



Extended Abstract | The 1st Research Innovations in Sustainable Marketing: A Global Virtual Symposium

# Managing Sustainable Services: A Systematic Literature Review

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Extended Abstract: Designing sustainable services is a vital research priority for service scholars (Field et al., 2021), with many of the United Nations Sustainable Development Goals pertaining to service industries such as healthcare, retail, finance, hospitality, and tourism (Huang et al., 2021). Service orchestration is critical in developing sustainable service ecosystems (Field et al., 2021). It offers a promising means to embed sustainability as a strategic priority within service firms by facilitating the effective integration of resources, inducing many actors toward common goals, and co-creating value among interdependent actors in the service ecosystem (Carida et al., 2022; Breidbach et al., 2016).

Numerous scholars have sought to establish the strategic level priorities essential to coordinate and embed sustainability within service firms. Across this evolving field of sustainable service research, the implementation of sustainability strategies – such as defining a sustainable value proposition (Cui et al., 2022), implementing sustainable business practices (e.g., pollution prevention; Jayarathna et al. (2022) and sustainable innovation (Suki et al., 2022)— is recognized as an important facilitator of service firms' sustainability performance. However, the multitude of sustainability strategies, in combination with the need to understand how to manage the roles of various stakeholders (Pucci et al., 2020) in an inherently dynamic service

environment (Pereira-Moliner et al., 2021), has given rise to a plethora of studies investigating how sustainability can be effectively managed within service firms. Many of these studies focus on a fragment of sustainable business practices or insights from a specific service sector, and research taking a holistic approach to understanding sustainable service orchestration mechanisms is limited. Thus, this study addresses the following research question: How can sustainability be effectively managed and embedded as a strategic priority within service firms?

Following PRISMA (2020), the current study involved a systematic review of recent literature (2018-2022) examining the management of sustainability in service firms. The findings across this stream of literature were used to conceptualize a typology of the orchestration mechanisms that service firms can utilize to achieve sustainability outcomes. The typology is presented as a two-by-two matrix encompassing two key dimensions: (1) sustainability commitment (performing and transforming) and (2) sustainability stage (adopting and continuing sustainability).

Sustainability commitment pertains to the strategic direction of the firm and its focus on (a) performing or (b) transforming sustainability outcomes. Service firms adopting a performing approach seek to improve the sustainability performance of the



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firm and its internal practices and processes along environmental, social, and economic dimensions. The literature comprising this dimension investigates how service firms can achieve sustainability obligations and responsibilities through mechanisms - such as identifying sustainability opportunities and challenges (e.g., Gruchmann and Seuring, 2018) and prioritizing and implementing sustainable business practices and processes (e.g., Jayarathna et al. (2022)) - that facilitate corporate social responsibility (e.g., Stekelorum, 2020) and improve sustainable firm performance (e.g., Dey et al., 2020). Service firms adopting a transforming approach seek to improve the well-being of society and the planet (Dodds et al., 2022) and provide solutions to systemic environmental, social, and economic challenges (e.g., Aksoy et al., 2019). The literature comprising this dimension investigates how service firms can generate new sources of sustainability value through mechanisms - such as embedding sustainable and transformative goals as a core purpose of the firm (Dodds et al., 2022) and prioritizing and implementing transformative business practices (e.g., disruptive innovations; Perey et al., 2018).

The sustainability stage refers to the development of the service firm on its sustainability journey and its focus on (a) adopting or (b) continuing sustainability as a strategic imperative. Continuing sustainability is important for achieving long-term business growth and resilience in a dynamic service environment (Corvalan et al., 2020). Orchestration mechanisms focused on measuring (e.g., Gruchmann and Seuring, 2018) and adapting (e.g., Cook et al., 2022) the sustainability practices of the service firm can facilitate the transition from adopting sustainability (i.e., developing and implementing sustainability) to continuing sustainability (i.e., maintaining sustainability over time). The literature review reveals limited research examining the mechanisms to facilitate continuing transformation (i.e., top-right quadrant of the framework), thus highlighting a crucial area for future research.

Overall, the current research offers a theoretical contribution to the extant literature by developing a novel conceptual framework that demonstrates how sustainability can be embedded as a strategic

priority within service firms. The framework highlights how service firms can manage sustainability via two strategic considerations: the firm's sustainability commitment and the sustainability stage. Moreover, the framework provides important practical implications by delineating the key orchestration mechanisms that service firms can utilize to fulfil each quadrant of the typology. Future research directions are discussed with a particular focus on continuing sustainability transformation in service firms.

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