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Abstract

The application of a service-oriented perspective in the IT sector has become the paradigm, making managers highly aware of the importance of being service oriented and customer focused. In the IT sector, a service-oriented perspective is encompassed in the widespread field of IT Service Management (ITSM). However, while ITSM practitioners are, to a certain degree, becoming aware of the benefits of the contemporary Service-Dominant Logic perspective, the primary market view still adheres to Goods-Dominant Logic. The majority of IT organisations around the globe rely on the ITSM framework ITIL in order to adopt and adapt a service perspective. The purpose of this paper is to examine how the ITIL® Practitioner Guidance (the latest ITIL book) aligns with Service-Dominant Logic. The paper discusses findings in relation to four codes: Definition of service, The role of the service provider, Value and value propositions, and Co-creation.

Keywords IT Service Management, ITIL, Service-Dominant Logic, service orientation, IT service, value co-creation.

1   Introduction

The management of IT continues to be a challenge for many organisations. According to Bardhan (2010), the service-oriented perspective is one of the fastest growing paradigms in technology management, increasing the awareness of the benefits of becoming more service oriented and customer focused (e.g. Vargo and Lusch, 2008; Galup et al. 2009; Sandström et al. 2008; Cater-Steel 2009; McNaughton et al., 2010). Brown (2016) maintains that the inclusion of a service perspective in the management of IT continues to be a challenging process for many organisations. Recent research in IT service management (ITSM) indicates that IT service providers must strengthen their focus on their relationships with their customers, rather than focusing solely on technology or their internal organisation (Mesquida et al. 2012; Cronholm and Göbel 2016).

The rationales behind adopting a service perspective are many. Grönroos (2000, pp. 87–88) argues *"The emerging principles of services marketing will become the mainstream principles of marketing in the future ... The physical goods become one element among others in a total service offering ... This means that physical goods marketing and services marketing converge, but services-oriented thinking will dominate"*. Normann (2001, p. 99) reinforces this statement by claiming *"It forces us to shift our attention: from production to utilization, from product to process, from transaction to relationship"*. However, applying a service perspective does not just require a minor change of attitude; it constitutes a paradigm shift for the whole IT sector *(*Göbel and Cronholm 2016). According to Cater-Steel (2009, p. 2) *"Many IT service providers are still characterized by a culture which is technology-focused rather than customer-centric"* and *"...are struggling to change the culture and processes within their own departments or organizations"*.

There are a number of frameworks and standards that support the adoption of the service perspective in the IT sector (e.g. ITIL (e.g. Cannon et al. 2011); Capability Maturity Model Integrated for Services (SEI 2010); ISO/IEC 20000 IT Service Management Standard (ISO/IEC 2011)). All these frameworks and standards stress the importance of being service orientated and their purpose is to provide concepts and processes that support the management of IT and a transition to a service perspective. The purpose of this paper is to examine how well ITIL® Practitioner Guidance (ITP) (Karu et al. 2016), which is the latest ITIL book, aligns with a contemporary service perspective. One aim of ITIL is to guide service providers in their effort to develop quality IT services, and in the processes, functions and other capabilities needed to support such services (Cannon et al. 2011). The analysis of ITIL is important, because it is the most adopted and well-established framework on the market (ibid.); it has also become a de facto standard for ITSM (Marrone 2011). Thus, ITIL not only influences the whole market, but also how organisations can adopt a service perspective. The contribution of this paper to the practice consists of clarifications and suggestions for improvements which may be considered valuable in the future development and practical use of ITIL and other frameworks or standards. Consequently, the fulfilment of the purpose also supports the research community in understanding the establishment and impact of service theories in the field of ITSM. The scientific contribution consists of findings regarding whether central ideas in service-dominant logic (S-D Logic) (e.g. Vargo and Lusch 2004; 2008; 2016) are incorporated and are transparent in ITP. In other words, the question is whether the authors of ITP have been able to adopt and incorporate a service perspective according to S-D Logic. The reasons for our selection of S-D Logic are: it describes a contemporary service perspective that is applicable to the IT sector (e.g. Wittern 2010; Alter 2012); it is well known and well cited; and it consists of 11 clearly articulated foundational premises which support a structured analysis. Lusch et al. (2007, p. 5) support a general need of a review by stating, *"...managers, though motivated to perform and being aware of the links among service, competitive advantage, and firm performance, often fail to execute on service knowledge"*.

Undoubtedly, the concept of service is important in ITP: *"At the heart of ITIL and ITSM in general is the concept of service. Services are the focus of service providers and customers alike. ITIL professionals are dedicated to making the provision of service highly effective and highly efficient. However, success in this endeavour is dependent on the real understanding of the concept of service and how the concept will impact the activities of practitioners and the experience of the customer"* (Karu et al., 2016, p. 3). However, there are a few statements that need clarification, for example, *"A service is a means of delivering value to customers ..." (Karu et al. 2016, p.3)*. According to the service-oriented perspective, a service provider *cannot deliver value*. Value is always *experienced and determined by the customer* and created in a social context (e.g. Edvardsson et al. 2011; Lusch and Nambisan, 2015).

Several scholars have emphasised the importance of applying a service perspective. However, to our knowledge no other studies have explicitly investigated the service perspective of ITP. We argue that this investigation is important. since a lack of a contemporary service perspective could decrease the competitive advantages for organisations that are using ITP (c.f. Lusch et al. 2007). Our study builds on one previously conducted study by Cronholm and Göbel (2016). In that previous study, we examined how ITIL in general aligns with a service perspective. In this paper, we have extended the previous study by an analysis of the latest book ITP which was conducted as a collaborative investigation that included representatives from AXELOS (owner of ITIL), one representative from the IT Service Management Forum (itSMF), and four researchers. The purpose of forming this constellation was to provide a good balance between the perspectives of practitioners in the field and those of the researchers (e.g. Cronholm and Goldkuhl, 2003). The remainder of this paper is arranged as follows: section 2 includes a brief description of ITP; section 3 presents S-D Logic; section 4 describes the research method; section 5 presents the findings; and in section 6 the conclusions are drawn.

2   A Brief Account of ITIL® Practitioner Guidance

ITIL consists of five books (Service Strategy, Service Design, Service Transition, Service Operation, and Continual Service Improvement) which together constitute the Service Lifecycle. The purpose of ITP is to complement the previous ITIL books and to fill a 'how-to' focused gap in the ITIL portfolio, which has ascertained from listening to the world-wide community of ITIL practitioners. Among other guidance, ITP specifically provides nine guiding principles that will help practitioners improve their application of ITP and navigate the decisions in service management (see table 1). ITP claims that these principles can be used as a guide in all decision-making tom improve the chances of success (Karu et al. 2016). All these nine principles are of equal importance and should be considered at the same time (ibid.). According to the AXELOS' Head of Product Strategy and Development[1], approximately three million people in the industry are believed to be ITIL certified.

Guiding Principle	Description
Focus on value	Everything the service provider does needs to map, directly or indirectly, to value for the customer and/or the organisation. This is one of the most fundamental principles of ITIL and ITSM. It is the customer who determines what is of value to them, not the service provider. Continual improvement must be focused around making improvements that will result in greater value being delivered to the customer.
Design for experience	It is critical to retain the focus not only on business/customer value, but also on the experience that both customers and **user**s have when they interact with the service or service provider. This is frequently called the 'customer experience' and it must be actively managed.
Start where you are	Resist the temptation to start from scratch and build something new without considering what is already available to be leveraged. Based on the vision for the future and how that will deliver value to the customer, there is likely to be a great deal in the current services, processes, programmes, projects, people etc. that can be used to create that future
Work holistically	No service or component stands alone. The results delivered to the organisation or customer will suffer unless the service provider works on the whole, not just on the parts. Results are delivered to the customer through the effective and efficient management of a complex integration of hardware, software, data, processes, architectures, metrics, tools, people and partners, all coordinated to provide a defined value.

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[1] Personal communication July 17, 2017.

Progress iteratively	Even huge initiatives have to be accomplished iteratively. Resist the temptation to do everything at once. By organising work into smaller, manageable sections that can be executed and completed in a timely manner, the focus on each smaller improvement is sharper and easier to maintain.
	Improvement iterations can be sequential or simultaneous, based on dependencies or lack thereof. The key is for each individual improvement to be manageable and managed, to ensure that real results are returned in a timely manner and built upon to create more improvements.
Observe directly	To know what is really going on, measure and/or observe it directly. Be sure to base decisions on information that is as accurate as it can be.
	Going to the source allows a reduction in the use of assumptions which, if proved unfounded, can be disastrous to timelines, budgets and the quality of results.
Be transparent	The more that people are aware of what is happening and why it is happening, then the more that people will help and fewer people will obstruct. Make things as transparent as possible.
Collaborate	When the right people are involved in the right ways, improvements benefit from better buy-in, better relevance (because better information is available for decision-making) and better likelihood of long-term success.
Keep it simple	If a process, service, action, metric etc. provides no value or produces no useful outcome, then eliminate it. In a process or procedure, use the minimum number of steps needed to accomplish the objective(s). Although this principle may seem obvious, it is frequently ignored, resulting in overly complex work methods that rarely maximise outcomes or minimise cost.

Table 1. Description of the guiding principles (Karu et al. 2016)

3   A Brief Account of Service-Dominant Logic

The overall purpose of S-D Logic is to describe and argue for the adoption of a service perspective (e.g. Vargo and Lusch 2004; Vargo and Lusch 2008; Vargo 2009; Vargo and Lusch 2016). S-D Logic can be regarded as an emerging school of thought within marketing and management (Edvardsson et al. 2011). One of the main messages in S-D Logic is that all providers are essentially *service* providers who regard the exchange service for service as the fundamental basis of exchange (Vargo and Lusch 2004). Vargo and Lusch (2004 p. 2) defines service as "*the application of specialized competences (knowledge and skills) through deeds, processes, and performances for the benefit of another entity or the entity itself*" and as "*... the process of using one's resources for the benefit of another entity*" (Vargo and Lusch 2008, p. 2). One of the pillars of S-D Logic is the 11 fundamental premises (FPs) (see table 2) which consist of statements and insights that constitute a contemporary service perspective. They also constitute a reaction against the traditional Goods-Dominant Logic which focuses on tangible output rather than processes and relationships (Vargo and Lusch 2004; Vargo and Lusch 2008). One purpose of the FPs is to mirror a shift in focus "*... away from tangibles and toward intangibles, such as skills, information, and knowledge, and toward interactivity and connectivity and ongoing relationships.*" (Vargo and Lusch 2004, p. 15). An exhaustive description of S-D Logic including the FPs can be found in Vargo and Lusch (2004; 2008; 2016).

	Foundational premise	Brief description
FP1	Service is the fundamental basis of exchange.	The application of operant resources (knowledge and skills), "service," as defined in S-D Logic, is the basis for all exchange. Service is exchanged for service.
FP2	Indirect exchange masks the fundamental basis of exchange.	Because service is provided through complex combinations of goods, money, and institutions, the service basis of exchange is not always apparent.
FP3	Goods are distribution mechanisms for service provision.	Goods (both durable and non-durable) derive their value through use – the service they provide. For example, an IT-system enables value in-use/in-context.

	Foundational premise	Brief description
FP4	Operant resources are the fundamental source of strategic benefit.	Operant resources (knowledge and skills) are essential in order to enable value creation. For example, a customer applies operant resources when using an IT-system.
FP 5	All economies are service economies.	Service (singular) is only now becoming more apparent with increased specialisation and outsourcing.
FP6	Value is cocreated by multiple actors, always including the beneficiary.	Implies that value creation is interactional.
FP7	Actors cannot deliver value but can participate in the creation and offering of value propositions.	Actors can offer their applied resources for value creation and collaboratively (interactively) create value following acceptance of value propositions, but cannot create and/or deliver value independently.
FP8	A service-centered view is inherently beneficiary oriented and relational.	Because service is defined in terms of customer-determined benefit and co-created it is inherently customer oriented and relational.
FP9	All social and economic actors are resource integrators.	Implies the context of value creation is networks of networks. For example, the resources that are owned by both customers and service providers are included when co-creating value.
FP10	Value is always uniquely and phenomenologically determined by the beneficiary.	Value is idiosyncratic, experiential, contextual, and meaning laden.
FP11	Value cocreation is coordinated through actor-generated institutions and institutional arrangements.	The term service ecosystem is used to identify actor–environmental interaction and energy flow and mutual service provision. A service ecosystem is defined as a relatively self-contained, self-adjusting system of resource-integrating actors connected by shared institutional arrangements and mutual value creation through service exchange.

Table 2. The foundational premises

4   Research Method

This study was a collaborative effort involving AXELOS[2], itSMF[3] Sweden (the national chapter of an independent and internationally recognised forum for IT Service Management professionals worldwide) and researchers from the University of Borås, Sweden[4]. One of AXELOS' representatives is the Head of Product Strategy Development and the main author of ITP. A second AXELOS representative has the role of ITIL Portfolio Manager. In other words, these representatives are experts on ITP. The itSMF representative has a leading position in itSMF Sweden and is vastly experienced in using ITIL and other frameworks within the field of ITSM. This representative also has general knowledge and experience of the service perspective. The researchers have a high level of knowledge about ITIL, but no specific experience of ITP, since it was released only a few months before the authors of this paper met. The researchers can be considered experts with respect to S-D Logic.

To fulfil the purpose of how well ITP aligns with S-D Logic, a literature study and two workshops were conducted. Fink (2010) defines a literature study as a systematic design for the identification, evaluation, and interpretation of the existing body of recorded documents. According to Webster and Watson (2002), an effective literature study creates a foundation for the advancement of knowledge and facilitates theory development. Literature studies are also conducted in order to reveal patterns of findings and to discover gaps in knowledge, including the identification of strengths and weaknesses concerning a certain topic (Taylor 2007). Hsieh and Shannon (2005) claim that one approach to literature

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[2] See www.axelos.com
[3] See www.itsmfi.org/
[4] See www.hb.se/en/Research/Research-Groups/InnovationLab/#presentation

studies is a qualitative content conventional analysis, which defines codes (categories) during the analysis. In this study, the codes were derived from service-oriented statements identified in ITP. The content of these statements was analysed in order to align them to the 11 foundational premises in S-D Logic. The research process comprised five iterative steps: literature study of ITP, establishment of relations between ITIL statements and FPs, analysis of the suggested relations between the statements and FPs, creation of codes and the collaborative verification of the codes.

1) *Literature study*. The researchers individually conducted a qualitative content analysis of ITP in order to identify service-oriented statements. According to Walsham (1995), qualitative analysis is open to various interpretations. However, such risk can be reduced by involving two or more researchers when identifying and analysing the data (Seuring and Müller 2008). The individually collected statements were discussed and consolidated by the researchers. This exercise minimised differences in interpretations. The output from step 1 is a list of statements with respect to service orientation.

2) *Establishment of relations between ITIL statements and FPs*. To bring order in the list of service-oriented statements identified in ITP, the researchers jointly related the statements to one or more of the foundational premises in S-D Logic. In other words, the researchers interpreted the meaning of the statements on the basis of how they are formulated. The analysis followed the recommendation of Eisenhardt and Graebner (2007) who claim that a useful way to support transparency of an analysis for readers is to link each proposition (statement) to supporting evidence (FPs). We used the three versions of S-D Logic which explicitly describe the development of the 11 foundational premises (Vargo and Lusch 2004; Vargo and Lusch 2008; Vargo and Lusch 2016). The output from step 2 is a list of related ITIL statements and FPs.

3) *Analysis of the suggested relations between ITIL statements and FPs*. The proposed relations between ITIL statements and FPs were further discussed and refined during a workshop attended by the two AXELOS representatives, the itSMF representative, and the three researchers. The purpose of the workshop was to collaboratively analyse the relations suggested in step 2, in order to verify the researchers' interpretations. During the workshop, which lasted for three hours, an audio tape recording was made. The output from step 3 is a modified list which includes updated relations between ITIL statements and FPs.

4) *Creation of codes*. In step 4, the researchers analysed the transcriptions of the audio tape, in order to ensure that the output from step 3 accorded with the discussions. The researchers also created suggestions for codes by asking the following question "What are the statements and the FP(s) about?". In this way, the codes were directly created on the basis of the content of the related statements and the FP(s).

5) *Collaborative verification of the codes*. The verification of the analysis of the audio tape and the creation of codes was conducted in collaboration between the representatives of AXELOS and the researchers during a second workshop. In this step, we used the nine guiding principles presented in ITP (see section 2) to verify the relations between the identified statements of ITP and the FPs of S-D Logic. These principles distil the core messages of ITP and therefore constituted a complement to the analysis. The verification resulted in minor modifications of the content of the codes. The main outcome of step 5 was the verification of the codes. Based on the content of the codes, we were able to draw conclusions with respect to how well ITP aligns with different aspects of the FPs. Due to a lack of space, the findings presented in section 5 consist of four representative examples extracted from the complete set of codes.

5 Findings

Section 5 consists of four sub-sections that correspond to four codes: definition of service, the role of the service provider, value and value propositions, and co-creation. As mentioned in section 4, a code consists of statement(s) identified in ITP related to one or several FPs in S-D Logic. A relevant statement from ITP, introduces each sub-section. A sub-sequent clarification of the statement is then followed by a discussion in the light of S-D Logic. Finally, a relationship is established to one or more guiding principles in ITP.

5.1 Code 1: Definition of service

> ITP, statement 1*: "A service is a means of delivering value to customers by facilitating outcomes that customers want to achieve without the ownership of specific costs and risks."* (Karu et al. 2016, p.3)

This statement represents the definition of service according to ITP. The definition can be decomposed into two parts: '*A service is a means of delivering value to customers ...*' and '*... by facilitating outcomes that customers want to achieve without the ownership of specific costs and risks*'. The first part of statement 1, which concerns 'delivering of value', is discussed in section 5.3. However, the researchers questioned the second part of the statement, since it is not obvious how a customer cannot own the risks and the costs.

In order to further explain and justify the statement, an AXELOS representative provided an example from the ride-sharing business: "You take Uber, or Lyft, or any other ride-sharing service. The customer doesn't want to take care of the maintenance of that car; they don't want to own the risk of that car breaking down. They don't want to worry about the driver getting sick. They don't want to worry about any of these things. All they want is a good service. Customers prefer not to worry about the risks; they expect a service provider to take the risks away from them. And, to go even further, the customer in this interaction cares most about getting from A to B".

Our analysis of the continuing dialogue revealed that the researchers did partly agree with the arguments exemplified by the AXELOS representative regarding a service provider's ownership of the costs and the risks. However, the researchers remained somewhat sceptical claiming that the Uber taxi example might not be fully applicable to the context of IT service management. Their main argument claimed that it is the business receiving the service which has the overall responsibility for the costs and the risks also maintaining that the overall responsibility can never be distributed or outsourced to an IT service provider. The customers are responsible for their own businesses and for the commitments made to other business partners. Ultimately, the AXELOS representatives and the researchers agreed that some risks and costs could be distributed to the service provider, while others have to be remained with the customer.

To some extent, statement 1 corresponds to the definition of service, as proposed by Vargo and Lusch (2004 p. 2) "*the application of specialized competences (knowledge and skills) through deeds, processes, and performances for the benefit of another entity or the entity itself*". However, Vargo and Lusch emphasise that knowledge and skills are the main drivers of change which, also is stated in 'FP4 Operant resources are the fundamental source of strategic benefit´. According to AXELOS, their definition of service covers the customer's expectation of how the service will improve their business.

Statement 1 suggests that a service is a means of delivering value which aligns with the guiding principle "Focus on value". The inclusion of value in the definition is important, because it is one of the cornerstones of ITP (Karu et al. 2016). The statement also aligns with the guiding principle "Design for experience", since it stresses that a service should facilitate the outcomes that customers want to achieve. Thus, the statement implies that the service provider must collaborate with the customer. This, in turn, is aligned with another guiding principle, "Collaborate", which stresses the importance of the service provider working closely with other teams/organisations, involved in delivering the end-to-end service to the customer, as well as with the customers themselves, to ensure the requirements for value consumption are properly understood and designed into the service.

5.2   Code 2: The role of the service provider

> ITP, statement 2*: "Everything the service provider does needs to map, directly or indirectly, to value for the customer ..."* (Karu et al., 2016, p. 13)

No doubt, this statement places the customer in the foreground, while the service provider is regarded as a business partner that carries out actions which benefit the customer. According to S-D Logic, service(s) must be useful, since customers do not buy physical goods but need or want fulfilment. Therefore, "*Everyone in the firm must be focused on the customer because the firm's only purpose is to create a satisfied customer*." (Vargo and Lusch 2004, p. 3). Both AXELOS and the researchers agreed that Statement 2 corresponds to the perspective of S-D Logic. However, the statement can be viewed as being too one-sided, since there is a binary relationship between the service-provider and the customer, thus, the value concerning the service-provider needs to be included. According to the researchers, "A too one-sided perspective will not support a long-lasting relationship". This statement is also supported by FP6 (Value is co-created...) and FP8 (...service-centered view is...relational). While this claim might be implicit in the statement, including both perspectives encourages the users of ITP to explicitly consider the costs and efforts, in order to balance the value propositions. Based on our analysis, we can conclude that statement 2 corresponds well to 'FP1 Service is the fundamental basis of exchange' and to 'FP8 A service-centered view is inherently beneficiary oriented and relational'.

Statement 2 also relates to the first stages of the Service Lifecycle in ITIL, namely Service Strategy and Service Design. The focus of strategy management, service portfolio management, financial manage-

ment for IT services, and design coordination is to ensure that the service provider has built a sustainable model for the delivery of services, taking into account the expected value for the customer, as well as the capabilities and assets (with costs) the service provider needs to provide that value.

5.3   Code 3: Value and value propositions

> ITP, statement 3: "*A service provider must first and foremost recognize that they are not providing hardware and software; they are providing value in the form of technology-based services that make it possible for the customer to achieve their goals.*" (Karu et al. 2016, p. 13)

Statement 3 can be divided into two parts: "*A service provider must first and foremost recognize that they are not providing hardware and software ...*" and "*they are providing value in the form of technology-based services that make it possible for the customer to achieve their goals.*". Both the researchers and AXELOS agreed that the first part corresponds to S-D Logic since service providers, as one of the parties in the co-creation process, provide the service, which might be based on software and hardware. However, the second part of the statement, and especially the concept of value caused some discussion. In ITP, value is defined as: "*The benefits delivered in proportion to the resources put into acquiring them. The value of a service comes from what it enables someone to do. Services contribute value to an organisation only when their value is perceived to be higher than the cost of obtaining the service*" (Karu et al., 2016, p. 4). The crucial part in this definition is the beginning of the sentence "*Benefits delivered ...*". According to FP 7 in S-D Logic, "*Actors [e.g. service providers] cannot deliver value but can participate in the creation and offering of value propositions*". The basis for this claim is that value is always perceived and determined by the customer. Vargo and Lusch (2004, p. 1) develop their reasoning concerning the relationship between value and value propositions by referring to Gummesson (1995, pp. 250-251): "*Customers do not buy goods or services: [T]hey buy offerings which render services which create value.... *". Moreover, value is perceived from the service in use; it is the results of the application of operant resources (e.g. knowledge and skills) sometimes transmitted through operand resources (e.g. tools) (ibid.). This means that judgements about value in use are always subjectively assessed by the customer. Therefore, the second part of statement 3 does not correspond to the way that value is defined in S-D Logic.

Clearly, there is a difference between S-D Logic and ITP, with respect to how value is perceived. However, the line of thought in S-D Logic is nevertheless aligned with the guiding principle "Focus on value", which states "Central to this principle is the fact that it is the customer who determines what is of value, not the service provider". It is also aligned with to the guiding principle, "Design for experience", which puts the customer at the centre of designing, delivering, and improving services and capabilities.

5.4   Code 4: Co-creation

Code 4 consists of three interrelated statements which refer to the roles of the service-provider and the customer, with respect to co-creation of value propositions. The identified statements in ITP are:

> ITP, statement 4 "*A service provider is an organization supplying services to one or more internal customers or external customers.*" (Karu et al. 2016, p. 3)

> ITP, statement 5 "*The whole point of being a service provider is to deliver value to them* [customers]." (Karu et al. 2016, p. 21)

> ITP, statement 6 "*A customer is someone who buys goods or services.*" (Karu et al. 2016, p. 3)

Obviously, none of the statements above include the customer as a co-creator of value. According to the representatives of AXELOS, the customer does not necessarily have to be actively involved in the process of creating value, beyond deciding to pay for the service. Nonetheless, AXELOS raised two critical questions: "Can value only be created when the party receiving that value is actively involved?" and "Is it not possible to create value for others?". With respect to the first question, S-D Logic clearly states that the creation of value is a process that always includes the beneficiary (e.g. the customer). FP6 in S-D Logic reads, "*Value is cocreated by multiple actors, always including the beneficiary.*" (Vargo and Lusch 2008, p. 8). In other words, in S-D Logic, the customer cannot only be regarded as a buyer or as a receiver of value propositions. We do not claim that the intention of ITP is to disregard the customer from the process of creating value propositions. However, if ITP is to fully align with S-D Logic, the customer must be involved as an active participant in the process of creating value propositions. With respect to the second question above, S-D Logic claims that value cannot be created for others. Value can only be consumed from value-in-use and it is always determined and experienced by

the beneficiary (see also section 5.3). Obviously, the three statements above do not explicitly invite the customer to participate in the process.

Additional comments from the AXELOS representatives during the workshop revealed some background thoughts in ITP. The representatives provided an example of an insurance service which does not require any active customer involvement, apart from paying for the service. Any active interaction as part of that service is a matter that neither the service provider nor the customer prefer, as it would indicate that something undesirable (such as an accident) has occurred. For the customer, a significant part of the value of the insurance service is the knowledge that in the event of an accident, the service provider would provide help. According to AXELOS, this example also applies to IT services, which many customers expect will function without requiring any day-to-day attention. The guiding principles of "Be transparent" (provide enough information to customers/stakeholders but do not overwhelm them with details which may warrant the need for special attention) and "Design for experience" are again of relevance here. The principle of "Observe directly" ensures that the service provider maintains close contact with the customer in order to be knowledgeable about the situation and its challenges.

6   Conclusions

The main contribution of this study consists of extended knowledge concerning the alignment of ITP and S-D logic. As mentioned in section 2, this paper builds on previous discussions on the core concepts of service in relation to ITIL (e.g. Cronholm and Göbel 2016). We can conclude that a number of the codes include ITP statements that are aligned with S-D Logic. Undoubtedly, ITP includes a service perspective which emphasises a customer focus. However, it is clear that there is a difference in how the roles of the service provider and the customer are viewed. As described in section 4.4, S-D Logic states that the creation of value is always a process that includes the beneficiary. One reason for this position is that S-D Logic views the service providers' relationship to the customer as a key to success. On other words, it is not sufficient for a service provider to just deliver technology. This conclusion is supported by FP8: 'A service-centred view is inherently beneficiary oriented and relational". As explained in section 5.4, the view of the AXELOS representatives is that the beneficiary (e.g. the customer) does not necessarily has to be actively involved in the process of creating value.

Another difference between S-D Logic and ITP is the understanding of the concept of value. According to S-D Logic, value can only be experienced when it is consumed (see section 5.3) and value is always determined by the beneficiary. While the guiding principle "Focus on value" states that it is the customer who decides what is of value, statement 2 explicitly claims that service providers can deliver value (section 5.4). We can conclude that these different views are partly due to how the concept of value is defined. In ITP, value is defined as *The benefits delivered in proportion to the resources put into acquiring them*" (Karu et al. 2016, p. 159). It seems that ITP, in this respect, aligns with Goods-Dominant Logic (Vargo and Lusch 2004). According to Sandström et al. (2008, p.112), "*Previously, value was regarded as a ratio between service quality and cost. In the new perspective [S-D logic], value is realized when a service is used. Users of services are thus both the co-creators and the judges of service value.*"

We can also conclude that the nine guiding principles described in ITP helped to verify the various aspects underlying the concepts of customer, service, value, outcomes, costs, and risks, as they are used in ITIL. Although, it was a straightforward process to relate the guiding principles directly to S-D Logic, others (e.g. "Start where you are" and "Progress iteratively") remained quite silent. We believe this is due to how the FPs and the guiding principles are formulated. Clearly, these guiding principles are 'how' oriented while all the FPs are 'why' oriented.

Although S-D Logic represents a contemporary way of viewing the service perspective, it is important to understand that we do not claim that S-D Logic is the correct and only way of applying a service-oriented perspective. It is important to realise that ITIL is a best practice and its development is based on the practical experiences of a vast number of organisations around the world. Of course, S-D Logic can and should be challenged and criticised in the same way other logics and theories are criticised. Edvardsson et al. (2011, p. 3) claims that S-D Logic is an "… emerging school of thought … that is open for further elaboration, refinement, and development". For example, S-D Logic does embrace a situation where the customer, for some reason, prefers to minimise his/her effort in the value creation process.

Finally, we conclude that the collaboration between practitioners and researchers regarding the structure and content of well-known best practices, such as ITIL, constitutes a fruitful way to integrate the-

ory and valuable practitioner knowledge. This collaboration creates enormous potential to distribute research results to a broad mass of practitioners and to incorporate contemporary research theories into popular best practices. As further research, we propose further development of clarifications, explanations, and/or alternative definitions in areas where ITP and S-D logic not is aligned. We also propose a critical review of S-D Logic based on knowledge and experiences gained from the use of the service perspective in the ITSM domain. We recommend that such future study includes representatives of AXELOS, users of ITIL (or other frameworks), experts of S-D logic, and researchers, in order to enhance collaborative discussion regarding how S-D Logic can be complemented with practical experiences and knowledge experienced in the IT sector.

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