

# *A Literature Review on Service Innovation Behavior*

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**Abstract:** Under the demand for high-quality development in the service industry, service innovation behavior has become crucial for enhancing corporate competitiveness. A review of the literature reveals that academia has not yet reached a unified definition of service innovation behavior. Its concept has evolved from "product innovation" to "technology-process-ecology collaborative innovation," and measurement tools have gradually been iterated and optimized from early scales. Research on influencing mechanisms has focused on leadership, organizational, and individual factors, including leadership style, knowledge-sharing climate, and psychological capital. However, there is a lack of targeted discussions on resource interaction mechanisms and the context of high-end service industries. Future research should deepen localized theoretical construction, focus on emerging contexts of digitalization and greenization, strengthen industry-university-research collaboration to promote achievement transformation, and provide more adaptable theoretical support for innovation practices in the service industry.

## **1. Introduction**

In the service industry, delivering high-quality services is crucial for organizations to attract more customers and gain customer loyalty, which helps improve corporate profitability and promote organizational development<sup>[1]</sup>. Against this backdrop, how to enhance frontline employees' performance through service innovation has become a key proposition for driving the high-quality development of high-end service industries. As customers increasingly pursue personalized services, providing non-standardized, suitable, and creative services has become a critical factor for enterprises to establish long-term relationships with customers. Service innovation, which breaks traditional approaches to achieve customer satisfaction, will become the primary driving force for the survival and development of service enterprises<sup>[2]</sup>. Traditional research on service innovation has focused on technology-driven innovation<sup>[3]</sup>, while recent studies have gradually expanded to non-technical innovation areas, such as service model innovation (e.g., platform-based services)<sup>[4]</sup>, organizational management innovation (e.g., employee participation in innovation mechanisms)<sup>[5]</sup>, and user collaborative innovation (e.g., user co-creation of value)<sup>[6]</sup>. A review of the literature reveals that scholars at home and abroad have not yet reached a consensus on the connotation of service innovation behavior; conceptual definitions and measurement dimensions have been gradually localized based on Western theoretical frameworks; and research on the influencing mechanisms of service innovation behavior remains fragmented, with an urgent need to deepen systematic theoretical construction.

Based on this, this study integrates relevant academic papers to summarize the research themes and frontiers of service innovation behavior, attempting to clarify the research boundaries of service innovation behavior, so as to promote the theoretical development of service innovation behavior research and provide reference for academia and industry.

## **2. Basic Concepts and Measurement of Service Innovation Behavior**

### **2.1 Definition and Connotation of Service Innovation Behavior**

Some studies emphasize that service innovation refers to the introduction of entirely new service products or processes to create value for service stakeholders<sup>[7]</sup>. Another perspective holds that service innovation is employees' innovation of work processes, methods, and services through their own creativity under service-oriented goals, which can be either disruptive or incremental<sup>[8]</sup>. Research indicates that service innovation behavior is the process by which employees create, promote, and implement novel service concepts to improve existing services and provide new ones<sup>[9]</sup>. Subsequently, scholars have proposed that innovative service behavior refers to employees' actions of solving customer problems and meeting customer needs by proposing new ideas, adopting new technologies, and applying new processes during service delivery<sup>[10]</sup>. It is argued that service innovation behavior is actions taken by employees in a service-oriented environment to generate novel and creative ideas and introduce new service technologies, methods, or products<sup>[11]</sup>. Notably, some studies have introduced a new dimension of green service innovation behavior, defined as employees' actions to propose and implement innovative ideas for green services provided to customers<sup>[12]</sup>.

In summary, the conceptual system of service innovation behavior has gradually evolved from the early "product/process innovation" to "technology-process-ecology collaborative innovation," providing a theoretical anchor for subsequent discussions on the driving mechanisms of employee behavior.

### **2.2 Evolution of Measurement Scales for Service Innovation Behavior**

Existing research shows that service innovation is mainly reflected in two dimensions: new service development and employee service innovation. In the field of new service development, a study based on in-depth research in the hotel industry developed a new service development scale with 8 measurement indicators, laying the foundation for quantitative research in this field<sup>[13]</sup>.

At the level of employee service innovation, relevant research achievements are abundant and continuously evolving. As early as 1994, a study developed a 6-item scale for employee service innovation behavior through interviews with senior corporate managers<sup>[14]</sup>. Thereafter, studies developed a 7-item scale focusing on evaluating employees' proactive innovative behaviors beyond formal duties and customer-oriented extra contributions during service delivery<sup>[15]</sup>, and a 6-item scale focusing on employees' innovative capabilities and improvement awareness in service work, further refining measurement tools<sup>[16]</sup>. Some studies adapted the aforementioned scales and validated their applicability in service innovation research within the banking industry<sup>[9]</sup>. Other studies took an alternative approach by developing a 4-item scale using colleague or supervisor evaluations, providing a new perspective for measuring employee service innovation behavior<sup>[17]</sup>. Additionally, considering the potential impact of demographic characteristics on the measurement of service innovation behavior, academia typically includes them as control variables in research designs to ensure the accuracy and reliability of research results.

In summary, existing scales have covered innovation at both organizational and individual levels, but measurements of employee service innovation still require dimension design deepened by

industry characteristics.

### 3. Influencing Factors of Service Innovation Behavior

Through literature review and analysis, it is found that although there are numerous factors influencing employees' service innovation behavior, previous scholars' research has mainly focused on the following three aspects: First, leadership factors, namely the different impacts of various leadership types on employees' service innovation behavior. Studies suggest that benevolent leadership has a positive role in promoting employees' innovative behavior<sup>[18]</sup>; Second, organizational factors, such as the influence of organizational environment and climate on employees' service innovation behavior. Research has proposed that when an organization fosters a knowledge-sharing climate, employees' innovative capabilities within the organization will be enhanced<sup>[19]</sup>; Third, individual factors, primarily focusing on employees' own knowledge reserves, personality traits, etc. From the perspective of social cognitive theory, studies argue that learning goal orientation can improve employees' innovative self-efficacy, thereby promoting employee innovation<sup>[20]</sup>.

Existing research on the antecedents of employees' service innovation mainly focuses on individual-level employee traits<sup>[20]</sup>, individual sense of value<sup>[21]</sup>, external knowledge acquisition and sharing<sup>[22]</sup>, leadership and team-level empowering leadership<sup>[23]</sup>, transformational leadership<sup>[24]</sup>, team structure<sup>[25]</sup>, leader-member exchange<sup>[9]</sup>, and organizational-level organizational intellectual capital<sup>[26]</sup>, human resource management practices<sup>[27]</sup>, etc.

Since service innovation behavior requires sufficient resource investment to stimulate creativity<sup>[17]</sup>, existing studies indicate that psychological capital including self-efficacy and resilience<sup>[16]</sup>, as well as autonomy and support provided by leaders, are important resources that can promote employees' service innovation behavior<sup>[28,29]</sup>. Additionally, related research confirms that engaging activities can replenish employees' relational resources, thereby stimulating their creativity<sup>[30]</sup>.

In summary, existing research has revealed antecedent variables of employees' service innovation behavior from multiple dimensions such as leadership, organization, and individuals, covering key elements like individual traits, leadership styles, organizational environment, and psychological resources. However, current studies lack discussions on the dynamic interaction mechanisms between resource supply and innovative behavior, and there is limited research on contextual differences.

### 4. Future Research Prospects

Current research on service innovation behavior has achieved phased results, but there is still room for improvement in the construction of theoretical systems, the expansion of research perspectives, and the connection with practical applications. Future research can focus on the following directions: First, deepen the construction of localized theories and improve the conceptual system. There are still differences in the definition of the connotation of service innovation behavior in existing research, and most measurement tools are developed based on Western theoretical frameworks, which may have cultural adaptation problems during the localization process. In the future, it is necessary to combine the characteristics of the service industry in the Chinese context (such as the human relationship in high-contact services and the collective-oriented organizational atmosphere) to construct a more explanatory localized theoretical model. Second, focus on emerging situations and niche fields to enhance the practical orientation. With the accelerated digital and green transformation of the service industry, existing research pays insufficient attention to emerging business forms (such as the innovation behavior of gig workers in the platform

economy). In the future, it is necessary to focus on digital scenarios and special industry scenarios to enhance theoretical support. Third, strengthen the transformation of research results and build a collaborative platform for industry-university-research cooperation. Existing research mostly focuses on academic theoretical discussions, and there is a gap in the connection with the practical needs of enterprises. In the future, it is necessary to strengthen cooperation between the academic and industrial sectors, such as jointly developing tools, building service innovation behavior assessment scales with service enterprises, and designing implementable employee innovation ability improvement plans.

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