From Marketing to, to Marketing with Consumers

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Dissertation presented at Uppsala University to be publicly examined in Hörsal 2, Ekonomikum, Kyrkogårds gatan 10, Uppsala, Wednesday, December 19, 2012 at 13:15 for the degree of Doctor of Philosophy. The examination will be conducted in Swedish.

Abstract

Empowered by information technology and the internet, consumers are participating more than ever in activities that traditionally are exclusive to firms. No longer do marketers hold exclusive rights to defining and supplying value to customers; value is created by and with consumers in interactions. This constitutes a fundamental change in the established understanding of consumer marketing. This thesis argues for a subtle but vital shift in perspective, from one of marketing to, to one of marketing with consumers, by addressing the research question: How does the shift from marketing to, to marketing with consumers change the role of actors and value propositions?

The study traces the historical development of consumer marketing, reflecting on the limitations of the traditional theoretical framing, and basing its theoretical foundation on business network theory and service dominant logic.

Findings from four extensive empirical studies show that while the change is very important, it is equally important not to disregard the fact that consumers are still consumers. Rather than merging the role of providers and consumers, treating consumers as “prosumers” equal to business actors, it is instead vital to even further identify the distinctions between firms and consumers. This means recognizing that these roles, as defined by their functional identity in interactions, are complementary functions within the exchange and value creation network. Furthermore, the role of value propositions is no longer merely to act as a means for communicating the defined value of a supplier’s output to consumers. Rather, in a marketing with perspective, the role of value propositions is to act as a means for interaction, facilitating opportunities for identifying potential value and benefits generated in the interaction between and in-between consumers and firms, where the roles of the actors as initiators-participants are interchangeable.

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ISSN 1103-8454
urn:nbn:se:uu:diva-183626 (http://urn.kb.se/resolve?urn=nbn:se:uu:diva-183626)
Dedicated to my loving family,
Acknowledgements

My deepest gratitude goes to my supervisors, Associate Professor James Sallis, Professor Amjad Hadjikhani and Doctor David Sörhammar for your committed work and support. Thanks to the Swedish research school of Management & Information Technology (MIT) and the Department of Business Studies, Uppsala University. Special thanks to Maria Grafström for your excellent work during my final Seminar. Furthermore, I’d like to thank colleagues and fellow PhD students part of the different research projects; Anna Bengtson, Cecilia Pahlberg, Peter Thilenius, Geir Gunnlaughson, Therese Hansen, Oscar Person-Ridell, Mikael Gidhagen. Thanks to all colleagues and the staff at the Department of Business Studies, Uppsala University.

During my time as a PhD student I’ve also had the opportunity to meet and spend time with fellow PhD students, Susanne, Henke, Firro to name a few, with whom I’ve had great fun during courses and travels, thanks.

I would also like to take the opportunity to thank my dear friends Kalle and Susanne, Björn, Maria, Helle, Niklas, Tomas for being supportive (and for cooking and taking care of wife during my absence).

Finally, big thanks to my family, Bernt and Eva, Stefan and my super fantastic mother Kristina, and of course my beautiful and loving wife Paola and my little ones, Hulke, Ma-ya, Sa-ga, and Kla-ra; you are all simply the best!.

Uppsala, Nov 2012.
/Jimmie
List of Papers

This thesis is based on the following papers, which are referred to in the text by their Roman numerals.


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Introduction

The new role of consumers in marketing: an illustration

Imagine this: consumer ‘Anne’ from Sweden wants to share and bring attention to her personal music blog where she passionately writes about new techno music and upcoming events. She does this by using a digital online application such as the Facebook social network site, posting a comment to all her friends (and their friends) about a new favourite music track by the artist Xavier and provides a link to her blog.

Subsequently, friends in her social network, for instance, ‘Brian’ from Australia, posts a comment wondering if there are any other versions (remixes) of the track. In a similar manner consumer ‘Carlita’ from Spain discusses Anne’s blog and posts links to where the song, and an alternative version of the song edited by consumer ‘Doug’ from the UK, can be accessed. On Doug’s Soundcloud page, where he uploads edits of songs as well as his own songs, he also provides a link to a Youtube clip showing how to use different software (e.g., AudioSoft) to edit songs.

This inspires ‘Erica’ from Norway to acquire AudioSoft and make a remix (i.e., alternative edit), adding more rock elements to the track, which she subsequently sends to the original artist Xavier. Xavier feels that the remix is great way of broadening their scope of audience and decides to post it on their own record label’s website and sends it to different web stores and online music streaming services as an official alternative release of the song. Hearing about this, consumer ‘Frank’ from the US, posts a comment Anne’s blog, saying that Erica’s remix has made him aware of music that he never thought he’d appreciate, being a traditional fan of rock music.

Meanwhile consumer ‘Gertrud’ from Germany, posts a comment on her Facebook page, shared by both ‘Anne’ and ‘Doug’, providing a link to share her playlist on the Spotify online music streaming service; this serves to assist other friends in her social network and their friends in turn, to discover a new favourite artist related to the genre and to make them aware of this online music service. This is picked up by ‘Harold’, who immediately signs up for a subscription with the music service. In doing so he gets credited and receives bonus points and so-called “invites” from the music service, which he can use as giveaways to friends, offering them free trial access to the service. By sending these to people on Facebook whom he does not know in person but who are known for their interest in music, Harold makes new
acquaintances. This enables him to share playlists with the “experts” and helps him discover new music and navigate in the overwhelming supply of tracks available online. For Spotify this is a great way of including the consumer in the marketing process and to let consumers individually define the value in the service offering. As Harold can decide how, why and to whom he sends these “invites” he becomes a co-creator of the value proposition in the offering.

For consumer ‘Anne’ who first wrote about the music track to bring attention to her blog, the music track was used as a means to generate new friends and connections. In turn by receiving an increasing number of "Likes" from friends in her Facebook network, an even greater awareness of the artist, Anne’s blog, the Soundcloud website, AudioSoft music edit software, as well as the Spotify music service is generated.

This illustrates how the activities of consumers, exchanging information and sharing knowledge, enrich their own and others’ appreciation and discovery of new music. Indirectly this can generate new customers for online music services (e.g. Spotify) and editing software firms (e.g. AudioSoft). Additionally the activities provide input to firms (e.g. the artist) in terms of new innovations (e.g. the remix) as well as contributing to a changed view of the music track and appreciation of the genre itself (Frank’s new-found interest in the genre). The implications of these activities subsequently goes beyond issues of word-of-mouth, generating awareness, or creating financial revenues for artists, songwriters, producers, and record companies, to also include input to product innovations as well as re-defining the meaning and the proposed value of the product.

This blurring of social and business exchange activities and relations illustrates an emerging phenomenon which calls into question established conceptions about the role of consumers and firms as well as the pre-defined nature of value in offerings, value propositions, which traditionally has played a central role in the marketing process.

This thesis contributes to understanding the implications of this emerging shift and the changing role of actors and value propositions in the marketing process.

An emerging shift in perspective

As illustrated in the case, the internet has opened up a number of new possibilities for interactions between and among consumers and firms, posing as a catalyst for the emerging shift. Already in 2006, Time magazine named ‘You’ as the person of the year due to the activities of all the people who are using and contributing to IT-enabled platforms such as the YouTube online broadcasting site, and the Wikipedia internet encyclopedia. The content found on these websites (e.g. homemade movies, old TV-clips, and di-
verse facts/information) is generated and provided by people with no evident commercial interest or affiliation with traditional providers.

Following this trend, Ad Week magazine (2007) celebrated the consumer as ‘the marketer of the year’ stating that consumers using interactive online communication platforms (e.g. forums, chat-rooms) are the single most creative and influential providers and distributors of product (i.e. goods and services) information.

Alongside this media attention, a growing amount of popular literature has enthusiastically celebrated the phenomenon of the increasingly active IT-enabled consumer and, what is referred to as, the intertwined social, cultural, economic and political nature of activities enabled by the digital revolution (c.f., Wired.com., 2012). It has been argued that the use of the internet is changing everything, turning old industrial-age perceptions and established behavioural and structural truths upside down and aside (c.f., Weinberger, 2007). The activity of internet-enabled consumers instigates a rethinking of the way industries, markets and society – and the relation between social and business practices – are understood.

One recurring argument for the change is the lack of the traditional clear-cut boundaries between actors as being either providers or consumers. In addition to the traditional actors, the post-industrialism and digital mass mediated world is also inhabited by networks of individuals whose interests and activities often coalesce with those of traditional commercial actors (Jenkins, 2009). Accordingly, rather than talking about the activities of providers and consumers as being exclusive to each other “we might now see them as participants who interact according to a new set of rules that none of us fully understand” (Jenkins, 2006: 3)

A poignant example is the record music market: a market often referred to as being “hit” by the digital revolution (Graham, Burnes et al., 2004). Music is increasingly produced, distributed and enjoyed without the need for traditional music recording studios, manufacturing plants, shipping and traditional media. This has lowered the barriers for individuals and actors outside the traditional industry to enter and become part of this market (Lewis, Graham et al., 2005), not just in terms of creating and producing music, but also in terms of media and promotion activities through blogs and online forums (where own edits i.e. remixes and mash-ups of songs are published and distributed). Subsequently the traditional, easily identifiable actors and vertical activity structures – e.g., the BBC or The Guardian being synonymous to ‘the media’, and SONY and Universal Music being synonymous to ‘the music industry’ – are being replaced by dynamic, informal and loosely interwoven network structures (c.f., Lewis, Graham et al., 2005; Tapscott and Williams, 2006). In these intertwined social and business networks the activities and presence of consumers are eminent:
“A few years ago we (the record companies) just talked to journalists, editors, and magazines. Now my contact database has over 7,000 people in it, because everybody has some type of publication on the Web or has a little Web scene (Graham et al. 2004: 1094).”

This does in many ways contravene the distinction between cultural practices and commercial practices (Maffesoli, 1996; Cova, Kozinets et al., 2007) and the established view of ‘who is actually doing what’ in the marketing process in terms of the role of actors, the nature of their activities and their resource input. It is argued that this is the beginning of a change, where soon the conventional marketing functions will no longer be exclusive to firms, rendering conventional actors and their value-adding activities obsolescent as:

“..music consumers are simultaneously consumers, distributors and marketers of music” (Meisel and Sullivan, 2002: 20)

In view of this, the phenomenon of the increasingly active, or rather interactive, participatory nature of the consumer, along with the escalating development and use of information technology, constitutes a fundamental change to the understanding of marketing. Not only does this entail how products (i.e. goods and services) are obtained, purchased, distributed and delivered, but even more so, how the processes which precede and follow these traditional activities are to be understood, questioning established conceptions about the meaning and value of products, the role of consumers as well as the role of firms in the marketing process. During the early stages of my data collection, exploring the impact of IT on the music industry, this phenomenon was eloquently exemplified by a respondent:

“Do you want me to answer as a musician, a DJ, a record company or as a consumer or a fan?”

As illustrated in the case earlier, this shift potentially transcends traditional business/consumer distinctions, which in turn questions the existing separation in marketing literature between business-to-consumer (B2C) marketing, business-to-business (B2B) marketing, and also recently Actor-to-Actor (A2A) marketing. Traditionally, this is based on the ‘business markets’ versus ‘consumer markets’ divide, but questions of which literature to turn to arise when changes occurring in one suggest a need for an understanding of the other.

B2B or B2C, or A2A

The way most textbooks treat consumer marketing, or B2C marketing, today was introduced in 1960’s when the concept of the marketing mix and the Four Ps (4P’s) of marketing – Product, Price, Place and Promotion –
entered marketing textbooks (McCarthy, 1960; Sheth, Gardner et al., 1988). This highly useful and easy comprehensible approach which over the years has been added with additional P’s can be perceived as “the unchallenged basic model of marketing” (Grönroos, 1994). The ‘marketing mix paradigm’ and micro-oriented consumer behaviour theories are frequently treated as the mainstream marketing approach and as the general theory of marketing (c.f., van Waterschoot and Van den Bulte, 1992).

Originating from a view of marketing as applied economics, later to be supplemented with theories from psychology, the marketing mix theory overrides other more complex models and holistic marketing theories based on system and network theory and sociology (c.f., Sheth, Gardner et al., 1988; Grönroos, 1994). This includes the functionalist school of thought, advocated by Wroe Alderson (1965), which over the years mainly found residence in B2B marketing, especially in the business network theories of the Industrial Marketing and Purchase (IMP) group (c.f., Mattsson and Johanson, 2006) and also recently, in the Service dominant logic (S-D logic) (c.f., Vargo and Lusch, 2011).

In laying the foundation for the marketing mix paradigm and the 4 P’s of marketing, McCarthy (1960) defined marketing as:

“Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user in order to best satisfy consumers and accomplish the firm’s objectives” (McCarthy, 1960: 33).

Although details in this definition have changed over the years the basic prevailing principle is that marketing generally is viewed as a series of value-adding activities by firms leading to a transaction; where consumers exchange money for goods and consume the value supplied to them by firms (Anderson, Challagalla et al., 1999). This well established principle is also evident in the current “official” definition made by the American Marketing Association (AMA):

“Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (AMA, 2007)

Even though less focus is put on ‘from producer to consumer’, a common denominator throughout history to present day is that marketing is an activity of firms from which the consumer is exogenous: that value obtained from products is defined by the provider through value propositions in offerings and captured in price (value-in-exchange) at the point of the transaction, the exchange of money for products:
“Modern marketing logic, as derived from economics, advanced a view of the firm and the customer as separate and discrete; the customer is exogenous to the firm and is the passive recipient of the firm’s active value creation efforts, and value is created in the factory” (Jensen Schau, Muñiz Jr. et al., 2009: 30).

Consumer marketing literature, or business-to-consumers (B2C) marketing, is by definition concerned with how firms market their products (services/goods) to consumers, where the flow of marketing activities is unidirectional, and one part is active and the other has a receptive role.

This is the reason to why business-to-business (B2B) marketing has evolved somewhat separately and has become a discipline of its own. It originates from the argument that business marketing situations between business actors show unique characteristics which distinguish B2B marketing from consumer marketing and theories offered by the marketing mix paradigm (Bonomo and Johnston, 1978; Webster, 1979; Ford, Gadde et al., 2003). This view is to a large extent centred on the diversity of the traditional conceptualization of the role of consumers and business actors and how value in products is created. While consumers simply buy the outputs of firms for individual consumption (i.e., value depletion), business actors buy products as to be used as inputs in value consummation processes (i.e., value completion/extension), where value is added through various processes and built into the product, later to be consumed by consumers.

As the value creating activities of firms in many ways thus become interlinked in terms of process co-ordination and compatibility; interactions and actor relationships in business networks are recognized as the dominant principles of B2B marketing compared, and equivalent, to the weight of the 4P’s of B2C marketing (c.f., Cova and Salle, 2008; Ford, 2008). As consumers are individuals whereas business actors represent entities, whose activities are often interrelated to those of other actors in a “business network” (Mattsson and Johanson, 2006), assumptions regarding marketing behaviour are in the former based on the notion of “the economic man” – rational or irrational actions of individuals – and in the latter one based sociological structural explanations and network theory.

This is also what traditionally demarcates the fundamental difference between B2B and B2C marketing literature suggesting that a separation not only is possible but necessary (Ford, Gadde et al., 2003). As a result of this, different dominant approaches to B2B and B2C have evolved collaterally, where B2C is focused on marketing to consumers, and B2B is focused on marketing with business customers, suppliers and other stakeholders (although by definition excluding the end-user/consumer).

In a paradoxical way, the combined criticism and acknowledgement of the marketing mix paradigm as being the general approach of marketing, has been the basic argument for upholding the “B2B/B2C dichotomy” (Cova and
Salle 2008) in marketing literature. In considering the changing role of consumers, Cova and Salle (2008) argue that the need to dissolve this dichotomy, rather than merely being a case of extending the consumer marketing horizon, even more so is related to extending the understanding of B2B marketing, and marketing in general. On a similar note, in the S-D logic literature, it is argued that the notion of B2C marketing is no longer relevant as “it’s all B2B”, meaning that “the CEO of a firm, the head of a household, a carpooling parent, an individual grocery shopper, a politician, etc. are not fundamentally different kinds of entities” (Vargo and Lusch, 2011: 186):

“The delineation of B2B from ‘mainstream’ marketing merely reflects the limitations of the traditional model of exchange and a conceptualization of value creation based on the ‘producer’ versus ‘consumer’ divide” (Vargo and Lusch, 2011: 181).

Accordingly, orienting towards a more generic A2A, actor-to-actor, (Vargo and Lusch 2009) or economic actor-to-economic actor (Håkansson and Prenkert, 2004) perspective can benefit future research and the understanding of the interlinked nature of marketing activities (Mittal and Sheth, 2001; Gummesson, 2006) and of the network in which value emerges. This is, however, noted to offer possibilities which are also accompanied by challenges:

“Bridging the divide requires more than juxtaposing the pertinent literature from the various sub disciplines and related research streams and schools of thought” (Vargo and Lusch, 2011: 184).

The overall research question of the study and the layout of the thesis

Taken all together, these above observations indicate an emerging shift; from one where the consumer marketing process is a series of value adding activities exclusive to firms – in which consumers are exogenous – to one where the consumer is a participant, whose activities are endogenous elements of the marketing process. This phenomenon is a fundamental challenge for both practitioners and researchers of consumer marketing (as well as business marketing) as it in a profound way questions established “taken for granted assumptions” (Ballantyne, Frow et al., 2011: 202).

It calls into question distinctions between the role of business and consumer activities, where firms are communicators and creators of value and consumers are recipients and selectors/buyers. In turn this also questions how, and by whom, the perceived benefits and value from product offerings is identified and defined, questioning the role of the central concept of value propositions in the marketing process.
Consequently, in the order to embrace this shift and to better understand the increasingly complex nature of marketing there is a need for a shift in perspective: from one of marketing to, to one of marketing with consumers. As this “opens the door for much-needed theorizing and research” (Lusch, 2007: 266), explorations of the role of actors and value propositions in a marketing with perspective is a vital next step to advance the understanding of consumer marketing.

This thesis aspires to contribute to understanding the shift associated with the changing role of firms and consumers and its ramifications for the creation of value. From this premise the overall research question is ‘how does the shift from marketing to, to marketing with consumers change the role of actors and value propositions.

The overall research question is divided in to five sub questions and is addressed in five individual papers, using data from four research projects covering different business areas. Paper I and Paper II specifically addresses issues connected to the changing role of actors in a marketing with perspective, whereas Paper III, IV and V explores issues connected to the role of value propositions in a marketing with perspective.

The thesis layout is as follows: Chapter two presents a historical outlook of the role of consumers in consumer marketing, placing the overall research question in the context of consumer marketing literature and consumer behaviour research. This illustrates the progression from the views offered by traditional consumer marketing literature and consumer behaviour research, to recent literature on consumer behaviour research. Chapter three places assumptions of the new role of consumers, as derived from chapter two, in the context of the current debate in marketing literature. The scope is extended beyond traditional consumer marketing, identifying issues in need of further elaboration, and presenting the five specific sub-questions. In Chapter four, the empirical base, the four empirical projects constituting the empirical studies, is presented – the music project, the mobile phone project, the customer loyalty card project and the video game project – accounting for the scope of application of these projects, the data collection and analysis and interpretation of each of the studies. In Chapter five, an overview of the individual papers is presented, discussing the content and conclusions of each paper in relation to the overall research question. Finally, in Chapter six, conclusions derived from the study are discussed in terms of theoretical, methodological and practical implications as well as suggesting paths for future studies.
Chapter 2: The role of the consumer – a historical outlook

To be able to answer the main research question, I will begin by placing it in the context of consumer marketing literature and consumer behaviour research as, in the vein of John Lennon: “to know where to go, you must know where you are”. The chapter presents a historical outlook on the role of consumers in consumer marketing literature and consumer behaviour research. This illustrates the progression from the views offered by traditional marketing literature, where consumers are portrayed as value depleting receptive targets, towards the consumer research literature where consumers are portrayed as active participants and co-creators of meaning and value.

The overview is divided into the following three categories:

Marketing to – the traditional view of consumer marketing,
- Consumers as passive targets.
- Consumers as active selector/buyers.

From marketing to – a changed view of consumers,
- Consumers as active participants

Marketing to – the traditional view of consumer marketing

Consumers as passive targets –economics

A vivid example of the persistence of the original AMA definition of marketing as “…business activities that direct the flow of goods and services from producer to consumer…” is found on the digital world’s most used (and criticized) encyclopedia, Wikipedia. Here consumption is described as ‘the final depletion of goods and services and the utilization of outputs’, i.e. an activity that is by definition value depleting and does not in any way generate value.

This reasoning is based on neoclassical economics and a view of marketing as being applied economics. From this view the role of consumers is one of passive targets at the end of a process, [cynically] implying that consump-
tion is indirectly “forced upon” consumers. This has been critically described as a view based on the notion of consumers and the market as “a sink” (c.f., Normann, 2001. 11) for the value created by firms. In this perspective, marketing, or rather ‘to market’, was a matter of making products available to the market, connecting production with supply (Drucker, 1958) and where subsequent offerings presented to consumers were supply driven outputs. The role of the marketing offering was in this sense acting as a distribution mechanism from the producer and the market, providing information about what products were available to consumers.

However, during the 1960’s, marketing slowly started moving away from economics. With an augmented supply of products, and increased awareness among consumers in terms of available choices, the notion of the passive consumer was called into question leading to increased focus on the consumer as an active selector and buyer.

Consumers as active selectors/buyers – the marketing mix approach

In gradually moving away from marketing as being solely applied economics, in which consumption is something forced upon consumers, the so-called age of consumerism slowly emerged. From being merely supply driven, focus turned towards stimulating demand for the increasingly active and individualistic consumer (c.f., Cova and Cova, 2009). This led to a slight change, to one in which marketing in general focused on getting consumer to react in accordance with the needs of the firm (c.f., Normann, 2001).

Researchers into consumer behaviour turned their attention towards obtaining information about consumers, mapping consumers’ decision and buying process, relying on psychological theories to develop techniques to influence consumer behaviour. In view of this, tools for categorising the individual consumers into segments were developed based on homogenised variables and denominators and the sharing of ‘visible’ characteristics, such as age, occupation, ethnicity, regional affiliation. Interest in consumer S-O-R models (Stimulus-Organism-Response, see: Woodworth, 1930), consumer perception (e.g., Biswas and Scot, 1993), consumer satisfaction, repurchasing, and increasing sales (e.g., Channon, 1985) therefore became (and still are) a concern of a large number of consumer behaviour researchers.

A common feature in the marketing to perspective relates to the persuasive impact of firms on consumers as individual targets, or segmented groups of individuals (Kotler, 1996). Understandings of the actions and behaviour of consumers were based on theories from economics and psychology of the “economic man” (or homo economicus). While the sociological notion of the “sociologic man” (or homo sociologicus) rested on structural explanations about behaviour, the former was supported by explanations
based on rational (or irrational) actions of individuals (e.g., Hirsch, Michaels et al., 1990).

As a result, advertising (Stewart, Pechmann et al., 1985) and so-called “push” tactics became an essential issue within marketing. The primary aim and role of marketing was therefore to get the consumer to respond and act according to the wants and needs of companies (McKenna, 1991). Even though consumers were no longer regarded as passive targets, the active role in the marketing process was still mainly allocated to the vendor and the supplier of goods and services. With an increased focus on getting consumers to react in accordance with the needs of the firm, the mass media became the primary marketing channel and tool for a variety of promotion techniques to influence consumer perceptions (East, 1993). As a result, marketing became to some extent synonymous with advertising and promotional activities and the marketing mix, which is still today regarded as “the unchallenged basic model of marketing” (Grönroos, 1994).

However, while still bound to a push-strategy approach, concerns regarding the backbone of such marketing campaigns – persuasive advertising and targeted promotion – were advanced in the 1990’s during the emerging IT-revolution, discussing future marketing strategy for the age of the increasingly active and value oriented customer:

“Advertising’s dirty little secret [is that] it serves no useful purpose... in today’s market, advertising simply misses the fundamental point of marketing – adaptability, flexibility, and responsiveness” (McKenna 1991: 13).

This demarcates a change which slowly emerged in the 1990’s with arguments that the marketing mix or psychological theories do not provide sufficient tools to understand consumer marketing (e.g., Fournier, 1988; Sheth and Parvatiyar, 1993). Communication theories employed to study how consumers can be manipulated and adapted to the strategies of the firms were being gradually replaced (or rather, adapted) to a focus on relationships and loyalty. Consumers were increasingly regarded as users rather than just buyers, and value attained from products in terms of, for instance, status and symbolic value become an increasingly important issue rather than just the products themselves.

Due to this, the concept of the value proposition came to play a central role in the marketing process. The role of the value proposition was to replace the traditional marketing offering, emphasizing the importance of “communicating value to consumers” (Lanning and Michaels, 1988), rather than just the products themselves (Lanning and Michaels, 1988; Kotler and Armstrong, 2010). In broadening the notion of offerings, from being just information about the product (e.g. ‘Nokia Exo, 32 meg, 300 euro’) the value proposition came to play a vital role for the firm’s marketing strategy,
acting as an exchange/transaction mechanism and a channel for the transmitting value creation activities of the firm to the consumer.

This supplier centric approach is based on the assumption that the value embedded in the product, and offered to the consumer, needs to be well defined in terms of value-in-use, not just to value-in-exchange (e.g. ‘Nokia Exo, assisting your everyday social and business life’). Based on information obtained from consumer surveys regarding purchase behaviours of different segments, the development of value propositions in offerings is described as consisting of three main steps: choose the value, provide the value and communicate the value to the consumer. In doing so the consumer is provided with information as to what benefits are obtained from buying and using the products which in turn aims to assist the increasingly active and value driven consumer to make purchase decisions.

In the wake of the digital revolution, the consumers’ increasing access to and use of the internet subsequently opened up opportunities to create even more precise value propositions to consumers. Not only in terms of reaching and targeting the individual consumer through online media, but also in terms of accessing information about the consumers by tracking transactions, online search behaviour, social network interactions e.g.:

“The Internet is a new vehicle by which marketers can control the flow of product information to the end consumer” (Swaminathan, 2003: 94).

Even if recognising the notion of value as central in the marketing process, and thereby focusing on supplying the consumer with benefits rather than just products, the consumer is, however, still portrayed to some extent as “a target” exogenous to the marketing process. Products are still regarded as goods and services in which value is embedded and created in the factory; this value is communicated to the consumer through pre-defined value propositions in offerings. In this marketing to perspective, the notion of the “active” consumer is hence treated as being a matter of being increasingly “re-active”, an assumption from which the use of the 4 P’s and the marketing mix has proven to be a highly useful and successful way to understand and practice marketing. Criticism of this marketing to approach is that even though it fragmentally recognizes the impact of IT and the changing role of consumers, and although it takes steps away from the notion of the “economic man”:

“marketing is still a relic of the 1960s, patched up with decorations such as services, relationships and e-business” (Gummesson, 2002: 585).
From marketing to – a changed view of consumers

Consumers as active participants – the CCT approach

Around the turn of the millennium, an increased criticism of the traditional consumer behaviour approaches and theoretical developments of the marketing mix paradigm gave rise to a new stream of consumer behaviour research, offering an alternative view of the role of consumers and consumption.

The work of the Consumer Culture Theory (CCT) stream (c.f., Arnould and Thompson, 2005) is “one that brings together a number of thoughts that have shaken B2C marketing in the last 20 years” (Cova and Salle, 2008). Despite its name, CCT is not a grand unifying theory, but is a family of theoretical perspectives that address the dynamic relationships between consumers, the marketplace and cultural systems from a social point of view as opposed to an economic and psychological one (Arnould and Thompson, 2005).

In rejecting the view inherent from economics, this sociological and system-theory-based approach extended the traditional consumer behaviour focus on purchase behaviour to the study of experiential, social and cultural dimensions of consumption “linking different levels of cultural processes and structures., [and] situating these relationships within historical and marketplace contexts” (Cova, Kozinets et al., 2007 p.32 ). This was a critique of the traditional view of the consumer as “one who maximize one’s material consumption through a dispassionate, detached reasoning about the value of one’s acquisitions” (Dholakia and Firat, 2006: 148). Instead, consumers are no longer treated simply as devourers of value, rather, as members of social networks of interest-centered consumer communities:

“Consumers are producers of meanings, life experiences, identities, and value” (Dholakia and Firat, 2006: 149 )

The traditional marketing to view of the individual disconnected consumer was subsequently put next to the notion of “consumer communities” and “consumer practices” (Jensen Schau, Muñiz Jr. et al., 2009). In questioning the traditional generic role and labelling of consumers and consumption as meaning to “destroy” and “deplete value”, the notion of “the prosumer” that is, producer-provider-consumer hybrids was potentially considered a more appropriate label (c.f., Arnould and Thompson, 2005; Tapscott and Williams, 2006). Accordingly, the notion of viewing social networks of consumers as “tribes” (Maffesoli, 1996) was put next to the traditional concept of segments (groups of individuals). Compared to the concept of segments, consumer tribes are defined as social networks of visibly heterogeneous per-
sons (in terms of age, gender, income, etc.) who are linked through consumption and by a shared passion or emotion. A segment is traditionally defined as a group of individuals, who though they share the same ‘visible’ characteristics are not connected to each other. A segment, primarily based on homogenised variables such as age, occupation, ethnicity, regional affiliation, might consequently not be capable of collective action; its members are ‘simple consumers’. A tribe on the other hand is perceived to be capable of collective action as its members are not simple devourers of value; they are also advocates joined together by a certain communal passion and “communities” (Maffesoli, 1996).

In being linked to each other in “value-producing and value-transferring networks” (Firat 2006: 152), the output and offerings of firms merely serve as inputs to the consumers’ creation of value:

“consumers implement elements of commercial offers and craft a customized consumption experience out of these” (Cova and Salle, 2008:6)

Subsequently, a new or altered meaning is added to products, re-defining the value offered, through consumption activities in interactions with other consumers (c.f., Firat and Venkatesh, 1995; Arnould and Thompson, 2005). In a study of consumer communities, Jensen-Schau et al. (2009) correspondingly refer to the activities of consumers that are linked together in social networks as constituted by different “value creating practices” (2009: 31).

A value creating practice refers both to a certain way of doing things and to a perceptually unified domain of actors who share a common view of subjects, objects and knowledge. The actions and the behaviour of consumers are described as characterized by different scripts; practice related understandings (experiential knowledge and skills) procedures (practice related rules, principles and cultural norms) and engagements’ (practice related wants and needs, goals and purposes to which the consumer is committed) (Jensen Schau, Muñiz Jr. et al., 2009). This offers new insights into consumers’ behavioural principles and their consumption activities. In turn this suggests a change in perspective of the role of consumers and the meaning of consumption activities, and to concede the value creating activities of consumers as “interrelated elements of a value creating system” (Prahalad and Ramaswamy, 2004: 27) in which consumers are active participants.

To further the understanding of this phenomena it is thus vital to adopt a broader view of the consumption process, recognizing that the activities of the traditionally separated firm and consumer conceptually need to be “brought into the same arena” (Cova and Salle, 2008). Based on this reasoning Cova and Salle (2008) argue that the ideas of CCT need to be synthesized with network oriented marketing theories which are predominately found outside the consumer marketing literature, such as the “IMP-paradigm” (i.e., business networks) as well as the emerging Service Domi-
nant Logic literature. This could, accordingly, provide both consumer marketing and business marketing literature with an overarching architecture that “moves the orientation of marketing from a ‘market to’ philosophy where consumers are promoted to, targeted and captured, to a ‘market with’ philosophy where the supply chain partners and consumers are collaborators in the entire marketing process” (Cova and Salle, 2008: 8).

Summary of the historical outlook

By reviewing the progression in consumer marketing and consumer behaviour literature it is concluded that the understanding of the role of consumers and the meaning of consumption is changing. From being described as receptive individuals, and homogenised segments of individual selectors/buyers, consumers are increasingly described as active heterogeneous participants, “prosumers” and “tribes” linked together in social networks and value creation practices. The marketing offering has similarly changed from being supply driven outputs, to value driven outputs – *value propositions* – acting as input to the consumers’ creation of value. This transition is connected to a change of theoretical basis, from theories of economics and psychology, towards system theory and sociology.

(Table 1. Summary historical outlook)

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<tr>
<th>Category</th>
<th>Theory basis</th>
<th>Key aspects</th>
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<td>Consumers as passive targets</td>
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<td>• Consumers are passive individuals</td>
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<td>• Firms are individual entities</td>
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<td>• Offerings are supply driven outputs</td>
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<tr>
<td>Consumers as re-active buyers and selectors</td>
<td>“The marketing mix”. Economics, psychology</td>
<td>• Consumers are active individuals and segments of individuals</td>
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<td></td>
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<td>• Firms are active individual entities</td>
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<td></td>
<td></td>
<td>• Offerings are value driven outputs - <em>value propositions</em></td>
</tr>
<tr>
<td>Consumers as active participants</td>
<td>CCT System theory, Sociology</td>
<td>• Consumers are interactive entities/practices in consumer networks.</td>
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<td></td>
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<td>• Firms are active entities, business practices related to consumer networks</td>
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<td></td>
<td></td>
<td>• Offerings are value driven inputs for consumers’ value creation processes</td>
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In conclusion, considering the notion of treating consumers as producer-provider-consumer hybrids, and viewing production and “prosumtion” activities as interrelated elements in value creation system; the difference between the generic role of business actors and consumers is less distinct. In
order to further the understanding of the shift from *marketing to*, to *marketing with* consumers, the role of firms and consumers therefore needs to be, conceptually, brought closer together. It is therefore important to orient towards a network approach of consumer marketing. As this reflects the limitations of the traditional theoretical framing found in consumer marketing literature, it opens up for rethinking the delineation of business marketing literature from consumer marketing literature. As argued above, network-based theories found outside the traditional consumer marketing literature could advance the understanding of consumer marketing beyond the captivating restraints of the traditional *marketing to* perspective and move consumer marketing towards a *marketing with* perspective.
Chapter 3: Towards a *marketing with* perspective

In this chapter I place the conclusions drawn from the previous chapter, regarding the changing role of consumers, in the context of literature beyond the traditional consumer marketing literature, more precisely the network oriented perspectives of IMP and S-D logic. This is based on the reasoning that insights provided by CCT offer a changed perspective and understanding of the role of consumers, which reflects the limitations of the traditional theoretical framing found in consumer marketing literature.

This opens up for rethinking the delineation of business marketing literature from consumer marketing literature. As bridging the divide is an opportunity accompanied by complexity, I will start by presenting an overview of the IMP and SDL approach, identifying issues in need of further elaboration related to the role of the actors and value propositions. Following the overview I present a brief summary of the conclusions derived from chapter two and three, then proceeding to presenting the specific research questions that are addressed in the empirical studies and the five individual papers of this thesis.

Consumers as actors in business networks - The IMP approach

On the basis of a rich and extensive body of empirical research conducted within the IMP group, theories on business networks are today regarded as one of the dominating paradigms in B2B marketing (c.f., Morlacchi, Wilkinson et al., 2005; LaPlaca, 2006; Cova and Salle, 2008) Simply put, the term “network” is a metaphor that describes a number of variously connected and interrelated entities. Unlike, say, a communications or electrical network, the entities in a “business network” are firms: business actors involved in the marketing process (Axelsson and Easton, 1992). A business network is, structurally speaking, a set of two or more connected exchange relations that are interrelated in a wider structure into which the individual business actors are embedded (Sörhammar, 2008)

Interactions between business actors are thereby posed as a central aspect in the marketing process. The IMP approach can be perceived as a reaction
against the traditional marketing to approach that studies restricted exchange episodes with a focus on value-in-exchange, subsequently not taking other aspects of value and interactions over time into consideration (Rocca, 2011). Rather than using the marketing mix variables to achieve a response from a widespread and (by implication) passive or re-active market, the focus is on interactions between representatives of business entities, where either part may be taking the more active role (Ford 2008). Interactions are subsequently much more than an exchange mechanism for transactions; they are the means through which business actors relate and share resources and identify the potential use and value of these.

“it is through interaction that the benefits derived from the flow of these resources and activities are spread widely in a network” (Rocca, 2011: 60)

This also means that the actors are not omniscient and that the value and the potential use of their resources (e.g. goods, services, knowledge) are always limited when exposed in a new context and related to those of others (Weick, Sutcliffe et al., 2005). Due to the heterogeneous nature of resources its value is not given but dependent on if and how it is combined with an actor’s existing resources as well as to those of other actors in the business network. (c.f., Penrose, 1959; Waluszewski and Håkansson, 2007).

“the value of resources depend on what other resources it is combined with, and how this combination is carried out” (Waluszewski and Håkansson, 2007: 19)

Through interactions in which resources are assessed, adapted and integrated, new resources are created, the benefits of which are subsequently directly and indirectly spread in the network. This is consistent with Bagozzi’s view of complex network exchange (1975) and generalized reciprocity, stating that perceived benefits are never solely derived from restricted dyadic exchanges but depend on a cycle of direct and indirect exchanges of both utilitarian and symbolic resources as a whole. This suggests that any output (or outcome) in the network serves as an input to other actors within the network, and that the proposed value of these inputs differs depending on the existing assortment and context of the actor (cf. Rocca, 2011; Alderson, 1965).

Networked based theories such as the IMP perspective have traditionally mainly been applied in industrial and B2B contexts to describe the network and the process by which directly or indirectly connected actors “convert resources to finished goods and services for consumption by end-users” (Axelsson and Easton 1992: xiv). Consequently, within this tradition the consumer (or the “end-user”) has admittedly been regarded as important, but at the same time, and similar to the marketing to perspective, not perceived as a part of the marketing process or as an actor in the network. This implies
that consumers are merely regarded as being related to, as opposed to being inter-related with the business network.

Due to this, few studies dealing explicitly with the role of consumers in business networks have been conducted. A central argument in the studies that do so is, however, that the increasingly active and participatory nature of the internet empowered consumers illustrates similarities between the actors, and that leaving the activities of consumers outside the network, thereby also limits the understanding of the business network. (Eriksson and Hadjikhani, 2000; Hadjikhani and Bengtson, 2006; Cova and Salle, 2008; Sörhammar, 2008; Hansen, 2012). Accordingly, empowered by the internet the changing role of the consumer (Sörhammar, 2008) and insights provided by CCT studies (Cova and Salle, 2008) opens up for rethinking of the actor concept, not only of the role of consumers but the role of firms in these interactions.

Even though the concept of the actor, and how business actors are identified and defined in the business network, is regarded as being of vital importance, very few IMP studies have explicitly addressed this concepts. Therefore studies of the nature of the actor concept in terms of its discretion, motives, or its effects on others, is regarded important to address explicitly and systematically:

“The concept of the business actor and its role has consequences for how much we can explain of how the business landscape develops, and how businesses and interaction in business relationships can be managed.” (Håkansson, Ford et al., 2009: 160)

This is also related to issues of research boundaries and delimitations as to know which actors to include in the study of the network, in turn, affects the understanding of the structure of processes. When the end-user (e.g., the consumer) becomes actively involved in the business network, the activity configurations of the network are bound to change (Hultén and Gadde, 2007), which in turn affects the role of the other business actors.

“Changes in the network lead to changes in the identities of actors and can even cause new actors to emerge” (Håkansson and Snehota, 1995: 193).

Pels (1999:31) states in relation to this that consumers consequently can, at least conceptually, be incorporated into the marketing network framework and treated as equivalent to business actors, since it is not the actor specifically but the interaction activities of the actors that are relevant. A similar reasoning is also found in Rocca (2011) stating that:

“Interactions between actors involve not only the actors themselves, but also activities and resources as each actor in a business relationship tends to represent an organized entity of resources and activities” (2011: 172).
In view of this, considering the reasoning of consumer tribes and prosumers the notion of consumers as actors in business networks offers a pathway that needs further elaboration (Cova and Salle, 2008). This suggests rethinking the established notion of how the identity of actors in the network emerges:

“The conventional notion of the more or less independent, active and complete actor certainly cannot be taken as a given in the interactive environment. Instead, the idea emerges of the actors as someone or something that develops an identity within a complicated pattern of evolutionary development.“ (Håkansson, Ford et al., 2009: 139)

In conclusion, the business network perspective offers a direction beyond the limits of the marketing to perspective and traditional consumer marketing literature. With a focus on interactions, rather than merely transactions, the flow of the marketing process is not unidirectional; instead either part may be taking the more active role. Furthermore, the reasoning that the potential use and value of resources emerges through interactions suggests that the role of value propositions is not to define the value of an offering. Instead, this reasoning suggests that the role of value propositions is to relate resources and identify the potential value of these within the context of the network. This would mean that value propositions are not pre-defined by a single actor but emerge through interactions between actors in the network.

However, despite the vast amount of empirical research conducted within the IMP group, very few studies have specifically addressed the role of consumers in these interactions. Although the changing role of consumers is mentioned as important, discussions regarding consumers as actors in business networks primarily concern acknowledging consumers as business actors. Accordingly, as the focus has been on similarities, the business-like characteristics of consumers, little is known about how the potential dissimilarities of firms and consumers affect the interactions in networks. These aspects therefore need further elaboration.

Consumers as resource integrators – the S-D logic approach

Rather than being posed as a new theory in itself, S-D logic aspires to: “nudge marketing thought away from fragmentation and toward a more unified theoretical conceptualization and framework” (Vargo and Lusch, 2011). This means that rather than being described as either B2B or B2C marketing the S-D logic is presented as A2A (actor-to-actor) marketing, and as general marketing mindset.
This bridging effort brings with it a transcending terminology. Service is referred to not as a noun but as a verb, and a distinction is made between the traditional concepts of services (intangible resources) and goods (tangible resources) and to service as a process. This is based on the reasoning that whereas both goods and services (i.e., products) refer to units of outputs, service refers to the process of resource integration and value creation (Vargo and Lusch, 2004).

Products (services and goods) are, however, not disregarded as such, rather, products serve as inputs in the customer’s value creating processes. This means that the service obtained (i.e. the perceived value and benefit) is dependent not only on the products but on the customer’s knowledge and skills, their existing assortment of products and of those resources available in the in the customer’s network (c.f., Alderson, 1965; Vargo and Lusch, 2011).

In S-D logic the market is described as “the context where value is created in networks of networks” (Vargo and Lusch, 2008: 8). The latter refers to networks of various social and economic actors, all regarded as resource integrators and co-creators of value. In endorsing a terminology beyond the traditional generic actor labels like producers and consumers, and stating that “it’s all B2B or A2A” (Vargo and Lusch, 2011: 185), the role of consumers is thereby implicitly referred to as one similar to customers in general, whether they are firms or other organisations. This is based on the reasoning that the CEO of a firm or the head of a household are not fundamentally different kinds of entities and they should therefore primarily be regarded as resource integrating actors in an exchange and value creation network.

This also implies that the role of firms is no longer about producing, offering and delivering value embedded in products to customers, but to facilitate the customers’ resource integrating and value creating processes. The traditional concept of the marketing offering is thereby discarded and that firms cannot deliver value, only offer value propositions, as perceived value is “idiosyncratic, experiential, contextual, and meaning laden” (Vargo and Lusch, 2008: 7). Accordingly, as consumers increasingly are using the internet to attain information about products, relying on the experiences and knowledge of their peers, rather than producers and retailers, the traditional marketing offering as a value proposition becomes somewhat obsolete.

The traditional firm centric view of the pre-defined and one-way nature of offerings as value propositions, communicated to consumers, therefore needs re-thinking. Ballantyne et al. (2011) argue that much-needed elaborations of the value proposition concept need to further emphasise the dynamic nature of value propositions as the potential value identified in offerings is not determined by a single firm in isolation, but is an outcome of interactions between actors in the network.

As opposed to the traditional frozen nature of offerings, the role of value propositions is to act as platforms for communicative interaction
(Ballantyne, Frow et al., 2011). Accordingly, this could facilitate the creation of reciprocal value propositions, reflecting mutual benefits not only for the supplier or the customer but also for other stakeholders in the network. This also opens up for a wider notion of the value propositions beyond that of the offering that may bring exchange activities, knowledge generation and value creation closer together (e.g., Ballantyne and Varey, 2006).

This reasoning differs profoundly from established conceptions, both how consumers make value assessments and how firms develop offerings and communicate their value proposition and therefore “value propositions need to be considered entirely different” (Frow and Payne, 2011). Further elaborations of the value proposition concept have been mentioned as a priority area for research as “there is a need for both qualitative and quantitative data to support the normative perspectives on value propositions” (Frow and Payne 2011: 236). This is also related to the criticism that, although the S-D logic offers a conceptual direction which embraces the increasingly networked nature of marketing, this paradigm shifting effort also brings about a conceptual ambiguity.

“At this stage of the development of S-D logic, fuzzy definitional problems associated with many of the terms used remains” (Ballantyne, Frow et al., 2011: 203).

This is accordingly partly due to the lack of empirical research and the imbalance between the conceptual and somewhat normative focus of S-D logic. Therefore empirical research and “reflections of the meaning of common concepts and the use of established terminology are urgent” (Ballantyne, Frow et al., 2011: 203). The concept of value proposition “is a case in point” (Ballantyne et al., 2011) as its supplier centric unidirectional implications, and connections to the traditional marketing offering inherent from economics, does not apply to the S-D logic emphasis on interactions and co-creation in which the customer plays an active role (Frow and Payne 2011).

Furthermore, by promoting a shift in terminology, issues of how to conceptualise actors along with the ambiguous descriptions of the role of firms and consumers as resource integrators have also been highlighted as one of the general issues ripe for further elaboration (Vargo and Lusch, 2008).

“Recurrently we are being faced with the difficulty of finding a proper generic designation for these resource integrators … we find ourselves using some combination of actor, firm, provider, customer, beneficiary, or similarly connotatively imprecise labels” (Vargo and Lusch, 2008: 9. abbreviated)

Wilkie and Moore (2006) also argue that even if it is important to acknowledge the many similarities between firms and consumers, disregarding the potential dissimilarities may inhibit the development and understanding
of marketing processes. On a similar note Echeverri and Skålén (2011) state that actors in interactive value formations are constituted by different practices, which in turn may bring along challenges that needs to be addressed.

In conclusion, the S-D logic conceptually captures and includes the many challenges identified earlier relating to the shift from marketing to, to marketing with consumers. However, due to the lack of empirical studies dealing explicitly with the role of consumers as resource integrating actors, and as initiators-participants of value propositions, there is an urgent need to counterbalance an excessively conceptual, and somewhat normative character of the S-D logic literature. The concept of the actor and the role of the consumers and firms as resource integrators therefore need further empirical and conceptual elaboration to advance the understanding of the role of actors and value proposition in a marketing with perspective.
Towards a *marketing with* perspective of consumer marketing – literature summary

In charting “a contested past, a confused present and an uncertain future” (Varey 2010: 321) I have in chapter two and the current chapter illustrated the progression in marketing literature from the traditional *marketing to* perspective, towards a *marketing with* perspective.

The summary table below illustrates the key aspects concerning the changing role of consumers and firms, and the role of offerings and value propositions in marketing literature: from the traditional consumer marketing literature, to the CCT consumer behaviour literature and finally the literature outside the traditional consumer marketing realm, the network oriented perspectives of the IMP and S-D logic.

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<thead>
<tr>
<th>Category</th>
<th>Theory</th>
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<tr>
<td>Consumers as passive targets</td>
<td>Applied</td>
<td>• Consumers are passive individuals</td>
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<td>economics.</td>
<td>• Firms are individual entities</td>
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<td>Consumers as re-active buyers and selectors</td>
<td>Marketing</td>
<td>• Consumers are active individuals and segments of individuals</td>
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<td>• Offerings are value driven inputs for consumers – value propositions</td>
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<td>Consumers as actors in business networks</td>
<td>IMP</td>
<td>• Consumers are active individuals/entities related to business networks</td>
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<td>• Firms are active interrelated entities in business networks</td>
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<td>• Offerings are value driven inputs for interactions between actors – value propositions</td>
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<td>Consumer as resource integrators</td>
<td>S-D logic</td>
<td>• Consumers are interactive entities and resource integrators in value creation networks</td>
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Specifying the individual questions of the study

In the following section I discuss the literature overview and address the issues and concepts identified as vital to elaborate further upon in order to answer the overall research question: **how does the shift from marketing to**,  

34
to marketing with consumers change the role of actors and value propositions? In doing so, the overall research question will be divided into five sub-questions, addressing different aspects of the two main areas of interest: (1) the Actors (Question 1.1 and 1.2) and (2) Value propositions (Question 2.1, 2.2 and 2.3).

The Actors

Q.1.1. The first question to be addressed in Paper I is: “Do we have to find new concepts to describe the marketing process?”

This concerns the issues of how to conceptualise consumers and firms as actors in a marketing with perspective. In traditional consumer marketing literature the conceptual and practical distinctions between actors like producers, suppliers, distributors, retailers and the consumers are fairly well recognized in terms of the relation between their generic actor roles and different generic functions in the marketing process. However, with a changed understanding of the role of consumers and of the meaning of consumption, as well as the changing role of firms and the meaning of business activities, the generic roles of the actors and the meaning of the established concepts used to describe the actors also come into question.

The importance of this issue is clearly noted in the literature and that “reflections on the meaning of common concepts and the use of established terminology are urgent” (Ballantyne, Frow et al., 2011: 203). Similar arguments contend that marketing is at a crossroads, conceptually, and that the only way forward is to “find new labels and phrases that help us think and conceptualize afresh” (Kohli 2006: 290).

As this has implications for understanding the role of actors in a marketing with perspective, it is thus vital to reflect on the need, and possible direction, for adapting the generic marketing concepts in the shift from marketing to, to marketing with consumers.

Q.1.2. The second question to be addressed in paper II is: “how to identify and define the various social and economic actors as resource integrators”?

This concerns the issue of how to distinguish and identify consumers and firms as resource integrators in the network structure. With a changed perspective of the actor activities it is argued that value not solely derives from restricted economic transactions between firms and consumer but emerges in interaction where “all social and economic actors are resource integrators” (Vargo and Lusch, 2008). This provides a conceptual principle, beyond a polarizing view of value creating vs. value depleting view of the firms’ and consumers’ activities, towards recognizing that they are not fundamentally
different. However, as noted, it is also important to consider the potential distinctions between firms and consumers that may affect the interactions - specific social interests (e.g., non-commercial and cultural concerns) versus specific business interests and limitations (e.g. commercial and organizational concerns). As failing to address this may impede the understanding of a perspective shift towards marketing with consumers, it is not enough to recognize that all social and economic actors are resource integrators, and that all actors interact, as it leaves the vital question of “interacting in what purpose” unresolved.

Furthermore, by not being able to identify the actors, and structurally linking different actors to different activities, may cause complexity in terms of the research boundaries and delimitations. This is important to address, since knowing which actors and activities are to be included in the study of the network, in turn, affects the understanding of the changing structure of processes.

Value propositions

Q.2.1. The third question to be addressed in paper III is: “How do consumers form their perception of value in offerings?”

This concerns the issues of how the shift from marketing to, to marketing with consumers changes the role of value propositions. In traditional consumer marketing literature, value propositions play a central role in a firm’s marketing strategy, to act as a means to communicate the value in offerings, created by the firm and transmitted to consumers to affect their decision process. This postulates an isolated, undistorted flow of pre-allocated information regarding the value obtained from buying and using the product.

However, considering the changed understanding of the meaning of consumption and the reasoning that the potential use and value of resources emerges through interactions in a network of actors, the traditional role of the value proposition changes. This suggests that value propositions rather than being created in isolation, and seen as a final step in a firm’s value creation process preceding the marketing offering, are instead formed in activities that follow the traditional offering. This reasoning differs in a profound way from established conceptions of the role of value propositions and how consumers make value assessments, in turn calling into question the traditional role of firms and consumers as providers-recipients of value propositions.

Consequently, as “value propositions need to be considered entirely differently” there is “a need for both qualitative and quantitative data to support the normative perspectives on value propositions”. (Frow and Payne, 2011: 236).
Q.2.2. The fourth question to be addressed in paper IV is “How is a co-creative practice of forming a value proposition affected by the individual practices of resource-integrating actors?”

In order to furthering the understanding of value propositions in marketing with perspective, this concerns the activities that precede the traditional offering. As noted above, the traditional role of firms and consumers as providers and recipients of value proposition is called into question in the shift towards marketing with consumers. Subsequently, established conceptions of the traditional supplier centric approach to developing value propositions as offerings – choose the value, provide the value and communicate the value to the consumer – need re-thinking.

It is argued that that firms need to incorporate the activities of consumers in earlier stages of developments “not simply as researched subjects, but as active participants” (Dholokia and Firat 2006: 58). This suggests that value propositions may be initiated and reciprocally formed in interactions between firms and consumers as resource integrators. However, by recognising that different actors constitute different practices (Echeverri and Skålén, 2011) this would require a shift in mindset and a transition from business practice to “co-creative practice” (Banks and Deuze, 2009: 422). Considering the potential dissimilarities regarding idiosyncratic goals, experiential knowledge and context, firms and consumers will most likely have different value perspectives (Frow and Payne, 2011). Accordingly, it can be assumed that this will reflect conflicting interests between consumers and corporate interests and business practices, which in turn will most likely display intricacies in processes.

Q.2.3. The fifth question to be addressed in paper V is “How can providers benefit from facilitating consumers’ value creation activities?”

This concerns the issue of the extended role of value propositions in a marketing with perspective, to act as mechanism for interaction and reciprocal value creation between business and consumer practices. Although the notion of reciprocal value and mutual benefits (as opposed to supplier value) is emphasized in the marketing with perspective, there is a tendency to move from the supplier centric marketing to view towards a completely consumer centric perspective.

Accordingly, the value propositions of firms (e.g. producer, supplier) serve as input to the consumer’s value creating process. This based on the reasoning that role of firms is not to define value in offerings but to offer value propositions, to facilitating the consumer’s value-in-use. Paradoxically, even though consumption is not viewed as the depletion of firm outputs, the somewhat unidirectional nature of this reasoning implies that con-
sumer activities are at the same time not viewed as part of the network rather as an important but final step in the creation of value.

This shortcoming is also noted in the literature, as a changed understanding of the value creating practices in online consumer communities has amplified the need for also viewing consumers as potential initiators of value propositions. This could open up for a wider thinking of the role of value propositions beyond the notion of the offering (e.g., Ballantyne and Varey, 2006), extending the somewhat unidirectional view of firms as facilitators of value creation towards a reciprocal view.

Below, is a summary illustration of the individual questions.

**Figure 1. The individual research questions**

- **Q.1.1** Do we have to find new concepts to understand the marketing process?
- **Q.1.2** How to identify and define the various social and business actors as resource.
- **Q.2.1** How do consumers form their perception of value in offerings?
- **Q.2.2** How is a co-creative practice of forming a value proposition affected by the individual practices of resource-integrating actors?
- **Q.2.3** How can providers benefit from facilitating consumers’ value creation activities?
Chapter 4: The empirical base of the thesis

Introduction

In this chapter the research projects constituting the empirical base of the thesis are presented. During the past five years data have been gathered in four parallel projects which in complementary ways contribute to answering the overall question: how does the shift from marketing to, to marketing with consumers change the role of actors and value propositions?

In total, this includes data from over 200 respondents, over 100 hours of participatory observations, nethnographic studies of international online communities all amounting to over 50,000 words from posts and comments, as well as a vast amount of written and audio-visual material in the form of published interviews from magazines, webcasts, documentaries and other unofficial and official documents. The data have been gathered through the following four projects:

• **The music project** – A study of how the use of IT has affected the established generic roles and identity of firms and consumers in the recorded music market. The study provides an understanding of the changing role and function of the different actors in a marketing with perspective.

• **The mobile phones project** – A study of how the use of IT and online media have affected the way consumers interact with each other and with firms to exchange information and generate knowledge, focusing on how consumers form their perception of value propositions in offerings regarding mobile phones. The study provides understanding of the networked nature of value propositions, and the exchange activities that follow traditional marketing offerings made by firms.

• **The customer loyalty card project** – A study of a product development process, exploring how one of northern Europe’s leading retail chains together with consumers formed the value proposition in a new customer loyalty card offering. The study provides understanding of the network nature of value propositions and the exchange activities that precede traditional marketing offerings made by firms.
• **The video game project** – A study of an online consumer community, exploring interactions between and among consumers and firms. The study provides understanding of the continuous and networked nature of reciprocal value propositions in a *marketing with* perspective.

The general research approach of the projects

Common to the four projects is that the research design is characterized by an exploratory approach described as ‘somewhere between either wholly inductive or completely confirmatory’ (Brown, Broderick and Lee 2007). This is based on the reasoning that understanding the complexity of the changing nature of marketing requires more of an inductive and open research methodology “allowing a confronting of the complexity, ambiguity and dynamism of the real world with more common sense and less ritual” (Gummesson 2002: 585).

The different empirical studies take their main theoretical departure from the concepts and assertions found in the emerging *marketing with* literature while keeping a door open to inputs from other complementary views and also, in an ongoing process, from the data itself (Richards, 2007). Therefore, evaluations of emerging theoretical concepts and re-evaluations of established conceptions have continuously through the gathering process been posed in relation to questions regarding what sort of additional data is relevant and what sort of data can be accessed.

With a research focus on making sense of a phenomenon, the interpretation of the data also needs to be viewed as an integral part of the whole study, entwined with the actual gathering of the empirical material (Stake 1995). This entails following up on “insight stimulating examples” which can emerge during the gathering process, embracing what is referred to as a flexible research design (Kothari, 2004). *Insight stimulating examples* refer to “selected instances of the phenomenon studied” (Kothari, 2004: 36) which entail both typical and atypical occurrences related to the research question (Connaway and Powell, 2010). Depending on the scope of the different projects, the approach and the techniques used to gather the data have accordingly been moulded in response to accessibility, the specific context and to the participating respondents.

The latter is also reflected in the choice of the different projects, as accessibility to the different studies to a great extent guides both the possibilities and limitations of what can be, and how it can be explored. The different empirical settings in the projects are thus primarily chosen in connection with the specific areas of interest and questions addressed in chapter three.
The music project was chosen because the recorded music market is commonly described as being “hit” by the digital revolution, as the use of IT has not only affected the way activities are performed but has even more affected who is actually performing them. It thus provides an appropriate setting to study the role and function of the different actors in a marketing with perspective.

From this, the focus turned towards exploring the activities of the actors and to how information and knowledge is exchanged and utilized to enable value creation. The mobile phones project was chosen because it provided a setting which contains a common yet complex product associated with both utilitarian and symbolic values as well as being a product whose perceived value is dependent on multitude of different actors. Mobile phones are also one of the most discussed products in online infomediaries (i.e., consumer forums, comparison sites). It thus provides an appropriate setting to study the information exchange activities between consumers and firms that follow the traditional offerings made by firms, illustrating how consumers form their perception of value propositions out of offerings.

In order to further extend the understanding of the concept of the value proposition, and its relation to the traditional offering, it was considered important to explore the activities that precede the offering. The customer loyalty card project was chosen because it provided a business setting (retailing and financial services for households) which is known for its close interactions between firm and consumer. However, traditionally in this market the development of new products and offerings is limited to include consumers as researched objects rather than as active participants. So when given access to study the development process of a new customer loyalty card – in which the consumers themselves were invited to actively participate and form the value proposition in the offering – it was considered an appropriate setting to study how value propositions are formed in a marketing with perspective.

Finally, to be able to even further connect the understanding of the role of firms and consumers and their resource integrating activities it was considered important to also address the continuous nature of interactions and reciprocal value creation in a marketing with perspective.

The video game project was chosen because, according to previous research, online gaming communities provide an ideal setting for studying interactions and knowledge sharing between and among consumers. Online communities are also seen as an important aspect of the consumer’s gaming experience and perceived value-in-use. The video game project is therefore considered a suitable setting to study how the shift from marketing to, to marketing with affects the conditions and the way activities and knowledge of firms and consumers can be integrated to facilitate innovations and reciprocal value creation.
The structure of the presentations of each research project

The presentation of each of the projects is structured in the following way:

**The scope** - This section refers to the focus of the project and connection with the individual research questions; the main theoretical departure, the domain of inquiry, the coverage, reach and limits of the projects. It comprises a summary in the introduction of each project describing:

- The focal study object – the product around which the study revolves.
- The thematic focus – the main area and topic of the enquiry.
- The geographical region – the region in which the study is set and from which the data has been gathered.
- The exchange environment - the primary setting in which interactions between the actors take place.
- Data collection – the type of sources used, the number of respondents, hours of observation, amount of words from forums, blogs, magazines.
- Limitations – the boundaries of the study.

**The nature of the data** - This section refers to how and from whom, or from where the data was collected, presenting the procedures of how the data was gathered, accounting for the choices made during the studies. This relates to questions of ‘what types of data were considered relevant?’, ‘what types were available?’ and ‘how, and in what order, could they be combined or compared?’

**Interpretations and analysis** – This section refers to how an understanding of the phenomenon was derived from the data, presenting the coding process and the analytical procedure. This process relates to questions of ‘is this an example of this or that category, theme or issue’, or ‘is it something different and new?’
The music project

- Focal study object – Recorded music.
- Thematic focus – The actor and activity structure in which music is produced, distributed, obtained and listened to.
- The geographical region – International with a European bias.
- The exchange environment – The internet.
- Data collection – Interviews (33), Official interviews e.g., webcasts, radio, TV (approx. 30 hours), observations, e.g., conventions, workshops (approx. 50 hours), Documentaries (approx. 25 hours), narratives from Fanzines, Magazines (56 issues), blogs and forum posts (approx. 5,000 words), biographies and other written publications.
- Limitations – The coverage of the study is limited to a specific music scene, the electronic dance music scene.

The scope – the music project

The music project is connected to questions regarding the meaning and relevance of the traditional generic roles of firms and consumers, and to the identity of actors as resource integrators in the network.

According to previous studies, the traditional actors and their activities linked to functions such as production, distribution, and sales are becoming redundant as these functions no longer serve any purpose or are taken over by consumers or other non-commercial actors.

Employing recorded music as a focal study object is considered appropriate to study the role and identity of firms and consumers in marketing with perspective. The primary thematic focus in the study is on identifying the activity structure and the flow in the network, linking the activities to the actors in the network, from music creation to listening. As a music release is no longer linked to a geographical region but rather linked to globally situated niche domains on the internet, so-called “music scenes”; the primary exchange environment in the study is the internet and the geographical region is international.

The nature of the data – the music project

In order to provide a valid and rich description it is important to empirically monitor and use several data sources (Halinen and Törnroos, 2005) – using multiple layers of official interviews, archival data and observational data together with face-to-face personal interviews and observations.

To initially guide the empirical study the background work was conducted using studies published by the International Association for the Study of Popular Music (IASPM) – an international organization established to promote inquiry, scholarship and analysis in the area of popular music. Here it was found that one established approach to the study of this vast and complex empirical area was to delimit the study to one particular “music scene”
Popular music scholars and music journalists commonly use the term music scenes to describe a certain domain of cultural and commercial activities (Bennett and Peterson 2004).

The term music scenes is, similar to the notion of a community or practice, used to describe and designate a context or culture in which producers, musicians, and fans all collectively share a common musical preference. A pre-study of different scenes was initiated, interviewing in total 15 participants from the punk, hardcore, jazz and electronic dance music scenes, visiting dedicated online forums of a broad area of scenes, as well as listening to hours of official interviews found in webcast and other media.

Among the vast number of music scenes examined it became clear that one particular music scene, electronic dance-music (EDM), was portrayed as being the most progressive in terms of structural and behavioural change. The scene erupted on a large scale in the mid 1980’s as a paradoxical mixture of punk attitudes, disco beats and hi-tech aesthetics and has been described as utilising 1970’s punk rocks do-it-yourself principle fuelled with new technology and thereby tipping the traditional rock aesthetics and ways of creating, marketing, performing and consuming music over onto its side (Reynolds, 1998)

When focusing specifically on the EDM scene we managed via websites, magazines and online forums to locate an annual international event taking place in Stockholm, Sweden called the ‘Swedish Music Convention’ (SMC). This annual convention, established in 2006, is attended by leading cultural, technological and commercial actors from the EDM-scene. Here people gather to discuss the use of new technology, covering the interrelation between creation, consumption, distribution and other aspects in the form of open workshops, seminars and lectures. These conventions provided the study with “key informants” (Marshall, 1996) as well as initiating a broad snowball sample (Salganik and Heckathorn, 2004) approach to the study, not just in terms of informants and respondents, but also when it comes to other relevant material (e.g. designated on-line forums, popular literature, documentaries). Similar to the SMC, the Nordic embassies in Berlin and ‘the Goethe-Institute Schweden’ arranged a seminar (2008) to discuss the interrelation between cultural and commercial implications of the global EDM-scene’s impact on the industry and the popular music market. During this event, participatory and non-participatory observations were conducted along with individual discussions in the form of informal interviews.

Guided by the methodological reasoning of key informants participating in the SMC seminars and workshops in 2007 resulted in over 20 hours of participatory observations and twelve face-to-face interviews with participants from Germany (4), Netherlands (2) UK (3) Sweden (2) USA (1). In the following year, attending SMC 2008 generated six face-to-face interviews with participants from: Germany (1) Spain (1) Sweden (3), UK (1) as well as over 20 hours of observations during seminars and workshops. In accordance
with Brown et al. (2007), the same authors conducted all interviews in order to enhance comparability.

A semi-structured interview guide was used, and questions revolved around the impact of IT on the scene (from issues of production, distribution, media to consumption). It became clear relatively early in the case content gathering that the representatives’ relationship to the scene was multifaceted, complex and comprehensive regarding the participants respective roles, in terms of their actor roles being ambiguous and overlapping. For instance when being asked about experiences and reflections on the issue of IT one interview reply was very noteworthy: “Do you want me to answer as a musician, a DJ, a record company or as a consumer or a fan?” This became in itself somewhat of a guiding theme in the ensuing research process. The study of the representatives’ complex part of, and at the same time complementary floating relationship to, the various market activities began to demonstrate a highly interesting illustration of the more fundamental impact of IT on both the traditional structures and processes.

In order to ground and compare the data from the interviews a significant amount of time was spent on participating and taking part in discussions in various online forums. In these forums, there were discussions on the influence of IT and the changing role of record companies and labels, the explosion and abundance of available music and the merging of cultural and commercial practices within the scene. Inspired by the nethnographic research approach (Kozinets, 2002), quotes that displayed insight stimulating which either contradicted or confirmed previous findings examples were gathered, using the NVivo software to continuously code and re-code the content from these forums. Additionally, following the same gathering technique, published interviews were used from, for instance, webcasts, radio, TV (approx. 30 hours), news, scene specific magazines (56 issues of MiX-MAG, DJ Mag, BPM and House magazine), documentaries (approx. 25 hours), all amounting to a gathering of over 15,000 words. The main section of the empirical material was gathered from published interviews retrieved from English-speaking newspapers, magazines and online sources (e.g. podcasts).

**Interpretation and analysis – The music project**

In order to establish a broad overview of the gathered material the NVivo software was used throughout the data collection process. The data collected was coded using traditional activity categories related to the empirical context; record companies, music production, storage, distribution, promotion, retailing and to activities of obtaining and listening (consuming) to music. Using NVivo, a map over the collected data was created to be able to overview the balance between the different sources and the information they provided about the activities. From this, the material was discussed in a peer-evaluation process (Miles and Huberman, 1994), in which the emerging un-
derstanding among the members of the project was related to each other. During these discussions, findings and insights from previous directly- or indirectly-related studies were assimilated to the respective activity categories in order to make sense of the process through which music went from the ideas of songwriter to the enjoyment of music consumption. This process was continued until a consensus among the members and balance between different sources was achieved.

The mobile phones project

- Focal study object – Mobile phones.
- Thematic focus – Consumers’ interactions with each other and with firms, exchanging information and generating knowledge, focusing on how consumers form their perception of value in offerings regarding mobile phones.
- The geographical region – Sweden.
- The exchange environment – The internet.
- Data collection – Interviews (79 respondents), pre-study survey (1,029 respondents).
- Limitations – The coverage of the study is limited one region in Sweden.

The scope – the mobile phones project

The mobile phones project is connected to questions regarding how consumers form their perception of value in offerings; exploring the network nature of value propositions and the information exchange activities that follow traditional offerings made by firms.

The thematic focus of the mobile phones project is therefore on exploring how consumers exchange information, generate knowledge and form their perception of value in offerings. Mobile phones were chosen as the focal study object because the mobile phone possesses the properties of a common yet complex product associated with both utilitarian and symbolic values. As the use of IT has affected the way information is exchanged between and among consumers and firms to generate knowledge, the internet is posed as the primary exchange environment for the study. The mobile phone market is, however, to a great extent linked to geographical limitations (e.g. mobile network operators) which differ between countries. The geographical region in the study is therefore limited to the conditions of the Swedish market.

The nature of the data – the mobile phones project

The project is composed of two phases, in which the second phase is the focus of this thesis. First, a pre-study was initiated which included interviews with representatives from firms related to the mobile phone market (5 retail-
ers, 5 manufacturers, 1 price-comparison site, and 2 media analysts) and with 15 consumers. This was followed by an online survey (1,029 respondents) serving to provide the study with a rough overview of how consumers use the internet.

Following this, in the second phase of the study, consumer interviews were initiated to generate a deeper understanding of how information is exchanged between and among consumers and firms as they form their perception of value in offerings. These respondents were initially selected in a deliberate and non-random fashion consciously seeking out respondents which could represent different levels of experience. As the aim of the study does not place emphasis on differences between different consumer segments, the psychographic aspects (e.g., age, gender, education) were taken into consideration but did not single-handedly guide the sampling process. Rather, the guiding focus was to achieve a wide range of informants who could share their experiences (Zaltman, LeMasters et al., 1982).

The purposive sample later initiated a snowballing, in which the respondents were asked to contact or provide contact information to new respondents of interest. This procedure was continued between the interview occurrences until the interviews reached a point of redundancy that echoed the views of prior informants, thereby making further data collection unnecessary.

Due to the broad range of different experiences, thematic redundancy was established after interviewing a total of 66 respondents.

The interviews took place during a six-month period (July to December 2007). All interviews were conducted face-to-face in Swedish and were recorded, without objection. In order to further enhance comparability, all interviews were conducted by a single author (c.f., Brown, Broderick et al., 2007). A semi-structured interview guide was used, in combination with constant probing, to reveal rich insights and unexpected examples. Given that the scope was to provide the study with a broad idea of consumer’s perceptions, respondents were asked to openly describe how they seek information and evaluate offers regarding mobile phones. Questions included: How do you evaluate different options? What sources do you use? Do you use different aspects of the various sources and are they interrelated and combined over time? What are the aspects affecting the choice of a source and actor type? How is new information compared and related to existing experience-based, experiential knowledge?

While describing their attitudes and actions when searching, sorting, exchanging and processing information, respondents were asked to identify types of sources, actors and other related aspects that affect their perceptions. They were also asked to reflect on if and how these aspects were related and utilized during the process. In order to reach thematic saturation during the interviews occasions, they were continued until the respondents’ replies
reached a point of redundancy. Naturally, this differed between respondents, which meant that the interviews lasted approximately one to two hours.

**Interpretations and analysis – the mobile phones project**

From a broad categorisation related to the thematic focus, basic functions and actor types and behavioural aspects, coding of the material was conducted individually by researchers associated with the project. The researchers identified quotes from the material linked to different “insight stimulating examples”. In this process a broad set of categories was individually established which was then discussed in a peer-evaluation process. After establishing a consensus about six main categories, a re-coding of the material was conducted placing the “insights stimulating examples” in relation to the categories. This was repeated until a consensus among the members and balance between categories was achieved.

**The customer loyalty card project**

- Focal study object – a customer loyalty (debit) card
- Thematic focus – The knowledge exchange process between representatives of firms and consumers.
- Geographical region – Sweden
- Exchange environment – Physical; meetings, workshops and case competitions.
- Data collection – Interviews (21), observations, e.g., meetings and presentations (approx. 50 hours), official and unofficial documentation, slides, mail correspondence (approx. 5,000 words)
- Limitations – The coverage of the study is limited to a specific business area and to a specific consumer segment.

**The scope – the customer debit card project**

In furthering the scope of the mobile phones project, the customer loyalty card project is connected to questions regarding how value propositions in offerings are developed in a *marketing with* perspective; exploring the activities that precede the traditional marketing offering.

The customer loyalty card project constitutes a longitudinal study of a product development process, exploring how one of northern Europe’s leading retail chains together with consumers formed the value proposition in a new customer loyalty card offering. The case background is that one of Europe’s leading retail chains (offering groceries and financial services for households) had experienced declining numbers in the under-thirty segment, which expressed dissatisfaction with both the content and communication of existing offerings. By acknowledging an emerging shift regarding the conditions of marketing – concerning how consumers communicate and make
assessments of what is valuable to them – the retailer concluded that it was vital to involve the potential consumers (in this case, students) in the development process as active participants, guided by the view of ‘a loyalty card for students, by students’.

The thematic focus of the project is on the knowledge exchange process between representatives of the firm and the consumers, investigating how differences in their respective scripts affect the exchange process and formation of the value proposition. The focal study object, a customer loyalty/debit card is in previous studies (Normann, 2001) described as a pertinent example of how a seemingly basic product such as a plastic card is actually a complex bundle of several applications and configurations that together comprise the value and service obtained from using the card. As the value proposed in a loyalty card offering therefore entails more than just the card itself, it is regarded as being an apt study object to study how value propositions in marketing with perspective are formed. The geographical region of the study is Sweden and exchange environment is physical: meetings, workshops and case competition.

The nature of the data

Data were gathered throughout the development process of the customer loyalty card – a 20-month investigation that began in early February 2010 and ended in early September 2011. In order to capture the development as holistically as possible, data were gathered through formal and informal interviews (in total 21 interviews with 12 respondents), observations during meetings and presentations (approx. 50 hours) and development documentation (approx. 5,000 words).

The five employees who constituted the project group at the retailer were “key informants” (Marshall, 1996) who were formally interviewed, and informally met with, throughout the study of the development. All formal interviews lasted between 1-2 hours and were recorded and transcribed. The reason for conducting interviews through the entire development of the customer loyalty card was to ‘tap the knowledge and experience’ (Churchill Jr, 1979: 105) that the employees progressively gained. A semi-structured interview guide was used, with the purpose of uncovering rich insights and unexpected examples.

In accordance with Brown et al. (2007), the same authors conducted all interviews in order to enhance comparability. The purpose of conducting formal interviews and informal meetings was to provide the study with extensive data about the development. The interviews included such open-ended questions as ‘how would you describe your input to the development?’ and ‘what is your view on contributions made by other participants to the development?’ Participants who were referred to during these interviews were then contacted to complement the data gathered.
Participant observations (approx. 50 hours) were conducted by attending meetings between the project group and the students, between the project group and intra-organisational departments, and between the project group, intra-organisational departments and the students. Observations were also made during a 24-hour case competition, where students presented their different conceptual solutions to a case directly related to the development of the customer loyalty card. All observations were made unobtrusively in order to limit the effects of researcher presence.

To complement the first-hand data, second-hand data were gathered in the form of students’ reports from the case competition, PowerPoint presentations used during the above-mentioned meetings and presentations, creative briefs showing the progression of the development, e-mail correspondence with the project group, and policy and legal documentations. All in all, this material (approx. 5,000 words) served to assist the interpretations of the data, enabling comparisons with the interview transcriptions and to provide an overview of the progression, identifying how the different perspective of the actors and their knowledge input had affected during the development process.

The interpretations and analysis of the data

Literature knowledge creation and sharing (Nonaka and Takeuchi, 1995) served as an initial guide to label and categorise the activities of knowledge exchange – accessing, gathering, interpreting and utilising knowledge. From this broad categorization, the coding of the material was conducted individually by researchers connected to the project. The researchers identified quotes from the material in the form of “insight stimulating examples” which were then linked to the different categories of knowledge exchange activities. This was followed by a peer-evaluation process which entailed iterative discussions between coders who had gathered the data and those who had not, allowing for a successive progression of identifying and re-labelling the categories that describe the knowledge exchange activities.

A common view amongst the coders was that the data did not comply with the sequential view as described in the existing literature of knowledge creation and sharing. Instead the data indicated that the exchange process was dynamic in its nature as the actors interchangeably provided, evaluated, altered, accepted or refuted each other’s inputs. Therefore, the labels of applying, assessing, adapting and adopting were considered more suitable for describing the knowledge exchange activities. After establishing a consensus about these categories a re-coding of the material (linking the different insight stimulating examples to the categories) was conducted and repeated until a consensus among the members and balance between categories was achieved (Perreault Jr and Leigh, 1989).
The video game project

- **Focal study object** – an online consumer community
- **Thematic focus** – Online interactions and knowledge exchange between and among consumers and firm representatives.
- **Geographical region** – International
- **Exchange environment** – The internet.
- **Data collection** – Interviews (16), Nethnographic study; 110 respondents, 45,000 words from posts and comments
- **Limitations** -The coverage of the study is limited to a specific business area and to a specific community of consumers.

The scope – the video game project

The video game project is connected to questions regarding how online communities can be used as platforms for interactions between and among consumers and firms in order to facilitate innovations and reciprocal value propositions.

The video game project comprises a study of the video game industry, more specifically exploring the activities of consumer and firm representatives in an online gaming community. Consumer communities in all kinds of product areas have with use of IT become important forums and a global meeting platform for consumers and firms. The online consumer community is therefore considered suitable as a focal study object to explore how firms and consumers can exchange knowledge to facilitate innovations and reciprocal value creation.

In a marketing with perspective, firms are no longer viewed as providers of outputs and suppliers of value but as providers of inputs, facilitating the consumers’ value creation processes. However, as the consumer’s perceived value-in-use is also dependent on the knowledge and skills of the consumer – rather than merely the knowledge embedded in products, in this case, a video game – the role of firms as facilitators extends beyond merely developing and delivering products. With IT, opportunities for co-learning and knowledge generation are enhanced as firms through online media can not only offer products but also facilitate the generation of knowledge amongst consumers. In this way the product offered by the firm entails more than the video game itself as the community becomes an equally important element to facilitate consumers’ value creation and enhance the perceived value-in-use. The question related to this is, however, if and how firms can also benefit from engaging in these consumer communities beyond the aspect of merely financial gains in terms of contented and returning customers. And, as the activities and the knowledge of both consumers and firms in many aspects are situated in different practices (i.e. consumer practices and business practices) questions arise regarding how knowledge is generated and exchanged. The thematic focus of the study is therefore on if and how inter-
actions within the community can facilitate reciprocal knowledge exchange and how the different value perspectives of the actors become interlinked. Similar to the music project, as these activities take place in globally sited online forums, the primary exchange environment in the study is the internet, and the geographical region of the project is international.

The nature of the data

The study that was conducted over a two-year period was initiated with an explorative study of the video game industry, visiting various online communities to gain a preliminary understanding of communities in the video game industry. Six interviews, all lasting between one and two hours, with representatives from the industry were conducted to ‘tap the knowledge of those familiar with the matter at hand’ (Churchill Jr, 1979). This included interviews with CEOs of three internationally renowned Sweden-based game developers, journalists specialized on the video game industry, as well as with the spokesperson for the official association of the Swedish video game industry (www.swedishgamesindustry.com).

From these interviews, the project obtained access to conduct an in-depth study of one of game developing firms, a Sweden-based developer, herein named “P.I”. The firm, that develops, publishes and sells games internationally, is renowned worldwide for its advanced user community (i.e. a dedicated online community of consumers) and for making complex warfare strategy games that are highly “moddable” (i.e., the game offers opportunities for the consumers to alter and modify the content of the game).

Key informants of the firm were interviewed, ten separate interviews with eight employees of the firm, all lasting between one and three hours. These included interviews with the CEO, the executive producer, three game designers, two programmers and the community manager. Concurrently, secondary data was also gathered, reviewing internal documentation such as online project logs (approx. 5,000 words) and audio-visual developer diaries in the form of webcasts (approx. 5 hours).

Supported by the community manager the project were given access to the firm’s online user community – a consumer community consisting of a vast number of dedicated forums with over 300,000 active members located all over the world – enabling us to access forums that are exclusive to developers and certain user groups within the community.

In employing a nethnographic approach to the study, using a “seeding strategy” technique (Kozinets et al. 2010), interactions with the community members were initiated by starting a “thread” in one of the most popular forums the community. A “thread” is in simple wording, a topic driven online discussion amongst members of a web-based forum, covering everything from simple question-and-answer exchanges to elaborate and extensive discussions about the topic in matter. In accordance with Kozinets’ (2002) nethnographic approach, the researchers need to fully disclose their pres-
ence, intention and affiliation throughout the whole data collection. In the thread we presented the project and posted the overall topic for the thread, reading:

“We would greatly appreciate to hear about your interaction with the community of gamers and with the P.I team. For example: ‘what is your involvement within the gaming community?’, ‘what use do you make of the forums?’, and ‘what is your experience of interacting with other gamers and with the Paradox team through them? All comments, short and brief as well as elaborate and detailed, are highly appreciated and of interest to us’.

From this, community members who were active in the targetted forums were asked to write what was named a Community Action Report (CAR) – an individual story about participation in the user community. The name and acronym CAR were deliberately chosen based on their similarity with that of a vastly popular community pursuit: to write and share an After Action Report (AAR), that is, lengthy descriptions/stories of users’ gaming experiences in specific games.

Members who provided a CAR in the thread were then asked follow-up questions via the forum’s Personal Message function to further the understanding of their views and experiences. Throughout the study the community manager was consulted about emerging issues to enhance the interpretation and understanding of the data. The thread was up and active for exactly one month, and during this period roughly 8,000 community members had participated in the thread, reading and commenting on the discussions. In all, 110 users had posted individual CAR’s in the thread (the shortest being roughly 400 words, and the longest roughly 3,500 words), and 75 users had provided additional input when asked follow-up questions. In total, the nethnographic study generated approximate 45,000 words.

To ensure that we had interpreted the data in a manner that the community members recognize, we concluded the thread by providing and posting our own Community Action Report (CAR) of the project. This led to some additional insights and also some revisions of findings, but it mostly spurred further discussion among community members about their impact on the firm.

The interpretations and analysis of the data

The interpretation of the data was conducted as an integral part of the whole study (Stake, 1995), entwined with the actual gathering of the empirical data. During the nethnographic study narrative methods were used, as this approach offer possibilities to make sense of human experience by listening to, collecting and analyzing stories (Webster and Mertova, 2007). Accordingly narrative data can be used to explore how the respondents make
sense of their value experiences in a particular event and social context (Kvale and Brinkmann, 2009).

In following Mead’s (1938) notion of having behaviour or the act, rather than the person as the unit of analysis, the data was categorized into five different activity categories. These categories represent what Schau et al. (2009) describe as value creating practices, which in the study are labeled as posting, moderating, testing, modding and mining. These practices are identified as the main practices in the community, through which knowledge is exchanged and that facilitate the consumers’ value creation processes. Based on these categories, the coding of the data was initially conducted individually by researchers associated with the project, identifying quotes from the material in the form of “insight stimulating examples” which were then linked to the different categories.

This was followed by a peer-evaluation process (Miles and Huberman, 1994), in which the emerging understanding among the members of the project was related to each other. During these discussions, findings and insights from previous directly- or indirectly-related studies were assimilated to the interpretation, guided by the thematic focus of the project; online interactions and knowledge exchange between and in-between consumers and representatives of firms. This process was continued until a consensus among the members and balance in the different categories were achieved.
Chapter 5: The individual papers

Introduction

This chapter presents an overview of the individual papers, discussing how each paper contributes to answering the main research question – how does the shift from marketing to, to marketing with consumers change the role of actors and value propositions?

I  The post-industrial citizen: a heterogeneous actor in a complex exchange and value creation environment.  
(Published in Journal of Customer Behavior, 2010)

II  Functional identities, resource integrators and the service-dominant logic.  
(Published in Journal of Customer Behavior, 2010)

III  Exploring “the networked nature” of value propositions - a study of how consumers form their perception of value in offerings.  
(Presented at the International Servsig Conference 2011, Submitted to Marketing Theory, 2012)

IV  The co-creative practice of forming a value proposition  
( Accepted for Journal of Marketing Management, 2012)

V  Reciprocal value creation: the case of an online community  
(Presented at the International Servsig Conference 2012, Submitted to Journal of Service Management, 2012)

Based on previously articulated issues regarded as ripe for further elaboration in a marketing with perspective, the individual papers address different aspects of the main research question. Paper I specifically discusses the need for, and possible direction of, adapting marketing’s conceptual content to the changing role of the consumer. Paper II further elaborates on this issue, discussing the complexity of identifying and defining social and economic actors as resource integrators. Paper III and IV explores the activities of consumers as resource integrators. Focus is on the nature of the value proposition in the shift from marketing to, to marketing with, discussing implications as to how value propositions in offerings are both developed
and perceived in a *marketing with* perspective. Finally, **paper V** explores the notion of *reciprocal value creation* in a *marketing with* perspective, discussing how firms can benefit from facilitating consumers’ value creation in online communities.

*(table 3, the individual papers)*

<table>
<thead>
<tr>
<th>Paper - no., type, title</th>
<th>Research question(s)</th>
<th>Concepts addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper I. Conceptual The post-industrial citizen: a heterogeneous actor in a complex exchange and value creation environment</td>
<td>Do we have to find new concepts to describe the marketing process?</td>
<td><strong>Actors</strong> - consumers and firms</td>
</tr>
<tr>
<td>Paper II. Empirical/conceptual paper Functional identities, resource integrators and the service-dominant logic</td>
<td>How to identify and define the various social and business actors as resource integrators.</td>
<td><strong>Actors</strong> -Resource integrators</td>
</tr>
<tr>
<td>Paper III. Empirical/conceptual paper Exploring the networked nature of value propositions: A study of how consumer form their perception of value in offerings</td>
<td>How do consumers form their perception of value in offerings?</td>
<td><strong>Value propositions</strong> -Offerings</td>
</tr>
<tr>
<td>Paper IV. Empirical/conceptual paper The Co-creation practice of forming a value proposition</td>
<td>How is a co-creative practice of forming a value proposition affected by the individual practices of resource-integrating actors?</td>
<td><strong>Value propositions</strong> -Offerings -Practices</td>
</tr>
<tr>
<td>Paper V. Empirical/conceptual Reciprocal value creation: the case of an online community.</td>
<td>How can providers benefit from facilitating consumers’ value creation activities?</td>
<td><strong>Value propositions</strong> -Practices -Reciprocity</td>
</tr>
</tbody>
</table>

The presentation of each paper below begins with the specific question addressed in the paper, followed by a brief introduction of the key concepts, the outline and the conclusion vis-à-vis the main research question of the study.
Paper I:
The post-industrialism/post-capitalism citizen: a heterogeneous actor in a complex exchange and value creating environment.

Question addressed:
Paper I addresses the issues of how to conceptualise consumers and firms as actors in a *marketing with* perspective: *Do we have to find new concepts to describe the marketing process?*

Key concepts, outline and conclusions.
The paper reflects on the need for, and possible direction of, adapting marketing’s conceptual content to the changing role of the consumer.

It is concluded that in the wake of the digital revolution the new role of consumers brings about a number of fundamental structural changes in terms of “who is who”, who is doing what, and “how and why is it done”. It is also shown that the way this increased complexity is dealt with differs significantly between the *marketing to*, and the *marketing with* perspectives.

Empowered by IT the heterogeneous and participatory nature of consumers impinges greatly on the established *marketing to* theories, which are traditionally focused on targeting and communicating to consumers. Due to this, research within the *marketing to* stream emphasizes the need to find new ways and concepts to implement IT and utilize the activities of consumers into the existing *marketing to* thinking.

In the *marketing with* stream, rather than focusing on finding new ways to target and communicate to consumers it is instead argued that it is vital to view the consumer as endogenous to the marketing process. Accordingly, to achieve this, the only way forward is to “find new labels and phrases that help us think and conceptualize afresh” (Kohli, 2006 p. 291). In attempting to demarcate from the traditional view of producers as being value providing, and consumers as value depleting, new concepts and combinations of old labels have emerged, such as the concept of prosumers (i.e., providers-consumers).

However, as concluded in the paper, focus should neither be on adding the new role of consumers to existing *marketing to* models, nor on inventing new concepts to fit the *marketing with* perspective. Launching a never-ending swirl of new but still imprecise concepts will, instead of dealing with, add to the existing complexity. In order to assist the understanding of the shift from *marketing to*, to *marketing with* the established concepts are to be re-interpreted; moving in a direction guided by the principle of ‘adapting something old to something new’ rather than ‘adding something new to something old’. By rejecting the traditional view of consumers as targets and value-depleting individuals, instead recognizing consumption as value activating and an integral part of a value creation network, the established generic actor concepts are recognized not only to be valid but vital in a *marketing with* perspective.
Paper II.

Functional identities, resource integrators and the Service-Dominant logic

**Question(s) addressed**

Paper II addresses issues of the identity of the firms and consumers as resource integrators, answering the question of: *how to identify and define the various social and economic actors as resource integrators?*

**Key concepts, outline and findings**

This paper further elaborates on issues addressed in paper I. Based on findings from the music project, the focus is on the concept of *resource integrators* and the complexity and need to identify and define the various actors, their activities and resource input in a *marketing with* perspective.

It is concluded that although the notion that “all social and economic actors are resource integrators” is an important principle for understanding the shift from *marketing to, to marketing with* it leaves the vital question of ‘interacting in what purpose’ unresolved. This noted shortcoming also became evident during the data collection. For instance, when asking respondents about their experiences of the impact of the internet, one interview reply was very noteworthy:

“Do you want me to answer as a musician, a DJ, a record company or as a consumer or a fan?”

This eloquently illustrates the complexity of the interchangeable identities of the actors as well as the need to be able to distinguish differences with the purpose of their activities, as different roles are linked to different interests. At the same time the reply also indicated that the actor did identify herself, and the purpose of her activities, based on a number of traditional marketing functions.

This leads to the conclusion the actors can be identified on the basis of how their activities relate to certain functions within the network. The actors as resource integrators are subsequently identified and defined on the basis of, what the paper conceptualizes as, their *functional identity*. This means that, depending on level of aggregation, the interactions and the context studied, the social and economic actors as resource integrators represent different functions in the network. For instance, on the basis of their *functional identity* as music consumers it is thereby possible to address the resource integrating role of consumers as consumers, not as providers, suppliers or something in between.

By recognizing that “All social and economic actors are, *defined by their functional identity*, resource integrators”, it is possible to identify differences regarding the purpose of the actors’ resource integrating activities. This enables a deepened understanding of the influence of specific social concerns (e.g. non-commercial and cultural characteristics) versus specific business
concerns and limitations (e.g. commercial and organizational characteristics) of firms and consumers as resource integrators.

Paper III.
Exploring “the networked nature” of value propositions - a study of how consumers form their perception of value in offerings.

**Question(s) addressed**
Paper III questions the traditional one-way nature of value propositions in offerings – communicating value to consumers – by exploring: *How do consumers form their perception of value in offerings?*

**Key concepts, outline and findings**
The focus is on exploring the resource integrating role of consumers and the concept of value proposition in a *marketing with* perspective. In a *marketing to* perspective, a value proposition is conventionally taken to mean the value promised in a firm’s marketing offer, formulated and communicated by a seller to a buyer. Value propositions and offerings are hence analogous – both being outputs of firms created ‘in the factory’ – where the offering relates to the product itself (e.g. Nokia Exo, 32 meg, 300 euro), the value proposition is a promise of the benefits obtained from buying and using the product (e.g. “assisting your everyday social and business life”).

Findings from the mobile phones study illustrate that as IT has opened up new ways for consumers to interact, obtain information and gain knowledge about products (outside the traditional channels and independently of the firms), the traditional pre-defined and one-way nature of value propositions in offerings needs rethinking. Rather than viewing value propositions as the output defined and identified by a firm in their offerings, the value proposition identified by consumers in offerings is instead the outcome of different interactions and information exchange activities. Subsequently, the value proposition identified by consumers can go beyond the value promised and predicted by the firm.

This changes the role of the value proposition concept in relation to the traditional product offering as consumers use offers as inputs, not primarily for decision making processes but to initiate interactions with other resource integrating actors in the network. It is important to acknowledge that in this network the consumer has a consummating role rather than merely one of a receptive decision maker and buyer.

This does not mean that the role of consumers replaces the role of firms as information providers, nor do the activities of consumers make offerings made by firms obsolete. Instead the information exchange activities of consumers generate and facilitate a flow of information in the network, a consummating process in which the meaning and value in offerings emerges.
As opposed to the marketing to approach, product offerings (goods or services) themselves do not define the value proposition, they are rather elements in the consumer value assessment process based on what they contribute to the consumers’ existing assortment and to those of others in the network. In this sense, value propositions in a marketing with perspective are dynamic, networked and formed with the consumer, not pre-defined and communicated to the consumer.

Paper IV.

The co-creative practice of forming a value proposition

Question(s) addressed.

Paper IV explores how value propositions in offerings are developed in a marketing with perspective; How is a co-creative practice of forming a value proposition affected by the individual practices of resource-integrating actors?

Key concepts, outline and findings

Focus is on the concepts of value proposition and resource integrators, employing the notion of practices to gain understanding of how the practice related characteristics of the firm and consumer representatives affect knowledge-related activities that precede the traditional “frozen” marketing offer. The paper reports on a study of how a retail chain decided to move away from their traditional business practice of developing an offering in-house and instead involve consumers in co-creating an offering, forming a value proposition together with the consumer in a co-creative practice.

Findings illustrate that this approach brings along both opportunities and challenges which in turn also change the role of the value proposition. As the resource integrating actors have different views about what is valuable to them, – based on different goals, background etc – the formation of a reciprocal value proposition reflects conflicting interests amongst the actors as well as displaying intricacies in the process. By employing practice theory, recognizing the actors as representatives of different practices, the findings explain that not only is the unique knowledge of the actors situated in their practice, the activities of the actors are also delimited by specific ‘practice related characteristics’ – engagements, understandings and procedures. The latter is displayed in the differences in how aspects are interpreted and understood in terms of possibilities and restraints. Findings further reveal that these differences extend beyond the firm-consumers dyad, illustrating that a firm is not one single resource-integrating actor but a constellation of different resource-integrating actors, representing different functions in the network with specific practices related to knowledge and characteristics.

Due to the heterogeneous nature of the consumer and firm representatives, it is found that knowledge cannot simply be transferred as outputs and
implemented in the development. Instead knowledge is applied as inputs
from which others make assessments and suggest adaptations. It can be con-
cluded that, in a marketing with perspective, forming a value proposition
together with consumers is a network process of reciprocal knowledge ex-
change rather than transferring knowledge from consumers to firms.

In turn, this is shown to also affect the role of the value proposition itself.
As opposed to being developed as frozen value communicated to consumers
the value proposition in the offering is more dynamic, formed to facilitate a
continuous communication with consumers and other resource integrating
actors. The paper provides an empirical illustration and support for the con-
ceptual argument that the role of the value propositions is subsequently to
act as a value alignment mechanism that facilitates dialogue and reciprocal
value creation.

Paper V.
Reciprocal value creation: The case of an online community

Question(s) addressed.
Paper V explores the notion of reciprocal value creation in online consumer
communities, answering the question: How can providers benefit from facili-
tating consumers’ value creation activities?

Key concepts, outline and findings

The focus is on exploring reciprocal value creation in a marketing with
perspective. The paper reports on a study of an online consumer community
exploring how firms can benefit from facilitating consumers’ value creation
practices; beyond aspect of direct monetary gains and competitive advan-
tages.

Although the notion of reciprocal value and mutual benefits (as opposed
to supplier value) is emphasized in the marketing with perspective, there is a
tendency to move from the supplier centric marketing to view towards a
completely consumer centric perspective. Accordingly, the output of firms
(e.g. producer, supplier) serves as input to consumer’s value creating pro-
cess. The role of firms is hence to offer value propositions and to facilitate the
consumers value-in-use.

Findings contravene this unidirectional view, illustrating that by actively
supporting activities and fostering the generation and sharing of knowledge
between different consumer practices in online consumer communities, con-
sumers generate inputs to the network. By inviting consumers to participate
in activities traditionally confined to the firm, connections can be forged
between and in-between both consumer practices and business practices,
facilitating the generation of new knowledge, innovations and reciprocal
value creation. For instance, by inviting and supporting consumers to engage
in practices such as helping and supporting each other in web forums, this
not only assists the provider’s support function but also improves its means for testing and quality assurance. Moreover, the effects of the efforts also prolong and enhance the overall perceived value for consumers. This has a positive effect on the relationship with the consumers, potentially increasing customer spending in terms of time and money as well as knowledge generation and consumer initiated value propositions.

In conclusion, the findings further the understanding of the resource integrating role of firms and consumers as well as the extended role of value propositions, where the activities of the actors are interchangeable in terms of initiating and participating in generating value propositions; facilitating reciprocal value creation.
6. *Marketing with* consumers – concluding discussion, implications and reflections

The main research question of this thesis is: **how does the shift from marketing to, to marketing with consumers change the role of actors and value propositions.** This study has demonstrated that the role of consumers has changed from being re-active recipients to active participants and resource integrators. This has also changed the role of firms, from merely being providers of value, to facilitators of resource integration and value creation. It is consequently demonstrated that the changing role of the actors extends beyond merely issues relating to aspects of individual behavioural.

Thus in order to grasp the role of the actors in the shift from marketing to, to *marketing with,* it is important to understand the complementary functions, positions and characters of consumers and firms as resource integrators in the network. Rather than identifying the actors on the basis of individual attributes outside the context of interactions, they should be identified on the basis of their *functional identity.* This means that they are identified on the basis of how their activities in interactions relate to certain functions within the network.

By recognizing that “All social and economic actors are, defined by their *functional identity,* resource integrators”, it is also possible to identify vital differences regarding the purpose of the actors’ resource integrating activities. This enables a deepened understanding of the influence of specific social concerns (e.g. non-commercial and cultural characteristics) versus specific business concerns and limitations (e.g. commercial and organizational characteristics) of firms and consumers as resource integrators. Empowered by IT the resource integrating and value creating activities of consumers as consumers are crucial elements of the marketing process. Consequently, the concept of the consumer is not only still valid but vital to be able to understand and deal with the shift towards a *marketing with* perspective of consumer marketing.

Furthermore, with a changed understanding of how value and perceived benefits obtained from products emerges – from value-in-exchange to value in context – the role of value propositions in the marketing process extends beyond the traditional marketing offerings. The role of value propositions is therefore not merely to define the value in offerings by a single firm. Value propositions can emerge from interactions and consumption as opportunities
to obtain benefits are identified by relating resources and exchanging information within the network.

This means that the role of value propositions in the marketing with perspective needs to be understood as processes in which opportunities for obtaining benefits emerge. As opposed to the marketing to approach, product offerings (goods or services) themselves do not define the value proposition, they are rather elements in the value assessment process based on what they contribute to the consumers’ existing assortment and to those of others in the network. Rather than developing value propositions in a traditional meaning, the focus needs to be on processes that facilitate the emergence of value propositions, enabling both firms and consumers to be initiators and participants of value propositions.

Implications for business

In the shift from marketing to, to marketing with, the role of consumers in marketing processes is not limited to providing the market with monetary resources. Instead, due to the emergent global use of online communication platforms consumers participate in interactions which directly or indirectly generate meaning and value out of resources, creating inputs, value propositions, rather than depleting the output of firms.

This provides new opportunities for reciprocal value propositions. However, for this to be achieved it is essential to acknowledge that the unique knowledge of consumers is a valuable resource precisely because it is generated through different consumer practices rather than in commercial settings. Accordingly, in order to employ the consumer’s knowledge and integrate consumer practices with those of the firm, this needs to be guided by reciprocal exchange and mutual benefits. By supporting, for instance, the value creating activities of consumer communities, the interactions between and among consumers and firms can facilitate both firms and consumers being able to identify opportunities to obtain benefits, value propositions.

Moreover, in recognizing that consumer activities are endogenous to the marketing process, the role of firms is not to become more like consumers and fully surrender to this new actor, as the role and the functional identity of consumers “is already taken”. In the same way as consumers should not be turned into prosumers (provider-consumer), firms do not need to become “conpliers” (consumer-providers). Firms participating in various online media should therefore not strive to act as consumers but rather the opposite, displaying their facilitating and complementary role in the network.

I argue equally that it is important not to view consumers as self-sufficient entities and sole creators of value. For example, as demonstrated in the video game study, although the activities in consumer practices constitute an important aspect of the gaming experience which enhances the perceived value, the activities of the firm, both in terms of developing the game
itself and the orchestrating of the online community, are equally important functions for the consumer.

Finally, the wants and needs of the increasingly influential consumers as resource integrators are central and need to be attended to. However, it is equally important to recognize that by focusing on consumer centric value creation there is a risk of disregarding the wants and needs of other actors in the network. If suppliers, sub-suppliers and other partners are not met with in terms of reciprocity, inputs for the consumers’ value creating activities cannot be generated. This again highlights the need for a network approach and a balanced centricity of the marketing process.

Implications for research

This study is a remedy for the stated lack of research that, explicitly, empirically and conceptually, explores the opportunities as well as the challenges associated with the shift from marketing to, to marketing with (e.g., Frow and Payne, 2011; Vargo and Lusch, 2011). This study has presented empirical findings from four different research projects. In doing so the study both provides empirical support for arguments brought to the fore by the emerging marketing with stream as well as extending and critically assessing the understanding of traditional and emerging concepts. It is concluded that even though new conditions motivate the use of new concepts, there is a risk that the increased tendency towards focusing on inventing new labels and terms merely adds complexity.

In quoting Norman, (2001) a central conclusion derived from this thesis is that “we have to change in order to be the same” (2001: 1). This means that although the shift from marketing to, to marketing with consumers fundamentally affects established conceptions about the role of actors and value propositions, this does not mean that the existing knowledge of marketing is becoming obsolete. Rather than rejecting established concepts such as producers, provider, supplier and consumers, or replacing exchange with value creation and B-to-C for B-to-B, A-to-A or B-with-C, and value propositions instead of offerings; it is instead vital to complement, redefine and extend the understanding of these concepts.

Further empirical research into the shift from marketing to, to marketing with consumers is needed to balance the rich conceptual but somewhat normative predominance in the literature. One important issue, I contend, is that the construct of exchange and its relation to value creation is ripe for further elaboration. Exchange as the foundational construct for marketing has been questioned (Grönroos 1990; Gummesson 2008) as this leads to a single-minded focus on the momentary act of a purchase, and the seller–buyer dyad. Although not disagreeing with this argument, with reference to Bagozzi’s (1974) reasoning on generalized exchange, I would argue that the
construct of exchange has in practice been erroneously interpreted and reduced to merely entail discrete transactions.

Findings from this study suggest that in the internet-enabled landscape exchange is no longer the result or the end of the marketing process and that value creation is no longer an activity that precedes the marketing process. Accordingly, rather than treating exchange as separated from value creation, exchange is part of a complex value creation process in which value emerges. This is a vital issue for further elaboration in the shift towards a marketing with perspective of consumer marketing.

Concluding reflections

While recognizing the extent of this shift it is equally important not to disregard the fact that consumers are still consumers. Rather than merging the role of providers and consumers, treating consumers as “prosumers” equal to business actors, it is instead vital to even further identify the distinctions between firms and consumers. This means recognizing that these roles, as defined by their functional identity in interactions, are complementary functions within the exchange and value creation network.

On a similar note, arguments have been put forward that the difference between business marketing and consumer marketing is becoming obsolete. Accordingly, “it’s all B2B” (Vargo and Lusch 2011), or A2A, as distinctions between the actors, as in accordance with traditional conceptions, are becoming redundant. However, in contrast to arguments above, I would argue that consumer marketing is a more relevant description than ever as the activities of consumers are truly endogenous to the marketing process, rather suggesting that “it’s all B2C or B-with-C”. Regardless of the combination of letters (i.e. B2B, B2C, C2C, A2A etc), the point to be made is that, rather than reducing the consumer concept, it is instead important to even more explicitly emphasize the resource integrating function of consumption in the network. And, that understanding consumers as consumers, rather than as business actors, is vital for understanding the new role of actors in a marketing with perspective.
References


