Platforms for shared value creation

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Introduction

This paper proposes a model of service delivery that has the potential to create shared value (Porter & Kramer 2011), addressing pressing societal and environmental needs while delivering commercial returns. The aim of this paper is to introduce the model — the "platform for shared value creation" (PSVC) — as a first step towards further exploration in the future. The model is not yet fully-formed and as such this paper should be considered more as "thinking in draft" for further discussion and refinement.

First outlined at Web Directions South 2010 (Web Directions 2010) in the presentation "Creating platforms for social innovation" (Young 2010a, pp. 38–46), the PSVC is in part based upon the premise that social technologies are playing a notable role in the shift towards a dematerialised economy. It also relies upon the notion that an emergent "sharing culture" that has been enabled by online social networks. This culture is being reflected in, and harnessed by, new services built around "real world" world artefacts (e.g. manufactured goods).

Elements of this model are based on the author's professional experience developing services that leverage social technologies, including online social networks, for the private, public and third sectors. However, as the discussion later in this paper will show, it is also informed by the work of well-known authors on sustainability and social innovation such as Ezio Manzini's work on "enabling solutions" and "small, local, open, connected" communities, Product Service Systems (PSS), originally brought to the author's attention by Hawken, Lovins and Lovins (1999), and the concept of "thick" value (Haque 2009 provides an introduction to the concept).

Since being first presented, further publications with close relevance have come to the author's attention — Porter and Kramer's concept of "shared value" has received additional exposure (Porter & Kramer 2011) and two books have been released on the topic of technology supported sharing of physical artefacts (Botsman & Rogers 2010; Gansky 2010). While these new works further illustrate the concepts in the PSVC model, the author believes the model still holds value as a framework to express the various elements and conditions required for a specific strand of social innovations that harness social technologies.

It is noted that the model does not represent a unified model explaining all variations of the concepts discussed in the paper — for example, "shared value" can be delivered in a variety of ways that fall outside the bounds of the PSVC model, as do PSSs take different forms to that expressed. Instead it represents one potential avenue for shared value creation, but one that the author believes has wide applicability. For example, this model can be equally applied to services that follow the PSS, redistribution market and collaborative lifestyle models as outlined by Botsman and Rogers (2010, pp. 71–5).

The "platform for shared value creation" model

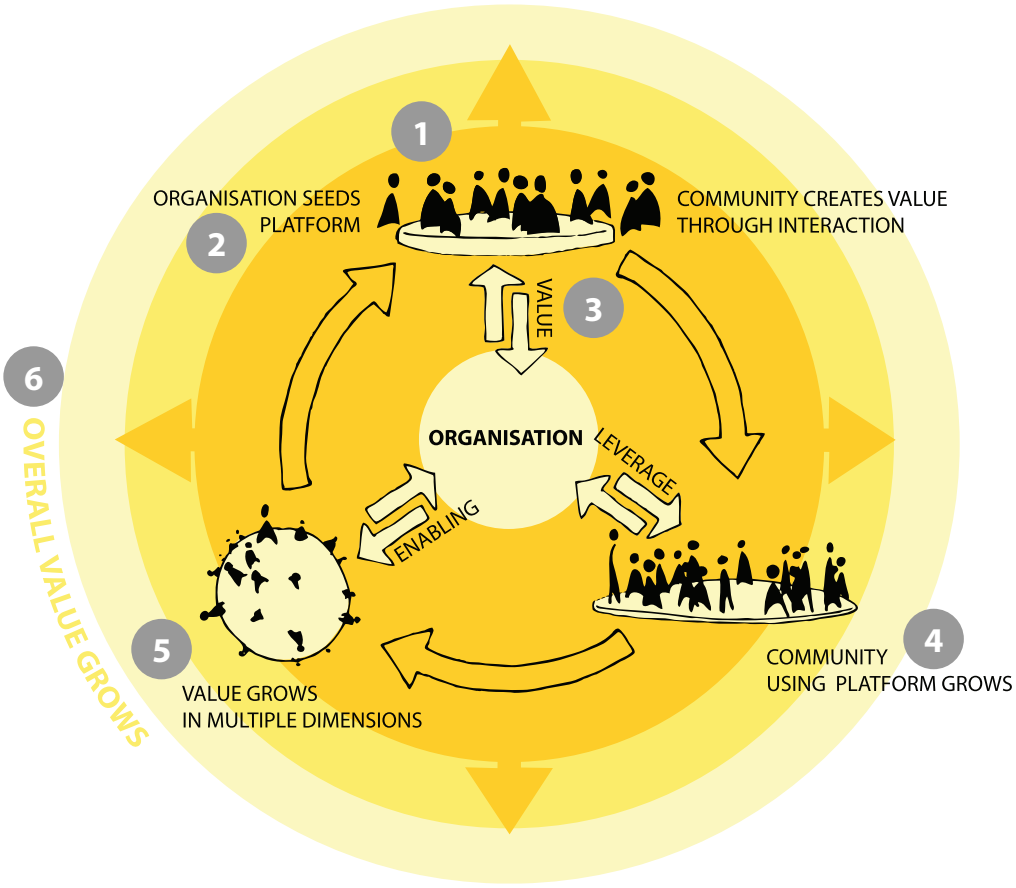

Figure 1: Illustration of the "platform for shared value creation" model

The six key elements of the model, illustrated above, are briefly outlined below.

1. Existing community + need

The PSVC model assumes the perspective that the organisation[1] exists within the broader context of community and that the community exhibits needs related to improving their wellbeing. Through various activities, including the engagement of third parties (such as businesses), they attempt to address these needs. Needs may be at various stages of fulfilment — they may be addressed by existing services; the community may be undertaking self-supported activity to address these needs[2] (Manzini n.d. para 5); or there exists a gap, presenting an opportunity for the introduction of new services to address the need.

2. Organisation seeds platform

The organisation identifies community need(s) and develops a socio-technical platform to support activity targeted at addressing the need, whether that be the provision of products and services or supporting and encouraging (existing) community activity. This platform may take a variety of forms, and may be a combination of online technology, physical products, and/or organisational support (e.g. human resources restructured to enable new service provision). Latitude and Shareable (2010, p. 11) outline a number of potential attributes such services may embody:

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1 It is noted that the platform may be provided by an individual instead of an organisation, but for simplicity the term "organisation" is used in the description of the model.

2 As Vargo and Lusch (2004, p. 13) note, "economic exchange in the marketplace has a competitor: the potential customer"

Life-cycle	**Synchronous** A cyclical system of access where members rent or borrow goods, then return them to the central pool for other members to access.	**Asynchronous** A redistribution system where items are passed off—gifted, traded, bartered, or resold—from one owner to the next so that they can be reused.	**Collaborative** Simultaneous collaboration to achieve a shared goal; involves joining resources like money, time or specialized knowledge.
Community design	**Centralized** Shareable assets are owned by a single entity which provides access to members; in a centralized model, all members are renters/ borrowers.	**Peer-to-peer** Members pool their own assets to share amongst other members. The member collective is comprised of both owners/lenders and renters/ borrowers.	
Currency	**Traditional** Money	**Alternative** Knowledge Skills & services Material items Time Reputation & social reach	

Table 1: The New Dimensions of Sharing (reproduced from Latitude & Shareable 2010, p. 11)

Considering the the "Community" design attributes outlined in Table 1 above, organisations may provide access to assets directly — e.g. a car sharing service where the car is provided by the organisation as part of the platform — or indirectly — e.g. ride share service, where the service enables peer-to-peer exchange, but does not directly include provision of organisation-owned assets to the community[3].

The peer-to-peer community design can be viewed as a self-service model (Vargo & Lusch 2004, p. 13), related to the concept of "enabling solutions" (Manzini 2002, p. 147), with the user of a service playing a more active role in the realisation of value.

3. Value created through interaction

While the existence and ongoing viability, maintenance etc. of the platform is of value to the community, it does not necessarily *create* value in and of itself — it is the *enabler* of value creation, which is created through interaction. In addition to the value created by the community for itself, the community's activity also delivers value back to the organisation — i.e. the community plays a role in achieving the organisation's objectives. This value may take more or less tangible forms (as per the "Currency" row in Table 1 above, for example).

Value is co-created (Vargo & Lusch 2004, p. 11), and in this sense the organisation may be best to view itself as a "participant" in this community, rather than conceiving of itself as the centre of it (Botsman & Rogers 2010, p. 135), despite the visual orientation of the PSVC model diagram/illustration.

4. Network effects increase value as community grows

The term "network effect" is used to describe the conditions where "the value of a product or service is dependent on the number of others using it." (Wikipedia 2011 para 1) The types of services the PSVC model describes require a "critical mass" of users to support and drive adoption (Botsman & Rogers 2010, p. 75; Latitude & Shareable 2010, p. 8). For example, the more participants in a network that facilitates peer-to-peer sharing of assets, the better the result for all participants as the number of assets available, and subsequent demand (and therefore reciprocal reward) increases. This is particularly relevant for

[3] Gansky (2010, p. 22 & 6) uses the (more jargon-laden) phrases "Full Mesh" and "Own-to-mesh" to distinguish between these two models.

localised services — e.g. the likelihood of a vehicle being available in your local area to share is proportional to the number of participants from your local area.

Of course, the value of community activity benefits both the community *and* the organisation. The organisation can leverage this activity in a number of ways — for example, word-of-mouth for promotion, building a compelling "story" for general marketing and promotion purposes, financial returns from commercially-oriented activity (e.g. membership fees, "clip of sale" etc.), market intelligence (through use of aggregate data-mining, for example).

5. Multi-dimensional value is created

Both tangible and intangible forms of value are created, including more traditional value measures such as financial returns or brand equity. Less recognised forms of value can also be considered, such as "shared" (Porter & Kramer 2007, 2011) or "thick" value (Haque 2009), which includes value inherent in enabling solutions and achieving context-based wellbeing (Manzini 2002, 2007).

Outside of the financial/transactional value, multi-dimensional value, regardless of which of these perspectives is taken, is inherently co-created. For example, an organisation can't create "brand equity" (which could be considered a form of social capital) by itself, the organisation can only create the conditions by which this value can be created — the value itself is that which is perceived by the customer.

The platform, and the community activity it supports, contributes to the organisation in achieving its objectives. The organisation's role is one of enabler and facilitator, with "marketing" being re-imagined as a process of understanding the needs, wants and activities of customers and then delivering services that address these valued activities (Vargo & Lusch 2004, p. 14).

Multi-dimensional value also extends inside an organisation, helping to build employee passion, which Hagel et. al (2011, p. 4) highlight as being critical for driving organisational performance. Collaboration across the value chain, including both customers and the organisation's supply chain, is noted by many authors as being an essential component of this deeper value creation (for example Botsman & Rogers 2010, p. xv; Manzini 2007, p. 237; Porter & Kramer 2011, p. 16; Vargo & Lusch 2004, p. 6).

6. Continued engagement and ongoing evolution creates more opportunities

As shared value increases, participating organisations benefit from competitive advantage (Porter & Kramer 2011, p. 8). Deeper stakeholder relationships hold the potential to identify and exploit new market opportunities (Gansky 2010, p. 50; Haanaes et al. 2011, p. 21; MacLean 2011 para 1; Vargo & Lusch 2004, p. 12). Stronger communities create a stronger market for services while strengthening the pre-conditions for greater business performance (Porter & Kramer 2011, p. 5 & 10).

Discussion

Why is the model important?

It is widely recognised that significant changes to production and consumption patterns are needed to support current population levels and future growth (Manzini n.d. para 1; Mont 2002, p. 237). One contributing concept is that of "dematerialisation" — or the decoupling of economic growth from resource use — where wellbeing "no longer appears linked to the acquisition of a "basket" of material products, but rather to the availability of access to a series of services, experiences and intangible products." (Manzini 2002, p. 143)

In a dematerialised economy, products and services are developed that significantly reduce material flows while providing users with the same level of convenience and performance (Hawken, Lovins & Lovins 1999, pp. 125–43; Mont 2002, p. 237). A pop-culture example of dematerialisation can be found in the emergence digital music download services (in contrast to physical media distribution) epitomised by Apple Inc's iTunes and iPod product/service "ecosystem", of which Botsman and Rogers provide an excellent summary (Botsman & Rogers 2010, p. 98):

> When a song is downloaded from iTunes ... we are experiencing the benefits of "dematerialization." We are turning products into services, even if we're not conscious of it. ... the benefits of dematerialization are not just convenience and choice. A recent study conducted by Intel and Microsoft comparing the environmental impact of various forms of music delivery showed that purchasing music digitally on the Internet reduced the carbon footprint and energy usage associated with delivering music to consumers by 40 to 80 percent compared with buying a CD at a retail outlet. Another instance of unintended consequences: Most people's reason for downloading music isn't environmental friendliness; but nevertheless, downloading is environmentally friendly.

The various models of service provision outlined by Botsman and Rogers — Product Service Systems, redistribution markets and collaborative lifestyles (2010, pp. 71–5) — all contribute to dematerialisation, or a shift to "access-based wellbeing" in Manzini's terms (Manzini 2002, p. 141). Many of the examples cited by Botsman and Rogers typify Manzini's "small, local, open, connected" communities, representing "a distributed production and consumption system where the global is a "network of locals"." (Manzini n.d. para 2)

These models are also reflective of the shift towards a service dominant logic (Vargo & Lusch 2004), or "functional economy" (Mont 2002, p. 238), where core competencies and information flows, rather than physical assets and the production of physical goods, are the key to competitive advantage (Brown & Katz 2011, p. 381; Hagel et al. 2011, p. 3; Mont 2002, p. 240; Vargo & Lusch 2004, p. 9).

Such systems can provide greater performance and convenience than their "materialised" (ownership-based) counterparts (Botsman & Rogers 2010, p. 98; Latitude & Shareable 2010, p. 2) and can be viewed simply as a means of competitive advantage and innovative service and product delivery (Mont 2002, p. 239), without emphasis of their environmental benefits (Botsman & Rogers 2010, p. 98 & 103). Such innovation could be considered a valuable business driver in an economy where productivity and performance is in decline (Hagel et al. 2011, p. 2), providing further opportunities for CSR and sustainability managers to link shared value activities to innovation, competitive advantage and positive organisational performance (such benefits are highlighted by Black et al. 2011, p. 3 & 4; and Haanaes et al. 2011, p. 4).

Importantly, as the iTunes example demonstrates, these models hold significant potential to "mainstream" the concept of dematerialisation, as the emphasis is on innovation and service delivery, not environmental outcomes. In other words, adoption of such environmentally-beneficial services is not driven purely by altruistic motives, which may go some way to aid broader societal acceptance of dematerialisation, overriding motivations for ownership-based models (see, for example, Mont 2002, p. 244; and Vargo & Lusch 2004, p. 9).

While a sharp focus on innovation can be a useful framing device to encourage business (and consumer) support, it should be cautioned that such services (such as PSSs) do not inherently bring about

environmental benefits (Manzini 2002, p. 143; Mont 2002, p. 238). For this reason, the PSVC model highlights the creation of multi-dimensional value as a goal and outcome (similarly to Mont 2002, p. 239 & 44).

Echoing Hawken, Lovins and Lovins (1999, pp. 125–43), Gansky notes that what she calls "Mesh" businesses can benefit the environment by reversing the logic of the "throwaway culture", favouring products that "are built to last and keep functioning, adapt to different users, and be capable of repair and upgrading." (Gansky 2010, p. 53) Mesh businesses' ability gain greater insights into product use and consumer behaviours provide opportunities for improved product design, incorporating the principles of durability, flexibility, repairability, and sustainability (through efficiencies in production and, importantly, use, as usage costs are internalised by the service provider). Any additional costs related design improvements are made more affordable by being spread over many transactions and people (Gansky 2010, pp. 53–4).

Why are such services gaining traction now?

In her 2002 consideration of PSSs, Mont notes a number of barriers to their adoption, including the complexities of consumer demands and purchasing behaviour, consumers' relationship to ownership, along with low awareness and adoption of PSSs within businesses (Mont 2002, p. 237 & 44). She proposed that "successful PSSs will require different societal infrastructure, human structures and organisational layouts in order to function in a sustainable manner." (Mont 2002, p. 237)

In the intervening years there has been a rapid advancement of social technologies, and a shift towards organisational models to support/leverage them, that are compatible with the provision and acceptance of PSSs. While this transition is an ongoing challenge for organisations, with "institutions and practices [that] are still geared to earlier infrastructures," (Hagel et al. 2011, p. 3) there are early signs that the collective response to these changes in social technology have reduced the magnitude of some of these barriers.

As Latitude and Shareable's (2010) survey of early adopters indicates, there is a growing interest in sharing behaviours and the benefits of non-ownership, with popular sharing categories including (Latitude & Shareable 2010, p. 4):

- Living space (58%)
- Work space (57%)
- Food preparation/meal-sharing (57%)
- Household items/appliances (53%)
- Apparel (50%)

Car sharing in particular is singled out by Latitude and Shareable as a significant category motivating adoption, with car sharers more likely than non-car sharers to engage in sharing activities across multiple categories (Latitude & Shareable 2010, p. 4).

The commercial success of PSSs such as iTunes and car sharing have created interest and openness within the business community for concepts such as Collaborative Consumption and Mesh businesses (see, for example, coverage of Collaborative Consumption in business press such as Fast Company (Sacks 2011) and the Australian Financial Review "BOSS" magazines (Botsman 2010)).

The confluence of factors that underpin these models are representative of long-term economic and social trends (Botsman & Rogers 2010, p. 44; Manzini 2007, 2010). These include distrust of traditional or "old" institutions (Gansky 2010, p. 63), particularly in response to the so-called "Global Financial Crisis", a desire to reconnect in community and develop "strong ties" (Botsman & Rogers 2010, p. 44 & 51), climate change and environmental limits and a reconsideration of what is valued societally (Botsman & Rogers 2010, p. 44; Gansky 2010, p. 63), increased urbanisation (Gansky 2010, p. 63), a quest for simplicity and a renewed notion of the value of "local" (Botsman & Rogers 2010, p. 51; Manzini n.d.), the growth of information networks and the diffusion of creativity and social innovations they enable (Gansky 2010, p. 63; Manzini n.d. para 2).

Significantly, sharing and sustainability values are of particular importance to the "millennial" demographic (Botsman & Rogers 2010, p. 55; Haanaes et al. 2011, p. 20; Latitude & Shareable 2010, p. 3),

suggesting that these trends are likely to strengthen into the future as the members of this group exert further influence on employers and service providers through their career and consumption choices.

The role of information and social technologies

In some sense these innovations can be seen as "old ideas renewed" (Botsman & Rogers 2010, p. xiii & 49; Manzini n.d. para 7; Vargo & Lusch 2004, p. 12). What is unique is the scale and scope of sharing practices enabled by social technologies (Botsman & Rogers 2010, p. xv & 55; Latitude & Shareable 2010, p. 2) — e.g. Internet-based applications, online social networks, mobile devices — and the rapidity of the uptake of this "digital infrastructure" (Hagel et al. 2011, p. 2).

While the PSVC model is not inherently tied to social technology, it is particularly attuned to innovations that leverage such technologies to their advantage. The role of technology in the shift towards dematerialisation is likely continue into the future according to participants in the Latitude and Shareable survey, of whom eighty five per cent "believe that Web and mobile technologies will play a critical role in building large-scale sharing communities for the future." (Latitude & Shareable 2010, p. 3)

These technologies have resulted in a renewed openness and interest in sharing practices. While such practices began with digital artefacts (Gansky 2010, p. 18) — e.g. digital music files, digital photos, digital video, weblogs etc. — they are increasingly enabling sharing of physical artefacts (Botsman & Rogers 2010, p. xx) and impacting "how we live and function together as a society" (Latitude & Shareable 2010, p. 2). Indications are that a person's experience with sharing of information or media online is a good predictor of increased offline sharing, with seventy eight per cent of participants in the Latitude and Shareable survey indicating that "their online interactions with people have made them more open to the idea of sharing with strangers" (Latitude & Shareable 2010, p. 3).

But the incorporation of information technology (IT) in social innovations is not limited to social networking or managing the logistics of sharing; IT can also improve the management of information flows to be leveraged by organisations for competitive, and community, advantage. Gansky contends that popular U.S.-based car sharing service "Zipcar is primarily an information business that happens to share cars." (Gansky 2010, p. 12) This supports Mont's observation of an increasing role of information management in improving organisational efficiency and customer communication in relation to successful PSSs (Mont 2002, p. 242).

The role of IT in supporting sharing systems and PSSs, and the subsequent behaviours they engender, is likely to increase as "more parts of the physical world join data networks," (Gansky 2010, p. 40) enabling the tracking of usage and location data, derived from embedded chips, RFID tags, mobile GPS devices, and more (Gansky 2010, p. 40; Pesce 2011), which further to the flows of information that businesses can utilise to their advantage in improving services.

Reconceptualising value

As mentioned previously, the concept of multi-dimensional value is a core component of the PSVC model. The term "multi-dimensional" reflects an expansion of the idea of value beyond the traditional economically-derived transactional context in which it is commonly considered. This in part recognises both tangible and intangible forms of value more commonly considered by business — for example, tangible value in the form of financial savings through efficiencies, and intangible value in the form of brand equity or "goodwill." (Haanaes et al. 2011, pp. 4–5 & 8)

It also encompasses the concept of "shared value", promoted by Porter and Kramer (2011), where a business considers the broader social and environmental context of its operations and strategically applies its core competencies to simultaneously achieve social, environment and financial returns.

Figure 1: Shared value in context (reproduced from Bockstette & Stamp 2011, p. 4)

Shared value reflects a perspective of social and environmental sustainability as a lense through which companies can view their operations to find opportunities for innovation and long-term competitive advantage (Haanaes et al. 2011, pp. 9–13; MacLean 2011 para 1), rather than as a cost burden or remediation activity (Porter & Kramer 2011, pp. 4–5). It is worth noting that shared value goes beyond harm and risk minimisation approaches, and should not constitute the creation of what Manzini calls "remedial goods" (Manzini 2002, p. 145).

In some cases, shared value may be created tangentially or unexpectedly, as perhaps is the case with Latitude and Shareable's finding that seventy eight per cent of survey participants "felt their online interactions with people have made them more open to the idea of sharing with strangers." (Latitude & Shareable 2010, p. 3) Such generation of social capital, in the form of increased trust (an outcome highlighted by Botsman & Rogers 2010, p. 93; Gansky 2010, p. 89 & 106; Latitude & Shareable 2010, p. 4), is a key consideration within the PSVC model.

What Umair Haque calls "thick value" (Haque 2009) could be considered the combination of these value concepts — tangible, intangible and shared.

Additionally, the idea of "value through interaction" in the PSVC model embodies a shift in thinking from "value in exchange" to "value in use" (Vargo & Lusch 2004, p. 7). While "value in use" has always "characterized the essence of economic activity," (Vargo & Lusch 2004, p. 10) both shared value and new models of organisation (prompted and enabled by online social networks) suggest a renewed emphasis on this more nuanced concept of value.

Gronroos (cited in Vargo & Lusch 2004, p. 11; emphasis in original) expands on the "value through interaction" concept:

> *Value for customers is created throughout the relationship by the customer, partly in interactions between the customer and the supplier or service provider.* The focus is not on products but on the customers' *value-creating processes* where value emerges for customers and is perceived by them,... the focus of marketing is *value* creation rather than value distribution, and facilitation and support of a value-creating process rather than simply distributing ready-made value to customers.

Intangible business returns, such as word-of-mouth promotion, content creation, and community innovation, among other forms of value, can also be created by customer interaction (Latitude & Shareable 2010, p. 9).

Product service systems

Product Service Systems (PSS) are a particularly promising approach to dematerialisation of the economy (Botsman & Rogers 2010, p. 71; Hawken, Lovins & Lovins 1999, pp. 125–43; Mont 2002). Mont defines PSS "as a system of products, services, supporting networks and infrastructure that is designed to be: competitive, satisfy customer needs and have a lower environmental impact than traditional business models." (Mont 2002, p. 239)

With PSS, "material products are treated as capital assets rather than as consumables, thus increasing value-added services to prolong the product's life and minimise loss of resources." (Mont 2002, p. 238) Even without specialised product offerings, PSSs can reduce the total amount of products required to service a community's needs (Mont 2002, p. 240). A key to the appeal of PSSs in achieving environmental

outcomes is the alignment of business and customer incentives, which can result in increased resource productivity in production, during use and at end of life (Hawken, Lovins & Lovins 1999, p. 136). These latter stages in a product's lifecycle cause environmental impacts that are typically considered externalities to business, so the internalisation of these lifecycle stages results in increased producer responsibility (Mont 2002, p. 239) through non-legislative means. A related potential of PSSs is that PSS-optimised products — for example, products that are specifically designed for sharing, longevity, and servicing — may emerge in response to growing demands from providers of such services (Gansky 2010, p. 53; Mont 2002, p. 240).

While PSSs can provide compelling models for consumers to switch to ownerless consumption, they can have unexpected rebound effects, with some scenarios potentially increasing environmental impacts: "leasing, for example, can promote use of products which otherwise would not be affordable for customers." (Mont 2002, p. 243) This re-emphasises the importance of directly considering multi-dimensional value in PSS business models (Mont 2002, p. 237).

The PSS approach reflects the shift towards a service dominant logic for economic exchange (Mont 2002, p. 239), as outlined earlier. Where value has traditionally been perceived as being created through "the production processes that transformed raw materials into products", non-material attributes such as technological improvements, product image, brand names, aesthetic design and styling (Mont 2002, p. 238), or "intangible resources, the cocreation of value, and relationships" (Vargo & Lusch 2004, p. 1), now drive differentiation and competitive advantage.

In line with service dominant logic and PSS, the PSVC model emphasises the importance of the relationship between the organisation and the customer (Mont 2002, p. 242; Vargo & Lusch 2004, pp. 6 & 13–4). Vargo and Lusch (2004, p. 5) highlight the distinction between "goods-centred" and "service-centred" views:

Goods-centred view	Service-centred view
1. The purpose of economic activity is to make and distribute things that can be sold. 2. To be sold, these things must be embedded with utility and value during the production and distribution processes and must offer to the consumer superior value in relation to competitors' offerings. 3. The firm should set all decision variables at a level that enables it to maximize the profit from the sale of output. 4. For both maximum production control and efficiency, the good should be standardized and produced away from the market. 5. The good can then be inventoried until it is demanded and then delivered to the consumer at a profit.	1. Identify or develop core competences, the fundamental knowledge and skills of an economic entity that represent potential competitive advantage. 2. Identify other entities (potential customers) that could benefit from these competences. 3. Cultivate relationships that involve the customers in developing customized, competitively compelling value propositions to meet specific needs. 4. Gauge marketplace feedback by analyzing financial performance from exchange to learn how to improve the firm's offering to customers and improve firm performance.

These steps could just as well describe the shift in perspective required by businesses considering the PSS model.

The requirement of businesses employing PSSs to develop closer relationships with suppliers (Mont 2002, pp. 241–2) is also highlighted as a key requirement for the generation of shared value (Porter & Kramer 2011, p. 10 & 2). Similarly, the potential for development of "industry clusters" is a feature of both PSS and shared value (Gansky 2010, p. 82; Mont 2002, p. 242; Porter & Kramer 2011, p. 12). Consideration of the entire value chain — from customer to suppliers — is also seen as an important element of sustainability "best practice" (Haanaes et al. 2011, p. 8) more generally, suggesting a broad alignment between these different frameworks.

Potential directions for further research

While the PSVC model, like the broader perspective of shared value, is perhaps "evolutionary rather than revolutionary," (Bockstette & Stamp 2011, p. 5) it still holds significant *revolutionary* potential. As noted by Weick and Quinn (2004, p. 189):

> Depictions of successful revolutions, however, tend to downplay the degree to which earlier sequences of incremental changes made them possible. This oversight is serious because people tend to attribute the success of revolution to its break with the past and its vision of the future, whereas that success may actually lie in its connection with the past and its retrospective rewriting of what earlier micro-changes meant.

Services employing the PSVC model have the potential to play a role in mainstreaming a "multi-local society" (Manzini 2007, p. 239) and its attendant environmental and social benefits.

With this in mind, this paper has provided an introductory examination of a number of converging themes that underpin the PSVC model. There remains scope, however, for further research and exploration. Specifically, it would be informative to examine under what conditions the PSVC model is most suitable. Gansky (2010, pp. 16, 23 & 139), Latitude and Shareable (Latitude & Shareable 2010, p. 5), and Mont (2002, pp. 240–1) all provide a preliminary grounding in the types of services, industries and conditions that may be conducive to this kind of model. However, exploration through case studies of the PSVC model in action is another avenue likely to provide further insights.

As mentioned at the outset of this paper, the PSVC model is presented as a "discussion starter" — it has not been examined rigorously against existing, or potential, example services. Again, case studies would likely provide a useful contribution to refine the model and to provoke better understand its elements and identify any relevant gaps.

With this in mind, potential "case study" candidates include:

- **FlavourCrusader:** FlavourCrusader is a social innovation that the author has been studying and contributing to that focuses on the application of social technologies for the promotion of more sustainable food options and strengthening local producer economies. While research to date has centred on the practical aspects of product development, the overarching context in which the product exists, and the initiative's broader aims, reflect the PSVC model.
- **A Better Place** (A Better Place 2011)**:** Initial consideration of this emerging electric vehicle technology company employs elements of the PSVC model, especially in its extensive utilisation of information technologies in ways aligned with those outlined by Gansky (2010).
- **MTC Australia** (MTC Group 2011)**:** This Australian boutique coffee distributor and roaster is an interesting local example of the application of a shared value approach, engaging producer communities to increase quality of supply while also improving local social conditions.
- **Kiva:** Kiva is a microfinance organisation that utilises social technologies to connect lenders to borrowers in low-income situations through its extensive partner network. It exhibits a number of the traits of the PSVC model.
- **Hepburn Wind/Embark:** Hepburn Wind (Hepburn Wind 2011) is a Victoria-based community wind energy organisation that was born out of community interest and need. The core team has since turned their attention to supporting other local community groups through Embark (Embark Australia 2011) with similar aims in a mode strongly reminiscent of the small, local, open, connected model proposed by Ezio Manzini.

Other areas with research potential is consideration of the potential differences in the application of this model in the commercial and public sectors. Examination of the model in the public sector may extend to what sort of policies best support such innovations, a topic touched upon by both Manzini (2007, p. 241; 2010) and Mont and Lindhqvist (2003).

Lastly, the author has previously contended that design thinking approaches can contribute positively to the identification, design and delivery of PSS systems (Young 2010b, p. 22) to which the PSVC can apply. Consideration of service design in the context of PSVCs is another potential area for further exploration.

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