Service-dominant logic and design for service
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Recent work on services in management provides an important resource for developing knowledge about design for service. Building on work in services marketing, economics and sociology, Vargo and Lusch (2004; 2008a) identify a shift from a goods-centred model of exchange focused on tangibles towards a "service-dominant logic" focused on dynamic relationships and processes. This essay explores the implications for design for service.

Vargo and Lusch revisit early developments in economics and find that the emphasis on value-in-exchange obscured value-in-use, leading to the still-dominant idea that units of output are products (or services). In contrast, drawing on their reading of Adam Smith and others, Vargo and Lusch argue that the fundamental basis of economic activity is *the exchange of service for service* (cf Ramírez 1999). They define service as "the application of specialised competences (….) through deeds, processes, and performances for the benefit of another entity or the entity itself" (Vargo and Lusch 2008b: 26). While their work is rooted in marketing's concept of the market, their definition does not assume services are exchanged for profit.

Instead of seeing services (in the plural) as what products are not, the concept of service (in the singular) foregrounds the application of one's resources for the benefit of another. This can be achieved with goods, which Vargo and Lusch see as a distribution mechanism for service provision (2008a), but the fundamental exchange is service for service in a dynamic process. Instead of value being embedded in objects through a value chain, value is created through exchanges of service in value constellations (Norman and Ramírez 1993) or value-co-creation systems (Maglio and Spohrer 2008). For Vargo and Lusch, the "service economy" is not new; all economies are service economies.

This definition highlights the role played by customers in co-creating value in the exchange of service. Instead of the production/consumption dyad in which value is consumed (Ramírez 1999), service-dominant logic sees customers, end users, and other stakeholders as always involved in co-creating value. Customer value-creating processes are dynamic, interactive and non-linear (Payne et al 2008). Situated in day-to-day, often mundane experiences, services are co-created in practice through the embodied doings and sayings of end users (Schatzki 2001).

What do these concepts mean for the design for service? To open up this enquiry, we propose a definition: *Designing for service is the conceiving, planning, and realizing of the dynamic systems and experiences in which one service is exchanged for another in an ongoing process, the value of which is constituted in practice*. There are three consequences.

The first is that there is a necessary indeterminacy within design for service. Those such as customers involved in exchanging one service for another within one system will also be part of other processes and systems, making it impossible to define the boundaries of service. Another aspect of the indeterminacy is that service is part of a dynamic and interactive exchange process taking place over time. Designing for service is designing for incompleteness (Garud et al 2008).

Second, the value of service is co-created through the practices of stakeholders: what they do, what they think, know and learn, what they say, the objects that are part of the service encounter, how it feels, and the structures that are enacted through practice (cf Payne et al 2008; Reckwitz 2002). Designing for service involves thinking of *services-in-practice* (cf Orlikowksi 2000) in which the value co-created is emergent, situated and dynamic. A key task is to identify, account for and represent value co-created in practice, presenting theoretical and methodological challenges. An important way forward has been experience-based design approaches and methods, based in cultural anthropology's attentiveness to making sense of how other people make sense (eg Bate and Robert 2007; Parker and Heapy 2006).

Third, design for service becomes an activity that underpins Buchanan's (1992; 2001) four orders of design – symbols, things, actions, and thought – which he sees as "placements" for designers' activities. The definition of design for service offered here foregrounds the exchange of one service for another within value co-creation, in which objects are mechanisms for the exchange of service. Symbols, things, actions, and thought are all placements for the exchange of service for service, topics for the discovery of what service means. Therefore design for service is fundamental to all design activity, rather than being a specialist subfield.

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