During the past decade, growing attention has been given to industrial service offerings in the marketing literature as well as in many manufacturing firms. This phenomenon is often described as a goods-services transition, in which companies increasingly turn to the provision of industrial services in order to achieve competitive advantage, such as closer customer relationships and higher profit margins. Industrial services span a wide range of offerings, from basic after-sales services to process-orientated solutions consisting of both services and capital goods. With industrial service offerings receiving increased attention as their importance is understood, the ability to manage the service business in a manufacturing context becomes ever more vital.

This doctoral thesis describes and analyses how capital equipment manufacturing firms strategically manage their industrial service offerings in order to achieve long-term competitive advantage. This includes analysing the role of information and communication technologies as enablers for new offerings and processes. The thesis consists of a compilation of five papers, two case descriptions and an extended summary. The research builds on a multiple case study of the service organisations of market-leading manufacturing firms. The main cases are based on in-depth studies at ITT Water & Wastewater and Toyota Material Handling Group.

The results suggest that, as the division between goods and services becomes ever more blurred, there is an increasing need for cooperation between the service and the product organisations. Applying a service logic means that the traditional division between goods sales and after-sales services becomes outdated. Instead, the customer relationship becomes the centre of the offering regardless of its combination of services and goods. Further, the infusion of service in manufacturing firms means that more service processes and interfaces have to be managed simultaneously.

Theoretically, this research contributes mainly to the fields of industrial marketing and service as a business logic. One contribution is the proposed typologies for industrial service offerings which make it possible to better understand the dynamics of service processes. Another important contribution of this research is the service function concept. Industrial services must not be equated with the activities of the industrial service organisation only. Although the service organisation most likely is the key entity, it is only one subset of the service function; sales, product development, manufacturing, senior management, and other organisational entities, as well as external service providers and customers, are to be seen as part-time service functions that influence the offering. Compared to previously, competitive advantage through industrial service offerings is to a greater extent based on factors outside the service organisation, i.e. in other parts of the service function.
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