Background and purpose of the study

Scholars in different research domains have increasingly called for research on value creation at the level of service networks and value chains [1,2,3,4]. The growing trends of outsourcing and specialization have led customer to seek more extensive value propositions that necessarily involve collaboration between multiple actors [5]. The development of a joint value proposition within a service network may be facilitated by defining and documenting a common service concept [6], which is regarded as a central tool in the design and implementation of service concepts [7]. This study was motivated by the observation that a network service concept provides service suppliers possibilities to link to the customer’s value-creation processes in various ways [8]. The purpose of this study was to explore how different value-creation roles are connected with elements of service concepts developed within service networks.

Methodology

The research strategy employed was qualitative case study investigating two b-to-b networks comprising of companies offering collaborative service concepts in the field of industrial services and knowledge-intensive business services. The main data collection method was qualitative in-depth interviewing (n=34). Additional data was collected in several company workshops where ten supplier companies and five customer companies were included in the study.

Findings and conclusions

Table 1 outlines the major differences between network service concept elements in cases of different value-creation roles of the service supplier network a) they provide a resource for customer’s value process, and b) they participate the customer’s value process where the resource is integrated with customer resources. Developing value propositions within a network demands more clearly specified processes and a degree of formalization, but it enables customer benefits such as efficient procurement and the development of innovative solutions through integration of versatile skills and shared customer insight. The findings of our study indicated that on one had, the supplier network’s role determines the possibilities and boundaries for developing and delivering joint service concepts. On the other hand, the service concepts that the suppliers can offer with their resources and competences determine the value-creation role they are able to pursue in customer relationships. Thus, we suggest that the value-creation role of the supplier network should be defined, specified and developed in parallel with the service concept.

Implications

Actors in service networks are encouraged to analyze the development possibilities and role implications of their common service concepts together. Through deeper understanding of each customer’s value creation processes, companies may be able to better differentiate their value proposition by specifying their value creation role through service concept development. Network cooperation may help to pursue a certain role in customer’s value creation process. Future research is needed to elaborate on the linkage between service concept elements and value propositions, and to study customer preferences regarding the supplier network involvement in their value creation processes.