

Learning How to Co-create Value: a Proposition for Using Developmental Work Research toward the Transformation of Marketing Practices

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The present study addresses conceptual elaboration on a methodological approach that advances alternative ontological and epistemological stances from current research related to the marketing domain. These philosophical and methodological standpoints create possibilities for fresh insights and interpretive findings for marketing as value co-creation. Outcomes of research using this alternative approach, namely Developmental Work Research, in other areas have indicated the affordance of this methodology in elucidating transformations in the process of organising and its capacity for explicating and anticipating learning. Thus, it presents itself as a promising framework for accessing the dynamic transformation of marketing practices interwoven with knowledge and learning, as well as unveiling the complex network wherein actors simultaneously navigate. Within this vision, the main aim of the present study is to put forward a methodology of research able to disclose change and learning while placing these aspects at the core of value co-creating activities. The ontology of the dialectical materialism of practice grounding Developmental Work Research permits a dynamic view on the transformation of marketing practices in the direction of value co-creating activities. The changing practice of marketing is seen in terms of reciprocally influencing elements of subjective (individual), inter-subjective (group) and sociocultural (materialised concepts and/ or instruments) levels. The epistemology of practice translated in Developmental Work Research emphasises the conditions for approaching human agency and social change. In advancing these ontological and epistemological fundamentals, marketing as value co-creation could gain a renewed relevant strand of inquiry accumulating with the current emphasis on how to do marketing as value co-creation a new strand of inquiry on how marketing activities evolve towards value co-creation. Transformations in collective practices of marketing could be seen in a wider context and connected with qualitative changes of its instruments, rules and roles. Exploring these aspects could build on the character of change and transformation within the fundamental principle of value co-creation as a chain of resource exchange encounters. Ultimately, the net of interchanging resources could be viewed in its dynamic changes by means of an interventionist approach unveiling the intertwined character of activities transformations and collective learning. Practitioners could also gain from the interventionist methodology of Developmental Work Research in a number of ways. As a consequence of improved engagement, novel and different relations with clients and other stakeholders could emerge. Through this enhanced interactions, products and services could gain advanced characters based on the innovative nature of their conception and development. All these benefits are fundamentally related with an enhanced capacity of learning related to the entire network as a result of understanding the critical causes of everyday problems and disturbances.

1. Introduction

The recent view of marketing as a value co-creating activity has set a promising alternative agenda for marketing research. This fresh perspective puts forward that value co-creation is engendered in networks of service-based interactions and experiences (i.e. Achrol and Kotler, 2006; Prahalad and Ramaswamy, 2004; Vargo and Lusch, 2008). The emergence of the value co-creation idea represents a move from the notion of value creation as an offer designed by suppliers and delivered to consumers. Within this new perspective, value is built upon the engagement of multiple participants and created within these relationships. Consumers are no longer understood as mere recipients, or even destructors of value (e.g. Grönroos, 2004). They are active participants, amongst a vast network of stakeholders, in designing and experiencing value co-creation (Prahalad and Ramaswamy, 2004). This topical proposition puts value co-creation at the core of a changing way of seeing marketing and markets (Vargo, 2011; 2007). In the marketing domain, the framework of value co-creation is a work-in-progress currently inspiring extant studies in the direction of consolidating its grounds. The pathways toward this end are, nonetheless, diverse.

The main strand of writings on value co-creation is translated in attempts for the deployment of consistent theory. Thorough theoretical scrutiny (e.g. Vargo, Maglio, & Akaka, 2008) and further conceptual propositions (e.g. Edvardsson, Tronvoll, & Gruber 2011; Payne, Storbacka, & Frow, 2008) are delineating the central tenets of the value co-creation framework. A second line of studies brings to the fore a sound critique providing different standpoints for seeing value co-creation (e.g. Plé & Cáceres, 2010; Zwick, Bonsu, & Darmody, 2008). These works represent a necessary contrast from the positivist character of the conceptual framework of value co-creation. Moreover, these critical studies contribute to our understanding on what value co-creation is not or might not be. Empirical research is a third path and more recent aspect of studies on value co-creation. The vast majority of current academic works in this later direction have explored the tenets of value co-creation as a central constituent of the service-dominant logic in marketing (Vargo & Lusch, 2004). Another strand has followed the view of co-creation as a marketing competence for creating value and, thus, attaining competitive advantage (Prahalad & Ramaswamy, 2004). Despite the differences of origins, a main frontline of empirical research is clearly emerging and addressing the question on *how to manage and organise marketing activities towards value co-creation*.

Current research based on the service-dominant logic tenets have produced studies focusing on examining the value co-creation framework in industry specific studies (e.g. Andreu, Sanchez, & Mele, 2010; Ordanini & Pasini, 2008; Tynan, McKechnie, & Chhuon, 2010), or verifying the suitability of particular conceptual models constituting the principles of value co-creation (e.g. Baron & Warnaby, 2011; Nambisan & Baron, 2009; Xie, Bagozzi, & Troye, 2008). Empirical works on the view of the strategic role of co-creation are exploring the role of distinctive tools facilitating clients' engagement in value co-creating interactions (e.g. Ramaswamy, 2008; Ramaswamy & Guillard, 2010; Sawhney, Verona, & Prandelli, 2008). These contributions have initiated a new perspective on how we see marketing management practices and related drivers for the engagement of consumers and further stakeholders. Such empirical researches, despite being in its early days, have provided some key insights informing both practitioners and academicians on relevant strategies for value co-creating interactions and experiences. We now have enhanced understandings on how consumers' specific interests influence a motivational process for engaging in value co-creation and have profited with indications for new marketing approaches for engaging customers.

In spite of the indisputable early gains of current research on value co-creation, the present

work asserts for the need of a fresh methodological approach. More specifically, what is now made necessary is putting forward an alternative set of premises from positivist stances. This exertion is consistent with Elizabeth Hirschman's (1986) call for evolving methods in the marketing inquiry as the concept of marketing transforms. In her seminal article published on the *Journal of Marketing Research*, Hirschman remembered that the evolution of marketing thought have always been accompanied by positivist methods. Seen as value co-creation, marketing seems to be following this tradition. Its two main strands of investigation resonate with positivist and normative views of markets and marketing (i.e. Prahalad & Ramaswamy, 2004; Vargo, 2011). Consequently, predominant research in value co-creation is currently limited to the same ways of investigating traditional marketing tenets.

Contrasting with the current positivist paradigm depicting value co-creation in terms of stabilised entities performing stable processes, the methodological principles here explored focus on transformational developments. This article builds on current advances in the concept of value co-creation that unfolds its socially constructed nature (i.e. Edvardsson, 2011). In essence, it proposes a methodological approach based on alternative ontological and epistemological stances opening possibilities for fresh interpretive findings. These methodological grounds resonate with the perspective that people interacting for co-creating are historically and culturally embedded actors (i.e. Engeström, 2004). It also supports that the expansion of marketing capacities towards value co-creation could be approached as emerging “out of a complex interplay of social, cognitive, cultural, institutional and situational elements” (Long, 2004, p. 15). *The main aim is to put forward a strategy of research able to disclose change and learning while placing these aspects at the core of value co-creation.* Consequently, marketing as value co-creation could gain a fresh relevant strand of inquiry moving from how to do marketing as value co-creation to *how marketing activities evolve towards value co-creation.* This alternative approach allows accessing the dynamic transformation of marketing practices interwoven with knowledge and learning, as well as, possibly, unveiling the “net of fragmented, multiple contexts” (Czarniawska, 2004, p. 786) where, conceivably, marketers simultaneously navigate.

The reminder of the paper is dedicated in exploring, explaining and critically analysing a well established methodology in organisation and management studies, i.e. Developmental Work Research, for its use in the context of value co-creation. Findings of research using Developmental Work Research have indicated the affordance of this method in elucidating transformations in the process of organising (Blackler & Regan, 2009) and its capacity for explicating and anticipating learning (Engeström, Kerosuo, & Ysajamaa, 2007). This is a promising indication for using this methodological framework in researching marketing as it changes towards value co-creation and the related learning process. Next section presents Developmental Work Research comparing and contrasting it with current philosophical stances grounding research on value co-creation. Section three scrutinises methodological aspects of Developmental Work Research and indicates its distinction from relevant alternative methodologies. The article concludes by resuming the study while addressing two particular questions. *How Developmental Work Research can contribute to our understandings of transforming marketing practices towards value co-creation and how this research method can be useful for advancing marketing learning.*

2. Developmental Work Research as a Framework to Explain and Anticipate Value Co-Creation

Developmental Work Research follows the methodological tenets of Activity Theory as it was initiated by Lev Vygotsky (1978). The main principle of this research tradition, i.e. deploying formative interventions for development of cognition, was adapted to the context of Cultural-Historical Activity Theory (i.e. Leont'ev, 1978; Engeström, 1987) by Yrjö Engeström. Within the framework of Cultural-Historical Activity Theory, Developmental Work Research departs from foundational research, based on Activity Theory, focused on the development of individuals. The analysis of individual cognition is expanded for undertaking the notion that cognition is distributed in situated work groups. This methodology operates as an application for studying everyday activities and transforming work and organisations. As such, Developmental Work Research is an interventionist method where the researcher engages in the process of transformation.

Developmental Work Research outlines a set of methods and instruments of data collection and interpretation for unveiling the inner contradictions beneath the surface of daily problems, disturbances or discreet innovations occurring in organisational work. A main concern is to facilitate the expansion of understandings related to these troubles of routine work to higher levels, thus creating possibilities for changing and learning. Within the process of change and learning, the creation of tools and concepts enacts new ways of approaching the activities, thus facilitating transformations (Engeström, 2000a). Overall, Developmental Work Research represents “a radical reconceptualization of the possible role of workplace research in facilitating practical change” (Engeström, 2000, p. 151).

Equipped with the basic tenets as above mentioned, to proceed Developmental Work Research in the context of marketing as a value co-creating activity signifies exploring a new pathway for viewing marketing as: 1- an evolving practice in the context of situated interactive daily activities (Blackler & Regan, 2009), where these value co-creating activities would be understood in a interplay of being formed by socio-cultural elements whilst transforming them; 2- an emerging knowledge and changing capacity focused on the potentialities for continuing longitudinal transformations (Engeström, 2000b) of value co-creation; 3- a managerial action encompassing a dialogical interventionist approach (reference) towards the co-configuring of new tools and concepts affording the development of new capacities (Prekert, 2006) for value co-creation. Combined, these three fresh research outlooks explain and anticipate the potentialities of marketing as a value co-creating activity. The operationalization of these contributions is here described and clarified in terms of analysing the philosophical stances of Developmental Work Research in comparison to traditional paradigms related to the marketing domain.

2.1. Approaching change in value co-creation through the dialectical materialism of practice

In current research based on the realist ontology of cognitivism, i.e. information processing as a procedure of the mind in relation to an external reality (Hackley, 1998; Foxall, 1992; Peter, 1992), value is a subjective perception of individuals derived from their lived experiences as consumers (Mathwick & Malhotra, 2002; Zeithaml, 1988). While it results from accrued sensorial experiences of the real world, value exists as an abstract entity assessed within inner cognitive processes of the mind. Value is thus an assessment of the accumulation of perception in comparison with the expectations of individuals in each relational encounter (Johnson & Anderson, 1995). According to the perspective of the service-dominant logic of marketing, in these relational encounters co-creation occurs by means of integration and exchange of networked resources, especially knowledge and skills (Vargo *et al.*, 2008). The ontological standpoint of cognitive realism grounding this main notion of value in co-creating interactions puts forward the accumulative process of experiences infusing value in multiple

relational interactions of resource exchanges. In the realist ontology, individuals delineate an accumulated valuation from their factual experiences of resources exchange.

Contrasting with the realist ontology for examining value co-creation, a recent proposition brought to the fore the underlying social construction of value (i.e. Edvardsson *et al.*, 2011). The view of value co-creation in the social construction ontology advances its inter-subjective character. Value co-creation as a social construction relates to the interpretive standpoint of social sciences to emphasise value as shared understanding and meaning built in relation to social contexts. In the social construction ontology, value is enacted to sense-making activities embedded in the social structure of “norms, values and ethical standards” (Edvardsson *et al.*, 2011, p. 336). This proposition of a social constructionist view of value emphasise the social-cultural environment imposing the notion of value on individuals. Consequently, the central aspect of this ontological stance relies on asserting that a cultural logic underlies what individuals interpret as value.

Despite being distinct ontological views, these separate standpoints result in a framework indicating the existence of a) cognitive/ individual; b) inter-subjective/ interactive and c) social/ cultural elements that permeate the formation of value in co-creating processes. These ontological stances afford the possibility of understanding how value is assessed in the subjective level within exchanging practices, as well as how it is moulded by sense-making in the inter-subjective level. Resonating with this evolving perspective, this work claims for a third complementary ontology that unifies the nature of value co-creation in terms of its interactive-dynamic relations between subjective, inter-subjective and sociocultural levels. This ontological positioning address a problematic issue for current ontologies related to value co-creation: change.

The *dialectical materialism of practice* forms the ontological foundations of Developmental Work Research (Miettinen, 2004). From *dialectics*, this ontology assumes that the performance of single elements composing an entire function cannot be understood outside its intricate relation with other performing elements and with the whole function (Roth & Lee, 2007). These elements are in reciprocal contradiction, e.g. individual-collective, agency-structure. The presupposition of mutually contradictory elements encompasses the transformative nature of the whole entity. This changing character entails the ontological stance of a dialectically becoming being. The changing elements of dialectical materialism also present a character of *materiality*, embodiment. They are interwoven in material relations. These relations are envisioned in *practical* activities producing and reproducing materiality.

The ontology related to dialectical materialism of practice offers transcendence from individualistic and socio-cultural views (Engeström, 1999). To overcome this duality of “the social *versus* the individual”, the conception of “practical-critical-activity” is fundamental. This central tenet asserts that the creation value is engendered in the everyday collective practices. It refers to the mundane and communal work of using and producing tools for approaching and directing activities with a conscious motive (Leont’ev, 1981). The critical aspect of these collective practices refers to the “transformative interactions” amongst individuals, artefacts and activity (Miettinen, 1999, p. 175). Viewing these interactions with a dialectical materialist basis translates the collective practices as an evolving mutual transformation of the individual and the social through material relations.

In the practical-dialectical materialism “transformative collective material practices constitute the very foundation of human social life, producing and reciprocally being produced by social interactions and human selves” (Stetsenko & Arievidtch, 2004, p. 480). This means that

material artefacts condition the individual and the social as much as they are conditioned by individuals and collective practices that produce these material artefacts. By transforming nature, individuals transform themselves and their interrelations. Thus, transformations are at the centre of interactive processes of production. This collective practice unveils the dynamic interplay of mutual influence between cultural material artefacts, individuals and collective activity as the basic fundament of Developmental Work Research. This intricate relation amongst material, subjective and inter-subjective elements build on currently established views of the roles and process for learning and change towards value co-creation developments.

Contemporary research has emphasised the role of “platforms of engagement” (Ramaswamy & Gouillart, 2010; Shawney *et al.* 2008) to initiate practices of value co-creation. Platforms of engagement are web based tools intended to mobilise customers, suppliers and partners into value co-creating activities. They perform as “unique” experiences providers allowing individuals to undertake the cognitive operation of adapting, studying and unifying use values (Ramaswamy and Gouillart, 2010). Through platforms of engagement, organisations learn and adapt to novel patterns of collaboration with an entire community creating new types of marketing process and organising (Shawney *et al.*, 2008). This cycle of four stages of value co-creation, i.e. 1- the design of platforms of engagement for initial value co-creating experiences; 2- the use of the platform for probing the market; 3- the integration of new relevant information; and 4- the change of marketing practices, separates the elements into units of adaptation that change according to new information about the marketing.

Developmental Work Research is here proposed as a possibility of moving from this adaptive model of transformation to a fresh ideal of anticipating change. Grounding material tools (platforms of engagement), activity (marketing) and individuals (customers and further stakeholders) in the same ontological basis of dialectics provides a pathway for advancing change. The conduit for unveiling the dynamic changes in value co-creating practices refers to considering the relationships amongst these components with no starting point. Dialectical materialism places each one of the elements of value co-creation as essentially necessary for the existence of each other. Like fibres and threads in a strand (i.e. Roth & Lee, 2007) their character is reciprocally conditioned and can only be understood as a part of the whole. This ontological aspect entails a perspective on value co-creation as giving a sense of *simultaneous* transformations amongst platforms of engagement, individuals and marketing activities. As their existence is mutually conditioned, so are their concomitant changes. The vision of these reciprocal transformations unveils the inherent character of on-going movements of mutual influence embedded in value co-creating activities.

Contrasting with the traditional model where the improvement of platforms of engagement occurs on the basis of new marketing activities, the dialectical materialism of practice permits a different outlook on material artefacts. This alternative perspective sees platforms of engagement emerging in a mutual influence relation with collective practices and individuals (reference). In this sense, platforms of engagement are seen as cultural-historical material artefacts that prompt interactions and subjective views. Furthermore, the interactive activities and the individual accounts reciprocally shape the production and creation of platforms of engagement. This dialectical conception customises the character of value co-creation activities as a transformative collective practice emerging within a wider historical-cultural reality engendered in dialectical material relations. The epistemological and methodological foundations of Developmental Work Research offer a conduit for enabling the transformative potentialities of marketing as a value co-creating activity.

2.2. *Facilitating expansive transformations by means of the epistemology of practice*

In this section, the epistemological foundation of Developmental Work Research is compared, contrasted and connected with the philosophical stances of marketing research. Particularly, the epistemology related to positivist and social constructivist standpoints is analysed in its potentialities and limitations for current topical research of value co-creation. The contemporary challenges of marketing research, more specifically on value co-creation, are associated with the complex and unstable context of the markets. It is here argued that to cope with the actual market circumstances, we need to transcend the established dualistic epistemology.

In the current state of marketing epistemology, the duality of positivism and social constructionism is reflected in, respectively, objective empiricist reductionism and subjective interpretivist pluralism (Tapp & Hughes, 2008). Objective epistemology regards the researcher in a detached position in relation with its external object of inquiry. This separation is intended to originate knowledge and understanding of an “objective world” (Realin, 2007, p. 496). In turn, reductionism instructs for the isolation of the elements of related objective experiments (Tapp & Hughes, 2008). This atomist epistemological approach is, arguably, the dominant stance in marketing research (for a discussion, see Wensley, 1995). In the value co-creation view of marketing, empirical reductionist research engenders surveying methods conducting the separation of the components of the object of analysis into parts for assessing and predicting its effects (e.g. Xie *et al.*, 2008; Nambisan and Baron, 2009). This reduction to few relevant and stabilised constituents (Gummesson, 2006) results, for value co-creation studies, in understandings of which generalising properties of marketing management and/ or consumers’ behaviour enable the necessary engagement for value co-creation.

The objective and impartial role of the researcher can also assume a qualitative character and put forward the relevant aspects of the locally bounded situation and context. Following these terms, positivist case-studies have provided insights on the process of interactions affording value co-creation (e.g. Tynan *et al.*, 2010; Ramaswamy, 2008). In its best, this current strand of case studies will enhance our knowledge on the patterns of interaction exploring the dynamic and, possibly, blurred roles of consuming and marketing (e.g. Michel, Brown, & Gallan, 2008). However, these relevant pluralistic understandings of roles and interactions interwoven with value co-creation practices necessitate further advances that are constrained by positivist beliefs.

Tapp and Hughes (2008) aptly evoked that the resulting models of empirical positivism need to be seen as initial stages for practical results, thus, marketing research is required to penetrate in the “gap between the model and the final solution” (p. 276). Within this gap, practitioners deal with doubts and incomplete information that research is only able to grasp if it advances the world as it is perceived by actors. Focusing on the evolving perceptions while participants involved in marketing management, organisations and consumption perform activities, can afford new understandings on how to manage marketing in the contemporary context of markets (Tapp & Hughes, 2008). The philosophical basis for elucidating this alternative inquiry refers to the subjective interpretivist epistemology.

Interpretivism searches for understanding the perspective of the participants in specific contexts (Hopkinson & Hogg, 2006, p. 157). It contributes to a dynamic view of the phenomena by focusing on actors’ “behaviour through investigating how they experience, sustain, articulate and share with others [the] socially constituted everyday realities” (Johnson *et al.*, 2006). The epistemology of interpretivism, bounded within pluralistic views and grounded in social constructionist ontology, is relevant to marketing as value co-creation by

explaining how actors mould their perceptions by means of shared understandings, as well as the role of the wider societal context in the production of these perceptions (Edvardsson, 2011). Thus, the value co-creation concept could benefit in two ways from this underexplored epistemological strand. It would gain fresh insights related to the nature and framing of participants' perceptions about their doings in value co-creation activities. It would also advance further explanation on how the perception of value is ultimately established.

Developmental Work Research resonates with the main perspective of this strand of research regarding a need for a closer connection of the researcher with its subject. Epistemological foundations of Developmental Work Research ground a dialogic approach between the researcher and participants enacting the view of multiple understandings, beliefs and commitments shaping the resultant interpretations (Long & Long, 1992, p. 212-213). Through dialogue between researcher and participants Developmental Work Research follows an *emic* epistemology focusing on the perceptions and “world views of the members of the culture under study” (Realin, 2007, p. 497). Despite the similarities that approximate epistemological stances of Developmental Work Research with the notions of a subjective, interpretivist and pluralistic epistemology, it presents fundamental distinctions from current strands being proposed in marketing as value co-creation (i.e. Edvardsson et al. 2011).

A critical presupposition of Developmental Work Research epistemology is that dialogue can only be a prolific way of interaction between researchers and participants of research when they share an object in which they find reciprocal concern (Miettinen, 2004, p. 111). In this sense, the attempt of constructing mutual understandings of phenomena is a communication activity requiring engagement of subject and object in solve critical issues together (Engeström, 1999). Contrasting with interpretivist epistemology that follows social constructivist ontology, the epistemological foundation of Developmental Work Research transcends the notion of interpretation of objects' perceptions merely in terms of the imposing cultural context. The essential distinction of the epistemological foundation in Developmental Work Research is bringing to the fore “the processes that encourage more knowing-in-action and their outcomes” (Realin, 2007, p. 496). This fundamental difference transcends the distinction between researcher and studied participants (Miettinen, 2006). As they both engage in practical activity of problem solving, the subject-object relation become blurred and, ultimately, they become individual actors of research in “participation in an unfinished universe and not [...] spectator[s] of a completed cosmos” (Garrison 1995, 111).

The epistemology of Developmental Work Research is an “epistemology of practice” (Realin, 2007). It transcends the dualistic view of subjective interpretivism against objective empiricism by acknowledging that the nature of work has epistemological consequences. Actors anticipate cultural tools and the way they interact by controlling and reproducing roles, meanings and forms of organising (Leontjev, 1978, p. 23). Thus the epistemological basis of developmentally focused research relates to “understanding the conditions of social change and transformative human agency” (Miettinen, 2006, p. 402). As a consequence of this epistemology, Developmental Work Research opens exciting avenues for marketing as value co-creation research. It advances the circumstances of the relationship between researcher and participants. The crucial proposition refers to a new connection between researcher and participants in the development of new understanding for the transformation of marketing practices toward value co-creation activities. Next section depicts how this relation is conducted by means of the methodological approach of Developmental Work Research.

3. The Methodology of Experimental Intervention

Developmental Work Research is rooted on the principle introduced by Vygotsky (1978) that concerns the making of human development instead of the results of that development (Engeström, 2007). This main proposition is then translated in interventionist experiments where *the researcher is a provider of means to development*. At first focusing on sourcing development of human cognition on single individuals, this methodology evolved for having collective conscious activity as its unit of analysis and focus of intervention (Leont`ev, 1978). More recently, Developmental Work Research has been applied as a research approach striving to reach developmental understandings on networks of activity (e.g. Toiviainen, 2007). At present, this methodology is essentially seen as a way to approach work practice through practical, real-world, interventions that are designed for and oriented to organisational settings (Miettinen, 2004). The exerting interventions for work and organisational development grounding Developmental Work Research are also based on principles of “theoretical ambition and empirical rigor” (Engeström, 2000c, p.14),

The robust theoretical foundation and advance that Developmental Work Research bonds and enacts are here operationalized by a scrutiny of the unit and levels of analysis. The examination of using Developmental Work Research premises for contributing to novel advancements of value co-creation is, also, dedicated to its focus on particular elements of this methodology that enhances the learning process. The main characters focused by Developmental Work Research for learning are translated in the historical perspective of the motive of activity, the intervention process and the configuration of tools and concepts (Engeström, 2000c).

3.1. Unit of Analysis

The unit of analysis of Developmental Work Research is the *activity system* as originally advanced by Leont`ev (1978) or, alternatively, the network of two or more interacting activity systems (e.g. Toiviainen, 2007). An *activity* relates to the collective, and often implicit, object-oriented performances that are mediated by a *system* of material artefacts, concepts and related community (Engeström, 1987). In the activity system interactions amongst individuals are also mediated by rules and roles reflecting a division of labour (Engeström, 1987; Leont`ev, 1978). The performance of an activity consists of goal driven actions in the level of individuals. Individual conscious action embodies sense and meaning within the wider context provided by activity. In order of accomplishment, purposive action involves individual unconscious operations that are automatically performed without direct attention. Activity systems are dynamic and contradictory in nature. They “realize and reproduce themselves by generating actions and operations” (Engeström, 2000c, p. 16). Emphasising and concentrating on the network relations of activity systems create the possibility for accessing inter-organisational aspects of practice.

Assuming interacting activity systems as the unit of analysis affords investigation on evolving practices and learning within multiple interactions (Toiviainen, 2007). This is a fresh perspective that could be empirically interpreted in value co-creation activities. The fresh outlook provided by focusing and unfolding networks of interacting activity systems through Developmental Work research prompts original view on two relevant aspects for understanding value co-creation as it evolves. It renders accessible the dynamic process of negotiation based on diverse interests and positions of a vast array of participants playing different roles within and between activity systems. Seeing the net of multiple relations in value co-creation (Achrol & Kotler, 2006) as systems of activity also allows locating the origins of problems as well as novelty emerging through the contradictory nature of the activity systems (Engeström, 1987).

Alongside advancing and offering the aspect of “multi-voicedness” as a dynamic pattern of activity systems, the standpoint of taking interactive activity systems as the unit of analysis comprises the “historicity” that activity systems inscribe. As Engeström (2000c) indicates “the activity system itself carries multiple layers and strands of history engraved in its artefacts, rules and conventions.” (p. 14). This is translated in analysing longitudinal transformations of the motives for activity as well as the shaping, employment and change of tools, concepts, rules and roles. The importance of the historical perspective on activity systems relates to unfolding the problems and potentialities of activity systems that “can only be understood against their own history” (Engeström, 2000c, p.17). The effects and interplay between locally bounded problems and the historicity of collective activity is best understood in terms of the dynamic between different levels of analysis in Developmental Work Research.

3.2. Moving Levels of Analysis within the Methodological Cycle of Development

Following Engeström (2000a, 2000c, 1987), the methodology of Developmental Work Research comprises five steps. These fundamental five stages are here explored and outlined in terms of the conceptual underpinnings, aims and related enquiry that are rendered accessible by using this developmentally oriented methodology in the context of marketing as value co-creation. In the core of this process is a methodological attitude that puts dialogue and intervention as fundamental aspects for learning and change within the expansion of activity. Fundamental to the expansive transformation in Developmental Work Research is the movement from individual action to the collective activity and back to individual action by means of an interventionist approach.

The first step of the methodological cycle of Developmental Work Research is to delineate the activity system and outline the dilemmas and uncertainties of participants within their daily work. These daily actions are viewed in terms of the emerging tensions, disturbances or minor innovations in regular work. The introductory focus relates, thus, to these strained everyday performances that constitutes individual actions at work. In the pursuit for unfolding the transformation of marketing activities towards value co-creating experiences, this outline of troubles in daily work unveils what Engeström (1987) highlighted as critical moments of interactive struggle. These problematic experiences permit the emergence of contradictory roles of individuals in the form of disorders and conflicts. The contradictory order of capitalist society related to the use value versus the exchange value (Engeström, 1987) would materialise in the individual tasks level in terms of the dual role of being a creator of value for customers and, at the same time, for the organisation. The main aim of this first step of Developmental Work Research refers to examine the roles performed by participants whilst comparing and contrasting the character of these roles in order to find these primary contradictions.

The second step is divided in three stages: *a.* analysing the historical development of the, possibly, changing motives for activity, *b.* analysing the historical development of tools and concepts dialectically interconnected with the central activity, *c.* analysing the actual tools and activities declared, used and supported by participants. In the second step, daily problems as they appear in common work practices and interactions are indicated as rooted in inner contradictions of the wider collective activity. Thus, everyday problems and tensions that are taken as randomised incidents are related, analysed and interpreted by means of the fundamental contradictions originating such events. Step 2 connects the individual actions to the wider collective structure of activity systems. From step 1 to step 2, occurs an analytical movement from the individual to the collective level. For research findings in the context of value co-creation, this stage of the methodological cycle of Developmental Work Research represents an opportunity to elucidate obscure aspects of changing patterns of marketing

activities. The three key features of this second step as indicated by Engenström (1987) contribute to these following unexplored investigative features in value co-creation: a. the transformation of collective activities in relation to a wider historical-cultural context; b. qualitative changes in the components of the activity; and c. identification and explanation of the relationships between the components of the activity system.

Step three refers to create new instruments for resolving contradictions unfolded in steps one and two by means of a dialogical intervention. In this perspective of the structure of activity, the activity system is modelled and interpreted in terms of the historicity of its inner contradictions. The potentiality of development is indicated by means of recognising the need for resolution and creation of new models of activity solving the perceived contradictions. The connection back to action from the envisioned model is made through building a new set of material and conceptual tools that could enable change in actions in the individual level. In step three the interventionist and dialogistic nature of Developmental Work Research is emphasised. The researcher introduces a conceptual framework as a linguistic fundament for interaction amongst participants. This conceptual preparation functions as a “springboard” for participants to construct new instruments for action. Within this catalyst elucidation, people involved engage in outlining a new instrumental model affording the transformation of actions.

The step three is recognised by Engenström (1987) as “the most dramatic step” (p. 10, Chapter 5) where struggle, negotiation and enthusiasm combined with uncertainty may emerge. The role of the researcher in providing a dialogical context for the creation of material artefacts as tools and concepts is prominent in this stage (Virkkunen, 2004, pp. 37-66). The researcher champions and facilitates the creation of a “microcosm” (Engenström, 1987) aimed at providing means for evolving inter-subjectivity forms (i.e. Fichtner, 1984; Raiethel, 1983). The development of inter-subjective formats is interwoven with the move from individual for collective levels of analysis. Thus it elucidates the expansion of participants’ understandings from operational levels of coordinating individual and internally autonomous task, to cooperation of interrelated actions of the group, to, ultimately, the collective activity level where participants engage in reflective communication on the historicity and spatiality of the entire system of activity (i.e. Engenström, 1992, pp. 64-78). This dialogical intervention brings a new perspective of researching value co-creation putting forward a fresh understanding on the role of the researcher.

In Developmental Work Research, the researcher initiates the construction of interactions based on new instruments with the perspective of establishing reflective communication. In this reflective communication, all participants are aware of their respective roles and of the nature of their actions in a broad temporal and spatial context. The value co-creation framework could gain enhanced understandings on the interactive patterns and relational experiences building on the view of resource exchange encounters (Vargo *et al.*, 2008) and the mapping of multiple tasks within value co-creating interactions (Ramaswamy & Guillard, 2010). Through dialogic intervention, essentially based on the combination of introducing new concepts and/ or instruments and facilitating communicative reflection, it is here argued that it would possible to explore the dynamic process of organising value co-creation within the integration of resources while learning and expanding the related activities.

The fourth step relates to the application of the instruments constructed in step 3 for the transformation of activity. In step four, Developmental Work Research returns to individual tasks and action for the implementation of the new tools in the “real world”. This stage is infused by conflicts generated by the new form of action clashing with rules, roles and long-

standing instruments (Engenström, 1987). Step four comprises three relevant processes for maturing the proposed advances of value co-creation in stage three. For it reproduces in real settings the developments occurred in the “microcosm”. The fourth stage, as it is here anticipated, builds on the mapping of value co-creation task and related interactions, as proposed by Ramaswamy and Gouillart (2010), by selecting the strategic tasks for expansion of new value co-creation practices. The tasks selected would be the critical ones in relation to conflicts and disturbances. In addition, in conducting new activities for value co-creation through developing instruments and concepts, it is here advocated that Developmental Work Research could explore and explain how new patterns of resource based interactions emerge and expand value co-creating activities. Such view is currently hindered by methodologies of research essentially based on stable orders in bounded localities.

The final and fifth step is to report the findings based on the transformed activity. Engenström (1987) advises that the historicity of transforming activity systems should be translated in a historical report of these transformations. The historical transformation of activity is an account representing a “committed quest for new visions and conquests” (Engenström, 1987, p. 113). Aligned with this standpoint, the present study evokes for depicting and representing the transformation of value co-creating activity systems as they occur through cycles of temporal and spatial expansion. Therefore, the methodological cycle of Developmental Work Research is here indicated as a powerful investigative instrument for unveiling and unfolding the potentialities of marketing transformation whilst creating a new basis of marketing knowledge and learning for new value co-creating advancements.

4. Summary and Concluding Remarks

The aim of this conceptual exploration on Developmental Work Research was to present a framework of philosophical and methodological stances that could afford significant and appropriate contributions to enhance our understandings on marketing as value co-creation. The main task of scrutinizing this methodology was translated in explaining how it addresses the question on how marketing activities evolve towards value co-creation. Such inquiry is underexplored in marketing research. Yet it may represent important advancements on the issues of change and learning for value co-creation. Throughout the article, an amply discussion of the avenues made possible by Developmental Work Research for elucidating and distinctively anticipate the transformation of marketing knowledge and practices towards value co-creation was endeavoured. A summary of these contributions follows.

The ontology of the dialectical materialism of practice grounding Developmental Work Research permits a dynamic view on the transformation of marketing practices in the direction of value co-creating activities. The changing practice of marketing is seen in terms of reciprocally influencing elements of subjective (individual), inter-subjective (group) and sociocultural (materialised concepts and/ or instruments) levels. The perspective of on-going mutually influencing movements of producing and reproducing individual actions, group sense making and cultural-historical tools (Engenström, 1987) provides new insights on value co-creation activities as emerging from these dialectical material relations. The contribution is related to this holistic view integrating subjective, inter-subjective and sociocultural elements currently seen in a fragmented way due to different ontologies emphasising one element while obscuring others (Tapp and Hughes, 2008; Gummesson, 2006). Such holistic view is relevant not only by being inclusive but, also, by indicating change as a dynamic collective transformation of these three components.

The epistemology of practice translated in Developmental Work Research (Realin, 2007) emphasises the conditions for approaching human agency and social change (Miettinen, 2006). It asserts that researcher and participants need to engage in a dialogue built on mutual understandings of the motives and issues to be resolved together (Miettinen, 2004; Engeström 1999). In sharing a critical concern, researcher and participants roles are blurred as they both engage in a practical activity of problem solving. Within this practical activity, knowing and learning are embedded in action (Blackler, & Regan, 2009) as actors (researcher and participants) produce and reproduce tools, concepts, meanings roles and organising patterns (Leontjev, 1978, p. 23). For researching marketing as value co-creation, such epistemology, transcending the view of few relevant elements and their effect as well as the perspective of imposing social structures on the participants' meanings, represents engaging in an undetermined journey into the mutual transformation of the social and the individual. The main contribution of this epistemological standpoint for value co-creation refers to enlarging the possibilities for new understandings on value, for fresh marketing organising forms and for novel configurations of co-creating interactions. Overall, epistemological foundations of Developmental Work Research remove current constrains of epistemological stances of research on value co-creation. It releases the vision of change and transformation emerging from this distinctive dialogical relation between actors.

The unit of analysis of interacting activity systems in Developmental Work Research (Toiviainen, 2007; Engeström, 2000b) contributes with further understandings of marketing as value co-creation. These enhanced views are not made accessible by currently strands that envision the consumer (e.g. Baron & Warnaby, 2011) or marketing management (e.g. Sawhney *et al.*, 2005) processes in separated focuses of research. Concentrating on activity systems, enables a vision on aspects of multiple negotiations as well as enhanced understandings on the dynamics of multiple interests and roles (Engeström, 2000b). It also sees the tensions and novelties emerging in these daily encounters rooted on contradictory aspects permeating the activity (Engeström, 2000b). These important and yet unexplored aspects by contemporary research on value co-creation, extend our current knowledge on the nature of net of multiple relations that value co-creation entails as primarily indicated by Achrol and Kotler (2006).

The methodological cycle of Developmental Work Research goes deeper in that direction above highlighted. In this regard, marketing activities within value co-creating practices could gain, primarily, a fresh view on workplace struggles and related origins. Consequential transformations in collective practices could be seen in a wider context and connected with qualitative changes of instruments, rules and roles. Elucidating these aspects could build on the character of change and transformation within the fundamental principle of value co-creation as a chain of resource exchange encounters. In addition, the net of interchanging resources (Vargo *et al.*, 2008) could be viewed in its dynamic changes by means of an interventionist approach unveiling the intertwined character of activities transformations and collective learning.

As a concluding remark, practitioners could also gain from the interventionist methodology of Developmental Work Research in a number of ways. Marketing management could profit with the creation of new tools and instruments to facilitate engagement. As a consequence of improved engagement, qualitative different relations with clients and other stakeholders could emerge. Through this enhanced interactions, products and services could gain advanced characters based on the novel nature of their conception and development. All these benefits are fundamentally related with the enhanced capacity of learning of the *entire network* by understanding the critical causes of problems and disturbances. At last, the organisation could

gain from an improved capacity to constantly transform value co-creating activities and face competition.

5. References

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