

Volume 7 Issue 2 November 2021

Journal of Creating Value



Los Angeles | London | New Delhi
Singapore | Washington DC | Melbourne

Aims and Scope

The *Journal of Creating Value* is a refereed, professional journal focused on creating value synergistically for a broad set of societal stakeholders, including: customers, employees, suppliers, communities, governments, media, civil society organizations, etc. using, for example multi-capital and other perspectives. The audience for the journal includes academia, researchers, professionals, community and government agencies, business and industry.

The peer-reviewed journal welcomes submissions that cover either or both the science and the art of Creating Value and Creating Customer Value. The science encompasses issues of logic, and associated rational factors, data and cases. The art covers emotional and social factors, including the psychological and human factors necessary to harness and align the passion of everyone in an enterprise.

The *Journal of Creating Value* exists to provide a focus for information and debate about this new dynamic, which includes the imperative to shift from 'Command and Control' to 'Connect and Inspire' Creating Value-led management practices.

This journal is a member of the Committee on Publication Ethics (COPE) and is indexed in SCOPUS.

Journal of Creating Value

Founder Editor

Gautam Mahajan, *Customer Value Foundation, India*

Associate Editors

Moshe Davidow, *Carmel Academic Center, Israel*

Andreas Hinterhuber, *Hinterhuber and Partners, Austria*

Sertan Kabadayi, *Gabelli School of Business, Fordham University, New York, USA*

Youji Kohda, *Graduate School of Knowledge Science, Japan Advanced Institute of Science and Technology, Japan*

Martijn Rademakers, *Sollcorp, The Netherlands*

Editorial Board

Scott M. Broetzman, *Customer Care Measurement & Consulting LLC, USA*

Cihan Cobanoglu, *University of South Florida, USA*

Luis Filipe Lages, *Nova SBE, Portugal*

Christian Gronroos, *Hanken School of Economics, Finland*

Joseph Haldane, *IAFOR, Japan*

Denis Harrington, *Waterford Institute of Technology, Ireland*

Timothy Keiningham, *St John's University, USA*

Katsuhiko Kokubu, *University of Kobe, Japan*

V. Kumar, *J. Mack Robinson College of Business, Georgia State University, USA*

Werner Kunz, *University of Massachusetts, USA*

Lucio Lescano Duncan, *CAME, Peru*

Michael Lowenstein, *Beyond Philosophy, USA*

Diane Magers, *CXPA, USA*

Cristina Mele, *University of Naples (Frederico ii), Italy*

Luiz Moutinho, *University of Suffolk, UK*

Irene Ng, *University of Warwick and HAT, UK*

A. Parasuraman, *School of Business Administration, University of Miami, USA*

Edyta Rudawska, *University of Szczecin, Poland*

R. P. Scott, *Liverpool John Moore University, UK*

Jayant Shah, *Academy of Indian Marketing, India*

Jim Spohrer, *IBM, USA*

Peter Stokes, *Leicester Castle Business School, DMU, UK*

Philip Sugai, *Doshisha University, Japan*
Bob Thompson, *CustomerThink Corporation, USA*
Wolfgang Ulaga, *Insead, France*
Stephen Vargo, *University of Hawai'i, USA*

Advisory Board

Gautam Mahajan, *Customer Value Foundation, India (Founder Editor), India*
Eric Almquist, *Bain & Co., USA*
Nestor Farias Bouvier, *Sapin S.A. Business Consultants – M&A, Argentine*
Tanya Dubash, *Godrej Industries, India*
David Frigstad, *Frost & Sullivan, USA*
Russ Klein, *American Marketing Association, USA*
Philip Kotler, *Northwestern University, USA*
R. Mukundan, *Tata Chemicals, India*
Hermann Simon, *Simon-Kucher, Germany*
Jagdish N. Sheth, *Emory University, USA*
Hans Udo Wenzel, *AromataGroup srl, Italy*
Jochen Wirtz, *NUS Business School, National University of Singapore, Singapore*



Contents

Editorial	159
Guest Editorial	161
Opinion	
The Definition, Identification and Eradication of Value Washing <i>Philip Sugai</i>	165
Articles	
Creating Value for a Sustainable Healthcare: The Role of Digital Platforms <i>Marisa Faggini, Bruna Bruno and Anna Parziale</i>	170
Dissemination and Cultural Change as an Alternative Business Value Proposition in the Construction Industry: Manni Group Case Study <i>Umberto Tinazzi</i>	183
‘La Città ideale’ as a Set of New Institutionalized Resources Integration Practices—Insights from a Pilot Project of the Sicily Region <i>Irene Fulco, Luca Carrubbo, Antonietta Megaro and Francesca Liani</i>	189
Value Co-Creation Practices in the Decommissioning of Offshore Platforms: A Case Study Approach <i>Francesca Loia, Vincenzo Basile, Nancy Capobianco and Roberto Vona</i>	206
Consumer Value Preferences in Healthcare: Insights for Value-centred Management <i>Sumit Saxena, Amrithesh and Subhas C. Misra</i>	219
Enhancing Value by Continuously Improving Enterprise Culture <i>Nicholas I. Fisher, Peter D. Lunn and Stephen M. Sasse</i>	232
Case Study	
Connecting Key Organizational Dimensions for Creating Value Focused on Service in the New Era <i>Lucio R. Lescano Duncan</i>	255

News

Raising Awareness on Value Creation Through Movements: Zooming In on Creating Value Alliance <i>Fatiha Boukouyen and Gautam Mahajan</i>	272
4th Global Conference on Creating Value <i>Gautam Mahajan</i>	282
List of Reviewers	284
Call for Papers	285

Visit <http://journals.sagepub.com/home/jcv>
Free access to tables of contents and abstracts.

Editorial

Journal of Creating Value

7(2) 159–160, 2021

© The Author(s) 2021

Reprints and permissions:

[in.sagepub.com/journals-](http://in.sagepub.com/journals-permissions-india)

[permissions-india](http://in.sagepub.com/journals-permissions-india)

DOI: 10.1177/23949643211047361

journals.sagepub.com/home/jcv



This is the 15th issue of the *Journal of Creating Value*. It is a special issue on Creating Value in Business, with Roberto Bruni and Silvia Cosimato as Guest Editors.

The Creating Value movement continues to move forward, as do the Value School at Kobe University, the new Creating Value School at the Japan Advanced Institute of Science and Technology, and Creating Value Centres at Denmark and the University of Maryland. A Creating Value Research Centre is being looked at by another Japanese University.

The 4th Global Conference on Creating Value will take place from 21 to 23 September 2021 virtually. Cihan Cobanoglu, Edyta Rudawska and Gautam Mahajan are co-chairs. Jag Sheth, Hermann Simon and Ramesh Iyer are the keynote speakers. Nima Farschi is Chair for Americas, Andreas Hinterhuber for Europe and Naoko Komori for Asia. We will report on the conference in the next issue.

The 5th Global Conference on Creating Value will be held in Kanazawa, Japan between September 1 and 8, 2022. (Exact dates will be given soon). Value Creation is gathering momentum as can be seen by Philip Sugai's article on Value Washing. More and more focus is on the stakeholder value. When we started the Journal, the focus was more on Customer Value.

The next issue of the Journal will be a special issue with Dr V. Kumar and Dr Raj Srivastava as Guest Editors. The issue is on Defining and Measuring Value.

I am also appending the names of the other guest editors we have had. I want to highlight their help and offer my sincere thanks. Dr Hermann Simon, Founder and Chairman of Simon-Kucher, Germany, and Dr Joseph Haldane, President IAFOR, Japan, have joined the Advisory Board. We welcome them.

Winn Knight has resigned from the Advisory Board because of time pressure.

Dr Jay Kandampully and Joseph Yacura are retiring this year from the Editorial Board.

I wish to thank them for their stellar work.

S.No.	Volume/Issue No.	Special Issue Title	Guest Editor(s)
1.	Volume 3, Issue 1, May 2017	Service Value Creation	Sertan Kabadayi
2.	Volume 3, Issue 2, November 2017	Value Creation Conceptualization	Sertan Kabadayi, Peter Stokes
3.	Volume 4, Issue 2, November 2018	Role of Technology and AI on Value Creation	Cristina Mele
4.	Volume 5, Issue 2, November 2019	Organizational Agility and Value Creation	Martijn Rademakers, Sabine Scheepstra, Peter Stokes
5.	Volume 6, Issue 2, November 2020	Creating Value with Agile Software	Martijn Rademakers, Marcel Kwakernaak
6.	Volume 7, Issue 1, May 2021	Challenges for Creating Value in Tourism, Transport and Hospitality	Francisco Javier Navarro, Valentina Della Corte, Cihan Cobanoglu
7.	Volume 7 Issue 2, November 2021	Creating Value in Business	Roberto Bruni, Silvia Cosimato
8.	Volume 8 Issue 1, May 2022 (Future issue)	The Journal of Creating Value Defining and Measuring Value	V Kumar, Rajendra Srivastava

Gautam Mahajan
Founder Editor

Guest Editorial

Journal of Creating Value

7(2) 161–164, 2021

© The Author(s) 2021

Reprints and permissions:

[in.sagepub.com/journals-](http://in.sagepub.com/journals-permissions-india)

[permissions-india](http://in.sagepub.com/journals-permissions-india)

DOI: 10.1177/23949643211052114

journals.sagepub.com/home/jcv



Over the centuries, the polysemic concept of value has attracted the interest of individuals and researchers coming from several disciplines, such as psychology, ethics, jurisprudence, education and economics. This made the studies around value meaning and its generation fascinating and stimulating in every age. In fact, this concept passes from the multiplicity of meanings to the indefinability of the predicate, which depends upon individual and/or collective desire or interest (Parker, 1934). According to this perspective, the cultural dimension of value emerges from and is based on ‘the conceptual resources it makes available for thinking about the aesthetic dimensions of the natural world’ (Raz et al., 2005, p. 2). This implies that value is strictly dependent on social practice because the way we relate to valuable ‘objects’ and the significance we attach them tend to be influenced by the social conditions in which we live (Raz, 1985).

Currently, the Oxford Dictionary provides a generic and concise definition of value, according to which it is ‘the worth, desirability or utility of a thing’. However, assuming computational perspective, value remains a fuzzy number or variable defined in linguistic terms (Carlsson & Fullér, 1998). It follows that its current definitions remain fuzzy and not exhaustive because value conceptualization tend to be highly influenced by its nature and the context in which it emerges.

Recently, economics and managerial research has defined value as ‘an asset and is thus part of social capital for projects and in embedded in firms’ (Smyth et al., 2010).

It is worth noting that—in current business scenarios—value is a pivotal concept for almost all the theories dealing with business competition. This also supports Raz affirmation in terms of value dependence on social practices; thus, both economics and managerial literature recognized it (Holttinen, 2010; Lyons & Mehta, 1997; Prahalad & Ramaswamy, 2004), opening to a more holistic approach to value. Regardless the definition of value, in economics and managerial research the focus of the studies is to understand mainly how value is created and exchanged even if it is differently defined in its meaning. A relevant research stream is focused on value creation and value co-creation practices. In this sense, Gustafsson et al. (2012) approached value in business as a dyadic relationship—based on mutual trust—between firms and customers pointing to offer them some valuable outputs, such as consistency in service provision, product quality, promise-fulfilment, fairness and competences.

Focusing on value creation, it has to be reported that it is a simple, but strategically relevant and inclusive concept, which has been differently defined. Borys

and Jemison (1989) considered it as a process based on business partners' exchange capabilities, which merged together can lead to improve the competitive advance at least of one partner. More recently, value has been approached as 'a contribution to a customer's well-being, from the customer's perspective' (Grönroos & Gummerus, 2014, p. 222) and its creation as 'the customer's process of extracting value from the usage of resources' (p. 209). However, value creation also deals with ability to create a perceived use value, a process strictly related to the concept of value capture, which is the capturing exchange value (Bowman & Ambrosini, 2000) or the appropriation of value itself (Lepak et al., 2007). In this sense, Grönroos and Voima (2012) considered value creation as a process which deeply involves customers, who take part to it with their physical and mental activities, practices and experiences. It follows that this process plays a positive influence on customer satisfaction; thus, 'whether the customer feels s/he got benefits and services over what s/he paid' (Mahajan, 2020, p. 119). Therefore, another important concept—customer value—can be defined as the importance that a customer perceives of a product/service if compared to some others (Kumar & Reinartz, 2016; Mahajan, 2016).

Service researchers and, in particular, Service Dominant Logic (SDL) (Grönroos et al., 2015; Grönroos & Voima, 2012; Vargo & Lusch, 2004, 2010) built their research framework on the value co-creation concept (Alves et al., 2016; Grönroos & Voima, 2013; Payne et al., 2008; Prahalad & Ramaswamy, 2004; Ramaswamy & Ozcan, 2020; Storbacka et al., 2016). Value co-creation is one of the foundational concepts of the SDL (Vargo & Lusch, 2004, 2006, 2010), which considers value 'always co-created, jointly and reciprocally, in interactions among providers and beneficiaries through the integration of resources and application of competences' (Vargo et al., 2008, p. 146). According to this approach, value is co-created for reciprocally and mutually benefitting the involved actors; thus, it is not limited to the traditional dyad made up of service provider and customers, but it involves a growing number of participants (e.g., actors). In fact, Vargo et al. (2008) maintained that 'value is co-created through the combined efforts of firms, employees, customers, stockholders, government agencies and other entities related to any given exchange, but is always determined by the beneficiary (e.g., customer)' (Vargo et al., 2008, p. 147).

Value is considered a 'systemic property', which goes beyond the individual and/or the collective level opening to an ecosystem dimension (Chandler & Vargo, 2011).

Due to its inner subjectivity, it is hard to completely explain the nature, the creation and the role of value. To survive, firms belonging to different industries and markets give and get economic and non-economic value, creating stimuli, solutions and offerings for customers.

Often companies create value for customers stimulating their satisfaction and loyalty. However, they also tend to extract part of this customer value as profit, creating economic value for the firm itself (Kumar & Reinartz, 2016).

Entrepreneurs, managers and many other stakeholders' groups have recognized the criticality of value, which is directly or indirectly connected with the business context. It follows that, probably, value should be considered able to

drive the dominant logic for companies (Mahajan, 2019). The last year Business Roundtable underlined the relevance of value creation as a foundation for any business entity (Business Roundtable, 2020). The events that are upsetting to the world (e.g., the Covid19 pandemic, terrorism, politic and financial instabilities) have also led people to focus on the fundamental topics able to express the value pillars for societies and markets. Between these, the USA Business Roundtable suggests searching for value coming from healthcare, infrastructure, immigration, training and education, economy, international relationships, climate change and justice (Business Roundtable—Policy perspectives).

The special issue ‘Creating value in business’ in this Volume of *Journal of Creating Value (JCV)* follows the first effort presented on the same *JCV* in 2017 related ‘Service Value Creation’, but it is aimed to add new outlooks about the value concept even including the business context. Even considering the multiple perspectives presented by the authors dealing with value definition, creation and destruction, the definition of value itself is confirmed like slippery if not accurately contextualized. The world scenario continuously stimulates managers to question themselves about the way companies approach the value they provide to stockholders, customers, partners and to the society at large.

References

- Alves, H., Fernandes, C., & Raposo, M. (2016). Value co-creation: Concept and contexts of application and study. *Journal of Business Research*, 69(5), 1626–1633.
- Borys, B., & Jemison, D. B. (1989). Hybrid arrangements as strategic alliances: Theoretical issues in organizational combinations. *Academy of Management Review*, 14(2), 234–249.
- Bowman, C., & Ambrosini, V. (2000). Value creation versus value capture: Towards a coherent definition of value in strategy. *British Journal of Management*, 11(1), 1–15.
- Business Roundtable. (2020). *Policy perspectives*. Retrieved August 2021, from <https://www.businessroundtable.org/policy-perspectives>
- Carlsson, C., & Fullér, R. (1998). *On fuzzy internal rate of return*. Turku Centre for Computer Science. <https://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.28.4055&rep=rep1&type=pdf>
- Chandler, J. D., & Vargo, S. L. (2011). Contextualization and value-in-context: How context frames exchange. *Marketing Theory*, 11(1), 35–49.
- Grönroos, C., & Gummerus, J. (2014). The service revolution and its marketing implications: Service logic vs service-dominant logic. *Managing Service Quality: An International Journal*, 24(3), 206–229.
- Grönroos, C., Strandvik, T., & Heinonen, K. (2015). Value co-creation: Critical reflections. In J. Gummerus & C. von Koskull (Eds.), *The Nordic School: Service marketing and management for the future* (pp. 69–81). CERS, Hanken School of Economics.
- Grönroos, C., & Voima, P. (2012). *Making sense of value and value co-creation in service logic* (Working papers). Hanken School of Economics. https://helda.helsinki.fi/bitstream/handle/10138/29218/559_978-952-232-157-2.pdf
- Grönroos, C., & Voima, P. (2013). Critical service logic: Making sense of value creation and co-creation. *Journal of the Academy of Marketing Science*, 41(2), 133–150.
- Gustafsson, A., Kristensson, P., & Witell, L. (2012). Customer co-creation in service innovation: A matter of communication? *Journal of Service Management*, 23(3), 311–327.
- Holtinen, H. (2010). Social practices as units of value creation: Theoretical underpinnings and implications. *International Journal of Quality and Service Sciences*, 2(1), 95–112.

- Kumar, V., & Reinartz, W. (2016). Creating enduring customer value. *Journal of Marketing*, 80(6), 36–68.
- Lepak, D. P., Smith, K. G., & Taylor, M. S. (2007). Value creation and value capture: A multilevel perspective. *Academy of Management Review*, 32(1), 180–194.
- Lyons, B., & Mehta, J. (1997). Contracts, opportunism and trust: Self-interest and social orientation. *Cambridge Journal of Economics*, 21(2), 239–257.
- Mahajan, G. (2016). *Value creation: The definitive guide for business leaders*. SAGE Publishing.
- Mahajan, G. (2019). *Value dominant logic: Helping individuals and their companies to succeed*. CRC Press.
- Mahajan, G. (2020). What is customer value and how can you create it? *Journal of Creating Value*, 6(1), 119–121.
- Parker, D. H. (1934). The Metaphysics of Value I. *The International Journal of Ethics*, 44(3), 293–312.
- Payne, A. F., Storbacka, K., & Frow, P. (2008). Managing the co-creation of value. *Journal of the Academy of Marketing Science*, 36(1), 83–96.
- Prahalad, C. K., & Ramaswamy, V. (2004). Co-creation experiences: The next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5–14.
- Ramaswamy, V., & Ozcan, K. (2020). The ‘interacted’ actor in platformed networks: Theorizing practices of managerial experience value co-creation. *Journal of Business & Industrial Marketing*, 35(7), 1165–1178.
- Raz, J. (1985, January). Value incommensurability: Some preliminaries. *In Proceedings of the Aristotelian Society* (Vol. 86, pp. 117–134). Aristotelian Society, Wiley.
- Raz, J., Korsgaard, C. M., Pippin, R. B., & Williams, B. A. O. (2005). *The practice of value*. Oxford University Press.
- Smyth, H., Gustafsson, M., & Ganskau, E. (2010). The value of trust in project business. *International Journal of Project Management*, 28(2), 117–129.
- Storbacka, K., Brodie, R. J., Böhmman, T., Maglio, P. P., & Nenonen, S. (2016). Actor engagement as a microfoundation for value co-creation. *Journal of Business Research*, 69(8), 3008–3017.
- Vargo, S. L., & Lusch, R. F. (2004). Evolving to a new dominant logic for marketing. *Journal of Marketing*, 68(1), 1–17. <https://doi.org/10.1509/jmkg.68.1.1.24036>
- Vargo, S. L., & Lusch, R. F. (2010). From repeat patronage to value co-creation in service ecosystems: A transcending conceptualization of relationship. *Journal of Business Market Management*, 4(4), 169–179.
- Vargo, S. L., Maglio, P. P., & Akaka, M. A. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, 26(3), 145–152.

Roberto Bruni

*Department of Economics and Law,
University of Cassino and Southern Lazio,
Cassino, Italy*

Silvia Cosimato

*Department of Economics, Management and Institutions,
University of Naples Federico II, Naples, Italy*