

## OFFERING VALUE-IN-USE: WHAT CAN A MARKETER DO? A CASE STUDY RESEARCH IN THE FIELD OF MOBILITY SERVICES

*Hartwig Kea, Jacob Frank*

**Purpose** - With “Marketing Myopia”, Levitt (1960) established a marketing paradigm that triggered the development of marketing as an academic field. Correspondingly, various frameworks for marketing practices were developed, including the 4P marketing mix (McCarthy, 1960). It refers to four decision areas: product, price, place, and promotion. During the past decade, however, a new paradigm evolved: the service - dominant logic (SDL) of marketing (Vargo & Lusch, 2004, 2008, 2016). Its main ideas include that “service is the fundamental basis of exchange”, the concept of “value-in-use” and the notion of “value cocreation”. Due to the far-reaching reformulation of marketing understanding, it must be examined whether the “4Ps” are still valid as a framework for marketing practices or whether they must be revised in order to align with the SDL marketing paradigm.

**Methodology** – The explorative study consists of a multiple case study (Yin, 2009) in the field of mobility services. They represent an appropriate research context, as they align well with the theoretical propositions of SDL. Data collection is conducted through interviews with marketing representatives from each company and through the review of secondary data (Eisenhardt, 1989). Data analysis takes place by following the guidelines of Gioia et al. (2012).

**Findings** - Traditional marketing instruments (“4Ps”) continue to form the basis, but are increasingly adapted to individual customer requirements regarding the particular usage process. Important issues in this context are the management of individual goal achievement, the alteration from a fixed price to a continuous revenue stream, digitally enabled accessibility and customers’ guidance regarding different usage possibilities and use cases.

**Research limitations/implications** - The study provides a marketing management perspective on value-in-use, which has been mostly absent in academic literature and extends the limited number of empirical findings on SDL (Heinonen et al., 2010). However, due to the research design, results are rather descriptive and future studies have to prove its generalizability

**Practical implications** - Marketing managers can draw on the established framework in order to develop a value-in-use based marketing approach. They can exploit the results to shape their offerings and especially related marketing activities more value- (in-use) oriented.

**Originality/value** – The implications of value-in-use for the marketing mix have not been uncovered in detail. This research reveals marketing instruments specifically relating to value-in-use and thereby extends traditional marketing frameworks, such as the “4Ps” (McCarthy, 1960).

**Key words** - Value-in-Use Marketing, Service-Dominant Logic, Case Study Research

**Paper type** - Research paper

## References

- Eisenhardt, K.M. (1989): Building Theories from Case Study Research. *The Academy of Management Review*, 14 (4), 532-550.
- Gioia, D.A., Corley, K.G., & Hamilton, A.L. (2012). Seeking Qualitative Rigor in Inductive Research: Notes on the Gioia Methodology. *Organizational Research Methods*, 16 (1), 15-31
- Heinonen, K., Strandvik, T., Mickelsson, K.-J., Edvardsson, B., Sundström, E., Andersson, P. (2010). A Customer-Dominant Logic of Service. *Journal of Service Management*, 21 (4), 531-548
- Levitt, T. (1960). Marketing Myopia. *Harvard Business Review*, 38, 24-47
- McCarthy, E.J. (1960). *Basic marketing: A Managerial Approach*.
- Vargo, S., Lusch, R. (2004). Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68 (1), 1-17.
- Vargo, S., Lusch, R. (2008). Service-Dominant Logic: Continuing the Evolution. *Journal of the Academy of Marketing Science*, 36 (1), 1-10.
- Vargo, S., Lusch, R. (2016). Institutions and Axioms: An Extension and Update of Service Dominant Logic. *Journal of the Academy of Marketing Science*, 44 (1), 5-23.
- Yin, R.K. (2009). *Case Study Research: Design and Methods* (4<sup>th</sup> edition). Thousand Oaks, California: SAGE Publications, Inc.