

Knowledge Futures: AI, Technology, and the New Business Paradigm

CALL FOR ABSTRACTS – IFKAD 2025

Special Track n.: 19

Thematic Area: Business Model and Technology

Digital Servitization and New Sustainable Business Opportunities

Description

Within the economic landscape marked by increasing competition, globalization and frequent, often abrupt, changes, which call for a new competitive approach (*Chen et al., 2023; Hanelt et al., 2021*), digital technologies provide prospects for a service-oriented transformation of manufacturing firms' business models (*Paiola & Gebauer, 2020*). Specifically, manufacturing companies are shifting their focus from selling equipment to offering solutions (*Hsuan et al., 2021; Tian et al., 2022*). They break away from the conventional strategy of designing, producing, and selling physical goods solely in favor of providing value-added, customized integrated product-service solutions to address specific customers' requests (*Paschou et al., 2020; Huikkola et al., 2022; Brosig et al., 2022*). This new economic paradigm, called digital servitization, describes a new corporate strategy in the manufacturing industry. This novel approach, primarily driven by customers' increased demand for customized services and integrated solutions, as well as by the growing companies' competition (*Chen et al., 2023*), implies the process of developing new services or enhancing already-existing ones through the intelligent use of digital technologies to continuously gather field data and track the state and performance of products (*Shen et al., 2023*). In this scenario, advanced digital technologies (e.g., IoT, AI, cloud computing, big data and analytics, platforms) represent the driver and enabler for the full implementation of digital servitization (*Lamperti et al., 2023*): they are used to monitor, regulate, manage, and optimize product utilization and consumption and play a significant role in achieving efficient servitization results thanks to their ability to collect vast amounts of precise information in real time (*Huikkola et al., 2022*). In that way, manufacturers obtain the required knowledge base to assess and continuously monitor the performance and status of physical assets (*Kohtamäki et al., 2020; Langley et al., 2021*), which ultimately drives the provision of the most appropriate digital services (*Hasselblatt et al., 2018; Le-Dain et al., 2023*). As a result, manufacturers exploit digital technologies to adopt a customer- and service-centric lens and emphasize the customer's experience and engagement, offering tailored solutions to meet their unique demands and needs (*Solem et al., 2022; Taylor et al., 2020*). This leads to improved outcomes for companies in terms of profitability, competitiveness, and sustainability (*Markfort et al., 2022*). By doing so, digitalization and digital servitization foster both economic and environmental sustainability. The former involves offering customized

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solutions that ensure client retention and satisfaction as well as increased revenues (*Martín-Peña et al., 2019*). The latter is ensured by the utilization of technology to leverage products and network connections and change the focus from manufactured products to services, which results in significant sustainability improvements in terms of production efficiency and resource usage and efficiency, extended product lifetime, improved energy and resource efficiency, longer product usage, and thus lower material waste (*Yang & Evans, 2019; Paiola et al., 2021*).

Notwithstanding the great disruption that digital servitization entails in terms of higher effectiveness and competitiveness, the transformation is radical (*Porter & Heppelmann, 2015*) and requires new practices, competencies, operational procedures, and, thereafter, a business models innovation, entailing new ways for creating, delivering and capturing value (*Sjödín et al., 2021; Fosso Wamba et al., 2021*). Indeed, succeeding with the effective deployment of the digital servitization paradigm is challenging, disrupting the extant companies' operating model (*Lamperti et al., 2023; Paiola & Gebauer, 2020; Kohtamäki et al., 2019*). While some manufacturers are tackling the obstacles of the shift towards advanced digital solutions by implementing changes in their business model configuration, others are still working to overcome the challenges of data collection, warehousing, analytics, and prediction, which are critical for laying the foundation for the successful provision of digital services (*Kohtamäki et al., 2019*).

It is hence of primary relevance to investigate the topic considering BMs reconfiguration in all of its elements throughout the digital servitization transition, in order to assure the overall process's accomplishment, thus contributing not only to advance theoretical understanding on the theme, but also to provide practical knowledge to manufacturing managers aiming at undertaking the implementation of this new economic paradigm.

Within this track, researchers are invited to participate in a dynamic exchange of concepts, viewpoints, and best practices at the nexus among digitalization, servitization, business model innovation and the sustainability effects, contributing to the ongoing dialogue on technology- and service-driven new business paradigm. The aim is to explore the influence of digital technologies on the servitization transition and the consequent business model innovation in incumbent manufacturing firms. In particular, this track is open to conceptual and empirical contributions that shed light on, but not limited to, the following subjects:

- Which changes does the adoption of the digital servitization paradigm bring about in terms of manufacturing companies' business models?
- How do manufacturers reorganize their activities, resources, and functions, and modify their interactions with stakeholders to create value via digital services?
- How do manufacturing B2B incumbents reconfigure the customer relationship in a digital servitization context and how does digital servitization modify customer value perception?
- How do manufacturers revise the logic and principles to design the appropriate value capture mechanism for digital services?
- What is the role of specific digital technologies (e.g., platforms, AI, IoT, big data and analytics) in the transition to a service-centred business model and how do manufacturers leverage them?

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- Which competences, skills and dynamic capabilities should manufacturers develop to undertake the digital servitization transition successfully?
- Do strategic alliances, partnerships, networks and ecosystem dynamics foster the digital servitization transition? If so, how?
- Are there differences in the way in which multinational firms (MNEs) and small-medium enterprises (SMEs) address the transition towards digital servitization?
- What is the effect of innovative digitally based servitized business models on sustainability?
- How do digital services increase sustainability in the long term?

Although our debate in this track is primarily driven by these themes, we acknowledge that the field at the convergence of digital servitization and business model is complex and compound. Participants are, thus, invited to dive into related issues and bring forward novel arguments and viewpoints that contribute to a wider debate on this relevant topic.

Keywords

Digitalization, Servitization, Digital servitization, Business Model Innovation, Manufacturing companies, Sustainability

Organizers

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Guidelines

Researchers wishing to contribute are invited to submit an **EXTENDED ABSTRACT** (in editable format) of **min 500 and max 1000 words** not later than **31 JANUARY 2025**, using the submission procedure available on the website. The abstract should address theoretical background, research objective, methodology, and results in terms of expected contribution to Knowledge Management theory and practice. Authors are required to follow the guidelines for both extended abstracts as well as full papers available on IFKAD site: www.ifkad.org

Important dates

31 January 2025	<i>Extended Abstract submission deadline</i>
24 February 2025	<i>Acceptance notification to authors</i>
20 April 2025	<i>Early-Bird registration cut off</i>
02 May 2025	<i>Full paper submission deadline</i>
31 May 2025	<i>Registration deadline</i>
2-4 July 2025	<i>Conference sessions</i>

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For further information

For any information related to the event, please see the event website at www.ifkad.org or contact the conference manager at info@ifkad.org