Tourism Engagement: Facilitating and Co-creating Tourism Experiences

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What is service?

SERVICE is support to a customer’s everyday practices in a way that facilitates value creation in those practices (practices: processes, activities; physical, mental).

Resources used to provide this support are

Service activities (“services”), Physical products, Information, Infrastructures, Servicescapes, Time

and People (Service employees, The Customer, Fellow Customers)
The service perspective is multi-faceted

From the firm’s perspective *(Provider service logic)*:
Service is to support someone’s practices in a way that contributes to this person’s or organization’s value creation.

From the customer’s perspective *(Customer service logic)*:
Service is what customers experience when, in their *usage processes*, they integrate resources bought (goods, service activities, information, etc.) with other available resources, and apply skills held by them.

The goal of Service Management is to combine these two perspectives in a business model, and to implement this business model.
The customer experience is also multi-faceted; Perceived Service Quality

**WHAT?**

Outcome or Technical Quality

Outcome of the service process

**HOW?**

Process or Functional Quality

Attitudes
Behaviours
Accessibility
Punctuality

Trustworthiness
"Servicescape"
Capability to handle failures and mistakes

Perceived Quality

Outcome of the service process

Image

Quality experiences are influenced by the customer’s expectations

EXPECTATIONS

-Sales and external marketing
-Image
-Previous experiences
-References and word-of-mouth; social media

MAKING PROMISES

PERCEIVED QUALITY

EXPERIENCES

-Outcome (WHAT)
-Process (HOW)

KEEPING PROMISES

TRADITIONAL EXTERNAL MARKETING ("full-time marketers")

INTERNAL MARKETING ENABLING PROMISES

INTERACTIVE MARKETING ("part-time marketers")
What about Value?

The relationship between Value and Quality is not clear.

Whether customers perceive something as Value is not clear - sometimes yes, often probably not.

Theoretically value and value creation, *logically understood*, can be a useful concept to understand customers’ experiences and how to influence them, also for managerial use.
Some fundamentals about contemporary views on value

The contemporary view:

- Value is understood as *value-in-use*: the value it emerges during use of resources.

- From this follows that the customers create value (as value-in-use).

- And also that the customers determine value of their use of resources.

- Logically *value-in-exchange* (value embedded in resources) is not real value, but *potential value* (*-in-use*).

- Logically, from this follows that firms cannot create value, only potential value, and basically only facilitate customers’ value creation.

What about value co-creation?
Is value always co-created? It depends on the level of abstraction.

The meaning of value co-creation depends on the perspective. Do we look at it on a macro level or on a micro level?

1. On a *macro* or systemic level, we cannot identify individual actors (firms, customers). Therefore, we have to make abstractions.

   As various market actors indeed have an impact on the experience of the end consumer, in various ways, we *can* say that *they always co-create*. However, then the word co-create is not used literally, but metaphorically.

2. On a *micro* or managerial level, individual actors and their actions related to value creation can be identified. Therefore, to develop useful understanding and managerial knowledge, we must use terms that reflect real life on an individual level.

   On a micro level, metaphorical expressions cannot be used. They create confusion. One cannot make predictions based on metaphors and abstractions.
A micro-level understanding of value creation and co-creation

On a micro level, is value (as value-in-use) always co-created?

No, that is impossible!

Co-creation requires direct interactions between actors, forming a *platform of co-creation*.

If on this platform the actors’ processes merge into a joint interactive, dialogical and collaborative process, value co-creation may occur.

This depends on the willingness and capability of the actors to make use of the possibilities of this merged process.
The value process on the micro level

Provider’s Value Facilitation

Resource Compilation
Provider’s creation of Potential Value-in-Use;
Value Facilitation

Co-creation Platform
Co-creation of Value-in-Use

Customer alone
Independent creation of Value-in-Use

Customer’s ecosystem
Social Value Co-creation

Value-in-Use evolving over time

Customer Sphere

FIRM

Provider Sphere

Joint Sphere

Critical service logic: Making sense of value creation and co-creation,
JAMS, 41(2):133-150

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Macro-level understanding is also important for management

Both micro and macro level understanding of value creation is important in businesses which depends on networks (such as tourism):

The macro level understanding points out the importance of creating working networks of often independent firms to enable value facilitation. In this way the abstract idea of value co-creation is useful.

However, management is a micro-level process, and therefore, the micro level understanding of the individual value process requires micro-level understanding of this process:

1. The customer creates value (-in-use) independently,
2. but under certain circumstances, the customer may choose to co-create value with the firm.
3. Basically, the firms can only facilitate the value creation by providing potential value (-in-use).
Thank you

Main sources:

