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An Integrative Framework of Value

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About WMG Service Systems Group

The Service Systems research group at WMG works in collaboration with large organisations such as GlaxoSmithKline, Rolls-Royce, BAE Systems, IBM, Ministry of Defence as well as with SMEs researching into value constellations, new business models and value-creating service systems of people, product, service and technology.

The group conducts research that is capable of solving real problems in practice (ie. how and what do do), while also understanding theoretical abstractions from research (ie. why) so that the knowledge results in high-level publications necessary for its transfer across sector and industry. This approach ensures that the knowledge we create is relevant, impactful and grounded in research.

In particular, we pursue the knowledge of service systems for value co-creation that is replicable, scalable and transferable so that we can address some of the most difficult challenges faced by businesses, markets and society.

Research Streams

The WMG Service Systems research group conducts research that is capable of solving real problems in practice, and also to create theoretical abstractions from or research that is relevant and applicable across sector and industry, so that the impact of our research is substantial.

The group currently conducts research under six broad themes:

- Contextualisation
- Dematerialisation
- Service Design
- Value and Business Models
- Visualisation
- Viable Service Systems and Transformation

An Integrative Framework of Value

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Introduction

The concept of value has been discussed for over 2000 years with various nuanced meanings. It was a focus of concern for Plato and Aristotle, and Adam Smith (1776) dealt extensively with value in *The Wealth of Nations*. Using Smith's work as a foundation, the economic philosophers and economic scientists who followed him made value, under the rubric of "utility", the cornerstone of economic thought, culminating in marginal utility theory (Walras, 1894). This continues to underpin contemporary business thought, including the various disciplines. In marketing, much of the early discussion centred on the kind of utility contributed by marketers and Alderson (1957) and Beckman (1957) later debated its meaning. More recently, Holbrook (1999) has written extensively about value as a focal concept and Vargo and Lusch (2004, 2008) have made a shift from the primacy of "value-in-exchange" to "value-in-use", a core transition in service-dominant logic. The American Marketing Association has also made value (creation and delivery) the central concept in its last two definitions of marketing, replacing the "product" as the object of exchange[1]. Yet, the meaning and nature of value and the locus of its creation continues to be contentious. However, one can argue that value creation is the central purpose of economic activity and thus, a comprehensive understanding of value is essential to customers, businesses, and policy makers.

This paper conducts an extensive review of value literature including literature on economics, choice theory, consumption, management and marketing, and proposes an integrative framework of value as value in context, created through a nexus of five contextual invariances of offering, affordance, context, agency and individual resources. The paper also categorises the existing literature into six themes of value understanding, and maps them onto the integrative value framework, illustrating the implicit assumptions of these categories in terms of their philosophy, chronology and consciousness of value and their potential limitations. Through our integration, we suggest that current conceptualisations of value are special cases, based on the assumptions we have proposed. We argue that the integrated framework of value proposed is a way forward in understanding the future of marketing and new business models.

Historical Foundations of Value

Philosophical Foundations

Despite a common etymological origin, the term "value" has evolved into two distinct meanings. The first describes value as 'goodness' determined by an individual personally and culturally, and in an ethical sense. Such values are held most dear by an individual and govern what the individual does and becomes (e.g. Weber, 1984[1909]). The second meaning, and the subject of this paper, also describes value as 'goodness' but in its description of something; be it a person, an idea, a product, an activity or anything else physically external to the person.

[1]Current definition at **http://www.marketingpower.com/AboutAMA/Pages/DefinitionofMarketing.aspx** and previous defintion **http://www.marketingpower.com/_layouts/Dictionary.aspx?dLetter=M**

In *The Republic* (360 B.C.E), Plato (1930) proposes the notion of intrinsic and instrumental (extrinsic) value. In this proposition, Plato suggests that items with instrumental value are good to have as it is instrumental to achieve or obtain something else that is good. Whereas, an item that is intrinsically of value is good to have for itself. Clearly, the two were not viewed by Plato to be mutually exclusive and as such products could exhibit both intrinsic and extrinsic properties. On a similar vein, Dewey (1939) argues that across all contexts, there are only extrinsic properties as intrinsic properties are relative to a situation or a context. Debates on value have a deep philosophical history, rooted in the discipline of axiology. Axiology, the philosophical study of value, concerns itself with the analysis of value, its frameworks and the evaluation of what is 'valuable', or with the assignment of value to items, to properties or to states (Bengtsson, 2004).

Axiologists such as Hartman (1967) have endeavoured to progress studies in value into a science, and consider Moore (1993) as being close to some axiom of value when he suggested that the nature of goodness (value) cannot be natural. In other words, if something is of 'essence', its goodness cannot be naturally occurring (Moore, 1993). Hence, a description of an object, an event or anything else can be only good if it is perceived to be good by an individual who realises it. 'Goodness' can therefore only be subjectively evaluated, even if it may have invariant properties of goodness shared with others. Such properties are deemed to lend 'goodness' to the object only because of the perceiver, and not because the properties in themselves are good. An ice-cream on a hot day is deemed 'good' because a perceiver attributes goodness to it, not because the ice-cream is naturally good.

Scholars developing academic thought around value have developed early ideas of value and have also suggested different ways of classifying extrinsic or intrinsic value, albeit with different degrees of robustness. Mattsson (1992), for example, suggests that intrinsic value is analogous to an emotional dimension of value, whilst extrinsic value could have practical and logical dimensions. Consequently, a chair has the practical dimension of a 'seat' and has the logical dimension of 'width, size or height', but could also have some emotional dimension of being 'great-grandpa's chair', all of which contribute to the individual's perception of why the chair is 'good'. Hartman (1967) introduces a further dimension – that of 'systemic value' – where the characteristics of the thing that is good has finite properties defined by a system, or the norm. Thus, according to Hartmann's conceptualisation, a chair is only good if it can seat a person without falling over, since all good chairs share the same property. The idea of extrinsic value echoes early ideas developed by Marx (1867), where not only is the item purposeful, the value of it can only be realised in context. Marx described it as "value only in use, and is realised only in the process of consumption" (Marx 1867 (2001), p.88).

While intuitively logical, the work of Hartman (1967), Haglund (1988), Mattsson (1992) and other scholarly extensions of Hartmann's (1973), and to some extent Marx (1867), contrasts with the phenomenological concept of value. Instead of seeing objects as having some essence within them, Husserl (1939) proposed a phenomenological concept of objects by suggesting that individuals, in their own way re-constitute such objects such that the object ceases to be something simply "external", but become part of the individual's group of perceptual purpose. Phenomenological value therefore regards objects as inherently conceived in the experience of it i.e. in the interaction or relationship between the item and the perceiver. Such a view suggests that the value in objects or offerings is attributed only when individuals are able to realise their projects in their daily practices through such offerings. Such a view bases its philosophical foundations on existential ontology (Heidegger, 1996/1927), where individuals give meaning to existence in terms of their actions or projects. Individuals' preoccupations in the world, such as tasks, concerns, cares, and pursuits, can demonstrate or represent his/her manner of existence (Blackham, 1951, p.89). If the meaning of human existence depends on the realisation of projects, the goodness of things (their value) is manifested in their properties/characteristics that could enable individuals to act upon to realise these possible projects and to perform practices. An object or an entity's goodness is therefore assessed by their performance in the realisation of social and cultural practices. Such a view of value converges upon the moral and ethical philosophy of value in that whether objects or people, entities are good in the way social and cultural practices are enacted, whether by individuals on themselves (the individual's values) or by individuals on the offerings (value of objects).

Understanding phenomenological value could benefit from the understanding of how to identify the invariant characteristics of items, and how such characteristics have a role in the way individuals perceive the reality. In so far as 'great-grandpa's chair' is concerned, it can only be of value as experienced (mentally or physically) by the valuer within his/her consciousness (Husserl, 1939). Such a view of value differs from Hartmann's in the sense that it is a systems theoretic view of value. The value is emergent and experienced between object and subject, as compared to Hartmann's atomistic view of value, in which value lies within an object to only be perceived as good by the subject.

Context is another aspect of value that is critical to its understanding. Chandler and Vargo (2011) argue that individuals and their contexts are mutually constitutive, i.e. they are partially defined by one another (Giddens, 1979), because each individual in context is always integrating and exchanging resources with other individuals and thereby in serving other actors, there is continuous change in the context. Simultaneously, a particular context may act as a resource for an individual actor, but as a deterrent for a different actor (Emirbayer and Mische, 1998). In this way, resources 'become' resources largely as a function of the contexts in which they are embedded. Context also plays an important role due to the way objects and people are connected with one other in different ways and at different times. Individuals therefore use their socialised and embodied skills and competence to act upon objects to perform social practices in contexts. Thus, "things-in-use can be understood as mediators of human-world relationships" (Verbeek, 2006, p. 364) and its mediations are contextually driven. Other philosophers have introduced 'the script' concept and suggested that objects often have a designed script in context, which can prescribe their users' actions when they use artefacts (Verbeek, 2006). Thus, actions are the result not only of individual intentions and other persons' social structure but also of artefacts (material environments). It has been suggested that objects (and technologies) have intentions (*technological intentionality*), which are not the objects' fixed properties and are interpreted when the objects are embedded in a use context (Verbeek, 2006).

The above discussions of value reflect the debates surrounding 'goodness' in an offering's use or experience, commonly labelled as 'use-value' as opposed to that of 'exchange value.'

Exchange value, which underpins traditional customer-firm relationships, is characterised by an offering's worth in exchange, where each party exchanges one kind of value for another (Bagozzi, 1975). A customer buying a TV would exchange money (of value to the firm) for the TV (of use value to the customer). A discussion on the two follows.

Economic Foundations: Use Value and Exchange Value

The onset of the economic exchange resulted in the focus of transforming use-value into exchange value. While both describe the 'goodness' of something, the former is the goodness of use, whilst the latter is the goodness for exchange with something else. The conversion of goodness of use towards goodness for exchange is termed as 'commodification' in Marxist terms, not to be confused with 'commoditisation' (Rushkoff, 2005). Commodification is concerned with the conversion of something (an activity, an idea, an invention) that has use-value into economic or exchange value. A man with skills in cooking has use-value to himself and to his family but could use the same skills to become a chef, thus commodifying his skills into an exchange value, where a customer could purchase such skills. Similarly, the use-value of the skills of engineers, workers and managers are consolidated within a firm to manufacture products with exchange value in the marketplace, spawning original ideas of early Marxian Economics of the labour theory of value.

Adam Smith (1776) introduced a similar discussion of value and value creation into the development of economics and the study of market exchange. In his publication *The Wealth of Nations*, Smith also discussed both 'value-in-use', as the utility of some particular object, and 'value-in-exchange', as the power of purchasing other goods. The intention of *The Wealth of Nations* was to develop an economic science around the processes or purposes of exchange that contributed to the wealth of England at the time (Vargo and Morgan, 2005). Whilst Smith explained that ''real value'' was found in the effort or labour required to afford the necessities and pleasures of life, thus tying it to value-in-use, 'nominal value' was the price paid in market exchange (Vargo et al, 2008). Due to limitations on international travel and lack of communication technologies at that time, the primary source of national wealth was through production and export of surplus tangible goods. As a result, Smith shifted his emphasis to value-in-exchange and focused on what he deemed ''productive'' activities; those that contributed to exchange value through the manufacturing and distribution of tangible goods. That thinking led to the belief that all labour that did not result in units of output that were tangible and exportable was 'unproductive'. The economic scholars (e.g., Say, 1821; Mill, 1929) who followed Smith (1776) generally disagreed with his classifications and recognised that all activities that contributed to well-being were productive (had value-in-use). But Smith's model of value embedded and distributed in tangible goods fit well with the increasing desire to turn economic philosophy into an economic science (Vargo et al., 2008). At that time, the model of 'science' was Newtonian Mechanics, the study of matter embedded with properties, and so most scholars ultimately accepted Smith's view of productive activities, which was focused on the output of tangible resources (Vargo et al., 2008). The 'product' (good) embedded with 'utilities' became the focus of neoclassical economics grounded in marginal utility theory (Marshal, 1927; Walras, 1954) with economic science extolling the marginal utility approach to economics in the supply and demand of goods (Vargo et al., 2008). These goods produced (supply) by actors (firms)and actors (potential customers) having a want (demand) for them form the market system around which trade and commerce have thrived over the past two centuries; and in so doing promotes exchange value as a central focus of firms and governments. The notion of producing goods with exchange value has therefore made manufacturing the stalwart of economic life since the start of the industrial era.

It may seem that exchange value and use value are easily linked, but in reality the relationship is far more complex. Just as the skills in cooking which has use-value to an individual isn't readily an exchange value without considering the market for such skills (economists term this as input demand), exchange value of offerings may not be equivalent to use value to the individual without consideration of the choices an individual has for similar offerings the individual is willing to exchange money for.

The relationship between use and exchange therefore traverses an important macro and aggregated level, that of markets. Individuals source for what is 'good' or of value from the output demand market, and make their choices in a similar way that firms source for what is 'good' or of value from the input demand market.This means that the exchange value for an offering may not be merely driven by its use value, but through the transaction by which the individual *chooses* the offering, of which use value may only form part of the reason, with the choice context (availability of substitutes etc.) taking a dominant position. Such a transaction and how individuals choose have led to a host of literature around the theory of choice (Hargreaves et al., 1992). Units of analyses have focused on markets, individuals and firms with many models and insights into understanding individual rational, interactive and collective choice (Hargreaves et al., 1992) and psychology of choice behaviour (Maslow, 1998). Examples include markets of asymmetric information (e.g. Akerlof, 1970; Stiglitz, 1987) and exchange and governance in new institutional economics (Williamson, 2000; Alston, 2008). Studies in behavioural economics (Kahnemann and Tversky (1979) have investigated social, cognitive and emotional factors in understanding commercial and economic decisions of individuals and firms. In much of these literature, the proxy for use-value within exchange transactions was often 'utility', a concept to denote the relative satisfaction from the consumption of an offering. The proxy took root and even while it spawned vast literature in economics, it also proliferated an entire stream of marketing research around customer satisfaction.

The notion of utility as a proxy for use-value has had a severe effect on its original conceptualisation. It served to de-contextualise and de-individualise value into the notion that a product had its own essence, often without reference to the perceiver or the context, and implicitly assuming some purpose – in essence, it transforms it back to 'value-in-exchange.' By decontextualising use, it also makes another significant implicit assumption – that use-value i.e. utility, is immediately obtained at exchange. Even when contexts are acknowledged, for example around 'state-dependent' utilities (c.f. Karni, 1983; Fishburn, 1974; Cook and Graham, 1977) and economic models of differences between advance and spot purchases (Ng, 2007, 2009, Shugan and Xie, 2000, Xie and Shugan, 2001), only buying contexts are investigated and the notion of utility as essence of a thing is often held as static and subject only to perceptual differences which could be 'clustered'. In other words, an object being thought of as 'good' on its own is a consequence of invariant properties of goodness and contexts bestowed upon by perceivers, but if many perceivers perceived it as good in similar contexts, the object would be implicitly assumed to be all good, and always good. Heterogeneity of contexts and individual experiences of value (even for the same individual) were marginalised under that assumption. This led to a goods-centric focus where products were manufactured, the purpose then being to seek the target market, in essence to seek the market of perceivers who might perceive it as good within their likely contexts. Marketing as a function became a servant to that task. The focus on choice, as the link between exchange value for the firm and use value of the customer, also served to skew the task of marketing further. Since use value is often privately experienced by the customer *after* the transaction, it held little interest to the firm, unless it informed loyalty or repeat purchase. The data surrounding use and experience, particularly of goods, was also scarce, leading to low visibility and understanding of use and contexts. Finally, as most paymasters of marketing are firms, the natural tendency was for marketing to serve exchange value, rather than use value. Notwithstanding mainstream marketing focus on exchange value, groups of researchers in critical and social marketing (e.g. Sarenet. al., 2007, Schroeder, 2007) have championed the individual's cause.

Management Foundations

Over time, the economic science that viewed value as exchange grew to become a cornerstone of the management discipline (Albrecht, 1992; Anderson & Narus, 1999; Doyle, 2000; Drucker, 1974; Woodruff, 1997). Despite authors such as Alderson (1957) calling for an interpretation of the whole process of creating 'utility', other scholars such as Beckman (1957) continue to discuss the 'selling value' of products, which evolved to become the conventional view in marketing (Cox, 1965). As such, the role of marketing was to assist the firm in the creation of offerings with exchange value for its customers, value that is superior to its competition (Tzokas & Saren, 1999: 53). Yet, even while a lot of the focus was on exchange value, there has been much debate around how to define value, or indeed how to measure it, and much less understood, how they can facilitate the creation of it (Anderson & Narus, 1998). Therefore, divergent approaches and perspectives have resulted in fragmented streams of thought and research on what value is, how it is created, 'delivered' and consumed.

Aside from the notion of utility as value, there have been five further approaches to the definition of customer value in management literature over the last 25 years (see Payne and Holt, 2001; Khalfia, 2004; Lindgreen and Wynestra, 2005). The first two approaches are inherently firm-centric, whereby value is generally thought to be 'created' through a series of activities performed by the producer. In the first, value is that determined by the firm and operationalised as the **economic worth of the customer (EW)** i.e. how much a customer is 'worth' monetarily in terms of their purchasing power, often over the customer's lifetime of purchase from the firm (see Table 1 for examples). The second, also a firm-centric view, considers value as **perceived satisfaction of the firm's offering (PS),** often measured or assessed by the firm. This stream, while focusing on satisfaction of the customer, implicitly suggests that increasing perceived satisfaction would result in repeat purchases and/or the ability to charge a higher price. In both cases, the customer is to be marketed to, and the responsibility of 'delivery' rests with the firm. These streams of literature often discuss 'adding value' to offerings by designing/redesigning and making better offerings either for exchange or for perceived satisfaction. From a 'goodness' point of view, if an offering is good, there is a quantifiable money equivalence to how good it is. The implicit assumption of this view is that customer's value from use can be made to be equivalent to monetary exchange value (see Table 1).

Table 1: Management Foundations of Value

Literature	Conceptualisation of customer value	Role of the customer	Role of the firm	Implicit Assumptions	Potential Limitations
Firm-centric approaches					
Neumann & Morgenstern (1944); Nash, J.F. (1950); Anand, P.(1993). Kreps, D.M. (1988). Fishburn, P. C. (1970).	**Value is Utility (U)** i.e. the total satisfaction received by a consumer from consuming an offering that, while acknowledged to be unmeasurable directly, is able to be measured relatively across persons and through revealed preferences, trade-offs and willingness to pay. A foundation of economic science	Customer maximises utility by trading off bundles of offerings	Firms 'deliver' utility through its offering in exchange for money.	**Philosophical:** Assumes the 'goodness' (value) of an offering is the essence of it (atomistic) and value is created from the customer consuming (and destroying) the essence of the offering **Chronological:** Assumes goodness (utility) upon purchase is the same goodness (utility) obtained upon consumption i.e. the offering generates the same utility (regardless of context, agency or resources) as expected during purchase. Some literature acknowledge subjective perception or state-dependency of utility **Consciousness:** Assumes the consciousness of goodness (utility) at consumption is the same consciousness of goodness (utility) at choice	Underestimates contingent context, agency, resources of customers at consumption
Haenlein et al. (2006) Hooper et al (2001) Lewis (2006) Palmatier (2008)	**Value is Economic worth of the customer to the firm. (EW)** Often discussed as Customer Lifetime	Customers are payers. As payers, they possess a potential future monetary	Firm 'captures' or appropriates potential value of a customer. High value customers are retained and invested in. Low	**Philosophical:** Assumes the 'goodness' (value) of an offering is a concrete willingness-to-pay amount at the	As context changes the consumer may appropriate other resources, create different agencies such that the

Schmitt et al. (2011) Venkatesanan & Kumar (2004)	Value (CLV), that is the net present value of the future profit flow over a customer lifetime.	value to the firm	value customers destroy value.	point of choice and value is created (for the firm) when customers buy. **Chronological:** Assumes the translation of goodness to willingness to pay is constant across a customer's consumption life-time. Assumes that the offering is consistent in its affordance, and that the 'goodness' in consuming an offering is always in the same context, with the same resources and agency for each consumption experience such that willingness to pay for offering does not change over time. Also assumes that the offering's fit towards the individual's consumption outcomes does not changeover time. Assumes that perceived goodness is the same for every consumption event such that the customer will consistently buy or will buy more over time. **Consciousness:** Assumes that the awareness of the goodness does not change at choice, consumption or evaluation.	offering no longer affords the creation of the same value and they cease to be loyal.
Band (1991) Berghman et al (2006) Brandenburger	**Value is Perceived Satisfaction. (PS)** Delivery of 'superior	Customers are consumers of an offering	Firms 'deliver' what is expected (value) or exceed expectations	**Philosophical:** Assumes the 'goodness' (value) of an offering is	Inconsistent satisfaction may result from heterogeneity in

and Stuart (1996) Christopher (1997) Clark et al (1995) Day (1990) Gale (1994) Gronroos (1990) Liu et al (2005) Matthyssens et al. (2006) Narver and Slater (1990) Naumann (1995) Normann and Ramirez (1993) Porter (1985) Vandermerwe (1993)	customer value' results in advantage for the firm. Superior value is often equated to exceeding customer expectation of an offering's quality and/or price. As such, value is an inherant property of the offering.	and they provide a post consumption assessment of an offering's quality, price and performance.	(superior value)	the essence of it and the customer is a passive consumer. Value is created when it is 'delivered' to the customer through the offering. Assumes the firm is able to promise expected 'goodness' as well as exceed expectations of that 'goodness' to customers at choice. Assumes the firm is able to (within limits) control the affordance of the offering and context; with agency and the resources of the customers at consumption as expected and predictable for the firm to 'deliver' satisfaction. **Chronological:** Acknowledges a possible difference in perception of value at consumption to that perceived at choice or evaluation **Consciousness:** Assumes that the consciousness of value of the offering is the same at choice, consumption and evaluation (because of the philosophical assumption of value as essence of the offering). Assumes the evaluation of the *outcome* is equivalent as the evaluation of the *offering* as context, agency and resources are	the customer's context, agency and resources available to the customer even though the offering is still consistently 'delivered'.

				held to be predictable and constant.	
Customer-centric approaches					
Anderson and Narus (1998) Bolton and Drew (1991) Butz and Goodstein (1996) Chernev and Gal (2010) De Rose (1991) Dodds et al (1991) Drummond (2000) Gronroos (1997) Hauser and Urban (1986) Huber et al. (2001) Liu et al (2005) Priem (2007) Sinha& DeSarbo (1998) Sirdeshmukh et al. (2002) Teas et al. (2000) Ulaga (2003) Ulaga and Chacour (2001) Vandenbosch and Dawar (2002) ZeithamI (1988)	**Value is net benefit (NB)** i.e. difference between the benefits and the costs or sacrifices perceived to be associated with acquiring and consuming an offering.	Customers make choices based on trade-offs between benefits and outlays.	The firm endeavours to promise the highest benefits for the lowest customer outlays	**Philosophical:** Assumes value is the goodness of an outcome to be predicted by the customer at choice. Assumes that, in predicting the goodness of the offering, customers presuppose a predictable and consistent set of context, agency and resources at consumption such that they can make a rational assessment of expected outcomes and expected outlays of consumption at the point of choice **Chronological:** Assumes benefits and outlays manifested at consumption are the same benefits and outlays predicted by the customer at choice. **Consciousness:** Assumes that the awareness of goodness (value) at consumption is the same awareness of goodness at choice and evaluation	Value would change if the context of consumption changes, changing customer resources to consume and their agency (capacity to act). Value would also be subject to different levels of awareness and therefore different assessment at choice, consumption and evaluation
Beverland and Lockshin (2003) Flint and Woodruff (2001) Flint et al. (1997) Flint et al. (2002) Parasuraman	**Value is Means-end (ME).** 'Value is the perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block)	Customers make a choice based on an assessment of a product attributes' fit-for-purpose' to achieve outcomes.	Firm to offer most attractive attributes (these may be activities, skills, qualities embedded in products or services features) that propose a high potential	**Philosophical:** Assumes the 'goodness' (value) of an offering is the essence of its attributes' fit to outcomes in context. Value is created when there is a good fit	May underestimate the actions, practices and interactions that create the experience in context

(1997) Woodruff (1997)	achieving the customer's goals and purposes in use situations.' (Woodruff, 1997: P.142) Favourable ends/goals/purposes. Ends are not pre-determined /specified but are often related to functional, social, emotional, epistemic, and conditional values.		value to the customer in use situations.	of offering's attributes performance to outcomes. **Chronological:** Acknowledges that the goodness of an offering can change based on the context at consumption but assumes that rational assessment of anticipated use situations can be made at choice. **Consciousness:** Assumes offering has properties of value which are consumed in the context of use, implying that the awareness of goodness (value) at consumption is the same awareness of goodness at choice and evaluation .	
Abbott (1955) Holbrook (1994; 1996; 1999; 2006) Pine and Gilmore (1998; 1999) Prahalad and Ramaswamy (2000; 2004) Schmitt (1999; 2003) Vargo and Lusch (2004; 2008)	**Value is in phenomenological experience (PE)** i.e. it resides, not in an object, a product, or a possession but rather in the use experience.	Active participant through acts, practices and processes in the consumption experience. The customer draws upon consumption related skills based on education, training, emulation, practice and other value creating knowledge to create value in the experience.	Firm is a co-creator of experience through its offerings which the customer acts upon to create unique phenomenological value	**Philosophical:** Acknowledges a phenomenological value of an offering that is unique and exists as practices and processes are enacted with the offering within a dynamically constructed context. **Chronological:** Assumes that exchange includes an expectation of phenomenological value creation but does not articulate relationship between phenomenological creation of value and an assessment of that value at the	Does not articulate the relationship between unique phenomenological value at consumption and value at choice

				point of choice. **Consciousness:** Assumes that a customer's awareness of 'goodness' within the phenomenon experience is the same as ex-ante and ex-post judgment. In other words, judgement of goodness is the same as the experience of goodness	

The next two approaches to value consider value as a preferential judgment of the customer. This approach has resulted in conceptualisations that seek to explain how customers judge the value of an offering. In the first, value is net benefit i.e. the **evaluation of outcome as the net difference between the benefits and the costs (NB),** or sacrifices associated with acquiring and consuming an offering. Value is therefore implicitly created in the consumption experience. However, conceptualisation of customers' benefits in this stream of literature is often limited to tangible and intangible benefits of the offering. The sacrifice component includes monetary and non-monetary factors such as time and effort needed to acquire and use the product/service to achieve the benefits (see Table 1 for examples). In the second, value is mean send **i.e. the evaluation of attributes offerings as means towards a goal (ME)** in that it is 'a customer's perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer's goals and purposes in use situations.' (Woodruff, 1997: P.142). In the former, goodness (value) rests in an *outcome evaluation* i.e. 'what I get for what I give' whilst in the latter, the goodness (value) rests in the *attribute evaluation* in terms of the suitability of the offering's attributes for the individual's goals. Both types of value judgments are determined by the customer based on use (or potential use) experience, often termed the consumption experience. The two judgments are not thought to be mutually exclusive and are often considered simultaneously (eg Khalfia, 2004; Berghman et al., 2006). One could argue that value as evaluation of attributes is nested within value as the evaluation of outcomes, since the attributes offered achieve requisite outcomes.

The above stream of literature does not make a distinction between *when* the evaluation and judgment is made – at the point of choice or at the point of use? This distinction is of great importance from a value standpoint, since the context of evaluating value (goodness) of an offering at the point of choice is remarkably different from the context of evaluating value of an offering at the point of use, as some of the economics and marketing science literature have pointed out (Png, 1989, 1991; Shugan and Xie, 2000, Xie and Shugan, 2001). More fundamentally, the above streams of literature consider value as some essence resting within the object, and the role of the individual is merely to subjectively perceive it.

Consequently, the individual is seen to be a passive evaluator of, rather than an active participant in, value creation.

Modern Conceptualisation: Service-Dominant Logic

Recent literature points to a third approach to value where value resides, not in an object, a product, or a possession but rather, in the phenomenological experience of the customer (Holbrook 1994; 1999; 2006). Holbrook defines value as an '*interactive*, relativistic preference *experience',* thus unlike the net benefit or means end approaches, the customer is not a passive evaluator of goodness in the experience, but an active participant in its creation within the experience. This view has been adopted by the Service-Dominant Logic (Vargo and Lusch, 2004, 2008) in their discussion of the philosophical, economic and management foundations of value. Service-Dominant Logic (S-D Logic) recaptured Smith's (1776) notion of value-in-use, re-proposing that value goes beyond simply the utility of an offering to value as a co-created phenomenological experience of the beneficiary and derived with the participation of, and determined by, the beneficiary (i.e. the customer) through engagement in the process of acquisition, usage, and disposal (Holbrook, 1987). Consequently, from a S-D Logic perspective, companies cannot *provide* value, but merely offer propositions of value; it is the customer that determines value and co-creates it with the company at a given time and context. Thus, a company's offering, be it intangible, tangible or a combination of the two, is merely value unrealised i.e. a 'store of potential value', until the customer realises it through co-creation in context and gains the benefit (Ng et al., 2010).

It is important to note that the way S-D Logic conceptualises customer as a co-creator of value is different from the customer as a co-producer, a central theme in past literature. Co-production is the customer's involvement in the creation of the company's offering e.g. customers helping Apple design the next iPhone. Value co-creation in contrast, is the customer realisation of the offering to obtain value-in-use (Ng et al., 2010) e.g. using the iPhone. Whilst customers are always co-creators of value in use contexts, they may not always be co-producers of the firm's offering. Essentially, value co-creation dictates that both the firm and the customer are active in the creation of value – the former through its value propositions and latter through its collaborative experience of the firm's propositions. Clearly, customers choosing to contribute to the firm's offering through co-production co-create value in doing so as well, but based on a different proposition from the firm, that of engagement and community perhaps, and create a different value from realisation of that proposition. Consequently, co-production could be nested within co-creation (Vargo and Lusch, 2008). In this respect, Vargo and Lusch propose that rather than viewing value as created by a single actor, value is created as the joint integration of resources by the multiple actors associated with an exchange (Chandler and Vargo, 2011). In this way, the simultaneous exchange processes that occur across actors during service provision – which Vargo and Lusch (2004) define as resources applied for the benefit of another actor – can be seen as service-for-service exchanges (Chandler and Vargo, 2011). Through a focus on these actor-to-actor exchanges, S-D Logic points toward a complex series of mutual service-providing, value-creating relationships where all actors are both providers and beneficiaries (i.e. "producers" and "consumers") (Vargo, 2009). This complex series of value-creating relationships suggests a dynamic, networked and systems orientation to value creation rather than a linear, sequential creation, flow, and destruction of value (Vargo and Lusch, 2011)

Much of the recent literature in S-D Logic views value co-creating actors or entities, be they individuals, groups, organisations, firms or governments, as systems, constellations or networks of resources (e.g. Normann, 2001; Normann and Ramirez, 1994; Vargo et al, 2008; Vargo and Lusch, 2011). These systems take action, apply resources, and work with other systems in mutually beneficial ways to co-create value (Vargo et al, 2008). Principally then, both the customer and the firm can be considered to be systems, each of which is an arrangement of resources connected by a value proposition (Vargo et al, 2008; Spohrer et al, 2007; Spohrer et al, 2008).

Value Propositions

Since their conception in the 80s and 90s (e.g. Lanning and Michaels, 1988; Lanning, 1998; Kambil et al.,1996), value propositions have primarily been viewed as the first step towards value creation, often considered as a form of positioning developed by a marketing department to promote benefits, favourable points of difference or promises of 'received' value. This traditional notion of the value proposition is distinctly different from the S-D Logic phenomenological view of value creation. In the former, a value proposition offered to the customer, when accepted, is then 'delivered' by the firm. In the latter, the provider cannot pre-define the nominal and potential realised value of offerings, they can only make a proposition as a potential resource participant in co-creation. In other words, an S-D Logic view of the firm's value proposition as not a promise of realised value but a bundle of provider resources, such as a product, available for value co-creation with customers for integration, in context, towards their outcomes (Vargo & Lusch, 2004; 2008). In the same way, customers offer their skill sets and competencies as well as money as their value propositions to come together with the offering to create value.

Value Creation

Current understanding of value creation is that which occurs through consumption interactions i.e. acts, processes and practices that occur in the use and experience of an offering in context (Warde, 2005). It realises both the firm's and customer's value propositions in context to create value. In order to do so, S-D Logic proposes that actors use and integrate operand and operant resources, often in partnership with other entities, termed as resource integration. Operand resources are typically tangible resources, including economic resources goods/materials, such as natural resources, that require some action on them to create value. Operant resources, on the other hand, are typically intangible resources, such as knowledge and skills, and cultural and social resources that are capable of acting on operand and other operant resources to create value. Actors integrate operand and operant resources made available to them by various given providers, through service provision, with their own personal resources in the context of their own lives, to co-create value. Arnould, Price and Malshe (2006) go further to say that the configuration of an actor's operant resources, their family relationships, commercial relationships, brand communities, imaginations, knowledge, skills and physical powers influences how they will employ their operant resources.

The notion of value co-creation provides a better understanding of how value-in-use is achieved but, to date, there has been scant literature focusing on integrating other perspectives. For example, current literature does not address how value of an offering could be conceptualised at the point of choice, even if it is phenomenologically experienced at the point of consumption. The following discussion proposes an assimilation of various literature and presents an integrated value framework.

P-C-Value and A-C-Value: Reconciliation and an Integration

As Vargo and Lusch (2004, 2008) and modern literature have proposed, the concept of value has evolved into an understanding that it is phenomenological and uniquely co-created between an offering (the firm's value proposition) and an individual or actor (e.g. Vargo et al., 2008; Vargo and Lusch, 2006; Spohrer et al, 2008). However, such a value being created may sit in different levels of consciousness at different times. Block (1997) describes consciousness as being of two types – *phenomenal* (P-consciousness) and *access* (A-consciousness). P-consciousness is the raw experience of movement, forms, sounds, sensations, emotions and feeling whilst A-consciousness is perception, instrospection, reflection, in a sense, a more heightened awareness of a phenomenon. This suggests that if we understand value creation as creating something 'good' as an outcome, the consciousness of that goodness during the phenomenological experience may be different from the consciousness of that goodness imagined before, or evaluated after, the phenomenon. One can even argue that within the phenomenon, the actor is merely 'in practice' of resource integrating, with a lower level consciousness of what is 'good', or what is of 'value', from the resources being integrated within the value-creating phenomenon. In other words, even if value is uniquely created within a phenomenon, there could possibly be two levels of consciousness of that value that could exist at different times; Phenomenologically conscious value (P-consciousness) or Access consciousness (A-consciousness) of value. Each is discussed in turn.

P-C-Value. Based on existing literature, we propose that P-consciousness of value (P-C-value) is that which has been discussed in S-D Logic literature and its extensions (e.g. Vargo et al., 2008; Chandler and Vargo, 2011; Payne et al, 2008). It is the creation of value in context that is phenomenal, the raw experience of creating value (goodness) in interactions around the experience. We argue that this is the phenomenon of lived experience. It is how individuals interact with products that we have bought as we use it i.e. the actual engagement and *use* experience of the offerings. Based on existing literature, we can also integrate some invariant theoretical concepts existing within this value-creating phenomenon. First is the existence of the *offering* itself, its tangible or intangible nature. The offering is what S-D Logic considers a 'temporal vessel' of resources to be realised by the customer in use. As a temporal vessel of resources, it could hold meaning, and even symbolic resources. Second is the offering's *affordance* (Gibson, 1982). Affordance is the quality of something that allows an actor to perform an action on. It is neither a property, which does not embody action, nor is it fully subjective, which loses the consistency of the action. Gibson used linguistic constructs to refer to affordances, as (verb phrase)-able. For example, an apple is *eat-able*, a stone as *throw-able*, fire as *cook-with-able*. As Gibson puts it "The meaning or value of a thing consists of what it affords." (Gibson 1982, 407).Affordances can also be thought of as natural and conventional signs (Pickering, 2007), enabling the creation of meanings for individuals.

Third is the *context* of the offering in use situations. This is the use environment, which constitutes the customer within the construction of that environment as well. Context has been discussed extensively in value literature (e.g. Holbrook, 1999; Flint et al., 2002; Arnould and Thompson 2005; Addis and Holbrook 2001; Payne et al., 2008) and it is understood to shape the nature of interactions, social actions and practices (Lopez and Scott, 2000). The creation of value occurs as interactions within a context which embeds the influences of roles (Akaka and Chandler, 2011), social rules and norms (Akaka and Chandler, 2011), structures (Edvardsson, et al, 2011), and relationships (Ballantyne and Varey, 2006) between the offering and the actor and between the actor and others in the same context (Giddens, 1976).

Fourth is *agency,* the capacity of an actor or entity to act in a world. Within the context of P-value, consumers exert their active agency to transform offerings and value propositions to achieve consumers' self, life project and goals (Arnould, 2005, 2007; Cova and Dalli, 2009). Current marketing literature in consumption culture theory describes consumer agency as one's ability to fully engage in all of the various aspects of consumption. It is the consumer's capacity to act within a context to create value that affordances of offerings could be enacted and outcomes achieved (Arnold, 2005; McCracken, 1986; Shanker et.al., 2006). Such an agency may be constrained in context (e.g. there is no light to do work, or the boss is around so behaviours are constrained) and value may then not be created as a consequence.

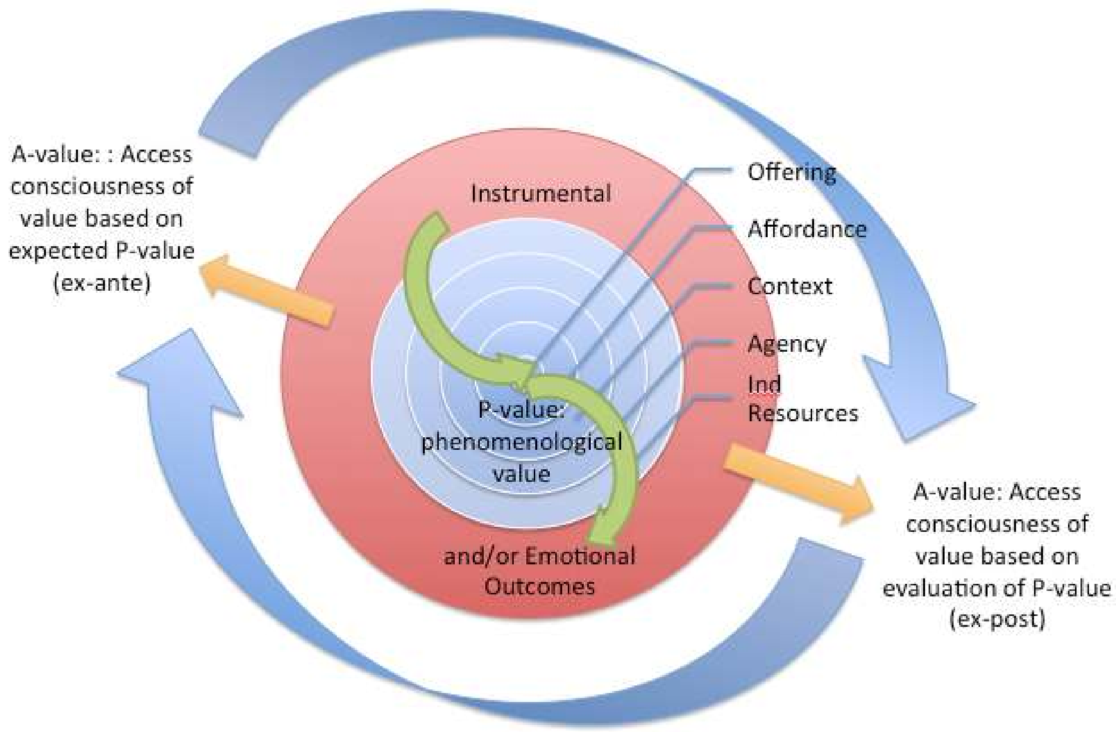
Finally, actors resources i.e. their skills and competencies (Vargo and Lusch, 2008) are required to create the P-value of the offering in context. These skills and competencies translate into resources in context to create value. In all, informed by various literature, we propose that these five elements, which are interactive (Giddens, 1976), constitute the contextuallly invariant elements of P-value to achieve the actor's outcome through the way the creation of value is enacted or practiced (Bourdieu, 1977; Warde, 2005; Reckwitz, 2002). Schatzki (1996) proposes practice as a "temporally unfolding and spatially dispersed nexus of doings and sayings" (p.89) i.e. value is created through actions or 'verbs' with others and through enacting the affordance (verb-ability) of the offering in context. The offering and its affordance can be viewed as the value proposition of the firm; the customer resources and agency as value proposition of the customer and the context within which value is created is where social actions and practices to create value occurs through resource integration (Vargo and Lusch, 2008).

Clearly, as all five elements are social constructions (even the physical offering to some degree, especially in terms of the potential meaning it affords), there is a dynamic interplay between them. For example, contexts could lend further resources to individuals or the offering's affordance could interact with the actor's agency. The context or system where the value is created collectively becomes better off and as suggested by Vargo et al (2008), it becomes more viable. A diagrammatic illustration of this is seen in Figure 1. Our integrated conceptualisation of P-C-value from literature proposes the relations between the social and the offering through a 'relational ontology', which privileges neither humans nor objects, nor treats humans and things as separate and different realities, as suggested by Orlikowski (2009) but emphasises the inseparable relation between the social and the material (Orlikowski, 2007, p.1437). It is also important to stress that the five elements are not distinct or hierarchical in any sense. They merely illustrate conceptual invariances of value-creating contexts, which emerged from our review of literature on consumption and value.

A-C-Value. As a further reconciliation with literature on choice, we propose, through logic, that there must therefore exist an A-consciousness of value in the perception, introspection and memory (or imagination) of P-Value before (ex-ante) and after (ex-post). We therefore argue that A-consciousness of value (A-C-value) is the perception of goodness that drives *choice* ex-ante and *valuation* ex-post. A-C-value, as a perceptual consciousness, becomes an awareness on whether the potential of goodness in the offering would make an actor better off since the actor has to expend resources (usually money) to obtain the offering as well as contextual resources (e.g. effort or resources) in use contexts. Exchange happens only when the actor feels s/he would be better off, so the money given up to purchase the offering may be seen as 'value for money' but is actually a confirmation that s/he believes s/he would be better off if the offering is consumed. Whether that A-C-value ex-ante perceived by the actor would become the expected P-C-value could be re-evaluated by the actor ex-post, since all five elements in creating P-C-value could potentially change. We argue that A-C-value is an awareness of goodness at the point of exchange, and is subject to the context of purchase at that time. The question of whether the offering is worth it is an ex-post valuation, also an A-C-value, a heightened awareness of goodness from the P-C-value created.

Thus, A-C-value is not the enacted phenomenological value gained from the offering but the expected P-C-value of an offering at choice; an ex-ante perception-expectation of the offering (what it is), its affordance i.e. (what it enables) within some context (when is it used) that is acted upon (what actions) by the actor expending its resources (what is needed) to realise that value phenomenologically. The perception of an offering is therefore evaluated in terms of the actor’s agency and offering’s affordance to achieve the P-C-value towards his/her outcome. The A-C-value of a burger is good if it is perceived to be food (offering), ‘eat-able’ (affords eating) when ‘hungry’ (context) and the actor can eat (agency) and has the skills and competency (resources) to do so, achieving an outcome (no longer hungry). Without the offering’s affordance and context, or the actor’s agency and resources, the burger would be perceived as having no A-C-value as its outcome cannot be achieved. Similarly, a branded handbag could be perceived to be of good A-C-value if it is a meaningful brand (offering) ‘show-off-able’ (affordance) when ‘seen in public’ (context) when the actor carries/consumes it (agency) and match it with the right clothes (skills and competencies) to achieve his/her outcome (status). Perceived A-C-value of an offering, we propose, is therefore an ex-ante P-C-value that includes all five elements towards the actor’s outcomes. The evaluation of the value of the offering, conversely, is the evaluation of the ex-post outcome from the real and empirical enactment of the P-value in achieving that outcome. It is the ex-ante A-C-value of the offering that informs choice, and in repeat purchases, would be influenced by the ex-post A-C-value of the outcome.
Our conceptual framework of value is illustrated below.

Figure 1: The Integrated Value Framework



Our framework integrates literature in value pertaining to choice, evaluation, creation and consumption and proposes that existing value conceptualisations in management make certain implicit assumptions about its philosophy, chronology and the level of consciousness. Consequently, the existing value conceptualisations can be regarded as special cases of value when these assumptions are upheld. Table 1 highlights our proposal on the difference between the existing value conceptualisations and maps them onto the framework in terms of their implicit assumptions.

It is worthwhile to note the philosophical difference between the more atomistic historical concept of value versus the more recent phenomenological concept of value. In the former, value is seen as the essence of an offering. In the latter, value is the phenomenological practice of value creation for outcomes. The fundamental difference is that atomistic value of an offering exists as a steady 'essence' of an offering with subjective perception, while phenomenological value of an offering is created from 'movement' or nexus of actions, practices and processes within a dynamic constructed context. In other words, value in the former sits in the noun to be subjectively perceived and consumed; value in the latter sits in the verbs to be enacted and practiced in use.

Extending the implication of our framework, we can now argue for how the *degree* of value ('goodness') created is perceived within the Access consciousness ex-ante. Clearly the A-C-value ex-ante could be high if the individual perceives the actual P-value created is high, which is when there could be a multitude of offerings, affordances (multi-tasking enablement), the contexts for creating value are many and are highly probable (e.g. mobile use) and the actor is able to act without constraints (make calls, use data) and have resources (skills). The A-C-value ex-ante of apple is high if the actor has high probability of creating the P-C-value in context (e.g. he is hungry right now) and/or the contexts of use are many (he gets hungry really often). Similarly, the eat-ability of apple is also high if there are multiple affordances within a context (eat-ability and give-to-girlfriend-ability) or if the context is more urgent (I am very hungry). Therefore, any offering has various degrees of goodness which are uniquely phenomenological when enacted, but which at A-consciousness ex-ante, would influence his or her willingness to pay. Similarly, ex-post A-consciousness of the value created could be due to the actor's evaluation of the offering's 'satisfaction', not as a passive evaluator of the offering, but as assessor of the offering's fit towards the actor's agency and resources to achieve the outcomes, where such agency and resources could be appropriated, obtained or adjusted by the actor to achieve that fit. In other words, ex-post evaluation is less about the offering, but more about how the actor chooses to create value around the offering in context.

The P-C-value concept is therefore consistent with S-D Logic, which considers value to be phenomenologically determined, that it is "uniquely and contextually interpreted" (Vargo and Lusch2008, p.4). In addition, literature in consumer culture theory has long since discussed the notion of consumption as experiential within a social and cultural phenomenon (Belk and Sherry, 2007; Arnould and Thompson, 2005). However, the existence of A-C-value ex-ante and ex-post to the phenomenon allows reconciliation and theoretically locates phenomenological value in the actor's choice and evaluative decisions, the focal point of much of pricing and economics literature, without contradicting its fundamental philosophy. Rather, in understanding ex-ante A-C-value, we illustrate how service for service exchanges (Vargo and Lusch, 2008) can occur. The money offered to the firm in exchange for the offering ex-ante can now be viewed as the indirect exchange market (FP2) where the real P-C-value is created phenomenologically in the *service* of the offering (through its affordance) for *service* of the individual resource (through agency) exchange in context (FP1). We argue that our framework also provides an alternative foundation to future work in marketing and economics.

Paradox of Value. The paradox of value can now be seen within our framework, which suggests that there is truly only one type of value created; P-C-value. However, as the true value created is within a phenomenon, then P-C-value cannot be truly known by nature of its phenomenal consciousness, since it sits at a raw experience level. On the other hand, when an individual assesses, evaluates and becomes conscious of the P-C-value, it immediately becomes A-C-value be it ex-ante or ex-post. This means that any measurement, assessment, judgement or evaluation of value, even by the individual himself or herself, can only capture A-C-value even while true value created is P-C-value. Since A-C-value is a perception of P-C-value, there are, of course, grounds to influence A-C-value through promises of what might be P-C-value, and thus influence the individual's willingness to pay, but the relationship between the two, the potential confounds and distortions between each temporal state can only be left to future research.
Finally, while our framework seems to be individual-centric, it is only so to reconcile individual choice, and hence the economics of it, with the creation of phenomenological value. We stress that within the phenomenon of value creation, the notion of self and value creation could be seen as embedded in social and cultural practices.

Implications on Marketing

Our conceptualisation has significant implications for marketing, many of which are beginning to be felt in the technological space. First, shifting value away from exchange towards use suggest that marketing positioning, segmentation and targeting strategies may need to consider the five elements as strategic levers. Segmentation, targeting and positioning could be based on customer or offering heterogeneity in the five elements of experience, rather than on choice or benefits. From a product perspective, in the same way individuals create value with the firm's value proposition phenomenologically through experience of the offering in context, marketing could now assist the firm in redesigning its offering to enable socio-material affordance and greater agency for value creation (Ng and Wakenshaw, 2012). Firms are starting to adapt their offerings for different affordances e.g. train companies are not just about affording the transportation of individuals, but also about how they use information technology to afford convenience to individuals to enable them to get to the train, ie using mobile apps that provide schedules and other train information. Similarly, pharmaceutical companies are starting to understand how they can contribute to the creation of well-being at home as part of their pharmaceutical products.

From music (bands), to perfumes, firms are considering multiple offerings and affordances, co-creating value through identity, culture and families. Promotion is beginning to leverage on context through proximity marketing, such as the foursquare app on the iPhone. Thus, promotion is not just about firms influencing customers, but also about customers influencing the design of firms' offerings, and customers influencing other customers contexts through social networks and creating systems of shared values. Marketing has already acknowledged that channels are not merely physical but virtual spaces, but our conceptualisation suggests that marketing could go beyond channels of purchase into channels of influences, experiences, meanings, symbols. Firms are starting to change their offerings so that it can be in multiple 'places' in different forms with different affordances, creating new and interesting business models. This goes beyond plurality in channels or buying channels, but with a new understanding that the firm needs to evolve beyond being a selling organisation to becoming an organiser of value co-creation (Normann, 2001), and understanding what resources are needed by customers and firms for different channels.

Price, a proxy of choice, is changing in its nature. Market transactions are behaving less like 'what I get is what I paid for'. Customers employ resources in context to create value e.g. using Google, Facebook, obtain nutritional attributes of food in the supermarket by scanning the barcodes, all of which the payment mechanism and revenue distribution is unclear. Just as phenomenal value creation of multiple actor and multiple resources is distributed within the system, so are revenues less a consequence of a sequential activity. From the S-D Logic perspective, all entities are resource integrators, and money is just another resource, albeit more homogeneous and transferable.

Conclusion

Our paper provides an integrative framework of value that reconciles with various theoretical literature in management, marketing, philosophy and economics. We propose that this integration comes at an appropriate time. Advances in manufacturing and technology are achieving greater connectivity between entities than ever before, creating new value constellations and new demand fulfilled through hybrid offerings of physical assets, information and people to achieve outcomes (Ng, 2010; Ng et. al., 2009). Technology is also moving towards a more liberated cyberspace where autonomous and intelligent entities or virtual objects can act in full inter-operability and auto-organise themselves, based on the concept of the '*internet of things*' (Dodson 2003). More studies are being conducted in the information technological sphere that includes customer behaviours and processes, developing knowledge around consumption, experience, product usage etc, which provide opportunities for new business models. The need to understand value in an integrated manner, and how value is created, is paramount.

Value-in-use, enabled by technology, is now being co-created between multiple entities through 'value constellations' that are geographically dispersed (Normann, 2001), and in multiple partnerships that achieve value unique to individual or customer contexts. Marketing, in terms of directing the firm to propose value to customers, must therefore fully understand the value-creating system of offering, affordance, context, agency and resources and all its social, material and technological influences with other actors in the system. Understanding value in an integrated fashion would allow the understanding of such value-creating constellations and how such micro contexts of value creation could emerge to inform macro structures of markets and other economic and institutional structures. For example, car, bus and rail are considered 'transportation' in a macro structure but car, supermarket-shopping, child-pickup are in the individual's micro value constellation. Understanding new markets, economic growth and opportunities at a macro level has to first begin with the understanding of how micro-level value constellations are evolving that could emerge to become different macro structures of the future.

The need for understanding is becoming more urgent as connectivity between people, objects and communities begins to create tensions between current macro structures and changing micro-level value constellations. Marketing has to adapt as a field of study to be focused on value in context and to be future oriented. Our framework hopes to contribute to that future.

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