

The Impact of Digital Transformation Capabilities on High-Tech Manufacturers' Performance through the Mediating Role of Servitization

Bang-Ning Hwang

Department of Business Administration, National Yunlin University of Science and Technology, Yunlin, Taiwan

Chih-Pin Hsu

Department of Business Administration, National Yunlin University of Science and Technology, Yunlin, Taiwan

Abstract:

The technology manufacturing industry faces challenges amid digital disruption and a shift from cost to value-oriented models. Digital transformation is essential but insufficient alone—its success depends on firms' capabilities to integrate digital resources, reconfigure processes, and reshape culture. Servitization, the shift from product-based to integrated product-service offerings, is a key strategy that leverages digital capabilities to enhance performance. This study, based on the resource-based view and survey data from 191 Taiwanese firms, finds that digital capabilities improve firm's performance, partly through servitization. The contribution of this study lies in it integrates digital transformation and servitization and reveals how resource building and strategy drive performance, enriching RBV theory in high-tech manufacturing. It advises firms to align structure, culture, and strategy, and urges policymakers to tailor support across transformation stages for more effective industrial upgrading.

Keywords:

Digital transformation capability, Servitization, Firm performanc.