

Expanding Understanding of Value Co-Creation: A Cultural Approach

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Abstract

THE PURPOSE OF THE STUDY

A key element of *Service-Dominant Logic of Marketing* (SDL) is a value co-creation framework, in which the emphasis is not simply on the activities of producers or consumers but on the participation and interaction of multiple resource-integrating actors, tied together in shared systems of exchange. Recently, SDL's elaborations on this type of value-creation configurations have grown increasingly complex in relation to their contextualization and constitute a promising point of departure for understanding *how* value is co-created. The present study aims to address that very question by extending the current understanding of SDL through a conceptualization and analysis of value and value co-creation from a cultural approach.

METHODOLOGY

Leveraging insights from *Service-Dominant Logic of Marketing* (SDL) and *Consumer Culture Theory* (CCT), this exploratory study develops and describes a new framework for understanding value co-creation. As an empirical illustration, the study presents findings from a qualitative case study of Radio Helsinki. Textual analysis of naturally occurring data is carried out to abstract cultural practice in Radio Helsinki that empirically illustrates the nature of value and the process of value co-creation within a marketplace culture.

FINDINGS AND CONCLUSION

While much of the existing literature on SDL has concerned itself with discussing value co-creation on the level of theory, the integration of SDL and CCT as proposed in the study, establishes a framework for both conceptualizing and analyzing value co-creation in contemporary market environments. As the empirical analysis illustrates, the concept of marketplace culture clarifies the duality of the context of value co-creation and the practice-oriented cultural approach provides means to explore the complex intertwining of structure and agency in the co-creation process. Within a marketplace culture, individual efforts to co-create value are neither purely agentic nor fully conditioned but a form of reflexivity bounded by the particular configuration of culturally constituted practices where shared ways to ascribe meaning to the world are continuously negotiated. Consequently, these foundational practices are of importance to researchers and practitioners who wish to understand and advance value creation in particular marketplace contexts.

Keywords value, value co-creation, service-dominant logic, cultural practice, marketplace culture, consumer culture theory

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1 INTRODUCTION

*“Music is my boyfriend
 Music is my girlfriend
 Music is my dead end
 Music is my imaginary friend
 Music is my brother
 Music is my great-grand-daughter
 Music is my sister
 Music is my favorite mistress*

*From all the sh** the one I got to buy is music
 From all the jobs the one I choose is music
 From all the drinks, I get drunk off music
 From all the bitches the one I want to be is music”*

CSS: Music is My Hot Hot Sex from the album Cansei de Ser Sexy (2005),
 played on Radio Helsinki 19 times since 2006
 (Radio Helsinki 2012).

As the Brazilian indie rock band CSS in their lyrics, and Bradshaw and Shankar (2008) in a slightly more academic style state, music is a rich and complex symbolic, social, and political product that emerges as a sort of *magical* domain – music “can captivate audiences, provide cathartic and embodied experiences, and ground identities and communities, but also introduce us to rich exchanges between people while somehow both reifying and subverting power structures”. Those exchanges do not simply involve communication and distribution of products and value from producers to consumers, but the evolution of the music market over the years has resulted in a variety of ways in which music content can be exchanged and value be created (e.g. Ordanini & Parasuraman 2012, Lange & Bürkner 2012). Consequently, within this study, music provides the context to study cultural complexity of value and the process of *value co-creation*.

Before the advent of recorded sound, music used to be the ultimate intangible experience rooted to time and place, simultaneously created and destroyed, produced and consumed (Bradshaw & Shankar 2008). The first major change to the exchange environment of music occurred toward the end of nineteenth century, when *indirect* exchanges and market-based dissemination of music became possible with the rise of recording technologies (see Ordanini & Parasuraman 2012). Having been dependent on variable consumer tastes and shifting modes of artistic activities, the specific spots and

processes of value creation were considered much more varied than in many branches of commodity production. Nevertheless, the market system and the industrial modes of value creation were structured around the physical product and bound to understandings of company-centric, top-down music production for decades. (Lange & Bürkner 2012.)

Ordanini and Parasuraman (2012) have studied value creation within music market at the macro-level. Their historical analysis reveals that for almost 80 years, the structural aspects of creating and exchanging value within the music market remained by and large the same. In particular, until the mid 1990s the dominant medium for value delivery was understood as a tangible artefact that embodied music content and was distributed through a linear *value-chain* (Porter 1985) with sequential stages linking the exchanges among various actors. Record labels occupied the central role in this model as they selected the creative offering and thereby controlled the type of music that entered the market, controlled the physical distribution channel, and had bargaining power over music media and other gatekeepers regarding the type of music to be promoted.

It was not until the twenty-first century that the Internet, digital technologies, and the gradual *dematerialization* of recorded music (see Chaney 2012) triggered a shift in the type of exchange that is considered dominant in the marketplace for music, moving to a situation in which artists, firms, and consumers *co-create* music offerings increasingly in intangible forms. The control over production, distribution channels, and rights management that the record companies traditionally had, has been substantially weakened because music content no longer needs to be embedded in an object and then exchanged in discrete transactions. Rather, digital music is created, shared, and experienced *directly* through complex and diffuse many-to-many relationships among marketplace actors. (Ordanini & Parasuraman 2012.) In this situation, value creation is more likely than ever to feature various context-specific occasions outside the notions of industrial music production, giving rise to academic interest in the area.

1.1 Research gap

Whilst the nature and value of music have for long been of interest to philosophers, the music market has not traditionally been the object of marketing and consumer research (e.g. Giesler & Schroeder 2006, Larsen et al. 2009, Larsen 2011, Chaney 2012). Music is a special type of highly taste-driven and symbolic “product” that didn’t fit well with the early marketing’s focus on tangible benefits and utilitarian functions of goods and services (Larsen et al. 2009). Consequently, music has generally been treated as a functional tool of persuasion, and studies have focused on music in marketing communication, including advertising (see Oakes 2007) and background music (see

Oakes & North 2008). More recent studies have turned the focus on music in itself, but to date, marketing and consumer researchers have paid most attention to psychological perspectives on music consumption, providing insights, for example, into the relationship between music, emotion, and self-identity (e.g. Larsen et al. 2009). However, as the profound changes of the exchange environment involve an increasing complexity and the rising importance of social and cultural embeddings (Lange & Bürkner 2012), music provides a rich area of research that has potential to contribute both to the understanding of value co-creation (Ordanini & Parasuraman 2012) and to the wider cultural and critical trends in marketing and consumer research (Larsen 2011).

In the field of marketing and consumer research, the interest in cultural perspectives has risen significantly in the decades around the recent turn of the millennium (Askegaard & Linnet 2011). While representing a plurality of distinct theoretical approaches and research goals, the general purpose of the emerging stream of research is to advance understanding of complexity and dynamics of the contemporary market environments, often discussed in terms of consumer society or *consumer culture* (Moisander & Valtonen 2006). Consumer culture generally refers to industrial and post-industrial society where goods and services obtained through market exchange play a key role in construction of culture, identity, and social life (Hämäläinen & Moisander 2008). However, from cultural perspectives, it is not simply synonymous with *capitalist culture* or *mass culture* that represent a threat for the traditional social order. Rather, the continuous blurring of the boundaries between market and cultural practices of everyday life (see e.g. Mackay 1997, du Gay 1997, du Gay & Pryke 2002) has resulted in a novel way of thinking about marketplace and marketplace behaviours as essentially cultural phenomena.

The family of theoretical perspectives that seeks to illuminate the cultural complexity and dynamics of marketplace phenomena is often referred to as *Consumer Culture Theory* (CCT), a term initially offered by Arnould and Thompson (2005). In particular, a subfield of CCT research, *study of marketplace cultures*, has advanced a cultural perspective to marketing and consumer research in which markets are not merely seen as mediating between consumers and the culturally constituted reality (see e.g. McCracken 1986) but profoundly cultural. That is, based on the assumption that the world we live in is culturally constructed, the broad interest is in the ways culturally shared meanings and practices frame action and are produced, reproduced, and transformed in and through the market. Studies of marketplace cultures have been able to explore this form of *reflexivity* through the focus on distinctive, fragmentary, self-selected, and sometimes transient cultural worlds that are embedded within different marketplace activities and contexts (Askegaard & Linnet 2011, see e.g. Schouten & McAlexander 1995, Kozinets 2001, Thompson & Troester 2002, Rokka & Moisander 2009, Arsel & Thompson 2011, Cronin et al. 2014).

At the same time, the reflexive relationship between structure and agency has been a hot topic in the recent elaborations on *service-dominant logic of marketing* (SDL) (Vargo & Lusch 2004). SDL is another emerging stream of marketing and consumer research that challenges the traditional logical foundation for understanding marketplace phenomena, especially value and value creation. Traditionally, the theoretical discourse and debate in business disciplines centres on two distinct meanings of value: *exchange value* and *use value* (see Lepak et al. 2007). Whereas exchange value and use value have contributed to the understanding of value creation from either consumer or producer perspectives, a key element in SDL is a *value co-creation* framework in which value creation is described as an on-going, iterative, and continuous process extending well beyond individual transactions. In other words, the emphasis is not simply on producers or consumers but on the participation and interaction of multiple *resource integrators* connected by shared systems of *service-for-service* exchange and value creation, in markets and beyond. (Vargo & Lusch 2012.)

In addition to the inherent emphasis on the blurred distinctions between producers and consumers, the literature regarding SDL increasingly emphasizes the complexity and dynamics of value creation, especially in its recent discussions on *value-in-context* and *service ecosystems* (e.g. Lusch et al. 2010, Chandler & Vargo 2011, Vargo & Lusch 2011, 2012). The recent discussions regarding SDL orient one, not only to examine the entire process from production through consumption, but also to zoom out to the other actors, resources, structures and institutions constituting the multi-layered and nested context (*service ecosystem*) that is considered a critical dimension in the co-creation of value (*value-in-context*). The current emphasis on embedded and contextual nature of value, the importance of shared institutional logics, and the enabling and constraining interplay between structure and agency in the value co-creation process points toward a link between SDL and the on-going work in CCT.

Despite what Arnould (2007) has termed *the natural alliance between CCT and SDL*, studies unfolding the overlaps and distinctions of the two are rare. However, the integration of CCT and SDL has begun (e.g. Peñaloza & Mish 2011, Akaka et al. 2013), and the few exploratory CCT studies on value creation (Schau et al. 2009, Pongsakornrungrasri & Schroeder 2011, Healy & McDonagh 2013) suggest that cultural perspectives provide particularly useful means to elaborate on the nature of value and the process of value co-creation as currently understood in SDL. Consequently, the present study seeks to expand the understanding of SDL by incorporating a CCT-informed cultural perspective and exploring value and value co-creation in cultural context (see Akaka et al. 2013).

1.2 Research objective and questions

Leveraging insights from *Consumer Culture Theory* (CCT) (Arnould & Thompson 2005) and *service-dominant logic of marketing* (SDL) (Vargo & Lusch 2004), the purpose of the present study is to broaden the current understanding of the nature of value and the process of value creation. The aim is to apply CCT-informed cultural approach to the SDL's elaborations on co-creating value-in-context, and based on a case study of Radio Helsinki, empirically illustrate how value is co-created in a marketplace culture. The main research question is:

How is value co-created within a marketplace culture?

The main research question is approached with the help of the following sub-questions:

- *How is value and value creation understood in service-dominant logic of marketing (SDL)?*
- *How are marketplace phenomena understood in Consumer Culture Theory (CCT)?*
- *How is value co-created in the marketplace culture around Radio Helsinki?*

1.3 Structure of the research

To broaden the current understanding of the nature of value and the process of value creation, this study applies a CCT-informed cultural approach to SDL's elaborations on value co-creation. I'll begin the study by discussing SDL-literature with an emphasis on the value co-creation framework and the shift SDL has made to the understanding of the nature of value (Ch. 2.2) and the context of value creation (Ch. 2.3). This points toward a link between SDL and the on-going work in CCT, which I will discuss next (Ch. 3) to specify the cultural approach to marketplace phenomena that has potential to contribute to SDL's views of co-creating value-in-context. In the following Chapter 4, I'll provide a synthesis of these discussions and specify the theoretical framework that guides the analysis of value co-creation in a marketplace culture.

In Chapter 5, I'll sum up the methodological commitments of the chosen cultural perspective and present the methods and empirical materials applied. Within the following Chapter 6, I'll report the findings from the empirical study and abstract the practice through which value is co-created in the marketplace culture around Radio Helsinki. In chapter 7, I'll discuss and elaborate on the findings and contribution of the

study, and conclude with theoretical and practical implications, and suggestions for further research.

2 CO-CREATION OF VALUE

The concept of value has been discussed for over 2000 years. Yet, despite the various theoretical literatures in marketing, management, economics, and philosophy, the meaning and nature of value and the locus of its creation continues to be contentious. (Ng & Smith 2012.) Especially, within business disciplines, much of the theoretical discourse and debate about value creation centres on two distinct meanings of value: *use value* and *exchange value* (see Lepak et al. 2007). Although clearly linked conceptually, use value and exchange value have contributed to alternative views about value creation that emphasize consumer and producer perspectives respectively (Vargo & Lusch 2004).

Within this chapter, I'll discuss an integrative viewpoint to value and a value creation framework provided by *service-dominant logic of marketing* (SDL) (Vargo & Lusch 2004). According to SDL, value is co-created jointly and reciprocally by all actors involved in a particular exchange (Vargo & Lush 2006). Specifically, the recent elaborations on *value-in-context* (see Vargo et al. 2008) and *service ecosystems* (see Vargo & Lusch 2011) suggest a complex, dynamic and contextual perspective to value creation that points toward a link between SDL and the on-going work in *Consumer Culture Theory* (CCT) (Arnould & Thompson 2005).

2.1 Service-dominant logic of marketing

Service-dominant logic (SDL) (Vargo & Lusch 2004) is an emerging school of thought within marketing and consumer research. SDL has been considered as a theoretical proposal (e.g. Achrol & Kotler 2006, Sweeney 2007, O'Shaughnessy & O'Shaughnessy 2009), but since the publication of the first article on the subject, Vargo and Lusch themselves have emphasized that SDL is not a theory. Rather, their characterization of SDL is a mind-set or a lens through which to look at social and economic exchange phenomena so they can potentially be seen more clearly (e.g. Vargo & Lusch 2006, 2008a). This mind-set is based on the understanding of markets and marketing from a service- or process-centric, rather than from a products- or output-centric focus. More generally, SDL seeks to capture the shifting contemporary marketing thought, in which markets are seen as facilitators of on-going processes of voluntary exchange through collaborative, value-creating relationships among social and economic actors. (Vargo et al. 2010.)

What has become to known as service-dominant logic consists of a framework of foundational premises (FPs) that were introduced by Vargo and Lusch (2004) and later revised and extended through the dialogue and discussion among various scholars (e.g.

Payne et al. 2008, Merz et al. 2009, Edvardsson et al. 2011, Storbacka et al. 2012). The collaborative work around SDL continues to evolve but much of the elaboration seems to build on three subthemes that reflect the original premises: (1) the revised meaning of service, (2) a resource-based perspective of the market, and (3) the process orientation of value co-creation (Vargo et al. 2010). In the following sections, I'll briefly review the writings of Vargo, Lusch, and co-authors (2004–2012) regarding these core concepts and assumptions that are central to the changes that SDL has made to perceptions of value and value creation. In addition, a list of all premises with brief explanations by Vargo and Lusch (2008a) is presented below (Table 1).

Premise	Explanation/justification
FP1 Service is the fundamental basis of exchange	The application of operant resources (knowledge and skills), "service," is the basis for all exchange. Service is exchanged for service
FP2 Indirect exchange masks the fundamental basis of exchange	Goods, money, and institutions mask the service-for-service nature of exchange
FP3 Goods are distribution mechanisms for service provision	Goods (both durable and non-durable) derive their value through use – the service they provide
FP4 Operant resources are the fundamental source of competitive advantage	The comparative ability to cause desired change drives competition
FP5 All economies are service economies	Service (singular) is only now becoming more apparent with increased specialization and outsourcing
FP6 The customer is always a co-creator of value	Implies that value creation is interactional
FP7 The enterprise cannot deliver value, but only offer value propositions	The firm can offer its applied resources and collaboratively (interactively) create value following acceptance, but cannot create/deliver value alone
FP8 A service-centered view is inherently customer-oriented and relational	Service is customer-determined and co-created; thus, it is inherently customer-oriented and relational
FP9 All economic and social actors are resource integrators	Implies that the context of value creation is networks of networks (resource-integrators)
FP10 Value is always uniquely and phenomenologically determined by the beneficiary	Value is idiosyncratic, experiential, contextual, and meaning-laden

Table 1: Foundational premises of SDL (Vargo 2009, adapted from Vargo & Lusch 2008a)

2.1.1 From goods to service

The core premise of service-dominant logic (SDL) is that “service is the fundamental basis of exchange” (FP1, Vargo & Lusch 2008a). Vargo and Lusch (2004, 2008) define this key assumption of SDL in relation to what they call *goods-centred* dominant logic. SDL questions this traditional logical foundation for understanding exchange and value creation in terms of manufacturing and provision of tangible or intangible *units of outputs* (i.e. goods and services). In SDL, the concept of *service* – the process of doing something for another party – transcends both goods and *services* (plural), and mutual service provision – service for service – is considered a common denominator of all exchange. (Vargo & Lusch 2008b.)

SDL builds on rethinking of the traditional goods-dominant (or *firm-centric*, see Prahalad & Ramaswamy 2004) approach to exchange, founded in a time when markets

and marketing were mainly concerned with distribution of tangible commodities and manufactured goods. However, SDL is not simply justified by the fact that many national economies have now become *service economies* where services are overtaking goods in economic activity (Vargo & Lusch 2008a). Rather, SDL holds that the service foundation of *all* exchange is becoming increasingly apparent as less of what is exchanged fits the conventional manufactured-output classifications. While goods-dominant logic is concerned with the increased need to deal with the differences between tangible and intangible types of output in the new service economy, SDL redirects the discussion from goods-versus-services dichotomy through offering a different conceptualization of service. (Vargo et al. 2010.)

According to Vargo and Lusch (2008b), the conceptualization of service is the most critical distinction between the goods-dominant logic and SDL. In SDL, *service* is differentiated from the plural *services*, which implies a type of good characterized by qualities of intangibility, heterogeneity, inseparability, and perishability (see e.g. Zeithaml et al. 1985). In contrast to the concept of services as traditionally employed in goods-dominant logic, service is not an output but a process defined as the application and integration of resources for the benefit of another actor (Vargo & Lusch 2008b). This way SDL does not consider service to be a substitute for goods, but the process of providing service for (an in conjunction with) another party – directly or indirectly through a good – in order to obtain reciprocal service, has always been the foundational basis for all exchange. For SDL, service is an inclusive term, with goods representing distribution mechanisms for the process of mutual service provision. Thus, SDL represents a shift in the logic of exchange, not just a shift in the type of product that is under investigation. (Vargo et al. 2010.)

2.1.2 *Operant and operand resources*

From SDL perspective, service occurs through the application and integration of resources. Importantly, there is a change in perspective on resources as well. Whilst the traditional goods-centred view builds on the conceptualization of static and fixed natural resources that are to be captured for advantage, SDL views resources also as intangible and dynamic functions of human knowledge and skills (Vargo & Lusch 2004). In general, by shifting from units of output to the collaborative process of using competences for and with another party (i.e. service), SDL refocuses the purpose of exchange from the acquisition of resources that can be acted upon to the generation and integration of those that can be used to act (Vargo et al. 2010).

SDL makes a fundamental distinction between two broad categories of resources: (1) *operand resources* and (2) *operant resources* (Constantin & Lusch 1994, cited in Vargo

& Lusch 2004). Within the original article, Vargo and Lusch (2004) argued for the primacy of the latter, and the term was included in the FPs later (FP4, Vargo & Lusch 2008a). According to Vargo et al. (2010), the distinction between operand and operant resources is now one of the hallmarks and most critical differences between SDL and goods-dominant logic. Almost by definition, goods-dominant logic focuses on operand resources that are usually tangible, static resources (i.e. raw materials or physical products) on which an operation or act is performed to produce an effect. Operant resources, on the other hand, are the ones that produce effects and are perceived primary in the process-oriented SDL. This type of resources is likely to be intangible and dynamic functions of human knowledge and skills employed to act on operand (and other operant) resources – they *are* not; they *become*. (Vargo & Lusch 2004.)

SDL shifts the focus of marketing and, more generally, markets away from the production and distribution of goods (i.e. operand resources) toward service, the process of using competences (i.e. operant resources) for the benefit of another party, as the basis of exchange. Thus, the ability to compete in the market is a function of how one firm applies operant resources to meet the needs of customers relative to other firms applying such operant resources (Vargo et al. 2010). However, the primacy of operant resources is not limited to those of the firm. Since the initial publication of SDL (Vargo & Lusch 2004), the recognition of *resource-application* was reinforced with the idea of thinking about service provision in terms of *resource-integration* (Vargo & Lusch 2006). This term highlights the interdependent relationships that drive service-for-service exchange and blurs the distinction between separate actors; firms and customers or organizations and individuals (Vargo & Lusch 2008a).

Vargo and Lusch (2006) introduced a new foundational premise to SDL, which stated, “Organizations exist to integrate and transform micro-specialized competences into complex services that are demanded in the marketplace”. In focusing on the integration of operand and operant resources through which service occurs, they almost immediately realized that the resource-integrating role of providers is equally applicable to customers as well. As “it is the unique application of these uniquely integrated resources that motivates and constitutes exchange, both economic and otherwise”, also individuals and households are essentially being resource integrators (Lusch & Vargo 2006.) Later, Vargo & Lusch (2008a) revised the new premise to be “all social and economic actors are resource integrators” (FP9). The term *actor* was adopted from business-to-business marketing (e.g. the IMP group, see Ford & Håkansson 2006) to designate generic resource-integrators without separating them or assuming one is a consumer and one is a producer. Thus, the premise is central in refocusing the understanding of value creation away from a unidirectional, chainlike process to the integration of dynamic and interconnected processes that make up complex systems of service-for-service exchange (Vargo et al. 2010).

2.1.3 *Value co-creation*

The creation of value is considered the key purpose of all exchange. In general, by placing service through resource integration at the centre of exchange phenomena as explained before, SDL implies that value is created collaboratively in interactive configurations of resource-integrating actors. In other words, SDL holds that resources do not have value *per se* and the roles of producers and consumers are not distinct, which orients to examine the whole process of mutual service provision as the essential source of value. Building on the work of many others exploring how marketplace actors co-create value in service (e.g. Prahalad & Ramaswamy 2004, Grönroos 1994), Vargo and Lusch (2006) used the phrase *value co-creation* in conceptualizing the effect of this process.

In the original premises of SDL, Vargo and Lusch (2004) viewed customers as *co-producers* to re-evaluate the idea of value being embedded in tangible goods and to redefine the process of value creation. Later they changed this view into customers as co-creators of value (Vargo & Lusch 2006) and recently, the co-creation model has been extended to all actors tied together in shared systems of exchange (e.g. Vargo 2011). In this sense, SDL represents a drastic departure from goods-dominant logic, which limits the understanding of value creation to the firm's production and operational activities and conceptualizes value based on the output of the firm (see e.g. Porter 1985). Clearly, in a collaborative model of value creation, one party does not produce value while the other consumes value. Rather, SDL holds that each party reciprocally creates value, and brings their own unique resource accessibility and integrability into the process (Vargo & Lusch 2008b).

In contrast to the goods-dominant logic, which treats value as something that is produced and sold (*value-in-exchange*), SDL stresses a process where providers (e.g. firms) can offer their applied resources for value creation (*value propositions*) and collaboratively create value, but cannot create and/or deliver value independently (Vargo et al. 2010). This type of value is largely dependent on individual circumstance and determined uniquely by the beneficiary (*value-in-use* or *value-in-context*) but the venue of value creation is found in value configurations – interactions among economic and social actors – and value is co-created among systems of exchange, at various levels of aggregation (Vargo & Lusch 2008a). In other words, all participants contribute to the creation of value for themselves and for others in an ongoing, iterative, and continuous process that extends well beyond individual transactions (Vargo & Lusch 2012). In the rest of the chapter, I'll elaborate this perspective on value (co-) creation and discuss the changes SDL has made to the understanding of the nature of value and the context of value creation in more detail.

2.2 Nature of value and value creation

Value as a concept is central to service-dominant logic, according to Vargo and Lusch (2012), perhaps the most central concept. Three of the previously reviewed foundational premises directly involve value: “the customer is always a co-creator of value” (FP6), “the enterprise cannot deliver value, but only offer value propositions” (FP7), and “value is always uniquely and phenomenologically determined by the beneficiary” (Vargo & Lusch 2008a). Moreover, FP9 (“all social and economic actors are resource integrators”) defines the process that underlies value creation, and all other FPs indirectly deal with some aspect of value (Vargo & Lusch 2012). Consequently, within this thesis, SDL is adopted as a value creation framework as suggested by Vargo (2011). In other words, the focus is less on SDL’s potential contribution to a paradigm shift in general marketing theory, and more on the shift it has made to the understanding of value and value creation.

According to Vargo et al. (2008) there are two general meanings of value, *value-in-exchange* and *value-in-use*, that reflect different ways of thinking about value and value creation. While the first generally represents the monetary value associated with a transaction and is typically captured by the price the customer pays for the benefits of a market offering, the latter represents a customer’s subjective evaluation of those benefits (Ordanini & Parasuraman 2012). As said before, SDL suggests a departure from firm-customer as well as producer-consumer distinction, and argues that all participants contribute to the creation of value for themselves and for others. Likewise, the two alternative meanings are potentially extended to a more descriptive *value-in-context* (e.g. Vargo et al. 2008, Chandler & Vargo 2011, Vargo & Lusch 2012). In the following sections, I’ll discuss nature of value and value creation in relation to each of the three meanings.

2.2.1 Value-in-exchange

The traditional goods-dominant view assumes the centrality of value-in-exchange (e.g. Vargo & Lusch 2008b, 2012). The essence of goods-dominant logic is that value is created (or manufactured) by a firm and distributed in the market, usually through exchange of goods and money. In other words, a firm’s production process is assumed to embed value or utility into a good, and the value of the good is represented by the market price or what the consumer is willing to pay. (Vargo et al. 2008.) This conventional view was inherited to marketing and consumer research from economics where Adam Smith (1776, cited in Ng & Smith 2012) helped to foster the emphasis on value-in-exchange with his classic work on the wealth of nations. Using Smith’s work

as foundation, the meaning of value as exchange value became the cornerstone of economic thought, culminating in marginal utility theory (Ng & Smith 2012). This continues to underpin contemporary business disciplines and dominates the mainstream view of value-creation in the *value-chain model*, first popularized by Porter (1985).

The concept of value-chain illustrates well the goods-dominant view where the value exchange is separated from the value creation process (e.g. Prahalad & Ramaswamy 2004, Ordanini & Parasuraman 2012). According to the value-chain model, value is added along a sequence of dyadic exchanges in a vertical chain with firms (producers, suppliers, distributors, etc.) as main actors who create incremental value at each intermediate link in the chain. The final stage in the chain is the exchange of value between a firm and a customer who absorbs the cumulative value created through the act of purchase. (Ordanini & Parasuraman 2012.) That is, the value chain and other conventional models of value creation depict production and operational activities and conceptualize value based on the output, price or value-in-exchange (Akaka et al. 2012). Moreover, the meaning of value as value-in-exchange is developed around differentiated roles of distinctly labelled, opposing actors with the basic implication of firms creating value and consumers destroying (consuming) this value (Vargo & Lusch 2012).

One of the major issues and limitations related to value-in-exchange, and goods-dominant perspective in general, is that the process of value creation is centred on firm activities and is taken out of context from the market and society (e.g. Vargo & Lusch 2004, Prahalad & Ramaswamy 2004). Value is measured based on the exchange that happens when producers sell and consumers buy a good, which limits the consideration of market relationships to dyadic interactions and discrete transactions while the related models of exchange and value creation focus on the production and distribution of tangible, static resources (Akaka et al. 2012). Service-dominant logic does not omit the importance of value-in-exchange or the market price but contends that the creation and exchange of market offerings (tangible or intangible) for money only reflects economic value (e.g. Vargo et al. 2008). In particular, SDL holds that offerings are not embedded with value or utility (value-in-exchange) but rather value (value-in-use or value-in-context) occurs when the offering is *used* and *integrated* with other resources (e.g. Vargo & Lusch 2012).

2.2.2 Value-in-use

SDL, and consumer research by and large, are tied to *value-in-use* meaning of value (e.g. Vargo & Lusch 2008b, 2012). A growing collection of literature has discussed the creation of value that continues outside the functions of a firm and suggests that value is

not created by a firm's output; rather it is determined by customers or actors who will become the beneficiaries of the offering through the process of use (Grönroos 1994). Stated alternatively, the beneficiary is not a passive evaluator of goodness in the experience but an active participant in its creation within the experience, which shifts the meaning of value and the process of value creation from company-centric view to personalized consumer experiences (Prahalad & Ramaswamy 2004). In SDL, Vargo and Lusch (2008a) made this experiential nature of value and value-in-use interpretation an explicit part of the co-creation model through adding a new FP that suggests, "the beneficiary always uniquely and phenomenologically determines value".

Through locating value within the phenomenological experience of the beneficiary, SDL builds on Holbrook's (1999) focal concept of value as an *interactive, relativistic preference experience*. This definition implies that value is collectively produced but subjectively experienced as the evaluative and experiential qualities between some subject and some object are specified among the chief features of value (Holbrook 1999: 211). Essentially, SDL states that every incidence of service exchange creates a different experience and that the assessment of its benefit (value) must be determined in relation to, if not by, the beneficiary (Vargo & Lusch 2012). Thus, as discussed before, a firm or any other actor cannot deliver value to other actors but merely offer value propositions, and if accepted, become a party to value co-creation.

As noted, SDL argues for understanding value through participation of the beneficiary. However, this involvement might include, but extends beyond unidirectional *using* of firm's output; value co-creation model is based on multidirectional resource integration, where all parties uniquely apply and integrate multiple resources for their own benefit, and for the benefit of others. These simultaneous exchange processes that occur across actors during service provision point towards a complex series of mutual service-providing, value-creating relationships where all actors are both providers and beneficiaries (Vargo 2008). That is, a single instance of exchange often creates multiple instances of value (Vargo & Lusch 2012). Value-in-use seeks to capture this beneficiary centred and phenomenological view on value but the term seems to have at least subtle goods-dominant connotations (e.g. Vargo 2008, Vargo et al. 2010).

SDL's conception of value-in-use, although clearly improved from value-in-exchange, has sometimes been misunderstood as referring to value in terms of utilitarian or functional benefits (cf. embedded value, *value-in-exchange*) or as a restatement of consumer orientation (Vargo et al. 2010). Particularly, research has implicitly regarded value-in-use meaning of value, as an individualized perception that is apparently independent of the context in which the reciprocal service provision takes place (Edvardsson et al. 2011). In other words, value-in-use focuses on the use behaviour of the beneficial actor but does not explicitly acknowledge the context that frames the

exchange, service, and the potentiality of resources from “the unique perspective of each actor, and from the unique omniscient perspective of the entire *service ecosystem*” within which the actor is embedded (Chandler & Vargo 2011). For this reason, the concept of value-in-use has been lately revised to *value-in-context* (Vargo et al. 2008, Chandler & Vargo 2011).

2.2.3 *Value-in-context*

SDL implies that value is fundamentally derived and determined in use through the multidirectional integration and application of resources (e.g. Vargo 2008). Because every actor itself integrates resources through service-for-service exchanges with other actors as discussed before, the value creation space extends well beyond the direct actor-to-actor exchange such as the firm-customer dyad. Vargo et al. (2008) proposed the concept of *value-in-context* to explicate this contextual nature of value-in-use and argue that “the context of value creation is as important to the creation of value as the competences of participating parties”. Chandler and Vargo (2011) elaborate the concept further and propose three levels of context that coincide with fundamental processes of value co-creation.

Chandler and Vargo (2011) define context as *a set of unique actors with unique reciprocal links among them*. Simultaneous service-for-service exchanges directly and indirectly join actors together as dyads, triads and complex networks throughout and beyond a particular context. As a result, an individual exchange or an instance of value co-creation is a function of its embeddedness within multiple levels and layers of context. Chandler and Vargo’s multilevel perspective of context includes *micro*, *meso*, and *macro levels*, and a dynamic *meta-layer*. Each level of context frames service-for-service exchange in a way that informs value co-creation uniquely at that level and together they simultaneously evolve in the meta-layer. Thus, as actors interact to co-create value for themselves and for others, they not only contribute to individual levels of value, but also to the formation, or *contextualization*, of a larger value-configuration space. (Chandler & Vargo 2011.)

According to Chandler and Vargo (2011), the meta-layer covers all the levels of service-for-service exchanges such that they together constitute *service ecosystems*. Recently, Vargo and Lusch (2011, 2012) have elaborated this service-ecosystems approach in SDL to broaden the view on value co-creation through dynamic and interconnected relationships of interaction and resource integration. In this view, service ecosystem is “a spontaneously sensing and responding spatial and temporal structure of largely loosely coupled, value-proposing social and economic actors interacting through institutions, technology, and language to (1) co-produce service offerings, (2) engage in

mutual service provision, and (3) co-create value” (Lusch et al. 2010). In other words, service ecosystems are defined as relatively self-contained, self-adjusting systems of resource-integrating actors connected by shared institutional logics and value creation through service-for-service exchange (Vargo & Lusch 2012).

To conclude, the concept of value-in-context centres on value that is derived and determined in a particular context and the related service-ecosystems view of value co-creation sheds a light on the collaborative formation of the context itself (Chandler & Vargo 2011). More specifically, the current emphasis of SDL is on the contextual nature of value and the importance of shared institutions and structures that both influence and are influenced by individual efforts to integrate resources and co-create value through interaction and exchange among actors (Vargo & Lusch 2011, 2012; Edvardsson et al. 2011, 2012). Next, I’ll discuss how this view has been elaborated with regard to the ways to conceptualize and analyse the context of value creation.

2.3 Context and value creation

A key element of service-dominant logic (SDL) (Vargo & Lusch 2004) is a value co-creation framework in which all actors are resource integrators, tied together in shared systems of exchange (Vargo 2011). In addition to the inherent emphasis on the blurred distinctions between producers and consumers, the literature regarding SDL increasingly emphasizes the complexity and dynamics of value creation, especially in its recent discussions on *value-in-context* and *service ecosystems* (e.g. Lusch et al. 2010, Chandler & Vargo 2011, Vargo & Lusch 2011, 2012). That is, SDL orients one not only to examine the entire process from production through consumption but also to zoom out to the other actors, structures and institutions that are part of the (co)-creation of value (Vargo & Lusch 2012). Actors and their available resources constitute a multi-layered and nested context that is considered a critical dimension in value co-creation (Vargo & Lusch 2011, 2012; Akaka et al. 2012; Edvardsson et al. 2011, 2012).

According to Vargo and Lusch (2011), there has been a significant amount of activity in both business and social disciplines that can contribute in various ways to thinking about context and value creation as implied by SDL. To increase the understanding of *how* value is co-created, SDL has primarily drawn from two existing approaches to conceptualize and analyse the value-creation configurations: *networks* (e.g. Lusch et al. 2010, Chandler & Vargo 2011, Akaka et al. 2012) and *service systems* (e.g. Vargo et al. 2008, Vargo & Lusch 2011, Edvardsson et al. 2012). Within this chapter, I’ll discuss the way both have been extended through the current conceptualization of *service ecosystems* that explicitly reconsiders what are considered as the main components of value co-creation – exchange, relationships, resources and

value (Akaka et al. 2012) – and could arguably avail itself of alternative approaches to analysis.

2.3.1 Network

Network approach to the context of value creation originates from business-to-business marketing where networks, interactivity, and relationships started to replace the dyadic perspective and the one-way flow models before mainstream marketing thought (e.g. Vargo & Lusch 2008b). Network theory, as studied in business marketing, has largely focused on interaction between industrial sellers and buyers but some scholars have acknowledged its applicability for all of marketing (e.g. Håkansson & Prentice 2004, Gummesson 2006). The related actor-to-actor orientation is adopted within SDL as discussed before, and according to Lusch and Vargo (2006), the notion of interactive supplier networks and constellations, where the process of resources is not linear or controlled by any one actor, is similar to the resource-integration concept of SDL. They argue that the understanding of value co-creation implicitly implies networks of resources and resource-providing actors, and suggest potential cross-fertilization of SDL and network-related literature.

Recently, Akaka et al. (2012) have elaborated the study of networks as a complementary view for conceptualizing and measuring properties of service ecosystems, and propose that value co-creation is best understood in the context of dynamic networks. They suggest that the literature on networks in marketing and related areas provides a means for measuring interconnected relationships, interaction, and influence, among multiple actors in service ecosystems, particularly markets. However, as noted by the authors themselves, “networks should be observed and analysed through an S-D logic ecosystems lens in order to better understand the dynamic realities and underlying mechanisms driving market exchange”. Based on a review of SDL literature, they argue that networks mediate value co-creation because they enable and constrain access to resources and help to shape and reshape social contexts in which value is co-created.

Similarly to Akaka et al. (2012), Lusch et al. (2010) footnote “value networks” as service ecosystems to include the adaptive and evolutionary characteristics, which are not typically included in networks literature. Moreover, Chandler and Vargo (2011) refer to networks but, like discussed before, consider network-level as an individual service effort within a wider service ecosystem. Thus, as Vargo and Lusch (2011) note, networks might contribute to understanding of the complexities of relationships among actors and resources, but as such they seem to lack critical characteristics value-creation configurations that are potentially self-adjusting and thus simultaneously functioning

and reconfiguring themselves: “networks are not just networks (aggregations of relationships); they are dynamic systems.” Consequently, *service systems* are another common way to conceptualize the context of value co-creation.

2.3.2 *Service system*

In the original formulation of SDL, Vargo and Lusch (2004) didn’t use the term service system that has been later commonly proposed as a unit of analysis for the interactive configurations of mutual exchange and the context of value co-creation (e.g. Vargo & Lusch 2008a, Vargo et al. 2008). The study of value creation among service systems originates from *service science* that has been characterized as the study of service systems defined as dynamic value co-creation configurations of resources (i.e. people, technology, organization, and shared information) connected to other service systems by value propositions (Maglio & Spohrer 2008). Service science aims to create a basis for systematic service innovation for business and societal purposes but is arguably enriched by and enriching of SDL’s orientation to service and value creation (e.g. Maglio & Spohrer 2008, Vargo et al. 2008, Vargo & Lusch 2011).

The general systems theory provides a foundation for thinking about the formal structure of service systems but also implies that service systems are evolutionary, complex adaptive systems with emergent properties (e.g. value creation) (Maglio et al. 2009). Consequently, compared to networks, almost all contemporary definitions of service systems include reference to the dynamic role played by actors and other resources during value co-creation (Edvardsson et al. 2012). For example, within service science, the purpose is not only to categorize and explain the many types of service systems that exist but also how service systems interact and evolve to improve their circumstance and that of others (see Maglio & Spohrer 2008). From SDL perspective, these service systems can be individuals or groups of individuals that survive, adapt and evolve through service-for-service exchange and resource integration, and thus co-create value for themselves and for others (Vargo et al. 2008). Value co-creation among service systems is illustrated below (Figure 1).

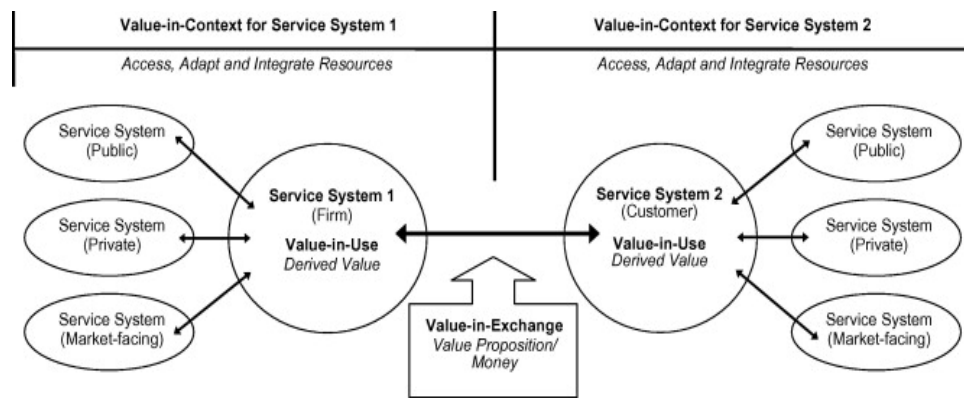


Figure 1: Value co-creation among service systems (Vargo et al. 2008)

According to Vargo et al. (2008) service systems depend on other service systems and by allowing integration of mutually beneficial resources, improve adaptability and survivability for all systems engaged in exchange. That is, value co-creation is not limited to the activities of any one exchange or a dyad of service systems but occurs through the integration of resources with those available from a variety of service systems as illustrated in the Figure 1 (Vargo et al. 2008). Service systems are simultaneously functioning and reconfiguring themselves as each instance of resource integration changes the nature of the system to some degree and thus the context for the next iteration and determination of value creation at the tensions of micro and macro pulls (Vargo & Lusch 2011). In other words, engaging in a transaction in the market means buying into a complex series of mutual service-providing, value-creating relationships (Vargo 2009) that unfold into larger macro-systems (Vargo et al. 2010).

Recently, value co-creation among service systems or *value-creating systems* seems to have grown increasingly complex regarding their contextualization (e.g. Höglström & Tronvoll 2012, Vargo & Lusch 2012). For example, Edvardsson, Tronvoll and Gruber (2011) propose that value co-creation is best understood in the context of *complex service systems* embedded in *social system*. According to the authors, value co-creating actors draw upon service system in general and social structures, systems and forces in particular, which enable and constrain the service exchange (Figure 2). In this context, value refers to a multifaceted phenomenon that is uniquely and socially constructed between particular actors, including how value is perceived. Through applying key concepts of social construction theories (e.g. Giddens 1984) and SDL, the authors contend that value is created in reciprocal, adaptive, social context and should hence be viewed as *value-in-social-context*.

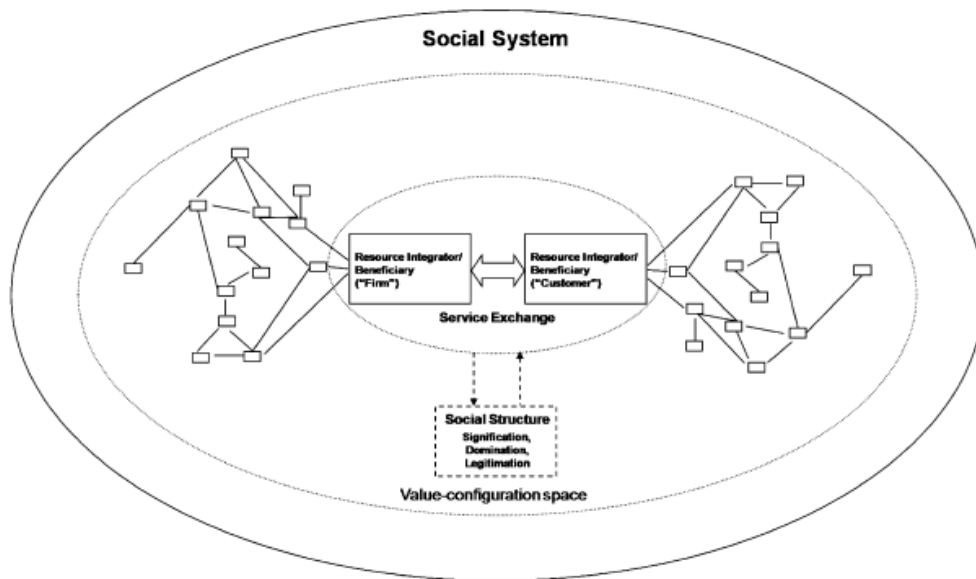


Figure 2: Service/social systems (Edvardsson et al. 2011, adapted from Vargo 2009)

Building on this view, Edvardsson, Skålen and Tronvoll (2012) continue arguing that a wider social approach is necessary for understanding complex service systems. In particular, the proposed framework of service systems focuses on interdependencies between (social) structures and (service) practices using the vantage point of *structuration theory* (Giddens 1984) in which social forces and human action assume a prominent role. The focus is not on resources and connections between them per se (cf. service science) but resources are viewed both as embedded and becoming in a specific structure. In other words, service system is conceptualized as recreation and transition of structures, and value as an actor-related social construction. (Edvardsson et al. 2012.)

Similarly to the elaborations on networks, SDL has put forward a somewhat different view of service systems compared to the concept's origins in service science. In addition to the emphasis on the dynamic role played by actors and other resources during value co-creation, the recent SDL-informed definitions of service systems include an institutional component, which is not the case in the service science literature (Edvardsson et al. 2012). According to Vargo and Lusch (2008a), SDL applies to any service system but now they increasingly refer to *service ecosystem* (Vargo & Lusch 2011, 2012).

2.3.3 *Service ecosystem*

According to Vargo and Lusch (2012), the contextual nature of value includes institutions and other socially constructed resources. That is, value co-creation in *service ecosystems* relates to behaviours driven not only by connections between (potential) resources but also by rules that govern resource exchange, combination, and, to some extent, the determination of value. These structures are often shared across nested service ecosystems and conceptualized as both the medium and the outcome of actors' efforts to create value. In other words, within the service-ecosystems approach, the commonality of structures both enables and constrains actors who act within and create structures in the process of value co-creation. (Vargo & Lusch 2012.) Consequently, in line with previously discussed elaborations by Edvardsson et al. (2011, 2012), Vargo and Lusch (2011, 2012) discuss the existing understanding of social structures and suggest that the service ecosystems perspective should avail itself of sociology-based approaches to analysis.

Sociology-based *social construction theories* (see Edvardsson et al. 2011) understand all activities (including exchange, resource integration and value co-creation) as enabled and constrained by wider social structures and systems, highlighting that neither structures nor individual actors can operate without the other. According to Vargo and Lusch (2012), the resource-integrating actors with shared institutional logics conceptualization of service ecosystem coincides especially with the structuration theory (Giddens 1984) that posits so-called *duality of structures*. Duality of structures refers to the process of social construction in which institutional realm and action realm are intertwined in a reciprocal relationship (Giddens 1984). Using the concept of service ecosystem, Vargo and Lusch (2011, 2012) seek to capture a similar dualistic, dynamic, resource-integrating (through service exchange), enabling, and constraining interplay between structure and agency in value co-creation.

Service-ecosystems approach to the context of value co-creation suggests that actors act within institutions and collective meanings that are part of the structure within which they exist. However, the same actors enact practices that enhance and modify these structures in the process of creating value for themselves and for others. (Vargo & Lusch 2012.) Thus, service-ecosystems approach is in line with the conceptual framework by Edvardsson et al. (2011) who use the vantage point of structuration theory in arguing that value is created in a reciprocal and adaptive social context (*value-in-social-context*, see chapter 2.3.2). The social-contextual nature of resource-integration and value co-creation implies that actors involved in resource integration are influenced by shared understandings and the rules of social conduct regarding resource assessment, the perception of value, and value co-creation but also (re-) create meaning (and thus value) from the process (Edvardsson et al. 2011).

The description and explanation given to the institutions and socially constructed resources in service ecosystems is incomplete and there are only few recent examples of studies exploring sociology of resource integration and value co-creation (e.g. Edvardsson et al. 2012, Högström & Tronvoll 2012). Therefore, Chandler and Vargo's (2011) suggestion that one should call on academic marketing's knowledge of markets to better understand the value-creation process and the embedded and contextual nature of value seems reasonable. However, as Edvardsson et al. (2011) note, the interplay between structure and agency in markets is not typically addressed through social construction theories. Rather, it seems that the field of marketing and consumer research has been increasingly interested in cultural perspectives (e.g. Arnould & Thompson 2005, Moisander & Valtonen 2006b).

While sociology-based view to service ecosystems emphasizes value as constituted via an enacted process of social construction that occurs prior to, during, and after the actual exchange and use(s) take place (see Penaloza & Venkatesh 2006), cultural approach as defined later in this study centres on cultural constitution foundational to all marketplace activity. It seems that to advance the emerging service-ecosystems approach to value co-creation, SDL could benefit from the extant research stream that has illuminated sociocultural structures and processes in and through the marketplace – *Consumer Culture Theory* (CCT, Arnould & Thompson 2005). Despite what Arnould (2007) has termed *the natural alliance between SDL and CCT*, studies unfolding the overlaps and distinctions between the two are rare. As Arnould (2007) notes, some CCT theorists may not share SDL theorists' strategic interest. However, "the parallelism makes CCT a natural resource for theorists seeking to elaborate SDL's foundational premises". Arguably, CCT theorists are in a position to develop answers to questions such as "where does value come from". (Arnould 2007.) Within the next chapter, I'll discuss the CCT-informed cultural perspective in detail.

3 CULTURAL PERSPECTIVE ON MARKETPLACE PHENOMENA

In the field of marketing and consumer research, the interest in cultural perspectives has risen significantly in the decades around the recent turn of the millennium (Askegaard & Linnet 2011). While representing a plurality of distinct theoretical approaches and research goals, Arnould and Thompson (2005) offered the term *Consumer Culture Theory* (CCT) to outline the common orientation toward the study of cultural complexity and dynamics that characterize the contemporary market environments. Drawing insights from various fields of social science, CCT has developed to an interdisciplinary research tradition for addressing cultural contingency and dynamics of consumption and other marketplace phenomena.

Within this chapter, I'll discuss a CCT-informed cultural perspective, which in the present study guides theorizing and empirical research of value co-creation. Based on the assumption that subjects and their realities are culturally constituted, the chosen perspective centres on how this constitution takes place in and through the market, and reconceptualises marketplace and marketplace activity as essentially cultural phenomena. In line with the goals of the study, the focus of the chapter is especially on a subfield of CCT research, *the study of marketplace cultures*, where the reflexive framework of culture and cultural practice has been adapted to view the complex intertwining of structure and agency within particular marketplace activities and contexts.

3.1 Cultural marketing and consumer research

Cultural marketing and consumer research has evolved over the past three decades to gain a better understanding of the cultural complexity of the contemporary market environments, often discussed in terms of consumer society or *consumer culture*. On one hand, consumer culture refers to industrial and post-industrial society where goods and services obtained through market-exchange play a key role in the construction of culture, identity, and social life (see e.g. Firat & Venkatesh 1995). On the other hand, the continuous blurring of the boundaries between market and cultural practices of everyday life (see e.g. Mackay 1997, du Gay 1997, du Gay & Pryke 2002) has resulted in a novel way of thinking about marketplace and marketplace behaviours as inherently cultural phenomena. In the following sections, I'll outline the cultural research orientation, which is taking form both in academic research and marketing practice. I'll begin by introducing two main approaches to study consumer culture as discerned by Hämäläinen and Moisander (2008), and continue with an overview *Consumer Culture*

Theory (CCT) (Arnould & Thompson 2005) and study of *marketplace cultures* that inform the theoretical positioning of this study.

3.1.1 Research on consumer culture

Culture is a complex term that has been conceptualized and studied in a number of different ways. Accordingly, research on consumer culture includes a multitude of cultural theories and research perspectives with different presumptions about what culture and cultural mean. Hämäläinen and Moisander (2008) discern two main approaches: *the critiques of consumer culture* and *cultural studies of consumer culture*. The first draws largely from Marxist discussions of capitalist society and the Frankfurt School -inspired critiques of mass culture while the latter is informed by the so-called *cultural turn* in social sciences, adopting theories and methodologies from post structuralism, contemporary cultural studies, and other related disciplines.

First, there are the critiques of consumer culture, which build on a modernist view of culture as “a fairly homogenous system of collectively shared meanings, ways of life, and unifying values shared by members of a society” (Arnould & Thompson 2005). In particular, for many of the critics drawing from the German theorists of the Frankfurt school (e.g. Adorno & Horkheimer 1944/1972), consumer culture is essentially synonymous with *capitalist culture* or *mass culture* that represent a threat for the traditional social order. In other words, consumer culture is viewed as being produced and sustained by institutional arrangements, which lull people into consumption and consumer ideologies, and thus debase “real culture” and community. Consequently, within the critical account in its different forms, consumer culture has been studied as a site of hegemonic struggle, and research on marketplace phenomena has tended to be openly political. (Hämäläinen & Moisander 2008)

Secondly, from the late 1980s and early 1990s onward, there has been a growing interest in an alternative approach which Hämäläinen and Moisander (2008) refer to as cultural studies of consumer culture. Adapting views from the British cultural studies (see Turner 2003) and post-modern thinkers, the basic assumption in this stream of research is that reality, and thus the conditions for both human action and social order, are culturally constituted. On one hand, culture is about the collective structures of knowledge or *the systems of representation* (Hall 1997), which enable and constrain members of a culture to interpret and make sense of the world according to certain forms, and to behave in corresponding ways (Reckwitz 2002). On the other hand, it includes the ways in which these shared meanings are constantly being produced, reproduced, contested, and negotiated in everyday life (e.g. Mackay 1997, du Gay 1997, du Gay & Pryke 2002). Consequently, within this account, research on consumer

culture seeks to capture whatever is distinctive about the whole way of life in the contemporary society and the increasingly various ways in which cultural constitution takes place in and through the market (Hämäläinen & Moisander 2008).

Cultural studies of consumer culture tend to blur a number of traditional contradictions, most notably the one between marketplace phenomena and cultural practices of everyday life. Culture that is considered beyond the market-forces is no longer seen as the only form of “real culture” but marketplace is viewed as profoundly cultural in the sense that it invokes, mediates, and reproduces broader cultural formations, meanings, and practices embedded within different marketplace activities and contexts. To study consumer culture from this approach means a focus on cultural dynamics and complexity of marketplace behaviours. (Hämäläinen & Moisander 2008.) According to Arnould and Thompson (2005), such an orientation links the research efforts within an interdisciplinary research tradition labelled Consumer Culture Theory (CCT).

3.1.2 Consumer Culture Theory

The continually developing field of cultural research that extends methods and theories from various disciplines to studying marketplace behaviours is often referred to as Consumer Culture Theory (CCT), a term initially offered by Arnould and Thompson (2005). In their widely cited article, Consumer Culture Theory is not defined as a unified, grand theory but rather as a family of theoretical perspectives that address the dynamic relationships between consumer actions, the marketplace, and cultural meanings. CCT researchers tend to focus on consumption but at the same time they share a common theoretical orientation toward the study of cultural complexity, and explore “the heterogeneous distribution of meanings and the multiplicity of overlapping cultural groupings that exist within the broader sociohistoric frame of globalization and market capitalism” (Arnould & Thompson 2005). Thus, CCT represents cultural studies of consumer culture.

CCT arose in opposition to highly structured approaches towards consumer behaviour, and perhaps therefore the focus of much CCT research has been on the self-realizing consumer subject (Askegard & Linnet 2011). According to Arnould and Thompson (2005), CCT has advanced marketplace behaviour knowledge by illuminating sociocultural processes and structures related to (1) *consumer identity projects*, (2) *marketplace cultures*, (3) *the sociohistoric patterning of consumption*, and (4) *mass-mediated marketplace ideologies and consumers’ interpretive strategies*. Of the four listed categories of holistic CCT research, consumer culture theorists have been most eager to explore how consumers actively interpret, rework and transform symbolic

meanings and consumer ideologies (e.g. Thompson & Haytko 1997, Kozinets 2002, Thompson 2004), and use marketplace resources in their identity projects (e.g. Belk 1988, Fitchett & Shankar 2004, Schau & Gilly 2003), as the authors themselves note.

The CCT research focusing on consumer interpretive strategies and identity projects reveals the fragmented and complex nature of consumer culture which does not determine action as a causal force (Arnould & Thompson 2005). However, within a valid cultural analysis, too narrow focus on consumer agency fails to address the cultural complexity in a similar vein as focus on determining institutional arrangements (e.g. Moisander & Valtonen 2006b: 196, Askegaard & Linnet 2011). One-sided attention to consumers as self-realizing identity seekers might hinder placing the individual experience within the cultural context in contrast to the CCT's strive to "link individual level meanings to different levels of cultural processes and structure and then to situate these relationships within historical and marketplace contexts" (Arnould & Thompson 2005).

In the previously outlined cultural approach, the interest is both in conditioning cultural continuities and in cultural practices that work back on these structures. Contextually oriented CCT research has provided insight into the complex intertwining of the individual and the social in consumer culture through taking a mezzo-level unit of analysis between the wide macro-cultural structures (cf. *mass-mediated marketplace ideologies*) and individual experiences (cf. *consumer identity projects*) (Askegaard & Linnet 2011, see e.g. Schouten & McAlexander 1995, Kozinets 2001, Thompson & Troester 2002, Rokka & Moisander 2009, Arsel & Thompson 2011, Cronin et al. 2014). Thus, of the interrelated domains of CCT research, the present study is most aligned with the study of *marketplace cultures*.

3.1.3 Study of marketplace cultures

According to Arnould and Thompson (2005), the study of marketplace cultures addresses some of the most distinctive features of the marketplace-culture intersection, and thus the central theme of this study. Of the previously listed domains in CCT, it is the one explicitly concerned with cultural constitution in and through the market as the key research question is: How marketplace behaviours "re-configure cultural blueprints for action and interpretation, and vice versa" (Arnould & Thompson 2005)? The study of marketplace cultures has been able to explore this reflexive relationship through the focus on particular sociocultural contexts in which production and consumption take place (Askegaard & Linnet 2011). While one part of the stream of research has sought to unravel the processes through which consumer culture is instantiated in local, national or ethnic environments (see e.g. Penaloza 1994, Askegaard et al. 2005, Üstuner

& Holt 2007, Halkier & Jensen 2011), the other, and more relevant for this study, focuses on distinctive, fragmentary, self-selected, and sometimes transient cultural worlds that are embedded within different marketplace activities and contexts (Arnould & Thompson 2005).

The study of marketplace cultures is premised upon the idea that consumer culture is internally fragmented across a multiplicity of cultural groupings each exhibiting distinct patterns of culturally shared meanings and practices (Thompson & Troester 2002). In this sense, it has been largely influenced by the British cultural studies (e.g. Hall & Jefferson 1976 and Hebdige 1979, see Turner 2003) where the concept of *subculture* is established to describe a network of meanings, styles, outlooks, and lifestyle practices that are expressive of a particular socioeconomic milieu (Thornton 1997). Historically, the focus of interest in the various subcultural studies has been on style-based youth cultures (e.g. British punk movement in Hebdige 1979, see Turner 2003) that emanate from shared circumstances of class, ethnic, gender, and generational socialization, and are typically located within a framework of social resistance and reaction against dominant hierarchies of control (Goulding et al. 2002). However, studies of contemporary marketplace cultures, sometimes conceptualized as *subcultures of consumption* (e.g. Schouten & McAlexander 1995, Kozinets 1997, Kates 2002), have shifted the focus to a different kind of social phenomenon (Thompson & Troester 2002).

The study of marketplace cultures draws increasingly from Maffesoli's (1988/1996) ideas on *neo-tribalism* (Arnould & Thompson 2005). According to Maffesoli (1996), the potentially alienating and isolating conditions within industrial and post-industrial society have resulted in contemporary communities (*neo-tribes*). These cultural sub-groups are built around shared lifestyle interests and leisure avocations, and held together through emotional links and the commitment of their members. Also marketplace is considered a site of an active quest for this kind of alternative sociocultural arrangements (Goulding et al. 2002), and Maffesoli's views have inspired CCT researchers to launch explorations beyond the individual and macro-social levels of analysis (Cova 1997). In contrast to the tendency to emphasize either collective ideals or individual experiences in consumer culture (e.g. Askegaard & Linnet 2011), the unit of reference used in the studies informed by neo-tribalism is more a micro-social cohort of individuals bond together in loosely interconnected communities (Cova & Cova 2002).

Unlike archaic tribes or classic subcultures, the neo-tribal realities of marketplace cultures are fluid, temporary and defined only in terms of conceptual boundaries. Moreover, given the pluralistic nature of contemporary style and behaviour, people are gathering in multiple overlapping groups, in which membership is largely volitional rather than ascribed by one's sociological background or any of the established parameters of modern society. (Cova & Cova 2002.) In other words, the constellation of

meanings and practices that characterizes a marketplace culture is not uniquely grounded in a particular set of socioeconomic circumstances (Thompson & Troester 2002). Rather, being distinguished by the members shared interest or lifestyle, the collective (re)possession or (re)construction of meanings is the most potent form of a marketplace culture's existence (Cova & Cova 2002).

Consequently, CCT researchers have explored a variety of such cultural worlds to uncover the imbricated layers of cultural meanings and practice embedded within different marketplace activities and contexts (Thompson & Troester 2002). Given their practical and strategic import, the interest has been especially on self-selected groups of consumers committed to a specific product class (e.g. Sherry 1990, Thompson & Troester 2002), brand (*brand community*, e.g. Muñiz & O'Guinn 2001, Schau et al. 2009) or consumption activity (*consumer subcultures or tribes*, e.g. Cova & Cova 2001, Goulding et al. 2002). However, theoretical insights regarding cultural dynamics of marketplace have been pursued through empirical analysis of marketplace cultures ranging from sport and lifestyle groups (Celsi et al. 1993, Arsel & Thompson 2011, Cronin et al. 2014) to fan communities (e.g. Kozinets 1997, Kozinets 2001, Pongsakornrunsilp & Schroeder 2011), and online tribes (e.g. Rokka & Moisander 2009, Fyrberg-Yngfalk et al. 2013). Relying most often on market-oriented ethnographic methods, researchers have immersed themselves into marketplace contexts and phenomena by studying activity in over 100 cultural sites (Thomas et al. 2011), including Star Trek fans (Kozinets 2001), the hipster community (Cronin et al. 2014), global travellers (Rokka & Moisander 2009), Harley Davidson enthusiasts (Schouten & McAlexander 1995) and natural health consumers (Thompson & Troester 2002).

There seems to be a lack of consistency in the ways marketplace cultures are conceptualized (see Thomas et al. 2011) but according to Thompson and Troester (2002), there is no sharp theoretical distinction to be drawn between them. However, the conceptual emphasis on some sociocultural facets (ibid.) might infer rich, culturally oriented empirical analysis that characterizes the stream of research. For example, the concept of subculture might presume a coherent sub-system of meaning or a commonly shared identity, thus preventing exploration of cultural heterogeneity (Kozinets 2001). To avoid limiting the analysis to a certain presumed level of communality or divergence of meaning, this study adopts the general concept of marketplace culture. Importantly, the concept focalizes, thematizes, explores, and problematizes firm-customer or producer-consumer distinction in a similar vein as SDL (see Arnould 2007), and allows cultural analysis of various marketplace phenomena.

To conclude, the theoretical positioning of this study is based on a cultural perspective that is informed by and contributes to the existing literature on Consumer Culture Theory (CCT) and marketplace cultures. From the chosen perspective, consumer or marketplace cultures do not determine action and social order as a causal

force. Rather, the attention is directed to the cultural dynamics and complexity of marketplace and marketplace activity that are viewed as essentially cultural phenomena. In other words, based on the assumption that we live in a culturally constituted world, the broad interest is in the ways culturally shared meanings and practices frame action and are produced, reproduced, and transformed in the market. In the rest of the chapter, I'll discuss the central viewpoints concerning the dynamic relationships between marketplace contexts and activities, and cultural meanings and practices in more detail.

3.2 Cultural meanings in the marketplace

Within the previously specified cultural marketing and consumer research, cultural dynamics and complexity of marketplace activity is often discussed in terms of cultural meanings. On one hand, marketplace actors are seen as engaged in the collective structures of knowledge, which enable shared ways of ascribing meaning to the world, and thus make certain patterns of behaviour and sense-making interpretations more likely than others. On the other hand, rather than viewing people as culture bearers, CCT and the study of marketplace cultures are interested in how the culturally shared meanings and practices are produced, reproduced, and transformed through the various marketplace activities and contexts. (Arnould & Thompson 2005.)

Within the following sections, I'll present three common orientations that relate cultural meanings to marketplace phenomena. The early cultural approaches concerned with *commodification of meanings* (Chapter 3.2.1) or *transfer of meanings* (Ch. 3.2.2) tend to focus on the ways cultural meanings coming outside the market influence marketplace behaviour, or to emphasize culturally productive properties of either production or consumption. The cultural perspective adopted here seeks to move some distance away or outwards from those orientations to advance the understanding of cultural constitution in and through the market in terms of *negotiation of meanings* (Ch. 3.3.3).

3.2.1 *Commodification of meanings*

Commodification of meanings is often used to describe the ways cultural meanings encountered in the marketplace are imbued to market offerings, and thus explicable through the ways in which they are produced. Examples from such reasoning vary from the extreme accounts on market-based destruction of the residues of traditional social forms and culture (*industrialization* of culture, e.g. Adorno & Horkheimer 1944/1972) to the attempts to understand product symbolism and the acclaimed *culturalization* of

economic and organizational life, which maintain that seemingly banal products are deliberately and instrumentally inscribed with particular meanings and associations as they are produced in a conscious attempt to generate desire for them amongst end-users (e.g. Lash and Urry 1994, Schroeder 2002).

The discussion of cultural meanings in terms of commodification originates from the early critiques of consumer culture. For example, Adorno and Horkheimer (1944), two key members of the Frankfurt school, adopted the concept of *culture industry* to stress the capitalist and industrial control under which the higher purposes and values of culture would succumb to the logic of the production process and the market. On one hand, this is arguably yielding to passive and easily manipulated sphere of consumption targeted at the lowest common denominator. On the other hand, the perspective entails that commodities become free to take on a wide range of cultural associations and illusions. (see Featherstone 1990.)

On a less critical note and reflecting more contemporary conditions, for example Lash and Urry (1994) argue that economic and symbolic processes are more than ever interlaced and interarticulated. They maintain that goods and services produced across a range of sectors can be conceived of as cultural goods, in that they are produced and marketed to consumers in terms of particular meanings and associations (Lash & Urry 1994: 222). For example Solomon (2003) has examined this process and discusses the set of individuals and organizations that create and market a cultural product as a *cultural product system*. Cultural product system and its three subsystems (creative, managerial, and communication) provide the product with a symbolic set of meanings that are then conveyed to consumers (Solomon 2003: 558–559).

The focus on cultural production within market-oriented institutions provides a highly structured stimulus-response model of the marketplace as a direct link between separate and discrete spheres of production and consumption. Such an approach tends to misrecognize the broader cultural dynamics within which these institutions are constituted (e.g. Negus 1997, 2002) but marketing and consumer research in general has been inspired by the resulting inability to address the actual practices and experiences of consumption (Featherstone 1990). Importantly, also CCT can be said to have born out of dissatisfaction with too highly structured approaches to consumer behaviour (Askgaard & Linnet 2011). Consequently, the subsequent cultural approaches to the marketplace stress consumer agency.

3.2.2 *Transfer of meanings*

The increasing interest in cultural perspectives to marketplace activity has resulted in a flurry of research addressing the sociocultural, experiential, symbolic, and ideological

aspects of consumption that challenge the idea that cultural meanings are simply created within market-oriented institutions. Rather, CCT research, and cultural perspectives in general, have emphasized the culturally productive aspects of consumption and explored how consumers actively rework and transform symbolic meanings encoded in market offerings (Arnould & Thompson 2005). In this line of work, marketplace is typically conceived as a mediator between consumers and the culturally constituted world (Peñaloza 2000). Such a view was originally set forth by McCracken's (1986) *meaning transfer model*.

McCracken's (1986) meaning transfer model provides a theoretical account of structure and movement of the cultural meanings of consumer goods, which has been considered seminal in the analysis of cultural dynamics of the marketplace (e.g. Thompson & Haytko 1997, Kozinets 2001, Venkatesh & Meamber 2006). Contributing to the early studies of product symbolism, McCracken proposed that cultural meanings are not only resident in consumer goods but also in trajectory transit; first from the culturally constituted world to consumer goods and then from these goods to the individual consumers. The model specifies advertising and the fashion system as the primary cultural intermediaries through which meanings become embodied in products, while consumer rituals are identified as the means of decoding the meanings from the goods to the consumers.

On one hand, the meaning transfer model stresses consumer agency. McCracken (1986) discusses consumer rituals as opportunities to affirm, evoke, assign, or revise the symbols and meanings contained in goods, and hence to constitute the self and the world. In a similar vein, adopting the existential, phenomenological, hermeneutical or otherwise labelled focus, the general aim within CCT research has been to extract the universe of meanings applied and constructed during the processes of consumption (Arnould & Thompson 2005). However, as Askegaard and Linnet (2011) note, the orientation of much CCT research has been towards exploring a variety of contexts in which the consumer has been discovered as an agent who draws upon market-based resources in constructing his or her identity (see e.g. Belk 1988, Fitchett & Shankar 2004, Schau & Gilly 2003). To some extent, such a focus can thus be said to have served as a continuation of the psychologizing and individualizing tendency of consumer research, representing a reflexive and self-realizing consumer subject and a relative neglect of the structural foundations and limitations of the wider social and cultural context (Askegaard & Linnet 2011).

On the other hand, meaning transfer model has inspired subsequent marketing and consumer research related to *cultural intermediaries*. McCracken (1986) specifies advertising and the fashion system as the primary cultural intermediaries by whom meanings become embodied in products but the focus seems to have moved to more general linkages and mediation between production and consumption. For example,

Thompson and Haytko (1997) describe cultural intermediaries as *communicative*, instead of direct, linkages between production and consumption creating points of connection through the knowledge they possess about the discourses of culture and society. In a similar vein, Kozinets (2001) argues that cultural intermediaries are specialists of cultural production *articulating* meanings and practices related to consumption.

From the chosen cultural perspective, the problem with the meaning transfer model is that while it recognizes the collective and individual efforts of marketplace actors within the meaning system, it does not problematize the meaning-generation process but rather assumes that culture and cultural categories outside the market create the meanings and constitute the way they are transferred to consumers. However, as Venkatesh and Meamber (2006) note, the elaborations on meaning transfer view the process as less linear and more interactive. Importantly, these perspectives advance the understanding of cultural meanings, not only as being constantly in transit, but also as being constantly constituted and institutionalized, in and beyond the marketplace (Peñaloza & Mish 2011).

3.2.3 *Negotiation of meanings*

CCT and the study of marketplace cultures that inform this study advance conceptualizations of culture beyond its influences on production or consumption to recognize it as a foundational aspect of all marketplace phenomena. Based on the assumption that subjects and their realities are culturally constructed, the interest is in the shared ways to ascribe meaning to the world that frame the horizons for conceivable actions but are also continuously *negotiated* in and through the market (e.g. Thompson & Troester 2002, Rokka & Moisander 2009, Arsel & Thompson 2011, Cronin et al. 2014). In contrast to the tendency to emphasize the culturally productive activities of either producers or consumers, the focus of interest is on the ways all marketplace actors play a part in cultural production, as well as on the institutional forms and practices through which this takes place (Moisander & Valtonen 2006b: 4).

From the chosen cultural perspective, the interest is in the ways marketplace actors negotiate cultural meanings in relation to each other. For example, in subsequent papers, Peñaloza (2000, 2001) studies both marketers' and consumers' cultural production processes at a western stock show and rodeo, and concludes that the marketplace is characterized by their joint cultural production, thus implementing to the postmodern refusal to split consumption from production (see e.g. Firat & Venkatesh 1995). Although Peñaloza discusses marketer (2000) and consumer (2001) agency in separate papers, the attention is directed to the culturally productive properties of multiple

market agents as a nexus of activities and discourses that constitute the marketplace and the larger cultural world. Peñaloza conceptualizes stock show as an intersection of the activities, interactions, and imaginations of ranchers, booth exhibitors, and visitors. More generally, she suggests that contested discourses and relational practices between marketers and consumers create a prime setting for exploring the negotiation of cultural meanings.

In addition to approaching marketplace as a joint cultural production of marketplace actors, the chosen cultural perspective recognizes the established layers of cultural meanings that structure and pattern sense-making interpretations and actions in a given context. For example, Thompson and Troester's (2002) analysis of the natural health marketplace highlights a network of cultural continuities that manifest in a particular microcultural context of narratives, practices, and symbolic associations. The authors discuss this cultural content as microcultural inflections and contextualization of more generally available cultural meanings. (Thompson & Troester 2002). Thus, the joint (micro-)cultural production is framed by imbricated cultural formations that are appropriated, negotiated, and resisted in the marketplace (Moisander & Valtonen 2006b: 4).

Hence, within CCT-research that informs this study, cultural meanings are not only assumed to animate production or consumption but marketplace and activity within are viewed as essentially cultural phenomena. In addition to constituting the conditions for production and consumption, marketplace is considered to mediate and embed cultural production where marketplace phenomena integrate with an archive of culturally shared meanings. In other words, cultural continuities form a particular blueprint for action and sense-making interpretations in the market that is continuously negotiated among marketplace actors. Consequently, analysing *cultural practice* through which this negotiation is accomplished yields to important insights. Next, I'll detail the way cultural practice is conceived in this study.

3.3 Cultural practices in the marketplace

From the cultural perspective chosen for this study, marketplace is reconsidered and conceptualized as a dynamically evolving cultural context in which cultural meanings are continuously negotiated, as discussed before. In other words, action and social order, in markets and beyond, is not explained by subjective purposes, intentions, and interests of individual actors (*homo economicus*), nor by the normative structures outside the reach of them (*homo sociologicus*). Rather, in contrast to these opposing classical social-theoretical perspectives, the CCT-research that informs this study builds on the various cultural theories that highlight the significance of shared structures of

meaning and their cultural construction in order to grasp both action and social order. (See Reckwitz 2002 for a review.) More specifically, from the field of cultural theories, this study as an increasing number of studies of marketplace cultures (e.g. Schau et al. 2009, Rokka and Moisander 2009, Arsel & Thompson 2011, Halkier & Jensen 2011, Arsel & Bean 2013, Cronin et al. 2014) adapts concepts and ideas from the practice-oriented approaches (e.g. Schatzki 1996, 2001; Reckwitz 2002, Warde 2005) to deal with the arrangements and arrays of activity through which realities are apprehended, understood, organized, and conveyed in everyday life.

In marketing and consumer research, practice is commonly used as a cover term for actions undertaken by individuals (e.g. Halkier et al. 2011, Arsel & Bean 2013). In contrast to this use, the practice-oriented approaches are joined by a belief that phenomena such as knowledge, meaning, human activity, science, power, language, social institutions, and historical transformation occur within and are aspects or components of practices, or the field of practices (e.g. Schatzki 2001, Warde 2005). In this sense, the term *practice* refers to embodied, materially mediated arrays of human activity that are centrally organized around a shared practical understanding (Schatzki 2001: 2). In other words, a practice is not conceived as mere action or behaviour. Rather, as “a routinized way in which bodies are moved, objects are handled, subjects are treated, things are described, and the world is understood”, practice represents more of a pattern, which can be filled out and is reproduced by a multitude of single and often unique actions (Reckwitz 2002).

A practice – a way of working, of consuming or of making sense of the world, for example – thus forms a coordinated entity that is often abstracted as a sociocultural nexus whose existence necessarily depends on both practical activity and its representations (“doings and sayings”), and their specific interconnectedness (Schatzki 1996: 89–90). From the practice-oriented perspective, doings and sayings hang together and can be said to be coordinated through particular collective structures of understandings and material arrangements embedded in practices. Moreover, the sense of nexus is actualized and sustained through the performing of practices, which is carried out by individuals. (Ibid.) In this way, practices are always conditional upon their distinct, institutionalized, and collectively regulated conventions but also dynamic by virtue of their internal logic of operation as people in myriad situations adapt, improvise, and experiment (Warde 2005).

In cultural marketing and consumer research, the strength of practice-oriented approaches is precisely that they undermine the traditional structure-agency divide by availing themselves of features of both sides, more specifically, by inviting to regard agents as *carriers* of routinized, over-subjective complexes of bodily movements, of forms of interpreting, knowing how and wanting, and of the usage of things. As carriers of practice agents are neither autonomous choosers nor the judgemental dopes who

conform to norms but they consist in the performance of practices (Reckwitz 2002). In other words, the substantive forms of practices constrain activity and organize the context in which people act but are closely tied to individuals as well (Schatzki 2001: 5). Individual actors do not bring these sociocultural nexuses into being but contribute to their reproduction and development through performance or enactment of the established set of understandings within them (Warde 2005).

The focus of interest here is on cultural practices through which people's everyday realities are constructed and social life organized in a particular setting (Moisander & Valtonen 2006b: 195). Cultural practices are considered to be what Schatzki (1996: 98) refers to as *integrative practices*, that is, the comparatively "complex practices found in and constitutive of particular domains of social life" that bring together, in different ways, the *dispersed practices*. While dispersed practices, examples being describing, following rules, and imagining, appear in many sectors of social life and are primarily about understandings of how to do something (Warde 2005), integrative practices include a specific "order of life conditions" pursued by its participants (Schatzki 1996: 124). In other words, these practices and the shared understandings they entail are informed by and make sense only in particular contexts.

Within this study, the dispersed social, material, and discursive practices abstracted from marketplace activity gain specificity and are incorporated into complex and contextualized integrative practices in a marketplace culture. That is, marketplace phenomena within a marketplace culture are neither purely agentic nor fully unconscious or conditioned but a form of reflexivity bounded by the particular configuration of culturally constituted practices where cultural meanings are continuously negotiated. A focus on these foundational practices emphasizes the routine, collective, and conventional nature of marketplace activity while accommodating also its internally differentiated, dynamic, and relational nature (see Schau et al. 2009). In other words, such a focus dovetails with the recent elaborations of SDL on the nature of value and the process of value co-creation (see Ch. 2). Within the next chapter, I'll provide a synthesis of the reviewed SDL and CCT literature, and specify the theoretical framework that guides the empirical analysis of value co-creation within a marketplace culture.

4 THEORETICAL FRAMEWORK: VALUE CO-CREATION IN A MARKETPLACE CULTURE

The purpose of the present study is to broaden the current understanding of the nature of value and value co-creation through applying CCT-informed cultural approach to SDL's elaborations on co-creating value-in-context. This chapter summarizes the previous literature review to specify the theoretical framework that guides the empirical analysis of value co-creation within a marketplace culture.

A key element of *service-dominant logic of marketing (SDL)* (Vargo & Lusch 2004) is a value co-creation framework in which value creation is described as an on-going, iterative, and continuous process extending well beyond individual transactions. The emphasis is on the participation and interaction of multiple resource-integrating actors connected by shared systems of service-for-service exchange and mutual value creation, in markets and beyond. (Vargo & Lusch 2012.) Recently, the existing views of value creating systems (i.e. *networks*, *service systems*, and *service ecosystems*, see chapter 2.3) have grown increasingly complex regarding their contextualization and constitute an interesting point of departure for understanding *how* value is co-created. Specifically, this study builds on the idea of dynamic service ecosystems (Vargo & Lusch 2011, 2012; Akaka et al. 2012) that emphasizes embedded and contextual nature of value (*value-in-context*), the importance of shared institutional logics, and the enabling and constraining interplay between structure and agency in the value co-creation process.

According to Vargo and Lusch (2012), the resource-integrating-actors with shared-institutional-logics conceptualization of service ecosystems points toward a link between SDL and structuration theory (Giddens 1984) that describes human actions within social reality as contextual and contingent. Structuration theory, as well as other social construction theories (see Edvardsson et al. 2011), understands all activities – including exchange, resource integration and value co-creation – on the basis of wider social structures and systems that are seen as both the conditions and the outcome of human activities. In other words, structuration theory posits a *duality of structure*, in which institutional realm and human action are intertwined through the iterative and interactive process of social construction. (Giddens 1984.) Similarly, the notions of value-in-context and service ecosystem seek to capture how value is created collaboratively in interactive configurations of resources and actors (Vargo et al. 2010) where a wider context evolves relative to the individual efforts to integrate resources (Chandler & Vargo 2011). Consequently, Vargo and Lusch (2011, 2012) have suggested sociology-based approaches to analysis.

This study draws from the few examples of sociology-based studies that have explored how the duality of structures shapes resource integration and value co-creation. Noteworthy is a conceptual framework by Edvardsson, Tronvoll and Gruber (2011)

who argue for *value-in-social-context* using the vantage point of structuration theory. To reflect the existing understanding of value as interactive, relativistic, and meaning-laden in a given context (see Vargo 2008), the authors contend that “context” includes more than the resources *per se*. Rather, within the proposed framework, systems of value co-creation are not separated from but always embedded in a wider socially constructed system. In this way, resources themselves can be understood as social constructions, for value co-creating actors draw upon and actively reproduce the dimensions of social structures in their mutual service exchange. More specifically, actors involved in resource integration are influenced by shared understandings and the rules of social conduct regarding resource assessment, the perception of value, and value co-creation but also (re-) create meaning (and thus value) from the process. (Edvardsson et al. 2011.) Few recent empirical elaborations of value-in-social-context exist (e.g. Högström & Tronvoll 2012, Edvardsson et al. 2012), but as Edvardsson et al. (2011) themselves note, there is a lack of references to social construction theories in the field of marketing and consumer research to build on. Pursuing a whole new research direction is likely to provide new insights as such, but to further develop the understanding of contextual and collective dimensions of value, this study seeks to benefit from the substantial body of literature concerned with *cultural* construction of marketplace realities – *Consumer Culture Theory*.

Consumer Culture Theory (CCT) is a family of theoretical perspectives to illuminate sociocultural structures and processes related to marketplace activity (Arnould & Thompson 2005). This study adopts a CCT-informed perspective to cultural dynamics and complexity of marketplace phenomena where markets are not merely seen as mediating between consumers and the culturally constituted reality (see e.g. McCracken 1986) but profoundly cultural. That is, based on the assumption that the world we live in is culturally constructed, marketplace activity is viewed as constituted by and constitutive of consumer culture and particular *marketplace cultures*: On one hand, culture is about the collective structures of knowledge and representation, which frame members’ sense-making interpretations and patterns of (marketplace) behaviour. On the other hand, the culturally shared meanings and practices are continuously produced, reproduced, and transformed through interaction and exchanges, in markets and beyond. (Moisander & Valtonen 2006b: 9.)

Hence, similarly to social construction theories, CCT provides a framework to view the reflexive relationship between structure and agency in the value co-creation process. While the sociology-based view emphasizes value as constituted via an enacted process of social construction that occurs prior to, during, and after the actual exchange and use(s) take place (see Penaloza & Venkatesh 2006), the chosen perspective advances conceptualization of culture beyond its influences on production or consumption to recognize it as a foundational aspect of all marketplace activity. From this perspective,

individual efforts to co-create value are neither purely agentic nor fully conditioned but a form of reflexivity bounded by the particular configuration of culturally constituted practices where shared ways to ascribe meaning to the world are continuously negotiated. That is, marketplace or the context of value creation is reconsidered as a dynamically evolving cultural context. Moreover, the whole process of value co-creation can be understood as an essentially cultural phenomenon.

The theoretical framework of this study draws attention to how current thinking of SDL, especially regarding the contextual nature of value and the process of value co-creation, can be expanded through the application of a CCT-informed cultural perspective, thus locating the phenomenon within a cultural context. Figure 3 below illustrates this framework.

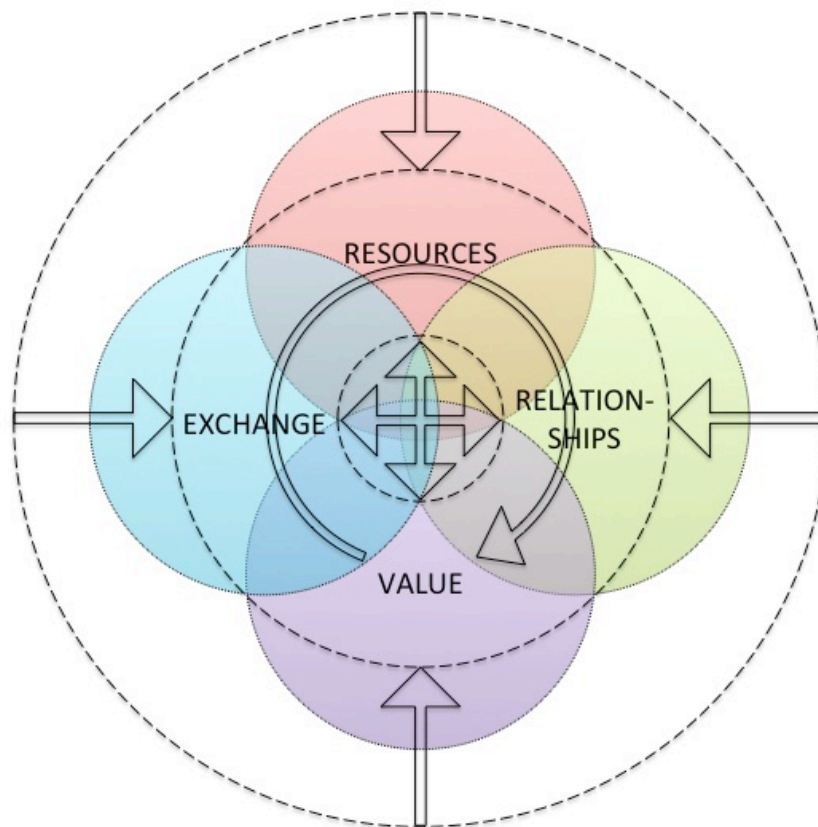


Figure 3: Value co-creation in a cultural context

Within the adopted approach, culturally shared meanings and practices are not only assumed to animate value-related marketplace activity but value co-creation is viewed as an essentially cultural phenomenon. That is, attention is directed to the cultural dynamics and complexity of the co-creation process, and its main components, value included, are understood as cultural constructions. This understanding is incorporated within the illustrated framework of this study. At the centre of the Figure 3, are the interrelated components of value co-creation through resource integration as suggested

by SDL: *resources, relationships, exchange, and value* (Akaka et al. 2012). The framework represents how they are embedded within a cultural context, and thus integrated with the shared structures of meanings and practices, and their cultural construction. In other words, the framework indicates that the process of value co-creation (illustrated by the round arrow at the centre of Figure 3) is framed by cultural continuities and is essentially about the cultural practice through which actors continuously negotiate them (illustrated by the opposite arrows in Figure 3) within a particular context.

Conforming to the recent elaborations on SDL, the framework suggests that value co-creation through resource integration not only draws on resources accessed through relationships and exchange among actors but also depends on the multi-layered and nested context. The framework delineates three interrelated levels of cultural context (by dashed lines in Figure 3): *micro, mezzo* and *macro levels* (cf. Chandler and Vargo 2011). In line with the chosen cultural perspective, value co-creation is not explained by subjective purposes, intentions, and interests of individual actors (micro-assessments), nor by the normative structures outside the reach of them (macro-assessments). Rather, the interest is in the reflexive relationship between the two. A subfield of CCT research, *the study of marketplace cultures*, has provided insights into the complex intertwining of structure and agency in consumer culture through focusing on particular sociocultural sites embedded within distinct marketplace activities and contexts (Askegaard & Linnet 2011). Adopting such a mezzo-level unit of analysis, the empirical part of this study seeks to expand the current understanding of SDL through abstracting cultural practice through which value gets co-created within a particular marketplace culture.

5 EMPIRICAL RESEARCH

The purpose of the empirical part of the present study is to explore the nature of value and the process of value co-creation from a cultural perspective that is informed by the contextually oriented stream of research within Consumer Culture Theory (CCT) (Arnould & Thompson 2005). The research problem is approached by applying the theoretical framework of co-creating value in a marketplace culture to an empirical case of co-creating value in Radio Helsinki. In line with the chosen theoretical approach and the philosophical assumptions it entails, value co-creation is investigated as a cultural phenomenon using a discourse analytic framework called *Analytics of Cultural Practice* (ACP) (Moisander & Valtonen 2006). Within this chapter, I'll sum up the methodological commitments of the chosen research perspective, present the actual data collection and analysis methods, and discuss the evaluative criteria with which to assess the quality of the study.

5.1 Methodological perspective

The theoretical framework of this study adopts a cultural perspective where all marketplace activities are seen as essentially cultural phenomena, constituted by and constitutive of cultural practices where shared ways to ascribe meaning to the world are continuously negotiated (see chapter 3). In line with this approach, the objective of the empirical part of the present study is to elaborate on the dynamics of value co-creation as currently understood in service-dominant logic of marketing (SDL) (Vargo & Lusch 2004). The objective, more specifically, is to abstract cultural practice in Radio Helsinki that empirically illustrates the nature of value and the process of value co-creation within a marketplace culture.

There is no single or fixed methodological perspective or set of methods to address culture and cultural practice in the marketplace (e.g. Arnould & Thompson 2005, Warde 2005, Moisander & Valtonen 2006, Askegaard & Linnet 2011, Halkier & Jensen 2011, Thompson et al. 2013). However, the cognitive goals and philosophical commitments that characterize the chosen theoretical position are clearly incommensurable with the positivist, quantitative approaches and with the various forms of psychologically oriented interpretive, qualitative approaches as well. The emphasis of the study is on the *qualities* of entities, and on processes and constructs that are not experimentally examined or measured in terms of *quantity*, amount, intensity, or frequency (see e.g. Denzin & Lincoln 2008: 14) but not best understood from overly individualistic and experiential perspectives either (see e.g. Moisander & Valtonen 2006, Askegaard & Linnet 2011). Moreover, the analytic focus on causal relationships as in quantitative

research or on intra-personal psychological processes and constructs (e.g. personal meanings, values, and experience) as, for example, in the popular *existential-phenomenological* (Thompson et al. 1989) or *hermeneutical* (Thompson 1997) approaches to qualitative research, would result in ontological and epistemological problems, taken the basic assumption that subjects and their realities are culturally constructed. Therefore methodologically, I choose to follow the principles of *Analytics of Cultural Practice* (ACP) presented by Moisander and Valtonen (2006/b).

Moisander and Valtonen (2006) characterize Analytics of Cultural Practice (ACP) as a discursive approach to cultural marketing and consumer research. Like discursive approaches in general, ACP builds on a constructivist position and the views of many scholars (e.g. Dreyfus & Rabinow 1983, Foucault 1972/1980, 1983) who maintain that language-in-use or discourse does not merely mirror reality but is culturally reflexive, both constitutive and meaningfully descriptive of the world and its subjects. Accordingly, ACP sets out to investigate culture and cultural practice as *a system of representation* (Hall 1997): the unit of analysis is neither an individual nor a group of individuals but the ways in which particular (marketplace) phenomena are represented or produced discursively in and through social interaction, with the help and within the limits of available culturally standardized or institutionalized discourses.

More specifically, ACP draws from two interpretive analytics for studying cultural complexity of marketplace phenomena: (1) ethnomethodology (Garfinkel 1967/1984), and (2) poststructuralist and Foucauldian discourse analysis (Dreyfus & Rabinow 1983, Foucault 1972/1980, 1983). Although ethnomethodologists and Foucauldians draw upon different intellectual traditions and work in distinct empirical registers, Moisander and Valtonen (2006) emphasize their respective concerns with documenting the cultural practice through which cultural reality is constructed, managed, and sustained in everyday life. Whereas ethnomethodology brings into the view how people “do” culture in the very actions they take to communicate and make sense of it (*discursive practices*), the parallel Foucauldian project engages the institutional context and the related systems of “power/knowledge” (*cultural discourses*) that serve as resources and constitute the conditions of possibility for what the results might be.

Through combining ethnomethodologically informed analysis of everyday *discursive practices* and Foucauldian analysis of *cultural discourses*, ACP thus addresses both the *hows* and *whats* of cultural practice as suggested by Gubrium and Holstein (2003). On one hand, the interest is in *how* reality is constructed and the particular mechanisms through which this is accomplished at the interactional level of everyday life. On the other hand, to broaden and enrich ethnomethodology’s analytic focus and repertoire, its reach has been extended to the cultural and institutional *whats* that come into play in the everyday discursive, social, and material practices: what is being accomplished, under what conditions, and out of what resources. (Ibid.) As these two dimensions of real-

world practice are mutually constitutive, the aim of ACP is to capture the interplay, not the synthesis, of discursive practice and cultural discourses (Moisander & Valtonen 2006).

On the practical level of analysis, this means that written and spoken materials are not the focus of interest in their own right but are studied simultaneously in and about the empirical context to which they orient and which they describe (see e.g. Turner 2003, Frow & Morris 2003). In other words, they are looked at as *cultural text and talk* and analysed for cultural forms (i.e. discursive practices and cultural discourses) that they realize and make available. Taken this basic methodological view, qualitative methods of data collection and analysis can be combined fairly creatively to assemble both a contextually constructive and a contextually scenic picture of language-in-use, and cultural practice more generally (Moisander & Valtonen 2006). In the next chapter, I'll present the materials and methods chosen for this study.

5.2 Materials and methods

As an empirical illustration of how value is co-created in a marketplace culture, I present findings from a qualitative case study (see e.g. Stake 2003) that focuses on cultural practice through which value is co-created in Radio Helsinki. Radio Helsinki is a small, local commercial radio station founded in 2000. What started as a short-term radio project to honour the last days of Lepakko, a place for independent youth culture functioning in Helsinki from 1979 to 1999, continued first as an online radio and received the licence for analogue radio broadcasting later. Since the beginning, Radio Helsinki has been acknowledged for the exceptional editorial and musical content promoted in contrast to mainstream radio formats, programming structures and playlists. The station has continued broadcasting in its alternative terms even when it was sold to Helsingin Sanomat Oy (current Sanoma News Oy) and became a part of multimedia group SanomaWSOY (current Sanoma Oyj) in 2005.

In line with the contextually oriented stream of CCT-research, Radio Helsinki is not studied *per se* but is approached as an empirical context for gaining theoretic knowledge about a marketplace phenomenon (see Arnould & Thompson 2005, Arnould et al. 2006). In this specific study, Radio Helsinki helps facilitating theoretical insights and constitutes a particularly fitting research site for two reasons. Firstly, the characteristics of Radio Helsinki and the ways in which various actors interact and engage in the broadcasts make it a vivid example of value co-creation. Secondly, as an essentially discursive space, characterized by technology-mediated verbal communication, it is particularly well suited for cultural research. Although Radio Helsinki does not represent the type of tight-knitted community that are often explored in (n-)

ethnographic studies (e.g. Celsi et al. 1993, Schouten & McAlexander 1995, Kozinets 2001, Rokka & Moisander 2009, Schau et al. 2009, Pongsakornrunsilp & Schroeder 2011), it provides plenty of *naturally occurring* (Lincoln & Guba 1985) data that makes cultural practice related to value co-creation salient for observation. In the following subchapters, I'll present the chosen methods regarding data collection and data analysis in more detail.

5.2.1 Data collection

From the methodological perspective chosen for this study, empirical materials are viewed and analysed as *cultural text* and *talk*, as discussed before. Such texts can take many forms but the data set of this study comprises naturally occurring materials. This type of materials, when available, is considered a particularly important source of empirical data for cultural research (Moisander & Valtonen 2006b: 70). Whereas interviews and focus groups, which have traditionally been the predominant methods of data collection also in CCT research (see Askegaard & Linnet 2011), must be viewed and analysed as cultural practice and forms of social interaction also in their own right, materials produced by the members themselves orient to cultural practice relevant to the phenomenon and its setting directly (Ibid: 71).

The primary data set consists of discussions obtained from the natural environment of Radio Helsinki – its broadcasts. The broadcasts include a wide variety of programs from talk shows (e.g. *Tukevasti ilmassa*, *Kyselytunti*) to programs built around a specific genre of music such as reggae (i.e. *Kompostiradio*) or rap music (i.e. *Koirankoppi*). After several years of listening to Radio Helsinki on a daily basis, I had a preliminary understanding of the general content of each program. In order to obtain a complete overview, I familiarized myself also with the current program map and the program-specific descriptions displayed on the Radio Helsinki webpage (see Appendix 1 for a summary).

A combination of pre-understanding and theoretical considerations guided the data generation process. For further analysis, I selected programs that would serve to explore and learn as much as possible about the cultural practice through which value is co-created in Radio Helsinki. As the content of special programs and talk shows depend greatly on their specific subjects at a given time, my focus was drawn to music programs. With a total of about 62 weekly broadcasting hours, music programs constitute the essence of the programming structure (live broadcasts start daily between 6 and 9 am, and end between 9 and 10 pm) and were thus considered to be the most appropriate source for relevant and representative discussions. A sample of those programs was recorded between October 19th and November 2nd 2012, and the initial

output of the data collection efforts consisted of approximately 40 hours of tape-recorded broadcasts. To remain focused and to be able to draw interesting interpretations from a limited set of data (see Silverman 2001), a convenient subset of the initial output was selected for textual analysis. This data is listed in chronological order below (Table 2):

Name of the program	Date and time of the broadcast
Helsingin Aamuradio	19 October 2012, 09:00–12:00
Helsingin Henki	19 October 2012, 13:00–15:00
Rakkaudesta	21 October 2012, 12:00–14:00
Helsingin Aamuradio	22 October 2012, 09:00–12:00
Pop Puutarha	22 October 2012, 12:00–13:00
Rakkaudesta	23 October 2012, 18:00–20:00
Helsingin Aamuradio	2 November 2012, 09:00–12:00
Radio Nuorgam	2 November 2012, 12:00–13:00
Helsingin Henki	2 November 2012, 13:00–15:00

Table 2: List of data

In addition to this material, the data set includes other publicly available Radio Helsinki materials, including website contents and press releases. I also made complementary observations of online discussions on Radio Helsinki's Facebook page with the purpose of gaining an overall understanding of the site where interaction and culture take place. These discussions were not downloaded for textual analysis but supported and further elucidated the impressions gained from the primary data set.

5.2.2 *Data analysis*

From the methodological perspective chosen for this study and cultural perspective in general, the purpose of data analysis is not merely to examine and make sense of the particularities of the data set but to understand and learn about the cultural phenomena that empirical materials give access to, as discussed before. Conceived in this way, data analysis is foremost a creative task that is guided by a distinct analytic attitude but cannot be relegated to a set of analytical operations and procedures imposed on the data and the culture under study. In other words, the chosen methodological perspective opens up the data through offering the particular focus, logic, and goal for the iterative process of interpretation but does not provide systematic inductive guidelines for analysis. Rather, an insightful analysis requires a fairly complex interpretive process of

matching up the data, the research phenomenon, and the theoretical approach taken to it. (Moisander & Valtonen 2006b: 101 – 113.)

Within this study, the purpose of data analysis is to expand the understanding of value co-creation as a cultural phenomenon through exploring the cultural practice and the negotiation of shared meanings through which the components of value co-creation, including value itself, are constructed in Radio Helsinki. As discussed before, within ACP, data analysis revolves around the two facets of cultural practice: cultural discourses and everyday discursive practices. Accordingly, the data set is considered as *cultural texts* that make these cultural forms available, rather than a privileged object of study in its own right. When analysing the textual data, my aim is thus to understand the logic of its production – to identify the sort of value-related discourses that are present in the context of Radio Helsinki and how they are practiced in the broadcasts.

At the start of the data analysis, I had a certain *pre-understanding* about Radio Helsinki as well as disciplinary knowledge that provided an orienting frame of reference from which I began to familiarize myself with the data set. Taken the constructivist epistemology of the cultural approach where all knowledge is perspectival, this type of pre-understanding is not regarded as an obstacle that needs to be overcome to capture the *real* state of affairs in order to come to *un-biased* understanding of the research phenomenon as Moisander and Valtonen (2006b) note. Rather, pre-understanding is considered an essential starting point from which particular questions are posed; a beginning of the dialogical process through which the pre-understanding evolves to new horizons for interpretation (Ibid: 109–110). This type of iterative process of data analysis began when the discussions in the tape-recorded broadcasts were written open into transcripts which I read and re-read several times in order to produce preliminary ideas about the nature of the data and value co-creation as a cultural phenomenon.

The analysis continued with *closer reading* of the *language* of the texts to open up the data for further interpretation. The analytical focus was set on the specific ways in which the components of value co-creation are constructed, starting with the single words, concepts, categories and rhetoric devices that were used in the texts. Although the specific techniques may differ, in cultural research interpretation is always grounded in this type of close reading and careful textual analysis (Moisander & Valtonen 2006b: 114). I tried to identify related patterns, differences and shared features in the textual data, and with a presumption of the constitutive nature of these expressions, I sought to find out in which kind of system of representation they are produced. Thus, the analysis involved contextualizing the emerging discursive elements into wider culture to arrive at a gradual interpretation of a structure and content of the discourses related to the components of value co-creation, and the discursive practice used to construct particular representation of them in the empirical context of Radio Helsinki.

During the process of analysis, the interplay between discursive practices and cultural discourses was attended by a means of *analytic bracketing*, an analytic procedure suggested by Gubrium and Holstein (2003). The objective of analytic bracketing in this context is to move back-and-forth between the two dimensions of cultural practice throughout the analysis, documenting each in turn and making informative references to the other in the process (Ibid.). In other words, the analysis was characterized by a series of bracketing moves between *hows* and *whats* of cultural practice: At one moment, I tried to be indifferent to the structure and content of available discourses in order to document their production through discursive practice. Then, in the next analytical move, I *bracketed* the interest in discursive practice to focus primarily on discourses as the conditions of cultural construction.

A practical device in analytic bracketing was *writing* that helped the back-and-forth movement in my data. Moreover, as Moisander and Valtonen (2006b) note, writing can be thought of as an analytic in its own right for the ability to facilitate the dialogical process of interpretation in general. In the process of trying to make sense of the data, I was constantly taking notes and writing down thoughts and ideas to give them concrete forms. I returned to my writings, reflected them critically and again, structured and arranged the emerging insights through writing. This way writing enabled me to transform preliminary ideas to preliminary interpretations, to revise and refine them, and to produce new interpretations. Moreover, as the practice of writing preserved my inference making, it enabled a continuing discussion on how my interpretation have come about. Thus, writing constituted an integral part of the analysing process.

Finally, it is important to note that within the chosen cultural approach, analysis and interpretation are activities that go beyond the mere stage of data analysis – the whole research process represents ways of trying to learn something new about and making sense of the phenomenon under study (Moisander & Valtonen 2006b: 102). As discussed before, cultural analysis is grounded in both theory and data. Therefore, to produce insightful and comprehensible results, the dialogical process of analysis entailed testing, challenging and revising, not only the emerging interpretations and findings, but also theoretical perspective and research design chosen for the study.

5.3 Evaluating the research

Academic research is conventionally evaluated in terms of *validity*, *reliability*, and *generalizability*. The traditional scientific sense of understanding these criteria as ways to ensure objectivity of research findings is inconsistent with the epistemological position of the chosen cultural perspective. That is, the quality of cultural research process is not improved through the procedures commonly suggested for minimizing

researcher-related bias to provide more accurate representation of the research phenomenon, such as establishing validity of findings through triangulation. Rather, from the chosen cultural perspective, the role of evaluative criteria is to serve as a basis for critical thinking and *good epistemic practice* throughout the research process as suggested by Moisander and Valtonen (2006b: 31). In this chapter, I'll briefly discuss the alternative evaluative criteria with which to assess the quality of the present study.

Validity generally refers to the truth or accuracy of the representations and generalizations made by the researcher. In the present context, this type of definition is problematic as it revolves around the objectivity of the claims of knowledge while the chosen cultural perspective stresses that both realities and the accounts on those realities are always culturally constructed. However, the claims made in the study have to be somehow in line with the data on which they are based as Moisander and Valtonen (2006b) note. This type of validity refers to *credibility* and *defensibility* of the interpretation that can't be achieved through the correct use of method alone (Ibid: 24–26.) To establish validity, I have chosen theoretical constructs and methodologies that seem appropriate for the particular research phenomenon and problems. They have placed limits on the ways in which the data set can be understood but there are still several valid interpretations on it. The adequacy and meaningfulness of my own interpretations, contribution to the existing literature, and possible new perspectives on the value co-creation is something that the research community and the readers decide on.

Reliability usually deals with the replicability of the study. From cultural perspective, knowledge is always contextual and quest for consistent findings and results becomes irrelevant. However, reliability can also be understood in terms of the overall practice of conducting research in a systematic and rigorous manner. In this sense, reliability relates to methodological as well as theoretical *transparency* that allows evaluators to draw their conclusions about the quality of the study (Moisander & Valtonen 2006b: 27–28) Accordingly, I have tried to make my research process transparent by describing and making explicit, not only the different methodological practices and processes but also the theoretical perspective and the basic assumptions on which this study is based on.

Generalizability in quantitative terms refers to predicting comparable processes or to producing general causal explanations of social phenomena and does not apply in assessing the relevance of qualitative research in general (see Denzin & Lincoln 2003). Rather, from qualitative and cultural perspectives, generalizability refers to the ways in which the insights gained in the study are relevant or transferable to contexts and situations other than the one being studied (e.g. Stake 2003). This type of *transferability* does not necessarily involve broad theoretical claims but is inferred in closer relation to the readers of the research report (Moisander & Valtonen 2006b: 29.) To improve the transferability of my study, I have described the empirical case in a detailed manner to

allow the readers to make connections between elements of the study and their own understanding and experience. Knowledge produced is contingent, situated, and partial but transferable if it invites the readers to draw conclusions and to apply the results to other contexts and situations with which they are familiar (Ibid.) This way the question of transferability also refers to the practical relevance of the study; the degree to which I succeed in providing people with new opportunities to makes sense of their everyday lives.

6 EMPIRICAL ANALYSIS

Within this chapter, I'll report the findings from the empirical study and illustrate how the components of value co-creation are constructed in the marketplace culture around Radio Helsinki. The findings reveal that in the present case, value co-creation is embedded in and mediated through a system of discourses and discursive practices which relates to all four components indicated by SDL: *exchange*, *resources*, *relationships*, and *value*. The identified themes or processes of negotiation concerning each four are discussed in turn after a brief introduction to the cultural context of Radio Helsinki that regulates the practice through which value is co-created.

6.1 Overview of the cultural context of Radio Helsinki

The context of this research is Radio Helsinki, a small local commercial radio station, which offers its listeners *"a hand-picked music selection by the best music journalists of the country, high quality discussion programmes, as well as current interviews, event tips, and news"* (Radio Helsinki 2012). Radio Helsinki started in 2000 as an extension of a temporary nostalgic broadcasting project to honour the last days of *Lepakko*, a place for independent youth culture functioning in Helsinki from 1979 to 1999. After a few months of webcasting, the station was granted an analogue licence in March 2001, and soon became known as an alternative channel for what is actually a very traditional radio programming approach: rather than counting on strict playlists and rotation systems designed for the needs of a pre-defined audience, the station re-established content diversity and the freedom and creativity of the program-makers (Ala-Fossi 2005: 211–212). Within an interview from 2003, the co-founder and then Editor-in-Chief Paula Salovaara explicates the irreverent format-free format of the station:

"Our format is the good program-makers. ... We are definitively not an underground station. Earlier everybody did radio like us! There is really nothing extremely brave about this." (see Virtanen 2003.)

As the quote above illustrates, Radio Helsinki sought to avoid defining its contents and target audiences in a way typical of contemporary commercial radios but didn't wish to be delineated by a marginal or *"underground"* label either. However, from early on, the eclectic and ambitious musical and editorial content of the channel has been promoted in contrast to the mainstream trends of the Finnish radio sector as the following quote from Salovaara illustrates:

“The trend in the radio sector is towards exact formats and firmly controlled music lists. Radio Helsinki is a positive exception and will continue to follow the original philosophy of local radios. We will stress journalism, particularly local news, culture, city planning, municipal politics, and versatile music.” (see Sanoma Group 2005.)

Within his study about the conceptions of quality in contemporary commercial radio, Ala-Fossi (2005: 205–213) describes the transformation of the Finnish radio sector that corresponded with the establishment of Radio Helsinki. The international commercial operators had entered the Finnish market in the early 1990s and introduced the American-style, streamlined music format radios such as the Contemporary Hit Radio (CHR) whose rotation systems and strict playlists focusing on popular music determined by the current sales charts had fuelled critical discussions, particularly in the Finnish music scene. However, by the turn of the millennium, the targeted approach, ratings logic, and industrial production methods provided the common basis for both commercial and public service¹ broadcasting in Finland. In this situation, Radio Helsinki has become the acknowledged counterculture of the contemporary Finnish radio – the small local commercial radio station with no formatted program flow has been awarded *Best Radio Station of the Year* 9 times between 2001–2013 in *Industry Awards Gala* organized annually as a part of the nation’s biggest music industry event *Music & Media Finland* (Radio Helsinki 2012).

Radio Helsinki operates on a local broadcasting licence, which requires a regular amount of content that deals with local matters or serves a special intergroup of the coverage area (Ala-Fossi & Holma 2010: 70). It seems clear that the “revolutionary” methods of the station serve a community of interest that isn’t reached by the targeted but yet remarkably homogenous format approaches². According to Vasunta (2007), the listeners of Radio Helsinki are a relatively homological group of educated young adults living in the metropolitan area. In total, over 40% of them hold at least a bachelor’s degree, and nearly 80 % of them are metropolitan citizens between the ages of 21 and 35 (Ibid: 69). However, as Vasunta notes, rather than emanating from the shared socioeconomic circumstances, the marketplace culture (or subculture as she calls it)

¹ i.e. Finland’s national public broadcasting company Yleisradio (YLE)

² In addition to the Contemporary Hit Radio (CHR) format of the large commercial operators, many commercial local radios target the 25–44 age group with a Finnish version of the Adult Contemporary

² In addition to the Contemporary Hit Radio (CHR) format of the large commercial operators, many commercial local radios target the 25–44 age group with a Finnish version of the Adult Contemporary format (FinnAC) focusing on soft and easy listening music (Ala-Fossi 2005: 190).

around the station emanates from the shared demand for alternative radio content. In other words, there are certain interests, tastes, and practices that both unify Radio Helsinki and its core audience, and separate them from the mainstream stations. In the following chapter, I'll trace the marketplace culture around Radio Helsinki and abstract the system of defining discourses and discursive practices in relation to the key components of value co-creation as suggested by SDL: *exchange*, *resources*, *relationships*, and *value*.

6.2 Value co-creation in Radio Helsinki

In this chapter, I'll abstract the system of cultural discourses and discursive practices through which *exchange*, *resources*, *relationships*, and *value* are constructed in Radio Helsinki. In contrast to the mere transmission of media content, the service of the station builds on the involvement of a number of resource-integrating actors and the collaborative relationships between them. In the data, Radio Helsinki is constructed as organizing interaction and *collective exchange* (Chapter 6.2.1) among the *professional program-makers* and the *active listeners* who share enthusiasm for, and knowledge of, music beyond the kind of music played on the other radios in Finland (Ch. 6.2.2). In the course of engaging in the broadcasts, they refine their personal tastes, contribute to the collective effort towards field-dependent cultural capital, *connect with the like-minded others* (Ch. 6.2.3), and hence come to co-create the *unique value-in-context* that Radio Helsinki represents (Ch. 6.2.4).

6.2.1 Exchange

The establishment of Radio Helsinki corresponded with the decline of content diversity in both commercial and public service radios in Finland (Ala-Fossi 2005: 205–213). In contrast to the mainstream adoption of the American-style streamlined music formats with strict playlists and rotation systems, the traditional programming approach of Radio Helsinki created a particularly interesting exchange environment for music-related content. With over 35 000 different songs played each year (Radio Helsinki 2012), Radio Helsinki continues to stand out in the contemporary Finnish radio market. Consequently, the data conveys a system of statements about the exceptional music content of the station resulting from an irreverent playlist-free “format” of Radio Helsinki, as the following excerpt illustrates (emphasis added):

*“Excellent music! The best thing about Radio Helsinki is that the perspective to music **doesn’t have to be narrow-minded**, thank you.”*

The listener statement above speaks for the playlist-free “format” of Radio Helsinki in making an effort **not to** delineate and define the music content of the broadcasts in some typical, “*narrow-minded*” way. This is a recurrent theme in the data. First, rather than associating the music selection to a particular kind of music, the data includes references to music, records, artists, and sounds in and beyond diverse mainstream and marginal genres of music, ranging from “*pop*”, “*rock*”, “*blues*”, “*jazz*”, “*soul*”, “*funk*”, “*hip-hop*”, “*reggae*”, “*ska*”, “*electronic*”, and “*rhythm music*” to “*techno pop*”, “*retro pop*”, “*guitar-pop*”, “*indie pop*”, “*indie rock*”, “*punk rock*”, “*post-punk*”, “*afro-punk*”, “*garage rock*”, “*progressive rock*”, “*hard rock*”, “*rhythm ‘n’ blues*”, “*rock ‘n’ roll*”, “*roots*”, “*cumbia*”, “*psychedelic*”, “*voodoo*”, “*art rock*”, “*electronic punk rock*”, “*soul-rock-pop-punk*”, “*punk-ska-soul-funk*”, and perhaps most illustratively:

“It is hard to say what kind of music this is, and actually, that doesn’t matter. Let the music speak for itself.”

This quote from a program-maker is at the heart of the identified association pattern that constructs a picture of a music selection featuring virtually any kind of music imaginable. Secondly, this content diversity stands in relation to other media for music exchange and distribution, particularly to the other radios in Finland. While the discursive elements of “*hit*” and “*classic*” are also common in the data, the rationale behind the versatility seems to lie in the inclusion of the “*marginal*” genres and music by labels and artists that are “*smaller in commercial terms*”. The data conveys that this type of music is rarely available elsewhere through the frequently related statement that it “*deserves to be played*”. In this way, the music selection of Radio Helsinki is constructed as an alternative to the mainstream music formats of the commercial and public service radios in Finland, acting as a source of meaning for both.

However, in line with SDL’s definition of service and the premise that service is the basis of all exchange (e.g. Vargo & Lusch 2008a), Radio Helsinki is not simply a provider of a diverse music selection. In the broadcasts, the played music is combined with detailed background information as well as personal views, feelings, and experiences of the program-makers, guests, and listeners as the following excerpt concerning a piece of music illustrates:

“And we will continue one more song in the jazz-mood, this time provided by Finnish musicians. Jukka Perko has released a new album Streamline Jazztet,

which means that in addition to Jukka Perko, the album features Teemu Viinikainen, Teppo Mäkynen, and Ville Herala. Personally, I think it is nice to hear jazz guitar that is not so common; originally, guitar wasn't so strongly present in jazz but has become more of a jazz-instrument over time. And Teemu Viinikainen plays it really well! Lets listen to the song called Un Poco Loco."

In this statement by a program-maker, the introduction of a new piece of music is given further significance through presenting both knowledgeable and personal insights, which are both recurrent in the data. That is, the credits of the played music (at least the name of a piece of music and its performer) are constructed as essential points of reference to further information and opinions about particular piece of music or album, artists, genres, and general music history, available or availed directly in the broadcasts. The data includes, for example, detailed presentations of different kind of albums of the week, theme broadcasts, long artist interviews, listener competitions, news and event reports, and references to the station's own monthly club event and website – all representing the basic service-providing offering of the station. In other words, Radio Helsinki is embedded within a complex system of service exchange. Moreover, as these examples illustrate, the core service of Radio Helsinki is dependent on the involvement of a number of resource integrators (e.g. Vargo & Lusch 2008a), and is hence co-created.

In addition to the program-makers that vary depending on the program (see Appendix 1 for a summary of the programs), the important resource integrators include the various studio guests that in the sample broadcasts comprise journalists of Helsingin Sanomat, artists (e.g. DJs, new indie rock band Stockers! and the musician Jukka Orma), and other representatives of the music industry (e.g. Antti Vuorenmaan, a musician running his own record label). However, above all, the data stresses the co-creative role of the listeners. Radio Helsinki has been at the forefront to adopt web-based technology to reinforce the one-way communication through its broadcast network with computer-mediated communication so that the estimated 100 000 weekly listeners (Radio Helsinki 2012) are able to share their views and engage in a dialectic interplay both with the station and with each other. In particular, *the shoutbox* – a chat-like feature on the station's website – enables the listeners to contribute to the broadcasts and to give direct comments and feedback that are often acknowledged by the program-makers and incorporated into the broadcasts, as the following excerpt illustrates:

"Lasse corrects me through the shoutbox, thank you for that, and writes: Has my doppelganger (program-maker Lasse Kurki) forgotten his homework as he speaks such crazy things or is the problem in my own ears as I think I heard you

saying that The Idle Race had developed to the Move and then to ELO (Electric Light Orchestra); the bands do were contemporary and both have two published LPs. Jeff Lynne joined the line-up of more successful Move in 1970 and together with another genius Roy Wood started to plan another project that became its first album in 1971 published Electric Light Orchestra. And that is exactly how it went, sometimes when one tries to make a long story short one might bend the facts a bit, a good correction, thank you!"

The excerpt above underlines how the service of Radio Helsinki is differentiated from the mere transmission of music-related content on one-to-many basis as with traditional mass media entertainment. Rather, the service-providing offering of the station is constructed as dependent on the interaction and collective exchange among a group of actors. The involvement of different actors and the collaborative relationships between them will be elaborated in the following chapters.

To conclude, in the situation where the most Finnish commercial and public service radios have counted on mainstream playlists and formatted program flow, the playlist-free "format" of Radio Helsinki creates a particularly interesting exchange environment because of its music-related content. In the data, the station's approach to music is constructed as an exceptional alternative to the "narrow-minded" approaches of the other media for music exchange and distribution, and the basic service-providing offering of the station builds on the idea of a music selection that features virtually any kind of music imaginable. However, the data suggests that Radio Helsinki isn't simply a provider of a diverse music selection. Rather, the service that the station represents is differentiated from the mere transmission of music-related content and constructed as dependent on the involvement of a number of resource-integrating actors and on the collaborative relationships between them, as will be elaborated in the following chapters.

6.2.2 Resources

"Radio Helsinki's Radio of the Year -award is as much the award of the listeners as it is the award of the program-makers, absolutely."

A program-maker's comment above on the Radio of the Year -award Radio Helsinki received for the 8th time at the time of the data collection (see Ch. 5.2.1) reflects a dominant discourse identified in the data that constructs the core offering of the station as a function of the program-makers and the listeners. In this section, I'll analyse in

more detail how the program-makers and listeners are represented in the data, and the activities through which they engage in the broadcasts.

6.2.2.1 *Professional program-makers*

The program-makers of Radio Helsinki are construed drawing on a dichotomy between Radio Helsinki and the mainstream radio formats where broadcast hosts or DJs have little or no influence over the structures or playlists of the programs (see Ala-Fossi 2005: 212). Within the data, Radio Helsinki is clearly differentiated from the station-controlled playlists, and related to more traditional radio DJ practice by specifying the program-makers “*may actually play whatever music they want*”, which in turn is conducive of their skills and knowledge in making a genuine effort to determine the content of the programs. With many musicians, producers, and record label staffers among them, the program-makers of Radio Helsinki are established as “*the best music journalists of the country*”. This position is negotiated in the broadcasts, as the following listener statements concerning a program-maker Lasse Kurki, also known as a musician, composer, and producer, illustrate:

”Lasse, you always play so good music! You don’t play a single song that I wouldn’t like, you are a perfect DJ.”

”Tasty and sophisticated, as always.”

The statements above illustrate how the professionalism of the program-makers is frequently expressed in terms of their skills in determining the music selection, and often related to the listeners’ personal tastes for music. However, taken the variety of musical styles broadcast on Radio Helsinki and the variety of symbolic meanings they might carry for the listeners, such juxtaposition is not always favourable as the following statements in a listener discussion concerning a piece of jazz played in Kurki’s program illustrate:

However, taken the variety of musical styles broadcast on Radio Helsinki and the variety of symbolic meanings they might carry for the listeners, such juxtaposition is not always favourable as the following statements in a listener discussion concerning a piece of jazz played in Kurki’s program illustrate:

”Lasse, please don’t play any more jazz! Yesterday Uuge (Kojola) and today Mikael (Wiik) had to be muted for that reason so please don’t do the same, otherwise we had a lovely morning and it is a pleasure and a joy to listen to your program.”

“Unlike somebody else, I would like to hear some more jazz, thank you for that we already heard. Jazz brings comfort to such a grey Sunday!”

As these comments exemplify, the music introduced and played by the program-makers is recurrently, but not always, adhered to the listeners’ personal tastes. In this example, the discussion continues and illustrates how the skills of the program-maker are related to the distinctiveness of Radio Helsinki (emphasis added):

*“Thank you for the great set, especially for the jazz-part. For the haters of jazz we have **dozens of other channels to listen to**, why to whine about a few minutes of **something different**? When it comes to me, jazz has been an essential part of my life for almost 60 years.”*

The listener comment above not only relates a listener’s trust and appreciation to hearing his favourite kind of music, but also indicates that such music is rarely available elsewhere. In other words, the excerpt illustrates how both the listeners’ taste for music and the music selection of Radio Helsinki are constructed special and distinct from those of “*the dozens of other channels*”. On one hand, the references to mainstream station’s limited playlists and indifferent or even hostile (“*haters of jazz*”) attitude to music suggest that the listeners of Radio Helsinki are not necessarily looking for a music selection that is a perfect match with their personal taste. Rather, they seem to appreciate program-makers’ skills in determining a versatile music selection, which might feature their favourite music but is foremost “*something different*”. On the other hand, this implies that the internal standards for DJ practice and persons are different as well, for the target audience is not categorized simply with its music preferences as Kurki’s comment on the opinions about the played jazz piece further illustrates:

“Some like dogs and some like cats and then there are those who like both, every way is the right way.”

The excerpt above clearly questions the possibility to approach the audience as a target group sharing the same music preferences, and rather illustrates the individualist discourse through which taste for music is constructed in the data. In this context, where the program-makers neither can nor are expected to design the music selection to the needs of a pre-defined audience, their own initiations to do the job well become critical. The following closure by Kurki illustrates how the negotiation of the program-makers’ professionalism continues on the level of commitment:

“Thank you for the feedback and sorry for everybody who wished to hear more jazz – unfortunately there won’t be any more jazz in this program but I promise to play you some great music!”

In this example, commitment, dedication, and sense of duty are explicitly expressed in connection to the music selection. More generally, standing in stark contrast to the commercial and public service radios counting on mainstream playlists rather than the expertise of the program hosts and their personal relationship to music (see Ala-Fossi 2005: 212), the data underlines the professional, journalistic, and artistic motivations and ambitions of the program-makers of Radio Helsinki, as the following statement illustrates:

“After the break we’ll continue with an excellent album by Jeff Lynne, a man best known for his work related to the Electric Light Orchestra but also for his several other music production work that we will soon hear more of. Today we have a kind of special broadcast dedicated to the producers and the idea actually came into being through Jeff Lynne, I was listening to his solo album at home which made me to rethink about music from the producer perspective.”

The statement above suggests that the music selection did not just happen but rather happened through the work of a committed program-maker taking the time and effort to become informed and to engage in various kinds of music from different perspectives. In other words, the program-makers’ desire to do good job at selecting which music to play operates via display of field-dependent *cultural capital* (Bourdieu 1984), cultural skills and knowledge accumulated through their investment in the music field, as the following excerpt concerning a *Laarin pohjalta* -album, “a forgotten masterpiece picked weekly by the program-makers of Radio Helsinki”, further illustrates:

“Laarinpohjalta -album of the week has been Moneybrother’s Blood Panic with which the band lead by Anders Wendin debuted in 2003 – an album full of excellent tracks mixing soul, rock, pop, and punk. And together with his band, this fine gentleman, Anders Wendin, has now come out with a new album as well – This Is Where Life Is – which in my understanding has been recorded in ten different studios in seven different countries, and is thus a travel diary of sorts. Sure enough, Anders and his band Moneybrother are coming to play in Tavastia (a famous music venue in Helsinki) on 26th of November. Tickets are now on sale and I’d say it’s worth the bucks if you are the least bit interested in the field of soul, rock, pop, and punk. ... I don’t know if Viktor (Brobacke) or Gustav (Bendt) are in the current line-up of Money Brother but I’m sure going to see the

band live, see you there! Here's one good reason for coming to the concert, a great song Golden Lonely by Moneybrother."

Here, the cultural capital of the program-maker, expressed through both personal and knowledgeable insights, suggests that the program-maker has a particular interest in the music field, which can be interpreted as an indicator of both skills and commitment to do a good job at selecting the music regardless of one's personal taste. Moreover, the excerpt suggests that the program-makers are not just informing and involving the listeners, but are also continuously extending their own efforts towards cultural capital, for example by attending concerts. In the ears of the relevant beholders, this adds credibility to the internal logic of judgement within the DJ practice and together with the previously discussed individualist taste discourse (in this example, the concert recommendation is presented on the condition that one is interested *in the field of soul, rock, pop, and punk*) serves as a justification for the program-makers to follow their personal taste in the music selection as well (emphasis added):

*"Because I am a great Nick Lowe -fan, I'll play another **sample** from the album Low Country."*

The excerpt above illustrates how the music selection is often presented as stemming from the internal logic of judgment of the program-maker. Here, the concept of sample can be understood as a reference to the traditional radio DJ practice and radio DJs or personalities as taste and opinion leaders who in the days before the station-controlled playlists used to play an important role in exposing artists to audiences. However, taken the individualist taste discourse identified elsewhere in the data, the concept of sample rather extends the efforts towards cultural capital to the listeners. The listeners are repeatedly encouraged to refine their personal tastes by exploring the played artists themselves (consider the previous excerpt) and to contribute their accumulated cultural capital to the broadcasts. Within the next section, I'll analyse in more detail how active listeners are constructed in the data.

To conclude, the data suggests that the professionalism of the program-makers builds on the negotiation of skill, commitment, and judgement. In the present case, these elements are embedded and mediated through the individualist discourse that circles around the concept of taste, and the meaningful dichotomy of Radio Helsinki versus the mainstream radio stations. While the mainstream stations are represented as having no particular interest in the music, the data display the music selection of Radio Helsinki grounded in professional DJ practice and persons deeply engaged in the music field and possessing a high volume of field-dependent cultural capital. Importantly, the data emphasizes that professional program-makers are continuously working towards

cultural capital and cultivating their tastes, which is not only conducive of their skills, commitment, and judgment at determining the distinctive content of the programs but also an effort that extends to the listeners who seem to be keenly interested in distinguishing their tastes from the listeners of the mainstream stations.

6.2.2.2 Active listeners

Similarly to the program-makers, the way listeners are constructed in the data revolves around the system of statements that distinguish Radio Helsinki from the mainstream radio formats. The station does not categorize the target audience with its music preferences, but from the listener perspective, it is clearly positioned as an alternative to the mainstream hit radios depicted by their relatively narrow playlists and an indifferent attitude to music as discussed before. Consequently, the data suggests the listeners are self-selected to those who share a particular interest in music distinct from that of the listeners of the mainstream radios, which in turn is conducive of their commitment to the station and willingness to contribute to the broadcasts as active co-creators.

In the data, the listeners' distinctive interest in music can be observed in the expressions of the program-makers and the listeners alike. Firstly, the program-makers provide informative details about the content of the broadcasts but often times what is being said, and in particular, what is left unsaid, reveals the underlying presumption that the listeners already know something about the subject as the following statement concerning a piece of music illustrates:

“After the break we heard Ty Segall, he is an artist who also visited Finland and Helsinki last year at Kuudes aisti -festival but here we heard his cover of Femme Fatale by the Velvet Underground, a song that Segall has now recorded because the debut album by the Velvet Underground – The Velvet Underground & Nico – was released exactly 45 years ago and will soon be celebrated with a box set, a special edition of the album, and this tribute album, which includes the cover version by Segall we just heard. Apparently, all the bands playing on the album are from the San Francisco area. Well, if one is, for example, bored with the original Velvet Underground -songs, one can listen to these peculiar covers of them”

A program-maker's statement above introduces the artist *Ty Segall* for those who have not heard of him before but it makes more sense for those who are aware of

Kuudes aisti -festival³, *The Velvet Underground*, and the band's connection to San Francisco. Particularly, the last sentence about the original Velvet Underground -songs refers to the listeners' general interest in music beyond the contemporary hits played on the mainstream radios through the explicit presumption that some of them might have listened to *Velvet Underground & Nico* from 1967 to the extent that they are bored with the original tracks of the album. Even more explicitly, the listeners' interest in music is referred to by the program-makers in connection to the listener competitions, as the following excerpt about a competition for the *Valiolevy*-album of the week (*"the best new album chosen weekly by the program-makers"*) illustrates:

"I'm holding this week's Valiolevy-album or -box in my hands, 22-Pistepirkko's The Singles -box with CDs, a DVD and all kinds of special features. A handsome band, one of the most personal Finnish bands ever, deserves a handsome box and with such a box we are awarding one of you in this program. ... Let's have a similar competition as last week with Kauko Röyhkä; what would be the best 22-Pistepirkko-album to start digging in the discography of the band? The early part includes The Kings of Hong Kong and the latest album Lime Green Delorian came out last year. What do you think is the best album to be recommended for those who have only now fallen for the sound of the band?"

The competitions typically award the winners with CDs or concert tickets, and call for music-related knowledge and opinions as the excerpt above illustrates. In this example, the competition for the *Valiolevy*-box requires knowledge and opinions about the discography of the Finnish band *22-Pistepirkko* so that one is able to make an insightful recommendation and participate in the competition. On one hand, the competition results in recommendations for those who don't know the band. On the other hand, the program-maker does not address *22-Pistepirkko*-fans alone but the listeners more generally, who are hence assumed not only to know the band, but also to agree on some of its merits to be willing to recommend it for others and to compete for their box set. *22-Pistepirkko* has achieved some mainstream popularity but is more commonly held as a "*personal*" cult band as the program-maker notes. Consequently, the excerpt illustrates a common way in which the program-makers indicate the listeners' interest in, and taste for, music beyond or distinct from the mainstream.

³ *Kuudes Aisti* -festival is characterized as an urban "subcultural celebration" that brings "the world's most fascinating cult heros" to Helsinki. The festival was organized for the first time in 2012. (*Kuudes Aisti festival 2012.*)

Secondly, the listeners' interest in music is depicted through their own comments and statements that are continuously incorporated into the broadcasts and play the leading role in certain parts such as the previously mentioned competitions or *Toive30*, where 30 minutes of music is chosen according to the wishes of the listeners. However, the new technology combined with the distinctive concept of Radio Helsinki enables the listeners to communicate with the program-makers, and the program-makers to take the listener comments into account at any part of the live broadcasts as the following statement by a program-maker illustrates:

"You are welcomed to send your messages to the studio, whatever it is you have to say will indeed be taken into account!"

The program-makers of Radio Helsinki are not bound by the station-controlled playlists but by the professional DJ practice that builds on their skills, commitment, and judgement as discussed before, but is also very adaptive as the excerpt above illustrates. Consequently, the data construct the listeners keen on taking the opportunity to give feedback and comments on the played music and to make their own suggestions and wishes, which delineate their interest in music as the following examples illustrate:

"Mikko writes on the shoutbox about the producer Rick Rubin that his chief merit lies in stripping the music from all its extra layer; it leaves more skin in sight and feels better. That is a fine analysis and hits at the very core."

"Olli asks how would Tom Jones's blues album from 2012 sound in this company and it would certainly sound great! Unfortunately I didn't bring it with me today but when it comes to the producers like before, there the production of Ethan Johns is excellent."

The two excerpts above illustrate how the listeners' personal and knowledgeable insights are continuously incorporated into the broadcasts. Here, the listeners' interest in music is depicted by their knowledge and opinions about the producers who typically remain less known to the general public than the artists. More generally, by the insightful comments and statements on the station's music selection that features virtually any kind of music imaginable, and by extending this musical diversity with their own suggestions, the listeners both add to the individualist taste discourse and collectively specify their personal tastes distinct from the relatively narrow selection of music offered by the other radios in Finland. Moreover, this kind of listener contribution, and its constant acknowledgement by the program-makers as in the excerpts above, indicates and builds listener commitment, and challenges the predominant way of thinking about radio listening as low-involvement entertainment

consumption. Rather, the data underlines the active and co-creative role of the listeners as illustrated through the following statement by a program-maker:

"It is more than allowed to share your information on the shoutbox as it's impossible for me to know everything, together we are more! When you know and I know something on top of that, it is a whole bunch of knowledge!"

On one hand, the program-makers encourage the listeners to contribute their skills and knowledge to the broadcasts, and hence extend the cultivation of cultural capital and taste to a collective effort as illustrated by the statement above. On the other hand, the data clearly indicates the listeners' willingness both to contribute to and to build their own stock of field-dependent cultural capital that accrue from their distinctive interest in music. Such an orientation is manifested by the program-makers, for example, in the continual references to the station's website, where the playlists of each broadcast are published with direct links to the online music streaming service Spotify, inviting the listeners to explore the played artists further. Moreover, the listeners themselves represent the orientation towards cultural capital as a shared feature that connects them with the other listeners as the following excerpt illustrates:

"Johan writes on the shoutbox: For the information of Nick Lowe fans, an American indie label Brewery Records published already in 2005 a double album Lowe Profile – A Tribute to Nick Lowe. A recommended album this one as well, a useful reminder, thank you for that."

Here, standing in stark contrast to low-involvement entertainment consumption, a listener indicates his commitment to the station and willingness to contribute by spontaneously sharing a piece of information about an artist, who is rarely played on mainstream radios but is clearly, in both his and the program-maker's opinion, of interest to the listeners and the program-makers of Radio Helsinki. Sustaining the individualist taste discourse, the listener addresses those who like the artist, but also brings forth his specific music-related knowledge that confers his status in the ears of the relevant beholder. In other words, the data stresses not only the importance of aesthetic pleasures and field-dependent cultural capital gained through listening to and participating in Radio Helsinki's alternative broadcasts, but also the possible gains that accrue from connecting and creating relationships with the like-minded others, as will be elaborated in the next chapter.

To conclude, the data suggests that Radio Helsinki has succeeded in positioning itself as an alternative to the mainstream radios, attracting an audience who share a particular interest in music. That is, similarly to the program-makers and the music selection of

Radio Helsinki, the listeners and their taste for music is constructed special and different from those of the “*dozens of other channels*”. Building on the listeners’ distinctive interest in music beyond the kind of music played on the other radios in Finland, the data challenges the predominant idea of radio listening as low-involvement entertainment consumption. Rather, the commitment and willingness to contribute to the broadcasts with insightful comments and suggestions construct the listeners of Radio Helsinki as active co-creators, not only pursuing their personal purposes but also engaged in the collective effort towards cultural capital that connects them both with the program-makers and with each other.

6.2.3 *Relationships*

Radio Helsinki has been at the forefront to adopt web-based technology to reinforce the one-way communication through its broadcast network with computer-mediated communication so that the estimated 100 000 weekly listeners (Radio Helsinki 2012) are able to share their views and to engage in a dialectic interplay both with the program-makers and with each other. In this environment, the listeners are not viewed as passive targets or recipients of the broadcast content, but as active participants and co-creators, whose personal and knowledgeable insights are continuously incorporated to the basic service-providing offering that the station represents, as discussed before. Consequently, relationships in Radio Helsinki are not conducted on one-to-many basis as with traditional mass media entertainment. Rather, standing in stark contrast to the mere transmission of music and musical knowledge, the dominant relationship-discourse identified in the data depicts Radio Helsinki as organizing interaction and creating a desirable virtual “space” (Kozinets 1999) for a group of people, who share enthusiasm for, and knowledge of, music beyond the kind of music played on the other radios in Finland. The data constructs a shared mode of being, and communal relationships among the program-makers and the listeners, drawn together in “*friendship*” as illustrated by the slogan of the station:

“You are among friends.” (Slogan of Radio Helsinki)

While *friendship* can serve as a metaphor and normative framework to a mutually beneficial and continuous service provider-customer relationship (e.g. Price & Arnould 1999), the slogan of Radio Helsinki indicates communal relationships among a group of actors. More specifically, it orientates both the program-makers and the listeners towards nurturing a cooperative spirit and constructs the sense of belonging to a community of like-minded friends. Firstly, the relationships in Radio Helsinki

symbolically obtain the ideas of mutual assistance and reciprocity typically involved in a friendship, encouraging all members of the community to collaborate and serve as *friends* by sharing one's knowledge and opinions as the following excerpts illustrate:

“So, dear friends, have an excellent weekend! Be kind to yourself and to your friends, and you’ll receive it all back a thousand times. This was my fortune cookie for the weekend, thank you for this week and we will hear of each other again next week!”

“Shoutbox-friends, thank you for your messages!”

“Remember dear friends www.radiohelsinki.fi, where you’ll find the online radio, broadcast information, competitions, the playlists right after each program, and of course the shoutbox through which you can stay in contact with the studio.”

In the first, somewhat ironizing excerpt, the program-maker underlines mutual helping and peer support as the virtues of a friendship, while the latter excerpts serve as examples of the way these are connected with contributing to the broadcasts. In other words, the excerpts above illustrate the discursive activities that construct the contribution of both the program-makers and the listeners as a project of mutual helping and peer support in the spirit of a friendship. Secondly, the way the program-makers repeatedly refer to themselves and to the listeners of the station as *friends*, constructs an image of a shared mode of being and a sense of belonging to a community also for those who are not active in sharing their knowledge and opinions as illustrated by the following excerpts:

“You never have to be alone, friends are always close to you. When you open the radio and when you hear this music, you are among friends. I am your friend.”

“Thank you dear friends for choosing Radio Helsinki 88,6 Mhz.”

“Hope you have enjoyed my company, our company.”

“So nice that you are with me in this broadcast!”

“Although it is November, we can spend good time in a good company.”

The excerpts above illustrate the discursive practices of constructing a community of friends that serves as a reference group also for those who do not seize the opportunity for interaction but simply turn on Radio Helsinki. In other words, the notions of friend and friendship construct Radio Helsinki as a common space that draws the program-makers and the listeners together based on their mutual interest in the distinctive content of the station. The affiliative relationships are then deepened in interaction that nurtures

the belief of a company that shares enthusiasm for, and knowledge of, music that is different from the mainstream. On one hand, interaction comprises *othering* (e.g. Hall 1997) and active construction of difference between Radio Helsinki and the other radio stations in Finland, particularly with regard to music as discussed before. An illustrative example is the popular weekly program *Paskalista* (“shit list” in Finnish) that is “*specialized in bad music*”, generally referring to the kind of music that is played on the most Finnish radios. On the other hand, interaction has an important effect on the perception of similarity and the emotional connection to the like-minded others, and the belief that they have and will share music-related feelings and experiences as illustrated by the following dialogue:

“Love is the Baddest Blues was performed to us by a singer called Beth Hart, who has found a way to my heart through her new album Bang Bang, Boom Boom. Somehow this American woman, already in her 40s, has an absolutely brilliant sound! ... And it is the sound that matters, you should really check her out if you like this kind of soul music with a twist of rock: Beth Hart, H-A-R-T.”

“Katja asks through the shoutbox, who is this excellent female singer? And apparently she refers to Beth Hart.”

“And Jerry writes on the shoutbox: Yesterday we had our 20th informal Record Panel and heard the wonderful singing by Beth Hart, Janis Joplin may rest in peace. Janis Joplin really is a good comparison!”

The dialogue above illustrates how the mutual enthusiasm for, and knowledge of, the variety of music that is played on Radio Helsinki is constructed in the interplay among the program-makers and the listeners, whose feelings and experiences are frequently expressed in the data. On one hand, they concern individual pieces of music as illustrated by the following examples:

“This one (piece of music) brought a wonderful, beautifully gloomy feeling.”

“This one brings me to the Friday-mood!”

“This one brings comfort to such a grey Sunday.”

“This one makes me feel like running.”

“It’s nice to throw oneself into the arms of this song.”

“I became really happy from listening to this one!”

On the other hand, these statements concern music in general, such as the following quote by a program-maker:

“It doesn’t matter if it feels like the sky is falling, and sometimes it even seems so like at this very moment. You can still find the light inside of you, even if you can’t see it through the clouds. The music, it really helps. I have so often experienced it in my own life, and I don’t think I’m the only one in this matter.”

The emotional responses in the excerpts above illustrate the variety of symbolic properties that individual pieces of music carry for the actors engaging in the broadcasts, hence sustaining the individualist taste discourse discussed before. However, they also reveal the mutual positive meaning of “*the wonderful world of music*” constructed primarily in the virtual space around Radio Helsinki. Moreover, the data indicates the opportunity for face-to-face interaction in the variety music-related events promoted in the broadcasts, including the station’s own monthly club event in Helsinki. In other words, the data suggests that program-makers and the listeners have and will share music-related feelings and experiences, which deepens the sense of communal *friendships* among them.

To conclude, the data suggests that relationships in Radio Helsinki are not conducted on one-to-many basis as with traditional mass-media entertainment. Rather, the distinctive concept of the station allows for the formation of an interconnected structure of relationships, which is both played out in and enabled by the broadcasts. Within the dominant relationship discourse identified in the data, this structure, generally attributed with the notion of *friendship*, creates a strong sense of membership among a group of actors who share enthusiasm for, and knowledge of, music beyond the kind of music played on the other radios in Finland. The collaborative and interdependent relationships are at the heart of the value co-creation framework (e.g. Vargo et al. 2010), and in the present case, are displayed not only as the conditions, but also as the consequences of value co-creation in the form gains that accumulate from connecting with the like-minded others.

6.2.4 Value

As discussed in the previous sections, the core service of Radio Helsinki builds on the irreverent playlist-free “format” through which the station stands out within the contemporary Finnish radio market. In the data, the station’s approach to music is constructed as a rare alternative to the “narrow-minded” approaches of other media for music exchange and distribution, which in turn is conducive of the idea of a music selection that features virtually any kind of music imaginable. However, the data suggests that Radio Helsinki isn’t simply a provider of the diverse music content. Rather, the service of the station is constructed as dependent on the involvement of a

number of resource integrators and the collaborative relationships among them. In particular, the data underlines the co-creative roles of the program-makers and the listeners who, by engaging in the broadcasts, refine their personal tastes, contribute to the collective effort towards field-dependent cultural capital, and connect with like-minded others. In other words, the identified themes or processes of negotiation concerning *exchange*, *resources*, and *relationships* work closely together as the process that constitutes the unique *value-in-context* that Radio Helsinki represents.

The whole process of value co-creation is embedded in and mediated through the meaningful dichotomy of Radio Helsinki versus the other radios in Finland. Radio Helsinki does not categorize its target audience with music preferences but from the listener perspective, it is clearly positioned as an alternative to the station-controlled playlists and strict music formats of “*the dozens of other channels*”. In other words, the data suggests that the listeners are self-selected to those who share an interest in and taste for music beyond the kind of music played on the mainstream radios. Consequently, the aesthetic responses to the music selection of Radio Helsinki are common in the data, as the following example of the previously discussed excerpts illustrates:

“Tasty and sophisticated, as always.”

The example above illustrates how the music selection of Radio Helsinki is often adhered to the listeners’ personal tastes for music, suggesting that the value-in-context includes the aesthetic pleasures from hearing the preferred kind of music. However, the exceptional variety of musical styles broadcast on Radio Helsinki and the identified individualist discourse through which taste for music is constructed in the data suggest that the aesthetic pleasures alone do not provide the basis for value creation. Rather, value creation seems to build on the idea of a music selection that might feature the preferred kind of music but is foremost something different, as the following example illustrates:

“Excellent music! The best thing about Radio Helsinki is that the perspective to music doesn’t have to be narrow-minded, thank you.”

The example above illustrates how the listeners’ appreciation for hearing the preferred kind of music is essentially appreciation for Radio Helsinki’s playlist- and format-free “format” and the concurrent idea of a music selection that might feature, not just the preferred kind of music, but virtually any kind of music imaginable. In this way, the value proposition of Radio Helsinki includes, not only the aesthetic pleasures, but also the opportunity to learn and hence refine one’s personal taste for music. In contrast

to the mainstream radio formats where broadcast hosts or DJ have little or no influence over the structures or playlists of the programs, the data suggests that the distinctive music-related content of Radio Helsinki is grounded in professional DJ practice and the *skills, commitment, and judgement* of the professional program-makers who are deeply engaged in the music field and possess a high volume of field-dependent cultural capital that is valued by the listeners. However, the program-makers are not simply informing and involving the listeners on one-to-many basis as with traditional mass media communication. Rather, the data underlines the active and co-creative role of the listeners, as the following example illustrates:

"It is more than allowed to share your information on the shoutbox as it's impossible for me to know everything, together we are more! When you know and I know something on top of that, it is a whole bunch of knowledge!"

The example above illustrates how the effort towards the cultivation of cultural capital and taste is extended to the listeners. Building on the new technology and their distinctive interest in music, the listeners of Radio Helsinki are constructed as both *committed* to the station and *willing* to contribute to the broadcasts with their comments, statements, and suggestions. The personal and knowledgeable insights of the listeners are often acknowledged by the program-makers and incorporated into the broadcasts. In this way, the data differentiates Radio Helsinki from the mere transmission of media content and challenges the predominant idea of radio listening as low-involvement entertainment consumption. Rather, the station encourages its listeners to engage in dialectic interplay with the program-makers and with each other. In other words, Radio Helsinki is constructed as organizing a desirable virtual space that enables the program-makers and the listeners to pursue, not only aesthetic pleasures and cultural capital, but also the gains that accumulate from connecting with like-minded others, as the following example illustrates:

"Although it is November, we can spend good time in a good company."

The example above illustrates how Radio Helsinki is constructed as a common space that draws the program-makers and the listeners together based on their mutual interest in the distinctive content of the broadcasts. The communal relationships, played out in and enabled by broadcasts, are then deepened in interaction that sustains the individualist taste discourse but nurtures the belief of a company that shares the enthusiasm for, and knowledge of, music that is different from the mainstream. In particular, the commonly expressed emotional responses construct the perception of similarity among program-makers and the listeners, and foster the belief that they have

and will share music-related feelings and experiences. Consequently, value-in-context seems to include the sense of membership within a community of like-minded others. Moreover, the whole process of value co-creation is rendered understandable as mutual helping and peer support, as abstracted by the slogan of the station:

“You are among friends.”

To conclude, value co-creation in Radio Helsinki is embedded in and mediated through a particular marketplace culture – a system of cultural discourses and discursive practices – that relates to all four components of value co-creation as suggested by SDL: exchange, resources, relationships, and value. Moreover, the processes of negotiation concerning exchange, resources, and relationships work closely together as the process that constitutes the unique value-in-context that Radio Helsinki represents, as summarized in Figure 4 below:

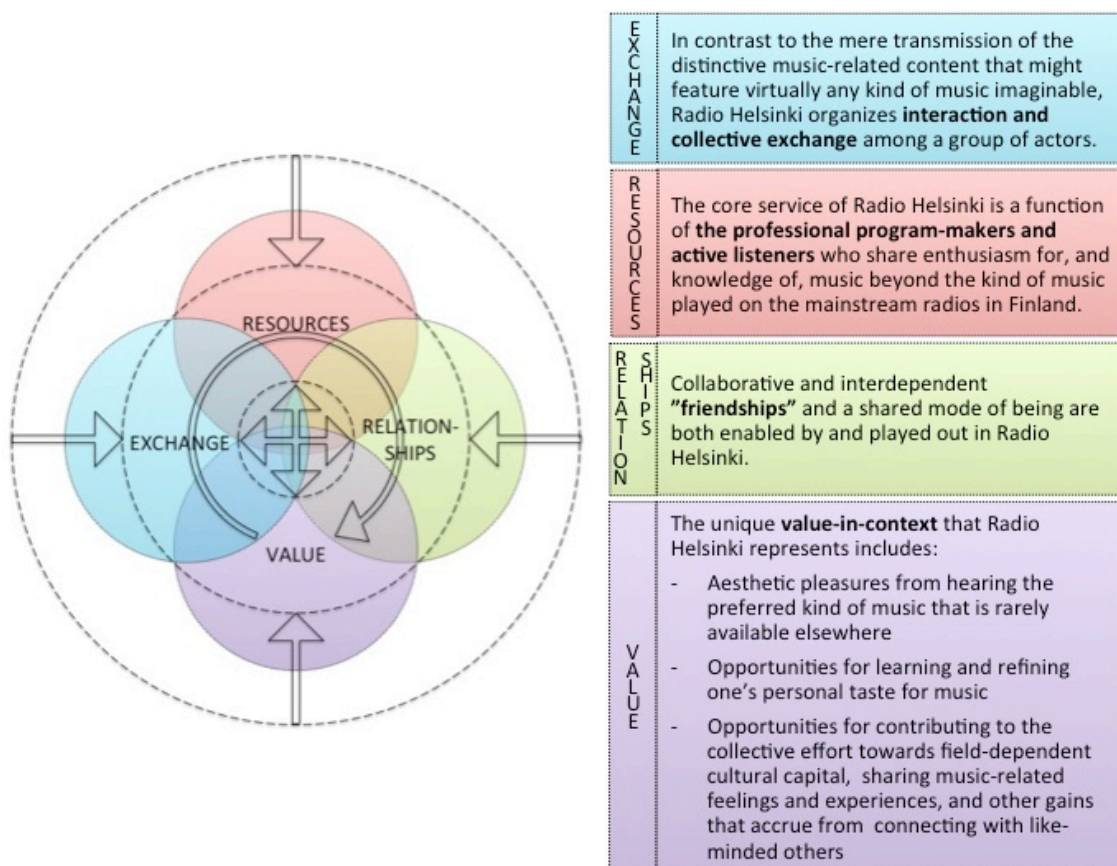


Figure 4: Value co-creation in the marketplace culture around Radio Helsinki

The findings of the empirical analysis reveal cultural practice through which the components of value co-creation are constructed in the marketplace culture around Radio Helsinki (Figure 4). In line with the theoretical framework of the study, the

findings illustrate how the concept of marketplace culture clarifies the duality of the context of value co-creation and exemplify the application of practice-oriented cultural approach to explore the complex intertwining of structure and agency in the co-creation process. Within the next chapter, I'll discuss this theoretical contribution of the study in more detail.

7 DISCUSSION AND CONCLUSION

This study set out to investigate *how value is co-created in a marketplace culture* with the purpose to broaden the current understanding of service-dominant logic of marketing (SDL). Through the integration of a cultural approach informed by Consumer Culture Theory (CCT), I theoretically develop and empirically illustrate a new framework for understanding value and value co-creation. In this chapter, I'll discuss and elaborate on the contribution of the study, and conclude with implications for practitioners and further research.

7.1 Theoretical contribution and discussion

The concept of value co-creation (Grönroos 1994, Prahalad & Ramaswamy 2004) has been gaining attention in marketing and consumer research as the understanding of value creation has transitioned away from the focus on the activities of producers or consumers to the participation and interaction of multiple economic and social actors. This integrative view on value and value creation is central to service-dominant logic of marketing (SDL) (Vargo & Lusch 2004). By placing service through resource-integration at the centre of exchange phenomena, SDL suggests that value is created collaboratively in interactive configurations of resources and actors (e.g. Vargo et al. 2010). Recently, SDL's elaborations on this type of value-creating configurations have grown increasingly complex in relation to their contextualization (e.g. Edvardsson et al. 2011, 2012; Vargo & Lusch 2011, 2012) and constitute the point of departure for addressing the main research question of the present study: *How is value co-created in a marketplace culture?*

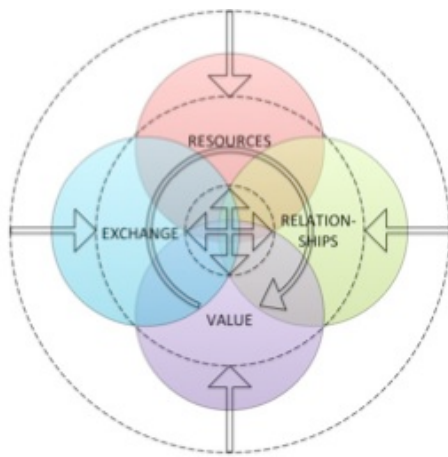
Based on the conducted literature review, the current emphasis of SDL is on the contextual nature of value and the importance of shared institutions and structures that both influence and are influenced by the reciprocal service exchange (Ch. 2). In particular, the elaborations on *value-in-context* (see Vargo et al. 2008) and *service ecosystems* (see Vargo & Lusch 2011) orient one, not only to explore the entire process from production through consumption, but also to zoom out to the “dualistic, dynamic, resource-integrating (through service exchange), enabling, and constraining interplay between agency and structure in value (co-) creation” (Vargo & Lusch 2012). Whereas prior research has proposed sociology-based approaches to advance this emerging understanding of SDL (e.g. Edvardsson et al. 2011, 2012), the present study argues for the integration of the substantial body of literature concerned with cultural perspectives to marketplace phenomena – Consumer Culture Theory (CCT) (Arnould & Thompson 2005).

From sociology-based approaches, value co-creation takes place in social context in which institutional realm and human action are intertwined through the iterative and interactive process of social construction as implied by structuration theory (Giddens 1984) and other social construction theories (see Edvardsson et al. 2011). The integration of CCT literature extends this view from a cultural perspective that reconsiders marketplace as a dynamically evolving and profoundly cultural context. From this perspective, marketplace phenomena are not explained through subjective purposes, intentions, and interests of individual actors nor through the normative structures outside the reach of them. Rather, the focus is on the process of cultural construction framed by shared meanings and practices that are continuously negotiated in consumer and *marketplace cultures*. (Ch. 3.)

The theoretical positioning of this study is based on a cultural approach that is informed by and contributes to existing literature on CCT and *study of marketplace cultures*; a subfield of CCT research addressing “how marketplace phenomena reconfigure cultural blueprints for action and vice versa” (Arnould & Thompson 2005). In contrast to the lack of references to social construction theories in empirical marketing and consumer research (see Edvardsson et al. 2011), study of marketplace cultures is characterized by rich empirical analysis and has been able to explore this form of reflexivity through the focus on distinctive, fragmentary, self-selected, and sometimes transient cultural worlds embedded within different marketplace activities and contexts (e.g. Schouten & McAlexander 1995, Kozinets 2001, Thompson & Troester 2002, Rokka & Moisander 2009, Arsel & Thompson 2011, Cronin et al. 2014). Consequently, to provide insights to how value is co-created in contemporary market environments, the present study extends the elaborations of social aspects of co-creating value-in-context (e.g. Edvardsson et al. 2011, 2012; Högström & Tronvoll 2012) through exploring the nature of value and the process of value co-creation within a marketplace culture.

The main contribution of this study is a new framework for both conceptualizing and analysing value co-creation within contemporary market environments in general, and within marketplace cultures in particular (Ch. 4). The framework makes two specific propositions for applying CCT-informed cultural approach to SDL and value co-creation:

The first proposition is that the context of value co-creation is reconsidered as a dynamically evolving cultural context (Figure 5).

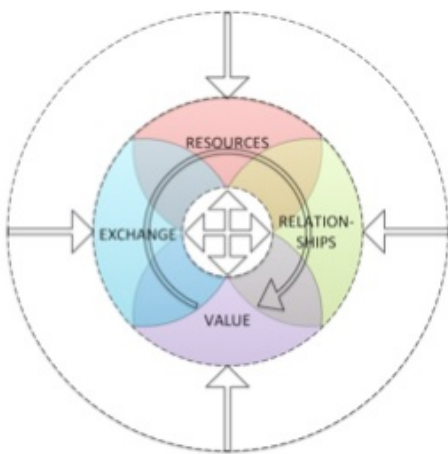


Proposition 1: The context of value co-creation is reconsidered as a dynamically evolving cultural context

Figure 5: Proposition 1

Conforming to the recent elaborations of SDL, the present study suggests that value co-creation not only draws on resources accessed through relationships and exchange among actors but also depends on a multi-layered and nested context that evolves relative to individual efforts to integrate resources. Through the integration of CCT-informed cultural perspective, the phenomenon is located within a cultural context. The illustrated framework of the study (Figure 5) delineates three interrelated of cultural context: *micro*, *mezzo* and *macro* levels. In line with study of marketplace cultures, the framework stresses the primary importance of mezzo-level unit of analysis between subjective purposes, intentions, and interests of individual actors (micro-assessments) and the normative structures outside the reach of them (macro-assessments) to capture the “dualistic, dynamic, resource-integrating (through service exchange), enabling, and constraining interplay between agency and structure in value (co-) creation” (Vargo & Lusch 2012).

The second proposition is that the whole process of value co-creation can be understood as an essentially cultural phenomenon (Figure 6).



Proposition 2: The whole process of value co-creation can be understood as an essentially cultural phenomenon

Figure 6: Proposition 2

Within the proposed framework, the context of value co-creation is not separated from the culturally constructed reality where the shared ways to ascribe meaning to the world form a particular blueprint for action and sense-making interpretations that is continuously negotiated among individuals. Consequently, the whole process of value co-creation can be understood as an essentially cultural phenomenon in which the actors involved draw upon and actively negotiate the culturally shared meanings regarding the main components of value co-creation: *exchange*, *resources*, *relationships*, and *value* (see Akaka et al. 2012) (Figure 6). While much of the existing literature on SDL has concerned itself with discussing value co-creation on the level of theory, the integrated CCT-literature provides means to both conceptualize and analyze value co-creation as cultural practice through which this negotiation takes place in particular marketplace cultures.

There is no single or fixed methodological perspective or set of methods to address culture and cultural practice in the marketplace (e.g. Arnould & Thompson 2005, Warde 2005, Moisander & Valtonen 2006, Askegaard & Linnet 2011, Halkier & Jensen 2011, Thompson et al. 2013). To illustrate how the concept of marketplace culture clarifies the duality of the context of value co-creation and how the methodological heteroglossia of CCT research helps to explore the complex intertwining of structure and agency in the co-creation process, the empirical part of the study follows the principles of *Analytics of Cultural Practice* (ACP) presented by Moisander and Valtonen (2006) (Ch. 5). The findings of a qualitative case study focusing on cultural practice through which value is co-created in the marketplace culture around Radio Helsinki (Ch. 6) empirically illustrate the proposed framework and the importance of cultural considerations to practitioners and researchers who wish to expand understanding of value co-creation in contemporary market environments. In the following sections, I'll conclude the study with the implications for practitioners and further research.

7.2 Implications for practitioners

The extensive literature on CCT argues for the importance of culturally oriented marketing and consumer research to improve understanding of the complexity and dynamics of contemporary market environments. In line with the prior research, the present study suggests that cultural considerations are of importance also to the practitioners who wish to advance (co-) creation of value, the central purpose of all exchange. In the present study, the rising importance of social and cultural embeddings is exemplified by music market that was structured around physical product and bound to company-centric, top-down music production for decades. In the current situation, in which artists, firms, and consumers *co-create* music offerings increasingly in intangible

forms (e.g. Ordanini & Parasuraman 2012), the proposed culturally-oriented framework helps market practitioners to improve their ability to recognize and understand the various context-specific occasions that remain outside the notions of industrial music production but are critical for value creation.

In the present study, the proposed framework is applied to abstract cultural practice through which value is co-created in the marketplace culture around Radio Helsinki. The findings of the empirical study, conducted in the end of 2012, reveal the particular processes of negotiation concerning exchange, resources, and relationships that work closely together as the process that constitutes the unique value-in-context that the station represents, further illustrated in 2013 through the popular movement to save Radio Helsinki after the announcement that the owner will shut down the unprofitable station (Stenger 2013). The understanding of the marketplace culture is of importance to the new owners of Radio Helsinki who gave the station a new start in early 2014. For example, the findings of the empirical analysis suggest that in many ways, the marketplace culture around Radio Helsinki exhibits the sensibilities of the *indie* community of consumption connected in the favourism for alternative objects and experiences (Arsel & Thompson 2011) and the process of value co-creation is hence embedded in and mediated through the meaningful dichotomy of Radio Helsinki versus the mainstream radios. Consequently, in pursuing the effort to turn the operation profitable, the distinctiveness of Radio Helsinki is critical for retaining the unique value-in-context that the station currently represents.

7.3 Implications for further research

Despite what has been termed the natural alliance between SDL and CCT (Arnould 2007), the studies unfolding the overlaps and distinctions of the two are rare. However, the integration of CCT and SDL has begun (e.g. Peñaloza & Mish 2011, Akaka et al. 2013), and the present study reports some evidence of the possibilities of cross-fertilization of the two emerging streams of marketing and consumer research. More empirical research, however, is required to expand the understanding of value co-creation in cultural context as proposed by the framework of the study.

More generally, in contrast to the concerns over the fragmentation of the field and the lack of a singular body of theory, the present study contends that marketing and consumer research is enhanced by a form of interaction “whereby theoretical insights and constructs from one paradigmatic conversation are reconceptualised and reworked in relationship to a different paradigmatic vernacular” (Arnould & Thompson 2005). Consequently, through the integration of a CCT-informed cultural approach to SDL’s elaborations on value co-creation, it is hoped that the present study encourages further

cross-fertilization of insights from the different streams of marketing and consumer research, and beyond.

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APPENDICES

Appendix 1: Summary of the programs of Radio Helsinki (Radio Helsinki 2012)

Name of the program	Description
8 ½	Special program for indie music
Aamusoitto	Early morning playlist
Asian ytimessä	Discussion and music around varying themes.
El mundo	Music program
Helsingin aamuradio	Morning show (from 7 to 9 am), Music program (from 9 am to noon)
Helsingin Henki	Music program
Iltasoitto	Evening playlist
Iskelmäiltama	Special program for old Finn-hits
Jytäperjantai	Music program
Kohti valoa	Special program for rhythm music
Koirankoppi	Special program for rap music
Kompostiradio	Special program for reggae and dancehall
Kyselytunti	Discussion with varying guests
Lauantaidisko	Special program for indie-disco
Levylaukku	Discussion and music with varying guests
Little Steven's Underground Garage	Special program for rock n roll
Musaneuvosto	Discussion around music
Musiikinlahja	Special program for marginal music
Norpan maailma	Music program
Norsuradio	Discussion around current topics
Paskalista	Special program for bad music
Planetaario	Music program
Pop-puutarha	Music program
Radio Nuorgam	Music program
Rakkaudesta	Music program
Supersunnuntai	Music program
Tahtilaji	Special program for rhythm music
Terraario	Music program
Tukevasti ilmassa	Discussion around current topics

Tyyliä takaisin	Special program for rhythm music
Uusi Aalto	Special program for indie music
Valiojoukko	Music program