

Tim Kessler, Jan Brendel\*

## **Planned Obsolescence and Product-Service Systems: Linking Two Contradictory Business Models\*\***

**Abstract** – Planned obsolescence and product-service systems are two business models which have evolved as popular strategies for technology oriented companies. Interestingly they appear to be contradictory. While planned obsolescence refers to the policy of planning or designing a product with a limited life span, product-service systems are integrated combinations of products and services, designed to jointly meet and fulfill specific customer needs. We present examples that illustrate both approaches and reveal and discuss interdependencies and linkages between the two business models. Based on additional illustrative cases, we discuss possible combinations of both approaches and develop a conceptual framework for evaluating the applicability of hybrid combinations of planned obsolescence and product-service systems with respect to different industries and corporate resources and competencies. Although there is no connection at first sight, our conceptual framework suggests that planned obsolescence and product-service systems are not mutually exclusive, but rather describe two ends of a business model or strategy continuum. Moreover, our framework provides some straightforward managerial implications and paves the way for further research.

**Keywords:** **Planned obsolescence, product-service systems, business models, corporate strategy, resources and competencies**  
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\* Prof. Dr. Tim Kessler, JP International Management of Technology and Industrial Services, University of Bayreuth, Universitätsstraße 30, D-95447 Bayreuth. E-Mail: [tim.kessler@uni-bayreuth.de](mailto:tim.kessler@uni-bayreuth.de).

Dipl.-Math. oec. Jan Brendel, Chair of Technology and Innovation Management, University of Bayreuth, Universitätsstraße 30, D-95447 Bayreuth. E-Mail: [jan.brendel@uni-bayreuth.de](mailto:jan.brendel@uni-bayreuth.de).

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