Abstract
Purpose
This article aims to investigate the nature and characteristics of business model elements required for successful service innovation. The authors examine which unique resources and capabilities product-centric firms should develop and deploy to pursue service innovation.

Design/methodology/approach
Data collected from several research projects support iterations across empirical data and theory, in an abductive process. Empirical data come from product-centric firms; interviews and focus groups were the main data collection methods.

Findings
Specific resources and capabilities are needed for the proposed business model elements, as defined by the overarching strategy and structure. Firms can approach the process of service innovation from different starting points and sequences, depending on the context.

Research limitations/implications
Because it takes a synthesizing approach, this research lacks some detail. By taking a business model approach with a holistic perspective, it forgoes detailed descriptions to provide greater breadth.

Practical implications
Managers can use business models as tools to visualize changes, which should increase internal transparency, understanding, and awareness of service opportunities and necessary changes. Dependencies exist among elements; a change in one element likely affects the others. This study provides insights into which efforts are necessary and offers managers a guiding framework.

Originality/value
By providing a multidimensional perspective on service innovation, this study merges various previous research into a synthesized discussion. Combining a resources and capabilities perspective with a business model framework also leads to new insights regarding service innovation and associated activities.

Keywords
Business model, Service innovation, Capabilities, Servitization, Product-centric firms, Service infusion

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