A Service Ecosystem Perspective of Stakeholders: Insights From S-D Logic

EMAC: Going Beyond Customers and Consumers
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“...the great economic law is this: Services are exchanged for services.....It is trivial, very commonplace; it is, nonetheless, the beginning, the middle, and the end of economic science.”
“A state arises, as I conceive, out of the needs of mankind; no one is self-sufficing, but all of us have many wants. . . Then, as we have many wants . . . and many persons are needed to supply them, one takes a helper for one purpose and another for another; and when three parties and helpers are gathered together in one habitation, the body of inhabitants is termed a state. And they exchange with one another, and one gives and another receives under the idea that exchange will be for their good.”
SERVICE FOR SERVICE EXCHANGE

Nutrition Service for Dental Service
"An institution is any structure or mechanism of social order and cooperation governing the behavior of a set of individuals within a given human community. Institutions are identified with a social purpose and permanence, transcending individual human lives and intentions, and with the making and enforcing of rules governing cooperative human behavior." (Stanford Encyclopedia of Social Institutions)
THE WORK OF INSTITUTIONS

HUMAN COORDINATION PROBLEMS

SIL

IE

IM

IT
INSTITUTIONS ARE EVERYWHERE... BUT NOWHERE

automobile, telephone, steam
pasteurization, children
emigration, immigration
capitalism, women
emotion, factory
socialism, laissez-faire
entrepreneur, capitalism
industrial revolution
competition, economy
urbanization, textile
radioactivity, urban
smokestacks, entrepreneur
realism, accent
radio, train
Market & Market-ing Theory as an Institutionalized Solution

Institutionalized Solution

= A Market

Inter-subjective Agreement

Resource Application (service)

Human Problem

Institutionalized Solution Market-ing Theory

Quasi-predictability

Market performativity
How Does G-D Logic Re-present Market-ing?

- Markets exist
- There are goods and services
- There are producers
- Producers create value
- There are consumers
- Consumers use up (destroy) value
- Suppliers, Customers, Stakeholders are Exogenous
How Does Service-Dominant Re-present Market-ing?

- Markets do not exist (as we think)
- There are no goods and services
- There are no producers
- Producers do not create value
- There are no consumers
- Consumers do not use up (destroy) value
- Suppliers, Customers, Stakeholders are all Actors and Endogenous and Emergent...part of Service Ecosystem
Service Ecosystems

A service ecosystem is a relatively self-contained, self-adjusting system, of resource-integrating actors that are connected by shared institutional logics and mutual value creation through service exchange.
What Is Resource Integration?

Resource Integrator (individual, family, firm, etc.)

- Market-facing Resource Integrators
- Private Resource Integrators
- Public Resource Integrators

Economic Currency

Social Currency

New Resources

Value

Public Currency
Zooming Out: The Venue and Contextual Nature of Value Co-Creation

Resource Integrator/Beneficiary ("Firm")

Resource Integrator/Beneficiary ("Customer")

S-D Logic
A Broadened Perspective on Relationship

- Relationship as shared Superordinate institutions
  - Religious
  - Cultural
  - Polity (state)

- Relationship as Shared Institutions
  - Brands
  - Norms of exchange

- Relationship as Value Co-creation
  - Resource Integration
  - Context
  - Repeat patronage

- Relationship as Reciprocal Exchange
  - Service for service
Stakeholders are Created through Resource Integration & Service-for-service Exchange
Resource Integration, Structuration, Service Ecosystems—Co-Creation of Stakeholders

S-D Logic

Macro

Meso

Micro

Institutions

Resource Integrators
Phase Transition

- Market Place
- Organization
- Dialogue
- Ecosystem

STATES

FLOWS
Thank You!

For More Information on S-D Logic visit:

sdlogic.net

We encourage your comments and input. Will also post:

- Working papers
- Teaching material
- Related Links

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