



TRACK 28: Hybrid Value Creation & Service-Dominant Logic

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Abstract:

Services are no longer considered as a necessary evil by managers but have become an omnipresent part of a firm's strategic mission and corporate planning. It is also increasingly recognized that more and more firms shift their focus from offering standalone products or services towards offering integrated solutions of products and services to meet specific demands of customers. Terms such as "servitization, product-service systems, integrated solutions, customer solutions, functional products and product-related services" characterize hybrid value creation. Hybrid value creation is not limited to one or two industries but covers various sectors from automotive, building, chemical, white goods, electronic to the food industry. Product-service combinations range from simple pizza delivery service or fixed price per copy solutions provided by Xerox to complex turnkey products such as the design, construction and operation of mobile networks as in the case of Ericsson Mobile Communication Systems. Literature on "Service-dominant logic" by Messer's Vargo & Lusch has also provided substantial help to be better understand this phenomenon. Various authors have identified different arguments for the increasing popularity of hybrid value creation (Oliva & Kallenberg 2003; Davies 2004; Tukker 2004; Windahl et al. 2004). These arguments can be broadly classified into four categories: □ Economic – as substantial revenue can be generated □ Strategic – as firms can gain a competitive advantage that is difficult to imitate □ Environmental – as the same economic function can be served with a reduction in the quantity of materials required to so □ Innovation – as it is not about improving operational effectiveness, but it is about creating a unique and valuable offering We are interested in papers that deal with specific aspects of hybrid value

creation or look at it from a holistic view. In particular we call for papers on research and analysis on the operational levels of management in a range of industries and sectors; both public and private, aiming to shed light on hybrid value creation. Even though papers that look through a Macroeconomic lens are welcome the focus is clearly on the Microeconomic perspective of how firms react to this trend of combining products and services.

Keywords: Servitization, Service-Dominant (S-D) Logic, Integrated Solution, Product-Service Systems