

A service lens on business and society

edited by
Cristina Mele
Francesco Polese

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# **Proceedings of**



A service lens on business and society



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Cristina Mele

Francesco Polese

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# A S-D Logic understanding of what constitutes a business case: from dyadic delivery of value as outputs to co-created value as Service ecosystem outcomes

Peter Ekman - Jimmie Röndell - Cecilia Erixon - Elena Anastasiadou - Steven Thompson

Topic: Service ecosystems and markets dynamics

**Purpose**: Even though FIRE (Finance, Insurance and Real Estate) economies often are pictured as examples of 'new' service-based, post-industrial economies, the decision-making processes and business performance measurements are still guided by a Goods-Dominant (G-D) logic. Hence, the foundations on which decision regarding future investments and innovations are based (i.e., 'the business case',) are mainly focused on the value-added (e.g., monetary measured) outputs. That is, linear processes of refining inputs to 'deliver value' to customers as outputs (Kaplan, 2020). The purpose of this paper is to offer an alternative Service-Dominant (S-D) logic understanding (Vargo & Lusch, 2016) which transcends the traditional basis of what make out 'a business case' by adopting a service ecosystem approach that infuses effectuation (Sarasvathy, 2001; Read & Sarasvathy, 2012) decision making. The paper reports on findings from a comprehensive field study of how actors in the Real Estate market (i.e., ecosystem) process initiatives and decisions regarding digitalization and sustainability-centered investments (cf. Ekman, Berglind & Thompson, 2021). By offering a mid-range theory conceptualization of a S-D logic informed 'business case', focus is on co-created value as *outcomes* potentially beneficial to the viability of the service ecosystem, rather than outputs restricted to a producer/sellerconsumer/buyer-dyad.

**Study design**: The study adopts a qualitative approach involving a series of workshops and interviews with representatives from real estate companies and other actors related to the wider service ecosystem. The data collection was accompanied by field observations exploring aspects of decision-making logic(s) and the direct and indirect (value) outcomes constituting the potential conditions of a S-D logic informed 'business case'.

**Findings**: The presented model offers a mid-range theory conceptualization of a S-D logic informed 'business case' and contrasts it with a traditional business case approach (with a focus on sustainability-centered developments), to highlight both opportunities and challenges of a service ecosystem transformation.

**Originality/Value**: The paper offers a critical perspective on how industries and market sectors described as 'new' service industries still adhere to a G-D logic (which limits market transformation as enabled by digitalization and required by the current sustainability challenges), and is offering a transcending S-D logic informed understanding of what can constitute a service ecosystem view of what can constitute a 'business case' through the influence of effectuation.

**Practical implications**: As verified by actors involved in the study, the model offers a business practice relevant mid-range theory conceptualization of a S-D logic informed 'business case', that supports strategic action for market transformation. The model is also addressing both associated opportunities and challenges of such service ecosystem transformations, i.e., while the G-D logic informed (traditional) business case may have challenges due to its limited financial focus (Kaplan, 2020), the S-D logic informed business case may have challenges due to the complexity of boundary setting and systems value assessment.

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**Keywords**: Service-dominant logic, service ecosystem, business case, value co-creation, FIRE economy

#### Absence as an enabler of Market-Shaping visions

Linda Peters - Suvi Nenonen - Jacqueline Pels

Topic: Market shaping

Purpose: Multiple studies suggest that the early stages of market-shaping processes focus on developing a vision for the future and instigating initial changes toward this direction (Flaig et al. 2021; Storbacka et al. 2022). A common thread in these studies is the quest to investigate that which is pre-factual, does not (yet) exist, and is not present. As all markets are always incomplete, market-shaping visions are likely to be motivated not only by what is present, but also by what is missing or absent. The role of absence as constituting yet unrealized possibilities for visioning new or novel value co-creation opportunities in shaping markets has already been alluded to – but not fully explored – in studies investigating market-shaping as a fourth order emergence (Vargo et al. 2023). However, in assuming that a market shaping vision exists, current research often focuses on what is rather than on the incompleteness or absence that might explain how visioning happens in the first place. We therefore address the need to recognize and explore the role of ententional phenomena ("phenomena that exist in relation to something that is missing, separate, and possibly non-existent": Deacon 2013:547) in enabling market-shaping visions to arise. We focus our attention on two main research questions. The first question explores the function that absence plays in market-shaping activities. The second question explores how absence or incompleteness is causally efficacious in the arising of market-shaping visions.

**Study design/Methodology/Approach:** We use a case example of how a social business, JUNTOS, provided a new and innovative solution to address the dysfunctional interface between informal and formal market actors which led to a radical and successful market change.

**Findings:** Through the removal of constraints in a system we show how these changes act as mechanisms fostering novelty and the new application of known resources, as well as facilitating unique and firm-specific conceptualizations of the market that allow the recognition of potential resources not already known to the firm. We also explore how changes brought about by the introduction of new constraints foster what Peng (2017) described as future-oriented sensemaking which may impact the becoming of the future. From our observations we outline both managerial and theoretical implications for incorporating the concept of absence when seeking to understand the arising of market-shaping visions.

**Originality/Value:** There is nascent research looking into market-shaping visions, in particular illuminating how some actors are able to envision new or radically different markets. We propose that a unifying explanation to the origins of market-shaping visions can be found by turning our attention to understanding what is *absent*. While it is easy to dismiss what is absent as being unimportant or lacking in interest, this incompleteness is in fact where change is born as absence has performative powers (Bhaskar 2008; Deacon 2006) which have to date been lacking in our explorations of market-shaping.

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**Keywords:** Absence, ententional phenomena, market-shaping, visioning

# Actor Embeddedness, Actor Engagement, and Value-In-Context In a Cultural Organization's Ecosystem

Ana Marbe Marticorena - Marta Tostes

Topic: Value co-creation and value propositions

**Purpose:** Within the framework of the service dominant logic (SD) (Lusch and Vargo, 2004, 2007, 2011, 2019), this research analyzes value co-creation in a cultural ecosystem based on the form that *actor embeddedness*, *actor engagement* and *value-in-context* take in 9 Peruvian cultural organizations, their users, and public managers linked to them. The findings obtained in these cases aim to contribute to the SD theoretical framework with empirical evidence in cultural environments, particularly in the study of the interaction between *actor* embeddedness and actor engagement and their link to value-in-context. A third objective seeks to understand the forms these categories take in the Red de Puntos de Cultura of Peru.

**Design/Methodology/Approach:** This is a multiple case study with a mixed-methods approach (Yin, 2018), although predominantly qualitative. Using a sequential explanatory strategy (Creswell, 2009), surveys were first collected from 111 users and 9 leaders of Puntos de Cultura, followed by in-depth interviews with 12 users and 9 leaders, selected using intensity sampling criteria. This process concluded with the implementation of a focus group involving 4 public managers selected through a stratified purposeful chain criteria. The analysis of the interviews involved an initial cycle of open coding —triangulated through inter-rater reliability (IRR) with peers— a second thematic cycle and a synthesis in a meta-matrix (Miles & Huberman, 1994). The focus group followed the same methodology, although IRR was replaced by field notes.

**Findings:** The collected data provides empirical evidence of the form actor engagement, actor embeddedness and value-in-context take in cases within the Puntos de Cultura of Perú ecosystem. In the analyzed cases, the following findings were found: *Engagement*: i) high and multigenerational users' participation; ii) influence of the leader's participation on that of the team. *Embeddedness*: i) cultural identity as a predominant institution among users; ii) tension between institutional logics: between organizations and sociocultural environment, and between headquarters managers and State actors; iii) limited collaboration among cultural organizations. *Value-in-context:* value created mainly linked to education and affection in users and organizations.

**Practical Implications:** In the analyzed cases, the study provides evidence supporting the formulation of management strategies to foster value co-creation at different levels of interaction. Both, leaders of cultural organizations and public managers, can approach mechanisms that promote or restrict the participation of their respective focal objects. Additionally, the methodology can be replicated in studies with similar objectives.

**Originality/Value:** SD framework has been used for analyzing phenomena in myriad of contexts: marketing, education, engineering, health, innovation, public management, and tourism studies (Akaka, 2021). However, cultural environments have been less explored from this perspective. This study seeks to fill that gap by exploring aspects of value co-creation in a cultural environment, specifically examining the forms that *actor engagement*, *actor embeddedness*, and their interaction with *value-in-context* take.

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**Keywords:** Co-creation of value, service logic, cultural sector, actor engagement, actor embeddedness, value-in-context

# An integrated framework for understanding citizen engagement with sustainable transitions

Manuel Aires de Matos - Lia Patricio - Jorge Grenha Teixeira

Topic: Actor engagement

**Purpose:** Climate change is challenging societies all over the globe and transitioning towards sustainable service ecosystems has become a research priority. Citizen engagement has been acknowledged as having a crucial role in sustainable transition (Ryghaug et al., 2018). While customer engagement has been extensively studied (Clark et al., 2020), the role of citizen engagement in sustainable transition has yet to receive significant attention in service research (Holmlund et al., 2020). This research brings together customer and citizen engagement literatures to develop an integrated framework of citizen engagement with sustainable transitions.

**Study design/Methodology/Approach:** This study builds upon a systematic literature review based on articles from customer and citizen engagement literatures. Following a theory synthesis approach, articles were qualitatively analyzed to develop an integrated framework of citizen engagement with sustainable transitions.

**Findings:** Four categories have emerged from the integrated conceptualization: engagement subject; object; dimensions; and consequences. While customer engagement literature focuses on the customer/actor relationship with a firm-related object, citizen engagement literature focuses on the citizen engaged with an issue (e.g., sustainability concerns). Both literature streams consider psychological (emotional/affective and cognitive) and behavioral dimensions (e.g., sharing, codeveloping, mobilizing). Finally, while customer engagement considers consequences for the customer (e.g., loyalty, commitment) and for the firm/brand (e.g., brand reputation), citizen engagement literature focuses on citizen and community consequences. Outcomes for the citizens are quality of life, well-being, and empowerment. Community benefits from citizen engagement are enhancing democracy, and better relationships in the community.

**Originality/Value:** This research responds to recent calls for understanding transitions towards sustainable service ecosystems through an integrated framework of citizen engagement with sustainable transitions. More than two different perspectives, this framework reveals the dual role of customer-citizen engagement as complementary sides of engagement with sustainable transitions.

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**Keywords:** Citizen Engagement, sustainable transitions, service ecosystems

# **Analyzing Industry 5.0 Paradigm in a Service-Dominant Logic perspective:** focus on Service Innovation

Antonietta Megaro - Carlo Alessandro Sirianni

Topic: Industry 4.0 and digital transformation

**Purpose:** In this work, the focus is on the Industry 5.0 paradigm which draws attention to the role of technologies intended as resources for pursuing environmental and social sustainability objectives and considers businesses at the service of society. This paper seeks to understand what might be for companies, intended as systems embedded in service ecosystems, the enabling factors to successfully navigate the transition triggered by service innovation in order to comply with the collaborative industry (Industry 5.0) principles and deal with its challenges.

**Study design/Methodology/Approach:** This conceptual paper has been developed through a theory synthesis to conceptually integrate multiple theories and literature streams, with the aim of reaching a new and improved vision of the investigated phenomenon (Jaakkola, 2020). In particular, an attempt has been made to contribute to the literature on the potentialities connected to Industry 5.0 using the Service-dominant logic perspective as an understanding lens. Furthermore, to point out the results, an illustration case has been described.

**Findings:** In this research, we have classified the service innovation outcomes which can impact the emergence of value co-creation phenomena. For this reason, these outcomes have been considered as enabling factors for companies to effectively manage the transition brought by service innovation and, on the basis, of these we have created a roadmap to allow companies to converge, through service innovation, towards the Industry 5.0 paradigm, achieving results in terms of greater sustainability, human centrality and resilience.

**Research limitations:** An illustration was proposed to confirm the results with empirical evidence, a case study would have been more useful and meaningful to validate them.

**Practical implications:** A collaborative industry boosted by the Industry 5.0 paradigm not only furthers human-machine collaboration but attempts to expand the scenario by focusing on the benefits to be transferred to the industry but also to workers and society in general. For this reason, relationships and value can be considered as drivers for effectively approaching this paradigm. In this sense, service innovation which fosters new value co-creation practices and, by using a system perspective, premises a reconfiguration of resources, actors, and institutional arrangements, can be an effective guide for surviving the transition.

**Originality/Value:** This work suggests rereading the industry 5.0 paradigm by focusing on service innovation outcomes and phase transition and by using the Service-dominant logic as the interpretative method, to understand how to effectively adopt this model.

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**Keywords:** Industry 5.0, service ecosystem, service innovation, phase transition, service-dominant logic

#### **Architecting Intelligent Service Ecosystems**

Alfred Zimmermann - Rainer Schmidt - Rainer Alt

Topic: Artificial intelligence and the human machine service interaction

Purpose: The current progress of Human-Centered Artificial Intelligence (Russel, 2019) and tentative visions for our future (Lee & Qiufan, 2021) is fundamentally changing the role of technology for digital platforms (Hein et al., 2019) and ecosystems. Digitalization with intelligent service ecosystems as part of an open architectural environment often disrupts existing businesses, technologies, and economies. A digital strategy (Bones & Hammersley, 2019) bundles a combination of initiatives where a company will select online activities to help realize their digital business objectives/vision. A service ecosystem (Tiwana, 2014) is a self-contained, self-adjusting system of loosely coupled recourse integrating actors connected by value co-creation through service exchange. In our understanding a successful digital service platform (Ross, Beath, Mocker, 2019) should support a network of actors and host a set of loosely coupled open services and software products as part of a rapidly growing digital ecosystem (Lusch & Nambisan, 2015), (Schmidt, Alt, & Zimmermann, 2022). Digital enterprise architecture (Zimmermann, Schmidt, Sandkuhl, Masuda, & Chehri, 2021) models serve as an integral representation of business, information, and technological perspectives of intelligent service-based enterprise systems. The focus of our work is on key architectural model perspectives for digital platforms and intelligent service ecosystems showing the fundamental business mechanism of AI-based value co-creation, the corresponding digital architecture in context with digital strategy models.

Study design/Methodology/Approach: Our digital architecture approach adopts the DSR design science research methodology (Hevner, 2010) and extends base methodologies like service-dominant logic (Vargo & Lusch, 2016), (Vargo, Akaka, & Vaughan, 2017), digital business modeling (Osterwalder, & Pigneur, 2010), (Osterwalder, Pigneur, Bernarda, Smith, & Papadokos, 2014) and enterprise architecture (Lankhorst, 2017). Based on the SD Logic (Vargo & Lusch, 2016) and Lusch and Nambisan (Lusch and Nambisan, 2015) developed a new approach and identified resource liquefaction and resource density as important factors for value co-creation on service platforms.

**Findings:** We have identified design principles derived from S-D Logic for a value-oriented integration of digital strategy with business models in order to consistently define digital service composition models and the resulting digital enterprise architecture reference cube for architecting digital platforms and intelligent service ecosystems.

**Research implications:** Currently, we are extending digital enterprise architecture models to cover also AI-based intelligent digital services as part of a platform-based intelligent service ecosystem.

**Originality/Value:** Our research findings demonstrate the importance of S-D Logic for architecting value-oriented digital platforms with intelligent services.

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**Keywords:** Digital platform, artificial intelligence, digital strategy, digital architecture reference cube

#### Beyond the Dyad: A Generalized Triadic Model for Service Research

Jaakko Siltaloppi - Stephen L. Vargo - Jennifer Chandler - David Sörhammar - Bård Tronvoll

Topic: Service Dominant logic as a grand theory

**Purpose:** Traditionally, service has been conceptualized as a dyadic interaction between the provider and customer. However, the dyad overlooks several indirect influences on any service activity. The service ecosystems perspective of service-dominant (S-D) logic has emerged as the basis for systems-oriented research on value cocreation, which offers a way of accounting for such indirect influences. The service ecosystems perspective provides a meta-theoretical framework for exploring the multilateral exchanges, institutional influences, and systemic, multi-level processes that characterize value cocreation among multiple actors (Vargo & Lusch, 2011, 2016). However, the comprehensiveness of such a systemic perspective comes with a price: complexity. What is needed is an analytical unit of analysis that parsimoniously captures this complexity and can thus provide an analytical basis for systemic service research that extends beyond the traditional dyadic view. The purpose of this paper is to identify this analytical unit and elaborate its use.

**Study design/Methodology:** This is a conceptual paper that draws on the meta-theoretical framework of S-D logic, together with research on institutions, complex adaptive systems, and triads, to develop a generalized triadic model for service ecosystems research.

Findings: The paper develops a generalized triadic model (GTM) in three stages. First, the GTM departs from adopting the triad—a system of (at least) three actors—as the basic unit of analysis. In contrast to the dyadic perspective focused on the 'direct' relationship between two focal exchange partners, the triad brings into view the 'indirect' ties to third parties and their influence on a focal value creation process. Second, the GTM recognizes that actors are embedded in multiple, nested and overlapping institutional arrangements. On this basis, the GTM represents the actors in a triad not as isolated entities, but as manifestations of the institutional arrangements they instantiate and reproduce through situated actions. Hence, the GTM expands focus from triadic ties among three specific actors to the direct and indirect influences between institutionally mediated value cocreation practices. Third, this generalized representation of the triad makes the GTM applicable to the analysis of service ecosystem phenomena across multiple levels of aggregation, from inter-individual interactions at the micro level to the complex influences between service ecosystems at the macro level. As such, the GTM frames service ecosystems as fractal triadic structures (Ladyman and Wiesner, 2020), or structures that exhibit the same triadic pattern at all scales.

**Originality/Value:** The GTM simplifies the analysis of systemic value cocreation by representing the complex interactions in a service ecosystem as triads, or combinations of direct and indirect influences. Furthermore, it allows the analysis to move between levels of aggregation and abstraction to locate the relevant influences that shape a focal phenomenon. Thus, the GTM provides a methodological foundation for (1) understanding and exploring value cocreation dynamics in general, and (2) analyzing the specific dynamics at work in a wide range of service contexts in particular.

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**Keywords:** Service-dominant logic, service ecosystems, triads, institutions, fractals

# Brand meanings Institutionalization in Festival Service Ecosystems: the transformation of Giffoni brand

Debora Sarno - Cecilia Pasquinelli - Annaluce Mandiello

Topic: Emergence and Institutionalization in Service Eco-Systems

Purpose: Event studies focused on the capacity of festivals to catalyze change in the hosting communities (Getz, 2007), boosting cumulative benefits (Gibson et al., 2010; Van Heur, 2012) and local capacity building (Benneworth and Dauncey, 2010; Pasquinelli et al., 2019). Longitudinal analyses revealed the different evolutionary paths of the events, ranging from the short-lived events fading under local tensions and legacies constraining their evolution to the institutionalization (Getz 2009) and ossification of the event organization (Jordan 2013). In the field of mega-events, a dialectic relationship between official brand and counter-branding highlighted how the circulation of novel local meanings and symbols may succeed in reconstructing global brand narratives (Maiello and Pasquinelli, 2015). More in general, brands have been considered as co-created by multiple actors through their interactions (Hatch and Schultz, 2010; Vallaster & von Wallpach, 2013; Black and Velotsou, 2017). The development and diffusion of brand-shared meanings and behaviors within the society and into the brand (i.e., institutionalization) must depend on the actors and the context in which the actors' interactions take place.

The conceptualization of festivals as service ecosystems (Troisi et al., 2019) can allow taking into account actors and their contexts (institutional arrangements, Vargo and Lusch, 2016) and actors' institutional work for purposefully creating, maintaining, and disrupting existing institutions (Lawrence & Suddaby, 2006). Moreover, it allows us to consider emergent properties as unexpected outcomes of actors' interactions (Polese et al., 2020). However, the interplay between emergent properties and institutionalization is still not fully explained (Vargo et al., 2022).

Building on the service ecosystem perspective, this research explores how brand transformation (BT) unfolds and if and how it can boost and consolidate the festival ecosystem over time, assisting its evolution. Given the recognized peculiar role of brand meanings misalignments (Baker et al., 2022) in BT, this research addresses the following questions: a) How do brand meanings (BM) emerge over the evolution of the festival ecosystem? b) How do the emergent brand meanings become institutionalized in the festival service ecosystem and possibly in the brand identity?

**Study design/Approach:** From the theoretical point of view, the research draws on Baker et al.'s (2022) model of brand emergence by acknowledging the role of the misalignments of emerging BMs within and between the service ecosystem levels (Chandler and Vargo, 2011) in the BT. BMs are the emotional and cognitive interpretations actors ascribe to a brand (Tierney et al., 2016). Incongruous understandings trigger the dynamic social process that might reshape the brand (Merz, He, & Vargo, 2009). On the side of institutionalization, the study investigates how institutionalization occurs, also drawing on the types of leadership as institutional work by Kraatz (2009) and the diverse roles of the actors (as an example, see Cova and Dalli, 2009).

Then, an empirical exploration is carried out through a case study methodology assisting theory building (Eisenhardt, 1989; Gummesson, 2017). The single case study of Giffoni, the Italian movie festival for children and youth, is developed, and a multi-level analysis is carried out (Yin, 2014) to address the phenomenon of BT in festival service ecosystems. It is framed through a review of secondary sources (Giffoni website, online news archive, official documents, social network posts, e.g., Giffoni Hub Linkedin) and in-depth semi-structured interviews with actors involved in the

Giffoni evolution. The movie festival was the starting business and still is the Giffoni brand core. However, over time Giffoni brand internationalized and extended over a different range of activities related to communication and technologies, including content creation, business acceleration, and education provision also in socially undeveloped areas.

**Findings:** The preliminary findings suggest the existence of diverse waves of brand meaning emergence over Giffoni's history, pushing the brand to transform and stretch over different fields of activities. Mechanisms inherent to the five levels of brand meanings detection (Baker et al. 2022) emerged from the analysis, putting in sharp focus the role of key actors in brand negotiations, such as the role of the leader, European and national funding organizations, the young talents contributing to Giffoni life. The institutionalization of the emerging brand meanings over the different waves identified in Giffoni's evolution was confirmed by the crystallisation of brand identities witnessing the BT. In multiple cases, it results to be due to the institutional work of actors very close to the brand owners, but there are also interesting exceptions. Further empirical work must be done to highlight those processes.

Originality/Value: Building on Baker et al. (2022), this research contributes to expanding the lens of BT to the evolution of the service ecosystem in which the related organizations operate. Investigating how the BMs emerge in the service ecosystem goes toward addressing the broader understanding of BT as one determinant of service ecosystem transitions. This study emphasizes the positive connotation of meanings misalignments, considering them a source of positive and co-creative tensions rather than distortion and destruction of brands. This research opens routes for theoretical advancements on the specific mechanisms helping the service ecosystem to turn emergence into BTs harnessing misalignment and turning it into brand value. In doing so, the research conceptually contributes to delineating (MacInnis, 2011) institutionalization and its interplay with the emergence in festival service ecosystems.

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**Keywords:** Brand transformation; brand meaning emergence; institutionalization; brand cocreation

# Cases of Metaverse Platform as a Service Innovation: A Service-Dominant Logic's perspective

Jaebeom Suh - Taehyun Suh - Changdae Jeon

Topic: Phygital Customer Journey and Metaverses

Purpose: Metaverse platform as a service has gained significant grounds and draws substantial attention from practitioners and academics alike. The main characteristics of successful metaverse platforms are integrated scalability and versatility. Such metaverse platforms provide (1) 100% integration with common web services, (2) user data tracking system based on real-time traffic analysis, (3) User landing page and visit-count analysis, and (4) track behavior in the metaverse space. In other words, metaverse platforms take a big part of service and related exchange, creating values. Then metaverse platform are naturally related to service-dominant logic (Vargo and Lusch, 2004; 2008) as a new paradigm of marketing exchange, focusing on customers as value creators interacting with service providers and with products. The view emphasizes the importance of intangible relationship and all interactions. In this light, metaverse platforms could be a perfect example of service-dominant logic framework. Customers can directly interact with services and contents within metaverse platform and can be redirected (linked) to websites of retail stores, education institutions, public institutes, and so on.

**Methodology:** We examined the cases of actual metaverse platforms developed in a city, named Chuncheon, Gangwon Province, Korea: (1) bus map metaverse with the image of Chuncheon city logo, introducing eight landmarks of the city, (2) Gangwon National University metaverse platform, and (3) Chuncheon City Coffee Festa metaverse. For instance, Chuncheon city coffee festa with its metaverse platform (cccf.co.kr) showed significant positive outcomes.

**Findings:** The results went beyond what was expected. The first launch of a game-type web metaverse using the company's 3D characters, ended successfully with a cumulative view count of more than 2 million views as a tourism content that combines 360 VR content of actual café stores along with the Chuncheon City logo as a map. More important, the metaverse platform as a service provider generated increased sales volumes of participating coffee shops, enhanced images of shops and city itself, tourist attractions, online and offline sales of local products and gifts.

**Research limitations:** Despite such successful launches of metaverse platforms, we still need to investigate the underlying dimensions to explain "why and how." The cases we examined are limited. However, we conclude with confidence that metaverse platforms as a service innovation will be a game-changer in future markets.

**Keywords:** Metaverse, service-dominant logic, service innovation

#### Circular Economy and Ecosystem perspective: the role of Institutions

Tiziana Russo Spena - Stefano Paolo Russo - Cristina Mele

Topic: Service ecosystems and markets dynamics

Purpose: The development of the circular economy (CE) is a trending topic on the agenda of governments and businesses. From a managerial perspective, several business models are embracing the challenges and opportunities supported by reuse, recycling, and reduction principles (Bocken et al., 2014). The development of circular business models often entails a comprehensive systemic transformation that extends beyond the boundaries of individual companies and markets; it involves engaging a diverse range of stakeholders (Ghisellini et al., 2016). In marketing studies, the service ecosystems perspective (Vargo and Lusch, 2008; 2011) advocates the role of institutions as constitutive parts of a relationship between two actors. Institutions define the set of beliefs, norms, and values that guide the actions and interactions of the actors for service exchange and value co-creation (Vargo and Lusch, 2016; Edvardsson et al., 2011), they serve as the rules of the game. Institutional arrangements are a mechanism to connect institutions that determine the usage actor's resources and coordinate the resource integration (Koskela-Huotari and Vargo, 2016). Literature has made several contributions to the ecosystem perspective in the CE; however, there is also a scant debate on the role of institutions. This work aims to deepen the role of "institutions", i.e., the set of norms, standards and behaviours in developing circular business models. Then we propose a framework that illustrates the dimensions underlying the construction of a circular business from an ecosystem perspective.

**Research design/Methodology/Approach:** This paper is conceptual; the bridge between existing theories are used to broaden the scope of thought (Gilson and Goldberg 2015). We use cases to illustrate the most salient aspects of the phenomenon under investigation. The heterogeneity of the cases ensures that the framework is not vitiated by the specificities and intrinsic dynamics of certain sectors.

**Findings:** The present work proposes a conceptual framework involving: 1) social infrastructure: the way the different actors are involved and develop shared practices; 2) technological infrastructure: to promote and enhance the transfer of know-how and skills for the contamination and fertilization of knowledge between communities of different actors; and 3) the regulatory infrastructure to promote coordination and the transfer of good practices.

**Originality/Value:** This work recognizes the importance of institutional, regulatory, cultural and technological dimensions as integral elements of CE ecosystems.

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**Keywords:** Circular Economy, Ecosystem perspective, Institutions

#### **Circular Value Creation Logics: Insights from 100 Champions**

Luigi Sergianni - Carmine Sergianni - Marco Tregua

Topic: Value co-creation and value propositions

**Purpose:** This research leans on Ranta et al. (2020) conceptualisation of 4 value creation logics (VCLs) in circular economy (CE) initiatives to expand their understanding, in line with their suggestion to test their findings.

The understanding of CE under a theoretical lens based on service-dominant logic (SDL) leads to consider the architecture of circular value propositions as a result of new resource integration enforced by innovation to steer towards specific goals. These latter derive from the need to reduce the exploitation of natural resources and the environmental impacts (Geissdoerfer et al., 2017). Linear processes and products end-of-life are challenged by the 3 Rs (reduce, recycle, reuse; Jesus & Jugend, 2023). Vargo (2021) described the linear view of manufacturing as based on goodsdominant logic, while a perspective informed by SDL can make circularity unnecessary, since the focus on service discards the idea of value embedded in goods.

Scholars described the advantages of closing, narrowing the loop and extending the life of a product (e.g., Bocken et al., 2021) making CE more than innovating waste management (Ghisellini et al., 2016). Indeed, the observation of business models through various archetypes makes circular goals feasible under a technological, social, and organizational perspective (Bocken et al., 2014). Ties between CE and SDL showed the sustainability of servitization (Parida and Wincent, 2019) and the need to understand service processes (Tossavainen, 2017).

**Design/Methodology/Approach:** Starting from Ranta et al. (2020) VCLs, this research analyzes and categorizes 100 champion companies - listed by Fondazione Symbola (2021) - to further test the VCLs. Secondary sources - reports, websites, and managers statements - drove the analysis, while the comparison of sub-samples ensured a limited bias due to subjective interpretations.

**Findings:** While a categorization of the 100 champions companies is mostly doable under the VCLs (Optimize, Replace, Share, Resurrect; Ranta et al., 2020), this research suggests two new considerations. First, in some cases the four VCLs should be combined to capture the full essence of firms efforts (e.g., firms replacing resources after resurrecting them from food waste - Frumat - or resurrecting waste to optimize use of cosmetics - Davines), thus the VCLs are not mutually exclusive. Second, a new view on circularity emerged, since some companies act above the manufacturing and operational level, by facilitating the achievement of circular goals. Stakeholders involvement (Gruppo Intesa), tools for impact measurement (GS1), the setting of an observatory for circular solutions and new B2B relations (Materially), and investments for circularity (Ambienta) mirror new efforts supporting in launching circular initiatives and achieving benefits.

Therefore, the framework by Ranta et al. (2020) can be further advanced in considering an ecosystemic view due to the emerging of multiple levels to create circular solutions, thus expanding the suggestion by Tossavainen (2017) and favouring an understanding of the setting of circular value propositions via multiple actors resource integration.

**Originality/value:** This paper contributes to advance research on value propositions of circular enterprises from a perspective, i.e. SDL, different from previous research, thus offering an expanded perspective to scholars and companies.

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**Keywords:** Circular Economy, service-dominant logic, value creation logics, innovation, sustainability

#### Co-Creation of Brand Value-In-Context: The Moderating Effects of Customer Autonomy and Co-Creation Contexts

Kosaku Morioka - Chen Zhang

Topic: Experience, value-in-use, and value-in-context

**Purpose:** The purpose of this study is to identify specific types of consumers and corresponding contexts that increase brand engagement and improve brand value. To accomplish this purpose, a Service-Dominant Logic-based brand value co-creation mechanism is identified and factors influencing such mechanism are examined utilizing Self-Determination Theory.

**Study design/Methodology/Approach:** This research employs a quantitative methodology to construct a framework for a general comprehension of brand value co-creation from a Service-Dominant Logic perspective. This research entails a survey and experiments. A survey and experiments were undertaken to secure data for analyses. Data obtained through the survey were utilized to analyze the mediating effects of brand engagement in brand value co-creation, and data obtained through the experiments were utilized to analyze the moderating effects of customer characteristics and co-creation contexts on brand engagement.

**Findings:** Findings reveal that brand engagement serves as a resource integration mechanism in brand value co-creation. The results also indicate that the enhancement of brand engagement as a mechanism of resource integration is augmented when customers possess autonomy, and the effect of customer autonomy is more pronounced in contexts that are customer-initiated and do not provide financial incentives.

**Originality/Value:** This study provides a deeper understanding of the roles of customer characteristics and contexts in brand value co-creation. This insight should serve as the catalyst for a more thorough examination of the theoretical relevance of Self-Determination Theory and Service Dominant Logic.

**Keywords:** Customer brand engagement, customer autonomy, value-in-context

#### Collective "We" Actor Experience for reversing Ecosystemic Impoverishment

Anu Helkkula - Eric Arnould

Topic: Experience, value-in-use, and value-in-context

**Purpose:** Research in S-D logic has focused on individual experiences, and recently on theorizing actor-experience, which encompasses both individual and collective experiences (Becker et al. 2023). Alarmed by the global ecological challenge, this paper claims that focusing on people is inadequate when individuals, organizations and institutions seek to reverse ecosystemic impoverishment. Thus, this article aims to conceptualize collective actor experience, "we", as embracing both individual and collective experiences.

**Study design/Methodology/Approach** – We use the neo-animist framework (Arnould 2022; Helkkula & Arnould 2022) to propose how collective actor experience can embrace not just people, but also the rest of the biotic community, to aim for value cocreation that improves ecoeconomic wellbeing and eco-economic productivity.

**Findings:** Neo-animism has three main cocreation forms: gifting/sharing, reciprocal exchange/distribution, and predatory symbiosis. Sustainability research provides examples of consumer experiences of sharing and distribution at the individual "I", and collective "we" level. However, the "we" level mostly adopts the anthropocentric focus. Little attention has been paid to understanding "we" as an eco-economic system, where the whole biotic community contributes towards collective experience of eco-economic value. We characterize the three main neo-animist collective actor experiences forms and provide practical examples how they support ecosystemic equality. Mauss famously argued gifts retain something of each giver as they circulate (Mauss 2016/1924). Reciprocity/redistribution creates a sense of community as all individuals share in a common (Foster, Clark & Holleman 2021). And predatory symbiosis reinforces ecosystems' resilience and underlies the wellbeing of all individuals within the system.

**Practical Implications:** Placing neo-animist practices of resource circulation and value cocreation in the forefront of economic life (service experience), i.e., gifting/sharing, reciprocal exchange/redistribution, and predatory symbiosis, contributes towards the realization of SDG10 and SG16. The former aims at reducing inequality within and among countries. The latter aims at providing access to justice for all and building effective, accountable, and inclusive institutions.

**Originality/Value**: This paper contributes to S-D logic by extending the currently anthropocentric understanding of collective actor experience to include the whole biotic community. Extending concern for stakeholder experience to all actors via neo-animist practices nurtures equality and increases fairer distribution of valued outcomes of resource circulation. This move is prefigured in recent court cases that recognize personal rights to rivers in Latin America (Conty 2022; Landivar & Lavoisier 2019). Moreover, per the sociological and biological literature, these mechanisms of resource circulation create we-ness rather than I-ness.

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**Keywords:** Experience, ecosystem, value cocreation, resource circulation, neo-animism, sustainability

# Complexity drivers of Industrial Service System offerings and their relation to Efficiency and Flexibility

Lukas Schild - Jonas Jensch

Topic: Practice-theory in service research

**Purpose:** This study develops a model describing and categorizing sources of complexity in the offering of industrial service systems containing bundles of traditional services, data-based services, and products.

**Methodology:** Expert interviews and an online survey identify complexity drivers and discover cause-effect relationships between company and service offering characteristics and the occurrence of complexity drivers. A structural equation model derives the effects of complexity drivers in offering industrial services on efficiency and flexibility.

**Findings:** This study provides three key contributions to the fields of service science and complexity: (1) Holistic view and categorization of internal and external complexity drivers in the offering of industrial service bundles, (2) Analysis of effects of complexity drivers on the complexity characteristics diversity, multiplicity, dynamics of service offerings, (3) Mapping of complexity factors based on their significance to complexity characteristics.

**Research limits:** The application of a structural equation model discovers cause-effect relationships of complexity on the success parameters of service offerings. The study is limited by the small number of participants in the survey.

**Practical implications:** This study enables small and medium-sized enterprises (SMEs) to evaluate their individual service offerings in terms of complexity according to individual company characteristics.

**Originality/Value:** The paper advances research on complexity analysis in service offerings by analyzing their impact on flexibility and efficiency of complexity management.

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**Keywords:** Industrial service system, data-based service, product-service offering, service complexity, complexity driver, complexity management

# CSR-Washing as negative Value Co-Creation and its impact on the beneficiary, third-party actors, and the Service Ecosystem

#### Hogg Johannes

Topic: Value co-creation and value propositions

**Purpose**: The purpose of this paper is to describe the specific characteristics of Corporate Social Responsibility-washing (CSR-washing). CSR-washing is conceived as negative value co-creation. The impact of CSR-washing on the beneficiaries, actors and the service eco-system are conceptualized.

**Study design/Methodology/Approach:** A systematic literature review of 52 articles identifies characteristics that describe CSR-washing and approaches to avoid CSR-washing. S-D logic offers a theoretical framework to research the impact of CSR-washing on the beneficiary, third-party actors, and the service ecosystem.

**Findings:** In the case of CSR-washing, value co-creation is both, process, and outcome that might decrease the well-being of the beneficiary, actors in the service ecosystem or the viability of the service ecosystem, itself. CSR-washing can be understood as an intentional or accidental failure in the resource integration process, caused by (1) hidden benefit conflicts, (2) the lack of evidence of claims made in the communication process, (3) vague, (4) irrelevant, or (5) wrong – with regards to sustainability - value propositions, or (6) misleading service design elements.

**Theoretical implications:** S-D logic offers a theoretical framework to enhance the avoidance of CSR-washing by providing positive-theoretical concepts for multi-layered and nested institutional arrangements, a multi-stakeholder approach, a realignment according to institutions and institutional arrangements, and sustainable service design thinking.

**Practical implications:** Sustainable development is a megatrend that shapes markets and transforms enterprises. Marketers need a framework to understand the complexity and vagueness of sustainable development. CSR-washing is a thread for marketers. An enhanced understanding of CSR-washing's impact on the beneficiary, other network actors and the service ecosystem is essential.

**Originality/Value:** The article is the first to conceptualize CSR-washing with the S-D logic lens. Relevant approaches for the avoidance of CSR-washing are offered. For practitioners insides to detect and avoid CSR-washing are provided.

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**Keywords:** Service-Dominant Logic, value co-destruction, corporate social responsibility, greenwashing, blue-washing

#### Cultural Startups and Phygital approach accepted

Gesualda Iodice - Fabio Greco - Laura Clemente - Francesco Carignani - Francesco Bifulco

Topic: Value co-creation and value propositions

**Purpose:** In the cultural sector, the intersection of social and technological variables is a new key to understanding contemporary phenomena (Russo-Spena et al., 2020). In this direction, an emerging paradigm is represented using the Phygital approach. Cultural organizations that structure their value creation process on this approach, elaborate outputs and outcomes in function of a dialogue between digital components and physical experiences (Agostino et al., 2020; Andrade & Dias, 2020). This work in progress' research aims to analyze the different ways in which Italian cultural startups embrace the phygital approach and, from a managerial point of view, to highlight the new value proposition generated. The research objective is pursued through a multiple case study (Esposito and Ricci, 2021). The aim in this stage of research is going to be to intercept the various Phygital formulas adopted by startups in the various cultural sub-sectors, in particular n 4: Cultural Heritage; Cultural Event; Archaeological Heritage; Cultural Tourism. The cultural sector is increasingly establishing itself as an object of interest in the management literature concerning start-ups (Zaman, 2015, Summatavet & Raundsaar 2015). In this research area, therefore, a trend centered on the "phygital" approach is gaining ground (Andreula 2020; Neuburger, 2022). In line with the need for highly scalable entrepreneurial subjects (Blank, 2017; Nielsen & Lund, 2018), an essential feature for start-ups, which are however simultaneously capable of creating value on a cross-sectoral and cross-media basis, it has been demonstrated how the phygital approach makes possible the union of two characteristics: digital innovation and experience (Batat, 2020; Greco 2022). There are studies that investigate the use of the Phygital approach in various sectors and assume that the potential presence could be rather transversal (Soloviov and Danilov 2020). However, the gap identified concerns the lack of studies on the use of the Phygital formula in the ecosystem of cultural startups.

**Methodology:** To identify models and tools through which the cultural startups of the Italian territory adopt the phygital approach in their value creation processes, the authors use a multiple case study (Esposito and Ricci, 2021). Based on the definition of cultural enterprise elaborated by Magnani (2017), the authors have selected four different cultural sectors to analyze (cultural heritage; cultural events; archeological sites; cultural tourism). For each of them a startup has been identified and analyzed through primary and secondary sources (Creswell & Creswell, 2017).

**Findings:** The results of the research suggest that the phygital method is one of the newest frontiers of cultural value co-creation. From the analysis of the different Phygital formulas adopted by the cultural statutes examined, it emerges that there is a strong osmosis between them which allows probable paths to be followed in a perspective of collaborative innovation. The first business case studies of cultural startups that we have selected are: & Love; Janus; Sm@rt Pompei; Mappina.

**Originality:** The authors consider a further future research direction to expand the observed sample to return a holistic picture of the phenomenon. It would also be interesting to quantify cultural startups that convey their value on phygital logics according to a spatial analysis on an international scale, with the aim of understanding the state of the art, inputs, and drivers of the creation of innovative cultural startups.

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**Keywords:** Cultural startup,. Phygital,. value creation,. co-creation.

# **Customer Engagement Orientation: Managing Customer Resources and Firm Performance in times of turbulence**

Siggi Gudergan - Jabir Mursalin - Tom Chen

Topic: Actor engagement

**Purpose:** Considering the strategic importance of customer engagement (CE), firms' CE orientation becomes paramount in understanding their efforts to strengthen their customers' engagement. Yet, what CE orientation means remains little understood. This study fills this void by defining, conceptualizing, and operationalizing CE orientation.

**Approach:** Following an abductive approach, the study offers a definition of CE orientation that leverages current conceptualizations of CE and strategic orientation. Then, in synthesizing current understanding from extant literature with the empirical insights about how CE orientation manifested in 18 firms, the study reveals seven distinct values that compose the CE orientation of a firm. Further, drawing on survey data from 164 firms, the study provides a reliable and valid measurement index of CE orientation and assesses empirically its performance implications.

**Findings:** First, this study delineates CE orientation from other related terms and defines it as a set of firm-specific values that direct marketing initiatives for improving CE. Second, it reveals seven distinct organizational values underpinning a firm's CE orientation. These values are customer-focused communication, customer inducement, customer knowledge of the firm, customer rapport, customer experience, customer well-being, and customer decision autonomy. Third, it offers a suitable operationalization for CE orientation with a valid and reliable measurement index. Fourth, it outlines its performance implications.

Originality/Value: This study is the first to offer a definition of CE orientation. Drawing on customers' resource endowment as a suitable perspective to unpack CE orientation, the proposed definition of CE orientation integrates existing CE and strategic orientation knowledge and offers a conceptual base for advancing CE literature. Second, in identifying seven distinct values underpinning the CE orientation of a firm, the study reveals that the extent to which a firm's strategic orientation exhibits these values may differ: certain values may be stronger than others. These values are distinct and support the notion of resource contribution which implies that they guide the generation of certain marketing initiatives that encourage customers' resource contribution. Third, drawing on the development of a reliable and valid measurement index for CE orientation, the performance implications of CE orientation are clarified: CE orientation enables a firm to improve its performance, mediated through CE and conditioned by technological turbulence, competitive intensity, and customer turbulence.

**Managerial implications:** This study presents a framework for managers to improve CE. Accordingly, managers can pay attention to the seven values that make up CE orientation. Furthermore, the CE orientation instrument enables managers to gauge their firm's level of CE orientation by producing for each of the seven values an understanding of the extent to which such is embraced within the firm. In turn, this allows identifying potential gaps and tracking improvements over time. Thus, the managers can strategically manage and nurture CE orientation which ultimately can improve CE and the overall performance of their firms.

**Keywords:** Customer engagement, strategic orientation

#### **Customer Sentiments during Product- Service Transitions**

Schmidt Rainer - Scott Dacko - Michael Möhring - Barbara Keller

Topic: Service ecosystems and markets dynamics

**Purpose:** Many software companies are striving to change from product-oriented to service-oriented sales models to obtain continuous flows of revenue. Sometimes controversially the nature of value co-creation with such a change substantially changes as well. Our research analyzes the reactions of world-wide customers to one such controversial decision. By adapting a value co-creation perspective in our study we are able to help both the software companies and consumers affected to better navigate such major transitions to service.

**Study design/Methodology/Approach:** We apply a case study research method (Yin, 2017). Nearly n=1000 customer statements are examined, which arose in the customer forums of a software company after the company announced that it will move to a subscription model. We analyzed the customer statements using different text analysis methods coming from the field of natural language processing (e.g., LDA, text and opinion mining).

**Findings:** The switch from a product license to a service-oriented license model is seen by many users as extremely disadvantageous. This is especially true if the software manufacturer does not take into account the lock-in effects (Farrell & Klemperer, 2007) that arise when switching to a rental model. Around the software product an ecosystem (Lusch & Nambisan, 2015) has emerged that creates additional lock-in effects. Furthermore, the user statements reveal different patterns of customer response that change over time. For example, while frustration and aggression are expressed at the beginning, escape strategies such as switching to competitor products are then increasingly discussed.

**Research limitations/implications:** Although our research is limited to software product-to-service transitions the co-creation-based method and findings will motivate future research due to the increasing prevalence of this phenomenon.

**Practical implications:** Our research provides useful guidance to software companies when transitioning from a product to a service model.

**Originality/Value:** We improve the understanding of product-service transitions. Furthermore, new methods of data analysis were applied to a new field.

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Keywords: Product-service transition, ML, NLP

#### Dear Citizen, let's have a conversation through Chatbots

Cristina Mele - Gianluigi Mangia - Angelo Ranieri - Tiziana Russo Spena - Carmine Sergianni

Topic: Artificial intelligence and the human machine service interaction

**Purpose:** Nowadays, the impact of digital transformation and the consequences of an unforeseen global pandemic have aroused a sense of urgency within public institutions that already struggle to improve service provision for the community and its citizens (Ibad et al., 2020; Yildirim and Bostanci, 2022). Building on Public Service Logic (Osborne et al., 2018), researchers offer new insights into value co-creation between citizens and government (Sønderskov and Rønning, 2021). Relevant studies have investigated the emergence of digital solutions as a viable approach for enhancing service provision in the public sector (Henman, 2019), encompassing various examples such as social media platforms (Alryalat et al., 2017), mobile applications (Gil-Garcia et al., 2018), or big data (Pencheva et al., 2020). In this context, institutions need to redesign policies, processes and services to achieve compelling citizen experiences. Embracing digital transformation they can meet citizen's needs while enhancing efficiency and resilience (Kitsios et al., 2023).

Simultaneously, advances in automation and artificial intelligence (AI), placing on their collaborative, social and horizontal nature (Criado and Gil-Garcia, 2019), have brought forth a wide array of beneficial opportunities in the public sector (Wirtz et al., 2019). Smart technologies, capable of automating tasks traditionally carried out by humans (Mele et al., 2022), contribute to expanding interconnected and interactive public services (Lee et al., 2011; Wirtz et al., 2019). Public organisations can more easily engage citizens and benefit from their support (Osborne, 2020). Smart public services integrating service provision with AI can deliver personalised, streamlined, and efficient information, thus enhancing quality, trust and efficiency (Henman, 2020; Zuiderwijk et al., 2021).

Among these technologies, chatbots (i.e. text-based service robots) have gained significant interest across public institutions in recent times (McKinsey, 2022). However, while studies on chatbots within the private sector encompass various aspects, including design issues (Belanche et al., 2020), potential benefits (Rapp et al., 2021), and adoption factors (Gopinath and Kasilingam, 2023), there are still numerous opportunities and challenges to be addressed within the public sector (Kankanhalli et al., 2019; Wirtz et al., 2021). Service literature lacks extensive studies that clarify and promote chatbots diffusion in public services, thus inviting researchers to explore any possible integrations (Trischler and Westman Trischler, 2022). Therefore, we aim to analyse the role of chatbots in enhancing public service provision.

**Methodology:** This study adopts a qualitative approach (Bell et al., 2022), which has been widely considered in the literature as appropriate for analysing emerging phenomena like the use of artificial intelligence in the public sector (De Sousa et al., 2019). The comparison of multiple cases across various public service settings (i.e. public administration, healthcare, education, and transport) provides a comprehensive understanding of chatbot applications (Goodrick, 2020).

**Findings:** Analysed cases reveal that chatbots play different roles in public services. First, they can streamline routine processes, facilitate self-service options, and provide round-the-clock assistance to citizens. Through these advancements, public services can be delivered more efficiently, reducing waiting times, minimising errors, and enhancing overall customer experience. In addition, by automating repetitive tasks, chatbots support public institutions to optimise resource allocation, integration and value co-creation. This improves overall efficiency and

productivity while freeing up human resources to address citizens' requests involving human judgement, creativity, and problem-solving abilities. Nonetheless, integrating smart technologies contribute to building reputation and credibility in public institutions. Chatbots provide consistent, real-time and personalised information, thus instilling confidence in citizens regarding the reliability and security of the public services offered.

**Originality/Value:** This research contributes to the field of service studies offering a novel and valuable perspective on the role of chatbots as facilitators of service provision. Insights with solid implications for both theory and practice, guiding researchers and institutions towards enhanced public services.

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**Keywords:** Public service logic, service provision, smart technologies, chatbots, citizen experience

#### Depicting the role of Blockchain Technology within Healthcare Processes through a Multiple-Scenario Representation

Francesco Caputo - Sara Ebraico - Anna Roberta Gagliardi

Topic: Methodological challenges and issues in service research

**Purpose:** The initial COVID-19 pandemic outbreak disrupted the global health system. The importance of addressing critical issues to ensure a high standard of healthcare was then emphasized. Alternative socioeconomic frameworks were required, digital technology has progressively conquered a key role, and – as a consequence - healthcare organizations are changing their main features (Aunger et al., 2022; Tambone et al., 2022). In such a scenario, blockchain technologies (BcTs) are offering the opportunity to radically change managerial and organizational processes within healthcare organizations through a renovated approach to the management of data privacy (Dutta et al., 2020; Badr et al., 2022). Reflecting upon the key contributions that BcTs can have in rethinking managerial and governmental approaches for healthcare organizations.

This study aims to present a conceptual model based on the BcT use cases in healthcare to support researchers' and practitioners' comprehension of the benefits of health governance.

Study design/Methodology/Approach: Thanks to the adoption of a deductive approach (Reyes, 2004), a conceptual model is proposed combining information asymmetry and cognitive distance (Caputo, 2021) for depicting four pillars - democracy, objectivity, transparency, and accessibility - through which identify alternative approaches to BcT in healthcare processes (Figure 1). The conceptual model clarifies that the implementation of inclusive, participatory, and collaborative managerial models requires to include cognitive distance and information asymmetry as key domains for the study and understanding of healthcare processes (Alinasab et al., 2021; Caputo et al., 2023b). The proposed conceptual framework is tested using a multiple-case studies approach (Gustaffson, 2017) with the aim to add new information through the exploration of the phenomenon in a reliable way aim (Eisenhardt, 1991).

Distance Transparency Democracy Domain Domain

Figure 1. Healthcare blockchain contributions conceptualized. Source: Caputo et al., 2023a

**Findings:** As shown in Figure 1, cognitive distance and information asymmetry outline four potential domains through which BcT can influence healthcare management.

Recognizing the validity of the proposed conceptual framework and empirical observations, it is possible to state that BcT contributes to the emergence of context-specific value-changing actors' approach to information asymmetry and cognitive distance in the healthcare sector. Results demonstrated that in the democracy domain, BcT contributes to the definition of new solutions to increase organizational efficiency (telemedicine, metaverse), accelerating the acquisition of specialized capabilities, enhancing real-time diagnosis, and decreasing hospital pressures. In the objectivity domain, BcT contributes to the definition of specific performance measurements and it permits to measure of the risk management of a particular subset of healthcare activities, such as those related to a hospital's infection rate or inaccuracy issues. Due to the available data, BcT could facilitate digital infrastructure-based governance in these two areas.

In the domain of transparency, BcT promotes the dynamic interconnection of multiple actors, and it encourages the convergence among multiple actors' purposes because it offers opportunities for monitoring actors' responsibilities and for measuring actors' contributions to the ecosystem's survival and development over time.

In the accessibility domain, BcT decreases cognitive distance and – in this way – it improves micro-level collaboration between actors offering the opportunity for overcoming local patients' logic in reason of global patient management.

**Originality/Value:** The paper underlines and emphasize the role that BcT can have in improving efficiency, effectiveness, and quality of healthcare management by tracing possible ways and approach through which both researchers and practitioners can contribute to rethinking healthcare management and healthcare processes.

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**Keywords:** Blockchain, cognitive distance, information asymmetry, healthcare management

#### **Designing Fourth Place: Where Sustainable Service Ecosystem exists**

Alessia Anzivino - Suvi Nenonen - Roberta Sebastiani

Topic: Service ecosystems and markets dynamics

**Purpose:** The question of place – 'where' sustainability is performed – is a particularly interesting, but relatively unexplored theme in service research (Field et al. 2021). The current service ecosystem design (SED) research leaves the 'where' question relatively underexplored – and we posit that such spatial understanding is required for sustainable SED research to realize its full potential. The existing research posits that SED unfolds through collective processes, enabling various actors to shape institutional arrangements and their physical enactments (Koskela-Huotari et al. 2021; Vink et al. 2021). Thus, SED is doubly a spatial affair: it unfolds in a physical and social space, and the spatial elements themselves are also subject to design efforts. However, we still do not know how different physical and social spaces influence SED processes. Thus, we cannot say much about where sustainable service ecosystem design is – or should be – unfolding. In a similar vein, there is limited understanding of how the physical enactments of institutional arrangements should be designed in service ecosystems for improved sustainability outcomes. This is a crucial gap in understanding as 'whom' and 'what' a service ecosystem serves are questions firmly embedded in 'where': places and spaces (Holmes, Fernandes, and Palo 2021). the purpose of this paper is to examine the spatial aspects of sustainable SED. In particular, we seek to answer the following two research questions. First, what mechanisms occur in the places where sustainable SED unfolds? Second, what features characterize places where sustainable SED unfolds?

**Study design/Methodology/Approach:** The present study uses a qualitative case study methodology (Stake 1995; Yin 2012). The empirical material comprises of three longitudinal, indepth case studies. As the study is exploratory, the aim of the sampling was to illuminate the phenomenon under study as comprehensively as possible. In total, we conducted 30 semi-structured interviews to key informants from both cases.

**Findings:** According to our empirical findings, a novel concept of place where sustainable SED unfolds emerges: the fourth place. Fourth places, where to experience sustainability in the making, are specifically designed to foster sustainability-related work.

**Implications:** This paper provides a significant contribution by introducing a new type of places, fourth places, thus updating the literature on third places and spatial typologies with a novel concept able to capture contemporary societal changes (Morisson 2019). Fourth places, where sustainability can be experienced while it is in the making, reflect the increasing need for individuals and organizations in contemporary society to rethink new forms of spaces and places, dynamically enacting and advancing intentions, attitudes, and behaviors to live more sustainably and address UN's SDGs successfully.

**Originality/Value:** In the context of existing potential fourth places, we propose a conceptual framework. In this framework we consider several mechanisms and characteristics that are such that they should be present in all fourth places for them to function well in the long term. The conceptual framework can be used as a blueprint to guide the design efforts of new fourth place.

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**Keywords:** Fourth place, sustainable service ecosystem design, service sustainability, service ecosystem

#### Digital Servitization: Decreasing usage of natural resources in Service Ecosystems

Bjørn Ronny Vien - Bård Tronvoll - Rolf Findsrud

Topic: Industry 4.0 and digital transformation

Purpose: The circular economy aims to keep the value of resources in the economy as long as possible to minimize resource consumption and waste generation. The transition toward a circular economy can be enhanced with digital servitization as a vital enabler for obtaining circularity and sustainable operations by shifting perspectives to how firms cocreate value with actors. Thus, digital servitization needs alignment with other firms' business models in the service ecosystem (Kohtamäki et al., 2019). Digital servitization provides resource efficiency through remote monitoring, controlling, optimization, and autonomous solutions. Through alternative solutions, such as renting, sharing, leasing, and pay-per-use, digital servitization can provide the same functions to several actors with fewer resources. However, transitions toward a circular economy often lacks ecosystem thinking leading to unintended consequences and requires socio-institutional change with actor beliefs, standards, rules, and norms. Moreover, socio-institutional inertia makes the transitions complex (Potting et al., 2017), for example, sharing or pay-per-use solutions. Thus, systems thinking and service-dominant logic will be a vital lens to understand the dynamics for circularity (e.g., Vargo & Lusch, 2016).

Further research is needed on which digital servitization mechanisms lead to distinct benefits for circularity (Paschou et al., 2020), thereby increasing our understanding how the void from using fewer natural resources will be filled. This study aims to contribute to the understanding of how firms can decrease use of operand resources while increasing operant resources to enhance the circularity in solutions using a service-dominant logic lens to catch the dynamic between actors (e.g., Vargo & Lusch, 2016). Filling this gap is vital to successfully transitioning toward a circular logic in service ecosystems.

**Study design/Methodology/Approach:** We use an exploratory interview approach from the focal firm's perspective, gathering data from 20-25 SMEs in the manufacturing industry in Norway. Further, a Gioia-inspired methodology will be used for the coding structure and analysis.

**Findings:** The findings lead to an agenda for increasing operant resources in manufacturing SMEs' providing solutions while decreasing operand resources towards a circular logic. Further, we will provide a conceptual framework for how manufacturing SMEs can work to increase the use of competencies, skills, and smart technologies while decreasing the usage of natural resources and materials for circular value cocreation in service ecosystems. The framework could show what is needed to increase value re-use, value extending and changed value focus, simultaneously decreasing value wasting, value abbreviation, and value myopia without losing the potential in the value propositions.

**Originality/Value:** First, we contribute to the digital servitization literature with a broader understanding of the circular economy in manufacturing SMEs and value cocreation in service ecosystems with a service-dominant logic lens. Finding how actors in service ecosystems cocreate value and integrate resources for circularity is vital. Second, we provide a conceptual framework for firms to work toward a circular business logic, giving managers an understanding to cope with challenges and transitions. Thus, increasing competencies and smart digital tools to optimize and automize productions, and further sharing, renting, or pay-per-use revenue models, for circularity in the service ecosystem.

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**Keywords:** Digital servitization, circular economy, industry 4.0, service ecosystem, value cocreation

# Digital Technology as Market-Shaper: A Typology of digital technology roles for shaping markets

Judith Helmer - Joelle Hawa - Carolin Plewa

Topic: Market shaping

**Purpose:** Following the understanding of markets as malleable, plastic complex adaptive systems, market-shaping as a phenomenon describes the deliberate actions of market actors to cause market change. As such, various market actors - human individuals, collectives, and organizations - shape markets in diverse roles. Yet, despite the observation of radical market changes likely happening in connection to digital technology, scholars have paid little attention to these non-human actors and their role for market-shaping. In fact, recent studies have largely considered digital technology in passive roles such as a resource, medium or vehicle that human market actors can use, while few studies indicate that digital technology can also take more active roles, such as an intermediary. We aim to build on these insights to develop a clearer picture and demystify digital technology as an actor to shape markets in diverse roles.

**Study design/Methodology/Approach:** This conceptual study builds on extant market-shaping literature with a particular focus on digital technologies. It examines the agency and intentionality of digital technology to shape markets by drawing on both actor-network theory, more specifically the concept of action and agency of things, and the action-based approach of role theory.

Findings: We identify four main roles in which digital technology shapes markets. These roles are action-based and demonstrate digital technology's market-shaping actions through two main attributes – (1) how digital technology frames actors' intentions and (2) how it collaborates with actors for shaping the market. The Optimiser fully frames diverse market actors' intentions in strong collaborations causing market changes that optimise the value created in the market. The Challenger fully frames one market actor's intentions in a strong collaboration and peripherally frames other market actors' intentions in a weak collaboration causing market change through the co-creation of a radically new value. The Intermediary peripherally frames diverse market actors' intentions in a moderate collaboration to cause market change without direct involvement in the value co-creation. Lastly, the Radar peripherally frames diverse market actors' intentions in weak collaborations to cause market change through influencing the actors' market perception about the potential value to be created without being applied yet. Moreover, multiplicity and temporality emerge as role patterns.

Research implications: This research extends the concept of actors and agency for market-shaping, currently limited in its focus largely on human actors. As such, the study clarifies the diverging descriptions of digital technology in the recent market-shaping literature and opens further avenues of investigation based on a broader and more differentiated understanding of market-shaping and market-shapers. Furthermore, the discussed digital technology agency adds to the agency of things conceptualised in actor-network theory and extends the concept's understanding beyond the traditional boundaries of framing actors' intentions. Moreover, we integrate digital technology as non-human actor into role theory and show its ability to perform a role in relation to other actors.

**Originality/Value:** This paper advances our knowledge of the roles that digital technology as a non-human actor may play for market-shaping.

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**Keywords:** Market-shaping, digital technology, actor-network theory, role theory, actor roles, agency, framing

#### Digital Transformation in Culture Organizations: An Institutional perspective

Saba Samadilashkariani - David Sörhammar - Fredrik Nordin - Jon Engström

Topic: Integration and management of resources and capabilities

**Purpose**: Drawing on service-dominant logic and institutional theory, this paper aims to delineate the process of transforming a cultural organization from analog to digital, focusing on significant adjustments of institutional arrangements such a transformation entails.

**Study design/Methodology/Approach**: Data primarily contains 26 semi-structured interviews conducted with employees at the Royal Swedish Opera (RSO), a 250 years old organization and a forerunner in digital innovation of the cultural organization. It also includes internal organizational documents, the company website, news articles about the Royal Swedish Opera, and documents regarding the overarching transformation of cultural industries.

**Findings**: While many cultural organizations are undergoing digital transformation and embracing digital possibilities, there still exists negative nuances toward this shift. Fear of losing the artistic nature and lack of training and resources for digitalization are some examples of challenges of digitalization in the context of cultural organizations (e.g., Evrard and Krebs, 2018). This paper suggests that it is not the technology itself that hinders the digital transformation of the cultural industry. Instead, it is the required adjustments of the *regulative*, *normative*, and *cultural-cognitive* aspects (Scott, 2014) in the institutional arrangements which orchestrate how value is cocreated that make the transformation challenging (cf. Koskela-Huotari et al., 2016; see also Vargo et al., 2015; Vargo and Lusch, 2016; Vink et al., 2021).

The findings reveal that for the digital transformation to take place in the context of cultural organizations, key adjustments to three institutional arrangements concerning *customer interaction, cultural production*, and *legal arrangements*, are required. For customer interactions, the adjustments mainly relate to customer participation in the value co-creation process, where the previously analog interactions are now mediated through technology, e.g., as customers buy tickets, learn about the cast and productions, or sometimes as they take part in performances from their homes. For cultural production, adjustments manifest through artistic negotiations in the context of a digital opera. That is, for example, regarding roles within the production mainly between technical and artistic responsibilities for digital production. Finally, the adjustments to the institutional arrangements concerning the legal frameworks involve the processes of handling copyright issues and generating a sustainable process for rights handling. These three institutional arrangements defer significantly when infusing a digital scene onto the traditional analog opera stage. Our findings also illustrate the interrelatedness between these adjustments that manifest in the overarching urge to maintain the cultural heritage and values of the organization.

**Originality/Value:** This paper provides a broadened view of the adjustments to institutional arrangements that facilitate digital transformation and enable the public and more specifically cultural organizations to embrace new ways of cocreating value.

**Practical implications:** With the global shift toward digitalization, embracing the co-creation opportunities provided by digital technology have become imperative also for incumbent cultural organizations. This paper presents a holistic and systemic view of the institutional arrangements that enable digital transformation in cultural organizations to take place.

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**Keywords:** Cultural organizations, digital transformation, institutional arrangements, service ecosystems, value co-creation

#### **Emergence of Engagement and Co-Creation of Value in Service**

Masaki Kanda - Linda Hollebeek

Topic: Actor engagement

**Purpose:** This study aims to empirically clarify the relationship between the concept of engagement and value co-creation in service settings and propose a conceptual framework that the emergence of engagement of multiple actors leads to value co-creation and improves the performance and well-being of the organization and involved actors. The study explores how value co-creation emerges in actors' engagement through resource integration practices in service.

Study design/Methodology/Approach – Building on service-dominant (S-D) logic narrative (Vargo and Lusch 2016, 2017) and the concept of emergence (Vargo et al. 2022), engagement properties (Hollebeek et al. 2019; Brodie et al. 2011; Chandler and Lusch, 2015), and multiple actor engagement (Brodie et al. 2019; Kleinaltenkamp et al. 2019; Storbacka 2019; Hollebeek et al. 2022), this study investigates the relationships between co-creation, resource integration, and engagement in service settings by identifying the psychological states, behaviors, and practices of actors using multilevel analyses. A mixed methods research design (Creswell and Plano Clark, 2011), using survey data collected from customers and employees at two service firms between May 2018 and July 2019, was applied.

**Findings:** Multi-actor engagement derives resource integration and value co-creation, as well as the outcomes of actors' well-being and engagement behavior (such as co-creation behaviors, extrarole behavior, and word-of-mouth behavior), which can facilitate market shaping. We thus propose a comprehensive multi-actor engagement framework based on qualitative and quantitative findings. The framework depicts engagement processes of engagement, resource integration, and value co-creation—including the triggers, antecedents, and consequences. In addition, the framework suggests several resource integration practices driving multi-actor engagement, which are conducted through an engagement platform that could affect focal actor engagement.

**Practical implications:** The proposed framework has strategic implications for service firms interested in building long-term relationships with a range of actors including customers, employees, managers, and the focal brand. Moreover, the engagement processes of the framework provide actionable guidance for service managers to shape markets by the emergence of value cocreation through multiple-actor engagement.

**Originality/Value:** This study presents the experimental evidence of the phenomena of the emergence of value co-creation through multi-actor engagement by (1) incorporating the practice theory (Reckwitz 2002; Shove et al. 2012) to explore resource integration practices, and (2) applying the mixed methods research design to identify the engagement processes.

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**Keywords:** Engagement, value co-creation, resource integration practices, S-D logic, mixed methods research

#### **Emerging and Self-Organizing Service Eco-Systems**

Petter Braathen - Bård Tronvoll

Topic: Emergence and Institutionalization in Service Eco-Systems

**Purpose:** Service eco-systems emerge from complex adaptive systems of actors co-creating value by integrating various resources (Vargo,et. al, 2022). The *performative* service-exchange is a transition where the state of value is transformed through relational interactions. A system of cocreating transitions may emerge as an *ostensive routine* (*Tuominen et. al, 2020; Feldman et. al, 2016*), a phenomenon that may be qualitatively different from, and irreducible, to the individual transitions. Such routine comprised of a stable system of performative service-exchange transitions may be what we categorize as a service eco-system.

**Study design/Methodology/Approach:** This study presents a conceptual analysis on a microfoundational level of how the performative value co-creation transitions emerge as ostensive routines of service on the level above and, over time, may form a stable service eco-system. We base our analysis on service-dominant logic (Lusch and Vargo, 2014), informed by literature on complex adaptive systems (Holland, 2006) and formal organizational theory (Heylighen et. al, 2015). This allows us to introduce a framework of value co-creation transitions statements as a conceptual narrative of the service eco-system.

**Findings:** We apply the framework to analyze how ecosystems may self-organize from disparate and individual service exchanges into stable systems that are closed and self-maintained. This is an evolutionary complexification process where a variety of new entities are added and related through the interactional integration of resources (Campbell, 1974). We will demonstrate how the self-organizing ecosystems are path-dependent based on initial conditions and contingent on possible co-creation opportunities provided by the institutional context and the actors themselves. **Originality/Value:** The theoretical contribution also offers the explicit conditions for when a stable service routine emerges from a system of service-exchanges, and how it may remain as a stable service ecosystem.

The suggested conceptual framework aims to extend existing accounts of how service eco-systems evolve and emerge through the interactions of multiple actors, hence, bridging the performative level of the individual service exchange with the higher-level concept of service eco-systems.

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**Keywords:** Emergence, routine, complex adaptive systems

# **Emerging Strategies in Start-Up Ecosystems: An Effectuation Perspective in Food Delivery Business**

Fabio Greco - Tiziana Russo Spena - Marco Tregua

Topic: Value co-creation and value propositions

Purpose: Service-dominant logic (SDL) scholars have long focused on strategising (Kowalkowski, 2011) and strategic thinking (Pels et al., 2014) and have observed different issues. In line with this advance of strategy implementation, Vargo et al. (2022) recently stressed that the combination of causal and effectual approaches is needed to understand organisational decisionmaking better; therefore, they first suggested that organisations should first adopt a continual process of reshaping with the reference "to strategy, innovation, and business planning" (p. 16). The phenomenon of startup enterprises and effectuation theory have previously been connected by several authors. According to Gezzi (2019), "lean" digital startups are strongly related to the effective logic in seizing chances in a constantly changing market. Alsos and Clausen (2014) point out that "effectuation strategies" are crucial for startups in the tourism sector, which they claim is one of the fastest-growing in the world. The infusion of SDL in entrepreneurship studies led to the observation of new ventures in so-called service-oriented entrepreneurship, namely, a view on value cocreation opportunities disconsidered by companies already active on the market (Callaway & Dobrzykowski, 2009); Still little attention has been paid to strategizing startups with an effectual approach. The aim of this work is to observe the strategizing process through the effectuation perspective in the context of FD startups.

**Methodology:** This research is currently in an exploratory phase. The focus is on food delivery services, a rapidly growing trend that is being increasingly studied, as shown by the literature review of Li et al. (2021). The authors adopted Multiple case studies based on the analysis of three FD start-ups. Different sources are considered to ensure a sufficiently wide view, namely, reports from companies and interviews with entrepreneurs describing how strategies were set and which drivers shaped them. Moreover, new competitors (i.e., startups and spin-offs) can be suitable research units to identify what kind of strategies Italian FD startups implement and to describe how these strategies are set in this industry to counteract the power of large companies.

Findings: This work summarises preliminary results on Startup strategising. First, startups use strategic planning tools such as Business Plan and Business Model Canvas but through an Effectual perspective and are therefore open to change without being too anchored to what has been decided. Most of the founders and managers of the three startups analysed claim to have achieved developments and results that are quite different from what was preestablished in the plans. Then, startups analyse the market through a benchmarking activity in search of innovative elements and not through simple market research. Startups establish relationships with territorial institutions such as research centres, universities, and public institutions and are very leaning towards venture capital to finance future business developments, often through crowdfunding platforms. All three startups analysed have made at least one crowdfunding campaign. The startup strategies aim at growth also to make themselves attractive to large multinationals with whom to develop future collaborations or develop exit strategies.

**Originality:** The work focuses on the process through which start-ups implement their strategy and is interpreted through an alternative point of view which is that of effectuation.

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**Keywords:** Startup Effectuation, Strategizing

# **Employee Job Performance and Well-Being in Service Robot Assisted Elderly Care**

Chelsea Phillips - Mark Steins - Kars Mennens - Gaby Odekerken-Schröder - Dominik Mahr - Rebekah Russell-Bennett - Kate Letheren

Topic: Artificial intelligence and the human machine service interaction

**Purpose:** Service robots can change how frontline employees interact with their daily jobs (Paluch et al., 2021). From low-risk hospitality interactions to high-risk healthcare environments, each service environment demands different job performance requirements of their respective employees, often supported by training and experience of the employee. Job performance considers the actions, behaviours, and outcomes linked to organisational goals (Borman and Motowidlo, 1997). Service robots present opportunities to elderly care such as compensating staff shortages, unburdening healthcare professionals, and having 24/7 availability (Min, 2023). In light of this exciting future, we seek to understand how service robots integrated into patient care can change employee (1) task and contextual performance from original job requirements, and (2) how job performance relates to employee well-being.

Study design/Methodology/Approach: When considering job performance, we leverage Borman and Motowidlo's (1997) conceptualisation of job performance which consists of task performance, actions that are part of the formal reward system and address the requirements as specified in the job description, and contextual performance, behaviour that does not directly contribute to organisational performance but does maintain and support the social and psychological environment. We view employee well-being through the Gallup-ShareCare (2008) well-being index, which comprises of five dimensions: purpose well-being (how you occupy your time and liking what you do every day), social well-being (meaningful friendships and connections in life), financial well-being (effective management of money and financial security), community well-being (sense of engagement and involvement where you live), and physical well-being (having good health and energy to get things done on a daily basis).

This study focuses on the incorporation of therapeutic robots that seeks to comfort residents of nursing homes. With its minimal design resembling a baby, these robots serve as a 'healing communication device' that provides auditory feedback in response to its care by the user. These 'cuddle' robots can be used to combat lack of meaningfulness in life, loneliness, restlessness, and feelings of lack of responsibility.

The service robot transitions what was a technology-free encounter to a technology-assisted patient to staff encounter (De Keyser et al., 2019; Odekerken-Schröder et al., 2022). Therefore, we seek to understand how the introduction of the therapeutic service robot to the elderly care setting relates to employee job performance and well-being. Thus, this research relies on an exploratory, qualitative field study approach underpinned by an ethnographic field study and semi-structured interviews with frontline employees (healthcare professionals) before and after service robot implementation. An exploratory approach to research provides the opportunity to discover unanticipated findings.

**Findings:** The results of the analysis will be presented at the Naples Forum on Service, revealing exciting recommendations for both research and healthcare practice. We anticipate that the introduction of the service robot to an elderly care setting will alleviate stressful interventional contextual performance demands of the healthcare worker.

**Implications:** In doing so, we foresee that physical, purpose, and social well-being may be supported or enhanced, allowing for healthcare workers to plan patient care (task performance) under less stressful circumstances.

Through this we will understand what forms of task and contextual performance are related to dimensions of employee well-being, and where service robots can be meaningfully introduced to benefit the employee in their daily role.

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**Keywords:** Service robots, employee, job performance, well-being, elderly care

# **Employee Need Satisfaction Patterns impact their motivation to align with the Organization's Value Propositions**

Helena Liewendahl - Anu Helkkula

Topic: Actor engagement

**Purpose:** Psychological need satisfaction is used to predict employee motivation and wellbeing at work. The purpose of this paper is to explore employees' psychological need satisfaction patterns as predictors of their motivation and wellbeing, which has an impact on how they can align with an organization's value propositions.

**Study design/Methodology/Approach:** Self-determination theory (SDT) defines three basic psychological needs: competence, relatedness, and autonomy, which predict motivation and wellbeing. The purpose of this 1-year, four-phase service design study is to identify "sub need-satisfaction" elements of these basic psychological needs, and how need satisfaction patterns vary between individuals, and across different organizational units. The study used mixed methods: action /participatory research, the event-based narrative inquiry technique (EBNIT), and surveys. Data was collected in a large organization providing a range of care-giving services, with 1400 employees in Finland. To analyze varying need-satisfaction patterns among employees and units, a *need-satisfaction map*, was constructed.

**Findings:** We identify eight basic need-satisfaction elements, which predict motivation and wellbeing. In this service design study, these need-satisfaction elements are identified using descriptors from nature. This nomenclature helps employees understand that all need-satisfaction elements are part of a holistic ecosystem. The employee *need-satisfaction maps* show that the occurrence of specific need-satisfaction elements varies between different types of work (units) within the organization: e.g., employees providing care express stronger need satisfaction on relatedness, while IT employees express stronger need for autonomy.

**Practical Implications:** The study indicates that individual *need-satisfaction* is vital to consider on a more granular level than using the three basic SDT needs. Individual *need-satisfaction maps* vary between individuals and in relation to different tasks and units in an organization. Employees with different kinds of *need-satisfaction maps* become motivated to align with the organization's value propositions in different ways. Insight on these distinctions helps employees and managers to understand the foundation of individual motivation and wellbeing in different units.

**Originality/Value:** We developed an intra-organizational *ecosystem need-satisfaction map* to analyze employees' basic needs when an organization integrates its value propositions into operations. The map consists of eight "sub-need-satisfaction" elements, which illuminate differences in individual need patterns not only between individuals but also at the unit level. Organizational alignment with value propositions in human-to-human service, such as caregiving, is dependent on how well employees align with an organization's value propositions. *The ecosystem need-satisfaction map* gives a more granular depiction of employees' psychological needs, which indicates employees' motivation for supporting an organization's value propositions. Applied to team level, the need satisfaction map advances a systemic understanding of employee motivation to align with the organization's core value proposition.

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**Keywords:** Psychological need satisfaction, motivation, value propositions

# **Enabling Sustainable Business Practice through Symbiosis & Circularity:** transformation to Regenerative Service ECO-System

Samuel Petros Sebhatu- Bo Enquist

Topic: Emergence and Institutionalization in Service Eco-Systems

**Purpose:** To broaden the perspectives of the three Naples forum pillars to a more sustainable business practice perspective by contributing to an integrative perspective of those pillars. The aim is to enable sustainable business practices by assessing and handling the transformation of an ecosystem for new sustainable business practices and sustainability, which is a gap in service research today. Enabling addresses that acting as an 'enabler' is central to value-creation communication (Normann, 2001). To achieve this, it requires a broader framework to handle value co-creation, innovation, and sustainability for business societal transformation (Sebhatu et. al., 2021) and includes symbiosis and circularity to regenerate the service eco-system. Vargo and Lusch (2017) suggested using S-D logic as a broader framework. One of those possibilities for extension is the study of macro marketing, including ethics, economic, environmental, and social sustainability, as well as public policy (ibid). Laczniak and Murphy (2012) argued that there is an urgent need for new research that adopts a broader view. That includes an inclusive stakeholder orientation moving from a firm-centric to a societal perspective grounded in ethical, macro-oriented, and network views. Vargo (2021) suggests an extension of the S-D logic model looking beyond circularity to identify approaches that are more robust to sustainability. He also argues for an alternative to the make-sell-use-destroy-discard process in G-D logic. Symbiosis (Bragdon, 2016) & Circularity (Webster, 2017), two central concepts for regeneration thinking, belongs to the resource base and from a conceptual and theoretical point of view part of systemic thinking, which our paper focuses on. "Regeneration goes well beyond sustainability as an outcome is only possible if the system as a whole is regenerative" (Elkington, 2020 p. 143). This article will develop a dynamic eco-system labeled as Regenerative Service ECO-system.

**Methodology:** There is a widely accepted view that enabling sustainable business practices is needed to handle sustainability business transformation by explaining how. The explanatory power of our conceptual framework, based on symbiosis and circularity to regenerate the service ecosystem, is shown in an empirical study of values-based firm "Löfbergs", and the case of a value network, an organization embedded in a "network of networks", "PRME (Principles for Responsible Management Education)", which is part of the UN's Global Compact initiative. Both cases orchestrate innovation and transformation to create interaction and dialogue by integrating and allocating resources in the eco-system. Löfbergs use circular thinking as an enabler to transform their sustainable business practice. The PRME idea of collaboration as a methodological design can be used as Collab/Transition-lab interaction for enabling transformation.

**Findings**: We identify and reconcile the connections between circular society, ecosystem, and transformation embedded in sustainable value co-creation. Our conceptual framework also introduces a new construct by building on circularity and symbiosis constructs (Jaakkola, 2020) to explain how to enable the transformation of sustainable business practices to a Regenerative Service ECO-system.

**Research limitations/ Implications**: Our paper is a conceptual paper with a specific focus on service research, sustainability, and transformation from circularity and symbiosis perspectives to enable sustainable business practices.

**Originality/ value**: Our conceptual paper provides a contribution to the three Naples forum pillars and the ongoing discussions on service ecosystem transformation and sustainability, and more specifically sustainable value co-creation through business practices. This is done by contributing with a further developed conceptual and transdisciplinary theoretical framework for transformation for a new sustainable business practice; and with a regenerative service eco-system model to fill the gap in service research.

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**Keywords:** Service eco-system, transformation, sustainability, circularity, regenerative, S-d logic, symbiosis, value net work

#### **Exploring Perceived Service Provider Roles in Business Actor Engagement**

Elena Anastasiadou - Peter Ekman - Jimmie Röndell

Topic: Actor engagement

**Purpose:** Research on business actor engagement (BAE), i.e., resource contributions that extend beyond the regular business exchanges, indicates that engagement improves business relationships, market offerings (Vargo et al., 2022) and overall outcomes (Ekman et al., 2021). Many service providers see engagement as a way to develop strong customer-firm relationships and share responsibilities for a common cause. Although the providers are the initiators, and they directly affect the engagement disposition and hence the BAE outcomes, most studies have a beneficiary (e.g., customer) centric focus. Despite several calls for research on how BAE unfolds (Brodie et al., 2019), along with the characteristics and roles of actors in relation to BAE (Kleinaltenkamp et al. 2019), the provider's role in the engagement process has gone rather unexplored. This study thus explores beneficiaries' perceptions of their providers' engagement and how these perceptions change over time.

**Study design/Approach:** The study applies a service-dominant (S-D) logic perspective (Vargo & Lusch, 2016) on engagement and adopts an abductive approach when studying four service providers from the facility industry (i.e., offices) and their customers (i.e., commercial tenants). The field study involves over 20 interviews with customers and six focus group interviews with providers (landlords). The data was analyzed using systematic combining (Dubois & Gadde, 2022), i.e., going back and forth between data and theory, to offer robust results and theorizing that extends the mid-range theory on engagement.

**Findings:** The results indicate that customers often perceive their service providers to uptake four distinct engagement roles: (i) the good, (ii) the negligent, (iii) the steward, and (iv) the dominant. While a provider engagement role can prevail over time and over several engagement initiatives, it can also change in the engagement process. The analysis indicates that there are mainly three contextual factors that may affect if a perceived provider engagement role changes, namely: (i) the initiation (of the engagement initiative), (ii) the provider contact person, and (iii) external actors (in the wider service ecosystem). The results offer guidance on the underlying mechanisms behind role changes and how such changes affect the beneficiaries' engagement.

**Research limitations:** The conceptualization of the provider roles builds on insights from a single empirical context (the facility industry) and does thereby not offer generalizations to a population. Thus, the results offer only analytical and theoretical generalizations. However, the conceptualization offers a midrange theory contribution within the field of actor engagement research, and it also provides guidance on value co-creation in B2B markets.

**Practical implications:** The conceptualization of provider engagement roles and the clarification of contextual factors that change the perceived provider role in BAE over time, offer direct managerial implications for B2B firms that develop and introduce value propositions towards customers.

**Originality/Value:** The paper is a contribution to S-D logic and service research through a midrange theory contribution on actor roles in the engagement process.

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**Keywords:** Service-dominant logic, actor engagement, value proposition, service provider, business-to-business (B2B), customer perspective

### **Exploring Pre-Purchase Engagement in digital B2B Settings**

Sissi Lehto - Matthew Alexander - Graeme McLean

Topic: Actor engagement

**Purpose:** In attempts to create more meaningful and lasting connections with customers in complex B2B environments, companies are increasingly interested in the concept of engagement (Blasco-Arcas *et al.*, 2022). Extant literature has defined customer engagement behaviours as voluntary resource contributions targeted at a firm or a brand, that go beyond the transaction (Brodie *et al.*, 2011; Jaakkola & Alexander, 2014). The purpose of the study is to explore engagement behaviours "beyond the transaction" by focusing on engagement that occurs on the other side of the customer journey, prior to the purchase. Additionally, the study explores the role of marketing automation, a software tool used to automate marketing tasks including online tracking and campaign management (Bagshaw, 2015; Buttle & Maklan, 2019), in supporting B2B online engagement throughout these customer journeys.

Methodology/Approach: For this study, exploratory in-depth interviews with 29 experienced senior digital marketers working in both digital marketing agencies and in-house in various B2B organisations in Finland and the UK were carried out. The participants were selected based on their experience with marketing automation and B2B content marketing initiatives. During the interviews, participants were asked about their experiences with marketing automation and online engagement marketing. These interviews were an average of 76 minutes and took place on Zoom. Findings: The findings illustrate how online engagement manifests differently in different stages of the customer journey. In particular, the findings emphasise the importance of considering engagement before a prospect becomes a customer and illustrates how AI-fuelled technologies such as marketing automation enable the capture of such insights. Moreover, the findings reveal that the use of automation can drive engagement through personalised, instantaneous, and responsive interactions that often cannot be effectively matched with manual efforts. Consequently, the findings indicate that prospects are engaging with the selling organisation before purchase, and even before humans (e.g., marketer or salesperson) are involved.

**Practical implications:** The findings of the study illustrate clear benefits for employing marketing automation for B2B engagement marketing initiatives. For managers, the study provides actionable insights for creating effective engagement marketing strategies utilising marketing automation. Additionally, the study addresses ways to measure online engagement with both prospects and customers throughout the complex B2B journeys. Furthermore, the study uncovers facilitating factors that impact the success of such engagement marketing initiatives.

Originality/Value: While Van Doorn *et al.* (2010) have acknowledged how customer engagement behaviours may extend beyond the transaction to include the experiences of potential customers, a large portion of academic inquiry has focused on engagement as a post-purchase activity (e.g. Lemon & Verhoef, 2016; Pansari & Kumar, 2017). Thus, the findings of the study extend our understanding of B2B engagement by considering engagement that occurs prior to the first purchase. Secondly, this study contributes to our understanding of the role of marketing automation in both stimulating and maintaining B2B online engagement throughout the customer journey, further aiding our understanding of the potential of non-human actors (Storbacka *et al.*, 2016) in fostering engagement.

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**Keywords:** Pre-purchase engagement, customer engagement, marketing automation, B2B customer journeys

### **Exploring the concept of Antifragile Service Ecosystem**

Martina Frizzo - Isabella Maggioni - Daniela Corsaro

Topic: Service ecosystems and markets dynamics

**Purpose:** Change is endemic to the notion of crisis as an unexpected situation that requires extraordinary measures to deal with the stress (Beall, 2007; Booth, 1993) and uncertainty (Al-Dahash, Thayaparan & Kulatunga, 2016; Bundy, et al., 2017) it causes. Today, however, disruptive events seem to be turning in daily routine, where organizations are surrounded by systemic uncertainty. The evolution of the service ecosystem is also non-linear, dynamic, and filled with risk (Vargo & Lusch, 2017).

Despite the availability of large amounts of data and advanced computational capabilities and tools, the contemporary business environment remains permeated with a high degree of risk stemming from recurring crises, and existing frameworks to understand organizational adaptation lack in effectiveness when applied to increasingly dynamic conditions. As a consequence, scholars are starting to suggest that organizations should think beyond isolated incidents with short-term and predictable consequences, to implement effective long-term decision making that can support the organization through systemic uncertainty (Mehrotra et al. 2020; Ivanov, 2021).

As more extreme and unprecedented crisis events can be expected, coping with uncertainty goes beyond the concepts of readiness and resilience, since the instability of business contexts is widening the gap between the organization's preparation and its ability to resist or respond to disruptions by adapting *ex post*. This is leading to the need for a new perspective focusing more on how organizations may take advantage from disruptions rather than reacting or resisting to them. This study adopts the concept of antifragility from the managerial debate, defined as the ability of organizations to get stronger and improve in the face of stressors, and thrive when exposed to volatility and uncertainty (Taleb; 2012).

This study investigates how antifragility can occur within the service ecosystem, intended as the ability of the system to embrace uncertainty and leverage it, in order to improve and learn within a context of continuous disruptions.

**Methodology:** Our methodology includes a qualitative study collecting data from three 3 focus groups and 30 in-depth interviews with a total of 48 managers and directors operating in B2B contexts as well as intermediaries and non-economic actors.

**Findings:** The paper proposes a model of the antifragile service ecosystem, composed by antecedents and enablers. The challenge of our study is to move beyond a probabilistic and 'event-specific' understanding of risk, towards a paradigm of 'general preparedness' (Aven, 2017), which further develops the concept of uncertainty in a more positive stance, while accepting that data analysis alone is not sufficient to reduce uncertainty and complexity (Gigerenzer, 2007; Guercini & Lechner, 2021).

**Originality/Value:** Since the model proposes a comprehensive approach to organizational adaptation, it may provide valuable insights for companies seeking to achieve superior results and thrive in the face of uncertainty and risk.

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**Keywords:** Antifragility, service ecosystem, adaptation, risk, uncertainty

### Extending the Sociology of Service-Dominant Logic with Self-Referentiality

Otto Rosendahl - Steffen Roth

Topic: Service Dominant logic as a grand theory

**Purpose:** Service-dominant logic (SDL) holds that social value co-creation is a core feature of society, yet its concepts of society and 'the social' remain vague. In this article, we draw on Niklas Luhmann's theory on self-referential systems to develop the social-theoretical underpinnings SDL requires if it is to function as a meta-theory of value co-creation in the hyper-complex system that is society.

**Study design/Methodology:** In sociologically attuning SDL's approach, we challenge its traditional metatheoretical repertoire with self-referentiality of systems and recommend its transition to a super-theory, that is, a theory capable of theoretically reflecting its place and role in the society it studies.

**Originality/Value:** This new perspective opens a wide range of future research questions.

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**Keywords:** Service-dominant logic, sociology, self-reference, nonhuman turn, social systems theory

### Frontline Service Employee Response to Technology Infusions: Effects on Employee Creativity and Service Performance

Chatura Ranaweera - Cheryl Leo - Phyra Sok - Heikki Karjaluoto - Shirley Chen

Topic: Artificial intelligence and the human machine service interaction

**Purpose:** Service encounters are increasingly dependent on technology (Paluch and Wirtz, 2020; Lariviere et al., 2017). Frontline employees (FLEs) are expected to embrace these technologies and engage more productively to offer better service (Huang and Rust, 2017). However, rapid technological change adds complexity to service environments and are not without challenge (De Keyser 2019). Technology infusion may provide the means for FLEs to achieve positive outcomes. However, we contend that it only serves as a potential facilitator in getting FLEs to engage in their work tasks better. In short, job engagement will be a necessary mechanism to drive employee creativity and service performance.

The basic tenet of the conservation of resources (COR) theory is that humans are motivated to protect their current resources and acquire new resources (Hobfoll, 1988). When faced with the possibility of resource loss, individuals disengage. However, people also invest resources in order to protect against resource loss, to recover from losses, and to gain resources (Hobfoll, 2011). Thus, employees will engage to gain resources from a 'resource rich' high tech infusion environment.

Even where resource loss is plausible, people still try to acquire more resources, often to prevent further loss. This implies a certain judgement on the part of the employee, such as an evaluation of the technology fit to judge the likelihood of success. Such an assessment can lead to the determination that it is the right environment to gain resources. Thus, where tech-fit is deemed high, there is greater likelihood of engagement.

Resource passageways are an element of COR theory that emphasize conditions that accelerate change in resources (Halbesleben et al 2014). Passageways can work in two directions. They can add to the allostatic load of preservation. This will lead from bad to worse. Or they may fuel the achievement of goals. Working conditions are instances of potential facilitators of resource development (Hobfoll, 2011). Therefore, where strong management support is present, the effect of tech-fit on the relationship between tech infusion and employee engagement will be further enhanced. Resource gains will spiral and engaged employees will get creative. By doing so, they can gain greater resources and achieve their goals at work (Halbesleben et al, 2014). When the gains spiral, it will result in the creative spirits to be aroused leading to higher employee creativity. Achieving goals at work will not be limited to personal improvement, but also professional improvement, thus improved performance.

**Methodology:** In the first experimental study, respondents (n=175) were given a written scenario of a bank teller working alongside an interactive robot. Respondents were exposed to conditions of high and low levels of technology infusion. Data confirmed that engagement mediated the effect of technology infusion on creativity and service performance. Next, a field survey was conducted. Respondents (n=170) were FLEs from telecommunications and financial services industries and worked alongside CRM systems, and chatbots providing customer service solutions. Tech-fit had a significant reinforcing effect on the aforementioned mediating effect, and management support further strengthened the above effect.

**Research Implications:** Using COR theory, this study demonstrates the importance of technology infusion into service frontlines by examining the mechanism (why) and the conditions (when) under which technology infusion contributes to employee creativity and improved performance.

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**Keywords:** Technology infusion, service frontlines, employee creativity, employee performance

# Higher Education Student Value Co-Creation in a Complex Ecosystem: a Systematic Literature Review

Moisés Rubén Zamora Ramos - Montserrat Díaz Méndez - Antonio Chamorro Mera

Topic: Value co-creation and value propositions

**Purpose:** To systematically review the literature on value co-creation in higher education (HE), analyzing the student characteristics and elements participating in integrating the needed operand and operant resources to achieve the academic objectives of the HE service ecosystem to present an international perspective on the subject.

**Methodology:** The Preferred Reporting Items for Systematic reviews and Meta-Analyses (PRISMA) guidelines are followed as a formal systematic review guideline for data collection. A review protocol is developed to describe the criteria for article selection, the search strategy, and the data extraction and analysis procedures.

**Findings:** The HE value is the result of the interaction with a variety of actors, being the student the key actor to achieve the value expected, mainly centered on their participation in co-creation, co-production, and value-in-use during academic activities. Unlike other ecosystems, HE requires a high level of student engagement and interactivity to achieve academic goals.

**Originality/Value:** The review provides an overview of the expected value in the higher education ecosystem, as well as the student's behavior to be a co-creator of value. Based on the literature reviewed and considered mainly in developed country contexts, a global vision is presented for higher education ecosystems that have not been considered in previous studies.

**Research implications:** Higher Education Institutions (HEIs) may visualize the global perspective of the value expected in this service ecosystem, as well as the cognitive activities that integrate the co-creative behavior of a university student, to reorient their management and maintain the social value of higher education.

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**Keywords:** Complex ecosystem, higher education, student value co-creation, SLR

### How do Governmental Services promote Sustainability?

Anne-Charlotte Paas - Amie Gustafsson

Topic: Value co-creation and value propositions

**Background:** As of now, the responsibility to achieve a more sustainable lifestyle is increasingly given to the consumer, signaling that responsibilities which previously were a matter of governmental services now have been re-distributed (Giesler and Veresiu, 2014, Shaw and Moraes, 2009) and the consumer is now more responsible for sustainable practices than ever before (Moisander, 2007, Eckhardt and Dobscha, 2019). The re-distribution implies a greater deal of cocreation as several actors become responsible for resource integration that promotes sustainability. Co-creation is depending on actors voluntarily participation (Azzari et al., 2021, Anderson et al., 2016), and that each actor knows what is expected by them. By gaining knowledge about what is communicated, it becomes easier to analyze what kind of effect different information initiatives may have on the actors in the service system and how it affects use of resource integration and value co-creation.

**Purpose:** This paper explores how and what is being communicated to the consumer by governing organs and units, in regards to a sustainable lifestyle. By doing so, this paper retrieves a broader understanding what kind of information the consumer may encounter when trying to become more sustainable. The aim is to further explore how governing organs and organizations acts in order to enhance the individual's sustainable lifestyle.

**Study design/Methodology/Approach:** This study applies a qualitative approach and the data collection is based on an archival search. The archival search systematically maps out the communication about sustainability from County Councils in Sweden.

**Findings:** The findings illustrate that communication about sustainability is somewhat vague in its character and differs between each county council. The communication does highlight the need of collaboration between actors but less emphasis is put on what this implies for each actor, especially for the individual consumer.

**Research limitations/implications:** The research shows that governing organs such as Sweden's County Councils works to support and encourage sustainability among companies and other organizations but the consumer side seems however to be somewhat overlooked.

**Originality/Value:** Resource integration is an important part of TSR and value co-creation (Vargo and Lusch, 2008) and must be carefully considered if value is to be co-created (Anderson et al., 2016). This paper contributes to a better understanding of how overlooking the consumer's perspective may give a faulty picture of how resource integration is thought to occur and how it actually plays out. Being vague in what each actor should do to become more sustainable may lead to that these actors become uncertain of what actually is expected from them and how recourses are to be integrated to become more sustainable and to increase value and well-being through co-creation.

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**Keywords:** Sustainability, value co-creation, service eco-system, resource integration

# Identifying the Structure of Complex Software Platforms through User Statements

Schmidt Rainer - Rainer Alt - Alfred Zimmermann

Topic: Value co-creation and value propositions

**Purpose:** The affordances of software platforms enable value co-creation in many ways (Autio & Thomas, 2020). Software platforms increase resource liquefaction and resource density (Lusch & Nambisan, 2015). They enable the creation of ecosystems as actor-to-actor networks (Lusch & Nambisan, 2015). The complexity of software platforms has received little attention in research although knowledge on the structure of software platforms is an important foundation of decisions. In order to capture the structure of a complex software platform, one is faced with the problem that it is an emergent structure (Jacobides et al., 2018) that is not described by documents as with a supply chain. Rather, it emerges through the actions of the individual actors.

**Study design/Methodology/Approach:** We investigate value co-creation and lock-in of software platforms using a data-driven approach. The software platform investigated is an image processing software that is used by professional photographers and enthusiasts. Around the software a rich ecosystem with many different user groups has emerged. Due to a change in the licensing scheme of the software an intense discussion in the user forum with many hundred statements has been triggered. We analyzed the user statements with regard to value co-creation to identify the structure of the software platform.

**Findings:** On software platforms value co-creation is enabled not only between the directly with the user but also tangentially between different actor groups. Thus, there are not only dyadic (Autio & Thomas, 2020) but also triadic value co-creation relationships that define the structure of complex software platforms. The triadic value co-creation relationships emerge through modular (Baldwin & Clark, 2000) add-ins of the software platform. So-called styles are designed by independent developers to fasten up image processing and help to handle special image types. Thus, value co-creation emerges between software platform vendor, style developer and photographers. A multi-platform and multi-ecosystem (Alt, 2021) has emerged. We also found that lock-in effects (Farrell & Klemperer, 2007) emerge through this triadic value co-creation.

**Research limitations/implications:** With our investigation we shed light on the value co-creation and lock-ins of software platforms and lay the foundation for better informed decisions of software platform users. Our findings apply to other design software platforms, but its applicability to other digital platforms has to be explored.

**Practical implications:** We reduce the information asymmetries between users on software platforms and make them aware of both the potential through value co-creation and the risks through lock-in effects. Our findings enable users to make better informed decisions.

**Originality/Value:** We improve the understanding of complex software platforms using a data-driven approach based on dyadic and triadic value co-creation relationships and lock-in effects.

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**Keywords:** Software platform, value co-creation

### **Integrating Resilience with the Service Ecosystems perspective**

Jaakko Siltaloppi - David Sörhammar

Topic: Service systems and systems thinking

**Purpose:** In the wake of the global Covid-19 pandemic, we are reminded by the importance of resilience in the structures and activities that we rely on for value cocreation. While recent studies have established a linkage between resilience and S-D logic (e.g., Leite & Hodgkinson, 2021), more detailed understanding of the determinants of service ecosystem resilience is needed (Vargo & Lusch, 2017).

The purpose of this study is to examine the *structural* and *processual* principles that underpin resilience to further S-D logical understanding of the self-adjusting processes within service ecosystems. Furthermore, this study explores the implications of resilience for service ecosystems research, particularly for thinking about sustainability issues in the S-D logic context.

**Study design/Methodology:** This is a conceptual paper that is based in S-D logic and draws on resilience research in ecology and organization studies.

**Findings:** Resilience refers to the ability of a system to absorb change and disturbance while maintaining its integrity and functioning (Holling, 1973; Sutcliffe & Vogus, 2003). We identify two interrelated perspectives on resilience as a system-level phenomenon: processual and structural.

First, a *processual perspective* understands resilience as the capacity of a system to successfully navigate the different stages of a system's adaptive cycle (Fath et al., 2015). This view captures the idea that dynamic systems do not exist in equilibrium, but repeatedly pass through four similar stages: growth, conservation, collapse, and reorganization (Holling & Gunderson, 2002).

Second, a *structural perspective* on resilience focuses on the features that support the resilience of a system over the stages of the adaptive cycle. At the level of a focal system, resilience depends on the ability of the system to sustain critical resources that maintain system functioning. In addition, redundancy in actors performing the same function increases the diversity of responses available to disturbances (Walker et al., 2006). These are supported by capabilities for learning and innovation, as well as institutions that support adaptability, both of which enable the redeployment of available resources and system restructuring to deal with disruptive events (Hillmann, 2021; Walker et al., 2006). Furthermore, resilience depends on interactions between (sub-)systems within and across levels of scale, particularly on the ways in which adjoining systems or systems at a higher level of scale can absorb or support responses to disturbances in a focal (sub-)system (Kahn et al., 2018).

The *structural* and *processual* underpinnings of resilience pave the way for considering social, natural and technical systems with the same framework, in which the social processes influence and create conditions for natural and technical processes and vice versa (Walker et al., 2006). This resonates with S-D logic's ideas on the fundamental similarity between human and non-human actors and enables deeper investigations into the environmental sustainability of service ecosystems (e.g., Helkkula & Arnould, 2022; Vargo & Lusch, 2017).

**Originality/Value:** This study improves understanding of the structural and processual preconditions of service ecosystem resilience, and links ecosystem resilience to broader discussions on sustainability.

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Keywords: Service ecosystems, resilience, sustainability

### **International Trade and Service Research: Service Ecosystem perspective**

Masato Shoji - Hiroto Soga - Toshihiko Shinohara

Topic: Service ecosystems and markets dynamics

**Purpose:** Traditionally, the approach of service research includes the plural form, following the field of economics, in which existing research has emphasized the outputs that are the subject of transactions. Vargo and Lusch (2004) criticized this the goods-dominant logic perspective, pointing out marketing issues and arguing for the importance of service. They also argued for the importance of a service-dominant logic that emphasizes singular service (Lusch and Vargo 2014). This logic has had a significant impact on service research. However, it has not been sufficiently discussed in terms of international trade and business (Akaka, Vargo, and Lusch 2013). Therefore, this study examines international trade institutions and discusses the relationship between them and markets.

**Study design/Methodology/Approach:** This study explored the literature on the service internationalization and the impact of the service-dominant logic on international trade and Marketing. In addition, it analyzed the impact of economic partnerships, as an institution, and market formation in international trade.

**Findings:** The examination of previous literature revealed few studies in international business based on the service dominant logic. This indicates the need to consider an internationalization approach in service-dominant logic perspective. Furthermore, this study showed that economic agreements represent the institutions that determine the scope of trade markets, demonstrating the relevance of market formation.

**Originality/Value:** In service research, few studies on internationalization have been conducted, most of them traditionally being comparative studies offering various clarifications. The value of this study is that it reveals the importance of institutions, such as economic partnerships, which are discussed in terms of international trade.

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**Keywords:** Service ecosystem, international markets, market shaping

# Investigating Citizen Engagement within Smart Cities: New insights from SciMat Analysis and a Literature Review

Gianluca Maria Guazzo - Radosław Malik

Topic: Actor engagement

**Purpose:** The purpose of this paper is to examine the role of actors (understood as individuals or groups) within smart cities, understood as service ecosystems (SES), and how the active role of these actors enables the co-creation of value within the ecosystem. Therefore, this paper aims to answer the following research questions: RQ1) What are the key research themes on the conceptual intersection between citizen engagement and smart cities; RQ2) What are the main functions citizens perform within smart cities to create value for the community?

**Study design/Methodology/Approach:** To pursue the purpose of this study, this research is based on a dual qualitative and quantitative approach. The quantitative Science Mapping (SciMat) method is employed to assess and visualize research output from 327 WoS-indexed articles on the thematic intersection between citizen engagement and smart cities. At the same time, the qualitative semi-structured literature review is further used to review the insight from the key themes and their thematic networks identified in the science mapping analysis.

**Findings:** The analysis made it possible to identify, from a theoretical point of view, the main aspects of citizen participation and engagement within smart cities.

**Originality/Value:** The originality of the present study is twofold. Firstly, the SciMat analysis identifies the key dimensions of the citizen's role in the smart cities context. Secondly, it provides possible insights into increasing citizen engagement to create more value for the city community.

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**Keywords:** Smart cities, citizen engagement, value co-creation, SciMat

### Investigating Smartness and Resilience for Urban Development: A Content Analysis

Silvia Cosimato - Luca Carrubbo - Roberto Vona - Irene Di Bernardo

Topic: Sales Transformation and Smart Technologies

**Purpose:** Even though the conceptualization of the "smart city" has evolved over the time, it remains a multifaceted and controversial concept, which needs further research. The recent unexpected crises (e.g., the Covid-19 pandemic, and the Russian-Ukraine conflict) have highlighted some weaknesses of smart cities, especially in terms of the ability to resist and get through criticalities involving not only physical, technical, and technological infrastructure, but also the potential of human abilities. In this sense, it is worth noting that the extant literature is calling for further research on smart cities approach to human-based or socio-ecological resilience and its potential for absorbing, adapting, changing, responding, and continuing to function in the face of disturbance. This paper aims to contribute to bridging this gap by investigating the main socio-ecological components of urban resilience and the most frequent actions that smart cities enact to achieve it.

**Study design/Methodology/Approach:** After a preliminary theoretical analysis, a tentative framework has been developed and tested with some European smart cities.

**Findings:** The results of the analysis offer some interesting implications both for theory and practice.

**Implications:** Scholars, policymakers, and public managers should gain some insights for conceptualizing, developing and implementing new and wise resilience-based policies and strategies.

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**Keywords:** Urban systems, urban management, smart cities, resilience

### Investigation on Service Ecosystem Structure: Actions of Industry Associations in Japan

Masato Shoji- Takashi Taguchi - Takamichi Inoue

Topic: Service ecosystems and markets dynamics

**Purpose:** This study examines how institution at the meso-level affects market structure by analyzing the influence of industry associations in Japan on emergence during COVID-19. Since 2020, COVID-19 has had a significant impact on the global economy (Sheth 2020), accelerating the shift to online shopping and causing the innovative restructuring of how many sectors exchange goods and services (Roggeveen and Sethuraman 2020). In Japan, industry associations have influenced institutional arrangements under the guideline of the government for this crisis. This study analyzes the impact of industry associations on market formation, viewing these as institutions and institutional arrangements in the service ecosystem (Vargo and Lusch 2017, Lusch and Watts Jameson 2018).

**Study design/Methodology/Approach**: To begin with, we examine the relationship between market formation and service ecosystems at the meso-level through a literature review. Next, we investigate the structure of service exchange in the service ecosystem at the meso-level through an analysis of qualitative interviews and documentation regarding the action of industry associations. **Findings:** This study reveals how institutions and institutional arrangements at the meso-level, rather than at the micro-level, are necessary to maintain safety and market order in the face of major changes in market structure. Furthermore, it reveals that industry-driven rule formation is related to market emergence. This study also offers a research agenda for meso-level analysis in service ecosystems.

**Originality/Value:** In existing studies, rule formation on industry and market structure has rarely been researched at the meso level. This study is unique in its focus on the meso-level of service ecosystems. By analyzing the impact of external changes such as COVID-19 on ecosystems and markets, this study clarifies the importance of market formation at the meso-level.

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**Keywords:** Institution, institutional arrangement, service ecosystem, meso-level analysis

# **Knowledge Flows in Service Industry, new insight from Offshored Service Centers.**

#### Radoslaw Malik

Topic: Business models to manage networks and service systems

**Purpose:** The purpose of the study is to provide a new insights into how offshored service centers transfer knowledge to their parent companies in their service networks.

**Study design/Methodology/Approach:** This is a qualitative study based on a semi-structured interviews with managers from offshored service centers in Poland.

**Findings:** The results indicate that the extent to which offshored service centers gather and reverse transfer knowledge differs largely in the field of a study and it tends to depend on a number of dimensions including: industry, service provided, value of performed tasks, service center position in corporate network.

**Originality/Value:** First, with this research we bridge two important but seldom linked streams of research: reverse knowledge transfer from service subsidiaries to parent companies in service networks and service offshoring evolution from simple tasks to value-creating and innovative services. Second, the assessed intensity and characteristics of reverse knowledge transfer enables us to indicate a new taxonomy for offshored service centers. Third, the research has important implications for management practices by enabling decision makers to estimate the maturity of their offshored service centers and investigate the potential for their further development towards centers of excellence that contribute to service innovation process.

**Keywords:** Service offshoring, offshored service centers, service networks, knowledge flows, reverse knowledge transfer

### Lean & Clean: Reconsidering the Use of Multi-Item Word-Of-Mouth Measures in Service Recovery Research

Jasenko Arsenovic - Tobias Otterbring - Lars Bergkvist

Topic: Methodological challenges and issues in service research

**Purpose:** Service recovery activities are central to companies' value-creation processes (Grönroos, 2006) and essential in shaping customers' overall service experiences (Van Vaerenbergh et al., 2019). As documented in the service recovery literature, interruptions of an ongoing service experience typically result in consumers engaging in customer-to-customer communication by means of positive or negative word-of-mouth (WOM) behaviors. However, multi-item WOM scales commonly used to estimate service providers service recovery performance are imprecise and raise concerns linked to common method bias. Against this backdrop, this research aims to add to the debate on single-item measures for concrete and unambiguous constructs (Bergkvist, 2015; Bergkvist & Rossiter, 2007) while simultaneously providing service scholars with clear recommendations to improve the validity and precision of service recovery scholars' measurement instruments.

**Study design/Methodology/Approach:** We performed a systematic literature review using the Scopus database, limiting the search to service recovery and WOM, including a list of variations of the target behavior. In addition, we limited the search to relevant service and marketing journals. From a total sample of 43 articles, we carefully overviewed 24 articles providing an extensive overview of how WOM has been operationalized in the service recovery literature.

**Findings:** Our literature overview reveals that service recovery scholars generally operationalize WOM using generic multi-item scales that are not specifically tailored to study recovery-related outcomes. Instead, service recovery scholars draw broad firm-related inferences by assuming that a specific recovery interaction will shape a customer's entire perception of the company resulting in the customer talking to others about various aspects unrelated to the service recovery encounter *per se* (Arsenovic et al., 2022). This lack of precision in the measures has led to fragmented results raising concerning about the predictive validity of multi-item WOM scales as a service recovery performance metric.

Research Limitations/Implications: We urge service recovery researchers to be cautious in operationalizing WOM and, in most cases, replace multi-item measures with tailored single-item alternatives related to the specific service recovery situation. Doing so allows researchers to improve the quality of their research by using more precise, predictively valid measures that also limit participant dropout rates. A common problem in field-based research is dealing with distressed customers in an emotionally loaded service setting (Arsenovic et al., 2022). Indeed, while our assumptions rest on well-established methodological challenges in service research, service scholars should employ tailored single-item alternatives related to the specific service recovery situation and establish a best practice.

**Originality/Value:** Considering the salient strengths of single-item measures and the delineated downsides raised concerning multi-item scales for doubly concrete constructs in current service recovery research, we suggest a provocative but straightforward solution, which should be even more potent in field-based investigations in which consumers rarely feel obliged to reply to lengthy survey instruments. In essence, we advocate concrete and contextually tailored single-item measures of WOM in most situations of relevance for service recovery researchers. Therefore, to

improve the validity of our advocated single-item measures, considerations regarding where the communication of a particular problem took place may also be worthwhile.

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**Keywords:** Single-item scales, word-of-mouth, WOM, service recovery, complaint handling, service failure

# Luxury Service Brands: Linking Emotional Brand Attachment with Social Media Engagement Behavior

Aron O'Cass - Nazia Nabi - Vida Siahtiri

Topic: Experience, value-in-use, and value-in-context

**Purpose:** Social media platforms are increasingly playing an important role word-of-mouth. To display and share their consumption, consumers find social media platforms an effective tool because these platforms allow consumers to interact and exchange their consumption experiences. It is suggested that consumers engage in generating word-of-mouth on social media when they feel a sense of attachment to a brand. This behavior is important for services because the features of social media make it easy for consumers to share their use of services that are otherwise difficult to display. This phenomenon is particularly relevant when considering branding and luxury services (Casidy et al. 2018). The relationship between emotional brand attachment (EBA) and social media engagement behavior (SMEB) is significant, however, mechanisms that link EBA with SMEB in service contexts is underexplored. To explore a specific mechanism, we draw on the role of self-transformation to explain the relationship between EBA and SMEB. Literature suggests that consumers' behavior results from their expectation and perception of a brand's ability to transform and display their selves in certain aspects such as status display (O'Cass & Siahtiri 2013).

Self-expansion theory (Aron et al. 2005) posits people possess an inherent motivation to incorporate others (in our context, brands) into their conception of self. As such, the more a luxury service brand is part of a person's self-definition, the stronger the emotional bond. Therefore, grounded on self-expansion theory, we examine the following research questions:

R1: To what extent does EBA influence consumers' SMED?

R2: To what extent does the perception of self-transformation mediate the relationship between EBA and SMEB?

**Study design/Methodology/Approach:** To answer the research questions, we gathered data in two countries- the USA (440 respondents) and South Korea (225 respondents), with six types of luxury services. We used existing measures drawn from the literature.

**Findings:** Our study indicates that EBA has a significant, positive effect on SMEB in both countries. We also examined whether the perception of self-transformation mediates the effect of EBA on SMEB to explore the underlying mechanism. The analysis indicated that self-transformation positively mediated the relationship between EBA and SMEB in the USA, but not in South Korea. We also examined whether the relationships between EBA, self-transformation and SMED is contingent on luxury service type. We found that luxury service type did not impact the mediated relationships.

**Originality/Value:** This research contributes to the luxury service literature demonstrating the role self-transformation plays in consumers sharing luxury service consumption experience on social media. Although the impact of brand attachment on consumers' WOM has been examined previously, we provide evidence that SMEB occurs in the USA when consumers perceive their self-transformation foster their individuality. Further, to our knowledge, this study is the first to examine path from EBA, self-transformation and SMEB through the lens of self-expansion theory. By applying the tenets of self-expansion theory in luxury service contexts, this study contributes to the consumer-brand relationship literature by demonstrating that perception towards positive

self-transformation is an important driver for consumers to be engaged in social media to display their consumption of luxury services.

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**Keywords:** Luxury services, engagement, brand attachment

### Luxury Service Brands: The role of Social Insecurity in the relationship Between Self-Construal and Social Media Engagement Behaviour

Aron O'Cass - Vida Siahtiri - Nazia Nabi

Topic: Actor engagement

**Purpose:** Consumers' engagement with luxury brands on social media is critical to social media managers; however, how personality traits such as self-construal drives customer engagement on social media is unclear. The use of social media to endorse brands is important for services because the features of social media make it easy for consumers to share their use of services that are otherwise difficult to display (Wirtz *et al.*, 2020). We explore the relationship between interdependent SC and SMEB in luxury service context. This research aims to examine the relationships between interdependent self-construal, social insecurity, short-lived service brand experience and consumers' social media engagement behaviour in luxury service context.

**Study design/Methodology/Approach:** An online survey was conducted, targeting consumers who purchased luxury services within 6 months prior to administering the survey. A total of 422 respondents from the USA participated in this study. The measures used in this study were scales validated in prior research (except short-lived brand experience). All items were measured using seven-point Likert scales. The suitability of the measures for further analyses were confirmed through the preliminary analyses.

**Findings:** The results show that interdependent self-construal is positively related to consumers' social media engagement behaviour. This relationship is mediated by consumers' feelings of social insecurity. Moreover, consumers' social media engagement behaviour depends on their short-lived brand experience in relation to luxury service brands. Overall, these findings demonstrate that consumers' engagement on social media in generating word of mouth are shaped by their interdependent self-construal, their feelings of insecurity and the brand experience.

**Originality/Value:** Consumers with interdependent SC view their selves in social setting, value security and social relationships (Liu *et al.*, 2010), they can feel greater insecurity in relation to fitting in a desired group and impression management., Therefore, they are more likely to use social media to demonstrate their acquisition of services acceptable to others. We demonstrate that when consumers hold short-lived luxury service brand experiences, they still rely on social media to share their brand experience to reduce cognitive dissonance, minimize self-doubts and defend their self-images. The current research has some implications for social media marketers. The findings suggest that while developing social media marketing strategies, luxury service marketers should consider the interdependent SC and emphasize social relationships. Furthermore, for consumers with interdependent SC who are more concerned about social insecurity, emphasizing belonginess and security may become a crucial part of positioning the luxury service brand.

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**Keywords:** Engagement, luxury services, brands

# Managing Customer Experience in Human Touch Services: An embodied approach

### Tiina-Kaisa Kuuru

Topic: Experience, value-in-use, and value-in-context

**Purpose:** Service companies are thriving for ways to holistically manage customer experiences (CX). This study aims at advancing current understanding and guidance of CX management by providing an embodied approach.

**Study design/Methodology/Approach:** By using phenomenological interviews of group fitness customers and focus group interviews of service professionals, this article identifies management activities that reinforce embodied CX.

**Findings:** This article turns the focus from the outcomes of successful CX to what actually leads to success – activities between and within humans. Five embodied management activities are identified: sensing, affect catching, intuitive action, emotional bonding, and intentional embodiment.

**Research Limitations/Implications:** The article contributes to the literature of CX in service research by introducing an embodied perspective that highlights the intuitive, emotional and human aspects in CX management.

**Practical Implications:** For practitioners, this study provides practical guidelines for embracing an embodied approach to CX management.

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**Keywords:** Customer experience, embodiment, service business, customer experience management

### Mapping the potential impacts of Artificial Intelligence and Machine Learning on the Business Education System

Mairead Brady - David Leferve - Martin Fellenz

Topic: Business models to manage networks and service systems

**Purpose:** As artificial intelligence (AI) and Machine Learning (ML) become more prevalent across service industries and throughout society, their deployment in some use contexts has comparatively little impact on the internal organization and functioning of service systems, while other deployments show their disruptive potential by starting to challenge what we know about services in general (Bock, Wolter, & Ferrell, 2020).

Several decades of technological adoption from Web 1.0 to Web 4.0 has brought us to the current, somewhat unexpected watershed moment: powerful generative AI services using Large Language Models (LLM) are widely available with very low participation thresholds and at no or very low cost to the user (Mollick & Mollick, 2022). The speed and sophistication of such AI are challenging current assumptions, models, and practices in management education service sector. Third-level business school students and academics/teachers have the world's most powerful computing available in the classroom and these large language models are now transforming teaching and learning tasks at a rate unprecedented in previous technological revolutions. We are in a transitional phase moving towards pervasive, ubiquitous automation as well as the potential transformation of the core of the higher education sector: the process of designing, supporting, and assessing student learning and student management of their learning and assessment tactics and strategies. This paper explores the potential future impact of AI on business school education by mapping the use of AI on a simplified model of the business student journey in higher education from three perspectives: the learner, the academic/teacher, and the institution/administration.

This paper provides an outline mapping of current and potential future AI/ML deployment in this global higher education sector to encourage consideration and evaluation of their impact on this service system. Using a value chain and a student learning journey perspective in business education, we identify and discuss how AI/ML can be used in ways that support and enhance current service offerings and value chains and also consider how AI/ML can be negatively applied and potentially disrupt and/or transform current practices, processes, and providers.

**Approach:** Based on the premise that AI/ML demand fundamentally different structures, processes, and interactions to allow their use to become transformational, a mapping of the different ways in which the technologies are and can be deployed offers a useful framework for analysis of their implication for the higher business education system. We select use cases and place them into the map as examples of how these technologies can be deployed. We discuss the current evidence and the future potential and highlight the requirements for their full potential to be realized.

**Originality/Value:** This paper provides an investigation of AI/ML to highlight both barriers and opportunities for the current use and the future transformational use of these potentially disruptive technologies particularly at the core teaching and learning nexus. We suggest that we have to be incredibly careful of our usage to support engaged active, self-directed students rather than further compromise the learning environment.

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**Keywords:** Business school education, students learning journey, artificial intelligence, LLM/ML technology adoption in service systems; educational technology, value chain

### Market Emergence: Theoretical and Methodological considerations

Kaisa Koskela - Huotari - Hans Kjellberg - Suvi Nenonen

Topic: Emergence and Institutionalization in Service Eco-Systems

Purpose: Market emergence is a vivid research area in both marketing and management. In marketing, scholars emphasize that market emergence is a combinatorial process that occurs as part of the ongoing socio-material construction of markets (e.g., Geiger & Kjellberg, 2021; Kjellberg & Helgesson, 2006) and in which multiple stakeholders, including firms (e.g., Maciel & Fischer, 2020; Nenonen et al., 2019) and consumer collectives (e.g., Dolbec & Fischer, 2015; Humphreys, 2010; Scaraboto & Fischer, 2013), have an influence. Studies in management provide significant insights on, for example, the role of market infrastructure (Ozcan & Santos 2015; Van de Ven 1993), meaning and labels (Granqvist et al. 2013; Khaire & Wadhwani 2010), as well as public policy for market emergence (Dobbin & Dowd 1997; Georgallis et al. 2019). Taken to together, these research streams have provided significant insights into the complex processes of market emergence. However, due to the multiple, and sometimes incompatible, perspectives taken to understand market emergence, a coherent conceptualization of what emergence of markets is and how it happens is lacking. This, in turn, is problematic as it holds back the methodological developments needed to further the understanding of market emergence.

**Approach:** To advance the conceptual coherence and theorizing on market emergence, we review and synthesize the multi-disciplinary market emergence literature. We build on the recent work by Vargo et al. (2023) that adopts a more precise conceptualization of emergence, grounded in complexity theory, and explicates four orders of emergence that differ in terms of the nature and extent of feedback between the constituent elements (e.g., interacting actors and resources) and the emergent properties (e.g., the resulting entities, structures, or qualities) of market systems.

**Research implications:** Our paper contributes theoretically to the cross-disciplinary discussion on market emergence by conceptualizing market emergence as an interaction between the parts and the whole of a market system which allows seeing "agency" and "spontaneous emergence" not as opposites but entangled elements of the same dynamic process. The orders of emergence framework points to the need to employ a diverse range of methods to study emergence at different orders due to the varying nature of the core mechanisms and outcomes at play. Hence, we contribute methodologically by categorizing existing methods as well as illuminating areas of market emergence in which method development is required.

**Originality/Value:** We apply the more precise conceptualization of emergence from the evolving S-D logic narrative to offer sharper tools for empirical work and cross-disciplinary theory building on market emergence.

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**Keywords:** Markets, emergence, service ecosystems, complexity theory, Service-dominant logic

#### Market Shaping as a Dance of Agency

Valtteri Kaartemo - Heiko Wieland - Alexander Flaig

Topic: Market shaping

**Purpose:** This study explores the concept of the dance of agency as developed by Pickering (1995) in the context of the higher education market. This market is in a fluid state as many students, parents, and employers increasingly question the value of traditional universities and online and cloud-based technologies provide not only new pedagogical models (e.g., MOOCs, online degrees, certificates, and subscriptions) but also enable the entrance of new market actors (e.g., IBM, Microsoft, Coursera). Our study aims to investigate how the interplay between human agents and technologies shapes the higher education market. It builds on prior research (e.g., Vargo et al., 2015; Flaig et al., 2021; Kaartemo & Nyström, 2021), suggesting that market shaping and innovation are driven by both technological and market forces. We discuss how assemblages of human and nonhuman actors (e.g., central and peripheral technologies) produce distributed agency among heterogeneous actors (i.e., actor-networks) (Latour 2005), and how this distributed agency shapes market practices, while human and nonhuman actors maintain their individual roles within the market system (Pickering, 1995).

**Study design/Methodology/Approach:** The study employs a qualitative research approach. Our longitudinal data are drawn from secondary sources discussing the changes in the higher education market since the mid-1990s.

**Findings:** The findings reveal that portraying market shaping as a dance of agency can provide a deeper understanding of market shaping processes. The study highlights the importance of emerging, peripheral nonhuman actors in changing how assemblages of market actors perceive and eventually aim at shaping the higher education market. Market actors develop both new, central technologies as well as initiate new market practices around technologies to shape the market. Thus, the study extends Vargo et al. (2015) assertion that innovation is driven by both technological and market forces by focusing on the interplay between human agents and technologies as a dance of agency.

**Originality/Value:** This study contributes to the literature on market shaping by providing a novel perspective on how the interplay between human and nonhuman actors can shape markets. The study provides an in-depth examination of how innovation in the higher education market is driven by both technological and market forces and the importance of understanding distributed agency in driving value creation and, ultimately, innovation. The study's findings have practical implications for universities and policymakers interested in utilizing novel pedagogical models to shape the higher education market. The study also suggests future research on how to effectively leverage the dance of agency to reconcile the fragmented concepts of market shaping, the social construction of technology, and service innovation.

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**Keywords:** Market shaping, innovation, technology, agency, higher education

# Music as Service Consumption Experience – Drivers & Service Preferences based on an AI-Based Analysis

Raymond Liu - Jurui Zhang - Leon Zurawicki - Kareem Shaaban - Shan Yu - Werner Kunz

Topic: Experience, value-in-use, and value-in-context

**Purpose:** The music industry is a significant part of the entertainment sector of many countries, attracting increasing attention in recent years. Especially the shift of the music industry towards the music-as-a-service concept through online platforms or subscription-based models, providing users with a convenient and cost-effective way to enjoy their favorite tunes. The music industry represents a unique service environment, where each music genre has its own revenue and target market, and individual artists must act as service providers by developing a unique service brand. To succeed in this dynamic environment, it is crucial to align the service brand with the right customer group. Furthermore, musicians and marketers need to understand what are the important factors which would drive consumer music preferences (Ansari et al. 2021). More specifically, to better identify target consumers, they need to know who (in terms of demographics and especially psychographics) prefer what kind of music. In this research, we have proposed and tested a model to identify the relationship between consumers' music genre preference and their music psychographics such as their music attitude and lifestyle based on literature and Machine Learning pattern recognition.

**Study design/Methodology/Approach:** We have utilized AI analysis methods to uncover the key drivers that influence consumer preferences for different music service genres. A theoretical model is proposed, combining prior academic literature and the results from our AI analysis (please See Figure 1). The model is empirically verified with multivariate statistical method from a nation-wide survey data (n = 1066).

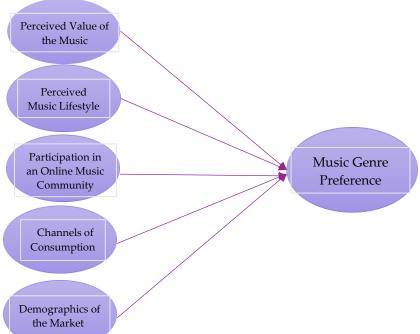


Figure 1. Theoretical Music Service Preference Framework

**Findings:** The results showed that our hypotheses are confirmed as specified in the model. The major findings are that 1) consumer perceived value of the music, 2) consumer perceived lifestyles, 3) consumer participation in online music community, 4) the channel of music consumption, and 5) demographics of the market all have significant positive impact on consumer music genre preference.

Originality/Value: This research has both academic and practical implications. First, it has direct contributions to the literature on building a comprehensive model to establish the relationship between consumer music genre preference and the driving factors, which would help us understand how consumers' music psychographics affect their music genre preference. Second, musicians and marketers could better identify their target markets by focusing on music psychographics to attract the right target to their music. Therefore, they could form a better marketing strategy to promote their music to their consumers. Finally, the data we have used is nation-wide survey data. For machine learning use, it is still a small data set. In our future research, we would like to use a big data set (for example, the dataset from one of the online music platforms) for machine learning pattern recognition and further analysis.

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**Keywords:** Music as a service, customer experience, service brand, service preference

#### Navigating Systemic Innovation at the Edge of Cloud Platform Ecosystems

Julia Fehrer - Tilo Böhmann - Marisa Krummrich

Topic: Service Innovation

**Purpose:** Platform ecosystems facilitate high degrees of emergence (Vargo et al. 2022) as they allow networks of interdependent actors to connect and collaboratively innovate (Ceccagnoli et al. 2012; Gawer and Cusumano 2008; Fu, Wang and Zhao, 2017). The platform thereby serves as coordination tool with digital boundary resources (i.e., interfaces that specify how actors connect, interact and collaborate; Eaton et al., 2015) that make it possible for complementing service providers (e.g., developers, IT consultancies, etc.) to access the platform's infrastructure (Hein et al. 2019). Because these service providers extend, customize and (re-)combine the platform service, they are regarded as key in complementing the platform's value proposition (Wu et al. 2022). However, despite calls for systemic frameworks to understand innovation in platform ecosystems (Field et al. 2021; Fehrer et al. 2018), much of the platform literature still focuses on platform providers (e.g., Perks et al. 2017; Schreieck et al. 2021) and consequently, innovation processes are often described from a focal actor-centric perspective. Furthermore, extant platform research adopts predominantly a consumer market perspective, while the complexity of business markets is underexplored (Salonen et al., forthcoming). The purpose of this study is to explain, (1) how innovation emerges in platform ecosystems through complex institutional alignment processes between platform providers, complementors, customers and others and (2) how these alignment processes can be navigated in business markets by other actors then the platform provider.

Study design/Methodology/Approach: We draw on service dominant (S-D) logic's service ecosystem framework (Vargo and Lusch, 2016) and insights from a case study of a Germany-based cloud service provider and its B2B partner network operating together in a complex cloud platform ecosystem (Yin, 2014). Cloud platform ecosystems provide a rich context to observe systemic innovation processes, because using computing via the cloud means opening business structures to new actors (Nieuwenhuis et al., 2018; Barrett et al. 2015) and requires companies to rethink their business and innovation processes in ways that align with industry standards (Leimeister et al. 2010). We employed action research (Nenonen et al. 2017) and worked with the case company for two years, conducted 27 interviews, one focus group session, analyzed 117 pages of strategy documents and 34 pages of handwritten meeting notes.

**Originality/Value:** This study offers new insights into complex innovation processes in platform ecosystems, where multiple actors (cloud platform provider, complementing service providers, business customers and their competitors) simultaneously innovate.

**Implications:** Specifically, we provide a process model that explains, how innovation processes unfold between various actors and how they can be aligned through other actors than the platform provider. One central element of this process model is a design artefact – a guiding template for actors to articulate their value propositions. Through this template, actors are able to signal what they have to offer, but equally important, what they believe other actors in the ecosystem need to offer to complement – this way novel combined value propositions emerge, which navigate innovation efforts of actors in the platform ecosystem. Our study further reveals four critical tensions: (1) perceived intransparency, (2) fear to share, (3) lack of knowledge and (4) timing that need to be mitigated for novel value propositions to emerge.

**Practical Implications:** This study explains complex innovation processes in platform ecosystems. Specifically, it focuses on complementors, who extend, customize, and (re-)combine the platform service at the edge of large platform companies, such as Amazon, Microsoft and Google. It hence provides strategic guidance for small and medium sized companies working in platform ecosystems to navigate their innovation efforts in alliance with other actors in the ecosystem.

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**Keywords:** Service innovation, platform ecosystems, cloud service, business markets

#### **Nudging Student Engagement with Robots**

Cristina Mele - Tiziana Russo Spena - Irene Di Bernardo - Angelo Ranieri

Topic: Actor engagement

**Purpose:** Service and social robots have garnered significant interest among researchers studying service-related topics (De Keyser and Kunz, 2022; Blaurock et al., 2022). Social robots provide "cognition-as-a-service" (Spohrer and Banavar, 2015), which refers to their ability to emulate human thought and behavior through artificial intelligence and signal processing (Mele et al., 2022). According to Wirtz et al. (2018), service robots can be physically embodied or exist as virtual representations like conversational agents. They perform tasks, interact with others, and conform to societal norms. Recent studies indicate that service robots facilitate information exchange and the creation of knowledge among a broader network of individuals by breaking down knowledge barriers (Russo Spena and Mele, 2020; Mele et al., 2022).

In educational settings, robots are emerging as promising learning companions for students, both in classrooms and at home, particularly for those with specific needs (Belpaeme et al., 2018). These technologies can potentially enhance students' learning experiences by adapting to their requirements (Cui et al., 2022). However, the extent to which these technologies effectively nudge student engagement is not yet well-researched (Plak et al., 2023).

Building upon the concept of "smart nudging", which involves using cognitive technology to influence behavior predictably without imposing restrictions or altering financial incentives (Mele et al., 2021), we aim to explore how different types of service robots nudge students' engagement in the learning process. Specifically, in line with Conduit et al. (2016), we examine how service robots act as nudges, influencing students' engagement across three dimensions: cognitive, affective, and behavioral.

**Methodology:** The research involves conducting an experiment with multiple focus groups across university students of various ages and with diverse prior knowledge. The experiment compares the use of two different service robots during a lesson: one virtual interacting through text (i.e., chatbot) and one physical (i.e., social robot) combining voice generation with movements. It involved a total of 140 students. We collected data using the diary research method. Data analysis was conducted using narrative analysis, which offers a comprehensive approach to understanding discourse while considering contexts and specific details (Nie, 2017).

**Findings:** Student diaries revealed that virtual and physical robots differently nudge engagement. More in detail, different levels of engagement can be detected across different technologies, each time featuring their respective beneficial contributions and considering the reasons that lead one technology to emerge as more influential than the other.

First, cognitive engagement pertains to the extent of a student's mental involvement and active participation in the learning process. It encompasses using critical thinking, problem-solving abilities, and creativity to analyze and assess information. Chatbots are more effective in cognitively conveying students through their constant presence and the student's possibility to read and reread the provided content.

Affective engagement refers to the level of emotional investment and motivation displayed by a student during the learning process. It encompasses the degree to which a student demonstrates interest, involvement, and enthusiasm toward the learning experience. Social robots are more effective in emotionally engaging students through amusing and meaningful reactions.

Behavioral engagement refers to the active involvement of students in the activities and tasks associated with the learning process. It encompasses various forms of participation, such as actively participating in class discussions, posing questions, completing assignments, and engaging in group activities. Despite some obvious differences, both of them behaviorally affect students, as they demonstrate a higher level of attention and participation in the learning process. **Originality/Value:** This study contributes to the expanding literature on the introduction of service robots in educational settings, smart nudging, and student engagement. Our primary contribution lies in examining and shedding light on the unique role of service robots in students' learning processes.

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**Keywords:** Student engagement, smart nudging, service robots, chatbots, education

#### On the Inclusion of Citizens in Sustainability Transitions: A Theory Synthesis

Jakob Trischler - Peter Svensson - Jari Kuusisto

Topic: Service ecosystems and markets dynamics

**Purpose:** Albeit numerous calls for sustainable development and related efforts taken by governments, our society remains stuck in unsustainable consumption practices. Our everyday life and the functioning of society is highly dependent on the use of finite resources and linear 'take-make-waste' processes. The purpose of this study is to examine the citizen's role in sustainability transitions, especially in contexts where sustainability problems are closely linked to consumption practices.

**Study design/Methodology/Approach:** The study follows a theory synthesis (Jaakkola, 2020) to explore and analyze the conceptual underpinnings of sustainability transition pathways which are highly fragmented in the service research literature (Field et al., 2021). The synthesis includes the integration of research on sustainability transition (Markard, Raven, & Truffer, 2012), user innovation (Gambardella, Raasch, & von Hippel, 2016), and transformative innovation policy (Schot & Steinmueller, 2018).

**Findings:** There is increasing evidence indicating that citizens can make important contributions to sustainability transitions. This is especially the case for tackling prevailing unsustainable consumption practices because here both, the problem and innovation locus is closest situated to citizens. However, the citizen's role and contributions are hindered by innovation policies which follow a producer-centered paradigm. This paradigm presumes citizens as passive and reactive actors, while established organizations and research institutes are given the role and resources for driving system change. As a result, bottom-up transitions often go unsupported and socially valuable innovation do not diffuse. The service ecosystem with its neutral actor-to-actor stance and multi-level approach may be useful to depict policy effects and define new roles for citizens in sustainability transitions.

Research Limitations/Implications: Service researchers should continue the exploration of what roles citizens can take in shaping the future of our society. The service ecosystem may be useful as an analytical framework for policy analysis and design (Trischler & Charles, 2019), specifically in terms of what policy frame is needed for including citizens as a key actor in sustainability transitions (Schot & Steinmueller, 2018).

**Practical implications:** Policy makers need to move away from the assumption that citizens do not want or can contribute to sustainability transitions. There are numerous examples that citizens are a key source of innovation and proactively drive change, yet current policies hinder their contributions and impact.

**Originality/Value:** This study problematizes and through a theory synthesis contributes a sound argument proposing that citizens play an important role in sustainability transitions. Specifically it shows that (a) citizens are a valuable source of innovation when the underlying problem arises from unsustainable consumption because they are close to the focal problem and have access to a diversity of problem-solving knowledge in their communities; (b) citizens in particular should be included in social experimentation because they often face a problem and develop a solution to it before firms do; and (c) citizens' underlying motivations to innovate differ from firms which calls for a different policy design in order to ensure that valuable innovations are diffused.

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**Keywords:** Service ecosystem, sustainability transition, user innovation, transformative innovation policy

#### Open Innovation, Global Market Knowledge and Performance in the Digital Era

Martin Johanson - Peter Hultén - Wensong Bai

Topic: Service Innovation

**Purpose:** The paper develops seven causal relationships on open service innovation and test it on sample of 176 innovations in the computer game industry. The model hypothesizes that the performance of new computer games in the market is contingent on the knowledge the firm has about how to act in global markets.

**Methodology:** The model is analyzed with the LISREL.

**Findings:** In addition, the model views community sensing and partner scanning as antecedent to global market knowledge and innovation, however the causal relationships between the firm's capability to sense the activities in the user communities and the mobilization of the innovation partners' resources and competence on innovation performance are not significant. Instead, global market knowledge mediates the relationships between community sensing and the partner scanning, on the one hand, and innovation performance. Finally, as multiple platforms positively moderate the relationships between the firm's capability to sense the activities in the user communities and the mobilization of the innovation partners' resources and competence on global market knowledge.

**Implications:** The paper concludes by highlighting the critical role of external partners, the platform technology and especially, the firm's ability to act and to be part of the global markets for performance of new service innovation in terms of computer game.

**Keywords:** Open innovation, innovation performance, global market knowledge, community sensing, partner scanning, multiple platforms, computer games

# Orchestrating Front-Line Employees' Cultured Resources and Capabilities for enhanced Value Co-Creation

Kushagra Bhatnagar - Eric Arnould

Topic: Integration and management of resources and capabilities

**Purpose:** We live in a service society (Macdonald and Sirianni 1996) where value is predominantly co-created in service interactions. For service businesses to thrive and co-create value, frontline employees must integrate thinking as well as feeling capabilities and resources. Where possible, businesses are rerouting some of these capabilities and resource, primarily in the domain of thinking, to intelligent automated systems. However, managers are still dependent on frontline employees for value co-creation within what some label the Feeling Economy (Huang, Rust, and Maksimovic 2019; Rust and Huang 2021; Sirianni et al. 2013).

**Study design/Approach:** We approach the Feeling Economy through a socio-cultural lens (Otis 2010). Following recent work, we argue that socio-cultural approaches to conceptualize frontline service work would contribute to more insightful research and effective management of frontline employees (Akaka, Vargo and Schau 2015; Cayla and Bhatnagar 2017; Helkkula, Arnould and Chen 2022).

**Findings:** We conceive of service provision as a site where frontline employees and customers bring their own cultured capabilities and resources which are then integrated with the organizational culture to cocreate value. The key managerial task then becomes identifying the levers and tools which would foster mutually rewarding experiences for customers as well as employees.

**Implications:** A cultured framework would fruitfully organize research and practice concerning the integration and management of frontline serviced employees' culturally endowed resources and capabilities in a globalized service environment. For instance, it can help re-configure the traditional service triangle which informs much of existing research and practice that informs value co-creation (Leidner 1993). Such an approach would foreground the often-implicit cultured underpinnings of frontline service work when it comes to emotional and power relations that contribute to the creation or destruction of value.

Originality/Value: We offer a 1) stronger conceptual mapping of frontline service work as cultured 'feeling' work; 2) more insightful understanding of taken-for-granted power dynamics of frontline service work. Concerning the first point, our work offers a resolution to the emotional labor paradox, where customers desire authenticity, employees desire meaning, and managers desire predictable scripting. By understanding how culture and emotions intersect, for instance in the form of emotionologies (Fineman 2010), managers would be able to better gauge how to help frontline employees orchestrate genuine, authentic social exchanges with customers and minimize experiences of alienation, disengagement and burn-out (Taylor and Bain 1999). With reference to power dynamics, our work highlights how frontline employees and customers enact power relations during co-creation episodes (Warhurst and Nickson 2009). Only by situating organizational and customer demands as well as the performance of labor within a cultured matrix of power relations can managers properly diagnose and resolve the tensions, stressors and degradation that workers often experience and which in turn degrade customer experience (Tolich 1993).

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**Keywords:** Co-creation, socio-cultural research, emotions, power relations

#### Race with the Machines: A Service Ecosystems perspective

Rolf Findsrud - David Sörhammar - Petter Braathen

Topic: Artificial intelligence and the human machine service interaction

**Purpose:** Experts estimate that by 2055 around half of today's work activities could be automated (Lu et al., 2020) and industrial companies will spend 25 percent of their capital on automation over the next five years (McKinsey, 2023). Hence, robots are expected to fundamentally rattle our economies and displacing jobs. Although automation using robots is highly effective compared to humans regarding performing repetitive tasks (Lu et al., 2020), even low skilled service jobs has traditionally been considered difficult to automate as they rely on contextual understanding and spontaneous interactive communication (Autor & Dorn, 2013; Huang & Rust, 2018). This calls for seeing humans and technology as coexisting within systems that dynamically interact with different attributes to solve customers' problems. This cocreating with machines approach shifts the focus from a race against the machines, to a race with the machines (Jarrahi, 2018). It also calls for research focusing on integrating technology without reducing human worth and dignity (i.e., humanness), especially related to personal growth and development (i.e., well-being) (Ostrom et al., 2021).

This study adopts a view of human-technology symbiosis, where technology (e.g., AI) is viewed as "a tool for augmentation (extending human's capabilities) rather than automation (replacing them)" (Jarrahi, 2018, p. 585). Utilized in a smart way, developments in technology, and especially with robotization and AI, can enable frontline-employees with back-office data and digital tools to better solve customer problems. However, as routine tasks are becoming digitalized and automatized, the tasks that are left, even in low skilled service jobs, will require solving ill-defined problems necessitating creativity, ingenuity, and problem-solving skills (Griffin et al., 2012). Thus, this study explores what types of competences that could be combined with what types of processes for robotization in firms, to understand how humans and technology can cocreate value by solving customer problems and simultaneously cocreate viable service ecosystems.

**Study design/Methodology/Approach:** This study is based on a literature review on robotization in service research for typologies of processes that are robotized, combined with an explorative, qualitative study through interviewing firms about their robotization.

**Findings:** Our findings support that labor intensive, repetitive and rule-based processes are generally optimal for robotic process automation (Hollebeek et al., 2021). We also agree that with the introduction of machine learning and AI, major progress has been made concerning the capability of technology to perform more complex tasks, as the lines between the physical, digital, and biological spheres are becoming more blurred (Hollebeek et al., 2021; Pradeep et al., 2018). However, we also argue that firms should zoom out to a systemic perspective where the attributes of humans and technology are seen as complimentary depending on the complexity of the process and the level of expertise of the individual.

**Originality/Value:** Much of the literature on service robots in the service literature tend to have a rather narrow either-or approach, with a focus on which specific frontline employee job the service robots are taking over. Our framework of typologies provides a more holistic approach for how digital and physical actors interdependently can cocreate value. This typology enables both researchers and managers a tool for analyzing and making better decisions regarding how humans and technology can cocreate value and thereby enabling viable service ecosystems. Hence, instead

of rage against the machines for "stealing our jobs", we argue that insights based on S-D logic enable to steer the conversation towards a race with machines.

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**Keywords:** Human-technology symbiosis, service dominant logic, meta competences, service ecosystems

#### **Reflections of Service Approach in Smart City Domain**

Leonard Walletzky - Mirsolav Svítek - Zuzana Schwarzová - Luca Carrubbo - Sergei Kozhevnikov

Topic: Service systems and systems thinking

**Purpose:** The critical problem of Smart Cities development is understanding services' complexity, structure, and relationships among their actors (agents or stakeholders). The paper investigates the essential research approaches in Smart City service design, intending to find possible overlaps or synergies among them.

**Study design/Methodology/Approach:** The paper investigates possible synergies and similarities of two approaches to Smart Service design. Model of 4 diamonds (4DocMod) that focuses on the multi-contextual analysis of service environment and Multiagent approach (MAT) that is how to develop software systems, and mostly how to solve tasks in software development. Both methods seem valuable for Smart City architecture, but an analysis of possible mutual contributions from the perspective of System thinking needs to be done.

**Findings:** The paper suggests possible synergy and mutual connections among three separated Smart Service (and City) design approaches. Even though both approaches seem different, they are both used in the environment of complex services. 4DocMod is a very general, abstract holistic model, MAT is a standardized concept of smart service development based on multiagent negotiations and adaptability. Combination of both methods, the researchers could get a more powerful methodology for Smart Service Design.

**Research limitations/implications** – The paper focuses on the two methods suitable for service development. However, there could be other ways that could be taken into consideration. Conversely, merging 4DocMod and MAT could give a new perspective to Smart Service analysis and bring new methods suitable for service research.

**Practical implications:** The paper will present the possibility of a new perspective of service analysis that can be used by other researchers from the service community, as well as by service designers and IT developers. By combining the approaches of methods mentioned, the new consequences related to value perception can be revealed.

**Originality/Value:** The paper will use System thinking as the main method of merging different servicer analysis approaches. By this, not only could the new method of service analysis be developed, but it also shows the uniqueness of the service approach as the scientific method to achieve new frontiers in a multidisciplinary and multi contextual environment.

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**Keywords:** 4DocMod, multiagent approach, service thinking, service dominant logic

# Rethinking ecosystems through data-driven services: toward service-driven transformation

Anna Visvizi - Orlando Troisi - Mara Grimaldi - Antonietta Megaro

Topic: Industry 4.0 and digital transformation

**Purpose:** Digital technologies and data analytics can potentially transform markets by reframing the way of doing businesses and creating technological ecosystems in which resources exchanges and value co-creation are digitalized. To observe the key levers for transformation in contemporary digital and data-driven markets, service ecosystems view can be employed to investigate how service-driven transformation (that envelops service strategies, management, architecture, delivery, etc.), can help businesses introduce new service delivery methods, resources exchange, institutions and value co-creation practices.

Hence, the study aims at exploring: 1) how contemporary ecosystems can reshape and transform service digitally according to a data-driven approach; 2) how data-driven approach can lead to a service-based transformation for the emergence of innovation.

The role of data-driven approach on the redesign of value co-creation and on ecosystem's transformation has been overrated in extant research. There is the need to analyse the impact other ecosystems (human, cultural, social) elements such as actors and their willingness to use technology, capabilities and resources, institutions that can help companies incorporate transformation in culture, structure and business models to foster the development of innovation.

**Methodology:** To address the research goals, the empirical research is based on a content analysis that examines the technology-based solutions implemented in Italian education ecosystem to boost value co-creation and support the emergence of new values to reframe service modalities and allow the constant transformation.

**Findings:** The results allow at introducing a framework that conceptualizes, on the one hand, the enabling factors for the digitalization of value co-creation through a data-driven perspective and, on the other hand, the key levers for ecosystem's transformation that can foster, in turn, the emergence of multiple shades of innovation.

**Theoretical/Managerial implications:** The conceptual framework derived from the results can help management, practitioners and scholars understand the key enablers that should be integrated with technology for the continuous ecosystems' transformation and readaptation that can lead to the introduction of new practices for teaching/ learning that can change the interactive modalities of education market.

**Originality/Value:** By employing a systems and multi-levelled perspective the study identifies the impact and the implications of digital transformation and data-driven approach in the different phases of service delivery and of value co-creation process and across the different ecosystem's contexts by showing how the chances offered from technologies can be turned into opportunities for innovation.

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**Keywords:** Digital transformation, data-driven services, service ecosystems, value co-creation, transformation, service innovation

# S-D Logic: Exploring its role in providing a Central Focus for the Marketing and Service Disciplines

Rod Brodie - Roderick Brodie - John Nicolson - Julia Fehrer

Topic: Service Dominant logic as a grand theory

**Purpose:** In their recent article Hunt, Madhavaram, and Hatfield (2022) identify developments that have led to the marketing discipline's troubled trajectory. One of the main challenges is developing a general theoretic framework to alleviate the fragmentation of the marketing discipline. This theoretical framework needs to integrate the roles of subfields and be able to address substantive marketing problems. Three general theoretic frameworks are proposed: (1) Service-dominant logic (S-D Logic) (Vargo and Lusch 2008, 2016) which has been argued by Akaka et al. (2021, p. 378) as developing "toward a general theory of markets," (2) Parvatiyar and Sheth's (2021, p. 437–8) "general framework of integrative marketing (GFIM)", which can "tie in the various subdisciplines of marketing into an integrative whole", and (3) Hunt's (2013, p. 292) resource-advantage (R-A) theory, which "provides the foundations for a general theory of marketing." The purpose of this paper is to examine the role of S-D logic in providing a central focus *while accommodating methodological and epistemological plurality* for the marketing discipline and service management. The complementary roles of GFIM and R-A theory are further explored.

**Study design/Methodology/Approach:** The conceptual paper examines five general questions posed by Hunt et al. (2022).

Are the frameworks collectively exhaustive? Are there other candidates that also merit consideration?

Are the frameworks mutually exclusive? Does adopting one framework imply the rejection of the others?

Could the best central focus for the discipline be some combination of the three frameworks?

Do the frameworks provide comprehensive views of marketing that integrate insights from different sub-fields? Do they provide foundations for developing organizing frameworks that incorporate marketing-relevant knowledge from different sub-fields?

Are the frameworks appropriate for developing mid-range marketing theories?

We then draw on Brodie and Fehrer (2022) "S-D Logic as Mainstream: Unifying Apparently Disparate Marketing Paradigms?" to examine how the firm-centric GFIM and R-A theory perspectives can be accommodated within the broader market-centric perspective of S-D logic. Attention is given to the legitimacy of S-D logic providing the meta-paradigmatic perspective of a single "organizing/integrative framework" as the only path forward. For example, Helkkula and Arnould (2022) argue: "This is a nostalgic, modernist gesture wistfully dreaming of reduction to a totalizing theory of economic causation". However, Araujo (2022) cautions that the result of adopting multiple lenses could result in a "paradigm soup". Related questions are: What should be the boundaries for the meta-theory of the market and value cocreation and how can a meta-theory provide a central focus, while accommodating methodological and epistemological pluralism?

**Originality/Value:** This investigative paper offers an agenda for debate about the role of S-D logic in providing a central focus for marketing and service management. By paying explicit attention to paradigm incommensurability (seemingly insurmountable contradictions between paradigms) and the extent to which research cultures militate against alternative views and methods (Midgley, Nicholson, and Brennan, 2017), we demonstrate how S-D logic has evolved to guide seemingly

separate research traditions. We discuss the delicate balance between S-D logic's power to reconcile knowledge from different service and marketing sub-domains and the risk of becoming a 'theory of everything'. We point to critical tensions that, when mitigated, will make S-D logic more intelligible for academics inside and outside the marketing and service communities.

**Practical implications:** Exploring how the marketing and service disciplines can be renewed, and the troubled evolutionary trajectory can be reversed provides implications for applying a market-centric S-D logic perspective to practical problems in marketing, service management, and other management areas. More importantly, by emphasizing S-D logic's power to unify research traditions, this paper offers a *practical* marketing framework for managers who have long understood the power of methodological pluralism.

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**Keywords:** S-D Logic, general theory of marketing, accommodating methodological and epistemological plurality

# Science, Logic and Architecture perspectives on Organizational Learning: observations based on the Onpier Mobility Platform

#### Markus Warg

Topic: Experience, value-in-use, and value-in-context

Purpose: Organizational learning is moving towards a service perspective in which learning unfolds over time and is embedded in broader and dynamic value-creation networks (Lusch, Vargo, & Tanniru, 2010; Spohrer, Fodell, & Murphy, 2012). In this process organizations as responsible (service system) entities are interacting, exploring, experiencing to learn via exchange and to adapt behavior to meet the challenges of their specific "survival business". In order to continuously "survive" in increasingly dynamic complex value networks, learning organizations also need to engage in "generative learning" in addition to "survival or adaptive learning," i.e., learning that also improves capacities and structures for value co-creation (Hagel, Brown, & Davison, 2010; McGowan & Shipley, 2020; Senge, 1997; Vargo, Lusch, & Akaka, 2010). To contribute to this theory building, the paper draws on three perspectives on service: Service-Dominant Logic, Service Science and Service Dominant Architecture. The purpose of this paper is to derive implications for better cultural and structural models to improve interactions and change of organizations to become learning organizations (Gummesson & Mele, 2010; Spohrer, Maglio, Vargo, & Warg, 2022). The main theoretical implications are examined by observations of the onpier mobility platform.

**Study design/Methodology/Approach:** As means of model and theory building a "conceptual paper" is chosen as methodology to bridge existing theories and concepts, provide new perspectives and broaden the scope of thinking. Within this methodology a "conceptual model" is applied as research design to address the topic of organizational learning (Gilson & Goldberg, 2015; Jaakkola, 2020) by building a theoretical framework. The theoretical framework is intended to show, describe, analyze and predict relationships between the key elements of organizational learning (Jaakkola, 2020; MacInnis, 2011; Meredith, 1993).

**Findings:** Based on the perspectives of Service-Dominant Logic, Service Science and Service Dominant Architecture the paper demonstrates that service theories and foundations are appropriate to explain and analyze the phenomenon and core mechanisms of learning and organizational learning. Service understood as the application of resources (e.g., knowledge) for the benefit of another and oneself, is the basis of exchange. Referring to the (inter-) active nature of exchange, the importance and value of interactions is found not only for the interaction itself, but also in the impact on the adjustments of knowledge, processes, structures and capacities of responsible (service system) entities. As a consequence, better models are needed to remain adaptable and competitive: better mental models in people to improve interactions (logic), better models of the world both complex natural and social systems (science), and better cultural and structural models of organizations to improve change (architecture).

Service Dominant Architecture is grounded in S-D Logic and Service Science and operationalizes these core concepts. Five (service) systems as design pattern empower organizations to become learning organizations by using interactions for adapting organizational processes (adaptive learning) and building knowledge, structures and capacities to create ("generative learning"). The main theoretical implications are examined by observations of the onpier mobility platform.

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**Keywords:** Learning, organizational learning, service, service-dominant logic, service science, service dominant architecture

#### Service Ecosystem Resilience to Disruptive Collective Engagement

Mikael Gidhagen - David Sörhammar

Topic: Service ecosystems and markets dynamics

**Purpose:** Value creation in service ecosystems is linked to actor engagement (Storbacka, 2019), presuming shared institutional arrangements (Vargo & Lusch, 2016) that are manifested through collective engagement (Kleinaltenkamp et al., 2019; 2021). However, there are always actors disagreeing with or fully disengaging (Brodie *et al.* 2013) from these collectively shared institutional arrangements (Vargo & Lusch, 2016). At least partly breaking with established collective engagement, such actors make or follow new rules and norms (Koskela-Huotari *et al.*, 2016), creating niches (Geels, 2020), or social movements (Touraine, 1977; Buechler, 1995) within the service ecosystem that envision disruptive ways of value creation characterised by common interest, opposition/discontent and a general will (Touraine, 1977). Although not necessarily in a negative way, these disruptive movements may have the power of reshaping established institutional arrangements within service ecosystems.

The purpose of this paper is to investigate in what way resilience in the dominant collective engagement is manifested, when confronted with such disruptive initiatives. Our work thereby contributes to engagement research, through introducing aspects of resilience in upholding dominant collective engagements.

**Study design/Methodology/Approach:** We infuse insight from a literature review on resilience onto the S-D logic narrative, and more specifically engagement research, to increase our understanding of the dynamics and complexities of engagement and disruption in service ecosystems.

**Findings:** Resilience in service ecosystem is herein defined as the collective characteristic and capacity to anticipate and persist in the face of change and challenges to its existence and/or goals, and to continue to develop with ever changing environments (cf. Folke, 2016; Hale & Heijer, 2017).

Our findings indicate that resilience in collective engagement is upheld through aligning or dealigning with the disruptive initiatives. However, the core of the matter is that this binary categorization further shape how value is cocreated in service ecosystems in four unique ways. Resilience by aligning with the disruptive forces either reshape how value is cocreated or refrain from established ways of value cocreation. Resilience by dealigning from the disruptive initiatives influences how value is cocreated by reforming or reinforcing the established ways of value cocreation.

**Originality/Value:** Disruptive collective engagements put pressure on the established ways of cocreating value in service ecosystems. By acknowledging "service ecosystem resilience" (SER) as aligning/dealigning with the disruptive collective engagement, it is argued that SER influences how value is cocreated in service ecosystems in four distinct ways: reshaping, refaining, reforming, or reinforcing.

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**Keywords:** Service ecosystem, resilience, collective engagement, value cocreation, disruption

#### Service Ecosystem transformation toward Circularity and Sustainability

Maria Francesca Renzi - Roberta Salomone - Stephen L. Vargo - Bo Edvardsson

Topic: Integration and management of resources and capabilities

**Purpose:** This decade is decisive to the survival of our planet and humanity itself. Addressing these urgent issues should be a priority: climate change, population growth, resource scarcity, poverty, pandemic, war, etc. Service research has an important role to play in addressing these challenges. As recognized by Field et al. (2021), services pervade all domains of human activity. Hence, sustainability requires service ecosystem transformation. There is a need to discuss and explore service ecosystem transformation by adopting a multidisciplinary approach, involving scholars coming from different research fields and contexts.

**Study design/Methodology/Approach:** Based on the above background, we propose a panel to present ideas and discuss how the service research community can contribute, join forces, and partner up with scholars in circularity/circular economy. The panel members are: Maria Francesca Renzi, Bo Edvardsson, Ray Fisk, Stephen Vargo, Roberta Salomone.

**Findings:** Several authors are calling for developing new research for understanding the meaning of "Sustainability" and promoting relevant and actionable service research. The identification of service research trajectories and the development of contexts, models, tools and knowledge can help transform the future toward circularity and sustainability.

**Originality/Value:** The panel provides an opportunity for reflection with the goal to share and cocreate ideas to promote interdisciplinary service research. The discussion and the audience engagement will focus on different aspects of Service Ecosystem Transformation toward Circularity and Sustainability.

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**Keywords:** Service ecosystem transformation, circularity, sustainability, circular economy

#### Service Experiences in the Phygital Arena

Amie Gustafsson - Anne-Charlotte Paas

Topic: Phygital Customer Journey and Metaverses

Purpose: Due to the technological revolution as well as changes in consumer purchase behavior, the retail sector and its service offerings is being transformed and reimagined (Grewal et al., 2021). Unmanned stores are being globally implemented at a fast pace. The advanced technology involved in an unmanned store, is an attempt to bridge the gap between the physical and the digital world (Wankhede et al., 2018), which can be introduced as phygital. However, whether these concepts are creating positive service experiences or not remains uncertain. The service system is designed to enable customers to create their own value, and their own customer experience without supplier involvement. Customers are expected to service themselves, but what happens if something fails in the service interaction; the service systems are presently not designed to facilitate a failure. When failure occurs, i.e., dropping an egg in the unmanned store, how does the customer AND the service supplier deal with such a situation, and who is responsible for the aftermath. Will we see a rise of self-service recovery and what would that look like? How do you help and make a recovery with no-one else around and is it at all possible?

The purpose of this paper is to investigate the current state of service recovery in unmanned service retail stores and create a future research agenda.

**Study design/Methodology/Approach:** As this is exploratory research a qualitative approach will be used. The study will cut across multiple brands and context to explore the current state of service recovery in unmanned setting.

**Findings:** Preliminary findings indicate that the companies have not created service system for service recovery and has no plan to support a customer when a service failure occur in unmanned contexts. The search continues but a potential finding is a service design created in collaboration with industry.

**Practical Implications:** The research aims to help practitioners understand the value of service recovery in an unmanned service setting and possibly suggest a pathway as to how to implement a solution.

**Originality/Value:** To the best of our knowledge this is the first research on this area.

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**Keywords:** Unmanned service settings, service recovery, service failure, retail, phygital.

#### Service Network Strategy: The Importance of Nodes and Horizons for Business Models in Service Networks

#### Martin Johanson

Topic: Business models to manage networks and service systems

**Purpose:** Every system consists of parts that are integrated and thereby also interdependent. This is also the case for networks, which are built on relationships between various actors. Critical questions for service firms and their business models relates to the boundaries of the network, which are usually determined by the researcher. However, from a business model point of view boundaries of the network, the firm cannot have a complete view over the network. Instead, the firm's business model and, consequently, also its strategy departs from what it sees and far it sees. This paper develops a model of strategies, the firm can pursue in a service network.

**Study design/Methodology/Approach:** This conceptual paper starts by discussing the differences and similarities between social network theory and service network theory, which emphasize the relationship as a governance mode. Service network theory views the network as being dynamic and manageable rather than being a static and stable structure.

**Findings:** The model consists of three core components, where the first refers to position of the firm in the network, which, in turn, influences its network horizon. The position in the network is based on perception and it's a sum of the type, number, strength and position of its relationships in the network.

Originality/Value: The network horizon is a dynamic concept, as the firm can stretch and shrink how far it can comprehend the network. It implies that for a service firm to grow and expand its network, other actors are crucial, and they can be viewed as nodes in the dynamic strategic process. The concept of network node has two main elements, where the first is its potential as an exchange partner, but as the network is a system of relationships, but each node is also a springboard for further expansion, as each node has its unique set of relationships. Such a dynamic expansion, where the position and horizon are the starting point, entails various options. The service firm may add a relationship or replace an existing. Moreover, the firm can acquire an already prevailing relationship. However, a service network strategy can be based on what it views, creating a network, by connecting relationships, which makes mobilization and integration of other actors' resources and capabilities in the network a central aspect of the service network strategy.

**Keywords:** Service network, horizon, node, position, exchange, springboard, strategy, business model

#### Service System Design Changes and its unintended consequences

Heidi Winklhofer - Mohamed Sobhy Temerak - Nora Ramadan

Topic: Emergence and Institutionalization in Service Eco-Systems

**Purpose:** Contemporary service system design thinking has embraced S-D logic's service ecosystem perspective (Vink et al. 2021). It is widely recognised that a service eco-system can achieve better value through synergic and collaborative orientation amongst service actors and common-agreed end goals (Patrício et al. 2011, Frow et al. 2019). However, in practice, the same and/or different groups of actors can hold competitive orientations due to scarcity of resources (Russell–Bennett et al. 2020) or conflicting goals (Skålén et al. 2015; Scaraboto and Figueiredo 2022). Value co-creation is also enabled and constraint by institutional arrangements (i.e., norms and rules) as they shape the service ecosystem and guide actors (Scaraboto and Figueiredo 2022). In turn, each actor, through their resource integration efforts, affects the wider system and has the capacity to shape institutional arrangements. Service ecosystems are therefore viewed as self-adjusting systems and service innovations as institutionalization of new practices (Vargo, Wieland and Akaka, 2016). "(N)ew solutions ... to new and existing problems become (re)institutionalised, and markets continue to form and reform" (Vargo et al. 2016, p. 4), which implies that self-adjustments within a service system is an emergent phenomenon (Vargo et al. 2022).

Empirical work focusing on service design that takes into account institutional arrangements between actors is currently lacking (Vink et al. 2021). Our work addresses this gap by examining the role of service design as a catalyst for institutionalising value-co destructive practices amongst actors within a service ecosystem. The following research question guides our empirical work: How do micro, meso and macro level factors interact with service system design to lead to value co-destructive institutional adjustments?

**Methodology**: Our empirical work is based on a case study of Uber operating in Cairo, Egypt. It comprises of semi-structured interviews with 68 drivers, 64 riders, and posts on a Facebook site dedicated to Uber drivers. We focused on service design, i.e., amendments/additions to Platform features initiated by Uber, and their impact on the wellbeing of drivers and riders, two actor groups interlinked by the Platform. The analysis oscillated between micro level (i.e., individual rider or drivers) and meso-level (group of actors) while taking into account the challenging macro-level environment of Egypt, a low/middle income country and its impact on actor wellbeing.

**Findings:** The case study illustrates how even small design changes to Platform features and added features interacted with macro level factors and forced riders to make some major wellbeing tradeoffs (e.g., financial versus security). Over time, the shared coping practices by drivers lead them to bypass or manipulate Platform features, thus institutionalising new practices that were counter to the changes intended by the platform provider and had value-co-destructing consequences for interlinked actors within this service system.

**Originality**: Our study contributes by focusing on the dark side, i.e., the institutionalisation of codestructive practices, demonstrating the perils of a biased service design that favours the wellbeing of one group of actors over others.

**Practical Implications**: We propose that prior to initiating service design alterations, potential wellbeing effects of all interlinked parties need to be taken into consideration in order to avoid the emergence of practices that are detrimental to customer experiences.

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**Keywords:** Service ecosystem, system design, institutionalisation, wellbeing

#### **Service Value Creation for Circular Economy**

Juerg Meierhofer - Simon Weisskopf

Topic: Industry 4.0 and digital transformation

**Purpose:** This paper examines the economic and ecological value creation in production ecosystems with a focus on the B2B relationship between a supplier of equipment and a customer who uses this equipment. It examines the following hypothesis: companies have quantitative KPIs for economic and ecological value creation by applying their data resources. However, they lack a systematic methodology for joint optimization of economic and ecological value. They optimize primarily on the economic value.

**Study design/Methodology/Approach:** The analysis is based on literature study on value creation by services, (e.g., Kowalkowski & Ulaga, 2017; 2013; Vargo & Lusch, 2014) and how product service systems impact sustainability (Tukker, 2015). This is accompanied by a field research based on in-depth interviews in a qualitative sample of five companies (four SMEs and one larger company), which are settled in five different industry sectors. The qualitative insights from the different interviews are combined to a coherent pattern. Recommendations are elaborated for the industrial actors how to proceed in order to leverage the information available for fostering mutual service value creation supporting economic and ecological goals.

**Findings:** The qualitative field research revealed that companies are familiar with the term circular economy, cradle-to-cradle or triple bottom line although sustainability still plays a subordinate role in decision making despite available KPIs (Stucki & Wörter, 2021). However, all of the company cases dispose of resources for value creation that would enable a transition towards circular economy according to (Bressanelli et al., 2018). Two of the cases use the resource data to improve product design at the beginning of an equipment's life, which can be a basis for more durable products and closing the material loop. A strong focus is observed in the mid-life phase, with service value creation by monitoring of device activity mentioned most often (by 4 out of 5 companies). This increases the efficiency of the equipment and extends its lifetime. Two of the companies apply preventive and predictive maintenance, which extends the life of equipment. The sample shows no evidence of circular services in the end-of-life phase.

**Research Limitations/Implications**: In order to confirm the results of this study and to exclude a potential bias, additional in-depth interviews with companies from different sectors are needed. The analysis illustrates the future research direction of the project towards a comprehensive solution approach for a quantitative calculation method of economic and ecological value in service ecosystems.

**Practical Implications:** The findings in this study support the quantitative approach for modelling the ecological value for different service constellations. Therefore, the quantitative framework proposed in (Meierhofer & Stucki, 2022) can be used as a tool by manufacturing firms to calculate the economic and ecological benefit of planned service concepts.

**Originality/Value:** The innovation of this paper is the application of the new approach for quantitatively assessing the economic and ecological value contribution of data resources in practical cases.

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**Keywords:** Smart service, sustainable value creation, product service system, circular economy, triple bottom line&nbsp

# Servitization in the Luxury Industry: How luxury companies are redesigning their Customer Experience

Enzo Baglieri - Laura Ru Yun Pan - Simon Croom

Topic: Phygital Customer Journey and Metaverses

**Purpose:** From an industrial perspective, servitization is a paradigm shift from the manufacturing of products to provision of services (Lay 2014). In essence, "servitization of business" is aimed at adding value to a company's core competencies by extending their ability to also provide services (Vandermerwe and Rada, 1988). A similar phenomenon is happening in the fashion and luxury sector, where there is an emerging emphasis on the level of service a brand can offer, as a form of value creation. Luxury fashion brands have always set themselves apart by offering great customer service, however that is no longer enough (Caïs 2019). Business experts sustain that luxury service has to be unique, personalized, magical yet subtle (Bell 2022). It requires brands to develop deep relationships with their customers and knowing exactly what and when to offer these services (Lojacono and Pan 2021).

Over the past decades, the luxury industry has experienced a strange reset, where access to the top brands were once reserved only for the rich and famous, have somehow tickled down to the general population (Achim 2020). This shift of accessibility is known as the democratization of luxury, which is defined as the perceived reduction in distinctiveness and exclusivity of luxury brands and its products due to its higher accessibility. (Shukla, Rosendo-Rios and Khalifa 2022) This has allowed luxury brands to gain more new customers and increase its sales. Democratization of luxury has its upsides from a financial perspective, as brands were able grow both its popularity and revenues astronomically. However, it also leads to a knock-on effect on its existing customer. Luxury goods that were once a distinction for status symbol, no longer held the same value (Shukla and Rosendo-Rios 2022).

The evolution within the luxury sector will lead to the diminishing perceived upper statuses luxury brands once held, which has driven brands to rethink its position and offering to its customers. Apart from the increased access to luxury goods, the concept of affordability also goes into question. The increase in new luxury customers challenges brands to also scale up their production. (Hoang 2022) Simultaneously, the luxury landscape is also becoming more competitive with cheaper alternatives and brand substitution. (Hoang 2021) As such, neither luxury brands nor its customers can rely on its products alone to differentiate themselves.

A point to distinguish entry level luxury customers from long-term high spending customers, luxury companies are obligated to create added value which limits its accessibility (Holmqvist et al. 2020). Observations within the industry shows that luxury brands have turned towards service as a form of value creation. An example to elaborate the approach brands have taken is by looking at Fendi's flagship store located in Largo Carlo Goldoni in Rome (LVMH 2016)

All of the amenities serve as a unique point of service to its most high valued customers. Moreover, the brand also offers other services in-stores, for instance, alterations, fur storage, personalization services, bespoke, made to measure, made to order, and more. A number of services are open to all customers, and others are open only to a selected few. Traditionally, luxury brands are thought of as product and goods purveyors, however in more recent times, service plays an equally important role. We aim to address this important evolution, by conceptualizing servitization in the luxury sector and examining how brands can build and extend its relationship with its customer. It

is argued that increased emphasis on servitization enables luxury brands to build more resilient strategies and retain customer loyalty. (Ziegler, et al. 2021)

**Study design/Methodology/Approach:** The structure of this paper will begin with an in-depth analysis of the meaning of servitization in the context of luxury, and how the industry is demanding for a larger emphasis on service. The study will be supported by case studies of existing brands that have successfully incorporated servitization as a means of value creation, and it aims to help answer the following questions:

- How do we define service in the luxury fashion industry?
- If there is a shift from products to services, in what way are brands differentiating itself to connect services to products?
- How will technology provide a new avenue of service to their customers?
- Can luxury and fashion brands offer a combination of both digital and physical services to its customers?

Originality/Value: With the emergence of new technologies, such as blockchain technology, smart contracts, non-fungible tokens (NFTs), etc. it is likely to change how business operates, particularly in their level of service to its customers both physically and digitally. For example, LVMH, the world largest luxury conglomerate, established AURA Blockchain Consortium (LVMH 2021) which is aimed at providing its customers with product provenance, proof of authenticity (Thanasi-Boçe, AL-Issa and Ali 2022) and potentially the transfer to ownership of goods (AURA Blockchain Consortium 2022). We put forward the argument that luxury brands are also rethinking its approach to meet the demands of a subset of customers that that digitally savvy and would expect brands to provide luxury services digitally.

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Keywords: Servitization, luxury industry, innovation, customer experience

# Shaping Cities through Services: Toward an Urban Service Ecosystem for aging consumers

Maria Colurcio - Vania Vigolo - Bo Edvardsson

Topic: Market shaping

**Purpose:** Population aging is a global phenomenon that regards in particular economically developed regions, where the proportion of people aged 65 is estimated to reach about 30% of the population by 2050. Specifically, this demographic shift poses new challenges for cities, where about 43% of the older population lives (OECD, 2015). Despite the high proportion of older individuals living in urban areas, cities often fail to provide seniors with services able to guarantee a good quality of life. For example, the older population may experience social, economic, and spatial barriers (HelpAge International, 2016) that limit or prevent their independence and active participation in urban life.

On the other hand, Goal #11 "Sustainable Cities and Communities" of the UN Agenda 2030 clearly refers to the need to improve and ensure access to safe, inclusive and accessible green spaces and public transport for older persons. Several initiatives have already been undertaken in different countries to promote an age-friendly urban design, for example, through the World Health Organization's Age-friendly Cities and Communities model. However, to the best of our knowledge, there is a lack of research regarding the design of age-friendly services in urban contexts.

Rooted in the conceptual framework of service-dominant (S-D) logic and based on the service-ecosystem perspective (Vargo et al., 2017), this study aims at identifying a model for the development of age-friendly cities in which actors are connected by shared institutional arrangements and cooperate for mutual value co-creation (Vargo & Lusch, 2016).

**Methodology:** The method includes a systematic literature review on urban services for seniors and on the analysis of illustrative case studies (Levy, 2008) of cities that have developed a cocreation approach to urban services design. On the one hand, this method allows researchers to provide concrete examples of a theoretical argument and to demonstrate the empirical relevance of a theoretical proposition (Eckstein, 1975; Levy, 2008). On the other, illustrative case studies represent "a Weberian' ideal-type", i.e., "empirical exemplars of the embodiment of particular theories" (Scapens, 2004, p. 259) that can be used for theory development.

**Findings:** The study proposed a model for developing age-friendly urban service ecosystems.

**Originality:** This research contributes to understanding the role of services in shaping cities for an aging population from the perspective of social and environmental sustainability that underpins the UN 2030 Agenda

This research contributes to understanding the role of services in designing cities for an aging population from the perspective of social and environmental sustainability that underpins the UN 2030 Agenda

Research Limitations: Further empirical investigations are required to validate the proposed model

**Practical Implications:** This study provides policymakers and service providers with recommendations for creating age-friendly service ecosystems in urban contexts.

**Social Implications:** An age-friendly service ecosystem in urban contexts can improve the quality of life for residents and visitors and improve the competitiveness of cities in terms of attractiveness for the senior tourist market.

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Keywords: Aging consumers, age-friendly cities, social sustainability

### Shaping Service Ecosystems: A dialogue between Market Shaping And Service Ecosystem Design

Kaisa Koskela-Huotari - Josina Vink

Topic: Service ecosystems and markets dynamics

**Purpose:** Recent years have witnessed the emergence of two service-dominant logic-informed conversations on purposive agentic efforts to influence value-creating exchange systems: market shaping (Nenonen et al., 2019) and service ecosystem design (Vink et al., 2021). Market shaping refers to the "purposive actions by a focal firm to change market characteristics by re-designing the content of exchange, and/or re-configuring the network of stakeholders involved, and/or reforming the institutions that govern all stakeholders' behaviors in the market" (Nenonen et al., 2019, p. 618), while service ecosystem design is defined as the "the intentional shaping of institutional arrangements and their physical enactments by actor collectives through reflexivity and reformation to facilitate the emergence of desired value cocreation forms" (Vink et al., 2021, p. 169). Although, there are significantly overlaps between these two streams of literature, they have so far mainly evolved without significant dialogue and cross-fertilization of insights.

**Approach:** This conceptual paper reviews the literature on market shaping and service ecosystem design with the purpose to inform these literatures with each other. More specifically, our review focuses on identifying areas of alignment and overlap as well as conceptual distinctions and fruitful tensions pointing to future research opportunities in both literature streams.

Findings: Our findings show that market shaping, and service ecosystem design can inform each other in several important ways. Market shaping provides a strategic understanding of service ecosystem design, particularly for commercial firms (Storbacka et al., 2022). It also sheds light on the various motives behind shaping efforts, including their effects on improving business performance and enhanced social outcomes. It also points to specificities of the reformation process in different operating environments and when done at different times in relation to the evolving environment. Service ecosystem design, on the other hand, suggests that market shaping could benefit from a more nuanced, processual view of institutionalized social structures as the 'shaping materials' of markets (Vink & Koskela-Huotari, 2021a). It also points to the role of reflexivity (Vink & Koskela-Huotari, 2021b) as a prerequisite for the triggering and facilitating capabilities needed for market shaping (Nenonen et al., 2019). Furthermore, research on service ecosystem design sheds light on practical approaches that actors can use to enable and strengthen their market shaping efforts on the ground (Vink et al, 2021).

**Originality/Value:** First, through a careful comparison, this research adds clarity and specificity to both the concepts of market shaping and service ecosystem design, including their scope and related dimensions. Second, we highlight key insights from each domain that can inform, extend, and challenge the other. Third, this conceptual work moves towards reconciling the distinct languages of these two domains and revealing higher order learnings about agentic efforts to influence value-creating systems.

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**Keywords:** Market shaping, service ecosystem design, service design, intentionality, service-dominant logic

### Shaping 'For' and 'Against': Contesting the Plant-Based Alt-Proteins Market

Jonathan Baker - Suvi Nenonen - Julia Fehrer

Topic: Market shaping

**Purpose**: Market-shaping occurs through the intentional efforts of market actors to change or maintain market systems (Hawa et al., 2020; Nenonen et al., 2019). While the market-shaping literature features a broad array of case studies, little attention has been paid to market-shaping undertaken simultaneously by opposing actor groups. Hence, the aim of this study is to *explore contested market-shaping in the plant-based meat alternatives (PBMA) market in New Zealand*. **Study design/Methodology/Approach:** This study adopts a qualitative interpretative methodology. Primary data comprises 53 interviews with 37 participants collected in three phases over two-and-a-half years. Participants include those in favor of market growth (animal rights activists, PBMA producers, PBMA industry collaborative network), those against (meat industry association), and those agnostic (agriculture ministry, crop farming industry, supermarkets, food innovation hubs, food scientists, agricultural consultants). Interviews averaged 42 minutes. A grounded theory approach to analysis was adopted (Strauss & Corbin, 1997). Secondary data includes 57 media articles and 1625 pages of reports and industry publications, analyzed using document analysis (Bowen, 2009).

**Findings:** PBMA actor groups forced a major repositioning by the meat industry from operating in a 'market for meat' to a 'market for protein.' PBMA producers and associated scientific discourse stressed three key benefits of plant-based proteins — animal rights, improved sustainability, and improved health. In response, meat producers began to promote their products along three similar but modified key pillars — animal welfare, regenerative agricultural practices, and nutritional superiority. Activist organizations collectively focused on promoting veganism and undermining the ethics of animal-based agriculture, while international media (e.g., Netflix) and global scientific publications (e.g., UN sustainability reports) provided credibility and impetus to PBMA market formation.

PBMA entrepreneurs benefited from the activities of aligned actors, while concurrently infiltrating and shaping the protein market through their dealings with supermarkets. PBMA entrepreneurs were conscious of some consumers arguing PBMA products were "threatening *the* [animal agriculture-based] *economic backbone of NZ*," so distanced themselves from radical activists despite often being personal friends. Supermarkets and local news media became the predominant boundary arenas within which market-shaping contestation played out. Supermarket category managers struggled with integrating PBMA products into their stores, which required developing a shared lexicon, experimenting with physical placement, and closely monitoring competitors and international trends. All interview participants were disparaging of local news media, perceiving them to be biased and controversial.

**Originality/Value:** This study offers new understandings of contestation in market-shaping and is one of the first to capture market-shaping strategies unfolding in 'real time.' Opposing actor groups engage in activities to build legitimacy and credibility by simultaneously emphasizing differences and mimicking similarities. Accordingly, value propositions take on isomorphic properties despite their fundamental differences. Hence, opposing actors perform different but complementary roles that collectively shape the market. In contrast, boundary spanning actors that control arenas of contestation demonstrate opportunity-seeking behaviors. In contrast to others (e.g., O'Sullivan and O'Dwyer, 2015), we find large incumbent actors do not always attempt to

subsume major criticisms from an adjacent field, instead circumventing criticisms through experimentation, redefinition, and rebuilding of incumbent institutional infrastructures.

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**Keywords:** Market-shaping, contestation, plant-based alt proteins

## Should the wheel Be Reinvented? Market-Referencing in the Electric Vehicle Infrastructure Market

Frank Jacob - Nicole Bulawa

Topic: Market shaping

**Purpose:** Markets exist in a "continuous making" – that is, continuously being purposefully altered or newly created. Market making often involves "market referencing", or the mimicking of practices of the originating market from which the new market emerges (Chiles et al., 2004). However, little is known about mechanisms that underly the process of market referencing leaving practitioners with little direction on how to contribute to market stabilization and legitimization. This project aims at shedding light on those mechanisms. To do so, we draw on a markets-aspractices perspective (Callon & Muniesa, 2005) and take the example of the emerging electric vehicle (EV) infrastructure market in the UK.

Study design/Methodology/Approach: For our study, we used an exploratory research method following a theories-in-use- approach (Zeithaml et al., 2020). We chose the UK as our research context since it was the first to establish a regulatory setting that promoted the emergence of a new market for EV charging infrastructure. In line with the markets-as-practices approach, observations at charging sites (20 hours total), in-depth interviews with market actors (16 interviews total), and document analysis (40 documents total) served as data collection methods. Mayring's (2014) framework for qualitative content analysis which proposes contrasting empirically identified content to existing theoretical knowledge provided guidance for examining the material gathered. To arrive at our results, we analysed each of Kjellberg and Helgesson's (2006) market practices categories (exchange, representational, normative) in terms of manifest practices, (2) market-referencing activities, and (3) market-referencing forms.

Findings: Our findings include the identification of three overarching themes and the development of six research propositions. As a first theme, we found that market referencing aiming at aligning an original and a new market manifests as almost complete practices adoption (takeover) or as practices adaptation (extension, modification). The level of a practice's specificity in relation to a market is crucial for the prevalence of the respective category (P1a & P1b). In addition to that, we also found that practice innovation replaces market-referencing once the new market brings to the fore unprecedented challenges and requirements in the new market (P1c). The second theme revolves around the observation that market referencing in the form of adaption typically still comes along in an arrangement together with market referencing in the form of adoption. In this arrangement, the adopted practice provides stability for the adapted practice (P2a). Market referencing, therefore, is a mechanism for the construction of new practice arrangements (P2b). Finally, we found that in some cases market referencing was more emergent in nature then based on market actor agency (P3).

**Originality/Value:** With those findings, we contribute to the market-making literature by examining practices on the micro-level (zooming in) and their role in stabilizing on the macro-level of a market (zooming out); to the market-referencing literature by outlining mechanisms on which grounds the transformation of practices across markets takes place; to market practice understanding by identifying and concretizing additional practice manifestations for the specific case of EV charging infrastructure markets.

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**Keywords:** Market shaping, market-referencing, practices, practice arrangement, theories-in-use

## Smartness, Resilience, and Urban Management: Implications for Smart Cities

Silvia Cosimato - Roberto Vona - Luca Carrubbo - Irene Di Bernardo

Topic: Industry 4.0 and digital transformation

**Purpose:** Even though over the time smart cities have evolved into a "paradigm" aimed at managing urban areas through the implementation of advanced and intelligent technologies, it remains a multifaceted and controvert concept which needs for further research. Drawing on these considerations, this paper aims at contributing to bridge this gap by investigating – according to a socio-ecological perspective on resilience – the role and the influence that humans can have on smart cities' resilience. In particular, it will be investigated if and how humanized technologies can contribute to making smart cities as resilient as possible.

**Study design/Methodology/Approach:** After a preliminary theoretical analysis, a tentative framework has been developed and implemented to qualitatively approach some European smart cities and their strategic plans for understanding if and how they jointly approach smartness and resiliency as well as if human elements influence the related processes.

**Findings:** The qualitative analysis highlighted not only some weaknesses of smart cities, especially in terms of the ability to resist and get through criticalities, but also the way they approach the management of unexpected critical situations, absorbing their impact, adapting, or changing according to the new external conditions, responding to the subsequent challenges, and continuing to function in the face of disturbance even when disruptive. In doing so, the potential of "Industry 5.0" has been underlined and discussed especially in terms of their ability in engaging individuals in those actions pointing to wisely building urban resilience.

**Research Limitations/Implications:** The results of this analysis offer some interesting implications both for theory and practice. Thus, scholars should get interesting insight in terms of a better conceptualization and explanation of what makes a smart city resilient. In terms of practical implications for policymakers and managers, this paper offers some insights related to if and how new and wise urban management strategies and policies can be developed and implemented also in critical situations for maintaining and/or improving smart cities' resilience.

**Originality/Value:** The originality of this study mainly lies in the investigation of the main determinants of smart cities' resilience. Moreover, in doing so the socio-ecologic approach to resilience has been adopted.

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**Keywords:** Smart cities, urban management, socio-ecological resilience, Industry 5.0

### Social Robots to foster vulnerable Actors' well-being

Irene Di Bernardo - Marialuisa Marzullo - Stefano Paolo Russo - Cristina Mele - Tiziana Russo Spena

Topic: Artificial intelligence and the human machine service interaction

**Purpose:** The world is facing increasing numbers of vulnerable people as the population continues to age and more and more people are affected by various health and social problems (European Commission, 2022). In this perspective, social robotics solutions play a key role promising to improve the well-being of human actors (Čaić et al., 2019; Odekerken-Schröder et al., 2020). Social robots are physically embodied agents designed to assist and participate in social interactions with humans in their daily lives (Čaić et al., 2018). They have been defined as emotional and social actors with a transformative mission (Čaić et al., 2019; Henkel et al., 2020). However, service research on well-being and social robotics is still in a nascent stage and studies should provide more insights into actors' well-being (what) and the solutions (how) (Caic et al., 2019; Odekerken et al., 2020; Mele et al., 2022; Anderson and Xue, 2022). Understanding how emerging technologies impact on well-being is one of the service research priorities (Ostrom et al., 2021; Prentice et al., 2021) and much more investigation is needed to get light on different dimensions of well-being (Odekerken et al., 2020). The aims of this study are (1) to understand the use of social robotic solutions to enhance service interactions and foster patients' well-being; (2) to address specific dimensions of vulnerable actors' well-being.

**Methodology:** This study employs an action research approach to facilitate an experimental project conducted in collaboration with Cooperativa Sole, an Italian social company operating in the field of assistance. The study was conducted in two different contexts in northern Italy: a daily care center from April 2022 to October 2022 and a nursing home from December 2022 to February 2023. Data collection involved participant observation, personal diaries, in-depth interviews with caregivers, and the collection of audio-visual data. A qualitative thematic analysis was applied to analyze the data, identifying key themes to gain insights from the collected information. Reflection and dialogue with stakeholders were conducted to further comprehend the findings and derive conclusions to inform future actions.

**Findings:** The results suggest that patients-robot interactions promote well-being at three levels: psychological/emotional, physical, and social. Interaction with the robot prompts patients to become active participants, laughing and getting excited resulting in a reduction of state of apathy, agitation, and nervousness. Hiro reduces stress, depression and agitation, and enables patients to experience positive emotions such as happiness, pleasure, serenity and self-acceptance (psychological/emotional well-being). Second, interaction with the robot prompts patients to engage in daily exercise activities, contributing, albeit minimally, to the maintenance of their health status. Through small daily movements, it enables them to protect, prevent and even promote better health (physical well-being). Finally, interaction with the robot enables joint interaction among patients, creating positive and supportive social networks in terms of improving relationships, helping to create a sense of community, and reducing loneliness and isolation (social well-being).

**Originality/Value:** This study integrates social robots and well-being as a construct composed of multiple and interconnected dimensions.

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**Keywords:** Service robots, social robots, well-being, vulnerability

### Social Robots to Reduce Caregivers' Burden

Marialuisa Marzullo - Irene Di Bernardo - Stefano Paolo Russo - Cristina Mele - Tiziana Russo Spena - Angelo Ranieri

Topic: Artificial intelligence and the human machine service interaction

**Purpose:** An increasing number of studies in service research focus on the roles of robots in caregiving activities and their effect on human-robot interaction (Caic et al., 2018; Henkel et al., 2020; Soraa et al., 2021). In addressing this interaction, service research tends to focus on customers. A few studies focus on employee experience, particularly formal caregivers (Pfadenhauer & Dukat, 2015; Belanche et al., 2020). In service research, no works offer insights on the impact of such an interaction on caregiver burden as an aspect of the experience. This paper aims to understand how minimal design robotic solutions enhance service interactions and affect caregivers' burden.

Study design/Methodology/Approach: This research adopts a qualitative approach to explicate complex issues and advance extant knowledge (Dubois and Gadde, 2002; Gummesson, 2005, 2017). The experimental project aims at using the social robot Hiro in two care centers as a research setting settled in Italy. The research process follows four stages. The researchers administered semi-structured interviews to a group of caregivers that refer to caregivers burden (Savundranayagam, et al., 2010). The authors analyse if and how the integration of HIRO impacts the caregiving activities for vulnerable patients and how the robot can impact the three dimensions of caregiver burden: tension and anxiety (stress burden), changes in dyadic relationships (relationship burden), and time infringements (objective burden) (Savundranayagam, et al., 2010). Semi-structured interviews with caregivers were conducted to elicit the investigated phenomena' patterns, concepts, and categories (Gummesson, 2005).

**Findings:** The results show that introducing service robots allows caregivers to improve relationships with patients and reduce the chances of conflicts with them. Implementing service robots reduces caregivers' stress, tension and anxiety, affecting the patient-caregiver interactions (relationship burden). Minimal design robots improve caregivers' concerns about managing patients' aggressive and/or nervous behaviours resulting from their health status. In addition, they contributed to emotional regulation, resulting in responsive and conversational interaction (stress burden). Finally, the results also show that the Hiro introduction helps caregivers manage time better and increase the time they spend on additional recreational activities (objective burden).

**Originality/Value:** This study contributes to research on caregiver experience by exploring the nascent literature on technologies and assistance burden (Halinski et al., 2020). It suggests an enhanced perspective on the integration of robots in caregiving practices. The research also illustrates a deeper understanding of new dynamics that enhance human-robot interaction. New avenues for scholars and service providers are delineated.

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**Keywords:** Caregivers' burden, social robots, service interaction

### Sustainability and Digitalization in Manufacturing Industry Service Business

#### Jukka Hemilä

Topic: Industry 4.0 and digital transformation

**Purpose:** In the context of manufacturing industry, by adopting a twin transition approach, business leaders can bring the digital and sustainability agendas together for ensuring the profitable growth of their organizations (European Commission, 2020). The industrial service business value co-creation has been changed during the recent years, especially because of COVID19 pandemic, when travel restrictions forced industries to avoid customer visits and increase remote digital services based on Industry4.0 solutions. Paper present multiple case study findings from the machine manufacturers, which kind of Industry4.0 solutions and sustainable services they have developed for ensuring customer value and profitability.

**Study design/Methodology/Approach:** This study is about the twin transition, the strategic development to make sustainability as a crucial part of operational excellence and digitalization supported service business in the machine manufacturing industry. Ongoing research consortium consists of five manufacturing companies, one research institute and one university. Several workshops and interviews have been done within the research consortium multiple cases for creating understanding of sustainable services.

Findings: There is a need to integrate sustainability in the core functions of the company and as an integral part of operational excellence and the product and service offering. Digitalization, data, Industry 4.0 and IoT based applications will be in a significant role to increase the sustainability. Twin transition approach leads to the new type of service offerings and even new business models. Recent Value4.0 framework help practitioners to define new value propositions for IoT-based products and services (Molling and Zanela Klein, 2022). COVID19 boosted companies' development efforts towards digital and Industry4.0 services for ensuring service deliveries and economic performance (Menon et al. 2022). Machine learning and AI technologies can be used for forecasting failures and malfunctions, and for improving uptime of the machines. The development paths where sustainability, digitalization and services combine forces, are making possible scenarios for Data-as-a-Service, Everything-as-a-Service and Outcome Economy (Hunke et al. 2022). Vargo and Akaka (2009) argued that service has always been the basis of exchange and then industrial revolution is just a special case of service provision. Value-in-use, and moreover value-in-context are realized for customers in outcome economy business models. Total care concepts, where customer still invest to machine, but machine is maintained fully by manufacturer, is becoming more famous operation model. However, in the future monetization of machine might be done in many ways in as-a-service model, not always with separate machine and service sales. Transition from investments (Capital expenditures, CapEx) towards operating expenses (OpEx) takes time in manufacturing industry. In many cases, as-a-service model is more sustainable, as manufacturer interest is to minimize service operations and extend machine lifecycle. New forms of service operations will arise in the future, like remanufacturing of machines or components.

**Originality/Value:** Expected implications of digitalization and sustainability are understood at equipment, factory, company, and value network levels, but the twin transition in services is still in its infancy. Paper indicates what are sustainable industrial services supported by digitalization and how earning logic can be changed with as-a-service offerings.

**Practical implications:** Practitioners are forced to increase sustainability to operations, as legislation, regulations or customer expectations are driving towards it. Paper indicates practical examples of sustainable service offerings, how to create value in the future of industrial services.

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**Keywords:** Sustainability, services, digitalization, twin transition

# Sustainable Business Model Simulation – Are you mature enough to play seriously?

Minna Pura - Suvi Valsta - Laura Rinta-Jouppi

Topic: Business models to manage networks and service systems

**Purpose:** Climate change and transitioning to green economy propose many challenges to businesses. Complex and systemic issues, such as climate change, can be especially difficult for an individual company to address, and companies can be suddenly forced to transform and collaborate with networks in the face of emerging challenges. The purpose of this study is to present a new business model canvas that enables small and medium sized enterprises (SMEs) and micro-entrepreneurs to innovate with regards to complex and systemic issues, such as climate change.

Methodology: The methodology used in the study is LEGO® SERIOUS PLAY® Business Model Canvas. It is an inclusive workshop facilitation technique that allows participants to construct intangible thoughts and strategies into tangible 3D models. Representatives from four companies from different business fields will participate in two half-day workshops in April in conjunction with a React-EU funded Green Steps RDI project. We will experiment and test a novel sustainability business model canvas logic in a 3D story format. We focus especially on the value proposition part of the canvas, innovate together and explore implications of systemic change through play, discussing interrelationships between actions of stakeholders, and simulate how economic, ecological, and social values influence business model innovation.

**Findings:** We expect to gain insights about business model canvas development especially from the viewpoint of SMEs. The testing will provide us with preliminary findings on how the model helps support business model innovation for SMEs and whether they can successfully apply and communicate ESG principles in service innovation. The SMEs in the Green Steps project have also expressed that they see a disconnect in combining macro-level societal goals, such as sustainability, with their day-to-day operations. We expect the methodology to help workshop participants make that connection and communicate it effectively.

Originality/Value: We create a new sustainability business model canvas that suits well for small enterprises and entrepreneurs transforming their operations with giant leaps to the green economy. We extend the Ojasalo and Ojasalo (2018) Service Logic Business Model Canvas approach and evaluate it in a practical setting. The most original part is the simulation of future actions and their consequences through play, as well as documenting the business model with the help of narratives and video instead of a one-dimensional canvas or document. Systemic change requires new ways of collective thinking and transformative leadership, which we encourage through serious, inclusive play and simulations of future actions among stakeholders.

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**Keywords:** Sustainability, transition to green economy, systemic challenges, business model canvas, lego serious play

# Sustainable Communities: A Collaborative Advantage Approach for The EU Energy Crisis

Maria Francesca Renzi - Bo Enquist - Tim Breitbarth - Raymond P. Fisk - Teresa Maria Gulotta - Samuel Petros Sebhatu - Rodoula Tsiotsou - Veronica Ungaro

Topic: Integration and management of resources and capabilities

**Purpose:** Enabling and supporting sustainable communities (SC) is essential for the future of life on Earth. The sustainability of communities represents a crucial step for solving the growing challenge of climate change, since 8 billion people live in urban or rural areas. SC are actors in self-contained, self-adjusting systems where all parties are linked by shared institutional arrangements and mutual value creation through service exchanges that contribute to individual and social well-being (Lusch and Vargo, 2014). The main characteristics of SC include: i) the promotion of the local economy, ii) the development of a healthy environment, iii) the well-being design of neighborhoods, and iv) the construction of good transportation infrastructure and buildings (Power, 2004). Thus, stakeholders at all levels of service ecosystems, such as residents (micro level); local communities, organizations, businesses, and authorities (meso level), and (inter-) national governments (macro level), should be directly involved and engaged in developing sustainable decisions. To gain a better understanding of SC in the European Union, our research investigates how communities in Germany, Greece, Italy, and Sweden respond to the impending energy crisis in 2022, focusing on the role and development of energy communities.

**Study design/Methodology/Approach:** This project is based on the serving humanity logic advocated by ServCollab (Fisk, 2022) and supports its recently expanded mission "to serve humanity through research collaborations that catalyze reducing suffering, improving well-being, and enabling well-becoming." (www.servcollab.org). An exploratory study of multiple EU case studies is used to integrate research on collaborative advantage theory, ecosystem services, energy crises, institutional theory, service ecosystems, Transformative Service Research, and sustainability. Both quantitative and qualitative methods are applied for data collection and analysis.

**Findings:** The study explores the role of communities in achieving sustainability, proposes an integrative framework of SC, develops research propositions, and reviews what we learned from efforts to enable and support SC in the European Union during the energy crisis of 2022-2023. Energy communities are an example of SC for energy services, where interactions and resource integration between national, local, and citizen actors lead to clean energy transitions. Member EU nations, regulators, and system operators collaborate in the development of energy communities according to EU directives. They promote the production and use of renewable energy sources at the most local level of the electricity grid to reach environmental and social sustainability (VKU, 2015; Directive (EU) 2018/2001; 2019/944, 2019, 2022). Thus, in the energy ecosystem, energy communities (meso level) are influenced by and influence the institutions of the EU and its member nations (macro level) while impacting and being impacted by the actions and decisions of consumers/citizens (micro level) to secure environmental and societal sustainability.

**Originality/Value:** Our project specifically focuses on SC and their role in achieving sustainability based on the EU cases in response to the energy crisis. This is the first study that examines the role of SC, such as energy communities, in facing a crisis at all levels of a service ecosystem. It presents an original contribution to the ongoing discussions on sustainability and service research and the emerging perspective of the SC framework.

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Keywords: Sustainable community, energy community, energy crisis, collaboration

# Sustainable Value Creation Through Sharing and Renting – Lessons Learn from the Outdoor Industry in Sweden

Anna Sorensson - Annika Cawthorn - Navid Ghannad

Topic: Value co-creation and value propositions

**Purpose:** The purpose of the paper is to discuss how value can be created in new ways by sharing or renting service (e g products). This new type of businesses contributes to creating sustainable value both for the customers as well as for the environment. Today, it is no longer considered sustainable to always buy products, especially when it comes to products that will be used a few times. As a result, therefore, a sharing economy has emerged. It is both about renting out existing products against payment, but there are also examples of establishments where products are rented out free of charge. Lovelock and Gummesson (2004) addressed the non-ownership paradigm or rental paradigm almost 20 years ago but there is still lack of research in this area.

**Study design/Methodology/Approach:** The study was designed as a case study where eight different cases were selected in Sweden. The cases are all business in the outdoor and tourism industry. Data was collected through semi-structured interviews with the managers as well as secondary data such as home pages, social media, and written materials.

**Findings:** The study show that in particular the outdoor industry and tourism the phenomenon of renting seems to be well established for some type of service. There are some areas that have a long history of renting meanwhile other is never. The result also show that some segments of customers seem to be more openminded to renting rather than buying.

**Originality/Value:** Studies on the sharing economy is still a quite new phenomenon and this study contributes to a deeper knowledge.

**Practical implications:** The study could be useful for business owners that are seeking new more sustainable ways to develop their industry from traditional selling products to renting them.

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Lovelock, C., & Gummesson, E. (2004). Whither services marketing? In search of a new paradigm and fresh perspectives. *Journal of service research*, 7(1), 20-41.

**Keywords:** Value creation, share, rent, sharing economy, sustainable economy, rent, outdoor, tourism industry

# The Category Work of Consumer Critics: How Online Reviews Discursively (Re)Produce the Whisky Field

Anna Hartman - Rohan Venkatraman - Erica Coslor

Topic: Market shaping

**Purpose:** Taking a market category-as-institution approach, the aim of this study it to explain how consumer critics actively engage in the discursive (re)production of a field. We ask: 1) How do consumer critics discursively build perceptions of credibility in their online reviews? and 2) How might discursive 'category work' culturally (re)produce the consumption field of whisky?

**Study design/Methodology/Approach:** Focusing on the discursive and performative aspects of communication, we examine the market discourse in online consumer reviews and how consumers enact their connoisseurship online. We focus on the content in online consumer reviews of different types of whisky, a market category which we conceptualize as a micro-institution. Online review data was scraped from the whisky category on an online retailer (Bevmo.com) website yielding 403 consumer reviews across 99 different whisky sub-categories of whisky (scotch, bourbon, whiskey, etc.). Textual analysis focuses on discourse and consumers' rhetorical strategies. Archival data from trade associations, magazines, and distillery visits triangulated our primary data.

**Findings:** We conceptualize consumer reviewers as actors who perform a dual producer-consumer role, employing discursive strategies to engage in a form of market work. By emulating market personas in their reviews, we can understand the *category work* performed online as a type of discursive contribution to the market category. These "consumer critics" engage in discursive strategies that not only present high-status credible identities for themselves, but also (reproduce) the identities, values and norms of the field in which they review. They do this through symbolic-market work — a form of micro-institutional work. We argue that connoisseurs are a particular type of cultural intermediary, in that they are not typically paid professionals, yet hold the probable motivations in the acquisition and recognizable display of expertise to shape their own and other's reception of a particular market category. Unlike paid cultural intermediaries, consumer critics draw on market category personas as strategies for review credibility and symbolic capital.

**Originality/Value:** Initial contributions speak to consumers' category work as a form of cultural intermediation in a consumption field that spans social levels, both individual and institutional. It offers insight into the value co-created by consumers and how they legitimize, validate and circulate them. It also offers insights into aspects of discursive segmentation (values & preferences) and the desire for credibility and authenticity as a category member. This extends our understanding of market category dynamics, which is different to brands, with category perceptions over time and market categories as micro-institutions.

**Practical Implications:** Consumer reviews are increasingly incorporated into digital marketing strategies with many firms investing considerable efforts to 'trigger' a viral marketing process. Engaging these types of "consumer critics" may help firms to understand particular forms of viral marketing and attachment to categories, given the attraction of an expert identity gained through particular forms of product category expertise.

**Research limitations:** Our focus on taste is likely to translate to a wide variety of goods, particularly food and beverages, however the dynamics of product and product category expertise in beverages seen here would need to be tested in other contexts.

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**Keywords:** Connoisseurship, category work, institutional work, online consumer reviews, whisky

### The Challenging Emergence of Digital Platform Ecosystems in Health Care

#### Fares Khalil

Topic: Emergence and Institutionalization in Service Eco-Systems

**Purpose:** In light of the increasing number of elderly and chronic disease patients, fragmented care provision, and resource constraints, health care systems around the world face the challenge of enhancing the quality and delivery of care while controlling costs. Integrated care (IC) models (Valentijn et al., 2013) and digital health platforms (DHPs) are emerging as a promising solution to these challenges.

As a novel concept, digital health platforms are appearing in various forms (e.g. (de Batlle et al., 2021; Dinsmore et al., 2021; Richter et al., 2021) with multi-actor connectivity and integration as a crucial component. The WHO describes a DHP as "a common digital health information infrastructure ('infostructure') that digital health applications and systems are built upon in order to deliver digital health services for supporting healthcare delivery in a consistent and integrated manner" (ITU & Who, 2020, p. 6). DHPs can be considered as an emerging type of hub in a platform ecosystem (PE), which is described by (Jacobides et al., 2018) as consisting of a huband-spoke architecture where complementors and customers in the ecosystem connect to the platform for mutual benefit. The success of a DHP ecosystem requires leadership and governance to define the platform architecture (Kapoor et al., 2021; Tiwana et al., 2010) and orchestrate the interdependencies between many stakeholders - care providers, health technology providers, patients, and other ecosystem actors (cf. Jacobides et al., 2018; McColl-Kennedy et al., 2020). However, ecosystems are complex and adaptive in nature, involving constant change, interaction, and learning (Teece et al., 1997). In addition, addressing the conflicting goals and demands from various stakeholders is crucial as the success of the system depends on achieving alignment among stakeholders (Smith & Lewis, 2011). Creating a new ecosystem architecture and orchestrating stakeholders thus present several significant challenges, some of which may be paradoxical or contradictory in nature.

**Methodology:** We therefore explore the interdependencies and complexity in the context of a project in Finland on DHP ecosystem (DHPE) emergence. The study is based on qualitative research using stakeholder interviews (50 interviews) and a workshop (48 participants) from the Finnish chronic care ecosystem.

**Findings:** We characterize DHPEs as a potentially disruptive innovation ecosystem at the early stage of emergence (industry maturity phase - Palmié et al., 2020) and we present the multi-level architectures and orchestration required for developing and implementing IC digital platforms. We then explore the dynamics and interdependencies arising between the different stakeholders across the ecosystem (micro, meso, and macro levels - Valentijn et al., 2013) while focusing particularly on the barriers to this emerging trend in health care transformation.

**Originality/Value:** Thus, the paper contributes to understanding the emergence of DHPEs, and DPEs more generally, with implications for strategic management and ecosystem governance.

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**Keywords:** Platform ecosystems, ecosystem emergence, ecosystem architecture, orchestration, integrated care, barriers, tensions, paradoxes, interdependencies

# The Imposed Digital Innovation of 'Service' Pharmacy in Italy: Towards Phygital Market relationships?

Marialuisa Saviano - Claudia Perillo - Nadia Di Carluccio

Topic: Phygital Customer Journey and Metaverses

**Purpose:** The Italian National Recovery and Resilience Plan (PNRR), established by the Italian government after the COVID-19 pandemic, promotes a deep rethinking of healthcare services indicating the necessity to leverage telemedicine and teleassistance and, more in general, technological innovation. In this evolutionary context, little attention is devoted to how Italian pharmacies should technologically change although they are expected to play an ever more relevant role in the future market relationship with citizens/patients through the institution of the 'services pharmacy'. On the basis of this premise, this study discusses how the physical, digital, and social dimensions of service may redefine the future systems configurations of pharmacies in Italy.

**Methodology:** This paper adopts a three-level interpretative methodology under the general perspective of the Viable Systems Approach (Barile & Polese, 2010) using: 1) the main Service & Systems interpretative schemes to discuss relevant implications of the shift from hospital-centered to community/home-centered healthcare, and the subsequent evolution of the role of pharmacies; 2) the Bolton et al. (2009) tri-dimensional framework as an interpretative scheme to represent how the physical, digital and social dimensions of service could evolve in the future configurations of the pharmacy service systems; 3) the Service-Dominant logic framework to discuss how the provider-client market relationship will subsequently change.

**Findings**: The three-level interpretative approach adopted provides multiple interconnected findings: at the first level, it allows framing the evolution of community healthcare in terms of subsequent structural and systems changes that would result in the more complex management of the physical and social dimensions of service, at the same time highlighting the enhanced importance of pharmacies and the necessity of new configurations; at the second level, the positioning of the different pharmacy configurations envisioned in the Bolton et al. cube allows highlighting the criticality of the digital dimension in reducing the assumed greater complexity, indicating the digital evolution of pharmacy as an 'imposed innovation' (Heinonen & Strandvik, 2020). The still common physical/digital dilemma, however, would remain unsolved. Finally, through the lens of the Service-Dominant logic, in the envisioned new pharmacy configuration the cognitive dimension of service will emerge as the key to an integrated 'phygital' market relationship (Mele et al. 2023).

**Research Limitations/Implications:** The conceptual nature of the work implies both research limitations and implications indicating the necessity of further investigation and providing, at the same time, possible directions for service and systems research.

**Originality/Value:** The main value and originality of the paper are in the novelty of the application of the insightful interpretative framework of the Service & Systems perspective to the evolutionary study of pharmacy in Italy. For the first time, 'services' pharmacies in Italy are reconceived, in the light of the Service-Dominant logic, as 'service' pharmacies.

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**Keywords:** Italian healthcare system, service pharmacy, imposed innovation, phygital market relationships.

# The Influence of C2C Communications in Sharers' Customer Experience: Focusing on Saying-Is-Believing Effect in EWOM context

Tingchang Liang - Toshihiko Souma - Jing Zhang

Topic: Experience, value-in-use, and value-in-context

**Purpose:** This study examined the effect of information sharing via electronic word-of-mouth (eWOM) on the customer experience of sharers' selves. Customer experience research has focused on how it is formed through touchpoints with firms. Scholars have paid less attention, however, to the question of how it may be shaped through customer-to-customer (C2C) communications. This study focused on a typical C2C communication, that is, eWOM sharing, and discussed how it may influence the customer experience of eWOM sharers' selves.

**Study design/Methodology/Approach:** We introduced the experimental paradigm in the Saying-Is-Believing (SIB) studies and conducted an experiment to approach this question. Specifically, we conducted an experiment in which participants were asked to share information about a select shop service experience with a specific audience, and then evaluated their customer experience of the select shop service.

**Findings:** Results revealed that sharing information about a bank service not only led to bias in sharers' subsequent memories and impressions toward the select shop service, but also influenced the formation of their customer experience of the service. These results help us in understanding the role of eWOM sharing in customer experience formation.

**Originality/Value:** This study integrates the Saying-is-believing (SIB) effect from social psychology into service research and investigates the dynamic nature of customer experiences. By specifically focusing on the context of electronic word-of-mouth (eWOM), this study can shed light on the mechanism of value co-creation through customer interaction.

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**Keywords:** Customer experience, eWOM, customer-to-customer communications, saying-is-believing

# The multiplicative effects of Engaged Actors Towards Emergence in Crowdfunding Ecosystems

Maria Quero - Rotem Shneor - Montserrat Díaz Méndez

Topic: Emergence and Institutionalization in Service Eco-Systems

**Purpose:** The purpose of the paper is to connect the strategic role of engaged actors in spanning boundaries to improve the dynamic resource integration processes and increasing the network size, resulting in emergence and / or phase transition in crowdfunding ecosystems.

**Methodology**– The study adopts a qualitative case-study approach, using different methods of data generation including interviews and netnographic analysis of the arts reward crowd-funding context in Spain. Data is coded for fleshing out backer roles, their interactions, and impact on network size and aspects of innovation.

**Findings:** The present paper provides theoretical and empirical evidence of the strategic role of engaged actors as main drivers in service ecosystem dynamics. In the context of crowdfunding open platforms, actors have the potential to affect institutions, resources and network size, resulting in new practices that can improve innovation and emergence in ecosystems (Polese at al, 2021).

**Research Limitations/Implications:** The research is limited to the arts reward crowdfunding context. Other contexts and other types of cowdfunding would improve the generalizability of the results. The systemic approach developed on the theoretical contribution is framed in the Service-Dominant Logic and highlights other actors in system and other factors influencing emergence an potential phase transition That Could Be Introduced In A Future Research.

**Practical Implications:** The present paper describes the strategic role of the engaged actor and its "empowered" role. Related actions contribute to enhancement of network size and resource management that have multiplicative effects. The effects of the strategic role developed by this collective further influences the emergence and innovation capacities of fundraisers. The managerial implications for the arts reward crowdfunding context comes to meet the demand of the arts sector towards improving innovation and building up committed actors in more competitive ecosystems.

**Originality/Value:** There are no previous contributions that connect the multiple active roles of crowdfunding backers adopting a processual conceptualization of the actors (Koskela-Huotari and Siltaloppi, 2021) with innovation practices and emergence. Theoretical implications framed within the Service-Dominant Logic are described, and implications for the design of strategies in the reward crowd-funding context are proposed.

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**Keywords:** Actors, actor engagement, innovation, ecosystems, emergence, crowdfunding

# The Relevance of Shared Decision-Making and Actor Engagement for the Economic Sustainability of Healthcare Service: Insights from the Experience of an Italian Local Authority

Marialuisa Saviano - Claudia Perillo - Marilena Telesca - Antonio Carretta - Nadia Di Carluccio

Topic: Service systems and systems thinking

**Purpose:** This work aims to contribute to investigate the governance conditions of the economic sustainability of the Italian healthcare system when reconciling the effectiveness and sustainability of service is complex due to diverging goals and interests of the involved actors. Benefitting from the adoption of a service and systems perspective, the specific purpose of this paper is to highlight the relevance of sharing information and actor engagement in complex decision contexts. The focus is on local authorities' expenditure containment strategies based on the use of biosimilar drugs.

**Methodology:** The study moves from briefly outlining the state of the art in the field of biosimilar drugs, highlighting their potential with respect to possible pharmaceutical expenditure containment strategies of healthcare systems. Subsequently, in the light of an integrated service and systems view, and focusing on the service theory notions of shared information and actor engagement, the case of the Local Health Authority of Potenza, in the Basilicata region in Italy, is investigated to analyze the governance approach adopted by the top decision makers.

**Findings:** The study highlights the relevance of a shared decision-making approach in the management of healthcare service systems, inspired by a co-creation logic which complies with the principles of service and systems theory. Moving from evidence that shows biosimilar drugs as therapeutical solutions not only equally effective and less expensive but also capable of stimulating a 'healthy' price competition. Specifically, the experience of the Potenza Local Health Authority shows that the adoption of a multi-actor sharing of choices was decisive to get the consensus on an expenditure containment strategy based on the critical switch to biosimilar drugs. Accordingly, in front of persisting resistance to this switch by relevant actors, the study suggests that the experienced method of sharing information and decision should be institutionalized by engaging still doubtful actors in order to build a wider consonance context.

**Research Limitations/Implications:** This work proposes the narration and some evidence of a single case study for the sole purpose of exemplification. Further research could better exploit the contribution of service and systems theory.

**Originality/Value:** This study offers an insightful interpretative contribution to the healthcare context of pharmaceutical policies, little-explored in the light of a service and systems view.

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**Keywords:** Healthcare service, governance, pharmaceutical policies, economic sustainability, biosimilar drugs.

#### The Role of Contradictions in Service Ecosystem Transformation

Nabila As'ad - Lia Patricio - Kaisa Koskela-Huotari

Topic: Service ecosystems and markets dynamics

**Purpose:** There is an urgent need to transform service ecosystems towards more sustainable pathways (Field et al., 2021). While some prior studies view contradictions – the opposing tensions amongst and within institutional arrangements – as enabling the attainment of such transformation (e.g., Siltaloppi, Koskela-Huotari, & Vargo, 2016), others argue that contradictions induce conflicts (Laamanen & Skålén, 2015; Mele et al., 2018), disengagement (Chandler, Danatzis, Wernicke, Akaka, & Reynolds, 2019) and disagreement among ecosystem actors (McColl-Kennedy, Cheung, & Coote, 2020) which might hinder transformation. The purpose of this study is to provide a more nuanced understanding of contradictions that reconciles these conflicting prior findings by shedding light on how the management of such contradictions affects service ecosystem transformation.

**Methodology:** This study adopts the tenets of qualitative approach (Charmaz, 2006; Patton, 2015), drawing upon studies on contradictions in organizational literature (Benson, 1977; Hargrave & Van de Ven, 2017; Hargrave & Van De Ven, 2009; Seo & Creed, 2002). The energy sector that has been undergoing profound transformation serves as the empirical ground. We purposely selected 31 key informants— eight managers within a utility organization, its seven partners and eleven smart-home customers, and five energy stakeholders—for semi-structured interviews; to which we analyzed the data following abductive analysis principles (Tavory & Timmermans, 2014).

**Findings:** Our findings reveal three types of contradictions: (1) between goals (such as customercentricity vs. firm-centricity); (2) between goals and practices (such as change vs. existing routines); and (3) between practices (such as hassle-free vs. proactive customer practices). Moreover, the study finds that actors manage contradictions based on the types and legitimacy of contradictions that they perceive, and the distribution of power amongst them. Based on this understanding, we propose a process model that further explains the relationships amongst the types of contradictions and the approaches of managing contradictions – that is, (1) assimilating multiple perspectives, ideas, and technologies; (2) learning and mutual adjustment; (3) synergistic collaboration; and (4) resource mobilization –, which, in turn, affect service ecosystem transformation.

**Originality/Value:** This study is one of the few that investigates service ecosystem actors' understanding of varying types of contradictions and how it partially affects their approaches to managing contradictions within an empirical setting.

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**Keywords:** Contradictions, institutional arrangements, service ecosystem, service ecosystem transformation, service-dominant logic

#### The Role of Emotions in Training Management: A State of the Science Review

Mario Testa - Mara Grimaldi - Adriana Apuzzo - Orlando Troisi

Topic: Experience, value-in-use, and value-in-context

**Purpose:** The growing importance of technology in different working environment prompts numerous scientific debates and academic articles to re-evaluate the role of emotions in management science. The hope of moving from Industry 4.0 towards a Society 5.0, that takes greater account of the humanistic component, fuels a new interest in the need to enhance emotions in the context of managerial training. The article aims to analyse the most significant economic and managerial theories of emotions adopting the innovative perspective that can be traced back to the total service experience. Through a systematic literature review, the paper intends to highlight the role of emotional skills in management training processes through a value-in-use and value-in-context viewpoint to help fill a possible gap in management science.

**Methodology:** The research uses the PRISMA methodology to conduct a systematic managerial literature review of academic articles extracted from different databases to identify trends inherent emotions in the field of learning and training.

**Findings:** The results will highlight that while on the one hand the incidence of technology in managerial and organizational processes is inexorably increasing, on the other hand the studies that support the role and effectiveness of emotions in managerial learning and training processes are also growing significantly.

**Implications:** According the existing literature, a service experience is the total functional and emotional value of a provided service. The emotions are a valuable item to face the future challenges in human resource management and this paper offers a starting point for potential areas of exploration to understand how they affect the management process.

**Originalit/Value:** For some time now the topic of emotions has been widely treated in economics and management. Starting from such evidence in the literature, this paper will focus on the specific role of emotions in managerial learning and training processes. This work contributes to interpreting management training as a unique service experience for each individual customer and for the context in which the service is provided and used.

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**Keywords:** Emotions, soft skills, management training, learning, service experience

# The Role of Personalized Interventions and a Supportive Ecosystem for maintaining a Healthy Lifestyle

Adrienne Schäffer- Karina von dem Berge - Anja Zimmermann

Topic: Actor engagement

**Purpose:** Diabetes and other lifestyle related chronic diseases are on the rise. A large body of medical studies confirms that sustainable lifestyle changes can prevent their onset. In previous research, a number of specific interventions have been identified as effective. However, interventions are largely standardised and the network of service providers in the health ecosystem is rarely intertwined so that interventions are not coordinated with each other. Therefore, lifestyle change programs often lack patient focus, efficiency, and sustainability. Research on the maintenance of a healthy lifestyle is still scarce.

For the study, three research fields are relevant: (1) Interventions and lifestyle changes in the health sector, (2) Positive psychology and motivation, (3) Transformative Service Research focusing on the customer journey and an ecosystem perspective. The study addresses the following questions: Which interventions that are based on the patients' motivation are effective in supporting the maintenance of a healthy lifestyle?

Which are relevant touchpoints for patients during the maintenance phase and how should they be designed in order to support an effective patient journey?

What is the patients' role and how can other players in the ecosystem support an effective lifestyle change that is lasting?

Study design/Methodology/Approach: The study features a mix-methods approach, combining evidence from quantitative and qualitative studies: First, expert interviews with healthcare professionals were conducted, followed by a patient-centred approach using in-context research. Based on a design thinking workshop with stakeholders in the health-ecosystem interventions were developed. These interventions were prototyped as features of a mobile application which were tested in a quantitative scenario experiment with intention measurements among 400 potential users. Finally, 20 in-depth interviews with patients who have successfully changed their lifestyle were conducted aiming to gain insights on their customer journey, relevant players in the health ecosystem, their roles and influence.

Findings: Five effective behaviour change techniques (BCTs) and corresponding examples for interventions have been identified. Most importantly, acceptance of interventions in the maintenance phase depends on their motivation focus: interventions with a focus on autonomy (intrinsic motivation, i.e., to set health goals autonomously) are linked to higher levels of usage intentions than interventions with a focus on extrinsic motivation (i.e. health goals are set by a health coach). Another important finding is that the patient journey for the maintenance phase is an iterative process and that there is no "automatism". Patients with sustainable success actively keep setting themselves new goals for maintaining a healthy lifestyle. Technical aids represent important touchpoints, and their importance is likely to increase. Often, they take over monitoring or feedback functions and can be described as an "extended self". The study further reveals that the patient's self-management is of major importance in the maintenance phase. In contrast to the initial phase of lifestyle change, in which the impetus often comes from outside, patients take a much more active role in the maintenance phase. However, this does not mean that ecosystem partners lose relevance. On the contrary, broad support from their environment can lead to patients achieving a higher degree of autonomy and thus successfully maintaining their healthy lifestyle.

**Originality/Value:** Results of this study extend existing knowledge, providing empirical qualitative support for the effectiveness of interventions that are personalised based on patients' lifestyles and motivation. Further a basis for the creation of a more efficient and sustainable ecosystem is given that supports patients in maintaining a healthy lifestyle.

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**Keywords:** Lifestyle change, interventions, health ecosystem, autonomy

#### The Service of Civil Resistance – A Service Dominant Perspective

Helge Löbler

Topic: Service Dominant logic as a grand theory

**Purpose:** A little over a year ago, Russian troops invaded Ukraine. A war began at the gates of Europe. The Ukrainian government and probably large parts of the population wanted to wage this fight with all their might. As a pacifist, I asked myself whether there might not also be opportunities for non-violent defense. Different ways of dealing with conflicts can be seen or understood as a service. For example, military service is known as the "time spent serving in the army, navy, air force, etc." (Merriam-Webster, 2023). In the same way civil resistance can also be understood as service. This paper looks at different strategies to deal with conflicts from a service dominant perspective. It mainly distinguishes between violent and nonviolent strategies or campaigns.

Research shows that nonviolent resistance can be very successful (Carter, 2006; Clodfelter, 2002). An analysis of 622 campaigns from 1900 to 2019 for example showed interesting results (Chenoweth and Wiley Shay, 2020): Out of these campaigns 320 were nonviolent while 302 were violent. Of the 320 non-violent campaigns, 150 were successful, while only 70 of the 302 violent campaigns were successful. There is a broad discussion on the reasons and effects of violent compared to nonviolent campaigns.

**Methodology:** The present paper analyzes the literature on civil resistance and how it works and looks at it from a service perspective. Can service dominant logic helped to explain the success of civil resistance? The paper compares nonviolent and violent campaigns using criteria from the service dominant logic and thus contributes to explaining the success of nonviolent campaigns compared to violent campaigns. Based on the criteria (from the SDL narrative) actors involved, resources used, service exchange practices carried out, as well as participating and enveloping institutions and institutional arrangements, and the value co-created.

**Findings:** The results show that nonviolent campaigns involve more and different actors and different resources are used compared to violent campaigns. In addition, the nonviolent service ecosystem system is significantly more complex than that of violent conflict. Furthermore, the institutional arrangements are used in a much more flexible way than in public schools. Finally, it turns out that the practices in the homeschooling system are more diverse and closer to life. With homeschooling, an ecosystem emerges that deals with the learning processes in a more complex, flexible and realistic way and is thus able to create more and different values.

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**Keywords:** Violence, non-violence, civil resistance, service dominant logic

#### The success of Homeschooling from a Service Eco Systems Perspective

Helge Löbler - Yolna Grimm

Topic: Systems Theory and Complexity

**Purpose:** As a result of the Corona Pandemic, many people who couldn't do it before and to whom it still seems strange have gotten to know homeschooling. Even in non-pandemic times, homeschooling is more common than one might think. In the United States alone, more than three million children are being homeschooled (Ray 2022). In Europe, it is estimated that another half a million will be added (Education, Audiovisual and Culture Executive Agency. Eurydice. 2018). Even in Germany, where schooling is compulsory, about 3,000 children are homeschooled.

**Methodology:** Research shows that homeschooling can be significantly more successful than having children attend public or private schools (Treleaven 2022). As with public and private schools, homeschooling is a service that can be viewed from a service ecosystem perspective. The paper compares education in public schools with that in homeschooling using criteria from the service dominant logic and thus contributes to explaining the success of homeschooling compared to public schools based on the SDL. Based on the criteria (from the SDL narrative) actors involved, resources used, service exchange practices carried out, as well as participating and enveloping institutions and institutional arrangements, and the value co-created (Ray 2013; Murphy 2014), the two forms of education are captured and explored what differences in the resulting service ecosystems exist.

**Findings:** The results show that homeschooling involves more and different actors and that far more resources are used in homeschooling than in public schools. In addition, the homeschooling system is significantly more complex than the public school system. Furthermore, the institutional arrangements are used in a much more flexible way than in public schools. Finally, it turns out that the practices in the homeschooling system are more diverse and closer to life. With homeschooling, an ecosystem emerges that deals with the learning processes in a more complex, flexible and realistic way and is thus able to create more and different values.

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**Keywords:** Homeschooling, public schools, service ecosystem, actors, service dominant logic

#### The University Entrepreneurship: Towards Sustainability through Co-Creation Tools in Living Labs

Moisés Rubén Zamora Ramos - Norma Arely Zúñiga Espinosa - Montserrat Díaz Méndez - Antonio Chamorro Mera

Topic: Value co-creation and value propositions

**Purpose:** The research is aimed at understanding the key factors in the implementation of sustainable business practices that maintain their competitiveness in a way that allows university entrepreneurs to integrate other actors of the ecosystem through co-creation sessions (Living labs), thus improving the sustainable value of the business models.

Study design/Methodology/Approach: A living lab methodology is developed by integrating different actors and their skills and resources in a phenomenological and diverse way through three sessions where co-creation tools were implemented. The most appropriate type of research is qualitative, which allows for observation and narrative recording and helps to identify and contextualize the real nature of the subject through constructive analysis. Data were collected through the research logbook in the context of university entrepreneurship in Mexico. Findings: The results identified four key factors: First, the sustainable regional network (university entrepreneurs, consumers, and supply chain). Then, the supported by government and institutional arrangements, trough public policies oriented to sustainable development. Also, the integration of technology in the entrepreneurial ecosystem and finally, to communicate the social and economic value to achieve the customer perception of the entrepreneurship sustainable value. Originality/Value: The paper reveals the key factors in implementing sustainable business practices and sustainable competitive advantage by engaging their actors to integrate their resources and jointly generate value integrated into a sustainable network.

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**Keywords:** Entrepreneurship, co-creation, sustainability, living labs, sustainable developed

#### Third-Party Engagement Cycle in UNESCO World Cultural Heritage Sites Conservation Initiatives

Takashi Taguchi - Akira Ohyabu - Masato Shoji

Topic: Actor engagement

**Purpose:** UNESCU World Cultural Heritage sites is required to conserve for the future, then it need stakeholders to involve these conservation initiatives. Although existing tourism literatures focus mainly on the relationship between the site administrators and government agencies or residents (e.g., Aas et al. 2005; Abdelgadir et al. 2017; Billore 2021), it pays little attention to the relationship between the administrators and third-parties, and the triad relationship containing their visitors as well. The purpose of this study is to reveal the aspects of third-party engagement with conservation of World Cultural Heritage sites.

**Study design/Methodology/Approach:** We conduct interviews with third-party organizations in the triad relationships from Service-Dominant (S-D) Logic perspective. Two third-parties engaged with UNESCO World Cultural Heritage sites, Shirakawa-go and Himeji castle in Japan are selected through convenience sampling, bringing data from the interviews, observation, and documents. We analyze these qualitative and secondary data.

**Findings:** We find three self-reinforcing cycles of the administrator's value proposition cycle, the visitor's value co-creation cycle, and third-party's engagement cycle in the triad relationship among the sites, visitors, and third-parties in World Cultural Heritage sites. Third-parties engage with the conservation initiatives of the heritage sites to interact with residents or to attract visitors on site.

**Originality/Value:** We focus on third-party engagement in the context of conserving World Cultural Heritage sites. We also develop the conceptual framework of three self-reinforcing cycles consisting of value proposition cycle of the administrators, value co-creation cycle of visitors, and engagement cycle of third-parties for maintaining and conserving UNESCO World Cultural Heritage sites.

Research Limitations/Implications: there are a few of limitation in this research. First, we interviewed only two administrators, as such we couldn't get data from various cultural sites such as industrial heritage and temple other than house and castle. Second, we didn't interview with any visitor of World Cultural Heritage sites. It is required to collect from visitors to explain value co-creation among administrators, visitors, and third-party for further research. However, our research has some theoretical implications. First, our framework represents that value proposition, value co-creation, and third-party engagement are circulatory processes, especially reinforcing cycles, rather than liner one. Second, third-party plays the role as a catalyst to co-create value between administrators and visitors on site. They are not only just outsourcing agencies, but operators in co-creating value by visitors while improving density of value proposition presented by the sites.

**Practical implications:** Third-parties should develop capabilities to identify the problems on site and to create and present proactive value propositions for overcoming these problems. It is important for third-parties to have the control over the interaction between the visitors and the residents on site for improving visitors experience in local culture.

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**Keywords:** UNESCO World Cultural Heritage sites, tourism, third-party engagement, value cocreation cycles, service-dominant logic

#### **Towards a Conceptual Model of Inclusive Service Ecosystems**

Lorena Blasco-Arcas - Kristina Heinonen - Hsin-Hsuan (Meg) Lee

Topic: Service ecosystems and markets dynamics

**Purpose:** From a service perspective, inclusion has been defined as "an egalitarian system that provides (e.g., consumers, clients, patrons, citizens, patients, and guests) with fair access to a service, fair treatment during a service, and fair opportunity to exit a service (Fisk et al., 2018). Emerging research in transformative service research has focused on specific aspects, such as the role of design in creating more inclusive services (e.g., Anderson, Nasr and Rayburn, 2018; Fisk et al., 2018), identifying support mechanisms for vulnerable consumers (Johns and Davey, 2018; Glavas et al., 2020), and the impact of exclusion/inclusion in specific service industries such as healthcare or financial services (Ozili, 2021; Patricio et al., 2020). However, as prior research tends to be restricted in a respective research stream, there needs to be a more cohesive understanding of what service entails and how service inclusion can be defined and applied. Our objective is to comprehensively understand the concept of inclusion in service settings from a service ecosystem perspective.

**Methodology:** We adopt the bibliometric analysis to explore the topic of inclusion and exclusion in business and management research. Following the guidelines proposed by Donthu et al. (2021), we started with a performance analysis of the review corpus. Then, we applied the techniques of co-citation analysis (e.g., Ferreira, 2018), bibliographic coupling (e.g., Andersen, 2021), and co-occurrence keyword analysis (e.g., Ramesh & Chawla, 2022). Further, we run a qualitative survey with experts currently publishing in the area to capture insights on this topic for current and future research development.

**Findings:** Our findings allow us to map current research and draw an inclusive framework of crucial defining aspects of inclusion in service ecosystems and its potential drivers and barriers.

**Implications:** Based on our findings, we also contribute by outlining a future research agenda to suggest key priority research directions. We thus contribute to current efforts to expand our knowledge on critical aspects to create more sustainable and inclusive service ecosystems in the future (Field et al., 2021).

**Originality/Value:** This paper provides the first framework of the evolution of the inclusion concept in the services and management literature, offering a better understanding of critical areas of development and potential gaps to be addressed to advance knowledge in such a relevant topic.

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**Keywords:** Service inclusion, service ecosystems, bibliometric analysis, co-citation analysis, inclusiveness

#### Towards Sustainable Value Creation in The Beauty Service Ecosystem: Connecting Tensions and Systemic Sustainability Outcomes

Alessia Anzivino - Roberta Sebastiani - Kristin Svärd

Topic: Service ecosystems and markets dynamics

**Purpose:** The beauty industry, like most other industries, face sustainability challenges related to the transition towards a more sustainable service economy. The sustainability challenges have been described as wicked problems where a multidisciplinary and co-creating approach is needed, in order to create sustainable service ecosystems (Field et al., 2021). Furthermore, these challenges entail inherent contradictions, giving rise to tensions (e.g., Smith and Lewis, 2011; Hahn et al., 2015). Previous literature has identified generic organizational tensions (Smith and Lewis, 2011) whereof some particular for corporate sustainability (Hahn et al., 2015). However, there still exists a need to better understand, from a descriptive point of view, industry specific tensions and how they are managed, but particularly, from an instrumental standpoint, the relation between these tensions and the systemic sustainability outcomes they generate (Hahn et al., 2018). By taking a service view on corporate sustainability tensions as arising from multiple resource integrating actors in a service ecosystem (Vargo and Lusch, 2011), we aim to further such an understanding. The research fields on corporate sustainability tensions and sustainable service tend both have a distinct system view in common (e.g., Hahn et al., 2015; Field et al., 2021). As sustainability issues tend to be highly complex and intricate in nature, varying in temporal and spatial dimensions and spanning organizational boundaries, the systems imprint allows for a broader view and recognizing interconnections. Therefore, in this paper, we adopt a service ecosystem view to gain a deeper understanding of the tension in the beauty industry, how they are managed, and the corporate sustainability outcomes they give rise to.

**Study design/Methodology/Approach:** The study adopts a qualitative methodology based on 24 in-depth interviews with several key informants in the beauty service ecosystem, later analyzed using an abductive approach. The collected data was triangulated with those derived from participatory observations and the analysis of secondary data. Furthermore, we have used the system dynamics literature and techniques to iterate a conceptual model based on these tensions, providing a visual overview of the interconnections of the corporate sustainability tensions in the beauty industry, and the resulting sustainability outcomes.

**Findings:** The study suggests the need for a multi-actor perspective when considering sustainability outcomes in the beauty sector. Moreover, resource interaction and integration are strictly connected to the institutional context in which it develops, and the efforts of the different actors usually results in new institutional and critical arrangements, but in this specific context tensions could arise that has to be addressed. Additionally, the modeling process resulted in a number of propositions, that provide implications for practice to facilitate better and more effective organization towards sustainable service provision, as well as for further research on sustainable service ecosystems.

**Implications:** By taking a service ecosystems perspective on sustainability tensions, it becomes evident that there is a need to move beyond the strict managerial orientation that has previously dominated the tension-literature. As the tensions and their links to sustainability outcomes is the result of multiple resource integrating actors spanning multiple levels of aggregation in the service ecosystem, the way of addressing them also must be able to surpass the micro-level.

**Originality/Value:** This paper both theoretical and managerial implications for better understanding the dynamics at play in the beauty service ecosystem, and the tensions linked to sustainability outcomes. In the meeting between institutional work conducted by different actors there are opportunities for the creation of new potential resources that could be integrated to cocreate value (Vargo and Lusch, 2011) but also difficulties to overcome. Furthermore, we provide new insights on how different institutional arrangements could be seen as opportunities for change and new occurrences for resourcerness (Koskela-Huotari and Vargo, 2016).

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**Keywords:** Sustainable value creation, service ecosystem, tensions, system dynamics, sustainability outcomes

# Transformative Change in a Sustainable Service Ecosystem the case of Albergo Diffuso

Federica Bisceglia - Laura Di Pietro - Samuel Petros Sebhatu

Topic: Emergence and Institutionalization in Service Eco-Systems

**Purpose:** The study explores how transformative collaboration and a sustainable value co-creation in service ecosystems promote transformative change, by suggesting a framework for shifting from a firm-centric to more societal perspective (Laczniak and Murphy (2012) and well-being. According to Field et al. (2021), one of the main priorities of service research is to understand how transformative change occurs in sustainable service ecosystems. Hence, our paper investigates the interrelationships between consumers, organizations, employees, institutions, and communities to understand the transformative change in a sustainable service ecosystem, embedded in a multistakeholder dialogue (Sebhatu & Enquist, 2021). Agenda 2030 Sustainable Development Goals (SDGs) are also adopted as a driver for understanding sustainable value co-creation and transformative collaboration (Fisk et al, 2019; Patricio et al., 2021).

Study design/ Methodology/ Approach: To fulfill our research aim, an explorative and empirical study of Albergo Diffuso hotels is presented as an example of sustainable organizations with transformative business model. Albergo Diffuso (AD) is an innovative hospitality and accommodation model in the tourism sector and is known for fostering more sustainable tourism and promoting the integration of local resources value network. The AD model allows us to investigate two aspects: i) how actors' activities are aligned towards more sustainable production and consumption within the value network to enhance societal well-being ii) how to design service ecosystems that encourage sustainable value co-creation and allow transformative collaboration. Qualitative research with a multiple-case study approach is adopted. The triangulation method (Eisenhardt, 1989; Barratt et al. 2011) is used to get data from multiple AD hotels through in-depth interviews, on-field observations, and document analysis with netnographic data analysis method (Kozinets, 1997; Tavakoli &Mura, 2018).

Findings: The suggested framework outlines the key drivers leading to sustainable value cocreation and transformative collaboration, highlighting the crucial role they hold in designing a ecosystem transformative sustainable service with change. The AD sustainable service ecosystem model reveals multiple transformative impacts on societal well-being. Transformative change among actors is prompted by the integration of multiple drivers based on a shared sustainable practice, the improvement of local communities and the environment, and adaptation to the social context. The drivers also support the 2030 Agenda Goals, particularly SDGs #8, 11 and 12.

**Research Limitations/ Implications:** Our qualitative study is related to service research, sustainability, and transformative research from a sustainable service ecosystem perspective. Quantitative analysis and broader involvement of the AD hotels may assist to enrich the study and generalize the results.

**Originality/Value:** The paper offers an original contribution to the ongoing discussion in service research and advances sustainable service ecosystems with transformative effects by proposing a framework. The paper also makes a theoretical and empirical contribution to the integration of sustainability in service research.

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**Keywords:** Service ecosystem, transformative collaboration, sustainable development goals – Agenda2030, transformation; Sustainable value co- creation, societal well-being, tourism, Albergo Diffuso

# Transformative Service Ecosystem: A dream or a feasible model for Tomorrow's Society?

Angela Caridà - Maria Colurcio

Topic: Service Innovation

**Purpose:** "Designing and orchestrating largescale, complex, and challenging service ecosystems for transformative impact on society is a priority for service research" (SRP5) (Field et al., 2021; Ostrom et al., 2021). This study starts from the above premise and discusses how technologies can be leveraged to enable services for disadvantaged consumers and communities (SRP7) (Field et al., 2021; Ostrom et al., 2021). It focuses specifically on digital platforms that act as resource integrators by enabling the orchestration of new, effective, scalable, and impactful social innovation practices (Caridà et al., 2022b). The purpose of this study is to explore and explain how digital platforms may enable service ecosystem transformation to promote social innovation and well-being.

**Study design/Methodology/Approach**: This study follows a qualitative, in-depth case study approach (Stake, 2011). It focuses on RomAltruista, a non-profit organization (NPO) that has been operating successfully in the field of volunteering since 2011. RomAltruista uses the infrastructure and working mechanisms of digital platforms to integrate the existing approach to volunteering with a "flexible and easy volunteering" approach, with the aim of reaching and engaging as many people as possible, despite the lack of time and the limits imposed by our hectic lifestyles. The research provides rich data to explore and explain how digital platforms enable social innovation practices continuously and at scale to achieve transformative social change.

Findings: The study provides a framework that better explains the emerging role of digital platforms as drivers of valuable service ecosystems and transformative social change. It combines resource integration (Caridà et al, 2019, 2022b; Colurcio et al 2022; Edvardsson et al, 2014; Findsrud et al, 2018; Peters et al, 2014) and social innovation (Aksoy et al., 2019; de Wit et al, 2019; Mulgan et al, 2007) under the umbrella of transformative service research - TSR (Anderson et al, 2013; Anderson and Ostrom, 2015; Ostrom et al, 2010) to better illustrate the power of digital platforms in solving macro-level social problems (Caridà et al., 2022a) by enabling "transformative charitable experiences" (Mulder et al., 2015) that have a transformative effect not only on the beneficiary community (people in need, NPO, etc.) but also on the individual volunteers who facilitate the service delivery. The study highlights the new social role of digital platforms as resource integrator and transformative agent: Digital platforms enable new social innovation practices (i.e., simple and flexible volunteering) that shape large-scale and complex service ecosystems that have transformative and positive impacts on society (Pel et al., 2020).

**Implications:** This study contributes to our knowledge of the triggers of service ecosystem transformation to promote social innovation. It advances the field of TSR by showing how service ecosystem transformation occurs through the integration of actors' resources enabled by new social innovation practices initiated by digital platforms. This study opens new avenues of research and applications that leverage the role of digital platforms for social innovation purposes, rather than business purposes, as well as volunteers rather than customers or service employees (Mulder et al., 2015). Finally, the application of the transformative approach to resource integration could offer interesting and valuable insights for the design of services and management practices (Fisk et al., 2020), especially in times of scarce resources. It enables the activation and implementation

of social innovation practices and therefore requires new skills, capabilities, and tools for managing such transformative processes.

**Originality/Value:** This study provides some interesting insights into how digital platforms can be designed to rapidly transform existing social practices and scale in empowering people (Fisk, 2022) to take action themselves in response to social challenges (Kabadayi & Tsiotsou, 2022).

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**Keywords:** Transformative Service Research (TSR), resource integration, social innovation, digital platform, service ecosystem, volunteering

#### Understanding Business Model Adaptation from a Service Ecosystem Perspective: A Longitudinal Multiple Case Study of New Ventures

Kristin Svärd - Patrik Gottfridsson - Carolina Camén - Linda Bergkvist

Topic: Business models to manage networks and service systems

**Purpose:** The process of business model adaptation (BMA) has been previously described to occur in incumbent firms due to a threat framing of a change in the external environment (Saebi et al., 2017). However, these findings might not be applicable to new ventures, which are defined by being in the early years of operation (Zimmerman & Zeitz, 2002), as they tend to be generally more prone to change and used to dynamic environments (Andries & Debackere, 2007; Drucker, 2014). Furthermore, previous studies tend to look at BMA in isolation (Saebi et al., 2017; Barboni & Bortoluzzi, 2015), that is, without a systemic grounding of considering the broader mechanisms and feedback loops of multiple value co-creating actors (Barlie et al., 2016). Thus, the purpose is to increase the understanding of the process for BMA in new ventures, as a response to a change in the external environment of the firm, by applying a service ecosystem perspective (Vargo & Lusch, 2011).

**Study design/Approach:** To achieve this purpose, a longitudinal multiple case study approach has been applied. The cases consist of ten Swedish new ventures. They were first interviewed in the onset of the covid-19 pandemic, which provided the external change context in this study. Two years later, follow-up interviews were conducted, with some answered in a written format. During the study period, complementary data was collected through public documents and netnography. The data was analyzed using the Gioia-approach (Gioia, Corley, & Hamilton, 2013) to understand the process of BMA in new ventures from a service ecosystem perspective.

Findings: In contrast to the previous studies of BMA (Saebi et al., 2017), the preliminary findings show that new ventures tended to view the change in the external environment mainly as an opportunity rather than a threat, while still engaging in BMA. Through a service ecosystem perspective, the study further shows that an institutional antecedent of how the change is framed, that is as an opportunity or as a threat, is the perceived compatibility between the ethos of the business model (BM) and the post-change environment. The ethos of the BM, that is the manifested purpose, was viewed as compatible when it was centered around some future-oriented component such as technology or sustainability. This highlights the importance of a shared understanding of the compatibility between the BM and the market, and the individual sensemaking in relation to prevailing institutional arrangements (Wieland, Hartmann, & Vargo, 2017). The new ventures also tended to view the BM as something to be continuously preformed in relation to other actors and the overall market, leading to BMA as both a temporary and a permanent response.

**Originality/Value:** These findings add nuance to previous findings of BMA (Saebi et al., 2017) and expands the scope of BMA in new ventures (Balboni & Bortoluzzi, 2015). Specifically, the findings add that even if the ethos of BM is seen as compatible with the longer-term post-change environment, and therefore the change is framed as an opportunity, it can still trigger BMA both as a temporary and permanent response. Furthermore, the preliminary findings show that a service ecosystem perspective can assist in highlighting both temporal and spatial connections of the BMA process (Wieland, Hartmann, & Vargo, 2017), which, if excluded, will lead to a partial view of the BM change process.

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**Keywords:** Business model adaptation, new ventures, service ecosystems, covid-19 pandemic, longitudinal multiple case study

# Understanding Transition Towards a Sustainable Circular Economy through a Service Ecosystem Lens

Bo Edvardsson - Elina Jaakkola - Lars Witell - Jonathan Baker - Julia Fehrer - Roberta Guglielmetti Mugion - Ingo Karpen - Christian Kowalkowski - Lia Patricio - Bård Tronvoll

Topic: Service ecosystems and markets dynamics

**Purpose**: Circular, regenerative economy is considered a key approach for achieving a more sustainable society (Elkington 2020). The concept of circular economy (CE) has gained momentum in the political, economic, and scientific fields (Kirchherr et al., 2017; Korhonen et al., 2018; Schöggl, Stumpf and Baumgartner 2020), but less so in service research. Vargo (2021 p. 257) argues that the "idea of a circular economy, in which parts of discarded products are reused to create new products, has intuitive appeal for goals of sustainability". We may argue that sustainable value co-creation is a foundation in CE and includes the distribution of value (Mazzucato 2018) with links to service ecosystem viability. However, despite many studies on various aspects of circular economy and sustainable consumption (Bruel et al., 2019; Murray, Skene and Haynes, 2017), we currently lack a holistic understanding of this change from the broader viewpoint of service ecosystems.

This paper aims to identify and describe key challenges in the transition towards a sustainable circular economy by zooming in on what needs to change, why these changes are needed, and how to arrive at sustainable and circular practices in society. The purpose is to develop a conceptual framework, outlining the transition towards sustainable and circular resource integration and value co-creation practices, and to develop a research agenda supporting this transition.

**Study design/Methodology/Approach:** We use the service ecosystem lens and, more specifically, a service ecosystem approach to integrate existing insights on the transition from a linear to a sustainable circular economy. Using the service ecosystem lens (see e.g., Vargo and Lusch 2018), we develop a conceptual framework that outlines the key elements of this transition and identify future research needs related to these elements. Specifically, we focus on (a) the triggers that catalyze change, (b) how intended change unfold, and (c) how new practices become institutionalized to realize sustainable, circular ecosystems.

**Findings:** A conceptual framework, grounded in a service ecosystem perspective, is developed to understand how the transition towards a sustainable, circular economy might be achieved. The developed framework discusses the transition from the viewpoint of actors, their resource integration processes, institutions that govern resource integration, and the resulting value. An overview of the key challenges and knowledge gaps linked to undertaking the transition towards a sustainable and circular economy is presented and illustrated through real world examples.

**Originality/Value:** This paper provides an integrated, S-D logic based "big picture" of service ecosystem transitions toward a circular economy. We believe that this is among the first service research papers to identify and describe key challenges in undertaking these transitions based on a service ecosystem lens. The developed conceptual framework forms the basis for further discussion, and the accompanying research agenda will guide service research to contribute to the knowledge needed to aid the sustainable development of society.

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**Keywords:** Service ecosystem, circular economy, sustainability, transition, change

#### Unlocking New Market Practices through Blockchain: a focus on Healthcare Ecosystem

Sara Ebraico - Tiziana Russo Spena

Topic: Service ecosystems and markets dynamics

**Purpose:** In the modern era, it is desirable to think that blockchain (BC) has the potential to revolutionize the ecosystem, expanding actor's interactions and changing the healthcare industry (Hermes et al., 2020; Massaro, 2021). BC, as a distributed ledger, allows for the secure recording and sharing of data (Chelladurai et al., 2022). The heterogeneous healthcare ecosystem needs to ensure that every actor acts in it and takes the same step (Balasubramanian et al., 2021).

According to the service-dominant (S-D) logic, the service ecosystem emphasizes the importance of integrating different actor roles, focusing on their value in a social context (Edvardson et al., 2011). Information technology (IT) becomes an active agent because it influences actors' choices, evolving the existing systems of meaning within the existing systems of practices (Vargo et al., 2015). Practices enable *translation*, supporting the development of new norms for integration. BC enables three types of market practices: resourcing, legitimizing and sense-making (Russo Spena et al., 2022). As they underlined, further investigation of the processes of association and coalition is needed to enhance these practices.

Study design/Methodology/Approach: This study adopts a qualitative approach to conduct an in-depth exploration of intricate phenomena within a specific context (Rashid et al., 2019). The methodology chosen is a multiple case study approach to identify processes and relationships (Yin, 2009). Our sample comprises BC provider and user companies that coordinate interactions in the healthcare ecosystem. We conducted semi-structured interviews and collected secondary data to support the analysis and allow triangulation (Yin, 2009), adding rigor to the study (Flick, Kardorff, & Steinke, 2004).

Findings: According to the three technology-enhanced market practices theorized by Russo Spena et al., 2022, we expand the research on BC to emphasize how these practices enable new processes of association in the ecosystem. Regarding resourcing, our results emphasized the need for data as the basis of interoperability, bundling different data sources and building a comprehensive digital identity to share with all actors as the basis of interoperability. Patient data ownership and the power to decide with whom to share data are crucial to developing a patient-centric ecosystem. The sense-making is linked to the equitable rights and benefits each actor has in relation to the data shared. The collaboration and pool of resources enable collaborative governance in which every actor is responsible for his actions. BC enables a digital trust ecosystem based on a standardized digital platform and the interdependency of different groups with combining interests to overcome data silos and provide a solution for mutual benefit, related to the legitimizing practice.

**Research Limitations/Implications:** The proposed approach helps scholars and practitioners understand new market practices enabled by BC to hold together actors in the healthcare ecosystem. Implications concern the role of BC as a glue that aligns different actors' purposes with a collective aim. Further research should include different actors' perspectives within the healthcare ecosystem.

**Originality/Value:** This paper advances the literature about the importance of BC in enabling new market practices, that facilitates pooling resources, sharing risks, and enhancing mutual benefits among actors.

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**Keywords:** Blockchain - service ecosystem - practices - bundling- equalizing - mutuality

## Value Co-Creation in Entrepreneurial Strategies: Towards an Integrative Framework

Olimpia Meglio - Maria Colurcio

Topic: Value co-creation and value propositions

**Purpose:** The topic of entrepreneurial strategies (ES) (Drucker, 1985; Murray, 1984) is today relevant more than ever, as firms are expected to address value creation (Dyduch, 2019) together with environmental and social sustainability (Freudenreich et a., 2020; Candi et al., 2019). While value creation is the main goal in managing and evaluating the success of ES (Hitt et al., 2001), unfortunately little attention has been paid to the study of value co-creation practises (Vargo and Lusch, 2014; 2016) and resource integration (Vargo and Lusch, 2017; Frow et al., 2016; Caridà et al., 2019) in entrepreneurial strategies.

So far, literature on ES generally considers value creation in the context of the good-dominant logic: Contributions mainly focus on how entrepreneurs choose between different alternatives, including acquisitions, alliances or divestitures (Villalonga & McGahan, 2005), and on the strategic decision-making process (Gans, Stern & Wu, 2019). Issues such as the multiplicity of actors involved in co-creation and their role as resource integrators (Axioms 2 and 3 of the SDL), and the role of institutions and institutional arrangements for the value co-creation (Axiom 5 of the SDL) have only received scant attention (cf. Öberg, 2020). As a result, SEs and value co-creation have developed in parallel. Research at this intersection remains fragmented across different disciplines and research streams and tends to maintain empirical and theoretical traditions of researchers with different disciplinary backgrounds. The aim of this paper is to contribute to the study of SE and value co-creation by performing a research intersection of the two fields in order to gain insights, identify gaps and suggest avenues for future and cross-field research (Patriotta, 2020).

Study design/Methodology/Approach: We conduct a systematic literature review (SLR) because SLRs are robust and minimize bias from an exhaustive search of documents in the field (Ciampi et al., 2021; Elsbach and von Knippenberg, 2020). In January 2023, we performed a query on Scopus and Web of Science, using the operators "TITLE-ABS-KEY" or "TS" and the following keywords: "entrepreneurial strateg\*" and ["value creation" or "value co-creation" or "value cocreation" or "value cocreation" or "value cocreation" or "value (co)creation In line with increasing practice to include also grey literature (Adam et al., 2017), we limited the search to articles and book chapters written in English and selected only documents from the field of business and management, excluding subject areas outside the scientific domain of our research. We found 23 articles in Scopus and 22 in Web of Science and removed duplicates.

**Findings:** The study is still a work in progress. We anticipate that we'll synthesise the themes and questions that emerge from our review and create an integrative model that takes stock of extant research to date and outline future research opportunities within and across the different categories and dimensions. While we recognize the importance of each dimension, we want to draw attention to the interconnections and do more integrative research on interrelationships among dimensions. **Originality/Value:** The paper proposes a research agenda that builds upon and integrates the entrepreneurial strategies and value co-creation streams of literature.

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**Keywords:** Value co-creation, entrepreneurial strategies

#### **Value Co-Creation in The Metaverse: The case of Digital Fashion**

Phil Klaus - Aikaterini Manthiou - Annalisa Tarquini-Poli - Van Luong

Topic: Phygital Customer Journey and Metaverses

**Purpose:** The experience of escaping the real world and finding oneself in a virtual environment brings pleasure to many people. The metaverse phenomenon receives an increasing attention in both, academia, and practice. Metaverse has become one of the trendiest technology terms used right now. Despite its rise in popularity, there is no clear and standard conceptualization of the metaverse today. Research exploring the crucial role of value co-creation in the metaverse is almost completely missing. Our study feels this gap by exploring the value co-creation practices in digital fashion and participants overall experiences in the metaverse.

**Study design/Methodology/Approach:** Using content analysis and Leximancer this study analyzed the perceptions of YouTube users towards digital fashion by examining 8,911 textual comments from the 10 most viewed YouTube videos on the subject.

**Findings:** Using content analysis and Leximancer software, the study found that the audience's perception centered on four key themes: excitement, feeling of unworthiness, skepticism of applicability, and expectations for the metaverse. The degree of willingness to engage in the cocreation process is determined by the four key themes, thus the overall metaverse experience.

**Originality/Value:** this study highlights the importance of understanding audience perceptions towards digital fashion and provides valuable insights into the challenges and opportunities of this growing field in terms of value co-creation as part of the metaverse conceptualization.

**Theoretical Implications:** The results of this study have several theoretical implications. First, it highlights the role of YouTube as a platform for the discussion and interpretation of digital fashion. The results demonstrate the importance of examining audience perceptions on digital fashion to better understand their attitudes and expectations towards the subject. Second, the findings highlight the significance of the themes of excitement, feeling of unworthiness, skepticism of applicability, and expectations for the metaverse in shaping the perception of digital fashion and the potential of value co-creation. These themes can serve as a basis for future research that aims to explore the motivations and barriers of consumer adoption of digital fashion.

**Practical Implications:** The results of this study contribute to the broader field of digital fashion by providing empirical evidence of audience perceptions towards the topic. This research sheds light on the challenges and opportunities of digital fashion and can inform the development and marketing strategies of digital fashion companies and platforms.

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**Keywords:** Customer experience, value co-creation, metaverse, digital fashion

# Value Co-creation of an Enterprise in Innovation Ecosystems - The Public Service Logic Perspective

Satu Luojus - Sami Kauppinen

Topic: Service Innovation

**Purpose:** The growing importance of services in both the private and public sectors highlights the need service innovations. New service innovations are generated through a process of integration, combining knowledge, skills, ideas, and resources. The increased complexity of service systems and services, and the pace of change call for organizations to be agile, creative, and quick to innovate. Therefore, it is increasingly difficult for single organizations to develop innovations in complete isolation. Instead, service innovations are often created when experts from different fields and sectors cooperate and question existing practices in networked innovation ecosystems. Ecosystems refer to interdependent networks between enterprises, entrepreneurs, researchers, public administration and third-sector operators. According to ecosystem thinking cooperation between different actors in an ecosystem produces more with the same input than they would achieve if they acted alone. An ecosystem can be seen both as a structure and as a process of interaction through which complementary actors co-create value. Innovation ecosystems, as their name suggests, focus on the creation of new knowledge and innovations. The purpose of this study is to better understand how value is formed for enterprises in innovation ecosystem activities in the public health care context.

**Methodology:** Using grounded theory methodology and methods, this study examines value formation of enterprises from the public service logic (PSL) perspective (Osborne et al. 2013; Osborne 2018; Grönroos 2019; Osborne 2021). PSL has strong roots in SDL by Vargo and Lusch (2008), but many of its basic concepts have been adapted to better fit the public sector context. The research data consists of interviews with 31 Scandinavian enterprises that have contributed to the co-creation of public health services in innovation ecosystems, and nine orchestrators of innovation ecosystems, as well as observation material from a workshop on the topic. Ten enterprise representatives participated in the workshop. Abductive reasoning has been applied in the analysis of the research data.

**Findings:** The research resulted in a deeper understanding of a) value creation of enterprises in the innovation ecosystem activities and b) the factors that support their value creation or promote value destruction in ecosystem activities.

**Originality/Value:** The contribution of the research is both theoretical and practical. The theoretical contribution is a deeper understanding of the value creation of enterprises in innovation ecosystems as part of the concept of public value. The practical contribution describes the factors that support value creation or promote value destruction, and which can be used in the development and management of an enterprise and innovation ecosystem practices.

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**Keywords:** Service innovation, innovation ecosystem, value creation, co-creation, public value, public service logic, service-dominant logic

# Value Proposition Design through Bottom-Up Strategizing: The case of Loosely Connected Service Eco-Systems

Helena Liewendahl - Kristina Heinonen - Minna Pura

Topic: Value co-creation and value propositions

**Purpose:** The purpose of this study is to analyze suppliers' readiness for bottom-up strategizing in an emergent market. UN sustainable development goals have ignited a need to engage grassroot suppliers in designing customer informed value propositions through collective bottom-up-strategizing. Collective strategizing is challenging for suppliers in service ecosystems, in particular in emergent markets where the suppliers are loosely connected, unorganized and lack structures, business operations, and insight in customer logics. Strategizing refers to collective sense making and bottom-up refers to involving other than managers to provide cues to the sensemaking process, and "collectively defining strategic issues". Strategizing requires co-activity and a dialogic mode, i.e., participants taking responsibility for providing cues and being open to dialogue. This iterative process is customer informed meaning that value propositions are aligned with customer's needs, wants and expectations.

**Study design/Methodology:** We study readiness for and impediments of bottom-up strategizing among suppliers in a particular service eco-system in agribusiness, the game husbandry. This represents an emergent market for game meat in line with EU's sustainability goals & recommendations. The number of possible suppliers in this loosely connected service ecosystem amounts to 300 hunting teams, with 300 000 registered hunters, of which 20 hunting teams were selected to participate in the action research study. On average, 100 individuals participated in the 2-year long process. A multi-method exploratory study was conducted to identify, analyze and describe the readiness and impediments among the suppliers that participated in the process.

**Findings:** We identified key motivators of- and impediments for suppliers' readiness to bottom-up strategize, ranging from expressions of customer informed business visions to experiences of extensive perceived challenges in this endeavor. The factors were further synthesized into a bottom-up-strategizing readiness model that depicts a) three levels of supplier readiness for bottom-up strategizing: 1) awareness and understanding of the customer logics, 2) competences- and 3) willingness to design customer informed value propositions, and: b) Three levels of impediments for bottom-up strategizing and designing customer informed value propositions: 1) non-profit identity 2) lack of business capabilities and 3) an inside out strategizing mode.

**Practical Implications:** The readiness levels enable loosely connected suppliers in structureless service eco-systems in emerging markets to evaluate their readiness for bottom-up strategizing and meeting the demands of the market. The impediment levels enable suppliers to identify their own as well as their co-suppliers' weaknesses alike. In conclusion, the developed readiness levels support suppliers to design sustainable value propositions in emerging markets.

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**Keywords:** Suppliers, service eco-systems, readiness for bottom-up strategizing, value propositions

#### **Value-In-Recycling: A Service Ecosystems Approach**

Martin Hanssen - David Sörhammar - Bård Tronvoll

Topic: Experience, value-in-use, and value-in-context

**Purpose**: Circular Economy (CE) is dependent on actors collaborate to cocreate value by creating resource loops through interdependencies in the ecosystem. This paper aims to gain a deeper understanding of the challenges and opportunities actors face in their CE transition. By using a service ecosystem approach to analyze CE closed loop initiatives, we aim to contribute both to further theoretical understanding, and practical guidelines.

**Study design/Methodology/Approach:** We infuse insight from a literature review on CE onto the SDL narrative to gain a literature basis. Data was gathered through 20 semi- structured interviews with managers/ sustainability responsible with experience within the topic to gain further an understanding of the opportunities/challenges they are facing.

**Findings:** The findings show that several of the actors face similar challenges/opportunities, we identify strategies to overcome these. We expand the current understanding of value creation that together highlight Value-in-Recycling. This study emphasizes the importance of recognizing the interdependence of actors and the co-creation of value in the transition to a circular economy and provides a framework for understanding and addressing the challenges and opportunities faced by actors in this transition.

Originality/Value: SDL can be reconciled with the circular economy in ensuring sustainability, and there are several service ecosystems approaches as a viable strategy for environmental sustainability, e.g., by closing material loops. Despite this recognition, theoretical underpinnings to support this understanding remains rather vague. The present study introduces the concept of "Value-in-Recycling" as a novel theoretical framework for understanding the co-creation of value within a circular economy. This framework represents a contribution to the existing literature by providing a unique perspective on the ways in which value can be generated through recycling-based activities. The proposed framework offers a comprehensive and in-depth examination of the mechanisms by which value can be co-created through the implementation of circular economy strategies.

**Practical Implications**: The practical implication of this study provides insights for practitioners seeking to implement circular economy closed loop initiatives. Additionally, the study's results also point to areas for further research, highlighting the need for additional empirical investigation into the implementation of circular economy initiatives and the co-creation of value through recycling-based activities.

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**Keywords:** Service-dominant logic, service ecoystems, circular economy, closed loop initiative, Value-in-Recycling, cocreation

# What is Transformative Service Research? Differentiating from and Connecting with Related Concepts and Movements

Andrew Gallan - Linda Alkire

Topic: Service Dominant logic as a grand theory

**Purpose:** TSR has become a significant part of services research. From the first instance of its definition, TSR has advanced through conceptual and empirical work. While TSR has grown significantly in recent years, the concept has not yet been properly distinguished from other related concepts and movements. At its heart, TSR endeavors to extend the effects of service beyond profitability and/or customer satisfaction to well-being and quality of life. However, other related concepts and movements have also advanced that profitability should not be the only measure of a successful organization or activity.

**Methodology:** We review the literature on TSR to gain a deeper understanding of what it represents. We then introduce and evaluate related concepts to find commonalities and points of difference between TSR and these other concepts and movements. As a result, we identify TSR's limits and core tenets to present an upframed concept of what it represents. Finally, we propose ways by which TSR can connect with other concepts to advance its potential to impact theory and practice.

**Findings:** While not exhaustive, a list of seventeen (17) related concepts and movements shows that pure profitability without regard to other considerations (employees, the environment, sustainability, customer well-being, etc.) is being challenged by academics and practitioners alike (See Table 1).

TSR is uniquely positioned among these various movements to show how value is co-created from the micro-level up. TSR shows *how* organizations can meet the multiple objectives advanced by other related concepts and movements by serving customers in ways that transform their lives and increase their well-being. TSR additionally builds on this position by connecting micro-level effects to the strategies, capabilities, and activities of actors in an ecosystem. While other concepts and movements focus on business's effects on shareholders, the environment, and sustainability, TSR focuses on how organizations can better serve their customers through designing and delivering transformative service.

**Originality/Value:** TSR holds the potential to better explain how value is co-created among various actors in ecosystems, whereas other concepts attempt to impact the meso (organizational) and macro (policy) levels. This provides TSR a unique opportunity to enrich other concepts with insights into how value is cocreated that then can be appropriated throughout ecosystems to benefit a variety of actors (Kuppelwieser and Finsterwalder 2016). That is, how can value (broadly and phenomenologically defined) be co-created to benefit all involved? TSR addresses this issue, as financial and other forms of value can only be created when value is cocreated with customers.

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**Keywords:** TSR, service dominant logic, value cocreation, service ecosystems

# What's in an Image? Understanding Visual Modality of Engagement In Digital Service Ecosystems

Lorena Blasco-Arcas - Jaylan Azer - Matthew Alexander

Topic: Actor engagement

**Purpose:** Customers proactively engage with firms' offerings through behavioral manifestations using visual modality, thus influencing other customers in digital service ecosystems and, consequently, affecting the firm's value. We contend that visual modality engagement (VME) offers rich displays of contextual information, presenting crucial cues for customers seeking information. On the other hand, those cues are critical for service marketers who have long struggled to unlock secrets of highly subjective, personal, and intangible experiences. This study builds on existing literature on customer engagement, image acts, and visual content communication to understand behavioral manifestations of VME, their effect on social interaction and propagation, and whether the magnitude of these effects differs on services, products, or brands and other customers within digital service ecosystems.

**Methodology:** A combination of qualitative (field study – Netnography; Facebook & Instagram – 4 industries: Retail services, Airlines services, Technology brand, Sports brand) and quantitative (experiment) studies were designed to explore the different forms of VME and their effects in terms of consumer responses.

**Findings:** This paper conceptualizes VME and offers a typology of its four distinct forms; two positive (evidential, experiential) and two negative (mocking, and dissuasive) forms, their definitions, and their different magnitude of impacts on firms (i.e., purchase intent and brand evaluation) and on other customers in the online network (i.e., willingness to imitate and reshare intentions).

**Implications:** This paper contributes to the engagement literature, which has focused exclusively on textual modality, by introducing the concept of VME, the first attempt to capture behavioral manifestations of engagement through visual modality, its typology, and the impact of different forms

**Research Limitations:** This paper focuses on pictorial posts created by customers. Future research may complement our findings compared to textual modality, specifically concerning brand response to imagery vs. textual posts.

**Originality/Value:** This paper offers the first conceptualization of VME. It provides the first framework of its forms and their impacts on firms and other customers in digital service ecosystems. This paper provides empirical evidence of how different VMEs induce interaction, propagation, and, thereby, different outcomes.

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**Keywords:** Customer Engagement, visual modality of engagement, digital service ecosystems, visual content, image act theory

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