Digitization is rapidly reshaping industries and economic sectors. It enables novel Product-Service Systems (PSS) that transform customer/supplier relationships and introduces new value propositions. However, while opportunities for novel types of PSS arise, it is not clear how digitization and the institutionalisation of digital capabilities, particularly within the customer organisations, may affect implementation of PSS, potentially leading to transformational changes in the customer organisation. This paper examines one such potential transformational change from three complementary viewpoints – the resource based, the dynamic, and the relational viewpoint. It does so through action research study in the context of the maritime industry, which is particularly attractive for PSS offerings. The research methodology comprised a two-step action research process, focusing on both digitization and PSS development and implementation. The main findings are that rather than facilitating procurement to co-development of PSS, institutionalisation of digital capabilities facilitated development of PSS by stakeholders internal to the company, and strategic co-development with external stakeholders. The new digital capabilities circumvented cost barriers associated with the procurement of services from external stakeholders, supported process standardization - to the expense of process innovation-, and transformed the network that delivered PSS by closing opportunity gaps for externally procured services. Furthermore, the uptake of digital capabilities highlighted the importance of cost estimation in making the customer more responsive to threats and opportunities.