THE INNOVATION THEATER – TOWARDS A CONCEPTUAL FRAMEWORK TO SYSTEMICALLY INTEGRATE AN IDEA IN CONTEXT

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Abstract

Innovation is often referred to as successful exploitation, implementation and setting of ideas and its common denominator is value creation. The contexts of innovation are various, among which, the innovation ecosystem that concerns the future-oriented value creation regarding the multifaceted nature of innovation. The service-dominant logic brings a new perspective to the process of value creation by mechanisms of value co-creation and co-destruction, turning value creation into a social construction that leads to tremendous challenges in innovation studies. This study proposes a conceptual framework to understand the value network of innovation, named Innovation Theater. Its goal is to capture the logic of value and resources within the actors and stakeholders embedded in any innovation or innovation's context. The framework has been built upon the literature discussed and is based on three base foundations. It contributes to the literature by understanding the essence, analysis and orchestration of innovation in its context.

Keywords: Innovation, Value co-creation, Service-dominant Logic, Framework.

1. INTRODUCTION

Innovation is often referred to as the successful exploitation, implementation and setting of one or several ideas. The common denominator remaining in any kind of innovation is regarded as value creation; and from a practitioner's perspective there is no innovation without it (THRASSOU et al., 2012; BABU; KRISHNA; SWATHI, 2013; ROACH; RYMAN; WHITE, 2014).

The contexts of innovation are various, from a single product-market opportunity to a whole complex system. Innovation ecosystem has been configuring as a complex dynamic capability required in future-oriented value creation to the multifaceted nature of innovation. Orchestration is a main activity on this context to manage the value creation of the ecosystem and its entities, which are determinants of innovation processes and diffusion (ETZKOWITZ; LEYDESDORFF, 2000; RUSSELL et al, 2011; RITALA; ARMILA; BLOMQVIST, 2009).

The service-dominant logic (S-D logic) brings a new perspective in the literature to the process of value creation. It suggests rethinking value creation from a local marketing process to a broader interconnected network. Value creation is brutally rethought in terms of being inherently relational, and emerges when parties work together for mutual benefit. In the involvement of these parties (systems), value is always co-created when increasing the systems' well-being, and co-destructed in its declining. The implication and challenges on innovation studies are tremendous based on this new S-D logic's conception. Value creation became a social construction embedded in a wider social system with established power relationships among actors and stakeholders. To manage this situation's aspects, new and better tools are fundamental (MELE; COLURCIO; SPENA, 2011) (MAGLIO; SPOHRER, 2013; VARGO; LUSCH, 2004, 2006, 2008a, 2008c).

This study proposes a conceptual framework to understand the value network of innovation, named Innovation Theater. Its goal is to capture the logic of value and resources within the actors and stakeholders embedded in any innovation or innovation's context. The framework has been built upon the literature discussed and is based on three base foundations which are: Innovation is part of a social system potentially described as a social fact, Value co-creation and co-destruction are the main cause-and-effect mechanisms of innovation, and there is a standard description of the value's logic and main drivers for service systems.

The Innovation Theater is discussed by the description of three shorts examples focusing on the usage of its mechanisms, the change of innovation context and the dynamic and adaptive competence of involved systems in the value network.

The Innovation Theater is by instance an initial conceptual framework, and the open issues regarding its robustness are still concerning research's limits. However, this study contributes to the literature by understanding the dynamic, adaptive and systemic essence of innovation into its context. Practical implications are concerning the analysis and the orchestration of the innovation situation, from idea to context.

2. A GENERAL PROPOSAL TO INNOVATION

When one has a potential idea, its successful application can search for opportunities to do existing or new things in extraordinary ways, normally leading to a novelty, new technology, business, policy, thinking or practice, among others. Thus, the implementation and setting of one or several ideas is often called innovation, being defined as the successful exploitation of new ideas, (BABU; KRISHNA; SWATHI, 2013; HARADA, 2010; ITO; KAWAZOE, 2015; OKAPARA, 2007; PETETIN; BERTOLUCI; BOCQUET, 2011; THRASSOU et al., 2012) which can ultimately transform reality.

Due to its importance in many fields of application - social, institutional, politics, economics, entrepreneurship, technological - many scholars have studied and classified innovation. For example, in the literature plenty of typologies for innovation have been listed: administrative, architectural, advancing, continuous, discontinuous, disruptive, incremental, product, process, radical, technological and many others.; as an outcome, innovation can be easily described as a solution, a process or a management way. The combination of creativity, knowledge, learning and implantation seems to be key often used interchangeably to innovate, even if some of those aspects still lacks clarity and precision (JOB; BHATTACHARYYA, 2007; LINTON, 2009; MAN, 2001; QUINTANE et al., 2011; THRASSOU et al., 2012). On the other hand, literature suggests that in every field, definition, typology, outcome or key factor of innovation, there is a common denominator.

Many studies define that the purpose, the epicenter of any innovation is value creation, and some of the variants found for this understanding are: creation of new value (BABU; KRISHNA; SWATHI, 2013), process of value creation (THRASSOU et al., 2012), value-increasing (BERESKIN; HSU, 2011), value added work (JOB; HATTACHARYYA, 2007), value-driven, not cost-driven activity (CHORAFAS, 1987), a decision-making along with the risks threatening the value creation (PETETIN; BERTOLUCI; BOCQUET, 2011) and adding value to solve a problem in new ways (ITO; KAWAZOE, 2015). From a management implication and practitioner's perspective there is no innovation without value creation (ROACH; RYMAN; WHITE, 2014). In resume, when new value is created someone has innovated, thus the notion of value creation defines innovation itself.

3. INNOVATION ECOSYSTEM AND ORCHESTRATION

The contexts of innovation are various, from a single product-market opportunity to a whole complex system. Innovation ecosystem is a term used to refer to the inter-organizational, political, economic, environmental and technological systems of innovation where business growth is catalyzed, sustained and supported. Therefore, they are networks of relationships through which information and talent flow through systems of sustained value creation described as a multifaceted nature of innovation at various levels - national, regional, technological and many sectors (ETZKOWITZ; LEYDESDORFF, 2000; RUSSELL et al, 2011)

The single actor's capacity to influence the evolution of a whole business network is limited. Inter-firm innovation cannot be controlled in the traditional sense of the word, but the hub firm can influence the network operations though different means. Literature considers orchestration the interaction between various organizations and also among the individuals associated with those organizations. It is a dynamic capability required in future-oriented value creation for innovation. The idea supporting orchestration is routed in the literature of innovation networks, where the role of "hub" or "focal" terms could be recognized and requires the ability to bridge different experts and specialists together (DYER; SINGH, 1998; DYER; NOBEOKA, 2000; BOTERO; MARIN, 2012; RITALA; ARMILA; BLOMQVIST, 2009; MORRIS et al, 2006; MÖLLER et al, 2005).

The primary roles of network orchestration are related to the focus, management, and value creation of the ecosystem and its entities, which are determinants of the innovation processes and diffusion. Dominant leading firms are important in sustaining the coordination and cooperation of such networks in terms of both network formation and operation as well as strategic value networks, which are critical factors in technology development and social change (RUSSELL et al, 2011; MORRIS et al, 2006; BOTERO; MARIN, 2012)

Through relationships, which are the channels that resources flow such as events, impacts and coalitions, value is mutually created, benefiting the integrations. There is a continual realignment of synergistic relationships of knowledge, resources and people - members' engagement and attraction of new ones - to maintain the ecosystem's vitality. Requirements for responsiveness to changing internal and external forces make co-creation an essential force in a dynamic innovation ecosystem. Therefore, to manage the orchestration process in innovation ecosystems, it is necessary to gain the required knowledge management in specific processes, including managing innovation leverage, innovation coherence, knowledge flows, network stability, and innovation risks (FRIEDMAN, 2005; RUSSEL et al, 2011).

4. RETHINKING INNOVATION THOUGH VALUE CO-CREATION

A new understanding of value creation is first derived from marketing studies of Vargo and Lusch, (2004, 2008a). These studies provide a new mindset for unifying the understanding of value creation's nature in organizations, markets and societies. The so-called service-dominant logic (S-D logic) paradigm is a new perspective of value creation's systemic notion, which replace the traditional good-dominant logic of transactional exchange. In this sense, goods are a distribution mechanism for service provision delivering solely values' proposition. Value is always co-created, therefore occurring within an interplay of value's co-creators (MELE; COLURCIO; SPENA, 2011) (MAGLIO; SPOHRER, 2013; VARGO; LUSCH, 2004, 2006, 2008a, 2008c).

The center of S-D logic is based on redefining the understanding of service. Value is co-created in a service system (SS), which includes entities, e.g. individuals and organizations, and their integration in a real world. The involved entities integrate their resources, classified in: "operant resources", which are capable of acting such as skills and knowledge; and "operand resources" that act like goods. These entities carry out a process of exchange, using one's resources for the benefit of another party. This process of interaction, exchange of resources and entities' capacity for finding mutually beneficial outcomes defines service. Consequently, social and economic actors are all resources integrators and their exchange phenomena can be seen potentially clearer based on this logic. In sum, services are the fundamental basis to be exchanged for other services (VARGO; LUSCH, 2004, 2008b; MELE; COLURCIO; SPENA, 2011; SMITH, 2013; MAGLIO; SPOHRER, 2013).

Despite the primary category of market offering, focused on exchange between two entities, the commenting of service in a perspective of value creation and exchange potentially contributes to a general understanding of value configurations in any SS. It suggests rethinking value creation from a local marketing process to a broader interconnected network, including, not only customers but, organizations, partners, value networks, value constellations and other configuration of systems at various levels of aggregation. Literature implies that S-D logic can offer insights to other domains which remains to be fully explored (VARGO; LUSCH, 2008a; MELE; COLURCIO; SPENA, 2011; MAGLIO; SPOHRER, 2013).

The definition of value under the S-D logic goes through a new perspective. What was once defined as an used and exchanged value, measured by qualitative and quantitative attributes and its relations, e.g. sometimes defined as a relation between delivered functions per costs is now brutally rethought. Today, value in inherently relational, and emerges when parties work together for mutual benefit. (VARGO; LUSCH, 2008b; VARGO; MAGLIO; AKAKA, 2008; MAGLIO; SPOHRER, 2013)

Simply Vargo et al. (2008) define value “in terms of an improvement in system well-being and we can measure value in terms of a system’s adaptiveness or ability to fit in its environment”. In this sense, value becomes a phenomenon uniquely determined by the beneficiary. It involves the conceptualization of trade-off to sacrifice one's own resource in order to gain other resources resulting benefits, which leads to the increasing of well-being and thus value is co-created. The extension of value in a S-D logic's applicability reaches all entities’ state of being such as individuals, families, firms, societies, nations, among others. The integration of these resources are based on value proposition, which allows access to: resources, provision of resources and new resources' creation opportunities (VARGO; LUSCH, 2008, 2011; SMITH, 2013; MAGLIO; SPOHRER, 2013).

Diametric opposite, S-D Logic also highlights that a SS's value co-creation depends on resources of others to survive, which also offers another understanding of a process: the value co-destruction that impacts on entities well-being and ultimately on their own survival. As stated by Plé and Chumpitaz Cáceres (2010) value co-destruction is “an interactional process between SSs that results in a decline in at least one of the system’s well-being”. The value co-destruction process is a relatively new topic in literature and still lacks a broader approach to understand it in a network, under an iterative interpretation and in a more complex way (ECHEVERRI; SKÅLÉN, 2011; SMITH, 2013; VARGO, LUSCH, 2011).

The implication and challenges on innovation studies are tremendous based on this new conception of value co-creation and it is a practical imperative for innovators, as for example, that all economies are understood as service economies. As a consequence, innovation can potentially assume a key role in the value-creating process within complex configurations of resources. The innovation processes assume a continuous interaction among a range of stakeholders and actors considering their own values co-creations on an innovation network. Innovation shifts to a relational view and it is best understood in terms of a network perspective, including the performance of other organizations such as competitors within the network. The range of actors and stakeholders become more than providers of ideas, goods and services, they turn into real co-innovators creating value with intangible and dynamic resources (POWELL 1998; VARGO; MAGLIO; AKAKA, 2008; MELE; COLURCIO; SPENA, 2011; CHESBROUGH, 2011; MAGLIO; SPOHRER, 2013).

From a broader perspective, value constellations and networks are based on complex combinations of services' flows that indirectly mask the fundamental basis of exchange. A significant long-term and well-functioning of this perspective passes through an analysis of

the multilateral relationships concerning balance of rights, interests, needs and wishes, accordingly put as “balanced centricity”. Thus, orchestrating SSs for mutual benefit, e.g. value constellations and network entities, in order to emerge value through the improvement of existing and creating of new offerings, leading to the reconfiguration of their ecosystems (VARGO; LUSCH, 2004; NORMANN; RAMIREZ, 1993; GUMMESSON, 2008, 2010; MELE; COLURCIO; SPENA, 2011, MAGLIO; SPOHRER, 2013). Generally stated by Vargo and Lusch (2004) “Science has moved from a focus on mechanics to one on dynamics, evolutionary development, and the emergence of complex adaptive systems”

5. A COMPULSORY SOCIAL SYSTEM FOR VALUE CO-CREATION

Deepening the S-D logic for service and value purposes’ explanation, social forces influence SSs and value co-creation which must be understood under a social context. Thus, value is a social construction embedded in a wider social system where actors and stakeholders have already established positions and roles, which interfere in how they perceive norms and values of social reality. It means players' awareness is situational, that is differently perceived in relation to distinct occasions and social contexts. This implication establishes a power relationships' phenomenon among actors and stakeholders (DEIGHTON; GRAYSON 1995; PEÑALOZA; VENKATESH, 2006; EDVARDSSON; TRONVOLL; GRUBER, 2011). The S-D logic studies refer to an “adaptive competence” where organizations adjust to change in their environment (LUSCH et al, 2007; VARGO et al, 2008).

The study of Edvardsson et al. (2011) provides four propositions to approach S-D logic to social construction which are important outcomes to comprehend: in the first proposition, “value has a collective and intersubjective dimension and should be understood as value-in-social-context” meaning the perception of value suffers major impact by social forces. The second proposition states “the way in which resources are assessed depends on the social context”, implying value propositions are dependent on the resources constellations due to actors’ positions, roles and social interactions within social structure. In the third proposition, “service exchange and value co-creation can be asymmetric”, which means, the benefits due to social consensus are not always created in an even way. Finally, the fourth proposition “service exchanges and actors’ roles are dynamic in adaptive service systems”, the actors and social forces induce SSs to be capable of adapting to changes.

These propositions allow further studies to design S-D logic regarding aspects like structures, interactions, positions and roles of a social reality. Furthermore, in order to innovate on a globally competitive level, there is no single actor with sufficient resources. Also based on the sociology literature, innovation and innovative processes can be integrated to service ecosystems or value network, defined by Lusch, Vargo and Tanniru (2010) as:

“a spontaneously sensing and responding spatial and temporal structure of largely loosely coupled value proposing social and economic actors interacting through institutions and technology, to: (1) co-produce service offerings, (2) exchange service offerings, and (3) co-create value.”

Two main concepts are highlighted to understand the service ecosystem: centrality, which refers to different types of social processes and connections; embeddedness, which means the strength of these relationships. In this sense, actors and stakeholders are empowered to mobilize their resources to co-produce, co-innovate and co-define their own changes. To achieve this, designing new and better tools are fundamental to apply these aspects (CHANDLER; WIELAND, 2010; MELE; COLURCIO; SPENA, 2011;

EDVARDSSON; TRONVOLL; GRUBER, 2011; SPOHRER; GIUIUSA, 2012; MAGLIO; SPOHRER, 2013)

6. TOWARDS THE INNOVATION THEATER CONCEPTUAL FRAMEWORK

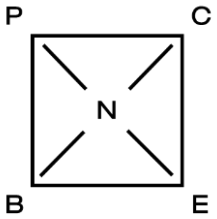
This study proposes a conceptual framework to understand the value network of innovation, named Innovation Theater. Its goal is to capture the logic of value and resources within the actors and stakeholders embedded in any innovation or innovation context, i.e., aiming at systemic integrating a potential idea into its context. The framework has been built on the literature already discussed and is based on three base foundations, presented as follows

6.1. Innovation is part of a social system potentially described as a social fact

Social studies are not fragmented. Fragmentation split systemic problems, and it is an obstacle to advance knowledge in social science. Social studies are expected to explain the nature of social facts with multifaceted aspects. Thus, social facts can be described according to Searle (1995) as “facts by common agreement”, that can originate another social fact and so on. In this sense, social facts are ways of acting capable of exerting over the individual an external constraint. (BUNGE, 2003; DURKHEIM, 1982).

For this study, it is adopted the perspective of Bunge (2003) to comprehend innovation as a systemic social fact. This perspective understands a social fact as a five different and linked aspects: environmental (N), biopsycological (B), economic (E), political (P) and cultural (C), figure 1.

Figure 1. Systemic social fact aspects Source: Bunge (2003)



Each aspect is named as a service system (SS) because every one of them is a complex system with its own logic of value and multiple entities, and together, they form a value network (or service ecosystem). At any time, these SSs are multiple and have frequent reciprocal causation and any of their social entities receives and effects stimuli in different levels of intensity by their resources, e.sg. energy, information, material. When one of those SSs is more salient than other, the understanding of a social study in an unidisciplinarity way may succeed. For all other cases, the phenomena of emergence and convergence, which means a systemic and an interdisciplinary perspectives, is needed to understand the different results of these SSs lathing on this value network (BUNGE, 2003) such as innovation.

6.2. Value co-creation and co-destruction are main cause-and-effect mechanisms of innovation

In an innovation-social-context-system, value is not always co-created concerning all five SSs perspectives. Indeed, these SSs are mutually embedded in a social fact and the relation of service exchange can be asymmetric in the value network. That means that every one of these SSs has its own perspective of value, which over time can potentially create a trade-off situation between another integrated SS. By the definition of value co-creation “increase of well-being” (VARGO; MAGLIO; AKAKA, 2008) and value co-destruction “decline of well-being” (PLÉ; CHUMPITAZ CÁCERES, 2010) at the involved systems,

resources are interconnected pursuit and negotiated among the five SSs, thus generating a power relation. This power relation can co-create, co-destroy, or even not disturb the value condition of each of the five SSs. The capacity to block or cooperate depends on the strength of involved entities (actors and stakeholders) on the SS. In sum, within the context, the situational value conditions of each of the SSs can perform from a range of enablers, disablers or neutral to the innovation's success in the whole value network, figure 2.

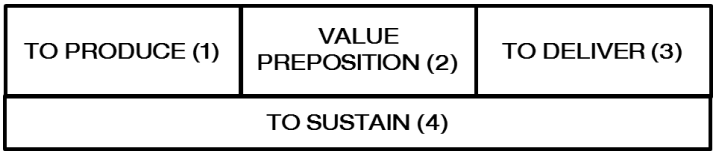
Figure 2. Entity's range of performance to innovation to a service system to the whole value network

6.3 There is a standard description of the value's logic and main drivers for service systems

It is assumed that exists a standard to describe a value proposition of any SS. In order to achieve this description, a successful value's description methodology is analyzed. Based on strategies studies of Kaplan and Norton (1992) and Markides (1999), the Business Model Canvas (OSTERWALDER, 2004) suggests a background of four areas that a value proposition for a business model is built on: (1) product: value propositions offered to the market; (2) customer interface: how it delivers the product builds relationships with customers; (3) infrastructure management: how it performs infrastructural or logistical issues; and (4) financial aspects: the revenue and cost structure of a business.

Based on this background, the famous nine blocks of Business Model Canvas were successfully designed describing any business' logic of value. Generally speaking, in this study it is argued that a main message is decrypted from those four areas to describe the logic of value for any SS. The adaptation made on this study suggests that the four areas can be transformed: (1) in the value proposition (2) to deliver the value proposition (3) to produce the value proposition (4) to sustain value proposition, figure 3. This standard description of value's logic serves as a general background to customize any specific value's description of a SS, such as the nine blocks of Canvas. It means that, in essence the resources, attribution of positions and roles of actors and stakeholders are distributed in these four areas in a SS.

Figure 3 - Standard description of value's logic in a service system



For a standard driver to value proposition, it is shortly discussed what are the valuable resources for each of these SSs isolated. This means the translation of well-being is based on each of these SSs' perspectives, separately analyzed by the dictionary definition of these nouns <dictionary.cambridge.org>.

- Economic SS: economy means "the system of trade and industry by which the wealth of a country is made and used" - one can imagine economic metrics and incentives, business, profit, but a common goal for all these initiatives, at least in a capitalism system, is pursuing growth;
- Biopsychological SS: biology means "the scientific study of the natural processes of living things" and psychology "the scientific study of the way the human mind works

and how it influences behaviour, or the influence of a particular person's character on their behavior" - one can think about physical, emotional and social needs, ways of pleasure, but for a main guideline, the valuable resource for this SS resumes in life well-being;

- Political SS: politics means "the relationships within a group or organization that allow particular people to have power over others" - it is possible to relate to political projects, programs, alliances, laws, and the common valuable resource managed here is the power conditions;
- Cultural SS: Culture means, "the way of life, especially the general customs and beliefs, of a particular group of people at a particular time" - it may be comprised of social norms, languages, religions and habits which are forms of culture, having in common the fact that people are in cooperation with it. The more people cooperate with one of these issues, the more it gets stronger to the culture;
- Environment SS: environment means "the air, water, and land in or on which people, animals, and plants live" or the surroundings "the conditions that you live or work in and the way that they influence how you feel or how effectively you can work" – consisting of climate condition, raw materials, biodiversity and energy, but from a human perspective, greater importance relies on the resources' maintenance.

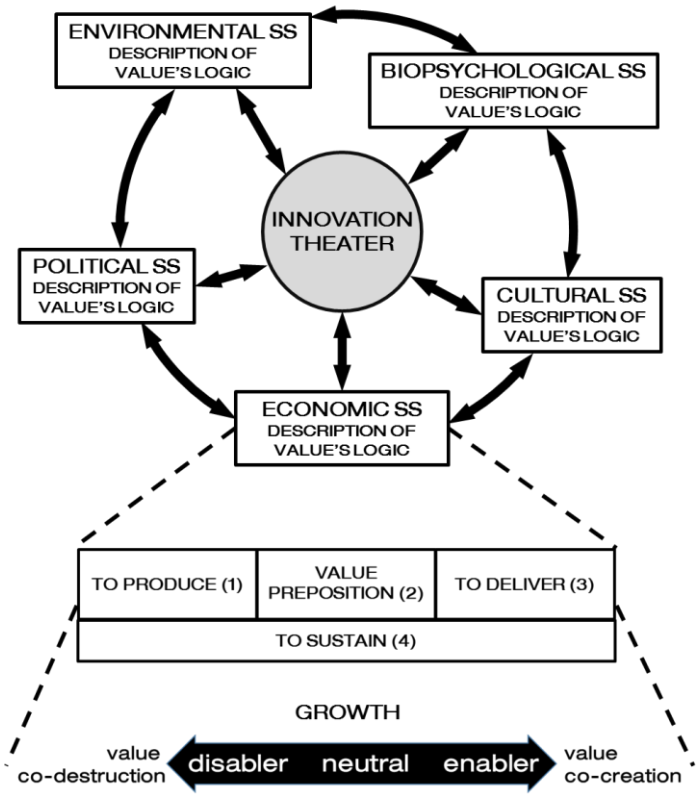
These main drivers resources for SSs' value are not conclusive, but do give some orientation to reflect upon the value description of each of the five SSs. On the grounds of an exercise, consider the implication of the above mentioned value drivers in the negative sense - when growth, life well-being, power condition, cooperation and resources' maintenance are finished, respectively the economic, biopsychological, political, cultural and environment SSs tend to collapse.

6.4. Building the conceptual framework

The proposed conceptual framework is built upon the three base foundations above - comprising a value network (or a service ecosystem) composed of five SSs that interact with one another constituting a social fact. The description of the value's logic of these SSs is embodied on the value network. Thus, the value co-creation and co-destruction mechanisms are designed through the description of the value's logic of each SS, interconnected with one another. In a particular context, the connections among the SSs consist of the influences that the description of the value's logic of one SS' area imply to the others, figure 4.

In other words, the areas (1) the value proposition, (2) to deliver the value proposition, (3) to produce the value proposition and (4) to sustain value proposition of the economic SS can interfere in each others areas to describe the value proposition, such as the environment SS, and so forth. Likewise, due to the resources configuration involved in these areas, the power relation emerges and negotiates among the SSs, which can increase, decline or not disturb its logic of value. That means how these SSs in a particular context are tending or not to cooperate with the others SSs' descriptions of value's logics.

Figure 4. Innovation Theater, conceptual framework – highlighted solely the Economic service system standard description of value's logic and main valuable resource driver



The essence of the proposed conceptual framework is to capture the interaction's complexity of a value network and describe the logic of value and resources that entwine among these SSs, which is, from the perspective of this study, rooted, in a explicit way or not, in any kind of innovation and innovation context. In the following section, the conceptual framework is discussed based on examples and its applicability.

7. DISCUSSION

Further on, the discussion of the Innovation Theater is held by the description of three shorts examples. The first example is focusing on the mechanisms; the second is focusing on the differentiation of the idea in the context (not including the mechanisms) and the third, a short remark of the dynamic and adaptive competence of the SSs in the whole value network.

First example: In a hypothetical context, when a government increases taxes in a specific industry (political SS, area (4), ↑ power conditions, enabler), that tax activity turns the production more expensive to an industry (economic SS, areas (1) (2) (3) (4), ↓ growth, disabler). In this sense, the products offered to customers become more expensive (biopsycologycal SS, area (1) ↓ life well-being, disabler). On the other hand, lower production demands less use of raw material (environment SS, area (3) ↑ resources maintenance, enabler). At last, the cultural SS is not substantially affected (↔ cooperation – neutral).

It sounds like obvious that a high tax is a barrier for an innovation's context perspective. However, what is not evident is that it depends on the perspective, and eventually high taxes can also bring innovation opportunities.

In the case of batteries using rare and polluting raw materials, a specific taxation initiative can incentive new technological developments. Alternatively, the same situation

could be applied to the co-destruction of smoke industry's well-being (growth). Potentially, social benefits would outcome with a decrease on the numbers of smokers. This impact can ultimately co-create value on political, biopsycological and cultural SSs, such as lowering health wastes to the State, improving population's life expectancy, and the development of a non-smoking culture.

Second example: In the beginning of internet, when Google postulated its mission "to organize the world's information and make it universally accessible and useful", the innovation outcome was to release a new search engine. That engine provided more access to internet content than other concurrent's search engines. Mainly, Google represented a new technological business with a new value proposition (economic SS, ↑ growth, enabler), which co-created value to customers, providing access to information in a faster and more comfort way (biopsychological SS, ↑ life well-being, enabler). It was the explosion time for internet companies, supporting the birth of the national information industry, thus increasing any country's progress (political SS, ↑ power condition, enabler). The internet was just establishing, nobody was confident how it was going to work (cultural SS, ↔ cooperation, neutral), and the resources of the environment, from a human perspective, were not consumed differently from other low impact industries (environmental SS, ↔ maintenance of resources, neutral). Note that the overall value co-creation was positive, and there was no significant stakeholder able to block it. Thus, putting efforts to Google's first innovation had all conditions to be successful.

On the other hand, when Google came with the same value proposition in China, the effect was different. At a first glance, the whole scenario would be the same as mentioned above. However, the value proposition driven by Google's mission co-destroyed China government's values once political information of its regime would become available to the population (political SS, ↓ power conditions, disablers). Google's initiative was forced to adapt in order to survive in this context. The effects of Google's initiative in China was to be partly censured by the Chinese government (economic SS, ↓ growth, disabler). In this context, even if the overall value co-creation could somehow be positive, there was a significant affected stakeholder able to block or adjust the other involved SS's value propositions. At present, Google still has many issues in China.

It seems obvious that the innovation of Google's search engine had already a huge potential of success, once its capacities were much better than the competitors'. Nevertheless, the point that is not obvious is that Google's success as a start-up would be seriously impaired if the company had started in a different context, country or political system.

Third example: Currently, the dynamic adaptation of these SSs has altered the above innovation context (second example). For a specific SS, the cultural issues have been dramatically altered worldwide, where internet is widespread and the majority of the globe uses it intensively. Google and many other internet initiatives' values propositions made this possible; it remarkably pushed forward a digital culture or cyberculture. Nowadays, new internet initiatives are much more common and well-expected (cultural SS, ↑ cooperation, enabler).

The above examples expose that there is an intrinsic relation between the idea and its context in an innovation perspective. This tight relation is mainly concerned to the certain conditions of a situation.

What is important to be highlighted is the influence of one SS to another, primary associated to the impacts of the mechanisms of co-creation and co-destruction on its descriptions of the values' logic. Precisely, these impacts can create barriers and openings to the innovation context. The key point to partially shift a SS that is acting like a barrier to an

innovation passes through the challenge of influencing its own description of value's logic, turning the blocking SS into a co-creator and thus becoming an enabler.

A priori, the Innovation Theater can be applied to any innovative idea within its context. Notwithstanding, this perspective addresses mainly on innovation where complexity is inherent and the outcomes are much more difficult to be determined, e.g. policies, government programs, regional development, innovation systems and ecosystems, sustainability, collaborative business, specifics industries – energy, automotive, telecommunication, and so forth.

8. CONCLUSIONS

The Innovation Theater is by instance an initial conceptual framework presenting many limitations. Its stage of development is theoretical and generates a sort of discussion concerning its potentials, applications and research implications

From a multiple sort of innovation perspectives, the conceptual framework helps to detail the implications of a potential idea in its context. The turning point is the possibility to describe multiples logic of values regarding systemic co-creation and co-destruction processes at various levels of aggregation in a complex system. From a single idea to an innovation ecosystem, the main descriptions of value's logics of the value network can be potentially observed. Ultimately, barriers and opportunities can be discovered.

It contributes to the literature in understanding that every innovation in its context is, in essence, dynamic, adaptive and systemic, leading to an evolutionary development. It explains somehow why there is an enormous variety of innovations' typologies, definitions and outcomes. It seems that each of these variations is carefully interfering in specific aspects of the innovation in a value network. The intention here is far from denying or substitute these innovation's variations. What this study argues is that the Innovation Theater perspective can work in an auxiliary way, meaning one's innovation approaches can potentially be inserted to the proposed framework, enabling to extract new outcomes.

The consequences from a practical perspective is to explicit a particular innovation situation - the set analysis of the SSs' description of value's logic leads to discover actors, stakeholders, the co-creation/ destruction activities, cause-and-effect understandings. In other words, it functions just like an innovation's situation snapshot or blueprint.

Moreover, this understanding makes a more comprehensive approach to the situation possible. Practitioners are able to share a single framework, which leads to unify the communication, and a strategic analysis to realize new potential opportunities and pitfalls. The development outcomes from the analysis are various and mainly summarize the orchestration of the innovation situation, from idea to context. New alliances, relations, position, roles, trade-off situations, values' propositions and the management of dynamic crucial resources like trust, knowledge and learning can be determined and more realistically designed or re-designed.

For an extreme perspective, in a complex multidimensional innovation system, such as innovation ecosystems, the practice of the Innovation Theater is able to capture its logic of value and resources. Orchestration of knowledge, resources and people's relationships in search for synergies becomes more reasonable and explicited. In contrast, for an empirical approach of the same innovation situation, the identical issues would be probably perceived intuitively or ultimately not even wondered.

The open issues regarding the conceptual framework's robustness are still concerning the research's limits. The three base foundation proposed are based on literature content, but a

deeper scientific research is required to establish particularly fundaments to the framework's further developments. For the first foundation, the Innovation Theater relies on a social fact based on the five SSs; research implications can argue against the social fact overview, alter the quantity of SSs or discover new ones in specific contexts. The second foundation, co-creation and co-destruction are considered the main mechanisms; however, the understanding of these mechanisms in more complex social contexts still needs clarity in the academia.

For the last foundation, the limitations are more evident. This study attempted to identify general guidelines for the description of value's logic and main valuable resources for the SSs. On other hand, a deeper investigation to identify more specificities and mutual relations to other SSs under the S-D logic is necessary to build a more explicited framework. Lastly, case studies are required to test the applicability of the Innovation Theater in a vast range of innovation situations and contexts.

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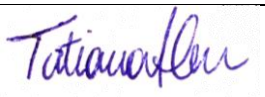
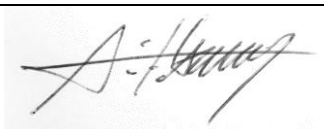
Tatiana Schreiner	191.839.728.70	
Aldrwin Farias Hamad	003.900.799.52	
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