

THE 5 PILLARS (DIMENSIONS) OF SERVITIZATION

The "5-Pillars of Servitization" provide a framework for a Servitization Journey. These 5 dimensions are inherent to all Servitization Journeys, yet the emphasis on each pillar may vary depending on factors such as industry type, company culture, and the specific mix of products and services offered.



Culture

Focuses on cultivating a mentality that welcomes innovation and adaptation, equipping teams to excel within a service-oriented business atmosphere. This involves acknowledging the interdependent relationship between product and service systems, recognizing their mutual contribution to growth.

In analyzing this dimension, consider the following aspects:

- Company's Goal Statement
- Identify your core strength
- Company Culture
- Sales Culture ...

In analyzing this dimension, consider the following aspects:

- Value Proposition Design
- Business Model Design
- Advanced Services Design
- Value-Based Pricing ...

Value Proposition

Emphasizes the importance of refining core product offerings to continuously deliver value within a service-oriented model. This may involve incorporating advanced services or altering delivery methods to meet evolving customer needs. Additionally, taking ownership of the entire value chain enables the provision of outcome-based services, necessitating a shift in focus areas and the development of value propositions.



Operational Excellence

Emerges as a critical component, particularly in transitioning towards an "As-A-Service" model where service-oriented processes diverge significantly from traditional product-centric approaches. Establishing a clear understanding of the requirements for delivering "As-A-Service" entails streamlining organizational structures, processes, and systems to facilitate efficient and effective service delivery. This foundation is essential for successful execution and future scalability.

In analyzing this dimension, consider the following aspects:

- Orgchart / Blueprint
- Process Mapping (Internal / External)
- Process Digitalization ...

In analyzing this dimension, consider the following aspects:

- Finance & Accounting
- Sales Incentives
- Product IoT & Digitization
- Legal Frameworks / Contracts ...

Enablers

Play a crucial role in facilitating the transition towards a service-oriented model and enhancing service capabilities through the strategic utilization of technology, processes, and systems. This dimension is instrumental in determining the scalability of the value proposition, as the quality and robustness of implementation directly impact the company's ability to penetrate and sustain its presence in the market while fostering internal acceptance within the organization.



Integrated Solution

Aims to establish a cohesive ecosystem where products and services seamlessly integrate to provide superior customer experiences. This holistic approach encompasses the entire journey from value proposition design to delivery and retention, driving digital transformation within the company to enable the seamless delivery of "As-A-Service".

In analyzing this dimension, consider the following aspects:

- Internal IT
- Digital Transformation
- ERP
- CRM ...