Value, values, symbols and outcomes

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Introduction

This essay provides an overview of the contemporary academic discourse and challenges regarding the role of values and valuations in service. Situating service within the larger socio-economic networks brings to the fore the plurality of *values* and the recognition that value creation is (both) a social and market activity. This raises important questions regarding the role of symbols, the nature of outcomes and the processes of *valuing* as they come together in markets, in organizations and in other social domains. The essay then prioritizes a number of interdisciplinary research opportunities that relate market exchange to social exchange, emphasize the collaborative nature of value

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creation among particular agents, and examine the impacts of such value co-creation across specific market, social and environmental domains.

Major research challenges and opportunities

Values and valuing

In his comprehensive edited collection of essays on consumer value, Holbrook (1999) notes that researchers draw from multiple academic disciplines and utilize distinct theoretical approaches when theorizing in relation to value. In their formulation and extensions of Service-dominant (S-D) Logic, Vargo, Maglio and Akaka (2008) characterize value creation as a collaborative social activity involving the exchange and integration of valuable resources and emphasize the value determination of agents in particular domains or contexts. Economic–psychological perspectives posit that the acceptance of a value proposition is based on the evaluation of its intended (and possibly unintended) results. Drawing from the psychology literature on motivations and conflicts of interest, Meynhardt (2009) distinguishes between public and private value. Work on transaction costs and value theory in economics and welfare economics provides additional useful insights regarding value.

Service systems theorists point to the valuing activities of customers and marketers as central market actors, in addition to a myriad of other stakeholders including distributors, suppliers, stockholders and government, to name but a few. At the level of the social system Mizik and Jacobson (2003) distinguish between value co-creation determined by innovation and coordination acts in the system and value appropriation impacted by the perceived power relationships between the actors in the system.

Building from the rich but sometimes separate developments across diverse fields pertaining to the value construct, there is an opportunity to contribute to S-D logic by conceptualizing more precisely the valuing activities of subjects, objects to be valued, and how each is impacted by the various forms of value. Additional work also remains to be done in conceptualizing market systems. Particular areas of interest include documenting similarities and differences between the various resources that agents and entities bring to such systems, documenting power dynamics designating *value* in the overall system or network as compared to the *values* of particular agents (Bowman and Ambrosini, 2000) and featuring human and non-human entities, broadly construed to include the social and ecological environment, in developing sustainable markets (Peñaloza and Mish, 2011).

Symbols

In their elaboration of how actors in brand communities create value, Schau et al. (2009) document a series of interactions and collaborations among consumers and firms. Fundamental to these interactions and collaborations are the symbolic processes through which value circulates in markets and in larger social systems. We point to important avenues for further research regarding the nature and role of symbolic processes in service. In conceptualizing the market as a sign system, Venkatesh et al. (2006) draw attention to the symbolic properties and conventions of signs such as linguistic codes and images in constituting meaning (signification) and conveying understandings of material objects and realities (representation), thus forming the basis for, and the means of, communication and exchange of economic value among actors in consumption and marketing practice. Kjellberg and Helgesson (2010) point to important political aspects of markets, documenting how agents incorporate, reform and represent values that are multiple, contested and dynamic.

Figure 1. Map of value-outcome

Other relevant bodies of work include discourse theories that elaborate the ways that discursive patterns constitute valuing subjects (Davies and Harré, 1990) and practice theories (Warde, 2005) that demonstrate how value is produced as a matter of ritual convention. Promising extensions might comprehensively examine the symbols that characterize particular service systems, document the nature of the meaning–value complexes for particular agents, and add more detail to collective valuation processes among multiple agents.

Outcomes

It is important to establish the conditions in which multiple actors, practices and research perspectives frame and thus illuminate and obscure what are considered *outcomes*. Figure 1 maps value determinations at various micro, meso and macro levels through to outcomes via processes of signification and valuation as performed and enacted in discourse and practice.

The multi-level analysis of value and co-creation offers a number of potentially fruitful avenues in extending S-D logic. Situating the study of these phenomena at all levels of social–scientific analysis, we encourage multiple theoretical approaches across the range of social sciences and humanities in contributing to understanding and practical application of these basic elements of market and social systems. S-D logic, for example claims that actors make value propositions.

Further research could document how various actors determine these propositions; examine the conventions and routine practices that ‘predetermine’ possible evaluation points; detail their timing prior to, throughout, and after a relationship or transaction; and chronicle their effects. Importantly, not all meanings or values (plural) are valued in markets. Thus, appreciating the distinctions between *agent value-ing* and *market valuation* is important in better understanding market systems and enhancing their operations.

Further research might establish the contours of valuing processes and dynamics at macro, meso and micro levels and document their negotiation and valuation in market exchanges, and how such market valuation figures or assimilates back into the social system. Furthermore, because these shared meanings constitute valuing agents that employ symbols in conveying their ‘individual’ value determinations, it is important to distinguish between discursive and practical aspects of value at each level of analysis. For example language is a collective discursive practice that provides symbolic and representational resources that make possible individual value determinations.

In another example, institutions are organizational forms which frame and thus both enable and constrain the generation, exchange, or integration of resources for the matter of value creation (Haase and Kleinaltenkamp, 2011), even as organizational members interact with other agents in markets and in larger social systems. Thus managing the diverse activities subsumed to value creation requires understanding and conceptualizing shared meaning symbols in communication, interaction and exchange processes among multiple parties. Coordination may entail shifting and integrating various ‘framings’ including public knowledge, ideologies, business philosophies, religious beliefs, etc. in various forms at meso and macro levels. Also important is attention to more and less dominant meanings. When considering marketing coordination issues at the network level or market system level, it is necessary to consider how micro-, meso- and macro-level factors interact to affect or frame sign-value, use-value, and exchange-value processes.

Concluding comments

S-D logic’s research agenda extends the available analysis of markets and market phenomena in several respects. The analysis of value co-creation, values, valuing informed and coordinated by signs or symbols, etc. implies that S-D logic needs to make use of knowledge incorporated in academic theories and disciplines beyond economics and marketing. With it, new phenomena as well as phenomena identified by other theories or disciplines come into view and are situated at all levels of social–scientific analysis. This opens up many research opportunities for scholars from different disciplines to further advance an interdisciplinary perspective on the role of values and valuations in service. S-D logic needs criteria according to which it can identify promising candidates for such theories. Relevance with respect to the development of an S-D logic-based market theory and marketing theory could be one criterion; the connectivity of a theory with other available interdisciplinary knowledge another.

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