



Servitization Capabilities of Selected South African Manufacturers

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ABSTRACT

This paper examined the correlation between the servitization capabilities observed in South African companies and the servitization capabilities presented in the literature. The study also assessed whether differences exist in the extent that servitization capabilities are implemented at South African companies when compared to the extent of their implementation at European and North American (ENA) companies. Unlike with most of the existing servitization literature, this study did not make use of case studies and interviews as a research method, instead annual reports were sampled. Content analysis using a coding scheme was performed and both statistical and textual results were produced. The results suggest a correlation between the servitization capability literature and the servitization capabilities observed in practice. The extent of this correlation, however, differed between companies and between the South African sample and the ENA sample. South African companies were found to be closely associated with the data gathering and exchange, digitalisation, network management and “other” capabilities whilst the ENA companies were closely associated with the service development and delivery, service-oriented culture, customisation and “other” capabilities. Further research is required to determine the reasons for these differences and assess whether they impact servitization outcomes.