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From Customer Perceived Value (PERVAL) to Value-in-Context Experience (VALCONEX)

Purpose - Many customer perceived value measurement scales, such as PERVAL, seek to examine value as a linear process, where value is perceived in pre- in- and post-service consumption phases (Sweeney and Soutar, 2001). In addition, such scales examine how previous customer experiences of the same type of products or services influence customer perceived value and focus on the deductive measurement of predefined value categories without a longitudinal perspective (Rescher, 1969; Flint, Woodruff and Gardial, 2002; Zeithaml, 1988; Holbrook, 1994). This paper outlines an alternative phenomenological framework, (VALCONEX), to examine value-in-context experiences.

Design/methodology/approach - The VALCONEX framework inductively examines lived and imaginary value-in-context experiences in the context of Web 2.0 and public service organisations.

Findings - The research findings indicate that previous experience of different types of service, together with imaginary experience, impacts on current and future value-in-context experiences. In service settings, customers and service managers experience and co-create value with service providers and other beneficiaries and the pre- in- and post- service consumption phases become dynamically intertwined.

Research limitations/implications - The paper provides empirical evidence regarding the nature of value-in-context using the phenomenological approach in S-D logic.

Originality/value - The VALCONEX framework was found to supplement more traditional customer perceived value approaches, particularly in service innovation and development settings, by examining how customers' and service managers' value-in-context experiences are dynamically intertwined in a cyclical rather than in a linear way.

Keywords: S-D logic, value-in-context experience, customer perceived value, phenomenological approach

Paper type: Research paper

INTRODUCTION

Both researcher and practitioners have addressed value discussion since 1990s (Sánchez-Fernández and Iniesta-Bonillo 2007). However, neither academics nor practitioners have mutually agreed on the definition of value. Instead, different conceptualisations of value are presented in the literature including value-in-exchange, customer perceived value, value-in-use and value-in-context. In addition, various types of scales have been presented to measure these different value conceptualisations.

Many customer perceived value measurement scales, such as PERVAL, seek to examine a linear process, where value is perceived in pre-, in- and post-service consumption phases (Sweeney and Soutar, 2001). In addition, such scales examine how previous customer experiences of the same type of products or service influence customer perceived value of that product or service and focus on the deductive measurement of predefined value categories without a longitudinal perspective (Rescher, 1969; Flint, Wooduff and Gardial, 2002; Zeithaml, 1988; Holbrook, 1994). This paper outlines an alternative phenomenological framework, (VALCONEX), which indicates that a beneficiary's value-in-context experiences are dynamically intertwined in a cyclical rather than in a linear way.

Skålen, Fougère and Fellesson (2007) argue that marketing is lacking critical discussion around its foundational concepts, which in turn inhibits further research and conceptual development. This paper outlines the foundational premises (i.e. ontology, epistemology and methodology) which underpin how customer perceived value is currently measured and proposes an alternative framework to inductively explore value-in-context experiences. The proposed framework is particularly suitable for new service development where previous experiences of using new innovative products or services are absent.

Firstly, the paper provides an overview of traditional customer perceived value measurement scales, such as the PERVAL measurement scale that has been introduced by Sweeney and Soutar (2001). Secondly, a new framework that does not necessarily require previous experience of the same service is proposed. Thirdly, differences between the nature of these frameworks is summarised. In addition, the paper presents empirical data on the nature of value-in-context (Vargo, 2008; Vargo and Lusch, 2008a) from both the company and customer perspectives. In the four organisational datasets examined, the service managers are customer interfacing service managers in private and public service. Such middle-level managers and front-line managers, who have a close working-relationship with their customers and thus are able to interpret front-line customer experience, are interesting for service innovation researchers (von Hippel 2005; Bitrain and Pedrosa 1998). Finally, the VALCONEX framework, which is based on individual value-in-context experiences, is presented as an alternative approach to measuring the phenomenological nature of value.

VALUE AS A CONCEPT

Value and value creation can be studied either as single universal concepts or by adopting the vantage and contingency perspective of a particular source of value (Lepak Smith and Taylor, 2007). It is therefore possible to view value from a number of perspectives, including both

from the customer and supplier perspectives (Smith and Colgate, 2007; Payne et al., 2008). In this paper, we examine value from the phenomenologically determined customer and service manager perspectives.

Company vs. customer perspective

To date, many of the studies on customer perceived value have assumed that companies and customers perform different predefined roles in relation to value co-creation, with companies supplying the product or service offering with 'embedded' value and where the customers are just buyers and users (Graf and Maas, 2008). Within this view, the source of value flows from characteristics of the firm's products and services or the activities of the firm and not the customer (Clulow, Barry and Gerstman, 2007). Value is seen to be result primarily from the firm's activities in relation to predetermining the nature of value and embedding it in the functional aspects of a particular product or service. For example, Bowman and Ambrosini (2000), distinguish between use value and exchange value. Use value is a product-centric conceptualisation where value is seen to be embedded in a particular product or service offering. Use value is seen to be perceived by the customer at the point of purchase at a given point of time as opposed to being dynamic, temporal and determinable before, during and after consumption or purchase has taken place. Bowman and Ambrosini (2000 p. 2) define use value as "the specific qualities of the product perceived by customers in relation to their needs", thus being something created by the firm and not by customers". While use value is a subjective customer assessment, the focus is mainly on product or service functionality and the total monetary value consumers are prepared to pay for a particular product or service as opposed to the value-in-context. Similar to use value, customer perceived value is based on customers' experiences and perceptions of using a service.

Customer Perceived Value

A common customer perceived value definition cited in the services marketing literature is: "the customer's overall assessment of the utility of a product based on perceptions of what is received and what is given" (Zeithaml, 1988 p. 14). Traditionally, customer perceived value has been viewed a trade-off between benefits and sacrifices (Flint et al., 2002; Grönroos, 2000) or between quality and sacrifices (Monroe, 1990), which can be divided into monetary and psychological sacrifices (Dodds and Monroe, 1991). The sacrifices have originally primarily included monetary sacrifices such as price and acquisition costs but were subsequently extended to include perceived non-monetary price factors such as risk of poor performance (Liljander and Strandvik, 1993; Monroe, 1990). Furthermore, customer perceived value is always context-specific (Flint et al. 2002; Rescher 1969; Sheth, Newman and Gross, 1991; Woodruff 1997). For example, Woodruff (1997) defines customer perceived value as "a customer's perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer's goals and purposes in use situations" (Woodruff, 1997 p. 142).

More recently, however, service marketing literature has begun to view customer perceived value not just as something that is produced for customers, rather as something that relates to

customer experience and value-in-use. (Heinonen, 2009; Sandström, Edvardsson, Kristensson, Magnusson, 2008).

Measuring customer perceived value

Although uni-dimensional measures of customer perceived value do not take into account the social aspects of service consumption, some multi-dimensional benefit-oriented value frameworks also include incorporate social value in addition to other constructs (such as emotional, functional, epistemic and conditional value) (Sheth et al. 1991; Sweeney and Soutar, 2001). Social value associates users of the service with a social group and includes such aspects as social image, identification, social self-concept, expression of personality and pursuit of social class membership (Bearden and Etzel, 1982; Holbrook, 1994; Sheth et al., 1991; Sweeney and Soutar, 2001).

Established customer perceived value measures that have been tested in several fields of business include the customer perceived value measurement scale (PERVAL) introduced by Sweeney and Soutar (2001). Many customer perceived value measurement scales, such as PERVAL, seek to examine value as a linear process, where value is perceived in pre- in- and post-service consumption phases (Sweeney and Soutar, 2001) or merely as a value judgment based on in-use-experience. Value judgements evaluating benefits and sacrifices of using a service or product can also be based on perceptions of price quality ratio or previous experiences. However, measurement scales for customer perceived value mostly focus on post-use evaluations of a particular service without explicitly taking into account how the use of other services or products or other imaginary experiences may affect the customer value judgements .

Customer perceived value questionnaires are typically filled in during or after a specific service use situation. Deductive measurement of predefined value categories are useful in this context because these type of customer perceived value measures (e.g. PERVAL), and especially the overall customer perceived value measures, can be used to estimate the effect of customer perceived value on other constructs, such as customer loyalty or purchase intentions. The results can then be generalised for larger populations or fields of business. In contrast, inductive value research (such as VALCONEX) is more suitable for exploring individual experiences, particularly from a longitudinal perspective.

Sanchez-Fernandez and Iniesta-Bonillo (2007 p. 441) call for further academic research “to clarify the nature of the multi-dimensional construct (customer perceived value) and its constituent dimensions... and to develop a comprehensive and efficacious measurement scale for the concept” (Sanchez-Fernandez and Iniesta-Bonillo, 2007 p. 444). Extant research has tended to focus on the antecedents to and consequences of customer perceived value in marketing literature and view customer perceived value as a linear function that has a positive effect on behavior. There is a paucity of longitudinal research on how customer perceived value changes across time. Indeed, Sweeney (2002) state that some factors used to evaluate pre-purchase customer perceived value are no longer important in post-purchase evaluation, for example the hassle of using the service. Therefore, further research is required in order to

examine how past and future experiences are intertwined when customers evaluate perceived value.

VALCONEX as an alternative framework for examining beneficiaries' value-in-context experiences

We present VALCONEX as a complimentary framework to examine value-in-context experiences. VALCONEX relates to Vargo (2008) and Vargo and Lusch (2008a and b), who emphasise the phenomenological approach by using the term value-in-context instead of value-in-use, thus emphasising value as a context specific phenomenon that is experienced by beneficiaries in a network context (Vargo, 2008; Vargo and Lusch, 2008a). Gummesson (2008) argues that all beneficiaries experience service and argues that 'balanced centrality' best serves different beneficiaries. Vargo and Lusch (2008a p. 7) extend the company versus customer view by embracing the phenomenological perspective, namely that "value is always uniquely and phenomenologically determined by the beneficiary", and posit that "value is idiosyncratic, experiential, contextual, and meaning laden". The beneficiary can be any actor in the service phenomenon, such as an individual, household, firm, nation (Vargo and Lusch, 2008a p. 3).

Goulding (2005 p. 302) argues that the phenomenological epistemology legitimises the primacy of the views and subjective experiences of the participants or in this case, beneficiaries, as data. The phenomenological approach embraces the subjective experience-in-context as the focus of research. In addition, the phenomenological approach indicates that experiences and value are co-created. Thus, individual and social value-in-context experience is critical for experiencing value and creating service innovation (c.f. Prahalad, 2004).

Woodruff Smith (2008) defines phenomenology as the study of phenomena as they appear in an individual's experience, and lists different types of experience: e.g. perception, imagination, thought, emotion, desire, volition, and action. The VALCONEX approach examines lived or imaginary experiences that the individual makes sense of in the form of value assessments. Based on the phenomenological approach, value-in-context is viewed as an intersubjective socially constructed personal assessment based on customers' or other beneficiary's subjective service and value experiences. Raval (2008 p.125) defines value experience as a combined overall assessment of how value creating resources contribute to individual value creation over a time period.

The beneficiary's experiences are best captured with an inductive, phenomenological approach that enables experiences to be analysed as a socially constructed phenomenon, which encompasses the interactions between the provider organisation and the customer. Exploratory approaches complement more traditional customer perceived value measures, particularly in situations where services or products are so new that customers or developers do not have prior perceptions or expectations to base their value judgments on. The phenomenological approach using imaginary experiences and comparisons with use situations with other products and services in past in addition to the current context help to better express desire and action, make evaluations context-specific and thereby more accurate.

In Table 1 we summarise some of the differences between PERVAL and VALCONEX. Within the VALCONEX framework, customers' or other beneficiaries' experiences are analysed within the phenomenon of service understood as the basis of all business (Lusch and Vargo, 2006). Customer experience is not only individually intrasubjective but also socially intersubjective (Schutz, 1967; Schembri, 2006). Within the proposed VALCONEX approach, value-in-context experience and a beneficiary's experience are viewed as intersubjective socially constructed personal assessments based on customers' or other beneficiary's subjective service and value experiences. In addition, value-in-context is viewed as having a longitudinal and temporal dimension. In contrast to PERVAL, VALCONEX also examines the individual's imaginary experiences in addition to the lived experiences.

Table 1 PERVAL compared to VALCONEX

Perspectives	PERVAL	VALCONEX
Type of measurement	Deductive	Inductive
Approach	Rational	Phenomenological (experiential)
Type of data	Aims to present objective generalizable results that are based on subjective self-reported data.	Beneficiaries' subjective experiences are justified as data. Researcher is part of the research phenomenon.
Measurement	With scales and linear measures. Aims at reliable, valid estimations of linear effects.	Subjective, does not aim to show linear measures but rather aims at illustrations and understanding.
Value perspective	Service provider's perspective on how customers perceive value	Value as experienced by the beneficiary individually and socially constructed (e.g. customers, service provider representatives, representatives or other actors involved)
Time perspective	Value is perceived in pre- in- and post-service consumption phases	Value experiences are based on current, previous and future experiences within and outside the context of the specific service.
Lived and imaginary perspective	Focuses on practically perceived value. Does not discuss the imaginary perceived value.	Includes lived and imaginary value experiences
Individual versus social	Individual customers, analyse the effect of value on other constructs. Aims to generalise findings to a population	Value experience is individual (intrasubjective) and social (intersubjective)
Context	Defined by the service provider.	In the context of the beneficiary's lived and imaginary experiences that relate to the specific service.
Form of knowing	Based on theoretically justified hypothesis.	Sense-making that is based on previous understanding (the hermeneutic spiral)

RESEARCH APPROACH AND METHODOLOGY

In the following section, we outline how the VALCONEX framework was empirically tested using four different organisational datasets in order to examine the value-in-context experiences of customers' and service managers'.

Table 2 Overview of four datasets

Customer perspective	Source of data	Type of web 2.0 service
Dataset 1	53 blog postings (scanned with the search engine www.blogpulse.com)	Web 2.0 service. Nokia navigator phone service
Dataset 2	25 storytellers (interviews, ca. 20 minutes each)	Web 2.0 service (connected with different types of events, such as music festivals, sports events)
Managerial perspective	Source of data	Type of service
Dataset 3	5 storytellers: service provider representatives (interviews, ca. 1 hour)	Web 2.0 (location aware service)
Dataset 4	4 storytellers: service managers (interviews, ca. 1 hour)	Public service in the municipal service sector in Finland: children's day care, local health service and local cultural service.

VALCONEX focuses on lived critical events or experience that a beneficiary considers meaningful and important. We analyse value-in-context experiences using narratives with critical events (c.f. Czarniawska, 2004; Webster and Mertova, 2007) linked with metaphors. (For a fuller definition and description of lived critical events and imaginary events, as well as the process of data collection and analysis during this research, please see Appendix 2). Within the VALCONEX framework, the analysis of whether an event might be considered as representing a value-in-context experience or not is based on lived and imaginary critical events. The analysis of lived and imaginary experiences aims at understanding customers' and other beneficiaries' sensemaking that relates to value-in-context assessments based on experiences in the service settings. The data collection and analysis is thus extended to incorporate imaginary value-in-context experiences. Service managers and customers construct their experiences in the form of personal narratives (Schankar, Elliott and Goulding, 2001). In this way, service managers and customers constructed their value-in-context experiences and gave meaning to their subjective reality. In the analysis, imaginary events, which are often presented as wishes or metaphors (e.g. Alajoutsijärvi, Eriksson and Tikkanen, 2001), describe events that the storyteller recognises as imaginary. These events are potential service ideas for service innovations and act as assessments based on imaginary value-in-context experience.

FINDINGS

In Table 3, service managers' and customers' value-in-context experiences are categorised according to the traditional phenomenology (c.f. Table 1 PERVAL compared to VALCONEX). The aspects of value-in-context experiences vary from individual to social, past to future and practically lived to imaginary.

Table 3 Customers' and managerial value experiences from four datasets

VALUE-IN-CONTEXT EXPERIENCES (VALCONEX)			
	Individual vs. social	Lived vs. imaginary	Past vs. future
Customer perspective	Customers experience value individually but clearly relate their experiences to different groups they are part of. The groups vary from private to formal groups.	Customers tell about their lived value experiences in their own contextual settings from their own perspective.	Customers relate their present value experiences to previous value experiences. With the imaginary value experiences customers daydream and plan how things would ideally happen in the future or even experience potential future threats as imaginary value experiences.
Managerial perspective	Managers have individual value experiences. More than customers, they relate their value experiences to such groups, e.g. customers, who are beneficiaries in the service phenomenon.	Managers tell about their lived value experiences when managing and developing the service.	With their imaginary value-in-context experiences, service managers either create service innovations and improvements or picture how things can go wrong. They tend to imagine more often than customers how different beneficiaries would experience value in different contexts.

In this study, the research findings suggest that both types of beneficiaries, customers and service managers, have different value-in-context experiences in different types of contextual and situational settings.

Individual and/or social value-in-context experiences

The customers and service managers expressed their value-in-context experiences verbally and in written narratives. Socially, within a group, a specific type of assessment tends to become dominant and as such creates the foundation for socially constructed value-in-context assessments. However, all individuals interpret social value-in-context experiences and assess

value-in-context in their own individual way. For example, a kindergarten service manager tells about her value-in-context experiences expressing a dominant voice within her social group.

“Until now we have had family and social service and then child protection in different divisions. We agreed with my director that we could make a local project in combining social and day care and then introduce it to the whole area.” Dataset 4

Lived and/or imaginary value-in-context experiences

Customers and service provider representatives expressed in their stories that value-in-context assessments can be based on lived and/or imaginary value-in-context experiences.

“During our working days we experience challenges that parents and children have. If a mother hits her child at the kindergarten, what might she do at home...” Dataset 4

Another example of lived experience (Dataset 1), a blogger expressed value-in-context experiences based on lived experiences of using an in-car satellite navigator:

“I drive a lot; you’ll know the value of a sat navigator. That constant nagging voice urging to you bear left. Do you still get lost pedestrianised areas, though? Or when you leave the safety of the car?”

These examples are line with Pine and Gilmore (1999) and Valberg (1992), who indicate that experience is always true to itself and does not necessarily need to have a material replica. As such, an individual’s value-in-context experiences are not external truth statements in the Cartesian tradition that relies on linear and statistical measures. The individual’s value-in-context assessments might be based on own ideas, own memories, stories told by other people, external information or some other source of data.

“I would not mind that my driving would be documented via satellite. But my husband borrows my car and I would not like to have access to that information. In fact, I would feel safer with the satellite location; I remember when my car broke in winter and I did not exactly know where I was. It was a remote area.” Dataset 2

For researchers and practitioners, imaginary value-in-context experience offer access to tacit knowledge that otherwise might be silent. In the extract below, a customer is telling about her imaginary value-in-context experience that did not become explicit with traditional ways of researching. The metaphor of using a magic wand that makes everything possible helped her to think ‘out of the box’.

“I would like to take a picture that has emotions, like the sound and smell. And perhaps the wind in it. I would send it to my friends and I know they would love it.” Dataset 2

At this stage, it is important to note that imaginary value-in-context experiences are those value-in-context experiences that an individual recognises as imaginary.

Past, present and/or future value-in-context experiences

The aspects ‘past’ and ‘future’ are defined as experienced by the individual. Interestingly, the phenomenological approach creates access to time that is not linear but rather a space within the state of mind. Customers and service managers make sense of different time statements with the help of their narratives. A service manager tells about his lived experience that takes place in the future without labelling it as an imaginary experience in the future. Then he continues to tell about an imaginary value-in-context experience that he imagines to take place in the future.

“Our customers are interested in it. But it doesn’t work here. We have so much to do fixing the cars. But perhaps we will need to consider it if the revenues are good.” Dataset 3

The findings indicate that customers and service managers make value-in-context assessments based on their lived and imaginary value-in-context experiences. Critical and imaginary events were analysed in different types of service contexts: web 2.0 and municipal service. The research findings also reveal similarities that can be recognised in customers’ and service managers’ value-in-context assessments as well as in different types of service settings. These similarities relate to the phenomenological approach in human individual value-in-context assessments based on individual value-in-context experiences that reflect them as a beneficiary within a group, here within a specific service phenomenon.

CONCLUSIONS

Current approaches to measuring customer perceived value and value-in-context seek to examine customer feedback in relation to using the product or consuming the service. However, the one who makes the final judgement is the company based on the customer feedback.

This paper outlines a complementary framework to traditional ways of measuring perceived value for understanding value-in-context from both the customer and managerial perspectives and value-in-context experiences. The focus is not to ‘measure’ the complex phenomenon of value-in-context, which we believe is immeasurable, due to its inherently complexity and dynamic, contextual, multi-faced and contextual nature. The purpose of the paper is to provide an alternative lens through which the complex phenomenon of value-in-context might be gradually and iteratively revealed to the researcher and service organisation.

We propose an experiential framework for examining the phenomenon of value called value-in-context experience (VALCONEX), where value-in-context is examined using a phenomenological lens in order to better understand the complex and multi-faceted nature of individual and socially constructed sensemaking. In Figure 1, the different aspects are presented with the hermeneutic spiral (e.g. Husserl, 1962; Heidegger, 1962; Jacoby and Brown, 2006; Gummesson, 2000). The hermeneutic spiral is based on sense making and understanding, which is based on previous understanding. The hermeneutic spiral is not linear. Therefore, the aspects of value-in-context experiences in Figure 1 below are not linear but rather represent different types of aspects.

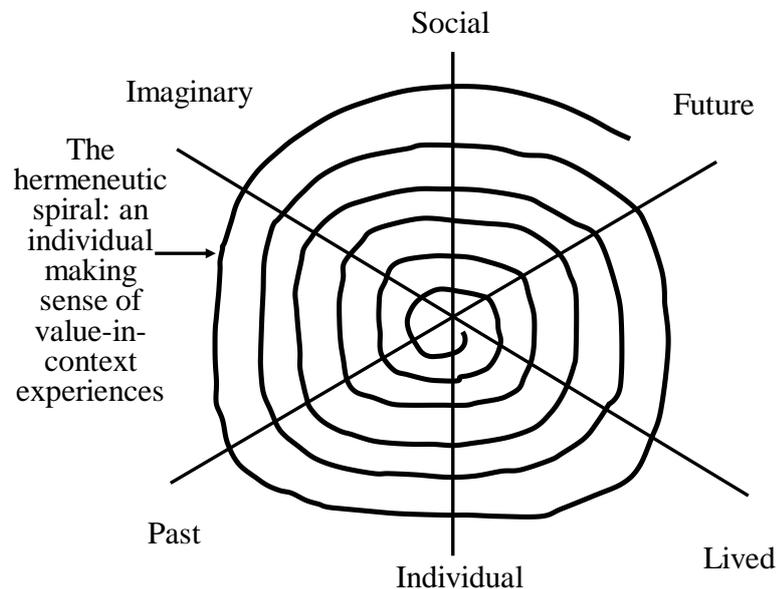


Figure 1 Value-in-context sensemaking based on individual value-in-context experiences (VALCONEX) (Helkkula, 2009)

VALCONEX is a supplement to the more traditional customer perceived value approaches. VALCONEX illustrates how customers and other beneficiaries, such as managers, dynamically intertwine their lived and imaginary value-in-context experiences in a cyclical sense making rather than in a linear way.

In addition, VALCONEX contributes to the value-in-context experiences within the S-D logic discourse, and emphasises the temporal, spatial and situational nature of value creation in the context of the beneficiary's phenomenological frame of reference (c.f. Vargo, Maglio and Akaka, 2008).

With the empirical datasets, we have illustrated the use of the VALCONEX approach in the context of service innovation and development of the four organisations studied. While PERVAL is suitable for analysing multidimensional value and its effect on other constructs, the research findings indicate that VALCONEX is a useful framework for exploring value perceptions in specific contexts that relate to other contexts and in particular for service innovation and development purposes. VALCONEX also uncovers tacit value-in-context experiences that tend to remain silent in the PERVAL type of scale measurements. The four datasets studied show that both customers and service managers provide rich sources of innovative data for service development purposes. Inductive data that is based on subjective, lived and imaginary value-in-context experiences is able to interpret individual and social value experiences in the past, present and future that are especially important for innovation.

To conclude, we emphasise that in phenomenology and within the VALCONEX framework, subjective experiences are justified as data. The method of knowing is the hermeneutic spiral (e.g. Husserl, 1962; Gummesson, 2000). Sense making is the essence of the hermeneutic

spiral, which is based on present and previous understanding (pre-understanding) (Tuomi and Sarajärvi, 2003). Therefore, the hermeneutic spiral is not linear. Moreover, the aspects (i.e. individual and social, lived and imaginary and past and future) of value-in-context are not linear but rather represent the phenomenon in a cyclical way. The findings emphasise that present experiences might change how people experience their past and future. Thus, individuals make sense of their value-in-context experiences in a cyclical way that does not only lead from past to present and future in a linear way without cyclical sense making and re-experiencing an old experience in a new light.

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ATTACHMENT 1: Summary of the Case Studies

	DATASET 1	DATASET 2	DATASET 3	DATASET 4
Service category	Web 2.0 service. Nokia navigator i- Phone service	Web 2.0 service used linked to an event	Web 2.0 service. Location aware service	Public service in the municipal service sector in Finland: children's day care, local health service and local cultural service.
Study conducted	2008-2009	2008	2007-2008	2003-2006
Total number of storytellers / bloggers	53	25	5	4
INTERVIEW QUESTIONS				
Preliminary questions	No interviews	<ul style="list-style-type: none"> • What web 2.0 services have you used? (provided a list of most popular web 2.0 networking services). • Frequency of visits at the event. 	<ul style="list-style-type: none"> • Have you used a satellite navigation system (SatNav) ? • Have you used point of interest service? • Do you lease or own a car? 	<ul style="list-style-type: none"> • Tell the story of your service development project from a personal experiential perspective and preferably in a chronological order. • In addition, service managers were asked to: • Establish general aims of the service development project they worked with. (This was supported by written project plans they had prepared at the end of the year 2004). • Describe the unit of development and the actors (they were also asked to draw a picture of this).
Lived critical event	No interviews, Described by the blogger.	<ul style="list-style-type: none"> • Describe how you used social forums on the Internet related to this event. 	<ul style="list-style-type: none"> • Describe how you use a SatNav • Describe how you use point of interest service. 	<ul style="list-style-type: none"> • Choose the critical incidents and describe, which boosted the project, which were obstacles and which hindered the completion of the project.

Other lived critical event	No interviews, Described by the blogger.	<ul style="list-style-type: none"> Describe other similar events. 	<ul style="list-style-type: none"> Have you encountered other events with this type of service? 	
Imaginary event	No interviews, Described by the blogger.	<ul style="list-style-type: none"> Tell me an imaginary story of how you would have acted if everything was possible. Forget technical restrictions, everything is possible. In the future, the genie of the Internet will help you do what you want. 	<ul style="list-style-type: none"> Tell me an imaginary story of how you would have acted if everything was possible. Forget technical restrictions, everything is possible. In the future, the magic wand will let you do what you want. 	Described by the service manager.
Metaphor used	Some bloggers spontaneously used metaphors in their blog postings	A genie of the Internet, an electronic secretary, a magic wand.	A magic wand, an electronic co-driver, an electronic secretary.	Described by the service manager.
Event-based need	Described by the blogger.	Better use experience of creating and sharing content through different channels.	In-advance advice for navigation, voice-based interface.	Development of municipal service that the service manager managed. Event-based need described by the service manager.
Examples of new service ideas generated based on the narratives of the imaginary event		<ul style="list-style-type: none"> Service that integrates taking, saving and sharing photos through a mobile device. Browser, which reads the content of pictures. Service options are integrated to the weather forecast. In an event, I can track and trace my friends. If my picture appears in the web, I would automatically be informed. Pictures would have the sound and atmosphere in them. 	<ul style="list-style-type: none"> Different types of point of interest service. Driving related data for specified purposes like electronic report on driving. 	<ul style="list-style-type: none"> Creation of a new kindergarten group for children with special needs (ADHD) Creation of electronic answer service to local health centre for laboratory tests Integration of kindergarten and social service for families in need of extra assistance to manage their daily life Creation of a funding strategy for municipal cultural service, in which citizens would co-create funding decisions

ATTACHMENT 2

The datasets have been collected with narrative inquiry technique that has been combined with critical events (Czarniawska 2004, Webster and Mertova 2007) and metaphors (c.f. Alajoutsijärvi et al., 2001; Shankar et al., 2001). The technique has been introduced as Event-Based Narrative Inquiry Technique (EBNIT) by Helkkula and Pihlström (2008). EBNIT has been tested with interviews (Helkkula and Pihlström 2008) as well as written stories i.e. blog postings (Helkkula and Kelleher 2009; Kelleher and Helkkula, 2009).

EBNIT analyses events that the storyteller recognises as imaginary. These events are potential service ideas for service innovations and act as assessments based on imaginary value-in-context experience. EBNIT combines research and practice and is suitable for expressing the storyteller's experience. Stories are not to be treated as documents on what has really happened. Instead it is posited that people make sense of their experiences with the help of narratives and stories convey experience and understanding (Polkinghorne 1988; Webster and Mertova p. 2007). Narratives are stories that can be spoken, written or even pictures (Riessman 2008). In general, narratives have a structure - a place and event – as well as characters. They are told in a specific situation to a specific audience. Temporal order is usual and stories have a beginning, middle and an end, although a story does not need to be told in a linear way. The interdependence of the events, their importance, and structure makes the temporal, spatial and character details of the story explicit. (McKee 1997.)

Table 2 defines differences between lived and imaginary events.

Table 2 Definition of terms lived critical event, other lived critical event and imaginary event (Source: Amended from Webster and Mertova, 2007 p. 77-88)

Value-in-context assessment based on lived experience	
Lived critical event	An event selected because of its unique, illustrative and confirmatory nature. The storyteller defines the criticality of the event. Mutual understanding will be created with the interviewer.
Other lived critical event	The same sequence level as the critical event, an event that further illustrates, confirms and affirms the experience of the critical event.
Value-in-context assessment based on imaginary experience: potentially better value-in-context experience	
Imaginary event	An event told in a narrative that the storyteller recognises as imaginary. The imaginary event might be created with the help of a metaphor or the imaginary event transforms critical or like events, i.e. how the storyteller would like it to happen. However, imaginary events can also be negative.

The dataset 1 analyses how virtual customers (beneficiaries) who blog, adopt various customer roles and express their service value experiences in relation to the Nokia Navigator mobile phone in their blogs posted between August – December 2008. The first stage of the data collection process was to enter the following query on the blog search engine

www.blogpulse.com: ((Nokia Navigator) or (Nokia 6110) or (6110 Navigator) or (Nokia 6210) or (6210 Navigator) and (my life) or experience or service or value)). The search yielded 479 results. Certain blog postings were eliminated e.g. where listings were duplicated, the blog posting was no longer assessable at the listed URL; the blog posting was in a language other than English etc. A selection of 32 blog postings was then selected for further in-depth analysis. The full text of each of the 32 blog postings was copied into separate word documents and imported as 32 separate cases in to Nvivo.

In dataset from 2 to 4, the storytellers were interviewed. Table 3 presents the analysis of spoken narratives in datasets from 2 to 4.

Table 3 The process in analysing the spoken narratives

Phase	The structure in analysing the narratives
1	Logbook was kept about the background information on the storyteller and the place, event and characters of the story.
2	Stories were collected in a structured way: Preparatory questions (focus the storyteller on events with the service they develop), lived critical events, other lived critical events and imaginary events.
3	Stories were transcribed.
4	Transcripts were read in full in order to gain a holistic picture.
5	Lived critical events, other lived critical events and imaginary events were encoded.
6	Coded events were clustered in themes.
7	Interpretations were made based on the clustered themes.
8	Interpretations were used to reflect the beneficiary's value-in-context assessments back at the theory.