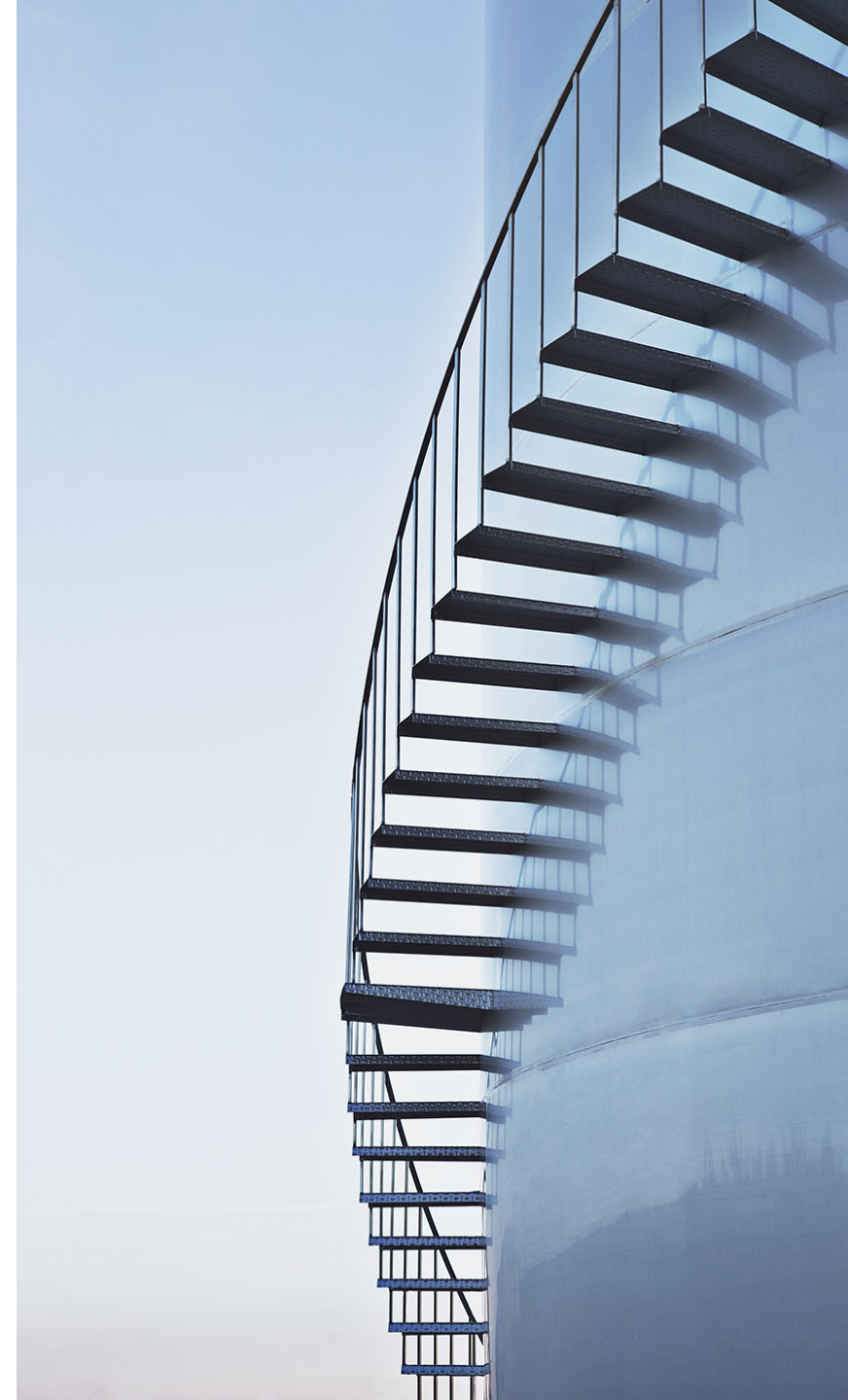


Empowerment with Service Platforms & Ecosystems

Tomorrow - The McKinsey Berlin Conference

Prof. Dr. Markus Warg, November 13, 2020



Your hosts during the Ecosystem Strategy Hub expert session

Author of this document



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Markus is heading the Institute for Service Design (IfSD) that brings together world's leading service scientists and managers to generate valuable impulses for practice from theory. He is one of the initiators and Chairman of the Supervisory Board of the Platform- and Ecosystem Builder SDA SE. Previously Markus was a member of the Management Board of insurance companies for 17 years; most recently ten years as CIO/COO of SIGNAL IDUNA Group.

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McKinsey
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The Challenge: Paradigm shift results moving from Goods-Dominant to Service-Dominant Logic...

...and from value exchange to
value co-creation and value-in-use



Goods-Dominant



Service-Dominant



NETFLIX



Spotify



LinkedIn
Microsoft



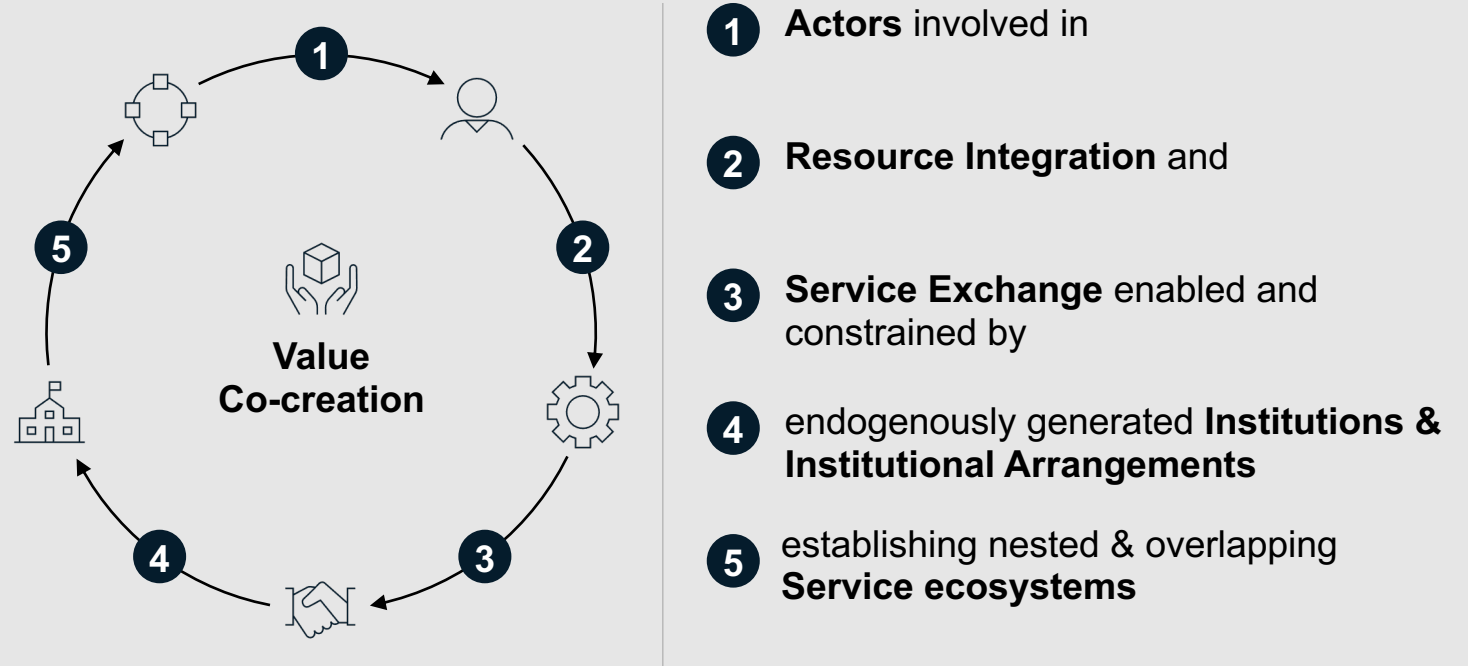
Apple WATCH



SHARENOW




***„Actors
fundamentally do
the same thing: they
integrate resources
and engage in
service exchange all
in the process of
cocreating value“ ****

The new logic in value co-creation and value-in-use, i.e., the narrative of service-dominant logic*



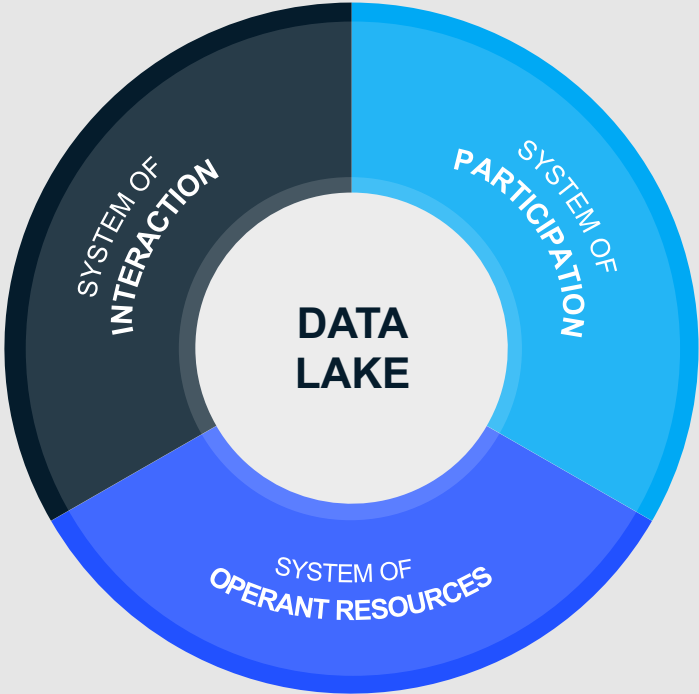
- *
Vargo, S. L. and R. F. Lusch (2016). "Institutions and axioms: an extension and update of service-dominant logic." Journal of the Academy of Marketing Science 44(1): 5-23.
Spohrer, J., et al. (2007). "Steps toward a science of service systems." Computer 40(1): 71-77.
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Service-Dominant Logic takes a transformative approach...

		
	Goods-Dominant	 Service-Dominant
Value Proposition	Exchange Value	Value-in-use
Object of Exchange	Product	Skills, Knowledge, Services
Role of Customer	Consumer	Co-Creator Interactive

* Warg, M., Engel, R. (2016): Service-Dominierte Architektur (SDA): Kernkomponente digitaler Transformation, Zeitschrift für Versicherungswesen,12
 Weiß, P., Warg, M., Engel, R., & Zolnowski, A. (2016): Service Dominant Architecture based on S-D logic for Mastering Digital Transformation. RESER Conference Proceedings 2016 (RESER - European Association for Research on Services).

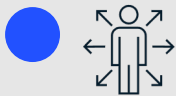
...and is being operationalized by Service Dominant Architecture*



Value-in-use
interaction

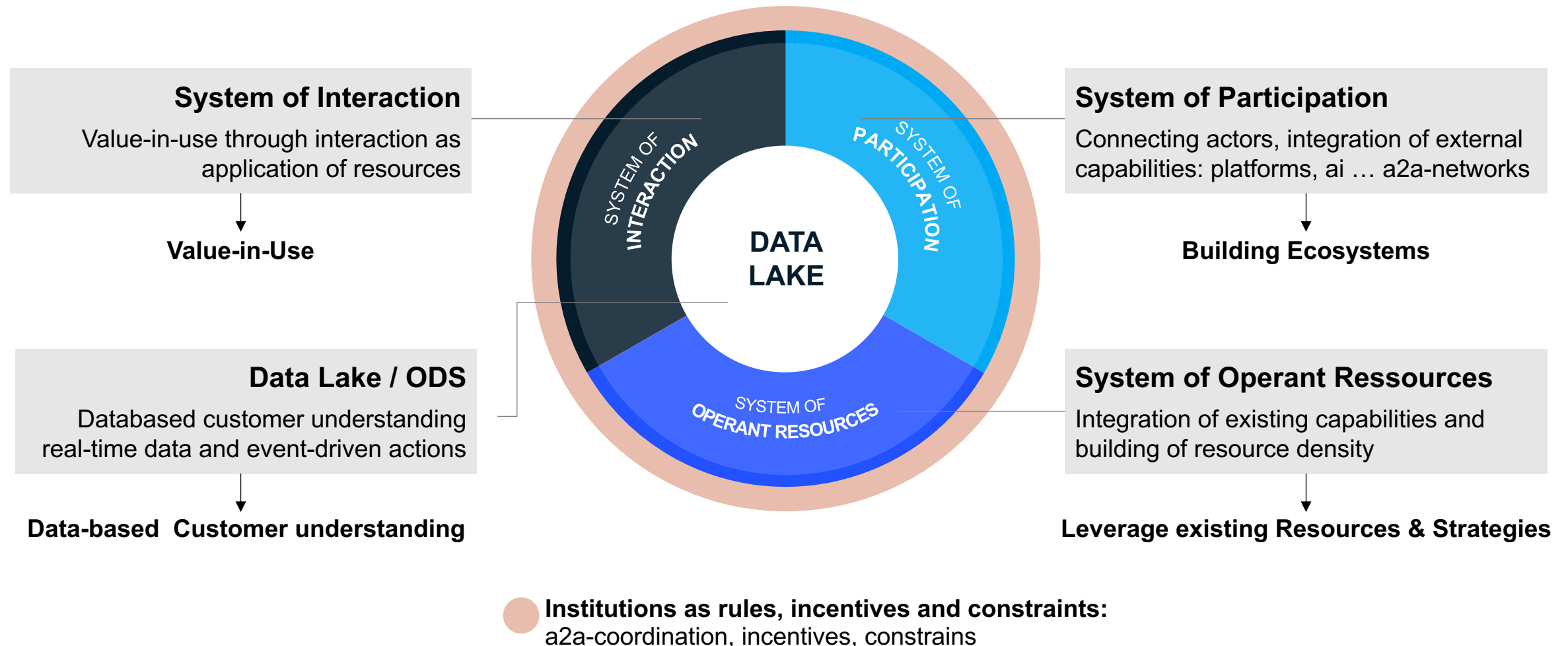


Empowerment
A2A Networks



Leveraging existing
capabilities

Service Dominant Architecture (SDA) enables for value co-creation with customer in actor-to-actor networks



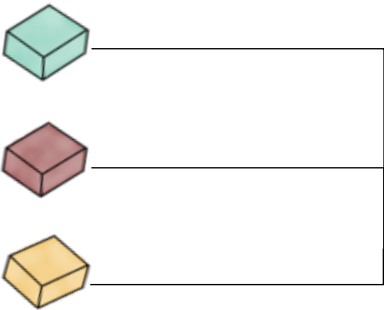
SDA in combination with leading technology creates a modular enabling kit

„External“ Services

Business Service Insurance
(e.g., Health SDK, xbAV, Edith.care)

Business Service Start Up
(e.g., DocYet, Nect)

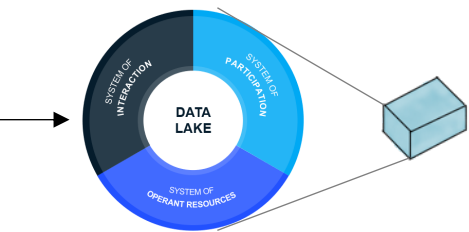
Individual Services



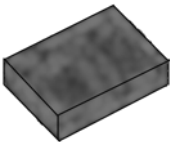
SDA Service-Stacks Business

Business Services of SDA SE
e.g., Partner Stack, Contract Stack, Proposal Stack, Mail Stack, Archive Stack, Submission Stack¹, Chat Stack*, Health Stack, Transaction Stack, Claims Stack, Tariffing Stack, Consent stack...

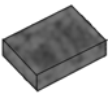
SDA inside



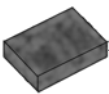
SDA Plates Technology



Basis

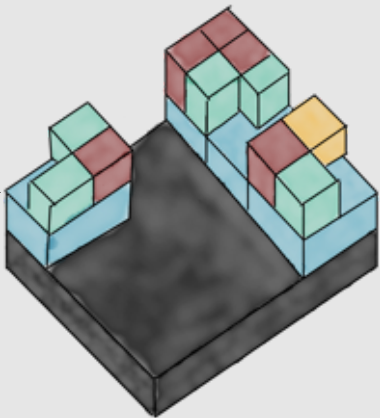


App



Web¹

SDA Service-Platform



Modular



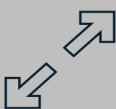
Standardized



Reusable

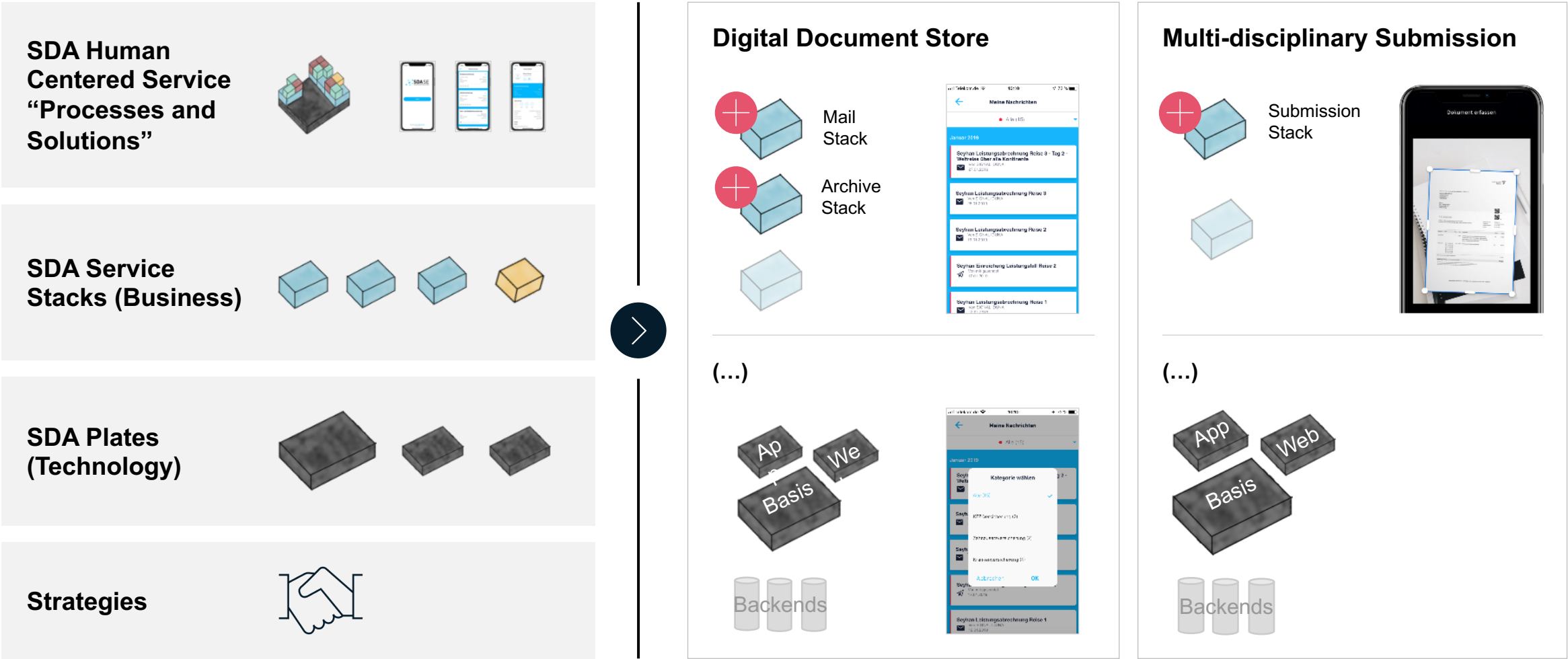


Scalable



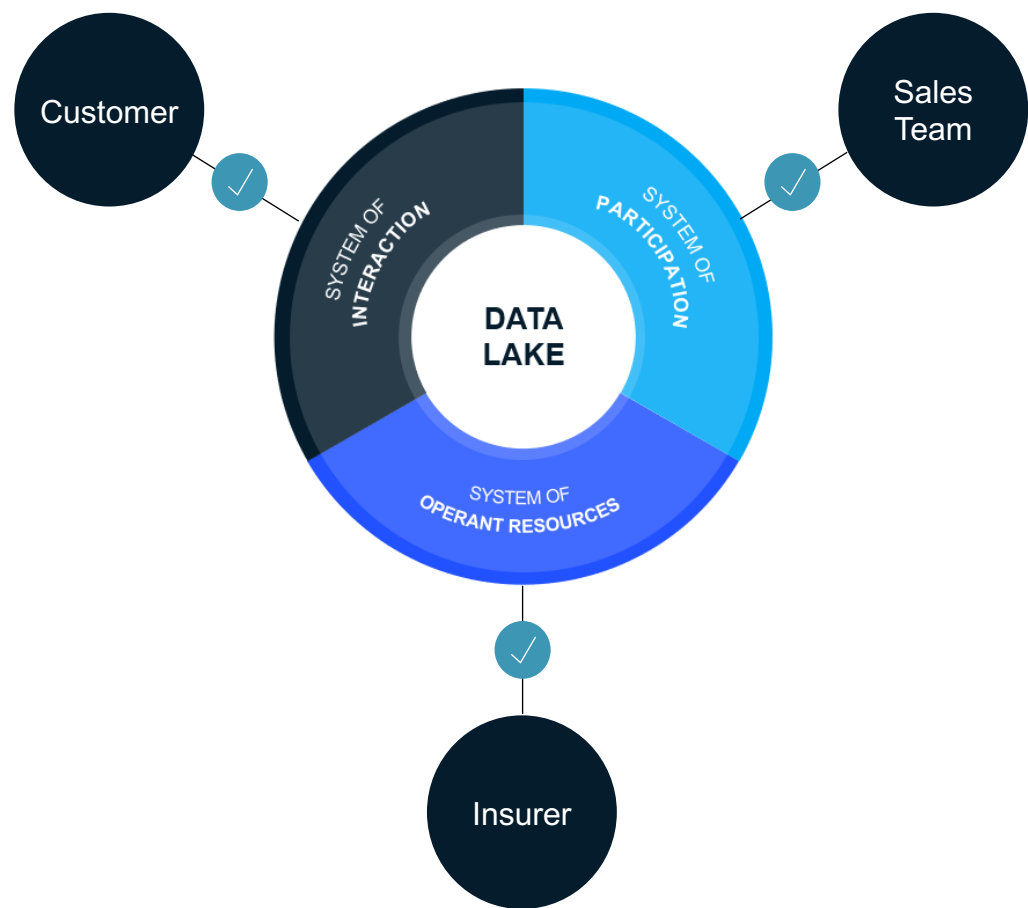
1. Aktuell in Entwicklung

On this enabling kit, innovative, customer-focused solutions can be developed - scaled to the existing resources



Event-driven processes provide an example...

Opt-ins: participation of sales partners in health service submissions



Customer	Customer App	Submission as Trigger	Customer consent
	Value-in-use Speed-up		
Sales Team	Service Improvement Increase contact frequency		
Insurer	Definition of rules Cost reduction NPS improvement		

...and several additional use cases exist

1 Customer-centric end-to-end processing "re-shaping care-application"



2 Digitization with strong Business Cases
e.g., reduction of postal costs through Digital Document Store



3 A2A Networks – actor connection
e.g., xbAV, Docyet, AI4Medicine



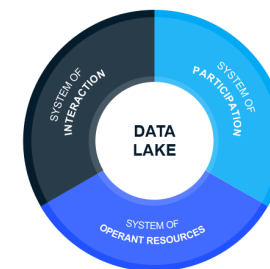
4 Rapid PoCs

PoCs within 4 weeks

5 Digital Transformation

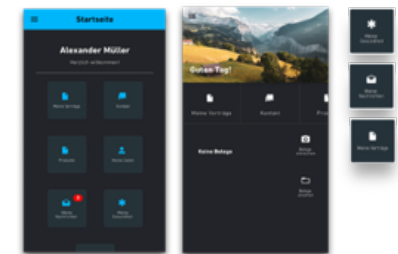


6 ODS Operational Data Stores



e.g.:
Partner,
Contract,
Claims,
Mails

7 Open Source State-of-the-Art-Technology:

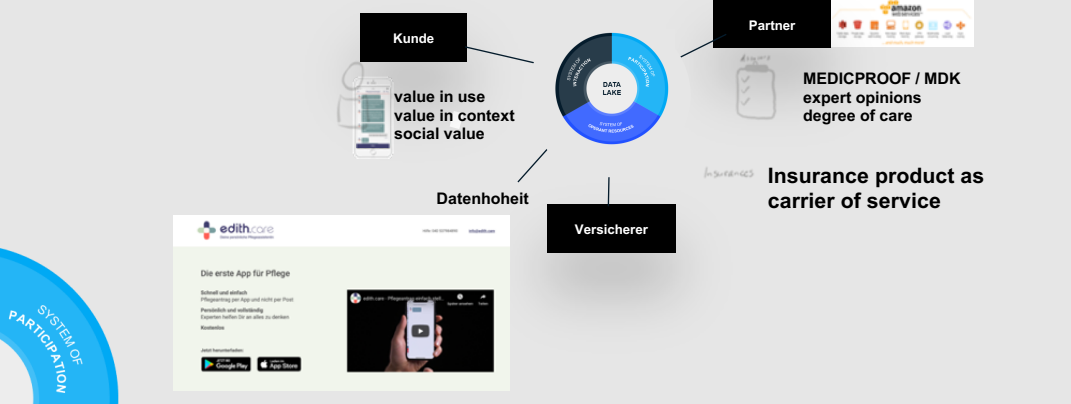


Such an approach could enable new solutions, business models, accelerated cooperation and transformation...

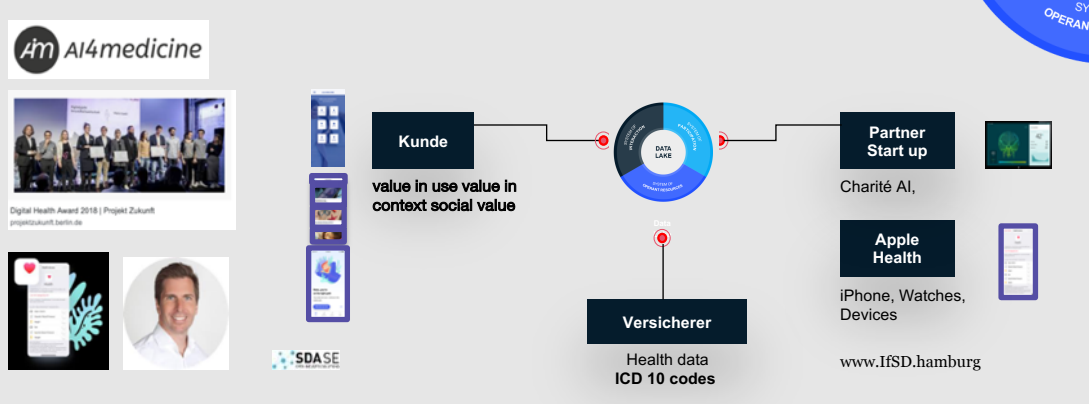
Solutions



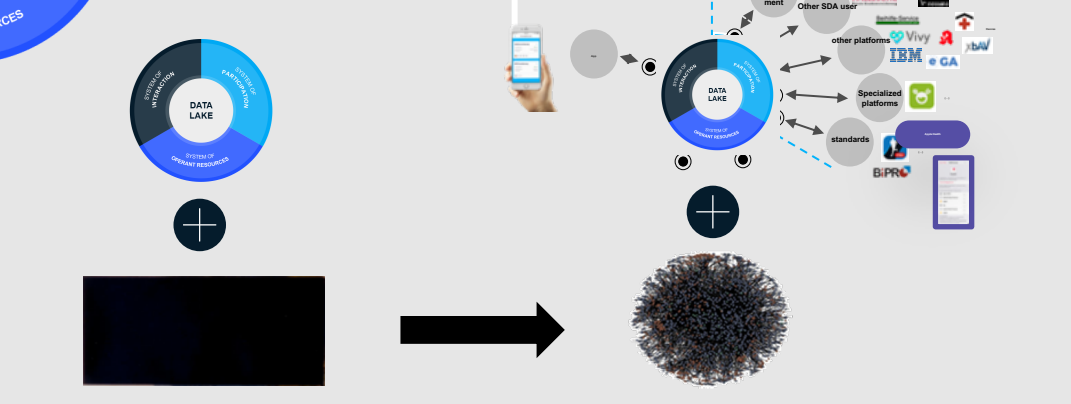
New Business Models



Cooperation



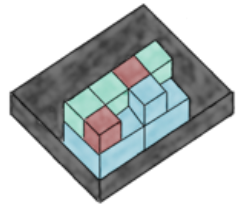
Transformation



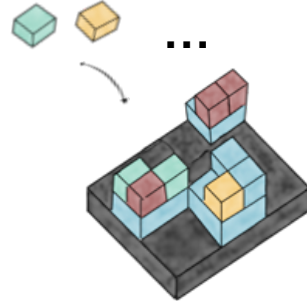
...while allowing to become a Service Ecosystem Player

Lower service focus

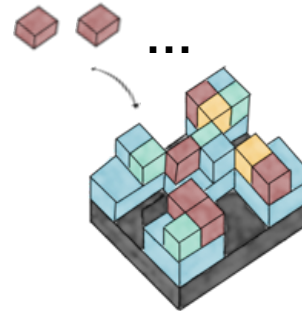
Higher service focus



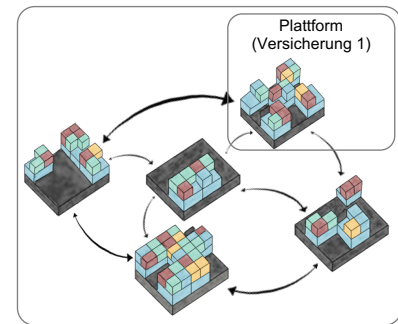
(own) Platform



**Reuse
(Ressourcen)**



**Empowerment with
external Capabilities**



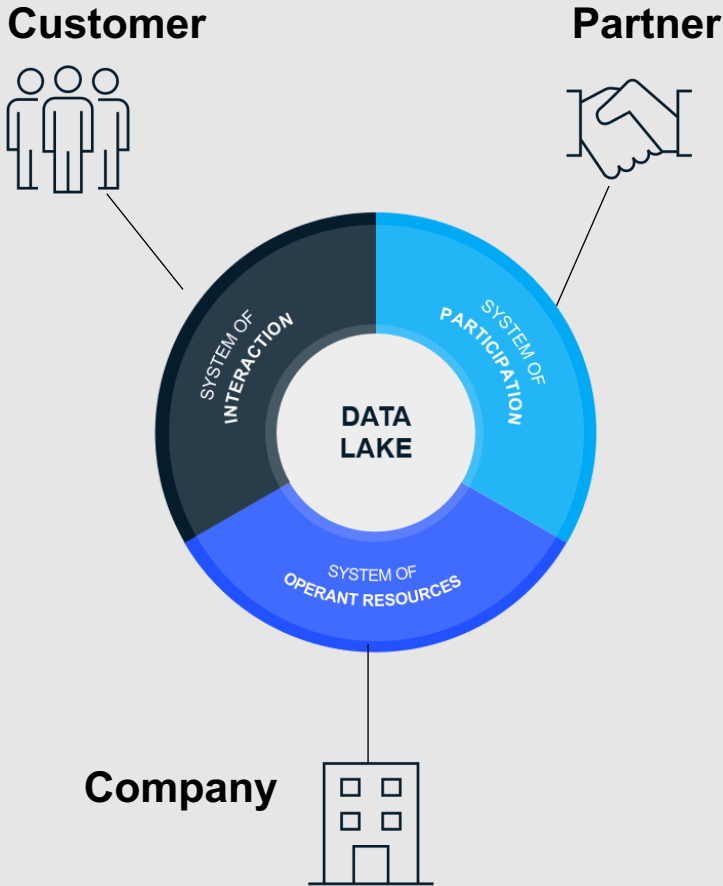
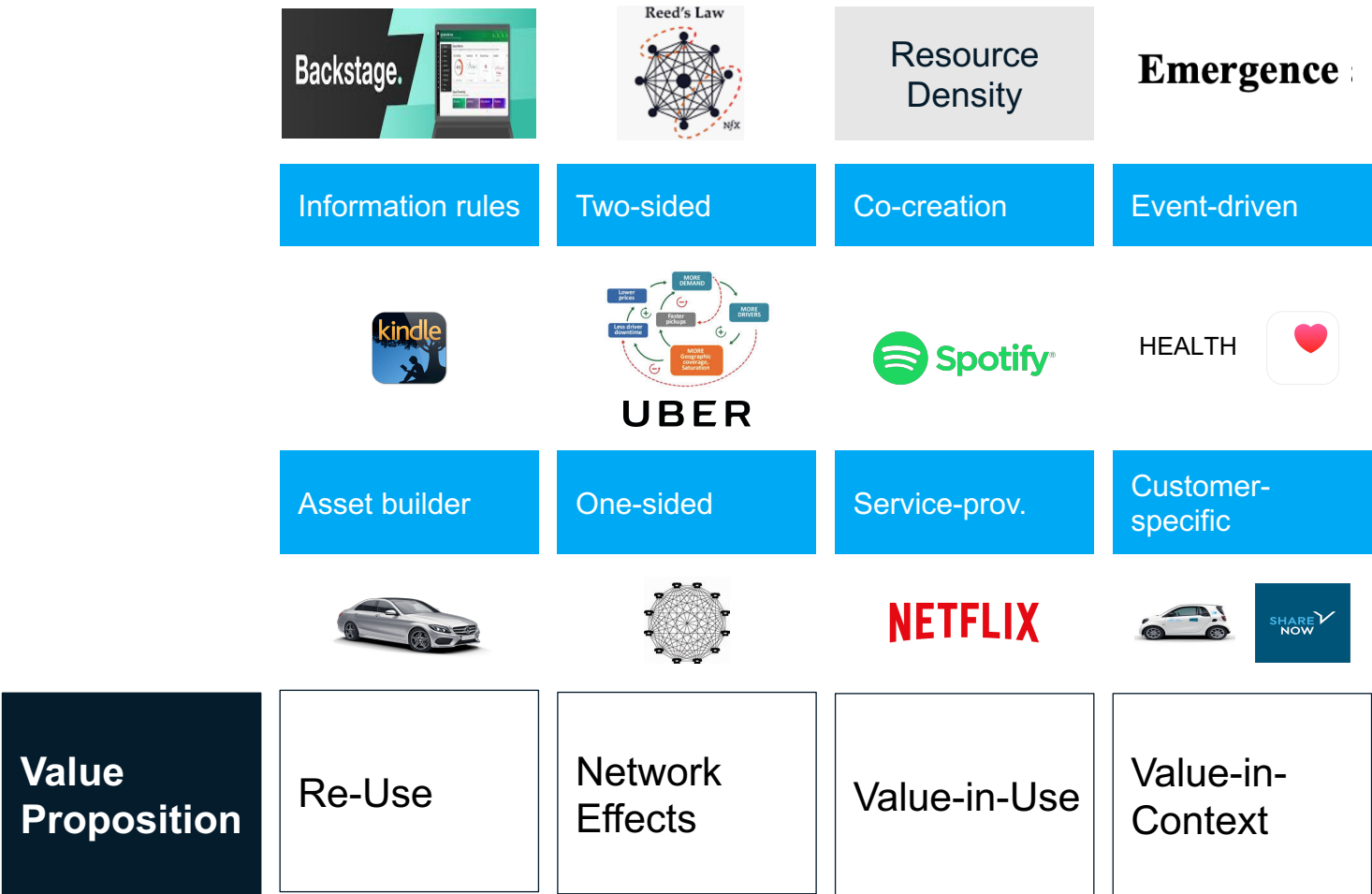
**Ecosystem
(Netzwerkeffekte)**

Institutions - Service Catalogue, Rules, Communities

**SDA enables rapid development - "operable" and individualizable despite high modularization.
Services can be reused and recombined.**

It also opens up a whole new range of value propositions

“Value-in-Use and Value-in-Context”



Glossary

“ ”

Service

Service as the application of resources (including competences skills and knowledge) to make changes that have value for another (system).
– (Spohrer et. al. (2007, 2009))



“ ”

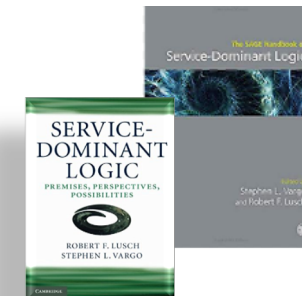
Platforms

Platforms connect actors and enable the integration and orchestration of resources that by their application (interaction) generate value in use
– (Warg (2018))

“ ”

Ecosystem

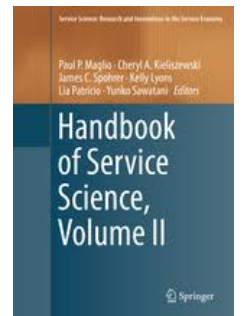
Service Ecosystem as a self adjusting system of resource-integrating actors connected by sharing institutional arrangements and mutual value creation through service exchange
– (Vargo, Lusch (2018))



Appendix

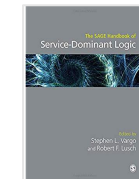
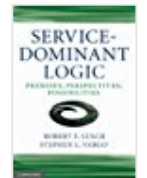
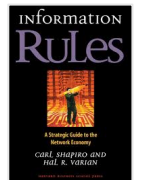
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