

Digital multi-sided platforms transform traditional value chains in business-tobusiness service sales: Study

December 8 2023



Credit: Pixabay/CC0 Public Domain

Various digital platforms are becoming increasingly common in businessto-business (B2B) activities. They enable building competitiveness and



boosting selling and buying. The platforms also offer different ways of building long-term customer relationships in B2B service sales. A recent study found that digital platforms are transforming traditional value chains based on linear value creation towards a platform-based, multisided, digital value network.

"The <u>network</u> is administered and orchestrated by the platform owner, who must attract a sufficient number of strategically compatible service providers and customers for the platform to start creating value for different parties," says Minna Heikinheimo, Doctoral Researcher at the University of Eastern Finland.

Research carried out at the University of Eastern Finland and Tampere University of Applied Sciences shows how the transition from a traditional value chain to value orchestration in a platform-based network emphasizes the role of the platform owner in developing a common sales strategy with strategic network actors. Successful organization of sales through platform resources allows platform owners to manage larger networks with a smaller number of staff and to use different interaction methods to engage actors in network relationships.

"Strategic research on platforms from the perspective of sales has been lacking, as B2B sales have previously heavily focused on personal encounters between the seller and the customer.

The qualitative longitudinal study, published in *Industrial Marketing Management* and titled "B2B service sales on a digital multi-sided platform: Transformation from value chains to value networks," monitored the change in value chains from the perspective of the platform owner through four service companies for four years. The study results were based on 45 interviews with platform owners and their customers.



So far, there has been considerably less research on platforms focusing on B2B than on platforms focusing on consumer business. The recent study fills a gap in previous research and provides a model of how the value chain is changing into a value network in B2B service sales. The study also provides practical recommendations for the planning of <u>platform</u>-based sales.

More information: Minna Heikinheimo et al, B2B service sales on a digital multi-sided platform: Transformation from value chains to value networks, *Industrial Marketing Management* (2023). DOI: 10.1016/j.indmarman.2023.11.006

Provided by University of Eastern Finland

Citation: Digital multi-sided platforms transform traditional value chains in business-to-business service sales: Study (2023, December 8) retrieved 27 April 2024 from https://phys.org/news/2023-12-digital-multi-sided-platforms-traditional-chains.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.