

Innovation and viability in the retail service ecosystem: nudges from DITRON's history and evolution

Megaro Antonietta, Carrubbo Luca, Sirianni Carlo Alessandro

Purpose – This work analyses the retail sector in a service ecosystem perspective. Its purpose is to investigate how the adoption of a new technology can contribute to generate conditions of value co-creation (Storbacka et al., 2016) and to improve the efficiency and effectiveness of the system considered as a whole, through new shared logics and rules, *institutions*, used by actors to coordinate actions (Lusch, Nambisan, 2015) to survive.

The concept of innovation has been considered as the starting point to analyse how actors react in order to adapt to changes in their context and re-define their value proposition (Vargo et al., 2008).

Design/Methodology/approach – This study proposes a re-reading of retailing, complex context with many heterogeneous interrelated and interconnected actors, as a service ecosystem, with some suggestions by the VSA literature. It has been carried out through a case-study analysis.

Findings – This work highlights how the exchange of resources between actors, and the value co-created by them, can define new rules to shape the market.

Specifically, both the new technology introduced and the innovation, depending by it and defined by market interactions, provide new institutions, guided by value co-creation processes (Vargo et al., 2015).

According to this approach, the innovation is possible thanks to the re-configuration or the new generation, from a structural point of view, of relationships, resources and roles, as well as, from a dynamic point of view, to new forms of resources integration. These new forms of resources integration allow new value co-creation processes (Mele et al., 2010) that stimulate the emergence of institutions influencing the survival of each actor.

Research implications – These results have practical managerial implications in terms of service and decision make processes. To provide a service new specific skills, developed and trained by each actor, are needed and decisions depend on new resources to integrate.

Originality/value – In literature retailing has been studied not enough through the service ecosystem perspective. This work clarifies the interconnection between innovation and viability deepening on the concept of institutions. Thanks to these findings, we can match the Service Ecosystem literature with Viable Systems Approach, in fact institutions may be considered as tools to be resonant with the context and value co-creation as a driver for the viability.

Key words – Retail, innovation, service ecosystem, institutions, viability

Paper type – Research paper

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