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MARKETING PROCESS FROM THE SERVICE-DOMINANT LOGIC PERSPECTIVE

The article critically examines the limitations of traditional marketing approaches, which remain predominantly product-centric. During the research, the following methods were used: comparison, abstraction, analysis and generalization. In traditional marketing, the Segmentation, Targeting, and Positioning (STP) model heavily relies on analyzing broad market data – such as competitor dynamics, market size, and consumer demographics – while often neglecting to focus on the fundamental needs and goals of customers. These gaps are addressed by proposing a revised marketing process based on Service-Dominant Logic (S-D logic). Unlike traditional models that assume value is embedded in goods, S-D logic emphasizes that value is co-created by market actors in service ecosystems. This research takes S-D logic further by integrating it with the Outcome-Driven Innovation (ODI) and the Jobs Theory (JTBD), to find an actionable approach to developing marketing strategies that center on customer outcomes. The purpose of the study is to explore how businesses can adapt their marketing processes to be more outcome-driven and customer-focused. Research findings reveal that according to S-D logic service is defined as the process of using one's resources, skills, and competencies for the benefit of another party. It shifts the focus from goods and transactions to solutions that meet customer needs. The results further demonstrate that ODI and JTBD, rooted in cognitive science, quality management, and usability engineering, provide a robust and practical framework for uncovering and addressing the needs that drive customer behavior. By leveraging ODI and JTBD as practical extensions of S-D logic, companies can systematically identify the core jobs that customers are trying to complete and align their marketing strategies with these customer needs. The service-dominant marketing process is offered with a more optimized and efficient structure compared to traditional methods due to introduction of the Market Discovery and Opportunity Identification phase, which allows outcome-based segmentation and better understanding of customers' context.

Keywords: service-dominant logic (S-D logic); marketing process; value co-creation; jobs-to-be-done (JTBD); segmentation.

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ПРОЦЕС МАРКЕТИНГОВОЇ ДІЯЛЬНОСТІ З ТОЧКИ ЗОРУ СЕРВІСНО-ДОМІНАНТНОЇ ЛОГІКИ

В статті оцінюється традиційна маркетингова діяльність, яка переважно організовується від товару або можливостей підприємства. Під час виконання дослідження використовувалися методи: порівняння, абстрагування, аналізу та узагальнення. STP-модель (сегментація, таргетинг, позиціонування), яка виступає основою формування маркетингових стратегій, значною мірою спирається на аналіз великого масиву ринкових даних, зокрема динаміки конкурентів, розміру ринку та демографічних і психографічних характеристик споживачів, часто упускаючи реальні потреби та цілі клієнтів. Метою цього дослідження є розробка пропозиції щодо реформування процесу маркетингової діяльності підприємства у бік клієнтоцентричності та орієнтації на результати, яких прагнуть клієнти (desired outcomes). Пропонується рішення так званої «маркетингової короткозорості» шляхом застосування сервісно-домінантної логіки (СДЛ). На відміну від традиційних моделей, які передбачають, що цінність закладена в товарах, СДЛ підкреслює, що цінність створюється спільно ринковими акторами в рамках сервісних екосистем.

Встановлено, що відповідно до СДЛ сервіс визначається як процес застосування власних ресурсів, навичок та компетенцій на користь іншої сторони. Це зміщує фокус з товарів і трансакційних відносин на рішення, які задовольняють потреби клієнтів. У статті обґрунтовано, що на практичному рівні застосування СДЛ в маркетингу може бути реалізовано на основі теорії робіт (jobs-to-be-done theory – JTBD) та процесу розробки інновацій, орієнтованих на результати, яких прагнуть клієнти (outcome-driven innovation – ODI). Також продемонстровано, що ODI та JTBD, які базуються на когнітивній психології, методиках управління якістю та юзабіліті інжинірингу (проєктування зручності користування), забезпечують практичну основу для виявлення та задоволення потреб, які впливають на рішення клієнтів. Визначено, що застосування ODI та JTBD дозволяє систематично виявляти «роботи», які клієнти мають виконати, і орієнтувати маркетингові стратегії і програми на полегшення виконання цих «робіт» і допомогу клієнтам в досягненні бажаних результатів. Детальне вивчення вказаних інструментів доводить, що їх впровадження на етапі виявлення цільового ринку і можливостей для компанії в рамках запропонованого процесу маркетингової діяльності дозволить чіткіше обрати цільові сегменти та краще розуміти контекст, в якому знаходяться клієнти.

***Ключові слова:** сервісно-домінантна логіка (СДЛ); маркетингова діяльність; спільне створення цінності; роботи для виконання.*

Formulation of the problem. The marketing science has undergone significant transformations over the past few decades, yet many traditional marketing processes remain entrenched in a product/producer-oriented approach. These processes often rely heavily on extensive macro and microenvironment data collection, which, while valuable, can lead to an overwhelming focus on data rather than on customer needs. The STP (segmentation, targeting, positioning) model, a cornerstone of traditional marketing, often prioritizes idea-driven product introduction over a deep understanding of what customers truly need. This approach can result in strategies that are misaligned with the actual jobs customers are trying to accomplish, ultimately limiting the effectiveness of marketing efforts. Amidst these challenges, Service-Dominant Logic (S-D logic) emerges as a compelling alternative, offering a shift from a product-centric view to a service-oriented mindset where value co-creation, resource integration, and service ecosystems are central to finding solutions to customers' problems. This perspective challenges the traditional marketing processes that often marginalize the customer's role in favor of a more static, producer-driven view. However, while S-D logic provides a robust theoretical foundation, its practical integration into the marketing process remains underexplored.

Analysis of recent publications on the issue. In the last decade, various perspectives on the marketing process have emerged, reflecting shifts in marketing paradigms. Kotler and Keller highlight the continued relevance of traditional marketing principles but stress the growing importance of digital transformation and customer-centricity, integrating digital tools and analytics into marketing strategies [1, p. 25–26]. Grönroos and Gummerus emphasize the service logic approach, suggesting that marketing should shift from transactional exchanges to relational processes, where value is co-created in ongoing interactions with customers [2]. Baker discusses the integration of marketing with strategic management, noting that modern marketing processes must align with broader business objectives, focusing on long-term value creation rather than short-term sales [3, p. 25–59]. Additionally, Rust argues that advancements in technology, particularly in AI and data analytics, have redefined marketing by enabling more personalized and automated customer interactions, reshaping the customer journey [4]. Meanwhile, Vargo, Koskela-Huotari and Vink explore how S-D logic has evolved, highlighting the importance of resource integration and ecosystems in value co-creation [5]. These different perspectives reflect the ongoing evolution of

marketing from a product-centric model to one that prioritizes relationships, technology, and complex network value co-creation.

The purpose of the research. The objectives of this research are threefold: first, to critically assess the limitations of traditional marketing processes; second, to explore how S-D logic principles can be integrated with ODI to create a more dynamic and service-dominant marketing approach; and third, to demonstrate the practical implications of this revised process for marketers seeking to achieve sustained competitive advantage in increasingly complex and customer-driven markets.

Research results. In modern marketing management, traditional processes continue to dominate despite the rapidly changing consumer landscape. As depicted in Fig. 1, the traditional marketing process is a cyclical, structured approach that begins with Marketing analysis, where both the external and internal environments are assessed through market research, customer behavior studies, and marketing audit. This is followed by the Development of Market Strategy, which involves segmenting the market, targeting the most promising segments, and formulating competitive and growth strategies. Next, Product Strategy Development focuses on the brand strategy and marketing mix. In the Implementation Phase, strategic decisions are executed through comprehensive marketing plans and marketing system tailored to support the strategy. Finally, Monitoring and Control measures are applied to track performance using KPIs, and feedback loops allow for adjustments to be made, ensuring the marketing strategy remains effective and aligned with market dynamics [1, p. 54, 74; 3, p. 87].

Source: created by the author based on [1, p. 54, 74; 3, p. 87]
Fig. 1 **Stages of the marketing process**

While providing a structured methodology for managing marketing activities, the traditional marketing process is increasingly criticized for its product/producer-centric orientation and significant emphasis placed on understanding the product's fit within the market and optimizing its lifecycle, which often result in generalized and thus less effective marketing strategies [4].

Consequently, it can lead to a narrow perspective, where success is primarily measured by traditional metrics such as sales volume, market share and return on marketing investments. However, these metrics do not necessarily reflect customer satisfaction, loyalty, or the ability of the company to adapt to changing consumer needs and broader market context. As a result, product-centric strategies may miss opportunities for creating deeper, more meaningful connections with customers, which are crucial in today's customer-centric markets.

Segmentation is a cornerstone of marketing strategy. It is commonly agreed among academics that segmentation is a process of identifying and profiling distinct groups of buyers with different needs and wants, which allows for better realization of the interests of producers and consumers [6, p. 213–217, 7]. More often than not, it is suggested that segments be defined based on descriptive (demographic, geographic, psychographic) and/or behavioral (consumer responses to benefits, usage occasions or brands) characteristics. B2B markets generally identify segments through a sequential process: firmographics (factors such as company size, industry sector, revenue, location, number of employees), purchase behavior, situational factors (urgency, size of order, etc), and personal characteristics (buyer-seller similarity, loyalty, risk-taking, etc.) [1, p. 284]. However, they have significant limitations, particularly in their tendency to oversimplify and generalize consumer behavior. For instance, two individuals with similar demographic and psychographic profiles might have entirely different needs and preferences, which traditional segmentation methods fail to capture [8]. The assumption that consumers within a segment have homogenous needs can lead to marketing strategies that are too broad and not sufficiently tailored to address the specific jobs that customers are trying to accomplish. Such thinking is particularly problematic in today's market environment, where customers expect highly personalized offerings and experiences [9, p. 1–35]. In summary, while traditional marketing processes have long provided a structured approach to marketing management, their product-centric focus and reliance on broad segmentation methods are increasingly inadequate in today's consumer-driven market. As customers demand more personalized and relevant experiences, there is a growing need for marketing strategies that are more finely tuned to individual needs and contexts, moving beyond the generalized approaches that have dominated the field for decades.

Together with a common understanding of the shortcomings of the traditional marketing paradigm, new marketing approaches started to emerge. One of them is the Service-Dominant Logic (S-D logic) as first proposed by Vargo and Lusch in 2004 [10]. The authors offer a paradigm shift in marketing by reframing the focus from goods and transactions to service and value co-creation. Service-dominant mindset posits that the fundamental basis of economic exchange is the application of resources (primarily knowledge and skills) for the benefit of another actor. This perspective challenges the traditional, goods-dominant logic (G-D logic), where value is embedded in products and is created by producers, and then transferred to consumers. S-D logic instead views value as co-created by multiple actors and determined contextually by the beneficiary during use [10, 11]. S-D logic has evolved as a robust theoretical framework over the past two decades. Its initial foundations have been extended into more complex analyses of service ecosystems and institutional arrangements. These developments offer significant implications for modern marketing by shifting the emphasis from creating value in isolation from customers to facilitating value co-creation across networks of actors. As shown in Fig. 2, S-D logic revolves around several tenets that differentiate it from the traditional marketing perspective, emphasizing the shift from a producer-centric to a service-dominant view [5, 11]:

1. Value Co-Creation: one of the central tenets of S-D logic is that value is co-created through resource integration and interactions among multiple actors, including customers, firms, and other stakeholders. This dynamic process positions customers not as passive recipients but as active participants in the value creation process.

2. Resource Integration: S-D logic views all actors as resource integrators. Both operant resources (skills, knowledge) and operand resources (physical goods) are utilized by actors to co-create value in a networked environment.

3. Service Ecosystems: these are complex, self-adjusting systems where actors interact and exchange services through shared institutional arrangements. Each actor plays a role in integrating resources to produce value not only for themselves but also for others within the ecosystem.

4. Value-in-Use and Value-in-Context: S-D logic contrasts sharply with the traditional goods-dominant view that considers value as embedded in the product. Instead, it argues that value emerges when a product or service is applied within a specific context to fulfill the needs of the beneficiary (value-in-use). This contextual understanding of value creation further emphasizes the interactive and relational nature of exchange under S-D logic, where the value is not fixed but fluid and dependent on the situation.

5. Institutions: taken from sociology in the meaning of the coordination mechanism enabling and constraining value co-creation within service ecosystems. Institutions provide the building blocks for the increasingly complex and interrelated resource integration activities organized around shared purposes.
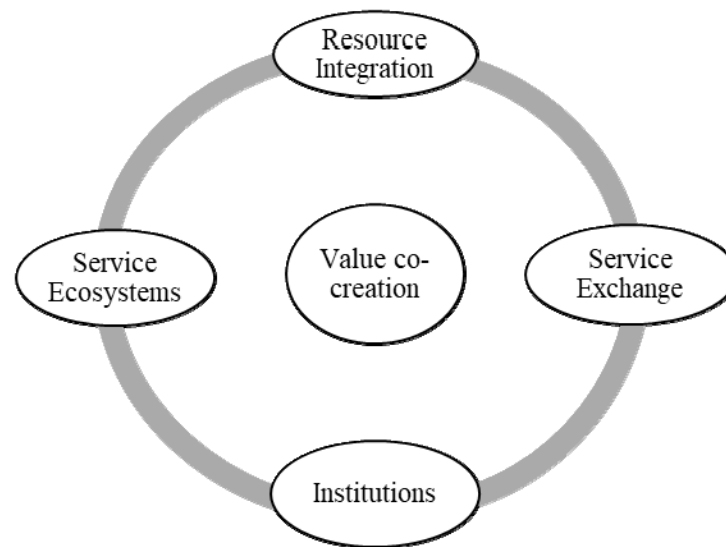
Source: created by the author based on [5, 11]
Fig. 2 **Tenets of Service-Dominant Logic**

Despite its holistic approach, S-D logic is not the only theoretical model challenging traditional marketing practices. Two notable alternative views – Service logic and Customer-Dominant logic (C-D logic) – offer important contrasts and comparisons to S-D logic. Table 1 contains a comparison of these three views.

Originating from the work of Grönroos, service logic focuses on the customer's role as the primary creator of value [12]. It argues that value is created by the user (the customer) and for the user, with the firm acting only as a "value facilitator" [13]. This view contrasts with S-D logic's broader perspective of balanced centricity, where both customers and firms are viewed as co-creators of value. Service logic maintains that value co-creation only occurs when there is direct interaction between the customer and the firm [14]. This dyadic approach differs from S-D logic's emphasis on value co-creation within complex, multi-actor service ecosystems.

Customer-Dominant Logic, proposed by Heinonen and colleagues, C-D logic argues that traditional services and goods logics are too focused on the provider [15]. C-D logic shifts the focus

entirely onto the customer, emphasizing that value is formed in the customer's everyday life as they interact with various services and products [16]. C-D logic posits that the customer is the central actor in value creation.

Table 1

Comparison of S-D logic, Service logic and C-D logic

Aspect	Service-Dominant Logic (S-D Logic)	Service Logic	Customer-Dominant Logic (C-D Logic)
Value Creation	Value is co-created through the interactions of multiple actors, including firms, customers, and other stakeholders	Value is created by the customer; the firm acts as a value facilitator	Value is created in the customer's life, with firms playing a supportive role
Role of the Firm	Firms are facilitators of value co-creation, acting as resource integrators in service ecosystems	Firms provide value propositions and act as value facilitators	Firms enable value creation but are peripheral to the customer's experience
Role of the Customer	Customers are co-creators of value, actively integrating resources (operant and operand) to generate value	Customers are the primary creators of value, using resources provided by firms	Customers dominate the value creation process, with firms reacting to customer needs and contexts
Value-in-Use vs. Value-in-Exchange	Value is realized in use and in context, not in the exchange of goods	Value is determined by the user in their context during consumption	Value is solely determined by the customer's use and personal context
Perspective on Markets	Markets are networks of actors interacting in service ecosystems, where value is co-created	Focuses on direct interactions between firm and customer in dyadic exchanges	The market is defined by the customer's perspective and their value creation process
Interactions	Emphasizes the interaction and integration of resources across multiple actors within ecosystems	Emphasizes direct interactions between the firm and the customer to facilitate value creation	Emphasizes the customer's interactions with the market environment, focusing on their personal journey
Institutions (agreed rules, norms)	Value creation is shaped by shared institutional logics across actors in the service ecosystem	Does not focus on institutional logics or broader ecosystems, rather on individual customer-firm interactions	Focus is on the customer's world and how they interact with services, with less emphasis on institutional arrangements

Source: created by the author based on [5, 10–16].

Given the analysis, we can conclude that S-D logic offers a dynamic and holistic framework that addresses many of the limitations inherent in traditional marketing. Compared to Service logic and C-D logic, it adopts a more comprehensive approach, considering multiple actors in the value creation process. Moreover, S-D logic views customers as both value creators and beneficiaries, rejecting a strict customer-centric view in favor of a networked, systemic understanding of value creation. With its focus on value co-creation, resource integration, and service ecosystems, S-D logic allows marketers to develop more adaptive and context-sensitive strategies.

In their original work, Vargo and Lusch refer to the work of Davis and Manrodt on Customer-responsive management to highlight that in a service-dominant view, the customer-interaction process should begin with the interactive definition of the customer's problem, leading to the development of a customized solution, and ultimately its delivery [17]. The solution could include a mix of tangible products, intangible services, or a combination of both. Importantly, it is this interaction, and not just the production or delivery of products, that drives value co-creation. Furthermore, Lusch and Vargo suggest that markets and industries do not exist per se, they, like value, are continually being co-created by actors seeking solutions or experiences and other actors with offerings captured in value propositions [18, p. 22]. Such creation of new markets through the development and institutionalization of solutions (new products, improved products or user experiences) often rests on the ability of an enterprise to integrate the competences of other actors and, thus, to co-design service ecosystems to support the development and distribution of such solutions. Respectively, the strategic implications for the S-D logic application involve innovation and market creation, continual (re)creation, and institutionalization of value propositions that support the value-creation processes of other actors. Ribeiro et. al. suggest that identifying and understanding the tasks customers must accomplish in a given context become priorities as it may help organizations propose superior value to customers [19].

The evolution of approaches to understanding customer tasks, jobs, and outcomes has been marked by an increasing emphasis on the customer's context and the co-creation of value. Early methodologies in psychology and product design like Goal-Directed Design, Cognitive Task Analysis, Hierarchical Task Analysis, and Activity-Centered Design laid the groundwork for this shift by focusing on user goals, behaviors, and activities. These approaches provided a structured way to analyze and improve user interactions with products and services. However, they often remained limited to understanding tasks in isolation rather than considering the broader context of the customer's life and aspirations.

Goal-Directed Design, introduced by Cooper, centers on designing user interfaces that align with specific user goals and behaviors. It emphasizes creating personas and scenarios to guide the design process, aiming to align products with the specific goals of target users [20, p. 61–97]. While effective in guiding design, Goal-Directed Design primarily addresses the functional aspect of user interaction, potentially overlooking the deeper, more aspirational motivations behind customer actions.

Cognitive Task Analysis, developed in the field of cognitive psychology, delves into the mental processes involved in task execution [21]. While this method seeks to understand how users make decisions, solve problems, and process information during task performance, it tends to focus on the intricacies of the task itself and the knowledge and strategies required for its execution, rather than the broader outcomes or changes customers seek to achieve.

Hierarchical Task Analysis breaks down tasks into smaller, sequential components, providing a detailed view of the steps involved in task completion [22]. This method is useful for identifying potential areas for error and optimizing user interfaces, but is often constrained to analyzing tasks from a procedural standpoint, missing the larger picture of why customers engage in these tasks.

Activity-Centered Design (ACD), as discussed by Kaptelinin and Nardi, shifts the focus from individual tasks to broader activities and the context in which they occur. On the example of the work environment mediated by computers, ACD emphasizes the holistic experience of the user and the social, cultural, and organizational factors that influence their actions [23, p. 29–72]. Despite its broader perspective, ACD sometimes lacks the specificity needed to guide actionable insights for innovation and product development.

These methodologies have contributed significantly to the understanding of customer behavior, yet they often fall short in capturing the dynamic and outcome-focused nature of customer interactions. This gap has been addressed by more recent frameworks like Outcome-Driven Innovation (ODI) and Jobs-to-Be-Done (JTBD) theory, which provide a more nuanced and actionable understanding of customer needs.

ODI, proposed by Ulwick, shifts the focus from product features to the outcomes customers are trying to achieve [24, 25]. ODI is rooted in principles derived from the quality management methodologies, particularly Six Sigma, introduced by Bill Smith at Motorola in 1986, which emphasizes improving processes by minimizing defects and inefficiencies [26]. ODI extends these principles by focusing on customer-defined outcomes, ensuring that innovation directly targets what customers value most. Moreover, ODI makes a "Job" the fundamental unit of analysis, which is defined as the task customers are trying to execute or problem, they are trying to solve in a given situation. Once the job is understood, companies can design products and services that align with customers' desired outcomes, addressing both functional and emotional needs. This approach resonates with S-D logic by emphasizing the co-creation of value and the interactive process of defining and delivering customer solutions.

JTBD theory has further advanced the understanding of customer behavior by providing a clear definition and categorization of customer needs and exploring two main interpretations: Jobs-As-Progress and Jobs-As-Activities. Key similarities and differences of the both views are summarized in Table 2.

Table 2

Two streams of the JTBD theory

Parameter	Ulwick's JTBD and ODI Theory	Christensen's JTBD Theory
Purchase decision	People buy products and service to get a job done	Customers pull products and services into their lives to make progress
Unit of analysis	The job-to-be-done, which is the underlying process that the customer is trying to execute. It is defined independent of the solution	The job the customer is trying to get done in a specific circumstance
Definition of Job	A job is a task goals or objective a person is trying acomplish or a problem they are trying to resolve. A job can be functional, emotional or consumption chain related	A job the progress that the person is trying to make in a particular situation
	A job is stable over time	A job is enduring and persistent
Types of jobs	The core functional job has other jobs associated with it: emotional, related and consumption chain jobs	A job has functional, emotional an social dimensions
Definition	Needs are defined as the metrics customer use to measure success when getting the job done.	Needs are struggles or unmet aspirations.

Source: created by the author based on [25, 27, 28]

Jobs-As-Progress, championed by Christensen et al., posits that customers hire products to make progress in their lives. This interpretation is not just about the functional aspect of tasks but also considers the emotional and social dimensions of customer goals. It emphasizes the broader aspirations and the desired state of being that customers aim to achieve [28]. This aligns with S-D logic's focus on co-creation, as it requires a deep understanding of the customer's context and desired outcomes to deliver solutions that the customer will benefit from.

Jobs-As-Activities, as promoted by Ulwick, focuses on the specific tasks or activities that customers need to accomplish to have the desired outcomes. Its universal job map helps to detail what the customer is trying to get done and to improve how these tasks are performed [25]. While this interpretation offers a more granular view of customer behavior and provides actionable insights for product design, it can sometimes miss the broader context of why these tasks are important to the customer in the first place.

Central to JTBD is the idea of understanding customer goals and the circumstances under which they seek to achieve them. This notion echoes with William Powers' hierarchy of goals, which differentiates between "Do" goals (activities) and "Be" goals (states of being or self-perception). According to Powers, customers engage in specific actions ("Do" goals) to achieve higher-level aspirations ("Be" goals), a concept that Jobs-As-Progress incorporates by focusing on the underlying progress customers seek rather than just the activities they perform [29]. This understanding has been crucial in differentiating JTBD from other models, emphasizing that customers are motivated by a desire for progress rather than merely completing tasks.

The theory is also influenced by Theodore Levitt's "people don't want a quarter-inch drill; they want a quarter-inch hole" [30]. This perspective underlines the JTBD principle that customers buy products and services to achieve a desired outcome or make progress in a particular aspect of their lives. Clayton Christensen expanded on this by suggesting that understanding the "job" a product is hired to do can offer profound insights into customer behavior and innovation opportunities [8].

Furthermore, psychologist James J. Gibson's theory of affordances contributed to the JTBD approach by introducing the idea that products possess the properties that allow them to function and act as indicators of a desired action (*affordances,* a made-up word). When designing a product, actual and perceived *affordances* must be considered. Desired actions cannot be accomplished if an object does not *afford* it. And *afforded* actions will not be carried out if the user does not perceive them [31, p. 127–128].

Another important input is from cognitive science and usability engineering, namely Donald Norman's Seven Stages of Action, which explains the steps how people act when they're interacting in the world to reach their larger goals [32, p. 56–58]. It is also mirrored in Ulwick's Job Map. As depicted in Fig. 2, the core functional job is dissected into eight component parts (job steps): defining objectives, locating necessary inputs, preparing the environment, confirming readiness, executing the task, monitoring progress, making adjustments, and concluding the job. Each step reveals opportunities for value propositions by addressing challenges the customer faces in completing the task efficiently. By mapping out the job, companies can develop solutions that help completing the task efficiently and improve the customer's experience at every job step.
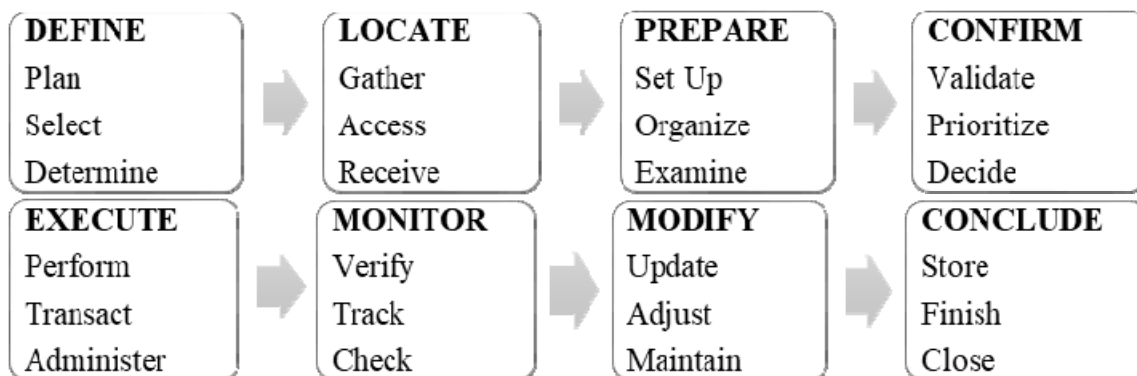
Source: created by the author based on [27].

Fig. 3 **JTBD Universal Job Map**

In summary, ODI and JTBD, taking roots in cognitive science, quality management and usability engineering, offer a comprehensive and applicable methodology for uncovering and addressing the underlying needs that drive customer behavior. The JTBD framework, by defining, categorizing, and organizing customer needs, offers a practical extension to S-D logic's theoretical foundations. As importantly, it enables firms to organize their internal processes and resources around customers' jobs and desired outcomes, bringing them valuable progress and positive experiences within their broader context.

The ODI process lays the groundwork for aligning internal operations with value co-creation by uncovering unmet customer needs. It follows 10 critical steps, each of which builds on the previous one to ensure that every innovation decision is grounded in a clear understanding of customer objectives [25]. Below is a comprehensive outline of the ODI process.

Table 3

The ODI process

1	2	3
Define the market and "job-to-be-done"	Uncover the customer's needs	Quantify the degree to which each need is under/overserved: predictive data
4	**5**	**6**
Discover hidden segments of opportunity	MARKET STRATEGY Align existing products with market opportunities	PRODUCT STRATEGY Conceptualize new products to address unmet needs

Source: created by the author based on [25].

1. **Define the Customer.**
The first step in the ODI process is to categorize customer in either of the three groups:
● Job Executors: individuals who perform the job.
● Product Lifecycle Support: those who maintain or support the product post-purchase.
● Purchase Decision-Makers: the people responsible for buying the product or service.
By identifying these roles, companies can ensure that they are focusing their efforts on the right customers whose needs are critical to the success of the product or service.

2. **Define the Job-to-be-Done (JTBD).**
Once the customer roles are defined, the next step is to figure out what the customer is trying to accomplish. This job forms the foundation of the innovation process and remains consistent regardless of the tools or products the customer uses. The focus in this stage is on the customer's *objective*, not the product or solution itself. For example, the job might be to "cut a piece of wood in a straight line" rather than to "buy a new saw." Understanding this distinction allows companies to focus on the customer's real needs, not just the tools available to them.

3. **Uncover Customer Needs.**
Once the job-to-be-done is understood, the next step is to uncover the customer's specific needs. This is achieved through two key concepts:
● Universal Job Map: breaking down the job into distinct steps, each is an opportunity to improve how the customer accomplishes their job.
● Desired Outcome Statements: these are the metrics customers use to judge success. For example, "minimize the time it takes to set up a tool" could be a desired outcome for someone cutting wood.
This stage gives the company a deep understanding of how customers measure success and provides clear criteria for identifying unmet needs.

4. **Find Segments of Opportunity.**

ODI uses Outcome-Based Segmentation to group customers by shared unmet needs. This method helps companies discover whether certain groups of customers are underserved or overserved by current solutions.

The process involves:

1. Capturing customer needs using desired outcome statements.

2. Quantitatively assessing the importance and satisfaction of these outcomes.

3. Segmenting customers based on their unmet needs into groups with the most significant innovation opportunities.

This step allows companies to focus on addressing real customer problems rather than targeting broad, less relevant segments.

5. **Define the Value Proposition.**

Once customer needs and segments of opportunity are identified, the next step is to create a value proposition. This value proposition should align with the most critical unmet needs identified in the previous steps. It articulates how the product will help customers achieve their desired outcomes.

For example, if customers prioritize minimizing setup time, the value proposition might be, "This product reduces setup time by 50%", ensuring that the product resonates with what matters most to the customer.

6. **Conduct Competitive Analysis.**

The ODI process emphasizes understanding how competitors are helping–or failing to help–customers accomplish their jobs, rather than focusing solely on feature comparisons. Identified gaps where competitors underperform present an opportunity for companies to develop better solutions that more effectively meet customer needs.

7. **Formulate the Innovation Strategy.**

The ODI prioritizes opportunities based on the importance and satisfaction of customer needs. Ulwick identifies five distinct **growth strategies** that companies can use to innovate:

● **Differentiated Strategy**: targets underserved customers with premium offerings that significantly improve the job-to-be-done.

● **Dominant Strategy**: provides solutions that perform the job better and at a lower cost, appealing to the broader market.

● **Disruptive Strategy**: offers simpler, lower-cost solutions for overserved customers or non-consumers.

● **Sustaining Strategy**: incrementally improves existing products to maintain or slightly improve market share.

● **Discrete Strategy**: focuses on niche or restricted customer groups with tailored solutions, even if they are higher cost or underperform in some areas.

The chosen strategy should reflect the market conditions and customer needs identified through the previous steps.

8. **Target Hidden Growth Opportunities.**

The Opportunity Algorithm is used to quantify unmet needs based on the difference between the importance of an outcome and how well it is currently being satisfied. The greater the gap, the higher the potential for growth.

The Opportunity Landscape visually represents these growth opportunities by mapping out where customer needs are either underserved or overserved. This allows companies to prioritize their innovation efforts based on data, focusing on the areas with the most growth potential.

9. **Formulate the Market Strategy.**

The market strategy must align with the insights gathered during the ODI process. It involves developing a go-to-market plan that includes product positioning, pricing, promotion, and communication, all based on how well the product or service helps customers achieve their job-to-be-done. For example, if a company is targeting underserved customers, the marketing message might highlight how the product significantly improves an important outcome compared to competitors.

10. **Formulate the Product Strategy.**

The final step is to develop a product strategy that aligns with the value proposition and desired outcomes. This strategy defines the product features, design elements, and development priorities that will ensure the product helps customers accomplish their job more effectively.

The ODI process, by focusing on customer needs, helps every internal function – from R&D to marketing – to work towards a common goal: helping the customer succeed in their job.

The next step is to integrate these ODI insights into a revised marketing process that will ensure that market strategies, product development, and execution are driven by customer outcomes, as grounded in the principles of S-D logic.

The service-dominant marketing process, as shown on Fig. 4, begins with Macro Environment and Market Type Analysis to understand external forces and market characteristics, followed by a Marketing Audit to align business resources and objectives.

In the Market Discovery and Opportunity Identification phase, the customer's role is defined (job executors, lifecycle support, and decision-makers), and the Jobs-to-be-Done (JTBD) are identified. Customer needs are mapped using the Universal Job Map and Desired Outcomes to clearly articulate the unmet needs. The Micro Environment Analysis is done to identify gaps where competitors underperform and assesses actors like suppliers and intermediaries who impact job completion to discover ways for better solutions.
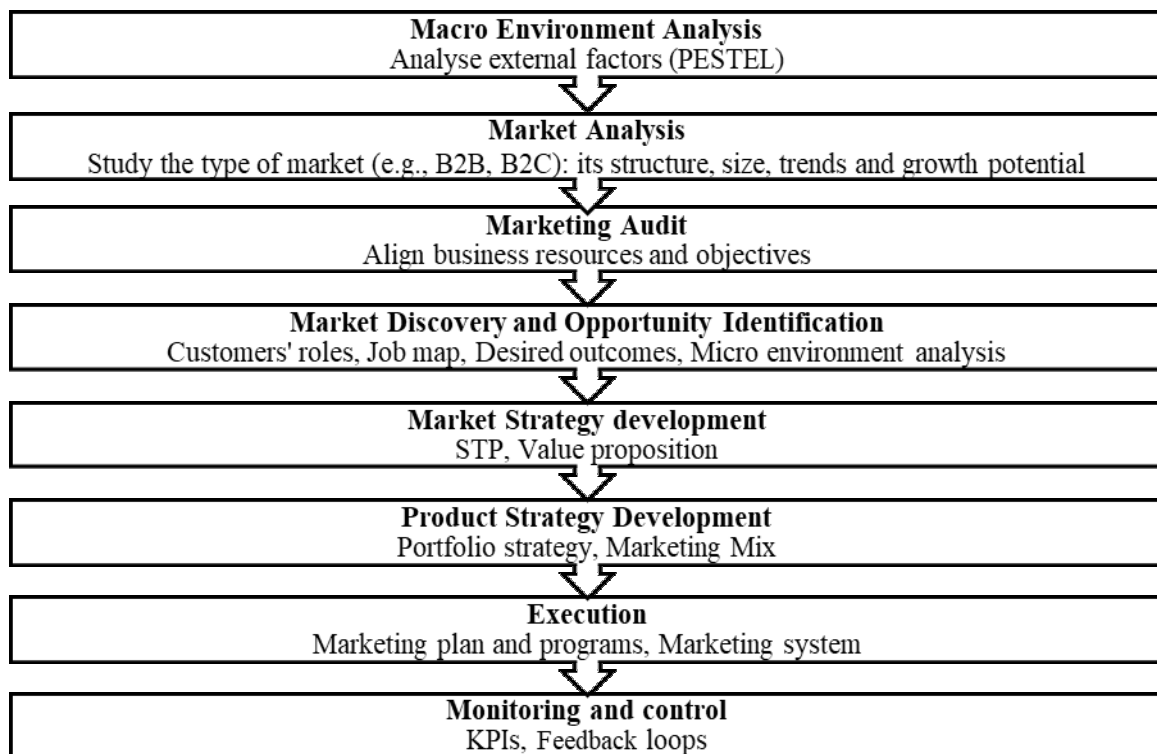
Source: author's own research.

Fig. 4 **Service-dominant marketing process**

Market Strategy Development uses Outcome-Based Segmentation to target segments with shared unmet needs, enabling precise targeting. The Value Proposition is crafted based on how the offering helps customers achieve their desired outcomes.

Product Strategy Development focuses on aligning the Portfolio Strategy and Marketing Mix with customer outcomes, ensuring the company's offerings are centered around helping customers complete their jobs efficiently. Finally, the Implementation of the Marketing Strategy establishes detailed plans, infrastructure, and systems while using continuous KPIs monitoring and feedback loops to refine strategies, ensuring ongoing alignment with customer needs and market dynamics.

The revised service-dominant marketing process is dynamic and iterative, fostering value co-creation and innovation, making sure that business strategies and products evolve in response to desired customer outcomes.

Conclusion. The adoption of S-D logic, ODI, and JTBD as core principles in the marketing process marks a significant departure from traditional product-centered approaches. By centering marketing strategies on the job the customer is trying to accomplish, businesses can craft more compelling value propositions and ensure that their offerings are tailored to the specific outcomes customers seek. ODI tools enable businesses to segment markets based on meaningful unmet needs, ensuring targeted value propositions. Moreover, the revised marketing process encourages companies to continuously refine their strategies using feedback loops and real-time customer insights, ensuring sustained alignment with evolving market conditions. While this article provides a solid foundation for revising the marketing process based on S-D logic and ODI, there are several avenues for further exploration. Service ecosystem business modeling presents an opportunity to explore how companies can better position themselves within networks of actors to co-create value and ensure seamless customer experience. Additionally, value proposition development requires further investigation, particularly in refining holistic solutions that include contributions from several actors. Finally, exploring how businesses can deepen customer participation in value co-creation – for instance, through digital engagement and real-time feedback mechanisms – can enhance long-term customer relationships and innovation success.

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