

Servitization through Human-Data Interaction: A Behavioural Approach

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This paper proposes a new approach to servitization and business models through understanding behavioural aspects of human interactions with technology, specifically, with “smart” devices, connected devices, autonomous systems, and internet of things (IoT) through understanding and interacting with data which these devices and systems generate. Our approach, which differs from existing literature, leverages on research in behavioural economics, psychology and decision science to (a) predict consumer choice of product and services; (b) suggest new and improved interaction mechanisms between consumers and their self-generated data; and (c) propose a new approach for building and evaluating business models. To date, very little has been known about whether and how consumers and households accumulate, review and use self-generated data about consumption decisions and how this affects their future choices of goods and services. Since consumers do not directly participate in the development of technology, it is often assumed that the creation of goods and services and subsequently the development of business models are processes which happen “*to consumers*” rather than “*with active involvement of consumers*”. This assumption has several critical implications which result in important challenges and questions for human-data ecosystem because with the development of technology consumers turn into more engaged and empowered actors in the goods/services provision system. We focus on the following four challenges: (1) visibility, (2) data ownership and structure, (3) platform trade-offs, and (4) security and argue that addressing these challenges would allow us to evaluate current and build new business models in a more efficient way through understanding consumers better and developing more optimal ways of interaction between consumers and business models through the development of the coherent technology service system based on human-data interaction. **[Word count: 289 words]**