



THINGS+ NEWSLETTER #3

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Service innovation training in Hungary for manufacturing SMEs

BORA 94 Borsod-Abaúj-Zemplén County Development Agency is organizing a series of free, interactive trainings to introduce service innovation into manufacturing companies. The aim of the training is to equip the SMEs with the knowledge on how to incorporate services into their portfolio related to their products, thus creating product-service systems. It is expected by the end of the training that these companies will be more competitive on the rapidly changing market and will adapt easier to any challenges.

5 companies are participating in the trainings which were selected based on an open call for proposal. The SMEs operate in the fields of mechanical parts production, food products, chemical and textile industries.

So far 3 workshops were implemented and the feedbacks of the participants are positive.



Servitization - strategy for giving an additional value for the services

Servitization is a permanent opportunity for manufacturing companies, not only to change thinking at a time of stormy technological development but also to a strategic decision to narrow the link between production and its products with customer service.

Providing services is not a new topic, as is the production of products. But they are not even topics that would be disrupted and become merely a history and a memory. We are far enough away from the Velvet Revolution and the start of the process of economic transformation, but the change of some people's thinking (and culture) - we produce so how's more - is far from complete.

There are still companies that are unaware of the interdependence between their organizational units in promoting customer success and giving them (greater) value. "They produce" and "deliver". It is sometimes enough for them. Intelligent intermediaries, dealers, service workers, etc. are entering the production/supply to the customer/consumer. This is all right, especially with regard to the satisfaction of consumers who have demand but lack the supply of manufacturing companies. In the B2B segment, the situation is similar. Customers want value for the product use phase.

The concept of servitization

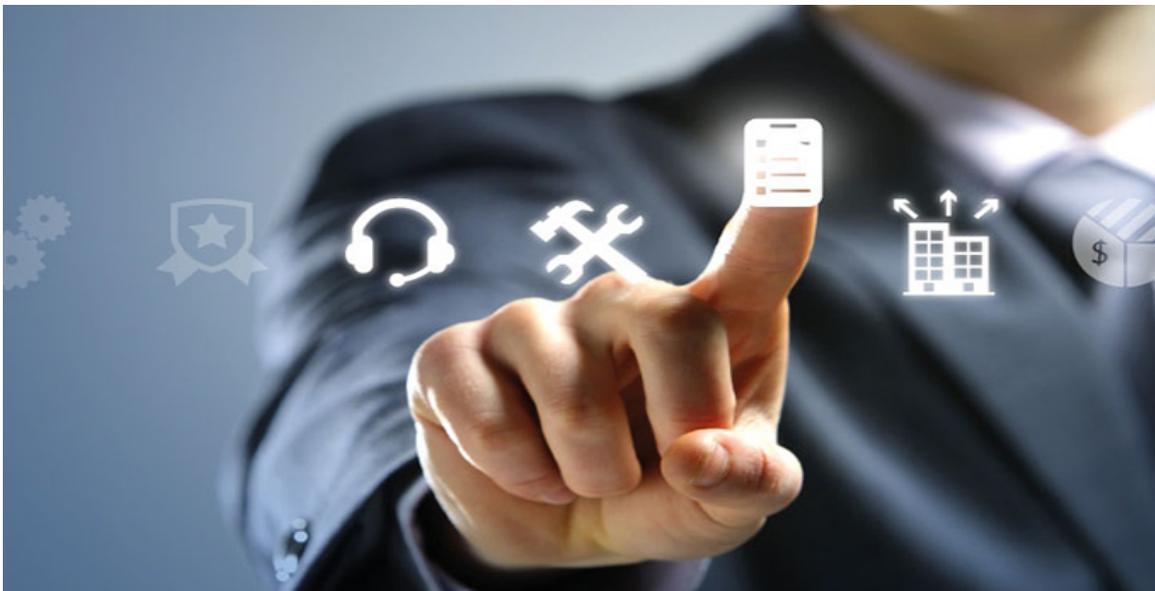
Servitization is not a new concept. Theoreticians and researchers most often refer to the article Servitization of Business: Adding Value by Adding Services, published in 1988 in the European Management Journal (Vandermerwe, Council, 1988). This has raised the idea of servitization as an entrepreneurial approach, coupled with the value of customer service.

"Servitization is happening in almost every sector on a global scale. Thanks to forces such as deregulation, technology, globalization and strong pressure on competitiveness, businesses both in service and manufacturing are increasingly moving into the sphere of services."

There has been a theoretical struggle to define servitization and its practical application and fulfilment.

Read original article from author Libor Friedel is available here:

<https://www.liborfriedel.cz/servitizace-strategie-sluzby-s-pridanou-hodnotou/>



Things+ project attracted attention on EU Week of Regions and Cities

Joint Secretariat of Interreg Central Europe invited the THINGS+ partnership to present the project at EU Week of Regions & Cities 2018 in a form of a meet & greet. Attendees of the Interreg Central Europe workshop, titled Cooperation is Central were invited to get to know outstanding project of the programme. THINGS+ gathered a lot of attention, as representatives of regions, investors and policy makers took their time to learn about the new methodology of servitization and found that the approach would be beneficial to most

companies in Central Europe and improve their competitive advantage. Considering that the EU-companies, despite the investments in innovative technologies, are still challenged by companies from non-EU countries due to their commoditization and low-cost, THINGS+ project goals come as a breath of fresh air, ready to help grow the EU economy.



Things+ partners



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