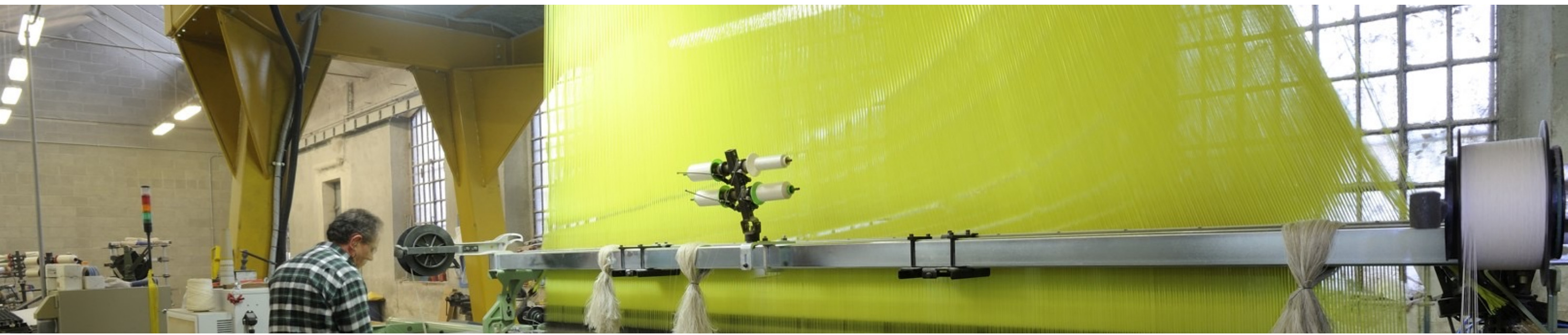


DIGITAL SERVICE CO-CREATION PROCESSES IN TEXTILE ECOSYSTEMS

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INTRODUCTION

- This paper seeks to promote the conception of ‘co-creation’ processes not only on the basis of inter- and intra-organisation relationships, but also in the context of industry-specific characteristics.
- We emphasize the capacity of broader ecosystem actors and variables to impact the co-creation process, and hence advocate for their consideration in digital service developments.
- We select the European textile manufacturing industry as the setting for our analysis due to the disintermediated supply chain and level of global competitive pressure, in which players are embarking on innovation trajectories and concentrating on continuously improving quality and processes.

RESEARCH MOTIVATION

- The processes of digitalization and servitization are challenging organisations’ traditional mechanisms for value creation and appropriation. This leads to customers assuming a more active role in the supplier-buyer relationship.
- ‘Co-creation’ has garnered attention in servitization literature, with academics calling for a holistic exploration of not only supplier-customer relationships, but also of broader ecosystem actors such as intermediaries, service partners and distributors.
- Particularly of relevance is how organisations can best manage the ecosystem of actors, and how appropriate adaptations to the context specific and local conditions of the network can be made.
- The fundamental question as to the role of industry-specific characteristics and settings in shaping multi-actor digital service co-creation processes remains unanswered.

CONTRIBUTIONS TO THEORY AND PRACTICE

- The interviews provide evidence that ecosystem characteristics are key variables in digital service developments.
- Textile market disintermediation appears to lead to a decentralization of digital service decision-making processes.
- Digital service implementation should be conceived as a collaborative path with customers and further actors in the ecosystem, going beyond organizational boundaries. This results in increased responsiveness and joint exploration of service benefits, with an inclusion of intermediate actors in the provision of localized and tailored offerings.
- However, a systemic understanding requires the acknowledgment of the textile panorama’s complexity. The industry consists of a diverse range of differentiated offerings that serve different levels of the value chain and is confronted with heterogenous customer attitudes towards digitalization and services. Additionally, organisations present different technological maturity and service readiness levels.
- Further characteristics to be considered are organisational culture and heritage, as well as the mindset towards services and price sensitivity.

METHODOLOGY

- Findings draw on 20-30 interviews with managers and practitioners in the European textile industry. A multiple case study approach, based on in-progress semi-structured interviews, is utilized.
- A multi-actor perspective is employed, enabling the exploration of actors’ interactions within the ecosystem.
- The following actors are interviewed in detail: service providers and customers (15-20), intermediaries (5-10), such as distributors and solution providers along the value chain, and experts (5-10).

KEY DISCUSSION POINTS

- Despite increasing academic interest in digital service co-creation processes, less is known on the role of further ecosystem actors, such as distributors and intermediaries, and analysis on context-specific situations and contingencies is demanded.
- Research at the industry-specific level highlights the existence of market variables that can act as antecedents, mediators, and moderators in digital service development.
- Defining organisational boundaries is a key to understanding these phenomena. Specifying individual tasks and responsibilities could help to match digital service co-creation processes with respective strategies and capabilities.

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