-generating tool for innovation currently exist.

Methodology

- 1. A meta-review of the general literature on living labs to explore if living labs are successfully implemented in the sense of achieving the objectives/ benefits they set themselves.
- Specifically, we have looked for evidence, where this has been shown through **formal evaluation activities**.
- 2. A critical analysis of what has reportedly already been achieved and of what changes are needed to bring about further improvements in future, and particularly as regards future innovation policies.

How did the authors reviewed characterised the LLs they wrote about? (a)

1. Long 'ideal type' inclusive definition

'Living Labs are a research methodology which uses a collaborative, governance-based, approach for the development of an open environment employing a networked infrastructure for bringing about innovation in the form of the creation and prototyping of technologies, products and services through the involvement and interaction of users and other stakeholders in testing and validating activities and processes based in real-life contexts.'

- Definition constructed from <u>34 terms</u> used by three of more authors to describe their LLs.
- Few of the authors reviewed used this wide range of vocabulary suggesting that their conception of their own LL was not as complex as this.

How did the authors reviewed <u>characterised</u> the LLs they wrote about? (b)

2. Short (most consensual) definition

'Living labs are a collaborative environment for the innovation of services through the involvement of users'.

- Definition confined to the 6 terms most frequently used by authors to describe LLs.
- This truncated description of LLs is made up of just three constituent parts
- The innovation of a service
- Involvement of end users
- Some form of collaborative environment
- It is this less highly nuanced characterisation of LLs that predominates in the literature examined.

What did the authors reviewed list as the <u>benefits</u> delivered by the LLs they wrote about? (a)

1. Long 'ideal type' inclusive definition

"The primary benefit claimed for using an open Living Labs environment is innovation in the form of the development of knowledge, products and research solutions through explorative design activities and processes that enable, help and support users, including companies, towards (sustainable) policies, goals and outcomes that they value."

- Definition constructed from <u>31 terms</u> used by three of more authors to describe their LLs.
- Few of the authors reviewed used this wide range of vocabulary suggesting that their conception of the benefits of using their own LL approach to innovation was not as complex as this.

What did the authors reviewed list as the benefits delivered by the LLs they wrote about? (b)

2. Short (most consensual) definition

"The primary benefit claimed for using Living Labs is innovation developed with users."

- Definition confined to the three terms most frequently used by authors to describe LLs.
- This shorter definition shows the same circularity as the longer, more inclusive, one.

Propositions

- This 'inclusive' notion of what constitutes the benefits of using a LL approach to innovation strongly reflects authors' 'inclusive' definition of the nature of LLs themselves.
- Authors' descriptions are tautological.*
- Living Labs deliver the benefits that they do because of the characteristics that Living Labs have.
- There is a strong element of **circularity** in the argument being put forward here.

^{*} Formally, an argument which repeats an assertion using different phrasing. The proposition, as stated, is thus logically irrefutable, while obscuring the lack of evidence or valid reasoning supporting the stated conclusion.

But where is the evidence that the Living Labs reported deliver these benefits in practice?

In making judgements about the robustness of the evidence base employed by authors, we addressed four factors.

- 1. The <u>quality</u> of the body of evidence presented by authors (including limitations and risk of bias).
- 2. The <u>size</u> of the body of evidence (how much data about how many cases).
- 3. Extent of detail about the context.
- 4. Consistency of findings produced.

Our findings (a)

- There is a wide range of opportunities that authors could call upon to provide evidence about what they perceived as the specific benefits delivered by their LLs.
- For example, if LLs are about (collaborative) innovation, then evidence about **effective delivery of the innovation aims and needs** espoused is important.
- Consideration of how stakeholders are going to get results may also be useful.
- The design of an effective evaluation of impacts and track of change in early stages of innovation and through the LL's duration is also a critical issue.

Findings (b)

- As an innovation grows, those managing a LL need can consider the issue of replicability in order to check that their success is not just a 'one-off' but can be made to work in other places and in different contexts.
- Understanding the value of the impacts of a LLs' outputs is another critical factor.
- Consideration may have to be given here not just to obvious benefits when capturing the results of a LL project.
- There may be other benefits that LLs can have, such as developing sustainable stakeholder partnerships or avoidance of doing something that is not working.

Conclusions

► The literature on LLs reviewed is silent on these issues.

The evidence sought that 'Living Labs work' is not to be found in the literature published to date.

Policy implications

[By returning to our opening question]

'Is this approach to innovation, at present, robust enough to warrant the promotion (and funding) it is receiving?'

Answer: From what has been published, we simply don't know.

Implications for policy: Policy makers at the city, region and European levels have further lessons to learn on the road to innovation - for example, in adopting quadruple helix, demand-driven, citizens-centred, or public policy and service innovation practices and related ICTs, applications, or solutions....

Thank you.

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