

Market Innovation through Blockchain

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Purpose- The importance of innovation in structuring new market forms in which networks and individuals play complementary roles is well recognised by scholars (Callon, 1997; Mele and Russo Spena, 2015). The performative idiom directs attention to the social–material practices (Orlikowski) that agencies engage in to construct markets. In the last few years, there has been an increasing development of applications and systems that use Blockchain Technology to foster innovative practices and enable resource integration between multiple actors (Swan, 2015; Seebacher, S., & Schüritz, R., 2017). However, the scholarly debate in business studies is scant (Chakrabarti, A., & Chaudhuri, A. K. 2017, Tapscott, D., & Tapscott, A. 2016). This paper analyses how Blockchain technology enable actors in their market innovation strategies.

Design/methodology/approach- The work adopts a case theory method useful to analyzing important social phenomena and their impacts (Gummesson, 2017). Twenty cases studies have been analyzed to understand how blockchain technology is affecting actors and processes in different sectors (Industry 4.0, healthcare, banking, digital payment, and Fintech).

Findings- The application of Blockchain allow actors to break many of the traditional rules and conventions, pushing them to think and act differently about how they create a value proposition and innovate the market. Blockchain technology has been designed not to be centralized, and therefore managed by a single actor, but it is a multi-user system. This way of doing supports the development and implementation of market innovation in a more collaborative way. A model is proposed focusing on 3 issues - decentralization, security, traceability – around which 4 market practices emerge: monitoring, facilitating, trusting, sharing.

Practical implications- The study focuses on the role of Blockchain technology on market innovation, addressing how companies can change their market proposition affecting the interactions between information, data and experiences in multiple contexts.

Originality/value- The paper brings new insights into the understanding of Blockchain applications and particularly how actors perform a market innovation exploiting the key issues of distributed ledger technologies.