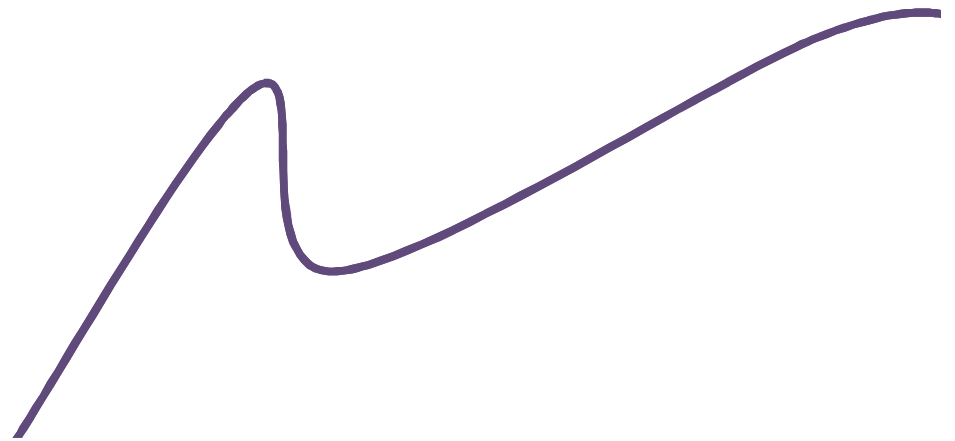


**Promoting value proposition**  
*(potential value, effective value)*



# About Value Creation

The continuous tension regarding value creation represents the basilar activity of government, influencing the decisions as well as behavior of all the systems (*value culture*).

The focus of value creation and the new interpretation on value co-creation have to be both internal (resources improvement) and external (collaborative relationships).

## ***MAIN REFERENCES ABOUT THE THEME:***

BALLANTYNE, D., VAREY, R.J. (2006)

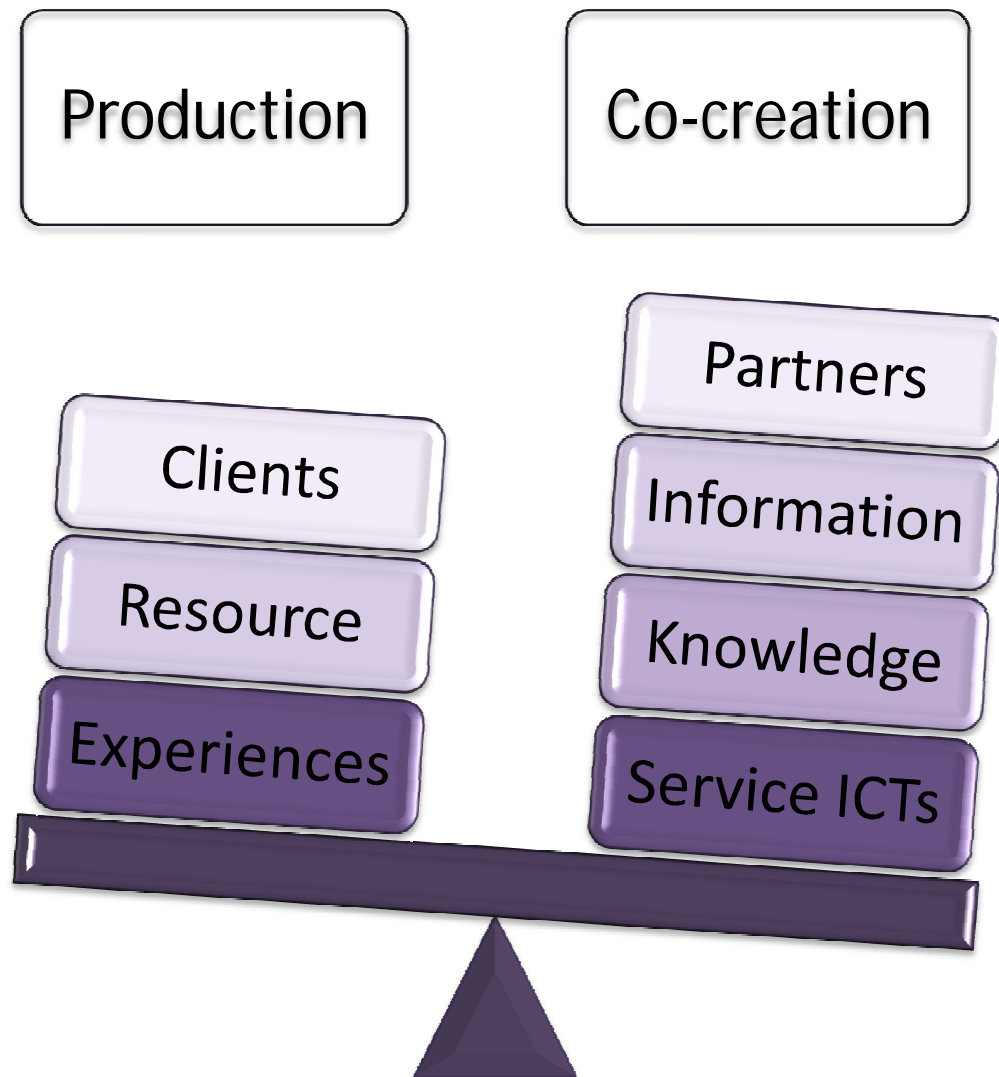
LUSCH, R.F., VARGO, S.L., O'BRIEN, M. (2007)

PRAHALAD, C.K., RAMASWAMY, V. (2004)

VARGO, S.L., MAGLIO, P.P., AKAKA, M.A. (2008)

WOMACK, J.P., JONES, D.T. (2005)

## Co-creation advantages – viewed by observers



Customers are hence crucial for product enrichments and are thus addressed as *prosumers*; they are considered fundamental for competitive supplies. The value creation process involves clients in a personal consumption process, considering them as real strategic value co-creators, thus suggesting that firms may be the integrators and managers of necessary resources for the benefit of competitive behaviour.

# Why Value?

Value creation processes suggest a change of roles and relevance dimensions; today, an important part of the process is played by customers, who are not viewed just as value destroyers (or *value receivers*) but are instead considered key actors, present in the early stages of the production process and not only in the final consumption stage.

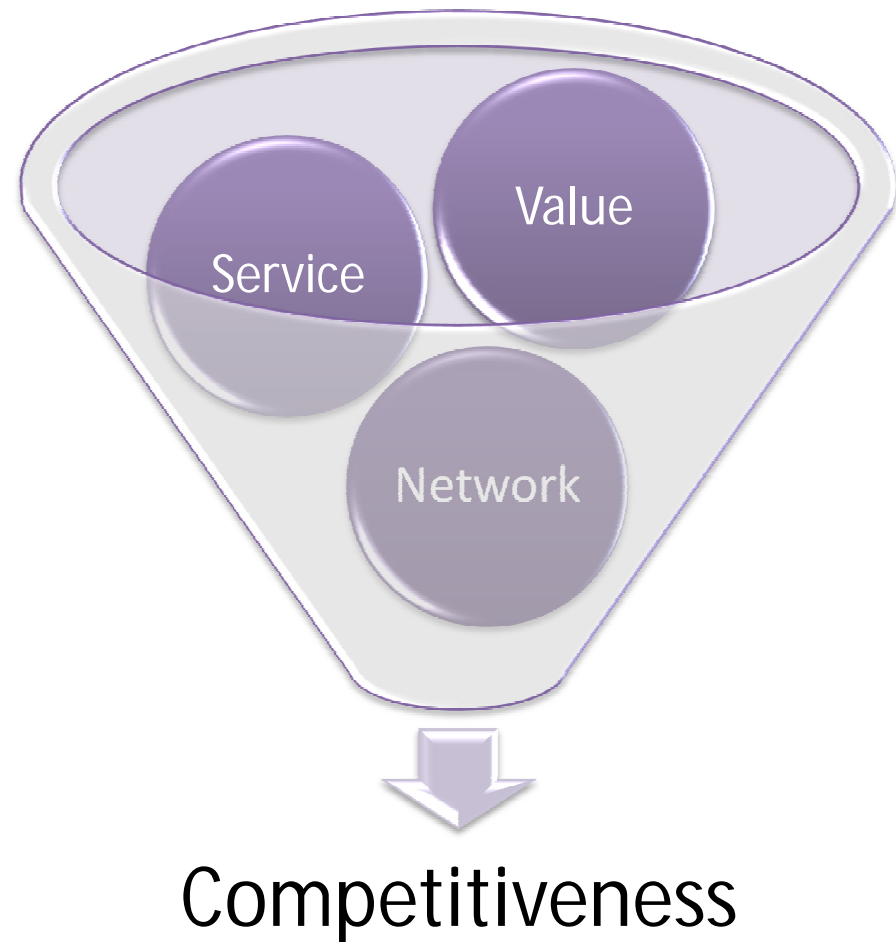
Clients do not acquire value directly from product purchases but derive it from products' use, transformation and consumption; a firm doesn't autonomously create value for clients, but can only offer value propositions that clients may choose, experiencing them and transforming them into value through use.



## Dimensions of Competitiveness – a multiple contributions

Firms' competitive advantage derives from multiple contributions, integrating different benefits of value co-creation as well as new service logics and relational aspects of networked systems.

In sum, service-oriented business competitiveness emerges as co-determined by three different dimensions that effectively contribute to achieving competitive advantage and to maintaining it over time.



# Matching Service Research & System Thinking

- i) system configurations (function of the designed structure and the ability to evolve, adapt, be intelligent and smart);
- ii) system interactions (indicative of the ability to implement relationships, collaboration for mutual satisfaction effectively , win-win logic).

## Effects on value creation & competitiveness

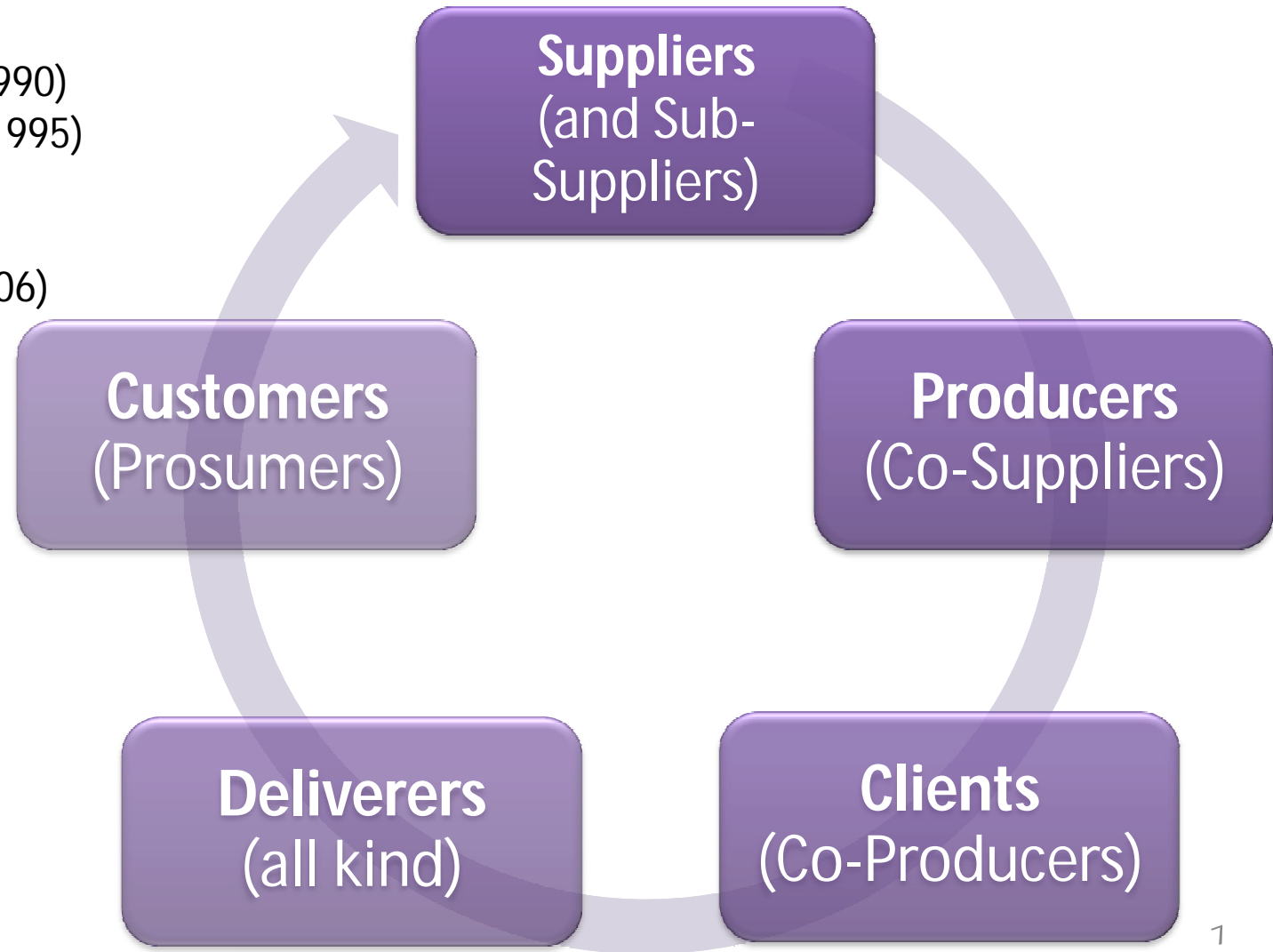
- the consumer is no longer seen exclusively as a target (value destroyer);
- companies have a right only to make its own proposal (value proposition);
- consumers are considered real factors of production (value co-creator) within a complex system of service delivery (service system);
- consumers are able to benefit not only from the products purchase, but also for processing, use and consumption of the same (value in use), revealing their role as active (participant) in the value generation process;
- The business competition is very influenced by that because, as you are able to create value more competitive you are, as you are able to engage in co-creative purposes, greater sustainable will be your value proposition.

# Service Value Chain or Service Value Networks?

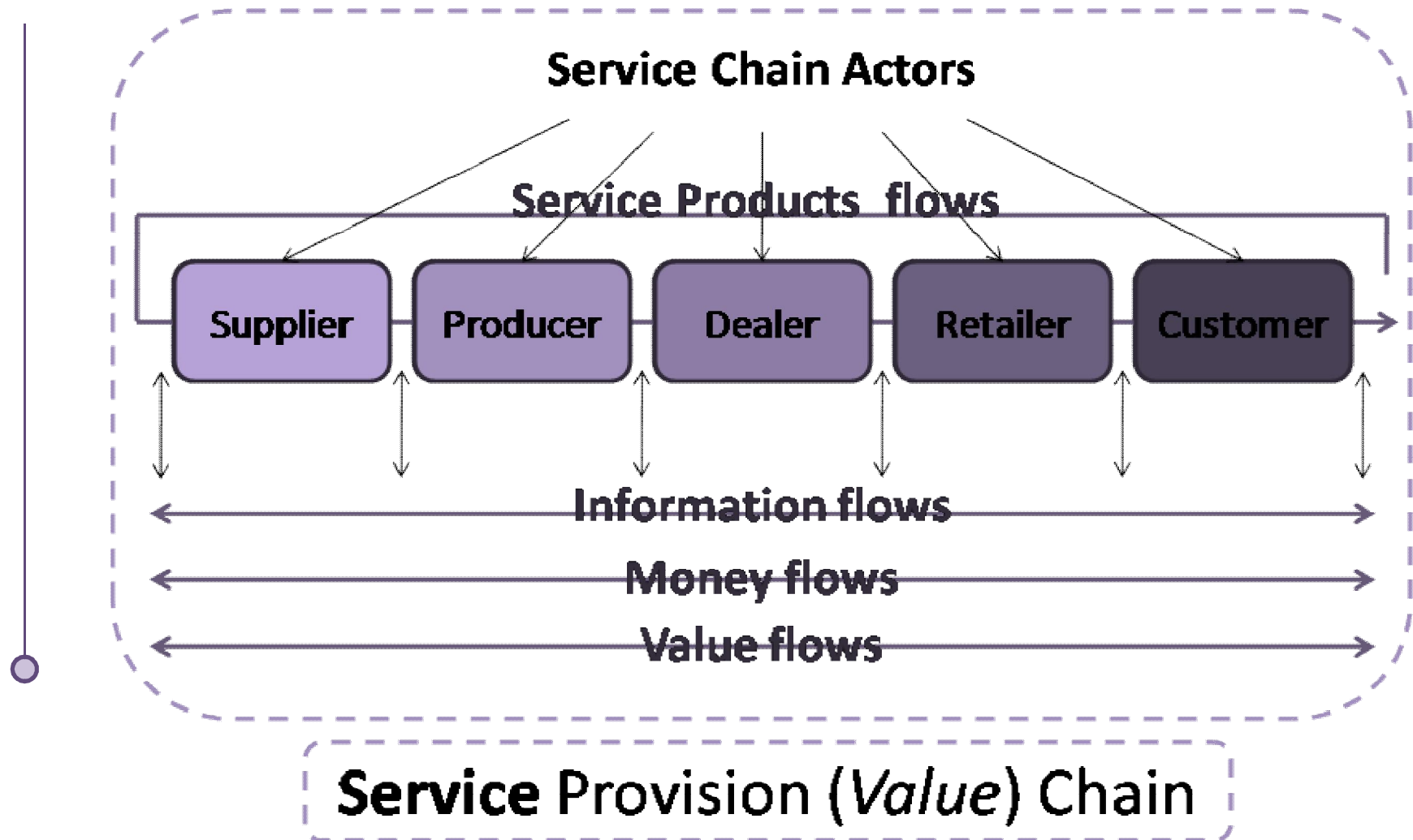
An evolved networked System based on service-centered logic

## ***EVOLUTION SOURCE:***

PORTER, M. (1985; 1990)  
NORMANN-RAMIREZ (1995)  
ALLEE, V. (2000)  
VARGO-LUSCH (2004)  
MAGLIO-SPOHRER (2006)  
ALTER, S. (2008)



# *Different perspectives...*



# *New Value co-creation...*

## **New Value co-creation processes**

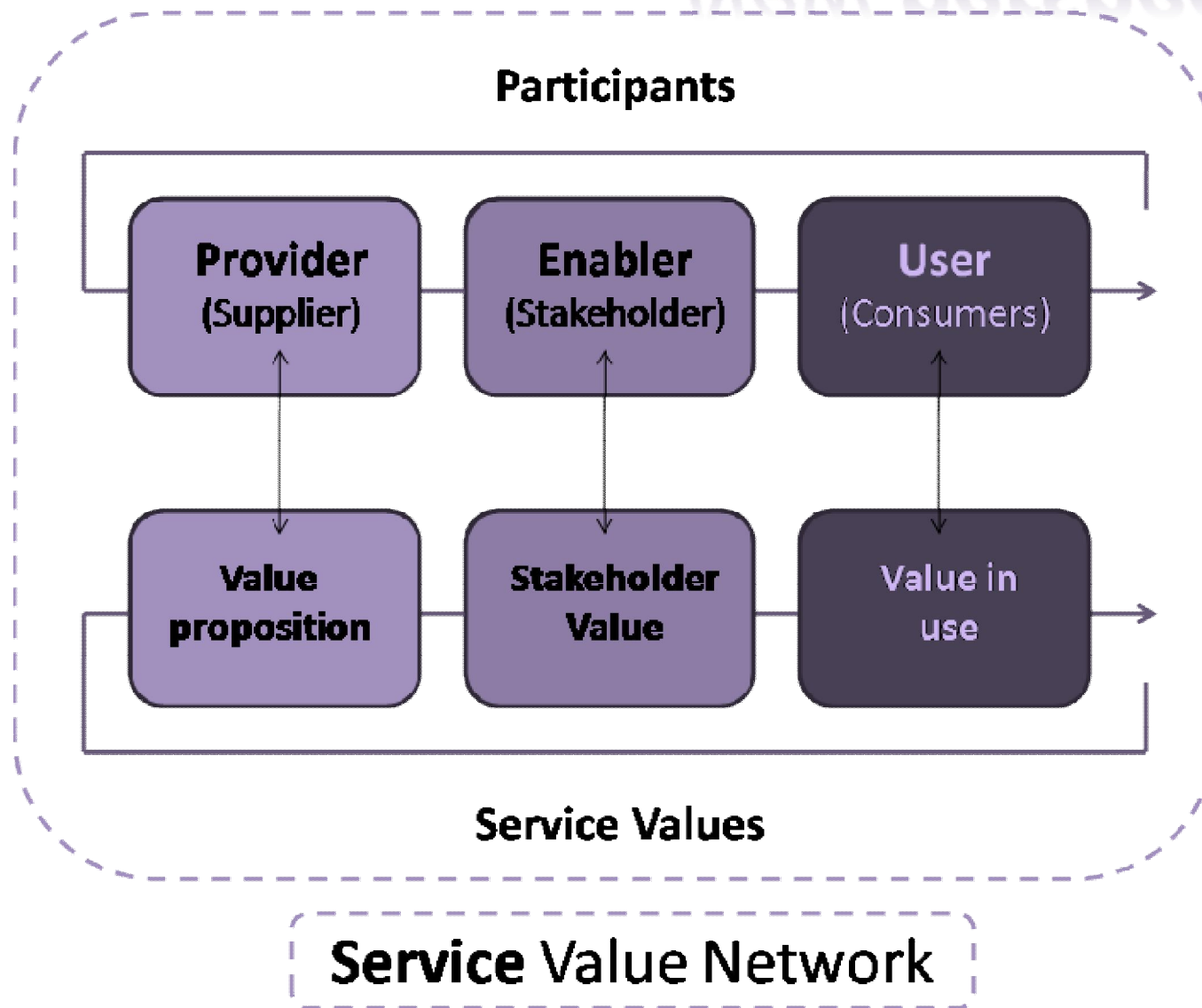
Today consumers play a central role, demanding product and service customization, quick responses and high levels of service quality. Consumer is no longer target customer (like *value destroyer* or *value receivers*) to whom companies can simply allocate and promote their supply, but is central element, also present in the stages before consumption, an available and competitive resource, an effective participant in production processes, definable then a prosumer of value co-creation, and therefore a real value co-creator.

# Service Value Network...

## The Service *value* Network

This view of value creation emphasizes the focus on core competences and their complementarity; actors contribute to the value creation process by focusing on their core competence and cooperating with other network actors, such as suppliers, partners, allies, and customers, through various and different value constellations. In this way, they can assure their requirements and actively satisfy clients' needs within an hypothetical virtuous cycle, in which every actor (considered as *participant*) contributes to the offer valorization (*Stakeholder value*), within a *Service Value Network*.

# *New perspectives...*





ZARA



## ZARA “Flexibility”

Luca Carrubbo – Brno 2013