Conceptions of Value as Family Resemblances

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Abstract

Purpose – The purpose of this paper is to consider value as individual and experiential, based on the relationships between conceptions of value, rather than attempting to identify a common factor. The authors use the term "family" to represent the relationships between conceptions of value and provide a philosophical basis that underpins this. The authors also propose an appropriate method for researching value as family resemblances.

Design/methodology/approach – In this conceptual paper, the authors propose a new approach to understanding the nature of value in terms of family resemblances. In many marketing studies, value is described as being phenomenologically based, with an increasing number also emphasizing its experiential nature. Attempts to conceptualize value phenomenologically lead to tension between the search for an essence and the qualitatively different ways in which value is experienced by individuals. The authors propose phenomenography as a research approach that accommodates value based on differences rather than essences.

Findings – Recognizing that there is no necessary condition or essence by which value may be defined resolves the tension that has arisen from the simultaneous search for a common feature and the assertion that value is experientially created by individuals. The research also highlights that the nature of value may differ between people, time and place or some aspects of it may be the same. Regarding value in terms of family resemblances accommodates actors' different conceptions of value. Phenomenography is an appropriate approach to operationalize conceptions of value in terms of family membership.

Research limitations/implications – Understanding value as a family, and using phenomenography as method, provides methodological clarity to a long-standing research issue. Using the approaches outlined in this study will enable empirical studies of the nature of value in any context to be conducted soundly and relatively quickly. It will also provide a more inclusive and holistic set of values based on the experiences of individuals.

Practical implications – The research provides important insights for practitioners through clearer conceptions of value. These include the ability to plan and deliver business outcomes that are more closely aligned with customer values. Understanding the conceptions of value experienced by actors in marketing, as determined through family resemblances, has clear implications for researchers and practitioners.

Originality/value – Understanding actors' conceptions of value through the lens of family resemblances resolves a long-standing research issue. Using phenomenography as method is an approach seldom used in marketing that addresses the need for increased use of qualitative research in marketing.

Keywords Value, Experiential, Phenomenography, Phenomenology, Family resemblances, Wittgenstein

Paper type Conceptual paper

1. Introduction

Value has been studied extensively for more than 2,000 years (Francis *et al.*, 2014), yet it is clear there is no agreement over its meaning (Francis *et al.*, 2014; Zeithaml, 1988). In attempting to understand the nature of value, there does not appear to be an essence, something that is common to all instances of it. Instead, what is evident is that conceptions of value differ between people and places.

Since Vargo and Lusch's (2004) article proposing an evolution toward a new service dominant (SD) logic of marketing, the concept of value has achieved new prominence in marketing research. In other research, Holbrook (1996) argues for an understanding of the interactive and relativistic characteristics of the customer. It is the theme of *experience* in understanding value and the value creation process that is proposed by Ojasalo (2010). He suggests that customer experiences result from situations, where the customer defines and creates value. Other researchers (Chen *et al.*, 2012; Helkkula *et al.*, 2012; Mele and Polese, 2011; Sousa and Coelho, 2013) also discuss the importance of experience in value creation and co-creation while arguing that value is phenomenologically based. In other research, Tynan *et al.* (2014) also use a phenomenological approach to study consumer values, noting the complex and individual nature of value. Attempting to understand value phenomenologically implies that there is some property that is common to all instances of it, an essence or necessary condition of value through which it may be understood. In counterpoint is the notion that value is experienced individually by actors depending on context (Bettencourt *et al.*, 2014), where conceptions of value may contain no common feature. Using a phenomenological approach to understand individuals' conceptions of value based on the way(s) they experience value leads to tension which our research aims to address.

Studies by a number of researchers (Grönroos and Voima, 2013; Heinonen *et al.*, 2013; Kohli, 2006; Vargo and Lusch, 2006) reinforce the timeliness and importance of our research, by suggesting the need for a new approach to understanding the nature of value. Payne *et al.* (2008) also call for research into understanding what customers actually do when they co-create value. While much effort in marketing research has focused on the creation and co-creation of value, and the actions of producers and consumers, there is little research directed toward understanding the underlying nature of value itself (Grönroos, 2011; Grönroos and Voima, 2013). In this research, we aim to provide a means of understanding the nature of value based on membership of a family rather than continuing a seemingly fruitless search for an essence of value.

Considering value in terms of family resemblances provides a new approach that provides clarity in understanding the nature of value. In proposing this, we argue that there is no essence or necessary condition present in all instances of value. Instead value should be regarded as belonging to a family. This is the gap in academic literature and marketing theory that this research aims to address. In addressing the gap in knowledge, our contributions to marketing theory and practice are threefold. First, we provide an overview of the extensive literature on the topic of value to show how the nature of value has been conceptualized and applied in marketing research. Second, through the lens of family resemblances, we address the issues present in much marketing research where value is conceptualized as being both phenomenologically (i.e. expressed in terms of a necessary condition or essence) and experientially (i.e. expressed through actors' different conceptions of value) based. Third, we propose phenomenography as a research approach to guide future research in marketing. In this way, value may be identified and analyzed based on the experiences of actors. Understanding conceptions of value in different marketing contexts has important implications for researchers and practitioners.

The research is important as it provides a sound basis for understanding the nature of value. Understanding customers' and producers' conceptions of value in different contexts is important for marketing research and practice.

2. Background

Research into value has noted its ubiquitous nature and the many attempts to define it (Francis *et al.*, 2014). In a study that examines the philosophical origins of value, Ben Ahmed and Yannou (2003) explore links to sociology, economics, marketing and management, noting the polysemy of value. Their research concludes that there is a profusion of definitions of value, which require investigation to understand the similarities and differences in meaning (Ben Ahmed and Yannou, 2003). In other research, Ramsay (2005) argues that for many authors, the term "value" is used as though its meaning is self-evident, although it mainly remains undefined. The indistinct and elusive nature of value is also discussed by Zeithaml (1988, p. 2), who argues that consumers use the term in ways that are "highly personal and idiosyncratic".

Ramsay (2005, p. 563) also suggests that the words "value" and "value-chain" are "[…] currently used with a bewildering variety of disparate meanings […]", themes that are evident in recent research (Burnson, 2015; von Massow and Canbolat, 2014). While acknowledging that precise terminology has not yet been obtained, what constitutes value has been debated for more than 2,000 years, and a full discussion is beyond the scope of this paper. However, it is clear that there is no agreement over the nature of value. There does not appear to be an essence, something that is common to all instances of value. Instead, what is evident is that value means different things to different people. As Najder (1975) observes value is a concept, and there is not likely to be a single wholly satisfactory answer to its meaning.

What people value has a direct impact on attitudes and an indirect influence on behaviors through people's attitudes. Personally held values suggest that it is not possible to determine a priori which global values will be aligned with which domain specific values, with linkages only being determined by empirical research (Xie *et al.*, 2008). Personal values have not often been considered in marketing research (Schwartz, 1992; Schwartz and Sagiv, 1995), despite their obvious impact. Since Vargo and Lusch's (2004) seminal article proposing an evolution toward a new SD logic of marketing, value has achieved a new prominence in marketing research. This is particularly evident in the area of the creation and co-creation of value at the nexus of the producer and the consumer.

Within the extensive marketing literature discussions of value arising from SD logic are most relevant for our research, and this is the basis for our selection of literature.

Lindgreen and Wynstra (2005) suggest that the concept of value has long been a fundamental part of marketing, with firms seeking to provide enhanced value for customers. Value creation and co-creation have also been recognized as key elements of marketing (Woodruff and Flint, 2006), with customer value being regarded as fundamental (Holbrook, 1996). Despite the primacy of value in business markets, it is surprising how poorly the characteristics or properties of value, especially its nature, are understood by both academics and practitioners alike. Tracing the development of research on value, Lindgreen and Wynstra (2005) argue the need for increased research effort to develop theory about value. They also argue for the development of an understanding of what it is that consumers' value and how this can be delivered. Their research suggests that value may vary with time, place and the use to which goods or services are put.

In proposing priorities for marketing research, Ostrom et al. (2010) identify measuring and optimizing the value of service as key areas for research, although the focus is on measurement and metrics rather than on understanding what value actually means. Elsewhere, attempts to measure value are proposed in the development of an assessment model (Xing et al., 2013) and in a study of municipal workers (Zhang and Chen, 2015). In other research, Ojasalo (2010) highlights the importance of customers' experiences in understanding value and in the value creation process. Customers' experiences and perceptions are essential to value determination and value is co-created together (Lusch and Nambisan, 2015).

Corsaro and Snehota (2010) review the concept of value because it relates to customer–supplier relationships. Their study focuses on value in its central role in management practice, in particular its importance in decision-making. They argue that in practice, applying the value concept to business relationships is not a straightforward process; therefore, more research is needed. The need for research into how customers engage in the co-creation of value is a theme articulated by Payne et al. (2008), where the authors develop a framework for understanding value co-creation. In their research, the authors discuss value creation and co-creation and claim to provide new insights into managing the processes of value creation, though the nature of value again is not clear. Payne et al. (2008) argue that customers create value through activities that achieve goals, using processes that are dynamic, non-linear and often unconscious. Payne et al. (2008) also call for research into understanding what customers actually do when they create value. However, we argue that understanding what customers actually do is different from understanding the qualitatively different ways in which actors experience value.

In other research, Mele and Polese (2011) discuss value from a stakeholder-centric perspective, in terms of balanced centricity. They explain that value creation refers to value-in-experience as resources to be shared, and exchanged, by all actors to achieve given aims. The notion of shared value is also discussed by Chen et al. (2012), where value is embedded within experience through shared experiences. The importance of the social world in understanding value is also proposed by Edvardsson et al. (2011), with value embedded in social systems and therefore is socially constructed. Helkkula et al. (2012) suggest that the role of experience in the way value is conceptualized is extended to customers' lived experiences, with customers making sense of value through their experiences of phenomena in their life world. We extend this notion of experience in our consideration of value. Vargo and Lusch (2008) discuss the need to recognize the networked nature of value. They argue that value is phenomenologically determined, which they claim is implied by the term "service", as defined in SD logic. Vargo and Lusch (2008, p. 7) propose a new

foundational premise (Fp10), whereby "[…] value is always uniquely and phenomenologically determined by the beneficiary". They further explain value as being "[…] idiosyncratic, experiential, contextual, and meaning laden". The use of terms such as "idiosyncratic", "phenomenological" and "experience" interchangeably by Vargo and Lusch (2008) is in our view problematic. The individualistic natures of idiosyncratic and experiential behaviors are at odds with the search for a common factor implied by phenomenology and result in an inappropriate methodological approach.

Although the roles of sensemaking and experience are important in understanding the nature of value, the point of departure of this study from the research findings discussed above is rejection of the proposition that value is always phenomenologically derived. Phenomenology implies searching for an essence or necessary condition, something that is present in *every* conception of value. In proposing a new way of understanding the nature of value, we argue that regarding value as being phenomenologically derived is an impediment to understanding its nature, as foreshadowed above. This is consistent with Grönroos and Voima's (2013) review of Fp10 of SD logic, in which they argue that customers determine and experience value.

In summary, value has been extensively researched from a marketing perspective, particularly since Vargo and Lusch's (2004) article proposing SD logic. Although much research effort has focused on attempting to explain how value is created and co-created, and the actions of producers and consumers, most research (with the notable exception of Grönroos, 2008, 2011; Grönroos and Voima, 2013) has failed to advance understanding of the properties or characteristics (i.e. the nature) of value.

3. Conceptions of value in marketing
As discussed above, many previous studies (Chen *et al.*, 2012; Edvardsson *et al.*, 2011; Grönroos, 2011, 2012; Grönroos and Voima, 2013; Heinonen *et al.*, 2013; Helkkula *et al.*, 2012; Lusch *et al.*, 2008; Ojasalo, 2010) have described value creation as a phenomenon arising from a phenomenological process. Concomitantly, these authors have attempted to argue the importance of both experience and sensemaking through experience in value creation. Grönroos and Voima (2013, p. 146) suggest that Fp10 of SD logic is flawed, arguing that value is cumulative and based on the experiences and perceptions of customers. Grönroos and Voima's (2013) proposal highlights, but fails to resolve, the tension between a phenomenon (value) that is argued as being phenomenologically based, yet is uniquely experienced by the customer in a particular context. Following Grönroos and Voima's (2013) line of thought, customers experience the characteristics and properties of value (i.e. its nature) in qualitatively different ways. If this is so, and in response to the call for research methods that have been applied less frequently in service research (Grönroos and Voima, 2013), an alternative to phenomenology is needed. The alternative requires a focus on the qualitatively different ways people make sense of phenomena in their lifeworld rather than the search for an essence. Regarding value as belonging to a "family" is the first step in the process.

3.1 Family resemblances
Wittgenstein (1969, 2000, 2006) challenges the notion that a concept must be expressed in terms of a necessary condition or essence. Wittgenstein (2000, p. 65) argues that phenomena may have no single thing in common, no essence that "makes us use one word for all". Yet, despite the absence

of an essence, phenomena may be related in "many different ways". He goes on to provide an explanation by
showing that there is no common factor or essence in a game or games; instead, what we see is "[…] a complicated network of overlapping similarities" (2000, pp. 65-66). Wittgenstein (2000, p. 67) expresses these similarities as "family resemblances", where "[…] the various resemblances between members of a family: build, features, colour of eyes, gait temperament etc. overlap and criss-cross".

In discussing family resemblances, Wittgenstein (2000) advocates that in investigating a phenomenon, we should first *look and see* because seeing demands consideration of what is open to view. Seeing is grounded in the shared world connecting people and other aspects of the world, an activity that involves differences (Genova, 1995, p. 57). Second, we should *think* because thinking tends to focus on identities and essences (Genova, 1995, p. 57). Finally, we should *do* or take action. Wittgenstein is advocating an *experiential* way of understanding based on look-think-do, linking it with consideration of family resemblances.

Wittgenstein's argument is that thinking about a phenomenon or phenomena tends to produce essences or result in a fruitless search for an essence. When we think about a phenomenon as the first step, we instinctively search for essences and logic that must exist. Wittgenstein (2000) argues that in thinking, we convince ourselves that the ideal must be found in reality, yet we have not yet seen how it occurs. Thinking means we lose sight of the "disorder of things" (Genova, 1995, p. 58). On the other hand, looking and seeing shows the *family resemblances* between concepts based on the *experiences* of actors, discovering differences not essences. Seeing resists the temptation to get involved with theoretical possibilities and enables us to see particulars, based on differences (Genova, 1995, p. 57).

As Wittgenstein suggests, there is no characteristic common to all games, only family resemblances. In the same way that Wittgenstein expresses a game as a belonging to a family, with no common factor, we argue that value also cannot be expressed in terms of necessary conditions. There is no essence of value; instead, value should be understood as forming a family. Thinking of value as forming a family is consistent with Najder's (1975) contention that there is not likely to be a single wholly satisfactory answer (i.e. essence) to the meaning of value.

Regarding value as a family is the first step in addressing the tension that arises from considering value as being phenomenologically determined, yet qualitatively different, based on the experiences of actors. The implications of applying Wittgenstein's philosophy of family resemblances to the nature of value and how it is created are that the nature of value can now be conceived as wholly experiential. The nature of value may differ between people, time and place or some aspects of it may be the same. To support understanding value in terms of family resemblances an appropriate methodology is needed to guide research. This is outlined in the next section.

3.2 Applying family resemblances to conceptions of value in marketing
Before settling on a methodological approach to adopt to understand actors' conceptions of value as family resemblances, we reviewed three main interpretive methodologies:
(1)   grounded theory;
(2)   ethnography; and

(3)   phenomenology.

Having discounted positivism because of its focus on measurement and its failure to provide an understanding of value in past research mainly because of the use of a dualistic ontology and positivistic epistemology, we first considered grounded theory. Grounded theory was originally developed by Glaser and Strauss (1967) in an attempt to move beyond their perceptions of the limitations imposed by positivism. We found that grounded theory had little scope to discover the different ways in which actors experience phenomena. Its aim of generating a substantive or formal theory was also inconsistent with the experiential objectives of our research. We next considered ethnography, which has its roots in anthropology, and places an emphasis on studying the culture of an organization or entity (Geertz, 1973). A major feature of ethnography is participant observation, with the researcher embedded in the culture of an enterprise, which was not appropriate for a study of value based on family resemblances. Finally, we turned to phenomenology with its focus on human experience (Husserl, 1936; Kobayashi, 2009). However, as we identified, when we were reviewing recent research into value, the primary purpose of phenomenology is to identify the essence of individual experiences as described by research participants, a *first-order perspective* based on characteristics of the phenomenon (Moustakas, 1994). Because an extensive body of research has failed to identify an essence of value, we rejected phenomenology as a research approach, looking instead for one that could accommodate the *different* ways in which actors experience phenomena. To identify all possible ways of experiencing value from the viewpoint of actors, an innovative methodology based on *phenomenography* was selected (Marton, 1981, 1986).

Phenomenography goes beyond the approach of phenomenology by mapping the qualitative variations people encounter in experiencing phenomena in their lifeworld. Larsson and Holmström (2007) explain the methodological differences of *phenomenographic* research from those of phenomenology. They suggest that the primary difference is that *phenomenographic* research focuses on variation within human experience, whereas phenomenological studies emphasize the meaning structure of human experience (Kobayashi, 2009; Larsson and Holmström, 2007). In *phenomenography*, the focus in on the *relationships* between the phenomenon under investigation and the actors experiencing it, the link between the conceiving act (the mind) and the object of conception rather than on the phenomenon and actors themselves (Marton, 1981). Sandberg (1995) explains the link between the subjective and objective, in the context of competence and work. He describes the link as a correlation between the meaning the work has for the worker (objective) and the conceiving act in which the meaning of the work appears to the worker (subjective). Depending on the workers' ways of conceiving it, different meanings appear for the work. The link between mind and object is the conception of value that our research seeks to capture.

We propose that the unit of analysis is the conception of value experienced by an actor in a particular context.

Phenomenography uses a *second-order perspective* by seeing the world through the eyes of people experiencing it, as opposed to the first-person perspective of phenomenology. A second-order perspective allows the researcher to reach new understandings within the context in which the study is being conducted (Marton and Booth, 1997). *Phenomenography* is able to accommodate family resemblances by focusing on the qualitatively *different* ways in which people experience, conceptualize, perceive and understand phenomena in their lifeworld. *Phenomenography*, which was originally developed by Marton (1981, 1986) for educational research in Sweden is an empirical,

interpretive approach, with an ontology and epistemology based on knowledge and an ideographic methodology (Bowden, 2000; Burrell and Morgan, 1979). *Phenomenography* is increasingly being used in business research – for example, in a study of human competence at work (Sandberg, 2000) – in understanding quality improvement processes (Kobayashi, 2009) and in service research (Di Mascio, 2010).

By accommodating the different ways in which the nature of value may be conceived, *phenomenography* provides an approach for understanding actors' conceptions of value based on family membership. *Phenomenography* is a qualitative approach in which data are usually collected by means of interviews (Sandberg, 2000), though other methods such as observation and narrative reports are also used (Trigwell and Prosser, 1997). Once data collection have been completed, (based on experience from previous studies between 15 and 20 interviews are usually conducted) data are analyzed *en bloc* rather than on an individual basis, as in other qualitative approaches such as grounded theory (Strauss and Corbin, 1990, 1998). Analysis mainly consists of answering *what* and *how* questions (Sandberg, 2000). Previous phenomenographic research suggests that phenomena are experienced in a limited number of ways (Bowden, 2000; Kobayashi, 2009; Sandberg, 2000). Establishing the limited conceptions of value, as experienced by actors, suggests that its nature may be established in different contexts, leading to a holistic picture of conceptions of value experienced by actors in that context.

Conceiving value as experiential and expressing it in terms of family resemblances has implications for the way SD Logic is currently framed. In Fp10 of the logic value is described as always being phenomenologically determined, yet there clearly is no evidence of an essence of value. We argue that future empirical marketing studies using SD Logic cannot succeed if they are based on a phenomenological methodology and method. The approach we advance in this paper offers an alternative approach to understanding conceptions of value based on family resemblances, which if adopted as a premise of SD Logic will place future research on a sound methodological footing. The current notion advanced by SD Logic that value is co-created at the nexus of the producer and consumer is also challenged.

Further discussion on using a *phenomenographic* approach is beyond the scope of this article and is a topic for future research. However, *phenomenography* provides an effective methodology for implementing the concept of family resemblances. Analysis of interviews, narrative reports and observations, where appropriate, would enable a full set of values experienced by all actors in a particular service context to be discovered. Our proposed approach also has application in other service research beyond establishing the nature of value, for example, in field work in conjunction with service delivery networks as outlined in recent research by Tax *et al.* (2013).

4. Conceptual framework
A model of how conceptions of value may be understood in terms of family resemblances in a service context is provided by the framework presented in Table I. In the model, we have assigned letters to represent different conceptions of value (e.g. A may be price value, B may be hedonistic value etcetera). However, the value assigned to each letter is propositional and may vary from context to context. The framework shows that an actor may experience similar conceptions of value to other actors in a network, but there is no one facet that is common to all. Yet each actor's conceptions of

value belong to a family (of value) for the context under examination. This is consistent with Wittgenstein's discussion of family membership, where members of a family may display no common feature, yet show relationship through color of eyes, gait, speech, etc. The value(s) experienced by one actor in a network may have nothing in common with a different actor or some value(s) may be the same. Even when an actor in a network experiences the same value as another actor (e.g. as shown in Table I, conception of value A is experienced by Actors 1 and 3) it does not mean all actors experience it. There is no necessary condition of value in a given context. Application of the conceptual model is illustrated and explained further in Table II.

In Table II, we provide an example that applies the framework to the process of booking a package holiday. As previously discussed, personal values have not been considered in recent marketing research, and we incorporate several of these in the example (Schwartz *et al.*, 2001; Schwartz and Sagiv, 1995). As a caveat, the example we have provided is drawn from our experiences of organizing a holiday rather than from data obtained through the phenomenographic method. Therefore, the values shown are propositional (e.g. empirical research may not show values based on hedonism or altruism, but these are shown in the example as possible outcomes). There may also be other actors in the service network that we have not considered in the example.

In the example shown in Table II, the customer purchases a package holiday to an overseas destination from a travel agent. Other members of the network of actors include hotel, airline and the customer's family. There is exchange value between the travel agent, hotel and airline. Each also experiences goal achievement value, through meeting targets and yields, and from the value of being a member of a network. The travel agent provides value to the customer and customer's family by sharing travel experiences, resulting in value associated with learning. The hotel provides excellence through reviews of previous customers; the airline achieves the value of meeting targets of timeliness. The customer experiences value associated with low price, quality, excitement, hedonism, desirability, benefits of a holiday break, independent social, joint

Table I. Conceptual framework

Conceptions of value	Actor 1	Actor 2	Actors Actor 3	Actor 4	Actor . . .
A	✓	✓	✓		
B	✓		✓		
C	✓		✓	✓	✓
D	✓			✓	✓
E	✓			✓	
F					
. . .					

Table II – Conceptions and Value

Conceptions of value	Travel agent	Hotel	Airline	Customer	Customer's family	Author (s)
Exchange	✓	✓	✓			Lindgreen and Wynstra (2005)
Goal achievement	✓	✓	✓			Payne *et al.* (2008)
Network	✓	✓	✓			Vargo and Lusch (2008)
Experience sharing	✓					Chen *et al.* (2012)
Learning	✓			✓		Ojasalo (2010)
Excellence (reviews)		✓				Lindgreen and Wynstra (2005)
Timeliness				✓		Lindgreen and Wynstra (2005)
Low price				✓		Zeithaml (1988)
Quality				✓		Zeithaml (1988)
Excitement				✓	✓	Schwartz and Sagiv (1995)
Hedonism				✓		Schwartz *et al.* (2001)
Desirability				✓	✓	Baier and Rescher (1969)
Benefits				✓	✓	Zeithaml (1988)
Independent social				✓		Gronroos and Voima (2013)
Joint social				✓	✓	Gronroos and Voima (2013)
Altruistic				✓		Holbrook (1996)

social and altruism. The customer's family experiences value associated with excitement, desirability, benefits (of a holiday break) and joint social value with the customer. As suggested in the conceptual model, Table II shows that there is no conception of value experienced by all actors. Some conceptions of value are similar between actors, but there is no conception that is common to *all* instances. The conceptions of actors in the network form the family of value associated with a particular context, in this case booking a holiday.

5. Discussion

In our overview of an extensive literature, it is clear that there is no universal understanding of the meaning of value. In reviewing its ubiquitous nature, we note that in many studies value is presented as being phenomenologically determined, as suggested by Vargo and Lusch (2006) in their amended Fp10 of SD logic. Also, there is a growing body of research that focuses on the *experiential* nature of value (Chen *et al.*, 2012; Helkkula *et al.*, 2012; Mele and Polese, 2011; Ojasalo, 2010), including empirical studies (McColl-Kennedy *et al.*, 2012) that are based on what customers and suppliers actually do in the value creation process. In our view, the tension resulting from phenomenology's search for an essence of value, and the different ways in which individuals experience value has led to research issues that have proved difficult to overcome. Conceptualizing value as proposed in our research informs and extends these studies.

We have reviewed Wittgenstein's philosophy relating to family resemblances, which shows that some concepts cannot be defined in terms of essences or necessary conditions. We argue that because

no essence of value is evident in the extensive body of previous research over a period of more than 2,000 years, we can conclude that one does not exist. While there is no essence of value, there are characteristics (family resemblances) that identify phenomena as members of the value family in a particular context. Considering value as forming a family is consistent with Najder's (1975) contention that there is not likely to be a single wholly satisfactory answer (i.e. essence) to the meaning of value. Considering value as a family provides researchers and practitioners with the philosophical basis to understand the nature of value in a given context.

Our research extends the work of Grönroos and Voima (2013), whose enlightening article on the *nature, locus*, role and scope of value helped to focus our attention on the development of this paper. The conceptual framework that we present confirms and provides support for the reframed Fp10 presented by Grönroos and Voima (2013), where value is conceptualized as being accumulative, unique, experiential and contextually perceived and determined by the customer. We extend the research of Payne *et al.* (2008), Kohli (2006) and Vargo and Lusch (2006), by providing a basis for understanding customers' conceptions of value as a precursor to understanding how value is created. In proposing that there is no essence of value, we inform academic literature and knowledge. We do this by recognizing that in a particular context, there will be instances of what constitutes value that may or may not overlap with others in that context, and across others, yet will still belong to the family of values. We also provide a response to the call for investigation into the profusion of definitions of value in order to understand the similarities and differences in meaning (Ben Ahmed and Yannou, 2003).

5.1 Theoretical and research implications

Tension has arisen from the simultaneous search for a common feature and the assertion that value is experientially created by individuals. Recognizing that there is no necessary condition or essence by which value may be defined is a contribution to marketing theory and informs academic literature. Considering value in terms of family resemblances is a major theoretical contribution that resolves the methodological issues present in much previous research and in Fp10 of SD logic (Vargo and Lusch, 2006). The current focus in marketing on the creation and co-creation of value will be informed by understanding *what* the nature of value is and *how* it may be understood in a given context. In proposing that the nature of value can be understood on the basis of family resemblances, our research provides a new approach to understanding the nature of value in marketing research. Our perspective of value to guide *phenomenographic* studies in various contexts (e.g. health care, education and tourism) will enable researchers and practitioners to understand the nature of value experienced by actors in those contexts. Regarding value in terms of family resemblances enables researchers to identify how individuals experience value and to identify clearly whether value is created individually or co-created.

The proposition that value be considered through the lens of family resemblances rather than the search for an essence, along with the concomitant use of phenomenography, represents a novel approach within marketing research. It is consistent with the move toward qualitative research as a means of understanding the nature of value. It builds on Flint's (2006) suggestion of symbolic interactionism and supports Edvardsson *et al.*'s (2011) suggestion that social construction may be a way of making sense of value creation. It is also a response to Grönroos and Voima (2013) who call for different research approaches. Making sense of the nature of value can only occur through the qualitatively different ways actors interpret experiences in their lifeworld.

In addition to providing methodological clarity, this research will enable empirical studies of the nature of value in any context to be conducted soundly and relatively quickly. Also it provides a more inclusive and holistic set of values based on the experiences of individuals. A detailed account of the use of *phenomenography* is an issue for future research.

Achieving an unambiguous understanding of the nature of value has important implications for research and practice. Researchers will be able to rely on a sound
approach in pursuing further research into the nature of value. The implications for managers include the ability to plan and deliver business outcomes that are more closely aligned with customer values. Understanding the conceptions of value experienced by actors in marketing, as determined through family resemblances, has clear implications (e.g. product planning, promotion) for marketing research, as outlined in the following section.

5.2 Implications for practice

In a business context, there is a drive toward providing customer solutions on the basis of individualized or customized goods and services (Tuli *et al.*, 2007). Whereas there has been an attempt to achieve this in the past, it is likely that there will be a re-addressing of personalization in the near future. The advent of global positioning system (GPS)-engineered customized offers, the creation of tribal marketing (Cova and Cova, 2002) and the increasing consumer demand of being treated "like an individual" point to a re-emphasis on tailored and customized marketing offerings (Kotler and Keller, 2012; Piercy, 2009). This will have a large impact on customer service and how businesses approach the "individuality" of value. Value conceived as family resemblances, and operationalized through *phenomenography*, provides the means of accommodating individuality. Each customer will have his or her own ideas about value, value-for-money and customer service, which may be dependent on different contexts. For example, a businessperson may find scheduled air services attractive because of accruing air miles and other associated benefits when travelling on company expenses but may make very different choices when planning a family holiday by investigating budget air travel. Value sought is individual and experiential.

Markets are fragmenting and more individualized customer care in needed to develop or sustain competitive advantage (Kotler and Keller, 2012). For example, car manufacturers who have always looked at mass production as a business model are now becoming more focused on designing and developing a more personalized customer experience. In this regard Mercedes have developed their "Mecosystem", where the aim is to treat each customer as an individual, with customer data informing promotions and other communications on a tailored basis. Internal customers are also considered by companies adopting a business model that gives shares to employees, thus assisting in overcoming a "silo" mentality in a departmentalized workplace and providing information that allows employees to understand customer importance and bottom-line profit. This customer intimacy (Treacy and Wiersema, 1993) will lead to a competitive advantage in all sectors and those industries that have not embraced the notion of individuality may find themselves losing market share and customer confidence. The experiential and individual aspects of customer intimacy are enabled by the use of a *phenomenographic* approach as discussed above.

5.3 Potential for further research

For SD logic to be a major force in service research, it must have practical application. Few articles have been published so far that report studies where SD logic has been tested empirically. Proposing

that value forms a family and operationalizing it through the qualitatively different ways in which actors experience value (i.e. using a

phenomenographic methodology and method) offers an empirical research approach that can advance SD logic. Our research provides a sound basis for discussing value creation and co-creation grounded in a clear understanding of the nature of value in different contexts. A starting point in understanding the nature of value, through the lens of family resemblances, and using a *phenomenographic* methodology, is to understand the key family characteristics of value in a particular service context. Following the way that Wittgenstein speaks of gait, color of eyes, facial characteristics, etc. as characteristics of human family membership, identifying the characteristics of membership of the family of value is needed. Relative weights of values should also be considered when family membership is established. It may be that the *nature, locus*, role and scope of value identified by Grönroos and Voima (2013) are characteristics of members of the value family, which may inform future research. However, the qualitatively different ways in which actors make sense of phenomena in their life world can only be discovered by research based on their experiences.

As foreshadowed above, opportunities for further research include identifying conceptions of value with a view to developing holistic family membership in particular contexts. The development of a sound means of operationalizing *phenomenography* is also an opportunity for further research in advanced manufacturing contexts such as aerospace and service contexts such as tourism, higher education and health. Finally, analyzing interview data *en bloc* suggests that computer-aided lexical analysis may be an option for efficient and effective analysis.

6. Conclusion

This article has reviewed the nature of value with a particular focus on marketing research. What is clear from the review is that there is no universal way in which value is understood or defined. Framing value as being phenomenologically determined (as in Fp10 of SD logic) has been a constraint to research, particularly when coupled with a contradictory proposition that value is experientially and individually determined by actors. Wittgenstein argues that the reason concepts such as value are not understood is that they have no essence or necessary conditions. Following the logic of Wittgenstein's philosophy, we view value as a member of a family rather than a concept that has an essence.

In our consideration of value, it is viewed as being a member of a family, where value in one context may have similarities or differences to value in a different context, but cannot be expressed in terms of necessary conditions or an essence. We also propose phenomenography as an appropriate research approach that accommodates the experiential, individual ways in which actors conceive value.

Actors' conceptions of value as family resemblances provide a means of understanding more effectively the nature of value in marketing research through the qualitatively different lived experiences of individuals. Understanding the nature of value is a precursor to understanding how value is both created and added within product and service markets and the business processes necessary to design and deliver them. Our research, therefore, makes an academic contribution by adding to the body of marketing literature on this topic as summarized above. It also makes a notable contribution for managers and other practitioners. This is for two reasons. The first is the obvious implication of a refined understanding of customer value for new product/ service design purposes. Understanding the nature of value is of fundamental importance to our contemporary conception of

both the production system and the supply chain as "value delivery mechanisms". Our work therefore has implications for managers who operate within these contexts and have responsibility for their (re)design and improvement. The second is that understanding actors' conceptions of value will enable marketers to align business programs more effectively with the requirements of individuals and businesses.

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